



## **UNIVERSITY OF SOUTH ALABAMA**

**Independent Accountants' Report on Applying Agreed-Upon  
Procedures in Connection with, University Tuition  
Revenue Bonds, Series 1999, University Tuition Revenue Refunding  
and Capital Improvement Bonds, Series 2004, University Tuition Revenue Refunding  
and Capital Improvement Bonds, Series 2006, University Facilities Revenue Capital  
Improvement Bonds, Series 2008, University Facilities Revenue Capital Improvement  
Bond, Series 2010, and University Facilities Revenue Capital Improvement Bonds,  
Series 2012-A and 2012-B**

**September 30, 2012**



KPMG LLP  
Suite 1100  
One Jackson Place  
188 East Capitol Street  
Jackson, MS 39201-2127

## **Independent Accountants' Report on Applying Agreed-Upon Procedures**

The Board of Trustees and Management  
University of South Alabama:

We have performed the procedures enumerated below, which were agreed to by members of management of the University of South Alabama (the University), solely to assist you in evaluating the accompanying Statement of Changes in Cash and Investments Held by Trustee Pursuant to the Bond Resolutions and the Statement of Cash and Investments Held by Trustee Pursuant to the Bond Resolutions relating to the University Tuition Revenue Bonds, Series 1999, University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004, University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006, University Facilities Revenue Capital Improvement Bonds, Series 2008, University Facilities Revenue Capital Improvement Bond, Series 2010, and University Facilities Revenue Capital Improvement Bonds, Series 2012-A and 2012-B as of September 30, 2012 and for the year then ended. The University's management is responsible for the Statement of Changes in Cash and Investments Held by Trustee Pursuant to the Bond Resolutions and the Statement of Cash and Investments Held by Trustee Pursuant to the Bond Resolutions. 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 those 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.

Our procedures and findings are as follows:

- a. We compared the amounts shown on the Statement of Changes in Cash and Investments Held by Trustee Pursuant to the Bond Resolutions in Exhibit A to the annual trustee statements of cash and investment transactions provided to us by the bond trustee and found them to be in agreement.
- b. We compared the amounts shown on the Statement of Cash and Investments Held by Trustee Pursuant to the Bond Resolutions in Exhibit B to the annual trustee statements of cash and investment transactions provided to us by the bond trustee and found them to be in agreement.
- c. We obtained a schedule of general student fees (tuition) earned during the year ended September 30, 2012 (not included herein), which approximated \$103,007,000 and compared that amount to the general student fees recorded in the University's general ledger and found them to be in agreement.

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 Changes in Cash and Investments Held by Trustee Pursuant to the Bond Resolutions and the Statement of Cash and Investments Held by Trustee Pursuant to the Bond Resolutions. 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 board of trustees and management of the University of South Alabama, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 15, 2012

## UNIVERSITY OF SOUTH ALABAMA

Statement of Changes in Cash and Investments  
Held by Trustee Pursuant to the Bond Resolutions

University Tuition Revenue Bonds, Series 1999,  
 University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004,  
 University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006,  
 University Facilities Revenue Capital Improvement Bonds, Series 2008,  
 University Facilities Revenue Capital Improvement Bond, Series 2010, and  
 University Facilities Revenue Capital Improvement Bonds, Series 2012-A and 2012-B

Year ended September 30, 2012  
 (In thousands)

## Cash and investment transactions:

## Cash receipts:

Deposits from University of South Alabama for interest and retirement of bonds	\$	21,975
Proceeds from sale of investments		14,498
		<u>36,473</u>

## Cash disbursements:

Principal payments		8,033
Interest payments		13,942
Purchases of investments		14,498
		<u>36,473</u>

Net change in cash and investments during the year

—

## Total cash and investments held by trustee:

Beginning of year		<u>3</u>
End of year	\$	<u><u>3</u></u>

See accompanying independent accountants' report on applying agreed-upon procedures.

**UNIVERSITY OF SOUTH ALABAMA**

Statement of Cash and Investments  
Held by Trustee Pursuant to the Bond Resolutions

University Tuition Revenue Bonds, Series 1999,  
University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2004,  
University Tuition Revenue Refunding and Capital Improvement Bonds, Series 2006,  
University Facilities Revenue Capital Improvement Bonds, Series 2008,  
University Facilities Revenue Capital Improvement Bond, Series 2010, and  
University Facilities Revenue Capital Improvement Bonds, Series 2012-A and 2012-B

September 30, 2012  
(In thousands)

Cash and investments, at cost:

Total cash and investments

\$           3          

See accompanying independent accountants' report on applying agreed-upon procedures.