

# **ATHLETIC DEPARTMENT UNIVERSITY OF LOUISIANA AT MONROE**

**UNIVERSITY LOUISIANA SYSTEM  
STATE OF LOUISIANA**

**FINANCIAL AUDIT SERVICES**

**Agreed-Upon Procedures Report  
Issued January 24, 2024**

**LOUISIANA LEGISLATIVE AUDITOR  
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January 11 ,2024

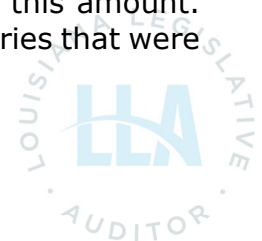
Independent Accountant's Report on the  
Application of Agreed-Upon Procedures

**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 athletic 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, 2023. 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 athletic 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 athletic 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 was not deposited timely and the 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 legislation, 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, 2023.

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 that the University did not properly record \$110,000 of revenue related to royalties, licensing, advertisements, and sponsorships; however, the University made the necessary adjustments to correct its Statement for the error.

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, 2023, to June 30, 2022, 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. 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.

2. 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.

3. 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.

4. We were to obtain and review 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.

There were no contributions received directly by the University during the reporting period that constituted 10% or more of all contributions received for intercollegiate athletics.

5. 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.

#### **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 2023 NCAA Agreed-Upon Procedures. We recalculated the totals for each sport and overall.

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

We found three students had unallowable expenses (cost of attendance components) included in grants-in-aid revenue distribution equivalencies. Additionally, ULM incorrectly used \$1,300 as the cost of books in their grant in aid calculation for each student instead of \$800 as provided in the NCAA guidelines.

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 and one men's and 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 and 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 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 sources of the funds, goods, and services, as well as the value associated with these items, were properly disclosed in the notes to the Statement.

There were no individual contributions received directly by the University during the reporting period that constituted 10% or more of all contributions received for intercollegiate athletics (see note 1 to the Statement).

2. We obtained a description of the University's policies and procedures for acquiring, approving, depreciating, 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 athletic 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 these 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
<b>Revenues</b>						
Contributions	\$339,063	\$62,599	\$26,212	\$926,881	\$41,660	\$1,396,415
In-kind	37,850	6,600	2,012	113,601	16,664	176,727
Total revenues	<u>376,913</u>	<u>69,199</u>	<u>28,224</u>	<u>1,040,482</u>	<u>58,324</u>	<u>1,573,142</u>
<b>Expenses</b>						
Athletic student aid	1,020	105		3,376		4,501
Coaching salaries, benefits, and bonuses paid by the University and related entities	116,709	22,383	8,956	129,234		277,282
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	6,000		4,817		15,943	26,760
Recruiting	4,249	422	1,111	3,377		9,159
Team travel	(23,989)	4,393	502	19,410		316
Sports equipment, uniform, and supplies	25,992	2,857	2,447	74,916		106,212
Game expenses	1,741	3,309	889	45,148	76	51,163
Fundraising, marketing, and promotion	45,111	1,500		197,605	26,205	270,421
Sports camp expenses	4,126					4,126
Athletic facilities debt service, leases, and rental fees	99,602					99,602
Direct overhead and administrative expenses	6,209	23,507	1,868	515,691		547,275
Medical expenses and insurance	29			2,300	7,113	9,442
Memberships and dues		770		2,531		3,301
Student-athlete meals (Non-Travel)	404	2,108	58	11,383	1,419	15,372
Other operating expenses	89,710	7,845	7,576	35,511	7,568	148,210
Total expenses	<u>\$376,913</u>	<u>\$69,199</u>	<u>\$28,224</u>	<u>\$1,040,482</u>	<u>\$58,324</u>	<u>\$1,573,142</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES</b>						
	<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's statements were audited by an independent certified public accountant for the year ended June 30, 2023. The audit report dated September 20, 2023, 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 (CRDE) 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 inquired and documented explanations for variances greater than +/- 4%.

We identified variances greater than +/- 4% in baseball, football, soccer, softball, volleyball, men's and women's golf, and men's and women's cross country/track. Management represented that due to turnover in athletic department personnel, they are unable to provide explanations for any of these variances.

- (c) We obtained the University's Sports Sponsorship and Demographics Forms submitted to NCAA Research for the reporting period and validated that the institution's countable NCAA sports reported met the minimum requirements set forth in NCAA Bylaw 20.10.6.3 for 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 current-year number of Sports Sponsored to 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 value 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.

The current year Pell Grant total increased by 23 from the prior year. In previous years, the report used by the University to report the number of athletes receiving Pell included only those students receiving Pell and other financial aid. The current year Pell Grant total reported any student athlete who received a Pell Grant regardless if any other financial aid was received.

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 Athletic Department or on its compliance with NCAA Bylaw 20.2.4.17 or on the effectiveness of the University Athletic Department's internal control over financial reporting or compliance for the year ended June 30, 2023. 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

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**UNAUDITED**

**Statement A**

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

**Statement of Revenues and Expenses  
For the Year Ended June 30, 2023**

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>REVENUES</b>						
Operating revenues:						
Ticket sales	\$404,901	\$142,893	\$11,280	\$129,860		\$688,934
Student fees					\$204,498	204,498
Direct institutional support	1,225		87,340	421,236	6,989,434	7,499,235
Indirect institutional support - athletic facilities debt service, lease, and rental fees					934,450	934,450
Guarantees	3,965,000	195,000	20,000	13,500		4,193,500
Contributions	339,063	62,599	26,212	926,881	55,904	1,410,659
In-kind	125,246	6,600	2,012	192,085	16,664	342,607
NCAA distributions					747,003	747,003
Conference distributions (non media and non-football bowl) Program, novelty, parking, and concession sales	21,031			800	2,797,727	2,797,727
Royalties, licensing, advertisement, and sponsorships					501,386	501,386
Other operating revenue	22,044			11,189	65,739	98,972
Total operating revenues	<u>4,878,510</u>	<u>407,092</u>	<u>146,844</u>	<u>1,695,551</u>	<u>12,312,805</u>	<u>19,440,802</u>
<b>EXPENSES</b>						
Operating expenses:						
Athletic student aid	2,151,533	337,216	412,673	2,583,998	8,384	5,493,804
Guarantees	250,000	15,000	26,750	9,000		300,750
Coaching salaries, benefits, and bonuses paid by the University and related entities	2,062,961	602,866	504,753	1,437,073		4,607,653
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	394,167	85,473	66,251	84,912	1,620,784	2,251,587
Recruiting	213,991	39,755	59,976	86,954		400,676
Team travel	751,380	174,086	237,634	1,048,363		2,211,463
Sports equipment, uniforms, and supplies	457,450	40,059	97,333	430,138	62,858	1,087,838
Game expenses	339,469	210,103	184,644	336,409	15,256	1,085,881
Fundraising, marketing, and promotion	53,419	2,176	3,779	201,949	62,462	323,785
Sports camp expenses	4,126					4,126
Athletic facilities debt service, leases, and rental fees	99,602				934,450	1,034,052
Direct overhead and administrative expenses	30,989	24,556	2,908	526,689	49,062	634,204
Medical expenses and insurance	129,549	27,107	50,490	376,149	7,113	590,408
Memberships and dues	44,435	20,349	41,155	46,811	123,462	276,212
Student-athlete meals (non-travel)	205,304	22,494	36,116	81,588	39,825	385,327
Other operating expenses	184,731	11,706	24,999	76,628	130,405	428,469
Total operating expenses	<u>7,373,106</u>	<u>1,612,946</u>	<u>1,749,461</u>	<u>7,326,661</u>	<u>3,054,061</u>	<u>21,116,235</u>
<b>EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENSES</b>	<u>(\$2,494,596)</u>	<u>(\$1,205,854)</u>	<u>(\$1,602,617)</u>	<u>(\$5,631,110)</u>	<u>\$9,258,744</u>	<u>(\$1,675,433)</u>



# **NOTES TO THE FINANCIAL STATEMENT**

## **(Unaudited)**

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### **1. CONTRIBUTIONS**

The University of Louisiana at Monroe Athletic Foundation is the only individual or outside organization that contributed monies, goods, or services directly to the athletic department that in the aggregate exceeded 10% of the total contributions included in Statement A. No individual contributions were received directly by the Athletic Department that 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 or 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, and disposing of capital assets.

### **3. LONG-TERM LIABILITY**

The following is a detailed summary of bonds payable for the athletic department for the year ended June 30, 2023:

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Principal Outstanding at 6/30/2022</u>	<u>Issued/ (Retired)</u>	<u>Principal Outstanding at 6/30/2023</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Interest Outstanding at 6/30/2023</u>
2014	6/30/2014	\$1,845,000	\$415,000	(\$205,000)	\$210,000	2024	2.92%	\$4,008
2017	6/14/2017	4,000,000	2,135,000	(405,000)	1,730,000	2027	2.75%	120,587
2018	8/1/2018	2,000,000	1,180,000	(220,000)	960,000	2027	3.56%	86,864
Total		<u>\$7,845,000</u>	<u>\$3,730,000</u>	<u>(\$830,000)</u>	<u>\$2,900,000</u>			<u>\$211,459</u>

### Series 2014

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.

### 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 \$1,730,000 at June 30, 2023.

### **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 \$960,000 at June 30, 2023.

The following is the amortization schedule for the outstanding bonds payable for the athletic department as of June 30, 2023:

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<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$855,000	\$85,759	\$940,759
2025	660,000	62,150	722,150
2026	680,000	42,097	722,097
2027	705,000	21,453	726,453
Total	<u>\$2,900,000</u>	<u>\$211,459</u>	<u>\$3,111,459</u>

# **MAJOR REVENUE AND EXPENSE ANALYSIS**

## **(Unaudited)**

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### 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.





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

**Major Revenue and Expense Analysis  
For the Year Ended June 30, 2023**

<b>Accounts Exceeding 10% Threshold and Variation Greater Than 10%</b>	<b>Fiscal Year 2023</b>	<b>Fiscal Year 2022</b>	<b>Increase/ (Decrease)</b>	<b>Percent Variance</b>	
<b>Operating Revenues per Statement A</b>					
Direct institutional support	\$7,499,235	\$9,023,059	(\$1,523,824)	(17%)	1
Guarantees	\$4,193,500	\$3,579,500	\$614,000	17%	2
Conference distributions (non-media and non-football bowl)	\$2,797,727	\$1,912,634	\$885,093	46%	3

**Operating Expenses per Statement A**

No variations met the 10% variance threshold in the NCAA guidelines, and no explanations are required.

<b>Budget</b>	<b>Fiscal Year 2023 - Actual</b>	<b>Fiscal Year 2023 - Budget</b>	<b>Increase/ (Decrease)</b>	<b>Percent Variance</b>	
Conference distributions (non-media and non-football bowl)	\$2,797,727	\$2,170,475	\$627,252	29%	3

**NOTES:**

1. In the prior year, the University made an Educational & General transfer of \$4.9 million. There was no Educational & General transfer in the current year; however, the decrease in Educational & General transfers was offset by an increase in transfers from the Student Activity Enhancement Fund (\$250,000) and Auxiliary Funds (\$3.1 million) in FY23.
2. The amount of game guarantee revenue each year is determined by contracts for games scheduled years in advance. For FY23, the increase in game guarantees is due primarily to an additional football game guarantee.
3. Actual conference distributions are formula-based and are dependent on a number of factors including, but not limited to, the success of the Sun Belt Conference and revenue generated by the conference as a whole. The budgeted amount of conference distributions is received directly from the Sun Belt each year and are based on conservative estimates.