UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.

Monroe, Louisiana

Financial Statements

As of and for the Years Ended June 30, 2026 and 2025

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

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INDEPENDENT AUDITORS' REPORT

Board of Directors
University of Louisiana Monroe Facilities, Inc.
Monroe, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **University of Louisiana Monroe Facilities, Inc.** (a nonprofit organization, the Organization), which comprise the statements of financial position as of June 30, 2026, and 2025, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2026, and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Board of Directors
University of Louisiana Monroe Facilities, Inc.
Monroe, Louisiana

Report on Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer on page 40, as required by the Louisiana Legislative Auditor, and the Schedule of Revenues, Expenses, and Capitalized Expenditures Made to or on Behalf of ULM's Intercollegiate Athletics Program on page 41, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2026, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Woodard + Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

October 13, 2026

FINANCIAL STATEMENTS

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Statements of Financial Position
June 30, 2026 and 2025

	2026	2025
Assets		
Current assets		
Cash and cash equivalents, restricted	$ 10,435,343	$ 7,718,977
Accounts receivable, net of allowance for doubtful accounts	165,023	129,117
Due from ULM—student rent collections	116,127	118,251
Due from ULM—other	94,611	69,211
Due from ULM Athletic Foundation	156,401	163,859
Due from state agency	994,779	-
Total current assets	11,962,284	8,199,415
Restricted assets		
Cash and cash equivalents, noncurrent	3,956,781	3,583,347
Total restricted assets	3,956,781	3,583,347
Property and equipment, net	72,796,260	76,359,087
Total assets	$ 88,715,325	$ 88,141,849
Liabilities and net assets		
Current liabilities		
Accounts payable—operations	$ 295,756	$ 70,664
Deferred revenues—student rents and student fees	606,748	601,611
Accrued interest payable	137,251	170,827
Due to ULM	185,474	522,737
Other current liabilities	2,951,299	-
Current portion of long-term debt	10,750,000	4,611,000
Total current liabilities	14,926,528	5,976,839
Long-term liabilities		
Notes payable, net of unamortized debt issuance costs	50,082,225	54,563,330
Less: current portion of long-term debt	(10,750,000)	(4,611,000)
Total notes payable, net of current portion	39,332,225	49,952,330
Total long-term liabilities	39,332,225	49,952,330
Total liabilities	54,258,753	55,929,169
Net assets		
Net assets without donor restrictions	34,456,572	32,212,680
Total net assets	34,456,572	32,212,680
Total liabilities and net assets	$ 88,715,325	$ 88,141,849

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Statements of Activities
For the Years Ended June 30, 2026 and 2025

	Net Assets Without Donor Restrictions	
	2026	**2025**
Operating revenues		
Student rent income	$ 9,072,889	$ 8,753,065
Facilities rents—student fees	2,673,200	2,558,987
Facilities rents—Lumen property	1,180,752	1,197,252
Other income	59,626	60,848
Total operating revenues	12,986,467	12,570,152
Operating expenses		
Program services		
Program expenses in support of the University of Louisiana at Monroe	9,437,609	9,974,043
Support services		
Management and general administrative	115,480	136,925
Total operating expenses	9,553,089	10,110,968
Change in net assets from operations	3,433,378	2,459,184
Nonoperating revenues (expenses)		
Investment income	212,073	241,970
Interest expense	(1,300,613)	(1,170,326)
Transfers and donations of funds, net	76,325	(4,546,740)
Transfers and donations of premises and equipment	(177,271)	-
Total nonoperating revenues (expenses)	(1,189,486)	(5,475,096)
Change in net assets	2,243,892	(3,015,912)
Net assets, beginning of year	32,212,680	35,228,592
Net assets, end of year	$ 34,456,572	$ 32,212,680

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities		
Increase (decrease) in net assets	$ 2,243,892	$ (3,015,912)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation expense	4,163,773	4,197,496
Amortization expense—debt issuance costs	129,894	128,216
Transfers of property and equipment	177,271	-
(Increase) decrease in		
Accounts receivable	(35,906)	(19,190)
Due from ULM—student rent collections	2,124	285,287
Due from ULM—other	(25,400)	-
Due from ULM Athletic Foundation	7,458	(5,958)
Due from state agency	(994,779)	-
Increase (decrease) in		
Accounts payable—operations	225,092	3,751
Due to ULM	(337,263)	485,746
Deferred revenues—student rents and student fees	5,137	25,381
Accrued interest payable	(33,576)	19,487
Other current liabilities	2,951,299	-
Net cash provided (used) by operating activities	8,479,016	2,104,304
Cash flows from investing activities		
Acquisitions of property and equipment	(778,216)	(774,739)
Net cash provided (used) by investing activities	(778,216)	(774,739)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	-	6,000,000
Repayments of long-term debt	(4,611,000)	(4,552,000)
Payment of debt issuance costs	-	(77,500)
Net cash provided (used) by financing activities	(4,611,000)	1,370,500
Net increase in cash and cash equivalents	3,089,800	2,700,065
Cash and cash equivalents at beginning of the year	11,302,324	8,602,259
Cash and cash equivalents at end of the year	$ 14,392,124	$ 11,302,324

(continued)

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026	2025
Supplemental cash flow information		
Cash paid during the year for interest	$ 1,181,587	$ 1,080,276
Cash and cash equivalents are presented as follows in the Statements of Financial Position:		
Current assets		
Cash and cash equivalents, restricted	$ 10,435,343	$ 7,718,977
Restricted assets		
Cash and cash equivalents, noncurrent	3,956,781	3,583,347
Total cash and cash equivalents	$ 14,392,124	$ 11,302,324

(concluded)

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Statements of Functional Expenses
For the Years Ended June 30, 2026 and 2025

	2026			2025		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Bad debts	$ 19,071	$ -	$ 19,071	$ 33,721	$ -	$ 33,721
Bank charges	794	-	794	2,942	-	2,942
Depreciation	4,163,773	-	4,163,773	4,197,496	-	4,197,496
Insurance—general liability	71,040	-	71,040	69,358	-	69,358
Insurance—property	333,073	-	333,073	459,907	-	459,907
Janitorial	92,950	-	92,950	101,175	-	101,175
Maintenance and repairs—buildings	97,964	-	97,964	535,445	-	535,445
Maintenance and repairs—other	226,979	-	226,979	195,745	-	195,745
Management fees—property	3,268,943	-	3,268,943	3,232,319	-	3,232,319
Professional fees—legal	25,873	-	25,873	28,607	-	28,607
Professional fees—accounting and audit	-	32,480	32,480	-	30,825	30,825
Professional fees—other	-	83,000	83,000	-	105,200	105,200
Security	50,694	-	50,694	55,761	-	55,761
Supplies	12,673	-	12,673	6,474	-	6,474
Travel	-	-	-	-	900	900
Utilities	1,073,782	-	1,073,782	1,055,093	-	1,055,093
Total	$ 9,437,609	$ 115,480	$ 9,553,089	$ 9,974,043	$ 136,925	$ 10,110,968

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - ORGANIZATION

University of Louisiana Monroe Facilities, Inc. (the Organization, a nonprofit corporation) was organized under the laws of the State of Louisiana on February 27, 2004. The Organization was formed for the benefit of the University of Louisiana at Monroe (ULM), and its principal purpose is to coordinate, construct, and finance the development of facilities on the campus of ULM and to oversee the management of such facilities. Certain operations are regulated by the Board of Supervisors for the University of Louisiana System (the Board), the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority), and Regions Bank (the Trustee) through the provision of ground and building lease agreements, facilities lease agreements, loan and assignment agreements, and trust indentures, including amendments and supplements, as applicable.

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

A. BASIS OF ACCOUNTING

The financial statements of the Organization are prepared on the accrual basis of accounting and in accordance with U.S generally accepted accounting principles (GAAP), whereby revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

B. BASIS OF PRESENTATION

In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets (net assets without donor restrictions and net assets with donor restrictions). Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net Assets Without Donor Restrictions – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.

Net Assets With Donor Restrictions – Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may need to be maintained in perpetuity.

Earnings related to restricted net assets will be included in net assets without donor restrictions unless otherwise specifically required to be included in donor-restricted net assets by the donor or by applicable state law.

All net assets of the Organization as of June 30, 2026, were considered to be net assets without donor restrictions.

C. CONTRIBUTIONS

In accordance with FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*, contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending upon the existence of donor-imposed restrictions. The Organization has elected to recognize restricted contributions which are released from the restriction in the same year as unrestricted contributions.

D. ESTIMATES

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

E. CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows, the Organization considers all cash and all highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

F. LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

	2026
Cash and cash equivalents	$ 10,435,343
Accounts receivable, net of allowance for doubtful accounts	165,023
Due from ULM—Student rent collections	116,127
	$ 10,716,493

The Organization has a policy to structure its financial assets as its general expenditures, liabilities, and other obligations become due. None of the financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the cash needs of the Organization in the next 12 months. In addition, the Organization may maintain funds in a reserve for replacement. These funds are used for the benefit of the students and/or the Organization. Such funds are not considered by the Organization to have donor restrictions.

G. FAIR VALUE MEASUREMENTS

Investments are reported at fair value in the Organization's financial statements. Fair value represents the price that would be received upon sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. GAAP establishes a fair value hierarchy that prioritizes inputs used to measure fair value into levels:

Level 1 – quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities.

Level 2 – observable prices that are based on inputs not quoted in active markets but corroborated by market data.

Level 3 – unobservable inputs are used when little or no market is available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, the Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. See Note 4 for further illustration.

H. ACCOUNTS RECEIVABLE

Accounts receivables are stated at unpaid balances, less an allowance for doubtful accounts. Accounts receivable consists of the amount due from students for housing rental and the amounts due on the Laundry Room and Pharmacy Building leases. At June 30, 2026, and 2025, accounts receivable for student rents totaled $169,570 and $120,986, respectively, amounts due for the Laundry Room lease totaled $18,191 and $18,755, respectively, and amounts due for the Pharmacy Building lease totaled $1,475 and $600, respectively. The allowance for doubtful accounts totaled $24,214 and $11,224 at June 30, 2026, and 2025, respectively. The allowance for doubtful accounts for student rent receivables is estimated by applying a historical percentage to the rent's receivables due from former students. The receivables due from student rents are considered to be past due when they are still owed as of the 14th class day of each semester. These receivables are deemed uncollectible once the student is no longer enrolled at ULM and are charged off if there is no activity for a three-year period from the date they are deemed uncollectible.

There are also amounts due from state agency in the form of reimbursements receivable from Louisiana Economic Development (LED). At June 30, 2026, accounts receivable for LED reimbursements totaled $994,779.

I. PROPERTY, EQUIPMENT, AND DEPRECIATION

Project costs clearly associated with the acquisition, development, and construction/renovation of buildings, structures, and site improvements are capitalized. Indirect project costs that relate to several projects are capitalized and allocated to the projects to which the costs relate. Indirect costs that do not clearly relate to projects under

development or construction, including general and administrative expenses, are charged to expense as incurred. Interest related to the development and construction of a project is allocated to the project's cost through the date of substantial completion of the project. Furniture, fixtures, equipment, and site improvements are recorded at acquisition cost. Donations of property and equipment are recorded as contributions at their estimated fair value. The Organization capitalizes additions of property and equipment in excess of $1,000 at cost or fair value if donated. Depreciation is provided for in amounts sufficient to the related cost or fair value of depreciable assets to operations computed on a straight-line basis over the useful lives of the assets using the following estimated lives:

Buildings and renovations	19-39 years
Furniture, fixtures, and equipment	5-7 years
Site improvements	4-20 years
Campus parking	14 years

Improvements that materially prolong the useful lives of assets are capitalized, while expenditures for normal maintenance and repairs are charged to expense as incurred. Upon disposal of depreciable property, the appropriate property accounts are reduced by the related costs and accumulated depreciation. The resulting gains and losses are reflected in the Statements of Activities.

J. DEBT ISSUANCE COSTS

Debt issuance costs are being amortized over the lives of the debt using the effective interest method. Debt issuance costs are reported net of accumulated amortization of $1,053,059 and $923,165 as of June 30, 2026, and 2025, respectively, and are reported as a direct reduction of the obligation to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense.

K. STUDENT RENT INCOME

Student rent income is derived primarily from student rentals of the housing facilities and is recognized as rentals become due. Rental payments received in advance are deferred until earned. All leases for student housing are operating leases and do not exceed 12 months in duration.

L. STUDENT FEES

Student fees consist of a portion of the Student Health Center Fees, Student Union Fees, Student Success Center Fees, Athletic Facility Fees, Student Activity Enhancement Fees, Vehicle Fees, and Brown Stadium Student Support Fees, which are charges, as applicable, to the students at the time of enrollment in ULM. The Organization records student fees in income at the time such fees are received by the Organization. The student fees received from ULM are considered to be "rents" in accordance with the terms of each Agreement to Lease with Option to Purchase as described in Note 8 - Ground and Facilities Leases and Agreement.

M. ADVERTISING COSTS

Advertising and marketing costs are expensed as incurred.

N. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of the Organization have been summarized on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among program services and support services benefitted. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

Expense	Method of Allocation
Professional services	Time and effort

O. INCOME TAXES

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. During the year ended June 30, 2010, the Organization adopted certain provisions of FASB ASC 740, Income Taxes. The Organization believes that it has appropriate support for any tax positions taken and, as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's Federal Return of Organization Exempt from Income Tax (Form 990) for the years ended June 30, 2026, 2025, and 2024, are subject to examination by the IRS, generally for three years after they were filed.

Note 3 – RESTRICTED ASSETS – CASH AND CASH EQUIVALENTS

The Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority) has had several bond issues, the proceeds of which have been loaned to the Organization. The provisions of the various trust indentures and loan and assignment agreements between the Organization and the Authority require the Organization to establish various trust funds with the Trustee which are restricted in use for, among other things, debt service, capital projects, renovations, and operations. The trust funds are included in cash and cash equivalents in the statement of financial position.

REPLACEMENT FUNDS

In accordance with the provisions of the trust indentures for the Series 2004A and 2004B, the Series 2006, and the Series 2014 Student Success Center bond issues, the Organization is required to fund Replacement Funds on an annual basis. The Replacement Funds are to be used to (1) fund the cost of replacing any worn out, obsolete, inadequate, unsuitable, or undesirable property, furniture, fixtures, or equipment placed upon or used in connection with those facilities which were funded through bond proceeds and (2) maintain such facilities and to make all alterations, repairs, restorations, and replacements to such facilities as and when needed to preserve the facilities in good working order, condition, and repair.

Funds in the Replacement Fund may, with the consent of the bondholders, also be used to pay debt service on the bonds in the event there are insufficient funds in the Debt Service Fund and Debt Service Reserve Fund on the date such payment of debt service is due.

The Series 2004A and 2004B Trust Indenture and the Series 2004C and 2004D Trust Indenture require the Organization to fund the Replacement Fund on an annual basis beginning on November 1, 2006. The annual amount required to be funded is equal to 1.5% of the hard construction costs (not including professional services and fees) payable from the proceeds of the bonds. As of June 30, 2026, and 2025, the Replacement Fund balance totaled $2,047,898 and 1,753,663, respectively.

The Series 2007 Trust Indenture, which was refunded during the year ended June 30, 2015, by the Series 2014 Student Success Center bond issue, requires the Organization to fund the Replacement Fund on an annual basis beginning on November 1, 2009, The annual amount required to be funded is equal to 1.5% of the hard construction costs (not including professional services and fees) payable from the proceeds of the bonds. As of June 30, 2026, and 2025, the Replacement Fund balance totaled $484,453 and $438,235, respectively.

The Series 2016 Student Center Project Trust Indenture required an up-front funding of the Replacement Reserve Account. At June 30, 2026, and 2025, the Series 2016 Replacement Reserve Account totaled $703,260 and $678,615, respectively.

The Series 2017 Brown Stadium Project Trust Indenture required an up-front funding of a Maintenance Reserve Account in the amount of $352,773. At June 30, 2026 and 2025, the Series 2017 Maintenance Reserve Account totaled $200,058 and $210,408, respectively.

The Series 2020 Student HUB Project Trust Indenture required an up-front funding of a Maintenance Reserve Fund in the amount of $550,000. At June 30, 2026 and 2025, the Series 2020 Student HUB Project Maintenance Reserve Account totaled $521,100 and $502,416, respectively.

DEBT SERVICE RESERVE FUNDS

The Organization maintains Debt Service Reserve Funds for the Series 2004A debt and the Series 2004C debt (Series 2004). Moneys in each of the Debt Service Reserve Funds will be used to pay the amounts due on the related debt but only to the extent that there are not sufficient funds in the Receipts Fund to pay such amounts. As of June 30, 2026 and 2025, the Series 2004A Debt Service Fund totaled $5 and $5, respectively, and the Series 2004C Debt Service Reserve Fund totaled $5 and $4, respectively.

Note 4 – CASH AND CASH EQUIVALENTS HELD IN INVESTMENTS

Cash and cash equivalents consist of various short-term investments maintained by the Bond Trustee in certain trust accounts and are stated at fair value. At June 30, 2026, cash and cash equivalents held in investments with the Trustee consisted of the following:

Description	Cost	Fair Value at Reporting Date Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Unrealized Gain / (Loss)
Fidelity Institutional Treasury Portfolio Cl I			
Cash and cash equivalents			
Held in investments – current	$ 2,254	$ 2,254	$ -
Held in investments – noncurrent	721,159	721,159	-
Total Fidelity Institutional Treasury Portfolio Cl I	723,412	723,412	-
Fidelity Institutional Treasury Portfolio Cl II			
Cash and cash equivalents			-
Held in investments – current	1,458,856	1,458,856	-
Held in investments – noncurrent	3,235,622	3,235,622	-
Total Fidelity Institutional Treasury Portfolio Cl II	4,694,478	4,694,478	-
Fidelity Institutional Treasury Portfolio Cl III			
Cash and cash equivalents			-
Held in investments – current	1,075,386	1,075,386	-
Held in investments – noncurrent	-	-	-
Total Fidelity Institutional Treasury Portfolio Cl III	1,075,386	1,075,386	-
Total cash and cash equivalents held in bond trust fund investments	$ 6,493,276	$ 6,493,276	$ -

At June 30, 2025, cash and cash equivalents held in investments with the Trustee consisted of the following:

Description	Cost	Fair Value at Reporting Date Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Unrealized Gain / (Loss)
Fidelity Institutional Treasury Portfolio Cl I			
Cash and cash equivalents			
Held in investments – current	$ 1,079	$ 1,079	$ -
Held in investments – noncurrent	712,824	712,824	-
Total Fidelity Institutional Treasury Portfolio Cl I	713,903	713,903	-
Fidelity Institutional Treasury Portfolio Cl II			
Cash and cash equivalents			-
Held in investments – current	1,393,000	1,393,000	-
Held in investments – noncurrent	2,870,523	2,870,523	-
Total Fidelity Institutional Treasury Portfolio Cl II	4,263,523	4,263,523	-
Fidelity Institutional Treasury Portfolio Cl III			
Cash and cash equivalents			-
Held in investments – current	1,022,984	1,022,984	-
Held in investments – noncurrent	-	-	-
Total Fidelity Institutional Treasury Portfolio Cl III	1,022,984	1,022,984	-
Total cash and cash equivalents held in bond trust fund investments	$ 6,000,410	$ 6,000,410	$ -

Realized gains and losses from securities sold are recorded on the specific identified cost basis. The following schedule summarizes the investment return included in interest income in the Statements of Activities for the years ended June 30, 2026 and 2025.

	2026	2025
Interest / dividend income	$ 212,073	$ 241,970
Total investment returns	$ 212,073	$ 241,970

Note 5 – PROPERTY AND EQUIPMENT

	2026	2025
Buildings and renovations	$ 99,191,115	$ 98,573,930
Furniture, fixtures, and equipment	11,351,459	11,314,637
Site improvements	10,221,336	10,186,370
Total depreciable property	120,763,910	120,074,936
Less: Accumulated depreciation	(52,248,386)	(48,084,612)
Net depreciable property	68,515,524	71,990,324
Land	3,681,842	3,776,842
Construction in progress	598,894	591,921
Net property and equipment	$ 72,796,260	$ 76,359,087

At June 30, 2026, all of the Organization's property and equipment, net of construction in progress, land, and buildings held for future development, were leased to the Board on behalf of ULM, in accordance with the facility lease agreements discussed in Note 8 to the financial statements.

Note 6 – NOTES PAYABLE AND RELATED FINANCING AGREEMENTS

A. NOTES PAYABLE – SERIES 2004A, 2004A-T, 2004C, AND 2004C-T

On June 30, 2004, the Authority issued $33,365,000 in Tax-Exempt Variable Rate Revenue Bonds (Series 2004A) and $1,845,000 in Taxable Variable Rate Revenue Bonds (Series 2004B). On December 8, 2004, the Authority issued $32,515,000 in Tax-Exempt Variable Rate Revenue Bonds (Series 2004C) and $1,165,000 in Taxable Variable Rate Revenue Bonds (Series 2004D). The proceeds of the bond issues were loaned to the Organization for the following purposes: (1) to demolish eight existing dormitories on the campus of ULM; (2) to design, develop, and construct new on-campus student housing and to renovate and refurbish existing on-campus student housing; (3) to design, develop, and construct a new on-campus student infirmary; (4) to expand and renovate ULM's student center; (5) to pay off housing-related debt in the amount of $1,178,926; and (6) to fund various reserves and to pay bond issuance costs.

The Series 2004A and Series 2004B bond proceeds were loaned to the Organization pursuant to a Loan and Assignment Agreement by and between the Organization and the Authority dated June 1, 2004. The Series 2004C and Series 2004D bond proceeds were loaned to the Organization pursuant to a First Amendment to the Loan and Assignment Agreement by and between the Organization and the Authority dated December 1, 2004. During the year ended June 30, 2009, the indebtedness represented by the Series 2004B bonds and Series 2004D bonds were paid in full.

On December 1, 2009, the Authority and the Trustee entered into the Second Supplemental Trust Indenture, whereby the Series 2004C bonds totaling $32,240,000 were reissued as Tax-Exempt Variable Rate Revenue Bonds - Series 2004C bonds in the amount of $30,000,000 and Taxable Variable Rate Revenue Bonds – Series 2004C-T in the amount of $2,240,000. As detailed in the Second Supplemental Trust Indenture, the Series 2004C bonds and the Series 2004C-T bonds are referred to as "Bank Rate Bonds." The Series 2004C bonds were subject to an interest rate of 59.8% of the LIBOR Rate plus 1.6% (the Bank Rate), and the Series 2004C-T bonds were subject to an interest rate of the LIBOR Rate plus 1.5% (the Taxable Bank Rate).

On January 1, 2010, the Authority and the Trustee entered into the Third Supplemental Trust Indenture whereby the Series 2004A bonds totaling $33,365,000 were reissued as Tax-Exempt Variable Rate Revenue Bonds - Series 2004A bonds in the amount of $30,000,000 and Taxable Variable Rate Revenue 13onds – Series 2004A-T in the amount of $3,365,000. As detailed in the Third Supplemental Trust Indenture, the Series 2004A bonds, and the Series 2004A-T bonds are referred to as "Bank Rate Bonds." The Series 2004A bonds were subject to an interest rate of 59.8% of the LIBOR Rate plus 1.6% (the Bank Rate), and the Series 2004A-T bonds were subject to an interest rate of the LIBOR Rate plus 1.5% (the Taxable Bank Rate).

On November 1, 2012, the Authority and the Trustee entered into an Amended and Restated Trust Indenture, which amends and restates in its entirety all previous amendments to the Trust Indenture (the First Supplemental Trust Indenture, the Second Supplemental Trust Indenture, and the Third Supplemental Trust Indenture - the Prior Indenture). The amendment is in connection with the refinancing and reissuance of the Series 2004 bonds and the conversion of the 2004A-T bonds and the 2004C-T bonds into Bank Rate bonds, on which the interest is exempt from federal income taxation. The current interest rate on the Bank Rate bonds is 2.92% per annum, which is fixed for a period of 10 years.

On September 1, 2021, the Authority and the Trustee entered into a Second Supplemental Trust Indenture, whereby the Series 2004A and Series 2004C Bank Rate bonds were refinanced and reissued in the amount of $23,640,000 and $22,570,000, respectively. The reissued Series 2004A and Series 2004C bonds carry an interest rate of 1.57% and 1.65%, respectively. The interest rate is fixed for the remaining term of each bond.

Effective September 1, 2021, with the execution of the Second Supplemental Trust Indenture in connection with the Series 2004A and Series 2004C revenue bonds, "reduced debt service reserve fund requirement" was amended to $0.

The principal and interest payments on the loans are required to be the amount equal to the principal and interest amounts of the underlying bonds. To secure the Organization's obligations under the Loan and Assignment Agreement, as amended, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under each Amended and Restated Agreement to Lease With Option to Purchase between the Organization and the Board; all rents and receipts derived from occupancy of the on-campus facilities; and any and all additionaI revenues received by the Organization.

As of June 30, 2026, the terms of the loans are as follows:

	Underlying Bonds	
	Series 2004A Bonds	**Series 2004C Bonds**
	Bank Rate	Bank Rate
Annual interest rate	1.57%	1.65%
Interest payments due	Monthly	Monthly
Principal payments due	November 1	November 1
Commencing	10/01/2021	10/01/2021
Maturity Date	11/01/2034	11/01/2035
Principal balance due at June 30, 2026	17,935,000	18,140,000
Principal balance due at June 30, 2025	$ 19,665,000	$ 19,480,000

	2026	**2025**
Note payable—Series 2004A bonds	$ 17,935,000	$ 19,665,000
Less: Unamortized bond issuance costs	(583,785)	(642,458)
Note payable—Series 2004A bonds, net	$ 17,351,215	$ 19,022,542

	2026	**2025**
Note payable—Series 2004C bonds	$ 18,140,000	$ 19,480,000
Less: Unamortized bond issuance costs	(487,601)	(517,028)
Note payable—Series 2004C bonds, net	$ 17,652,399	$ 18,962,972

B. NOTE PAYABLE – SERIES 2023 ATHLETIC IMPROVEMENTS PROJECT

On June 30, 2014, the Authority issued $1,845,000 in Revenue and Refunding Bonds (Series 2014 Athletic Facilities Project). The proceeds of the bond issue were loaned to the Organization for the following purposes: (1) to refund its Promissory Note dated March 11, 2011, in favor of the Trustee in the original amount of $2,000,000, (2) to finance football field improvements, and (3) to pay bond issuance costs. The Series 2014 Athletic Facilities Project bond proceeds were loaned to the Organization pursuant to a Loan and Assignment Agreement by and between the Organization and the Authority dated June 30, 2014.

On August 30, 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 the Organization 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 Organization's obligations under the Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the Agreement to Lease With Option to Purchase dated August 1, 2023, along with all amendments, between the Organization 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 $1,402,000 and $1,478,000 at June 30, 2026 and 2025, respectively.

	2026	2025
Note payable—Series 2023 Athletic Facilities Project	$ 1,402,000	$ 1,478,000
Less: Unamortized debt issuance costs	(85,886)	(90,541)
Note payable—Series 2023 Athletic Facilities Project, net	$ 1,316,114	$ 1,387,459

C. NOTE PAYABLE – SERIES 2014 STUDENT SUCCESS CENTER

On July 9, 2014, the Authority issued $1,645,000 in Revenue Bonds (Series 2014 Student Success Center). The proceeds of the bond issue were loaned to the Organization for the following purposes: (1) to refund all or a portion of the Prior Bonds (Series 2007) issued for the development, construction, and equipping of the Clarke M. Williams Student Success Center (the Student Success Center), related facilities, and other campus improvements at the University, and (2) to pay bond issuance costs. The Series 2014 Student Success Center bond proceeds were loaned to the Organization pursuant to a Loan and Assignment Agreement by and between the Organization 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 3.14% per annum and matures on October 1, 2026. Interest is payable on the loan on April 1 and October 1 of each year, and principal is payable on October 1 of each year.

To secure the Organization's obligations under the Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the Agreement to Lease With Option to Purchase dated October 25, 2007, between the Organization and the Board; and any leases, subleases, and use agreements or other similar agreements relating to the Student Success Center; all rents, issues, receipts, and profits derived from the use or occupancy of the Student Success Center; and any and all additional revenues, income, receipts, and other payments, including but not limited to, insurance proceeds, grants, donations, and sale proceeds received by the Organization for or relating to the Student Success Center. The principal balance due on the Note Payable - Series 2014 Student Success Center bonds totaled $160,000 and $315,000 at June 30, 2026 and 2025, respectively.

	2026	2025
Note payable—Series 2014 Student Success Center	$ 160,000	$ 315,000
Less: Unamortized debt issuance costs	(4,919)	(9,734)
Note payable—Series 2014 Student Success Center, net	$ 155,081	$ 305,266

D. NOTE PAYABLE – SERIES 2016 STUDENT EVENT CENTER PROJECT

On March 8, 2016, the Authority issued $6,000,000 in Revenue Bonds (Series 2016). The proceeds of the bond issue were loaned to the Organization for (1) the purpose of acquiring, designing, developing, constructing, renovating, and reconstructing of the existing natatorium on the campus of ULM and the construction of a spirit group practice area, as well as a large events center to accommodate recruitment events, student events, parties, weddings, and conferences (the Student Event Center), and (2) to pay bond issuance costs. The Series 2016 bond proceeds were loaned to the Organization pursuant to a Loan and Assignment Agreement by and between the Organization and the Authority dated March 1, 2016. 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 2.62% per annum and matures on March 1, 2036. Effective June 1, 2026, the interest rate was reset to 4.10% in accordance with the loan agreement. Interest is payable on the loan on March 1 and September 1 of each year, and principal is payable on March 1 of each year.

To secure the Organization's obligation under the Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the Agreement to Lease With Option to Purchase dated March 1, 2016, between the Organization and the Board; any leases, subleases, and use agreements or other similar agreements relating to the Student Event Center Project; all rents, issues, receipts, and profits derived from the use or occupancy of the Student Event Center; and any and all additional revenues, income, receipts, and other payments, including, but not limited to, insurance proceeds, grants, donations, and sale proceeds received by the Organization for or relating to the Student Event Center Project.

The principal balance due on the Note Payable - Series 2016 bonds totaled $3,550,000 and $3,840,000 at June 30, 2026 and 2025, respectively.

	2026	2025
Note payable—Series 2016 Student Event Center Project	$ 3,550,000	$ 3,840,000
Less: Unamortized debt issuance costs	(68,939)	(74,570)
Note payable—Series 2016 Student Event Center Project, net	$ 3,481,061	$ 3,765,430

E. NOTE PAYABLE – SERIES 2017 AND 2018 BROWN STADIUM PROJECT

On June 14, 2017, the Authority issued $4,000,000 in Revenue Bonds (Series 2017). The proceeds of the bond issue were loaned to the Organization (1) for the purpose of acquiring, designing, developing, constructing, renovating, and reconstructing Brown Stadium and parking adjacent thereto, on the campus of the University (Brown Stadium), and (2) to pay bond issuance costs. The Series 2017 bond proceeds were loaned to the Organization pursuant to a Loan and Assignment Agreement by and between the Organization and the Authority dated June 1, 2017. To secure the Organization's obligations under the Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the Agreement to Lease With Option to Purchase dated June 1, 2017, between the Organization and the Board; 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 of occupancy of Brown Stadium; and any and all additional revenues, income, receipts, and other payments, including, but not limited to, insurance proceeds, grants, donations, and sale proceeds received by the Organization for or relating to the Brown Stadium Project.

On August 22, 2018, the Authority and the Trustee entered into the First Supplemental Trust Indenture, whereby the Authority issued $2,000,000 in Revenue bond Series 2018 on a parity with the Series 2017 bonds. The Series 2018 bond proceeds were loaned to the Organization pursuant to the Supplemental Loan and Assignment Agreement dated August 1, 2018, that supplements and amends the Loan and Assignment Agreement by and between the Organization and the Authority dated June 1, 2017. Under the Supplemental Indenture, the Series 2018 bond proceeds were loaned to the Organization for the purpose of (1) financing a portion of renovating, rehabilitating, and constructing the improvements to Brown Stadium and parking adjacent, thereto, on the campus and (2) 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 bonds. To secure the Organization's obligations under the Supplemental Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the supplemented and amended Agreement to Lease With Option to Purchase dated August 22, 2018, between the Organization and the Board.

As of June 30, 2026, the terms of the loans are as follows:

	Underlying Bonds	
	Series 2017 Brown Stadium Project	**Series 2018 Brown Stadium Project**
Annual interest rate	2.75%	3.56%
Interest payments due	Semi-annually	Semi-annually
Principal payments due	June 1	June 1
Commencing	06/01/2017	12/01/2018
Maturity Date	06/01/2027	06/01/2027
Principal balance due at June 30, 2026	$ 450,000	$ 255,000
Principal balance due at June 30, 2025	$ 890,000	$ 495,000

	2026	**2025**
Note payable—Series 2017 Brown Stadium Project	$ 450,000	$ 890,000
Less: Unamortized bond issuance costs	(11,846)	(23,427)
Note payable—Series 2017 Brown Stadium Project, net	$ 438,154	$ 866,573

	2026	**2025**
Note payable—Series 2018 Brown Stadium Project	$ 255,000	$ 495,000
Less: Unamortized bond issuance costs	(8,976)	(17,423)
Note payable—Series 2018 Brown Stadium Project, net	$ 246,024	$ 477,577

F. NOTE PAYABLE – SERIES 2020 STUDENT HUB PROJECT

On December 22, 2020, the Authority issued $5,500,000 in Revenue Bonds (Series 2020). The proceeds of the bond issue were loaned to the Organization for (1) the purpose of developing, designing, constructing, and equipping the Facilities; (2) funding a deposit to a debt service reserve fund, if necessary; and (3) paying costs of issuance of the Series 2020 Bond. The Series 2020 bond proceeds were loaned to the Organization pursuant to a Loan and Assignment Agreement by and between the Organization and the Authority dated December 22, 2020. To secure the Organization's obligations under the Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the Agreement to Lease With Option to Purchase dated December 22, 2020 between the Organization and the Board; any leases, subleases, and use agreements or other similar agreements relating to the Student Hub Project; all rents, issues, receipts, and profits derived from the use of occupancy of the Student Hub; and any and all additional revenues, income, receipts, and other payments, including, but not limited to, insurance proceeds, grants, donations, and sale proceeds received by the Organization for or relating to the Student Hub Project.

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 3.07% per annum and matures on June 1, 2035. 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. To secure the Organization's obligation under the Loan and Assignment Agreement, the Organization transferred, assigned, and pledged unto the Authority all right, title, and interest of the Organization in, to, and under the Agreement to Lease With Option to Purchase dated December 1, 2020, between the Organization and the Board; any leases, subleases, and use agreements or other similar agreements relating to the Student Hub Project; all rents, issues, receipts, and profits derived from the use or occupancy of the Student Hub; and any and all additional revenues, income, receipts, and other payments, including, but not limited to, insurance proceeds, grants, donations, and sale proceeds received by the Organization for or relating to the Student Hub Project. The principal balance due on the Note Payable - Series 2020 bonds totaled $3,590,000 and $3,930,000 at June 30, 2026 and 2025, respectively.

	2026	2025
Note payable—Series 2020 Student Hub Project	$ 3,590,000	$ 3,930,000
Less: Unamortized debt issuance costs	(70,326)	(76,986)
Note payable—Series 2020 Student Hub Project, net	$ 3,519,674	$ 3,853,014

G. NON-REVOLVING LINE OF CREDIT

On April 1, 2025, the Organization entered a non-revolving line of credit and term loan agreement. The loan is for $6,000,000 and incurs interest at an annual rate of 6.54%. The stated maturity date is April 1, 2027. The entire principal balance is due at maturity. Interest will be paid monthly until maturity. The loan requires that the Organization maintain a Facilities Account with a minimum $1,200,000 balance. At June 30, 2026, the balance in the Facilities Account was $6,504,960.

In relation to the loan agreement, the ULM Foundation is assisting the Organization with servicing the interest on the loan. The assistance will provide monthly payments of $12,700 from the ULM Foundation to the Organization. The intent of the payments is to reduce the effective interest cost to the Organization from 6.54% to 4.0%. The payments will continue until the termination of the loan on April 1, 2027, or the repayment of the loan, whichever occurs earlier. For the year ended June 30, 2026, ULM Foundation provided total assistance of $152,400 to service the interest. The loan balance is reported net of unamortized issuance costs as follows:

	2026	2025
Note payable—Line of credit	$ 6,000,000	$ 6,000,000
Less: Unamortized debt issuance costs	(77,500)	(77,500)
Note payable—Line of credit, net	$ 5,922,500	$ 5,922,500

H. AGGREGATE MATURITIES OF LONG-TERM DEBT

The aggregate maturities of long-term debt for each of the next five years and in five-year increments thereafter, based on interest rates in effect at June 30, 2026, are as follows:

Years Ending June 30,	Principal	Fixed Rate Interest	Total
2027	$ 10,750,000	1,210,489	$ 11,960,489
2028	4,013,000	795,402	4,808,402
2029	4,123,000	713,039	4,836,039
2030	4,237,000	629,642	4,866,642
2031	4,381,000	543,703	4,924,703
2032-2036	23,573,000	1,326,224	24,899,224
2037-2039	405,000	29,736	434,736
Totals	$ 51,482,000	$ 5,248,234	$ 56,730,234

The total amount of interest costs incurred for the years ended June 30, 2026 and 2025 totaled $1,170,718 and $1,042,110, respectively, excluding amortization of debt issuance costs. These costs were charged to interest expense.

Note 7 – CONCENTRATIONS OF CREDIT RISK

The Organization has demand deposits held in trust, as well as separately from the trust, by the Trustee. The Organization also has short-term investments (cash equivalents) in various funds containing U.S. Treasury securities, which are held in trust by the Trustee. The short-term investments, totaling $6,493,276 [at fair value (Level 1 inputs - quoted prices in active markets for identical assets) and at cost], are collateralized by U.S. Treasury securities and are uninsured and, thus, are exposed to credit risk. The demand deposits, in total, are insured by the Federal Deposit Insurance Corporation in an amount up to $250,000 per financial institution. The Organization had uninsured demand deposit balances totaling $7,648,848 at June 30, 2026. The Organization maintains its cash with a high-quality financial institution which the Organization believes limits these risks.

Although the Organization does not require collateral to support financial instruments subject to credit risk, they obtain pledged securities from the Trustee in an effort to mitigate this risk. As of June 30, 2026, pledged securities amounted to $8,869,489, which provides adequate coverage to mitigate the exposure of the uninsured deposits. The Organization has concentrations of credit risk relevant to its receivables for student rents and the Laundry Room Lease.

Note 8 – GROUND AND FACILITIES LEASES AND AGREEMENTS

A. STUDENT HOUSING, STUDENT HEALTH CENTER, AND STUDENT UNION

GROUND AND BUILDINGS LEASE AGREEMENT

The Organization and the Board, on behalf of ULM, entered into an Amended and Restated Ground and Buildings Lease Agreement (the Ground Lease) on June 1, 2004. Under the terms of the Ground Lease, the Board leases certain tracts of land and buildings owned by the Board and located on the campus of ULM to the Organization for the sum of $1 per year. The Organization entered into the Ground Lease for the purpose of demolishing certain existing facilities and renovating, developing, and constructing student housing and related facilities, a student union, and an infirmary. The Board owns all of the facilities included in the Ground Lease subject to the Organization's rights under the Ground Lease and leases back the student housing and related facilities, student union, and infirmary from the Organization for the support, maintenance, and benefit of the Board and ULM. See Facilities Lease Agreement below.

FACILITIES LEASE AGREEMENT

The Organization and the Board, on behalf of ULM, entered into an Amended and Restated Agreement to Lease With Option to Purchase (the Facilities Lease) on June 1, 2004. Under the terms of the Facilities Lease, the Organization leases the student housing and related facilities to the Board, and the Board agrees, upon completion of renovation and construction of the student housing and related facilities, to accept possession of such housing and facilities. Under the terms of the Facilities Lease, the Board is required to pay a base rental and an additional rental to the Organization for the use and occupancy of the student housing and facilities.

The base rental is due on the dates that principal and/ or interest are due and payable on the bonds and in amounts equal to the principal and/or interest due and payable. The base rental also includes payments made to meet the reserve funding requirements of the indentures. The Board agrees to pay, as additional rental, any and all expenses incurred by the Organization on behalf of the Board and/or by the Board or ULM in the management, operation, and/or maintenance of the student housing and related facilities.

Unless terminated sooner as provided in the Facilities Lease, the lease will terminate on the earlier of (1) November 1, 2044, or (2) the date that all amounts owed under the indentures have been paid.

B. STUDENT SUCCESS CENTER

GROUND AND BUILDING LEASE AGREEMENT

The Organization and the Board, on behalf of ULM, entered into a Ground and Buildings Lease Agreement (the Ground Lease) on October 25, 2007. Under the terms of the Ground Lease, the Board leases certain tracts of land owned by the Board and located on the campus of ULM to the Organization for the sum of $1 per year.

The Organization entered into the Ground Lease for the purpose of demolishing and/or renovating certain existing buildings and developing, constructing, and equipping the Clarke M. Williams Student Success Center, related facilities, and other campus improvements from the Organization for use by the students, faculty, and staff of ULM and such other persons as set forth below in the Facilities Lease.

Unless terminated sooner, as provided in the Ground Lease, the lease will terminate on the earlier of (1) October 25, 2032, or (2) the date on which the bonds issued on behalf of the Organization to pay for construction of the Clarke M. Williams Student Success Center, related facilities, and other campus improvements have been paid or have been deemed to have been paid in full.

FACILITIES LEASE AGREEMENT

The Organization and the Board, on behalf of ULM, entered into an Agreement to Lease With Option to Purchase (the Facilities Lease) on October 25, 2007. Under the terms of the Facilities Lease, the Organization will lease, upon completion, the Clarke M. Williams Student Success Center, related facilities, and other campus improvements to the Board, and the Board agrees, upon completion of construction of such projects, to accept possession of the projects. Under the terms of the Facilities Lease, the Board is required to pay a base rental and an additional rental to the Organization for the use of the Student Success Center. The base rental is due on the 15th day of the month preceding the dates that principal and/or interest are due and payable on the bonds and in amounts equal to the principal and/or interest due and payable. The base rental also includes payments made to meet the Replacement Fund funding requirements of the indenture. The Board agrees to pay, as additional rental, any and all expenses incurred by the Organization on behalf of the Board and/ or by the Board or ULM in the management, operation, and/or maintenance of the aforementioned projects.

In addition to the base rental and additional rental payments required by the Facilities Lease, the Board reserves the right to make an extraordinary rental payment to be deposited in the Project Fund held by the Trustee from Student Enhancement Fee Revenues on hand or collected by the Board during the term of the Facilities Lease in an aggregate amount not to exceed $5,000,000.

C. SCOREBOARDS, ATHLETIC FACILITIES UPGRADES, AND ELECTRONIC DISPLAY BOARD

GROUND AND BUILDINGS LEASE AGREEMENT

The Organization and the Board, on behalf of ULM, entered into a Ground and Buildings Lease Agreement (the Ground Lease) on March 18, 2011. Under the terms of the Ground Lease, the Board leases certain tracts of land owned by the Board and located on the campus of ULM to the Organization for the sum of $1 per year. The Organization entered into the Ground Lease for the following purposes: (1) to install scoreboards at Malone Stadium, the baseball stadium, the softball field, and the soccer field; (2) to install chair-back seating in Malone Stadium; (3) to construct dugouts at the softball field and the soccer field; and (4) to install two electronic display boards.

The Board owns all of the facilities included in the Ground Lease, subject to the Organization's rights under the Ground Lease and, upon completion, will lease back the electronic display boards, scoreboards, seating, and dugouts as set forth in the Facilities Lease described below. On August 1, 2023, the Organization and the Board, on behalf of ULM, entered into an Amendment to the Ground Lease for the purpose of extending the term of the Ground Lease.

Unless terminated sooner as provided in the Ground Lease, the lease will terminate on the earlier of (1) July 1, 2038, or (2) the date on which the loan issued on behalf of the Organization to pay for the construction of the facilities has been paid or has been deemed to have been paid in full.

FACILTIES LEASE AGREEMENT

The Organization and the Board, on behalf of ULM, entered into an Agreement to Lease With Option to Purchase (the Facilities Lease) on March 18, 2011. Under the terms of the Facilities Lease, the Organization will lease, upon completion of installation and/or construction, to the Board the following: (1) the scoreboards at Malone Stadium, the baseball stadium, the softball field, and the soccer field; (2) chair-back seating in Malone Stadium; (3) dugouts at the softball field and the soccer field; and (4) two electronic display boards.

The Board agrees, upon completion of installation and/or construction, to accept possession of the following: (1) the scoreboards at Malone Stadium, the baseball stadium, the softball field, and the soccer field; (2) the chair-back seating in Malone Stadium; (3) the dugouts at the softball field and the soccer field; and (4) two electronic display boards. Under the terms of the Facilities Lease, the Board is required to pay a base rental to the Organization for the use of the scoreboards, chair-back seating, dugouts, and electronic display boards. The base rental is due semi-annually, on the 5th day of the month preceding the next interest and principal payment date, in an amount equal to the amount necessary to pay the principal and interest due and payable on the loan on the following principal payment date.

In addition to the base rental, the Board agrees to pay, as additional rental, any and all expenses incurred by the Organization on behalf of the Board and/or by the Board or ULM in the management, operation, and/or maintenance of the scoreboard, chair-back seating, dugouts, and electronic display boards.

On August 1, 2023, the Organization and the Board, on behalf of ULM, entered into an Amendment to the Facilities Lease, for the purpose of extending the term of the Facilities Lease. Unless terminated sooner as provided in the Facilities Lease, the lease will terminate on the earlier of (1) July 1, 2028, or (2) the date that all amounts owed under the loan have been paid.

D. INTERNATIONAL STUDENT FACILITY

GROUND LEASE AGREEMENT

On May 1, 2014, the Organization and the Board, on behalf of ULM, entered into a Ground Lease Agreement (the Ground Lease) whereby the Board will lease certain property owned by the Board and located on the ULM campus to the Organization for the sum of $1 per year. Under the terms of the Ground Lease, the Organization will facilitate and oversee the construction, furnishing, and equipping of the International Student Facility, to be located on the property covered under this lease. As of the execution date of the Ground Lease Agreement, the total cost of the project was estimated to be $1,000,000, and all costs are to be paid entirely with privately donated funds.

Unless sooner terminated, the Ground Lease shall continue and remain in full force and effect for a one-year term beginning on May 1, 2014, and ending on the earlier of (1) April 30, 2015, or (2) the date of the opening of the Facilities. Upon expiration of the Ground Lease, all of the Organization's right, title, and interest shall immediately transfer to and vest in the Board, including, but not limited to, all project warranties.

Due to cost overruns on the project, the Organization had elected to keep the International Student Facility on the balance sheet under fixed assets until additional funds could be raised from private donors.

During the year ended June 30, 2019, the Organization executed an Act of Donation (the Donation) with the Board, on behalf of ULM, irrevocably donating all of its right, title, and interest in the International Student Facility to the Board. The Donation terminated the Ground Lease Agreement and the Cooperative Endeavor Agreement on the property as of the date of the Donation.

COOPERATIVE ENDEAVOR AGREEMENT

On May 1, 2014, the Organization entered into a Cooperative Endeavor Agreement with ULM and the University of Louisiana Monroe Foundation, Inc. (the Foundation), whereas the Board will lease certain property owned by the Board and located on the ULM campus, to the Facilities, in accordance with the terms of the Ground Lease.

Under the terms of the Cooperative Endeavor Agreement, the Foundation will facilitate incremental draw payments through the Organization, which will contract directly with the contractors and vendors.

Unless terminated sooner as provided in the Ground Lease, the lease shall continue and remain in full force and effect for a one-year term beginning on August 1, 2014, and will end on the earlier of (1) July 31, 2015, or (2) the date of the opening of the Facilities. Upon expiration of the Ground Lease, all of the Organization's right, title, and interest in the Facilities shall immediately transfer to and vest in the Board.

Due to cost overruns on the project, the Organization had elected to keep the International Student Facility on the balance sheet under fixed assets until additional funds could be raised from private donors. During the year ended June 30, 2019, the Organization executed an Act of Donation (the Donation) with the Board, on behalf of ULM, irrevocably donating all of its right, title, and interest in the International Student Facility to the Board. The Donation terminated the Ground Lease Agreement and the Cooperative Endeavor Agreement on the property as of the date of the Donation.

The project was completed in 2015, with a $241,119 contribution by the Organization, necessitated by an overage in project completion costs. In consideration for this contribution, ULM had committed to reimburse the Organization its $241,119 contribution as additional funds become available and/or donations are received. As of June 30, 2026, ULM has reimbursed the Organization $171,908 with a balance due of $69,211.

E. STUDENT EVENT CENTER

GROUND AND BUILDINGS LEASE AGREEMENT

On March 1, 2016, the Organization and the Board, on behalf of ULM, entered into an Amended and Restated Ground and Buildings Lease Agreement (the Ground Lease) whereby the Board will lease certain property owned by the Board and located on the ULM campus to the Organization for the sum of $1 per year. Under the terms of the Ground Lease, the Organization will facilitate and oversee the acquisition, designing, developing, constructing, renovating, and reconstructing of the Student Event Center, to be located on the property covered under this Ground Lease. As of the execution date of the Ground Lease Agreement, the total cost of the project was estimated to be $7,000,000, and all costs are to be paid from funds derived from the issuance of the Series 2016 Tax-Exempt Bonds and other funds provided by the Organization.

Unless sooner terminated, the Ground Lease shall continue and remain in full force and effect for a term commencing on March 1, 2016, and ending on the earlier of (1) March 1, 2036, or (2) the date that all amounts owed under the indenture have been paid. Upon expiration of the Ground Lease, all of the Organization's right, title, and interest shall immediately transfer to and vest in the Board, including, but not limited to, all project warranties.

AGREEMENT TO LEASE WITH OPTION TO PURCHASE

On March 1, 2016, the Organization and the Board, on behalf of ULM, entered into an Amended and Restated Lease with Option to Purchase (the Facilities Lease) whereby the Board will lease certain property owned by the Board and located on the ULM campus to the Organization in accordance with the terms of the Ground Lease. Under the terms of the Facilities Lease, the Organization will facilitate and oversee the construction and development of the entire Student Event Center project on land leased under the Ground Lease and will lease the land and the Student Event Center back to the Board.

Under the terms of the Agreement to Lease with Option to Purchase, the Board is required to pay a base rental and an additional rental to the Organization for the use of the Student Event Center. The base rental is due on the 15th day of the month preceding the dates that the principal and/or interest are due and payable on the bonds and in amounts equal to the principal and/or interest due and payable. The base rental also includes payments made to meet the Replacement Fund funding requirement of the indenture. The Board agrees to pay, as additional rental, any and all expenses incurred by the Organization on behalf of the Board and/or by the Board or ULM in the management, operation, and/or maintenance of the aforementioned projects. In addition to the base rental and additional rental payments required by the Facilities Lease, the Board reserved the right to make an extraordinary rental payment to be deposited in the Project Fund held by the Trustee, from Student Enhancement Fee Revenues on hand or collected by the Board during the term of the Facilities Lease in an aggregate amount not to exceed $5,000,000. The Organization also includes an irrevocable Option allowing the Board to purchase the Facilities interest in the Student Event Center for a specified price and in accordance with the terms of the Option section of the Facilities Lease.

Unless terminated sooner as provided in the Ground Lease, the lease shall continue and remain in full force and effect for a term commencing on March 1, 2016, and ending on the earlier of (1) March 1, 2036, or (2) the date that all amounts owed under the indenture have been paid. Upon expiration of the Ground Lease, all of the Organization's right, title, and interest in the Student Event Center shall immediately transfer to and vest in the Board, including, but not limited to, all project warranties.

F. BROWN STADIUM

GROUND AND BUILDINGS LEASE AGREEMENT

On June 1, 2017, the Organization and the Board, on behalf of ULM, entered into a Ground and Buildings Lease Agreement (the Ground Lease) whereby the Board will lease certain property owned by the Board and located on the ULM campus to the Organization for the sum of $1 per year. Under the terms of the Lease, the Organization will develop, design, renovate, construct, rehabilitate, and equip, as well as repair and maintain, Brown Stadium and parking adjacent thereto (Brown Stadium), to be located on the property covered under this lease.

As of the execution date of the Ground Lease, the total cost of the project was estimated to be $4,000,000, and all costs are to be paid from funds derived from the issuance of the Series 2017 Tax-Exempt Bonds and other funds provided by the Organization.

Unless terminated sooner, the Ground Lease shall continue and remain in full force and effect for a term commencing on June 1, 2017, and ending on the earlier of (1) June 1, 2027, or (2) the date that all amounts owed under the indentures have been paid. Upon expiration of the Ground Lease, all of the Organization's right, title, and interest shall immediately transfer to and vest in the Board, including, but not limited to, all project warranties.

AGREEMENT TO LEASE WITH OPTION TO PURCHASE

On June 1, 2017, the Organization and the Board, on behalf of ULM, entered into an Amended and Restated Lease with Option to Purchase (the Facilities Lease) whereby the Board will lease certain property owned by the Board and located on the ULM campus to the Organization in accordance with the terms of the Ground Lease. Under the terms of the Facilities Lease, the Organization will develop, design, renovate, construct, rehabilitate, and equip, as well as repair and maintain, Brown Stadium and parking adjacent thereto (Brown Stadium) on land leased under the Ground Lease and will lease the land and Brown Stadium back to the Board. Under the terms of the Agreement to Lease with Option to Purchase, the Board is required to pay a base rental and an additional rental to the Organization for the use of Brown Stadium. The base rental is due semi-annually on the 5th day of the month preceding the dates that principal and/or interest are due and payable on the bonds. The base rental amounts due and payable are equal to the principal and/or maintenance of the aforementioned project. In addition to the base rental and additional rental payments required by the Facilities Lease, the Board reserves the right to make an extraordinary rental payment to be deposited in the Project Fund held by the Trustee, from Student Support Fee Revenues on hand or collected by the Board during the term of the Facilities Lease in an aggregate amount not to exceed $5,000,000. The Organization also includes an irrevocable option allowing the Board to purchase the Facilities interest in Brown Stadium for a specified price and in accordance with the terms of the option section of the Facilities Lease.

Unless terminated sooner as provided in the Ground Lease, the lease shall continue and remain in full force and effect for a term commencing on June 1, 2017, and ending on the earlier of (1) June 1, 2027, or (2) the date that all amounts owed under the indenture have been paid. Upon expiration of the Ground Lease, all of the Organization's right, title, and interest in Brown Stadium shall immediately transfer to and vest in the Board, including, but not limited to, all project warranties.

G. SHORT GAME PRACTICE FACILITY PHASE II

GROUND AND FACILITIES LEASE AGREEMENT

On August 22, 2024, the Organization and the Board, on behalf of ULM, entered into a Ground and Facilities Lease Agreement (the Ground Lease) whereby the Board will lease certain property owned by the Board and located on the ULM campus to the Organization for the sum of $1 per year. Under the terms of the Ground Lease, the Organization will facilitate and oversee the construction of Phase II of the Short Game Practice Facility at the Wally Jones Golf Complex. As of the execution date of the Ground Lease, the total cost of the project was estimated to be $83,000, to be funded fully by the ULM Athletic Foundation.

The lease will end on the earlier of (i) August 21, 2025, or (ii) the date of substantial completion of the project (the "Expiration Date"). Upon the expiration date of the Ground and Facilities Lease, all of the Organization's rights, title and interest in the Facilities shall immediately and automatically terminate and shall be assigned, transferred to and vested in the Board. The Organization donated the Short Game Practice Facility to the University of Louisiana Monroe on July 17, 2025.

H. STUDENT HUB PROJECT

GROUND AND FACILITIES LEASE AGREEMENT

On December 1, 2020, the Organization and the Board, on behalf of ULM, entered into a Ground and Facilities Lease Agreement (the Ground Lease) whereby the Board will lease the property, owned by the Board and located on the ULM campus to the Organization for the sum of $1 per year. Under the terms of the Ground Lease, the Organization will develop, design, renovate, construct, rehabilitate, and equip, as well as repair and maintain the Facilities on the property at its own cost and expense. As of the execution date of the Ground Lease, the total cost of the project was estimated to be $5,500,000. ULM will not incur any debt as a result of this project. Unless terminated sooner, the Ground Lease shall continue and remain in full force and effect for a term commencing on December 1, 2020, and will expire when a substantial completion document is signed and all construction is completed. The facility was certified as complete as of August 22, 2022.

I. CONSTRUCTION LABORATORY FACILITY – ULM SCHOOL OF CONSTRUCTION MANAGEMENT

COOPERATIVE ENDEAVOR AGREEMENT

On March 1, 2022, the Organization entered into a Cooperative Endeavor Agreement with ULM and the ULM Foundation whereby the Organization will facilitate and oversee the development, design, and construction of a Construction Laboratory Facility on land owned by the Organization and adjacent to the ULM School of Construction Management

on the ULM campus. Under the terms of the Cooperative Endeavor Agreement, the Organization will facilitate and oversee the entire construction project.
Upon completion of the project, the Organization will transfer ownership of the land and all improvements thereon, not limited to the Construction Laboratory Facility, to ULM. The total cost of the project is expected to be $600,000. The Organization donated the Construction Laboratory Facility to the University of Louisiana Monroe on February 26, 2026.

J. OUACHITA PARISH POLICE JURY COOPERATIVE ENDEAVOR AGREEMENT

On March 11, 2021, the United States Congress enacted Public Law No. 117-2, known as the American Rescue Plan Act of 2021 (ARPA), which, in part, provides funding for states and localities to address the economic and health consequences of the COVID-19 pandemic. The funds were disbursed to states and local governments, including the State of Louisiana and the Police Jury. 31 C.F.R. 35.6 authorizes recipients of these funds to make investments in certain projects and programs.

On February 22, 2024, the Police Jury and the Organization entered into a Cooperative Endeavor Agreement in an effort to establish a contractual relationship for the purpose of funding the Organization's projects, so that the Police Jury may disburse funds and monitor the use of said funds. The Organization's projects shall yield benefits to the public through improvements to the facilities and infrastructure.

K. SOFTBALL COMPLEX PUBLIC ACCESS IMPROVEMENTS

GROUND AND FACILITIES LEASE AGREEMENT

On February 22, 2024, the Organization and the University entered into a Ground and Facilities Lease Agreement to make safety and public access improvements to the softball complex. The University will lease the land, Located at 500 Warhawk Way, Monroe, LA 71209, to the Organization for $1 per year. The project will include installing additional outfield seating, an outfield student section, and new entryways into the complex to increase capacity, access, and safety at the complex. This will also include new hard pavement to access the new seating areas.

The Organization anticipates total funding available for the project will be approximately $237,950. This will include construction, design, testing/surveying, and contingency funding. ULM will not incur any debt as a result of the project. The University's land/property will not be used as security for the project. The project will be funded by a grant provided by the Ouachita Parish Police Jury through their American Rescue Plan Act (ARPA) program. The Grounds and Facilities Lease Agreement will expire when a substantial completion document is signed and all construction is completed. Upon the completion of the work, all improvements will be donated to the University.

COOPERATIVE ENDEAVOR AGREEMENT

On December 14, 2023, the Organization entered into a cooperative Endeavor Agreement with the Ouachita Parish Police Jury (the Police Jury), whereby the Police Jury will use funds from the American Rescue Plan Act to provide funding for the construction of safety and access improvements for the softball facility at the ULM Campus. The Police Jury agrees to allocate and transfer to the Organization, a sum not to exceed $237,950 for the purpose of funding the project. The Organization shall use the funds provided for the exclusive purpose of constructing the project, including engineering/design services. The Police Jury will disburse the funds by transferring to the Organization the Police Jury's pro rata share (100%) of the amount of each Contractor's Application for Payment approved by the Organization's Project Engineer as shown by an Owner's Certificate for Payment executed by said engineer. The Police Jury will issue such payments within 15 days of receipt of evidence of each such executed Owner's Certificate for Payment. Cooperation under the agreement will take effect starting December 14, 2023 and will continue in effect until the agreement is amended by mutual agreement, terminated by either party, or extinguished by operation of law.

On December 19, 2024, the cooperative endeavor agreement between the Organization and the Police Jury was supplemented and amended to increase the amount of grant funds made available to the Organization from $237,950 to $268,950. The original cooperative endeavor agreement remains in effect other than the increase in the amount of grant funds available to the Organization.

L. FUTURE MINIMUM LEASE PAYMENTS AND RENTALS

GROUND LEASE AGREEMENTS

The Future minimum lease payments underground leases (operating leases) as of June 30, 2026, are as follows:

Years Ending June 30,	Amount
2027	5
2028	4
2029	4
2030	4
2031	4
Thereafter	16
Totals	$ 37

FACILITIES LEASE AGREEMENTS

As discussed above, each Facilities Lease Agreement between the Organization and the Board contains a base rental and an additional rental. The base rental amount is equal to

the amount necessary to pay the principal and interest due on each loan as such principal and interest are payable.

The additional rental is to be received for expenses incurred by the Organization on behalf of the Board and/or by the Board or ULM in the management, operation, and/ or maintenance of the lease facilities. Due to the contingent nature of the additional rental, the future minimum rentals under the facilities leases (operating leases) as of June 30, 2026, are reported utilizing the base rental and, therefore, are equivalent to the aggregate maturities of long-term debt as indicated in Note 6 to the financial statements.

Note 9 – LAUNDRY ROOM LEASE

On February 10, 2005, the Organization and Caldwell & Gregory, Inc. (CGI) entered into a Laundry Room Lease Agreement, which was subsequently amended to reflect an effective date of July 15, 2006. Under the terms of the Lease Agreement, CGI has agreed to install, maintain, and service coin-operated drying and laundry equipment on the ULM campus. In addition, CGI has agreed to pay the Organization 85% of all revenues over a $33.50 average per machine per month. The payments are to be made at a rate of $850 per month, with an accounting and a settlement to be made on an annual basis. During the year ended June 30, 2018, the Organization and CGI entered into a new 10-year Lease Agreement, with modified terms. The new Lease Agreement is effective July 1, 2018, and will automatically renew under the same terms, conditions, and length unless cancelled by either party not less than 30 days and not more than 180 days prior to the expiration of the then current term.

The future minimum lease payments under the Laundry Room Lease as of June 30, 2026, are as follows:

Years Ending June 30,	Amount
2027	10,200
2028	10,200
Total minimum lease payments	$ 20,400

Note 10 – RELATED PARTY TRANSACTIONS

A. DUE TO ULM

The Organization reimburses ULM for certain operating expenses resulting from ULM's management of the Organization's various properties. The amount of reimbursable expenses totaled $3,268,943 and $3,232,319 for the years ended June 30, 2026 and 2025, respectively. At June 30, 2026 and 2025, the Organization owed $185,474 and $522,737, respectively, to ULM for reimbursable expenses, which has been included in the 'Due to ULM' financial statement line item.

B. DUE FROM ULM – OTHER

As discussed in Note 8, the Organization contributed $241,119 to the International Student Facility development. ULM has committed to reimburse the Organization its contribution as additional funds become available and/or donations are received. As of June 30, 2026, ULM has reimbursed the Organization $171,908 with a balance due of $69,211.

C. DUE FROM ULM – STUDENT HOUSING RENTAL COLLECTIONS

The Organization is due rents and application fees collected by ULM in the amount of $116,127 as of June 30, 2026.

D. TRANSFERS FROM/DUE FROM – ULM FOUNDATION

In accordance with the terms of various Cooperative Endeavor Agreements, the Organization funds the development, design, and construction of certain facility projects and request reimbursement from related entities, generally the ULM Foundation or ULM Athletic Foundation. During the years ended June 30, 2026 and 2025, reimbursable development and construction costs totaled $50,300 and $350,016, respectively. These reimbursements are included in Transfer/Donation of Funds, Net. As of June 30, 2026 and 2025, the ULM Athletic Foundation owed the Organization $156,401 and $163,859 in development and construction reimbursement costs, respectively.

Note 11 – CONSTRUCTION IN PROGRESS AND COMMITMENTS

During the year ended June 30, 2023, the Organization entered into a Ground and Facilities Lease Agreement with the Board, on behalf of ULM, for the purpose of constructing a drainage system and installing an artificial turf field on the ULM campus for the ULM softball team. The Organization contracted with various professionals required to complete the project. Total expenditures incurred on the Project were $788,180. At June 30, 2024, contracts payable for the Project was $0. Ownership of the facility was transferred to the University during the year ended June 30, 2024. During the year ended June 30, 2023, the Organization entered into a Ground and Facilities Lease Agreement with the Board, on behalf of ULM, for the purpose of constructing a drainage system and installing an artificial turf field at Malone Stadium on the ULM campus. The Organization contracted with various professionals required to complete the project. Total expenditures incurred on the Project were $628,060. Ownership of the facility was transferred to the University during the year ended June 30, 2024.

During the year ended June 30, 2023, the Organization entered into a Ground and Facilities Lease Agreement with the Board, on behalf of ULM, for the purpose of constructing Phase I of a Short Game Practice Facility at the Wally Jones Golf Complex on the ULM campus. The Organization contracted with various professionals required to complete the project. Total expenditures incurred on the project were $150,000. Ownership of the facility was transferred to the University during the year ended June 30, 2024.

During the year ended June 30, 2024, the Organization and the University, entered into a Ground and Facilities Lease Agreement to make safety and public access improvements to the softball complex. The project includes installing additional outfield seating, an outfield student section, and new entryways into the complex to increase capacity, access, and safety at the complex. It also includes new hard pavement to access the new seating areas. The project is funded by a grant provided by the Ouachita Parish Police Jury through their ARPA program. Total expenditures incurred on the project were $253,793 as of June 30, 2026. At June 30, 2026, the balance of contracts payable for the project was $13,358. Upon the completion of the work, all improvements will be donated to the University.

During the year ended June 30, 2025, the Organization entered into a Ground and Facilities Lease Agreement with the Board, on behalf of ULM, for the purpose of constructing Phase II of a Short Game Practice Facility at the Wally Jones Golf Complex on the ULM campus. The Organization contracted with various professionals required to complete the project. Total expenditures incurred on the project were $82,271. The project was completed during the year ended June 30, 2025, with ownership of the facility being transferred to the University during July 2025.

Note 12 – TRANSFERS OF FUNDS AND PROPERTY

On March 1, 2013, the Authority and the Trustee entered into the First Supplemental Trust Indenture. Article 2 of this agreement changed Section 4.8(a)(ix) of the Amended and Restated Indenture in its entirety to read as follows: "(ix) Annually on November 1 of each year beginning November 1, 2012, any amounts remaining in the Receipts Fund after the payment required to be made to the Replacement Fund in excess of the amounts necessary to make payments from the Receipts Fund required by this Section 4.8 on such November 1 may be transferred, at the written direction of the Chief Business Officer of the Division of Business Affairs for the University or the President of the University, to the University or the Corporation. Pursuant to this agreement, $0 and $5,000,000 were transferred to ULM for the years ended June 30, 2026, and 2025, respectively.

Note 13 – LUMEN TECHNOLOGIES CAMPUS – ACT OF DONATION AND LEASEBACK

On June 23, 2023, the donation was recorded as a contribution in an amount equal to the approximate fair value of the real estate and other property. The recognized fair values were obtained from independent third party appraisals. The land and buildings were valued at $2,979,540 and $15,770,460 respectively. The buildings are being depreciated over a period of 39 years. The furniture, fixtures, and equipment consist primarily of office furniture, kitchen equipment, as well as auditorium lighting fixtures, projects, and display screens. These items were valued at $1,840,600 and have been assigned a useful life of 7 years.

On June 23, 2023, in connection with the donation, Lumen and ULMFI entered into agreement whereby Lumen leases back approximately 52,000 square feet of office space within the donated property. The leaseback agreement is for an initial three year term, with extension options for two additional one-year terms. The agreement notes a monthly base rent of $92,246.

In June 2026, the lease agreement was amended to reduce the leased office space from approximately 52,000 square feet to approximately 18,000 square feet and to extend the lease term for an additional three years, commencing July 1, 2026 and expiring June 30, 2029. Under the amended agreement, monthly rent will be $37,446 during the extended term. The amended lease also provides Lumen Technologies with options to renew the lease for two additional successive one-year periods.

The future minimum lease payments are as follows:

Years Ending June 30,	Amount
2027	$ 449,352
2028	449,352
2029	449,352
	$ 1,348,056

Note 14 – LOUISIANA ECONOMIC DEVELOPMENT COOPERATIVE ENDEAVOR AGREEMENT

GENERAL

In January 2025, University of Louisiana Monroe Facilities, Inc. (ULMFI) entered into a Cooperative Endeavor Agreement (CEA) with the State of Louisiana, through Louisiana Economic Development (LED), to support economic development activities associated with the Clarke M. Williams Innovation Campus located in Monroe, Louisiana. Under the agreement, LED will develop a marketing strategy for the property intended to attract economic opportunities and promote growth within the State, while ULMFI will continue to operate and maintain the facility. The agreement is effective January 1, 2025, through December 31, 2027.

OBLIGATIONS

Pursuant to the CEA, LED agreed to provide funding of up to $9.0 million to reimburse ULMFI for eligible operational and maintenance costs associated with the property, payable at up to $3.0 million annually over the three-year term of the agreement. Eligible expenditures include insurance, utilities, contractual services, operating services, maintenance, supplies, and other costs necessary to operate and maintain the Innovation Campus. ULMFI is responsible for operating and maintaining the property, submitting reimbursement requests with supporting documentation, and providing annual progress reports describing activities performed and progress toward the objectives of the agreement. Funding is contingent upon LED approval of eligible expenditures

and continued legislative appropriation by the State of Louisiana. The agreement also contains provisions requiring repayment of amounts received under certain circumstances involving the sale or disposition of the property.

During the year ended June 30, 2026, ULMFI incurred $2,951,299 in eligible expenditures under the CEA. At June 30, 2026, $994,779 was receivable from LED and is reported as due from state agency in the accompanying Statements of Financial Position. Management has concluded that amounts received or receivable under the CEA represent a liability because the agreement contains provisions requiring repayment of amounts funded by LED upon the occurrence of certain events involving the sale or disposition of the property. Although the timing of repayment is dependent upon future events, management believes the repayment provisions create a present obligation associated with amounts received under the agreement. Accordingly, amounts reimbursed and reimbursable under the agreement totaling $2,951,299 are reported as a liability at June 30, 2026. Management has classified the liability as current because repayment could become due upon the occurrence of a qualifying sale or disposition and ULMFI does not have an unconditional right to defer settlement beyond one year if such an event occurs.

Note 15 – SUBSEQUENT EVENTS

The Organization's management has evaluated subsequent events through October 13, 2026, the date which the financial statements were available for issue, based on FASB ASC 855, Subsequent Events, and has determined that no subsequent events have occurred that would require additional disclosure.

SUPPLEMENTARY INFORMATION

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2026

No compensation, benefits, or other payments are paid to an agency head or chief executive officer.

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Schedule of Revenues, Expenses, and Capitalized Expenditures Made to or on Behalf of ULM's Intercollegiate Athletics Program
For the Year Ended June 30, 2026

	2026
Capital expenditures paid to or on behalf of ULM's Intercollegiate Athletics Program	$ 36,766

REPORTS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

WOODARD & ASSOCIATES APAC

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Keeping you on course!

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
University of Louisiana Monroe Facilities, Inc.
Monroe, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **University of Louisiana Monroe Facilities, Inc.** (a nonprofit organization, the Organization) which comprise the statement of financial position as of June 30, 2026, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 13, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board of Directors
University of Louisiana Monroe Facilities, Inc.
Monroe, Louisiana

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Woodard & Associates

(A Professional Accounting Corporation)
Monroe, Louisiana

October 13, 2026

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Schedule of Findings
For the Year Ended June 30, 2026

Section I - Summary of Auditors' Results

Financial Statements
Type of auditors' report issued: Unmodified

Internal Control over financial reporting
Material Weaknesses _Yes _X_ No
Significant Deficiency _Yes _X_ None Noted

Noncompliance material to financial statements _Yes_X_ No

Section II – Findings related to the financial statements that are required to be reported under *Government Auditing Standards.*

There were no findings identified that are required to be reported under *Government Auditing Standards.*

UNIVERSITY OF LOUISIANA MONROE FACILITIES, INC.
Monroe, Louisiana

Summary Status of Prior Year Findings
For the Year Ended June 30, 2026

There were no findings included with our audit report dated September 23, 2025, covering the audit of the financial statements of University of Louisiana Monroe Facilities, Inc. as of and for the year ended June 30, 2025.