

Financial Report

For the Year Ended June 30, 2014



University of Louisiana at Lafayette



STATE OF LOUISIANA
UNIVERSITY OF LOUISIANA AT LAFAYETTE
COMPONENT UNIT FINANCIAL STATEMENTS
AS OF AND FOR YEAR ENDED JUNE 30, 2014

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STATE OF LOUISIANA
UNIVERSITY OF LOUISIANA AT LAFAYETTE
COMPONENT UNIT FINANCIAL STATEMENTS
AS OF AND FOR YEAR ENDED JUNE 30, 2014

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STATE OF LOUISIANA
Annual Financial Statement
Fiscal Year Ending June 30, 2014

University of Louisiana at Lafayette

University of Louisiana System
1201 North Third Street
Suite 7-300
Baton Rouge, Louisiana 70802

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Dr. E. Joseph Savoie, President of the University of Louisiana at Lafayette, who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the University of Louisiana at Lafayette at June 30, 2014 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 15th day of September, 2014.


Signature of Agency Official


NOTARY PUBLIC



Prepared by: Debra L. Calais

Title: Assistant Vice President for Financial Services

Telephone No.: 337-482-6199

Email address: dcalais@louisiana.edu

Date: September 15, 2014



| | University | University Foundation | Eliminations * | Total |
|---|-----------------------|--------------------------|------------------------|-----------------------|
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents (Note C) | \$ 38,856,433 | \$ 12,281,987 | \$ - | \$ 51,138,420 |
| Investments (Note C) | - | - | - | - |
| Derivative instrument (Asset-Note C) | - | - | - | - |
| Deferred outflow of resources (Note C) | - | - | - | - |
| Receivables, net (Note D) | 17,105,858 | 18,192 | - | 17,124,050 |
| Pledges receivable | - | 823,086 | - | 823,086 |
| Due from State Treasury | 201,551 | - | - | 201,551 |
| Due from Federal Government (Note D) | - | - | - | - |
| Inventories | 2,426,199 | - | - | 2,426,199 |
| Prepaid expenses and advances | 2,221,110 | - | - | 2,221,110 |
| Notes receivable | 1,379,664 | - | - | 1,379,664 |
| Other current assets | 110,464 | - | - | 110,464 |
| Total current assets | <u>62,301,279</u> | <u>13,123,265</u> | <u>-</u> | <u>75,424,544</u> |
| Noncurrent Assets | | | | |
| Restricted assets: | | | | |
| Cash and cash equivalents (Note C) | 84,185,886 | 4,307,960 | - | 88,493,846 |
| Investments (Note C) | 110,432,614 | 149,148,711 | (88,049,171) | 171,532,154 |
| Accounts receivable, net (Note D) | - | - | - | - |
| Notes receivable, net | 9,077,187 | - | - | 9,077,187 |
| Other | 54,488 | - | - | 54,488 |
| Investments (Note C) | - | - | - | - |
| Pledges receivable | - | 2,618,976 | - | 2,618,976 |
| Notes receivable, net | - | - | - | - |
| Capital assets, net (Note E) | 336,276,456 | 11,180,002 | - | 347,456,458 |
| Easements (nondepreciable) | - | - | - | - |
| Intangible Assets | - | - | - | - |
| Other noncurrent assets | 5,510,206 | 628,844 | (54,488) | 6,084,562 |
| Total noncurrent assets | <u>545,536,837</u> | <u>167,884,493</u> | <u>(88,103,659)</u> | <u>625,317,671</u> |
| Deferred Outflows of Resources | | | | |
| Accumulated decrease in fair value of hedging derivatives | - | - | - | - |
| Deferred amounts on debt refunding | - | - | - | - |
| Adjustment of capital lease obligations | - | - | - | - |
| Grants paid prior to meeting time requirements | - | - | - | - |
| Intra-entity transfer of future revenues (transferee) | - | - | - | - |
| Losses from sale lease-back transactions | - | - | - | - |
| Total deferred outflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets and deferred outflows of resources | <u>\$ 607,838,116</u> | <u>\$ 181,007,758</u> | <u>\$ (88,103,659)</u> | <u>\$ 700,742,215</u> |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts payable and accrued liabilities | \$ 15,627,612 | \$ 1,418,933 | \$ - | \$ 17,046,545 |
| Derivative instrument (Liability - Note C) | - | - | - | - |
| Deferred inflow of resources (Note C) | - | - | - | - |
| Due to State Treasury | - | - | - | - |
| Due to Federal Government | - | - | - | - |
| Unearned revenues | 10,111,439 | - | - | 10,111,439 |
| Amounts held in custody for others | 1,481,792 | - | - | 1,481,792 |
| Other liabilities | 2,706,004 | 136,214 | - | 2,842,218 |
| Current Portion of Noncurrent Liabilities: | | | | |
| Compensated absences payable (Note I) | 784,216 | - | - | 784,216 |
| Capital lease obligations (Note I) | - | - | - | - |
| Claims and litigation payable (Note I) | - | - | - | - |
| Notes payable (Note I) | - | 17,684 | - | 17,684 |
| Pollution Remediation Obligation (Note I) | 162,604 | - | - | 162,604 |
| Contracts payable (Note I) | 496,972 | - | - | 496,972 |
| Reimbursement contracts payable (Note I) | - | - | - | - |
| Bonds payable (Note I) | 2,565,000 | - | - | 2,565,000 |
| Other current liabilities | - | - | - | - |
| Total current liabilities | <u>33,935,639</u> | <u>1,572,831</u> | <u>-</u> | <u>35,508,470</u> |

| | University | University Foundation | Eliminations * | Total |
|---|----------------|--------------------------|-----------------|----------------|
| Long-term Portion of Noncurrent Liabilities | | | | |
| Compensated absences payable | 9,376,914 | | | 9,376,914 |
| Amounts held in custody for others | | 35,283,671 | (35,283,671) | - |
| Claims and litigation payable | | | | - |
| Notes Payable | | 432,884 | | 432,884 |
| Pollution Remediation Obligation | | | | - |
| Contracts payable | | | | - |
| Reimbursement contracts payable | | | | - |
| OPEB payable | 91,311,790 | | | 91,311,790 |
| Bonds payable | 201,901,569 | 1,500,000 | | 203,401,569 |
| Other noncurrent liabilities | | | | - |
| Total noncurrent liabilities | 302,590,273 | 37,216,555 | (35,283,671) | 304,523,157 |
| Total liabilities | 336,525,912 | 38,789,386 | (35,283,671) | 340,031,627 |
| Deferred Inflow s of Resources | | | | |
| Accumulated increase in fair value of hedging derivatives | | | | |
| Deferred service concession arrangement receipts | | | | |
| Deferred amounts on debt refunding | | | | |
| Adjustment of capital lease obligations | | | | |
| Grants received prior to meeting time requirements | | | | |
| Property taxes received before the period for w hich the taxes w ere levied | | | | |
| Fines and penalties received in advance of meeting time requirements | | | | |
| Sales/intra-entity transfers of future revenues (transferor) | | | | |
| Gains from sale-leaseback transactions | | | | |
| Total deferred inflow s of resources | - | - | - | - |
| Net Position | | | | |
| Net investment in capital assets | 187,575,798 | 9,229,433 | | 196,805,231 |
| Restricted for: Nonexpendable | 50,515,000 | 82,099,946 | (39,283,209) | 93,331,737 |
| Expendable | 69,126,556 | 56,817,772 | (13,536,779) | 112,407,549 |
| Unrestricted | (35,905,150) | (5,928,779) | | (41,833,929) |
| Total net position | 271,312,204 | 142,218,372 | (52,819,988) | 360,710,588 |
| Total liabilities, deferred inflow s of resources, and net position | \$ 607,838,116 | \$ 181,007,758 | \$ (88,103,659) | \$ 700,742,215 |

| | University | University Foundation | Eliminations * | Total |
|---|----------------|--------------------------|-----------------|----------------|
| Operating Revenue: | | | | |
| Student tuition and fees | \$ 117,465,973 | \$ | \$ (1,177,554) | \$ 116,288,419 |
| Less scholarship allowances | (34,245,696) | | | (34,245,696) |
| Net student tuition and fees | 83,220,277 | - | (1,177,554) | 82,042,723 |
| Gifts received by foundation | | 9,105,473 | | 9,105,473 |
| Endowment income | | 15,279,708 | (9,328,822) | 5,950,886 |
| Federal appropriations | | | | - |
| Federal grants and contracts | 16,736,566 | | | 16,736,566 |
| ARRA revenues | | | | |
| State and local grants and contracts | 4,109,610 | | | 4,109,610 |
| Nongovernmental grants and contracts | 15,103,953 | | | 15,103,953 |
| Sales and services of education departments | 87,623 | | | 87,623 |
| Hospital income | | | | - |
| Auxiliary enterprise revenues (see Note HH for revenue amounts pledged as security for bonds) | 40,572,423 | | | 40,572,423 |
| Less scholarship allowances | (4,523,125) | | | (4,523,125) |
| Net auxiliary revenues | 36,049,298 | - | - | 36,049,298 |
| Other operating revenues | 5,649,493 | 420,231 | | 6,069,724 |
| Total operating revenues | 160,956,820 | 24,805,412 | (10,506,376) | 175,255,856 |
| Operating Expenses | | | | |
| Education and general: | | | | |
| Instruction | 69,451,315 | | | 69,451,315 |
| Research | 42,717,574 | | | 42,717,574 |
| Public service | 3,989,158 | | | 3,989,158 |
| Academic support | 17,198,880 | | | 17,198,880 |
| Student services | 18,015,755 | | | 18,015,755 |
| Institutional support | 29,468,739 | | | 29,468,739 |
| Operations and maintenance of plant | 18,054,452 | | | 18,054,452 |
| Depreciation | 14,318,263 | 272,013 | | 14,590,276 |
| Scholarships and fellowships | 2,022,833 | | | 2,022,833 |
| Auxiliary enterprises | 40,455,243 | | | 40,455,243 |
| Hospital | | | | - |
| Other operating expenses | 248,540 | 10,292,931 | (7,016,642) | 3,524,829 |
| Total operating expenses | 255,940,752 | 10,564,944 | (7,016,642) | 259,489,054 |
| Operating income(loss) | (94,983,932) | 14,240,468 | (3,489,734) | (84,233,198) |
| Nonoperating Revenues (Expenses) | | | | |
| State appropriations | 49,718,532 | | | 49,718,532 |
| Gifts | 6,697,682 | | (4,511,976) | 2,185,706 |
| Federal nonoperating revenues(expenses) | 21,619,309 | | | 21,619,309 |
| ARRA revenues | | | | - |
| Net investment income(loss) | 11,245,582 | 1,155 | | 11,246,737 |
| Interest expense | (6,912,305) | | | (6,912,305) |
| Payments to or on behalf of university | | | | - |
| Other nonoperating revenues(expenses) | 2,010,720 | | | 2,010,720 |
| Net nonoperating revenues(expenses) | 84,379,520 | 1,155 | (4,511,976) | 79,868,699 |
| Income(loss) before other revenues, expenses, gains, losses | (10,604,412) | 14,241,623 | (8,001,710) | (4,364,499) |
| Capital appropriations | 4,311,939 | | | 4,311,939 |
| Capital grants and gifts | 1,106,570 | | | 1,106,570 |
| Additions to permanent endowments | 1,800,000 | 999,813 | | 2,799,813 |
| Other additions, net | | | | - |
| Increase(decrease) in Net Assets | (3,385,903) | 15,241,436 | (8,001,710) | 3,853,823 |
| Net assets at beginning of the year, as restated | 274,698,107 | 126,976,936 | (44,818,278) | 356,856,765 |
| Net Assets at end of the year | \$ 271,312,204 | \$ 142,218,372 | \$ (52,819,988) | \$ 360,710,588 |

STATE OF LOUISIANA
UNIVERSITY OF LOUISIANA AT LAFAYETTE
SIMPLIFIED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

| | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | University Foundation | (-) Eliminations | Combined Total |
|--|------------------|-------------------------|--|--|--------------------------|---------------------|-------------------|
| | (-) Expenses | Charges for Services | Operating Grants and Contributions | | | | |
| University | \$ (262,853,057) | \$ 119,357,198 | \$ 37,750,129 | \$ 5,418,509 | \$ (100,327,221) | | |
| University Foundation | (10,564,944) | | 999,813 | | (9,565,131) | | |
| * Eliminations | 7,016,642 | (1,177,554) | | | 5,839,088 | | |
| Combined Total | \$ (266,401,359) | \$ 118,179,644 | \$ 38,749,942 | \$ 5,418,509 | \$ (104,053,264) | | |
| General revenues: | | | | | | | |
| State appropriations | | | | \$ 49,718,532 | \$ | \$ | \$ 49,718,532 |
| Grants and contributions not restricted to specific programs | | | | 28,316,991 | 24,385,181 | (13,840,798) | 38,861,374 |
| Interest | | | | 11,245,582 | 1,155 | | 11,246,737 |
| Miscellaneous | | | | 7,660,213 | 420,231 | | 8,080,444 |
| Special items | | | | | | | - |
| Extraordinary item - loss on impairment of capital assets | | | | | | | - |
| Transfers | | | | | | | - |
| Total general revenues, special items, and transfers | | | | 96,941,318 | 24,806,567 | (13,840,798) | 107,907,087 |
| Change in net assets | | | | (3,385,903) | 15,241,436 | (8,001,710) | 3,853,823 |
| Net assets - beginning | | | | 274,344,855 | 126,976,936 | (44,818,278) | 356,503,513 |
| Net assets - ending | | | | \$ 270,958,952 | \$ 142,218,372 | \$ (52,819,988) | \$ 360,357,336 |

STATE OF LOUISIANA
UNIVERSITY OF LOUISIANA AT LAFAYETTE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

Cash flows from operating activities:

| | | |
|---|---------------|-----------------|
| Tuition and fees | \$ 82,847,868 | |
| Federal appropriations | | |
| Grants and contracts | 38,187,567 | |
| Sales and services of educational departments | 87,623 | |
| Hospital income | | |
| Auxiliary enterprise receipts | 36,314,026 | |
| Payments for employee compensation | (119,023,556) | |
| Payments for benefits | (42,455,374) | |
| Payments for utilities | (8,378,593) | |
| Payments for supplies and services | (59,354,353) | |
| Payments for scholarships and fellow ships | (4,398,451) | |
| Loans to students | (3,523,426) | |
| Collection of loans to students | 3,630,821 | |
| Interest earned on loans to students | 167,479 | |
| Other receipts (payments) | 4,432,077 | |
| Net cash provided(used) by operating activities | | \$ (71,466,292) |

Cash flows from non-capital financing activities:

| | | |
|---|---------------|---------------|
| State appropriations | \$ 49,626,823 | |
| Gifts and grants for other than capital purposes | 6,777,853 | |
| Pell Grant receipts | 21,378,932 | |
| Private gifts for endowment purposes | 2,920,000 | |
| TOPS receipts | 25,656,379 | |
| TOPS disbursements | (25,589,369) | |
| FEMA receipts | | |
| FEMA disbursements | | |
| Direct lending receipts | 46,754,212 | |
| Direct lending disbursements | (44,631,389) | |
| Federal Family Education Loan Program receipts | | |
| Federal Family Education Loan Program disbursements | | |
| Student organization agency transactions | (231,393) | |
| Other receipts (payments) | (861,571) | |
| Net cash provided(used) by non-capital financing activities | | \$ 81,800,477 |

Cash flows from capital financing activities:

| | | |
|---|---------------|----------------|
| Proceeds from capital debt | \$ 48,486,086 | |
| Capital appropriations received | | |
| Capital grants and gifts received | | |
| Proceeds from sale of capital assets | | |
| Purchases of capital assets | (40,711,636) | |
| Principal paid on capital debt and leases | (1,795,000) | |
| Interest paid on capital debt and leases | (8,098,419) | |
| Deposit with trustees | - | |
| Other sources | 153,623 | |
| Net cash provided(used) by capital financing activities | | \$ (1,965,346) |

Cash flows from investing activities:

| | | |
|---|-------------|----------------|
| Proceeds from sales and maturities of investments | \$ | |
| Interest received on investments | 1,945,286 | |
| Purchases of investments | (7,755,008) | |
| Net cash provided(used) by investing activities | | \$ (5,809,722) |

| | |
|---|----------------|
| Net increase(decrease) in cash and cash equivalents | 2,559,117 |
| Cash and cash equivalents at beginning of year | 120,483,202 |
| Cash and cash equivalents at end of year | \$ 123,042,319 |

STATE OF LOUISIANA
UNIVERSITY OF LOUISIANA AT LAFAYETTE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

**Reconciliation of Net Operating Revenues (Expenses) to
Net Cash Provided (Used) by Operating Activities**

| | |
|---|------------------------|
| Operating income (loss) | \$ <u>(94,983,932)</u> |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | |
| Depreciation expense | <u>14,318,263</u> |
| Cajundome rental income | <u>(950,094)</u> |
| Changes in assets and liabilities: | |
| (Increase) decrease in accounts receivables, net | <u>560,396</u> |
| (Increase) decrease in inventories | <u>(474,191)</u> |
| (Increase) decrease in deferred charges and prepaid expenses | <u>(1,021,096)</u> |
| (Increase) decrease in notes receivable | |
| (Increase) decrease in other assets | |
| Increase (decrease) in accounts payable and accrued liabilities | <u>1,138,050</u> |
| Increase (decrease) in deferred revenue | <u>1,464,775</u> |
| Increase (decrease) in amounts held in custody for others | <u>2,700</u> |
| Increase (decrease) in compensated absences | <u>97,808</u> |
| Increase (decrease) in OPEB payable | <u>7,970,308</u> |
| Increase (decrease) in loans to students and employees | <u>248,117</u> |
| Increase (decrease) in pollution remediation | <u>162,604</u> |
| Increase (decrease) in other liabilities | |
| Net cash provided (used) by operating activities: | <u>\$ (71,466,292)</u> |

**Noncash Investing, Noncapital Financing, and Capital and
Related Financing Transactions**

| | |
|---|---------------------|
| Capital appropriations | \$ <u>4,311,939</u> |
| Capital gifts and grants | <u>1,106,570</u> |
| Net increase in fair value of investments | <u>9,316,195</u> |
| Amortization of bond discount (premium) | <u>(55,061)</u> |
| Amortization of bond issue costs | <u>(229,981)</u> |
| Cajundome bonds and interest | <u>(950,094)</u> |

Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets

| | |
|---|-----------------------|
| Cash and cash equivalents classified as current assets | \$ <u>38,856,433</u> |
| Cash and cash equivalents classified as noncurrent assets | <u>84,185,886</u> |
| Total cash and cash equivalents | <u>\$ 123,042,319</u> |

STATE OF LOUISIANA
UNIVERSITY OF LOUISIANA AT LAFAYETTE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

Please provide an explanation of what is included in "other." If there are multiple reasons, please list each out separately along with the amount.

* Other (operating cash payments)

Miscellaneous income \$3,265,843, Tenant rentals \$20,787, Auto fines, registration, and parking fees \$1,084,126, Arts admissions, concessions, and sales \$53,843, Check fines \$7,478

**Other (cash flows from non capital financing activities)

Insurance recoveries \$492,378, Cajundome reserve \$438,526, Loan late fees \$2,148, Unamortized bond costs (\$1,068,672), Funds held in custody \$132,049, Return of Quasi-endowment to NIH (\$858,000),

***Other (cash flows from capital and related financing activities)

Line of credit \$153,623

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In July of 1984, the GASB issued Statement No. 1, which provided that all statements and interpretations issued by the National Council on Governmental Accounting (NCGA) continue as generally accepted accounting principles until altered, amended, supplemented, revoked or superseded by subsequent GASB pronouncements.

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This was followed in November 1999 by GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. As a component unit of the State of Louisiana, the University of Louisiana at Lafayette (university) is required to report its financial statements in accordance with GASBs 34 and 35 as amended by GASBs 37, 38, and 61. The financial statement presentation required by GASBs 34 and 35 provides a comprehensive, entity-wide perspective of the university's assets, liabilities, net position, revenues, expenses, changes in net position, and cash flows, and replaces the fund-group perspective previously required.

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. Therefore, the accompanying financial statements of the university/system contain sub-account information of the various funds of the State of Louisiana. As such, the accompanying financial statements present information only as to the transactions of the programs of the university/system as authorized by Louisiana statutes and administrative regulations.

2. REPORTING ENTITY

The University of Louisiana at Lafayette is a publicly supported institution of higher education. Using the criteria established in GASB Statement 14, *The Financial Reporting Entity* as amended by GASB 39 and 61, the university is reported as a discrete component unit of the State of Louisiana since it is legally separate from and is financially accountable to the State.

Annually, the State of Louisiana issues a comprehensive financial report, which includes the activity contained in the accompanying financial statements. The Louisiana Legislative Auditor audits the basic financial statements.

3. BASIS OF ACCOUNTING

For financial reporting purposes, the university is considered a special-purpose government engaged in only business-type activities. Accordingly, the university's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The financial statements of the university/system have been prepared on the accrual basis of accounting.

4. CASH EQUIVALENT

The university considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

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5. INVESTMENTS

The university accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in the carrying value of investments resulting in unrealized gains or losses are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position.

6. INVENTORIES

Inventories are valued at the lower of cost or market on the weighted average basis. The university accounts for its inventories using the consumption method.

7. NONCURRENT CASH AND INVESTMENTS

Cash and investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets, are classified as noncurrent assets in the Statement of Net Position.

8. CAPITAL ASSETS

Capital assets are reported at cost at the date of acquisition or their estimated fair value at the date of donation. The System's capitalization policy provides that movable property items with a unit cost of \$5,000 or more and an estimated useful life greater than one year and buildings and improvements with a cost of \$100,000 or more are capitalized. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred. Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 40 years for buildings and infrastructure, 20 years for depreciable land improvements, and 3 to 10 years for most movable property. Library collections regardless of age, with a total acquisition value of \$5,000,000 or more will be capitalized and depreciated.

9. UNEARNED REVENUES

Unearned (formerly deferred) revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year, but are related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

10. NONCURRENT LIABILITIES

Noncurrent liabilities include (1) principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as noncurrent assets.

11. NET POSITION

The university's net position is classified as follows:

(a) NET INVESTMENT IN CAPITAL ASSETS

This represents the university's total investment in capital assets, net of accumulated depreciation and reduced by outstanding debt obligations related to acquisition, construction, or improvement of those capital assets.

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(b) RESTRICTED NET POSITION – EXPENDABLE

Restricted expendable net position include resources that the university is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

(c) RESTRICTED NET POSITION – NONEXPENDABLE

Restricted nonexpendable net position consist of endowment and similar type funds for which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

(d) UNRESTRICTED NET POSITION

Unrestricted net position represent resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the university, and may be used at the discretion of the governing board to meet current expenses and for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the university's policy is to first apply the expense towards unrestricted resources, and then towards restricted resources.

12. CLASSIFICATION OF REVENUES

The university has classified its revenues as either operating or non-operating revenues according to the following criteria:

- (a) OPERATING REVENUE - Operating activity include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, net of scholarship discounts and allowances, and (3) most Federal, state, and local grants and contracts and Federal appropriations.
- (b) NON-OPERATING REVENUE – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions.

13. SCHOLARSHIP DISCOUNTS AND ALLOWANCES

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the university, and the amount that is paid by students and/or third parties making payments on the student's behalf.

14. ELIMINATING INTERFUND ACTIVITY

Activities between the university and the university's service units are eliminated for purposes of preparing the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Net Position.

15. COMPONENT UNITS

Blended Component Unit

Ragin' Cajun Facilities, Inc. is considered a blended component unit and is included in the reporting entity because it is fiscally dependent on the university. The purpose of this organization is to promote, assist, and benefit the mission of the university through the acquisition, construction, development, management, leasing or otherwise assisting in the acquisition, construction, development, management or leasing of student

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housing or other facilities on behalf of the universities. Although the facilities corporation is legally separate, it is reported as a part of the university because the majority of their revenue comes from the leasing of facilities to the university. To obtain the corporations' latest audit reports, write to: Ragin' Cajun Facilities, Inc., c/o Ms. Debra L. Calais, University of Louisiana at Lafayette, P.O. Box 40400, Lafayette, Louisiana 70504.

Discretely Presented Component Unit

The University of Louisiana at Lafayette Foundation, Inc. is a legally separate, tax-exempt organization and is reported within the university as a discrete component unit.

The foundation acts primarily as a fund-raising organization to supplement the resources that are available to the university in support of its programs. Although the university does not control the timing or amount of receipts from the foundation, the majority of resources or income that the foundation holds and invests is restricted to the activities of the university by the donors. Because these restricted resources held by the foundation can only be used by or for the benefit of the university, the foundation is considered a component unit of the university and is discretely presented in the financial statements.

During the year ended June 30, 2014, the foundation made distributions of \$4,001,734 to or on behalf of the university for both restricted and unrestricted purposes. To obtain the foundation's latest audit reports, write to: University of Louisiana at Lafayette Foundation, Inc., c/o Ms. Debra L. Calais, University of Louisiana at Lafayette, P.O. Box 40400, Lafayette, Louisiana 70504.

These blended and discretely presented component units are private nonprofit organizations that report under Financial Accounting Standards Board (FASB) standards, including FASB Codification No. 958, *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of presentation adjustments, no modifications have been made to these component units' financial information in the System's report for these differences. Accordingly, the financial data of the discretely presented component units are shown on a statement of financial position and a statement of activities.

B. BUDGETARY PRACTICES

The annual budget for the General Fund of the university is established by annual Legislative action and by Title 39 of the Louisiana Revised Statutes. The submission of the budget for approval by the Board of Regents and the Legislative budget process is required. Other funds of the university, although subject to internal budgeting, are not required to be submitted for approval through the Legislative budget process.

State law provides that appropriations lapse at the end of the fiscal year with the exception noted in Note H, General Fund. In compliance with these legal restrictions, budgets are adopted on the accrual basis of accounting with some exceptions. The following is a list of exceptions, but is not all inclusive, (1) depreciation is not recognized; (2) leave costs are treated as budgeted expenditures to the extent that they are expected to be paid; (3) summer school tuition and fees and summer school faculty salaries and related benefits for June are not prorated but are recognized in the succeeding year; (4) certain capital leases are not recorded; and (5) certain expenses directly related to revenues are netted against the revenues.

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BUDGETARY COMPARISON

The following is an appropriation budgetary comparison for current year General Fund appropriation:

| | Budgeted | | Actual | Adjustment to Budget Basis | Actual on Budget Basis | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|--------------------|----------------------------------|------------------------------|--|
| | Original | Final | | | | |
| REVENUES: | | | | | | |
| Appropriated by Legislature: | | | | | | |
| State General Fund (Direct) \$ | 26,163,476 | \$ 26,163,476 | \$ 26,163,476 | | \$ 26,163,476 | |
| State General Fund by Self-Generated Revenues | 81,631,027 | 83,631,027 | 88,674,497 | \$ (5,043,470) | 83,631,027 | |
| State General Fund by Interagency Transfers | | | | | | |
| Non-Recurring Self-Generated Carry Forward | | | | | | |
| Federal Funds | | | | | | |
| Statutory Dedications | 21,433,873 | 23,555,056 | 23,555,056 | | 23,555,056 | |
| Other | | | | | | |
| Total Revenues | 129,228,376 | 133,349,559 | 138,393,029 | (5,043,470) | 133,349,559 | NONE |
| EXPENDITURES: | | | | | | |
| Program Expenditures | 129,228,376 | 133,349,559 | 138,367,738 | (5,018,179) | 133,349,559 | |
| Unallotted Expenditures | | | | | | |
| Total Expenditures | 129,228,376 | 133,349,559 | 138,367,738 | (5,018,179) | 133,349,559 | NONE |
| UNEXPENDED APPROPRIATION | | | | | | |
| -CURRENT YEAR | NONE | NONE | \$ 25,291 | \$ (25,291) | NONE | NONE |

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

1. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Further, the university/system may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of savings and loan associations and savings banks; and share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and Statement of Net Position presentation (see appendix reference), all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

As reflected on the Statement of Net Position, the university had deposits with financial institutions totaling \$123,042,319.6 at June 30, 2014. Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the university by a holding or custodial bank in the form of safekeeping receipts held by the state treasurer.

GASB Statement 40, which amended GASB Statement 3, requires only the disclosure of deposits considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit

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balances are either: 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2014, consisted of the following:

| | Cash | Nonnegotiable Certificates of Deposit | Other (Ragin Cajun Facilities blended component unit) | Total |
|--|---------------|---|--|----------------|
| Deposits per Statement of Net Position (SNP) | \$ 57,890,562 | \$ 24,259,900 | \$ 40,489,653 | \$ 122,640,115 |
| Deposits in bank accounts per bank | \$ 63,536,988 | \$ 24,259,900 | \$ 40,489,653 | \$ 128,286,541 |

Bank balances of deposits exposed to
 custodial credit risk:

- a. Uninsured and uncollateralized
- b. Uninsured and collateralized with securities held by the pledging institution
- c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's name

To aid in reconciling amounts reported on the SNP, the following is also included in cash and cash equivalents in the SNP:

| | |
|---|------------|
| Cash in State Treasury | None |
| Petty Cash | \$ 402,204 |
| Investments with a maturity of less Than 3 months when purchased | None |

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The following is a breakdown by banking institution, program, and amount of the “deposits in bank accounts per bank” balances shown above:

| Banking Institution | Program | Amount |
|-----------------------|-------------------------|-------------------------------|
| JP Morgan Chase Bank | Operating | \$ 28,868,146 |
| JP Morgan Chase Bank | Operating | 1,381,137 |
| JP Morgan Chase Bank | Operating | 60,510 |
| JP Morgan Chase Bank | Nursing Loan Fund | 93,447 |
| JP Morgan Chase Bank | Clearing Acct | 2,434 |
| JP Morgan Chase Bank | Alumni Assoc. Fund | 428,529 |
| JP Morgan Chase Bank | Endowment Fund | 16,939 |
| JP Morgan Chase Bank | Gen-Restr Fund | 25,000 |
| Whitney National Bank | SEOG Fund | 69,432 |
| Whitney National Bank | Workstudy Fund | 123,874 |
| Whitney National Bank | DFAFS Fund | 292,528 |
| Whitney National Bank | Perkins Loan Fund | 578,989 |
| Whitney National Bank | Clearing Acct | 6,591,642 |
| Whitney National Bank | Clearing Acct | 26,173 |
| Capital One | Athletic Dev. Fund | 513,725 |
| Capital One | Pell Grant Fund | 3,306 |
| Capital One | Student Loan Fund | 331,988 |
| Iberia Bank | NIRC Fund | 3,379,895 |
| Iberia Bank | Endw Fund | 506,155 |
| Iberia Bank | Plant Fund | 20,285,079 |
| Iberia Bank | Endowment Fund | 4,634,411 |
| Iberia Bank | Endowment Fund | 2,481,926 |
| Iberia Bank | Endowment Fund | 5,451,312 |
| Iberia Bank | NIRC Fund | 1,329,900 |
| Iberia Bank | Plant Fund | 5,371,724 |
| Iberia Bank | Plant Fund | 599,464 |
| Iberia Bank | Plant Fund | 4,339,202 |
| Smith Barney | Endowment Fund | 10,021 |
| Regions Bank | Blended Component Unit. | <u>40,489,653</u> |
| Total | | <u><u>128,286,541</u></u> |

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2. Investments

The University of Louisiana at Lafayette does maintain investment accounts as authorized by Louisiana Revised Statute 49:327. A summary of the university's investments follows:

| Type of Investment | Fair Value | Investment Maturities (in Years) | | | |
|--|----------------|----------------------------------|-------|--------|-----------------|
| | | Less Than 1 | 1 - 5 | 6 - 10 | Greater Than 10 |
| Investments held by foundation: | | | | | |
| Common and preferred stock | \$ 6,498,198 | | | | |
| U.S. Treasury Notes and Bonds | | | | | |
| Federal Home Loan Mortgage Corporation | | | | | |
| Federal National Mortgage Association | | | | | |
| Government National Mortgage Association | | | | | |
| Federal Home Loan Bank | | | | | |
| Federal Farm Credit Bank | | | | | |
| Corporate bonds/obligations | | | | | |
| Mutual funds | 71,713,840 | | | | |
| Hedge Funds and Alternative Investments | 7,856,451 | | | | |
| Other | 1,980,682 | | | | |
| Sub-total investments held by foundation | 88,049,171 | - | - | - | - |
| Held by blended component unit - | | | | | |
| Ragin Cajun Facilities, Inc. | 22,383,443 | | | | |
| Total | \$ 110,432,614 | \$ - | \$ - | \$ - | \$ - |

Investments held by the private foundation in an external investment pool is managed in accordance with the terms outlined in a management agreement executed between the university and its discretely presented component unit, the University of Louisiana at Lafayette Foundation, Inc. The university is a voluntary participant. This investment totaling \$88,049,171 has no credit quality rating. The foundation holds and manages funds received by the university as state matching funds for the Endowed Chairs and Endowed Professorship programs. Of the \$88,049,171 reported as investments held by foundation, the entire amount is held by its discretely presented component unit.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits the university's investments to U.S. Treasury obligations, U.S. government agency obligations, direct security repurchase agreements, reverse direct repurchase agreements, investment grade commercial paper, investment grade corporate notes and bonds, and money market funds. The university does not have policies to further limit credit risk.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the university will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For U.S. Treasury obligations and U.S. government agency obligations, the university's investment policy requires that issuers must provide the university with safekeeping receipts, collateral agreements, and custodial agreements. At June 30, 2014, investments held by blended component units totaling \$22,383,443 are uninsured and unregistered and held by the counterparty and are, therefore, exposed to custodial credit risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. State law requires that at no time shall the funds invested in U.S. government agency obligations exceed 60% of all monies invested with maturities of 30 days or longer. In addition, state law limits the investment in commercial paper and corporate notes and bonds to 20% of all investments. The university does not have policies to further limit concentration of credit risk.

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Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State law as applicable to institutions of higher education does not address interest rate risk. The university does not have policies to limit interest rate risk.

INVESTMENTS - COMPONENT UNITS

Component unit's investments totaling \$149,148,711, as shown on the Statement of Financial Position, are reported under FASB Statement No. 117, *Financial Reporting for Not-for-Profit Organizations*, which does not require the disclosures of GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. The fair value of investments held by the component unit at June 30, 2014, follows:

| <u>Type of Investment</u> | Total |
|---|-----------------------|
| Certificates of deposit | \$ 2,665,302 |
| U.S. Treasury and agency bonds | 202,145 |
| Municipal and other government agency bonds | 291,311 |
| Asset backed securities | - |
| Commerical bonds | 617,979 |
| Equities | 7,022,230 |
| Unit investment funds | 302,312 |
| Mutual and exchange traded funds | 100,777,539 |
| Hedge funds and alternative investments | <u>37,269,893</u> |
| Total | <u>\$ 149,148,711</u> |

D. ACCOUNTS RECEIVABLES

Accounts Receivable are shown on the Statement of Net Position net of an allowance for doubtful accounts as follows:

| <u>Type</u> | <u>Accounts Receivable</u> | <u>Allowance for Doubtful Accounts</u> | <u>Net Accounts Receivable</u> | <u>Noncurrent Portion</u> |
|--|--------------------------------|--|------------------------------------|-------------------------------|
| Student tuition and fees | \$ 4,486,348 | \$ 1,742,018 | \$ 2,744,330 | \$ |
| Auxiliary enterprises | 3,130,616 | 714,284 | 2,416,332 | |
| Contributions and gifts | 4,750,388 | | 4,750,388 | |
| Federal, state and private grants and contracts | 5,951,284 | | 5,951,284 | |
| Insurance recoveries | 421,252 | | 421,252 | |
| Other | <u>1,023,949</u> | <u>201,677</u> | <u>822,272</u> | |
| Total | <u>\$ 19,763,837</u> | <u>\$ 2,657,979</u> | <u>\$ 17,105,858</u> | <u>\$ NONE</u> |

E. CAPITAL ASSETS

Capital assets and assets under capital lease activity for the year ended June 30, 2014 are as follows:

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SCHEDULE OF CAPITAL ASSETS

University

| | Balance 6/30/2013 | Prior Period Adjustments | Restated Balance 6/30/2013 | Additions | Transfers | Retirements | Balance 6/30/2014 |
|---|-----------------------|-----------------------------|-------------------------------|------------------------|-----------------------|-------------|-----------------------|
| Capital assets not depreciated: | | | | | | | |
| Land | \$ 9,298,681 | \$ - | \$ 9,298,681 | \$ - | \$ - | \$ - | \$ 9,298,681 |
| Non-depreciable land improvements | - | - | - | - | - | - | - |
| Capitalized collections | - | - | - | - | - | - | - |
| Livestock | - | - | - | - | - | - | - |
| Construction in progress | 19,722,188 | - | 19,722,188 | 50,820,618 | (5,509,299) | - | 65,033,507 |
| Total capital assets not depreciated | <u>\$ 29,020,869</u> | <u>\$ -</u> | <u>\$ 29,020,869</u> | <u>\$ 50,820,618</u> | <u>\$ (5,509,299)</u> | <u>\$ -</u> | <u>\$ 74,332,188</u> |
| Other Capital Assets | | | | | | | |
| Infrastructure | - | - | - | - | - | - | - |
| Less accumulated depreciation | - | - | - | - | - | - | - |
| Total infrastructure | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Depreciable land improvements | 8,268,448 | - | 8,268,448 | - | 131,500 | - | 8,399,948 |
| Less accumulated depreciation | (3,775,951) | - | (3,775,951) | (276,059) | - | - | (4,052,010) |
| Total land improvements | <u>4,492,497</u> | <u>-</u> | <u>4,492,497</u> | <u>(276,059)</u> | <u>131,500</u> | <u>-</u> | <u>4,347,938</u> |
| Buildings | 383,065,103 | - | 383,065,103 | 670,610 | 5,213,001 | - | 388,948,714 |
| Less accumulated depreciation | (133,814,740) | - | (133,814,740) | (10,164,749) | - | - | (143,979,489) |
| Total buildings | <u>249,250,363</u> | <u>-</u> | <u>249,250,363</u> | <u>(9,494,139)</u> | <u>5,213,001</u> | <u>-</u> | <u>244,969,225</u> |
| Equipment (including library books) | 88,854,030 | - | 88,854,030 | 3,093,839 | 164,798 | (783,204) | 91,329,463 |
| Less accumulated depreciation | (75,608,107) | - | (75,608,107) | (3,877,455) | - | 783,204 | (78,702,358) |
| Total equipment | <u>13,245,923</u> | <u>-</u> | <u>13,245,923</u> | <u>(783,616)</u> | <u>164,798</u> | <u>-</u> | <u>12,627,105</u> |
| Software (internally generated & purchased) | - | - | - | - | - | - | - |
| Less accumulated depreciation | - | - | - | - | - | - | - |
| Total intangibles | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other capital assets | <u>\$ 266,988,783</u> | <u>\$ -</u> | <u>\$ 266,988,783</u> | <u>\$ (10,553,814)</u> | <u>\$ 5,509,299</u> | <u>\$ -</u> | <u>\$ 261,944,268</u> |
| Capital asset summary: | | | | | | | |
| Capital assets not depreciated | \$ 29,020,869 | \$ - | \$ 29,020,869 | \$ 50,820,618 | \$ (5,509,299) | \$ - | \$ 74,332,188 |
| Other capital assets, at cost | 480,187,581 | - | 480,187,581 | 3,764,449 | 5,509,299 | (783,204) | 488,678,125 |
| Total cost of capital assets | 509,208,450 | - | 509,208,450 | 54,585,067 | - | (783,204) | 563,010,313 |
| Less accumulated depreciation | (213,198,798) | - | (213,198,798) | (14,318,263) | - | 783,204 | (226,733,857) |
| Capital assets, net | <u>\$ 296,009,652</u> | <u>\$ -</u> | <u>\$ 296,009,652</u> | <u>\$ 40,266,804</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 336,276,456</u> |

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SCHEDULE OF CAPITAL ASSETS

Component Units

| | Balance 6/30/2013 | Prior Period Adjustments | Restated Balance 6/30/2013 | Additions | Transfers | Retirements | Balance 6/30/2014 |
|---|----------------------|-----------------------------|----------------------------------|---------------------|--------------------|--------------------|----------------------|
| Capital assets not depreciated: | | | | | | | |
| Land | \$ 739,141 | \$ 246,232 | \$ 985,373 | \$ - | \$ - | \$ - | \$ 985,373 |
| Non-depreciable land improvements | - | - | - | - | - | - | - |
| Capitalized collections | 2,913,620 | - | 2,913,620 | - | - | (15,349) | 2,898,271 |
| Livestock | - | - | - | - | - | - | - |
| Construction in progress | 54,165 | - | 54,165 | - | (21,761) | - | 32,404 |
| Total capital assets not depreciated | <u>\$ 3,706,926</u> | <u>\$ 246,232</u> | <u>\$ 3,953,158</u> | <u>\$ -</u> | <u>\$ (21,761)</u> | <u>\$ (15,349)</u> | <u>\$ 3,916,048</u> |
| Other Capital Assets | | | | | | | |
| Infrastructure | - | - | - | - | - | - | - |
| Less accumulated depreciation | - | - | - | - | - | - | - |
| Total infrastructure | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Depreciable land improvements | - | - | - | - | - | - | - |
| Less accumulated depreciation | - | - | - | - | - | - | - |
| Total land improvements | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Buildings | 10,184,466 | (246,232) | 9,938,234 | - | - | - | 9,938,234 |
| Less accumulated depreciation | (2,520,407) | - | (2,520,407) | (246,755) | - | - | (2,767,162) |
| Total buildings | <u>7,664,059</u> | <u>(246,232)</u> | <u>7,417,827</u> | <u>(246,755)</u> | <u>-</u> | <u>-</u> | <u>7,171,072</u> |
| Equipment (including library books) | 519,629 | - | 519,629 | 30,704 | - | - | 550,333 |
| Less accumulated depreciation | (499,722) | - | (499,722) | (10,252) | - | - | (509,974) |
| Total equipment | <u>19,907</u> | <u>-</u> | <u>19,907</u> | <u>20,452</u> | <u>-</u> | <u>-</u> | <u>40,359</u> |
| Software (internally generated & purchased) | - | - | - | 45,768 | 21,761 | - | 67,529 |
| Less accumulated depreciation | - | - | - | (15,006) | - | - | (15,006) |
| Total intangibles | <u>-</u> | <u>-</u> | <u>-</u> | <u>30,762</u> | <u>21,761</u> | <u>-</u> | <u>52,523</u> |
| Total other capital assets | <u>\$ 7,683,966</u> | <u>\$ (246,232)</u> | <u>\$ 7,437,734</u> | <u>\$ (195,541)</u> | <u>\$ 21,761</u> | <u>\$ -</u> | <u>\$ 7,263,954</u> |
| Capital asset summary: | | | | | | | |
| Capital assets not depreciated | \$ 3,706,926 | \$ 246,232 | \$ 3,953,158 | \$ - | \$ (21,761) | \$ (15,349) | \$ 3,916,048 |
| Other capital assets, at cost | 10,704,095 | (246,232) | 10,457,863 | 76,472 | 21,761 | - | 10,556,096 |
| Total cost of capital assets | 14,411,021 | - | 14,411,021 | 76,472 | - | (15,349) | 14,472,144 |
| Less accumulated depreciation | (3,020,129) | - | (3,020,129) | (272,013) | - | - | (3,292,142) |
| Capital assets, net | <u>\$ 11,390,892</u> | <u>\$ -</u> | <u>\$ 11,390,892</u> | <u>\$ (195,541)</u> | <u>\$ -</u> | <u>\$ (15,349)</u> | <u>\$ 11,180,002</u> |

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SCHEDULE OF CAPITAL ASSETS

Total

| | Balance 6/30/2013 | Prior Period Adjustments | Restated Balance 6/30/2013 | Additions | Transfers | Retirements | Balance 6/30/2014 |
|---|----------------------|-----------------------------|-------------------------------|-----------------|----------------|-------------|----------------------|
| Capital assets not depreciated: | | | | | | | |
| Land | \$ 10,037,822 | \$ 246,232 | \$ 10,284,054 | \$ - | \$ - | \$ - | \$ 10,284,054 |
| Non-depreciable land improvements | - | - | - | - | - | - | - |
| Capitalized collections | 2,913,620 | - | 2,913,620 | - | - | (15,349) | 2,898,271 |
| Livestock | - | - | - | - | - | - | - |
| Construction in progress | 19,776,353 | - | 19,776,353 | 50,820,618 | (5,531,060) | - | 65,065,911 |
| Total capital assets not depreciated | \$ 32,727,795 | \$ 246,232 | \$ 32,974,027 | \$ 50,820,618 | \$ (5,531,060) | \$ (15,349) | \$ 78,248,236 |
| Other Capital Assets | | | | | | | |
| Infrastructure | - | - | - | - | - | - | - |
| Less accumulated depreciation | - | - | - | - | - | - | - |
| Total infrastructure | - | - | - | - | - | - | - |
| Depreciable land improvements | 8,268,448 | - | 8,268,448 | - | 131,500 | - | 8,399,948 |
| Less accumulated depreciation | (3,775,951) | - | (3,775,951) | (276,059) | - | - | (4,052,010) |
| Total land improvements | 4,492,497 | - | 4,492,497 | (276,059) | 131,500 | - | 4,347,938 |
| Buildings | 393,249,569 | (246,232) | 393,003,337 | 670,610 | 5,213,001 | - | 398,886,948 |
| Less accumulated depreciation | (136,335,147) | - | (136,335,147) | (10,411,504) | - | - | (146,746,651) |
| Total buildings | 256,914,422 | (246,232) | 256,668,190 | (9,740,894) | 5,213,001 | - | 252,140,297 |
| Equipment (including library books) | 89,373,659 | - | 89,373,659 | 3,124,543 | 164,798 | (783,204) | 91,879,796 |
| Less accumulated depreciation | (76,107,829) | - | (76,107,829) | (3,887,707) | - | 783,204 | (79,212,332) |
| Total equipment | 13,265,830 | - | 13,265,830 | (763,164) | 164,798 | - | 12,667,464 |
| Software (internally generated & purchased) | - | - | - | 45,768 | 21,761 | - | 67,529 |
| Less accumulated depreciation | - | - | - | (15,006) | - | - | (15,006) |
| Total intangibles | - | - | - | 30,762 | 21,761 | - | 52,523 |
| Total other capital assets | \$ 274,672,749 | \$ (246,232) | \$ 274,426,517 | \$ (10,749,355) | \$ 5,531,060 | \$ - | \$ 269,208,222 |
| Capital asset summary: | | | | | | | |
| Capital assets not depreciated | \$ 32,727,795 | \$ 246,232 | \$ 32,974,027 | \$ 50,820,618 | \$ (5,531,060) | \$ (15,349) | \$ 78,248,236 |
| Other capital assets, at cost | 490,891,676 | (246,232) | 490,645,444 | 3,840,921 | 5,531,060 | (783,204) | 499,234,221 |
| Total cost of capital assets | 523,619,471 | - | 523,619,471 | 54,661,539 | - | (798,553) | 577,482,457 |
| Less accumulated depreciation | (216,218,927) | - | (216,218,927) | (14,590,276) | - | 783,204 | (230,025,999) |
| Capital assets, net | \$ 307,400,544 | \$ - | \$ 307,400,544 | \$ 40,071,263 | \$ - | \$ (15,349) | \$ 347,456,458 |

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F. COLLECTIONS (WORKS OF ART and HISTORICAL TREASURES)

The University does not capitalize collections. Special Collections include the Louisiana Room, the Rare Book Room Collection, the University Archives and Acadiana Manuscripts Collection, the Creole and Cajun Music Collection, the University Records Management Program, the Microforms Room and the Ernest J. Gaines Center. The Louisiana Room provides access to special materials pertaining to Louisiana, including books, periodicals, state government documents, genealogical materials, rare books, newspapers, and other special collections. The University Archives and Acadiana Manuscripts Collection houses the archival records of the University starting in 1900. There are also over 300 collections of personal or family papers, business or organizational records, photograph collections, and much more. Special strengths of the collection include the rice industry, Louisiana politics, Louisiana education, and women's studies. The Rare Book Room contains items published before 1900, and items that have intrinsic value such as limited editions. The Creole and Cajun Music Collection consists of commercial recordings published since 1928 of the music of the Creoles and Cajuns of Louisiana, representing the history, influences and styles of indigenous music of the local cultures.

These items are considered inexhaustible and are held for public exhibition, educational purposes, or research in enhancement of primarily student and public service instead of financial gain. They have never been capitalized.

G. NONEXCHANGE FINANCIAL GUARANTEES (GASB 70)

The university did not have any nonexchange financial guarantees.

H. GENERAL FUND

At June 30, 2014, the General Fund did not have any unexpended appropriation due to the State Treasury.

I. LONG-TERM LIABILITIES (Current and Noncurrent Portion)

The following is a summary of bond reimbursement contracts and other long-term debt transactions of the university for the year ended June 30, 2014:

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| University | Balance June 30, 2013 | Restatements June 30, 2013 | Restated Balance June 30, 2013 | Additions | Reductions | Balance June 30, 2014 | Amounts due within one year |
|------------------------------------|-----------------------------|----------------------------------|---|----------------------|---------------------|-----------------------------|-----------------------------------|
| Notes & bonds payable: | | | | | | | |
| Notes payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Bonds payable | 147,057,291 | 11,128,131 | 158,185,422 | 48,486,086 | 2,204,939 | 204,466,569 | 2,565,000 |
| Total bonds and notes payable | <u>147,057,291</u> | <u>11,128,131</u> | <u>158,185,422</u> | <u>48,486,086</u> | <u>2,204,939</u> | <u>204,466,569</u> | <u>2,565,000</u> |
| Other liabilities: | | | | | | | |
| Compensated absences payable | 10,063,322 | | 10,063,322 | 969,233 | 871,425 | 10,161,130 | 784,216 |
| Capital lease obligations | - | | - | | | - | |
| Amounts held in custody for others | - | | - | | | - | |
| Pollution remediation obligations | - | | - | | | - | |
| OPEB payable | 83,341,482 | | 83,341,482 | 12,099,800 | 4,129,492 | 91,311,790 | |
| Total other liabilities | <u>93,404,804</u> | <u>NONE</u> | <u>93,404,804</u> | <u>13,069,033</u> | <u>5,000,917</u> | <u>101,472,920</u> | <u>784,216</u> |
| Total long-term liabilities | <u>\$ 240,462,095</u> | <u>\$ NONE</u> | <u>\$ 251,590,226</u> | <u>\$ 61,555,119</u> | <u>\$ 7,205,856</u> | <u>\$ 305,939,489</u> | <u>\$ 3,349,216</u> |
| Component Units | | | | | | | |
| | Balance June 30, 2013 | Restatements June 30, 2013 | Restated Balance June 30, 2013 | Additions | Reductions | Balance June 30, 2014 | Amounts due within one year |
| Notes & bonds payable: | | | | | | | |
| Notes payable | \$ 467,421 | \$ - | \$ 467,421 | \$ - | \$ 16,853 | \$ 450,568 | \$ 17,684 |
| Bonds payable | 1,500,000 | | 1,500,000 | | | 1,500,000 | |
| Total bonds and notes payable | <u>1,967,421</u> | <u>NONE</u> | <u>1,967,421</u> | <u>NONE</u> | <u>16,853</u> | <u>1,950,568</u> | <u>17,684</u> |
| Other liabilities: | | | | | | | |
| Compensated absences payable | - | | - | | | - | |
| Capital lease obligations | - | | - | | | - | |
| Amounts held in custody for others | 30,756,810 | | 30,756,810 | 4,526,861 | - | 35,283,671 | |
| Pollution remediation obligations | - | | - | | | - | |
| OPEB payable | - | | - | | | - | |
| Total other liabilities | <u>30,756,810</u> | <u>NONE</u> | <u>30,756,810</u> | <u>4,526,861</u> | <u>NONE</u> | <u>35,283,671</u> | <u>NONE</u> |
| Total long-term liabilities | <u>\$ 32,724,231</u> | <u>\$ NONE</u> | <u>\$ 32,724,231</u> | <u>\$ 4,526,861</u> | <u>\$ 16,853</u> | <u>\$ 37,234,239</u> | <u>\$ 17,684</u> |
| Combined Total | | | | | | | |
| | Balance June 30, 2013 | Restatements June 30, 2013 | Restated Balance June 30, 2013 | Additions | Reductions | Balance June 30, 2014 | Amounts due within one year |
| Notes & bonds payable: | | | | | | | |
| Notes payable | \$ 467,421 | \$ - | \$ 467,421 | \$ - | \$ 16,853 | \$ 450,568 | \$ 17,684 |
| Bonds payable | 148,557,291 | 11,128,131 | 159,685,422 | 48,486,086 | 2,204,939 | 205,966,569 | 2,565,000 |
| Total bonds and notes payable | <u>149,024,712</u> | <u>11,128,131</u> | <u>160,152,843</u> | <u>48,486,086</u> | <u>2,221,792</u> | <u>206,417,137</u> | <u>2,582,684</u> |
| Other liabilities: | | | | | | | |
| Compensated absences payable | 10,063,322 | | 10,063,322 | 969,233 | 871,425 | 10,161,130 | 784,216 |
| Capital lease obligations | - | | - | | | - | |
| Amounts held in custody for others | 30,756,810 | | 30,756,810 | 4,526,861 | - | 35,283,671 | |
| Pollution remediation obligations | - | | - | | | - | |
| OPEB payable | 83,341,482 | | 83,341,482 | 12,099,800 | 4,129,492 | 91,311,790 | |
| Total other liabilities | <u>124,161,614</u> | <u>NONE</u> | <u>124,161,614</u> | <u>17,595,894</u> | <u>5,000,917</u> | <u>136,756,591</u> | <u>784,216</u> |
| Total long-term liabilities | <u>\$ 273,186,326</u> | <u>\$ 11,128,131</u> | <u>\$ 284,314,457</u> | <u>\$ 66,081,980</u> | <u>\$ 7,222,709</u> | <u>\$ 343,173,728</u> | <u>\$ 3,366,900</u> |

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A detailed summary, by issues, of all debt outstanding at June 30, 2014, including outstanding interest of \$170,466,282 for the university, is shown on Schedule 1-A. Component unit debt outstanding at June 30, 2014, including outstanding interest of \$171,000 is shown on Schedule 1-A (Component Unit) and on Schedule 1-C (Component Unit) in the amount of \$39,477. Schedule 2-A, Schedule 2-A (Component Unit) and Schedule 2-B (Component Unit) are amortization schedules of the outstanding debt.

J. SHORT-TERM DEBT

The university's School of Architecture and Design Building Institute operates a neighborhood housing program. The program's goal is to revitalize empty neighborhood lots with innovative and affordable homes. The Lafayette Public Trust Financing Authority provided a \$400,000 non-interest line of credit for the neighborhood program through a five-year agreement with Ragin' Cajun Facilities, Inc. Proceeds from the sale of each house will be used for construction of future houses.

Short-term debt activity for the year ended June 30, 2014, was as follows:

| | |
|-------------------|--------------------------|
| Beginning balance | \$ 31,163 |
| Issued (redeemed) | <u>153,623</u> |
| Ending balance | <u><u>\$ 184,786</u></u> |

K. COMPENSATED ABSENCES

Employees accrue and accumulate annual and sick leave in accordance with state law and administrative regulations. The leave is accumulated without limitation; however, nine-month faculty members do not accrue annual leave, but are granted faculty leave during holiday periods when students are not in classes. Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave (K-time) earned.

Upon separation or termination of employment, both classified and non-classified personnel or their heirs are compensated for accumulated annual leave not to exceed 300 hours. In addition, academic and unclassified personnel or their heirs are compensated for accumulated sick leave not to exceed 25 days upon retirement or death. Act 343 of 1993 allows members of the Louisiana State Employees' Retirement System, upon application for retirement, the option of receiving an actuarially determined lump sum payment for annual and sick leave, which would otherwise have been used to compute years of service for retirement. Unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the classified employee's hourly rate of pay at termination or transfer.

The liability for unused annual leave, sick leave, and compensatory leave at June 30, 2014, computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards Section C60.104 – C60.105, is estimated to be \$5,143,884, \$4,888,434, and \$128,812 respectively. The leave payable is recorded in the accompanying financial statement.

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The university's liability for compensated absences (annual, sick, and compensatory leave) at June 30, 2014 is as follows:

| | |
|--|----------------------|
| Current liability – estimated to be paid within one year | \$ 784,216 |
| Long-term liability | <u>9,376,914</u> |
| Total liability for compensated absences | <u>\$ 10,161,130</u> |

L. ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES

On-behalf payments for fringe benefits and salaries are direct payments made by one entity to a third-party recipient for the employees of another, legally separate entity. On-behalf payments include pension plan contributions, employee health and life insurance premiums, and salary supplements or stipends. For example, a nongovernmental fund-raising foundation affiliated with a governmental university may supplement salaries of certain university employees. Those payments constitute on-behalf payments for purposes of reporting by the university if they are made to the faculty members in their capacity as employees of the university (GASB Statement 24).

The amount of on-behalf payments for fringe benefits and salaries included in the accompanying financial statement for fiscal year 2014 is \$1,634,866.

M. CONTINGENT LIABILITIES

Losses arising from judgments, claims, and similar contingencies such as guaranty of mortgage loans on sorority and fraternity houses are considered state liabilities and paid upon appropriation by the Legislature and not the university. Other losses arising from judgments, claims, and similar contingencies are paid through the state's self-insurance fund operated by the Office of Risk Management, the agency responsible for the state's risk management program, or by appropriation from the state's General Fund. During fiscal year 2014, no direct claims or litigation costs were incurred by the university.

N. RELATED PARTY TRANSACTIONS

The university did not have any related party transactions.

O. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At June 30, 2014, the university had no violations of finance-related legal or contractual provisions.

P. LEASES

Operating Leases

Total operating lease expenditures for fiscal year 2013-2014 amounted to \$226,044. The annual rental payments for the next five years are presented as follows:

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| | Office Space | Equipment | Land | Other | Total |
|---------------------------------|-----------------|------------|------------|---------|------------|
| 2015 | \$ 19,530 | \$ 14,316 | \$ 95,966 | \$ | \$ 129,812 |
| 2016 | | 14,316 | 97,406 | | 111,722 |
| 2017 | | 14,316 | 98,867 | | 113,183 |
| 2018 | | 14,316 | 74,983 | | 89,299 |
| 2019 | | 14,316 | 10 | | 14,326 |
| 2020-2024 | | 36,983 | 50 | | 37,033 |
| 2025-2029 | | | 50 | | 50 |
| 2030-2034 | | | 50 | | 50 |
| Thereafter | | | 700 | | 700 |
| Total minimum future rentals | \$ 19,530 | \$ 108,563 | \$ 368,082 | \$ NONE | \$ 496,175 |

Capital Leases

The university did not have any capital leases.

The university's component unit foundation did not have any capital leases at June 30, 2014.

Lessor Direct Financing Leases

The university did not have any lessor direct financing leases.

Lessor - Operating Lease

The university's leasing operations consists of leasing property for providing food services to students, vending operations, and for promoting economic development and research activities. The cost and carrying amount of property on lease for food services to students and promoting economic development and research activities and the amount of accumulated depreciation as of June 30, 2014 is as follows:

| | Cost | Accumulated Depreciation | Carrying Amount |
|-----------------|---------------|-----------------------------|--------------------|
| a. Office space | \$ 1,763,747 | \$ 644,064 | \$ 1,119,683 |
| b. Buildings | 15,049,334 | 4,707,516 | 10,341,818 |
| c. Equipment | | | - |
| d. Land | 555,839 | | 555,839 |
| Total | \$ 17,368,920 | \$ 5,351,580 | \$ 12,017,340 |

The following is a schedule of minimum future rentals on noncancellable operating leases as of June 30, 2014:

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| | Office Space | Buildings | Land | Other | Total |
|---------------------------------|-----------------|---------------|------------|--------------|---------------|
| 2015 | \$ 795,108 | \$ 931,002 | \$ 95,010 | \$ 420,000 | \$ 2,241,120 |
| 2016 | 782,572 | 940,210 | 95,010 | 420,000 | 2,237,792 |
| 2017 | 1,007,500 | 938,797 | 95,010 | 420,000 | 2,461,307 |
| 2018 | 1,001,875 | 941,281 | 95,010 | 420,000 | 2,458,166 |
| 2019 | 1,000,000 | 942,135 | 95,010 | 210,000 | 2,247,145 |
| 2020-2024 | 5,000,000 | 4,685,574 | 406,383 | | 10,091,957 |
| 2025-2029 | | 4,678,812 | 110,050 | | 4,788,862 |
| 2030-2034 | | 800,963 | 50 | | 801,013 |
| Thereafter | | | 650 | | 650 |
| Total minimum future rentals | \$ 9,587,055 | \$ 14,858,774 | \$ 992,183 | \$ 1,890,000 | \$ 27,328,012 |

Minimum future rentals do not include contingent rentals that may be received as stipulated in the lease contracts. These contingent rental payments occur as a result of sales volume or customer usage of services provided. Contingent rentals received from operating leases of office space and buildings for the year ended June 30, 2014, were \$638,185 and \$507,033.

Q. NET POSITION

Restricted Expendable Net Position

The university had the following restricted expendable net position as of June 30, 2014:

| <u>Account Title</u> | <u>Amount</u> |
|------------------------------|---------------|
| Grants and contracts | \$ 2,738,081 |
| Student fees | 15,097,838 |
| Restricted for use by donors | 12,270 |
| Student loan funds | 11,407,091 |
| Plant projects | 1,466,846 |
| Chairs and professorships | 36,435,584 |
| Scholarships | 37,717 |
| Vehicle registration | 23 |
| Maintenance reserves | 1,931,106 |
| Total | \$ 69,126,556 |

Net Position Restricted By Enabling Legislation (GASB Statement 46)

Restricted Expendable Net Position reported above include net position that is restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation.

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| Purpose of Restriction | LA Revised Statute Authorizing Revenue | Amount |
|--------------------------|---|---------------------|
| Student Technology Fee | LRS 17:3351.1(A)(1) | \$ 3,552,583 |
| Building Use Fee | Act 15 - 1967 Reguar Session | 2,273,943 |
| Academic Excellence Fee | LRS 17:3351.9(A) | 1,673,251 |
| Operational Fee | LRS 17:3351(A)(5)(d)(i) | 60,664 |
| Vehicle Registration Fee | LRS 17:1804 | 23 |
| Total | | <u>\$ 7,560,464</u> |

Restricted Nonexpendable Net Position

The university had the following restricted nonexpendable net position as of June 30, 2014:

| | |
|------------|----------------------|
| Endowments | \$ <u>50,515,000</u> |
|------------|----------------------|

RESTRICTED NET POSITION - COMPONENT UNITS

Restricted net position for the component unit at June 30, 2014, is as follows:

| | |
|---|----------------------|
| Temporarily restricted: | |
| Gifts - restricted by donors | \$ 38,253,215 |
| Chair and professorship endowment funds | <u>18,564,557</u> |
| Total temporarily restricted net assets | <u>\$ 56,817,772</u> |
| Permanently restricted: | |
| Donor-restricted endowment funds | \$ 42,816,737 |
| Chair and professorship endowment funds | <u>39,283,209</u> |
| Total permanently restricted - endowments | <u>\$ 82,099,946</u> |

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R. POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (OPEB)

The University provides certain continuing health care and life insurance benefits for its retired employees. Substantially all University employees become eligible for these benefits if they reach normal retirement age while working for the University.

The University offers its employees the opportunity to participate the state's Office of Group Benefits (OGB), which offers a life insurance plan. GASB Statement 45 promulgates the accounting and financial reporting requirement by employers that offer other postemployment benefits (OPEB) besides pensions. The medical coverage plans and the life insurance plan available would be subject to the provisions of this statement. Information about the plan is presented below.

Plan Description - Employees of the University voluntarily participate in the State of Louisiana's health insurance plan. The Office of Group (OGB) provides medical and life insurance benefits to eligible retirees and their beneficiaries. Participants are eligible for retiree benefits if they meet the retirement eligibility as defined in the applicable retirement system, and they must be covered by the active medical plan immediately prior to retirement. The postemployment benefits plan is a cost-sharing, multiple-employer defined benefit plan. R.S. 42:801-883 provide the authority to establish and amend benefit provisions of the plan. OGB does not issue a publicly available financial report; however, the entity is included in the Louisiana Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap.

Funding Policy - The contribution requirements of plan members and the University are established and may be amended by R.S. 42:801-883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. OGB offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) plan, the Health Maintenance Organization (HMO) plan, and the Medical Home HMO plan. OGB also offers the Consumer Driven Health plan with a Health Savings Account option (CDHP-HSA) to active employees. Retired employees who have Medicare Part A and Part B coverage also have access to two OGB Medicare Advantage plans – two HMO plans, which are based on a calendar year. The two HMO plans are the Peoples Health HMO and the Vantage HMO. Beginning in 2013, Medicare eligible retirees can choose to enter the Towers Extend HIX program.

Employees hired before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Total annual per capita medical contribution rates for 2013-2014 are shown in the Premium Rates table that follows. Employees hired on or after January 1, 2002, pay a percentage of the total contribution rate upon retirement based on the following schedule:

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| Service | Employer Contribution Percentage | Employee Contribution Percentage |
|----------------|--|--|
| Under 10 years | 19% | 81% |
| 10 - 14 years | 38% | 62% |
| 15 - 19 years | 56% | 44% |
| 20+ years | 75% | 25% |

Total monthly premium rates effective January 1, 2014, for the OGB PPO, HMO, Medical Home HMO, and the CDHP-HSA plans are as follows.

| | | State OGB Plans | | | |
|-------------------------|---------------|-----------------|----------|--------------------------|--------------|
| | | PPO | HMO | Medical Home HMO Plan | CDHP Plan |
| Active | | | | | |
| | Single | \$565.72 | \$534.48 | \$572.76 | \$439.16 |
| | With Spouse | 1,201.64 | 1,135.12 | 1,199.72 | 932.76 |
| | With Children | 689.96 | 651.80 | 695.48 | 535.80 |
| | Family | 1,267.32 | 1,197.11 | 1,264.40 | 983.68 |
| Retired No Medicare | | | | | |
| | Single | \$1,052.52 | \$997.52 | \$1,052.44 | N/A |
| | With Spouse | 1,858.56 | 1,761.32 | 1,847.24 | N/A |
| | With Children | 1,172.36 | 1,111.16 | 1,170.70 | N/A |
| | Family | 1,849.52 | 1,752.88 | 1,838.32 | N/A |
| Retired with 1 Medicare | | | | | |
| | Single | \$342.28 | \$330.00 | \$352.44 | N/A |
| | With Spouse | 1,264.60 | 1,206.08 | 1,261.60 | N/A |
| | With Children | 592.40 | 567.68 | 598.96 | N/A |
| | Family | 1,684.95 | 1,605.36 | 1,676.04 | N/A |
| Retired with 2 Medicare | | | | | |
| | With Spouse | \$615.24 | \$591.56 | \$621.30 | N/A |
| | Family | 761.76 | 732.40 | 765.76 | N/A |

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All members who retire on or after July 1, 1997, must have Medicare Parts A and B in order to qualify for the reduced premium rates.

| <u>Medicare Supplement Rates</u> | <u>Calendar Year 2014</u> | | <u>Calendar Year 2013</u> | |
|----------------------------------|---------------------------|-------------------|---------------------------|-------------------|
| | Retired with | | Retired with | |
| | <u>1 Medicare</u> | <u>2 Medicare</u> | <u>1 Medicare</u> | <u>2 Medicare</u> |
| Peoples Health HMO | 251.00 | 502.00 | 234.00 | 468.00 |
| Vantage HMO | 150.62 | 301.22 | 184.48 | 368.96 |

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life, and Employee Accidental Death and Dismemberment coverage, which is underwritten by The Prudential Insurance Company of America. The total premium is approximately \$1 per thousand dollars of coverage of which the employer pays fifty cents for retirees and twelve cents for spouses, Maximum coverage is capped at \$50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with accidental death and dismemberment coverage ceasing at age 70 for retirees,

Annual Other Postemployment Benefit Cost and Liability - The University of Louisiana at Lafayette's (ULL) Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) over a period of 30 years. A 30-year, open amortization period has been used. The total ARC for fiscal year 2014 is \$11,950,700 as set forth below.

The following schedule presents the ULL's OPEB obligation for fiscal year 2014.

| | <u>State OGB Plan</u> |
|--|-----------------------|
| Annual Required Contributions | \$11,950,700 |
| Interest on Net OPEB Obligation | 3,333,700 |
| ARC Adjustment | (3,184,600) |
| OPEB Cost | \$12,099,800 |
| Contributions made (current year retiree premiums) | (4,129,492) |
| Increase in Net OPEB Obligation | \$7,970,308 |
| Beginning net OPEB Obligation at July 1, 2013 | \$83,341,482 |
| Ending Net OPEB Obligations at June 30, 2014 | \$91,311,790 |

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Funded Status and Funding Progress - During fiscal year 2014, neither ULL nor the State of Louisiana made contributions to its post-employment benefits plan trust. A trust was established during fiscal year 2008, but was not funded at all, has no assets, and hence has a funded ratio of zero. Since the plan was not funded, the University's entire actuarial accrued liability of \$154,057,400 was unfunded.

The funded status of the plan, as determined by an actuary as of July 1, 2013, was as follows:

| | <u>State OGB Plan</u> |
|---|-----------------------|
| Actuarial Accrued Liability (AAL) | \$154,057,400 |
| Actuarial Value of Plan Assets | NONE |
| Unfunded Actuarial Accrued Liability (UAAL) | \$154,057,400 |
| Funded Ratio (actuarial value of plan assets/AAL) | 0% |
| Covered Payroll | \$70,566,500 |
| UAAL as a percentage of covered payroll | 218% |

Using the pay-as-you-go method, ULL contributed 34.1 % of the annual postemployment benefits cost during 2014. In fiscal year 2013, the annual OPEB cost was \$11,606,420 and the University contributed 37.1% of the annual OPEB cost.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in the AAL consistent with the long-term perspective of the calculations.

The RP 2000 Mortality Table was used in making actuarial assumptions. Retirement rate assumptions differ by employment group and date of plan participation. The state's UAAL is being amortized as a level percentage of projected payroll over an open amortization period of 30 years. The remaining amortization period at June 30, 2014, is 23 years. Annual per capital medical claims cost were updated to reflect an additional year of actual experience. The OGB Plan actuarial accrued liability increased slightly since the last actuarial evaluation. A number of issues contributed to this change since the prior valuation. Items affecting the valuation as identified by the actuary were, (1) updated disability classification and mortality tables; (2) favorable claims and premium experience; (3) life insurance participation; and (4) the substantive plan to eliminate the premium deficiency.

A summary of the actuarial assumptions is presented as follows:

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| | <u>State OGB Plan</u> |
|----------------------------|-----------------------|
| Actuarial valuation date | July 1, 2013 |
| Actuarial cost method | Projected Unit Cost |
| Amortization method | Level % of payroll |
| Amortization period | 30 years, open |
| Asset valuation method | None |
| Actuarial assumptions: | |
| Investment rate of return | 4% |
| Projected salary increases | 3% |
| Healthcare inflation rate | 6%-8% |
| Ultimate | 4.50% |

S. ACCOUNTING CHANGES

There were no accounting changes for the year ended June 30, 2014.

T. RESTATEMENT OF BEGINNING NET POSITION

The following adjustments were made to restate beginning net assets:

| | |
|--|-----------------------|
| Net assets at June 30, 2013 | \$ 285,861,705 |
| Adjustment of prior year bonds payable (Lease Revenue Refunding Bonds, Series 2006 - Cajundome Convention Center Project) | (11,128,131) |
| Adjustment of prior year receivables | <u>(35,467)</u> |
| Net assets at June 30, 2013, restated | <u>\$ 274,698,107</u> |

U. PLEDGES OF GIFTS

There were no pledges of gifts including uncollected subscriptions, subscription notes, and estate.

V. SEGMENT INFORMATION & REPORTING FUNDS OF A BLENDED COMPONENT UNIT

There was no segment information required to be reported for the year ended June 30, 2014.

The university issues revenue bonds to finance certain of its auxiliary enterprises. The revenues generated by the auxiliary enterprise are used to pay the interest and principal of these revenue bonds. The blended component unit through which the bonds are issued is the Ragin' Cajun Facilities, Inc. (the corporation) which is a Louisiana nonprofit corporation chartered in January 2001. Its purpose is to promote, assist and benefit the educational, scientific, research and public service mission of the university. The objectives of the corporation are to acquire, construct, develop, manage, lease as lessor or lessee, mortgage and/or convey student housing and other facilities on the campus of the university.

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Condensed financial information for the blended component unit follows:

CONDENSED STATEMENT OF NET POSITION

| | Ragin Cajun Facilities, Inc. |
|--|---------------------------------|
| Assets | |
| Current assets | \$ 210,066 |
| Capital assets | 160,808,791 |
| Other assets | 68,283,700 |
| Total Assets | <u>229,302,557</u> |
| Deferred Outflow of Resources | NONE |
| Total Assets & Deferred Outflow of Resources | <u>229,302,557</u> |
| Liabilities | |
| Current liabilities | 13,400,036 |
| Long-term liabilities | 191,703,541 |
| Total liabilities | <u>205,103,577</u> |
| Deferred Inflow of Resources | NONE |
| Net Position | |
| Net, investment in capital assets | 23,278,133 |
| Restricted net position - expendable | 3,267,952 |
| Restricted net position - nonexpendable | NONE |
| Unrestricted net position | (2,347,105) |
| Total Net Position | <u>\$ 24,198,980</u> |

CONDENSED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION

| | Ragin Cajun Facilities, Inc. |
|---|---------------------------------|
| Operating revenues | \$ 8,597,134 |
| Operating expenses | (137,712) |
| Depreciation expense | (4,119,566) |
| Net operating income | <u>4,339,856</u> |
| Nonoperating revenues (expenses): | |
| Investment income | 91,531 |
| Gifts of equipment | |
| Gift income | |
| Interest expense | (6,602,740) |
| Other (net) | |
| Capital contributions/additions to permanent and term endowments | <u>9,219,450</u> |
| Changes in net assets | <u>7,048,097</u> |
| Net Position, beginning of the year | 17,150,883 |
| Net Position, end of the year | <u>\$ 24,198,980</u> |

CONDENSED STATEMENT OF CASH FLOWS

| | Ragin Cajun Facilities, Inc. |
|------------------------------------|---------------------------------|
| Net cash flows provided (used) by: | |
| Operating activities | \$ 11,885,447 |
| Noncapital financing | |
| Capital and related financing | 8,779,039 |
| Investing activities | <u>(3,553,734)</u> |
| Net increase(decrease) in cash | <u>17,110,752</u> |
| Cash, beginning of the year | <u>23,378,901</u> |
| Cash, end of the year | <u><u>\$ 40,489,653</u></u> |

W. PER DIEM PAID TO BOARD MEMBERS

The university has no per diem paid to board members.

X. PENSION PLANS

Plan Description--Substantially all employees of the university are members of two statewide, public employee retirement systems. Academic employees are generally members of the Teachers' Retirement System of Louisiana (TRSL), and classified/unclassified state employees are members of the Louisiana State Employees Retirement System (LASERS). Both plans are administered by separate boards of trustees. TRSL is a cost-sharing, multiple-employer defined benefit pension plan and LASERS is considered a single-employer plan because the material portion of its activity is with one employer--the State of Louisiana. Both plans provide retirement, disability, and survivors' benefits to plan members and beneficiaries. The State of Louisiana guarantees benefits granted by the retirement systems by provisions of the Louisiana Constitution of 1974. Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after five years of service with TRSL and 10 years of service with LASERS. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual publicly available financial reports that include financial statements and required supplementary information for the systems. The reports may be obtained by writing to the Teachers Retirement System of Louisiana, Post Office Box 94123, Baton Rouge, Louisiana 70804-9123, or by calling (225) 925-6446 and/or the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0600.

Funding Policy--The contribution requirements of employee plan members and the university are established and may be amended by the state legislature. The legislature annually sets the required employer contribution rate equal to the actuarially required employer contribution as set forth in R.S. 11:102. Employees contribute 8% (TRSL) and 7.5% (8% for LASERS employees hired after July 1, 2006 or 9.5% for LASERS employees in Hazardous Duty) of covered salaries. In fiscal year 2014, the state contributed 26.50% of covered salaries to TRSL and 31.30% of covered salaries to LASERS. The employer contribution is funded by the State of Louisiana through the annual appropriation to the university. The employer contributions to TRSL for the years ended June 30, 2014, 2013, and 2012 were \$9,991,064; \$8,597,834; and \$8,136,772; respectively, and to LASERS for years ended June 30, 2014, 2013, and 2012 were \$6,740,599; \$6,464,493; and \$5,984,048; respectively, equal to the required contributions for each year.

Optional Retirement System

R.S. 11:921 created an optional retirement plan (ORP) for academic and administrative employees of public institutions of higher education. This program was designed to aid universities in recruiting employees who may not be expected to remain in the TRSL for 10 or more years. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants.

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The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRSL and purchase retirement and death benefits through contracts provided by designated companies.

Total contributions by the university are 26.50% of covered payroll for fiscal year 2014. The participant's contribution (8%), less any monthly fee required to cover the cost of administration and maintenance of the optional retirement plan, is remitted to the designated company or companies. Upon receipt of the employer's contribution, the TRSL pays over to the appropriate company or companies, on behalf of the participant, an amount equal to the employer's portion of the normal cost contribution as determined annually by an actuarial committee. The TRSL retains the balance of the employer contribution for application to the unfunded accrued liability of the system. Benefits payable to participants are not the obligations of the State of Louisiana or the TRSL. Such benefits and other rights of the optional retirement plan are the liability and responsibility solely of the designated company or companies to whom contributions have been made. Employer and employee contributions to the optional retirement plan totaled \$10,131,053 and \$3,064,476, respectively, for the year ended June 30, 2014.

Y. DEBT REFUNDING

There was no debt refunding for the year ended June 30, 2014.

Z. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

There were no government-mandated nonexchange transactions (grants) received during the year ended June 30, 2014.

AA. DONOR RESTRICTED ENDOWMENTS

If a donor has not provided specific instructions, state law permits the University of Louisiana System Board to authorize expenditure of the net appreciation (realized and unrealized) of the investments of endowment funds. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established.

At June 30, 2014, net appreciation of \$36,447,854 is available to be spent, of which \$36,447,854 is restricted to specific purposes (net appreciation during the fiscal year).

For endowments related to the State's endowed chair and professorship program, the university utilizes total return (income and capital appreciation) in the determination of the rate of spending. For the other endowments, the investment income is authorized and spent in accordance with donor agreements.

BB. NOT USED

CC. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2014 are composed of the following:

| | |
|---|----------------------|
| Vendor payables | \$ 10,027,405 |
| Accrued salaries, benefits and deductions payable | <u>5,600,207</u> |
| Total | <u>\$ 15,627,612</u> |

DD. SUBSEQUENT EVENTS

No events of a material nature have occurred subsequent to the Statement of Net Position's date that would require adjustment to, or disclosure in, the accompanying financial statement.

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EE. NOT USED

FF. IMPAIRMENT OF CAPITAL ASSETS AND INSURANCE RECOVERIES

GASB 42 establishes accounting and financial reporting standards for impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset.

No capital assets became permanently impaired in FY 13-14. There were no insurance recoveries received in FY 13-14 related to impairment losses occurring in previous years. The following are insurance recoveries received in FY 13-14 other than those related to impairment of capital assets:

| <u>Type of asset</u> | <u>Amount of Insurance Recovery</u> | <u>Financial Statement Classification</u> | <u>Reason for insurance recovery (e.g. fire)</u> |
|----------------------|-------------------------------------|---|--|
| Buildings | 180,569 | Nonoperating revenue | Wind damage, water damage, mechanical failure |
| Movable Property | 10,719 | Nonoperating revenue | Collision, stolen property |

No capital assets were idle at year-end due to impairment.

GG. EMPLOYEE TERMINATION BENEFITS

The university had no disbursements of involuntary or voluntary termination benefits for the year ended June 30, 2014.

HH. REVENUES – PLEDGED OR SOLD (GASB 48)

1. PLEDGED REVENUES

The Convention Center adjacent to the Cajundome is owned by the Board of Supervisors for the University of Louisiana System and the University of Louisiana at Lafayette. The Convention Center is leased to and operated by the Cajundome Commission. In consideration for use and possession of the Convention Center and the issuance of bonds by the Board, the Commission has entered into a lease agreement dated June 10, 1997 with the Board. Under the terms of the agreement, the Commission pays rentals for the facility in the amount of debt service of the bonds issued by the Board, including any penalties or premiums, and any and all expenses related to the trustee for the bonds. Rental payments are payable only from pledged revenues, which consist of a hotel/motel tax, which is subject to annual appropriation by the legislature, and excess revenues after deduction of operating expenditures of the Convention Center for each fiscal year of operation. Rental payments under the lease agreement during the fiscal year ended 2014 totaled \$943,894, which consisted of the bond principal and interest payments.

2. FUTURE REVENUES REPORTED AS A SALE

The university has no proceeds received in exchange for the rights to future cash flows from specific future revenues.

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II. POLLUTION REMEDIATION OBLIGATIONS

A preliminary site assessment has been performed that revealed asbestos on University of Louisiana at Lafayette's property. A possible explanation for this is buildings were constructed before it was understood the harm asbestos caused. Further investigation to determine the full nature and extent of this contamination and required remediation has led to a potential liability of \$375,925. The university had \$213,321 in remediation costs for fiscal year 2014 and is reporting a balance of \$162,604 for the liability. At this time, the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs are incurred, the liability will be adjusted.

The following is a summary of pollution remediation liabilities:

| Project Name | FP&C/ DEQ Project Number | Trigger Year | 6/30/13 Ending Balance | Increases | Decreases (expenditures) (including accruals) | Decreases (other adjustments) | 6/30/14 Ending Balance (including accruals) | Percent Complete | Current Portion of L/T Debt | Non-Current Portion of L/T Debt | Realizable Recoveries |
|--|--|--------------|------------------------|-----------|---|-------------------------------|---|------------------|-----------------------------|---------------------------------|-----------------------|
| <u>Projects Reported @ 6/30/13:</u> | | | | | | | | | | | |
| | | | - | NONE | - | NONE | NONE | | NONE | NONE | NONE |
| <u>Projects NOT Previously Reported:</u> | | | | | | | | | | | |
| | | | NONE | NONE | NONE | NONE | NONE | | NONE | NONE | NONE |
| <u>Projects Begun after 7/1/13:</u> | | | | | | | | | | | |
| Angelle Hall Smoke Stack | DC526308 | 2014 | | 641 | 641 | | 0 | 100% | | | |
| Brooks Street Annex | DC600204 & DC608589 | 2014 | | 24,082 | 24,082 | | 0 | 100% | | | |
| Builleaud Hall | DC606781 | 2014 | | 7,178 | 7,178 | | 0 | 100% | | | |
| Cajunfield Generator | DC524309 | 2014 | | 2,200 | 2,200 | | 0 | 100% | | | |
| Conference Center | DC608556 & DC609528 | 2014 | | 22,430 | 22,430 | | 0 | 100% | | | |
| Griffin Hall | DC518377, DC521221, DC608692 | 2014 | | 7,685 | 7,685 | | 0 | 100% | | | |
| Martin Hall 3rd Floor | DC519251, DC519390, DC523089, DC600743, DC606642 | 2014 | | 39,335 | 39,335 | | 0 | 100% | | | |
| Montgomery Hall | DC608556 | 2014 | | 4,670 | 4,670 | | 0 | 100% | | | |
| Stokes Hall A & B and Washeteria | DC526305, DC600418, DC610784 | 2014 | | 267,704 | 105,100 | | 162,604 | 48% | 162,604 | | |
| | | | NONE | 375,925 | 213,321 | NONE | 162,604 | | 162,604 | NONE | NONE |
| Totals | | | NONE | 375,925 | 213,321 | NONE | 162,604 | | 162,604 | NONE | NONE |

JJ. DEBT SERVICE RESERVE REQUIREMENTS

The following is a summary of the debt service reserve requirements of the various bond issues outstanding at June 30, 2014:

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| Bond Issue | Reserve Available | Reserve Requirement | Excess |
|---|----------------------|----------------------|-----------------|
| Ragin' Cajun Facilities, Inc. Project Series 2009 | \$ 975,317 | \$ 975,300 | \$ 17 |
| Ragin' Cajun Facilities, Inc. Student Union/University Facilities Project Series 2010 | 1,379,912 | 1,379,681 | 231 |
| Ragin' Cajun Facilities, Inc. Housing and Parking Project Series 2010 | 6,846,770 | 6,845,625 | 1,145 |
| Ragin' Cajun Facilities, Inc. Lewis Street Parking Garage Project Series 2013 | 1,590,546 | 1,590,463 | 83 |
| Ragin' Cajun Facilities, Inc. Athletic Facilities Project Series 2013 | <u>1,488,326</u> | <u>1,488,250</u> | <u>76</u> |
| Total | <u>\$ 12,280,871</u> | <u>\$ 12,279,319</u> | <u>\$ 1,552</u> |

As permitted by the Bond Resolution for the Ragin' Cajun Facilities, Inc. Project – Series 2012 Ref 2002, Ragin' Cajun Facilities, Inc. obtained a surety bond issued by an insurance company as a substitute for the reserve requirement for the bonds. The surety bond meets the definition as a "Reserve Fund Investment" and guarantees payment of an amount not to exceed \$1,171,344 to fund the Reserve Requirement.

At June 30, 2014 in accordance with the lease agreement discussed in Note HH, the Cajundome reflects a debt service reserve requirement of \$485,525 and has \$485,532 on deposit with the Trustee, J.P. Morgan Trust Company, National Association, Baton Rouge, Louisiana.

KK. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

ARRA expenses incurred during the year ended June 30, 2014 consisted of the following programs and amounts:

| CFDA No. | Program | Amount |
|---------------------|---|-------------------|
| 47.082 | Trans-NSF Recovery Act Research Support | \$ 98,998 |
| 81.122 | Electricity Delivery and Energy Reliability, Research, Development and Analysis | 13,283 |
| 12.W911NF-11-1-0047 | ARRA - Fractional Differential and Integral Inequalities with Applications | <u>11,075</u> |
| | | <u>\$ 123,356</u> |

LL. SERVICE CONCESSION ARRANGEMENTS

The university had no service concession arrangements for the year ended June 30, 2014.

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 (University or System)

SCHEDULE OF BONDS PAYABLE
 June 30, 2014

| Issue | Date of Issue | Original Issue Amount | Principal Outstanding 6/30/2013 | (Redeemed) Issued | Principal Outstanding 6/30/2014 | Interest Rates | Interest Outstanding 6/30/2014 |
|---|-------------------|-----------------------|---------------------------------|-------------------|---------------------------------|----------------|--------------------------------|
| Lease Revenue Refunding Bonds, Series 2006-Cajundome Convention Center Project | April 26, 2007 | \$ 13,370,000 | \$ 11,235,000 | \$ (465,000) | \$ 10,770,000 | 4.0%-5.0% | \$ 4,088,774 |
| RCFI Issues: | | | | | | | |
| Ragin' Cajun Facilities, Inc. (blended component unit): | | | | | | | |
| Lafayette Public Trust Financing Authority- Student Housing Series 2009 | April 15, 2009 | 12,500,000 | 12,365,000 | (115,000) | 12,250,000 | 3.5%-6.0% | 11,016,778 |
| Lafayette Public Trust Financing Authority- Student Union/University Facilities Project Series 2010 | November 15, 2010 | 22,200,000 | 21,420,000 | (440,000) | 20,980,000 | 2.0%-5.0% | 15,966,135 |
| Lafayette Public Trust Housing and Parking Project Series 2010 | December 1, 2010 | 100,050,000 | 100,050,000 | (1,240,000) | 98,810,000 | 2.0%-5.5% | 91,186,253 |

SCHEDULE 1-A (Continued)

| Issue | Date of Issue | Original Issue Amount | Principal Outstanding 6/30/2013 | (Redeemed) Issued | Principal Outstanding 6/30/2014 | Interest Rates | Interest Outstanding 6/30/2014 |
|---|-------------------|-----------------------|---------------------------------|----------------------|---------------------------------|----------------|--------------------------------|
| Lafayette Public Trust Financing Authority- Ragin' Cajun Facilities, Inc. Project - Series 2012 Ref 2002 | October 30, 2012 | 14,740,000 | 14,740,000 | | 14,740,000 | 3.0%-5.0% | 6,291,042 |
| Louisiana Local Government Environmental Facilities and Community Development Authority - Lewis Street Parking Garage Project, Series 2013 | November 21, 2013 | 25,205,000 | | 25,205,000 | 25,205,000 | 2.0%-5.0% | 21,660,373 |
| Louisiana Local Government Environmental Facilities and Community Development Authority - Ragin' Cajun Facilities, Inc. - Athletic Facilities Project, Series 2013 | November 26, 2013 | 23,605,000 | | 23,605,000 | 23,605,000 | 2.0%-5.0% | 20,256,927 |
| Unamortized discounts: | | | | | | | |
| Cajundome Convention Center bonds | | (181,005) | (106,869) | 9,897 | (96,972) | | |
| RCFI: | | | | | | | |
| Series 2009 | | (204,337) | (175,316) | 7,708 | (167,608) | | |
| Series 2010 | | (374,142) | (333,440) | 15,703 | (317,737) | | |
| Series 2010 | | (1,959,680) | (1,789,740) | 71,320 | (1,718,420) | | |
| Series 2012 Ref 2002 | | 818,273 | 780,787 | (57,546) | 723,241 | | |
| Series 2013 - Parking | | (175,990) | | (171,616) | (171,616) | | |
| Series 2013 - Athletics | | (147,924) | | (144,319) | (144,319) | | |
| | | | <u>\$ 158,185,422</u> | <u>\$ 46,281,147</u> | <u>\$ 204,466,569</u> | | <u>\$ 170,466,282</u> |

SCHEDULE 1-A (Concluded)

STATE OF LOUISIANA
 University of Louisiana at Lafayette Foundation
 (Component Unit)

SCHEDULE OF BONDS PAYABLE
 June 30, 2014

| Issue | Date of Issue | Original Issue Amount | Principal Outstanding 6/30/2013 | (Redeemed) Issued | Principal Outstanding 6/30/2014 | Interest Rates | Interest Outstanding 6/30/2014 |
|--|------------------|-----------------------|---------------------------------|-------------------|---------------------------------|----------------|--------------------------------|
| Lafayette Economic Development Authority | February 1, 2002 | \$ 8,500,000 | \$ 1,500,000 | \$ | \$ 1,500,000 | 4.5% | \$ 171,000 |

\$ 1,500,000 NONE \$ 1,500,000 \$ 171,000

STATE OF LOUISIANA
University of Louisiana at Lafayette

(University or System)

SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE

June 30, 2014

| <u>Issue</u> | <u>Date of Issue</u> | <u>Original Issue Amount</u> | <u>Principal Outstanding June 30, 2013</u> | <u>Issued (Redeemed)</u> | <u>Principal Outstanding June 30, 2014</u> | <u>Interest Rates</u> | <u>Interest Outstanding June 30, 2014</u> |
|--------------|----------------------|------------------------------|--|--------------------------|--|-----------------------|---|
| | | \$ | \$ | \$ | \$ | | \$ |
| | | | <u>NONE</u> | <u>NONE</u> | <u>NONE</u> | | <u>NONE</u> |

STATE OF LOUISIANA
 University of Louisiana at Lafayette Foundation
 (Component Unit)

SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE

June 30, 2014

| <u>Issue</u> | <u>Date of Issue</u> | <u>Original Issue Amount</u> | <u>Principal Outstanding June 30, 2013</u> | <u>Issued (Redeemed)</u> | <u>Principal Outstanding June 30, 2014</u> | <u>Maturities</u> | <u>Interest Rates</u> | <u>Interest Outstanding June 30, 2014</u> |
|--------------|----------------------|------------------------------|--|--------------------------|--|-------------------|-----------------------|---|
| | | \$ | \$ | \$ | \$ | | | \$ |
| | | | <u>NONE</u> | <u>NONE</u> | <u>NONE</u> | | | <u>NONE</u> |

SCHEDULE 1-B (Component Unit)

STATE OF LOUISIANA
 University of Louisiana at Lafayette Foundation
 (Component Unit)

SCHEDULE OF NOTES PAYABLE
 June 30, 2014

| Issue | Date of Issue | Original Issue Amount | Principal Outstanding June 30, 2013 | Issued (Redeemed) | Principal Outstanding June 30, 2014 | Maturities | Interest Rates | Interest Outstanding June 30, 2014 |
|---------------|---------------|-----------------------|-------------------------------------|--------------------|-------------------------------------|------------|----------------|------------------------------------|
| Mortgage note | June 9, 2011 | \$ 500,000 | \$ 467,421 | \$ (16,853) | \$ 450,568 | 2012-2016 | 4.75% | \$ 39,477 |
| | | | <u>\$ 467,421</u> | <u>\$ (16,853)</u> | <u>\$ 450,568</u> | | | <u>\$ 39,477</u> |

STATE OF LOUISIANA
 University of Louisiana at Lafayette
 (University or System)

SCHEDULE OF BONDS PAYABLE AMORTIZATION
 June 30, 2014

| Fiscal Year Ending: | Principal | Amortization of Discount | Net Principal | Interest |
|------------------------|--------------------|-----------------------------|--------------------|-----------------------|
| 2015 | 2,565,000 | 59,776 | 2,505,224 | 9,851,132 |
| 2016 | 4,430,000 | 61,027 | 4,368,973 | 9,732,653 |
| 2017 | 4,670,000 | 62,719 | 4,607,281 | 9,597,082 |
| 2018 | 4,830,000 | 64,452 | 4,765,548 | 9,447,072 |
| 2019 | 5,010,000 | 66,579 | 4,943,421 | 9,257,700 |
| 2020 | 5,215,000 | 68,793 | 5,146,207 | 9,048,619 |
| 2021 | 5,440,000 | 70,859 | 5,369,141 | 8,817,600 |
| 2022 | 5,675,000 | 72,683 | 5,602,317 | 8,581,977 |
| 2023 | 5,925,000 | 74,656 | 5,850,344 | 8,332,581 |
| 2024 | 6,185,000 | 76,660 | 6,108,340 | 8,067,797 |
| 2025 | 6,465,000 | 78,271 | 6,386,729 | 7,774,542 |
| 2026 | 6,785,000 | 79,706 | 6,705,294 | 7,461,016 |
| 2027 | 7,110,000 | 81,129 | 7,028,871 | 7,122,609 |
| 2028 | 7,465,000 | 82,464 | 7,382,536 | 6,764,116 |
| 2029 | 7,835,000 | 83,771 | 7,751,229 | 6,394,881 |
| 2030 | 8,075,000 | 85,007 | 7,989,993 | 6,013,642 |
| 2031 | 7,640,000 | 86,886 | 7,553,114 | 5,641,575 |
| 2032 | 8,020,000 | 88,759 | 7,931,241 | 5,245,406 |
| 2033 | 8,450,000 | 90,327 | 8,359,673 | 4,822,894 |
| 2034 | 7,740,000 | 86,432 | 7,653,568 | 4,407,688 |
| 2035 | 8,175,000 | 80,007 | 8,094,993 | 3,975,938 |
| 2036 | 8,635,000 | 72,540 | 8,562,460 | 3,518,550 |
| 2037 | 9,110,000 | 63,938 | 9,046,062 | 3,035,750 |
| 2038 | 9,610,000 | 54,104 | 9,555,896 | 2,526,356 |
| 2039 | 10,140,000 | 42,923 | 10,097,077 | 1,988,819 |
| 2040 | 9,700,000 | 31,406 | 9,668,594 | 1,466,531 |
| 2041 | 10,235,000 | 18,813 | 10,216,187 | 930,369 |
| 2042 | 9,370,000 | 6,289 | 9,363,711 | 418,200 |
| 2043 | 2,855,000 | 2,035 | 2,852,965 | 185,687 |
| 2044 | 3,000,000 | 420 | 2,999,580 | 37,500 |
| | <u>206,360,000</u> | <u>1,893,431</u> | <u>204,466,569</u> | <u>\$ 170,466,282</u> |

List the terms by which interest rates change for variable-rate debt:

No variable-rate debt

STATE OF LOUISIANA
 University of Louisiana at Lafayette Foundation
 (Component Unit)

SCHEDULE OF BONDS PAYABLE AMORTIZATION
 June 30, 2014

| Fiscal Year Ending: | Principal | Interest |
|------------------------|---------------------|-------------------|
| 2015 | | 67,500 |
| 2016 | \$ 700,000 | 67,500 |
| 2017 | 800,000 | 36,000 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| 2021 | | |
| 2022 | | |
| 2023 | | |
| 2024 | | |
| 2025 | | |
| 2026 | | |
| 2027 | | |
| 2028 | | |
| 2029 | | |
| 2030 | | |
| 2031 | | |
| 2032 | | |
| 2033 | | |
| 2034 | | |
| 2035 | | |
| 2036 | | |
| 2037 | | |
| 2038 | | |
| 2039 | | |
| 2040 | | |
| 2041 | | |
| 2042 | | |
| 2043 | | |
| 2044 | | |
| Total | \$ <u>1,500,000</u> | \$ <u>171,000</u> |

List the terms by which interest rates change for variable-rate debt:
No variable-rate debt

STATE OF LOUISIANA
 University of Louisiana at Lafayette
 (University or System)

SCHEDULE OF NOTES PAYABLE AMORTIZATION

June 30, 2014

| Fiscal Year Ending: | Principal | Interest |
|------------------------|-----------|----------|
| 2015 | \$ | \$ |
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020-2024 | | |
| 2025-2029 | | |
| 2030-2034 | | |
| 2035-2039 | | |
| 2040-2044 | | |
| Total | \$ NONE | \$ NONE |

List the terms by which interest rates change for variable-rate debt:

STATE OF LOUISIANA
University of Louisiana at Lafayette Foundation
(Component Unit)

SCHEDULE OF NOTES PAYABLE AMORTIZATION

June 30, 2014

| <u>Fiscal Year Ending:</u> | <u>Principal</u> | <u>Interest</u> |
|--------------------------------|-------------------|------------------|
| 2015 | 17,684 | 21,027 |
| 2016 | 432,884 | 18,450 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020-2024 | | |
| 2025-2029 | | |
| 2030-2034 | | |
| 2035-2039 | | |
| 2040-2044 | | |
| Total | \$ <u>450,568</u> | \$ <u>39,477</u> |

List the terms by which interest rates change for variable-rate debt: _____

STATE OF LOUISIANA
 University of Louisiana at Lafayette
 (University)

SCHEDULE OF CAPITAL LEASE AMORTIZATION
 June 30, 2014

| Fiscal Year | Beginning | | | | |
|-------------|----------------|----------------|----------------|----------------|----------------|
| Ending: | Balance | Payment | Interest | Principal | Balance |
| 2015 | \$ | \$ | \$ | \$ | \$ |
| 2016 | | | | | |
| 2017 | | | | | |
| 2018 | | | | | |
| 2019 | | | | | |
| 2020-2024 | | | | | |
| 2025-2029 | | | | | |
| 2030-2034 | | | | | |
| 2035-2039 | | | | | |
| 2040-2044 | | | | | |
| Total | \$ <u>NONE</u> | \$ <u>NONE</u> | \$ <u>NONE</u> | \$ <u>NONE</u> | \$ <u>NONE</u> |

List the terms by which interest rates change for variable-rate debt: _____

STATE OF LOUISIANA
 University of Louisiana at Lafayette
 (Component Unit)

SCHEDULE OF CAPITAL LEASE AMORTIZATION
 June 30, 2014

| Fiscal Year | Beginning | | | | |
|-------------|-------------|-------------|-------------|-------------|-------------|
| Ending: | Balance | Payment | Interest | Principal | Balance |
| 2015 | \$ | \$ | \$ | \$ | \$ |
| 2016 | | | | | |
| 2017 | | | | | |
| 2018 | | | | | |
| 2019 | | | | | |
| 2020-2024 | | | | | |
| 2025-2029 | | | | | |
| 2030-2034 | | | | | |
| 2035-2039 | | | | | |
| 2040-2044 | | | | | |
| Total | \$ | \$ | \$ | \$ | \$ |
| | <u>NONE</u> | <u>NONE</u> | <u>NONE</u> | <u>NONE</u> | <u>NONE</u> |

List the terms by which interest rates change for variable-rate debt: _____

STATE OF LOUISIANA
 University of Louisiana at Lafayette
 (University or System)

SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION
 June 30, 2014

| Fiscal Year Ending: | Principal | Interest |
|------------------------|----------------|----------------|
| 2015 | \$ | \$ |
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| 2021 | | |
| 2022 | | |
| 2023 | | |
| 2024 | | |
| 2025 | | |
| 2026 | | |
| 2027 | | |
| 2028 | | |
| 2029 | | |
| 2030 | | |
| 2031 | | |
| 2032 | | |
| 2033 | | |
| 2034 | | |
| 2035 | | |
| 2036 | | |
| 2037 | | |
| 2038 | | |
| 2039 | | |
| 2040 | | |
| 2041 | | |
| 2042 | | |
| 2043 | | |
| 2044 | | |
| Total | \$ <u>NONE</u> | \$ <u>NONE</u> |

List the terms by which interest rates change for variable-rate debt: _____

STATE OF LOUISIANA
 University of Louisiana at Lafayette Foundation
 (Component Unit)

SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION
 June 30, 2014

| Fiscal Year Ending: | Principal | Interest |
|------------------------|----------------|----------------|
| 2015 | \$ | \$ |
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| 2021 | | |
| 2022 | | |
| 2023 | | |
| 2024 | | |
| 2025 | | |
| 2026 | | |
| 2027 | | |
| 2028 | | |
| 2029 | | |
| 2030 | | |
| 2031 | | |
| 2032 | | |
| 2033 | | |
| 2034 | | |
| 2035 | | |
| 2036 | | |
| 2037 | | |
| 2038 | | |
| 2039 | | |
| 2040 | | |
| 2041 | | |
| 2042 | | |
| 2043 | | |
| 2044 | | |
| Total | \$ <u>NONE</u> | \$ <u>NONE</u> |

List the terms by which interest rates change for variable-rate debt: _____

STATE OF LOUISIANA

University of Louisiana at Lafayette
(University or System)

SCHEDULE OF EXPENSES BY UNIVERSITY
For The Year Ended June 30, 2014

Include expenses by each individual university in your system or expenses by agency number. Also, include the expenses of the foundations. The "Total Expenses" should agree to the "Combined Total" expenses shown in the Statement of Activities.

| Agency no. | University name | University Amount | *Foundation Amount | ** Eliminations | Total Expenses |
|------------|--------------------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| 1. 640 | University of Louisiana at Lafayette | \$ 262,853,057 | \$ 10,564,944 | \$ (7,016,642) | \$ 266,401,359 |
| 2. | | | | | |
| 3. | | | | | |
| 4. | | | | | |
| 5. | | | | | |
| 6. | | | | | |
| 7. | | | | | |
| 8. | | | | | |
| 9. | | | | | |
| 10. | | | | | |
| | Total | \$ <u>262,853,057</u> | \$ <u>10,564,944</u> | \$ <u>(7,016,642)</u> | \$ <u>266,401,359</u> |

