UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

FINANCIAL REPORT

JUNE 30, 2023

CONTENTS

BROUSSARD
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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of
University of Louisiana
at Lafayette Foundation, Inc.
Lafayette, Louisiana

Opinion

We have audited the accompanying financial statements of the University of Louisiana at Lafayette Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022 and the related statements of activities and cash flows for the years then ended, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University of Louisiana at Lafayette Foundation as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University of Louisiana at Lafayette Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

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is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatement are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the University of Louisiana at Lafayette Foundation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University of Louisiana at Lafayette Foundation's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of compensation, benefits and other payments to agency head on page 36 and schedule of revenues and expenses of intercollegiate athletics program on pages 37 and 38 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated October 23, 2023, on our consideration of the University of Louisiana at Lafayette Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that resting, and not to provide an opinion on the effectiveness of the University of Louisiana at Lafayette Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University of Louisiana at Lafayette Foundations' internal control over financial reporting and compliance.

Broussard, Poche LLP

Lafayette, Louisiana
October 23, 2023

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FINANCIAL STATEMENTS

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION
As of June 30, 2023 and 2022

ASSETS	2023	2022
Cash and cash equivalents	$ 37,058,071	$ 16,689,127
Cash – restricted for collateral	527,589	369,000
Accrued interest receivable	127,745	149,500
Contributions receivable, net	27,316,051	30,650,251
Other receivables	666,147	1,676,265
Prepaid expenses	175,527	288,260
Investments, at market value	196,877,075	201,942,421
Property and equipment, net	8,866,855	8,779,031
Artworks	3,406,179	3,148,437
Other assets	1,424,190	1,366,175
Total assets	$ 276,445,429	$ 265,058,467

LIABILITIES AND NET ASSETS	2023	2022
Liabilities:		
Accounts payable	$ 1,066,356	$ 1,479,715
Scholarships payable	60,000	60,000
Accrued expenses	4,362,495	4,801,497
Notes payable	260,027	286,054
Refundable advances	3,199,999	3,466,666
Funds held in custody	43,930,881	42,467,139
Total liabilities	$ 52,879,758	$ 52,561,071
Net assets:		
Without donor restrictions	$ 15,856,347	$ 15,204,598
With donor restrictions	207,709,324	197,292,798
Total net assets	$ 223,565,671	$ 212,497,396
Total liabilities and net assets	$ 276,445,429	$ 265,058,467

See Notes to Financial Statements.

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Contributions	$ 92,438	$ 19,978,573	$ 20,071,011
Contributions – artwork and other property	252,742	-	252,742
Interest and dividends, net of fees	357,355	54,124	411,479
Net gains and (losses) on investments –			
Realized	(563,303)	1,445,115	881,812
Unrealized	856,958	9,663,889	10,520,847
Other income	1,004,687	410,428	1,415,115
Loss on disposal of fixed assets and artwork	-	-	-
Net assets released from restrictions –			
Satisfaction of purpose restrictions	20,895,762	(20,895,762)	-
Transfers between net asset classifications	239,841	(239,841)	-
Total revenues, gains, losses and other support	$ 23,136,480	$ 10,416,526	$ 33,553,006
EXPENSES:			
Grants paid to benefit University of Louisiana at Lafayette for –			
Projects specified by donors	$ 18,988,995	$ -	$ 18,988,995
Fundraising –			
Salaries and benefits	458,541	-	458,541
Other	237,053	-	237,053
Supporting services –			
Salaries and benefits	1,988,889	-	1,988,889
Insurance	132,453	-	132,453
Office operations	728,045	-	728,045
Travel	75,206	-	75,206
Professional services	306,524	-	306,524
Dues and subscriptions	39,223	-	39,223
Meetings and development	27,153	-	27,153
Interest	13,121	-	13,121
Depreciation	304,318	-	304,318
Bad debt expense (recovery)	(814,790)	-	(814,790)
Total expenses	$ 22,484,731	$ -	$ 22,484,731

(continued)

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENT OF ACTIVITIES (CONTINUED)
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Change in net assets	$ 651,749	$ 10,416,526	$ 11,068,275
Net assets at beginning of year	15,204,598	197,292,798	212,497,396
Net assets at end of year	$ 15,856,347	$207,709,324	$223,565,671

See Notes to Financial Statements.

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Contributions	$ 179,292	$ 22,357,124	$ 22,536,416
Contributions – artwork and other nonfinancial assets	112,143	-	112,143
Interest and dividends, net of fees	132,368	(360,603)	(228,235)
Net gains and (losses) on investments –			
Realized	136,995	9,070,423	9,207,418
Unrealized	(1,462,838)	(26,766,000)	(28,228,838)
Other income	1,154,374	3,157,563	4,311,937
Loss on disposal of fixed assets and artwork	(790)	-	(790)
Net assets released from restrictions –			
Satisfaction of purpose restrictions	25,133,736	(25,133,736)	-
Transfers between net asset classifications	(373,437)	373,437	-
Total revenues, gains, losses and other support	$ 25,011,843	$(17,301,792)	$ 7,710,051
EXPENSES:			
Grants paid to benefit University of Louisiana at Lafayette for –			
Projects specified by donors	$ 21,021,572	$ -	$ 21,021,572
Fundraising –			
Salaries and benefits	360,073	-	360,073
Other	346,470	-	346,470
Supporting services –			
Salaries and benefits	1,751,778	-	1,751,778
Insurance	105,923	-	105,923
Office operations	962,298	-	962,298
Travel	34,789	-	34,789
Professional services	350,551	-	350,551
Dues and subscriptions	86,924	-	86,924
Meetings and development	12,691	-	12,691
Interest	14,384	-	14,384
Depreciation	303,751	-	303,751
Bad debt expense	855,594	-	855,594
Total expenses	$ 26,206,798	$ -	$ 26,206,798

(continued)

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENT OF ACTIVITIES (CONTINUED)
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Change in net assets	$ (1,194,955)	$ (17,301,792)	$ (18,496,747)
Net assets at beginning of year	16,399,553	214,594,590	230,994,143
Net assets at end of year	$ 15,204,598	$197,292,798	$212,497,396

See Notes to Financial Statements.

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2023 and 2022

	2023	2022
OPERATING ACTIVITIES		
Change in net assets	$ 11,068,275	$(18,496,747)
Adjustments to reconcile change in net assets to operating activities:		
Depreciation	304,318	303,751
Net realized and unrealized (gains) losses on investments	(10,084,853)	18,147,503
Gain on the forgiveness of the Paycheck Protection Program Loan	-	(219,755)
Loss on disposal of fixed assets and artwork	-	790
Bad debt expense (recoveries)	(814,790)	855,594
Non cash donations	(252,742)	(112,143)
Changes in assets and liabilities –		
Decrease (increase) in assets:		
Contributions receivables	4,148,990	324,737
Other receivables	1,010,118	(1,098,850)
Other assets	76,473	(139,563)
Increase (decrease) in liabilities:		
Accounts payable	(413,359)	(959,336)
Refundable advance	(266,667)	(266,667)
Funds held in custody (net of investment income allocation)	(2,100,360)	(2,488,607)
Other liabilities	(439,002)	1,995,806
Net cash provided by (used in) operating activities	$ 2,236,401	$ (2,153,487)
INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	$ 49,003,411	$ 46,133,488
Purchases of investments	(30,289,110)	(50,172,840)
Purchase of artworks	(5,000)	-
Purchases of fixed assets	(392,142)	(39,446)
Proceeds from sale of artwork	-	810
Net cash provided by (used in) investing activities	$ 18,317,159	$ (4,077,988)
FINANCING ACTIVITIES		
Principal payments on note payable	$ (26,027)	$ (24,775)
Net cash provided by (used in) financing activities	$ (26,027)	$ (24,775)
Net increase (decrease) in cash and cash equivalents	$ 20,527,533	$ (6,256,250)
Cash and cash equivalents at beginning of year	17,058,127	23,314,377
Cash equivalents at end of year	$ 37,585,660	$ 17,058,127

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended June 30, 2023 and 2022

	2023	2022
RECONCILIATION OF CASH		
Cash and cash equivalents	$ 37,058,071	$ 16,689,127
Cash- restricted for collateral	527,589	369,000
	$ 37,585,660	$ 17,058,127

See Notes to Financial Statements.

Note 1. Nature of Organization and Significant Accounting Policies

Nature of organization:

The University of Louisiana at Lafayette Foundation, Inc. (the "Foundation") is a nonprofit corporation organized to promote the educational, social, moral and material welfare of the University of Louisiana at Lafayette (the "University") and to receive scholarships, gifts, donations, devices and bequests of money and real and personal properties to become a part thereof, and to invest, care for, manage and control all monies and properties so received, and to disburse the same, and the income therefrom, as the donors may direct, or if case specific directions are not given, then to such uses as the Board of Trustees of the Foundation may determine, in aid of any of the activities, institutions, interests, purposes and objects of the University. The Ragin' Cajuns Athletic Foundation operates as a supporting organization for the benefit of the Foundation. As a result, the entities are financially interrelated and all financial activity is recorded in the financial statements.

Significant accounting policies:

Basis of accounting -

The financial statements of the Foundation have been prepared on the accrual basis of accounting.

Contributions and recognition of donor restricted contributions -

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are for future periods or restricted by the donor for specified purposes are reported as contributions with donor restrictions that increases that net asset class. When a donor restriction expires, when a time restriction ends and/or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of nonfinancial assets, including artworks, are recognized at their estimated fair market values at the date of the donation within the statement of activities and capitalized within the statements of financial position. These contributions are reported as a contribution with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Substantially, all artworks are considered without donor restrictions by the Foundation. When a donor restriction expires, that is, when some stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. For the years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the statement of activities included contributed artwork in the amount of $252,742 and $112,143, respectively.

Use of estimates -

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS

Cash and cash equivalents -

Cash and cash equivalents represent demand deposits and certificates of deposit with original maturities of three months or less. Certain cash and cash equivalents are restricted as to use based on donor stipulations or contractual conditions. Cash invested in donor endowments amounted to $19,884,843 and $9,377,855 as of June 30, 2023 and 2022, respectively.

Derivative instruments –

The Foundation has investments in derivative instruments, which have not been designated as hedges. A derivative financial instrument is a financial instrument whose values are derived in whole or in part from the value of any one or more underlying assets or index of asset values. Derivative instruments are recorded at fair value.

Contributions receivable –

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases in liabilities, or expenses depending upon the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Contributions to be received in one year or less are reported at net realizable value. Contributions to be received after one year, net of an allowance for uncollectible amounts, are initially reported at fair value, estimated by discounting them to their present value. Thereafter, amortization of discounts is recorded as additional contribution revenue. An allowance for uncollectible contributions receivable is provided based upon management's judgment, considering such factors as prior collection history, type of contribution, relationship with donor, and other relevant factors.

Other receivables –

Other receivables consists primarily of amounts due as matching contributions for the endowed chair and professorship program.

Investments -

In accordance with generally accepted accounting principles, all investments in marketable securities, debt securities and hedge funds are reported at their estimated fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income, gains and losses restricted by a donor are reported as changes in net assets with donor restrictions.

Concentrations of credit risk -

Financial instruments which subject the Foundation to concentrations of credit risk consist primarily of investments in long-term corporate and governmental fixed income instruments; equity holdings of domestic and international corporations; mutual funds that invest in various marketable securities; derivatives and various hedge funds. The hedge funds hold various investments which include but are not limited to corporate and government fixed income securities, corporate equities (both long and short positions), mutual funds, futures contracts, forward contracts, option contracts, physical commodities, distressed securities, real estate, swaps and other derivative products and other capital market instruments. In addition, the Foundation typically maintains cash and cash equivalents and temporary investments in local banks which may, at times, exceed the Federal Deposit Insurance Corporation (FDIC) limits.

Contributions receivable and substantially all donations are derived from local donors in Southern Louisiana.

As of June 30, 2023, two donors makes up 59% of the contribution receivable balance and one donor makes up 35% of the contribution revenue for the year ended. As of June 30, 2022, one donor makes up 56% of the contribution receivable balance and one donor makes up 18% of the contribution revenue for the year ended.

Tax status -

The Foundation is a Louisiana nonprofit corporation established in 1955. It is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code; accordingly, no provision for income taxes has been made in the financial statements.

The Foundation has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to examination by the Internal Revenue Service are the 2019, 2020 and 2021 tax years. However, the Foundation is not currently under audit nor has the Foundation been contacted by any jurisdiction.

Based on the evaluation of the Foundation's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal year ended June 30, 2023 and 2022.

Property and equipment -

Purchased property and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The cost of repairs and maintenance are charged to expense when incurred.

Donations of property and equipment are recorded as support at their estimated fair market value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as support with donor restrictions.

Artworks –

Collection items consist of artwork that are held for educational purposes. Collection items are acquired either through purchase or donation are capitalized. The proceeds from deaccession of collection items may be used for acquisitions of new collection items, the direct care of existing collections, or at the discretion of the Foundation. The Foundation considers direct care to entail actions that enhance the life, usefulness, or quality of the collection items to ensure they will continue to benefit the public.

Real estate -

Real estate held for investment purposes is recorded at fair market value on the date donated.

Charitable giving through life insurance -

In 1985, the Foundation instituted a "Charitable Giving Through Life Insurance Program" in which whole-life insurance policies are purchased on the lives of individuals, with their permission, with proceeds upon death inuring to the Foundation. The cash surrender value of these policies is recognized within the statements of financial position as other assets. Changes in the cash surrender value are recognized as other income in the financial statements.

Refundable advances –

The Foundation received conditional contributions that are deemed refundable until all the conditions have been met. For the years ended June 30, 2023 and 2022, the Foundation had outstanding refundable advances of $3,199,999 and $3,466,666, respectively.

Funds held in custody -

The Foundation considers all state matched funds and the proportionate share of income generated and expenses paid from the endowments for chairs and professorships, first generation and superior graduate student scholarships as funds held in custody.

Revenue recognition

Revenue is recognized when earned. Contribution revenue is recognized when cash, securities or other assets, or an unconditional promises to give is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Contributions of assets other than cash are recorded at their estimated fair value on the date of contribution.

Other income –

Revenues without donor restrictions are obtained from rental income, administrative fees and the change in cash value of life insurance policies. These revenues are recorded when the service is provided.

Employee benefit plans -

Effective January 1, 1991, the Foundation established a 403(b) plan to provide retirement benefits for employees. Any employee over the age of 21 is automatically enrolled after 90 days. Participants may contribute to the plan by deferring a portion of their gross salary, within certain IRS imposed limitations for maximum contributions in a given year. The Foundation will match up to 100% of the participant's first 4% of contributions. The amount included in expense for the years ended June 30, 2023 and 2022 was $62,705 and $46,279, respectively.

Effective December 1, 2017, the Foundation established a 457(b) deferred compensation plan for eligible employees. The Foundation makes non elective deferrals to this plan of 1% to 5% of eligible employee compensation. Total contributions to this plan for the years ended June 30, 2023 and 2022 amounted to $1,784 and $1,633, respectively.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services benefited.

Adopted accounting pronouncements:

In February 2016, the FASB issued ASU 2016-02, *Leases* ("ASU 2016-02"), which sets out the principles for the recognition, measurement, presentation and disclosure of the leases for both parties to a contract (i.e. lessees and lessors). The new standard establishes a right-of-use ("ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classifications affecting the pattern of expense recognition on the income statement. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. A modified retrospective transition approach is required for lessees and operating leases existing at, or enter into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization adopted ASU 2016-02 the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the Organization has applied ASU 2016-02 to reporting periods beginning on July 1, 2022, while prior periods continue to be reported and disclose in accordance with the Foundation's historical accounting treatment. The adoption of this new standard did not have any material changes in the financial statements.

Upcoming accounting pronouncements -

In 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13), which requires an allowance for credit losses to reflect management's current estimate of credit losses that are expected to occur over the remaining life of a financial asset. ASU 2016-13 is effective for fiscal years beginning after December 15, 2022, including interim periods within those financial years. The Foundation is evaluating the impact that ASU 2016-13 will have on their financial statements and related disclosures.

Note 2. Contributions Receivable

Unconditional promises to give are included in the financial statements as contributions receivable and revenue of the appropriate net asset category. Promises to give that are due in excess of one year are discounted using the Treasury yield rates as of the balance sheet date. Discount rates applied ranged from 3.81% to 5.40% as of June 30, 2023 and 2.80% to 3.04% as of June 30, 2022. Contributions receivable recognized at June 30, 2023 and 2022 were as follows:

	2023	2022
Contributions receivable	$ 36,057,976	$ 39,155,669
Unamortized discount	(4,659,979)	(3,586,670)
	$ 31,397,997	$ 35,568,999
Allowance for uncollectible contributions	(4,081,946)	(4,918,748)
	$ 27,316,051	$ 30,650,251

Contributions receivable are expected to be realized in the following periods:

	2023	2022
Amounts due in:		
In one year or less	$ 9,232,105	$ 12,979,480
Between one year and five years	22,207,259	20,818,695
More than five years	4,618,612	5,357,494
	$ 36,057,976	$ 39,155,669

Contributions receivable (net of unamortized discount) at June 30, 2023 and 2022 had the following restrictions:

	2023	2022
Restricted by donor imposed stipulations for University programs and activities	$ 28,534,789	$ 31,672,912
Restricted for endowments for University programs and activities and property acquisitions	2,863,208	3,896,087
	$ 31,397,997	$ 35,568,999

The Foundation's management performs an annual in depth analysis of pledged contributions and determines that certain contributions receivable are no longer collectible. Contributions totaling $431,359 and $337,258 were written off during the years ended June 30, 2023 and 2022, respectively.

Additionally, management reserved allowances of $4,081,946 and $4,918,748 for possible uncollectible contributions as of June 30, 2023 and 2022, respectively. The allowance is based on management's estimate of future losses; actual losses may vary from the current estimate. The estimate is reviewed periodically, taking into consideration the risk characteristics of pledged contributions, past loss experience, general economic conditions and other factors that warrant current recognition. As adjustments to the estimate of future losses become necessary, they are reflected as bad debt expense in current-period earnings. Actual pledge losses are deducted from, and subsequent recoveries are added to, the allowance.

Note 3. Investments

Investments are measured at fair value in the statements of financial position. Investments consist of bonds, stocks, hedge funds and alternative investments, derivatives, mutual funds and certificates of deposit. Realized and unrealized gains and losses on investments, interest and dividends are reflected in the statement of activities within the appropriate net asset category.

Investments were composed of the following at June 30, 2023 and 2022:

	Fair Market Value	
	2023	2022
Certificates of deposit	$ 788,540	$ 829,918
Equities	9,017,524	12,140,626
Unit investment trusts and limited partnerships	27,156,233	25,743,951
Derivative assets	257,411	12,120
Mutual and exchange traded funds	59,218,274	62,042,157
Hedge funds and other alternative investments	100,439,093	101,173,649
	$196,877,075	$201,942,421

The table below summarizes the fair value and unfunded commitments of hedge funds and alternative investments as of June 30, 2023:

	Fair Value	Unfunded Commitments
Distressed opportunities	$ 8,503	$ -
Equity – long/short	22,528,905	-
Private equities	26,286,431	10,918,133
Other credit	23,932,933	689,526
Multi-strategy	27,682,321	-
Unit investment trust	27,156,233	754,995
	$127,595,326	$ 12,362,654

The table below summarizes the terms of hedge fund investments with respect to lockup periods, redemption frequencies and notice periods as of June 30 2023.

	Lockup Period	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Equity – long/short	0 – 18 months	Monthly, Quarterly	30 – 45 days
Private equities	2 - 13 years	Annual, Manager Discretion	0 - 90 days
Other credit	0 – 10+ years	Daily, Quarterly, Manager Discretion	0-60 days
Multi-strategy	0 – 25 months	Monthly, Quarterly, Annual	5 - 90 days
Unit investment trust	0 – 12+ years	Monthly, Manager Discretion	0 – 5 days

Distressed opportunities – This category includes funds that have investments in other hedge funds and private equity vehicles. The direct investments and underlying fund investments include securities in companies undergoing financial distress, operating difficulties or restructuring. The objectives of these funds are to invest in a diversified pool of underlying funds to provide the best return. Net asset values are determined either by utilizing market quotes (on those investments for which they are available) or based on the capital accounts of the fund. For those securities where no quotes or capital balances are available, they are valued by the general partner based on available information at the date of determination. Net asset values are computed quarterly.

Equity – long/short – This category includes investments in hedge funds that seek to generate capital appreciation while maintaining a balanced level of risk by investing in a number of long/short equity based funds as well as other direct investments. Net asset values of these funds are determined by utilizing the latest unaudited or audited financial statements and performance reports of hedge funds in which it invests. Any listed investments are valued at the last sales price on the date of determination. Any investments that are not listed are valued at the mean between the last closing and asked prices, as reported in the over the counter market, if available. For those investments where there is no quotation, the investment is valued at the estimated fair value, as determined by the board of directors and investment manager of the fund. Net asset values are computed monthly.

Private equities – This category includes investments in funds whose primary strategy is to build a diversified portfolio of top-performing private equity positions in both funds and direct investments in companies and corporations. Net asset values of these funds are determined by utilizing the latest unaudited or audited financial statements and performance reports of funds in which it invests. Any listed investments are valued at the last sales price on the date of determination. Any investments that are not listed are valued at the last closing bid price (or average of bid prices) last quoted on such date, as reported by an established quotation service for over the counter securities. For those investments where there is no quotation, the investment is valued at the estimated fair value, as determined by the investment manager of the fund, based upon relevant factors of the investees, such as current financial position, historical operating results, recent sales prices in the same or similar securities. Net asset values are computed monthly.

Other credit – This category includes investments in various funds. The funds primarily invest in debt instruments of private and public companies, U.S. government and municipal securities, mortgage backed securities, asset backed securities and provide mezzanine capital to middle market businesses. The net asset values of these funds are determined based on portfolio valuations utilizing different valuation techniques, depending upon the investment involved. Market quotes are utilized where available. For those equity and debt securities where prices are not observable, which are generally private investments in equity and debt securities of operating companies, fair value is determined by reference to public market or private transactions for comparable assets. Net asset values are computed on a monthly basis.

Multi–strategy – This category includes investments in various funds. The funds primarily invest in other funds that use a variety of different investment strategies across a wide range of financial instruments, including but not limited to fixed income securities, equities, mutual funds, futures, forward and option contracts, physical commodities, distressed securities, swaps and other derivative products. The net asset values of some funds use various inputs, including portfolio valuations that are received directly from independent sources. For those assets where no independent sources are available, the investment manager determines the fair values by other means, which may include obtaining appraisals. Some funds utilize a third party to provide the net asset calculation or rely on the latest unaudited or audited financial statements and performance reports of various investments in which it invests. Any listed investments are valued at the last sales price on the date of determination. For those investments where there is no quotation, the fair value is estimated at the net asset value calculated by the fund manager.

Unit investment trust – This category includes investments in various funds. The objective of these funds is to achieve long term capital appreciation and provide diversified all-cap exposure to emerging market equities by investing in global emerging markets, and international securities. The net asset values of these funds are valued using market values when available. In the absence of readily ascertainable market values for any assets, the funds will seek to obtain a valuation from an independent source.

The Foundation transacts in certain derivative investments as part of its overall investment strategy. The primary objective of these investments is to rebalance the portfolio investment allocations on a continuing basis.

These derivative investments have not been designated as hedges. The fair value of these derivative instruments are included within the "Investments" line item on the statement of financial position with changes in fair value reflected as realized gains (losses) or net change in unrealized gains (losses) on investments within the statement of activities.

As of June 30, 2023 and 2022, the volume of the Foundation's derivative activities based on their notional amounts and number of contracts categorized by primary underlying risk were as follows:

	June 30, 2023			
	Long Exposure		Short Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts	Notional Amounts	Number of Contracts
Equity Index Futures				
Options, Futures & Forwards	$ 9,874,150	44	$ -	0
International Equity Index Futures				
Options, Futures & Forwards	99,790	2	(4,428,745)	47
Fixed income Futures				
Options, Futures & Forwards	3,119,188	24	-	0
	$ 13,093,128	70	$ (4,428,745)	47

	June 30, 2022			
	Long Exposure		Short Exposure	
Primary Underlying Risk	Notional Amounts	Number of Contracts	Notional Amounts	Number of Contracts
Equity Index Futures				
Options, Futures & Forwards	$ 3,600,025	19	$ -	0
International Equity Index Futures				
Options, Futures & Forwards	952,565	19	(2,599,240)	28
Fixed income Futures				
Options, Futures & Forwards	2,913,656	21	-	0
	$ 7,466,246	59	$ (2,599,240)	28

As of June 30, 2023 and 2022, the fair value amounts of derivative instruments included in the statement of financial position, categorized by primary underlying risk were as follows:

	June 30, 2023		
Primary Underlying Risk	Derivative Asset	Derivative Liabilities	Location in the Statement of Financial Position
Equity Index Futures Options, Futures & Forwards	$ 311,878	$ -	Investments
International Equity Index Futures Options, Futures & Forwards	-	(26,627)	Investments
Fixed Income Futures Options, Futures & Forwards	-	(27,840)	Investments
Gross derivative assets and liabilities	$ 311,878	$ (54,467)	Investments
Less: Margin Cash (offset)	(54,467)	54,467	Investments
Net derivative asset	$ 257,411	$ -	Investments

	June 30, 2022		
Primary Underlying Risk	Derivative Asset	Derivative Liabilities	Location in the Statement of Financial Position
Equity Index Futures Options, Futures & Forwards	$ 38,123	$ -	Investments
International Equity Index Futures Options, Futures & Forwards	4,879	(2,814)	Investments
Fixed Income Futures Options, Futures & Forwards	-	(28,068)	Investments
Gross derivative assets and liabilities	$ 43,002	$ (30,882)	
Net derivative asset	(30,882)	30,882	Investments
	$ 12,120	$ -	

Amounts are presented on a gross basis, prior to netting cash margin accounts.

The following identifies the net gain and loss amounts included in the statement of activities from derivative contracts, categorized by primary underling risk, for the year ended June 30, 2023 and 2022.

Primary Underlying Risk	June 30, 2023 Realized Gain or (Loss) on Derivatives	June 30, 2023 Change in Unrealized Appreciation or (Depreciation) on Derivatives	Location of Gain (Loss) In the Statement of Activities
Equity Index Futures Options, Futures & Forwards	$ 1,685,639	$ 273,755	Net gains and (losses) on investments
International Equity Index Futures Options, Futures & Forwards	(583,674)	(28,693)	Net gains and (losses) on investments
Fixed Income Futures Options, Futures & Forwards	7,928	228	Net gains and (losses) on investments
Total	$ 1,109,893	$ 245,290	

Primary Underlying Risk	June 30, 2022 Realized Gain or (Loss) on Derivatives	June 30, 2022 Change in Unrealized Appreciation or (Depreciation) on Derivatives	Location of Gain (Loss) In the Statement of Activities
Equity Index Futures Options, Futures & Forwards	$ (502,049)	$ (16,847)	Net gains and (losses) on investments
International Equity Index Futures Options, Futures & Forwards	340,890	3,953	Net gains and (losses) on investments
Fixed Income Futures Options, Futures & Forwards	(89,828)	(39,083)	Net gains and (losses) on investments
Total	$ (250,987)	$ (51,977)	

Note 4. Property and Equipment

A summary of property and equipment at June 30, 2023 and 2022 follows:

	2023	2022
Buildings	$ 11,189,678	$ 11,189,678
Real estate	2,906,052	2,536,444
Vehicles	183,879	169,219
Furniture and equipment	765,223	775,817
	$ 15,044,832	$ 14,671,158
Less: accumulated depreciation	(6,177,977)	(5,892,127)
	$ 8,866,855	$ 8,779,031

The assets shown are owned by the Foundation, but the majority of these assets are used by the University in support of its educational activities. Depreciation expense totaled $304,318 and $303,751 for the year ended June 30, 2023 and 2022, respectively.

Note 5. Funds Held in Custody

One of the Foundation's primary objectives is to raise funds to provide endowed professorships and chairs as well as first generation and superior graduate student scholarships to the University. The Louisiana Endowment Trust Fund for Eminent Scholars was created by the Louisiana Legislature in 1983 to provide State funds as a challenge grant to eligible public and private institutions, which would be responsible for providing matching funds obtained from gifts. Endowed professorships are established at $100,000, endowed chairs at $1,000,000 and endowed superchairs at $2,000,000. First generation and superior graduate student scholarships are established at $100,000. With respect to chairs, superchairs and superior graduate student scholarships, the State provides 40% of the funding once the Foundation has acquired 60% of the principal through private gifts. For professorships and first generation student scholarships, the State provides 20% of the funding once the Foundation has acquired 80% of the principal through private gifts; although prior to November 2, 2016, the State funding was 40%. The University is allowed to apply for the match while maintaining the private gift in the Foundation. Funds are pooled for investment purposes in the Foundation, but the State's match, net of the proportionate share of income and expenses of the endowments, are recognized as a liability to the University under the caption "Funds held in custody." The State matching funds managed for the University at June 30, 2023 and 2022 were $43,930,881 and $42,467,139, respectively.

Total payments to the University from these endowments amounted to $3,039,095 and $2,665,384 for the years ended June 30, 2023 and 2022, respectively.

The following is a recap of these endowments (both the Foundation and State portions) as of June 30, 2023 and 2022:

	June 30, 2023		
	Donor Restricted Available for Appropriation	Donor Restricted To be held in Perpetuity	Total
State portion:			
Funds held in custody	$ 15,629,361	$ 28,301,520	$ 43,930,881
Foundation portion	12,024,005	62,198,269	74,222,274
Total Endowed Professorships, Chairs and Scholarships	$ 27,653,366	$ 90,499,789	$118,153,155

	June 30, 2022		
	Donor Restricted Available for Appropriation	Donor Restricted To be held in Perpetuity	Total
State portion:			
Funds held in custody	$ 14,745,619	$ 27,721,520	$ 42,467,139
Foundation portion	(12,487,177)	84,241,180	71,754,003
Total Endowed Professorships, Chairs and Scholarships	$ 2,258,442	$111,962,700	$114,221,142

Note 6. Long-Term Debt

Notes payable as of June 30, 2023 and 2022 is as follows:

	2023	2022
Note payable, with a 4.75% interest rate, 180 monthly principal and interest payments of $3,269 maturing on June 5, 2031, secured by land with a carrying value of $500,000 to E. St. Mary (Vacant lot)	$ 260,027	$ 286,054

Aggregate maturities on long-term debt are as follows at June 30, 2023:

2024	$ 27,276
2025	28,651
2026	30,062
2027	31,542
2028	33,079
2029-2031	109,417
	$ 260,027

Cash paid for interest during the fiscal years ended June 30, 2023 and 2022 was $13,207 and $14,459, respectively.

On March 24, 2021, the Foundation received loan proceeds in the amount of $219,755 under a second draw of the PPP. On November 2, 2021, this paycheck protection loan was forgiven in full. A gain on the forgiveness of the Paycheck Protection Program Loan in the amount of $219,755 was included in other income on the statement of activities for the year ended June 30, 2022.

Note 7. Board designated net assets

As of June 30, 2023 and 2022, the board designated quasi-endowment, established to help support the University, amounted to $2,505,425 and $2,693,314, respectively.

Note 8. Net assets with donor restrictions

Net assets with donor restrictions are restricted for the following purposes as of June 30:

	2023	2022
Subject to expenditure for a specified purpose		
University programs and projects	$ 47,490,524	$ 45,270,060
Subject to spending policy and appropriation		
University programs and projects – purpose restrictions	19,925,574	2,732,775
Endowed Chairs and Professorships – purpose restrictions	12,024,005	(12,487,177)
Not subject to appropriation or expenditure		
University programs and projects – perpetuity	66,070,952	77,535,960
Endowed Chairs and Professorships – perpetuity	62,198,269	84,241,180
Total net assets with donor restrictions	$ 207,709,324	$ 197,292,798

Note 9. Endowments and Net Asset Classifications

The Foundation's endowments consist of approximately 1,200 individual funds established for a variety of purposes. Its endowments include donor-restricted endowment funds whereby the stipulations of the gift may require the preservation of the original donation, with only the income derived used for a specific purpose, as well as term endowments where all funds are available for specific purposes. As required by GAAP, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions or intent.

Interpretation of Relevant Law

In June 2010, Act 168 of the regular session of the Louisiana legislature was signed into law by the Governor. This act adopted the provisions of the Uniform Prudent Management of Institution Funds Act and is effective as of July 1, 2010. Consistent with this law, the Board of Trustees of the Foundation has a policy requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary, plus amounts which are board approved in order to preserve the corpus of the endowment. Currently, the Foundation classifies as permanently restricted net assets (a) the amount that must be retained permanently in accordance with explicit donor stipulations or (b) in the absence of such stipulations, the organization's governing board determines what must be retained (preserved) permanently consistent with the relevant law. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the University and Board's policies and procedures.

The following is the endowment net asset composition by type of fund as of June 30, 2023 and 2022:

	Without Donor Restrictions June 30, 2023	With Donor Restrictions June 30,2023	Without Donor Restrictions June 30, 2022	With Donor Restrictions June 30,2022
Board-designated quasi –endowment funds	$ 2,505,425	$ -	$ 2,693,313	$ -
Donor – restricted endowment funds	-	85,996,526	-	80,273,730
Chair and Professorship endowment funds	-	74,222,274	-	71,754,003
Net asset classifications	$ 2,505,425	$160,218,800	$ 2,693,313	$152,027,733

	Without Donor Restrictions June 30, 2023	With Donor Restrictions June 30,2023	Without Donor Restrictions June 30, 2022	With Donor Restrictions June 30,2022
Endowment net assets, beginning of year	$ 2,693,313	$152,027,733	$ 3,780,837	$167,616,923
Investment return:				
Interest and dividends	(4,978)	51,233	(14,407)	(363,335)
Net appreciation (realized and unrealized)	175,225	11,109,004	(296,833)	(17,695,578)
Contributions and transfers	(319,452)	4,757,894	(724,182)	10,800,874
Appropriation for expenditure	(38,683)	(7,727,064)	(52,102)	(8,331,151)
Endowment net assets, end of year	$ 2,505,425	$160,218,800	$ 2,693,313	$152,027,733

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration. These deficiencies usually result from unfavorable market fluctuations that occur over the life of the endowment. The fair value of endowments with deficiencies as of June 30, 2023 was $5,245,209. The amounts of these endowments required to be maintained amounted to $5,348,595, resulting in a deficiency of $103,386.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment, while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 5% annually (net of fees). Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives, within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year up to 5% of its endowment fund's market value at the fiscal year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return. The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effects of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policies of the Foundation

Note 10. Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring the following expenses, which satisfy the restricted purposes or by occurrence of other events specified by the donors, for the years ended June 30, 2023 and 2022:

	2023	2022
Payments to benefit University of Louisiana at Lafayette	$ 18,796,268	$ 20,757,857
Depreciation expense	218,084	215,319
Bad debt expense (recovery)	(836,802)	855,594
Administrative fees	2,718,212	3,304,966
	$ 20,895,762	$ 25,133,736

Note 11. Specified Projects – Program Expenses

The following is a detail of amounts paid to benefit the University:

	2023	2022
Arts and Humanities	$ 268,889	$ 296,250
Athletics	6,070,738	11,355,091
Business Administration	1,154,411	1,062,791
Education	225,834	176,449
Engineering	1,707,286	1,412,792
Liberal Arts	1,010,133	1,534,965
Nursing	2,598,999	664,805
Scholarships	2,551,169	1,989,324
Sciences	949,358	668,524
University Art Museum	178,970	82,054
University Services	889,213	1,508,244
All others	1,383,995	270,283
	$ 18,988,995	$ 21,021,572

The Foundation invests and manages donations and endowed funds for the University. These endowed and non-endowed funds are accounted for as either with donor restrictions or without donor restrictions based upon donor stipulations. Each year, income from endowed funds is allocated and paid to the University for the specific purpose of the endowment. Non-endowed funds (donations) are allocated to the University based upon donor restrictions. All funds allocated to the University are reflected as program services within the statements of activities.

Note 12. Lease Agreement

The Foundation entered into a lease agreement with the University of Louisiana Board of Supervisors in November 1999 to lease the land at 705 East St. Mary Boulevard (the Foundation's office building). The lease is for 99 years at a rental rate of $10 annually.

During the fiscal year ended June 30, 2005, the Foundation entered into a lease agreement with the University of Louisiana Board of Supervisors to lease the land at 710 East St. Mary Boulevard (the University Art Museum) with a carrying value of $55,000. The lease is for 99 years at a rental rate of $10 annually.

Note 13. Disclosure about Fair Value of Financial Instruments

The Foundation groups financial assets and liabilities measured at fair value on a recurring basis in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes securities that are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. For example, municipal securities valuations are based on markets that are currently offering similar financial products. Valuations are obtained from third party pricing services for identical or comparable assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

Below is a table that presents information about certain assets measured at fair value on a recurring basis:

		Fair Value Measurements at Reporting Date Using:			
	Fair Value	Quoted Prices In Active Markets for Assets/ Liabilities Level 1	Significant Other Observable Inputs Level 2	Significant Other Unobservable Inputs Level 3	Significant Investments Measured at Net Asset Value
As of June 30, 2023					
Investments:					
Certificates of deposit	$ 788,540	$ -	$ -	$ 788,540	$ -
Equities	9,017,524	9,017,524	-	-	-
Unit investment trusts and limited partnerships	27,156,233	-	-	-	27,156,233
Exchange traded funds	19,110,608	19,110,608	-	-	-
Investments in derivatives:					
Derivative assets	257,411	257,411	-	-	-
Mutual funds:					
International equities	5,914,542	5,914,542	-	-	-
Domestic equities	12,819,117	12,819,117	-	-	-
Government agency bonds	11,182,437	11,182,437	-	-	-
Corporate bonds	174,186	174,186			
Fixed income	10,017,384	10,017,384	-	-	-
Hedge funds and alternatives:					
Distressed opportunities	8,503	-	-	-	8,503
Equity – long/short	22,528,905	-	-	-	22,528,905
Private equities	26,286,431	-	-	-	26,286,431
Other credit	23,932,933	-	-	-	23,932,933
Multi-strategy	27,682,321	-	-	-	27,682,321
Total investments	$196,877,075	$ 68,493,209	$ -	$ 788,540	$127,595,326

		Fair Value Measurements at Reporting Date Using:			
	Fair Value	Quoted Prices In Active Markets for Assets/ Liabilities Level 1	Significant Other Observable Inputs Level 2	Significant Other Unobservable Inputs Level 3	Significant Investments Measured at Net Asset Value
As of June 30, 2022					
Investments:					
Certificates of deposit	$ 829,918	$ -	$ -	$ 829,918	$ -
Equities	12,140,626	12,140,626	-	-	-
Unit investment trusts and limited partnerships	25,743,951	-	-	-	25,743,951
Exchange traded funds	20,724,866	20,724,866	-	-	-
Investments in derivatives:					
Derivative assets	12,120	12,120	-	-	-
Mutual funds:					
International equities	6,497,242	6,497,242	-	-	-
Domestic equities	8,659,194	8,659,194	-	-	-
Government agency bonds	2,239,127	2,239,127	-	-	-
Fixed income	23,921,729	23,921,729	-	-	-
Hedge funds and alternatives:					
Distressed opportunities	8,550	-	-	-	8,550
Equity – long/short	18,330,512	-	-	-	18,330,512
Private equities	29,323,953	-	-	-	29,323,953
Other credit	24,445,232	-	-	-	24,445,232
Multi-strategy	29,065,401	-	-	-	29,065,401
Total investments	$201,942,421	$ 74,194,904	$ -	$ 829,918	$126,917,599

Investments measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented are intended to permit the reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

The tables below summarize the activity of those items measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Certificates of Deposit
Ending balance – June 30, 2021	$ 828,975
Purchases	-
Sales, paydowns and redemptions	-
Investment income, gains and losses (realized and unrealized)	943
Ending balance – June 30, 2022	$ 829,918
Purchases	-
Sales, paydowns and redemptions	(50,258)
Investment income, gains and losses (realized and unrealized)	8,880
Ending balance – June 30, 2023	$ 788,540

During 2023 and 2022, the Foundation also recognized donated property and artworks of $252,752 and $112,143, respectively, at estimated fair value upon date of donation. All of these fair value estimates are considered to be Level 3 valuations.

Note 14. Related Party Transactions

The Foundation had accounts and scholarships payable to the University as of June 30, 2023 and 2022 in the amount of $835,771 and $767,158 , respectively.

In addition, during 2023 and 2022, the Foundation made payments to benefit the University in the amounts of $18,988,995 and $21,021,572, respectively.

The Foundation is a party to contracts with athletic coaches for supplemental salaries. See Note 15 for further details.

Note 15. Commitments and Contingencies

During 2013, the Foundation consented to assign and pledge certain unrestricted athletic revenues derived from fundraising, premium seating, sponsorships and other similar sources for the purpose supporting the repayment of bonds issued on November 1, 2013 by the Ragin' Cajuns Facilities, Inc. The purpose of the bonds are to provide financing for renovations and additions to certain University athletic complexes. This commitment is limited to $400,000 per year until the bonds are paid off in 2044.

As of June 30, 2023 and 2022, the Foundation had a liability of $4,136,450 and $4,552,046, respectively, payable to the University for athletic obligations related to supplemental coach's salaries. These accruals reflect amounts due for the years 2018, 2019, 2020, 2021, 2022 and 2023. These amounts will be paid from restricted athletic funds if and when available and requested by the University.

Note 16. Liquidity and availability of financial assets

The following reflects the Foundation's financial assets as of June 30, 2023 and 2022, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restriction or internal designations. Significantly all payments to the University throughout the year come from amounts considered donor restricted. These net assets are released from restriction and disbursed when the purpose or time restriction has been met. Amounts available include the board approved appropriation from the endowment funds for the following year as well as donor restricted amounts that are available for expenditure in the following year. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Foundation board approves the action.

	2023	2022
Financial assets, at year end	$ 262,572,678	$ 251,476,564
Less: unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose restrictions	(37,265,340)	(40,701,604)
Subject to appropriation and satisfaction of donor restrictions	(205,358,322)	(200,390,485)
Board designations:		
Quasi-endowment	(2,505,425)	(2,693,313)
Financial assets available to meet cash needs for general expenditures within one year	$ 17,443,591	$ 7,691,162

Note 17. Subsequent Events

The Foundation evaluated the need for disclosures and/or adjustments resulting from subsequent events through, October 23, 2023, the date the financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD
Years Ended June 30, 2023 and 2022

Agency Head: John Blohm, Chief Executive Officer

There were no compensation, benefits and other payments paid in the years ended June 30, 2023 and 2022 from public funds.

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

SCHEDULE OF REVENUES AND EXPENSES OF INTERCOLLEGIATE ATHLETICS PROGRAM

Year Ended June 30, 2023

	Football	Men's Basketball	Women's Basketball	Baseball	Softball	Tennis	Track	Golf	Soccer	Volleyball	Other	Total
Revenues, gains (losses) and other support												
Foundation contributions	$ 5,239,479	$ 131,753	$ 46,754	$ 618,863	$ 173,820	$ 69,377	$ 24,487	$ 68,610	$ 56,479	$ 16,417	$3,053,096	$ 9,499,135
Pledges accrued	(3,203,420)	(63,789)	(534)	(184,564)	(86,335)	-	(243)	(11,761)	(49,405)	(730)	(587,729)	(4,188,510)
Interest income	1,473	386	-	4,354	1,194	722	199	2,104	-	-	11,687	22,119
Other	-	12,950	-	-	-	-	-	-	-	-	1,879,968	1,892,918
Realized gains (losses)	1,608	421	-	4,752	1,305	787	217	2,310	-	-	12,758	24,158
Unrealized gains (losses)	15,323	4,011	-	45,285	12,433	7,504	2,065	22,108	-	-	121,651	230,380
Total revenues, gains (losses) and other support	$ 2,054,463	$ 85,732	$ 46,220	$ 488,690	$ 102,417	$ 78,390	$ 26,725	$ 83,371	$ 7,074	$ 15,687	$4,491,431	$ 7,480,200
Expenses												
Salary supplement	$ (116,678)	$ 88,113	$ (50,257)	$(190,575)	$ 5,278	$ 198	$ -	$ 1,750	$ 3,518	$ 3,625	$3,099,064	$ 2,844,036
General liability insurance	-	-	-	-	-	-	-	-	-	-	524	524
Telephone/security/internet/cable services	-	-	-	-	-	-	-	-	-	-	560	560
Construction costs	16,783	-	-	12,160	-	-	-	-	-	-	118,573	147,516
Equipment/furniture	1,942	3,153	-	42	13,600	39,542	-	2,792	6,275	-	209,983	277,329
Leases/rentals	5,696	-	-	1,978	-	2,904	-	-	-	-	1,351	11,929
Freight	-	-	-	-	-	-	-	-	-	-	639	639
Office supplies	-	-	-	-	-	410	-	19	-	-	70	499
Other operations supplies	32,424	7,574	9	3,022	1,217	1,564	243	4,785	11	1,589	5,129	57,567
Postage	-	-	-	-	-	-	209	-	-	-	626	835
Printing	43,908	587	655	15,092	17,017	423	3,944	11,340	1,655	-	78,889	173,510
Dues and subscriptions	21,916	6,856	1,768	7,768	1,768	1,850	1,010	1,105	1,263	1,263	72,101	118,668
Promotional/entertainment	34,066	28,330	19,134	95,994	36,411	22,853	121	26,457	7,637	2,354	318,053	591,410
Recognition	56,648	7,364	540	4,327	9,438	134	229	2,837	2,709	978	23,324	108,528
Donations	-	-	-	500	-	-	-	-	-	-	-	500
Seminars and conventions	-	-	-	-	-	-	-	-	-	-	2,250	2,250
Software, licenses & subscriptions	-	-	-	-	-	-	-	-	-	-	76	76
Travel	20,214	5,156	3,706	1,978	14,663	1,524	12,311	1,348	1,632	348	21,779	84,659
Taxable spousal expense	-	3,079	-	1,840	-	-	-	476	-	-	2,066	7,461
Moving expense	3,900	-	-	-	-	-	-	-	-	-	-	3,900
Recruiting	-	-	-	-	-	-	-	-	-	-	735	735

(continued)

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

SCHEDULE OF REVENUES AND EXPENSES OF INTERCOLLEGIATE ATHLETICS PROGRAM

Year Ended June 30, 2023

	Football	Men's Basketball	Women's Basketball	Baseball	Softball	Tennis	Track	Golf	Soccer	Volleyball	Other	Total
Administrative fees	70,119	7,534	2,338	42,165	11,676	5,239	1,711	8,241	2,824	821	174,977	327,645
Banking and credit card fees	-	-	-	-	-	-	-	-	-	-	38,039	38,039
Money management fee	1,954	512	-	5,775	1,584	957	263	2,793	-	-	15,500	29,338
Accounting & auditing	-	-	-	-	-	-	-	-	-	-	550	550
Legal expense – general	-	-	-	-	-	-	-	-	-	-	16,593	16,593
Professional service contracts	36,633	2,500	299	86,071	-	7,031	525	5,179	-	-	238,206	376,444
Scholarship	8,600	700	-	5,400	5,700	4,100	1,700	17,700	-	-	19,100	63,000
University services	-	-	-	397,416	-	-	-	-	-	-	431,012	828,428
Bad debt expense (recovery)	(195,304)	(8,081)	(267)	(86,468)	(10,088)	-	(24)	(3,231)	(4,940)	(365)	(71,965)	(380,733)
Transfers	-	-	-	-	-	-	-	-	-	-	336,821	336,821
Total expenses	$ 42,821	$ 153,377	$ (22,075)	$ 404,485	$ 108,264	$ 88,729	$ 22,242	$ 83,591	$ 22,584	$ 10,613	$ 5,154,625	$ 6,069,256
Excess (deficiency) of revenues, gains, (losses) and other support over (under) Expenses	$ 2,011,642	$ (67,645)	$ 68,295	$ 84,205	$ (5,847)	$ (10,339)	$ 4,483	$ (220)	$ (15,510)	$ 5,074	$ (663,194)	$ 1,410,944

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
University of Louisiana
at Lafayette Foundation, Inc.
Lafayette, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the University of Louisiana at Lafayette Foundation, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to financial statements, and have issued our report thereon dated October 23, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Foundation's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Broussard, Poche LLP

Lafayette, Louisiana
October 23, 2023

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2023

We have audited the financial statements of University of Louisiana at Lafayette Foundation, Inc. as of and for the year ended June 30, 2023, and have issued our report thereon dated October 23, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2023 resulted in an unmodified opinion.

Section I - Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material weaknesses	__ Yes _X_ None Reported
Control deficiencies identified that are not considered to be material weaknesses	__ Yes _X_ None Reported

Compliance

Compliance Material to Financial Statements	__ Yes _X_ No

Section II - Financial Statement Findings

None reported.

UNIVERSITY OF LOUISIANA AT LAFAYETTE FOUNDATION, INC.

SCHEDULE OF PRIOR FINDINGS
For the Year Ended June 30, 2023

Section I. Internal Control and Compliance Material to the Financial Statements

None noted.

Section II. Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III. Management Letter

The prior year's report did not include a management letter.