

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



AGREED-UPON PROCEDURES REPORT
ISSUED JANUARY 24, 2022

**LOUISIANA LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

LEGISLATIVE AUDITOR
MICHAEL J. "MIKE" WAGUESPACK, CPA

FIRST ASSISTANT LEGISLATIVE AUDITOR
ERNEST F. SUMMERVILLE, JR., CPA

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TABLE OF CONTENTS

	Page
Independent Accountant’s Report on the Application of Agreed-Upon Procedures	2
Statement	
Financial Statement - Statement of Revenues and Expenses (Unaudited)..... A	13
Notes to the Financial Statement (Unaudited)	14
Appendix	
Major Revenue and Expense Analysis (Unaudited)	A17



LOUISIANA LEGISLATIVE AUDITOR
MICHAEL J. "MIKE" WAGUESPACK, CPA

January 13, 2022

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

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

We have performed the procedures enumerated below, which were agreed to by you, as President of the University of Louisiana at Monroe (University), solely to assist you in evaluating whether the accompanying Statement of Revenues and Expenses (Statement) of the University's athletic department is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 for the year ended June 30, 2021. University management is responsible for the accuracy of the Statement (unaudited) and the related notes (unaudited) and the compliance with NCAA requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of management of the University. Management of the University has acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures were not performed on specific reporting categories that were less than 4% of the total revenues or expenses.

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

MINIMUM COMPLIANCE AGREED-UPON PROCEDURES

INTERNAL CONTROL

1. We obtained, through discussion with management, the identity of those aspects of internal control that management considers unique to intercollegiate athletics.

2. We performed procedures to test specific elements of the control environment and accounting systems that are unique to intercollegiate athletics to determine adherence to established policies and procedures relating to revenues and expenses. The following procedures were performed:
 - (a) We randomly selected one cash receipt batch sheet of ticket sales and followed it through the University's cash control system to determine adherence to established policies and procedures.
 - (b) We selected the 10 largest athletic department cash disbursement transactions and followed them through the University's accounting system to determine adherence to established policies and procedures.
 - (c) We inquired of and observed athletic department personnel to determine their compliance with policies and procedures related to the control and safeguarding of unsold tickets.

We found no exceptions as a result of these procedures.

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

We found no exception as a result of these procedures.

STATEMENT OF REVENUES AND EXPENSES

GENERAL PROCEDURES

1. We obtained written representations from management as to the accuracy of the Statement, completeness of required schedules and related financial information, adequacy of controls, compliance with NCAA rules and legislation, completeness of the list of all known affiliated and outside organizations, and other information as we considered necessary for the year ended June 30, 2021.
2. We verified the mathematical accuracy of the amounts on the Statement and compared and agreed the amounts to supporting schedules provided by the University and/or the University's general ledger.

We identified errors and omissions in reporting categories and amounts; however, the University made the necessary adjustments to its Statement for errors and omissions. Management represented that the errors and omissions occurred mainly due to a turnover in the employee responsible for compiling the Statement and such adjustments are not expected to be recurring.

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

We noted three of the five expense disbursement transactions were misclassified as game expenses, which consisted of \$1,990 of team travel cost and \$11 of other operating expenses. The University adjusted its Statement to reclassify these transactions from game expenses.

4. We compared each major revenue and expense account greater than 10% of total revenues or expenses for June 30, 2021, to June 30, 2020, amounts and budget estimates, to identify variations greater than 10%.

We reported the analysis in Appendix A to this report.

MINIMUM AGREED-UPON PROCEDURES FOR REVENUES

1. We compared direct state or other governmental support recorded by the University during the reporting period with state appropriations, institutional authorizations, and/or other corroborative supporting documentation. We recalculated the totals.

We determined revenues that consist of Coronavirus Aid, Relief, and Economic Security Act (CARES Act) lost revenues were misclassified. The University adjusted its Statement to reclassify \$3,359,200 from game guarantees, \$656,978 from NCAA distributions, and \$275,555 from ticket sales to direct state or other governmental support. After the reclassifications, we found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

3. We compared indirect institutional support recorded by the University during the reporting period with expense payments, cost allocation detail, and other corroborative supporting documents. We recalculated the totals.

We found no exceptions as a result of these procedures.

4. We were to obtain and review supporting documentation for each contribution of monies, goods, or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency, or group of individuals (two or more) that constitutes 10% or more of all contributions received for intercollegiate athletics during the reporting period, and recalculate the totals.

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

5. We compared the NCAA distribution amounts recorded as revenue and expense during the reporting period to the general ledger detail and other corroborative supporting documentation. We recalculated the totals.

The University adjusted its Statement to reclassify \$656,978 of direct state or other governmental support from NCAA distributions, as previously mentioned above. After the reclassification, we found no exceptions as a result of these procedures.

6. We compared and agreed the revenues related to the University's conference distributions and participation in revenues from conference tournaments during the reporting period to the University's general ledger and Statement. The University had no agreements related to these revenues during the reporting period. We recalculated the totals.

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR EXPENSES

1. We selected a sample of 10% of the total student athletes from the listing of University student aid recipients, obtained individual student-account detail for each selection, and compared total aid in the University's student system to the student's detail in NCAA's Compliance Assistant (CA) software. We performed a check of each student selected to ensure their information was reported accurately in the NCAA's CA software using criteria found in 2021 NCAA Agreed-Upon Procedures. We recalculated the totals for each sport and overall.

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

We found three selected students whose aid was entered incorrectly in the NCAA's CA software for the amount of financial aid received for summer. We also found that the soccer sport exceeded the allowed athletics aid equivalency as a result of summer aid being included.

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

- (b) We obtained and inspected payroll summary registers for the reporting year for each selection.
- (c) We compared and agreed payroll summary registers for each selection to the related salaries, benefits, and bonuses paid by the University and related entities' recorded by the University in the Statement during the reporting period.
- (d) We compared and agreed the totals recorded to the employment contracts executed for the sample selected.
- (e) We recalculated the totals.

The University adjusted its Statement to reclassify \$175,000 of severance payments from coaches' salaries and benefits. After the reclassification, we found no exceptions as a result of these procedures.

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

The University adjusted its Statement to reclassify \$1,990 of team travel costs from game expenses. After the reclassification, we found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

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

The University adjusted its Statement to reclassify \$1,990 of team travel costs and \$11 of other operating expenses; and to remove \$1,785 from game expenses relating to softball fans' ticket purchases made by the University of Louisiana at Monroe Athletic Foundation (ULM Athletic Foundation) that were not on behalf of the university. After the corrections, we found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR OTHER REPORTING ITEMS

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

We found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

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

We found no exceptions as a result of these procedures.

5. We obtained a schedule of athletics-related capital expenditures made by athletics, the University, and affiliated organizations during the reporting period. We obtained and compared the general ledger detail to the total expenses reported. We selected a sample of one transaction and validated the existence of the transaction and the accuracy of its recording. We also recalculated the totals.

We found no exceptions as a result of these procedures.

**MINIMUM AGREED-UPON PROCEDURES
FOR NOTES AND DISCLOSURES**

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

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

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

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

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

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

**MINIMUM AGREED-UPON PROCEDURES FOR
AFFILIATED AND OUTSIDE ORGANIZATIONS**

1. We obtained from management a listing of all affiliated and outside organizations for the reporting period. We also obtained written representations from management that the ULM Athletic Foundation is the only outside organization created for or on behalf of the athletic department.
2. We obtained from management of the University statements for all affiliated and outside organizations and confirmed revenues and expenses directly with a responsible official of the organization.

We found no exceptions as a result of these procedures.

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

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
Revenues						
Contributions	\$344,499	\$26,515	\$15,718	\$358,682	\$36,168	\$781,582
In-kind	80,821	6,600		25,045	41,492	153,958
Total revenues	425,320	33,115	15,718	383,727	77,660	935,540
Expenses						
Athletic Student Aid		8	17			25
Coaching salaries, benefits, and bonuses paid by the University and related entities	81,264	14,846	5,585	114,182		215,877
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	35,834			2,000	12,705	50,539
Recruiting	842	37		775		1,654
Team travel	15,897	339	156	4,579		20,971
Sports equipment, uniform, and supplies	38,581	7,084	1,930	112,626	3,324	163,545
Game expenses	3,657	6,877	6,819	2,782	74	20,209
Fundraising, marketing, and promotion	56,181			51,629	24,545	132,355
Athletic facilities debt service, leases, and rental fees	31,469					31,469
Direct overhead and administrative expenses	335	994	773	67,388	38	69,528
Medical Expenses and Insurance				18	8,728	8,746
Memberships and dues		48		8,301		8,349
Student-athlete meals (Non-Travel)	2,434	949	22	4,095	135	7,635
Other operating expenses	158,826	1,933	416	15,352	28,111	204,638
Total expenses	425,320	33,115	15,718	383,727	77,660	935,540
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES	NONE	NONE	NONE	NONE	NONE	NONE

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

We noted errors in the schedule summary, which management adjusted to reduce contributions and game expenses by \$1,785 of softball fan ticket purchases not made on behalf of the University; and to reclassify \$860 of track maintenance and repair costs as direct overhead and administrative expenses, instead of fundraising, marketing, and promotion.

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

The ULM Athletic Foundation's statements were audited by an independent certified public accountant for the year ended June 30, 2021. The audit report dated September 17, 2021, included no significant deficiencies on the outside organization's internal control.

ADDITIONAL MINIMUM AGREED-UPON PROCEDURES

1. In order for the NCAA to place reliance on the Division I financial reporting to calculate the NCAA revenue distributions, we performed the following procedures:

- (a) We compared and agreed the sports sponsored and reported in the NCAA Membership Financial Reporting System to the University's Calculation of Revenue Distribution Equivalencies Report (CRDE) from NCAA's CA software. We were to inquire about any discrepancies and report the justification.

We found no discrepancies as a result of these procedures.

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

We noted a 4.91% decrease in football scholarships due to the opening of the transfer portal during the current reporting period, which cause the University's athletic roster to fluctuate significantly.

- (c) We obtained the University's Sports Sponsorship and Demographics Forms Report for the reporting period and validated that the institution's countable sports reported met the minimum requirements set forth in NCAA Bylaw 20.9.6.3 for the number of contests and participants in each contest that is counted toward meeting the minimum contest requirement. We ensured that the University has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

We noted the University reported zero countable contests for baseball, men's and women's outdoor track, softball, women's beach volleyball, men's and women's golf, women's tennis when all but the baseball and softball sports met the required number of contests. However, as a result of COVID-19 and its impact on institutional sport seasons, NCAA Division I Council Coordination Committee approved a blanket waiver of the minimum sports sponsorship requirements for the 2020-21 academic year.

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

We found no variances as a result of these procedures.

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

We found no discrepancies as a result of these procedures.

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

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

An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the compliance of the accompanying Statement and related notes of the University's Athletic Department or on its compliance with NCAA Bylaw 3.2.4.17 or on the effectiveness of the University Athletic Department's internal control over financial reporting for the year ended June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mike Waguespack", with a stylized flourish extending to the right.

Michael J. "Mike" Waguespack, CPA
Legislative Auditor

KVL:BAC:BH:EFS:aa

ULMNCAA2021

UNAUDITED

Statement A

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

**Statement of Revenues and Expenses
For the Year Ended June 30, 2021**

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
REVENUES						
Operating revenues:						
Ticket sales	\$244,363	\$56,766	\$2,135	\$43,010		\$346,274
Direct state or other government support	3,325,260	302,033	690	6,773	\$656,978	4,291,734
Student fees					229,155	229,155
Direct institutional support			149,402	222,447	6,753,700	7,125,549
Indirect institutional support - athletic facilities debt service, lease, and rental fees					943,643	943,643
Guarantees	250,000		28,000	27,000		305,000
Contributions	344,499	26,515	15,718	358,682	59,359	804,773
In-kind	80,821	6,600		25,212	41,492	154,125
NCAA distributions					665,201	665,201
Conference distributions (non media and non bowl)					1,758,686	1,758,686
Program, novelty, parking, and concession sales	7,280				(54,613)	(47,333)
Royalties, licensing, advertisement, and sponsorships					222,592	222,592
Athletics restricted endowment and investments income					4,465	4,465
Other operating revenue		8,435	8,435		(181)	16,689
Total operating revenues	<u>4,252,223</u>	<u>400,349</u>	<u>204,380</u>	<u>683,124</u>	<u>11,280,477</u>	<u>16,820,553</u>
EXPENSES						
Operating expenses:						
Athletic student aid	1,738,740	262,148	308,762	2,439,088	19,934	4,768,672
Guarantees	150,000	10,000	10,500	6,420		176,920
Coaching salaries, benefits, and bonuses paid by the University and related entities	2,191,313	584,102	468,924	1,360,870		4,605,209
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	230,745	68,350	31,860	60,066	1,877,689	2,268,710
Severance payments	175,000					175,000
Recruiting	11,118	563	(1,109)	8,781		19,353
Team travel	528,922	55,255	52,844	607,468		1,244,489
Sports equipment, uniforms, and supplies	363,277	31,813	79,527	292,324	91,215	858,156
Game expenses	343,792	180,122	176,562	178,827	35,570	914,873
Fundraising, marketing, and promotion	70,978	221	1,606	54,900	53,969	181,674
Athletic facilities debt service, leases, and rental fees	31,469				943,643	975,112
Direct overhead and administrative expenses	26,735	11,106	10,348	86,558	114,845	249,592
Medical expenses and insurance	268,004	55,582	60,363	400,188	118,699	902,836
Memberships and dues	31,859	11,048	22,633	23,992	123,633	213,165
Student-athlete meals (non-travel)	169,747	26,261	23,083	42,812	31,191	293,094
Other operating expenses	187,246	1,933	1,916	20,861	82,087	294,043
Total operating expenses	<u>6,518,945</u>	<u>1,298,504</u>	<u>1,247,819</u>	<u>5,583,155</u>	<u>3,492,475</u>	<u>18,140,898</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENSES	<u>(\$2,266,722)</u>	<u>(\$898,155)</u>	<u>(\$1,043,439)</u>	<u>(\$4,900,031)</u>	<u>\$7,788,002</u>	<u>(\$1,320,345)</u>

NOTES TO THE FINANCIAL STATEMENT

(UNAUDITED)

1. CONTRIBUTIONS

No individual contributions were received directly by the Athletic Department that exceeded 10% of the total contributions included in Statement A.

2. CAPITAL ASSETS

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

Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 40 years for buildings and infrastructure, 20 years for depreciable land improvements, 3 to 10 years for most movable property, 3 years for software with an acquisition cost of \$1,000,000 or more, and 3 to 10 years for internally generated software with development costs of \$1,000,000 or more. All departments within the University follow standardized policies and procedures prescribed by state laws and regulations for acquiring, approving, depreciating, and disposing of capital assets.

3. LONG TERM LIABILITY

The following is a detailed summary of bonds payable for the athletic department for the year ended June 30, 2021:

Issue	Date of Issue	Original Issue	Principal Outstanding at 6/30/2020	Issued/ (Retired)	Principal Outstanding at 6/30/2021	Maturities	Interest Rates	Interest Outstanding at 6/30/2021
2014	6/30/2014	\$1,845,000	\$810,000	(\$195,000)	\$615,000	2024	2.92%	\$30,065
2017	6/14/2017	4,000,000	2,915,000	(385,000)	2,530,000	2027	2.75%	248,875
2018	8/1/2018	2,000,000	1,595,000	(205,000)	1,390,000	2027	3.56%	178,356
Total		<u>\$7,845,000</u>	<u>\$5,320,000</u>	<u>(\$785,000)</u>	<u>\$4,535,000</u>			<u>\$457,296</u>

Series 2014

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

The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bonds. As such, the loan bears interest at a rate of 2.92% per annum and matures on June 11, 2024. Principal and interest is payable on the loan each September 11, December 11, March 11, and June 11 commencing September 11, 2014, in accordance to the amortization schedule included in the bond closing documents. To secure the Facilities' obligations under the Loan and Assignment Agreement, the Facilities transferred, assigned, and pledged unto the Authority, all right, title, and interest of the Facilities in, to, and under the Agreement to Lease with Option to Purchase dated March 18, 2011, along with all amendments, between the Facilities and the Board of Supervisors for the University of Louisiana System, and any leases, subleases and use agreements or other similar agreements relating to the Scoreboards, Athletic Facilities Upgrades & Electronic Display Boards. The principal balance due on the Note Payable – Series 2014 Athletic Facilities Project Bonds totaled \$615,000 at June 30, 2021.

Series 2017

In June 2017, the Authority issued \$4,000,000 in Revenue Bonds (Series 2017 Brown Stadium Project). The proceeds of the bonds were loaned to the Facilities, a blended component unit of the University, for the purpose of acquiring, designing, developing, constructing, renovating and the reconstructing of Brown Stadium and parking adjacent thereto, on the campus of the University ("Brown Stadium"); and to pay bond issuance costs. The Series 2017 bond proceeds were loaned to the Facilities pursuant to a Loan and Assignment Agreement by and between the Facilities and the Authority dated June 1, 2017.

The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bonds. As such, the loan bears interest at a rate of 2.75% per annum and matures on June 1, 2027. Interest is payable on the loan on June 1 and December 1 of each year and principal is payable on June 1 of each year commencing December 1, 2017, in accordance to the amortization schedule included in the bond closing documents. To secure the Facilities' obligations under the Loan and Assignment Agreement, the Facilities transferred, assigned, and pledged unto the Authority, all right, title, and interest of the Facilities in, to, and under the Agreement to Lease with Option to Purchase dated June 1, 2017, between the Facilities and the Board of Supervisors for the University of Louisiana System, and any leases, subleases and use agreements or other similar agreements relating to the Brown Stadium Project, all rents, issues, receipts and profits derived from the use or occupancy of Brown

Stadium, and any and all additional revenues, income, receipts and other payments, including but not limited to, insurance proceeds, grants, donations, sale proceeds received by the Facilities for or relating to Brown Stadium. The principal balance due on the Note Payable – Series 2017 Bonds totaled \$2,530,000 at June 30, 2021.

Series 2018

In August 2018, the Authority and Regions Bank entered into the First Supplemental Trust Indenture; whereby the Authority issued \$2,000,000 in Revenue Bond Series 2018 on parity with the Series 2017 Bonds. The Series 2018 bond proceeds were loaned to Facilities pursuant to the Supplemental Loan and Assignment Agreement by and between the Facilities and the Authority dated June 1, 2017. Under the Supplemental Indenture, the Series 2018 bond proceeds were loaned to Facilities for the purpose of financing a portion of renovating, rehabilitating, and constructing the improvements to Brown Stadium and parking adjacent thereto on the campus and paying costs of issuance of the Series 2018 Bonds.

The principal and interest payments on the loan are required to be the amount equal to the principal and interest amounts of the underlying bond. As such, the loan bears interest at a rate of 3.56% per annum and matures on June 1, 2027. Interest is payable on the loan on June 1 and December 1 of each year and principal is payable on June 1 of each year commencing December 1, 2018, in accordance to the amortization schedule included in the bond closing documents. The provisions and terms, as supplemented and amended, shall have the same meaning as the original Agreement to Lease With Option to Purchase dated June 1, 2017. The principal balance due on the Note Payable – Series 2018 Bonds totaled \$1,390,000 at June 30, 2021.

The following is the amortization schedule for the outstanding bond payable for the athletic department as of June 30, 2021:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$805,000	\$135,159	\$940,159
2023	830,000	110,678	940,678
2024	855,000	85,759	940,759
2025	660,000	62,150	722,150
2026	680,000	42,097	722,097
2027	705,000	21,453	726,453
Total	<u>\$4,535,000</u>	<u>\$457,296</u>	<u>\$4,992,296</u>

MAJOR REVENUE AND EXPENSE ANALYSIS

(UNAUDITED)

Appendix A

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

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

**Major Revenue and Expense Analysis
For the Year Ended June 30, 2021**

Accounts Exceeding 10% Threshold and Variation Greater Than 10%	Fiscal Year 2021	Fiscal Year 2020	Increase/ (Decrease)	Percent Variance	
Operating Revenues per Statement A					
Direct State or Other Government Support	\$4,291,734	\$0	\$4,291,734	100%	1
Conference Distributions (non media and non bowl)	\$1,758,686	\$1,309,762	\$448,924	34%	2

Operating Expenses per Statement A

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

NOTES:

1. Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds were received and utilized in fiscal year (FY) 2021 to offset lost revenues as a result of the COVID-19 pandemic, but not in the prior fiscal year.
2. Conference distributions increased in FY 2021 because all sport seasons were played. In FY 2020, men's and women's basketball (conference and NCAA tournaments), baseball, softball, men and women's golf, tennis, and beach volleyball seasons were cancelled due to the COVID-19 pandemic.

Budget¹	Fiscal Year 2021 - Actual	Fiscal Year 2021 - Budget	Increase/ (Decrease)	Percent Variance	
Operating Revenues per Statement A					
Direct State or Other Government Support	\$4,291,734	\$0	\$4,291,734	100%	2
Conference Distributions (non media and non bowl)	\$1,758,686	\$977,852	\$780,834	80%	3

Operating Expenses per Statement A

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

NOTES:

1. The budget information does not include affiliated outside organization amounts; therefore, the analysis is presented on the University amounts only.
2. The University did not budget for the CARES Act funds received in FY 2021.
3. The conference office provided a conservative projected conference distribution.