Dr. Stanley F. Battle, Chancellor  
North Carolina A&T State University  
Greensboro, North Carolina

We have performed the procedures enumerated below, which were agreed to by Mr. Robert Pompey Jr., Vice Chancellor Business & Finance, North Carolina A&T State University ("NCA&T"), solely to assist you in connection with the accompanying statement of revenues and expenses in regards to certain records and transactions of NCA&T for the purpose of complying with National Collegiate Athletic Association ("NCAA") Bylaw 6.2.3 for the year ended June 30, 2008. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and the associated findings are as follows and reflect only revenue findings in excess of 10% of total revenues and expense findings in excess of 10% of total expenses:

**Agreed-Upon Procedures Program for Revenues**

**General**

Compare each major revenue account (greater than 10% of the total revenues) to prior-period amounts and budget estimates. Obtain and document an understanding of any significant variations. Recalculate totals.

We found no exceptions as a result of these procedures.

**Ticket Sales**

Select a sample of ten events and compare tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets to the related revenue reported by the institution in the statement and the related attendance figures. Recalculate totals.

We found no exceptions as a result of these procedures.

**Student Fees**

Compare and agree student fees reported by the institution in the statement for the reporting period to student enrollments during the same reporting period. Obtain and document an understanding of institution's methodology for allocating student fees to intercollegiate athletics programs. Recalculate totals.

We found no exceptions as a result of these procedures.
Away Games Sales and Guarantees

Select a sample of ten settlement reports for away games during the reporting period and agree each selection to the institution's general ledger and/or the statement. Select a sample of ten contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period and compare and agree each selection to the institution's general ledger and/or the statement. Recalculate totals.

We found no exceptions as a result of these procedures.

Contributions

Obtain and review supporting documentation for each contribution of moneys, goods or services received directly by an intercollegiate athletics program that constitutes 10 percent or more of all contributions received for intercollegiate athletics during the reporting period.

We found no exceptions as a result of these procedures. We found two contributions that exceeded 10% of all contributions received for intercollegiate athletics during the reporting period.

Third-Party Support

Obtain the summary of revenues from affiliated and outside organizations (the "Summary") as of the end of the reporting period from the institution. Select a sample of ten funds from the Summary and compare and agree each selection to supporting documentation, the institution's general ledger and/or the Summary. Recalculate totals. If the third party was audited by independent auditors, we will obtain the related independent auditors' report.

The accounts of the Victory Club Foundation and North Carolina A&T University Foundation have been blended with NCA&T's statements and have been tested in accordance with accounts of the University. The accounts of the North Carolina A&T Aggie Club have not been blended with NCA&T statements.

Direct State or Other Governmental Support

Compare direct state or other governmental support recorded by the institution during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

Direct Institutional Support

Compare the direct institutional support recorded by the institution during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.
Indirect Facilities and Administrative Support

Compare the indirect institutional support recorded by the institution during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

NCAA/Conference Distributions Including All Tournament Revenues

Obtain and inspect all agreements related to the institution's participation in revenues from tournaments during the reporting period to gain an understanding of the relevant terms and conditions. Compare and agree the related revenues to the institution's general ledger, and/or the statement. Recalculate totals.

We found no exceptions as a result of these procedures.

Broadcast, Television, Radio and Internet Rights

Obtain and inspect a sample of ten agreements related to the institution's participation in revenues from broadcast, television, radio and Internet rights to gain an understanding of the relevant terms and conditions. Compare and agree related revenues to the institution's general ledger, and/or the statement. Recalculate totals.

We found no evidence of revenues from broadcast, television, radio or Internet rights.

Program Sales, Concessions, Novelty Sales and Parking

Compare and agree program sales, concessions, novelty sales and parking revenue category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten program sales, concessions, novelty sales and parking revenue receipts obtained from the above operating revenue supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures. We found evidence of only nine recorded receipts in the supporting schedules.

Royalties, Advertisements and Sponsorships

Obtain and inspect a sample of ten agreements related to the institution's participation in revenues from royalties, advertisements and sponsorships during the reporting period to gain an understanding of the relevant terms and conditions. Compare and agree the related revenues to the institution's general ledger, and/or the statement. Recalculate totals.

We found no exceptions as a result of these procedures.

Sports Camp Revenues

Inspect a sample of ten sports camp contract(s) between the institution and person(s) conducting institutional sports camps or clinics during the reporting period to obtain an understanding of the institution's methodology for recording revenues from sports camps. Obtain schedules of camp participants. Select a sample of ten individual camp participant cash receipts from the schedule of sports camp participants and agree each selection to the institution’s general ledger, and/or the statement. Recalculate totals.

We found no exceptions as a result of these procedures.
Endowment and Investment Income

Obtain and inspect a sample of ten endowment agreements (if any) to gain an understanding of the relevant terms and conditions. Compare and agree the classification and use of endowment and investment income reported in the statement during the reporting period to the uses of income defined within the related endowment agreement. Recalculate totals.

We found no exceptions as a result of these procedures in regard to investment income. We found no endowment agreements from which income would have been disbursed.

Other

Compare and agree the other revenue category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten other operating revenue receipts obtained from the above other revenue supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

Agreed-Upon Procedures Program for Expenses

General

Compare each major expense account (greater than 10% of the total expense for the category) to prior-period amounts and budget estimates. Obtain and document an understanding of any variation greater than 10 percent. Recalculate totals.

We found no exceptions as a result of these procedures.

Athletic Student Aid

Select a sample of ten students from the listing of institutional student aid recipients during the reporting period. Obtain individual student-account detail for each selection and compare total aid allocated from the related aid award letter to the student’s account. Recalculate totals.

We found no exceptions as a result of these procedures.

Guarantees

Obtain and inspect a sample of ten away-game settlement reports received by the institution during the reporting period and agree related expenses to the institution’s general ledger and/or the statement. Obtain and inspect contractual agreements pertaining to expenses recorded by the institution from guaranteed contests during the reporting period. Compare and agree related amounts expensed by the institution to the institution's general ledger and/or the statement. Recalculate totals.

We found no exceptions as a result of these procedures. There were only two items that made up expenses related to guaranteed contests, both of which were subjected to these procedures.
Coaching Salaries, Benefits, and Bonuses Paid by the Institution and Related Entities

Obtain and inspect a listing of coaches employed by the institution and related entities during the reporting period. Select a sample of ten coaches' contracts that must include football, and men's and women's basketball from the above listing. Compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the institution and related entities in the statement during the reporting period. Obtain and inspect W-2s, 1099s, etc. for each selection. Compare and agree related W-2s, 1099s, etc. to the related coaching salaries, benefits and bonuses paid by the institution and related entity expense recorded by the institution in the statement during the reporting period. Recalculate totals.

We found no exceptions as a result of these procedures.

Coaching Other Compensation and Benefits Paid by a Third Party

Obtain and inspect a listing of coaches employed by third parties during the reporting period. Select a sample of ten coaches and compare and agree the financial terms and conditions of each selection to the related coaching other compensation and benefits paid by a third party and recorded by the institution in the statement during the reporting period. Obtain and inspect W-2s, 1099s, etc. for each selection. Compare and agree related W-2s, 1099s, etc. to the coaching other compensation and benefits paid by a third party recorded by the institution in the statement during the reporting period. Recalculate totals.

We found no evidence of coaching other compensation and benefits paid by a third party.

Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the Institution and Related Entities

Select a sample of ten support staff/administrative personnel employed by the institution and related entities during the reporting period. Obtain and inspect W-2s, 1099s, etc. for each selection. Compare and agree related W-2s, 1099s, etc. to the related support staff/administrative salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the statement during the reporting period. Recalculate totals.

We found no exceptions as a result of these procedures.

Support-Staff/Administrative Other Compensation and Benefits Paid by a Third-Party

Select a sample of ten support staff/administrative personnel employed by the third parties during the reporting period. Obtain and inspect W-2s, 1099s, etc. for each selection. Compare and agree related W-2s, 1099s, etc. to the related support staff/administrative other compensation and benefits expense recorded by the institution in the statement during the reporting period. Recalculate totals.

We found no evidence of support-staff/administrative other compensation and benefits paid by a third party.

Severance Payments

Select a sample of ten employees receiving severance payments by the institution during the reporting period and agree each severance payment to the related termination letter or employment contract. Recalculate totals.

We found no evidence of severance payments.
Recruiting

Obtain and document an understanding of the Institution's recruiting expense policies. Compare and agree to existing institutional and NCAA-related policies.

We found no exceptions as a result of these procedures.

Team Travel

Obtain and document an understanding of the Institution's team travel policies. Compare and agree to existing institutional and NCAA-related policies.

We found no exceptions as a result of these procedures.

Equipment, Uniforms and Supplies

Compare and agree each operating expense category for equipment, uniforms and supplies reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten equipment, uniforms and supplies expenses obtained from the above operating expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

Game Expenses

Compare and agree the game operating expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten game expenses obtained from the above game expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

Fundraising, Marketing and Promotion

Compare and agree each fundraising, marketing and promotion expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten fundraising, marketing and promotion expenses obtained from the above supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

Sports Camp Expenses

Compare and agree each sports camp expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten sports camp expenses obtained from the above expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.
**Direct Facilities, Maintenance and Rental**

Compare and agree the direct facilities, maintenance and rental expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten direct facilities, maintenance and rental expenses obtained from the above expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

**Spirit Groups**

Compare and agree the spirit groups expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten spirit group expenses obtained from the above expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

**Indirect Facilities and Administrative Support**

Obtain and document an understanding of the institution's methodology for allocating indirect facilities support. Recalculate the indirect facilities-support and indirect institutional-support totals reported by the institution in the statement. Compare and agree Indirect Facilities and Administrative Support reported by the institution in the statement to the corresponding revenue category (indirect facilities and administrative support – Category 8) reported by the institution in the statement. Recalculate totals.

We found no exceptions as a result of these procedures.

**Medical Expenses and Medical Insurance**

Compare and agree the medical expenses and medical insurance expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten medical expenses and medical insurance expenses obtained from the above expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

**Memberships and Dues**

Compare and agree memberships and dues expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten memberships and dues expenses obtained from the above expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.
Other Operating Expenses

Compare and agree the other operating expense category reported in the statement during the reporting period to supporting schedules provided by the institution. Compare and agree a sample of ten other operating expenses obtained from the above other operating expense supporting schedules to adequate supporting documentation. Recalculate totals.

We found no exceptions as a result of these procedures.

Agreed-Upon Procedures Program for Outstanding Intercollegiate Athletic Debt

Obtain the repayment schedules for all outstanding Intercollegiate athletic debt maintained by the institution during the reporting period and recalculate the annual maturities (consisting of principal and interest) provided in the schedules obtained. Agree the total annual maturities to supporting documentation and the institution's general ledger.

We found no exceptions as a result of these procedures.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying statement of revenues and expenses. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Chancellor and management of North Carolina A&T State University, and the NCAA, and is not intended to be and should not be used by anyone other than these specified parties.

McKendree F. Pullen, CPA

Greensboro, North Carolina
December 18, 2008
North Carolina Agricultural and Technical State University

Intercollegiate Athletic Program
Statement of Revenues and Expenses
Year Ended June 30, 2008

<table>
<thead>
<tr>
<th></th>
<th>Football</th>
<th>Men's Basketball</th>
<th>Women's Basketball</th>
<th>Other Sports</th>
<th>Non-Program Specific</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ticket sales</td>
<td>$762,664</td>
<td>69,175</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>831,839</td>
</tr>
<tr>
<td>Student activity fees</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3,715,944</td>
</tr>
<tr>
<td>Guarantees</td>
<td>100,000</td>
<td>408,000</td>
<td>56,000</td>
<td>1,000</td>
<td>—</td>
<td>3,715,944</td>
</tr>
<tr>
<td>Contributions</td>
<td>17,348</td>
<td>19,789</td>
<td>16,519</td>
<td>56,855</td>
<td>503,961</td>
<td>614,472</td>
</tr>
<tr>
<td>Direct state support</td>
<td>37,809</td>
<td>148,180</td>
<td>21,528</td>
<td>21,760</td>
<td>388,886</td>
<td>618,163</td>
</tr>
<tr>
<td>Direct institutional support</td>
<td>24,000</td>
<td>12,000</td>
<td>12,000</td>
<td>79,446</td>
<td>55,607</td>
<td>183,053</td>
</tr>
<tr>
<td>Indirect facilities and administrative support</td>
<td>253,408</td>
<td>948</td>
<td>948</td>
<td>294,874</td>
<td>153,514</td>
<td>703,692</td>
</tr>
<tr>
<td>NCAA Conference distribution</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>990</td>
<td>288,435</td>
<td>289,425</td>
</tr>
<tr>
<td>Program sales, concessions and parking</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>82,445</td>
</tr>
<tr>
<td>Royalties, advertisements and sponsorships</td>
<td>19,106</td>
<td>7,245</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>218,319</td>
</tr>
<tr>
<td>Sports camp revenues</td>
<td>—</td>
<td>3,840</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3,840</td>
</tr>
<tr>
<td>Investment and interest income</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>297,437</td>
</tr>
<tr>
<td>Other sources</td>
<td>64,524</td>
<td>(813)</td>
<td>2,515</td>
<td>13,942</td>
<td>57,996</td>
<td>138,164</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>1,361,304</td>
<td>668,364</td>
<td>109,510</td>
<td>468,867</td>
<td>5,680,099</td>
<td>8,288,144</td>
</tr>
</tbody>
</table>

| **Expenditures:**    |          |                  |                    |              |                      |            |
| Athletic student aid | 756,399  | 199,717          | 213,787            | 937,413      | 6,145                | 2,113,461  |
| Guarantees           | —        | 6,000            | —                  | —            | —                    | 6,000      |
| Coaches' salaries and benefits | 616,444 | 258,747         | 222,148            | 478,898      | —                    | 1,576,237  |
| Other salaries and benefits | 99,093 | 68,098          | 15,632             | 57,637       | 1,099,329            | 1,339,789  |
| Recruiting           | 56,814   | 29,864           | 18,893             | 5,498        | 1,579                | 112,638    |
| Team travel          | 102,840  | 226,849          | 113,036            | 331,546      | —                    | 774,271    |
| Equipment, uniforms and supplies | 101,300 | 22,769          | 13,456             | 55,142       | 61,080               | 253,747    |
| Game expenses        | 38,915   | 29,379           | 24,700             | 32,353       | 1,963                | 127,310    |
| Fundraising, marketing and promotion | —     | 1,804            | —                  | 365          | 74,476               | 76,645     |
| Sports camp expenses | —        | 1,323            | —                  | —            | —                    | 1,323      |
| Direct facilities maintenance and rental | 122,381 | 3,718           | —                  | 139,292      | 33,140               | 298,531    |
| Spirit groups        | —        | —                | —                  | 29,273       | —                    | 29,273     |
| Indirect facilities and administrative support | 253,408 | 948              | 948                | 294,874      | 153,514              | 703,692    |
| Medical expense and insurance | —   | —                | —                  | —            | 97,652               | 97,652     |
| Memberships and dues | —        | 635              | 435                | 2,565        | 40,222               | 43,857     |
| Other operating expenses | 133,509 | 12,955          | 157                | 31,187       | 412,434              | 590,242    |
| **Total Operating Expenses** | 2,281,103 | 862,796       | 623,192            | 2,366,770    | 2,010,807            | 8,144,668  |

| **Excess (Deficiency) of Revenues over Expenses** | (919,799) | (194,432) | (513,682) | (1,897,903) | 3,669,292 | 143,476 |
North Carolina Agricultural and Technical State University

Intercollegiate Athletic Program
Notes to the Statement of Revenues and Expenses
June 30, 2008

Note 1—Significant Accounting Policies

Organization and Purpose

North Carolina Agricultural and Technical State University is a constituent institution of The University of North Carolina System which is a component unit of the State of North Carolina and an integral part of the State’s Comprehensive Annual Financial Report. North Carolina Agricultural and Technical State University is classified as a Division I institution by the National Collegiate Athletic Association (NCAA).

Basis of Presentation

The Statement of Revenues and Expenses presents the University’s intercollegiate athletic program’s activity in accordance with the National Collegiate Athletic Association Financial Audit Guidelines. Those guidelines require only a presentation of the current funds revenues and expenses by major program. The Statement of Revenues and Expenses reflects the revenue and expense classifications prescribed by the NCAA. This presentation is not intended to provide a complete presentation of the program’s financial position or its changes in net assets and cash flows.

Basis of Accounting

The Statement of Revenues and Expenses was prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Non-Monetary Transactions

The University reports goods and services received either by donation or in an exchange transaction at their fair value at the date of receipt.

During the year, food, medical services, lodging, advertising, leased vehicles and facilities were provided to the University at no charge. Where gifts were provided in exchange for free tickets or advertising, ticket sales and advertising revenue were recorded for fair value of the free tickets and advertising with the remainder recorded as gift revenue in the preceding Statement of Revenues and Expenses.

During the year, coaching services were provided at no charge to the University. The value of these donations has been recorded as gifts in the preceding Statement of Revenues and Expenses.

Note 2—Related Parties

Funds have been established within the North Carolina A&T University Foundation, Inc. (the Foundation) for the benefit of the University’s Intercollegiate Athletics Program. In addition, the Victory Club Foundation, Inc. (the Victory Club) and the National Aggie Club, separate legal entities, have been established to promote and
North Carolina Agricultural and Technical State University

support the University’s Intercollegiate Athletics Program. During the fiscal year, payments were made to third parties on behalf of the University’s athletic program by the Victory Club and by the Foundation. That indirect support totaled $422,962 and $120,111, respectively. These amounts are reported as contributions, investment income, advertisement revenue and expenses in the preceding Statement of Revenue and Expenses. The National Aggie Club provided $10,000 in direct support to the University and $120,000 in indirect support to Foundation. Other revenues and expenses of the National Aggie Club are immaterial in amount and nature and are not included in the preceding Statement of Revenue and Expenses.

Note 3—Contributions

The University did not directly receive gifts from individuals or outside organizations that constituted 10% or more of all contributions received for the Intercollegiate Athletic Program during the year. The University’s Intercollegiate Athletic Program did benefit indirectly from gifts made to the North Carolina A&T University Foundation and the Victory Club in excess of 10% of all contributions received during the year as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Victory Club</td>
<td>$200,000</td>
</tr>
<tr>
<td>North Carolina A&amp;T University Foundation</td>
<td>$120,000</td>
</tr>
</tbody>
</table>

Note 4—Capital Assets

Capital Assets are stated at cost at date of acquisition or construction and at fair value at date of donation in the case of gifts. The University capitalizes assets that have a value or cost in excess of $5,000 at the date of acquisition and an expected useful life of more than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 5 to 15 years for equipment and 50 years for facilities.

At June 30, 2008, the cost of capital equipment and facilities and related annual depreciation expense for the Intercollegiate Athletic Program are listed below:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Cost</th>
<th>Depreciation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stadium</td>
<td>$3,914,422</td>
<td>$ 78,288</td>
</tr>
<tr>
<td>Stadium upgrades</td>
<td>686,440</td>
<td>27,458</td>
</tr>
<tr>
<td>Stadium track</td>
<td>1,723,678</td>
<td>34,474</td>
</tr>
<tr>
<td>Softball field</td>
<td>308,755</td>
<td>6,175</td>
</tr>
<tr>
<td>Equipment</td>
<td>240,454</td>
<td>15,193</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$6,873,749</strong></td>
<td><strong>$161,588</strong></td>
</tr>
</tbody>
</table>
Note 5—Long-Term Liabilities

Bonds Payable

The University was indebted for bonds payable on the Stadium System as follows:

<table>
<thead>
<tr>
<th></th>
<th>Series</th>
<th>Interest Rate Ranges</th>
<th>Final Maturity Date</th>
<th>Original Amount of Issue</th>
<th>Principal Paid Through 6/30/08</th>
<th>Principal Outstanding 6/30/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNC System Pool</td>
<td>Stadium System</td>
<td>2000</td>
<td>5.00-5.25</td>
<td>10/1/2020</td>
<td>$1,555,000</td>
<td>$755,000</td>
</tr>
<tr>
<td>Less Unamortized Loss on Refunding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Unamortized Discount</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$725,476</td>
</tr>
</tbody>
</table>

The annual requirements to pay principal and interest on the bonds at June 30, 2008 are as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual Requirements Bonds Payable</th>
<th>Principal</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td></td>
<td>$140,000</td>
<td>$37,850</td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td>150,000</td>
<td>30,600</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td>160,000</td>
<td>22,850</td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td>170,000</td>
<td>14,600</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td>180,000</td>
<td>5,175</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$800,000</td>
<td>$111,075</td>
</tr>
</tbody>
</table>

Other Long-Term Debt

In 2006, the Victory Club secured financing from the Bank of America to install a video scoreboard for the stadium complex. The $1,000,000 loan is for a five year period from 2005 to 2010 and has a rate of 7.2 percent.