Athletic Department
Louisiana State University
Louisiana State University System
State of Louisiana

Agreed-Upon Procedures Report

Issued January 30, 2008

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

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LOUISIANA LEGISLATIVE AUDITOR
STEVE J. THERIOT, CPA

January 15, 2008

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

DR. WILLIAM L. JENKINS, ACTING CHANCELLOR
LOUISIANA STATE UNIVERSITY
AND A&M COLLEGE
LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by you, as chancellor of the university, solely to assist you in evaluating whether the accompanying Statement of Revenues and Expenses (Statement) of the Louisiana State University and A&M College (LSU) Athletic Department is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3 for the year ended June 30, 2007, and to assist you in your evaluation of the effectiveness of the university's internal control over financial reporting as of June 30, 2007. LSU's management is responsible for the Statement (unaudited) and related notes (unaudited) and 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 LSU. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

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

STATEMENT OF REVENUES AND EXPENSES

GENERAL PROCEDURES

1. We obtained written representations from management as to the fair presentation of the Statement, completeness of required schedules and related financial information, adequacy of controls, compliance with NCAA rules and regulations, and other information we considered necessary for the year ended June 30, 2007.

In its representation letter, management disclosed minor instances of Level II secondary violations of NCAA rules and regulations, which were self-reported to the NCAA during the year ended June 30, 2007.

We found no exceptions as a result of these procedures.

2. We verified the mathematical accuracy of the amounts on the Statement and agreed the amounts to supporting schedules provided by the university and the university's general ledger.

   We found no exceptions as a result of these procedures.

3. We inquired of management about the involvement of the university's internal auditor in the intercollegiate athletics program. During fiscal year 2007, the internal auditor issued three audit reports on sports-camps. The internal audit reports noted control weaknesses and included recommendations for improvement. Management agreed with the findings and submitted a corrective action plan.

4. We compared each operating revenue and expense category for June 30, 2006, and June 30, 2007, to identify variances of 5 percent and greater than $50,000 between individual revenue and expense categories that are 5 percent or more of the total.

   As a result of our procedure, we identified variances of 5 percent and greater than $50,000 in the following categories that are 5 percent or more of the total:

   Revenues
   Football:
     Ticket sales
     NCAA/Conference distributions
   Non-program specific:
     Contributions
     Broadcast, television, radio, and Internet rights

   Expenses
   Other sports - Athletics student aid
   Non-program specific:
     Support staff/administrative salaries paid by the university
     Direct facilities, maintenance, and rental
     Other operating expenses

   We obtained and documented the university's explanations for these variances.

   We found no exceptions as a result of these procedures.

5. We compared the budgeted revenues and expenses to actual revenues and expenses related to athletics in the university's general ledger for the year ended June 30, 2007, to identify any variances of 25 percent or greater in individual revenue and expense accounts that are 5 percent or more of the total.

   We identified no variances of 25 percent or greater in individual revenue and expense accounts that are 5 percent or more of the total.

MINIMUM AGREED-UPON PROCEDURES FOR REVENUES

1. We obtained the football, baseball, and men's basketball game statements for all home games and compared the amounts reported to the revenue recorded in the general ledger and reported on the Statement to determine if the variances total less than 1 percent. We also selected 10 operating revenue receipts from the ticket sales category and agreed to adequate supporting documentation.

   We found no exceptions as a result of these procedures.

2. For the football, baseball, and men's basketball games with game guarantee settlements, we agreed the amounts recorded in the general ledger to the contractual agreements. We recalculated the settlement reports for the games tested.

   We found no exceptions as a result of these procedures.

3. We obtained information on Tradition Fund contribution revenue, including the contribution amount for each section in the stadium and the number of seats required to make the contribution in each section. We calculated Tradition Fund contribution revenue using this information and compared to the amount recorded in the general ledger to identify variances of 5 percent or greater.

   We identified no variances that were 5 percent or greater for Tradition Fund contribution revenue.

4. Based on the relevant terms and conditions of agreements related to the university's participation in revenues from football post-season activity during the period, we compared and agreed the related revenues to the general ledger. We recalculated the totals.

   We found no exceptions as a result of these procedures.

5. Based on the relevant terms and conditions of one agreement related to the university's participation in revenues from broadcasts, television, radio, and Internet rights during the period, we compared and agreed the related revenues to the general ledger. We recalculated the totals.

   We found no exceptions as a result of these procedures.

6. We selected two operating revenue receipts from the program sales, concessions, novelty sales, and parking category and agreed to adequate supporting documentation. We recalculated the totals.

   We found no exceptions as a result of this procedure.

7. Based on the relevant terms and conditions of one agreement related to the university's participation in revenues from royalties, licensing, advertisements, and sponsorships during the period, we compared and agreed the related revenues to the general ledger. We recalculated the totals.

   We found no exceptions as a result of these procedures.

8. We selected one operating revenue receipt from each category not previously mentioned and agreed to adequate supporting documentation.

   We found no exceptions as a result of this procedure.

MINIMUM AGREED-UPON PROCEDURES FOR EXPENSES

1. We selected a sample of five athletic scholarship expense transactions from the general ledger and identified the students included in the transactions. We obtained individual student-account detail for each selection and compared total aid allocated from the related aid award letter to the student's account. We recalculated the totals.

   For one student selected, the athletic department and the Office of Student Aid and Scholarships could not locate a copy of the aid award letter for the semester tested. Although the award letter could not be located, the athletic department was able to provide documentation of the amounts and types of aid awarded and a computer-generated correspondence log indicating that the award letter had been printed. This student was not a student-athlete. According to the athletic department, the NCAA does not require the university to maintain award letters for students who are not athletes, such as student trainers or equipment managers.

   We found no other exceptions as a result of these procedures.

2. We selected the football, baseball, and men's basketball games with game guarantee expenses and agreed the amounts to the general ledger and to the contractual agreements. We recalculated the settlement reports for the games tested.

   We found no exceptions as a result of these procedures.

3. We obtained from management a list of coaches and support staff/administrative personnel paid by the university and selected four coaches from football, baseball, and men's and women's basketball, and three support staff/administrative personnel. The following procedures were performed:

   (a) We compared and agreed the financial terms and conditions in the contract of each coach selected to the related coaching salaries, benefits, and other compensation recorded in the university's payroll and accounts payable systems during the reporting period.

   (b) We obtained and inspected W-2s and 1099s for each selection.

   (c) We compared and agreed related W-2s and 1099s for each selection to the related salaries, benefits, and other compensation recorded in the university's payroll and accounts payable systems during the reporting period.

   We found no exceptions as a result of these procedures.

4. We obtained and inspected a listing of coaches' salaries paid by third parties during the reporting period. We compared and agreed the financial terms and conditions in the coaches' contracts to the related coaching other compensation and benefits paid by a third party recorded by the university in the Statement during the reporting period.

   We found no exceptions as a result of these procedures.

5. Using a list prepared by the university, we selected an athletic employee with a severance payment and agreed the severance pay to the related personnel action form and employment contract. We recalculated the totals.

   We found no exceptions as a result of these procedures.

6. We compared and agreed the university's recruiting expense policies to existing university and NCAA-related policies. We selected four recruiting expenses and agreed to adequate supporting documentation. We recalculated the totals.

   We found no exceptions as a result of these procedures.

7. We compared and agreed the university's team travel policies to existing university and NCAA-related policies. We selected nine team travel expenses and agreed to adequate supporting documentation. In addition, we obtained documentation of football team travel expenses for the Sugar Bowl and followed selected transactions through the university's internal control system to determine adherence to established policies and procedures.

   We found no exceptions as a result of these procedures.

8. We selected two equipment, uniforms, and supplies expenses and agreed to adequate supporting documentation. We recalculated the totals.

   We found no exceptions as a result of this procedure.

9. We selected four direct facilities, maintenance, and rental expense transactions and agreed to adequate supporting documentation. We recalculated the totals.

   In one of the transactions selected, it appears that the athletic department paid for janitorial services that could have been fully reimbursed by outside organizations; however, the payment was only partially reimbursed. Because of the ambiguity of the terms of the contracts, the athletic department and the outside organizations verbally agreed to the amount paid to the athletic department.

   We found no other exceptions as a result of this procedure.

10. We selected two spirit group travel expenses and agreed to adequate supporting documentation. We recalculated the totals.

    We found no exceptions as a result of this procedure.

11. We selected six operating expenses, including two administrative travel expenses, from the other operating expense category and agreed to adequate supporting documentation. We recalculated the totals.

    We found no exceptions as a result of this procedure.

12. We selected one operating expense from each category not previously mentioned above and agreed to adequate supporting documentation. We recalculated the totals.

    We found no exceptions as a result of this procedure.

MINIMUM AGREED-UPON PROCEDURES FOR NOTES AND DISCLOSURES

1. We obtained from university management a list of contributions received by the athletic department to identify any individual contributions that constitute more than 10 percent of total contributions. We obtained and reviewed supporting documentation for such contributions and ensured that the source of funds, goods, and services, as well as the value associated with these items, is disclosed within the notes to the statement.

   No individuals or outside organizations, other than the Tiger Athletic Foundation, contributed monies, goods, or services for or on behalf of the athletic department that exceeded 10 percent of the total contributions included in Statement A. The value of the contributions from the Tiger Athletic Foundation is disclosed in note 1.

2. We obtained a description of the university's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets along with a schedule of changes in those assets. We agreed the schedule of changes to supporting schedules provided by the university and the university's general ledger. We agreed the Tiger Athletic Foundation's capital asset schedule to its audited financial statements for the year ended December 31, 2006. We ensured that the university's policies and procedures and schedule of changes are properly disclosed within the notes to the statement.

   We were provided the capital asset information by management (note 2) and found no exceptions as a result of these procedures.

3. We obtained the repayment schedules for all outstanding intercollegiate athletics debt maintained by the university during the reporting period. We recalculated annual maturities and agreed to supporting schedules provided by the university and the university's general ledger. We agreed the Tiger Athletic Foundation's repayment schedules to its audited financial statements for the year ended December 31, 2006. We ensured that the repayment schedules are properly disclosed within the notes to the statement.

   We found no exceptions as a result of these procedures. The repayment schedules are disclosed in note 3.

MINIMUM AGREED-UPON PROCEDURES FOR AFFILIATED AND OUTSIDE ORGANIZATIONS

1. We obtained written representation from management of the university that the Tiger Athletic Foundation and the LSU Track and Field Officials Association were the only outside organizations created for or on behalf of the athletic department. The LSU Track and Field Officials Association does not make any disbursements on behalf of the athletic department. Instead, the LSU Track and Field Officials Association supports athletics with direct contributions to the Tiger Athletic Foundation. For the year ended December 31, 2006, the LSU Track and Field Officials Association donated $56,000 to the Tiger Athletic Foundation.

2. We obtained from management a summary of revenues and expenses for, or on behalf of, intercollegiate athletics programs by the Tiger Athletic Foundation to be included with the agreed-upon procedures report. We obtained written representations as to the fair presentation of the summary and agreed the amounts reported to the Tiger Athletic Foundation's general ledger and audited financial statements for the year ended December 31, 2006.

   The following is the summary of revenues and expenses for, or on behalf of, intercollegiate athletics programs by the Tiger Athletic Foundation for the year ended December 31, 2006:

	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
REVENUES						
Contributions	$2,078,524	$108,906	$110,797	$568,171	$6,042,070	$8,908,468
Compensation and benefits provided by a third party	305,000			150,000		455,000
Total revenues	2,383,524	108,906	110,797	718,171	6,042,070	9,363,468
EXPENSES						
Coaching other compensation and benefits paid by a third party	305,000			150,000		455,000
Recruiting	32,573	6,784	3,202	10,047		52,606
Team travel	189,900	3,620	1,203	6,519	661	201,903
Equipment, uniforms, and supplies	30,930	7,160	5,310	21,214	6,083	70,697
Game expenses			31	56,916	15,829	72,776
Fund raising, marketing, and promotion	79,521	50,880	53,808	94,748	933,532	1,212,489
Spirit groups					29,684	29,684
Membership and dues	23,788			5,291	3,102	32,181
Other operating expense	1,721,812	40,462	47,243	373,436	5,053,179	7,236,132
Total expenses	2,383,524	108,906	110,797	718,171	6,042,070	9,363,468
EXCESS (Deficiency) OF REVENUES OVER EXPENSES	NONE	NONE	NONE	NONE	NONE	NONE

These amounts include contributions totaling $7,869,235 from the Tiger Athletic Foundation; $1,187,560 from booster clubs; and, $306,673 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by the Tiger Athletic Foundation.

3. We obtained the independent auditor's reports for all outside organizations that had an independent audit to identify any significant deficiencies relating to their internal control and made inquiries of management to document any corrective action taken in response to the significant deficiencies.

   The financial statements of the Tiger Athletic Foundation for the year ended December 31, 2006, were audited by an independent certified public accounting firm. The audit report was dated February 28, 2007, and included no significant deficiencies relating to the outside organization's internal control.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the compliance of the accompanying Statement of Revenues and Expenses and related notes of the Louisiana State University and A&M College Athletic Department or on its compliance with NCAA Bylaw 6.2.3 or on the effectiveness of the LSU Athletic Department's internal control over financial reporting for the year ended June 30, 2007. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the chancellor of the Louisiana State University and A&M College and is not intended to be, and should not be, used by anyone other than the chancellor. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

Steve J. Theriot, CPA
Legislative Auditor

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Statement A

ATHLETIC DEPARTMENT
LOUISIANA STATE UNIVERSITY AND A&M COLLEGE
LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA

Statement of Revenues and Expenses
For the Year Ended June 30, 2007

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON-PROGRAM SPECIFIC	TOTAL
REVENUES						
Operating Revenues:						
Ticket sales	$23,273,395	$1,892,505	$492,805	$1,778,711	$863,131	$28,300,547
Game guarantees		35,000		26,000		61,000
Contributions	12,348,723	158,906	160,798	782,912	6,104,570	19,555,909
Compensation and benefits provided by a third party	398,450	34,913	28,218	313,408	145,550	920,539
NCAA/Conference distributions including all tournament revenues	9,016,530	3,092,279	7,667	9,899	455,220	12,581,595
Broadcast, television, radio, and Internet rights					5,984,306	5,984,306
Program sales, concessions, novelty sales, and parking	2,503,103	83,300	11,180	89,658	2,492,914	5,180,155
Royalties, advertisements, and sponsorships					1,526,566	1,526,566
Endowment and investment income					910,364	910,364
Other					1,249,069	1,249,069
Total operating revenues	47,540,201	5,296,903	700,668	3,000,588	19,731,690	76,270,050
EXPENSES						
Operating Expenses:						
Athletics student aid	2,474,702	334,979	386,558	3,694,563	500,311	7,391,113
Game guarantees	2,122,400	270,103	97,000	34,296		2,523,799
Coaching salaries and benefits paid by the university and related entities	4,136,902	1,497,367	1,199,440	3,473,948		10,307,657
Coaching other compensation and benefits paid by a third party	396,450	34,913	28,218	313,408		772,989
Support staff/administrative salaries and benefits paid by the university and related entities	872,559	97,237	180,372	213,055	9,526,875	10,890,098
Support staff/administrative other compensation and benefits paid by a third party	2,000				145,550	147,550
Severance payments	96,808		39,442	198,429	38,242	372,921
Recruiting	352,720	132,187	94,970	414,318	13,174	1,007,369
Team travel	1,005,521	387,599	364,993	1,582,918	44,405	3,385,436
Equipment, uniforms, and supplies	1,104,756	75,033	101,479	779,670	293,637	2,354,575
Game expenses	490,146	195,090	179,076	309,251	2,795,584	3,969,147
Fund raising, marketing, and promotion	79,521	50,880	53,808	95,815	1,038,621	1,318,645
Direct facilities, maintenance, and rental	16,874	1,057	4,008	21,485	13,264,843	13,308,267
Spirit groups					484,650	484,650
Medical expenses and medical insurance	218,976	11,452	8,363	162,579	217,135	618,505
Memberships and dues	25,948	425	145	9,584	16,028	52,130
Other operating expense	3,387,206	137,506	161,770	1,058,983	9,581,903	14,327,368
Total operating expenses	16,783,489	3,225,828	2,899,642	12,362,302	37,960,958	73,232,219
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENSES	$30,756,712	$2,071,075	($2,198,974)	($9,361,714)	($18,229,268)	$3,037,831

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INTRODUCTION

Louisiana State University and A&M College (LSU), a part of the Louisiana State University System, is a publicly supported institution of higher education. The system is a component unit of the State of Louisiana within the executive branch of government. The LSU Athletic Department is a part of the operations of LSU's auxiliary enterprises. LSU uses the fiscal year July 1 through June 30 for financial reporting purposes.

The LSU Athletic Department is supported by the Tiger Athletic Foundation (TAF). TAF was founded on May 17, 1983, as a nonprofit corporation under Louisiana Revised Statute 12:201(7). The foundation's primary objective is to encourage support and raise funds for LSU and its intercollegiate athletics program. Funds are primarily used to defray the costs of scholarships, to help maintain and improve LSU's athletic facilities, and to retire present indebtedness. The foundation is governed by a board of directors elected from its membership. TAF's activities are monitored by the board of directors in cooperation with and approval of the LSU Athletic Department. TAF escrow accounts, which include booster clubs and affiliated chapters, are deposits in which the foundation acts as custodian or fiscal agent on behalf of booster organizations. TAF acts as a nonaffiliated party to oversee the revenues generated by booster clubs and affiliated chapters and to provide institutional control as required by NCAA rules. TAF uses the calendar year for financial reporting purposes.

The accompanying statement of revenues and expenses presents information as to the transactions for the intercollegiate athletics program of both LSU and TAF for their fiscal years ended June 30, 2007, and December 31, 2006, respectively.

1. CONTRIBUTIONS

No individuals or outside organizations, other than TAF, contributed monies, goods, or services for or on behalf of the athletic department that exceeded 10 percent of the total contributions included in Statement A.

The athletic department received contributions totaling $9,363,468 from TAF for the year ended December 31, 2006. Contributions from TAF on Statement A reflect gifts in the form of goods, services, and benefits paid for or on behalf of the athletic department as follows:

Contributions	$8,908,468
Compensation and benefits provided by a third party	455,000
Total	$9,363,468

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 system'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 total $100,000 or more and significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is 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, and 3 to 10 years for most movable property. All departments within the university follow standardized policies and procedures for acquiring, approving, depreciating, and disposing of capital assets.

Cooperative Endeavors - Expansion of Tiger Stadium

On December 21, 1998, LSU entered into a cooperative endeavor agreement with TAF for an addition to the east side of Tiger Stadium. TAF agrees to lease a parcel of land located adjacent to Tiger Stadium for up to 50 years and to construct additional seats on the land as part of Tiger Stadium, including approximately 70 skyboxes. LSU will lease these stadium improvements from TAF for $2 million per year for a 35-year lease term or until TAF donates such improvements to LSU. The estimated value to LSU of this addition over the term of the agreement is approximately $49 million. The cooperative endeavor agreement will end on April 4, 2049.

On September 26, 2003, LSU entered into a cooperative endeavor agreement with TAF for the expansion and renovation of the west side of Tiger Stadium. TAF agrees to lease land and certain existing improvements for the purpose of expanding and renovating facilities and to complete general stadium improvements. LSU will lease these improvements from TAF for $2.5 million per year for a 35-year lease term or until TAF donates such improvements to LSU. The estimated value to LSU of this addition over the term of the agreement is approximately $100 million. This agreement is scheduled to expire on March 31, 2041.

Property and Equipment - TAF

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 unrestricted support 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 temporarily or permanently restricted revenue. 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.

Capital asset activity for the athletic department for the year ended June 30, 2007, is as follows:

LSU ATHLETIC DEPARTMENT

	Balance June 30, 2006	Additions	Transfers	Retirements	Balance June 30, 2007
Capital assets not being depreciated:					
Construction-in-progress	$5,914,758	$1,533,147	($5,027,706)	NONE	$2,420,199
Other capital assets:					
Depreciable land improvements	$1,965,662				$1,965,662
Less - accumulated depreciation	(816,327)	($78,168)			(894,495)
Total land improvements	1,149,335	(78,168)	NONE	NONE	1,071,167
Buildings	74,275,108	66,879	$5,027,706		79,369,693
Less - accumulated depreciation	(37,924,728)	(1,856,382)			(39,781,110)
Total buildings	36,350,380	(1,789,503)	5,027,706	NONE	39,588,583
Equipment	6,001,933	326,166		($105,653)	6,222,446
Less - accumulated depreciation	(4,955,233)	(404,247)		105,653	(5,253,827)
Total equipment	1,046,700	(78,081)	NONE	NONE	968,619
Total other capital assets	$38,546,415	($1,945,752)	$5,027,706	NONE	$41,628,369
Capital asset summary:					
Capital assets not being depreciated	$5,914,758	$1,533,147	($5,027,706)		$2,420,199
Other capital assets, at cost	82,242,703	393,045	5,027,706	($105,653)	87,557,801
Total cost of capital assets	88,157,461	1,926,192	NONE	(105,653)	89,978,000
Less - accumulated depreciation	(43,696,288)	(2,338,797)	NONE	105,653	(45,929,432)
Capital assets, net	$44,461,173	($412,605)	NONE	NONE	$44,048,568

Capital asset activity for TAF for the year ended December 31, 2006, is as follows:

TAF

	Balance December 31, 2005	Prior Period Adjustment	Restated Balance December 31, 2005	Additions	Balance December 31, 2006
Capital assets not being depreciated:					
Land	$3,090,000		$3,090,000		$3,090,000
Construction-in-progress	23,025,774		23,025,774	$2,770,962	25,796,736
Total capital assets not being depreciated	$26,115,774	NONE	$26,115,774	$2,770,962	$28,886,736
Other capital assets:					
Land and improvements	$1,558,657	$1	$1,558,658	$53,849	$1,612,507
Less - accumulated depreciation	(215,100)	(1)	(215,101)	(57,218)	(272,319)
Total land improvements	1,343,557	NONE	1,343,557	(3,369)	1,340,188
Buildings	126,136,455		126,136,455	2,872,525	129,008,980
Less - accumulated depreciation	(3,725,921)	1	(3,725,920)	(2,101,469)	(5,827,389)
Total buildings	122,410,534	1	122,410,535	771,056	123,181,591
Equipment	341,404		341,404	53,809	395,213
Less - accumulated depreciation	(230,204)	(1)	(230,205)	(33,363)	(263,568)
Total equipment	111,200	(1)	111,199	20,446	131,645
Total other capital assets	$123,865,291	NONE	$123,865,291	$788,133	$124,653,424
Capital asset summary:					
Capital assets not being depreciated	$26,115,774		$26,115,774	$2,770,962	$28,886,736
Other capital assets, at cost	128,036,516	$1	128,036,517	2,980,183	131,016,700
Total cost of capital assets	154,152,290	1	154,152,291	5,751,145	159,903,436
Less - accumulated depreciation	(4,171,225)	(1)	(4,171,226)	(2,192,050)	(6,363,276)
Capital assets, net	$149,981,065	NONE	$149,981,065	$3,559,095	$153,540,160

3. LONG-TERM LIABILITIES

Notes Payable - LSU Athletic Department

The LSU Athletic Department has no installment purchase agreements. LSU has entered into a loan agreement with the Louisiana Public Facilities Authority (LPFA) for the improvement and expansion of various athletic facilities.

The following is a summary of notes payable for the athletic department for the year ended June 30, 2007:

Issue	Date of Issue	Original Issue	Principal Outstanding June 30, 2006	(Redeemed) Issued	Principal Outstanding June 30, 2007	Interest Rates	Maturities	Interest Outstanding June 30, 2007
LPFA	October 31, 1988	$12,154,417	$4,176,212	($876,576)	$3,299,636	Variable	2007-2011	$429,561

The following is the amortization schedule for the outstanding notes payable for the athletic department as of June 30, 2007:

Fiscal Year Ending	Principal	Interest	Total
2008	$931,484	$197,978	$1,129,462
2009	984,970	142,089	1,127,059
2010	1,274,793	82,991	1,357,784
2011	108,389	6,503	114,892
Total	$3,299,636	$429,561	$3,729,197

Notes Payable - TAF

The following is a summary of notes payable for TAF for the year ended December 31, 2006:

Issue	Date of Issue	Principal Outstanding December 31, 2005	(Redeemed) Issued	Principal Outstanding December 31, 2006	Interest Rates	Maturities
Capital One Term and Revolver Loan	July 26, 2001	$2,975,336	($1,239,000)	$1,736,336	Variable	2007-2008

The notes payable includes a term loan secured by a lien on pledged revenues.

The following is the amortization schedule for the outstanding notes payable for TAF as of December 31, 2006:

Fiscal Year Ending	Principal	Interest
2007	$1,329,000	Variable
2008	407,336	Variable
Total	$1,736,336	

Bonds Payable - LSU Athletic Department

The following is a detailed summary of bonds payable for the athletic department for the year ended June 30, 2007:

Issue	Date of Issue	Original Issue	Principal Outstanding June 30, 2006	(Redeemed) Issued	Principal Outstanding June 30, 2007	Interest Rates	Maturities	Interest Outstanding June 30, 2007
2005 A, B	June 2, 2005	$12,325,000	$11,315,000	($450,000)	$10,865,000	3.0% to 5.0%	2007-2026	$3,978,154
2006	August 9, 2006	47,280,000		47,280,000	47,280,000	4.0% to 5.0%	2007-2036	47,083,165
Total		$59,605,000	$11,315,000	$46,830,000	$58,145,000			$51,061,319

The 2005 bond issue consisted of refunding the Series 1996 bonds for $9,995,000 and of refunding the Series 1997 for $2,330,000. The interest rate structure includes a separate interest rate swap agreement.

The 2006 bond issue will fund the construction of the new Alex Box Stadium and the new Women's Softball Complex.

The following is the amortization schedule for the outstanding bonds payable for the athletic department as of June 30, 2007:

Fiscal Year Ending	Principal	Interest	Total
2008	$475,000	$2,684,886	$3,159,886
2009	490,000	2,667,714	3,157,714
2010	510,000	2,643,486	3,153,486
2011	1,100,000	2,623,086	3,723,086
2012	1,260,000	2,579,360	3,839,360
2013-2017	7,140,000	12,045,063	19,185,063
2018-2022	8,790,000	10,399,051	19,189,051
2023-2027	10,940,000	8,261,573	19,201,573
2028-2032	13,795,000	5,423,800	19,218,800
2033-2036	13,645,000	1,733,300	15,378,300
Total	$58,145,000	$51,061,319	$109,206,319

Bonds Payable - TAF

The following is a detailed summary of bonds payable for TAF for the year ended December 31, 2006:

Issue	Date of Issue	Original Issue	Principal Outstanding December 31, 2005	(Redeemed) Issued	Principal Outstanding December 31, 2006	Interest Rates	Maturities
Series 1999 Bonds	March 4, 1999	$43,575,000	$43,575,000		$43,575,000	Variable	2010-2028
Series 2001 Bonds	July 26, 2001	10,200,000	2,800,000	($800,000)	2,000,000	Variable	2007-2011
Series 2004 Bonds	March 23, 2004	90,000,000	88,535,000	(1,535,000)	87,000,000	Variable	2007-2033
Total		$143,775,000	$134,910,000	($2,335,000)	$132,575,000		

In 1999, the foundation issued $43,575,000 in revenue bonds for financing or reimbursing a portion of the cost of certain improvements and renovations to the East Side Upper Deck of Tiger Stadium at LSU.

In 2001, the foundation issued $10,200,000 in revenue bonds for certain improvements and renovations to the Gym Armory at LSU.

In 2004, the foundation issued $90,000,000 in revenue bonds for financing or reimbursing a portion of the cost of certain improvements and renovations to the West Side Upper Deck at LSU's Tiger Stadium and construction of the Football Operations Center, as well as miscellaneous improvements to Tiger Stadium.

The following is the amortization schedule for the outstanding bonds payable for TAF as of December 31, 2006:

Fiscal Year Ending	Principal	Interest
2007	$2,745,000	Variable
2008	2,555,000	Variable
2009	1,775,000	Variable
2010	3,335,000	Variable
2011	3,490,000	Variable
2012-2016	20,160,000	Variable
2017-2021	25,500,000	Variable
2022-2026	32,265,000	Variable
2027-2031	29,780,000	Variable
2032-2033	10,970,000	Variable
Total	$132,575,000	