

Contributions receivable as of June 30, 2014 and 2013 are due to be received as follows (in thousands):

	<u>2014</u>	<u>2013</u>
Less than one year	\$ 6,444	\$ 5,084
One to three years	10,503	8,665
Greater than three years	<u>13,744</u>	<u>12,504</u>
Subtotal	30,691	26,253
Less discount	(706)	(963)
Less allowance	<u>(2,290)</u>	<u>(2,110)</u>
Net contributions receivable	<u>\$ 27,695</u>	<u>\$ 23,180</u>

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, as amended by GASB Statement No. 36 *Recipient Reporting for Certain Shared Nonexchange Revenues*, the University records operating and capital pledges as revenue when all eligibility requirements have been met. Endowment pledges are not recognized as revenue until the gifts are received.

4. Due From the Foundation

In accordance with the University's agency agreement with the Foundation, the University receives and disburses monies on behalf of the Foundation. The net amount of these receipts and disbursements is recorded as a due to or from the Foundation in the statements of net position. Generally, the receivable or payable is cleared within the subsequent month; however, no formal agreement governs the time period in which payments are to be made.

In June 2014, the University entered into a Memorandum of Agreement with the Foundation to loan the Foundation a total of \$29.0 million. The unpaid balance on the receivable bears simple interest equal to 75 basis points greater than the University's cash sweep rate. The term of the loan is one year from the final transfer of funds to the Foundation. As of June 30, 2014 the outstanding balance was \$5.8 million, with an interest rate of 1.0 percent. This is recorded within the current Due from the University of Louisville Foundation, Inc. on the statement of net position.