

TIGER ATHLETIC  
FOUNDATION

Financial Statements

December 31, 2022 and 2021



TIGER ATHLETIC FOUNDATION  
FINANCIAL STATEMENTS, OTHER FINANCIAL INFORMATION, AND  
OTHER SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2022 AND 2021

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## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

We have audited the financial statements of Tiger Athletic Foundation (a nonprofit organization) which comprise the statements of financial position as of December 31, 2022 and 2021, 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, 2022 and 2021, 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.

### Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2022, Tiger Athletic Foundation adopted Accounting Standards Update 2016-02, *Leases (Topic 842)*. Our opinion is not modified with respect to this matter.

### Responsibilities of Management 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 Tiger Athletic Foundation 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 55 through 61 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 that reads "LaForte".

A Professional Accounting Corporation

Baton Rouge, LA  
April 25, 2023

**TIGER ATHLETIC FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2022 and 2021**

**ASSETS**

	2022	2021
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ 20,420,375	\$ 16,209,120
Investments	20,125,334	21,065,366
Restricted assets:		
Cash and cash equivalents	44,472,190	38,243,875
Investments	6,838,380	7,970,123
Other receivables	130,923	2,646,735
Contracts receivable	26,701,574	26,458,196
Unconditional promises to give	8,062,503	4,956,194
Prepaid expenses	342,005	278,081
Other current assets	195,938	195,266
Total current assets	127,289,222	118,022,956
<b><u>NONCURRENT ASSETS</u></b>		
Restricted assets:		
Cash and cash equivalents	8,825,947	5,425,659
Investments	86,805,515	99,298,809
Other receivables	780,000	-
Contracts receivable	31,449,845	49,124,320
Unconditional promises to give, net	9,808,794	3,519,952
Property and equipment, net	3,565,848	201,282,923
Property and equipment under lease, net	191,346,785	-
Assets held for donation to LSU	10,764,832	8,359,752
Right-of-use assets for operating leases	2,092,119	-
Other noncurrent assets	7,348,067	7,421,150
Total noncurrent assets	352,787,752	374,432,565
 Total assets	 \$ 480,076,974	 \$ 492,455,521

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

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**DECEMBER 31, 2022 and 2021**

**LIABILITIES AND NET ASSETS**

	<u>2022</u>	<u>2021</u>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable	\$ 2,466,922	\$ 1,782,410
Retainage payable	10,518	44,178
Other current liabilities	20,895	29,469
Deferred revenues	29,888,296	28,841,711
Amounts held in custody for others	1,201,019	623,960
Operating lease liabilities	17,947	-
Bonds payable	7,483,000	7,459,000
Term loan	3,431,240	3,236,692
Total current liabilities	<u>44,519,837</u>	<u>42,017,420</u>
<b><u>NONCURRENT LIABILITIES</u></b>		
Deferred revenues	32,871,533	49,456,329
Amounts held in custody for others	-	609,442
Operating lease liabilities, net of current	10,722,352	-
Bonds payable, net of current		
Principal amount	111,943,000	119,426,000
Deferred financing costs	(578,484)	(634,620)
Term loan, net of current amount		
Principal amount	7,011,608	10,442,848
Deferred financing costs	(25,272)	(34,188)
Total noncurrent liabilities	<u>161,944,737</u>	<u>179,265,811</u>
Total liabilities	<u>206,464,574</u>	<u>221,283,231</u>
<b><u>NET ASSETS</u></b>		
Without donor restrictions		
Undesignated	133,156,257	133,024,315
Designated by the Board for operating reserves	65,014,740	71,915,450
	<u>198,170,997</u>	<u>204,939,765</u>
With donor restrictions	75,441,403	66,232,525
Total net assets	<u>273,612,400</u>	<u>271,172,290</u>
Total liabilities and net assets	<u>\$ 480,076,974</u>	<u>\$ 492,455,521</u>

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



**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Change in net assets without donor restrictions:		
Revenues without donor restrictions:		
Contributions	\$ 108,757	\$ 1,647,161
Contract revenue	35,317,523	33,584,630
Investment return, net	(10,334,124)	828,353
Lease revenue	10,942,721	12,738,887
Other revenues	303,076	275,744
Total revenues without donor restrictions	<u>36,337,953</u>	<u>49,074,775</u>
Net assets released from donor restrictions:		
Satisfaction of purpose restrictions	<u>18,925,960</u>	<u>10,511,050</u>
Total net assets released from donor restrictions	<u>18,925,960</u>	<u>10,511,050</u>
Total revenues and other support without donor restrictions	<u>55,263,913</u>	<u>59,585,825</u>
Program expenses:		
Amounts incurred to benefit Louisiana State University for:		
Projects specified by the Board of Directors	29,629,728	40,879,946
Catering and other	2,936,538	2,874,701
Financing costs	43,853	34,853
Interest	3,285,664	3,546,988
Personnel	435,593	391,277
Repairs and maintenance	291,534	360,677
Insurance	779,185	683,597
Depreciation	5,557,747	5,281,136
Other	685,346	342,336
Total program expenses	<u>43,645,188</u>	<u>54,395,511</u>
General and administrative expenses	<u>6,535,274</u>	<u>6,061,176</u>
Fundraising expenses	<u>3,563,859</u>	<u>2,426,994</u>
Total expenses	<u>53,744,321</u>	<u>62,883,681</u>
Change in net assets without donor restrictions	<u>1,519,592</u>	<u>(3,297,856)</u>

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

**TIGER ATHLETIC FOUNDATION**  
**STATEMENTS OF ACTIVITIES (CONTINUED)**  
**YEARS ENDED DECEMBER 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Change in net assets with donor restrictions:		
Revenues with donor restrictions:		
Contributions	31,426,725	12,675,478
Other revenues	568,760	-
Investment return, net	<u>(3,860,647)</u>	<u>5,052,738</u>
Total revenues with donor restrictions	<u>28,134,838</u>	<u>17,728,216</u>
Net assets released from donor restrictions:		
Satisfaction of purpose restrictions	<u>(18,925,960)</u>	<u>(10,511,050)</u>
Total revenues and other support with donor restrictions	<u>9,208,878</u>	<u>7,217,166</u>
Change in net assets with donor restrictions:	<u>9,208,878</u>	<u>7,217,166</u>
Change in net assets	10,728,470	3,919,310
Net assets at beginning of year, as previously reported	271,172,290	267,252,980
Cumulative-effect adjustment - change in accounting principle	<u>(8,288,360)</u>	-
Net assets at beginning of year, as restated	<u>262,883,930</u>	<u>267,252,980</u>
Net assets at end of year	<u><u>\$ 273,612,400</u></u>	<u><u>\$ 271,172,290</u></u>

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

**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2022**

	<b>Program Services</b>				
	<b>Contributions to LSU Athletic</b>	<b>Contributions to LSU Nonathletic</b>	<b>Tiger Den Suites</b>	<b>Stadium Club</b>	<b>Basketball</b>
Salaries and wages	\$ -	\$ -	\$ 79,161	\$ 183,987	\$ 13,217
Payroll taxes	-	-	8,409	16,225	1,037
Employee benefits	-	-	21,816	46,751	3,776
Contributions to LSU	25,187,987	-	-	-	-
Coaches' supplement	1,000,000	-	-	-	-
Scoreboard expenses	412,550	-	-	-	-
Marketing and publicity	-	-	1,671	-	-
Dues and subscriptions	-	-	-	-	-
Professional fees	180	-	-	-	-
Academic awards	-	395,642	-	-	-
Tickets purchased	-	-	-	-	-
Financing costs	-	-	-	43,853	-
Licensing rights	-	-	-	-	-
Interest expense	-	-	858,566	2,427,098	-
Catering and other expenses	-	-	1,246,855	1,482,124	95,661
Occupancy	-	-	395,820	50,000	-
Event parking	-	-	84,900	-	-
Repairs and maintenance	-	-	49,784	204,964	-
Travel and entertainment	-	-	-	-	-
Membership	-	-	-	-	-
Meeting expense	-	-	-	-	-
Supplies and office equipment	-	-	-	-	-
Computer	-	-	-	-	-
Bank charges	-	-	-	-	-
Special events and other	288,795	-	12,955	-	-
Insurance	-	-	256,546	522,639	-
Bad debts	-	-	-	-	-
Promotional expense	-	-	-	-	-
Depreciation	2,344,574	-	1,362,241	4,195,506	-
Total expenses	\$ 29,234,086	\$ 395,642	\$ 4,378,724	\$ 9,173,147	\$ 113,691

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

**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2022**

	<b>Program Services</b>				
	<b>Alex Box Suites</b>	<b>Total</b>	<b>General and Administrative</b>	<b>Fundraising</b>	<b>Total</b>
Salaries and wages	\$ 41,670	\$ 318,035	\$ 1,813,497	\$ 1,392,822	\$ 3,524,354
Payroll taxes	4,404	30,075	117,276	110,754	258,105
Employee benefits	15,140	87,483	475,233	415,717	978,433
Contributions to LSU	-	25,187,987	-	-	25,187,987
Coaches' supplement	-	1,000,000	-	-	1,000,000
Scoreboard expenses	-	412,550	-	-	412,550
Marketing and publicity	-	1,671	-	27,364	29,035
Dues and subscriptions	-	-	30,663	1,466	32,129
Professional fees	-	180	140,347	-	140,527
Academic awards	-	395,642	-	-	395,642
Tickets purchased	-	-	-	202,904	202,904
Financing costs	-	43,853	-	-	43,853
Licensing rights	140,000	140,000	-	-	140,000
Interest expense	-	3,285,664	-	-	3,285,664
Catering and other expenses	111,898	2,936,538	-	671	2,937,209
Occupancy	-	445,820	223,382	44,535	713,737
Event parking	-	84,900	45,752	-	130,652
Repairs and maintenance	36,786	291,534	6,767	-	298,301
Travel and entertainment	-	-	70,494	634,284	704,778
Membership	-	-	5,075	338,979	344,054
Meeting expense	-	-	17,381	-	17,381
Supplies and office equipment	-	-	20,488	19,467	39,955
Computer	-	-	146,535	75,541	222,076
Bank charges	-	-	808,906	-	808,906
Special events and other	-	301,750	292,999	275,220	869,969
Insurance	-	779,185	215,377	-	994,562
Bad debts and other allowances	-	-	1,860,413	-	1,860,413
Promotional expense	-	-	-	24,135	24,135
Depreciation	-	7,902,321	244,689	-	8,147,010
Total expenses	<u>\$ 349,898</u>	<u>\$ 43,645,188</u>	<u>\$ 6,535,274</u>	<u>\$ 3,563,859</u>	<u>\$ 53,744,321</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
Salaries and wages	\$ -	\$ -	\$ 89,983	\$ 120,042
Payroll taxes	-	-	9,358	11,242
Employee benefits	-	-	14,741	49,414
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
Management fee	-	-	-	-
Occupancy	-	-	36,000	50,000
Event parking	-	-	84,900	-
Repairs and maintenance	-	-	126,941	232,505
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 and other allowances	-	-	-	-
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

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

**TIGER ATHLETIC FOUNDATION**

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

<b>Program Services</b>					
	<b>Alex Box Suites</b>	<b>Total</b>	<b>General and Administrative</b>	<b>Fundraising</b>	<b>Total</b>
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	-	886.00	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	2,250.00	259,032
Insurance	-	683,597	127,568	-	811,165
Bad debts and other allowances	-	-	1,758,820	-	1,758,820
Promotional expense	-	-	-	3,693.00	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**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating activities</b>		
Change in net assets	\$ 10,728,470	\$ 3,919,310
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	8,147,010	8,076,761
Change in allowance for accounts receivable	-	(96,154)
Change in allowance for unconditional promises to give	2,193,888	687,304
Net unrealized and realized losses (gains) on investments	17,606,894	(2,862,277)
Transfer of property and equipment to LSU	-	1,910,451
Contributions restricted for long-term purposes	(933,557)	(1,193,142)
Amortization included in interest expense	65,052	65,052
Decrease (increase) in operating assets:		
Receivables and other prepaid assets	1,671,888	3,045,212
Unconditional promises to give	(11,589,039)	1,666,415
Contracts receivable	17,431,097	(39,152,895)
Right-of-use assets for operating leases	93,786	-
Other assets	72,411	(2,426,231)
Increase (decrease) in operating liabilities:		
Accounts payable	684,512	(21,389)
Retainage payable	(33,660)	(10,787)
Other current liabilities	(8,574)	(6,652)
Deferred revenues	(15,538,211)	20,421,786
Amounts held in custody for others	(32,383)	(1,932,338)
Operating lease liabilities	266,034	-
Net cash provided by (used in) operating activities	<u>30,825,618</u>	<u>(7,909,574)</u>
<b>Investing activities</b>		
Purchase of investments	(42,973,917)	(196,018,667)
Sales of investments	39,932,092	211,084,454
Purchase of property and equipment	(4,181,800)	(2,083,631)
Proceeds from sale of property and equipment	-	65,842
Net cash (used in) provided by investing activities	<u>(7,223,625)</u>	<u>13,047,998</u>
<b>Financing activities</b>		
Proceeds from contributions restricted for investment in perpetual endowments	933,557	1,193,142
Principal payments on borrowings	(10,695,692)	(10,703,068)
Net cash used in financing activities	<u>(9,762,135)</u>	<u>(9,509,926)</u>
Net change in cash, cash equivalents, and restricted cash	13,839,858	(4,371,502)
Cash, cash equivalents, and restricted cash, beginning of year	59,878,654	64,250,156
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 73,718,512</u>	<u>\$ 59,878,654</u>
Supplemental disclosures of cash flow information:		
Cash paid for interest	<u>\$ 3,292,650</u>	<u>\$ 3,553,640</u>
Non cash transfer of completed construction in progress to assets held for donation to LSU	<u>\$ 2,405,080</u>	<u>\$ 1,713,760</u>
Non cash recognition of right-of-use assets for operating leases under ASC 842	<u>\$ 2,185,905</u>	<u>\$ -</u>
Non cash operating lease liabilities arising from obtaining right-of-use assets	<u>\$ (10,474,265)</u>	<u>\$ -</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, 2021.

#### **Significant New Accounting Pronouncements – Adopted**

In January 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize a right-of-use (ROU) asset and lease liability on the statement of financial position for all leases with terms longer than 12 months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee have not significantly changed from current U.S. GAAP.

The Foundation adopted ASU 2016-02 as of January 1, 2022, using the modified retrospective approach and applied the package of practical expedients in transitioning to the new guidance. Electing the package of practical expedients allowed the Foundation to carry forward its prior conclusions on lease definition, lease classification, and initial direct costs related to the existing leases as of the adoption date. Both at transition and for new leases thereafter, ROU assets and lease liabilities are initially recognized based on the present value of future minimum lease payments over the lease term. Upon adoption of ASU 2016-02, the Foundation recognized ROU assets of \$2,185,905, lease liabilities of \$10,474,265, and a cumulative-effect adjustment of a \$8,288,360 decrease to opening balance of net assets.

Effective January 1, 2022, the Foundation adopted ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit entity to present contributed nonfinancial assets in the statement of activities as a line item that is separate from contributions of cash or other financial assets. ASU 2020-07 also requires additional qualitative and quantitative disclosures about contributed nonfinancial assets received, disaggregated by category. The adoption of ASU 2020-07 did not have a significant impact on the Foundation's 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, 2022 and 2021, the Foundation had \$72,670,723 and \$58,541,383, respectively, in excess of the FDIC insured limit. Custodial credit risk for these deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to cover these deposits.

#### **Investments**

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

#### **Fair Values of Financial Instruments**

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

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

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

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

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

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

## **TIGER ATHLETIC FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

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

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

## **TIGER ATHLETIC FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

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

##### **Property and Equipment (Continued)**

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

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

##### **Assets Held for Donation to LSU**

Assets held for donation to LSU consist of various capital projects and athletic facility improvements that are not used in the operations of TAF and are, therefore, not included within property and equipment. At December 31, 2022 and 2021, 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, 2022 and 2021.

##### **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, 2022 and 2021 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 \$404,670 and \$339,618 as of December 31, 2022 and 2021, 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 \$1,948,334 and \$1,808,334 as of December 31, 2022 and 2021, respectively. These costs are being amortized over the life of the stadium. Amortization of the costs is recorded as a component of program 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 \$1,200,644 and \$623,960 of amounts held in custody for others as restricted cash within current assets as of December 31, 2022 and 2021, respectively. The Foundation also has \$-0- and \$609,442 of noncurrent amounts held in custody for others within restricted investments as of December 31, 2022 and 2021, 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)**

##### **Revenue from Contracts with Customers**

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

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

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

##### Nature of Products and Services

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

Payment is due and payable prior to March 1<sup>st</sup> of each year of the contract term. In instances where the timing of revenue recognition differs from the timing of the right to invoice, the Foundation has determined that a significant financing component does not exist. The primary purpose of the Foundation’s invoicing terms is to provide customers with simplified and predictable ways of 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 is 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 2022 through 2027 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. The Foundation uses the allowance method to account for uncollectible accounts receivable. There were no allowances necessary at December 31, 2022 and 2021. When consideration is received and revenue has not yet been recognized, and for the contracts receivable for future seasons, a contract liability (deferred revenue) is also recorded.

Balances as of December 31, 2022 and 2021 are included in the statements of financial position. Opening balances as of January 1, 2021 were as follows:

Contracts Receivable	\$	36,429,621
Deferred Revenue	\$	57,876,254

###### Operating Leases

Effective January 1, 2022, the Foundation accounts for leases under FASB ASC 842, which requires lessees to record ROU assets and related lease obligations on the statement of financial position. The ROU assets represent to right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments over that term.

Operating ROU assets and liabilities are recognized at commencement based on the present value of lease payments over the lease term. ROU assets also include any lease payments made prior to lease commencement and exclude lease incentives. The lease term is the noncancelable period of the lease and includes options to extend or terminate the lease when it is reasonably certain that an option will be exercised. The Foundation uses the discount rate implicit in the lease, or the Foundation's incremental borrowing rate if the discount rate implicit in the lease cannot be readily determined, in computing the present value of lease payments. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

As permitted by the standard, the Foundation elected, for all assets classes, the short-term lease exemption. A short-term lease is a lease that, at the commencement date, has a term of twelve months or less and does not include an option to purchase the underlying asset.

The Foundation also leases primarily leasehold and other improvements and stadium expansion and scoreboards to various lessors. These leases may contain extension and termination options that are predominantly at the sole discretion of the lessee, provided certain conditions are satisfied.

## **TIGER ATHLETIC FOUNDATION**

### **NOTES TO FINANCIAL STATEMENTS**

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

##### **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 \$29,035 and \$261,104 for the years ended December 31, 2022 and 2021, respectively.

##### **Tax Status**

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

##### **Use of Estimates**

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

##### **Reclassifications**

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

## TIGER ATHLETIC FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### 2. Liquidity and Availability

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

	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Cash and cash equivalents	\$ 20,420,375	\$ 16,209,120
Investments	20,125,334	21,065,366
Other receivables	130,923	2,646,735
Contracts receivable	26,701,574	26,458,196
Unconditional promises to give, net	112,775	114,182
	<u>\$ 67,490,981</u>	<u>\$ 66,493,599</u>

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

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

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

The short term non-endowed portfolio consists of funds held or donated to TAF that (a) are non-endowed, (b) may be donor restricted for a particular purpose, and (c) are required to satisfy short to intermediate operation or capital needs. The investment objectives of this portfolio are to provide liquidity sufficient to meet short term capital needs, preserve principal and provide 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, 2022					
	Cash		Investments		Total	
	Current	Noncurrent	Current	Noncurrent		
Donor Restricted Purposes	\$ 32,356,931	\$ -	\$ -	\$ 2,037,941	\$ 34,394,872	
Donor Restricted Endowments	-	178,738	-	23,980,939	24,159,677	
By Board for Designated Purposes	-	4,228,105	-	60,786,635	65,014,740	
Amounts Held in Custody for Others	1,201,019	-	-	-	1,201,019	
Contractually by Bond and Leases	10,914,240	4,419,104	6,838,380	-	22,171,724	
	\$ 44,472,190	\$ 8,825,947	\$ 6,838,380	\$ 86,805,515	\$ 146,942,032	

  

	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	
	\$ 38,243,875	\$ 5,425,659	\$ 7,970,123	\$ 99,298,809	\$ 150,938,466	

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, 2022	December 31, 2021
Cash and cash equivalents	\$ 20,420,375	\$ 16,209,120
Restricted cash and cash equivalents	53,298,137	43,669,534
	\$ 73,718,512	\$ 59,878,654

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**4. Investments**

Investments at December 31, 2022 and 2021 consist of the following:

	<b>December 31, 2022</b>	December 31, 2021
Money Market Accounts	\$ 1,583,132	\$ 1,565,708
Certificates of deposit	2,173,608	2,167,714
Domestic Equities	18,670,210	22,587,517
International Equities	15,636,998	18,026,015
Fixed Income	63,097,236	70,615,726
Real Estate	5,336,014	5,486,010
Real Assets	870,941	1,457,630
Alternative Investments	6,401,090	6,427,978
	<b><u>\$ 113,769,229</u></b>	<b><u>\$ 128,334,298</u></b>

**5. Unconditional Promises to Give**

Unconditional promises to give at December 31, 2022 and 2021 were as follows:

	<b>2022</b>	2021
Receivable in less than one year	\$ 8,062,503	\$ 4,956,194
Receivable in one to five years	15,238,296	6,432,057
Receivable in more than five years	70,000	393,509
Total contributions receivable	<b><u>23,370,799</u></b>	<b><u>11,781,760</u></b>
Less discount to net present value (discount rate was 3% as of December 31, 2022 and December 31, 2021, respectively)	<b>(2,127,802)</b>	(1,067,114)
Less allowance for unfulfilled pledges	<b>(3,371,700)</b>	(2,238,500)
Net contributions receivable	<b><u>\$ 17,871,297</u></b>	<b><u>\$ 8,476,146</u></b>

**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, 2022:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$ 4,740,000	\$ -	\$ -	\$ (4,740,000)	\$ -
Leaseholds and other improvements	5,359,961	-	-	(5,225,016)	134,945
Stadium expansion and scoreboard	265,754,536	-	-	(265,754,536)	-
Furniture and equipment	326,729	-	-	-	326,729
Vehicles	50,222	-	-	-	50,222
	<u>276,231,448</u>	<u>-</u>	<u>-</u>	<u>(275,719,552)</u>	<u>511,896</u>
Less: accumulated depreciation	(76,715,934)	(14,902)	-	76,240,659	(490,177)
Construction in progress	1,767,409	4,181,800	-	(2,405,080)	3,544,129
Property and equipment, net	<u>\$ 201,282,923</u>	<u>\$ 4,166,898</u>	<u>\$ -</u>	<u>\$ (201,883,973)</u>	<u>\$ 3,565,848</u>

  

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Land	\$ -	\$ -	\$ -	\$ 4,740,000	\$ 4,740,000
Leaseholds and other improvements	-	-	-	5,225,016	5,225,016
Stadium expansion and scoreboard	-	-	-	265,754,536	265,754,536
	-	-	-	275,719,552	275,719,552
Less: accumulated depreciation	-	(8,132,108)	-	(76,240,659)	(84,372,767)
Property and equipment under lease, net	<u>\$ -</u>	<u>\$ (8,132,108)</u>	<u>\$ -</u>	<u>\$ 199,478,893</u>	<u>\$ 191,346,785</u>

During the year ended December 31, 2022, \$2,405,080 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, 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
	<u>273,629,212</u>	<u>6,497</u>	<u>(65,842)</u>	<u>2,661,581</u>	<u>276,231,448</u>
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.

Depreciation expense totaled \$8,147,010 and \$8,076,761 for the years ended December 31, 2022 and 2021, respectively.

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**7. Bonds and Note Payable**

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

	<b>December 31, 2022</b>	December 31, 2021
Revenue Bonds Series 2012	\$ 55,506,000	\$ 58,545,000
Revenue Bonds Series 2015	27,745,000	31,690,000
Revenue Bonds Series 2015A	36,175,000	36,650,000
Term Loan	10,442,848	13,679,540
Less Deferred Financing Costs	<b>(603,756)</b>	(668,808)
	<b><u>\$ 129,265,092</u></b>	<b><u>\$ 139,895,732</u></b>

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, 2022 and 2021, the Foundation was in compliance with 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, 2022 are as follows:

	<b>Bonds and Note Payable</b>
2023	\$ 10,914,240
2024	11,421,518
2025	11,368,090
2026	10,320,000
2027	10,656,000
2028 - 2032	38,914,000
2033 - 2037	29,675,000
2038 - 2042	6,600,000
Less deferred financing costs	(603,756)
Total	<u>\$ 129,265,092</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, 2022 are as follows:

<b><u>ASSETS</u></b>	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	<b><u>Net Balance</u></b>
Money Market Accounts	\$ 1,583,132	\$ -	\$ -	\$ 1,583,132
Certificates of Deposit	2,173,608	-	-	2,173,608
Domestic Equities	18,670,210	-	-	18,670,210
International Equities	15,636,998	-	-	15,636,998
Fixed Income	36,295,428	26,363,562	438,246	63,097,236
Real Estate	5,336,014	-	-	5,336,014
Real Assets	870,941	-	-	870,941
Investments at NAV per share*	-	-	-	6,401,090
Total	<u>\$ 80,566,331</u>	<u>\$ 26,363,562</u>	<u>\$ 438,246</u>	<u>\$ 113,769,229</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, 2022 are as follow:

<u>ASSETS</u>	Level 3 Beginning Balance	Net Realized and Unrealized Gains (Losses)	Sales	Purchases	Net Transfers In (Out) of Level 3	Level 3 Ending Balance
Investments	\$ -	\$ (33,771)	\$ (275,050)	\$ -	\$ 747,067	\$ 438,246
Total	<u>\$ -</u>	<u>\$ (33,771)</u>	<u>\$ (275,050)</u>	<u>\$ -</u>	<u>\$ 747,067</u>	<u>\$ 438,246</u>

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

<u>ASSETS</u>	Level 1	Level 2	Level 3	Net Balance
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>\$ 87,705,848</u>	<u>\$ 34,200,472</u>	<u>\$ -</u>	<u>\$ 128,334,298</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, 2021 are as follow:

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

**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, 2022:

<u>December 31, 2022</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Ironwood International LTD	A) \$ <u>6,401,090</u>	None	Generally Semi-annually	95 Days
	\$ <u>6,401,090</u>			

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

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

- A) 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:

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Subject to expenditure for a specified purpose:		
Capital Programs	\$ 20,765,293	\$ 10,192,521
AD's Excellence Fund	5,722,336	2,653,298
Preservation of Tiger Stadium	4,397,552	4,598,543
Annual Scholarship Fund	2,654,900	2,888,588
Baseball Building	2,090,116	2,379,840
Basketball Renovations	2,005,993	2,847,166
Capital Programs - Small Projects	1,700,843	-
Football Operations Building	1,077,133	1,263,902
Tennis Building	906,600	998,136
Nutrition Center	780,226	279,331
Tiger Habitat	679,176	471,009
Softball Building	668,570	737,712
Academic Center Building	664,100	718,653
OLOL Programmatic Support	475,000	-
Men's Basketball Building	469,415	-
Women's Basketball Excellence	368,260	174,843
Swimming Building	367,097	371,870
Women's Basketball Building	349,208	799,849
Baseball Excellence	335,288	226,179
Gymnastics Excellence	328,874	266,261
Gymnastics Building	294,408	322,923
Track and Field Excellence	264,157	221,309
Football Excellence	220,152	1,715,056
Men's Basketball Excellence	178,801	166,389
Chip in Club	171,169	49,931
Softball Excellence	148,636	108,380
L-Club	144,143	149,792
Women's Golf Excellence	140,766	143,898
Victory Fund	140,011	349,940
Bengal Belles	116,155	99,491
Men's Golf Excellence	116,002	113,804
L-Club Renovations	113,753	113,728
Track and Field Building	91,226	90,097
Academic Center Operations	87,631	87,631
Athletic Trainers	85,988	86,988
Tigerama	82,260	57,201
Golf Course Renovations	68,022	74,995
Spirit Squad Excellence	56,973	60,054
Jeff Boss Honorarium	50,228	45,786

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**9. Net Assets With Donor Restrictions (Continued)**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Subject to expenditure for a specified purpose (continued):		
Volleyball Building	43,596	68,643
Tiger Band Excellence Fund	40,750	58,778
Student Athlete Support Fund	39,910	42,485
Swimming Excellence	38,209	44,479
74 Society	35,000	51,377
Beach Volleyball Building	27,286	26,635
Gridiron Club	25,362	132,654
Women's Basketball Locker Room	18,898	18,898
Soccer Excellence	17,967	8,907
Band Hall	15,419	34,036
LSU Employee Assistance	15,303	15,303
Women's Golf Building	14,934	14,934
Cheerleading	14,795	-
AD's Annual Fund	13,449	-
Volleyball Excellence	12,540	2,008
Hall of Fame	8,795	-
Soccer Building	7,824	7,725
Football Equipment	7,104	7,104
Tiger Girls	2,755	4,723
TAF Employee Assistance	2,028	1,753
LSU Greats Statue	1,350	-
Sue Gunter Fund	844	844
Special Events	610	-
Beach Volleyball Excellence	136	1
Basketball Bleachers	-	281,141
Tennis Excellence	-	3,045
	<b><u>49,781,325</u></b>	<b><u>36,750,567</u></b>
Endowments:		
Subject to TAF's spending policy and appropriation:		
Investment in perpetuity (including amounts above original investment of \$-0- and \$6,461,850 at December 31, 2022 and 2021, respectively), which, once appropriated, is expendable to support annual scholarships	24,263,534	28,177,387
Unconditional promises to give, net	1,508,792	1,304,571
Accounts Payable	(8,393)	-
Underwater Endowments	(103,855)	-
	<b><u>25,660,078</u></b>	<b><u>29,481,958</u></b>
Total net assets with donor restrictions	<b><u>\$ 75,441,403</u></b>	<b><u>\$ 66,232,525</u></b>

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**10. Endowment Composition**

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

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

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

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

The Foundation's endowment net asset composition by fund type as of December 31, 2022 is as follows:

	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>Donor-restricted endowment funds</b>	<b><u>\$ 25,660,078</u></b>	<b><u>\$ 25,660,078</u></b>
<b>Total</b>	<b><u>\$ 25,660,078</u></b>	<b><u>\$ 25,660,078</u></b>

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**10. Endowment Composition (Continued)**

A summary of the changes in the Foundation's endowment net assets for the year ended December 31, 2022 is as follows:

	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>Endowment net assets, beginning of year</b>	<b>\$ 29,481,958</b>	<b>\$ 29,481,958</b>
<b>Investment return, net</b>	<b>(3,792,171)</b>	<b>(3,792,171)</b>
<b>Contributions</b>	<b>818,896</b>	<b>818,896</b>
<b>Appropriation of endowment assets for expenditure</b>	<b><u>(848,605)</u></b>	<b><u>(848,605)</u></b>
<b>Endowment net assets, end of year</b>	<b><u>\$ 25,660,078</u></b>	<b><u>\$ 25,660,078</u></b>

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

	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
Donor-restricted endowment funds	<b>\$ 29,481,958</b>	<b>\$ 29,481,958</b>
Total	<b><u>\$ 29,481,958</u></b>	<b><u>\$ 29,481,958</u></b>

A summary of the changes in the Foundation's endowment net assets for the year ended December 31, 2021 is as follows:

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

**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 has entered into three Cooperative Endeavor and Lease Agreements (Cooperative Endeavor) with the Board of Supervisors of LSU 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.

**12. Leases**

Operating Leases

The Foundation has entered into three Cooperative Endeavors with the Board of Supervisors of LSU which stipulate that the Foundation will lease from LSU certain land (Ground Leases) 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 term of each Ground Lease between LSU and the Foundation is fifty years expiring in various years from 2048 to 2062; however, they will also terminate, together with the Cooperative Endeavor, when, and if, the Facilities/South is donated by the Foundation to LSU. Lease payments under each Ground Lease vary from \$1,000 to \$2,000,000. The Foundation's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The components of lease cost and other required information are as follows for the year ended December 31, 2022:

**Lease Cost:**

Operating Lease Cost	\$ 410,820
Short-term Lease Cost	13,169
Total Lease Cost	<u><u>\$ 423,989</u></u>

**Other Information:**

Weighted-average remaining lease term (in years):	
Operating leases	32.2
Weighted-average discount rate applied (%):	
Operating leases	3.0

Total rent expense for the year ended December 31, 2021 was \$64,686.

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**12. Leases (Continued)**

Operating Leases (Continued)

Future undiscounted cash flows for each of the next five years and thereafter and a reconciliation to the lease liabilities recognized on the statement of financial position are as follows as of December 31, 2022:

<b>Years Ending December 31,</b>	<b>Operating Leases</b>
2023	\$ 51,000
2024	51,000
2025	51,000
2026	51,000
2027	51,000
Thereafter	<u>19,537,000</u>
<b>Total Lease Payments</b>	19,792,000
Less: Imputed Interest	(9,051,701)
Less: Lease Liabilities, Current Portion	<u>(17,947)</u>
<b>Lease Liabilities, Net of Current Portion</b>	<u><u>\$ 10,722,352</u></u>

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**

**12. Leases (Continued)**

**Operating Leases (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.

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 Foundation also leases cell antennas and kitchen space to various tenants with terms expiring in various years from 2022 to 2029. Lease payments under each lease vary from \$25,000 to \$300,000.

The components of lease revenue are as follows for the year ended December 31, 2022:

**Components of lease revenue**

Operating lease revenue related to fixed lease payments	\$ 10,595,960
Operating lease revenue related to variable lease payments	346,761
Total lease revenue	<u><u>\$ 10,942,721</u></u>

Total lease revenue for the year ended December 31, 2021 was \$12,738,887.

**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**12. Leases (Continued)**

Operating Leases (Continued)

Future undiscounted cash flows for each of the next five years and thereafter are as follows as of December 31, 2022:

<b>Years Ending December 31,</b>	<b>Operating Leases</b>
2023	\$ 12,497,500
2024	12,475,000
2025	12,487,500
2026	10,637,500
2027	8,775,000
Thereafter	<u>132,912,500</u>
<b>Total Lease Payments</b>	<b><u>\$ 189,785,000</u></b>

**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 \$250,000 and \$226,000 for the years ended December 31, 2022 and 2021, 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.



**TIGER ATHLETIC FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**15. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued April 25, 2023 and determined that no events have occurred that require disclosure. No subsequent events occurring after April 25, 2023 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, 2022 and 2021, and our report thereon dated April 25, 2023, which contained an unmodified opinion on those financial statements appears on pages 1 - 3. Our audits were performed 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

Baton Rouge, LA  
April 25, 2023

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF NET ASSETS**

**DECEMBER 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 20,420,375	\$ 16,209,120
Restricted assets:		
Cash and cash equivalents	44,472,190	38,243,875
Investments	6,838,380	7,970,123
Investments	20,125,334	21,065,366
Other receivables	130,923	2,646,735
Contracts receivable	26,701,574	26,458,196
Pledges receivable	8,062,503	4,956,194
Due from other campuses	-	-
Due from State Treasury	-	-
Inventories	-	-
Prepaid expenses	342,005	278,081
Notes receivable	-	-
Other current assets	195,938	195,266
Total current assets	<u>127,289,222</u>	<u>118,022,956</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	8,825,947	5,425,659
Investments	86,805,515	99,298,809
Notes receivable	-	-
Other	-	-
Investments	-	-
Other receivables	780,000	-
Contracts receivable	31,449,845	49,124,320
Pledges receivable, net	9,808,794	3,519,952
Notes receivable	-	-
Capital assets, net	3,565,848	201,282,923
Capital assets under lease, net	191,346,785	-
Assets held for donation to LSU	10,764,832	8,359,752
Right-of-use assets for operating leases	2,092,119	-
Other noncurrent assets	7,348,067	7,421,150
Total noncurrent assets	<u>352,787,752</u>	<u>374,432,565</u>
Total assets	<u>\$ 480,076,974</u>	<u>\$ 492,455,521</u>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

**STATEMENTS OF NET ASSETS (CONTINUED)**  
**DECEMBER 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,466,922	\$ 1,782,410
Accounts payable - construction in progress	10,518	44,178
Due to other campuses	-	-
Due to State Treasury	-	-
Deferred revenues	29,888,296	28,841,711
Amounts held in custody for others	1,201,019	623,960
Compensated absences payable	-	-
Capital lease obligations	-	-
Line-of-credit	-	-
Note payable	-	-
Contracts payable	-	-
Operating lease liabilities	17,947	-
Bonds payable	7,483,000	7,459,000
Term loan	3,431,240	3,236,692
Other current liabilities	20,895	29,469
Total current liabilities	<u>44,519,837</u>	<u>42,017,420</u>
Noncurrent liabilities:		
Amounts held in custody for others	-	609,442
Compensated absences payable	-	-
Capital lease obligations	-	-
Note payable	-	-
Contracts payable	-	-
Deferred revenues	32,871,533	49,456,329
Operating lease liabilities	10,722,352	-
Bonds payable		
Principal amount	111,943,000	119,426,000
Deferred financing costs	(578,484)	(634,620)
Term loan		
Principal amount	7,011,608	10,442,848
Deferred financing costs	(25,272)	(34,188)
Other noncurrent liabilities	-	-
Total noncurrent liabilities	<u>161,944,737</u>	<u>179,265,811</u>
Total liabilities	<u>206,464,574</u>	<u>221,283,231</u>
Net assets:		
Invested in capital assets, net of related debt	56,999,361	61,387,191
Restricted for:		
Nonexpendable	25,660,078	25,328,612
Expendable	49,781,325	40,903,913
Unrestricted	141,171,636	143,552,574
Total net assets	<u>273,612,400</u>	<u>271,172,290</u>
Total liabilities and net assets	<u>\$ 480,076,974</u>	<u>\$ 492,455,521</u>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

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

**YEARS ENDED DECEMBER 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Operating revenues:		
Student tuition and fees	\$ -	\$ -
Less scholarship allowances	-	-
Net student tuition and fees	-	-
Gifts received by the Foundation	30,601,925	13,129,497
Earnings on Foundation endowments	-	-
Federal appropriations	-	-
Federal grants and contracts	-	-
State and local grants and contracts	-	-
Nongovernmental grants and contracts	35,317,523	33,584,630
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	-	-
Lease Revenue	10,942,721	12,738,887
Other operating revenues	871,836	275,744
Total operating revenues	<u>77,734,005</u>	<u>59,728,758</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	20,828,929	18,456,747
Total operating expenses	<u>20,828,929</u>	<u>18,456,747</u>
Operating income	<u>56,905,076</u>	<u>41,272,011</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, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Nonoperating revenues and (expenses):		
State appropriations	-	-
Gifts	-	-
Net investment income	<b>(14,194,771)</b>	5,881,091
Interest expense	<b>(3,285,664)</b>	(3,546,988)
Payments to or on behalf of the university	<b>(29,629,728)</b>	(40,879,946)
Other nonoperating revenues (expenses)	-	-
Net nonoperating expenses	<b><u>(47,110,163)</u></b>	<b><u>(38,545,843)</u></b>
Income before other revenues, expenses, gains, and losses	<b><u>9,794,913</u></b>	<b><u>2,726,168</u></b>
Capital appropriations	-	-
Capital gifts and grants	-	-
Additions to permanent endowments	<b>933,557</b>	1,193,142
Other additions, net	-	-
Increase in net assets	<b><u>10,728,470</u></b>	<b><u>3,919,310</u></b>
Net assets, beginning of year, as previously reported	<b>271,172,290</b>	267,252,980
Cumulative-effect adjustment - change in accounting principle	<b>(8,288,360)</b>	-
Net assets, beginning of year, as restated	<b><u>262,883,930</u></b>	-
Net assets, end of year	<b><u>\$ 273,612,400</u></b>	<b><u>\$ 271,172,290</u></b>

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, 2022, Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$29,629,728 and \$188,993 from affiliated chapters. During the year ended December 31, 2022, the affiliated chapter accounts are maintained by Tiger Athletic Foundation. 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, 2021, 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](http://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, 2022**

	<b>Balance 12/31/2021</b>	<b>Additions</b>	<b>Transfers</b>	<b>Retirements</b>	<b>Balance 12/31/2022</b>
Capital assets not being depreciated:					
Land	\$ 4,740,000	\$ -	\$ -	\$ -	\$ 4,740,000
Capitalized collections	-	-	-	-	-
Livestock	-	-	-	-	-
Construction in progress	1,767,409	4,181,800	(2,405,080)	-	3,544,129
Total capital assets not being depreciated	<u>\$ 6,507,409</u>	<u>\$ 4,181,800</u>	<u>\$ (2,405,080)</u>	<u>\$ -</u>	<u>\$ 8,284,129</u>
Other capital assets:					
Land improvements	\$ 5,359,961	\$ -	\$ -	\$ -	\$ 5,359,961
Less accumulated depreciation	(972,148)	(96,061)	-	-	(1,068,209)
Total land improvements	<u>4,387,813</u>	<u>(96,061)</u>	<u>-</u>	<u>-</u>	<u>4,291,752</u>
Buildings	265,754,536	-	-	-	265,754,536
Less accumulated depreciation	(75,395,277)	(8,039,531)	-	-	(83,434,808)
Total buildings	<u>190,359,259</u>	<u>(8,039,531)</u>	<u>-</u>	<u>-</u>	<u>182,319,728</u>
Equipment	326,729	-	-	-	326,729
Less accumulated depreciation	(298,287)	(11,418)	-	-	(309,705)
Total equipment	<u>28,442</u>	<u>(11,418)</u>	<u>-</u>	<u>-</u>	<u>17,024</u>
Vehicles	50,222	-	-	-	50,222
Less accumulated depreciation	(50,222)	-	-	-	(50,222)
Total vehicles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other capital assets	<u>\$ 194,775,514</u>	<u>\$ (8,147,010)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,628,504</u>
Capital asset summary:					
Capital assets not being depreciated	\$ 6,507,409	\$ 4,181,800	\$ (2,405,080)	\$ -	\$ 8,284,129
Other capital assets, at cost	271,491,448	-	-	-	271,491,448
Total cost of capital assets	<u>277,998,857</u>	<u>4,181,800</u>	<u>(2,405,080)</u>	<u>-</u>	<u>279,775,577</u>
Less accumulated depreciation	(76,715,934)	(8,147,010)	-	-	(84,862,944)
Capital assets, net	<u>\$ 201,282,923</u>	<u>\$ (3,965,210)</u>	<u>\$ (2,405,080) *</u>	<u>\$ -</u>	<u>\$ 194,912,633</u>

\* During the year ended December 31, 2022, \$2,405,080 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, 2021**

	<b>Balance</b>				<b>Balance</b>
	<b>12/31/2020</b>	<b>Additions</b>	<b>Transfers</b>	<b>Retirements</b>	<b>12/31/2021</b>
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	<u>\$ 8,805,616</u>	<u>\$ 2,077,134</u>	<u>\$ (4,375,341)</u>	<u>\$ -</u>	<u>\$ 6,507,409</u>
Other capital assets:					
Land improvements	\$ 5,359,961	\$ -	\$ -	\$ -	\$ 5,359,961
Less accumulated depreciation	(907,413)	(64,735)	-	-	(972,148)
Total land improvements	<u>4,452,548</u>	<u>(64,735)</u>	<u>-</u>	<u>-</u>	<u>4,387,813</u>
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	<u>195,765,492</u>	<u>(8,001,972)</u>	<u>2,661,581</u>	<u>(65,842)</u>	<u>190,359,259</u>
Equipment	320,232	6,497	-	-	326,729
Less accumulated depreciation	(291,045)	(7,242)	-	-	(298,287)
Total equipment	<u>29,187</u>	<u>(745)</u>	<u>-</u>	<u>-</u>	<u>28,442</u>
Vehicles	50,222	-	-	-	50,222
Less accumulated depreciation	(47,410)	(2,812)	-	-	(50,222)
Total vehicles	<u>2,812</u>	<u>(2,812)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other capital assets	<u>\$ 200,250,039</u>	<u>\$ (8,070,264)</u>	<u>\$ 2,661,581</u>	<u>\$ (65,842)</u>	<u>\$ 194,775,514</u>
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	<u>277,694,828</u>	<u>2,083,631</u>	<u>(1,713,760)</u>	<u>(65,842)</u>	<u>277,998,857</u>
Less accumulated depreciation	(68,639,173)	(8,076,761)	-	-	(76,715,934)
Capital assets, net	<u>\$ 209,055,655</u>	<u>\$ (5,993,130)</u>	<u>\$ (1,713,760) *</u>	<u>\$ (65,842)</u>	<u>\$ 201,282,923</u>

\* During the year ended December 31, 2021, \$1,173,760 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 BONDS AND NOTE PAYABLE AND CAPITAL LEASES**

**DECEMBER 31, 2022**

	<b>Balance at December 31, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2022</b>	<b>Amounts Due Within One Year</b>
Bonds and notes payable and capital leases:					
Bonds payable	\$ 126,885,000	\$ -	\$ 7,459,000	\$ 119,426,000	\$ 7,483,000
Note payable	13,679,540	-	3,236,692	10,442,848	3,431,240
Capital lease obligations	-	-	-	-	-
Less deferred financing costs	(668,808)	-	(65,052)	(603,756)	(65,052)
Total bonds, notes, and capital leases	<u>\$ 139,895,732</u>	<u>\$ -</u>	<u>\$ 10,630,640</u>	<u>\$ 129,265,092</u>	<u>\$ 10,849,188</u>
Other liabilities:					
Amounts held in custody for others	\$ 1,233,402	\$ 531,323	\$ 563,706	\$ 1,201,019	\$ 1,201,019
Other current liabilities	29,469	337,556	346,130	20,895	20,895
Deferred revenue	78,298,040	15,217,706	30,755,917	62,759,829	29,888,296
Total other liabilities	<u>\$ 79,560,911</u>	<u>\$ 16,086,585</u>	<u>\$ 31,665,753</u>	<u>\$ 63,981,743</u>	<u>\$ 31,110,210</u>

See independent auditor's report on other financial information.

**TIGER ATHLETIC FOUNDATION**

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

**DECEMBER 31, 2021**

	<b>Balance at December 31, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance at December 31, 2021</b>	<b>Amounts Due Within One Year</b>
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
Deferred revenue	36,121	401,202	407,854	29,469	29,469
Other liabilities	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**

**DECEMBER 31, 2022**

<b>Issue</b>	<b>Date of Issue</b>	<b>Original Issue</b>	<b>Principal Outstanding 12/31/2021</b>	<b>(Redeemed) Issued</b>	<b>Principal Outstanding 12/31/2022</b>	<b>Interest Rates</b>	<b>Interest Outstanding 12/31/2022</b>
Series 2012 Bonds	October 23, 2012	\$ 5,100,000	\$ 58,545,000	\$ (3,039,000)	\$ 55,506,000	Fixed/Variable*	\$ -
Series 2015 Bonds	July 1, 2015	52,000,000	31,690,000	(3,945,000)	27,745,000	2.49%	-
Series 2015A Bonds	November 1, 2015	53,045,000	36,650,000	(475,000)	36,175,000	2.25%	-
Less deferred financing costs		(955,663)	(634,620)	56,136	(578,484)		-
<b>Total Bonds Payable</b>		<b>109,189,337</b>	<b>126,250,380</b>	<b>(7,402,864)</b>	<b>118,847,516</b>		<b>-</b>
Term Loan	December 1, 2019	19,620,214	13,679,540	(3,236,692)	10,442,848	2.59%	22,539
Less deferred financing costs		(52,763)	(34,188)	8,916	(25,272)		-
		<b>\$ 128,756,788</b>	<b>\$ 139,895,732</b>	<b>\$ (10,630,640)</b>	<b>\$ 129,265,092</b>		<b>\$ 22,539</b>

\* 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, 2021**

<b>Issue</b>	<b>Date of Issue</b>	<b>Original Issue</b>	<b>Principal Outstanding 12/31/2020</b>	<b>(Redeemed) Issued</b>	<b>Principal Outstanding 12/31/2021</b>	<b>Interest Rates</b>	<b>Interest Outstanding 12/31/2021</b>
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)		-
<b>Total Bonds Payable</b>		<b>109,189,337</b>	<b>133,841,244</b>	<b>(7,590,864)</b>	<b>126,250,380</b>		<b>-</b>
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)		-
		<b>\$ 128,756,788</b>	<b>\$ 150,533,748</b>	<b>\$ (10,638,016)</b>	<b>\$ 139,895,732</b>		<b>\$ 29,469</b>

\* 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, 2022**

<b>Fiscal Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 7,483,000	Fixed	\$ 7,483,000
2024	7,753,000	Fixed	7,753,000
2025	8,025,000	Fixed	8,025,000
2026	10,320,000	Fixed	10,320,000
2027	10,656,000	Fixed	10,656,000
2028	10,669,000	Fixed	10,669,000
2029	10,614,000	Fixed	10,614,000
2030	10,796,000	Fixed/Variable	10,796,000
2031	6,835,000	Fixed/Variable	6,835,000
2032	7,121,000	Fixed/Variable	7,121,000
2033	7,405,000	Fixed/Variable	7,405,000
2034	5,251,000	Fixed/Variable	5,251,000
2035	4,899,000	Fixed/Variable	4,899,000
2036	4,999,000	Fixed/Variable	4,999,000
2037	5,100,000	Fixed/Variable	5,100,000
2038	750,000	Fixed/Variable	750,000
2039	750,000	Fixed/Variable	750,000
Total	<u>\$ 119,426,000</u>		<u>\$ 119,426,000</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, 2022 and 2021, and our report thereon dated April 25, 2023, which contained an unmodified opinion on those financial statements appears on pages 1 - 3. Our audits were performed 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

Baton Rouge, LA  
April 25, 2023



**TIGER ATHLETIC FOUNDATION**

**SUMMARIES OF EXPENSES PAID TO LOUISIANA STATE UNIVERSITY**

**YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Rent expense	\$ 106,453	\$ 102,359
Ground lease payments	87,000	85,000
Telephone/Communications expenses	62,285	50,653
Security expenses	50,693	50,692
Computing services contract payment	31,100	29,100
Handling/Service fees	26,160	18,195
Parking expenses	9,522	26,768
Compensation for LSU contract staff	6,662	11,092
Miscellaneous expense	6,166	1,050
Postage expense	4,996	9,292
Club card printing and readers/equipment for stadium club	4,002	4,088
Travel for TAF staff/donors (lodging/airfare)	1,057	511
Repairs and maintenance expenses	-	1,700
	<u>\$ 396,096</u>	<u>\$ 390,500</u>

See independent auditor's report on other financial information.

OTHER SUPPLEMENTARY INFORMATION

**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total 2022</u></b>
Revenues and gains:			
Donations - TAF members	\$ 108,757	\$ 31,426,725	\$ 31,535,482
Contract revenue	35,317,523	-	35,317,523
Restricted revenue	-	-	-
Scoreboard sponsorships	1,818,750	-	1,818,750
Rents - University Club and LSU	9,123,971	-	9,123,971
Investment return, net	(10,334,124)	(3,860,647)	(14,194,771)
Net realized and unrealized gains	-	-	-
Merchandise revenue	-	-	-
Other revenue	303,076	568,760	871,836
Total revenues and gains	<u>36,337,953</u>	<u>28,134,838</u>	<u>64,472,791</u>
Net assets released from restrictions	18,925,960	(18,925,960)	-
Expenses:			
Program services:			
Contribution to LSU - athletic department	29,234,086	-	29,234,086
Contribution to LSU - non-athletic	395,642	-	395,642
Tiger Den Suites	4,378,724	-	4,378,724
Stadium Club	9,173,147	-	9,173,147
Alex Box Suites	349,898	-	349,898
Basketball	113,691	-	113,691
Supporting activities:			
General and administrative	6,535,274	-	6,535,274
Fundraising	3,563,859	-	3,563,859
Total expenses	<u>53,744,321</u>	<u>-</u>	<u>53,744,321</u>
Increase in net assets	<u>\$ 1,519,592</u>	<u>\$ 9,208,878</u>	<u>\$ 10,728,470</u>

See independent auditor's report.

**TIGER ATHLETIC FOUNDATION**

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2021**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total 2021</u></b>
Revenues and gains:			
Donations - TAF members	\$ 1,647,161	\$ 12,675,478	\$ 14,322,639
Contract revenue	33,584,630	-	33,584,630
Restricted revenue	-	-	-
Scoreboard sponsorships	3,546,658	-	3,546,658
Rents - University Club and LSU	9,192,229	-	9,192,229
Investment return, net	2,310,262	704,623	3,014,885
Net realized and unrealized gains	(1,481,909)	4,348,115	2,866,206
Merchandise revenue	-	-	-
Other revenue	275,744	-	275,744
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
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 REVENUES AND EXPENSES IN SUPPORT OF INTERCOLLEGIATE ATHLETICS**  
**YEAR ENDED DECEMBER 31, 2022**

	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other Sports</u>	<u>Non-Program Specific</u>	<u>Total</u>
<b>Revenues</b>						
Contributions	\$ 5,955,927	\$ 1,046,642	\$ 413,185	\$ 2,226,526	\$ 19,176,542	\$ 28,818,822
Compensations and benefits provided by a third party	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Total revenues	<u>\$ 6,955,927</u>	<u>\$ 1,046,642</u>	<u>\$ 413,185</u>	<u>\$ 2,226,526</u>	<u>\$ 19,176,542</u>	<u>\$ 29,818,822</u>
<b>Expenses</b>						
Coaching other compensation and benefits	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Recruiting	435,772	553,014	144,326	26,713	145,446	1,305,271
Team travel	29,757	13,240	1,400	95,549	-	139,946
Equipment, uniforms, and supplies	-	1,649	8,762	180,829	-	191,240
Game expenses	73,903	924	1,161	60,345	1,463	137,796
Fundraising, marketing, and promotion	203,158	86,817	118,980	265,434	746,567	1,420,956
Direct facilities, maintenance, and rental	79,073	-	38,806	213,119	56,506	387,504
Membership and dues	13,799	2,794	-	19,120	39,284	74,997
Other operating expenses	<u>5,120,365</u>	<u>388,204</u>	<u>99,749</u>	<u>1,365,417</u>	<u>18,187,276</u>	<u>25,161,011</u>
Total expenses	<u>\$ 6,955,827</u>	<u>\$ 1,046,642</u>	<u>\$ 413,184</u>	<u>\$ 2,226,526</u>	<u>\$ 19,176,542</u>	<u>\$ 29,818,721</u>

During the year ended December 31, 2022, Tiger Athletic Foundation made distributions to or on behalf of the University for both restricted and unrestricted purposes in the amount of \$29,629,728 and \$188,993 from affiliated chapters. The 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, 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>
<b>Revenues</b>						
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	4,900,000	-	-	112,000	79,388	5,091,388
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>
<b>Expenses</b>						
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	1,215,325	70,514	287,773	1,058,121	32,472,506	35,104,239
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**

**PHILANTHROPIC ACTIVITY SUMMARY REPORT**

<b>Years</b>	<b><i>Team TAF Annual Fund Donations</i></b>	<b><i>Other Contributions with Donor Restrictions - Restrictions for Purpose</i></b>	<b><i>Contributions with Donor Restrictions - Restrictions that are Perpetual in Nature</i></b>	<b>Grand Total</b>	<b><i>Total Donor Restricted Collections</i></b>
2022	\$ 1,968,848	\$ 28,524,320	\$ 933,557	\$ 31,426,725	\$ 17,130,564
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, 2022**

**Available Revenues**

Total revenues without donor restrictions of \$49,768,033 less  
total expenses (\$35,084,072 minus depreciation of \$8,147,010,  
amortization of \$140,000 and discretionary expenses of \$13,151,990). \$ 36,122,962

**Debt Service Requirements** \$ 14,025,209

Debt Service Coverage Ratio 2.58

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

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

See independent accountants report.