

LSU HEALTH SCIENCES FOUNDATION

IN SHREVEPORT AND SUBSIDIARY

SHREVEPORT, LOUISIANA

JUNE 30, 2015 AND 2014

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

SHREVEPORT, LOUISIANA

TABLE OF CONTENTS

AUDITED FINANCIAL STATEMENTS

	<u>Page</u>
Independent Auditor's Report	1-2
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6-22

OTHER FINANCIAL INFORMATION

Consolidated Schedules of Management and General Expenses	23
Consolidated Schedules of LSU Health Sciences Center Support Specified by Donors for Other Departments	24-25

SUPPLEMENTARY INFORMATION

Independent Auditor's Report on Supplementary Information	26
End of the Year Reporting Packet – Required by the State of Louisiana, Division of Administration, Office of Statewide Reporting	27-56

AUDITED FINANCIAL STATEMENTS

HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

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August 25, 2015

The Board of Directors
LSU Health Sciences Foundation in Shreveport
Shreveport, Louisiana

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the LSU Health Sciences Foundation in Shreveport and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2015 and 2014, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the LSU Health Sciences Foundation in Shreveport and Subsidiary as of June 30, 2015 and 2014, and the consolidated changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying other financial information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements taken as a whole.

Heard, McElroy & Vestal, LLC

Shreveport, Louisiana

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2015 AND 2014

<u>A S S E T S</u>	<u>2015</u>	<u>2014</u>
Cash	1,211,306	1,421,839
Accounts receivable	149,283	238,848
Pledges receivable-Note 3	9,000	2,711
Investments-pools-Note 4	59,528,866	56,991,818
Investments-CFeist Legacy-Note 5	72,171,356	72,871,064
Investments-MFeist Legacy-Note 6	47,651,853	49,675,826
Investments-LSU Health Shreveport-endowments-Note 6	8,087,001	9,310,941
Investments-other	387,916	342,099
Equipment and furniture, less accumulated depreciation of \$76,085 and \$58,002, respectively	7,714	20,555
Investment in real estate-Notes 8 and 9	3,761,907	4,250,092
Other assets	<u>35,520</u>	<u>27,639</u>
Total assets	<u>193,001,722</u>	<u>195,153,432</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>Liabilities:</u>		
Accounts payable	559,552	740,915
Other payables	325,690	283,932
Notes payable-Note 9	315,967	424,137
Due to LSU Health Shreveport-BOR match-Note 10	8,545,369	8,470,069
Due to LSU Health Shreveport-MFeist Legacy-Note 6	47,651,853	49,675,826
Due to LSU Health Shreveport-endowments-Note 6	<u>8,087,001</u>	<u>9,310,941</u>
Total liabilities	65,485,432	68,905,820
 <u>Net assets:</u>		
Unrestricted:		
Board designated	2,563,763	1,787,187
Undesignated	<u>12,005,639</u>	<u>12,832,152</u>
Total unrestricted	14,569,402	14,619,339
Temporarily restricted-Note 11	99,743,999	98,104,210
Permanently restricted-Notes 12 and 13	<u>13,202,889</u>	<u>13,524,063</u>
Total net assets	<u>127,516,290</u>	<u>126,247,612</u>
Total liabilities and net assets	<u>193,001,722</u>	<u>195,153,432</u>

The accompanying notes are an integral part of the consolidated financial statements.

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>Support, revenues and gains:</u>				
Contributions	478,492	2,537,606	159,076	3,175,174
Income on investments	450,477	2,812,398	464,423	3,727,298
Net realized and unrealized gains (losses) on investments	(87,114)	(132,425)	(24,647)	(244,186)
Management fee income	2,097,981	-	-	2,097,981
Rental income	<u>85,698</u>	<u>404</u>	<u>-</u>	<u>86,102</u>
Total support, revenues and gains	3,025,534	5,217,983	598,852	8,842,369
<u>Net assets released from restrictions</u>	4,557,320	(4,414,546)	(142,774)	-
<u>Transfers between classifications</u>	<u>(59,100)</u>	<u>836,352</u>	<u>(777,252)</u>	<u>-</u>
<u>Total support, revenue, gains and reclassifications</u>	7,523,754	1,639,789	(321,174)	8,842,369
<u>Expenses:</u>				
Management and general	1,525,538	-	-	1,525,538
Real estate management	179,612	-	-	179,612
LSU Health Sciences Center Support:				
Specified by donors for Feist-Weiller Cancer Center	3,407,996	-	-	3,407,996
Specified by donors for other departments	1,149,324	-	-	1,149,324
Specified by the Board of Directors	<u>1,311,221</u>	<u>-</u>	<u>-</u>	<u>1,311,221</u>
Total support	<u>5,868,541</u>	<u>-</u>	<u>-</u>	<u>5,868,541</u>
Total expenses	<u>7,573,691</u>	<u>-</u>	<u>-</u>	<u>7,573,691</u>
<u>Change in net assets</u>	(49,937)	1,639,789	(321,174)	1,268,678
<u>Net assets at beginning of period</u>	<u>14,619,339</u>	<u>98,104,210</u>	<u>13,524,063</u>	<u>126,247,612</u>
<u>Net assets at end of period</u>	<u>14,569,402</u>	<u>99,743,999</u>	<u>13,202,889</u>	<u>127,516,290</u>

The accompanying notes are an integral part of the consolidated financial statements.

2014

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
475,199	2,744,447	143,461	3,363,107
348,865	2,153,335	349,777	2,851,977
808,167	10,789,741	1,740,733	13,338,641
2,310,034	-	-	2,310,034
<u>77,407</u>	<u>-</u>	<u>-</u>	<u>77,407</u>
4,019,672	15,687,523	2,233,971	21,941,166
5,073,339	(4,941,338)	(132,001)	-
<u>(80,892)</u>	<u>771,371</u>	<u>(690,479)</u>	<u>-</u>
9,012,119	11,517,556	1,411,491	21,941,166
1,397,288	-	-	1,397,288
366,381	-	-	366,381
4,126,285	-	-	4,126,285
947,054	-	-	947,054
<u>712,102</u>	<u>-</u>	<u>-</u>	<u>712,102</u>
<u>5,785,441</u>	<u>-</u>	<u>-</u>	<u>5,785,441</u>
<u>7,549,110</u>	<u>-</u>	<u>-</u>	<u>7,549,110</u>
1,463,009	11,517,556	1,411,491	14,392,056
<u>13,156,330</u>	<u>86,586,654</u>	<u>12,112,572</u>	<u>111,855,556</u>
<u>14,619,339</u>	<u>98,104,210</u>	<u>13,524,063</u>	<u>126,247,612</u>

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<u>Cash flows from operating activities:</u>		
Change in net assets	1,268,678	14,392,056
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	75,444	80,371
Net realized and unrealized loss (gain) on long-term investments	244,186	(13,338,641)
Donation of investment in real estate	430,824	-
Decrease in accounts receivable	89,565	220,105
(Increase) decrease in pledges receivable	(6,289)	25,589
(Increase) in other assets	(7,881)	(5,211)
(Decrease) in accounts payable	(181,363)	(1,115,064)
Increase in other payable	41,758	62,617
Increase in due to LSU Health Shreveport	<u>75,300</u>	<u>1,066,572</u>
Net cash provided by operating activities	2,030,222	1,388,394
<u>Cash flows from investing activities:</u>		
Purchase of real estate and fixed assets	(5,242)	(25,488)
Purchases of investments	(14,405,384)	(125,664,111)
Proceeds from sale and maturities of investments	<u>12,278,041</u>	<u>123,972,338</u>
Net cash (used) by investing activities	(2,132,585)	(1,717,261)
<u>Cash flows from financing activities:</u>		
Repayment of notes payable	<u>(108,170)</u>	<u>(110,858)</u>
Net cash (used) by financing activities	<u>(108,170)</u>	<u>(110,858)</u>
<u>Net (decrease) in cash</u>	(210,533)	(439,725)
<u>Cash at beginning of period</u>	<u>1,421,839</u>	<u>1,861,564</u>
<u>Cash at end of period</u>	<u><u>1,211,306</u></u>	<u><u>1,421,839</u></u>
<u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	<u><u>19,035</u></u>	<u><u>24,632</u></u>

The accompanying notes are an integral part of the consolidated financial statements.

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015 AND 2014

1. Nature of Business

The consolidated financial statements include the LSU Health Sciences Foundation in Shreveport and its wholly-owned subsidiary – the LSU Health Sciences Building Foundation in Shreveport (“Building Foundation”). All significant intercompany accounts and transactions, except for management fees, have been eliminated in consolidation.

The LSU Health Sciences Foundation in Shreveport (the “Foundation”) is a public, nonprofit corporation formed in 1997 and governed by a board of directors. The organization's goal is to support, enhance, and assist the LSU Health Sciences Center Shreveport (the “Center”) in its many endeavors by expanding the public's awareness of the Center's many contributions to medical research, education of medical professionals, and quality health care, to develop and enhance financial support for the Center, and provide the means through which financial support is received and administered.

The Building Foundation is a public, nonprofit corporation formed in 2003 to hold real estate donated to or purchased by the Foundation. In October 2013, the Foundation’s three previous subsidiaries, Foundation Property, LLC, Foundation General Holdings, LLC, and Intermodal Transit Facility, LLC, were merged into the Building Foundation, which had been inactive prior to that date.

Intermodal Transit Facility, LLC was formed in March 2007 to purchase property and construct an intermodal transit oriented facility as a ride link for the City of Shreveport’s SporTran passengers and the Center’s patients, employees, students, and customers. Intermodal Transit Facility, LLC entered into a Cooperative Endeavor Agreement with the City of Shreveport which governed the use of \$1,235,949 of Section 5309 Federal Transit Administration funds earmarked as an 80% match for construction of the intermodal transit facility. In order to receive these grant funds, Intermodal Transit Facility, LLC was required to provide a match equal to 20% of the project cost. In addition, Intermodal Transit Facility, LLC was required to pay the City of Shreveport an administrative fee in the amount of 10% of the total FTA grant funds used for the project. Construction of the intermodal transit facility was completed in June 2009, and the total cost of the facility including the purchase of property and administrative fees of \$1,609,160 net of accumulated depreciation is reflected as an investment in real estate in the consolidated financial statements. A summary of the project’s activity follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Capitalized</u> <u>Expenditures</u>	<u>Expensed</u> <u>Expenditures</u>	<u>Capitalized</u> <u>Administrative</u> <u>Fees</u>	<u>Total</u> <u>Project</u> <u>Cost</u>	<u>Less</u> <u>Grant</u> <u>Income</u>	<u>Intermodal’s</u> <u>Match Plus</u> <u>Admin. Fees</u>
2007	748,749	-	59,900	808,649	598,999	209,650
2008	110,402	-	8,832	119,234	88,322	30,912
2009	630,515	4,016	50,762	685,293	507,624	177,669
	<u>1,489,666</u>	<u>4,016</u>	<u>119,494</u>	<u>1,613,176</u>	<u>1,194,945</u>	<u>418,231</u>

2. Summary of Significant Accounting Policies

- a. The financial statements of the Foundation are prepared on the accrual basis, under which revenues are recorded when earned, and expenses are recorded when the liability is incurred.

The Foundation is required to report information regarding its financial position and activities according to three classes of net assets as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations. Some unrestricted net assets may be designated by the Board for specific purposes.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Foundation, and/or by the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, donors permit all or part of the income earned on these assets to be used for general or specific purposes.

- b. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor-imposed restrictions.
- c. Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.
- d. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
- e. For purposes of the statement of cash flows, cash includes amounts on hand and amounts on deposit at financial institutions. The Foundation, at times, may have deposits in excess of FDIC insured limits. Management believes the credit risk associated with these deposits is minimal.
- f. The LSU Health Sciences Foundation in Shreveport and the LSU Health Science Building Foundation in Shreveport qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. Foundation Property, LLC; Foundation General Holdings, LLC; and Intermodal Transit Facility, LLC are single-member LLCs and are considered disregarded entities for tax purposes. Therefore, no provision for income taxes has been made in the financial statements, but the Foundation and Building Foundation are required to file an annual information return. The Foundation and Building Foundation are also required to review various tax positions they have taken with respect to their exempt status and determine whether in fact they are tax exempt entities. The Foundation and Building Foundation must also consider whether they have nexus in jurisdictions in which they have income and whether a tax return is required in those jurisdictions. In addition, as a tax exempt entities, the Foundation and Building Foundation must assess whether they have any tax positions associated with unrelated business income subject to income tax. The Foundation and Building Foundation does not expect their positions to change significantly over the next twelve months. Any penalties related to late filing or other requirements would be recognized as penalties expense in the Foundation's and Building Foundation's accounting records.

2. Summary of Significant Accounting Policies (Continued)

The Foundation and Building Foundation file U.S. federal Form 990 for informational purposes. The Foundation's and Building Foundation's federal income tax returns for the tax years 2011 and beyond remain subject to examination by the Internal Revenue Service.

- g. Investments are reported at fair value, which is determined by the last reported sales price at current exchange rates, if traded on a national exchange, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amounts which reasonably estimates fair value.

The asset allocation of the Foundation's investment portfolio involves exposure to a diverse set of markets. The investments within these markets involve various risks, such as interest rate, market, credit, and liquidity risks. The Foundation anticipates that the value of its investments may, from time to time, fluctuate substantially as a result of these risks.

- h. Equipment and furniture are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over an estimated useful life of three to seven years.
- i. Investments in real estate are stated at cost if purchased, and at fair market value at date of donation, if donated, less accumulated depreciation on any improvements. Depreciation of improvements is calculated using the straight-line method over an estimated useful life of fifteen years.
- j. The Foundation's financial instruments, excluding investments which are recorded at estimated fair value, include cash, pledges receivable, and notes payable. The Foundation estimates that the fair values of these financial instruments at June 30, 2015 and 2014 do not differ materially from the aggregate carrying values of these financial instruments recorded in the accompanying financial statements.
- k. Certain amounts in the fiscal year ended June 30, 2014 financial statements have been reclassified to conform to the fiscal year ended June 30, 2015 presentation.

3. Pledges Receivable

Pledges receivable is summarized as follows as of June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Unconditional pledges expected to be collected in:		
Less than one year	6,000	2,711
One year to five years	3,000	-
More than five years	-	-
Pledges receivable	<u>9,000</u>	<u>2,711</u>

4. Investments-Pools

Investments-pools consisted primarily of Vanguard mutual funds.

	<u>2015</u>		<u>2014</u>	
	<u>Market</u> <u>Value</u>	<u>Cost</u>	<u>Market</u> <u>Value</u>	<u>Cost</u>
<u>Unrestricted Pool</u>				
Cash and cash equivalents	-	-	100,000	100,000
Fixed Income:				
Investment grade mutual funds	1,856,196	1,853,768	1,744,827	1,720,387
Inflation protected mutual funds	<u>370,397</u>	<u>375,941</u>	<u>351,038</u>	<u>345,490</u>
Total Fixed Income	2,226,593	2,229,709	2,095,865	2,065,877
Equity:				
Domestic mutual funds	3,586,913	3,083,642	3,907,967	3,410,986
International mutual funds	<u>1,426,527</u>	<u>1,380,355</u>	<u>1,069,241</u>	<u>933,354</u>
Total Equity	<u>5,013,440</u>	<u>4,463,997</u>	<u>4,977,208</u>	<u>4,344,340</u>
Total Unrestricted Pool	<u>7,240,033</u>	<u>6,693,706</u>	<u>7,173,073</u>	<u>6,510,217</u>
<u>Nonendowed Pool</u>				
Cash and cash equivalents	4,465,267	4,465,267	3,947,821	3,947,821
Fixed Income:				
Investment grade mutual funds	<u>12,213,347</u>	<u>12,227,898</u>	<u>9,929,090</u>	<u>9,865,023</u>
Total Fixed Income	<u>12,213,347</u>	<u>12,227,898</u>	<u>9,929,090</u>	<u>9,865,023</u>
Total Nonendowed Pool	<u>16,678,614</u>	<u>16,693,165</u>	<u>13,876,911</u>	<u>13,812,844</u>
<u>General/Feist Endowed Pool</u>				
Cash and cash equivalents	11,923	11,923	61,261	61,261
Fixed Income:				
Investment grade mutual funds	3,959,768	3,957,045	4,007,433	3,954,271
Inflation protected mutual funds	760,597	773,883	806,178	794,121
Commingled funds	<u>-</u>	<u>-</u>	<u>21,654</u>	<u>20,056</u>
Total Fixed Income	4,720,365	4,730,928	4,835,265	4,768,448
Equity:				
Domestic mutual funds	8,286,737	7,020,963	8,893,289	7,731,397
International mutual funds	<u>3,016,892</u>	<u>2,897,475</u>	<u>2,395,507</u>	<u>2,081,999</u>
Total Equity	11,303,629	9,918,438	11,288,796	9,813,396
Alternatives:				
Hedge funds	<u>-</u>	<u>-</u>	<u>17,017</u>	<u>17,017</u>
Total Alternatives	<u>-</u>	<u>-</u>	<u>17,017</u>	<u>17,017</u>
Total General/Feist Endowed Pool	<u>16,035,917</u>	<u>14,661,289</u>	<u>16,202,339</u>	<u>14,660,122</u>

4. Investments-Pools (Continued)

	<u>2015</u>		<u>2014</u>	
	<u>Market</u> <u>Value</u>	<u>Cost</u>	<u>Market</u> <u>Value</u>	<u>Cost</u>
<u>Future Endowment Pool</u>				
Cash and cash equivalents	<u>456,522</u>	<u>456,522</u>	<u>484,899</u>	<u>484,899</u>
Total Future Endowment Pool	<u>456,522</u>	<u>456,522</u>	<u>484,899</u>	<u>484,899</u>
<u>BRSF Pool</u>				
Cash and cash equivalents	1,133	1,133	90,472	90,472
Fixed Income:				
Investment grade mutual funds	4,723,141	4,718,470	4,636,728	4,573,634
Inflation protected mutual funds	907,944	922,830	940,830	925,769
Commingled funds	-	-	<u>21,654</u>	<u>20,056</u>
Total Fixed Income	<u>5,631,085</u>	<u>5,641,300</u>	<u>5,599,212</u>	<u>5,519,459</u>
Equity:				
Domestic mutual funds	9,887,025	8,377,677	10,674,150	9,279,190
International mutual funds	<u>3,598,537</u>	<u>3,450,895</u>	<u>2,873,743</u>	<u>2,496,404</u>
Total Equity	<u>13,485,562</u>	<u>11,828,572</u>	<u>13,547,893</u>	<u>11,775,594</u>
Alternatives:				
Hedge funds	-	-	<u>17,019</u>	<u>17,019</u>
Total Alternatives	<u>-</u>	<u>-</u>	<u>17,019</u>	<u>17,019</u>
Total BRSF Pool	<u>19,117,780</u>	<u>17,471,005</u>	<u>19,254,596</u>	<u>17,402,544</u>
Total Investments-pool	<u>59,528,866</u>	<u>55,975,687</u>	<u>56,991,818</u>	<u>52,870,626</u>

5. CFeist Legacy

Carroll W. Feist died on July 29, 2005. His Will and codicils created ambiguities with respect to the identity of the universal legatee. The proper universal legatee was either Louisiana State University or the LSU Health Sciences Foundation in Shreveport. The parties compromised and agreed that Mr. Feist's Will should be interpreted so that the universal legatee is the Foundation. The parties entered into a written agreement whereby the management details of the legacy from Mr. Feist were outlined.

The bequest will be used for cancer research at the LSU Health Sciences Center, Shreveport, Louisiana. After appropriate approvals, the Foundation may spend income of the Feist account up to a maximum in any one fiscal year of \$1,000,000. Principal may also be spent after appropriate approvals have been obtained.

Because of the difficulty in valuing certain assets in the Succession, the contribution will be recorded as the assets are received from the Succession. Distributions received from the Succession and recorded as contributions since inception are as follows:

5. CFeist Legacy (Continued)

Year Ended June 30,	<u>Income</u>	<u>Principal</u>	<u>Total Distributions</u>
2006	2,312,389	23,557,148	25,869,537
2007	1,144,781	5,683,039	6,827,820
2008	2,728,319	3,648,281	6,376,600
2009	2,086,779	1,168,221	3,255,000
2010	1,064,881	485,119	1,550,000
2011	1,124,600	475,400	1,600,000
2012	1,171,168	563,832	1,735,000
2013	1,144,435	2,040,565	3,185,000
2014	909,695	430,305	1,340,000
2015	<u>754,520</u>	<u>295,480</u>	<u>1,050,000</u>
	<u>14,441,567</u>	<u>38,347,390</u>	<u>52,788,957</u>

Investments from the CFeist Legacy consisted primarily of Vanguard mutual funds.

Investments-CFeist Legacy are presented below with their respective market values and costs as of June 30, 2015 and 2014.

	<u>2015</u>		<u>2014</u>	
	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>
Cash and cash equivalents	-	-	1,933	1,933
Fixed Income:				
Investment grade mutual funds	17,798,165	17,779,104	17,651,930	17,410,224
Inflation protected mutual funds	3,561,237	3,617,873	3,599,515	3,541,981
Commingled funds	<u>-</u>	<u>-</u>	<u>97,443</u>	<u>90,254</u>
Total Fixed Income	21,359,402	21,396,977	21,348,888	21,042,459
Equities:				
Domestic mutual funds	37,237,883	31,578,577	40,564,751	35,288,782
International mutual funds	<u>13,574,071</u>	<u>13,041,575</u>	<u>10,890,824</u>	<u>9,484,549</u>
Total Equities	50,811,954	44,620,152	51,455,575	44,773,331
Alternatives:				
Hedge funds	<u>-</u>	<u>-</u>	<u>64,668</u>	<u>64,668</u>
Total Alternatives	<u>-</u>	<u>-</u>	<u>64,668</u>	<u>64,668</u>
Total Investments-CFeist Legacy	<u>72,171,356</u>	<u>66,017,129</u>	<u>72,871,064</u>	<u>65,882,391</u>

Following is a summary of the transactions on the CFeist Legacy for the years ended June 30, 2015 and 2014. All of the activity is reflected in the Foundation's accompanying consolidated financial statements as of and for the years ended June 30, 2015 and 2014.

5. CFeist Legacy (Continued)

	<u>2015</u>		<u>Total</u>	<u>2014</u>
	<u>Income</u>	<u>Principal</u>	<u>Market</u>	<u>Total</u>
			<u>Value</u>	<u>Market</u>
				<u>Value</u>
Net asset balances at beginning of year	14,263,197	58,446,527	72,709,724	64,771,871
Activity during the year:				
Distributions from Succession	754,520	295,480	1,050,000	1,340,000
Interest and dividend income	2,367,439	-	2,367,439	1,814,446
Net realized and unrealized gain (loss)	(112,611)	-	(112,611)	9,069,339
Management fees	(537,864)	(537,864)	(1,075,728)	(1,019,298)
Other expenses	(32,059)	-	(32,059)	(66,634)
Transfer to spending account	<u>(3,000,000)</u>	<u>-</u>	<u>(3,000,000)</u>	<u>(3,200,000)</u>
Net asset balances at end of year	<u>13,702,622</u>	<u>58,204,143</u>	<u>71,906,765</u>	<u>72,709,724</u>
Consists of:				
Above investments			72,171,356	72,871,064
Management fees and other payable			<u>(264,591)</u>	<u>(161,340)</u>
Total net assets at end of year			<u>71,906,765</u>	<u>72,709,724</u>

In addition to the above, there are undistributed assets in the Succession totaling approximately \$16,140,000 (principal - \$16,095,000 and income \$45,000) as of June 30, 2015. As stated above, such assets will be reflected in the Foundation's financial statements when distributed by the Succession and received by the Foundation.

6. Agency Investments

In 1986, the LSU Board of Supervisors received a substantial monetary bequest from Malcolm W. Feist, who specified in his testament that the bequest was to be used for the benefit of LSU Health Sciences Center at Shreveport. An agreement was executed on May 9, 2012 between the LSU Board of Supervisors and the Foundation authorizing the Foundation to provide management and investment services for these funds, in return for which the Foundation is entitled to a monthly management fee. The agreement is effective July 1, 2012. The agreement specifies that MFeist Legacy funds will remain state funds owned by the Board of Supervisors. The funds will be used for purposes consistent with the donor's express intent and deemed appropriate by the Chancellor of LSU Health Sciences Center at Shreveport; the Chancellor's approval is required for withdrawal.

While the funds remain state-owned, the Foundation will act as agent as described in the provisions of FASB ASC 958, and therefore record an asset and liability for the amount transferred. As of June 30, 2015 and 2014, total cash and investments totaled \$47,651,853 and \$49,675,826, respectively.

On January 1, 2013, another agreement was executed between the LSU Board of Supervisors and the Foundation authorizing the Foundation to provide management and investment services for certain other LSU Health Science Center at Shreveport endowments. These funds remain state owned, thereby the Foundation will act as an agent as described in the provisions of FASB ASC 958, and thereafter record an asset and liability for the amount transferred. As of June 30, 2015 and 2014, cash and investments totaled \$8,087,001 and \$9,310,941, respectively.

6. Agency Investments (Continued)

Agency investments consisted of Vanguard mutual funds. Agency investments are presented below with their respective market values and cost as of June 30, 2015 and 2014.

	<u>2015</u>		<u>2014</u>	
	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>
Cash and cash equivalents	-	-	2,592,558	2,592,558
Fixed Income:				
Investment grade mutual funds	32,418,486	32,560,283	33,032,496	32,660,544
Inflation protected mutual funds	<u>2,765,797</u>	<u>2,810,842</u>	<u>2,845,921</u>	<u>2,801,765</u>
Total Fixed Income	35,184,283	35,371,125	35,878,417	35,462,309
Equities:				
Domestic mutual funds	14,961,182	12,304,245	14,830,020	12,745,044
International mutual funds	<u>5,593,389</u>	<u>5,336,137</u>	<u>5,685,772</u>	<u>5,018,652</u>
Total Equities	<u>20,554,571</u>	<u>17,640,382</u>	<u>20,515,792</u>	<u>17,763,696</u>
Total Investments-Agency	<u>55,738,854</u>	<u>53,011,507</u>	<u>58,986,767</u>	<u>55,818,563</u>

7. Fair Value Measurements

FASB Accounting Standards Codification Topic 820, "Fair Value Measurements" requires disclosures that stratify balance sheet amounts measured at fair value based on the inputs used to derive fair value measurements. These strata included:

- Level 1 valuations, where the valuation is based on quoted market prices for identical assets or liabilities traded in active markets (which include exchanges and over-the-counter markets with sufficient volume),
- Level 2 valuations, where the valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market, and
- Level 3 valuations, where the valuation is generated from model-based techniques that use significant assumptions not observable in the market, but observable based on Foundation-specific data. These unobservable assumptions reflect the Foundation's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques typically include option pricing models, discounted cash flow models and similar techniques, but may also include the use of market prices of assets or liabilities that are not directly comparable to the subject asset or liability.

Fair values of assets and liabilities measured on a recurring basis at June 30, 2015 and 2014 are as follows:

7. Fair Value Measurements (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
June 30, 2015:				
Cash and cash equivalents	4,934,845	-	-	4,934,845
Fixed Income:				
Investment grade mutual funds	40,550,617	-	-	40,550,617
Inflation protected mutual funds	5,600,175	-	-	5,600,175
Commingled funds	-	-	-	-
Total Fixed Income	<u>46,150,792</u>	<u>-</u>	<u>-</u>	<u>46,150,792</u>
Equities:				
Domestic mutual funds	58,998,558	-	-	58,998,558
International mutual funds	<u>21,616,027</u>	<u>-</u>	<u>-</u>	<u>21,616,027</u>
Total Equities	<u>80,614,585</u>	<u>-</u>	<u>-</u>	<u>80,614,585</u>
Total Investments	<u>131,700,222</u>	<u>-</u>	<u>-</u>	<u>131,700,222</u>
June 30, 2014:				
Cash and cash equivalents	4,686,386	-	-	4,686,386
Fixed Income:				
Investment grade mutual funds	37,970,008	-	-	37,970,008
Inflation protected mutual funds	5,697,561	-	-	5,697,561
Commingled funds	-	-	140,751	140,751
Total Fixed Income	<u>43,667,569</u>	<u>-</u>	<u>140,751</u>	<u>43,808,320</u>
Equities:				
Domestic mutual funds	64,040,157	-	-	64,040,157
International mutual funds	<u>17,229,315</u>	<u>-</u>	<u>-</u>	<u>17,229,315</u>
Total Equities	<u>81,269,472</u>	<u>-</u>	<u>-</u>	<u>81,269,472</u>
Alternatives:				
Hedge Funds	-	-	98,704	98,704
Total Alternatives	<u>-</u>	<u>-</u>	<u>98,704</u>	<u>98,704</u>
Total Investments	<u>129,623,427</u>	<u>-</u>	<u>239,455</u>	<u>129,862,882</u>

Fair value of Agency assets and liabilities on a recurring basis at June 30, 2015 and 2014 are as follows:

	<u>June 30, 2015</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and cash equivalents	-	-	-	-
Fixed Income:				
Investment grade mutual funds	32,418,486	-	-	32,418,486
Inflation protected mutual funds	<u>2,765,797</u>	<u>-</u>	<u>-</u>	<u>2,765,797</u>
Total Fixed Income	<u>35,184,283</u>	<u>-</u>	<u>-</u>	<u>35,184,283</u>
Equities:				
Domestic mutual funds	14,961,182	-	-	14,961,182
International mutual funds	<u>5,593,389</u>	<u>-</u>	<u>-</u>	<u>5,593,389</u>
Total Equities	<u>20,554,571</u>	<u>-</u>	<u>-</u>	<u>20,554,571</u>
Total Investments-Agency	<u>55,738,854</u>	<u>-</u>	<u>-</u>	<u>55,738,854</u>
Total Liabilities-Agency	<u>(55,738,854)</u>	<u>-</u>	<u>-</u>	<u>(55,738,854)</u>

7. Fair Value Measurements (Continued)

	June 30, 2014			Total
	Level 1	Level 2	Level 3	
Cash and cash equivalents	2,592,558	-	-	2,592,558
Fixed Income:				
Investment grade mutual funds	33,032,496	-	-	33,032,496
Inflation protected mutual funds	<u>2,845,921</u>	<u>-</u>	<u>-</u>	<u>2,845,921</u>
Total Fixed Income	35,878,417	-	-	35,878,417
Equities:				
Domestic mutual funds	14,830,020	-	-	14,830,020
International mutual funds	<u>5,685,772</u>	<u>-</u>	<u>-</u>	<u>5,685,772</u>
Total Equities	<u>20,515,792</u>	<u>-</u>	<u>-</u>	<u>20,515,792</u>
Total Investments-Agency	<u>58,986,767</u>	<u>-</u>	<u>-</u>	<u>58,986,767</u>
Total Liabilities-Agency	<u>(58,986,767)</u>	<u>-</u>	<u>-</u>	<u>(58,986,767)</u>

Investments measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Fixed Income Commingled Funds	Hedge Funds	Total
Balance-June 30, 2013	1,395,826	3,137,696	4,533,522
Gains (losses) realized and unrealized	10,255	152,334	162,589
Sales/Redemptions	<u>(1,265,330)</u>	<u>(3,191,326)</u>	<u>(4,456,656)</u>
Balance-June 30, 2014	140,751	98,704	239,455
Gains (losses) realized and unrealized	3,609	117	3,726
Sales/Redemptions	<u>(144,360)</u>	<u>(98,821)</u>	<u>(243,181)</u>
Balance-June 30, 2015	<u>-</u>	<u>-</u>	<u>-</u>

8. Investment in Real Estate

During the fiscal year ended June 30, 2002, the Foundation began purchasing property adjacent to and near the LSU Health Sciences Center Shreveport. The Foundation's intent is to ultimately transfer ownership of this property to the LSU Health Sciences Center Shreveport either by sale or donation. On occasion, the Foundation has also received donations of property. At June 30, 2015 and 2014, the Foundation's investment in real estate consists of:

	2015	2014
Chevy Land property	-	250,000
Yokem property	125,000	125,000
Sklar Phillips property	253,425	253,425
Yokem Body Shop property	118,930	118,930
Monsour property	235,238	235,238
Crawford property	79,656	79,656
Kings Highway property	316,587	316,587
Blood Center property	419,176	600,000
1341 Jennings Street	35,896	35,896

8. Investment in Real Estate (Continued)

	<u>2015</u>	<u>2014</u>
1328 Woodrow Street	60,447	60,447
1345 Jennings Street	44,031	44,031
1338 Woodrow	36,989	36,989
3206 Samford Avenue	772,317	772,317
Chicora property	4,000	4,000
Intermodal Transit Facility property, less accumulated depreciation of \$348,945 and \$291,584, respectively, on improvements of \$1,609,160.	<u>1,260,215</u>	<u>1,317,576</u>
	<u><u>3,761,907</u></u>	<u><u>4,250,092</u></u>

During the fiscal year ended June 30, 2015, the Chevylard property and a portion of the Blood Center property with a total book value of \$430,824 were donated to the LSU Health Sciences Center Shreveport.

The remaining portion of the Blood Center property is currently leased by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College through August 31, 2015. In addition, the Intermodal Transit Facility is leased to the University Health System through September 30, 2018. Rental income under noncancellable leases is due as follows:

2016	38,576
2017	31,000
2018	30,000
2019	7,500
2020	-
	<u><u>107,076</u></u>

9. Notes Payable

Notes payable at June 30, 2015 and 2014 were \$315,967 and \$424,137, respectively, and consisted of a note payable to JPMorgan Chase Bank, original amount of \$750,000, interest at a fixed rate 5.00%, due in consecutive monthly installments of \$10,600 including interest beginning March 31, 2011 with principal and interest due in full on March 31, 2018. The notes payable are unsecured.

Notes payable maturities are as follows:

<u>Due In</u>	
2016	113,001
2017	118,783
2018	84,183
2019	-
2020	-
	<u><u>315,967</u></u>

Included in management and general expense is \$19,035 and \$24,632 in interest expense for the years ended June 30, 2015 and 2014, respectively.

10. Due to LSU Health Shreveport-BOR Match

The amount due to LSU Health Sciences Center Shreveport-BOR Match represents the state match for the following chairs and professorships, which are being held and invested for the Center by the LSU Health Sciences Foundation in Shreveport. The liability consists of the following at June 30:

10. Due to LSU Health Shreveport-BOR Match (Continued)

	<u>2015</u>	<u>2014</u>
John C. McDonald, M.D. Chair in Surgery	611,721	616,885
Jack W. Pou, M.D. Chair in Otolaryngology	628,294	633,438
Albert Sklar Professorship in Surgery	65,138	65,021
E. Earle Dilworth, M.D. Chair in Obstetrics and Gynecology	735,566	723,425
Mary Louise and Ben Levy Professorship in Neurosurgery	59,392	60,267
Paul R. Winder, M.D. Professorship in Dermatology	79,406	78,127
H. Whitney Boggs, Jr., M.D. Professorship of Colon and Rectal Surgery	60,013	59,632
Muslow Chair in Academic Affairs	599,549	588,795
Albert G. and Harriet G. Smith Professorship in Pathology	64,329	63,137
Randy Bryn, M.D. Professorship in Pulmonology	54,410	56,221
W. R. Matthews, M.D. Professorship in Pathology	53,606	57,352
YK Reddy Professorship in Allergy and Immunology	64,246	64,269
Albertson's Distinguished Professorship in Allied Health Sciences	68,193	68,004
Robert E. Wolf, M.D. Professorship in Rheumatology	55,964	54,947
Donald Mack, M.D. Professorship in Pediatric Oncology	65,081	63,997
Donald and Kathryn R. Smith Endowed Chair in Spinal Treatment	526,627	516,900
Edward J. Crawford, Jr., M.D. Professorship in OB/GYN Resident Education	53,260	56,610
Edward J. Crawford, Jr., M.D. Professorship in GYN Surgery	64,812	63,740
Edward J. Crawford, Jr., M.D. Professorship in OB/GYN Resident Recruitment	55,782	55,450
Burdette E. Trichel, M.D. Professorship in Urology	61,207	60,287
Charles D. Knight, Sr. Professorship in General Surgery	55,080	55,301
J. Woodfin Wilson, M.D. Professorship in Internal Medicine	59,791	63,902
Eugene St. Martin Professorship in Urology	59,828	58,885
Edward J. Crawford Professorship in Continuing Education	61,137	60,741
Nathan Professorship in Head & Neck Surgery	59,748	58,693
George Khoury & Donald Mack, M.D. Professorship in Pediatric Oncology	49,917	52,179
Joe E. Holoubek Professorship in Medicine	60,471	59,417
Thomas Norris, M.D. Professorship in Orthopedic Resident Support	52,835	51,889
E. Earle Dilworth, M.D. Professorship in OB/GYN Excellence	52,562	51,616
Mrunalini Shah and Bipin, M. D. Professorship in Anesthesiology Education	53,357	52,400
James A. Ardoin, M.D. Professorship in OB/GYN	53,715	52,747
Brad and Kay McPherson Professorship in Child Psychiatry	51,877	53,024
Khoury-Mack Professorship #3 St. Jude	53,075	52,113
Selber-Levin Professorship in Endocrinology	59,644	58,674
Edward J. Crawford, Jr., M.D. Professorship in OB/GYN Resident Education	56,006	54,984
Edward J. Crawford, Jr., M.D. Professorship in OB/GYN Faculty Recruitment	54,739	54,983
Edward J. Crawford, Jr., M.D. Professorship in OB/GYN Oncology Education	56,005	54,983

10. Due to LSU Health Shreveport-BOR Match (Continued)

	<u>2015</u>	<u>2014</u>
Edward Jr. Crawford, Jr., M.D. Professorship in OB/GYN Reproductive Endocrinology	56,006	54,984
Edward J. Crawford, Jr., M.D. Professorship in OB/GYN Faculty Enhancement	55,383	54,361
Edward Jr. Crawford, Jr., M.D. Professorship in OB/GYN Technology Enhancement	56,005	54,983
Juneau Chair in Transplantation Surgery	658,575	646,933
Stafford and Marianne Comegys Professorship in Medical Library Science	60,648	63,084
Mary Louise and Jack R. Cassingham Professorship in Forensic Pathology	47,725	46,836
Edward and Freda Green Professorship in Oral and Maxillofacial Surgery	52,676	51,701
Edward and Freda Green Professorship in Surgical Oncology	45,858	46,836
Scott and Larene Woodard Professorship in Neurosurgery	89,741	93,670
Dr. George and Sandra Bakowski Foundation Professorship in Aero-Digestive Malignancies	51,657	50,681
Diana and John Herbst Professorship in Pediatric Gastroenterology	47,725	46,836
Carroll W. Feist Chair for the Study of Cancer	1,350,096	1,326,163
Nancy Jane Sentell Seale Professorship in Cancer Palliative Care	47,723	46,835
Edna Boatright Sherling Professorship in Cancer Care	41,390	40,621
Dr. Ming Yu Ding Memorial Professorship in Microbiology	54,226	53,224
Archibald Bell Nelson Professorship in Orthopaedics	94,137	92,626
Joanna Gunning Magale Professorship in Neurology	71,907	71,219
Jack W. Gamble, M.D. Chair in Oral/Maxillofacial Surgery	<u>687,508</u>	<u>675,441</u>
	<u>8,545,369</u>	<u>8,470,069</u>

11. Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of the following as of June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Board-designated endowments:		
CFeist Legacy	71,906,765	72,709,724
Feist-Weiller Investment Account	13,308,109	13,598,215
Feist Investment Spending	848,636	996,988
CFeist Legacy Spending	<u>2,978,858</u>	<u>1,253,968</u>
Total Board-designated endowments	89,042,368	88,558,895
Other:		
Feist-Weiller Cancer Center	328,568	310,909
Boatright FWCC Research	150,000	150,000
LSUMC Alumni Association	147,912	172,200
Otolaryngology Flexible Spending	1,339,987	863,045
Feist-Chancellor Fund	289,602	289,602
Continuing Medical Education	105,078	140,657

11. Temporarily Restricted Net Assets (Continued)

	<u>2015</u>	<u>2014</u>
Oral surgery	101,233	-
Chancellor's Discretionary Fund	908,465	908,465
Neurosurgery/Nanda/Research	309,665	318,626
Pediatrics Kohl's Cares for Kids	210,793	172,149
John C. McDonald Chair Spending	203,321	192,548
Jack W. Pou, M.D. Chair in Otolaryngology Spending	373,317	364,966
E. Earle Dilworth, M.D. Chair in Obstetrics and Gynecology Spending	521,179	470,999
Carroll W. Feist Chair for the Study of Cancer Spending	599,156	498,809
Jack W. Gamble M.D. Chair in Oral/Maxillofacial Surgery Spending	320,404	270,081
Donnie and Gail Juneau Chair in Transplantation	226,162	175,722
SAHP Communication Disorders	118,454	110,599
Childrens Hospital Refurbishing Fund	123,207	151,004
Trauma Center Fund	332,459	334,346
Muslow Academic Affairs	185,792	137,964
Other (individual fund balance ≤ 100,000)	<u>3,806,877</u>	<u>3,512,624</u>
Total other	<u>10,701,631</u>	<u>9,545,315</u>
Total temporarily restricted net assets	<u>99,743,999</u>	<u>98,104,210</u>

Board designated endowments are restricted by donor and accounted for as endowments by the Board.

12. Permanently Restricted Net Assets

Permanently restricted net assets consisted of the following at June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
John C. McDonald, M.D. Chair in Surgery	913,686	925,340
Jack W. Pou, M.D. Chair in Otolaryngology	831,398	843,306
E. Earle Dilworth, M.D. Chair in Obstetrics and Gynecology	818,838	832,152
Muslow Endowed Chair in Academic Affairs	778,305	791,061
Gail and Donnie Juneau Chair in Transplantation	851,767	864,576
Carroll W. Feist Chair for the Study of Cancer	1,645,946	1,672,391
Jack W. Gamble, M.D. Chair in Oral/Maxillofacial Surgery	824,932	838,499
Smith Chair of Spinal Treatment	834,319	848,350
Scotty and Larene Woodard Professorship in Neurosurgery	259,302	262,770
Comegys Library Endowment	464,525	472,101
Urology/Womack Endowment	229,780	233,567
Psychiatry/Frost Endowment	1,045,988	1,063,170
Dr. Y. S. Goel Student Scholarship	164,720	167,432
Anil Nanda Neurosurgery Endowment	201,072	200,720
Paul D. Abramson Fund	204,020	207,798
Nathan Professorship in Otolaryngology	-	100,818
Selber Leveine Professorship in Endocrinology	124,398	118,145
Nelson Professorship in Orthopaedic Surgery	104,513	106,227
Nancy Jane Sentelle Seale Professorship in Cancer Palliative Care	115,550	117,226
Endowment for Medical Education	161,235	-
Other (individual fund balance ≤ 100,000)	<u>2,628,595</u>	<u>2,858,414</u>
Total permanently restricted net assets	<u>13,202,889</u>	<u>13,524,063</u>

13. Endowed Net Assets

The Foundation has established prudent investment and spending policies with the objective of maintaining the purchasing power of its endowed assets in perpetuity and to provide a stable level of support to the beneficiaries. To achieve this objective, the Foundation's asset allocation strategy is reviewed periodically and adjusted to target a total return that covers inflation, administrative expenses, and spending allocations, while minimizing volatility.

Certain endowed funds are provided by the State of Louisiana as a match to qualifying private endowed contributions and are managed under agreement with the Center for the Center's benefit. These endowed assets are further subject to the investment and spending policies established by the Louisiana Board of Regents, which has statutory authority to administer the matching funds program.

A spending rate is determined by the Foundation's Board of Directors, with consideration given to market conditions, the spending levels of peer institutions, and historical returns. The objective is to provide relatively stable spending allocations. The spending rate approved by the Board for the fiscal years ended June 30, 2015 and 2014 was 4.00%.

Effective July 1, 2010, the Louisiana legislature enacted Act No. 168 ("Act") to implement the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as the standard for the management and investment of institutional funds in Louisiana. The Act permits an institution to appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund was established, subject to the intent of the donor as expressed in the gift instrument.

The Louisiana Board of Regents spending policy states that annual spending must be determined in accordance with UPMIFA. However, the market value of each endowment at the end of the most recent fiscal trust fund year must exceed the original corpus of the endowment by an amount at least equal to the amount to be spent in the next fiscal trust fund year for which a spending allocation is to be made.

The Foundation classifies as permanently restricted net assets the original value of gifts donated for permanent endowment, any subsequent gifts to such endowments, and accumulations subsequently made at the direction of the applicable donor instrument.

Changes in endowment net assets for fiscal year ended June 30, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2014	-	91,666,462	13,524,063	105,190,525
Contributions	-	1,651,653	159,076	1,810,729
Income on investments	-	2,347,219	464,424	2,811,643
Net appreciation	-	(112,611)	(24,648)	(137,259)
Other expenditures for facilities and programs	-	(1,834,446)	-	(1,834,446)
Administrative expenses	-	(1,307,126)	(142,774)	(1,449,900)
Transfers for spending	-	767,252	(767,252)	-
Transfer to fund otolaryngology commitment	-	(500,000)	-	(500,000)
Other transfer	-	(7,367)	(10,000)	(17,367)
Endowment net assets, June 30, 2015	<u>-</u>	<u>92,671,036</u>	<u>13,202,889</u>	<u>105,873,925</u>

13. Endowed Net Assets (Continued)

Endowment fund net asset composition as of June 30, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment	-	3,628,668	13,202,889	16,831,557
Board-designated endowment	-	89,042,368	-	89,042,368
	<u>-</u>	<u>92,671,036</u>	<u>13,202,889</u>	<u>105,873,925</u>

Changes in endowment net assets for fiscal year ended June 30, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2013	-	80,883,798	12,112,572	92,996,370
Contributions	-	1,377,741	143,461	1,521,202
Income on investments	-	2,153,329	349,777	2,503,106
Net appreciation	-	10,789,731	1,740,733	12,530,464
Other expenditures for facilities and programs	-	(2,451,049)	-	(2,451,049)
Administrative expenses	-	(1,277,567)	(132,001)	(1,409,568)
Transfers for spending	-	690,479	(690,479)	-
Transfer to fund otolaryngology commitment	-	(500,000)	-	(500,000)
Endowment net assets, June 30, 2014	<u>-</u>	<u>91,666,462</u>	<u>13,524,063</u>	<u>105,190,525</u>

Endowment fund net asset composition as of June 30, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment	-	3,107,567	13,524,063	16,631,630
Board-designated endowment	-	88,558,895	-	88,558,895
	<u>-</u>	<u>91,666,462</u>	<u>13,524,063</u>	<u>105,190,525</u>

14. Operating Leases

The Foundation leases office space under an operating lease which expires on March 31, 2017. In addition, the Foundation leases a copier/printer/scanner under an operating lease which expires on November 30, 2019 and a postage machine which expires on July 9, 2017. Future minimum lease requirements are as follows:

2016	70,149
2017	53,793
2018	4,725
2019	1,969
2020	-
	<u>130,636</u>

Included in management and general expense is \$71,737 and \$56,323 in rent and equipment rental expense for the years ended June 30, 2015 and 2014, respectively.

15. Commitments

During the fiscal year ended June 30, 2010, the Foundation was asked by the Chancellor of the Center to consider an infusion of funds into the Orthopaedic Surgery Department in order to rebuild the program. The Board of Directors voted and approved to donate a total of \$2.5 million of unrestricted funds in five \$500,000 annual installments to begin during the fiscal year ending June 30, 2011. The final installment was made during the fiscal year ending June 30, 2014.

During the fiscal year ended June 30, 2011, the Foundation was asked by the Chancellor of the Center to consider an infusion into the Otolaryngology Department for growth of the department. The Board of Directors voted and approved to donate up to \$2.5 million over the next five years. The first year's funding allocation of \$500,000 came from the Feist-Weiller Investment account, with the remainder from the Feist Legacy account going forward. As of June 30, 2015, the Foundation segregated \$1,500,000 for the Otolaryngology Department, of which \$1,339,987 remained as of June 30, 2015 and is included as temporarily restricted net assets.

On July 15, 2009, the Board of Directors approved an Operating Reserve Policy to establish guidelines for achieving an operating reserve sufficient for the Foundation to adequately support its annual budget, ensure continued growth of current and future programs, fulfill its mission even during times of harsh economic conditions, and provide financial stability and the means for the development of its principal activity. The policy states that the operating reserve of \$1 million shall be established beginning in fiscal year ending June 30, 2011 and shall be fully funded by the end of the fiscal year ending June 30, 2016 through designation of unrestricted funds given to the Foundation. The reserve shall be invested in highly liquid United States Treasury obligations or FDIC insured accounts and may be used only for unanticipated and unbudgeted expenses or loss of revenue. Reserves may not be accessed in the absence of a plan for their replenishment over a reasonable period of time. On October 19, 2011, the Executive Committee of the Board of Directors voted to fully fund the Operating Reserve of \$1 million from unrestricted funds of the Foundation rather than partially funding the reserve between the remaining fiscal years ending June 30, 2012 through June 30, 2016.

During the fiscal year ended June 30, 2015, the LSU Health Sciences Center Shreveport received approximately \$1.0 million from the State of Louisiana Workforce and Innovation for a Stronger Economy (WISE) fund, which is dedicated to funding Louisiana's public higher education institutions. In order to receive such funds, the Center was required to submit an implementation plan on how the funds will be used, and required to obtain a minimum industry match of at least 20%. The Foundation provided a written commitment of \$400,000 to satisfy the match requirement.

16. Subsequent Events

In accordance with FASB Accounting Standards Codification Topic 740 "Subsequent Events," the Foundation evaluated events and transactions that occurred after the statement of financial position date but before the financial statements were made available for issuance for potential recognition or disclosure in the financial statements. The Foundation evaluated such events through August 25, 2015, and noted no subsequent events.

OTHER FINANCIAL INFORMATION

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

CONSOLIDATED SCHEDULES OF MANAGEMENT AND GENERAL EXPENSES

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Salary expense	676,016	641,399
Payroll taxes	48,824	46,228
Employee benefit expense	74,723	62,386
Contractual services	2,558	4,611
Investment fees	26,001	66,363
Professional services	317,025	237,681
Insurance	40,356	37,995
Bank charges	7,946	6,485
Depreciation	18,083	23,011
Office supplies	16,683	14,269
Postage	5,756	3,723
Telephone expense	9,120	11,943
Maintenance agreements	25,851	15,718
Books and subscriptions	477	674
Rent	65,063	51,109
Equipment rental	6,674	5,214
Repairs and maintenance	-	2,870
Travel	6,763	4,242
Meals and entertainment	11,287	11,789
Advertising and promotional expenses	1,688	1,623
Printing	12,453	21,915
Gifts and acknowledgments	15,549	698
Professional development	11,844	10,006
Dues and licenses	6,718	6,834
Fundraising event	111,071	107,528
Computer and software	3,995	-
Miscellaneous	<u>3,014</u>	<u>974</u>
Total management and general expenses	<u>1,525,538</u>	<u>1,397,288</u>

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY

CONSOLIDATED SCHEDULES OF LSU HEALTH SCIENCES CENTER SUPPORT

SPECIFIED BY DONORS FOR OTHER DEPARTMENTS

FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Academic affairs	12,625	9,707
Admissions	345	-
Allied Health	107,966	39,708
Alumni affairs	82,753	65,929
Anesthesiology	7,269	2,994
Biochemistry	442	1,783
Cardiology	961	3,245
Cardiopulmonary	-	5,058
Cellular biology and anatomy	4,113	10,227
Chancellor	53,753	126,850
Continuing medical education	47,187	28,338
Dermatology	950	894
E. A. Conway	-	-
Emergency medicine	6,365	6,068
Endocrinology	2,206	1,921
Family medicine	34,999	8,245
Foundation	7,512	5,861
Health sciences library	13,993	10,603
Human resource management	-	(6,000)
Internal medicine	8,805	840
Microbiology	1,363	10,577
Multicultural affairs	-	1,500
Nephrology	193	733
Neurology	29,178	25,177
Neurosurgery	56,983	43,909
Nursing administration	13,989	10
OB/GYN	29,876	22,409
Ophthalmology	240	-
Oral/maxillofacial	70,150	74,915
Ortho surgery	30,231	35,377
Orthopaedics	3,005	5,164
Otolaryngology	65,107	43,194
Pathology	34,478	19,364
Patient relations	-	1,095
Pediatrics	181,937	115,429
Pharmacology	11,945	17,387
Physiology	12,011	8,910
Psychiatry	63,607	29,627
Pulmonary	10,933	4,694

LSU HEALTH SCIENCES FOUNDATION IN SHREVEPORT AND SUBSIDIARY
CONSOLIDATED SCHEDULES OF LSU HEALTH SCIENCES CENTER SUPPORT
SPECIFIED BY DONORS FOR OTHER DEPARTMENTS
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Radiology	4,249	11,763
Rheumatology	978	1,262
Social services	1,287	1,126
Student affairs	1,185	1,153
Surgery	123,498	143,417
Urology	<u>10,657</u>	<u>6,591</u>
Total	<u>1,149,324</u>	<u>947,054</u>

SUPPLEMENTARY INFORMATION

END OF THE YEAR REPORTING PACKET

REQUIRED BY THE STATE OF LOUISIANA,
DIVISION OF ADMINISTRATION,
OFFICE OF STATEWIDE REPORTING

HEARD, McELROY, & VESTAL

LLC

CERTIFIED PUBLIC ACCOUNTANTS

333 TEXAS STREET, SUITE 1525
SHREVEPORT, LOUISIANA 71101
318-429-1525 PHONE • 318-429-2070 FAX

August 25, 2015

The Board of Directors
LSU Health Sciences Foundation in Shreveport
Shreveport, Louisiana

Independent Auditor's Report on Supplementary Information

We have audited the consolidated financial statements of the LSU Health Sciences Foundation in Shreveport and Subsidiary, as of and for the year ended June 30, 2015, and our report thereon dated August 25, 2015, which expressed an unmodified opinion on those financial statements, appears on Page 1. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole.

The End of the Year Reporting Packet is presented for purposes of additional analysis and is not a required part of the consolidated financial statements but is supplementary information required by the State of Louisiana, Division of Administration, Office of Statewide Reporting and Policy (OSRAP). 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Heard, McElroy & Vestal, LLC

Shreveport, Louisiana

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FOUNDATIONS OF THE LSU SYSTEM

STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	LSU HSC Foundation Shreveport
ASSETS	
Current Assets:	
Cash and cash equivalents	\$1,211,306
Investments	7,654,346
Derivative instrument (Asset)	
Accounts receivable, net	149,283
Pledges Receivable	6,000
Due from State Treasury	
Due from federal government	
Prepaid expenses and advances	
Notes Receivable	
Other current assets	
Total current assets	<u>9,020,935</u>
Noncurrent Assets:	
Restricted assets:	
Cash and cash equivalents	871,795
Investments	179,300,851
Other	
Investments	
Pledges Receivable	3,000
Notes receivable	
Capital assets, net (Note E)	
Land & non depreciable easements	2,501,691
Buildings and improvements	1,260,216
Machinery and Equipment	7,714
Infrastructure	
Intangible Assets	
Construction/Development in Progress	
Other noncurrent assets	35,520
Total noncurrent assets	<u>183,980,787</u>
Total assets	<u>193,001,722</u>
Deferred Outflows of Resources	
Accumulated decrease in fair value of hedging derivative	
Deferred amounts on debt refunding	
Adjustment of capital lease obligation:	
Grants paid prior to meeting time requirements	
Intra-entity transfer of future revenues (transferee)	
Losses from sale lease-back transactions	
Direct loan origination costs for mortgage loans held for sale	
Fees paid to permanent investors prior to sale of mortgage loans	
Deferred outflows related to pensions	
Total deferred outflows of resources	-
Total assets and deferred outflow of resources	<u>193,001,722</u>
LIABILITIES	
Current Liabilities	
Accounts payable and accrued liabilities	885,242
Derivative instrument liability	
Unearned revenues	
Due to state treasury	
Amounts held in custody for others	64,284,223
Other liabilities	
Current portion of long-term debt:	
Compensated absences payable	
Capital Lease obligations	
Claims and litigation payable	
Notes payable	113,001
Contracts payable	
Reimbursement contracts payable	
Bonds payable	
Other liabilities	
Total current liabilities	<u>65,282,466</u>
Long-Term Portion of Noncurrent Liabilities	
Compensated absences payable	
Capital Lease obligations	
Claims and litigation payable	
Notes payable	202,966
Contracts payable	
Reimbursement contracts payable	
Net Pension Liability	
Bonds payable	
Other liabilities	
Total noncurrent liabilities	<u>202,966</u>
Total liabilities	<u>65,485,432</u>
Deferred Inflows of Resources	
Accumulated increase in fair value of hedging derivative	
Deferred service concession arrangement receipts	
Deferred amounts on debt refunding	
Adjustment of capital lease obligation:	
Grants received prior to meeting time requirements	
Property taxes received before the period for which the taxes were levied	
Fines and penalties received in advance of meeting time requirement	
Sales/intra-entity transfers of future revenues (transferor)	
Gains from sale-leaseback transaction	
Deferred inflows related to pensions	
Total deferred inflows of resources	-
NET POSITION	
Net investment in capital assets	3,453,654
Restricted:	
Nonexpendable	13,202,889
Expendable	99,743,999
Unrestricted	11,115,748
Total net Position	<u>127,516,290</u>
Total liabilities, deferred inflows of resources, and net position	<u>127,516,290</u>

**LOUISIANA STATE UNIVERSITY SYSTEM
STATE OF LOUISIANA**

COMPONENT UNITS

Statement of Financial Position, June 30, 2015

	LSU HSC Foundation Shreveport
ASSETS	
Current Assets:	
Cash and cash equivalents (note 2)	\$1,211,306
Restricted cash and cash equivalents (note 2)	
Investments (note 3)	7,654,346
Accrued interest receivable	
Accounts receivable, net	149,283
Unconditional promises to give (note 28)	6,000
Deferred charges and prepaid expenses	
Other current assets	
Total current assets	<u>9,020,935</u>
Noncurrent Assets:	
Restricted assets:	
Cash and cash equivalents	871,795
Investments	179,300,851
Other	
Investments	
Unconditional promises to give	3,000
Property and equipment, net	3,769,621
Other noncurrent assets	35,520
Total noncurrent assets	<u>183,980,787</u>
Total assets	<u>193,001,722</u>
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities	885,242
Deferred revenues	
Amounts held in custody for others	64,284,223
Compensated absences payable	
Current portion of notes payable	113,001
Current portion of bonds payable	
Other current liabilities	
Total current liabilities	<u>65,282,466</u>
Noncurrent Liabilities:	
Amounts held in custody for others	
Notes payable	202,966
Bonds payable	
Deferred revenues	
Other noncurrent liabilities	
Total noncurrent liabilities	<u>202,966</u>
Total liabilities	<u>65,485,432</u>
NET ASSETS	
Unrestricted	14,569,402
Temporarily restricted	99,743,999
Permanently restricted	13,202,889
Total net assets	<u>127,516,290</u>
Total liabilities and net assets	<u>\$ 193,001,722</u>

The accompanying notes are an integral part of this statement.

FOUNDATIONS OF THE LSU SYSTEM

**Statement of Activities (GASB)
For the Year Ended June 30, 2015**

LSU HSC Foundation Shreveport

Expenses	Charges for Services	Operating grants and contributions	Capital grants and contributions	Net (expense) revenue and change in net position
	(7,573,691)	2,696,682		(4,877,009)
General Revenues:				
State Appropriations				
Grants and contributions not restricted to specific programs				478,492
Interest				3,483,112
Miscellaneous				2,184,083
Special items				<u> </u>
Total general revenues and special items				<u>6,145,687</u>
Change in net position				1,268,678
Net position , beginning of year				<u>126,247,612</u>
Net position, end of year				<u><u>127,516,290</u></u>

FOUNDATIONS OF THE LSU SYSTEM

Statement of Activities - FASB format For the Year Ended June 30, 2015

	LSU HSC Foundation Shreveport
Changes in unrestricted net assets:	
Contributions	\$478,492
Investment earnings (loss), net	363,363
Grants and contracts	
Service fees	2,097,981
Other revenues	85,698
Total unrestricted revenues	<u>\$3,025,534</u>
Net assets released from restrictions:	
Reclassification in net assets due to change in law	
Satisfaction of program expenses	4,498,220
Total unrestricted revenues and other support	<u>\$7,523,754</u>
Expenses:	
Amounts paid to benefit Louisiana State University for:	
Projects specified by donors	4,557,320
Projects specified by the Board of Directors	1,311,221
Other:	
Grants and contracts	
Property operations	156,422
Other	
Total program expenses	<u>6,024,963</u>
Supporting services:	
Salaries and benefits	799,563
Occupancy	65,063
Office operations	71,164
Travel	6,763
Professional services	357,107
Dues and subscriptions	6,718
Meetings and development	52,821
Depreciation	75,444
Other	3,014
Total supporting services	<u>1,437,657</u>
Fund-raising expenses	<u>111,071</u>
Total expenses	<u>7,573,691</u>
Increase (decrease) in unrestricted net assets	<u>(\$49,937)</u>

Changes in temporarily restricted net assets:	
Contributions	\$2,537,606
Investment earnings	2,679,973
Changes in value of split interest agreements	
Other	404
Total temporarily restricted revenues	<u>\$5,217,983</u>
Net assets released from restrictions:	
Reclassification in net assets due to change in law	
Satisfaction of program expenses	<u>(3,578,194)</u>
Increase in temporarily restricted net assets	<u>\$1,639,789</u>
Changes in permanently restricted net assets:	
Contributions	159,076
Investment earnings	439,776
Other	-
Net assets released from donor restrictions	<u>(920,026)</u>
Increase (decrease) in permanently restricted net assets	<u>(321,174)</u>
Increase (decrease) in net assets	1,268,678
Net assets at beginning of year	<u>126,247,612</u>
Net assets at end of year	<u><u>127,516,290</u></u>

Note A. 15 Component Units

This year, the LSU Foundation, the Tiger Athletic Foundation, LSU HSC Foundation New Orleans and LSU HSC Foundation Shreveport qualify to be discretely presented.

Each component unit should provide the following:

Note A. 15 Component Units - Discrete

1. A brief description of the component unit including its relationship to the University; a discussion of the criteria for including it; how it is reported, and the nature and amount of significant transactions between the university and the component unit.

The LSU HSC Foundation Shreveport Foundation is a legally separate, tax-exempt organization supporting the LSU System, specifically the following campus: LSUHSC Shreveport. This foundation was included in the university's financial statements because its assets equaled 3% or more of the assets of the university system it supports.

During the year ended June 30, 2015, the LSU HSC Foundation Shreveport Foundation made distributions to or on behalf of the university for both restricted and unrestricted purposes in the amount of : \$5,868,541

Complete financial statements for the LSU HSC Foundation Shreveport Foundation can be obtained from:

920 Pierremont Rd, Ste 506, Shreveport, LA 71106
(mailing address)

or from the foundation's website at: lsuhsfoundation.org

The LSU HSC Foundation Shreveport Foundation is a nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards, including the FASB Accounting Standards Codification Section 958, *Not-for-Profit Entities*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the foundation's financial information in the university's financial report for these differences.

Note C. 2 Investments and Custodial Credit Risk

The LSU System does\does not (please indicate) maintain investment accounts as authorized by the investment policy approved by the LSU Board of Supervisors.

Important notes and instructions:

A. Please list all investments and their reported fair values on this sheet. The total of Column C should tie-into the SNP.

<u>Type of Investment</u>	<u>Fair Value</u>
Money market/certificates of deposit	\$ 162,910
Debt obligations	
Corporate stocks, common stocks, and index mutual funds	
Shaw Center for the Arts, LLC	
Royalty interest	
Mutual funds	131,053,433
LSU Foundation investment pool	
Charitable gift annuity	
Short-term investments	
Private equity	
Hedge funds	
Venture capital	
Municipal bonds	
Commingled funds	
Structured investments	
Agency investments	55,738,854
<hr/>	
Total investments	\$ 186,955,197

Note C. 2a Cash and Cash Equivalents - Component Units

Cash and cash equivalents of the component units totaling \$2,083,101, as shown on the Statement of Financial Position, are reported under FASB ASC Topic 958, Financial Reporting for Not-for-Profit Organizations, which does not require the disclosures of GASB Statement No. 40, Deposit and Investment Risk Disclosures.

The LSU Foundation considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Occasionally, the LSU Foundation has deposits in excess of Federal Deposit Insurance Corporation (FDIC) insured limits. The Foundation's management believes the credit risk associated with these deposits is minimal.

The Tiger Athletic Foundation (TAF) periodically maintains cash in bank accounts in excess of insured limits. The Foundation has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

The Foundation for the LSU Health Sciences Center considers all highly liquid investments in money market funds and investments available for current use with an initial maturity of three months or less to be cash equivalents.

The LSU Health Sciences Center Foundation in Shreveport considers cash to include amounts on hand and amounts on deposit at financial institutions. The Foundation in Shreveport, at times may have deposits in excess of FDIC insured limits. Management believes the credit risk associated with these deposits is minimal.

Schedule of Capital Assets (includes capital leases)

<u>Component Unit(s)</u>	Balance 6/30/2014	Prior Period Adjustments	Restated Balance 6/30/2014	Additions	* Reclassifications of CIP	** Retirements	Balance 6/30/2015
Capital assets not depreciated:							
Land	\$ 2,932,516	\$ -	\$ 2,932,516	\$ -	\$ -	\$ (430,825)	\$ 2,501,691
Non-depreciable land improvements	-	-	-	-	-	-	-
Non-depreciable easements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Livestock	-	-	-	-	-	-	-
Software - development in progress	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Total capital assets not depreciated	<u>\$ 2,932,516</u>	<u>\$ -</u>	<u>\$ 2,932,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (430,825)</u>	<u>\$ 2,501,691</u>
Other capital assets:							
Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
** Accumulated depreciation	-	-	-	-	-	-	-
Total infrastructure	-	-	-	-	-	-	-
Depreciable land improvements	1,609,160	-	1,609,160	-	-	-	1,609,160
** Accumulated depreciation	(291,583)	-	(291,583)	(57,361)	-	-	(348,944)
Total land improvements	<u>1,317,577</u>	<u>-</u>	<u>1,317,577</u>	<u>(57,361)</u>	<u>-</u>	<u>-</u>	<u>1,260,216</u>
Buildings	-	-	-	-	-	-	-
** Accumulated depreciation	-	-	-	-	-	-	-
Total buildings	-	-	-	-	-	-	-
Equipment (including library books)	119,378	-	119,378	5,243	-	-	124,621
** Accumulated depreciation	(98,824)	-	(98,824)	(18,083)	-	-	(116,907)
Total equipment	<u>20,554</u>	<u>-</u>	<u>20,554</u>	<u>(12,840)</u>	<u>-</u>	<u>-</u>	<u>7,714</u>
Software (internally generated & purchased)	-	-	-	-	-	-	-
Other intangibles	-	-	-	-	-	-	-
** Accumulated amortization - software	-	-	-	-	-	-	-
** Accumulated amortization - other intangibles	-	-	-	-	-	-	-
Total intangibles	-	-	-	-	-	-	-
Total other capital assets	<u>\$ 1,338,131</u>	<u>\$ -</u>	<u>\$ 1,338,131</u>	<u>\$ (70,201)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267,930</u>
Capital asset summary:							
Capital assets not depreciated	\$ 2,932,516	\$ -	\$ 2,932,516	\$ -	\$ -	\$ (430,825)	\$ 2,501,691
Other capital assets, book value	1,728,538	-	1,728,538	5,243	-	-	1,733,781
Total cost of capital assets	<u>4,661,054</u>	<u>-</u>	<u>4,661,054</u>	<u>5,243</u>	<u>-</u>	<u>(430,825)</u>	<u>4,235,472</u>
Accumulated depreciation/amortization	(390,407)	-	(390,407)	(75,444)	-	-	(465,851)
Capital assets, net	<u>\$ 4,270,647</u>	<u>\$ -</u>	<u>\$ 4,270,647</u>	<u>\$ (70,201)</u>	<u>\$ -</u>	<u>\$ (430,825)</u>	<u>\$ 3,769,621</u>

* Should only be used for those completed projects coming out of construction-in-progress to fixed assets

** Enter a negative number except for accumulated depreciation in the retirement column

Recap of Adjustments to Beginning Balance of Capital Assets
(includes capital leases)

<u>University/System</u>	<u>University/System</u>		<u>Component Unit(s)</u>		<u>Total by Category</u>		
	Adjustments to AFR after submitted to OSRAP	Restate- ments	Adjustments to AFR after submitted to OSRAP	Restate- ments	Adjustments to AFR after submitted to OSRAP	Restate- ments	Total Prior Year Adjustments
Capital assets not depreciated:							
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-depreciable land improvements	-	-	-	-	-	-	-
Non-depreciable easements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Livestock	-	-	-	-	-	-	-
Software - development in progress	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Total capital assets not depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other capital assets:							
Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
* Accumulated depreciation	-	-	-	-	-	-	-
Total infrastructure	-	-	-	-	-	-	-
Depreciable land improvements	-	-	-	-	-	-	-
* Accumulated depreciation	-	-	-	-	-	-	-
Total land improvements	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-
* Accumulated depreciation	-	-	-	-	-	-	-
Total buildings	-	-	-	-	-	-	-
Equipment (including library books)	-	-	-	-	-	-	-
* Accumulated depreciation	-	-	-	-	-	-	-
Total equipment	-	-	-	-	-	-	-
Software (internally generated & purchased)	-	-	-	-	-	-	-
Other intangibles	-	-	-	-	-	-	-
* Accumulated amortization - software	-	-	-	-	-	-	-
* Accumulated amortization - other intangibles	-	-	-	-	-	-	-
Total intangibles	-	-	-	-	-	-	-
Total other capital assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital asset summary:							
Capital assets not depreciated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other capital assets, book value	-	-	-	-	-	-	-
Accumulated depreciation/amortization	-	-	-	-	-	-	-
Capital assets, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* Formulas are set for depreciation/amortization presented as a negative number. Check formulas to ensure correct totals.

Note I. Bonds & notes payable & capital leases.

Component units complete the appropriate section.

grey cells populate automatically

Component Units	Balance at June 30 2014	Additions	Reductions	Balance at June 30, 2015	Amounts due within one year
Notes & bonds payable:					
Notes payable	\$ 424,137	\$ -	\$ 108,170	\$ 315,967	\$ 113,001
Bonds payable	-	-	-	-	-
Total bonds and notes payable	<u>424,137</u>	<u>-</u>	<u>108,170</u>	<u>315,967</u>	<u>113,001</u>
Other liabilities:					
Compensated absences payable	-	-	-	-	-
Capital lease obligations	-	-	-	-	-
Claims and litigation payable	-	-	-	-	-
Pollution remediation obligations	-	-	-	-	-
Contracts payable	-	-	-	-	-
Reimbursement contracts payable	-	-	-	-	-
Other liabilities	-	-	-	-	-
OPEB Payable	-	-	-	-	-
Total other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>\$ 424,137</u>	<u>\$ -</u>	<u>\$ 108,170</u>	<u>\$ 315,967</u>	<u>\$ 113,001</u>

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

Note N. Related Party Transactions

List all related party transactions below.

	Name of Individual	Describe Relationship	Describe Related Party Transaction	Dollar amount of Transaction	Amounts Due to/ Due from that resulted from related party transaction
1	N/A. None identified				
2					
3					
4					

Note P. Capital Leases

Campuses and component units complete the appropriate section.

Does your campus record items under capital leases as an asset and an obligation in the accompanying financial statements? Yes / No



Report all capital leases (including LA Equipment Acquisition Fund [LEAF] leases) in effect as of 6/30/2015.

UNIVERSITYSYSTEM CAPITAL LEASES

<u>Nature of lease</u>	<u>Date of lease</u>	Gross amount of leased assets (historical cost)	Last payment date	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	_____	\$ _____	_____	\$ _____	\$ _____
b. Buildings	_____	_____	_____	_____	_____
c. Equipment	_____	_____	_____	_____	_____
d. Land	_____	_____	_____	_____	_____
e. Other	_____	_____	_____	_____	_____
Total assets under cap. lease		\$ _____ -		\$ _____ -	\$ _____ -

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

COMPONENT UNIT CAPITAL LEASES

<u>Nature of lease</u>	<u>Date of lease</u>	Gross amount of leased assets (historical cost)	Last payment date	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	_____	\$ _____	_____	\$ _____	\$ _____
b. Buildings	_____	_____	_____	_____	_____
c. Equipment	_____	_____	_____	_____	_____
d. Land	_____	_____	_____	_____	_____
e. Other	_____	_____	_____	_____	_____
Total assets under cap. lease		\$ _____ -		\$ _____ -	\$ _____ -

Note P. Lease Payments under Capital Leases

Campuses and component units complete the appropriate column

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2015.

Year ending June 30:	Future minimum lease payment:		Total:
	University/System	Component Units:	
2016	\$ _____	\$ _____	\$ -
2017	_____	_____	-
2018	_____	_____	-
2019	_____	_____	-
2020	_____	_____	-
2021-2025	_____	_____	-
2026-2030	_____	_____	-
2031-2035	_____	_____	-
2036-2040	_____	_____	-
2041-2045	_____	_____	-
	_____	_____	-
	_____	_____	-
	_____	_____	-
	_____	_____	-
Total minimum lease payments	-	-	-
Less: amounts representing executory costs			-
Net minimum lease payments	-	-	-
Less: amounts representing interest			-
Present value - net minimum lease payments	-	-	-

Note: If lease payments extend past FY2045 create additional rows and report these future minimum lease payments in five year increments. I've added three rows for you just in case you need them. You may need to add more.

Note P. Lessor Direct Financing Leases

Campuses and component units complete the appropriate section

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

The following lists the components of the net investment in direct financing leases as of June 30, 201

<u>University/System</u> <u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office Space	_____	\$ _____	\$ _____	\$ _____
b. Building	_____	_____	_____	_____
c. Equipment	_____	_____	_____	_____
d. Land	_____	_____	_____	_____
e. Other	_____	_____	_____	_____
Less amounts representing executory costs		(_____)	(_____)	(_____)
Minimum lease payment receivable		-	-	-
Less allowance for doubtful accounts		(_____)	(_____)	(_____)
Net minimum lease payments receivable		-	-	-
Estimated residual values of leased property		_____	_____	_____
		-	-	-
Less unearned income		(_____)	(_____)	(_____)
Net investment in direct financing leases		<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

<u>Component Unit(s)</u> <u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office Space	_____	\$ _____	\$ _____	\$ _____
b. Building	_____	_____	_____	_____
c. Equipment	_____	_____	_____	_____
d. Land	_____	_____	_____	_____
e. Other	_____	_____	_____	_____
Less amounts representing executory costs		(_____)	(_____)	(_____)
Minimum lease payment receivable		-	-	-
Less allowance for doubtful accounts		(_____)	(_____)	(_____)
Net minimum lease payments receivable		-	-	-
Estimated residual values of leased property		_____	_____	_____
		-	-	-
Less unearned income		(_____)	(_____)	(_____)
Net investment in direct financing leases		<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>

Both Campus and Component Unit complete below if appropriate.

Minimum lease payments do not include contingent rentals, which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2015 were:

_____ for office space
 _____ for buildings
 _____ for equipment
 _____ for land
 _____ for other

Note P. Future Minimum Lease Receivables - With Lessor Direct Financing Leases

Campuses and component units complete the appropriate column

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport

The following is a schedule by years of minimum lease receivable for the remaining fiscal years of the lease as of June 30, 2015:

Year ending _____:	Future minimum lease receivables:		
	University/System	Component Unit(s)	Total
2016	\$ _____	\$ _____	\$ _____ -
2017	_____	_____	_____ -
2018	_____	_____	_____ -
2019	_____	_____	_____ -
2020	_____	_____	_____ -
2021-2025	_____	_____	_____ -
2026-2030	_____	_____	_____ -
2031-2035	_____	_____	_____ -
	_____	_____	_____ -
	_____	_____	_____ -
	_____	_____	_____ -
Total	\$ _____ -	\$ _____ -	\$ _____ -

Note: If lease receivables extend past FY2035 create additional rows and report these future minimum lease receivables in five year increments. I've added three rows for you just in case you need them. You may need to add more.

Note T. Prior Year Restatement of Net Assets

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

The following adjustments were made to restate beginning net assets for July 1, 2014.

	<u>Amount</u>
Ending fund balance as reported on AFR at 6/30/2014	\$ _____
Adjustments identified after AFR was submitted to OSRAP in PY (usually as a result of audit adjustments):	
1) _____	_____
2) _____	_____
3) _____	_____
_____	_____
_____	_____
_____	_____
Subtotal	\$ _____ 0
Items identified during 2014/2015 requiring a restatement of PY ending Fund Balance:	
Please provide a full explanation for each prior year restatement.	
1) _____	_____
2) _____	_____
3) _____	_____
_____	_____
_____	_____
_____	_____
Subtotal	\$ _____ 0
Total PY adjustments	_____ 0
Beginning fund balance 7/1/2014, as restated	\$ _____ -

Note V. Segment Information & Reporting Funds of A Blended Component Unit

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

A segment is an identifiable activity or grouping of activities that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of the debt. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C in statement 34 paragraph 122, as modified by GASB 37, paragraph 17. In addition, a segment's revenues, expenses, gains and losses, assets and deferred outflows of resources, and liabilities and deferred inflows of resources are required by an external party (such as through a bond indenture) to be accounted for separately.

Segment information reporting must be required by external parties and must include a requirement to report all of the financial elements listed above.

Disclose condensed financial statements for blended component units. Per GASB Statement 61, paragraph 9(a), "For governments engaged only in business-type activities that use a single column for fiscal statement presentation, a component unit may be blended by consolidating its financial statement data with the single column of the primary government and presenting condensed combining information in the notes to the financial statements."

_____(University/System) 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. Descriptive information for each of the institution's segments is shown below:

Types of goods or services provided by the segment or blended component unit (Circle one) are as follows _____

Condensed financial information for each of the institutions' segments/blended component unit follows:

CONDENSED STATEMENT OF NET POSITION

	Segment/Blended Component Unit #1	Segment/Blended Component Unit #2
Assets		
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Total Assets	_____	_____
Deferred Outflow of Resources	_____	_____
Total Assets & Deferred Outflow of Resources	_____	_____
Liabilities		
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Total Liabilities	_____	_____
Deferred Inflow of Resource:	_____	_____
Net Position		
Net, investment in capital assets	_____	_____
Restricted net position - expendable	_____	_____
Restricted net position - nonexpendable	_____	_____
Unrestricted net position	_____	_____
Total Net Position	\$ _____	\$ _____

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION:

	Segment/Blended Component Unit #1	Segment/Blended Component Unit #2
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation expense	_____	_____
Net operating income	_____	_____
Nonoperating revenues (expenses):		
Investment income	_____	_____
Gifts of equipment	_____	_____
Gift income	_____	_____
Interest expense	_____	_____
Other (net)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Changes in net assets	_____	_____
Net Position, beginning of the year	_____	_____
Net Position, end of the year	\$ _____	\$ _____

CONDENSED STATEMENT OF CASH FLOWS

	Segment/Blended Component Unit #1	Segment/Blended Component Unit #2
Net cash flows provided (used) by:		
Operating activities	\$ _____	\$ _____
Noncapital financing	_____	_____
Capital and related financing	_____	_____
Investing activities	_____	_____
Net increase(decrease) in cash	_____	_____
Cash, beginning of the year	_____	_____
Cash, end of the year	\$ _____	\$ _____

Note Contingencies and Commitments - Component Units

List all material contingencies and commitments. In the prior year contingencies included:

During the fiscal year ended June 30, 2010, the Foundation was asked by the Chancellor of the Center to consider an infusion of funds into the Orthopaedic Surgery Department in order to rebuild the program. The Board of Directors voted and approved to donate a total of \$2.5 million of unrestricted funds in five \$500,000 annual installments to begin during the fiscal year ending June 30, 2011. The final installment was made during the fiscal year ending June 30, 2014.

During the fiscal year ended June 30, 2011, the Foundation was asked by the Chancellor of the Center to consider an infusion into the Otolaryngology Department for growth of the department. The Board of Directors voted and approved to donate up to \$2.5 million over the next five years. The first year's funding allocation of \$500,000 came from the Feist-Weiller Investment account, with the remainder from the Feist Legacy account going forward. As of June 30, 2015, the Foundation segregated \$1,500,000 for the Otolaryngology Department, of which \$1,339,987 remained as of June 30, 2015 and is included as temporarily restricted net assets.

On July 15, 2009, the Board of Directors approved an Operating Reserve Policy to establish guidelines for achieving an operating reserve sufficient for the LSU HSC Foundation in Shreveport to adequately support its annual budget, ensure continued growth of current and future programs, fulfill its mission even during times of harsh economic conditions, and provide financial stability and the means for development of its principal activity. The policy states that the operating reserve of \$x.x million shall be established beginning in fiscal year ending June 30, 2011, and shall be fully funded by the end of the fiscal year ending June 30, 2016, through designation of unrestricted funds given to the LSU HSC Foundation in Shreveport. The reserve shall be invested in highly liquid U.S. Treasury obligations or FDIC insured accounts and may be used only for unanticipated and unbudgeted expenses or loss of revenue. Reserves may not be accessed in the absence of a plan for their replenishment over a reasonable period of time. On October 19, 2011, the Executive Committee of the Board of Directors voted to fully fund the Operating Reserve of \$x million from unrestricted funds of the LSU HSC Foundation in Shreveport rather than partially funding the reserve between the remaining fiscal years ending June 30, 2012 through June 30, 2016.

During the fiscal year ended June 30, 2015, the Center received approximately \$1.0 million from the State of Louisiana Workforce and Innovation for a Stronger Economy (WISE) fund, which is dedicated to funding Louisiana's public higher education institutions. In order to receive such funds, the Center was required to submit an implementation plan on how the funds will be used, and required to obtain a minimum industry match of at least 20%. The Foundation provided a written commitment of \$400,000 to satisfy the match requirement.

SCHEDULE 1-A COMPONENT UNIT

STATE OF LOUISIANA

Louisiana State University System

SCHEDULE OF BONDS PAYABLE

June 30, 2015

Required for our
Financial Report

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/14	(Redeemed) Issued	Principal Outstanding 6/30/2015 *	Interest Rates	Interest Outstanding 6/30/15	Maturities
<u>LSU Foundation</u>								
Pooled Loan Program Revenue Bonds Series 2003A Unamortized premium (discount)	05/01/03	\$ 12,725,000	\$ 4,970,000		\$ 4,970,000	variable		2015-2022
<u>Tiger Athletic Foundation</u>								
Series 1999 Bonds Unamortized premium (discount)	03/04/99	43,575,000	37,255,000		37,255,000	variable	-	2015-2033
Series 2004 Bonds Unamortized premium (discount)	03/23/04	90,000,000	75,530,000		75,530,000	variable	-	2015-2039
Series 2012 Bonds Unamortized premium (discount)	10/23/12	46,000,000	46,000,000		46,000,000	variable		2018-2037
<u>LSU HSC Foundation New Orleans</u>								
Equipment and Capital Facilities Pooled Loan Program	01/01/02	2,035,000	1,004,092		1,004,092	variable		2015-2024

LSU HSC Foundation Shreveport

Schedule 1-C COMPONENT UNIT

STATE OF LOUISIANA

Louisiana State University System

SCHEDULE OF NOTES PAYABLE
June 30, 2015

Bond premium or discount should be listed on a separate line and not included in principal amount.

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Principal Outstanding June 30, 2014</u>	<u>Issued (Redeemed)</u>	<u>Principal Outstanding June 30, 2015</u>	<u>Maturities</u>	<u>Interest Rates</u>	<u>Interest Outstanding June 30, 2015</u>
JP Morgan Chase	3/17/11	750,000	\$ 424,137	\$ (108,170)	\$ 315,967	N/A	5.0%	\$ 25,015
					-			
					-			
					-			
					-			
					-			
					-			
					-			
					-			
					-			
TOTAL			\$ 424,137	\$ (\$108,170)	\$ 315,967			\$ 25,015

Send copies of new amortization schedules

SCHEDULE 1-C (Component Unit)

Schedule 2-A COMPONENT UNIT

Do not include bond premium or discount in principal column

LSU HSC Foundation Shreveport

Schedule of Bonds Payable Amortization
for the Year Ended June 30, 2015

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

Fiscal Year Ending	Principal	Interest	Total
2016			0
2017			0
2018			0
2019			0
2020			0
2021			0
2022			0
2023			0
2024			0
2025			0
2026			0
2027			0
2028			0
2029			0
2030			0
2031			0
2032			0
2033			0
2034			0
2035			0
2036			0
2037			0
2038			0
2039			0
2040			0
2041			0
2042			0
2043			0
2044			0
2045			0
Sub-total	0	0	0
Unamortized discount			
Unamortized premiums			
TOTAL	\$0	\$0	\$0

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

Schedule 2-B COMPONENT UNIT

LSU HSC Foundation Shreveport

Schedule of Notes Payable Amortization
for the Year Ended June 30, 2015

Fiscal Year			
Ending	Principal	Interest	Total
2016	113,001	14,204	127,205
2017	118,783	8,422	127,205
2018	84,183	2,389	86,572
2019			0
2020			0
2021-2025			0
2026-2030			0
2031-2035			0
2036-2040			0
2041-2045			0
TOTAL	\$315,967	\$25,015	\$340,982

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

--

Schedule 2-C Component Unit

LSU HSC Foundation Shreveport

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

SCHEDULE OF CAPITAL LEASE AMORTIZATION For the Year Ended June 30, 2015

Fiscal Year Ending	Beginning Balance	Payment	Interest	Principal	Balance
2016		-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021-2025	-	-	-	-	-
2026-2030	-	-	-	-	-
2031-2035	-	-	-	-	-
2036-2040	-	-	-	-	-
2041-2045	-	-	-	-	-
TOTAL	-	-	-	-	-

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

Schedule 2-C (Component Unit)

Schedule 2-D Component Unit

LSU HSC Foundation Shreveport

Schedule of Reimbursement Contracts Payable Amort.
for the Year Ended June 30, 2015

N/A. This schedule is not applicable to the LSU HSC Foundation Shreveport.

Fiscal Year		
Ending	Principal	Interest
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		
2045		
TOTAL	\$0	\$0

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

--

LOUISIANA STATE UNIVERSITY SYSTEM
 SCHEDULE OF EXPENSES BY UNIVERSITY
 For the Year Ended June 30, 2015

Agency No.	Name of individual university and agency no.:	University	*Foundation	Eliminations	Total Expenses
		Amount	Amount		
1. 19-601	1) LSU	\$	\$	\$	\$ 0
2. 19-603	2) LSU Alexandria				0
3. 19-606	3) LSU Eunice				0
4. 19-608	4) LSU Agricultural Center				0
5. 19-609	5) LSU Law Center				0
6. 19-600	6) LSU System Office				0
7.	7) LSU Pennington Biomedical Center				0
8. 19-605	8) LSU Health Sciences Center - New Orleans				0
9.	9) LSU Health Sciences Center - Shreveport		7,573,691		7,573,691
10 19-607	10) LSU Shreveport		0		0
	Total	\$ 0	\$ 7,573,691	\$ 0	\$ 7,573,691

* Should only include foundations that are included in this AFR packet

Show eliminations as a negative

"Total Expenses" above should agree to the "Combined Total" expenses shown on the Statement of Activities. You do not have to prepare the Statement of Activities to complete Schedule 4, however. Expenses to be reported here are the sum of the amounts shown on lines "total operating expenses", "interest expense", and "payments to or on behalf of the university" on the SRECNP.

university" on the SRECNA.

System Office Note 16: Restricted Net Assets - Component Units

Please report the composition of your restricted assets. If none, please indicate so on the form.

	LSU Foundation	Tiger Athletic Foundation	HSC S Foundation	HSC N.O. Foundation
Temporarily restricted:				
Chairs and professorships			3,591,498	
Scholarships and fellowships				
Specific academic and research projects				
Academic support			3,819,203	
Capital outlay and improvements			68,103	
Research support			89,880,314	
Institutional support			2,174,078	
Faculty - salary supplements				
Donor restrictions			210,803	
Restricted contributions receivable				
Restricted accounts payable				
Building funds				
Educational studies program				
Total temporarily restricted	0	0	99,743,999	0
Permanently restricted				
Chairs and professorships			10,152,600	
Scholarships and fellowships				
Specific academic and research projects				
Academic support				
Capital outlay and improvements				
Research support				
Institutional support				
Endowment Funds			3,050,289	
Educational studies program				
Faculty - salary supplements				
Total permanently restricted	0	0	13,202,889	0

System Note 24. Cooperative Endeavor Agreements - Component Units

Below is the language included in the FY 14 financial statements regarding significant cooperative endeavor agreements entered into by your foundation. Please carefully review and update as necessary the portion that applies to your foundation.

If your foundation discloses a cooperative endeavor agreement in its financial report please include the disclosure in the second text box below.

LSU HSC Foundation Shreveport

Intermodal Transit Facility, LLC was formed in March 2007 to purchase property and construct an intermodal transit oriented facility as a ride link for the City of Shreveport's SporTran passengers and the Center's patients, employees, students, and customers. Intermodal Transit Facility, LLC entered into a Cooperative Endeavor Agreement with the City of Shreveport which governed the use of \$1,235,949 of Section 5309 Federal Transit Administration funds earmarked as an 80% match for construction of the intermodal transit facility. In order to receive these grant funds, Intermodal Transit Facility, LLC was required to provide a match equal to 20% of the project cost. In addition, Intermodal Transit Facility, LLC was required to pay the City of Shreveport an administrative fee in the amount of 10% of the total FTA grant funds used for the project. Construction of the intermodal transit facility was completed in June 2009, and the total cost of the facility including the purchase of property and administrative fees of \$1,609,160 net of accumulated depreciation. A summary of the project's activity follows:

<u>Year Ended June 30,</u>	<u>Capitalized Expenditures</u>	<u>Expensed Expenditures</u>	<u>Capitalized Administrative Fees</u>	<u>Total Project Cost</u>	<u>Less Grant Income</u>	<u>Intermodal's Match Plus Admin. Fees</u>
2007	748,749	-	59,900	808,649	598,999	209,650
2008	110,402	-	8,832	119,234	88,322	30,912
2009	<u>630,515</u>	<u>4,016</u>	<u>50,762</u>	<u>685,293</u>	<u>507,624</u>	<u>177,669</u>
	<u>1,489,666</u>	<u>4,016</u>	<u>119,494</u>	<u>1,613,176</u>	<u>1,194,945</u>	<u>418,231</u>

System Note 25. Amounts Held in Custody for Others - Component Units

<u>Entity</u>	<u>LSU Foundation</u>	<u>Tiger Athletic Foundation*</u>	<u>LSU Health Sciences Center Foundation</u>	<u>LSUHSC Shreveport Foundation</u>	<u>Total</u>
LSU at Alexandria Foundation					0
LSU at Eunice Foundation					0
State matching funds					0
Split-interest agreements					0
Tiger Athletic Foundation					0
Coaches escrow accounts / affiliated chapters					0
LSU Athletic Department					0
Building tenant security deposits					0
LSUHSC Shreveport				64,284,223	64,284,223
 Total temporarily restricted	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$64,284,223</u>	<u>\$64,284,223</u>

*As of December 31, 2014