

TIGER ATHLETIC
FOUNDATION

Financial Statements

December 31, 2021 and 2020



TIGER ATHLETIC FOUNDATION
FINANCIAL STATEMENTS, OTHER FINANCIAL INFORMATION, AND
OTHER SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021 AND 2020

CONTENTS

<u>Independent Auditor's Report</u>	1 - 3
--	-------

Audited Financial Statements

Statements of Financial Position	4 - 5
Statements of Activities	6 - 7
Statements of Functional Expenses	8 - 11
Statements of Cash Flows	12
Notes to Financial Statements	13 - 35

Other Financial Information

Independent Auditor's Report on Other Financial Information - Office of Statewide Reporting and Accounting Policy for State of Louisiana	37
Statements of Net Assets	38 - 39
Statements of Revenues, Expenses, and Changes in Net Assets	40 - 41
Component Unit Description	42
Schedules of Capital Assets	43 - 44
Schedules of Bonds and Note Payable and Capital Leases	45 - 46
Schedules of Bonds and Note Payable	47 - 48
Schedule of Bonds Payable Amortization	49
Independent Auditor's Report on Other Financial Information - Tiger Athletic Foundation Uniform Affiliation Agreement with Louisiana State University	50
Summaries of Expenses Paid to Louisiana State University	51

Other Supplementary Information

Statements of Activities	53 - 54
Statements of Revenues and Expenses in Support of Intercollegiate Athletics	55 - 56
Philanthropic Activity Summary Report	57
Schedule of Debt Service Coverage Ratio - Series 2012, Series 2015, and Series 2015A	58

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 financial statements of Tiger Athletic Foundation (a nonprofit organization) which comprise the statements of financial position as of December 31, 2021 and 2020, the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Tiger Athletic Foundation as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tiger Athletic Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tiger Athletic Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tiger Athletic Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 53 through 58 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 presented on pages is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script, appearing to read "LaPorte".

A Professional Accounting Corporation

Metairie, LA
April 18, 2022

TIGER ATHLETIC FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 16,209,120	\$ 13,534,428
Investments	21,065,366	21,889,925
Restricted assets:		
Cash and cash equivalents	38,243,875	34,627,312
Investments	7,970,123	3,912,706
Other receivables	2,646,735	3,364,160
Contracts receivable	26,458,196	6,623,397
Unconditional promises to give	4,956,194	6,034,981
Prepaid expenses	278,081	195,917
Other current assets	195,266	196,476
Total current assets	<u>118,022,956</u>	<u>90,379,302</u>
 <u>NONCURRENT ASSETS</u>		
Restricted assets:		
Cash and cash equivalents	5,425,659	16,088,416
Investments	99,298,809	114,735,177
Other receivables	-	2,313,797
Contracts receivable	49,124,320	29,806,224
Unconditional promises to give, net	3,519,952	4,794,884
Property and equipment, net	201,282,923	209,055,655
Assets held for donation to LSU	8,359,752	8,556,443
Other noncurrent assets	7,421,150	4,993,709
Total noncurrent assets	<u>374,432,565</u>	<u>390,344,305</u>
 Total assets	<u>\$ 492,455,521</u>	<u>\$ 480,723,607</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

DECEMBER 31, 2021 and 2020

LIABILITIES AND NET ASSETS

	<u>2021</u>	<u>2020</u>
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 1,782,410	\$ 1,803,799
Retainage payable	44,178	54,965
Other current liabilities	29,469	36,121
Deferred revenues	28,841,711	27,858,349
Amounts held in custody for others	623,960	2,552,482
Bonds payable	7,459,000	7,647,000
Term loan	3,236,692	3,056,068
Total current liabilities	<u>42,017,420</u>	<u>43,008,784</u>
<u>NONCURRENT LIABILITIES</u>		
Deferred revenues	49,456,329	30,017,905
Amounts held in custody for others	609,442	613,258
Bonds payable, net of current		
Principal amount	119,426,000	126,885,000
Deferred financing costs	(634,620)	(690,756)
Term loan, net of current amount		
Principal amount	10,442,848	13,679,540
Deferred financing costs	(34,188)	(43,104)
Total noncurrent liabilities	<u>179,265,811</u>	<u>170,461,843</u>
Total liabilities	<u>221,283,231</u>	<u>213,470,627</u>
<u>NET ASSETS</u>		
Without donor restrictions		
Undesignated	133,024,315	122,514,814
Designated by the Board for operating reserves	71,915,450	85,722,807
	<u>204,939,765</u>	<u>208,237,621</u>
With donor restrictions	<u>66,232,525</u>	<u>59,015,359</u>
Total net assets	<u>271,172,290</u>	<u>267,252,980</u>
Total liabilities and net assets	<u>\$ 492,455,521</u>	<u>\$ 480,723,607</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Change in net assets without donor restrictions:		
Revenues without donor restrictions:		
Contributions	\$ 1,646,191	\$ 1,603,596
Contract revenue	33,506,600	6,433,382
Investment return, net	828,353	8,040,290
Other revenues	13,093,631	13,836,867
Total revenues without donor restrictions	<u>49,074,775</u>	<u>29,914,135</u>
Net assets released from donor restrictions:		
Satisfaction of purpose restrictions	<u>10,511,050</u>	<u>10,916,391</u>
Total net assets released from donor restrictions	<u>10,511,050</u>	<u>10,916,391</u>
Total revenues and other support without donor restrictions	<u>59,585,825</u>	<u>40,830,526</u>
Program expenses:		
Amounts incurred to benefit Louisiana State University for:		
Projects specified by the Board of Directors	40,879,946	17,411,680
Catering and other	2,874,701	981,656
Financing costs	34,853	35,578
Interest	3,546,988	3,828,176
Personnel	391,277	451,400
Repairs and maintenance	360,677	94,740
Insurance	683,597	578,142
Depreciation	5,281,136	5,228,209
Other	342,336	237,969
Total program expenses	<u>54,395,511</u>	<u>28,847,550</u>
General and administrative expenses	<u>6,061,176</u>	<u>3,799,571</u>
Fundraising expenses	<u>2,426,994</u>	<u>2,733,648</u>
Total expenses	<u>62,883,681</u>	<u>35,380,769</u>
Change in net assets without donor restrictions	<u>(3,297,856)</u>	<u>5,449,757</u>

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

TIGER ATHLETIC FOUNDATION

STATEMENTS OF ACTIVITIES (CONTINUED)

YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Change in net assets with donor restrictions:		
Revenues with donor restrictions:		
Contributions	12,679,407	10,032,864
Investment return, net	<u>5,048,809</u>	<u>4,685,468</u>
Total revenues with donor restrictions	<u>17,728,216</u>	<u>14,718,332</u>
Net assets released from donor restrictions:		
Satisfaction of purpose restrictions	<u>(10,511,050)</u>	<u>(10,916,391)</u>
Total revenues and other support with donor restrictions	<u>7,217,166</u>	<u>3,801,941</u>
Change in net assets with donor restrictions:	<u>7,217,166</u>	<u>3,801,941</u>
Change in net assets	3,919,310	9,251,698
Net assets at beginning of year	<u>267,252,980</u>	<u>258,001,282</u>
Net assets at end of year	<u><u>\$ 271,172,290</u></u>	<u><u>\$ 267,252,980</u></u>

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2021

	Program Services				
	Contributions to LSU Athletic	Contributions to LSU Nonathletic	Tiger Den Suites	Stadium Club	Basketball
Salaries and wages	\$ -	\$ -	\$ 89,983	\$ 120,042	\$ 29,963
Payroll taxes	-	-	9,358	11,242	2,415
Employee benefits	-	-	14,741	49,414	11,210
Contributions to LSU	37,212,473	-	-	-	-
Coaches' supplement	400,000	-	-	-	-
Scoreboard expenses	277,697	-	-	-	-
Marketing and publicity	-	-	19,973	-	-
Dues and subscriptions	54,827	-	-	-	-
Professional fees	129,110	-	-	-	-
Academic awards	-	10,214	-	-	-
Tickets purchased	-	-	-	-	-
Financing costs	-	-	-	34,853	-
Licensing rights	-	-	-	-	-
Interest expense	-	-	1,005,276	2,541,712	-
Catering and other expenses	-	-	1,250,731	1,487,450	58,833
Management fee	-	-	-	-	-
Occupancy	-	-	36,000	50,000	-
Event parking	-	-	84,900	-	-
Repairs and maintenance	-	-	126,941	232,505	1,176
Travel and entertainment	-	-	-	-	-
Membership	-	-	-	-	-
Meeting expense	-	-	-	-	-
Baseball	-	-	-	-	-
Supplies and office equipment	-	-	-	-	-
Printing	-	-	-	-	-
Computer	-	-	-	-	-
Bank charges	-	-	-	-	-
Special events and other	-	-	11,463	-	-
Insurance	-	-	225,284	458,313	-
Bad debts	-	-	-	-	-
Promotional expense	-	-	-	-	-
Depreciation	2,795,625	-	1,348,149	3,932,987	-
Total expenses	\$ 40,869,732	\$ 10,214	\$ 4,222,799	\$ 8,918,518	\$ 103,597

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021

	<u>Program Services</u>				
	Alex Box Suites	Total	General and Administrative	Fundraising	Total
Salaries and wages	\$ 39,237	\$ 279,225	\$ 2,065,150	\$ 1,051,364	\$ 3,395,739
Payroll taxes	3,763	26,778	141,267	82,432	250,477
Employee benefits	9,909	85,274	555,072	286,700	927,046
Contributions to LSU	-	37,212,473	-	-	37,212,473
Coaches' supplement	-	400,000	-	-	400,000
Scoreboard expenses	-	277,697	-	-	277,697
Marketing and publicity	-	19,973	-	241,131	261,104
Dues and subscriptions	-	54,827	28,751	6,579	90,157
Professional fees	-	129,110	98,860	-	227,970
Academic awards	-	10,214	-	-	10,214
Tickets purchased	-	-	-	119,513	119,513
Financing costs	-	34,853	-	-	34,853
Licensing rights	140,000	140,000	-	-	140,000
Interest expense	-	3,546,988	-	-	3,546,988
Catering and other expenses	77,687	2,874,701	-	886	2,875,587
Management fee	-	-	-	-	-
Occupancy	-	86,000	216,525	29,767	332,292
Event parking	-	84,900	34,920	-	119,820
Repairs and maintenance	55	360,677	5,462	-	366,139
Travel and entertainment	-	-	87,178	370,252	457,430
Membership	-	-	11,074	174,228	185,302
Meeting expense	-	-	4,203	-	4,203
Baseball	-	-	-	-	-
Supplies and office equipment	-	-	22,058	7,948	30,006
Printing	-	-	396	-	396
Computer	-	-	134,860	50,251	185,111
Bank charges	-	-	523,693	-	523,693
Special events and other	-	11,463	245,319	2,250	259,032
Insurance	-	683,597	127,568	-	811,165
Bad debts and other allowances	-	-	1,758,820	-	1,758,820
Promotional expense	-	-	-	3,693	3,693
Depreciation	-	8,076,761	-	-	8,076,761
Total expenses	\$ 270,651	\$ 54,395,511	\$ 6,061,176	\$ 2,426,994	\$ 62,883,681

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

TIGER ATHLETIC FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

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

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

TIGER ATHLETIC FOUNDATION

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

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

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

TIGER ATHLETIC FOUNDATION

STATEMENTS OF CASH FLOWS **YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
Operating activities		
Change in net assets	\$ 3,919,310	\$ 9,251,698
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	8,076,761	7,976,505
Change in allowance for accounts receivable	(96,154)	(188,609)
Change in allowance for unconditional promises to give	687,304	(1,560,045)
Net unrealized and realized gains on investments	(2,862,277)	(9,559,240)
Loss on sale of property and equipment	-	192,558
Transfer of property and equipment to LSU	1,910,451	5,594,174
Contributions restricted for long-term purposes	(1,193,142)	(1,274,671)
Amortization included in interest expense	65,052	66,520
Decrease (increase) in operating assets:		
Receivables and other prepaid assets	3,045,212	2,412,307
Unconditional promises to give	1,666,415	3,102,680
Contracts receivable	(39,152,895)	19,002,816
Other assets	(2,426,231)	(2,391,856)
Increase (decrease) in operating liabilities:		
Accounts payable	(21,389)	(959,981)
Retainage payable	(10,787)	(1,026,398)
Other current liabilities	(6,652)	36,121
Deferred revenues	20,421,786	81,927
Amounts held in custody for others	(1,932,338)	125,254
Net cash (used in) provided by operating activities	<u>(7,909,574)</u>	<u>30,881,760</u>
Investing activities		
Purchase of investments	(196,018,667)	(100,978,760)
Sales of investments	211,084,454	92,985,487
Purchase of property and equipment	(2,083,631)	(8,638,414)
Proceeds from sale of property and equipment	65,842	-
Net cash provided by (used in) investing activities	<u>13,047,998</u>	<u>(16,631,687)</u>
Financing activities		
Proceeds from contributions restricted for investment in perpetual endowments	1,193,142	1,274,671
Principal payments on borrowings	(10,703,068)	(10,691,606)
Net cash used in financing activities	<u>(9,509,926)</u>	<u>(9,416,935)</u>
Net change in cash, cash equivalents, and restricted cash	(4,371,502)	4,833,138
Cash, cash equivalents, and restricted cash, beginning of year	64,250,156	59,417,018
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 59,878,654</u>	<u>\$ 64,250,156</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	<u>\$ 3,553,640</u>	<u>\$ 3,792,055</u>
Non cash transfer of completed construction in progress to assets held for donation to LSU	<u>\$ 1,713,760</u>	<u>\$ 8,149,939</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 Revised Statute (R.S.). 12:201 (7). The corporation's name was changed to Tiger Athletic Foundation on April 17, 1987.

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

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

The Foundation is required to comply with the provisions set forth in the Uniform Affiliation Agreement entered into with LSU on December 1, 2020.

Significant New Accounting Pronouncements

In January 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lessee recognize the assets and liabilities that arise from leases classified as finance or operating. A lessee should recognize in the balance sheet a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. In transition, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. ASU 2016-02 will be effective for the Foundation beginning in the year ending December 31, 2022. Management is currently evaluating the impact ASU 2016-02 will have on the financial statements.

In November 2021, the FASB issued ASU 2021-10, *Government Assistance (Topic 832)*, which requires business entities to disclose information about transactions with a government that are accounted for by applying a grant or contribution model by analogy. This could include various forms of government assistance, but excludes transactions in the scope of specific US GAAP, such as tax incentives accounted for under Accounting Standards Codification (ASC) 740, Income Taxes. For transactions in the scope of the new standard, business entities will need to provide information about the nature of the transaction, including significant terms and conditions, as well as the amounts and specific financial statement line items affected by the transaction. ASU 2021-10 will be effective for the Foundation beginning in the year ending December 31, 2022. The adoption of this ASU is not expected to have a material effect on the financial statements.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

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

Concentration on Credit Risk for Cash Held in Bank

TAF periodically maintains cash in bank accounts in excess of insured limits. At December 31, 2021 and 2020, the Foundation had \$58,541,383 and \$63,257,082, respectively, in excess of the FDIC insured limit. Custodial credit risk for these deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to cover these deposits.

Investments

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

Fair Values of Financial Instruments

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

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

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

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

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, as of the reporting date.

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Fair Values of Financial Instruments (Continued)

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

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

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

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

Unconditional Promises to Give

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

Property and Equipment

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Property and Equipment (Continued)

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

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

Assets Held for Donation to LSU

Assets held for donation to LSU consist of various capital projects and athletic facility improvements that are not used in the operations of TAF and are, therefore, not included within property and equipment. At December 31, 2021 and 2020, the balance in this account was comprised entirely of construction in progress on capital projects that were completed and expected to be donated to LSU within one year of the statement of financial position date.

Impairment of Long-Lived Assets

The Foundation reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that the undiscounted cash flows resulting from the use of the asset group is less than the carrying amount, an impairment loss equal to the excess of the asset's carrying amount over its fair value is recorded. The Foundation did not record any impairment loss during the years ended December 31, 2021 and 2020.

Deferred Financing Costs

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

Deferred financing costs of \$1,008,426 as of December 31, 2021 and 2020 associated with the Revenue Bonds Series 2012, Revenue Bonds Series 2015, Revenue Bonds Series 2015A, and 2019 term loan are being amortized over the respective lives of the debt agreements. These costs are presented net of accumulated amortization of \$339,618 and \$274,566 as of December 31, 2021 and 2020, respectively. Amortization of the costs is recorded as a component of interest expense.

Capitalized Licensing Rights

Other noncurrent assets includes \$4,200,000 of licensing rights associated with the construction of Alex Box baseball stadium. These costs are presented net of accumulated amortization of \$1,808,334 and \$1,668,334 as of December 31, 2021 and 2020, respectively. These costs are being amortized over the life of the stadium. Amortization of the costs is recorded as a component of total expenses.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Amounts Held in Custody for Others

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

The Foundation has included \$623,960 and \$2,552,482 of amounts held in custody for others as restricted cash within current assets as of December 31, 2021 and 2020, respectively. The Foundation also has \$609,442 and \$613,258 of noncurrent amounts held in custody for others within restricted investments as of December 31, 2021 and 2020, respectively.

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

Net Assets

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

Contributions

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Donated Services

During the years ended December 31, 2021 and 2020, the value of contributed services meeting the requirements for recognition in the financial statements was not considered material and has not been recorded.

Revenue from Contracts with Customers

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

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

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

Nature of Products and Services

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

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

Transaction Price

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

TIGER ATHLETIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Revenue from Contracts with Customers (Continued)

Contract Balances

The timing of revenue recognition may not align with the right to invoice the customer. The Foundation records contracts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. The Foundation's receivables include contracts for the 2021 through 2026 seasons. The amount of the contracts receivable that is specific to those contractual donations for the right to purchase certain "premium seating" football tickets in Tiger Stadium is pledged for the payment of debt service mentioned in Note 7. When consideration is received and revenue has not yet been recognized, and for the contracts receivable for future seasons, a contract liability (deferred revenue) also is recorded.

Balances as of December 31, 2021 and 2020 are included in the statements of financial position. Opening balances as of January 1, 2020 were as follows:

Contracts Receivable	\$ 55,432,437
Deferred Revenue	\$ 57,794,327

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

Rents - LSU and University Club

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

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

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (Continued)

Rents - LSU and University Club (Continued)

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

Functional Expenses

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

Advertising

The Foundation's policy is to expense advertising costs as the costs are incurred. Advertising costs totaled \$261,104 and \$316,494 for the years ended December 31, 2021 and 2020, respectively.

Tax Status

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

Use of Estimates

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

Reclassifications

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

2. Liquidity and Availability

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

	December 31, 2021	December 31, 2020
Cash and cash equivalents	\$ 16,209,120	\$ 13,534,428
Investments	21,065,366	21,889,925
Other receivables	2,646,735	3,364,160
Contracts receivable	26,458,196	6,623,397
Unconditional promises to give, net	114,182	23,737
	\$ 66,493,599	\$ 45,435,647

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

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

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

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

2. Liquidity and Availability (Continued)

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

3. Restricted Cash and Cash Equivalents and Investments

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

	December 31, 2021					
	Cash		Investments		Total	
	Current	Noncurrent	Current	Noncurrent		
Donor Restricted Purposes	\$ 26,928,473	\$ 2	\$ -	\$ 2,782,109	\$	29,710,584
Donor Restricted Endowments	-	416,151	-	27,761,236		28,177,387
By Board for Designated Purposes	-	3,769,429	-	68,146,021		71,915,450
Amounts Held in Custody for Others	623,960	1	-	609,443		1,233,404
Contractually by Bond and Leases	10,691,442	1,240,076	7,970,123	-		19,901,641
	<u>\$ 38,243,875</u>	<u>\$ 5,425,659</u>	<u>\$ 7,970,123</u>	<u>\$ 99,298,809</u>		<u>\$ 150,938,466</u>

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

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

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

	December 31, 2021	December 31, 2020
Cash and cash equivalents	\$ 16,209,120	\$ 13,534,428
Restricted cash and cash equivalents	<u>43,669,534</u>	<u>50,715,728</u>
	<u>\$ 59,878,654</u>	<u>\$ 64,250,156</u>

TIGER ATHLETIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS

4. Investments

Investments at December 31, 2021 and 2020 consist of the following:

	December 31, 2021	December 31, 2020
Money Market Accounts	\$ 1,565,708	\$ 2,499,629
Certificates of deposit	2,167,714	2,165,402
Domestic Equities	22,587,517	17,307,053
International Equities	18,026,015	14,106,266
Fixed Income	70,615,726	100,626,754
Real Estate	5,486,010	1,152,322
Real Assets	1,457,630	991,845
Alternative Investments	6,427,978	1,688,537
	<u>\$ 128,334,298</u>	<u>\$ 140,537,808</u>

5. Unconditional Promises to Give

Unconditional promises to give at December 31, 2021 and 2020 were as follows:

	2021	2020
Receivable in less than one year	\$ 4,956,194	\$ 6,034,981
Receivable in one to five years	6,432,057	6,919,194
Receivable in more than five years	393,509	494,000
Total contributions receivable	<u>11,781,760</u>	<u>13,448,175</u>
Less discount to net present value (discount rate was 3% as of December 31, 2021 and December 31, 2020, respectively)	<u>(1,067,114)</u>	<u>(1,159,810)</u>
Less allowance for unfulfilled pledges	<u>(2,238,500)</u>	<u>(1,458,500)</u>
Net contributions receivable	<u>\$ 8,476,146</u>	<u>\$ 10,829,865</u>

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

6. Property and Equipment

The Foundation's investment in property and equipment consisted of the following at December 31, 2021:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$ 4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Leaseholds and other improvements	5,359,961	-	-	-	5,359,961
Stadium expansion and scoreboard	263,158,797	-	(65,842)	2,661,581	265,754,536
Furniture and equipment	320,232	6,497	-	-	326,729
Vehicles	50,222	-	-	-	50,222
	273,629,212	6,497	(65,842)	2,661,581	276,231,448
Less: accumulated depreciation	(68,639,173)	(8,076,761)	-	-	(76,715,934)
Construction in progress	4,065,616	2,077,134	-	(4,375,341)	1,767,409
Property and equipment, net	<u>\$ 209,055,655</u>	<u>\$ (5,993,130)</u>	<u>\$ (65,842)</u>	<u>\$ (1,713,760)</u>	<u>\$ 201,282,923</u>

During the year ended December 31, 2021, \$1,713,760 of completed construction in progress was transferred out of capital assets and into assets held for donation to LSU.

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

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

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

Depreciation expense totaled \$8,076,761 and \$7,976,505 for the years ended December 31, 2021 and 2020, 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, 2021	December 31, 2020
Revenue Bonds Series 2012	\$ 58,545,000	\$ 61,512,000
Revenue Bonds Series 2015	31,690,000	35,460,000
Revenue Bonds Series 2015A	36,650,000	37,560,000
Term Loan	13,679,540	16,735,608
Less Deferred Financing Costs	(668,808)	(733,860)
	<u>\$ 139,895,732</u>	<u>\$ 150,533,748</u>

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

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

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

7. Bonds and Note Payable (Continued)

To finance the balance of the commitment, the Foundation issued a non-revolving taxable term loan for a principal amount of \$25,000,000. In 2014, the loan agreement was amended to a principal amount of \$30,000,000. As security for payments to be made by the Foundation, the Foundation has entered into an Act of Assignment of Pledged Revenues and Security Agreement on parity with the Series 1999 and 2004 revenue bonds. Effective December 2, 2019, the parties entered into a non-revolving taxable term loan for the current balance on that date of \$19,622,014 for the same terms with the exception of the interest rate. The new loan agreement interest rate is 2.59%. This term loan matures no later than October 1, 2025.

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

In November 2015, the Foundation entered into a Bond Purchase Agreement, and a resulting Loan Agreement, so that it could borrow, from the proceeds of the sale of Series 2015A Revenue Bonds for a principal amount of \$53,045,000. The Series 2015A Revenue Bonds were issued for the purpose of current refunding all of the outstanding Series 2004 Bonds. The Series 2015A Revenue Bonds are secured by the pledged revenues on parity with the Series 2012 revenue bonds.

The Bonds shall be subject to mandatory sinking fund redemption prior to maturity at the principal amount of such Bonds to be redeemed plus accrued interest to the date of redemption without premium on each September 1, beginning September 1, 2016 through September 2, 2039. The Purchaser of the Bonds has the right to tender the Bonds to the Foundation for purchase on November 1, 2022 (Put Date), pursuant to the Bond Purchase Agreement. In the event the Bonds are not remarketed by the Foundation by the Put Date, the Bonds will be retained by the Purchaser for a period of one year following the Put Date (the Special Holding Period). At the end of the Special Holding Period, the outstanding principal of the Bonds, together with accrued interest, shall become due and payable in full by the Foundation. Effective November 1, 2019, the bonds were amended to bear interest at a rate of 2.25% per annum and shall mature, unless sooner paid, on September 2, 2039.

Under the provisions of the above revenue bond agreements, the Foundation is required to maintain a minimum debt service coverage ratio. At December 31, 2021, the Foundation was in compliance with its debt service coverage calculation loan covenant. At December 31, 2020, the Foundation had obtained a waiver from the lender for its debt service coverage calculation loan covenant.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

7. Bonds and Note Payable (Continued)

The scheduled maturities of the debt outstanding at December 31, 2021 are as follows:

	Bonds and Note Payable
2022	\$ 10,695,692
2023	10,914,240
2024	11,421,518
2025	11,368,090
2026	10,320,000
2027 - 2031	49,570,000
2032 - 2036	29,675,000
2037 - 2041	6,600,000
Less deferred financing costs	(668,808)
Total	<u><u>\$ 139,895,732</u></u>

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

8. Fair Value Measurements

The valuation of the Foundation's assets measured at fair value on a recurring basis at December 31, 2021 are as follows:

<u>ASSETS</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Net Balance</u>
Money Market Accounts	\$ 1,565,708	\$ -	\$ -	\$ 1,565,708
Certificates of Deposit	2,167,714	-	-	2,167,714
Domestic Equities	22,587,517	-	-	22,587,517
International Equities	18,026,015	-	-	18,026,015
Fixed Income	36,415,254	34,200,472	-	70,615,726
Real Estate	5,486,010	-	-	5,486,010
Real Assets	1,457,630	-	-	1,457,630
Investments at NAV per share*	-	-	-	6,427,978
Total	<u><u>\$ 87,705,848</u></u>	<u><u>\$ 34,200,472</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 128,334,298</u></u>

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

8. Fair Value Measurements (Continued)

The changes in investments measured at fair value for which the Foundation has used Level 3 inputs to determine fair value for the year ending December 31, 2021 are as follow:

<u>ASSETS</u>	<u>Level 3 Beginning Balance</u>	<u>Net Realized and Unrealized Gains (Losses)</u>	<u>Sales</u>	<u>Purchases</u>	<u>Net Transfers In (Out) of Level 3</u>	<u>Level 3 Ending Balance</u>
Investments	\$ 196,875	\$ -	\$ -	\$ -	\$ (196,875)	\$ -
Total	<u>\$ 196,875</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (196,875)</u>	<u>\$ -</u>

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

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

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

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

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value to another. In such instances, the transfer is reported at the beginning of the reporting period. As presented in the tables above, there were net transfers out of Level 3 for the year ended December 31, 2021 and 2020.

Fair Value of Investments that Calculate Net Asset Value per Share

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

8. Fair Value Measurements (Continued)

Fair Value of Investments that Calculate Net Asset Value per Share (Continued)

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2021:

December 31, 2021	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Ironwood International LTD	D) \$ 6,427,978 \$ 6,427,978	None	Generally Quarterly, Semi-annually, or annually based on underlying holdings	Generally, 30 to 120 days based on underlying holdings

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

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

- A) Aetos Capital Multi-Strategy Cayman Fund was formed in the state of Delaware as a limited liability company. The fund operates as a master fund under a master fund/feeder fund structure. The fund seeks to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes, by allocating its assets amount a select group of portfolio managers that utilize a variety of arbitrage strategies.
- B) Aetos Capital Distressed Investment Strategies Cayman Fund was formed in the state of Delaware as a limited liability company. The fund operates as a master fund under a master fund/feeder fund structure. The fund seeks to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes, by allocating its assets amount a select group of portfolio managers that utilize a variety of distressed investment strategies.
- C) Aetos Capital Long/Short Term Strategies Cayman Fund was formed in the state of Delaware as a limited liability company. The fund operates as a master fund under a master fund/feeder fund structure. The fund seeks to produce an attractive absolute return on invested capital, largely independent of the various benchmarks associated with traditional asset classes, by allocating its assets amount a select group of portfolio managers that utilize a variety of long/short strategies.
- D) Ironwood International LTD is an investment company incorporated as a Cayman Islands Exempted Company and is registered under the Cayman Islands Mutual Funds Law. The fund's investment objective is capital appreciation with limited variability of returns. The fund attempts to achieve this objective by investing substantially all of its assets in Ironwood Partners LP, the master fund, which has the same objective of the fund.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

9. Net Assets With Donor Restrictions

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

	December 31, 2021	December 31, 2020
Subject to expenditure for a specified purpose:		
Capital Programs	\$ 10,192,521	\$ 5,238,593
Preservation of Tiger Stadium	4,598,543	3,222,833
Annual Scholarship Fund	2,888,588	3,345,585
Basketball Building	2,847,166	2,513,197
AD's Excellence Fund	2,653,298	1,934,014
Baseball Building	2,379,840	2,588,549
Football Excellence	1,715,056	1,204,473
Football Complex	1,263,902	3,097,946
Tennis	998,136	992,984
Women's Basketball Building	799,849	84,257
Softball Complex	737,712	699,317
Academic Center	718,653	787,696
Tiger Den - Mike's Habitat	471,009	495,012
Swimming Building	371,870	364,366
Victory Fund	349,940	2,788,133
Gymnastics Facility	322,923	302,178
Basketball Bleachers	281,141	233,147
Nutrition Center	279,331	2,268,509
Gymnastics Excellence	266,261	-
Baseball Excellence	226,179	-
Track and Field Excellence	221,309	-
Women's Basketball Excellence	174,843	-
Men's Basketball Excellence	166,389	-
L Club Excellence	149,792	-
Women's Golf Excellence	143,898	-
Gridiron Excellence	132,654	-
Men's Golf Excellence	113,804	-
L Club Renovations	113,728	111,358
Softball Excellence	108,380	-
Bengal Belles	99,491	-
Track and Field Building	90,097	73,634
Academic Center Operations	87,631	32,931
Athletic Trainer's Equipment	86,988	87,988
LSU Golf Facility	74,995	61,010
Volleyball Building	68,643	68,393
Spirit Squad Excellence	60,054	-
Tiger Band Excellence Fund	58,778	-

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

9. Net Assets With Donor Restrictions (Continued)

	December 31, 2021	December 31, 2020
Subject to expenditure for a specified purpose (continued):		
Tigerama	57,201	17,126
74 Society	51,377	50,836
Chip in Club	49,931	-
Jeff Boss Honorarium	45,786	40,786
Swimming Excellence	44,479	-
Student Athlete Support Fund	42,485	-
Band Hall	34,036	75,418
Beach Volleyball	26,635	15,936
Women's Basketball Locker Room	18,898	18,898
LSU Employee Assistance	15,303	15,303
Women's Golf Building	14,934	14,934
Soccer Excellence	8,907	-
Soccer Complex	7,725	3,000
Football Strength Equipment	7,104	7,104
Spirit Squad	4,723	12,480
Tennis Excellence	3,045	-
Volleyball Excellence	2,008	-
TAF Employee Assistance	1,753	1,458
Sue Gunter Fund	844	844
Beach Volleyball Excellence	1	-
Hall of Fame	-	7,072
PMAC Restoration	-	42,149
	36,750,567	32,919,447
Endowments:		
Subject to TAF's spending policy and appropriation:		
Investment in perpetuity (including amounts above original investment of \$6,461,850 and \$4,153,346 at December 31, 2021 and 2020, respectively), which, once appropriated, is expendable to support annual scholarships	28,177,387	24,126,801
Unconditional promises to give, net	1,304,571	1,969,111
	29,481,958	26,095,912
Total net assets with donor restrictions	\$ 66,232,525	\$ 59,015,359

10. Endowment Composition

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

10. Endowment Composition (Continued)

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

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

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

The Foundation's endowment net asset composition by fund type as of December 31, 2021 is as follows:

	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ 29,481,958	\$ 29,481,958
Total	\$ 29,481,958	\$ 29,481,958

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, 2021 is as follows:

	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 26,095,912	\$ 26,095,912
Investment return, net	3,154,275	3,154,275
Contributions	1,077,542	1,077,542
Appropriation of endowment assets for expenditure	<u>(845,771)</u>	<u>(845,771)</u>
Endowment net assets, end of year	<u>\$ 29,481,958</u>	<u>\$ 29,481,958</u>

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

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

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

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

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

11. Commitments and Contingencies

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

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

The term of the Ground Lease between LSU and the Foundation is fifty years; however, it will terminate, together with the Cooperative Endeavor, when, and if, the Facilities/South is donated by the Foundation to LSU. The Facilities Lease is scheduled to terminate June 30, 2049; however, LSU may terminate the lease at any time after the Bonds, referred to in Note 7, are paid in full or legally defeased. The Foundation is committed to an annual rent of \$75,000 for the land.

12. Scoreboard Sponsorships

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

The revenue received and recognized by the Foundation was \$3,546,658 and \$4,688,748 for the years ended December 31, 2021 and 2020, respectively, and is included in other revenues on the statements of activities.

TIGER ATHLETIC FOUNDATION

NOTES TO FINANCIAL STATEMENTS

13. Retirement Savings Plan

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

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

The Foundation made matching contributions of approximately \$226,000 and \$248,000 for the years ended December 31, 2021 and 2020, respectively.

14. Uncertain Tax Position

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Foundation believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

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

15. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued April 18, 2022 and determined that the following events have occurred that require disclosure:

In March 2022, the Foundation entered into a promissory note receivable with a company in the amount of \$780,000 at an interest rate of -0-%. The loan shall be due and payable on the thirtieth day following a repayment event, as defined in the agreement.

No other subsequent events occurring after April 18, 2022 have been evaluated for inclusion in these financial statements.

OTHER FINANCIAL INFORMATION

**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, 2021 and 2020, and our report thereon dated April 18, 2022, which expressed an unmodified opinion on those financial statements appears on pages 1 - 3. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Statements of Net Assets, Statements of Revenues, Expenses, and Changes in Net Assets, Component Unit Description, Schedules of Capital Assets, Schedules of Bonds and Note Payable and Capital Leases, Schedules of Bonds and Note Payable, and Schedule of Bonds Payable Amortization are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



A Professional Accounting Corporation

Metairie, LA
April 18, 2022

TIGER ATHLETIC FOUNDATION

STATEMENTS OF NET ASSETS

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 16,209,120	\$ 13,534,428
Restricted assets:		
Cash and cash equivalents	38,243,875	34,627,312
Investments	7,970,123	3,912,706
Investments	21,065,366	21,889,925
Other receivables	2,646,735	3,364,160
Contracts receivable	26,458,196	6,623,397
Pledges receivable	4,956,194	6,034,981
Due from other campuses	-	-
Due from State Treasury	-	-
Inventories	-	-
Prepaid expenses	278,081	195,917
Notes receivable	-	-
Other current assets	195,266	196,476
Total current assets	<u>118,022,956</u>	<u>90,379,302</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	5,425,659	16,088,416
Investments	99,298,809	114,735,177
Notes receivable	-	-
Other	-	-
Investments	-	-
Other receivables	-	2,313,797
Contracts receivable	49,124,320	29,806,224
Pledges receivable, net	3,519,952	4,794,884
Notes receivable	-	-
Capital assets, net	201,282,923	209,055,655
Assets held for donation to LSU	8,359,752	8,556,443
Assets under capital leases, net	-	-
Other noncurrent assets	7,421,150	4,993,709
Total noncurrent assets	<u>374,432,565</u>	<u>390,344,305</u>
Total assets	<u>\$ 492,455,521</u>	<u>\$ 480,723,607</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

STATEMENTS OF NET ASSETS (CONTINUED)

DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,782,410	\$ 1,803,799
Accounts payable - construction in progress	44,178	54,965
Due to other campuses	-	-
Due to State Treasury	-	-
Deferred revenues	28,841,711	27,858,349
Amounts held in custody for others	623,960	2,552,482
Compensated absences payable	-	-
Capital lease obligations	-	-
Line-of-credit	-	-
Note payable	-	-
Contracts payable	-	-
Bonds payable	7,459,000	7,647,000
Term loan	3,236,692	3,056,068
Other current liabilities	29,469	36,121
Total current liabilities	<u>42,017,420</u>	<u>43,008,784</u>
Noncurrent liabilities:		
Amounts held in custody for others	609,442	613,258
Compensated absences payable	-	-
Capital lease obligations	-	-
Note payable	-	-
Contracts payable	-	-
Deferred revenues	49,456,329	30,017,905
Bonds payable		
Principal amount	119,426,000	126,885,000
Deferred financing costs	(634,620)	(690,756)
Term loan		
Principal amount	10,442,848	13,679,540
Deferred financing costs	(34,188)	(43,104)
Other noncurrent liabilities	-	-
Total noncurrent liabilities	<u>179,265,811</u>	<u>170,461,843</u>
Total liabilities	<u>221,283,231</u>	<u>213,470,627</u>
Net assets:		
Invested in capital assets, net of related debt	61,387,191	58,521,907
Restricted for:		
Nonexpendable	25,328,612	24,127,768
Expendable	40,903,913	34,887,591
Unrestricted	143,552,574	149,715,714
Total net assets	<u>271,172,290</u>	<u>267,252,980</u>
Total liabilities and net assets	<u>\$ 492,455,521</u>	<u>\$ 480,723,607</u>

See independent auditor's report on other financial information.

STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating revenues:		
Student tuition and fees	\$ -	\$ -
Less scholarship allowances	-	-
Net student tuition and fees	-	-
Gifts received by the Foundation	13,132,456	10,361,789
Earnings on Foundation endowments	-	-
Federal appropriations	-	-
Federal grants and contracts	-	-
State and local grants and contracts	-	-
Nongovernmental grants and contracts	33,506,600	6,433,382
Sales and services of educational departments	-	-
Hospital income	-	-
Auxiliary enterprise revenues, including revenues pledged as security for bond issues	-	-
Less: scholarship allowances	-	-
Net auxiliary revenues	-	-
Other operating revenues	13,093,631	13,836,867
Total operating revenues	<u>59,732,687</u>	<u>30,632,038</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	18,456,747	14,140,913
Total operating expenses	<u>18,456,747</u>	<u>14,140,913</u>
Operating income	<u>41,275,940</u>	<u>16,491,125</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, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Nonoperating revenues and (expenses):		
State appropriations	-	-
Gifts	-	-
Net investment income	5,877,162	12,725,758
Interest expense	(3,546,988)	(3,828,176)
Payments to or on behalf of the university	(40,879,946)	(17,411,680)
Other nonoperating revenues (expenses)	-	-
Net nonoperating expenses	<u>(38,549,772)</u>	<u>(8,514,098)</u>
Income before other revenues, expenses, gains, and losses	<u>2,726,168</u>	<u>7,977,027</u>
Capital appropriations	-	-
Capital gifts and grants	-	-
Additions to permanent endowments	1,193,142	1,274,671
Other additions, net	-	-
Increase in net assets	<u>3,919,310</u>	<u>9,251,698</u>
Net assets, beginning of year	267,252,980	258,001,282
Change in fair value of investments, available-for-sale	-	-
Net assets, end of year	<u><u>\$ 271,172,290</u></u>	<u><u>\$ 267,252,980</u></u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

COMPONENT UNIT DESCRIPTION

Component Unit Description

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, 2021, Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$40,879,946, \$604,329 from booster clubs, and \$148,045 from affiliated chapters. During the year ended December 31, 2020, Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$17,411,680, \$994,734 from booster clubs, and \$199,015 from affiliated chapters. The booster club and affiliated chapter accounts are maintained by Tiger Athletic Foundation.

Complete financial statements for 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

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

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF CAPITAL ASSETS
YEAR ENDED DECEMBER 31, 2021

	Balance 12/31/2020	Additions	Transfers	Retirements	Balance 12/31/2021
Capital assets not being depreciated:					
Land	\$ 4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Capitalized collections	-	-	-	-	-
Livestock	-	-	-	-	-
Construction in progress	4,065,616	2,077,134	(4,375,341)	-	1,767,409
Total capital assets not being depreciated	\$ 8,805,616	\$ 2,077,134	\$ (4,375,341)	\$ -	\$ 6,507,409
Other capital assets:					
Land improvements	\$ 5,359,961	\$ -	\$ -	\$ -	\$ 5,359,961
Less accumulated depreciation	(907,413)	(64,735)	-	-	(972,148)
Total land improvements	4,452,548	(64,735)	-	-	4,387,813
Buildings	263,158,797	-	2,661,581	(65,842)	265,754,536
Less accumulated depreciation	(67,393,305)	(8,001,972)	-	-	(75,395,277)
Total buildings	195,765,492	(8,001,972)	2,661,581	(65,842)	190,359,259
Equipment	320,232	6,497	-	-	326,729
Less accumulated depreciation	(291,045)	(7,242)	-	-	(298,287)
Total equipment	29,187	(745)	-	-	28,442
Vehicles	50,222	-	-	-	50,222
Less accumulated depreciation	(47,410)	(2,812)	-	-	(50,222)
Total vehicles	2,812	(2,812)	-	-	-
Total other capital assets	\$ 200,250,039	\$ (8,070,264)	\$ 2,661,581	\$ (65,842)	\$ 194,775,514
Capital asset summary:					
Capital assets not being depreciated	\$ 8,805,616	\$ 2,077,134	\$ (4,375,341)	\$ -	\$ 6,507,409
Other capital assets, at cost	268,889,212	6,497	2,661,581	(65,842)	271,491,448
Total cost of capital assets	277,694,828	2,083,631	(1,713,760)	(65,842)	277,998,857
Less accumulated depreciation	(68,639,173)	(8,076,761)	-	-	(76,715,934)
Capital assets, net	\$ 209,055,655	\$ (5,993,130)	\$ (1,713,760) *	\$ (65,842)	\$ 201,282,923

* During the year ended December 31, 2021, \$1,713,760 of completed construction in progress was transferred out of capital assets and into assets held for donation to LSU.

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF CAPITAL ASSETS
YEAR ENDED DECEMBER 31, 2020

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

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

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS AND NOTE PAYABLE AND CAPITAL LEASES

DECEMBER 31, 2021

	Balance at December 31, 2020	Additions	Reductions	Balance at December 31, 2021	Amounts Due Within One Year
Bonds and notes payable and capital leases:					
Bonds payable	\$ 134,532,000	\$ -	\$ 7,647,000	\$ 126,885,000	\$ 7,459,000
Note payable	16,735,608	-	3,056,068	13,679,540	3,236,692
Capital lease obligations	-	-	-	-	-
Less deferred financing costs	(733,860)	-	(65,052)	(668,808)	(65,052)
Total bonds, notes, and capital leases	<u>\$ 150,533,748</u>	<u>\$ -</u>	<u>\$ 10,638,016</u>	<u>\$ 139,895,732</u>	<u>\$ 10,630,640</u>
Other liabilities:					
Amounts held in custody for others	\$ 3,165,740	\$ 1,065,469	\$ 2,997,807	\$ 1,233,402	\$ 623,960
Other current liabilities	36,121	401,202	407,854	29,469	29,469
Deferred revenue	57,876,254	60,515,520	40,093,734	78,298,040	28,841,711
Total other liabilities	<u>\$ 61,078,115</u>	<u>\$ 61,982,191</u>	<u>\$ 43,499,395</u>	<u>\$ 79,560,911</u>	<u>\$ 29,495,140</u>

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS AND NOTE PAYABLE AND CAPITAL LEASES

DECEMBER 31, 2020

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

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS AND NOTE PAYABLE

DECEMBER 31, 2021

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/2020	(Redeemed) Issued	Principal Outstanding 12/31/2021	Interest Rates	Interest Outstanding 12/31/2021
Series 2012 Bonds	October 23, 2012	\$ 5,100,000	\$ 61,512,000	\$ (2,967,000)	\$ 58,545,000	Fixed/Variable*	\$ -
Series 2015 Bonds	July 1, 2015	52,000,000	35,460,000	(3,770,000)	31,690,000	2.49%	-
Series 2015A Bonds	November 1, 2015	53,045,000	37,560,000	(910,000)	36,650,000	2.25%	-
Less deferred financing costs		(955,663)	(690,756)	56,136	(634,620)		-
Total Bonds Payable		109,189,337	133,841,244	(7,590,864)	126,250,380		-
Term Loan	December 1, 2019	19,620,214	16,735,608	(3,056,068)	13,679,540	2.59%	29,469
Less deferred financing costs		(52,763)	(43,104)	8,916	(34,188)		-
		<u>\$ 128,756,788</u>	<u>\$ 150,533,748</u>	<u>\$ (10,638,016)</u>	<u>\$ 139,895,732</u>		<u>\$ 29,469</u>

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

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS AND NOTE PAYABLE

DECEMBER 31, 2020

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/2019	(Redeemed) Issued	Principal Outstanding 12/31/2020	Interest Rates	Interest Outstanding 12/31/2020
Series 2012 Bonds	October 23, 2012	\$ 5,100,000	\$ 64,409,000	\$ (2,897,000)	\$ 61,512,000	Fixed/Variable*	\$ -
Series 2015 Bonds	July 1, 2015	52,000,000	39,070,000	(3,610,000)	35,460,000	2.49%	-
Series 2015A Bonds	November 1, 2015	53,045,000	38,860,000	(1,300,000)	37,560,000	2.25%	-
Less deferred financing costs		(955,663)	(747,617)	56,861	(690,756)		-
Total Bonds Payable		109,189,337	141,591,383	(7,750,139)	133,841,244		-
Term Loan	December 1, 2019	19,620,214	19,620,214	(2,884,606)	16,735,608	2.59%	36,121
Less deferred financing costs		(52,763)	(52,763)	9,659	(43,104)		-
		<u>\$ 128,756,788</u>	<u>\$ 161,158,834</u>	<u>\$ (10,625,086)</u>	<u>\$ 150,533,748</u>		<u>\$ 36,121</u>

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

See independent auditor's report on other financial information.

TIGER ATHLETIC FOUNDATION

SCHEDULE OF BONDS PAYABLE AMORTIZATION
YEAR ENDED DECEMBER 31, 2021

Fiscal Year				
Ending		Principal	Interest	Total
2022	\$	7,459,000	Fixed	7,459,000
2023		7,483,000	Fixed	7,483,000
2024		7,753,000	Fixed	7,753,000
2025		8,025,000	Fixed	8,025,000
2026		10,320,000	Fixed	10,320,000
2027		10,656,000	Fixed	10,656,000
2028		10,669,000	Fixed	10,669,000
2029		10,614,000	Fixed	10,614,000
2030		10,796,000	Fixed/Variable	10,796,000
2031		6,835,000	Fixed/Variable	6,835,000
2032		7,121,000	Fixed/Variable	7,121,000
2033		7,405,000	Fixed/Variable	7,405,000
2034		5,251,000	Fixed/Variable	5,251,000
2035		4,899,000	Fixed/Variable	4,899,000
2036		4,999,000	Fixed/Variable	4,999,000
2037		5,100,000	Fixed/Variable	5,100,000
2038		750,000	Fixed/Variable	750,000
2039		750,000	Fixed/Variable	750,000
2040		-	Fixed/Variable	-
Total	\$	<u>126,885,000</u>		<u>\$ 126,885,000</u>

See independent auditor's report on other financial information.

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, 2021 and 2020, and our report thereon dated April 18, 2022, which expressed an unmodified opinion on those financial statements appears on pages 1 - 3. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Summaries of Expenses Paid to Louisiana State University are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



A Professional Accounting Corporation

Metairie, LA
April 18, 2022

TIGER ATHLETIC FOUNDATION

SUMMARIES OF EXPENSES PAID TO LOUISIANA STATE UNIVERSITY
YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
Rent expense	\$ 102,359	\$ 98,422
Ground lease payments	85,000	87,100
Security expenses	50,692	53,429
Telephone/Communications expenses	50,653	63,735
Computing services contract payment	29,100	25,304
Parking expenses	26,768	28,081
Handling/Service fees	18,195	-
Compensation for LSU contract staff	11,092	30,643
Postage expense	9,292	3,326
Club card printing and readers/equipment for stadium club	4,088	4,537
Repairs and maintenance expenses	1,700	2,165
Miscellaneous expense	1,050	960
Travel for TAF staff/donors (lodging/airfare)	511	296
	<u>\$ 390,500</u>	<u>\$ 397,998</u>

See independent auditor's report on other financial information.

OTHER SUPPLEMENTARY INFORMATION

TIGER ATHLETIC FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2021</u>
Revenues and gains:			
Donations - TAF members	\$ 1,646,191	\$ 12,679,407	\$ 14,325,598
Contract revenue	33,506,600	-	33,506,600
Restricted revenue	-	-	-
Scoreboard sponsorships	3,546,658	-	3,546,658
Rents - University Club and LSU	8,790,954	-	8,790,954
Investment return, net	2,310,262	704,623	3,014,885
Net realized and unrealized gains	(1,481,909)	4,344,186	2,862,277
Merchandise revenue	-	-	-
Other revenue	756,019	-	756,019
Total revenues and gains	<u>49,074,775</u>	<u>17,728,216</u>	<u>66,802,991</u>
Net assets released from restrictions	10,511,050	(10,511,050)	-
Expenses:			
Program services:			
Contribution to LSU - athletic department	40,869,732	-	40,869,732
Contribution to LSU - non-athletic	10,214	-	10,214
Tiger Den Suites	4,222,799	-	4,222,799
Stadium Club	8,918,518	-	8,918,518
Alex Box Suites	270,651	-	270,651
Basketball	103,597	-	103,597
Supporting activities:			
General and administrative	6,061,176	-	6,061,176
Fundraising	2,426,994	-	2,426,994
Total expenses	<u>62,883,681</u>	<u>-</u>	<u>62,883,681</u>
Increase in net assets	<u>\$ (3,297,856)</u>	<u>\$ 7,217,166</u>	<u>\$ 3,919,310</u>

See independent auditor's report.

TIGER ATHLETIC FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2020

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

See independent auditor's report.

TIGER ATHLETIC FOUNDATION
STATEMENT OF REVENUES AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS
YEAR ENDED DECEMBER 31, 2021

	<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	\$ 1,411,701	\$ 590,270	\$ 337,036	\$ 1,459,795	\$ 32,742,130	\$ 36,540,932
Compensations and benefits provided by a third party	<u>4,900,000</u>	<u>-</u>	<u>-</u>	<u>112,000</u>	<u>79,388</u>	<u>5,091,388</u>
Total revenues	<u>\$ 6,311,701</u>	<u>\$ 590,270</u>	<u>\$ 337,036</u>	<u>\$ 1,571,795</u>	<u>\$ 32,821,518</u>	<u>\$ 41,632,320</u>
Expenses						
Coaching other compensation and benefits	\$ 4,900,000	\$ -	\$ -	\$ 112,000	\$ 79,388	\$ 5,091,388
Severance payments	-	-	-	-	-	-
Recruiting	73,866	419,745	10,697	2,403	(660)	506,051
Team travel	-	-	-	139,231	-	139,231
Equipment, uniforms, and supplies	-	-	26,902	99,838	9,082	135,822
Game expenses	61,859	7,997	6,844	77,296	-	153,996
Fundraising, marketing, and promotion	45,363	88,465	3,637	62,246	172,631	372,342
Direct facilities, maintenance, and rental	-	-	-	-	-	-
Spirit groups	-	-	-	-	72,549	72,549
Membership and dues	15,288	3,549	1,183	20,660	16,022	56,702
Other operating expenses	<u>1,215,325</u>	<u>70,514</u>	<u>287,773</u>	<u>1,058,121</u>	<u>32,472,506</u>	<u>35,104,239</u>
Total expenses	<u>\$ 6,311,701</u>	<u>\$ 590,270</u>	<u>\$ 337,036</u>	<u>\$ 1,571,795</u>	<u>\$ 32,821,518</u>	<u>\$ 41,632,320</u>

During the year ended December 31, 2021, Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$40,879,946; \$604,329 from booster clubs; and \$148,045 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, 2020

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

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

See independent auditor's report.

TIGER ATHLETIC FOUNDATION

PHILANTHROPIC ACTIVITY SUMMARY REPORT

Years	<i>Contributions without Donor Restrictions - Team TAF Championship Donations</i>	<i>Contributions with Donor Restrictions - Restrictions for Purpose</i>	<i>Contributions with Donor Restrictions - Restrictions that are Perpetual in Nature</i>	Grand Total	<i>Total Donor Restricted Collections</i>
2021	\$ 1,571,718	\$ 11,486,265	\$ 1,193,142	\$ 14,251,125	\$ 11,168,440
2020	\$ 1,552,559	\$ 8,758,193	\$ 1,274,671	\$ 11,585,423	\$ 12,113,222
2019	\$ 1,687,270	\$ 10,283,460	\$ 1,392,956	\$ 13,363,686	\$ 9,731,943
2018	\$ 1,470,025	\$ 7,502,551	\$ 1,242,157	\$ 10,214,733	\$ 8,643,553
2017	\$ 1,469,043	\$ 8,993,110	\$ 946,687	\$ 11,408,840	\$ 9,861,017
2016	\$ 1,254,668	\$ 9,170,389	\$ 2,711,887	\$ 13,136,944	\$ 11,081,205
2015	\$ 1,021,009	\$ 9,177,735	\$ 2,559,668	\$ 12,758,412	\$ 11,230,310
2014	\$ 1,057,022	\$ 12,079,537	\$ 1,104,993	\$ 14,241,552	\$ 12,524,077
2013	\$ 993,252	\$ 13,575,008	\$ 574,919	\$ 15,143,179	\$ 10,665,991
2012	\$ 1,039,329	\$ 23,073,388	\$ 939,853	\$ 25,052,570	\$ 17,439,330
2011	\$ 1,039,856	\$ 17,858,891	\$ 936,058	\$ 19,834,805	\$ 16,524,469
2010	\$ 1,034,329	\$ 4,850,255	\$ 1,494,008	\$ 7,378,592	\$ 11,553,087
2009	\$ 1,195,858	\$ 11,469,901	\$ 633,870	\$ 13,299,629	\$ 9,499,205
2008	\$ 2,755,892	\$ 7,854,335	\$ 917,795	\$ 11,528,022	\$ 7,991,332
2007	\$ 678,445	\$ 5,879,055	\$ 3,962,733	\$ 10,520,233	\$ 8,132,382

See independent auditor's report.

TIGER ATHLETIC FOUNDATION

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

YEAR ENDED DECEMBER 31, 2021

Available Revenues

Total revenues without donor restrictions of \$50,883,641 less total expenses (\$51,382,500 minus depreciation of \$8,076,761, amortization of \$140,000 and discretionary expenses of \$31,090,571).	<u>\$ 38,808,473</u>
---	----------------------

Debt Service Requirements	<u>\$ 14,284,909</u>
----------------------------------	----------------------

Debt Service Coverage Ratio	<u>2.72</u>
-----------------------------	-------------

Minimum required debt service coverage. If in default, TAF will incur an increased interest rate of Prime plus 2%.	<u>1.25</u>
---	-------------

Minimum required debt service coverage ratio to incur additional debt.	<u>1.75</u>
---	-------------

See independent accountants report.