

TIGER ATHLETIC
FOUNDATION

Financial Statements

December 31, 2012 and 2011

TIGER ATHLETIC FOUNDATION
FINANCIAL STATEMENTS, OTHER FINANCIAL INFORMATION, AND
SUPPLEMENTAL INFORMATION
DECEMBER 31, 2012 AND 2011

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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 statement of financial position as of December 31, 2012 and 2011, and 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 of 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.

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, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

A Professional Accounting Corporation

Metairie, LA
March 20, 2013

TIGER ATHLETIC FOUNDATION
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2012 and 2011

A S S E T S

	2012	2011
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 1,977,865	\$ 1,047,680
Restricted assets:		
Cash and cash equivalents	41,945,426	29,768,367
Investments, held-to-maturity	766,443	870,984
Investments, available-for-sale	214,240	-
Accounts receivable	1,033,381	1,957,308
Contracts receivable	22,794,183	12,316,944
Unconditional promises to give, net	11,931,793	10,521,779
Deferred charges and prepaid expenses	923,589	912,720
Other current assets	179,793	256,232
Total current assets	81,766,713	57,652,014
<u>NONCURRENT ASSETS</u>		
Restricted assets:		
Cash and cash equivalents	3,043,021	3,027,036
Investments, available-for-sale	9,680,455	7,923,119
Investments, held-to-maturity	55,925,436	44,026,437
Contracts receivable	53,737,987	16,740,176
Unconditional promises to give, net	7,526,381	3,864,886
Property and equipment, net	142,345,124	135,650,312
Assets held for donation to LSU	9,124,771	2,167,446
Other noncurrent assets	4,317,488	4,497,281
Total noncurrent assets	285,700,663	217,896,693
 Total assets	 \$ 367,467,376	 \$ 275,548,707

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

TIGER ATHLETIC FOUNDATION

STATEMENTS OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2012 and 2011

LIABILITIES AND NET ASSETS

	<u>2012</u>	<u>2011</u>
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 2,173,178	\$ 470,442
Retainage payable	212,637	110,625
Deferred revenues	21,744,013	22,693,825
Amounts held in custody for others	9,214,688	7,507,889
Bonds payable	3,840,000	3,660,000
Other current liabilities	29,421	313
Total current liabilities	<u>37,213,937</u>	<u>34,443,094</u>
<u>NONCURRENT LIABILITIES</u>		
Deferred revenues	70,803,749	16,890,588
Bonds payable	117,885,000	116,625,000
Term Loan	808,731	-
Other noncurrent liabilities	8,180,201	7,743,391
Total noncurrent liabilities	<u>197,677,681</u>	<u>141,258,979</u>
Total liabilities	<u>234,891,618</u>	<u>175,702,073</u>
<u>NET ASSETS</u>		
Unrestricted		
Undesignated	48,086,787	35,310,213
Designated	28,118,742	22,920,960
Temporarily restricted	46,235,601	32,420,686
Permanently restricted	10,134,628	9,194,775
Total net assets	<u>132,575,758</u>	<u>99,846,634</u>
Total liabilities and net assets	<u>\$ 367,467,376</u>	<u>\$ 275,548,707</u>

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

TIGER ATHLETIC FOUNDATION
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Change in unrestricted net assets		
Unrestricted revenues:		
Contributions	\$ 24,046,271	\$ 23,452,197
Investment earnings	826,378	526,066
Other revenues	7,238,670	7,046,724
Total unrestricted revenues	<u>32,111,319</u>	<u>31,024,987</u>
Net assets released from restrictions:		
Satisfaction of program expenses	<u>10,049,531</u>	<u>6,635,775</u>
Total net assets released from restrictions	<u>10,049,531</u>	<u>6,635,775</u>
Total unrestricted revenues and other support	<u>42,160,850</u>	<u>37,660,762</u>
Program expenses:		
Amounts paid to benefit Louisiana State University for:		
Projects specified by the Board of Directors	8,418,330	12,096,404
Other	9,027,187	8,833,504
Total program expenses	<u>17,445,517</u>	<u>20,929,908</u>
Supporting services	<u>4,677,420</u>	<u>3,784,926</u>
Fundraising expenses	<u>1,623,959</u>	<u>1,518,486</u>
Total expenses	<u>23,746,896</u>	<u>26,233,320</u>
Change in unrestricted net assets	<u>18,413,954</u>	<u>11,427,442</u>

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

TIGER ATHLETIC FOUNDATION
STATEMENTS OF ACTIVITIES (CONTINUED)
YEARS ENDED DECEMBER 31, 2012 and 2011

	2012	2011
Change in temporarily restricted net assets:		
Temporarily restricted revenues:		
Contributions, net of provision for uncollectible accounts	\$ 23,073,388	\$ 17,858,981
Investment earnings (loss)	791,058	(579,930)
Total temporarily restricted revenues	23,864,446	17,279,051
Net assets released from restrictions:		
Satisfaction of program expenses	(10,049,531)	(6,635,775)
Total temporarily restricted revenues and other support	13,814,915	10,643,276
Change in temporarily restricted net assets	13,814,915	10,643,276
Change in permanently restricted net assets:		
Permanently restricted revenues:		
Contributions	939,853	928,591
Total permanently restricted revenues	939,853	928,591
Change in permanently restricted net assets	939,853	928,591
Change in net assets	33,168,722	22,999,309
Net assets at beginning of year	99,846,634	80,487,438
Change in fair value of interest rate swap agreement	(439,598)	(3,640,113)
Net assets at end of year	\$ 132,575,758	\$ 99,846,634

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2012

	Program Services			
	Contributions to LSU Athletic	Contributions to LSU Nonathletic	Tiger Den Suites	Stadium Club
Salaries and wages	\$ -	\$ -	\$ -	\$ -
Payroll taxes	-	-	-	-
Employee benefits	-	-	-	-
Contributions to LSU	6,609,453	-	-	-
Coaches' supplement	512,000	-	-	-
Scoreboard expenses	187,350	-	-	-
Marketing and publicity	-	-	14,151	-
Dues and subscriptions	6,488	-	-	-
Professional fees	120,555	-	-	-
Academic awards	-	225,450	-	-
LSU Campus Transportation and Development Fund	-	6,758	-	-
Tickets purchased	-	-	-	-
Financing costs	-	-	876,944	1,750,589
Licensing rights	-	-	-	-
Interest expense	-	-	1,606,320	130,421
Catering and other expenses	-	-	689,421	740,499
Management fee	-	-	125,000	75,000
Occupancy	-	-	1,000	25,100
Event parking	-	-	46,308	708
Repairs and maintenance	-	-	82,725	84,326
Travel and entertainment	-	-	-	-
Membership	-	-	-	-
Meeting expense	-	-	-	-
Basketball	-	-	-	-
Supplies and office equipment	-	-	-	-
Printing	-	-	-	-
Computer	-	-	-	-
Bank charges	-	-	-	-
Special events and other	-	-	20,074	-
Insurance	-	-	130,722	154,679
Bad debts and other allowances	-	-	-	-
Promotional expense	-	-	-	-
Depreciation	750,276	-	422,018	1,722,855
Total expenses	\$ 8,186,122	\$ 232,208	\$ 4,014,683	\$ 4,684,177

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2012

	<u>Program Services</u>			
	<u>Alex Box Suites</u>	<u>Supporting Services</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ -	\$ 1,569,152	\$ 497,450	\$ 2,066,602
Payroll taxes	-	101,175	40,521	141,696
Employee benefits	-	336,153	109,746	445,899
Contributions to LSU	-	51,496	-	6,660,949
Coaches' supplement	-	-	-	512,000
Scoreboard expenses	-	-	-	187,350
Marketing and publicity	-	-	39,784	53,935
Dues and subscriptions	-	30,680	90	37,258
Professional fees	-	73,306	-	193,861
Academic awards	-	-	-	225,450
LSU Campus Transportation and Development Fund	-	-	-	6,758
Tickets purchased	-	-	148,758	148,758
Financing costs	-	-	-	2,627,533
Licensing rights	140,000	-	-	140,000
Interest expense	-	-	-	1,736,741
Catering and other expenses	119,126	-	-	1,549,046
Management fee	50,000	-	-	250,000
Occupancy	500	169,854	16,882	213,336
Event parking	-	65,608	-	112,624
Repairs and maintenance	18,701	27,181	-	212,933
Travel and entertainment	-	122,298	290,969	413,267
Membership	-	62,588	191,933	254,521
Meeting expense	-	23,263	-	23,263
Basketball	-	-	29,619	29,619
Supplies and office equipment	-	51,780	16,502	68,282
Printing	-	5,232	-	5,232
Computer	-	72,087	18,252	90,339
Bank charges	-	632,480	-	632,480
Special events and other	-	19,786	216,730	256,590
Insurance	-	124,563	2,841	412,805
Bad debts and other allowances	-	1,138,738	-	1,138,738
Promotional expense	-	-	3,882	3,882
Depreciation	-	-	-	2,895,149
Total expenses	<u>\$ 328,327</u>	<u>\$ 4,677,420</u>	<u>\$ 1,623,959</u>	<u>\$ 23,746,896</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2011

	Program Services			
	Contributions to LSU Athletic	Contributions to LSU Nonathletic	Tiger Den Suites	Stadium Club
Salaries and wages	\$ -	\$ -	\$ -	\$ -
Payroll taxes	-	-	-	-
Employee benefits	-	-	-	-
Contributions to LSU	10,227,694	-	-	-
Coaches' supplement	512,000	-	-	-
Scoreboard expenses	184,227	-	-	-
Marketing and publicity	-	-	13,942	-
Dues and subscriptions	6,505	-	-	-
Professional fees	91,299	-	-	-
Academic awards	-	225,450	-	-
LSU Campus Transportation and Development Fund	-	70,848	-	-
Tickets purchased	-	-	-	-
Financing costs	-	-	947,628	1,839,343
Licensing rights	-	-	-	-
Interest expense	-	-	1,667,380	147,835
Catering and other expenses	-	-	541,447	567,819
Management fee	-	-	125,453	75,000
Occupancy	-	-	1,000	25,000
Event parking	-	-	46,308	-
Repairs and maintenance	-	-	59,543	304,149
Travel and entertainment	-	-	-	-
Membership	-	-	-	-
Meeting expense	-	-	-	-
Basketball	-	-	-	-
Supplies and office equipment	-	-	-	-
Printing	-	-	-	-
Computer	-	-	-	-
Bank charges	-	-	-	-
Special events and other	-	-	21,435	-
Insurance	-	-	124,647	148,077
Bad debts and other allowances	-	-	-	-
Promotional expense	-	-	-	-
Depreciation	778,381	-	402,926	1,531,878
Total expenses	<u>\$ 11,800,106</u>	<u>\$ 296,298</u>	<u>\$ 3,951,709</u>	<u>\$ 4,639,101</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2011

	<u>Program Services</u>			
	<u>Alex Box Suites</u>	<u>Supporting Services</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ -	\$ 1,542,496	\$ 507,502	\$ 2,049,998
Payroll taxes	-	98,839	36,264	135,103
Employee benefits	-	313,161	99,480	412,641
Contributions to LSU	-	92,934	-	10,320,628
Coaches' supplement	-	-	-	512,000
Scoreboard expenses	-	-	-	184,227
Marketing and publicity	-	-	53,145	67,087
Dues and subscriptions	-	27,095	643	34,243
Professional fees	-	77,884	-	169,183
Academic awards	-	-	-	225,450
LSU Campus Transportation and Development Fund	-	-	-	70,848
Tickets purchased	-	-	80,925	80,925
Financing costs	-	-	-	2,786,971
Licensing rights	140,000	-	-	140,000
Interest expense	-	-	-	1,815,215
Catering and other expenses	52,094	-	-	1,161,360
Management fee	50,000	-	-	250,453
Occupancy	600	161,047	15,557	203,204
Event parking	-	45,840	-	92,148
Repairs and maintenance	-	34,045	-	397,737
Travel and entertainment	-	126,815	317,645	444,460
Membership	-	55,708	151,485	207,193
Meeting expense	-	16,548	-	16,548
Basketball	-	-	21,305	21,305
Supplies and office equipment	-	48,081	16,276	64,357
Printing	-	6,106	-	6,106
Computer	-	76,188	18,423	94,611
Bank charges	-	397,124	-	397,124
Special events and other	-	27,650	197,039	246,124
Insurance	-	105,545	2,797	381,066
Bad debts and other allowances	-	531,820	-	531,820
Promotional expense	-	-	-	-
Depreciation	-	-	-	2,713,185
Total expenses	<u>\$ 242,694</u>	<u>\$ 3,784,926</u>	<u>\$ 1,518,486</u>	<u>\$ 26,233,320</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating activities		
Change in net assets	\$ 33,168,722	\$ 22,999,309
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,895,149	2,713,185
Change in allowance for unconditional promises to give	812,387	(64,100)
Change in fair value of interest rate swap agreement	(439,598)	(3,640,113)
Recognized loss (gain) on investment available-for-sale	(790,423)	580,527
Transfer of property and equipment to LSU	-	4,473,398
Contributions restricted for long-term purposes	(939,853)	(928,591)
(Increase) Decrease in operating assets:		
Receivables, deferred charges, and other prepaid assets	913,058	119,334
Unconditional promises to give	(5,883,896)	(2,710,804)
Contracts receivable	(47,475,050)	10,297,992
Assets held for donation to LSU	(6,957,325)	(3,180,741)
Other assets	256,232	103,352
Increase (Decrease) in operating liabilities:		
Accounts payable	1,702,736	251,848
Retainage payable	102,012	31,366
Deferred revenues	52,963,349	(9,307,070)
Other current liabilities	29,108	(2,261)
Other noncurrent liabilities	436,810	3,635,783
Amounts held in custody for others	1,706,799	(328,637)
Net cash provided by operating activities	<u>32,500,217</u>	<u>25,043,777</u>
Investing activities		
Net change in restricted cash	(12,193,044)	21,849,682
Purchase of investments available-for-sale	(1,183,941)	(671,197)
Sales of investments available-for-sale	2,788	-
Purchase of investments held-to-maturity	(11,794,458)	(44,897,421)
Purchase of property and equipment	(9,589,961)	(507,568)
Net cash used in investing activities	<u>(34,758,616)</u>	<u>(24,226,504)</u>
Financing activities		
Proceeds from contributions restricted for investment in permanent endowments	939,853	928,591
Proceeds from Bond Issuance	5,100,000	-
Proceeds from Term Loan	808,731	-
Principal payments on borrowings	(3,660,000)	(3,490,000)
Net cash provided by (used in) financing activities	<u>3,188,584</u>	<u>(2,561,409)</u>
Net change in cash and cash equivalents	930,185	(1,744,136)
Cash and cash equivalents, beginning of year	1,047,680	2,791,816
Cash and cash equivalents, end of year	<u>\$ 1,977,865</u>	<u>\$ 1,047,680</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 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.

Net Assets

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Unrestricted net assets include those net assets whose use by the Foundation is not restricted by donors, even though their use may be limited in other respects, such as by contract or board designation. Temporarily restricted net assets are those net assets whose use by the Foundation has been limited by donors (a) to later periods of time or other specific dates, or (b) to specified purposes. Permanently restricted net assets are those net assets received with donor-imposed restrictions limiting the Foundation's use of the asset.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, 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.

Investments

Marketable securities that have a readily determinable fair value and all investments in debt securities are classified as either held-to-maturity or available-for-sale. The classification of a debt security as held-to-maturity is based on management's positive intent and the Foundation's ability to hold such security to maturity. Securities held to maturity are stated at cost adjusted for amortization of premiums and accretion of discounts in the statement of financial position. Securities classified as available-for-sale are reported at fair value in the statement of financial position and unrealized gains and losses are included in the change in net assets in the statement of activities.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Investment Income and Gains

Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

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 temporarily and permanently 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 statement 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 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. 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, upon completion, will be donated to LSU. These assets are not used in the operations of TAF and are, therefore, not included within property and equipment.

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, 2012 and 2011.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Other Assets

Other assets include deferred financing costs, associated with the Revenue Bonds Series 2004, which are being amortized over the 30 year life of the bond agreement. Amortization of the costs is recorded as a component of interest expense. These costs totaled \$1,193,794 and are presented net of accumulated amortization of \$348,180 and \$308,388, as of December 31, 2012 and 2011 respectively. Also included in other assets, is \$4,200,000 of financing costs associated with the construction of the new Alex Box baseball stadium. These costs are presented net of accumulated amortization of \$548,333 and \$408,333, as of December 31, 2012 and 2011, respectively. These costs will be amortized over the life of the stadium and will be offset by the revenue that the Foundation will be receiving from their rights to certain seating in the stadium's suites.

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 \$3,766,866 and \$2,922,836 of amounts held in custody for others as restricted cash within current assets as of December 31, 2012 and 2011, respectively. The Foundation also included \$5,447,822 and \$4,585,053 of amounts held in custody for others as restricted investments held-to-maturity as of December 31, 2012 and 2011, respectively. These amounts are offset by a current liability in the same amount.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the existence or nature of any donor restrictions.

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 unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted contributions are recognized as changes in unrestricted net assets.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Functional Expenses

Functional expenses are allocated between program services and supporting activities, which include fundraising, and general and administrative activities. 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.

Donated Services

During the years ended December 31, 2012 and 2011, the value of contributed services meeting the requirements for recognition in the financial statements was not considered material and has not been recorded.

Scoreboards

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 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.

As mentioned in Note 11, upon completion of construction and renovation of the South End Zone at LSU's Tiger Stadium, LSU shall pay \$4,000,000 to the Foundation as annual rent.

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.

Reclassifications

Certain accounts relating to the prior year have been restated to conform to current year's presentation. The reclassifications have no effect on net income.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

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.

Fair Values of Financial Instruments

The carrying values of the Foundation's financial instruments including current assets and current liabilities approximate fair value.

In 2008, the Foundation adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. Under FASB ASC 820, *Fair Value Measurements and Disclosures*, 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 820, *Fair Value Measurements and Disclosures*, 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.

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 (see Note 12).

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Fair Values of Financial Instruments (continued)

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

Investments securities - The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers (Level 1). If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the investment (Level 3).

Unconditional promises to give - The fair value of contributions is equal to the carrying value for contributions expected to be collected within one year. Contributions expected to be collected in future periods are discounted to present value based on management's assumptions (Level 3).

Interest rate swap - The fair value of the Foundation's interest rate swap is the estimated amount the Foundation would pay to terminate these agreements at the reporting date, taking into account current interest rates and creditworthiness of the counterparty and the Foundation (Level 2).

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. See Note 8 for further details.

2. Concentration of Credit Risk for Cash Held in Bank

TAF periodically maintains cash in bank accounts in excess of insured limits. The Foundation has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

3. Restricted Cash and Cash Equivalents

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

	December 31, 2012	December 31, 2011
Bond restrictions		
Maintenance reserve and escrow accounts	\$ 4,281,176	\$ 3,983,575
Tiger Den Suites East tower account	1,138,634	1,067,144
Tiger Den Suites South tower account	2,316,169	-
West Side Upper Deck Stadium Club deposits	1,538,459	1,614,243
South Side Upper Deck Stadium Club deposits	3,542,540	-
Bond Series 2012 Draw Funds	3,109,308	-
Alex Box Suites	914,717	183,094
By Board for designated purposes	3,062,276	4,204,840
Donor restrictions	20,950,538	18,632,607
Amounts held in custody for others	3,766,866	2,922,836
Endowment funds	367,764	187,064
	<u>\$ 44,988,447</u>	<u>\$ 32,795,403</u>

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

4. Investments

Investments at December 31, 2012 consist of the following:

	Amortization / Cost Value	Fair Value	Unrealized Gain (Loss)
Held-to-maturity			
Debt Securities, held in custody for others	\$ 5,447,822	\$ 6,567,802	\$ 1,119,980 *
Debt Securities	51,244,057	50,468,697	(775,360) *
	<u>\$ 56,691,879</u>	<u>\$ 57,036,499</u>	<u>\$ 344,620</u>
Available-for-sale			
LSU Foundation Investment Pool	\$ 9,114,543	\$ 9,647,923	\$ 533,380
Donated Equity Investments	214,240	214,240	-
Charitable Gift Annuity	33,340	32,532	(808)
	<u>\$ 9,362,123</u>	<u>\$ 9,894,695</u>	<u>\$ 532,572</u>

* Unrealized Gain (Loss) not recorded for investments held-to-maturity. Investment recorded at Amortization Value.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

4. Investments (continued)

Investments at December 31, 2011 consist of the following:

	<u>Amortization / Cost Value</u>	<u>Fair Value</u>	<u>Unrealized Gain (Loss)</u>
Held-to-maturity			
Debt Securities, held in custody for others	\$ 4,585,053	\$ 4,559,124	\$ (25,929) *
Debt Securities	40,312,368	40,084,397	(227,971) *
	<u>\$ 44,897,421</u>	<u>\$ 44,643,521</u>	<u>\$ (253,900)</u>
Available-for-sale			
LSU Foundation Investment Pool	\$ 8,144,842	\$ 7,888,594	\$ (256,248)
Charitable Gift Annuity	36,128	34,525	(1,603)
	<u>\$ 8,180,970</u>	<u>\$ 7,923,119</u>	<u>\$ (257,851)</u>

* Unrealized Gain (Loss) not recorded for investments held-to-maturity. Investment recorded at Amortization Value.

The Foundation's investments in debt securities, held-to-maturity, have been in an unrealized loss position for a period of less than twelve months. The unrealized losses were caused by interest rate increases. Because the decline in market value is attributable to changes in interest rates and not credit quality, and because the Foundation has the ability and intent to hold these investments until a recovery of fair value, which may be at maturity, the Foundation does not consider these investments to be other-than-temporarily impaired at December 31, 2012.

Available-for-sale investments include investments with the LSU Foundation investment pool, which consists primarily of equity funds, corporate bonds, collateralized mortgage obligations, and government agency securities, and available-for-sale investments include investments in donated equity funds. All available-for-sale investments are stated at fair value. The LSU Foundation investments are classified as noncurrent due to being restricted as of December 31, 2012 and 2011. The donated equity investments are classified as current since these investments were liquidated upon the first business day of the subsequent year.

Investment return is summarized as follows:

	<u>2012</u>	<u>2011</u>
Interest and dividend income	\$ 827,013	\$ 526,663
Net realized and unrealized gains (loss)	<u>790,423</u>	<u>(580,527)</u>
Total investment return	<u>\$ 1,617,436</u>	<u>\$ (53,864)</u>

Included in interest and dividend income, above, is unrestricted income derived from interest bearing cash accounts and certificates of deposits, which are classified as cash for reporting purposes.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

5. Unconditional Promises to Give

Unconditional promises to give at December 31, 2012 and 2011 were as follows:

	2012	2011
Receivable in less than one year	\$ 11,931,793	\$ 10,521,779
Receivable in one to five years	8,536,969	6,013,420
Receivable in more than five years	2,380,833	430,500
Total contributions receivable	22,849,595	16,965,699
Less discount to net present value (discount rate was 4.0% as of December 31, 2012 and December 31, 2011)	(1,757,521)	(985,534)
Less allowance for unfulfilled pledges	(1,633,900)	(1,593,500)
Net contributions receivable	\$ 19,458,174	\$ 14,386,665

6. Property and Equipment

The Foundation's investment in property and equipment consisted of the following at December 31, 2012:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$ 3,090,000	\$ -	\$ -	\$ -	\$ 3,090,000
Leaseholds and other improvements	4,373,492	6,352	-	-	4,379,844
Stadium expansion and scoreboard	146,842,888	163,649	-	-	147,006,537
Furniture and equipment	302,035	14,010	-	-	316,045
Vehicles	27,978	-	-	-	27,978
	154,636,393	184,011	-	-	154,820,404
Less accumulated depreciation	(19,077,251)	(2,895,149)	-	-	(21,972,400)
Construction in process	91,170	9,405,950	-	-	9,497,120
Property and equipment, net	\$ 135,650,312	\$ 6,694,812	\$ -	\$ -	\$ 142,345,124

The Foundation's investment in property and equipment consisted of the following at December 31, 2011:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$ 3,090,000	\$ -	\$ -	\$ -	\$ 3,090,000
Leaseholds and other improvements	4,368,758	4,734	-	-	4,373,492
Stadium expansion and scoreboard	146,437,771	405,117	-	-	146,842,888
Furniture and equipment	295,488	6,547	-	-	302,035
Vehicles	27,978	-	-	-	27,978
	154,219,995	416,398	-	-	154,636,393
Less accumulated depreciation	(16,364,066)	(2,713,185)	-	-	(19,077,251)
Construction in process	-	91,170	-	-	91,170
Property and equipment, net	\$ 137,855,929	\$ (2,205,617)	\$ -	\$ -	\$ 135,650,312

Depreciation expense totaled \$2,895,149 and \$2,713,185, for the years ended December 31, 2012 and 2011, respectively.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

7. Bonds and Note Payable

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

	December 31, 2012	December 31, 2011
Revenue Bonds Series 1999	\$ 38,945,000	\$ 40,560,000
Revenue Bonds Series 2004	77,680,000	79,725,000
Revenue Bonds Series 2012	5,100,000	-
Term Loan	808,731	-
	<u>\$ 122,533,731</u>	<u>\$ 120,285,000</u>

Revenue Bonds Series 1999 consist of debt issued by Tiger Athletic Foundation primarily for the purpose of certain improvements and renovations to the East Side Upper Deck of Tiger Stadium at LSU. Revenue derived from donations for the right to purchase certain football tickets in Tiger Stadium is pledged for the payment of the debt service. Bond indentures contain requirements for annual debt service and flow for funds through various restricted accounts. The bonds have a floating interest rate that is established through weekly remarketing. Effective November 2009, the bonds were reissued as a single fully registered bond without coupons and shall mature September 2033.

Effective April 1, 2003, the Foundation entered into an interest rate swap agreement with Morgan Stanley Capital Services, Inc. (MSCS), which expires September 1, 2028, to hedge its interest rate exposure on the Series 1999 revenue bonds. The agreement covers 100% of the outstanding principal balance over the life of the bonds and effectively fixes the interest rate to the Foundation at 4.01%. The floating rate payor is MSCS and the fixed rate payor is the Foundation. The floating rate is based on the SIFMA Index, formally referred to as the BMA Municipal Swap Index, as defined in the agreement.

The Foundation accounts for the interest rate swap as a fair value hedge as directed by the FASB ASC 815, *Derivatives and Hedging*. Since the Foundation does not report earnings as a separate caption in a statement of financial performance, both the swap agreement and the hedged item, the Series 1999 Bonds, are accounted for at fair value with the change in fair value reported as a change in net assets.

The fair market value of the swap agreement and the hedged item as of December 31, 2012 and 2011 was a liability of approximately \$8,173,745 and \$7,734,147, respectively, which represents a change from the prior year of \$(439,598) in 2012 and \$(3,640,113) in 2011, which is presented as a change of net assets on the statements of activities.

In March 2004, the Foundation issued Revenue Bonds Series 2004 for a principal amount of \$90,000,000. The proceeds of the loan were used to finance or reimburse a portion of the costs of the acquisition and construction of certain improvements and renovations to Tiger Stadium and a football operations center at LSU, including funding the interest and costs associated with the project. The bonds are secured by the pledged revenues on parity with the Series 1999 revenue bonds. The bonds have a floating interest rate based on the SIFMA Index. Annual payments began on September 1, 2005, and will continue through September 1, 2034.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

7. Bonds and Note Payable (continued)

On March 15, 2007, an amendment was made to the original loan agreement which waived the principal payment due on September 1, 2007, and extended the payment schedule an additional year, through 2034, with the intent that the 2007 principal payment will be paid on September 1, 2034. Effective November 2009, the bonds were reissued as a single fully registered bond without coupons and shall mature September 2039.

As described more fully in Note 11, the Foundation committed to expending \$100,000,000 on the financing, design, development, performance and construction of the Facilities/South and Olympic Sports Improvements in accordance with the plans and specifications approved by LSU. In order to finance this commitment, 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 Revenue Bonds, an aggregate principal of \$75,000,000. 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 \$2,910,000 in 2018 to a high of \$4,730,000 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. The Foundation will draw down, through the term of the Loan Agreement, as construction progresses and as construction draws are presented to the Foundation, with the last draw to occur in 2014. At December 31, 2012, the Foundation has drawn \$5,100,000 of funds against its aggregate principal. For the period from loans closing date in 2012 through, but not including, October 1, 2022, this loan shall bear interest at the Special Bank Variable rate. This variable rate is 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. At December 31, 2012, that interest rate was 2.4562%.

To finance the balance of the commitment, the Foundation issued a non-revolving taxable term loan for a principal amount of \$25,000,000. 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. At December 31, 2012, the Foundation has drawn \$808,731 of funds provided by this term loan. 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%. The interest rate at December 31, 2012 was 3.2135%. Interest only shall be payable through October 1, 2014. Beginning November 1, 2014, the Foundation will pay regular monthly installments of accrued interest, plus monthly installments of principal. This term loan matures no later than November 1, 2024.

Under the provisions of the above revenue bond agreements, the Foundation is required to maintain a minimum debt service coverage ratio. The Foundation was in compliance with its debt service coverage calculation loan covenant at December 31, 2012 and 2011.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

7. Bonds and Note Payable (continued)

The scheduled maturities of the debt outstanding at December 31, 2012 are as follows:

	Bond and Note Payable
2013	\$ 3,840,000
2014	4,025,000
2015	4,215,000
2016	4,420,000
2017	4,635,000
2018 - 2022	26,725,000
2023 - 2027	30,628,731
2028 - 2032	26,720,000
2033 - 2037	15,325,000
2038 - 2039	2,000,000
Total:	<u>\$ 122,533,731</u>

The scheduled maturities, of all debt when all contribution draws are made as anticipated, are projected as follows:

2013	\$ 3,840,000
2014	4,383,666
2015	6,378,830
2016	6,655,166
2017	6,943,496
2018 - 2022	54,806,506
2023 - 2027	53,211,067
2028 - 2032	46,505,000
2033 - 2037	37,810,000
2038 - 2039	2,000,000
Total:	<u>\$ 222,533,731</u>

The Revenue Bonds Series 1999 and Series 2004 are subject to a remarketing agreement whereby the Foundation obtained a remarketing agent which shall offer for sale and use its best efforts to find purchasers for all bonds or portions thereof for which notice of tender has been received at a price equal to the principal amount thereof plus accrued interest to the purchase date. To provide for the payment of the bonds, in the event a purchaser is not found for the full amount of the outstanding bonds or default, the Foundation entered into letter of credit agreements with Regions. During 2009, the Foundation replaced the letter of credit agreement with Regions with a substitute letter of credit issued by Capital One.

The Capital One Bank Letter of Credit is confirmed by a Federal Home Loan Bank Letter of Credit. Annual fees for the letter of credit are 200 bps per annum payable annually in advance for the underlying Letter of Credit.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

7. Bonds and Note Payable (continued)

The Federal Home Loan Bank will in turn charge approximately 20bps for the confirmation which will be passed on to the Foundation. Risk participations will be sold to the participant banks for 190 bps with the difference accruing to Capital One. There were no outstanding amounts under the letter of credit at December 31, 2012 and 2011.

As mentioned above, 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 Foundation's assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance FASB ASC 820, *Fair Value Measurements and Disclosures*. See Note 1 for a description of the Foundation's policies and valuation techniques.

The valuation of the Foundation's assets and liabilities measured at fair value on a recurring basis at December 31, 2012 are as follows:

<u>ASSETS</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Net Balance</u>
Unconditional promises to give	\$ -	\$ -	\$ 19,458,174	\$ 19,458,174
Investments, available-for-sale				
Equity securities	4,764,479	-	477,879	5,242,358
Real estate	-	-	28,862	28,862
Equity hedge funds	-	-	1,318,093	1,318,093
Fixed income securities	-	-	1,665,124	1,665,124
Private equity investments	-	-	1,042,927	1,042,927
Other	277,673	-	319,658	597,331
Total	<u>\$ 5,042,152</u>	<u>\$ -</u>	<u>\$ 24,310,717</u>	<u>\$ 29,352,869</u>
<u>LIABILITIES</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Net Balance</u>
Interest rate swap	<u>\$ -</u>	<u>\$ 8,173,745</u>	<u>\$ -</u>	<u>\$ 8,173,745</u>

The changes in investments and unconditional promises to give measured at fair value for which the Foundation has used Level 3 inputs to determine fair value are as follows:

<u>ASSETS</u>	<u>Level 3 Beginning Balance</u>	<u>Net Realized and Unrealized Gains (Losses)</u>	<u>Net Payments and Gifts</u>	<u>Net Purchases and Sales</u>	<u>Net Transfers In (Out) of Level 3</u>	<u>Level 3 Ending Balance</u>
Unconditional promises to give	\$ 14,386,665	\$ (771,987)	\$ 5,843,496	\$ -	\$ -	\$ 19,458,174
Investments	4,350,820	17,036	-	484,687	-	4,852,543
Total	<u>\$ 18,737,485</u>	<u>\$ (754,951)</u>	<u>\$ 5,843,496</u>	<u>\$ 484,687</u>	<u>\$ -</u>	<u>\$ 24,310,717</u>

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

8. Fair Value Measurements (continued)

The valuation of the Foundation's assets and liabilities measured at fair value on a recurring basis at December 31, 2011 are as follows:

<u>ASSETS</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Net Balance</u>
Unconditional promises to give	\$ -	\$ -	\$ 14,386,665	\$ 14,386,665
Investments, available-for-sale				
Equity securities	3,572,299	-	458,559	4,030,858
Real estate	-	-	-	-
Equity hedge funds	-	-	954,190	954,190
Fixed income securities	-	-	1,833,202	1,833,202
Private equity investments	-	-	717,380	717,380
Other	-	-	387,489	387,489
	<u>3,572,299</u>	<u>-</u>	<u>18,737,485</u>	<u>22,309,784</u>
Total	<u>\$ 3,572,299</u>	<u>\$ -</u>	<u>\$ 18,737,485</u>	<u>\$ 22,309,784</u>
<u>LIABILITIES</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Net Balance</u>
Interest rate swap	<u>\$ -</u>	<u>\$ 7,734,147</u>	<u>\$ -</u>	<u>\$ 7,734,147</u>

The changes in investments and unconditional promises to give measured at fair value for which the Foundation has used Level 3 inputs to determine fair value are as follows:

<u>ASSETS</u>	<u>Level 3 Beginning Balance</u>	<u>Net Realized and Unrealized Gains (Losses)</u>	<u>Net Payments and Gifts</u>	<u>Net Purchases and Sales</u>	<u>Net Transfers In (Out) of Level 3</u>	<u>Level 3 Ending Balance</u>
Unconditional promises to give	\$ 11,611,761	\$ (327,287)	\$ 3,102,191	\$ -	\$ -	\$ 14,386,665
Investments	<u>4,029,694</u>	<u>(47,843)</u>	<u>-</u>	<u>-</u>	<u>368,969</u>	<u>4,350,820</u>
Total	<u>\$ 15,641,455</u>	<u>\$ (375,130)</u>	<u>\$ 3,102,191</u>	<u>\$ -</u>	<u>\$ 368,969</u>	<u>\$ 18,737,485</u>

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

9. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	<u>December 31,</u> 2012	December 31, 2011
Donor restrictions		
Capital program	\$ 20,215,024	\$ 5,691,490
Preservation of Tiger Stadium	9,756,926	12,197,350
Annual Scholarship Fund	5,917,595	5,595,454
Unappropriated endowment earnings	1,439,788	830,009
AD's Annual Fund	1,285,839	568,995
Athletic Facility Fund	1,264,067	846,152
Make Your Pitch	979,329	1,619,694
LSU Golf Facility	828,741	608,363
Softball complex	695,640	46,259
Tennis	670,712	6,000
Tiger Den	593,819	532,904
Band Hall	428,093	794,988
Academic Center	309,681	481,439
PMAC restoration	301,793	291,245
Baseball building	275,151	202,563
Alex Box Stadium	237,491	1,290,564
Gymnastics	204,751	72,669
Women's basketball	161,729	126,449
Unallocated interest	151,218	184,072
Football	109,127	92,442
Volleyball	108,771	52,579
L Club	70,946	37,821
Athletic trainer's equipment	69,292	65,552
Swimming	68,734	33,200
Soccer complex	28,833	120,985
Basketball bleachers	18,000	-
Jeff Boss Honorarium	16,134	13,634
Track and field	9,925	100
Hall of Fame	7,093	6,993
Football strength equipment	6,438	5,800
Basketball	4,115	4,115
Sue Gunter Fund	806	806
Total temporarily restricted funds	<u>\$ 46,235,601</u>	<u>\$ 32,420,686</u>

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

10. Endowment Composition

The State of Louisiana enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective August 15, 2010, 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 permanently restricted net assets meet the definition of endowment funds under UPMIFA.

The Foundation's endowment includes donor-restricted funds established for a variety of purposes. 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 has 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 classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated 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 and managed by LSU Foundation within their investment pool and in accordance with their investment policies. LSU Foundation has established prudent investment and spending policies with the objective of maintaining the purchase power of its endowed assets in perpetuity and to provide a stable level of support to the beneficiaries. To achieve this objective, the LSU Foundation'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. The Foundation, in the absence of specific donor intent and through its acceptance of the LSU Foundation investment policies, reinvests the first 5% of investment return into the donor's endowment. Only that portion of investment return that exceeds 5% is deemed eligible for expenditure through appropriation.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

10. Endowment Composition (continued)

The Foundation's Endowment Net Asset Composition by fund type as of December 31, 2012 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 1,439,788	\$ 10,134,628	\$ 11,574,416
Undesignated funds	(1,356,614)	-	-	(1,356,614)
Total	<u>\$ (1,356,614)</u>	<u>\$ 1,439,788</u>	<u>\$ 10,134,628</u>	<u>\$ 10,217,802</u>

A summary of the changes in the Foundation's Endowment Net Assets for the year ended December 31, 2012 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (1,356,614)	\$ 830,009	\$ 9,194,775	\$ 8,668,170
Investment return:				
Investment income	-	635	-	635
Net appreciation (realized and unrealized)	-	790,423	-	790,423
Total investment return	-	791,058	-	791,058
Contributions	-	-	939,853	939,853
Reclassification due to change in law	-	-	-	-
Appropriation of endowment assets for expenditure	-	(181,279)	-	(181,279)
Endowment net assets, end of year	<u>\$ (1,356,614)</u>	<u>\$ 1,439,788</u>	<u>\$ 10,134,628</u>	<u>\$ 10,217,802</u>

The Foundation's Endowment Net Asset Composition by fund type as of December 31, 2011 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 830,009	\$ 9,194,775	\$ 10,024,784
Undesignated funds	(1,356,614)	-	-	(1,356,614)
Total	<u>\$ (1,356,614)</u>	<u>\$ 830,009</u>	<u>\$ 9,194,775</u>	<u>\$ 8,668,170</u>

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, 2011 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ (1,356,614)	\$ 1,691,788	\$ 8,266,184	\$ 8,601,358
Investment return:				
Investment income	-	597	-	597
Net appreciation (realized and unrealized)	-	(580,527)	-	(580,527)
Total investment return	-	(579,930)	-	(579,930)
Contributions	-	-	928,591	928,591
Reclassification due to change in law	-	-	-	-
Appropriation of endowment assets for expenditure	-	(281,849)	-	(281,849)
Endowment net assets, end of year	<u>\$ (1,356,614)</u>	<u>\$ 830,009</u>	<u>\$ 9,194,775</u>	<u>\$ 8,668,170</u>

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.

As mentioned in Note 7, 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 enters 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 Foundation shall expend a total amount, including for both hard and soft costs, of \$100,000,000 for the financing, design, development, performance and construction of the Facilities/South and Olympic Sports Improvements in accordance with the plans and specifications approved by LSU. The expenditures necessary for the South End Zone Scoreboards will be outside of and in addition to the \$100,000,000.

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 are 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 8, are paid in full or legally defeased. The Foundation is committed to an annual rent of \$25,000 for the land. Upon completion of the Facilities/South, the Foundation will lease to LSU a portion of that Facilities/South. Under the terms of this lease, and with the anticipated completion of the construction prior to the start of the 2014 LSU football season, LSU will pay the Foundation \$4,000,000, annually, beginning September 1, 2014.

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 LSU Sports Properties, whereby the Foundation leased its rights to the scoreboards to Viacom in return for an annual guaranteed rental payment. The rent payment, which was \$1.4 million in year one and year two, and will increase by \$25,000 annually each year during the life of the lease agreement, is due in two equal installments payable in July and October of each year. In November of 2010, this lease agreement was amended. The amendment extends the agreement for a period of one year, through June 30, 2016, and increases the compensation paid to the Foundation by \$500,000 annually. Additionally, under this amendment, the Foundation will be requested to expend an additional \$3-5 million over the next three years to construct, install, upgrade, maintain, service and replace scoreboards.

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 percent of the participants' elective deferrals that do not exceed 6 percent 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 percent of the participants' annual compensation as an Employer Discretionary Contribution. Employees are vested in the Employer Safe Harbor Matching Contributions at a rate of 20 percent per year after first having reached one year of service, as defined. Employees are 100 percent vested in the Employer Discretionary Contribution after reaching one year of service, as defined.

The Foundation made matching contributions of approximately \$143,000 and \$141,000, for the years ended December 31, 2012 and 2011, respectively.

14. Uncertain Tax Position

The Foundation accounts for uncertain tax positions in accordance with FASB ASC 740, *Income Taxes*. FASB ASC 740, *Income Taxes*, prescribes recognition threshold and measurement processes for financial statement recognition of uncertain tax provisions taken or expected to be taken in a tax return. The interpretation also provides guidance on recognition, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. Management evaluated the Foundation's tax positions for the year ending December 31, 2012 and concluded that the organization had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. The Foundation's tax filings are subjected to audit by various taxing authorities. The Foundation's open audit periods are 2009 through 2011.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued March 20, 2013, and determined that no events occurred that require disclosure. No subsequent events occurring after this date 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, 2012 and 2011, and have issued our report thereon, dated March 20, 2013, which contained an unqualified opinion on those financial statements. Our audits were conducted 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 March 20, 2013.

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 handwritten signature in dark ink that reads "LaPorte" in a cursive, flowing script.

A Professional Accounting Corporation

Metairie, LA
March 20, 2013

TIGER ATHLETIC FOUNDATION

STATEMENTS OF NET ASSETS
DECEMBER 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,977,865	\$ 1,047,680
Restricted assets:		
Cash and cash equivalents	41,945,426	29,768,367
Investments, held-to-maturity	766,443	870,984
Investments, available-for-sale	214,240	-
Accounts receivable	1,033,381	1,957,308
Contracts receivable	22,794,183	12,316,944
Pledges receivable	11,931,793	10,521,779
Due from other campuses	-	-
Due from State Treasury	-	-
Inventories	-	-
Deferred charges and prepaid expenses	923,589	912,720
Notes receivable	-	-
Other current assets	179,793	256,232
Total current assets	<u>81,766,713</u>	<u>57,652,014</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	3,043,021	3,027,036
Investments, available-for-sale	9,680,455	7,923,119
Investments, held-to-maturity	55,925,436	44,026,437
Accounts receivable, net	-	-
Notes receivable	-	-
Other	-	-
Investments	-	-
Contracts receivable	53,737,987	16,740,176
Pledges receivable, net	7,526,381	3,864,886
Notes receivable	-	-
Capital assets, net	142,345,124	135,650,312
Assets held for donation to LSU	9,124,771	2,167,446
Assets under capital leases, net	-	-
Other noncurrent assets	4,317,488	4,497,281
Total noncurrent assets	<u>285,700,663</u>	<u>217,896,693</u>
Total assets	<u>\$ 367,467,376</u>	<u>\$ 275,548,707</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

STATEMENTS OF NET ASSETS (CONTINUED)

DECEMBER 31, 2012 and 2011

	2012	2011
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,173,178	\$ 470,442
Accounts payable - construction in progress	212,637	110,625
Due to other campuses	-	-
Due to State Treasury	-	-
Deferred revenues	21,744,013	22,693,825
Amounts held in custody for others	9,214,688	7,507,889
Compensated absences payable	-	-
Capital lease obligations	-	-
Line-of-credit	-	-
Note payable	-	-
Contracts payable	-	-
Bonds payable	3,840,000	3,660,000
Other current liabilities	29,421	313
Total current liabilities	37,213,937	34,443,094
Noncurrent liabilities:		
Amounts held in custody for others	-	-
Compensated absences payable	-	-
Capital lease obligations	-	-
Note payable	-	-
Contracts payable	-	-
Deferred revenues	70,803,749	16,890,588
Bonds payable	117,885,000	116,625,000
Term Loan	808,731	-
Other noncurrent liabilities	8,180,201	7,743,391
Total noncurrent liabilities	197,677,681	141,258,979
Total liabilities	234,891,618	175,702,073
Net assets		
Invested in capital assets, net of related debt	20,620,124	15,365,312
Restricted for:		
Nonexpendable	10,134,628	9,194,775
Expendable	46,235,601	32,420,686
Unrestricted	55,585,405	42,865,861
Total net assets	132,575,758	99,846,634
Total liabilities and net assets	\$ 367,467,376	\$ 275,548,707

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, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Operating revenues:		
Student tuition and fees	\$ -	\$ -
Less scholarship allowances	-	-
Net student tuition and fees	-	-
Gifts received by the Foundation	47,119,659	41,311,178
Earnings on Foundation endowments	-	-
Federal appropriations	-	-
Federal grants and contracts	-	-
State and local grants and contracts	-	-
Nongovernmental grants and contracts	-	-
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	7,238,670	7,046,724
Total operating revenues	<u>54,358,329</u>	<u>48,357,902</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	13,591,825	12,321,701
Total operating expenses	<u>13,591,825</u>	<u>12,321,701</u>
Operating income	<u>40,766,504</u>	<u>36,036,201</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, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
Nonoperating revenues and (expenses):		
State appropriations	\$ -	\$ -
Gifts	-	-
Net investment income (loss)	1,617,436	(53,864)
Interest expense	(1,736,741)	(1,815,215)
Payments to or on behalf of the university	(8,418,330)	(12,096,404)
Other nonoperating revenues (expenses)	-	-
Net nonoperating revenues (expenses)	<u>(8,537,635)</u>	<u>(13,965,483)</u>
Income before other revenues, expenses, gains, and losses	<u>32,228,869</u>	<u>22,070,718</u>
Capital appropriations	-	-
Capital gifts and grants	-	-
Additions to permanent endowments	939,853	928,591
Other additions, net	-	-
Increase in net assets	<u>33,168,722</u>	<u>22,999,309</u>
Net assets, beginning of year	99,846,634	80,487,438
Change in fair value of interest rate swap agreement	(439,598)	(3,640,113)
Net assets, end of year	<u>\$ 132,575,758</u>	<u>\$ 99,846,634</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, 2012, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$10,160,008, \$1,365,908 from booster clubs, and \$375,765 from affiliated chapters. During the year ended December 31, 2011, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$12,096,411, \$1,723,847 from booster clubs, and \$367,654 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

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 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance					Balance
	12/31/2011	Additions	Transfers	Retirements		12/31/2012
Capital assets not being depreciated:						
Land	\$ 3,090,000	\$ -	\$ -	\$ -		\$ 3,090,000
Capitalized collections	-	-	-	-		-
Livestock	-	-	-	-		-
Construction in progress	91,170	9,405,950	-	-		9,497,120
Total capital assets not being depreciated	<u>\$ 3,181,170</u>	<u>\$ 9,405,950</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 12,587,120</u>
Other capital assets:						
Land improvements	\$ 4,373,492	\$ 6,352	\$ -	\$ -		\$ 4,379,844
Less accumulated depreciation	(381,484)	(37,138)	-	-		(418,622)
Total land improvements	<u>3,992,008</u>	<u>(30,786)</u>	<u>-</u>	<u>-</u>		<u>3,961,222</u>
Buildings	146,842,888	163,649	-	-		147,006,537
Less accumulated depreciation	(18,415,502)	(2,838,098)	-	-		(21,253,600)
Total buildings	<u>128,427,386</u>	<u>(2,674,449)</u>	<u>-</u>	<u>-</u>		<u>125,752,937</u>
Equipment	302,035	14,010	-	-		316,045
Less accumulated depreciation	(257,961)	(14,317)	-	-		(272,278)
Total equipment	<u>44,074</u>	<u>(307)</u>	<u>-</u>	<u>-</u>		<u>43,767</u>
Vehicles	27,978	-	-	-		27,978
Less accumulated depreciation	(22,304)	(5,596)	-	-		(27,900)
Total vehicles	<u>5,674</u>	<u>(5,596)</u>	<u>-</u>	<u>-</u>		<u>78</u>
Total other capital assets	<u>\$ 132,469,142</u>	<u>\$ (2,711,138)</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 129,758,004</u>
Capital asset summary:						
Capital assets not being depreciated	\$ 3,181,170	\$ 9,405,950	\$ -	\$ -		\$ 12,587,120
Other capital assets, at cost	151,546,393	184,011	-	-		151,730,404
Total cost of capital assets	<u>154,727,563</u>	<u>9,589,961</u>	<u>-</u>	<u>-</u>		<u>164,317,524</u>
Less accumulated depreciation	(19,077,251)	(2,895,149)	-	-		(21,972,400)
Capital assets, net	<u>\$ 135,650,312</u>	<u>\$ 6,694,812</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 142,345,124</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance					Balance
	12/31/2010	Additions	Transfers	Retirements		12/31/2011
Capital assets not being depreciated:						
Land	\$ 3,090,000	\$ -	\$ -	\$ -		\$ 3,090,000
Capitalized collections	-	-	-	-		-
Livestock	-	-	-	-		-
Construction in progress	-	91,170	-	-		91,170
Total capital assets not being depreciated	\$ 3,090,000	\$ 91,170	\$ -	\$ -		\$ 3,181,170
Other capital assets:						
Land improvements	\$ 4,368,758	\$ 4,734	\$ -	\$ -		\$ 4,373,492
Less accumulated depreciation	(323,900)	(57,584)	-	-		(381,484)
Total land improvements	4,044,858	(52,850)	-	-		3,992,008
Buildings	146,437,771	405,117	-	-		146,842,888
Less accumulated depreciation	(15,787,503)	(2,627,999)	-	-		(18,415,502)
Total buildings	130,650,268	(2,222,882)	-	-		128,427,386
Equipment	295,488	6,547	-	-		302,035
Less accumulated depreciation	(235,955)	(22,006)	-	-		(257,961)
Total equipment	59,533	(15,459)	-	-		44,074
Vehicles	27,978	-	-	-		27,978
Less accumulated depreciation	(16,708)	(5,596)	-	-		(22,304)
Total vehicles	11,270	(5,596)	-	-		5,674
Total other capital assets	\$ 134,765,929	\$ (2,296,787)	\$ -	\$ -		\$ 132,469,142
Capital asset summary:						
Capital assets not being depreciated	\$ 3,090,000	\$ 91,170	\$ -	\$ -		\$ 3,181,170
Other capital assets, at cost	151,129,995	416,398	-	-		151,546,393
Total cost of capital assets	154,219,995	507,568	-	-		154,727,563
Less accumulated depreciation	(16,364,066)	(2,713,185)	-	-		(19,077,251)
Capital assets, net	\$ 137,855,929	\$ (2,205,617)	\$ -	\$ -		\$ 135,650,312

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS AND NOTES PAYABLE AND CAPITAL LEASES

December 31, 2012

	Balance at December 31, 2011	Additions	Reductions	Balance at December 31, 2012	Amounts Due Within One Year
Bonds and notes payable and capital leases:					
Bonds payable	\$ 120,285,000	\$ 5,100,000	\$ 3,660,000	\$ 121,725,000	\$ 3,840,000
Note payable	-	808,731	-	808,731	-
Capital lease obligations	-	-	-	-	-
Total bonds, notes, and capital leases	<u>\$ 120,285,000</u>	<u>\$ 5,908,731</u>	<u>\$ 3,660,000</u>	<u>\$ 122,533,731</u>	<u>\$ 3,840,000</u>
Other liabilities:					
Amounts held in custody for others	\$ 7,507,889	\$ 2,171,865	\$ 465,066	\$ 9,214,688	\$ 9,214,688
Deferred revenue	39,584,413	77,054,611	24,091,262	92,547,762	21,744,013
Other liabilities	7,743,704	879,387	413,469	8,209,622	29,421
Total other liabilities	<u>\$ 54,836,006</u>	<u>\$ 80,105,863</u>	<u>\$ 24,969,797</u>	<u>\$ 109,972,072</u>	<u>\$ 30,988,122</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS AND NOTES PAYABLE AND CAPITAL LEASES

December 31, 2011

	Balance at December 31, 2010	Additions	Reductions	Balance at December 31, 2011	Amounts Due Within One Year
Bonds and notes payable and capital leases:					
Bonds payable	\$ 123,775,000	\$ -	\$ 3,490,000	\$ 120,285,000	\$ 3,660,000
Note payable	-	-	-	-	-
Capital lease obligations	-	-	-	-	-
Total bonds, notes, and capital leases	<u>\$ 123,775,000</u>	<u>\$ -</u>	<u>\$ 3,490,000</u>	<u>\$ 120,285,000</u>	<u>\$ 3,660,000</u>
Other liabilities:					
Amounts held in custody for others	\$ 7,836,526	\$ 978,562	\$ 1,307,199	\$ 7,507,889	\$ 7,507,889
Deferred revenue	48,891,483	12,256,133	21,563,203	39,584,413	22,693,825
Other liabilities	4,110,182	3,807,791	174,269	7,743,704	313
Total other liabilities	<u>\$ 60,838,191</u>	<u>\$ 17,042,486</u>	<u>\$ 23,044,671</u>	<u>\$ 54,836,006</u>	<u>\$ 30,202,027</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS PAYABLE

December 31, 2012

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/2011	(Redeemed) Issued	Principal Outstanding 12/31/2012	Interest Rates	Interest Outstanding 12/31/2012
Series 1999 Bonds	March 4, 1999	\$ 43,575,000	\$ 40,560,000	\$ (1,615,000)	\$ 38,945,000	Variable	\$ -
Series 2004 Bonds	March 23, 2004	90,000,000	79,725,000	(2,045,000)	77,680,000	Variable	-
Series 2012 Bonds	October 23, 2012	-	-	5,100,000	5,100,000	Variable	-
Term Loan	October 23, 2012	-	-	808,731	808,731	Variable	-
		<u>\$ 133,575,000</u>	<u>\$ 120,285,000</u>	<u>\$ 2,248,731</u>	<u>\$ 122,533,731</u>		<u>\$ -</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS PAYABLE

December 31, 2011

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/2010	(Redeemed) Issued	Principal Outstanding 12/31/2011	Interest Rates	Interest Outstanding 12/31/2011
Series 1999 Bonds	March 4, 1999	\$ 43,575,000	\$ 42,100,000	\$ (1,540,000)	\$ 40,560,000	Variable	\$ -
Series 2004 Bonds	March 23, 2004	90,000,000	81,675,000	(1,950,000)	79,725,000	Variable	-
		<u>\$ 133,575,000</u>	<u>\$ 123,775,000</u>	<u>\$ (3,490,000)</u>	<u>\$ 120,285,000</u>		<u>\$ -</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS PAYABLE AMORTIZATION

Year Ended December 31, 2012

Fiscal Year Ending	Principal	Interest	Total
2013	\$ 3,840,000	Variable	\$ 3,840,000
2014	4,025,000	Variable	4,025,000
2015	4,215,000	Variable	4,215,000
2016	4,420,000	Variable	4,420,000
2017	4,635,000	Variable	4,635,000
2018	4,855,000	Variable	4,855,000
2019	5,085,000	Variable	5,085,000
2020	5,335,000	Variable	5,335,000
2021	5,590,000	Variable	5,590,000
2022	5,860,000	Variable	5,860,000
2023	6,140,000	Variable	6,140,000
2024	6,248,731	Variable	6,248,731
2025	5,750,000	Variable	5,750,000
2026	6,075,000	Variable	6,075,000
2027	6,415,000	Variable	6,415,000
2028	6,770,000	Variable	6,770,000
2029	4,635,000	Variable	4,635,000
2030	4,860,000	Variable	4,860,000
2031	5,100,000	Variable	5,100,000
2032	5,355,000	Variable	5,355,000
2033	5,615,000	Variable	5,615,000
2034	1,610,000	Variable	1,610,000
2035	1,000,000	Variable	1,000,000
2036	1,000,000	Variable	1,000,000
2037	6,100,000	Variable	6,100,000
2038	1,000,000	Variable	1,000,000
2039	1,000,000	Variable	1,000,000
Total	<u>\$ 122,533,731</u>		<u>\$ 122,533,731</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, 2012 and 2011, and have issued our report thereon, dated March 20, 2013, which contained an unqualified opinion on those financial statements. Our audits were conducted 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 March 20, 2013.

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 handwritten signature in dark ink that reads "LaPorte" in a cursive, flowing script.

A Professional Accounting Corporation

Metairie, LA
March 20, 2013

TIGER ATHLETIC FOUNDATION

SUMMARY OF EXPENSES PAID TO LOUISIANA STATE UNIVERSITY

FOR THE YEAR ENDED DECEMBER 31, 2011 AND DECEMBER 31, 2010

	<u>2012</u>	<u>2011</u>
Rent expense	\$ 96,030	\$ 83,035
Ground lease payments	86,100	61,100
Compensation for LSU contract staff	76,265	77,465
Telephone/Communications expenses	38,807	35,905
Parking expenses	37,232	32,645
Repairs and maintenance expenses	35,517	-
Handling/Service fees	32,660	26,229
Computing services contract payment	31,470	20,970
Security expenses	30,914	23,775
Postage expense	18,821	17,115
Leasehold improvements	18,507	-
Travel for TAF staff/donors (lodging/airfare)	12,312	14,572
Supplies expense	9,477	5,618
Printing expense	9,323	9,100
Club card printing and readers/equipment for stadium club	5,000	4,082
Fuel expense	2,100	700
Computer expense for LSU contract staff	1,350	4,167
	<u>\$ 541,885</u>	<u>\$ 416,478</u>

See independent auditor's report on other financial information.

OTHER SUPPLEMENTARY INFORMATION

TIGER ATHLETIC FOUNDATION

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2012</u>
Revenues and gains:				
Donations - TAF members	\$ 24,046,271	\$ 23,073,388	\$ 939,853	\$ 48,059,512
Restricted revenue	-	-	-	-
Scoreboard sponsorships	2,050,000	-	-	2,050,000
Rents - University Club and LSU	4,724,395	-	-	4,724,395
Investment income	826,378	791,058	-	1,617,436
Net realized and unrealized gains	-	-	-	-
Merchandise revenue	-	-	-	-
Other revenue	464,275	-	-	464,275
Total revenues and gains	<u>32,111,319</u>	<u>23,864,446</u>	<u>939,853</u>	<u>56,915,618</u>
Net assets realized from restrictions	10,049,531	(10,049,531)	-	-
Expenses:				
Program services:				
Contribution to LSU - athletic department	8,186,122	-	-	8,186,122
Contribution to LSU - non-athletic	232,208	-	-	232,208
Tiger Den suites	4,014,683	-	-	4,014,683
Stadium Club	4,684,177	-	-	4,684,177
Alex Box Suites	328,327	-	-	328,327
Supporting activities:				
General and administrative	4,677,420	-	-	4,677,420
Fundraising	1,623,959	-	-	1,623,959
Total expenses	<u>23,746,896</u>	<u>-</u>	<u>-</u>	<u>23,746,896</u>
Increase in net assets	<u>\$ 18,413,954</u>	<u>\$ 13,814,915</u>	<u>\$ 939,853</u>	<u>\$ 33,168,722</u>

See independent auditor's report.

TIGER ATHLETIC FOUNDATION

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total 2011</u>
Revenues and gains:				
Donations - TAF members	\$ 23,452,197	\$ 17,858,981	\$ 928,591	\$ 42,239,769
Restricted revenue	-	-	-	-
Scoreboard sponsorships	2,025,000	-	-	2,025,000
Rents - University Club and LSU	4,634,984	-	-	4,634,984
Investment income (loss)	526,066	(579,930)	-	(53,864)
Net realized and unrealized gains	-	-	-	-
Merchandise revenue	-	-	-	-
Other revenue	386,740	-	-	386,740
Total revenues and gains	<u>31,024,987</u>	<u>17,279,051</u>	<u>928,591</u>	<u>49,232,629</u>
Net assets realized from restrictions	6,635,775	(6,635,775)	-	-
Expenses:				
Program services:				
Contribution to LSU - athletic department	11,800,106	-	-	11,800,106
Contribution to LSU - non-athletic	296,298	-	-	296,298
Tiger Den suites	3,951,709	-	-	3,951,709
Stadium Club	4,639,101	-	-	4,639,101
Alex Box Suites	242,694	-	-	242,694
Supporting activities:				
General and administrative	3,784,926	-	-	3,784,926
Fundraising	1,518,486	-	-	1,518,486
Total expenses	<u>26,233,320</u>	<u>-</u>	<u>-</u>	<u>26,233,320</u>
Increase in net assets	<u>\$ 11,427,442</u>	<u>\$ 10,643,276</u>	<u>\$ 928,591</u>	<u>\$ 22,999,309</u>

See independent auditor's report.

TIGER ATHLETIC FOUNDATION
STATEMENT OF REVENUES AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS
YEAR ENDED DECEMBER 31, 2012

	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
Revenues						
Contributions	\$ 2,273,889	\$ 473,774	\$ 46,644	\$ 1,977,438	\$ 4,522,906	\$ 9,294,651
Compensations and benefits provided by a third party	512,000	250,000	-	-	103,358	865,358
Total revenues	<u>\$ 2,785,889</u>	<u>\$ 723,774</u>	<u>\$ 46,644</u>	<u>\$ 1,977,438</u>	<u>\$ 4,626,264</u>	<u>\$ 10,160,009</u>
Expenses						
Coaching other compensation and benefits	512,000	250,000	-	-	103,358	865,358
Recruiting	23,204	3,597	3,008	9,894	193	39,896
Team travel	4,753	-	-	8,515	3,223	16,491
Equipment, uniforms, and supplies	-	-	400	26,433	3,693	30,526
Game expenses	206,198	13,587	-	146,400	-	366,185
Fund-raising, marketing, and promotion	194,927	22,529	23,594	235,253	493,584	969,887
Spirit groups	-	-	-	-	53,712	53,712
Membership and dues	32,949	1,997	823	36,718	12,048	84,535
Other operating expenses	1,811,857	432,064	18,819	1,514,223	3,956,454	7,733,417
Total expenses	<u>\$ 2,785,888</u>	<u>\$ 723,774</u>	<u>\$ 46,644</u>	<u>\$ 1,977,436</u>	<u>\$ 4,626,265</u>	<u>\$ 10,160,007</u>

During the year ended December 31, 2012, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$10,160,008; \$1,365,908 from booster clubs; and \$375,765 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, 2011

	<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>
Revenues						
Contributions	\$ 2,737,385	\$ 2,359,735	\$ 103,856	\$ 4,667,148	\$ 3,766,587	\$ 13,634,711
Compensations and benefits provided by a third party	512,000	-	-	-	41,200	553,200
Total revenues	<u>\$ 3,249,385</u>	<u>\$ 2,359,735</u>	<u>\$ 103,856</u>	<u>\$ 4,667,148</u>	<u>\$ 3,807,787</u>	<u>\$ 14,187,911</u>
Expenses						
Coaching other compensation and benefits	512,000	-	-	-	41,200	553,200
Recruiting	57,718	3,219	1,278	10,114	-	72,329
Team travel	604	130,352	-	151,691	7,500	290,147
Equipment, uniforms, and supplies	2,775	-	6,000	121,718	-	130,493
Game expenses	206,032	195	72	96,900	9,500	312,699
Fundraising, marketing, and promotion	191,182	22,094	18,250	136,274	462,215	830,015
Spirit groups	-	-	-	-	58,851	58,851
Membership and dues	21,690	300	6,390	30,053	9,786	68,219
Other operating expenses	2,257,384	2,203,575	71,866	4,120,398	3,218,735	11,871,958
Total expenses	<u>\$ 3,249,385</u>	<u>\$ 2,359,735</u>	<u>\$ 103,856</u>	<u>\$ 4,667,148</u>	<u>\$ 3,807,787</u>	<u>\$ 14,187,911</u>

During the year ended December 31, 2011, the Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$12,096,411; \$1,723,847 from booster clubs; and \$367,654 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

Years	<i>Unrestricted Contributions Team TAF Championship Donations</i>	<i>Temporarily Restricted Contributions</i>	<i>Permanently Restricted Contributions</i>	Grand Total	<i>Temporarily and Permanently Restricted Collections</i>
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
2006	\$ 558,706	\$ 5,000,858	\$ 724,830	\$ 6,284,394	\$ 5,262,677

See independent auditor's report.



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**Report of Independent Accountants
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, 2012 of Tiger Athletic Foundation (the Foundation). A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the *Schedule of Debt Service Coverage Ratio* in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the *Schedule of Debt Service Coverage Ratio*.

The *Schedule of Debt Service Coverage Ratio* is prescribed by and related to the \$43,575,000 Revenue Bonds (Series 1999) reflecting the provisions of resolutions adopted by Tiger Athletic Foundation and issued January 1, 1999; the \$90,000,000 Revenue Bonds (Series 2004) reflecting the provisions of resolutions adopted by Tiger Athletic Foundation and issued on March 1, 2004; 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.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the *Schedule of Debt Service Coverage Ratio*. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modification that should be made to the accompanying *Schedule of Debt Service Coverage Ratio* in order for it to be in conformity with accounting principles generally accepted in the United States.

Our review was made for the purpose of expressing a conclusion that there are no material modifications that should be made to the Schedule of Debt Service Coverage Ratio in order of it to be in conformity with accounting principles generally accepted in the United States of America. 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 stylized, handwritten signature of "LaPorte" in black ink.

A Professional Accounting Corporation
Metairie, LA
March 20, 2013

NEW ORLEANS HOUSTON BATON ROUGE COVINGTON

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TIGER ATHLETIC FOUNDATION

SCHEDULE OF DEBT SERVICE COVERAGE RATIO – SERIES 2004 and SERIES 2012

YEAR ENDED DECEMBER 31, 2012

Available Revenues

Total unrestricted revenues of \$32,111,319 less total expenses (\$17,486,685 minus depreciation of \$2,895,149, amortization of \$140,000 and discretionary expenses of \$6,602,953). \$ 24,262,736

Debt Service Requirements

Debt service requirement including remarketing fees of \$105,107 and letter of credit fees of \$2,482,634 \$ 8,024,274

Debt Service Coverage Ratio 3.02

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 maintain current letter of credit fees. 1.50

Minimum required debt service coverage ratio to incur additional debt. 1.75

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 2004 and 2012*, is prescribed by the Revenue bond Resolution relating to the \$90,000,000 revenue Bonds (Series 2004) reflecting the provisions of Resolutions adopted by Tiger Athletic Foundation on March 1, 2004, and 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.

See independent accountants report.