

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION**

**FINANCIAL REPORT**

**AS OF AND FOR THE YEARS ENDED  
JUNE 30, 2011 AND 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **FEB 08 2012**

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION**

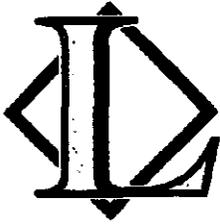
**JUNE 30, 2011 AND 2010**

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**LITTLE & ASSOCIATES LLC**  
CERTIFIED PUBLIC ACCOUNTANTS

Wm. TODD LITTLE, CPA  
CHARLES R. MARCHBANKS, JR., CPA

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
The University of Louisiana at Monroe  
Athletic Foundation  
(A Nonprofit Organization)

We have audited the accompanying statements of financial position of The University of Louisiana at Monroe Athletic Foundation (the Foundation) as of June 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The University of Louisiana at Monroe Athletic Foundation as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1, 2 and 3 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Little & Associates, LLC*

Monroe, Louisiana  
October 31, 2011

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
STATEMENTS OF FINANCIAL POSITION**

	June 30,	
	2011	2010
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 576,170	\$ 604,735
Accounts Receivable	14,982	24,273
Accounts Receivable - Other	6,691	-
Accounts Receivable - Life Insurance Proceeds	-	9,987
Accounts Receivable - L-Club Life Member Endowment	61,243	-
Pledge Receivables	79,837	31,250
Contributions Receivable - Suites	-	35,386
Restricted Deposits		
Cash and Cash Equivalents	240,461	325,602
Bank Trust Funds		
Cash and Cash Equivalents	13,670	45,855
Investments, at Market	522,304	408,460
Securities	4,700	4,700
Cash Surrender Value of Life Insurance	295,790	280,145
Loan Fees (net of Accumulated Amortization of \$193 in 2011 and \$1,490 in 2010)	3,053	635
Advance Deposits on Malone Stadium Suites, net of Accumulated Amortization of \$628,464 in 2011 and \$628,464 in 2010	-	-
Property and Equipment, net of Accumulated Depreciation of \$103,726 in 2011 and \$94,857 in 2010	341,581	386,550
Construction in Progress	16,623	3,457
<b>TOTAL ASSETS</b>	<b><u>\$ 2,177,105</u></b>	<b><u>\$ 2,161,035</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts Payable	\$ 11,496	\$ 132,833
Accrued Interest Payable	1,249	1,724
Notes Payable	315,527	333,395
<b>Total Liabilities</b>	<b><u>328,272</u></b>	<b><u>467,952</u></b>
<b>Net Assets</b>		
Unrestricted	962,327	833,182
Temporarily Restricted, Programs	267,817	369,804
Temporarily Restricted, Scholarships	20,872	20,872
Permanently Restricted	597,817	469,225
<b>Total Net Assets</b>	<b><u>1,848,833</u></b>	<b><u>1,693,083</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,177,105</u></b>	<b><u>\$ 2,161,035</u></b>

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

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

	2011				TOTAL 2011
	Unrestricted	Temporarily Restricted		Permanently Restricted Endowment Principal	
		Programs	Scholarships		
<b>SUPPORT, REVENUES AND GAINS</b>					
<b>Support</b>					
Contributions - Cash	\$ 343,298	\$ 287,823	\$ -	\$ 13,575	\$ 644,696
Contributions - Non Cash	561,609	68,266	-	-	629,875
Total Support	<u>904,907</u>	<u>356,089</u>	<u>-</u>	<u>13,575</u>	<u>1,274,571</u>
<b>Revenues and Gains</b>					
Investment Income (Loss)	820	-	14,215	67,742	82,777
Other Income	585,521	171,614	-	3,000	760,135
Total Revenues and Gains	<u>586,341</u>	<u>171,614</u>	<u>14,215</u>	<u>70,742</u>	<u>842,912</u>
Restrictions Satisfied by Payments	<u>602,217</u>	<u>(582,217)</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>
<b>Total Support, Revenues and Gains</b>	<u>2,093,465</u>	<u>(54,514)</u>	<u>(5,785)</u>	<u>84,317</u>	<u>2,117,483</u>
<b>Program Services</b>					
General Scholarships	311,899	-	-	-	311,899
University & Sports Promotion	543,984	-	-	-	543,984
Departmental Expenses	413,653	-	-	-	413,653
Staff Support	269,186	-	-	-	269,186
Depreciation and Amortization	13,307	-	-	-	13,307
Total Program Services	<u>1,552,029</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,552,029</u>
<b>Supporting Services</b>					
Interest Expense	17,535	-	-	-	17,535
Miscellaneous Expense	32,251	-	-	-	32,251
Materials & Supplies	227,138	-	-	-	227,138
Professional Services	101,375	-	-	-	101,375
Fund Raising	78,018	-	-	-	78,018
Lease House Expense	3,447	-	-	-	3,447
Total Supporting Services	<u>459,764</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>459,764</u>
<b>Total Expenses</b>	<u>2,011,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,011,793</u>
<b>Change in Net Assets</b>	81,672	(54,514)	(5,785)	84,317	105,690
<b>Transfers In/(Out)</b>	47,473	(47,473)	5,785	(5,785)	-
<b>Equity Transfers</b>	-	-	-	50,060	50,060
<b>Net Assets-Beginning of Year</b>	<u>833,182</u>	<u>369,804</u>	<u>20,872</u>	<u>469,225</u>	<u>1,693,083</u>
<b>Net Assets-End of Year</b>	<u>\$ 962,327</u>	<u>\$ 267,817</u>	<u>\$ 20,872</u>	<u>\$ 597,817</u>	<u>\$ 1,848,833</u>

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

2010

Unrestricted	Temporarily Restricted		Permanently Restricted Endowment Principal	Total 2010
	Programs	Scholarships		
\$ 280,639	\$ 298,413	\$ -	\$ 14,910	\$ 593,962
437,195	92,702	-	-	529,897
<u>717,834</u>	<u>391,115</u>	<u>-</u>	<u>14,910</u>	<u>1,123,859</u>
737	-	5,785	25,728	32,250
666,965	168,161	-	-	835,126
<u>667,702</u>	<u>168,161</u>	<u>5,785</u>	<u>25,728</u>	<u>867,376</u>
785,505	(785,505)	-	-	-
<u>2,171,041</u>	<u>(226,229)</u>	<u>5,785</u>	<u>40,638</u>	<u>1,991,235</u>
221,650	-	-	-	221,650
557,333	-	-	-	557,333
542,096	-	-	-	542,096
243,443	-	-	-	243,443
12,692	-	-	-	12,692
<u>1,577,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,577,214</u>
19,300	-	-	-	19,300
40,267	-	-	-	40,267
240,025	-	-	-	240,025
82,753	-	-	-	82,753
78,120	-	-	-	78,120
13,651	-	-	-	13,651
<u>474,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>474,116</u>
<u>2,051,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,051,330</u>
119,711	(226,229)	5,785	40,638	(60,095)
(26,181)	26,181	(5,785)	5,785	-
<u>739,652</u>	<u>569,852</u>	<u>20,872</u>	<u>422,802</u>	<u>1,753,178</u>
<u>\$ 833,182</u>	<u>\$ 369,804</u>	<u>\$ 20,872</u>	<u>\$ 469,225</u>	<u>\$ 1,693,083</u>

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
STATEMENTS OF CASH FLOWS**

	<u>Year Ended June 30,</u>	
	<u>2011</u>	<u>2010</u>
<b>Cash Flows From Operating Activities</b>		
Increase (Decrease) in Net Assets	\$ 105,690	\$ (60,095)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and Amortization	13,307	12,692
Donation of Fixed Assets to University	117,073	-
Change in:		
Accounts Receivable and Contributions Receivable-Suites	(61,857)	74,168
Cash Surrender Value of Life Insurance Policies	(15,645)	107,786
Accounts Payable	(121,338)	124,003
Interest Payable	(475)	-
Total Adjustments	<u>(68,935)</u>	<u>318,649</u>
Net Cash Provided (Used) by Operating Activities	36,755	258,554
<b>Cash Flows From Investing Activities</b>		
(Increase) Decrease in Bank Trust Funds	(113,844)	(26,652)
Purchases of Fixed Assets	<u>(97,748)</u>	<u>(3,457)</u>
Net Cash Provided (Used) by Investing Activities	(211,592)	(30,109)
<b>Cash Flows From Financing Activities</b>		
Proceeds from Issuance of Long-Term Debt - Capital One Bank	323,616	-
Payment of Long-Term Debt - Iberia Bank	(333,395)	-
Receipt of Equity Transfer	50,060	-
Payment of Long-Term Debt - Capital One	(8,089)	(25,185)
Payment of Loan Fees	<u>(3,246)</u>	<u>-</u>
Net Cash Provided (Used) by Financing Activities	28,946	(25,185)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(145,891)	203,260
<b>Cash and Cash Equivalents at Beginning of Year</b>	<u>976,192</u>	<u>772,932</u>
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 830,301</u>	<u>\$ 976,192</u>

(Continued)

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

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
STATEMENTS OF CASH FLOWS (CONCLUDED)**

	<b>Year Ended June 30,</b>	
	<b>2011</b>	<b>2010</b>
<b>CASH AND CASH EQUIVALENTS INCLUDED ON STATEMENT OF FINANCIAL POSITION:</b>		
Cash in Banks	\$ 576,170	\$ 604,735
Cash in Banks - Restricted	240,461	325,602
Cash in Bank Trust Funds	13,670	45,855
 <b>TOTAL CASH AND CASH EQUIVALENTS AS INCLUDED ON STATEMENT OF FINANCIAL POSITION</b>	<b>\$ 830,301</b>	<b>\$ 976,192</b>
 Cash Paid for Interest	\$ 18,010	\$ 19,300

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

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 1 – Organization and Summary of Significant Accounting Policies**

The University of Louisiana at Monroe Athletic Foundation (the Foundation) is a legally autonomous fund-raising foundation that raises funds for the benefit of student-athletes at the University of Louisiana at Monroe (the University) and to enhance the University's image through athletic excellence. The mission of the Foundation is to raise funds for athletic scholarships; help finance all support groups with travel, materials and supplies, and equipment; and to build, upgrade and maintain the University's athletic facilities.

The stated duties of the Foundation are to select and form an interested sports group to act as a 20-person Board of Directors and leaders of the annual fund drive; to keep and maintain up-to-date records on all donors, both present and past; to form, guide and direct various satellite clubs in north Louisiana towns so that interest in the University will be created and maintained; to create and act on special projects for extra funds; and to aid and assist with promoting and marketing the University's athletic teams.

The most visible products of the University are the athletic teams fielded by the University. Images are created by what people perceive you to be. Through local and national news media coverage, it is the desire and commitment of the Foundation to make the University the best it can be with the student-athletes leading the way.

**Basis of Presentation**

The financial statements have been prepared on the accrual basis of accounting and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its *Audit and Accounting Guide for Not-For-Profit Organizations*.

**Financial Statement Classification**

The net assets of the Foundation are reported in three classes as follows:

1. Unrestricted - includes all resources received without donor restrictions to be used in support of the Foundation's operations at the sole discretion of the Foundation. Resources that are temporarily restricted by the donor when given, but are relieved of the restriction during the year, are carried as unrestricted.
2. Temporarily Restricted - includes amounts that have been donated subject to donor-imposed stipulations that will or will not be met by action of the Foundation and/or the passage of time.

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

Financial Statement Classification (Continued)

3. Permanently Restricted - represents amounts contributed to the Foundation that are subject to restrictions imposed by the gift instruments. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on the related investments for general or specific purposes as may be expressed by the donor.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor-imposed restrictions. Contributions are recognized as support when received or when an unconditional promise to give is received. Contributions that are temporarily restricted when received from the donor, but the restrictions are satisfied in the same year, are recorded as unrestricted contributions.

Donated Services and Materials

Non-cash donations include both materials and services. These donations are recorded at their fair market value on the date of donation. Donated services are recognized only when they create or enhance a non-financial asset, or when they are specialized skills provided by entities or persons possessing those skills that would be purchased if they were not donated. For the years ended June 30, 2011 and 2010, the Foundation received various donations of materials and/or services in the amount of \$629,875 and \$529,897, respectively, which enhanced the Foundation as a whole.

Investment Policies

Marketable equity securities for which a fair market value is not readily determinable are recorded at estimated amortized cost. Investments in debt securities and marketable equity securities for which fair market value is readily determinable are reported at fair value. Gains and losses on all investments are recorded as increases or decreases (as appropriate) in net assets in the accompanying Statement of Activities.

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 1 – Organization (Continued)**

Income Tax Status

The Foundation is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. During the year ended June 30, 2010, the Foundation adopted the provisions of FASB ASC 740, *Income Taxes*. The Foundation believes that it has appropriate support for any tax provisions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundations' Federal Return of Organization Exempt from Income Tax (form 990) for the years ended June 30, 2008, 2009, and 2010 are subject to examination by the IRS, generally for three years after they were filed.

Cash Equivalents

For purposes of the Statement of Cash Flows, the Foundation considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Accounting Estimates

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

**Note 2 - Property and Equipment**

Property and equipment are recorded at cost on the date of purchase or fair market value on the date of donation. Capitalization policies of the Foundation are in accordance with the threshold as prescribed by the Louisiana Legislature. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets ranging from 5 to 40 years. The balances of property and equipment owned by the Foundation by major category are as follows at June 30,

	<u>2011</u>	<u>2010</u>
Van for golf team	\$ 18,333	\$ 18,333
Putting Greens – Golf Fund	-	36,101
House	<u>426,973</u>	<u>426,973</u>
Total	445,306	481,407
Less: Accumulated depreciation	<u>(103,725)</u>	<u>(94,857)</u>
Net	<u>\$ 341,581</u>	<u>\$ 386,550</u>

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 2 - Property and Equipment (Continued)**

On June 23, 2011, the Foundation donated the Putting Greens to the University. During the year ended June 30, 2011, the Foundation donated renovations made to property located at 4503 Bon Aire Drive to the University. The renovations included golf team offices, locker room, meeting space and skill training in the amount of \$84,582. Subsequent to year-end, the Foundation transferred renovations made to the baseball field in the amount of \$16,623 to the University. Depreciation and amortization expense for the years ended June 30, 2011 and 2010 was \$13,307 and \$12,692, respectively.

**Note 3 - Bank Trusts**

The investments held at June 30, 2011 and 2010 include the following which are stated at their fair values as determined by the various banks that maintain the trust accounts. The types of investments are as follows at June 30,

	<u>2011</u>	<u>2010</u>
Cash Equivalents	\$ 13,670	\$ 45,855
Corporate Bonds	96,016	122,055
Mutual Funds	<u>426,288</u>	<u>286,405</u>
<b>TOTAL BANK TRUST FUNDS</b>	<b><u>\$ 535,974</u></b>	<b><u>\$ 454,315</u></b>

Bank trust fund investment return is summarized as follows for the years ended June 30,

	<u>2011</u>	<u>2010</u>
Interest and dividend income	\$ 9,703	\$ 10,318
Net realized and unrealized gains/(losses)	<u>72,254</u>	<u>21,195</u>
<b>TOTAL</b>	<b><u>\$ 81,957</u></b>	<b><u>\$ 31,513</u></b>

**Note 4 - Insurance Program**

During fiscal 1991, the Foundation began an insurance program whereby boosters could make their contributions in the form of life insurance policies. Each contributor's life insurance is funded by the insured with the Foundation as the owner and beneficiary. Increases in cash surrender values are recorded as reductions of insurance expense.

For the year ended June 30, 2011, contributions in the form of premiums of \$11,486 were made. The cash value of these policies increased by \$15,645.

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 4 - Insurance Program (Continued)**

For the year ended June 30, 2010, contributions in the form of premiums of \$26,274 were made. During the year ended June 30, 2010, the cash surrender value decreased by a net of \$107,786, which was the result of an increase of \$11,881 in the cash value of the policies and a decrease of \$119,667 in cash value caused by the surrender of seven life insurance policies.

**Note 5 - Funds Available for Scholarships**

Included in the Statements of Financial Position under temporarily restricted net assets are funds available for scholarships. These consist of earnings from invested endowment funds. Changes in funds available during the year ended June 30, 2011 and 2010, were as follows:

	<u>2011</u>	<u>2010</u>
Funds available - Beginning of Year	\$ 20,872	\$ 20,872
Contributions	-	-
Earnings	14,215	5,785
Other Revenue	-	-
Scholarships and support	(20,000)	-
Transfers	<u>5,785</u>	<u>(5,785)</u>
Funds available - End of Year	<u>\$ 20,872</u>	<u>\$ 20,872</u>

**Note 6 - Contributions Receivable-Suites**

Contributions Receivable – Suites represents the net present value of amounts committed to be paid to the Foundation over a five-year period by beneficiaries granted rights to use the Malone Stadium Suites. The receivables are anticipated to be collected in the following time periods:

<u>Years Ending</u> <u>June 30,</u>	<u>Total</u> <u>Due</u>	<u>Estimated</u> <u>Costs</u>	<u>Net</u> <u>Contribution</u>	<u>Discounts</u>	<u>Net Present</u> <u>Value</u>
2009-2012	\$ 352,500	\$ (134,406)	\$ (16,906)	\$ 4,276	\$ (12,630)

Estimated costs are tickets to football games and food for the occupants of the suites during football games. The discount represents a 4.75% factor to arrive at net present value.

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 7 - Advance Deposits on Malone Stadium Suites**

The Foundation paid the State of Louisiana for the Malone Stadium Suites as costs were incurred. In return for payment for the suites, the Foundation received the right to use the suites to further the mission of the Foundation. Since the Foundation does not own the suites, the amounts paid for these rights are to be amortized over the ten-year life of the initial agreements entered into with the contributors. Amortization expense of \$213 and \$213 is included in the accompanying financial statements for the years ending June 30, 2011 and 2010.

**Note 8 - Notes Payable and Long-term Debt**

On June 20, 2003, the Foundation obtained financing from American Horizons Bank, which is now Iberia Bank. The loan, in the original amount of \$425,000, bears interest at an annual rate of prime plus 1.00%. The interest is to be paid in quarterly installments. The proceeds from the loan were used to purchase a house and property, which also serves as collateral for the loan along with the assignment of leases and rents. As of October 31, 2005 the loan was refinanced with a principal amount of \$425,121 with Iberia Bank at 6.5% interest rate payable in monthly installments of principal and interest in the amount of \$3,707 until the maturity date of November 5, 2010. At that time a lump sum payment of \$328,336 will be due. The loan is also secured by the assignment of cash surrender value of all life insurance policies owned by the Foundation. As of June 30, 2011, the loan was paid in full.

On January 20, 2011, the Foundation obtained financing from Capital One Bank. The loan, in the original amount of \$323,616, is payable in eighty-three regular payments of \$3,408.79 each with one final payment estimated at \$117,475. The loan bears interest at an annual rate of 4.750% and matures on February 1, 2018. The proceeds from the loan were to refinance the house and property, which also serves as collateral for the loan along with the assignment of leases and rents. As of June 30, 2011, the balance of the loan was \$315,527.

Debt service to maturity is as follows:

Years Ending <u>June 30,</u>	<u>Capital One</u>
2012	\$ 26,513
2013	27,800
2014	29,149
2015	30,565
2016	34,788
Thereafter	<u>166,712</u>
Total	<u>\$ 315,527</u>

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 8 - Notes Payable and Long-term Debt (Continued)**

Interest expense for the years ended June 30, 2011 and 2010 was \$17,535 and \$19,300, respectively.

**Note 9 - Disclosures About Risk and Concentrations**

The Foundation's financial instruments consist primarily of cash, investments in bank trust funds, cash surrender value of life insurance policies and contributions receivable. Cash held by financial institutions is insured through the FDIC.

However, the Foundation faces credit risk with the balance in its sweep account, investments held in the bank trust funds, and the cash surrender value of life insurance policies. These risks are mitigated as much as possible through the utilization of high-quality, credit-worthy financial institutions and insurance carriers. Market risk faced by the investments held in the bank trust funds is mitigated through diversification. Contributions receivable on the suites are stated at their net present value using a discount rate of 4.75%, which is a reasonable estimate of the fair value of these receivables. No collateral is required on contributions receivable and accounts receivable. At June 30, 2011, the Foundation's uninsured cash balances in Chase Bank totaled \$617,063.

**Note 10 – Related Parties – Operating Lease**

The Foundation entered into an operating lease with the University of Louisiana at Monroe to lease a house that was purchased by the Foundation during the year ended June 30, 2003, at a cost of \$424,849. Rental payments of \$3,333 are payable monthly to the Foundation throughout the lease periods from July 1, 2004 through June 30, 2005, July 1, 2005 through June 30, 2006, July 1, 2006 through June 30, 2007, July 1, 2007 through June 30, 2008, July 1, 2008 through June 30, 2009, July 1, 2009 through June 30, 2010 and July 1, 2010 through June 30, 2011. The lease agreement was renewed for one additional year, July 1, 2011 through June 30, 2012. The Foundation is responsible for maintaining the property, paying all taxes and governmental charges imposed on the property and providing adequate property and liability insurance. The property shall be used and operated only in compliance with all governmental requirements.

**Note 11 – Reclassifications**

Certain accounts in the prior year's financial statements have been reclassified to conform to the current year's financial statements' presentation.

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

**Note 12 – Contingencies**

During review of the Athletic Foundation minutes for the year ended June 30, 2010, it was noted that a newly appointed head football coach was employed by the University. If the football coach is terminated for any reason, the University is responsible for the current year's salary and any remaining years are the responsibility of the Athletic Foundation. All incentives of the football coach are the responsibility of the Athletic Foundation. The contract is on file at the University. The Athletic Foundation is also responsible for the remaining years of the men's basketball coach, baseball coach and the athletic director if they are terminated for any reason.

**Note 13 – L-Club Receivable**

Prior to July 1, 2010, the L-Club was affiliated in the Alumni Association. On July 1, 2010, the L-Club became an affiliate of the Athletic Foundation. The Life Member Endowment account is held in trust as an investment and payable on the ULM Foundation's books. The revenue and expenses of the Life Member Endowment are recorded within the Athletic Foundation's records. As of June 30, 2011, the Athletic Foundation has a receivable due from the ULM Foundation in the amount of \$61,243, the amount of the Life Member Endowment held in trust.

**Note 14 – Subsequent Events**

The Foundation has evaluated subsequent events through October 31, 2011, the date which the financial statements were available for issue.

**SUPPLEMENTARY INFORMATION**

**THE UNIVERSITY OF LOUISIANA AT MONROE ATHLETIC FOUNDATION  
ANALYSIS OF TEMPORARILY RESTRICTED NET ASSETS, PROGRAMS  
FOR THE YEAR ENDED JUNE 30, 2011**

Temporarily Restricted Funds	Balance	Contributions		Other	Transfers/	Scholarships		Other	Balance
	June 30, 2010	\$	\$	Revenue	Reclasses From (To) Other Funds	\$	\$	Expenses	June 30, 2011
Athletic Administration	\$ 40,789	\$ 5,000	\$ 3,032	-	-	\$ -	\$ -	(17,632)	\$ 31,189
Elee Trichel Athletic Support	16,536	6,850	-	-	(1,532)	-	-	(15,096)	6,758
Baseball	96,035	61,641	18,575	-	-	-	-	(79,436)	96,815
Men's Basketball	5,592	19,490	-	-	-	-	-	(14,592)	10,490
Basketball Renovation Fund	-	2,000	-	-	(2,000)	-	-	-	-
Women's Basketball	11,498	5,093	-	-	-	-	-	(1,698)	14,893
Strength	115	1,100	-	-	-	-	-	(1,215)	-
Football	-	5,825	38,488	-	-	-	-	(44,313)	-
Football Recruiting	1,210	400	-	-	-	-	-	(29)	1,581
Golf	113,602	132,579	77,789	-	2,695	-	-	(295,081)	31,584
Golf Fund Reserve	-	15,000	-	-	-	-	-	-	15,000
6th Man Club	-	9,150	-	-	-	-	-	(9,006)	144
Soccer	1,276	11,780	5,815	-	-	-	-	(16,670)	2,201
Softball	6,993	18,905	3,687	-	-	-	-	(24,224)	5,361
Sun Belt Championships	-	35,731	7,242	-	-	-	-	(31,893)	11,080
Women's Tennis	717	7,980	2,427	-	-	-	-	(10,467)	657
Men's Track	1,973	3,020	6,453	-	-	-	-	(10,450)	996
Volleyball	-	1,950	548	-	-	-	-	(2,498)	-
AI Miller Legacy Campaign Fund	-	4,650	-	-	-	-	-	-	4,650
Champs Fund	-	2,535	-	-	(1,958)	-	-	(577)	-
Capital Projects	13,809	-	-	-	-	-	-	-	13,809
Malone Stadium Suites Licensing	59,659	-	-	-	(44,678)	-	-	-	14,981
L-Club Operating	-	500	2,548	-	2,277	-	-	(2,087)	3,238
L-Club Hall of Fame	-	4,700	1,820	-	(2,158)	-	-	(4,362)	-
The Summit	-	-	2,390	-	-	-	-	-	2,390
L-Club Reunions Baseball	-	100	-	-	(100)	-	-	-	-
L-Club Reunions Football	-	-	800	-	-	-	-	(800)	-
L-Club Reunions Track	-	110	-	-	(19)	-	-	(91)	-
<b>TOTAL</b>	<b>\$ 369,804</b>	<b>\$ 356,089</b>	<b>\$ 171,614</b>	<b>\$ (47,473)</b>	<b>\$ (582,217)</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 267,817</b>

**THE UNIVERSITY OF LOUISIANA AT MONROE ATHLETIC FOUNDATION  
ANALYSIS OF TEMPORARILY RESTRICTED NET ASSETS, SCHOLARSHIPS  
FOR THE YEAR ENDED JUNE 30, 2011**

Temporarily Restricted Endowment	Balance June 30, 2010 Funds Available	Contributions	Earnings	Other Revenue	Staff Support	General Scholarships	Transfers/Endowments	Balance June 30, 2011 Funds Available
Buchanan	\$ -	\$ -	1,854	\$ -	\$ -	(2,400)	546	\$ -
Butler	-	-	992	-	-	(1,200)	208	-
Burroughs	1,416	-	397	-	-	(600)	203	1,416
Fant	-	-	578	-	-	(800)	222	-
Huffman	1,059	-	190	-	-	-	(190)	1,059
Huntsman	-	-	1,002	-	-	(1,400)	398	-
Malone	-	-	969	-	-	(1,200)	231	-
Martin	18,397	-	1,659	-	-	(2,200)	541	18,397
Parker	-	-	1,017	-	-	(1,400)	383	-
Pittington	-	-	21	-	-	-	(21)	-
Rivers	-	-	4,732	-	-	(7,800)	3,068	-
Smith	-	-	3	-	-	-	(3)	-
Shows	-	-	801	-	-	(1,000)	199	-
<b>TOTAL</b>	<b>\$ 20,872</b>	<b>\$ -</b>	<b>14,215</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(20,000)</b>	<b>5,785</b>	<b>\$ 20,872</b>

**THE UNIVERSITY OF LOUISIANA AT MONROE  
ATHLETIC FOUNDATION  
ANALYSIS OF PERMANENTLY RESTRICTED NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2011**

Permanently Restricted Endowment	Balance June 30, 2010 Endowment Principal	ENDOWMENT PRINCIPAL				Balance June 30, 2011 Endowment Principal
		Contributions	Earnings/(Loss)	Equity Transfers	Transfers/ Endowments	
Buchanan	\$ 64,974	\$ -	\$ 7,719	\$ -	\$ (546)	\$ 72,147
Burroughs	12,502	-	1,653	-	(203)	13,952
Butler	34,748	-	4,128	-	(208)	38,668
Fant	20,258	-	2,406	-	(222)	22,442
Huffman	5,599	-	791	-	190	6,580
Huntsman	35,124	-	4,172	-	(398)	38,898
Malone	33,053	875	4,031	-	(231)	37,728
Martin	39,739	-	6,906	-	(541)	46,104
Parker	35,620	100	4,234	-	(383)	39,571
Pittington	741	-	88	-	21	850
Rivers	158,699	12,500	19,482	-	(3,068)	187,613
Shows	28,052	100	3,335	-	(199)	31,288
Smith	116	-	14	-	3	133
L-Club Life Member	-	3,000	8,783	50,060	-	61,843
<b>TOTAL</b>	<b>\$ 469,225</b>	<b>\$ 16,575</b>	<b>\$ 67,742</b>	<b>\$ 50,060</b>	<b>\$ (5,785)</b>	<b>\$ 597,817</b>