

BLACK & GOLD FACILITIES, INC.
FINANCIAL AUDIT TOGETHER WITH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED JUNE 30, 2008

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

Release Date 3/25/09

BLACK & GOLD FACILITIES, INC.
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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Black & Gold Facilities, Inc.
Grambling, Louisiana

We have audited the accompanying statement of financial position of **Black & Gold Facilities, Inc. (the Facilities)** as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of **the Facilities'** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **the Facilities** as of June 30, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITORS' REPORT
(CONTINUED)

To the Board of Directors
Black & Gold Facilities, Inc.
Grambling, Louisiana – Page 2

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the report (shown on pages 14 through 20) is presented for the purpose of additional analysis and is not a required part of the financial statements of **the Facilities**. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

August 20, 2008

BLACK AND GOLD FACILITIES, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2008

ASSETS	
Current assets:	
Cash and cash equivalents (NOTE 2)	\$ 61,970
Investments - bond reserves (NOTE 6)	22,452,349
Due from management agent	126,045
Prepaid Insurance	<u>98,506</u>
Total current assets	<u>22,738,870</u>
Non-current assets	
Investments - bond reserves (NOTE 6)	10,289,388
Fixed assets, net of accumulated depreciation of \$971,197 (NOTES 2 and 3)	75,628,311
Prepaid bond insurance costs, net of accumulated amortization of \$139,752 (NOTE 4)	3,274,129
Bond issuance costs, net of accumulated amortization of \$151,351 (NOTE 4)	<u>2,162,014</u>
Total non-current assets	<u>91,353,842</u>
Total assets	<u>\$ 114,092,712</u>
LIABILITIES AND NET ASSETS	
Current liabilities:	
Accrued liabilities	\$ 3,624,909
Taxable bonds payable (NOTE 8)	75,000
Interest payable	2,701,555
Due to University	<u>42,718</u>
Total current liabilities	<u>6,444,182</u>
Long-term liabilities:	
Bonds payable:	
Taxable bonds payable (NOTES 8)	11,815,000
Tax-exempt bonds payable (NOTES 8)	<u>95,035,000</u>
Total bonds payable	<u>106,850,000</u>
Bond discount, net of accumulated amortization of \$5,659 (NOTE 9)	(217,857)
Bond premium, net of accumulated amortization of \$35,037 (NOTE 9)	<u>732,747</u>
Bond discount / premium, net	<u>514,890</u>
Total long-term liabilities	<u>107,364,890</u>
Total liabilities	<u>113,809,072</u>
Net assets, unrestricted (NOTE 2)	<u>283,640</u>
Total liabilities and net assets	<u>\$ 114,092,712</u>

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

BLACK AND GOLD FACILITIES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Revenues	
Rental income	\$ 6,022,422
Investment income	1,342,740
Other income	<u>10,525</u>
Total revenues	<u>7,375,687</u>
Expenses	
Bond amortization expenses	180,549
Depreciation / amortization expense	943,559
Bad debt expense	142,401
Interest expense	4,655,578
Payroll and related benefits	242,093
Contract services	89,532
Turnover expense	6,485
Repairs and maintenance	43,552
Marketing and leasing	11,903
Administrative expense	44,323
Utilities expense	587,382
Management fees	343,517
Property insurance	121,730
Other expense	<u>41,305</u>
Total expenses	<u>7,453,909</u>
Change in net assets	(78,222)
Net assets	
Beginning of the year	<u>361,862</u>
End of the year	<u>\$ 283,640</u>

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

BLACK AND GOLD FACILITIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

Operating activities:	
Change in net assets	\$ (78,222)
Depreciation and amortization	1,124,108
Amortization of bond premium / discount	(14,278)
Bad debt expense	142,401
Increase in prepaid insurance	(98,506)
Decrease in due from affiliate	44,356
Increase in other assets	(2,114,186)
Increase in accounts receivable	(142,401)
Due from management agent	(126,045)
Decrease in accounts payable and other accrued expenses	<u>(2,516,670)</u>
Net cash used in operating activities	<u>(3,779,443)</u>
Investing activities:	
Purchase of investments	(49,503,818)
Sale of investments	43,256,970
Increase in plant and equipment	<u>(33,091,465)</u>
Net cash used in investing activities	<u>(39,338,313)</u>
Financing activities:	
Proceeds from sale of bonds	<u>41,772,325</u>
Net cash provided by financing activities	<u>41,772,325</u>
Net decrease in cash and cash equivalents	<u>(1,345,431)</u>
Cash and cash equivalents	
Beginning of year	<u>1,407,401</u>
End of year	\$ <u>61,970</u>
Interest paid in cash	\$ <u>3,167,297</u>

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

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - BACKGROUND

Black & Gold Facilities, Inc. (the Facilities) is a private nonprofit organization and is formed to promote, assist, and benefit the mission of Grambling State University through acquiring, constructing, developing, renovating, rehabilitating, repairing, managing, leasing assessor, lessee, mortgaging, and/or converting residential, classroom, administrative, and other facilities on the campus of Grambling State University.

The Facilities participated in a bond issuance by borrowing money from the Louisiana Public Facility Authority (the Issuer) who issued \$65,000,000 in revenue bonds (Series 2006) and \$41,925,000 in revenue bonds (series 2007) which will be payable solely from the revenues of **the Facilities**. The revenue bonds were issued pursuant to a Trust Indenture dated October, 1, 2006, between the Issuer and the Bond Trustee. The proceeds of the primarily tax-exempt bonds were loaned to **the Facilities** pursuant to a Loan Agreement dated as of October 1, 2006 between the Issuer and **the Facilities** and will be used to construct a new residence hall, acquisition of Steeple's Glen Apartments, related parking facilities, and related sewer and water lines on the campus of Grambling State University. To secure **the Facilities** obligations to repay the moneys loaned, **the Facilities** executed a Mortgage, Assignment of Leases and Security Agreement. **The Facilities** granted to the Trustee, first mortgage lien on its leasehold interest in the property, equipment, furnishings and other intangible property included in the facilities and first priority security interest in the leases and subleases affecting the facilities, including, without limitation, the facilities lease agreement and all revenue rentals, and other sums due or becoming due under the leases. The underlying property on which the housing project is located is leased to **the Facilities** by a Ground and Building Lease Agreement. The facilities are leased to the Board of Supervisors for the University of Louisiana System (the "Board") under a facilities lease agreement. At such time as the financing for **the Facilities** is paid in full, the obligation is cancelled and the interest in the facility and the underlying property is conveyed to the educational institution.

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned; expenses and costs are recognized when incurred.

Fair values of financial instruments

The following methods and assumptions were used by the Facilities in estimating its fair value disclosures for financial instruments:

Cash and Cash Equivalents - The carrying amounts reported in the statement of financial position approximate fair value because of the short maturities of those instruments.

Investments securities

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Unrestricted net assets

None of the Facilities' net assets are subjected to donor-imposed restrictions. Accordingly, all net assets are accounted for as unrestricted net assets in accordance with Statement of Financial Accounting Standards No.117, *Financial Statements for Not-For-Profit Organizations*.

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates; however, in the opinion of management such differences will not be material to the financial statements.

Cash and cash equivalents

For the purpose of the Statement of Cash Flows, **the Facilities** considers all unrestricted cash on hand and unrestricted temporary investments purchased with an initial maturity of three months or less, except for Treasury bills, commercial paper, and other short-term financial instruments included in **the Facilities'** investment account which are primarily held for investments in long-term assets, to be cash and cash equivalents. The carrying amount of cash and cash equivalents approximates fair value due to the short maturity of these financial instruments.

Fixed Assets

Fixed assets are capitalized at cost and are being depreciated over the estimated useful life of the respective asset. Maintenance and repairs are charged to expense as incurred while additions and betterments are capitalized. Depreciation is computed over the life of the bonds using the straight-line method.

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 3 - FIXED ASSETS

Fixed assets are comprised of the following at June 30, 2008:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Building	\$ 1,319,706	\$ 42,076,555	\$ -0-	\$ 43,396,261
Furniture and equipment	-0-	2,573,456	-0-	2,573,456
Construction in progress	42,188,337	33,091,465	(48,827,335)	26,452,467
Leasehold improvements	-0-	4,177,324		4,177,324
Accumulated depreciation/ amortization	<u>(27,638)</u>	<u>(943,559)</u>	<u>-0-</u>	<u>(971,197)</u>
	<u>\$ 43,480,405</u>	<u>\$ 80,975,241</u>	<u>\$ (48,827,335)</u>	<u>\$ 75,628,311</u>

Depreciation/amortization expense totaled \$943,559 for the year ended June 30, 2008.

Construction in progress

Construction in progress consists of development costs, direct and indirect construction costs and capitalized interest. The costs are accounted for as construction in progress until such time as the project is complete and the assets are placed into service. The assets are then classified as property and equipment and depreciated accordingly. During the year ended June 30, 2008, **the Facilities** entered into an agreement with the University to construct a new residence hall. **The Facilities** will borrow money and construct the facility as specified by the University and the facility will be leased back to the University. The revenues generated by this facility will be used to pay for the financing of the project. Construction in progress related to this project totaled \$26,452,467 at June 30, 2008.

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 4 - BOND ISSUANCE COSTS / PREPAID BOND INSURANCE COSTS

Cost incurred in connection with the issuance of the bonds and prepaid bond insurance are amortized using the straight-line method over the lives of the bonds. These costs are shown as follows:

	<u>Costs</u>	<u>P/Y Accumulated Amortization</u>	<u>C/Y Amortization</u>	<u>Total Accumulated Amortization</u>	<u>Costs, net of Accumulated Amortization</u>
Prepaid bond insurance	\$ 3,413,881	\$ (51,200)	\$ (88,552)	\$ (139,752)	\$ 3,274,129
Bond issuance costs	\$ 2,313,365	\$ (59,354)	\$ (91,997)	\$ (151,351)	\$ 2,162,014

NOTE 5 - CONCENTRATION OF CREDIT RISK

The Facilities maintains cash balances with creditworthy, high quality, financial institutions located in several states. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$100,000. Management monitors the soundness of these financial institutions and feels the Facilities' risk is not significant. The balances in investments - bond reserves are invested according to bond documents, which work to mitigate the credit risk of those investments.

NOTE 6 - INVESTMENTS - BOND RESERVES

The funds held by the Bond Trustee consist of cash, money market investments, securities that are primarily issued by the U.S. Government and various other financial instruments. These short-term investments are primarily stated at cost, which approximates market.

Under the terms of the various Trust Indentures or similar documents, various funds such a Project, Capitalized Interest, Replacement, and Debt Service must be established and maintained for each of the projects. These or associated documents govern the types of investments and requirements for collateralization.

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 6 - INVESTMENTS - BOND RESERVES, CONTINUED

The bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum bond coverages.

Investments-bond reserves accounts consist of the following at June 30, 2008:

	<u>Reserve Requirements</u>	<u>Reserve Balances</u>
Debt Service	\$ 4,309,841	\$ 4,385,978
Maintenance	3,251,104	5,903,410
Operations	2,551,039	369,599
Capitalized Interest	7,967,145	4,433,571
Construction	4,117,891	13,054,636
Operating	280,000	402,146
Other Accounts	<u>401,999</u>	<u>4,192,397</u>
TOTAL	<u>\$ 22,879,019</u>	<u>\$ 32,741,737</u>

The investment-bond reserves account balances total \$32,741,737 in short-term investments, with \$22,452,349 being classified as current assets and \$10,289,388 being classified as non-current assets. Those investments that are being utilized to fund the maintenance and debt service reserve accounts are being classified as non-current assets as a result of their long-term restricted use.

Subsequent to year end June 30, 2008, the trustee reallocated all reserve balances to their required reserve balance. All reserve accounts are currently fully funded.

NOTE 7 - GROUND LEASE

Pursuant to a ground lease agreement between **the Facilities** and the Board of Supervisors of the University of Louisiana System, **the Facilities** (the Lessee) will lease the land on which the student housing is being constructed from the Board of Supervisors of the University of Louisiana System (the Lessor).

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 8 - BONDS PAYABLE

On October 1, 2006 and December 1, 2007, the Louisiana Public Facilities Authority issued \$65,000,000 and \$41,925,000, respectively, of Louisiana Public Facilities Authority Revenue Bonds (Series 2006 and 2007) to the **Facilities**. The proceeds of the bonds are being used for the financing, planning, design, construction, furnishing and equipping of residence facilities for use by Grambling State University, including all equipment, furnishings, fixtures and facilities incidental or necessary in connection therewith. The proceeds will also be utilized to purchase an apartment complex and to pay the costs associated with the issuance of the bonds and funding reserve accounts. The bond agreement provides for interest on the outstanding bonds at rates ranging from 3.79% to 5.80% per annum. The balances of the bonds payable at June 30, 2008 totaled the following:

\$55,705,000 tax exempt term bonds payable dated October 1, 2006; due at various intervals through July 1, 2038; payable in semi-annual installments of interest and annual installments of principal; average coupon rate of 3.79% - 4.38%; secured by leasehold deed and assignment of rents.	\$ <u>55,705,000</u>
\$3,595,000 taxable term bonds payable dated October 1, 2006; due at various intervals through July 1, 2012; payable in semi-annual installments of interest and annual installments of principal; average coupon rate of 5.32% - 5.41%; secured by leasehold deed and assignment of rents.	<u>3,595,000</u>
\$5,700,000 taxable term bonds payable dated October 1, 2006; due at various intervals through April 1, 2038; payable in semi-annual installments of interest and annual installments of principal; average coupon rate of 5.15% - 5.80%; secured by leasehold deed and assignment of rents.	<u>5,700,000</u>
\$39,330,000 tax exempt term bonds payable dated December 1, 2007; due at various intervals through July 1, 2039; payable in annual installments of interest and annual installments of principal; average coupon rate of 4.00% - 5.00%; secured by leasehold deed and assignment of rents.	<u>39,330,000</u>
\$2,595,000 taxable term bonds payable dated December 1, 2007; due at various intervals through July 1, 2015; payable in annual installments of interest and annual installments of principal; average coupon rate of 5.72%; secured by leasehold deed and assignment of rents.	<u>2,595,000</u>
Total bonds payable	<u>106,925,000</u>
Less: current maturities	<u>75,000</u>
Total long-term bonds payable	\$ <u>106,850,000</u>

BLACK & GOLD FACILITIES, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED

NOTE 8 - BONDS PAYABLE, Continued

The outstanding bonds, which were purchased at premiums and a discount, are required to be repaid as follows over the next five years and thereafter:

2009	\$ 75,000
2010	930,000
2011	1,240,000
2012	1,445,000
2013	1,590,000
2014-2040	<u>101,645,000</u>
Total	\$ <u>106,925,000</u>

Bonds funds totaling \$ 32,803,707 have been deposited with the bond trustee at June 30, 2008.

NOTE 9 - BONDS PREMIUM /DISCOUNT

The bond premium and discount received upon the issuance of the bonds are being amortized over the life of the bonds using the straight line method. Total bond premium and bond discount at issuance totaled \$767,784 and \$223,516, respectively. Annual amortization will be charged against "Interest Expense".

	<u>Bond Premium</u>	<u>Bond Discount</u>
Beginning balance	\$ <u>767,784</u>	\$ <u>(223,516)</u>
Prior year accumulated amortization	(16,416)	1,317
Current year amortization	<u>(18,621)</u>	<u>4,342</u>
Total accumulated amortization	<u>(35,037)</u>	<u>5,659</u>
Ending Balance	\$ <u>732,747</u>	\$ <u>(217,857)</u>

SUPPLEMENTARY INFORMATION

BLACK AND GOLD FACILITIES, INC.
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2008

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 61,970
Investments	22,452,349
Receivables	126,045
Other current assets	<u>98,506</u>
Total current assets	<u>22,738,870</u>
Noncurrent Assets	
Investments	10,289,388
Capital assets, net of accumulated depreciation of \$971,197	75,628,311
Assets under capital leases	-
Other noncurrent assets	<u>5,436,143</u>
Total noncurrent assets	<u>91,353,842</u>
Total assets	<u>114,092,712</u>
LIABILITIES	
Current Liabilities	
Accounts payable and accrued liabilities	3,624,909
Deferred revenues	-
Amounts held in custody for others	-
Bonds payable, current	75,000
Notes payable	-
Other current liabilities	<u>2,744,273</u>
Total current liabilities	<u>6,444,182</u>
Noncurrent Liabilities	
Bonds payable, net of accumulated amortization of \$514,890	107,364,890
Notes payable	<u>-</u>
Total noncurrent liabilities	<u>107,364,890</u>
Total liabilities	<u>113,809,072</u>
NET ASSETS	
Invested in capital assets, net of related debt	-
Unrestricted	<u>283,640</u>
Total Net Assets	<u>\$ 283,640</u>

BLACK AND GOLD FACILITIES, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008

OPERATING REVENUES

Gifts received by the foundations	\$ -
Federal grants and contracts	-
State and local grants and contracts	-
Nongovernmental grants and contracts	-
Other operating revenues	<u>6,032,947</u>

Total operating revenues 6,032,947

OPERATING EXPENSES

Other operating expenses	<u>2,798,331</u>
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Total operating expenses 2,798,331

Operating income (loss) 3,234,616

NONOPERATING REVENUES AND (EXPENSES)

Net investment income (loss)	1,342,740
Interest expense	(4,655,578)
Payments to or on behalf of the university	<u>-</u>

Net nonoperating revenues (expenses) (3,312,838)

Increase (decrease) in net assets (78,222)

Net assets at beginning of year, restated 361,862

Net assets at end of year \$ 283,640

OTHER SUPPLEMENTARY INFORMATION

BLACK AND GOLD FACILITIES, INC.
NOTES TO THE OTHER SUPPLEMENTARY INFORMATION

ORGANIZATION

The Grambling Black and Gold Facilities Inc. is a legally separate, tax-exempt organization supporting the University of Louisiana System, specifically Grambling State University. This foundation was included in the University's financial statements because its assets equaled 3% or more of the assets of Grambling State University.

During the year ended June 30, 2008, Grambling Black and Gold Facilities, Inc. made no distributions to or on behalf of Grambling State University.

Complete financial statements for Grambling Black and Gold Facilities, Inc. can be obtained from the President's Office at 403 Main Street, Grambling, LA 71245.

The Grambling Black and Gold Facilities Inc. is a nonprofit organization that reports under FASB standards, including FASB Statement No. 117, *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. With the exception of necessary presentation adjustments, no modifications have been made to the foundation's financial information in the university's financial report for these differences.

BLACK AND GOLD FACILITIES, INC.
NOTES TO THE OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF CAPITAL ASSETS

	Balance 6/30/2007	Prior Period Adjustment	Restated Balance 6/30/2007	Additions	*Transfers	**Retirements	Balance 6/30/2008
Capital assets not being depreciated							
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-depreciable land improvements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Livestock	-	-	-	-	-	-	-
Construction in progress	42,188,337		42,188,337	33,091,465	(48,827,335)	-	26,452,467
Total capital assets not being depreciated	\$ 42,188,337	\$ -	\$ 42,188,337	\$ 33,091,465	\$ (48,827,335)	\$ -	\$ 26,452,467
Depreciable land improvements	-	-	-	4,177,324	-	-	4,177,324
** Less accumulated depreciation	-	-	-	(69,622)	-	-	(69,622)
Total land improvements	-	-	-	4,107,702	-	-	4,107,702
Buildings	1,319,706		1,319,706	42,076,555	-	-	43,396,261
** Less accumulated depreciation	(27,638)	-	(27,638)	(745,266)	-	-	(772,904)
Total buildings	1,292,068	-	1,292,068	41,331,289	-	-	42,623,357
Equipment	-	-	-	2,573,456	-	-	2,573,456
** Less accumulated depreciation	-	-	-	(128,671)	-	-	(128,671)
Total equipment	-	-	-	2,444,785	-	-	2,444,785
Total other capital assets	\$ 1,292,068	\$ -	\$ 1,292,068	\$ 47,883,776	\$ -	\$ -	\$ 49,175,844
Capital Asset Summary:							
Capital assets not being depreciated	\$ 42,188,337	\$ -	\$ 42,188,337	\$ 33,091,465	\$ (48,827,335)	\$ -	\$ 26,452,467
Other capital assets, at cost	1,319,706	-	1,319,706	48,827,335	-	-	50,147,041
Total cost of capital assets	43,508,043	-	43,508,043	81,918,800	(48,827,335)	-	76,599,508
Less accumulated depreciation	(27,638)	-	(27,638)	(943,559)	-	-	(971,197)
Capital assets, net	\$ 43,480,405	\$ -	\$ 43,480,405	\$ 80,975,241	\$ (48,827,335)	\$ -	\$ 75,628,311

BLACK AND GOLD FACILITIES, INC.
NOTES TO THE OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF BONDS, NOTES PAYABLE, AND OTHER LIABILITIES

	Balance		Additions	Reductions	Balance at		Amounts due within one year
	July 1, 2007	July 1, 2007			June 30, 2008	June 30, 2008	
Bonds & notes payable:							
Bonds payable	\$ 65,000,000	\$ 41,925,000	\$ -	\$ -	\$ 106,925,000	\$ 75,000	
Notes payable	-	-	-	-	-	-	
Total bonds and notes payable	65,000,000	41,925,000	-	-	106,925,000	75,000	
Other liabilities:							
Amounts held in custody for others	-	-	-	-	-	-	
Total other liabilities	-	-	-	-	-	-	
Total long-term liabilities	\$ 65,000,000	\$ 41,925,000	\$ -	\$ -	\$ 106,925,000	\$ 75,000	

BLACK AND GOLD FACILITIES, INC.
NOTES TO THE OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF BONDS PAYABLE:

Issue	Date of Issue	Original Issue	Principal Outstanding 7/1/07	(Redeemed) Issued	Principal Outstanding 6/30/08	Interest Rates	Interest Outstanding 6/30/08
Louisiana PublicFacilities Authority Revenue Bonds-							
Tax Exempt- Grambling Black and Gold Facilities, Inc. Project- 2006A	6/25/07	\$ 55,705,000	\$ 55,705,000	\$ -	\$ 55,705,000	3.79% - 4.38%	\$ 1,324,400
Taxable- Grambling Black and Gold Facilities, Inc. Project- 2006B	6/25/07	3,595,000	3,595,000	-	3,595,000	5.32% - 5.41%	97,069
Taxable- Grambling Black and Gold Facilities, Inc. Project- 2006C	6/25/07	5,700,000	5,700,000	-	5,700,000	5.15% - 5.80%	81,090
Tax Exempt- Grambling Black and Gold Facilities, Inc. Project- 2007A	7/25/07	39,330,000	-	39,330,000	39,330,000	4.00% - 5.00%	1,114,059
Taxable- Grambling Black and Gold Facilities, Inc. Project- 2007B	7/25/07	2,595,000	-	2,595,000	2,595,000	5.720%	84,937
Total		\$ 106,925,000	\$ 65,000,000	\$ 41,925,000	\$ 106,925,000		\$ 2,701,555

BLACK AND GOLD FACILITIES, INC.
NOTES TO THE OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF BOND AMORTIZATION:

Fiscal Year Ending	Principal	Interest	Total
2009	\$ 75,000	\$ 5,262,632	\$ 5,337,632
2010	930,000	5,236,032	6,166,032
2011	1,240,000	5,177,549	6,417,549
2012	1,445,000	5,104,394	6,549,394
2013	1,590,000	5,022,607	6,612,607
2014	1,750,000	4,939,862	6,689,862
2015	1,900,000	4,849,653	6,749,653
2016	2,155,000	4,747,203	6,902,203
2017	2,255,000	4,641,851	6,896,851
2018	2,380,000	4,532,991	6,912,991
2019	2,485,000	4,414,080	6,899,080
2020	2,615,000	4,285,915	6,900,915
2021	2,745,000	4,151,055	6,896,055
2022	2,895,000	4,009,410	6,904,410
2023	3,035,000	3,860,155	6,895,155
2024	3,185,000	3,703,740	6,888,740
2025	3,350,000	3,539,380	6,889,380
2026	3,515,000	3,366,700	6,881,700
2027	3,690,000	3,185,450	6,875,450
2028	3,875,000	2,995,130	6,870,130
2029	4,070,000	2,795,160	6,865,160
2030	4,280,000	2,584,945	6,864,945
2031	4,490,000	2,363,985	6,853,985
2032	4,720,000	2,138,658	6,858,658
2033	4,950,000	1,908,723	6,858,723
2034	5,180,000	1,667,603	6,847,603
2035	5,425,000	1,415,112	6,840,112
2036	5,685,000	1,150,665	6,835,665
2037	5,960,000	873,382	6,833,382
2038	6,240,000	582,790	6,822,790
2039	6,135,000	278,412	6,413,412
2040	2,680,000	67,000	2,747,000
TOTAL	<u>\$ 106,925,000</u>	<u>\$ 104,852,224</u>	<u>\$ 211,777,224</u>