

RAGIN' CAJUN FACILITIES, INC.
FINANCIAL REPORT
JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Ragin' Cajun Facilities, Inc.
Lafayette, Louisiana

Opinion

We have audited the accompanying financial statements of Ragin' Cajun Facilities, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023 and the related statements of activities and cash flows 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 Ragin' Cajun Facilities, Inc. as of June 30, 2024 and 2023, 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 audits 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 Ragin' Cajun Facilities, Inc. and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Ragin' Cajun Facilities, Inc.'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 Ragin' Cajun Facilities, Inc.'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 Ragin' Cajun Facilities, Inc.'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits and other payments to agency head on page 24 is presented for purposes of additional analysis and is 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 audit 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 schedule of compensation, benefits and other payments to agency head 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 a report dated October 11, 2024, on our consideration of Ragin' Cajun Facilities, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Ragin' Cajun Facilities, Inc.'s internal control over financial reporting and compliance.



Lafayette, Louisiana
October 11, 2024

FINANCIAL STATEMENTS

RAGIN' CAJUN FACILITIES, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2024 and 2023

ASSETS	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash	\$ 3,684,562	\$ 5,651,498
Interest receivable	<u>25,311</u>	<u>24,639</u>
	<u>\$ 3,709,873</u>	<u>\$ 5,676,137</u>
RESTRICTED ASSETS		
Cash in debt service reserves	\$ -	\$ 862,302
Cash in maintenance reserves	5,533,314	5,328,459
Cash in project funds	11,622,470	863
Cash in other funds	<u>664,161</u>	<u>144,055</u>
	<u>\$ 17,819,945</u>	<u>\$ 6,335,679</u>
PROPERTY AND EQUIPMENT		
Buildings	\$ 312,236,506	\$ 311,354,065
Land improvements	4,472,852	4,472,852
Furniture and equipment	<u>33,933,255</u>	<u>32,835,707</u>
	\$ 350,642,613	\$ 348,662,624
Accumulated depreciation and amortization	<u>(124,319,581)</u>	<u>(110,965,467)</u>
Net depreciable assets	\$ 226,323,032	\$ 237,697,157
Land	2,474,047	2,474,047
Construction in progress	<u>22,725,148</u>	<u>3,620,721</u>
Total property and equipment	<u>\$ 251,522,227</u>	<u>\$ 243,791,925</u>
Total assets	<u>\$ 273,052,045</u>	<u>\$ 255,803,741</u>

See Notes to Financial Statements.

LIABILITIES AND NET ASSETS	<u>2024</u>	<u>2023</u>
CURRENT LIABILITIES		
Current maturities of bonds payable	\$ 7,550,000	\$ 7,015,000
Current portion of long-term debt	156,158	149,250
Accounts payable	3,346,410	1,855,208
Accrued interest payable	2,714,442	2,592,792
Due to related parties	<u>277,568</u>	<u>251,838</u>
Total current liabilities	<u>\$ 14,044,578</u>	<u>\$ 11,864,088</u>
LONG-TERM LIABILITIES		
Bonds payable less current maturities	\$ 228,025,000	\$ 221,535,000
Bond issue premiums, net of bond discounts, and net of accumulated amortization of \$6,111,074 and \$4,875,724, respectively	15,960,153	17,456,188
Bond issuance costs, net of accumulated amortization of \$2,167,827 and \$1,795,802 respectively	(5,436,319)	(4,581,563)
Long-term debt, less current portion	40,217	196,375
Long-term debt costs, net of accumulated amortization of \$8,572 and \$8,226, respectively	<u>(164)</u>	<u>(509)</u>
Total long-term liabilities	<u>\$ 238,588,887</u>	<u>\$ 234,605,491</u>
Total liabilities	<u>\$ 252,633,465</u>	<u>\$ 246,469,579</u>
NET ASSETS		
Without donor restrictions	\$ 11,860,145	\$ (1,031,602)
With donor restrictions	<u>8,558,435</u>	<u>10,365,764</u>
	<u>\$ 20,418,580</u>	<u>\$ 9,334,162</u>
Total liabilities and net assets	<u>\$ 273,052,045</u>	<u>\$ 255,803,741</u>

RAGIN' CAJUN FACILITIES, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Rental income	\$ 16,044,792	\$ -	\$ 16,044,792
Contributions:			
Maintenance reserve	-	2,604,318	2,604,318
Other	1,000,915	13,940,670	14,941,585
Federal awards	-	38,978	38,978
Grants:			
State	-	495,667	495,667
Other	-	1,500,000	1,500,000
Interest income	<u>51,069</u>	<u>317,391</u>	<u>368,460</u>
Total revenues, gains, losses and other support	\$ 17,096,776	\$ 18,897,024	\$ 35,993,800
Released from restriction	<u>20,704,353</u>	<u>(20,704,353)</u>	<u>-</u>
Total revenues after net assets released from restrictions	<u>\$ 37,801,129</u>	<u>\$ (1,807,329)</u>	<u>\$ 35,993,800</u>
EXPENSES:			
Program expenses:			
Depreciation and amortization	\$ 13,354,114	\$ -	\$ 13,354,114
Repairs and maintenance	1,318,902	-	1,318,902
Insurance	29,984	-	29,984
Property improvements contributed to the University	1,239,656	-	1,239,656
Other expenses	11,666	-	11,666
Interest expense, net	<u>8,955,060</u>	<u>-</u>	<u>8,955,060</u>
	<u>\$ 24,909,382</u>	<u>\$ -</u>	<u>\$ 24,909,382</u>
Change in net assets	\$ 12,891,747	\$ (1,807,329)	\$ 11,084,418
Net assets at beginning of year	<u>(1,031,602)</u>	<u>10,365,764</u>	<u>9,334,162</u>
Net assets at end of year	<u>\$ 11,860,145</u>	<u>\$ 8,558,435</u>	<u>\$ 20,418,580</u>

See Notes to Financial Statements.

RAGIN' CAJUN FACILITIES, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Rental income	\$ 15,956,848	\$ -	\$ 15,956,848
Contributions:			
Maintenance reserve	-	2,596,820	2,596,820
Other	1,001,787	2,500,074	3,501,861
State grant	80,890	-	80,890
Interest income	<u>78,144</u>	<u>166,702</u>	<u>244,846</u>
Total revenues, gains, losses and other support	\$ 17,117,669	\$ 5,263,596	\$ 22,381,265
Released from restriction	<u>3,528,957</u>	<u>(3,528,957)</u>	<u>-</u>
Total revenues after net assets released from restrictions	<u>\$ 20,646,626</u>	<u>\$ 1,734,639</u>	<u>\$ 22,381,265</u>
EXPENSES:			
Program expenses:			
Depreciation and amortization	\$ 13,249,621	\$ -	\$ 13,249,621
Repairs and maintenance	1,228,697	-	1,228,697
Insurance	38,978	-	38,978
Other expenses	60,071	-	60,071
Interest expense, net	<u>9,280,747</u>	<u>-</u>	<u>9,280,747</u>
	<u>\$ 23,858,114</u>	<u>\$ -</u>	<u>\$ 23,858,114</u>
Change in net assets	\$ (3,211,488)	\$ 1,734,639	\$ (1,476,849)
Net assets at beginning of year	<u>2,179,886</u>	<u>8,631,125</u>	<u>10,811,011</u>
Net assets at end of year	<u>\$ (1,031,602)</u>	<u>\$ 10,365,764</u>	<u>\$ 9,334,162</u>

See Notes to Financial Statements.

RAGIN' CAJUN FACILITIES, INC.

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 11,084,418	\$ (1,476,849)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	13,354,114	13,249,621
Net amortization of bond cost, loan costs and bond (premiums), net of discounts, included in interest expense	(921,379)	(846,030)
Property improvements contributed to the University	1,239,656	-
Increase in receivables	(672)	(22,158)
Increase (decrease) in accrued interest payable	<u>121,650</u>	<u>(60,683)</u>
Net cash provided by operating activities	<u>\$ 24,877,787</u>	<u>\$ 10,843,901</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of fixed assets	<u>\$(20,774,471)</u>	<u>\$ (2,297,485)</u>
Net cash used in investing activities	<u>\$(20,774,471)</u>	<u>\$ (2,297,485)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on bonds payable	\$ (7,015,000)	\$ (6,770,000)
Proceeds from issuance of bond debt, net of underwriter's discounts, bond issue discounts and bond insurance premiums	13,560,692	-
Payments for bond issue costs	(1,008,158)	-
Payments on long-term debt	(149,250)	(142,719)
Increase in (settlements of) related party payables	<u>25,730</u>	<u>191,838</u>
Net cash provided by (used in) financing activities	<u>\$ 5,414,014</u>	<u>\$ (6,720,881)</u>
Net increase in cash	\$ 9,517,330	\$ 1,825,535
Cash, beginning of year	<u>11,987,177</u>	<u>10,161,642</u>
Cash, end of year	<u>\$ 21,504,507</u>	<u>\$ 11,987,177</u>
Cash:		
Operating	\$ 3,684,562	\$ 5,651,498
Restricted	<u>17,819,945</u>	<u>6,335,679</u>
	<u>\$ 21,504,507</u>	<u>\$ 11,987,177</u>

See Notes to Financial Statements.

RAGIN' CAJUN FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization:

Ragin' Cajun Facilities, Inc. (the "Corporation" or "RCFI") is a Louisiana nonprofit corporation chartered in January 2001. Its purpose is to promote, assist and benefit the educational, scientific, research and public service mission of University of Louisiana at Lafayette (the "University" or "ULL"). The objectives of the Corporation are to acquire, construct, develop, manage, lease as lessor or lessee, mortgage and/or convey student housing and other facilities on the campus of the University.

The accompanying financial statements of the Corporation have been prepared on the accrual basis of accounting.

Significant accounting policies:

Restricted cash -

The Corporation's trustees maintain undisbursed bond proceeds and other deposits in trust in money market balances and other short-term investments required for financing the costs of the development, design, construction and equipping of new student housing, child care facilities, parking and athletics facilities (collectively, the "Facilities") for students, faculty and staff of the University, funding a debt service reserve fund, paying capitalized interest on the bonds, and paying costs of issuance of the bonds, including the premium for the Bond Insurance Policy. These reserved amounts are reflected as restricted cash on the statement of financial position. The funds are held in trust and can only be disbursed, in accordance with the trust agreements, by the trustees and intended for debt service payments, construction repair and maintenance activities.

Money market funds and other short term investments are not bank deposits or obligations, are not guaranteed by the Bank in trust and are not insured by the FDIC, the Federal Reserve Board, or any other government agency and are collateralized by securities held by the financial institution's trust department, but not in the Corporation's name. These funds are reflected as restricted cash and investments on the statement of financial position.

Use of estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents -

For the purposes of the statement of cash flows, the Corporation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Such cash and cash equivalents may be designated by the Board toward the use toward specific construction projects for which the funds were donated to the Corporation.

NOTES TO FINANCIAL STATEMENTS

Property and equipment -

Purchased property and equipment is recorded at cost at the date of acquisition. Depreciation is computed basis over the estimated useful life of the related assets at rates based on the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	20-30
Land improvements	10-30
Appliances, furniture and equipment	5-20
Technology costs	5-15

Interest on debt issued to finance the construction of the facilities is capitalized as a part of the project and amortized over the same useful life of buildings and improvements. Investment earnings on temporary investments earned during the construction phase are netted against capitalized interest. When fixed assets are placed in service, they are transferred to the respective accounts and depreciated. Amortization of capitalized interest is consistent with the depreciation method used for buildings and improvements.

Federal income taxes -

The Corporation qualifies for an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

The Corporation's Form 990, *Return of Organization Exempt from Income Tax*, is no longer subject to examination by tax authorities for years prior to 2021.

Bond Issuance Costs –

Costs incurred in obtaining long-term financing have been capitalized and are being amortized over the lives of the bonds under the effective interest method.

Bond Issue Discounts and Premiums –

Bond issue discounts and premiums resulting from the issuance of revenue bonds at a price below (discount) or exceeding (premium) the face value of the bonds are amortized over the life of the bonds under the effective interest method. Bond discounts and premiums are presented at net values on the financial statements.

Fair values of financial instruments -

The Corporation has adopted the provisions of the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification (ASC 820) for financial assets. Such financial assets are primarily investment securities, purchased to earn income on idle bond proceeds pending disbursement on construction activities, which are recognized and disclosed at fair value in the financial statements. ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

NOTES TO FINANCIAL STATEMENTS

In addition to defining fair value, ASC 820 expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which is determined by the lowest level input that is significant to the fair value measurement in its entirety.

These levels are: The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities as of the reporting date. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 - Valuations based on inputs that are unobservable and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

Concentrations of credit risk -

The Corporation receives substantially all of its facilities lease rental revenues from the University of Louisiana System through the University of Louisiana at Lafayette. In addition, the University makes annual maintenance reserve contributions that are stipulated in the bond indentures. The University also provides technical and administrative support to the Corporation without compensation.

The Corporation periodically maintains cash in trust accounts placed with trustees at various financial institution in excess of insured limits. It likewise has cash balances in deposit accounts with financial institutions that exceed FDIC limits. The Corporation has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

NOTES TO FINANCIAL STATEMENTS

Note 2. Long-Term Debt - Bonds

In October 2012, the Corporation issued \$14,740,000 of non-taxable refunding revenue bonds, the Series 2012 bonds, through the Lafayette Public Financing Authority. The purpose of the issue was to refund the Series 2002 revenue bonds of the Corporation and to reduce debt service on the remaining outstanding obligation in a falling interest rate environment. The original Series 2002 revenue bonds were used to construct the first phase of the Legacy Park Apartment Complex for students of the University of Louisiana at Lafayette at a cost of \$15,464,451, plus capitalized interest incurred during the project of \$1,461,966. The Series 2012 refunding bonds were issued at a premium of \$818,273 and costs of issuance deducted from the bond proceeds consisted of \$110,550 of underwriter's discount and the bond insurance premium of \$233,595. Additional payments for costs of issuance of \$176,337 were paid by the Corporation. Interest rates on bond outstanding at June 30, 2024 range from 3.625% to 5.00%, with an average interest rate of 3.95% over the remaining life of the bonds maturing in 2032.

In 2009, the Corporation issued Series 2009 Housing Revenue Bonds to construct another student apartment complex. During the 2017 fiscal year, the Corporation's remaining \$11,880,000 of Series 2009 Housing Revenue bonds were refunded, along with a substantial portion of the outstanding Series 2010 Parking and Housing Bonds, as the Series 2017 Refunding Bonds. That portion of the Series 2010 Parking and Housing revenue bonds included in the refunding were bonds outstanding of \$85,645,000 with maturities from October 1, 2021 through October 1, 2041. As a result of the refunding, the remaining Series 2010 Parking and Housing Bonds outstanding of \$8,150,000, not included in the refunding, were bonds with maturities through October 1, 2020, and at which time repayment of the remaining maturities of the Series 2010 Bonds were made during the 2021 fiscal year. The Series 2017 Refunding Bonds were issued in the face amount of \$95,945,000, with aggregate bond issue costs of \$2,156,840, at a premium of \$8,479,654. Interest rates on the refunding bonds outstanding at June 30, 2024 range from 3.00% to 5.00%, with an average interest rate of 4.63% over the remaining life of the bonds with a final maturity in 2041.

The initial purpose of the Series 2009 Housing Revenue Bonds was the construction of a second phase of the Legacy Park Apartment complex and were originally issued at a face value of \$12,500,000. The original cost of the project was \$9,783,019, plus capitalized interest incurred during construction of the project of \$871,139.

The original Series 2010 Housing and Parking Revenue Bonds, refunded by the Series 2017 Housing and Parking Refunding Revenue Bonds, had multiple phases and involved the demolition of existing residence halls and the construction of four new large residence halls, the renovation of four existing halls and the construction of a six-level parking garage. In connection with this project, the Corporation issued bonds in the amount of \$100,050,000. The cost of the facilities in connection with this issue was \$81,052,862, plus capitalized interest incurred during the project of \$7,469,682. The project was performed in various stages and spanned three years to completion.

In fiscal year 2010, the Organization issued the Series 2010 Student Union Revenue Bonds for the renovation and expansion of the University's Student Union facility. The University initially contributed \$19,312,000 toward the project, in addition to the proceeds of the bonds issued in the amount \$22,200,000 to finance the cost of demolishing certain facilities, renovate and expand the existing ULL Student Union, renovate the O. K. Allen Hall to provide for a student health center, the construction of a new food services center and other facilities. Issue costs in connection with the Series 2010 Student Union project were \$671,779 and the bonds were issued at a discount of \$374,142. The University made additional contributions throughout the five year construction term totaling \$12,995,607. By the end of the 2016 fiscal year, the facility was completed at a cost of

NOTES TO FINANCIAL STATEMENTS

\$52,543,370, in addition to \$3,891,414 of capitalized interest, net of interest and investment earnings on bond proceeds.

In September 2021, \$17,580,000 of outstanding Series 2010 Student Union Revenue Bonds were refunded with the Series 2021 Student Union Refunding Revenue Bonds in the amount of \$14,550,000 and were issued at a premium of \$2,501,768. The outstanding refunding bonds carry a rate of 4% with an average rate of 4.00%. Bond costs of \$422,560 were incurred in connection of the issuance of the refunding bonds. Unamortized bond discounts and costs of \$577,140 on the Series 2010 bonds were written off as of the refunding date. The final maturity on the refunding bonds is October 1, 2040 and remain the same as the original issue.

In November 2013, the Organization issued Series 2013 Revenue Bonds for the construction of two projects, the Athletic Facilities Project and the East Lewis Street Parking Garage in connection with the Louisiana Local Government Environmental Facilities and Community Development Authority. The Series 2013 Athletic Facilities Project involved the design, development, equipping, renovation, reconstruction and/or construction of an addition to the Leon Moncla Indoor Athletic Practice Facility to provide football locker rooms, a weight room, coach's offices and training facilities; the construction of an additional 5,900 seats in the south end zone of Cajun Field football stadium; the construction of a new visitor's football locker room; and the construction of a new track/soccer office, concession and locker room building on the campus of the University of Louisiana at Lafayette.

The University initially contributed \$1,000,000 toward the Athletics' Complex project during the 2014 fiscal year, concurrent with the issuance of the 2013 Series bonds in the amount \$23,605,000. During the construction phase, the University made additional contributions to the project of \$1,139,956 and the Ragin' Cajun Athletics Foundation ("RCAF") made contributions of \$3,860,000. Bond issuance costs of \$539,802 were incurred in connection with the bonds and the bonds were issued at a discount of \$147,924. The bonds were issued pursuant to the Athletic Revenue Contribution Agreement; whereby, the Ragin' Cajun Athletics Foundation agreed to transfer Athletic Revenues in a minimum annual amount of \$400,000. Such contributions by the RCAF were carried over to the Series 2021 Athletics Facilities Refunding Bonds discussed below, and are included as a component of rent revenues in the statements of activities for the fiscal years ended June 30, 2024 and 2023.

Final construction costs for the Athletics Facilities Project were \$25,309,602, along with capitalized interest of \$1,709,891, are included in buildings and improvements, and equipment and technology costs of \$1,899,159 are included in furniture and equipment. In September 2021, the outstanding \$20,650,000 of Series 2013 Athletics Complex Revenue Bonds were refunded with the Series 2021 Athletics Complex Refunding Revenue Bonds in the amount of \$17,380,000 and were issued at a premium of \$2,813,435. At the refunding date, the interest rates on bonds outstanding for the Series 2013 Athletics Facilities Bonds ranged from 3.00% to 5.00%, with an average interest rate of 4.82%. The outstanding Series 2021 Refunding Bonds carry a rate of 4% at June 30, 2024. Bond costs of \$541,438 were incurred in connection of the issuance of the refunding bonds. Unamortized bond discounts and costs of \$460,514 on the Series 2013 bonds were written off as of the refunding date. The final maturities on the refunding bonds are October 1, 2043, which remain the same as the original issue.

The Series 2013 Parking Garage Project involved the construction of a multi-level parking garage on the campus of the University of Louisiana at Lafayette on East Lewis Street. Bonds with a face amount of \$25,205,000 were issued in the 2014 fiscal year to facilitate construction of the project. Bond issuance costs of \$579,625 were incurred in connection with the bonds which were issued at a discount of \$175,990. Upon completion of the project in the 2018 fiscal year, the accumulated construction costs for the East Lewis Street Garage Project was \$21,708,768, in addition to

NOTES TO FINANCIAL STATEMENTS

capitalized interest of \$1,244,444. In September 2021, the outstanding \$22,055,000 of Series 2013 Parking Revenue Bonds for the East Lewis Street Parking Garage were refunded with the Series 2021 Parking Refunding Revenue Bonds in the amount of \$18,550,000 and were issued at a premium of \$3,003,334. Interest rates on the bonds as of the refunding date ranged from 3.00% to 5.00%, with an average interest rate of 4.83%. The outstanding Series 2013 Parking Refunding Bonds carry a rate of 4% at June 30, 2024. Bond costs of \$568,131 were incurred in connection of the issuance of the refunding bonds. Unamortized bond discounts and costs of \$507,649 on the Series 2013 bonds were written off as of the refunding date. The final maturities on the refunding bonds is October 1, 2043, which are the same as the original issue.

In 2015, the Organization issued bonds for the University of Louisiana at Lafayette's Cajundome Improvements Project. The Series 2015 bonds were issued to fund improvements to the University's Cajundome Facility. The bonds issued for the project were used for designing, renovating, constructing, furnishing and/or equipping certain improvements for the Cajundome, including seating replacement, parking lot improvements, courtyard improvements, storage improvements, elevator improvements, kitchen improvements, lobby improvements, roof improvements, boiler replacement and lighting improvements. Bonds with a face amount of \$18,500,000 were issued in the 2016 fiscal with an aggregate issue cost of \$426,182 at a discount of \$188,297.

As part of the Cajundome Series 2016 Refunding Bond, an additional \$1,470,276 of bond proceeds were provided, in addition to contributions from the Cajundome Commission, to the project budget for the Series 2015 Cajundome Improvement project. Through 2019, \$19,428,655 of final costs had been incurred on the project, in addition to \$1,394,738 of capitalized interest, net of earnings on undisbursed bond proceeds over the course of the project, including the supplemental funds. Interest rates on bonds outstanding for the Series 2015 Cajundome Improvements Bonds at June 30, 2024 range from 3.50% to 4.125%, with an average interest rate of 4.05%. These bonds begin to mature in 2029 and have a final maturity in 2044.

During the 2017 fiscal year, the University of Louisiana at Lafayette refunded revenue bonds outstanding of \$9,790,000, carried by the University in its financial statements. The \$11,005,000 Series 2016 Revenue and Refunding Bonds were issued through Ragin' Cajun Facilities, Inc. Cost of issuance in connection with the refunding was \$239,284. The refunding of the existing indebtedness was accomplished through transfers of funds accumulated in debt service reserves of the Cajundome in addition to proceeds of the Series 2016 refunding. The refunding also accomplished an additional \$1,470,276 of funding, as discussed above, which was added to the Cajundome Improvement Project's budget that was being developed with the Series 2015 Revenue Bonds. To record the assumption of the liability from the University, \$10,005,922 was recorded as a contribution to the college in the 2017 fiscal year. The interest rate on bonds outstanding for the Series 2016 Cajundome Refunding Bonds at June 30, 2023 is 2.47% and have a final maturity in 2029.

In the 2018 fiscal year, the Organization issued Series 2017 Baseball Stadium revenue bonds in the amount of \$10,145,000. The purpose of this bond issue was to refinance long-term debt with a financial institution in the amount of \$10,000,000, incurred during the 2017 fiscal year to facilitate construction of a new baseball stadium. The bond funding included to a \$100,000 pre-payment penalty on the loan obligation and an approximate \$45,000 in issue costs. The project cost of the baseball stadium was facilitated with additional contributions from the University and the ULL Foundation of \$7,696,478. The final cost of the project was \$10,377,472 for the stadium and \$6,884,376 for related furnishings and equipment. Capitalized interest during the construction phase were \$196,495. The interest rate on bonds outstanding for the Series 2017 Baseball Stadium Bonds as of June 30, 2024 is 3.50%. The bonds reach maturity in 2033.

NOTES TO FINANCIAL STATEMENTS

In 2016, the Corporation began incurring costs for planning a new housing and parking project that would become the Heritage Apartments with 590 beds utilizing 2, 3 and 4 bedroom apartments. The Series 2018 Housing and Parking Revenue Bonds were issued in May 2018. Project costs incurred prior to the issuance of bonds in May 2018 were paid by the University and reimbursed when the bonds were sold. Revenue bonds were issued in the amount of \$47,410,000 at a premium of \$4,903,746. The \$51,359,001 of bond proceeds are net of the underwriter's discount of \$341,352 and bond insurance premium and a surety bond fee of \$613,393. Additional costs of issuance of \$385,219 were paid from bond proceeds.

As a condition of the Bond Agreement, the University contributed \$3,824,484 to the project at the time of issuance. In 2019, the University made a \$1,000,000 extraordinary rental payment to offset a portion of the cost of acquisition of two lots adjacent to the project. During the 2020 fiscal year, additional extraordinary rental payments of \$3,921,277 were made by the University and added to the project budget.

Total project costs for the apartment complex were \$56,878,741 and the facility was completed by the 2019 fall semester. Included in the project cost is the acquisition of land in connection with the purchase of adjacent commercial properties with existing structures that were demolished at a completion cost of \$2,474,047. The interest rate on bonds outstanding for the Series 2018 Housing and Parking at June 30, 2024 is 5.00%. While interest payments are made semi-annually, bond payments do not commence until 2042 with a final payment in 2048.

Early in the 2020 fiscal year, a new bond project commenced for the Cajundome, the Series 2019 Revenue Bonds were sold for a new Cajundome Improvement Project. In connection with the project \$2,600,000 of bonds were issued by the Corporation at a cost of \$87,434. The purpose of the bonds are for the design, renovation, furnishing and equipping of certain improvements to the Cajundome including but not limited to improvements to the food and beverage retail sales facilities. The project undertook the conversion of existing storage space to accomplish that objective. Costs incurred on the project through June 30, 2023 were \$2,387,958, in addition to capitalized interest costs of \$44,782. The bonds carry an interest rate of 2.91% for all maturities through a final bond payment in 2033.

In October 2023, the Corporation issued two new revenue bond series for the renovation of a portion of the University's football stadium. The Series 2024A Stadium Project Bonds were issued at a face value of \$11,335,000 at a discount of \$250,363 and total issuance costs of \$1,245,262. The bonds maturities range from October 1, 2032 to October 1, 2048 at rates of 4.75% to 5.125%. The average rate on the bonds over the term is 5.01%. The Series 2024B Stadium Project Bonds were issued at a face value of \$2,705,000 at a discount of \$10,323 and total issuance costs of \$242,205. The bonds maturities range from October 1, 2024 to October 1, 2031 at rates of 5.625% to 6.25% with an average rate of 6.08% at issuance. The Project is expected to cost approximately \$65 million as more fully detailed in Note 7 relative to other funding sources and considerations necessary to complete the project.

Through June 30, 2024, \$1,231,722 of bond proceeds have been expended for the Stadium Project. Interest expense of \$549,390, including amortization of bond costs and discounts of \$58,744, has been capitalized and included in construction in progress. The capitalized amount of interest expense was reduced by \$360,588 of interest income earned on the undisbursed bond funds through June 30, 2024 in accordance with ASC 835-20, which resulted in a net amount of capitalized interest expense of \$188,802 at the balance sheet date.

NOTES TO FINANCIAL STATEMENTS

A recap of the activity within the respective bond issues are as follows:

<u>Bond Issue</u>	<u>Bonds Outstanding June 30, 2023</u>	<u>Bonds Issued</u>	<u>Bonds Paid</u>	<u>Bonds Outstanding June 30, 2024</u>
Series 2012 Refunding	\$ 9,455,000	\$ -	\$ 775,000	\$ 8,680,000
Series 2015 Cajundome Improvements	18,500,000	-	-	18,500,000
Series 2016 Cajundome Refunding	6,335,000	-	855,000	5,480,000
Series 2017 Refunding Parking and Housing	88,265,000	-	3,015,000	85,250,000
Series 2017 Baseball Stadium	7,560,000	-	575,000	6,985,000
Series 2018 Parking and Housing	47,410,000	-	-	47,410,000
Series 2019 Cajundome Improvements	2,125,000	-	165,000	1,960,000
Series 2021 Student Union Refunding	14,025,000	-	545,000	13,480,000
Series 2021 Parking Re- funding	18,005,000	-	560,000	17,445,000
Series 2021 Athletics Complex Refunding	16,870,000	-	525,000	16,345,000
Series 2024A Stadium Renovation	-	11,335,000	-	11,335,000
Series 2024B Stadium Renovation	-	2,705,000	-	2,705,000
	<u>\$228,550,000</u>	<u>\$ 14,040,000</u>	<u>\$ 7,015,000</u>	<u>\$235,575,000</u>

Aggregate maturities required on long-term debt, including interest, are as follows at June 30:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,550,000	\$ 10,378,163	\$ 17,928,163
2026	7,885,000	10,052,504	17,937,504
2027	8,220,000	9,701,975	17,921,975
2028	8,590,000	9,335,182	17,925,182
2029	8,980,000	8,957,390	17,937,390
2030-2034	49,385,000	38,707,312	88,092,312
2035-2039	50,500,000	27,837,834	78,337,834
2040-2044	52,965,000	16,237,456	69,202,456
2045-2049	41,500,000	5,234,766	46,734,766
	<u>\$235,575,000</u>	<u>\$136,442,582</u>	<u>\$372,017,582</u>

NOTES TO FINANCIAL STATEMENTS

Cash payments for bond interest during the years ended June 30, 2024 and 2023 were \$10,233,202 and \$10,168,352, respectively. Of the 2024 total, \$305,224 of the interest payments were capitalized as part of the constructions costs for the stadium project.

Note 3. Long-Term Debt – Note Payable

In 2015, the Corporation purchased a facility on campus for \$1,300,000 that it was initially leasing from the owner and renting to the University, which it operates as a student bookstore. In order to purchase the facility, the Corporation borrowed \$1,300,000 from a local financial institution. Under the terms of the loan agreement, the Corporation commenced making monthly installments of \$13,486, including interest, with any remaining balance due on September 20, 2025, the maturity date. The interest rate on the loan is the prime lending rate plus 120 basis points, with a floor rate of interest of 4.45%. At June 30, 2024, the applicable interest rate has remained at 4.45% and the resulting loan balance is \$196,375. Of the June 30, 2024 note balance, \$40,217 is due after one year and classified as long-term debt.

At June 30, 2024, principal payments on the debt over the term of the note, projected at the current interest rate, is as follows:

<u>Year Ended</u>	
2025	\$ 156,158
2026	<u>40,217</u>
	<u>\$ 196,375</u>

Cash payments of interest on the above note for the June 30, 2024 and 2023 fiscal years, included in expense, is \$12,577 and \$19,107, respectively.

Note 4. Facilities Lease Agreements

The Corporation entered into various agreements to lease the Facilities to the Board of Supervisors for the University of Louisiana System. The rental payments under this lease are to be paid semiannually, March 15 and October 15, a base rental equal to the sum of the principal, if any, and interest due and payable on the following April 1 or October 1, for all University related projects. For the two bond issues related to the Cajundome, such facility payments, equal to the debt service payments will occur no later than the 25th day prior to the semiannual payments occurring on March 1 and September 1. The future minimum rental payments to be received as base rental payments are the amounts as reflected in Note 3. In addition to the base rental, the Board will pay additional rental of any and all expenses, of every nature, character, and kind whatsoever, incurred by the Corporation, on behalf of the Board, and/or by the Board of Ragin' Cajun Facilities in the management, operation, ownership, and/or maintenance of the Facilities.

Note 5. Ground Lease Agreement

The Corporation entered into various agreements to lease the land on which facilities are constructed from the Board of Supervisors of the Louisiana University System. The rent is due and paid annually in advance in the sum of \$1 per year.

NOTES TO FINANCIAL STATEMENTS

Note 6. Non-Cash Transactions

Accretion of bond premiums, net of the amortization of original issue discounts, for the fiscal year ended June 30, 2024 and 2023 were \$1,235,350 and \$1,047,277, respectively. In the 2024 fiscal year, amortization of bond discounts of \$6,653 were capitalized with interest expense on the Stadium Project. Amortization of bond issue costs were \$372,025 and \$331,830, respectively of which \$51,446 of bond cost amortization was also capitalized on the Stadium Project in 2024. Amortization of loan costs of \$345 and \$697, respectively, are also included in the statement of changes in net assets at June 30, 2024 and 2023. Amortization of bond cost and net bond premiums and discounts that are not capitalized with interest expense on construction activity are included in interest expense in the statements of activities. The net amounts of amortization of costs, premiums and discounts has the effect of reducing interest expense by \$921,379 and \$846,030 at June 30, 2024 and 2023, respectively.

Note 7. Cooperative Endeavor Agreements

In August 2014, the Corporation entered into a Cooperative Endeavor Agreement with; the State of Louisiana, the Louisiana Department of Economic Development, the University of Louisiana at Lafayette (the "ULL"), the Lafayette Economic Development Authority (the "LED") and CGI Federal, Inc. (the "CGI"). In order to induce CGI Federal, Inc. to relocate to Lafayette, Louisiana to establish and operate an Information Technology center of excellence, the other parties to the CEA agreed to provide an Operational Cost Grant, a Facility Cost Grant, a Land Lease Grant and a ULL Grant and other considerations.

Pursuant to the CEA, Ragin' Cajun Facilities, Inc. is a party to the Facility Cost Grant portion of the Facility Agreement which provides for a grant of \$13.1 million for facility cost reimbursements by the State of Louisiana through the Louisiana Office of Economic Development. As part of the agreement, Ragin' Cajun Facilities will own and operate the facility through the term of the agreement and lease the Facility to CGI Federal, Inc. at a cost of \$1 per year, plus operating and maintenance costs for the initial 10-year period; and, thereafter at \$7 per square foot per year rental for the next ten years, with provisions for two five-year extensions.

The University funded the constructions costs incurred by Ragin' Cajun Facilities, Inc., as a funding mechanism until such costs were reimbursed by the State. At the end of the 2016 fiscal year the project was completed with total project costs of \$13,557,756 paid for the construction of the facility, all of which had been reimbursed by the Louisiana Office of Economic Development. The University reserved the right to take ownership of the facility at any time, subject to CGI's lease and Ragin' Cajun is to convey ownership to the University within 60 days written request to do so.

In November 2022, the Corporation entered into a Cooperative Endeavor Agreement among the State of Louisiana, The Board of Supervisors for the University of Louisiana System on behalf of the University of Louisiana at Lafayette (the "ULL") and the Louisiana Department of Economic Development (the "LED"). The purpose of the Agreement is to provide funding for two projects that involve facilities for the New Iberia Research Center ("NIRC"), the BSL-3 Lab and Animal Housing and the Iberia BioInnovation Accelerator GMP CDMO. In 2024, additional funding was appropriated and the proposed level of funding for the two facilities are currently at \$34,600,000 and \$55,400,000, respectively, through General Obligation Bonds and funding provided from the Capital Outlay Savings Fund.

NOTES TO FINANCIAL STATEMENTS

NIRC is owned by ULL as comprehensive research institution with an in-house public-health-funded research program, as well as collaborative relationships with private companies and academic partnerships. The BSL-3 Facility is a Biosafety Level 3 laboratory and animal housing facility that will enable research, educational, and other activities requiring such level of biological safety to expand NIRC's research capabilities.

The BioInnovation Accelerator CDMO Project involves the construction of the initial component of a bioinnovation accelerator complex to be owned and operated by ULL, and consisting of a Good Manufacturing Practices Contract Drug Manufacturing Organization Facility (the "CDMO") and a bioinnovation accelerator facility. The CDMO Facility includes a biopharmaceutical manufacturing facility for drugs tested and developed at NIRC and elsewhere, and it will enable NIRC and its collaborators and partners to manufacture needed drugs more quickly and reduce reliance on foreign manufacturing. The CDMO Facility also includes an office building for business incubation of bioinnovation firms to be recruited and developed by ULL, leveraging the drug manufacturing facility, the BSL-3 Facility and other assets and expertise of NIRC. The CDMO Facility will be modular, such that future components for bioinnovation acceleration can be added to the complex as additional funding is procured.

The parties intend to construct the BSL-3 Facility through ULL and Ragin' Cajun Facilities, Inc. on property owned by ULL and leased to RCFI for this purpose. The parties further intend to construct the CDMO Facility through RCFI on property leased by ULL for 99 years from the Iberia Economic Development Authority and subleased by ULL to RCFI for this purpose. The lease and sublease to RCFI will terminate upon completion of construction of the respective Facilities, and for ULL to own and to operate or provide for the operation of the Facilities after this termination.

At June 30, 2024, both projects are in the early planning stages and the Corporation had incurred \$691,885 on the BSL-3 facility and \$20,415 on the CDMO facility. The Corporation has received \$495,667 and \$80,890 in grant revenues in the 2024 and 2023 fiscal years, respectively included in the statements of activities.

In June 2023, Ragin' Cajun Facilities, Inc. (the "RCFI") and Pfizer, Inc. (the "Pfizer") entered into a Cooperative Endeavor Agreement for the latter to provide funding in the amount of \$1,500,000 toward the cost of furniture, fixtures and equipment necessary to operate the BSL-3 Facility referred to above. RCFI received the full award in the 2024 fiscal year. The funds are to be used by the completion date of December 31, 2026 if not extended, or returned to Pfizer. NIRC and Pfizer entered into a Master Scientific Services and Supply Agreement; whereby, Pfizer reserves the right to reserve sufficient capacity for the purpose of one or more vaccine studies at the BSL-3 Facility for the initial five years the Facility is operational.

In October 2023, a Cooperative Endeavor Agreement was executed between the Corporation, the Board of Supervisors for the University of Louisiana System, on behalf of the University of Louisiana at Lafayette and the University of Louisiana at Lafayette Foundation (the "ULLF"). The intent of the agreement was to cause the design, development, equipping, renovation, reconstruction and/or construction of the University's football stadium; including but not limited to luxury suites, loge boxes, a stadium club and club-level seating, public seating and related facilities on the campus of the University and to set forth the various duties and obligations of the parties related to the construction and financing of the Stadium Project.

To facilitate the construction of the Stadium Project, the Board will lease portions of the University's existing football stadium to RCFI, and RCFI will contract for the design, development, and construction of the Project and will lease the completed Project back to the Board. In order to finance a portion of the Project, RCFI will cause the issuance and sale of Louisiana Local Government

NOTES TO FINANCIAL STATEMENTS

Environmental Facilities and Community Development Authority Revenue Bonds (RCFI – ULL Facilities Project Series 2024A and 2024B with face amounts of \$11,335,000 and \$2,705,000, respectively). ULL will pay rental revenues to RCFI in an amount sufficient to service the debt service requirements on the bond obligations. Additionally, as part of the agreement, RCFI made an equity contribution to fund a portion of the Project in the amount of \$881,092.

The University of Louisiana at Lafayette Foundation has secured construction and permanent financing in the amount of \$41,500,000 with a lead bank and other participating banks, the proceeds of which to be contributed to RCFI for construction of the Stadium Project to be repaid through pledged private contributions for the additional funding of the project. Through June 30, 2024, RCFI has recorded contributions from ULLF in the amount of \$11,658,784. These contributions were funded by donations received and draws against the line of credit. The hard and soft costs for the Stadium Project is estimated at \$65 million, with an anticipated completion date prior to the 2025 football season. Costs paid and accrued through June 30, 2024 is \$19,594,354, including demolition costs of the existing section of the stadium to be renovated. At June 30, 2023, costs incurred for the project were \$796,861, primarily in the early planning phase.

Note 8. Federal Awards

In September 2023, RCFI was awarded a grant by the National Institute of Health through the Department of Health and Human Services, to be used toward construction costs associated with the expansion of the Macaque Breeding runs at the New Iberia Research Center in the amount of \$3,999,070. The award is pursuant to the authority of 42 USC 283k 42 CFR 52b. As of June 30, 2024, \$38,978 had been incurred on the project in the initial planning phase. The award calls for the expending of funds at the end of 56 months from the grant date.

Note 9. Liquidity and Availability of Resources

Financial assets available for general expenditures, without donor or other restrictions limiting their use or designated funds contributed toward specific projects in unrestricted cash accounts, within one year of the balance sheet date, are comprised of operating cash in the amount of \$582,367 and \$694,338, respectively at June 30, 2024 and 2023. Separate maintenance reserves are maintained and considered restricted funds for the purpose of capital expenditures and ongoing facility maintenance. Unspent project funds from bond proceeds and other contributions for construction activities are considered restricted from general expenditures.

Note 10. Commitments and Contingencies

The Corporation engages in short term contracts for repairs and maintenance on the project facilities identified in the Long-Term Debt footnote with funds that are provided to the bond trustees by the University in the form of repair and maintenance contributions for the respective facilities in accordance with the bond indentures. Such contracts are typically performed on a time and materials basis.

NOTES TO FINANCIAL STATEMENTS

The Corporation also has commitments for the following projects that are funding in part by the University, affiliates of the University and third party donations, as well as projects included in Note 7. They are as follows:

Cajun Field Football Stadium

The University of Louisiana at Lafayette demolished the west side of the football stadium at Cajun Field to renovate that section of the stadium to feature 34 new suites, 40 loge boxes, a total of 524 club level seats, an indoor club, as well as five new chair-back sections in the lower bowl and other amenities. The renovation is expected to seat over 30,000 spectators. Total hard and soft costs for the project are estimated at \$65 million of which \$19,594,551 has been incurred through June 30, 2024. The project is being funded through a combination of bonds issued by RCFI and a contribution campaign coordinated between the University and the University of Louisiana at Lafayette Foundation, which includes a \$41.5 million construction loan commitment to be funded by pledges made by private donors. In 2022, the University contributed \$4 million to RCFI to commence the planning phase and an additional \$11,658,784 was remitted to the Corporation by the Foundation. The details on the bonds issued in connection with the project are detailed in Note 7 regarding Long-Term Debt. A Cooperative Endeavour Agreement exists between RCFI, the University and the Foundation and the terms and conditions are described in Note 8. The Football Stadium is being built using a design-build concept, which has been used on other significant projects undertaken by RCFI since its inception.

ULL Health Sciences Campus

The Campus is defined as the area previously owned by the Roman Catholic Diocese of Lafayette and Our Lady of Lourdes Hospital which at one time housed the latter's hospital facility. The University acquired the property and certain buildings erected thereon. ULL has leased the property to RCFI, which includes some remaining tenants that have leases expected to expire in the short term. The leases were assigned to RCFI and it is collecting rents and has hired a property manager to administer the tenants and provide repairs as needed on the leased property. The net amounts collected are expected to be returned to the University and at June 30, 2024 and 2023, respectively, \$277,568 and \$251,838 are recorded as a payable to the University. During the 2024 fiscal year, RCFI expended \$561,055 of the net fund receipts on behalf of improvements requested by the University for improvements other than those described below. The balances owed to the University are the net balance of rents collected, less operating expenses that include the property management fees, repairs and other incidental expenses.

In 2023, RCFI has received \$2,177,830 through the University Foundation to facilitate construction activities to the existing structures for classrooms, conference rooms, a student wellness space, lounges for students, faculty and staff, and office space for the fourth floor of the St. Francis Building. Through June 30, 2024, RCFI has expended \$2,050,887 on the project and is substantially complete at the balance sheet date. In 2023, RCFI received an additional \$1,462,000 through the University Foundation to complete renovations on the fifth floor of the building to relocate the Sims Lab. At June 30, 2024, only \$45,125 has been expended on the project. Both projects are expected to be completed in the 2025 fiscal year and contributed back to the University. Further funding for these projects are not anticipated to complete them.

NOTES TO FINANCIAL STATEMENTS

Roy House

The University raised third-party contributions through the Foundation to restore a residence that is the only property owned by the University that is in the National Register of Historic Places, which is built near the University around 1900. In 2023 and 2022, contributions of \$7,000 and \$791,343, respectively, were remitted by the Foundation to provide for the renovations. In addition to costs of \$798,343 incurred by RCFI through completion of the project in the 2024 fiscal year, the University incurred addition restoration costs of \$315,244 and \$91,412 in 2023 and 2022, respectively, which were recorded by RCFI as contributions to the project in those fiscal years. The completed cost of \$1,204,999 was contributed back to the University in the 2024 fiscal year and included in contribution expense.

Note 10. Subsequent Events

Subsequent events occurring after June 30, 2024 were evaluated through October 11, 2024 the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

RAGIN' CAJUN FACILITIES, INC.

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
Year Ended June 30, 2024**

Agency Head: David K. Fontenot, Chairman of the Board

There are no transactions to report under this section.

INDEPENDENT AUDITOR' 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

To the Board of Directors
Ragin' Cajun Facilities, Inc.
Lafayette, 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 Ragin' Cajun Facilities, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 11, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Ragin' Cajun Facilities, Inc.'s internal control over financial reporting (internal control) to determine the 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 Ragin' Cajun Facilities, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Ragin' Cajun Facilities, Inc.'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ragin' Cajun Facilities, Inc.'s financial statements are free of 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 determination of financial statement amounts. 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.

A handwritten signature in black ink, appearing to read "Brandon Locke" followed by a stylized monogram or initials.

Lafayette, Louisiana
October 11, 2024

RAGIN' CAJUN FACILITIES, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended June 30, 2024

Section I. Internal Control and Compliance Material to the Financial Statements

Not applicable.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Management of
Ragin' Cajun Facilities, Inc.
Lafayette, Louisiana

We have performed the procedures enumerated below, which were agreed to by the Ragin' Cajun Facilities, Inc. (the "Corporation") on the examination of certain records and documentation of the Corporation for the period of July 1, 2023 – June 30, 2024 related to the specific financial records dealing specifically with assertions listed below in this letter. The Corporation's management is responsible for the organization's accounting records. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated finding are as follows:

Verified that the Corporation did not make loans to or allocate any net earnings or assets to the benefit of its directors, officers or other private persons. Any payments made to these persons were for reasonable compensation for services rendered or reimbursement for reasonable travel expenses.

No exceptions noted.

Verified that the Corporation made no political contributions nor reimbursed any employee for politically-related expenses that would violate IRS guidelines for 501(c)(3) organizations. Accordingly the Corporation did not provide funds to or on behalf of university's employees to endorse political parties or candidates, attend political fund-raisers, participate in lobbying activities, etc.

No exceptions noted.

Verified that the Corporation preserved, in accordance with donor intent, the principal of any endowments, and disbursements from the expendable portion of those funds were made in accordance with donor intent and to eligible recipients or for eligible purposes.

No exceptions noted.

Verified that donations were properly recorded in the accounting records in accordance with donor intent. (i.e. unrestricted vs. restricted funds/endowments).

No exceptions noted

Verified that the Corporation did not deposit or hold public funds at any time during the period under audit, except for project funds held in accordance with a cooperative endeavor agreement.

No exceptions noted.

Verified that all contracts between the Corporation and any member of its Board of Directors, any member of the UL System Board of Supervisors, an UL System employee, or any university employee have been individually disclosed in the notes to the financial statements, regardless of the significance of the contract payments to total expenses. The applicable related statements, and the maximum amount of the contract.

There were no indications of contracts between the Corporation and any member of its Board of Directors, any member of the UL System Board of Supervisors, an UL System employee, or any university employee.

Verified that funds for supplemental compensations and /or benefits for a UL System or University employee were paid the System Office or University for disbursement to the employee; no supplemental payments were made directly to an employee unless specifically approved by the Board Office or University.

There were no supplemental compensation and/or benefits made directly to University employees.

Verified that on a quarterly basis, the Corporation, reported to the University all single payments of \$1,000 or more made to or on behalf of any individual university employee.

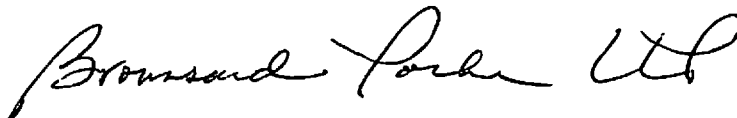
There were no supplemental compensation and/or benefits made directly to University employees.

Verified that disbursements of less than \$1,000 made to or on behalf of University employees are in compliance with the recommended policies contained in the UL System's sample Affiliation Agreement, "Affiliate Funding and Administrations", Section 4 (attachment 1 of UL System Policy Number FB-IV (4)(a).

There were no disbursements of less than \$1,000 made to or on behalf of University employees.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the specified elements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Corporation and the University of Louisiana at Lafayette and should not be used by anyone other these specified parties.



Lafayette, Louisiana
October 11, 2024