

TIGER ATHLETIC  
FOUNDATION

Financial Statements

December 31, 2020 and 2019



TIGER ATHLETIC FOUNDATION  
FINANCIAL STATEMENTS, OTHER FINANCIAL INFORMATION, AND  
OTHER SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2020 AND 2019

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## INDEPENDENT AUDITOR'S REPORT

To the Executive Committee of the Board of Directors  
Tiger Athletic Foundation  
Baton Rouge, LA

### Report on the Financial Statements

We have audited the accompanying financial statements of Tiger Athletic Foundation (a nonprofit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

### Management's Responsibility 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; this includes 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tiger Athletic Foundation as of December 31, 2020 and 2019, 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.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 52 through 56 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 information presented on pages 52 through 56 is fairly stated, in all material respects, in relation to the financial statements as a whole.



A Professional Accounting Corporation

Metairie, LA  
April 20, 2021

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF FINANCIAL POSITION**

**DECEMBER 31, 2020 and 2019**

**ASSETS**

	<u>2020</u>	<u>2019</u>
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 13,534,428	\$ 16,811,970
Investments	21,889,925	15,710,504
Restricted assets:		
Cash and cash equivalents	34,627,312	32,360,764
Investments	3,912,706	3,811,525
Other receivables	3,364,160	3,379,860
Contracts receivable	6,623,397	24,285,429
Unconditional promises to give	6,034,981	6,130,807
Prepaid expenses	195,917	182,574
Other current assets	196,476	187,557
Total current assets	<u>90,379,302</u>	<u>102,860,990</u>
<b><u>NONCURRENT ASSETS</u></b>		
Restricted assets:		
Cash and cash equivalents	16,088,416	10,244,284
Investments	114,735,177	103,463,266
Other receivables	2,313,797	4,535,138
Contracts receivable	29,806,224	31,147,008
Unconditional promises to give, net	4,794,884	6,241,693
Property and equipment, net	209,055,655	216,736,243
Assets held for donation to LSU	8,556,443	6,000,678
Other noncurrent assets	4,993,709	2,610,772
Total noncurrent assets	<u>390,344,305</u>	<u>380,979,082</u>
 Total assets	 <u>\$ 480,723,607</u>	 <u>\$ 483,840,072</u>

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

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**DECEMBER 31, 2020 and 2019**

**LIABILITIES AND NET ASSETS**

	<u>2020</u>	<u>2019</u>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable	\$ 1,803,799	\$ 2,763,780
Retainage payable	54,965	1,081,363
Other current liabilities	36,121	-
Deferred revenues	27,858,349	26,546,111
Amounts held in custody for others	2,552,482	2,495,786
Bonds payable	7,647,000	7,807,000
Term loan	3,056,068	2,884,606
Total current liabilities	<u>43,008,784</u>	<u>43,578,646</u>
<b><u>NONCURRENT LIABILITIES</u></b>		
Deferred revenues	30,017,905	31,248,216
Amounts held in custody for others	613,258	544,700
Bonds payable, net of current		
Principal amount	126,885,000	134,532,000
Deferred financing costs	(690,756)	(747,617)
Term loan, net of current amount		
Principal amount	13,679,540	16,735,608
Deferred financing costs	(43,104)	(52,763)
Total noncurrent liabilities	<u>170,461,843</u>	<u>182,260,144</u>
Total liabilities	<u>213,470,627</u>	<u>225,838,790</u>
<b><u>NET ASSETS</u></b>		
Without donor restrictions		
Undesignated	122,514,814	125,809,941
Designated by the Board for operating reserves	85,722,807	76,977,923
	<u>208,237,621</u>	<u>202,787,864</u>
With donor restrictions	59,015,359	55,213,418
Total net assets	<u>267,252,980</u>	<u>258,001,282</u>
Total liabilities and net assets	<u>\$ 480,723,607</u>	<u>\$ 483,840,072</u>

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

**TIGER ATHLETIC FOUNDATION**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Change in net assets without donor restrictions:		
Revenues without donor restrictions:		
Contributions	\$ 1,603,596	\$ 1,733,453
Contract revenue	6,433,382	33,466,076
Investment return, net	8,040,290	7,837,223
Other revenues	13,836,867	13,571,387
Total revenues without donor restrictions	<u>29,914,135</u>	<u>56,608,139</u>
Net assets released from donor restrictions:		
Satisfaction of purpose restrictions	<u>10,916,391</u>	<u>25,876,485</u>
Total net assets released from donor restrictions	<u>10,916,391</u>	<u>25,876,485</u>
Total revenues and other support without donor restrictions	<u>40,830,526</u>	<u>82,484,624</u>
Program expenses:		
Amounts incurred to benefit Louisiana State University for:		
Projects specified by the Board of Directors	17,411,680	60,289,287
Catering and other	981,656	2,899,260
Financing costs	35,578	29,153
Interest	3,828,176	5,066,893
Personnel	451,400	507,026
Repairs and maintenance	94,740	383,611
Insurance	578,142	532,269
Depreciation	5,228,209	4,987,867
Other	237,969	268,685
Total program expenses	<u>28,847,550</u>	<u>74,964,051</u>
General and administrative expenses	<u>3,799,571</u>	<u>5,117,747</u>
Fundraising expenses	<u>2,733,648</u>	<u>3,021,397</u>
Total expenses	<u>35,380,769</u>	<u>83,103,195</u>
Change in net assets without donor restrictions	<u>5,449,757</u>	<u>(618,571)</u>

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

**TIGER ATHLETIC FOUNDATION**  
**STATEMENTS OF ACTIVITIES (CONTINUED)**  
**YEARS ENDED DECEMBER 31, 2020 and 2019**

	2020	2019
Change in net assets with donor restrictions:		
Revenues with donor restrictions:		
Contributions	10,032,864	11,676,416
Investment return, net	4,685,468	2,684,261
Total revenues with donor restrictions	14,718,332	14,360,677
Net assets released from donor restrictions:		
Satisfaction of purpose restrictions	(10,916,391)	(25,876,485)
Total revenues and other support with donor restrictions	3,801,941	(11,515,808)
Change in net assets with donor restrictions:	3,801,941	(11,515,808)
Change in net assets	9,251,698	(12,134,379)
Net assets at beginning of year	258,001,282	270,135,661
Net assets at end of year	\$ 267,252,980	\$ 258,001,282

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

**TIGER ATHLETIC FOUNDATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2020**

	<u>Program Services</u>			
	<u>Contributions to LSU Athletic</u>	<u>Contributions to LSU Nonathletic</u>	<u>Tiger Den Suites</u>	<u>Stadium Club</u>
Salaries and wages	\$ -	\$ -	\$ 117,334	\$ 173,106
Payroll taxes	-	-	10,029	13,846
Employee benefits	-	-	27,118	69,207
Contributions to LSU	13,512,230	-	-	-
Coaches' supplement	400,000	-	-	-
Scoreboard expenses	285,713	-	-	-
Marketing and publicity	-	-	16,012	-
Dues and subscriptions	34,014	-	-	-
Professional fees	31,427	-	-	-
Academic awards	-	400,000	-	-
Tickets purchased	-	-	-	-
Financing costs	-	-	-	35,578
Licensing rights	-	-	-	-
Interest expense	-	-	1,145,625	2,682,551
Catering and other expenses	-	-	373,176	557,366
Management fee	-	-	-	-
Occupancy	-	-	1,000	50,000
Event parking	-	-	30,240	-
Repairs and maintenance	-	-	42,242	35,691
Travel and entertainment	-	-	-	-
Membership	-	-	-	-
Meeting expense	-	-	-	-
Basketball	-	-	-	-
Baseball	-	-	-	-
Supplies and office equipment	-	-	-	-
Printing	-	-	-	-
Computer	-	-	-	-
Bank charges	-	-	-	-
Special events and other	-	-	717	-
Insurance	-	-	190,300	387,842
Bad debts and other allowances	-	-	-	-
Promotional expense	-	-	-	-
Depreciation	2,748,296	-	1,348,149	3,880,060
Total expenses	<u>\$ 17,011,680</u>	<u>\$ 400,000</u>	<u>\$ 3,301,942</u>	<u>\$ 7,885,247</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>				
	<u>Alex Box Suites</u>	<u>Total</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 30,846	\$ 321,286	\$ 2,239,302	\$ 1,006,983	\$ 3,567,571
Payroll taxes	2,916	26,791	145,124	78,949	250,864
Employee benefits	6,998	103,323	534,907	258,303	896,533
Contributions to LSU	-	13,512,230	-	-	13,512,230
Coaches' supplement	-	400,000	-	-	400,000
Scoreboard expenses	-	285,713	-	-	285,713
Marketing and publicity	-	16,012	-	300,452	316,464
Dues and subscriptions	-	34,014	28,652	7,204	69,870
Professional fees	-	31,427	106,893	-	138,320
Academic awards	-	400,000	-	-	400,000
Tickets purchased	-	-	-	334,924	334,924
Financing costs	-	35,578	-	-	35,578
Licensing rights	140,000	140,000	-	-	140,000
Interest expense	-	3,828,176	-	-	3,828,176
Catering and other expenses	51,114	981,656	-	-	981,656
Management fee	-	-	-	-	-
Occupancy	-	51,000	217,273	27,928	296,201
Event parking	-	30,240	16,550	-	46,790
Repairs and maintenance	16,807	94,740	8,699	-	103,439
Travel and entertainment	-	-	72,889	355,776	428,665
Membership	-	-	21,003	239,532	260,535
Meeting expense	-	-	5,538	-	5,538
Basketball	-	-	-	63,616	63,616
Baseball	-	-	-	-	-
Supplies and office equipment	-	-	14,441	9,421	23,862
Printing	-	-	10,037	-	10,037
Computer	-	-	87,448	50,560	138,008
Bank charges	-	-	846,593	-	846,593
Special events and other	-	717	74,423	-	75,140
Insurance	-	578,142	121,134	-	699,276
Bad debts and other allowances	-	-	(751,335)	-	(751,335)
Promotional expense	-	-	-	-	-
Depreciation	-	7,976,505	-	-	7,976,505
Total expenses	\$ 248,681	\$ 28,847,550	\$ 3,799,571	\$ 2,733,648	\$ 35,380,769

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



**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Program Services</u>			
	<u>Contributions to LSU Athletic</u>	<u>Contributions to LSU Nonathletic</u>	<u>Tiger Den Suites</u>	<u>Stadium Club</u>
Salaries and wages	\$ -	\$ -	\$ 121,149	\$ 155,782
Payroll taxes	-	-	11,113	14,240
Employee benefits	-	-	37,450	63,358
Contributions to LSU	56,434,214	-	-	-
Coaches' supplement	400,000	-	-	-
Scoreboard expenses	254,653	-	-	-
Marketing and publicity	-	-	20,798	-
Dues and subscriptions	9,147	-	-	-
Professional fees	39,897	-	-	-
Academic awards	-	459,482	-	-
LSU Campus Transportation and Development Fund	-	-	-	-
Tickets purchased	-	-	-	-
Financing costs	-	-	-	29,153
Licensing rights	-	-	-	-
Interest expense	-	-	1,606,860	3,460,033
Catering and other expenses	-	-	1,284,509	1,505,200
Management fee	-	-	-	-
Occupancy	-	-	1,000	50,000
Event parking	-	-	45,300	-
Repairs and maintenance	-	-	143,043	212,879
Travel and entertainment	-	-	-	-
Membership	-	-	-	-
Meeting expense	-	-	-	-
Basketball	-	-	-	-
Baseball	-	-	-	-
Supplies and office equipment	-	-	-	-
Printing	-	-	-	-
Computer	-	-	-	-
Bank charges	-	-	-	-
Special events and other	-	-	11,587	-
Insurance	-	-	174,093	358,176
Bad debts and other allowances	-	-	-	-
Promotional expense	-	-	-	-
Depreciation	2,691,894	-	1,309,669	3,678,198
Total expenses	<u>\$ 59,829,805</u>	<u>\$ 459,482</u>	<u>\$ 4,766,571</u>	<u>\$ 9,527,019</u>

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

**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Program Services</u>				
	<u>Alex Box Suites</u>	<u>Total</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 78,144	\$ 355,075	\$ 2,203,390	\$ 899,226	\$ 3,457,691
Payroll taxes	7,728	33,081	144,053	71,645	248,779
Employee benefits	18,062	118,870	501,930	209,446	830,246
Contributions to LSU	-	56,434,214	-	-	56,434,214
Coaches' supplement	-	400,000	-	-	400,000
Scoreboard expenses	-	254,653	-	-	254,653
Marketing and publicity	-	20,798	-	295,975	316,773
Dues and subscriptions	-	9,147	38,770	7,876	55,793
Professional fees	-	39,897	136,299	-	176,196
Academic awards	-	459,482	-	-	459,482
LSU Campus Transportation and Development Fund	-	-	-	-	-
Tickets purchased	-	-	-	286,127	286,127
Financing costs	-	29,153	-	-	29,153
Licensing rights	140,000	140,000	-	-	140,000
Interest expense	-	5,066,893	-	-	5,066,893
Catering and other expenses	109,551	2,899,260	-	-	2,899,260
Management fee	-	-	-	-	-
Occupancy	-	51,000	240,079	29,194	320,273
Event parking	-	45,300	53,155	-	98,455
Repairs and maintenance	27,689	383,611	14,335	-	397,946
Travel and entertainment	-	-	107,675	537,054	644,729
Membership	-	-	22,103	453,768	475,871
Meeting expense	-	-	33,338	-	33,338
Basketball	-	-	-	95,817	95,817
Baseball	-	-	-	-	-
Supplies and office equipment	-	-	51,323	32,223	83,546
Printing	-	-	11,832	-	11,832
Computer	-	-	111,048	79,487	190,535
Bank charges	-	-	555,536	-	555,536
Special events and other	-	11,587	60,320	16,047	87,954
Insurance	-	532,269	113,698	-	645,967
Bad debts and other allowances	-	-	718,863	-	718,863
Promotional expense	-	-	-	7,512	7,512
Depreciation	-	7,679,761	-	-	7,679,761
<b>Total expenses</b>	<b>\$ 381,174</b>	<b>\$ 74,964,051</b>	<b>\$ 5,117,747</b>	<b>\$ 3,021,397</b>	<b>\$ 83,103,195</b>

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

**TIGER ATHLETIC FOUNDATION**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Operating activities</b>		
Change in net assets	\$ 9,251,698	\$ (12,134,379)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	7,976,505	7,679,761
Change in allowance for accounts receivable	(188,609)	(277,509)
Change in allowance for unconditional promises to give	(1,560,045)	(60,905)
Net unrealized and realized gains on investments	(9,559,240)	(6,052,760)
Loss on sale of property and equipment	192,558	453,979
Transfer of property and equipment to LSU	5,594,174	43,867,159
Contributions restricted for long-term purposes	(1,274,671)	(1,392,956)
Amortization included in interest expense	66,520	47,436
(Increase) decrease in operating assets:		
Receivables and other prepaid assets	2,412,307	2,683,956
Unconditional promises to give	3,102,680	(958,541)
Contracts receivable	19,002,816	(25,963,303)
Other assets	(2,391,856)	127,261
Increase (decrease) in operating liabilities:		
Accounts payable	(959,981)	(2,103,751)
Retainage payable	(1,026,398)	361,798
Other current liabilities	36,121	-
Deferred revenues	81,927	25,357,893
Amounts held in custody for others	125,254	(432,678)
Net cash provided by operating activities	<u>30,881,760</u>	<u>31,202,461</u>
<b>Investing activities</b>		
Purchase of investments	(100,978,760)	(349,600,163)
Sales of investments	92,985,487	336,398,334
Purchase of property and equipment	(8,638,414)	(28,450,285)
Net cash used in investing activities	<u>(16,631,687)</u>	<u>(41,652,114)</u>
<b>Financing activities</b>		
Proceeds from contributions restricted for investment in perpetual endowments	1,274,671	1,392,956
Cost of debt issuance	-	(212,565)
Principal payments on borrowings	(10,691,606)	(10,691,442)
Net cash used in financing activities	<u>(9,416,935)</u>	<u>(9,511,051)</u>
Net change in cash, cash equivalents, and restricted cash	4,833,138	(19,960,704)
Cash, cash equivalents, and restricted cash, beginning of year	59,417,018	79,377,722
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 64,250,156</u>	<u>\$ 59,417,018</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	<u>\$ 3,792,055</u>	<u>\$ 5,066,893</u>
Non cash transfer of completed construction in progress to assets held for donation to LSU	<u>\$ 8,149,939</u>	<u>\$ 37,806,090</u>

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

## **TIGER ATHLETIC FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. Summary of Significant Accounting Policies**

##### **Nature of Activities**

Tiger Athletic Foundation (TAF or the Foundation) was organized on May 17, 1983, under the name The LSU Tigers Unlimited Corporation, as a nonprofit corporation under Louisiana R.S. 12:201 (7). The corporation's name was changed to Tiger Athletic Foundation on April 17, 1987.

The Foundation's primary objective is to encourage support and raise funds for the Louisiana State University and Agricultural and Mechanical College (LSU) located in Baton Rouge, Louisiana and its intercollegiate athletic program. Funds attracted by this private, nonprofit corporation are primarily used to defray the cost of scholarships of more than 450 student athletes, to help maintain and improve LSU athletic facilities, and to retire present indebtedness. The Foundation also oversees the management of the Tiger Den Suites, Stadium Club, and Alex Box Suites for LSU. The Foundation is governed by a board of directors who are elected from the membership.

Although established to support LSU and its athletic program, TAF is separate and distinct from LSU in law and in fact. As a nonprofit corporation established to support a Louisiana public higher education institution and meeting criteria established in Louisiana R.S. 17:3390B(1)-(3), TAF may not be deemed an agent for LSU and TAF funds are considered private. Neither LSU nor the State of Louisiana has any liability for the obligations, whether financial or otherwise, incurred by TAF.

The Foundation is required to comply with the provisions set forth in the Uniform Affiliation Agreement entered into with LSU on July 1, 2009.

##### **Significant New Accounting Pronouncements**

In August 2018, the FASB issued ASU 2018-03, *Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, which modify the disclosure requirements on fair value measurements. The Organization adopted ASU 2018-03 during the year ended December 31, 2020. The adoption of this guidance did not have a material impact on the financial statements.

In January 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach.

In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities* which provided a limited deferral of the effective dates of ASU 2016-02 for certain entities in the "all other category." Therefore, ASU 2016-02 will be effective for the Foundation beginning in the year ending December 31, 2022. Management is currently evaluating the impact ASU 2016-02 will have on the financial statements.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

The Foundation considers all unrestricted highly liquid investments with an original maturity of three months or less, and whose use is not limited, to be cash equivalents. Certain cash equivalents generated in the Foundation's investment accounts are classified as investments.

**Concentration on Credit Risk for Cash Held in Bank**

TAF periodically maintains cash in bank accounts in excess of insured limits. At December 31, 2020 and 2019, the Foundation had \$63,257,082 and \$58,719,792, respectively, in excess of the FDIC insured limit. Custodial credit risk for these deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to cover these deposits.

**Investments**

As further presented in Note 4, the Foundation records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expense.

**Fair Values of Financial Instruments**

The carrying values of the Foundation's financial instruments approximate fair value.

The Foundation follows the provisions of the FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*. Under FASB ASC Topic 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

FASB ASC Topic 820 establishes a fair value hierarchy for inputs used in measuring fair market value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances. 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.
- 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.

## **TIGER ATHLETIC FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

#### **1. Summary of Significant Accounting Policies (Continued)**

##### **Fair Values of Financial Instruments (Continued)**

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The Foundation's measurements of fair value are made on a recurring basis, and the valuation techniques for assets and liabilities recorded at fair value are as follows:

Investments – The Foundation invests in certificates of deposit through various financial institutions, which generally mature within one year, and are reported at cost, which approximates fair value. Interest income on certificates of deposit is accrued at each month end. The fair value of money market accounts is the closing price reported on the active market on which the individual securities are traded. The fair value of equity securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. The fair value of debt securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. The fair value of real estate securities is based on pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. The fair value of real assets is based on pricing models, quoted prices of securities with similar characteristics, or discounted cash flows. The fair value of alternative investments is valued at net asset value per share owned by the Foundation. The net asset value is based on the fair value of the underlying investments held by the portfolio fund less its liabilities.

The preceding methods described may produce a fair value calculation that may not be reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market investments, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

##### **Unconditional Promises to Give**

Contributions that are expected to be collected within one year are recorded at net realizable value. Contributions that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Changes to the estimate of the present value of the contributions will be reported in the period the changes are made. The Foundation establishes an allowance for unfulfilled pledges based on a specific analysis of the remaining contribution balance due for contributions that were not made in accordance with the donor's pledged timeline. Decreases in donor restricted contributions, because of changes in the amounts of assets expected to be received, are recorded as a loss and are reported within expenses on the statements of activities.

##### **Property and Equipment**

The purchase of property and equipment is recorded at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as revenues without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as revenues with donor restrictions.



**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (Continued)**

**Property and Equipment (Continued)**

It is TAF's policy to capitalize all fixed asset purchases greater than \$1,000. Property and equipment is depreciated using the straight-line method over estimated useful lives of 5 to 50 years.

Construction in progress and other additions are stated at cost and represent costs of construction. During the construction period, interest will be capitalized on all qualifying expenditures.

**Assets Held for Donation to LSU**

Assets held for donation to LSU consist of various capital projects and athletic facility improvements that are not used in the operations of TAF and are, therefore, not included within property and equipment. At December 31, 2020 and 2019, the balance in this account was comprised entirely of construction in progress on capital projects that were completed and expected to be donated to LSU within one year of the statement of financial position date.

**Impairment of Long-Lived Assets**

The Foundation reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that the undiscounted cash flows resulting from the use of the asset group is less than the carrying amount, an impairment loss equal to the excess of the asset's carrying amount over its fair value is recorded. The Foundation did not record any impairment loss during the years ended December 31, 2020 and 2019.

**Deferred Financing Costs**

The Foundation follows the FASB Accounting Standards Update (ASU) 2015-03, *Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*, which requires that debt issuance costs related to a recognized debt liability be presented as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts.

Deferred financing costs of \$1,008,426 as of December 31, 2020 and 2019 associated with the Revenue Bonds Series 2012, Revenue Bonds Series 2015, Revenue Bonds Series 2015A, and 2019 term loan are being amortized over the respective lives of the bond agreements. These costs are presented net of accumulated amortization of \$274,566 and \$208,046 as of December 31, 2020 and 2019, respectively. Amortization of the costs is recorded as a component of interest expense.

**Capitalized Licensing Rights**

Other noncurrent assets includes \$4,200,000 of licensing rights associated with the construction of Alex Box baseball stadium. These costs are presented net of accumulated amortization of \$1,668,334 and \$1,528,334 as of December 31, 2020 and 2019, respectively. These costs are being amortized over the life of the stadium. Amortization of the costs is recorded as a component of total expenses.



**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (Continued)**

**Amounts Held in Custody for Others**

The amounts held in custody for others are disclosed in Note 3 and represent the coaches' escrow accounts and affiliated chapters' accounts, which were established as a custodial fund at the request of LSU, accounts held for the LSU Athletics Department, as well as other small miscellaneous agency accounts. The coaches' escrow accounts and affiliated chapters' accounts were created in order for TAF to act as a nonaffiliated party in overseeing the revenue generated by the coaches and affiliated booster club chapters of LSU and to provide institutional control as required by NCAA rules. The amounts held for the LSU Athletic Department are to fund special projects, as needed, and to establish maintenance reserve accounts for newly constructed LSU Athletic Facilities as required by the Board of Regents Policy.

The Foundation has included \$2,548,734 and \$2,495,786 of amounts held in custody for others as restricted cash within current assets as of December 31, 2020 and 2019, respectively. The Foundation also has \$613,258 and \$577,640 of amounts held in custody for others as restricted investments as of December 31, 2020 and 2019, respectively.

These amounts, in total, are offset by a liability, current and non-current dependent on the maturity date, in the same amount.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, the Foundation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets without donor restrictions include those net assets available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for operating reserves that may be drawn upon in the event of financial distress or an immediate liquidity need in line with TAF's mission. Net assets with donor restrictions are those net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**Contributions**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, these contributions are recognized as changes in net assets without donor restrictions.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (Continued)**

**Donated Services**

During the years ended December 31, 2020 and 2019, the value of contributed services meeting the requirements for recognition in the financial statements was not considered material and has not been recorded.

**Revenue from Contracts with Customers**

The Foundation recognizes revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*, which provides a five-step model for recognizing revenue from contracts with customers as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as performance obligations are satisfied

The Foundation has rights to receive cash under contracts with its members in exchange for the members right to purchase tickets for future LSU athletic events, primarily the right to purchase certain “premium seating” football tickets in Tiger Stadium. The right to purchase tickets is primarily marketed and sold to end-user consumers in the United States. The results of the Foundation’s revenue related to the right to purchase tickets are affected by economic conditions, which can vary by market, and can be impacted by consumer disposable income levels and spending habits. The Foundation includes within contract revenue on the statements of activities those amounts recognized relative to the contract terms.

**Nature of Products and Services**

The Foundation recognizes the revenues for the right to purchase season tickets at a point in time in the year the athletic season starts, which is when the performance obligation is satisfied.

Payment is due and payable prior to March 1<sup>st</sup> of each year of the contract term. In instances where the timing of revenue recognition differs from the timing of the right to invoice, the Foundation has determined that a significant financing component does not exist. The primary purpose of the Foundation’s invoicing terms is to provide customers with simplified and predictable ways purchasing the rights to purchase tickets and not to receive financing from or provide financing to the customer. Additionally, the Foundation has elected the practical expedient that permits an entity to not recognize a significant financing component if the time between the transfer of a good or service and payment is one year or less.

**Transaction Price**

The transaction price is the amount of consideration to which the Foundation expects to be entitled in exchange for transferring the right to purchase tickets to the customer. Revenue related to the right to purchase tickets are recorded based on the transaction price, which includes fixed consideration only.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (Continued)**

**Revenue from Contracts with Customers (Continued)**

**Contract Balances**

The timing of revenue recognition may not align with the right to invoice the customer. The Foundation records contracts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. The Foundation's receivables include contracts for the 2020 through 2024 seasons. The amount of the contracts receivable that is specific to those contractual donations for the right to purchase certain "premium seating" football tickets in Tiger Stadium is pledged for the payment of debt service mentioned in Note 7. When consideration is received and revenue has not yet been recognized, and for the contracts receivable for future seasons, a contract liability (deferred revenue) also is recorded.

Balances as of December 31, 2020 and 2019 are included in the statements of financial position. Opening balances as of January 1, 2019 were as follows:

Contracts Receivable	\$	29,469,134
Deferred Revenue	\$	32,436,434

The Foundation owns scoreboards and related equipment installed at various athletic venues on the LSU campus. Contract revenues associated with these scoreboards are more fully described in Note 12.

**Rents - LSU and University Club**

In 1999, the Foundation entered into a Bond Purchase Agreement that provided \$43,575,000 in revenue bonds for the purpose of financing or reimbursing a portion of the cost of certain improvements and renovations to the East Side Upper Deck (ESUD) of Tiger Stadium at LSU. The agreement stipulates that LSU shall pay \$2,000,000 to the Foundation as annual rent for the facilities. In 2015, the lease was amended to include the 2015 revenue bonds (see Note 7).

In 2004, the Foundation entered into a Bond Purchase Agreement that provided \$90,000,000 in revenue bonds for the purpose of financing or reimbursing a portion of the cost of certain improvements and renovations to the West Side Upper Deck (WSUD) at LSU's Tiger Stadium, construction of a football operations center and miscellaneous improvements to Tiger Stadium. The agreement stipulates that LSU shall pay \$2,500,000 to the Foundation as annual rent for these facilities. In 2015, the lease was amended to include the 2015A revenue bonds (see Note 7).

In 2012, the Foundation entered into a Bond Purchase Agreement that provided \$75,000,000 in revenue bonds for the purpose of financing or reimbursing a portion of the cost of the construction of the South End Zone (SEZ) at LSU's Tiger Stadium. The Bond Purchase Agreement was amended in 2014 to provide \$70,000,000 in revenue bonds for the same purpose. The Foundation also entered into a \$30,000,000 term loan in 2012, of which a portion was also used for the purpose of financing or reimbursing a portion of the cost of the construction of the SEZ. The agreement stipulates that LSU shall pay \$4,000,000 to the Foundation as annual rent for these facilities.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies (Continued)**

**Rents - LSU and University Club (Continued)**

The Foundation maintains a lease and license agreement with The University Club of Baton Rouge, L.L.C., as the tenant of the lease. The Foundation receives monthly payments equal to 6% of the prior month's gross revenues plus an annual fee per member. The University Club serves as the home course for the LSU golf teams and is also used for LSU hosted events.

**Functional Expenses**

The costs of providing various program and supporting activities, which include fundraising and general and administrative activities, have been summarized on a functional basis in the financial statements. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Payroll expenses are allocated on the basis of time and effort. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation. All other expenses are specifically identified to the applicable functional expense category.

**Advertising**

The Foundation's policy is to expense advertising costs as the costs are incurred. Advertising costs totaled \$316,494 and \$314,954 for the years ended December 31, 2020 and 2019, respectively.

**Tax Status**

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization that is not a private foundation.

**Use of Estimates**

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

**Reclassifications**

Certain reclassifications have been made to the prior year balances in order to comply with current year presentations.

## TIGER ATHLETIC FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Cash and cash equivalents	\$ 13,534,428	\$ 16,811,970
Investments	21,889,925	15,710,504
Other receivables	3,364,160	3,379,860
Contracts receivable	6,623,397	24,285,429
Unconditional promises to give, net	<u>23,737</u>	<u>24,530</u>
	<u>\$ 45,435,647</u>	<u>\$ 60,212,293</u>

As part of the Foundation's liquidity management plan, the Foundation invests balances in excess of daily requirements in three separate portfolios: perpetually endowed portfolio, long term non-endowed portfolio, and short term non-endowed portfolio.

The perpetually endowed portfolio consists of funds donated for the purpose of establishing or contributing to an endowment in perpetuity. The investment objectives of this portfolio are to maintain the purchase power of its endowed assets in perpetuity by targeting a total rate of return that will, at a minimum, maintain the value of the portfolio in real terms (i.e., adjusted for inflation as measured by the CPI-U or other appropriate index designated by the investment committee) after annual distributions and expenses and to maximize total returns over the long term consistent with prudent funds management; provide annual and consistent levels of fund distributions to beneficiaries; and minimize risk through diversification.

The long term non-endowed portfolio consists of funds held or donated to TAF that (a) are typically not donor restricted for a particular purpose, and (b) in the judgment of the investment committee will not be required to satisfy TAF's short or intermediate term capital or operating needs. The investment objectives of this portfolio are to preserve the real purchasing power of the portfolio (adjusted for inflation as measured by the CPI-U or other appropriate index) after deducting expenses, with a secondary emphasis on long-term moderate capital growth, maximize long term total return consistent with the time horizon for the portfolio and prudent funds management practices, and minimize risk through diversification.

The short term non-endowed portfolio consists of funds held or donated to TAF that (a) are non-endowed, (b) may be donor restricted for a particular purpose, and (c) are required to satisfy short to intermediate operation or capital needs. The investment objectives of this portfolio are to provide liquidity sufficient to meet short term capital needs, preserve principal and provided for the safety of temporary funds, and maximize short term total return consistent with the time horizon for this portfolio and prudent funds management practices.

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**2. Liquidity and Availability (Continued)**

The board designates on an annual basis as operating reserves, that may be drawn upon in the event of financial distress or an immediate liquidity need, in line with TAF's mission: 10% of available cash after debt service as shown in TAF's operating budget, any interest savings on annual TAF debt service (calculated as annual budgeted interest less annual actual interest expense), and revenues derived from the University Club Lease and License Agreement (lease payments and annual University Club membership contributions).

**3. Restricted Cash and Cash Equivalents and Investments**

Restricted cash and cash equivalents are available for the following purposes:

	December 31, 2020					
	Cash		Investments		Total	
	Current	Noncurrent	Current	Noncurrent		
Donor Restricted Purposes	\$ 21,383,388	\$ -	\$ -	\$ 3,311,594	\$ 24,694,982	
Donor Restricted Endowments	-	578,305	-	23,548,496	24,126,801	
By Board for Designated Purposes	-	1,748,199	-	84,240,046	85,988,245	
Amounts Held in Custody for Others	2,552,482	-	-	613,258	3,165,740	
Contractually by Bond and Leases	10,691,442	13,761,912	3,912,706	3,021,783	31,387,843	
	<u>\$ 34,627,312</u>	<u>\$ 16,088,416</u>	<u>\$ 3,912,706</u>	<u>\$ 114,735,177</u>	<u>\$ 169,363,611</u>	

  

	December 31, 2019					
	Cash		Investments		Total	
	Current	Noncurrent	Current	Noncurrent		
Donor Restricted Purposes	\$ 19,173,536	\$ -	\$ -	\$ 3,935,768	\$ 23,109,304	
Donor Restricted Endowments	-	261,086	-	20,203,017	20,464,103	
By Board for Designated Purposes	-	1,737,562	-	75,499,995	77,237,557	
Amounts Held in Custody for Others	2,495,786	-	-	577,640	3,073,426	
Contractually by Bond and Leases	10,691,442	8,245,636	3,811,525	3,246,846	25,995,449	
	<u>\$ 32,360,764</u>	<u>\$ 10,244,284</u>	<u>\$ 3,811,525</u>	<u>\$ 103,463,266</u>	<u>\$ 149,879,839</u>	

The above totals are classified as current and noncurrent on the statements of financial position based on the nature of the restriction and the timeframe with which they will be released from restriction.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position that sum to the total of the same such amounts shown in the statements of cash flows.

	December 31, 2020	December 31, 2019
Cash and cash equivalents	\$ 13,534,428	\$ 16,811,970
Restricted cash and cash equivalents	<u>50,715,728</u>	<u>42,605,048</u>
Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	<u>\$ 64,250,156</u>	<u>\$ 59,417,018</u>



**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**4. Investments**

Investments at December 31, 2020 and 2019 consist of the following:

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Money Market Accounts	\$ 2,499,629	\$ 2,282,395
Certificates of deposit	2,165,402	2,135,558
Domestic Equities	17,307,053	14,938,159
International Equities	14,106,266	12,336,394
Fixed Income	100,626,754	89,245,768
Real Estate	1,152,322	1,043,850
Real Assets	991,845	1,003,171
Alternative Investments	1,688,537	-
	<u>\$ 140,537,808</u>	<u>\$ 122,985,295</u>

**5. Unconditional Promises to Give**

Unconditional promises to give at December 31, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Receivable in less than one year	\$ 6,034,981	\$ 6,130,807
Receivable in one to five years	6,919,194	9,694,048
Receivable in more than five years	494,000	726,000
Total contributions receivable	<u>13,448,175</u>	<u>16,550,855</u>
Less discount to net present value (discount rate was 3% and 4% as of December 31, 2020 and December 31, 2019, respectively)	(1,159,810)	(2,031,855)
Less allowance for unfulfilled pledges	(1,458,500)	(2,146,500)
Net contributions receivable	<u>\$ 10,829,865</u>	<u>\$ 12,372,500</u>



**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**6. Property and Equipment**

The Foundation's investment in property and equipment consisted of the following at December 31, 2020:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$ 4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Leaseholds and other improvements	5,359,961	-	-	-	5,359,961
Stadium expansion and scoreboard	261,148,474	141,648	(1,880,346)	3,749,021	263,158,797
Furniture and equipment	314,837	5,395	-	-	320,232
Vehicles	50,222	-	-	-	50,222
	<u>271,613,494</u>	<u>147,043</u>	<u>(1,880,346)</u>	<u>3,749,021</u>	<u>273,629,212</u>
Less: accumulated depreciation	(62,543,014)	(7,976,505)	1,880,346	-	(68,639,173)
Construction in progress	7,665,763	8,491,371	(192,558)	(11,898,960)	4,065,616
Property and equipment, net	<u>\$ 216,736,243</u>	<u>\$ 661,909</u>	<u>\$ (192,558)</u>	<u>\$ (8,149,939)</u>	<u>\$ 209,055,655</u>

During the year ended December 31, 2020, \$8,149,939 of completed construction in progress was transferred out of capital assets and into assets held for donation to LSU.

The Foundation's investment in property and equipment consisted of the following at December 31, 2019:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Leaseholds and other improvements	5,359,961	-	-	-	5,359,961
Stadium expansion and scoreboard	255,198,448	-	-	5,950,026	261,148,474
Furniture and equipment	315,595	1,204	(1,962)	-	314,837
Vehicles	50,222	-	-	-	50,222
	<u>265,664,226</u>	<u>1,204</u>	<u>(1,962)</u>	<u>5,950,026</u>	<u>271,613,494</u>
Less: accumulated depreciation	(54,864,433)	(7,679,761)	1,180	-	(62,543,014)
Construction in progress	23,425,994	28,449,081	(453,196)	(43,756,116)	7,665,763
Property and equipment, net	<u>\$ 234,225,787</u>	<u>\$ 20,770,524</u>	<u>\$ (453,978)</u>	<u>\$ (37,806,090)</u>	<u>\$ 216,736,243</u>

During the year ended December 31, 2019, \$37,806,090 of completed construction in progress was transferred out of capital assets and into assets held for donation to LSU.

Depreciation expense totaled \$7,976,505 and \$7,679,761 for the years ended December 31, 2020 and 2019, respectively.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**7. Bonds and Note Payable**

A summary of the Foundation's outstanding debt is as follows:

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Revenue Bonds Series 2012	\$ 61,512,000	\$ 64,409,000
Revenue Bonds Series 2015	35,460,000	39,070,000
Revenue Bonds Series 2015A	37,560,000	38,860,000
Term Loan	16,735,608	19,620,214
Less Deferred Financing Costs	<u>(733,860)</u>	<u>(800,380)</u>
	<u>\$ 150,533,748</u>	<u>\$ 161,158,834</u>

In order to finance the design, development, performance, and construction of the Facilities/South and Olympic Sports Improvements in accordance with the plans and specifications approved by LSU, the Foundation initiated two different debt instruments in October 2012.

The Foundation entered into a Bond Purchase Agreement, and a resulting Loan Agreement, so that it could borrow from the proceeds of the sale of Series 2012 Revenue Bonds, an aggregate principal of \$75,000,000. The Bond Purchase Agreement was amended in 2014 to an aggregate principal of \$70,000,000. These bond indentures contain requirements for annual debt service and flow of funds through various restricted accounts. Beginning in 2018, the Foundation must establish a mandatory sinking fund, with annual installments due through 2037. The annual installments range from a low of \$2,762,000 in 2018 to a high of \$4,350,000 in 2037. As security for payments to be made by the Foundation, pursuant to the Loan Agreement, the Foundation has entered into an Act of Assignment of Pledged Revenues and Security Agreement, on parity with the Series 1999 and 2004 revenue bonds. For the period from the loan's closing date in 2012 through, but not including, October 1, 2022, this loan was to bear interest at the Special Bank Variable rate. This variable rate was equal to 65% of the 90 day LIBOR Index rate plus 2.25% or, the higher of 65% of the Federal Funds rate plus 2.625% or 65% of the Prime Rate on the Adjustment Date. The Bond Purchase Agreement was amended in 2015 to state for the period from the amendments closing date in 2015 through, but not including, October 1, 2022, this loan was to bear interest at the Special Bank Variable rate of 65% of the 90 day LIBOR Index rate plus 1.75% or, the higher of 65% of the Federal Funds rate plus 2.625% or 65% of the Prime Rate on the Adjustment Date. On December 1, 2019, the Bonds were amended to include a Special Bank Fixed Rate equal to 2.37% through, but not including December 2, 2029.

As long as the Series 2012 Revenue Bonds are in the Special Bank Variable rate, the Bonds shall be subject to tender at the election of the Purchaser on the last day of each Special Bank Rate Period (optional Tender Date) upon the Purchaser providing written notice of their election not less than twelve months prior to each Optional Tender Date. During any Special Bank Rate Period, in the event the Purchaser has not elected to tender the Bonds pursuant to the terms of the Indenture, at the option of the Foundation, this Bond will bear interest at the Special Bank Variable Rate or the Special Bank Fixed Rate pursuant to the provisions in the Indenture and Purchase Agreement.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**7. Bonds and Note Payable (Continued)**

To finance the balance of the commitment, the Foundation issued a non-revolving taxable term loan for a principal amount of \$25,000,000. In 2014, the loan agreement was amended to a principal amount of \$30,000,000. As security for payments to be made by the Foundation, the Foundation has entered into an Act of Assignment of Pledged Revenues and Security Agreement on parity with the Series 1999 and 2004 revenue bonds. The term loan will bear interest at an Elective Interest Rate, which was initially set at the 30 day LIBOR Index Rate plus 3.00%. The Foundation has the right to change the Elected Interest Rate to the greater of the New York Prime Rate or the Federal Funds Rate plus 3.50%. Effective February 2017, the interest rate formula on the term loan was reduced by 1%, changing the Elective Interest Rate to the 30 day LIBOR Index Rate plus 2.00%. On December 2, 2019, the parties entered into a non-revolving taxable term loan for the current balance of \$19,622,014 for the same terms with the exception of the interest rate. The new loan agreement interest rate is 2.59%.

Interest only was payable through October 1, 2015. Effective November 1, 2015, the Foundation began paying regular monthly installments of accrued interest, plus monthly installments of principal. This term loan matures no later than October 1, 2025.

In July 2015, the Foundation entered into a Bond Purchase Agreement, and a resulting Loan Agreement, so that it could borrow the proceeds of the sale of Series 2015 Revenue Bonds for a principal amount of \$52,000,000. The Series 2015 Revenue Bonds were issued for the purpose of current refunding of all of the Series 1999 Bonds and a portion of the Series 2004 Bonds. The Series 2015 Revenue Bonds are secured by the pledged revenues on parity with the Series 2012 Revenue Bonds. The Bonds bear interest from their date until paid, at the rate of 2.49% per annum payable on the first calendar day of each month, commencing August 1, 2015 and shall mature, unless sooner paid, on September 1, 2028. The Bonds shall be subject to mandatory sinking fund redemption prior to maturity at the principal amount of such Bonds to be redeemed plus accrued interest to the date of redemption without premium on each September 1, beginning September 1, 2016 through September 1, 2028.

In November 2015, the Foundation entered into a Bond Purchase Agreement, and a resulting Loan Agreement, so that it could borrow, from the proceeds of the sale of Series 2015A Revenue Bonds for a principal amount of \$53,045,000. The Series 2015A Revenue Bonds were issued for the purpose of current refunding all of the outstanding Series 2004 Bonds. The Series 2015A Revenue Bonds are secured by the pledged revenues on parity with the Series 2012 revenue bonds. The Bonds bear interest from their date until paid, at a rate of 2.416% per annum payable on the first business day of each month, commencing December 1, 2015 and shall mature, unless sooner paid, on September 2, 2039. The Bonds shall be subject to mandatory sinking fund redemption prior to maturity at the principal amount of such Bonds to be redeemed plus accrued interest to the date of redemption without premium on each September 1, beginning September 1, 2016 through September 2, 2039. The Purchaser of the Bonds has the right to tender the Bonds to the Foundation for purchase on November 1, 2022 (Put Date), pursuant to the Bond Purchase Agreement. In the event the Bonds are not remarketed by the Foundation by the Put Date, the Bonds will be retained by the Purchaser for a period of one year following the Put Date (the Special Holding Period). At the end of the Special Holding Period, the outstanding principal of the Bonds, together with accrued interest, shall become due and payable in full by the Foundation. Effective November 1, 2019, the bonds were amended to bear interest at a rate of 2.25% per annum.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**7. Bonds and Note Payable (Continued)**

Under the provisions of the above revenue bond agreements, the Foundation is required to maintain a minimum debt service coverage ratio. At December 31, 2020 and 2019, The Foundation was either in compliance with its debt service coverage calculation loan covenant or had obtained a waiver from the lender.

The scheduled maturities of the debt outstanding at December 31, 2020 are as follows:

	<b>Bonds and Note Payable</b>
2021	\$ 10,703,068
2022	10,695,692
2023	10,914,240
2024	11,421,518
2025	11,368,090
2026 - 2030	53,055,000
2031 - 2035	31,511,000
2036 - 2040	11,599,000
Less deferred financing costs	<u>(733,860)</u>
Total	<u>\$ 150,533,748</u>

The outstanding debt of the Foundation is secured by the assignment and pledge of revenues derived from donations for the right to purchase certain football tickets in Tiger Stadium. As mentioned in Note 1, while established to support LSU and its athletic program, the Foundation is separate and distinct from LSU in law and in fact. As a nonprofit corporation established to support a Louisiana public higher education institution and meeting criteria established in Louisiana R.S. 17:3390B(1)-(3), the Foundation may not be deemed an agent for LSU and the Foundation's funds are considered private. Neither LSU nor the State of Louisiana has any liability for the obligations, whether financial or otherwise, incurred by the Foundation, including the above mentioned debt.

**8. Fair Value Measurements**

The valuation of the Foundation's assets measured at fair value on a recurring basis at December 31, 2020 are as follows:

<b>ASSETS</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Net Balance</b>
Money Market Accounts	\$ 2,499,629	\$ -	\$ -	\$ 2,499,629
Certificates of Deposit	2,165,402	-	-	2,165,402
Domestic Equities	17,307,053	-	-	17,307,053
International Equities	14,106,266	-	-	14,106,266
Fixed Income	52,319,269	48,110,610	196,875	100,626,754
Real Estate	1,152,322	-	-	1,152,322
Real Assets	991,845	-	-	991,845
Investments at NAV per share*	-	-	-	1,688,537
Total	<u>\$ 90,541,786</u>	<u>\$ 48,110,610</u>	<u>\$ 196,875</u>	<u>\$ 140,537,808</u>

\*Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**8. Fair Value Measurements (Continued)**

The changes in investments measured at fair value for which the Foundation has used Level 3 inputs to determine fair value for the year ending December 31, 2020 are as follow:

<b>ASSETS</b>	<b>Level 3 Beginning Balance</b>	<b>Net Realized and Unrealized Gains (Losses)</b>	<b>Sales</b>	<b>Purchases</b>	<b>Net Transfers In (Out) of Level 3</b>	<b>Level 3 Ending Balance</b>
Investments	\$ 590,553	\$ (57,946)	\$ (44,827)	\$ -	\$ (290,905)	\$ 196,875
Total	\$ 590,553	\$ (57,946)	\$ (44,827)	\$ -	\$ (290,905)	\$ 196,875

The valuation of the Foundation's assets and liabilities measured at fair value on a recurring basis at December 31, 2019 are as follows:

<b>ASSETS</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Net Balance</b>
Money Market Accounts	\$ 2,282,395	\$ -	\$ -	\$ 2,282,395
Certificates of Deposit	2,135,558	-	-	2,135,558
Domestic Equities	14,938,159	-	-	14,938,159
International Equities	12,336,394	-	-	12,336,394
Fixed Income	47,300,228	41,354,987	590,553	89,245,768
Real Estate	1,043,850	-	-	1,043,850
Real Assets	1,003,171	-	-	1,003,171
Total	\$ 81,039,755	\$ 41,354,987	\$ 590,553	\$ 122,985,295

The changes in investments measured at fair value for which the Foundation has used Level 3 inputs to determine fair value for the year ending December 31, 2020 are as follow:

<b>ASSETS</b>	<b>Level 3 Beginning Balance</b>	<b>and Unrealized Gains (Losses)</b>	<b>Sales</b>	<b>Purchases</b>	<b>Net Transfers In (Out) of Level 3</b>	<b>Level 3 Ending Balance</b>
Investments	\$ -	\$ 10,532	\$ (39,856)	\$ 619,877	\$ -	\$ 590,553
Total	\$ -	\$ 10,532	\$ (39,856)	\$ 619,877	\$ -	\$ 590,553

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value to another. In such instances, the transfer is reported at the beginning of the reporting period. As presented in the tables above, there were no transfers in or out of Level 3 for the years ended December 31, 2020 and 2019.

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**8. Fair Value Measurements (Continued)**

**Fair Value of Investments that Calculate Net Asset Value per Share**

The FASB issued a standards update pertaining to *Fair Value Measurements and Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share*. Fair values are determined by the use of calculated net asset value per ownership share.

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2020.

December 31, 2020	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Aetos Capital Multi-Strategy Arbitrage Cayman Fund	A) \$ 501,316	None	Quarterly	90 days
Aetos Capital Distressed Investment Strategies Cayman Fund	B) 314,187	None	Quarterly	90 days
Aetos Capital Long/Short Strategies Cayman Fund	C) 873,034	None	Quarterly	90 days
	<u>\$ 1,688,537</u>			

There were no investments measured at fair value based on net asset value (NAV) per share as of December 31, 2019.

- A) Aetos Capital Multi-Strategy Cayman Fund was formed in the state of Delaware as a limited liability company. The fund operates as a master fund under a master fund/feeder fund structure. The fund seeks to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes, by allocating its assets amount a select group of portfolio managers that utilize a variety of arbitrage strategies.
- B) Aetos Capital Distressed Investment Strategies Cayman Fund was formed in the state of Delaware as a limited liability company. The fund operates as a master fund under a master fund/feeder fund structure. The fund seeks to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes, by allocating its assets amount a select group of portfolio managers that utilize a variety of distressed investment strategies.
- C) Aetos Capital Long/Short Term Strategies Cayman Fund was formed in the state of Delaware as a limited liability company. The fund operates as a master fund under a master fund/feeder fund structure. The fund seeks to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes, by allocating its assets amount a select group of portfolio managers that utilize a variety of long/short strategies.



**TIGER ATHLETIC FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**

**9. Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods:

	December 31, 2020	December 31, 2019
Subject to expenditure for a specified purpose:		
Capital Programs	\$ 5,238,593	\$ 6,708,030
Annual Scholarship Fund	3,345,585	4,015,694
Preservation of Tiger Stadium	3,222,833	3,151,282
Football Complex	3,097,946	4,019,756
Victory Fund	2,788,133	-
Baseball Building	2,588,549	3,267,265
Basketball Building	2,513,197	1,956,173
Nutrition Center	2,268,509	2,797,999
AD's Excellence Fund	1,934,014	497,394
Football Excellence	1,204,473	488,541
Tennis	992,984	976,352
Academic Center	787,696	1,586,028
Softball Complex	699,317	803,967
Tiger Den - Mike's Habitat	495,012	447,337
Swimming Building	364,366	303,552
Gymnastics Facility	302,178	345,094
Basketball Bleachers	233,147	190,671
L Club Renovations	111,358	110,443
Athletic Trainer's Equipment	87,988	86,488
Women's Basketball Building	84,257	118,455
Band Hall	75,418	80,710
Track and Field Building	73,634	72,224
Volleyball Building	68,393	74,290
LSU Golf Facility	61,010	231,997
74 Society	50,836	47,703
PMAC Restoration	42,149	42,149
Jeff Boss Honorarium	40,786	35,536
Academic Center Operations	32,931	-
Women's Basketball Locker Room	18,898	-
Tigerama	17,126	53,846
Beach Volleyball	15,936	13,568
LSU Employee Assistance	15,303	15,303
Women's Golf Building	14,934	14,934
Spirit Squad	12,480	10,726
Football Strength Equipment	7,104	7,104
Hall of Fame	7,072	7,072
Soccer Complex	3,000	(2,246)
TAF Employee Assistance	1,458	1,098
Sue Gunter Fund	844	844
	<b>32,919,447</b>	<b>32,577,379</b>
Endowments:		
Subject to TAF's spending policy and appropriation:		
Investment in perpetuity (including amounts above original investment of \$4,153,346 and \$1,968,144 at December 31, 2020 and 2019, respectively), which, once appropriated, is expendable to support annual scholarships	24,126,801	20,464,103
Unconditional promises to give, net	1,969,111	2,171,936
	<b>26,095,912</b>	<b>22,636,039</b>
Total net assets with donor restrictions	<b>\$ 59,015,359</b>	<b>\$ 55,213,418</b>



## TIGER ATHLETIC FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### **10. Endowment Composition**

The Foundation follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the provisions of which apply to endowment funds existing on or established after that date. The Board of Directors has determined that the majority of the Foundation's restricted net assets meet the definition of endowment funds under UPMIFA.

The Foundation's endowment includes donor-restricted funds established to support LSU Athletics scholarships. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation have interpreted the State of Louisiana's UPMIFA as requiring the preservation of the fair value of the original gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of gift amounts donated to the endowment, and (b) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed in UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

**Endowment Investment and Spending Policies** – The Foundation's investment policy is that all endowed funds will be maintained by Wells Fargo and managed by FIA Investments, the outsourced chief investment officer. TAF has established prudent investment and spending policies with the objective of maintaining the purchase power of its endowed assets in perpetuity by targeting a total rate of return that will, at a minimum, maintain the value of the portfolio in real terms (i.e., adjusted for inflation as measured by the CPI-U or other appropriate index designated by the investment committee) after annual distributions and expenses and to maximize total returns over the long term consistent with prudent funds management; provide annual and consistent levels of fund distributions to beneficiaries; and minimize risk through diversification. To achieve this objective, the TAF's asset allocation strategy is reviewed periodically and adjusted to target a total return that covers inflation, administrative expenses, and spending allocations, while minimizing volatility. TAF, in the absence of specific donor intent, has an approved spending rate of 4% plus reimbursement of administrative expenses after investment values at each June 30th are finalized.

The Foundation's endowment net asset composition by fund type as of December 31, 2020 is as follows:

	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Donor-restricted endowment funds</b>	<b>\$ 26,095,912</b>	<b>\$ 26,095,912</b>
<b>Total</b>	<b>\$ 26,095,912</b>	<b>\$ 26,095,912</b>

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**10. Endowment Composition (Continued)**

A summary of the changes in the Foundation's endowment net assets for the year ended December 31, 2020 is as follows:

	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 22,636,039	\$ 22,636,039
Investment return, net	2,840,355	2,840,355
Contributions	1,274,671	1,274,671
Appropriation of endowment assets for expenditure	<u>(655,153)</u>	<u>(655,153)</u>
Endowment net assets, end of year	<u>\$ 26,095,912</u>	<u>\$ 26,095,912</u>

The Foundation's endowment net asset composition by fund type as of December 31, 2019 is as follows:

	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 22,636,039	\$ 22,636,039
Total	<u>\$ 22,636,039</u>	<u>\$ 22,636,039</u>

A summary of the changes in the Foundation's endowment net assets for the year ended December 31, 2019 is as follows:

	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 19,491,044	\$ 19,491,044
Investment return, net	2,512,478	2,512,478
Contributions	1,392,956	1,392,956
Appropriation of endowment assets for expenditure	<u>(760,439)</u>	<u>(760,439)</u>
Endowment net assets, end of year	<u>\$ 22,636,039</u>	<u>\$ 22,636,039</u>

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**11. Commitments and Contingencies**

The Foundation is subject to certain legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Foundation.

The Foundation entered into a Cooperative Endeavor and Lease Agreement (Cooperative Endeavor) with the Board of Supervisors of LSU. The Agreement stipulates that the Foundation will lease from LSU certain land (Ground Lease) and existing improvements thereon (Facilities Lease) in order to provide necessary, new, expanded and renovated Facilities/South, South End Zone Scoreboards and Olympic Sports Improvements, all as defined, for LSU. The Foundation entered into the Cooperative Endeavor for the purpose of, and shall have the continuing obligation of, developing and constructing the Facilities/South and South End Zone Scoreboards in accordance with plans and specifications approved by LSU, and shall ensure the maintenance, operation, management and replacement of the Facilities/South and South End Zone Scoreboards.

The term of the Ground Lease between LSU and the Foundation is fifty years; however, it will terminate, together with the Cooperative Endeavor, when, and if, the Facilities/South is donated by the Foundation to LSU. The Facilities Lease is scheduled to terminate June 30, 2049; however, LSU may terminate the lease at any time after the Bonds, referred to in Note 7, are paid in full or legally defeased. The Foundation is committed to an annual rent of \$25,000 for the land.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern", and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Foundation operates. It is unknown how long these conditions will last and what the complete financial effect will be to the Foundation. Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

## **TIGER ATHLETIC FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

#### **12. Scoreboard Sponsorships**

In 1999, the Foundation entered into a Cooperative Endeavor Agreement with LSU that obligated the Foundation to acquire, construct, and maintain new scoreboards in LSU athletic venues at a total cost of approximately \$5.2 million. In return for its fulfillment of this obligation, the Foundation was given an eight year license to solicit certain qualified corporate sponsorship contracts. In connection with its issuance of the Series 2004 Revenue Bonds, LSU extended the Foundation's rights to solicit qualified corporate sponsorship contracts for a period of approximately 35 years. Effective July 1, 2005, the Foundation, with approval of LSU, entered into a ten year lease agreement with Viacom Outdoor Advertising, Inc., d/b/a Outfront Media Sports, whereby the Foundation leased its rights to the scoreboards to Viacom in return for an annual guaranteed rental payment. In November 2010, the lease agreement was amended extending the term for a period of one year through June 30, 2016, and increasing the compensation paid to the Foundation by \$500,000. Additionally, the amendment required the Foundation to expend an additional \$3-5 million over the next three years to construct, install, upgrade, maintain, service and replace scoreboards. This commitment was made by the Foundation in 2014. In June 2016, the Foundation entered into a new lease agreement with Outfront Media Sports through June 30, 2026. Annual compensation beginning at \$3,500,000, and increasing \$25,000 each subsequent year is paid in equal quarterly installments. The amended agreement also requires an additional \$2 million in compensation for the first three years of the agreement.

The revenue received and recognized by the Foundation was \$4,688,748 and \$3,800,197 for the years ended December 31, 2020 and 2019, respectively, and is included in other revenues on the statements of activities.

#### **13. Retirement Savings Plan**

The Foundation established a 401(k) plan (the Plan) effective February 1, 2002, to replace an existing Section 403(b) tax shelter annuity plan. The Plan covers all employees who complete applications to participate in the Plan and agree to the terms of the Plan. The Foundation amended and restated the Plan effective April 22, 2010 and September 16, 2010.

Under the Plan, the Foundation will make matching contributions in an amount equal to the sum of 100% of the participants' elective deferrals that do not exceed 6% of the participants' compensation as an Employer Safe Harbor Matching Contribution. In addition, the Foundation shall contribute an amount equal to the sum of 1.5% of the participants' annual compensation as an Employer Discretionary Contribution. Employees are vested in the Employer Safe Harbor Matching Contributions at a rate of 100%, and are vested in the Employer Discretionary Contribution at a rate of 20% per year after reaching one year of service, as defined.

The Foundation made matching contributions of approximately \$248,000 and \$238,000 for the years ended December 31, 2020 and 2019, respectively.

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**14. Uncertain Tax Position**

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Foundation 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.

Penalties and interest assessed by income taxing authorities, if any, would be included in total expenses.

**15. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued April 20, 2021 and determined that no events have occurred that require disclosure. No subsequent events occurring after April 20, 2021 have been evaluated for inclusion in these financial statements.

OTHER FINANCIAL INFORMATION





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**Independent Auditor’s Report on  
Other Financial Information -  
Office of Statewide Reporting and  
Accounting Policy for State of Louisiana**

To the Executive Committee of the Board of Directors  
Tiger Athletic Foundation  
Baton Rouge, LA

We have audited the financial statements of Tiger Athletic Foundation as of and for the years ended December 31, 2020 and 2019, and have issued our report thereon, dated April 20, 2021, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to April 20, 2021.

The accompanying Statements of Net Assets, Statements of Revenues, Expenses, and Changes in Net Assets, Component Unit Description, Schedules of Capital Assets, Schedules of Bonds and Note Payable and Capital Leases, Schedules of Bonds and Note Payable, and Schedule of Bonds Payable Amortization 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.

A Professional Accounting Corporation

Metairie, LA  
April 20, 2021

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF NET ASSETS**

**DECEMBER 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 13,534,428	\$ 16,811,970
Restricted assets:		
Cash and cash equivalents	34,627,312	32,360,764
Investments	3,912,706	3,811,525
Investments	21,889,925	15,710,504
Other receivables	3,364,160	3,379,860
Contracts receivable	6,623,397	24,285,429
Pledges receivable	6,034,981	6,130,807
Due from other campuses	-	-
Due from State Treasury	-	-
Inventories	-	-
Prepaid expenses	195,917	182,574
Notes receivable	-	-
Other current assets	196,476	187,557
Total current assets	<u>90,379,302</u>	<u>102,860,990</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	16,088,416	10,244,284
Investments	114,735,177	103,463,266
Notes receivable	-	-
Other	-	-
Investments	-	-
Other receivables	2,313,797	4,535,138
Contracts receivable	29,806,224	31,147,008
Pledges receivable, net	4,794,884	6,241,693
Notes receivable	-	-
Capital assets, net	209,055,655	216,736,243
Assets held for donation to LSU	8,556,443	6,000,678
Assets under capital leases, net	-	-
Other noncurrent assets	4,993,709	2,610,772
Total noncurrent assets	<u>390,344,305</u>	<u>380,979,082</u>
Total assets	<u>\$ 480,723,607</u>	<u>\$ 483,840,072</u>

See independent auditor's report on other financial information.



**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF NET ASSETS (CONTINUED)**

**DECEMBER 31, 2020 and 2019**

	2020	2019
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,803,799	\$ 2,763,780
Accounts payable - construction in progress	54,965	1,081,363
Due to other campuses	-	-
Due to State Treasury	-	-
Deferred revenues	27,858,349	26,546,111
Amounts held in custody for others	2,552,482	2,495,786
Compensated absences payable	-	-
Capital lease obligations	-	-
Line-of-credit	-	-
Note payable	-	-
Contracts payable	-	-
Bonds payable	7,647,000	7,807,000
Term loan	3,056,068	2,884,606
Other current liabilities	36,121	-
Total current liabilities	43,008,784	43,578,646
Noncurrent liabilities:		
Amounts held in custody for others	613,258	544,700
Compensated absences payable	-	-
Capital lease obligations	-	-
Note payable	-	-
Contracts payable	-	-
Deferred revenues	30,017,905	31,248,216
Bonds payable		
Principal amount	126,885,000	134,532,000
Deferred financing costs	(690,756)	(747,617)
Term loan		
Principal amount	13,679,540	16,735,608
Deferred financing costs	(43,104)	(52,763)
Other noncurrent liabilities	-	-
Total noncurrent liabilities	170,461,843	182,260,144
Total liabilities	213,470,627	225,838,790
Net assets:		
Invested in capital assets, net of related debt	58,521,907	55,577,409
Restricted for:		
Nonexpendable	24,127,768	22,419,934
Expendable	34,887,591	32,793,484
Unrestricted	149,715,714	147,210,455
Total net assets	267,252,980	258,001,282
Total liabilities and net assets	\$ 480,723,607	\$ 483,840,072

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN NET ASSETS**

**YEARS ENDED DECEMBER 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Operating revenues:		
Student tuition and fees	\$ -	\$ -
Less scholarship allowances	-	-
Net student tuition and fees	-	-
Gifts received by the Foundation	10,361,789	12,016,913
Earnings on Foundation endowments	-	-
Federal appropriations	-	-
Federal grants and contracts	-	-
State and local grants and contracts	-	-
Nongovernmental grants and contracts	6,433,382	33,466,076
Sales and services of educational departments	-	-
Hospital income	-	-
Auxiliary enterprise revenues, including revenues pledged as security for bond issues	-	-
Less: scholarship allowances	-	-
Net auxiliary revenues	-	-
Other operating revenues	13,836,867	13,571,387
Total operating revenues	<u>30,632,038</u>	<u>59,054,376</u>
Operating expenses:		
Educational and general		
Instruction	-	-
Research	-	-
Public service	-	-
Academic support	-	-
Student services	-	-
Institutional support	-	-
Operation and maintenance of plant	-	-
Scholarships and fellowships	-	-
Auxiliary enterprises	-	-
Hospital	-	-
Other operating expenses	14,140,913	17,747,015
Total operating expenses	<u>14,140,913</u>	<u>17,747,015</u>
Operating income	<u>16,491,125</u>	<u>41,307,361</u>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**  
**STATEMENTS OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET ASSETS (CONTINUED)**  
**YEARS ENDED DECEMBER 31, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
Nonoperating revenues and (expenses):		
State appropriations	-	-
Gifts	-	-
Net investment income (loss)	12,725,758	10,521,484
Interest expense	(3,828,176)	(5,066,893)
Payments to or on behalf of the university	(17,411,680)	(60,289,287)
Other nonoperating revenues (expenses)	-	-
Net nonoperating (expenses) revenues	<u>(8,514,098)</u>	<u>(54,834,696)</u>
Income (loss) before other revenues, expenses, gains, and losses	<u>7,977,027</u>	<u>(13,527,335)</u>
Capital appropriations	-	-
Capital gifts and grants	-	-
Additions to permanent endowments	1,274,671	1,392,956
Other additions, net	-	-
Increase (decrease) in net assets	<u>9,251,698</u>	<u>(12,134,379)</u>
Net assets, beginning of year	258,001,282	270,135,661
Change in fair value of investments, available-for-sale	-	-
Net assets, end of year	<u>\$ 267,252,980</u>	<u>\$ 258,001,282</u>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**COMPONENT UNIT DESCRIPTION**

**Component Unit Description**

The Tiger Athletic Foundation is a legally separate, tax-exempt organization supporting Louisiana State University - Baton Rouge, which is a component unit of the LSU System. This Foundation was included in the University's financial statements because its assets equaled 3% or more of the assets of the university system it supports.

During the year ended December 31, 2020, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$17,411,680, \$994,734 from booster clubs, and \$199,015 from affiliated chapters. During the year ended December 31, 2019, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$60,289,287, \$1,141,124 from booster clubs, and \$219,307 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.

Complete financial statements for the Tiger Athletic Foundation can be obtained from:

Tiger Athletic Foundation  
P.O. Box 711  
Baton Rouge, Louisiana 70821

Or from the Foundation's website at: [www.lsutaf.org](http://www.lsutaf.org)

The Tiger Athletic Foundation is a nonprofit organization that reports under the *Financial Reporting for Not-for-Profit Organizations* Topic of the FASB ASC. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the Foundation's financial information in the University's financial report for these differences.

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF CAPITAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2020**

	Balance 12/31/2019	Additions	Transfers	Retirements	Balance 12/31/2020
Capital assets not being depreciated:					
Land	\$ 4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Capitalized collections	-	-	-	-	-
Livestock	-	-	-	-	-
Construction in progress	7,665,763	8,491,371	(11,898,960)	(192,558)	4,065,616
Total capital assets not being depreciated	\$ 12,405,763	\$ 8,491,371	\$ (11,898,960)	\$ (192,558)	\$ 8,805,616
Other capital assets:					
Land improvements	\$ 5,359,961	\$ -	\$ -	\$ -	\$ 5,359,961
Less accumulated depreciation	(825,550)	(81,863)	-	-	(907,413)
Total land improvements	4,534,411	(81,863)	-	-	4,452,548
Buildings	261,148,474	141,648	3,749,021	(1,880,346)	263,158,797
Less accumulated depreciation	(61,395,825)	(7,877,826)	-	1,880,346	(67,393,305)
Total buildings	199,752,649	(7,736,178)	3,749,021	-	195,765,492
Equipment	314,837	5,395	-	-	320,232
Less accumulated depreciation	(281,790)	(9,255)	-	-	(291,045)
Total equipment	33,047	(3,860)	-	-	29,187
Vehicles	50,222	-	-	-	50,222
Less accumulated depreciation	(39,849)	(7,561)	-	-	(47,410)
Total vehicles	10,373	(7,561)	-	-	2,812
Total other capital assets	\$ 204,330,480	\$ (7,829,462)	\$ 3,749,021	\$ -	\$ 200,250,039
Capital asset summary:					
Capital assets not being depreciated	\$ 12,405,763	\$ 8,491,371	\$ (11,898,960)	\$ (192,558)	\$ 8,805,616
Other capital assets, at cost	266,873,494	147,043	3,749,021	(1,880,346)	268,889,212
Total cost of capital assets	279,279,257	8,638,414	(8,149,939)	(2,072,904)	277,694,828
Less accumulated depreciation	(62,543,014)	(7,976,505)	-	1,880,346	(68,639,173)
Capital assets, net	\$ 216,736,243	\$ 661,909	\$ (8,149,939) *	\$ (192,558)	\$ 209,055,655

\* During the year ended December 31, 2020, \$8,149,939 of completed construction in progress was transferred out of capital assets and into assets held for donation to LSU.

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF CAPITAL ASSETS**  
**YEAR ENDED DECEMBER 31, 2019**

	Balance 12/31/2018	Additions	Transfers	Retirements	Balance 12/31/2019
Capital assets not being depreciated:					
Land	\$ 4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Capitalized collections	-	-	-	-	-
Livestock	-	-	-	-	-
Construction in progress	23,425,994	28,449,081	(43,756,116)	(453,196)	7,665,763
Total capital assets not being depreciated	\$ 28,165,994	\$ 28,449,081	\$ (43,756,116)	\$ (453,196)	\$ 12,405,763
Other capital assets:					
Land improvements	\$ 5,359,961	\$ -	\$ -	\$ -	\$ 5,359,961
Less accumulated depreciation	(727,429)	(98,121)	-	-	(825,550)
Total land improvements	4,632,532	(98,121)	-	-	4,534,411
Buildings	255,198,448	-	5,950,026	-	261,148,474
Less accumulated depreciation	(53,834,043)	(7,561,782)	-	-	(61,395,825)
Total buildings	201,364,405	(7,561,782)	5,950,026	-	199,752,649
Equipment	315,595	1,204	-	(1,962)	314,837
Less accumulated depreciation	(272,697)	(10,273)	-	1,180	(281,790)
Total equipment	42,898	(9,069)	-	(782)	33,047
Vehicles	50,222	-	-	-	50,222
Less accumulated depreciation	(30,264)	(9,585)	-	-	(39,849)
Total vehicles	19,958	(9,585)	-	-	10,373
Total other capital assets	\$ 206,059,793	\$ (7,678,557)	\$ 5,950,026	\$ (782)	\$ 204,330,480
Capital asset summary:					
Capital assets not being depreciated	\$ 28,165,994	\$ 28,449,081	\$ (43,756,116)	\$ (453,196)	\$ 12,405,763
Other capital assets, at cost	260,924,226	1,204	5,950,026	(1,962)	266,873,494
Total cost of capital assets	289,090,220	28,450,285	(37,806,090)	(455,158)	279,279,257
Less accumulated depreciation	(54,864,433)	(7,679,761)	-	1,180	(62,543,014)
Capital assets, net	\$ 234,225,787	\$ 20,770,524	\$ (37,806,090) *	\$ (453,978)	\$ 216,736,243

\* During the year ended December 31, 2019, \$37,806,090 of completed construction in progress was transferred out of capital assets and into assets held for donation to LSU.

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF BONDS AND NOTE PAYABLE AND CAPITAL LEASES**

**DECEMBER 31, 2020**

	<b>Balance at December 31, 2019</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2020</b>	<b>Amounts Due Within One Year</b>
<b>Bonds and notes payable and capital leases:</b>					
Bonds payable	\$ 142,339,000	\$ -	\$ 7,807,000	\$ 134,532,000	\$ 7,647,000
Note payable	19,620,214	-	2,884,606	16,735,608	3,056,068
Capital lease obligations	-	-	-	-	-
Less deferred financing costs	(800,380)	-	(66,520)	(733,860)	(65,052)
<b>Total bonds, notes, and capital leases</b>	<b>\$ 161,158,834</b>	<b>\$ -</b>	<b>\$ 10,625,086</b>	<b>\$ 150,533,748</b>	<b>\$ 10,638,016</b>
<b>Other liabilities:</b>					
Amounts held in custody for others	\$ 3,040,486	\$ 22,617,666	\$ 22,492,412	\$ 3,165,740	\$ 2,552,482
Other current liabilities	-	384,335	348,214	36,121	36,121
Deferred revenue	57,794,327	53,505,830	53,423,903	57,876,254	27,858,349
<b>Total other liabilities</b>	<b>\$ 60,834,813</b>	<b>\$ 76,507,831</b>	<b>\$ 76,264,529</b>	<b>\$ 61,078,115</b>	<b>\$ 30,446,952</b>

See independent auditor's report on other financial information.



**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF BONDS AND NOTE PAYABLE AND CAPITAL LEASES**

**DECEMBER 31, 2019**

	<b>Balance at December 31, 2018</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2019</b>	<b>Amounts Due Within One Year</b>
<b>Bonds and notes payable and capital leases:</b>					
Bonds payable	\$ 150,308,000	\$ -	\$ 7,969,000	\$ 142,339,000	\$ 7,807,000
Note payable	22,342,656	-	2,722,442	19,620,214	2,884,606
Capital lease obligations	-	-	-	-	-
Less deferred financing costs	(635,251)	(212,565)	(47,436)	(800,380)	(66,520)
<b>Total bonds, notes, and capital leases</b>	<b>\$ 172,015,405</b>	<b>\$ (212,565)</b>	<b>\$ 10,644,006</b>	<b>\$ 161,158,834</b>	<b>\$ 10,625,086</b>
<b>Other liabilities:</b>					
Amounts held in custody for others	\$ 3,473,164	\$ 1,538,273	\$ 1,970,951	\$ 3,040,486	\$ 2,495,786
Deferred revenue	32,436,434	50,480,581	25,122,688	57,794,327	26,546,111
Other liabilities	-	-	-	-	-
<b>Total other liabilities</b>	<b>\$ 35,909,598</b>	<b>\$ 52,018,854</b>	<b>\$ 27,093,639</b>	<b>\$ 60,834,813</b>	<b>\$ 29,041,897</b>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF BONDS AND NOTE PAYABLE**

**DECEMBER 31, 2020**

<b>Issue</b>	<b>Date of Issue</b>	<b>Original Issue</b>	<b>Principal Outstanding 12/31/2019</b>	<b>(Redeemed) Issued</b>	<b>Principal Outstanding 12/31/2020</b>	<b>Interest Rates</b>	<b>Interest Outstanding 12/31/2020</b>
Series 2012 Bonds	October 23, 2012	\$ 5,100,000	\$ 64,409,000	\$ (2,897,000)	\$ 61,512,000	Fixed/Variable*	\$ -
Series 2015 Bonds	July 1, 2015	52,000,000	39,070,000	(3,610,000)	35,460,000	2.49%	-
Series 2015A Bonds	November 1, 2015	53,045,000	38,860,000	(1,300,000)	37,560,000	2.25%	-
Less deferred financing costs		(955,663)	(747,617)	57,604	(690,013)		-
<b>Total Bonds Payable</b>		<b>109,189,337</b>	<b>141,591,383</b>	<b>(7,749,396)</b>	<b>133,841,987</b>		<b>-</b>
Term Loan	December 1, 2019	19,620,214	19,620,214	(2,884,606)	16,735,608	2.59%	36,121
Less deferred financing costs		(52,763)	(52,763)	8,916	(43,847)		-
		<b>\$ 128,756,788</b>	<b>\$ 161,158,834</b>	<b>\$ (10,625,086)</b>	<b>\$ 150,533,748</b>		<b>\$ 36,121</b>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**  
**SCHEDULE OF BONDS AND NOTE PAYABLE**  
**DECEMBER 31, 2019**

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/2018	(Redeemed) Issued	Principal Outstanding 12/31/2019	Interest Rates	Interest Outstanding 12/31/2019
Series 2012 Bonds	October 23, 2012	\$ 5,100,000	\$ 67,238,000	\$ (2,829,000)	\$ 64,409,000	Fixed/Variable*	\$ -
Series 2015 Bonds	July 1, 2015	52,000,000	42,520,000	(3,450,000)	39,070,000	2.49%	-
Series 2015A Bonds	November 1, 2015	53,045,000	40,550,000	(1,690,000)	38,860,000	2.25%	-
Less deferred financing costs		(955,663)	(635,251)	(112,366)	(747,617)		-
<b>Total Bonds Payable</b>		<b>109,189,337</b>	<b>149,672,749</b>	<b>(8,081,366)</b>	<b>141,591,383</b>		<b>-</b>
Term Loan	December 1, 2019	19,620,214	-	19,620,214	19,620,214	2.59%	-
Term Loan	October 23, 2012	808,731	22,342,656	(22,342,656)	-	Variable	-
Less deferred financing costs		(52,763)	-	(52,763)	(52,763)		-
		<u>\$ 129,565,519</u>	<u>\$ 172,015,405</u>	<u>\$ (10,856,571)</u>	<u>\$ 161,158,834</u>		<u>\$ -</u>

\* Fixed rate of 2.37% through 2029, and variable thereafter

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF BONDS PAYABLE AMORTIZATION**  
**YEAR ENDED DECEMBER 31, 2020**

<b>Fiscal Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	\$ 7,647,000	Fixed	\$ 7,647,000
2022	7,459,000	Fixed	7,459,000
2023	7,483,000	Fixed	7,483,000
2024	7,753,000	Fixed	7,753,000
2025	8,025,000	Fixed	8,025,000
2026	10,320,000	Fixed	10,320,000
2027	10,656,000	Fixed	10,656,000
2028	10,669,000	Fixed	10,669,000
2029	10,614,000	Fixed	10,614,000
2030	10,796,000	Fixed/Variable	10,796,000
2031	6,835,000	Fixed/Variable	6,835,000
2032	7,121,000	Fixed/Variable	7,121,000
2033	7,405,000	Fixed/Variable	7,405,000
2034	5,251,000	Fixed/Variable	5,251,000
2035	4,899,000	Fixed/Variable	4,899,000
2036	4,999,000	Fixed/Variable	4,999,000
2037	5,100,000	Fixed/Variable	5,100,000
2038	750,000	Fixed/Variable	750,000
2039	750,000	Fixed/Variable	750,000
Total	<u>\$ 134,532,000</u>		<u>\$ 134,532,000</u>

See independent auditor's report on other financial information.



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**Independent Auditor's Report on**  
**Other Financial Information -**  
**Tiger Athletic Foundation**  
**Uniform Affiliation Agreement**  
**with Louisiana State University**

To the Executive Committee of the Board of Directors  
Tiger Athletic Foundation  
Baton Rouge, LA

We have audited the financial statements of Tiger Athletic Foundation as of and for the years ended December 31, 2020 and 2019, and have issued our report thereon, dated April 20, 2021, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to April 20, 2021.

The accompanying supplementary information 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 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.

A stylized, handwritten signature of the word "LaPorte" in a cursive script.

A Professional Accounting Corporation

Metairie, LA  
April 20, 2021

**TIGER ATHLETIC FOUNDATION**

**SUMMARIES OF EXPENSES PAID TO LOUISIANA STATE UNIVERSITY**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
Rent expense	\$ 98,422	\$ 95,636
Ground lease payments	87,100	60,000
Telephone/Communications expenses	63,735	73,507
Security expenses	53,429	25,654
Compensation for LSU contract staff	30,643	32,678
Parking expenses	28,081	31,312
Computing services contract payment	25,304	34,649
Club card printing and readers/equipment for stadium club	4,537	5,471
Postage expense	3,326	18,112
Repairs and maintenance expenses	2,165	19,045
Miscellaneous expense	960	10,243
Travel for TAF staff/donors (lodging/airfare)	296	8,279
Handling/Service fees	-	18,833
Printing expense	-	1,440
Supplies expense	-	1,280
Fuel expense	-	-
	<u>\$ 397,998</u>	<u>\$ 436,139</u>

See independent auditor's report on other financial information.

OTHER SUPPLEMENTARY INFORMATION



**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2020**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2020</u>
Revenues and gains:			
Donations - TAF members	\$ 1,603,596	\$ 10,032,864	\$ 11,636,460
Contract revenue	6,433,382	-	6,433,382
Restricted revenue	-	-	-
Scoreboard sponsorships	4,688,748	-	4,688,748
Rents - University Club and LSU	8,755,001	-	8,755,001
Investment return, net	2,789,397	377,121	3,166,518
Net realized and unrealized gains	5,250,893	4,308,347	9,559,240
Merchandise revenue	-	-	-
Other revenue	393,118	-	393,118
Total revenues and gains	<u>29,914,135</u>	<u>14,718,332</u>	<u>44,632,467</u>
Net assets released from restrictions	10,916,391	(10,916,391)	-
Expenses:			
Program services:			
Contribution to LSU - athletic department	17,011,680	-	17,011,680
Contribution to LSU - non-athletic	400,000	-	400,000
Tiger Den Suites	3,301,942	-	3,301,942
Stadium Club	7,885,247	-	7,885,247
Alex Box Suites	248,681	-	248,681
Supporting activities:			
General and administrative	3,799,571	-	3,799,571
Fundraising	2,733,648	-	2,733,648
Total expenses	<u>35,380,769</u>	<u>-</u>	<u>35,380,769</u>
Increase in net assets	<u>\$ 5,449,757</u>	<u>\$ 3,801,941</u>	<u>\$ 9,251,698</u>

See independent auditor's report.

**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2019</u>
Revenues and gains:			
Donations - TAF members	\$ 1,733,453	\$ 11,676,416	\$ 13,409,869
Contract revenue	33,466,076	-	33,466,076
Restricted revenue	-	-	-
Scoreboard sponsorships	3,800,197	-	3,800,197
Rents - University Club and LSU	8,738,037	-	8,738,037
Investment return, net	3,725,885	491,907	4,217,792
Net realized and unrealized gains	4,111,338	2,192,354	6,303,692
Merchandise revenue	-	-	-
Other revenue	1,033,153	-	1,033,153
Total revenues and gains	<u>56,608,139</u>	<u>14,360,677</u>	<u>70,968,816</u>
Net assets released from restrictions	25,876,485	(25,876,485)	-
Expenses:			
Program services:			
Contribution to LSU - athletic department	59,829,805	-	59,829,805
Contribution to LSU - non-athletic	459,482	-	459,482
Tiger Den Suites	4,766,571	-	4,766,571
Stadium Club	9,527,019	-	9,527,019
Alex Box Suites	381,174	-	381,174
Supporting activities:			
General and administrative	5,117,747	-	5,117,747
Fundraising	3,021,397	-	3,021,397
Total expenses	<u>83,103,195</u>	<u>-</u>	<u>83,103,195</u>
Decrease in net assets	<u>\$ (618,571)</u>	<u>\$ (11,515,808)</u>	<u>\$ (12,134,379)</u>

See independent auditor's report.

**TIGER ATHLETIC FOUNDATION**  
**STATEMENT OF REVENUES AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS**  
**YEAR ENDED DECEMBER 31, 2020**

	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other Sports</u>	<u>Non-Program Specific</u>	<u>Total</u>
<b>Revenues</b>						
Contributions	\$ 2,369,805	\$ 422,888	\$ 32,250	\$ 4,511,448	\$ 10,064,793	\$ 17,401,184
Compensations and benefits provided by a third party	483,964	1,527	-	41,082	677,672	1,204,245
Total revenues	<u>\$ 2,853,769</u>	<u>\$ 424,415</u>	<u>\$ 32,250</u>	<u>\$ 4,552,530</u>	<u>\$ 10,742,465</u>	<u>\$ 18,605,429</u>
<b>Expenses</b>						
Coaching other compensation and benefits	\$ 483,964	\$ 1,527	\$ -	\$ 41,082	\$ 677,672	\$ 1,204,245
Severance payments	-	-	-	-	-	-
Recruiting	124,303	66,072	8,447	14,059	-	212,881
Team travel	15,875	3,904	-	17,018	-	36,797
Equipment, uniforms, and supplies	-	-	-	64,281	-	64,281
Game expenses	17,228	2,505	-	15,763	-	35,496
Fundraising, marketing, and promotion	-	114,185	425	102,872	376,876	594,358
Direct facilities, maintenance, and rental	-	-	-	-	-	-
Spirit groups	-	-	-	-	44,905	44,905
Membership and dues	9,816	1,775	3,549	15,617	14,155	44,912
Other operating expenses	2,202,583	234,447	19,829	4,281,838	9,628,857	16,367,554
Total expenses	<u>\$ 2,853,769</u>	<u>\$ 424,415</u>	<u>\$ 32,250</u>	<u>\$ 4,552,530</u>	<u>\$ 10,742,465</u>	<u>\$ 18,605,429</u>

During the year ended December 31, 2020, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$17,411,680; \$994,734 from booster clubs; and \$199,015 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.

See independent auditor's report.

**TIGER ATHLETIC FOUNDATION**  
**STATEMENT OF REVENUES AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other Sports</u>	<u>Non-Program Specific</u>	<u>Total</u>
<b>Revenues</b>						
Contributions	\$ 42,992,748	\$ 949,014	\$ 200,021	\$ 2,813,130	\$ 12,246,388	\$ 59,201,301
Compensations and benefits provided by a third party	996,458	35,000	-	12,460	1,404,499	2,448,417
Total revenues	<u>\$ 43,989,206</u>	<u>\$ 984,014</u>	<u>\$ 200,021</u>	<u>\$ 2,825,590</u>	<u>\$ 13,650,887</u>	<u>\$ 61,649,718</u>
<b>Expenses</b>						
Coaching other compensation and benefits	\$ 996,458	\$ 35,000	\$ -	\$ 12,460	\$ 1,404,499	\$ 2,448,417
Severance payments	-	-	-	-	-	-
Recruiting	509,070	723,485	79,543	35,597	4,401	1,352,096
Team travel	-	2,412	500	190,628	529	194,069
Equipment, uniforms, and supplies	-	14,710	11,981	608,603	13,140	648,434
Game expenses	91,286	8,546	-	87,558	-	187,390
Fundraising, marketing, and promotion	84,377	125,242	3,495	179,411	349,326	741,851
Direct facilities, maintenance, and rental	-	-	-	-	-	-
Spirit groups	-	-	-	-	78,132	78,132
Membership and dues	16,247	-	2,366	13,603	3,553	35,769
Other operating expenses	42,291,768	74,619	102,136	1,697,730	11,797,307	55,963,560
Total expenses	<u>\$ 43,989,206</u>	<u>\$ 984,014</u>	<u>\$ 200,021</u>	<u>\$ 2,825,590</u>	<u>\$ 13,650,887</u>	<u>\$ 61,649,718</u>

During the year ended December 31, 2019, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$60,289,287; \$1,141,124 from booster clubs; and \$219,307 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.

See independent auditor's report.

**TIGER ATHLETIC FOUNDATION**

**PHILANTHROPIC ACTIVITY SUMMARY REPORT**

<b>Years</b>	<b><i>Contributions without Donor Restrictions - Team TAF Championship Donations</i></b>	<b><i>Contributions with Donor Restrictions - Restrictions for Purpose</i></b>	<b><i>Contributions with Donor Restrictions - Restrictions that are Perpetual in Nature</i></b>	<b>Grand Total</b>	<b><i>Total Donor Restricted Collections</i></b>
2020	\$ 1,552,559	\$ 8,758,193	\$ 1,274,671	\$ 11,585,423	\$ 12,113,222
2019	\$ 1,687,270	\$ 10,283,460	\$ 1,392,956	\$ 13,363,686	\$ 9,731,943
2018	\$ 1,470,025	\$ 7,502,551	\$ 1,242,157	\$ 10,214,733	\$ 8,643,553
2017	\$ 1,469,043	\$ 8,993,110	\$ 946,687	\$ 11,408,840	\$ 9,861,017
2016	\$ 1,254,668	\$ 9,170,389	\$ 2,711,887	\$ 13,136,944	\$ 11,081,205
2015	\$ 1,021,009	\$ 9,177,735	\$ 2,559,668	\$ 12,758,412	\$ 11,230,310
2014	\$ 1,057,022	\$ 12,079,537	\$ 1,104,993	\$ 14,241,552	\$ 12,524,077
2013	\$ 993,252	\$ 13,575,008	\$ 574,919	\$ 15,143,179	\$ 10,665,991
2012	\$ 1,039,329	\$ 23,073,388	\$ 939,853	\$ 25,052,570	\$ 17,439,330
2011	\$ 1,039,856	\$ 17,858,891	\$ 936,058	\$ 19,834,805	\$ 16,524,469
2010	\$ 1,034,329	\$ 4,850,255	\$ 1,494,008	\$ 7,378,592	\$ 11,553,087
2009	\$ 1,195,858	\$ 11,469,901	\$ 633,870	\$ 13,299,629	\$ 9,499,205
2008	\$ 2,755,892	\$ 7,854,335	\$ 917,795	\$ 11,528,022	\$ 7,991,332
2007	\$ 678,445	\$ 5,879,055	\$ 3,962,733	\$ 10,520,233	\$ 8,132,382

See independent auditor's report.

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**Independent Accountants Report  
on Schedule of Debt Service Coverage Ratio**

To the Executive Committee of the Board of Directors  
Tiger Athletic Foundation  
Baton Rouge, LA

We have reviewed the accompanying *Schedule of Debt Service Coverage Ratio* for the year ended December 31, 2020 of Tiger Athletic Foundation (the Foundation). A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the *Schedule of Debt Service Coverage Ratio*. Accordingly, we do not express such an opinion.

The *Schedule of Debt Service Coverage Ratio* is prescribed by and related to the \$52,000,000 Revenue Bonds (Series 2015) reflecting the provisions of resolutions adopted by Tiger Athletic Foundation and issued July 1, 2015; the \$53,045,000 Revenue Bonds (Series 2015A) reflecting the provisions of resolutions adopted by Tiger Athletic Foundation and issued on November 1, 2015; and, the \$75,000,000 Revenue Bonds (Series 2012) reflecting the provisions of resolutions adopted by Tiger Athletic Foundation and issued on October 22, 2012, amended to \$70,000,000 in revenue on June 22, 2014.

**Management's Responsibility for the *Schedule of Debt Service Coverage Ratio***

Management is responsible for the preparation and fair presentation of the *Schedule of Debt Service Coverage Ratio* as prescribed by the Revenue Bonds; this includes the design, implementation and maintenance of internal control relevant to the preparations and fair presentation of the *Schedule of Debt Service Coverage Ratio* that is free from material misstatement, whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the *Schedule of Debt Service Coverage Ratio* for it to be as prescribed by the Revenue Bonds. We believe that the results of our procedures provide a reasonable basis for our conclusion.



**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying *Schedule of Debt Service Coverage Ratio* of Tiger Athletic Foundation for the year ended December 31, 2020 in order for it to be as prescribed by the Revenue Bonds.

This report is intended solely for the information and use of the Executive Committee of the Board of Directors, management, and the bond trustee, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "LaForte".

A Professional Accounting Corporation

Metairie, LA  
April 20, 2021

**TIGER ATHLETIC FOUNDATION**

**SCHEDULE OF DEBT SERVICE COVERAGE RATIO -  
SERIES 2012, SERIES 2015, AND SERIES 2015A**

**YEAR ENDED DECEMBER 31, 2020**

**Available Revenues**

Total revenues without donor restrictions of \$24,991,712 less  
total expenses (\$28,599,077 minus depreciation of \$7,976,505,  
amortization of \$140,000 and discretionary expenses of \$10,348,497). \$ 14,857,637

**Debt Service Requirements**

\$ 14,555,360

Debt Service Coverage Ratio

1.02

Minimum required debt service coverage. If in default, TAF will  
incur an increased interest rate of Prime plus 2%.

1.25

Minimum required debt service coverage ratio to incur  
additional debt.

1.75

See independent accountants report.

**TIGER ATHLETIC FOUNDATION**

**NOTE TO SCHEDULE OF DEBT SERVICE COVERAGE RATIO**

**1. Basis of Presentation**

The computation in the *Schedule of Debt Service Coverage Ratio - Series 2012, Series 2015, and Series 2015A*, is prescribed by the Revenue Bond Resolution relating to the \$75,000,000 Revenue Bonds (Series 2012) reflecting the provisions of Resolutions adopted by Tiger Athletic Foundation on October 22, 2012, amended to \$70,000,000 in revenue on June 22, 2014; \$52,000,000 Revenue Bonds (Series 2015) reflecting the provisions of Resolutions adopted by Tiger Athletic Foundation on July 1, 2015; and the Revenue Bond Resolution relating to the \$53,045,000 Revenue Bonds (Series 2015A) reflecting the provisions of Resolutions adopted by Tiger Athletic Foundation on November 1, 2015.

**2. Covenant Waiver**

At December 31, 2020, the Foundation was not in in compliance with its debt service coverage calculation loan covenant, and had obtained a waiver from the lender.

See independent accountants report.