

# LEGISLATIVE POST AUDIT REPORT

## STATE OF WEST VIRGINIA PUBLIC HIGHER EDUCATION INSTITUTIONS

### National Collegiate Athletic Association Financial Data Compilation Report

**For the Period:** July 1, 2012 - June 30, 2013

#### Report Highlights

- Revenues Reported by NCAA Member Institutions Total \$128.2 Million
- Expenses Reported by NCAA Member Institutions Total \$126.3 Million



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**WEST VIRGINIA LEGISLATURE**  
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The Joint Committee on Government and Finance:

This is a compilation report that summarizes and compares the financial activities of West Virginia's public higher education athletic departments. As members of the NCAA, higher education institutions are required to submit their respective athletic department's financial data to the NCAA. We requested copies of this data from each West Virginia public higher education institution that is a member of the NCAA. Once acquired, we compiled the data into various graphs and charts to facilitate the comparison and summarization.

West Virginia University Institute of Technology (WVU Tech) was not included in this report since it is not a member of the NCAA<sup>1</sup>. Also, no private higher education institutions are included in this compilation report regardless of whether or not they are NCAA member institutions.

Since this is not an audit report, there are no recommendations for or responses from higher education institutions.

Respectfully submitted,

A handwritten signature in blue ink that reads "Denny Rhodes".

**Denny Rhodes, Director**  
**Legislative Post Audit Division**

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<sup>1</sup> Since 2006, WVU Tech has participated in intercollegiate sports as a member of the National Association of Intercollegiate Athletics (NAIA).

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION  
FINANCIAL DATA COMPILATION REPORT  
FISCAL YEAR 2013

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**NATIONAL COLLEGIATE ATHLETIC ASSOCIATION  
FINANCIAL DATA COMPILATION REPORT  
FISCAL YEAR 2013**

## **PURPOSE**

The purpose of this report is to provide a summary and comparison of West Virginia higher education institutions' fiscal year 2013 National Collegiate Athletic Association (NCAA) related financial data. We compiled the data into various graphs and charts to facilitate the comparison and summarization.

## **BACKGROUND**

The NCAA was founded in 1906 and is a national unincorporated not-for-profit education organization. The NCAA is a voluntary association comprised of more than 1,200 institutions, conferences and organizations. The NCAA is broken into three divisions, each having its own set of general membership requirements. The general requirements for Division I and Division II are listed below:

Division I members must meet the following general requirements:

- Have a minimum number of sports programs
- Minimum financial aid awarded
- Football, men's basketball, women's basketball and various other sports scheduling requirements
- Levels for the Football Bowl Subdivision (FBS) must average 15,000 in actual or paid attendance for home games, on a rolling basis, once every two years

Division II members must meet the following general requirements:

- Have a minimum number of sports programs
- Minimum financial aid awarded
- Three season requirement (one sport, per gender, per season)
- Minimum number of games
- Minimum number of participants

The NCAA provides general requirements for Division III institutions. This report does not include any Division III information or requirements because West Virginia has no institutions participating as a Division III member.

## **SOURCES of INFORMATION for REPORT**

Members of the NCAA must follow two additional requirements along with the general requirements described in the previous section:

- The NCAA Constitution 3.2.4.16 requires an agreed-upon procedures engagement be performed for each institution and the results submitted to the institution's chief executive officer (CEO).

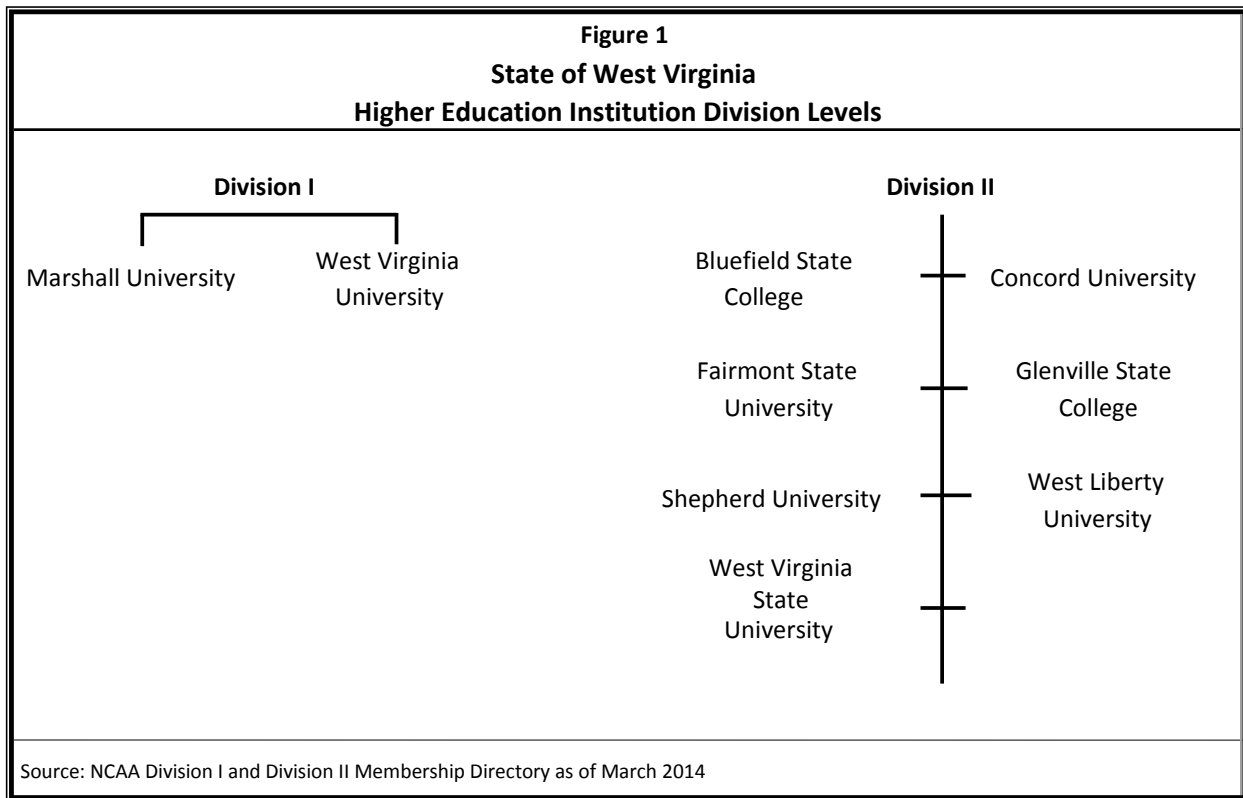
For Division I members, the engagement must be performed annually. Under provision 6.2.3.1, Division II members must have an agreed-upon procedures engagement once every three years.

- Each Division I and Division II member is required to submit an online financial report that contains data comparable to the agreed-upon procedures report.

The data for this report were obtained from the various NCAA member institutions' agreed-upon procedure engagement reports and from financial reports submitted by member institutions to the NCAA. These reports and the financial data were provided to us upon our request by the State's higher education institutions.

## NCAA MEMBER CLASSIFICATION

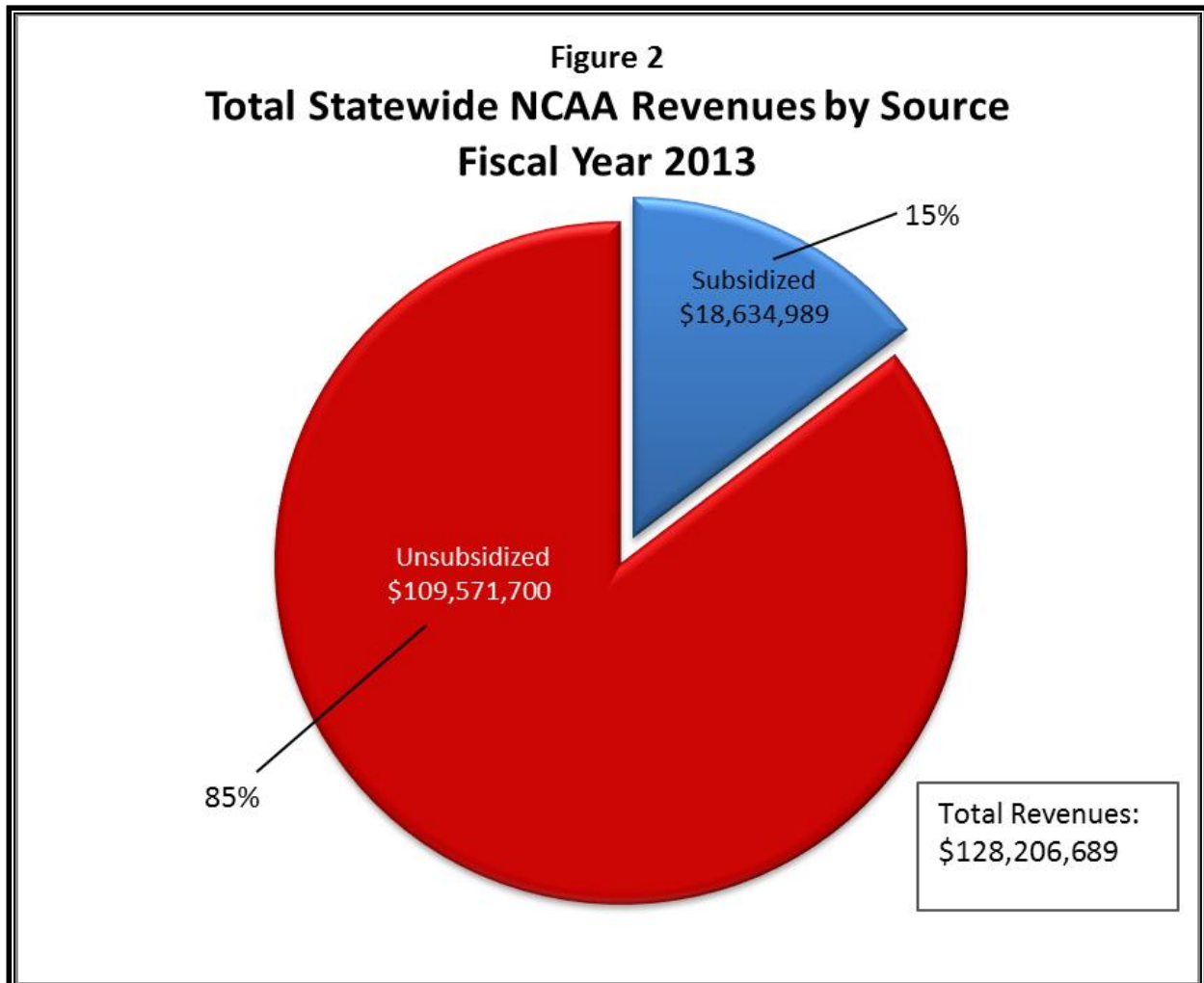
For the fiscal year ended June 30, 2013, the state of West Virginia had nine institutions as members of the NCAA. Two members were Division I and seven were Division II. All nine institutions provided information used in this compilation report.



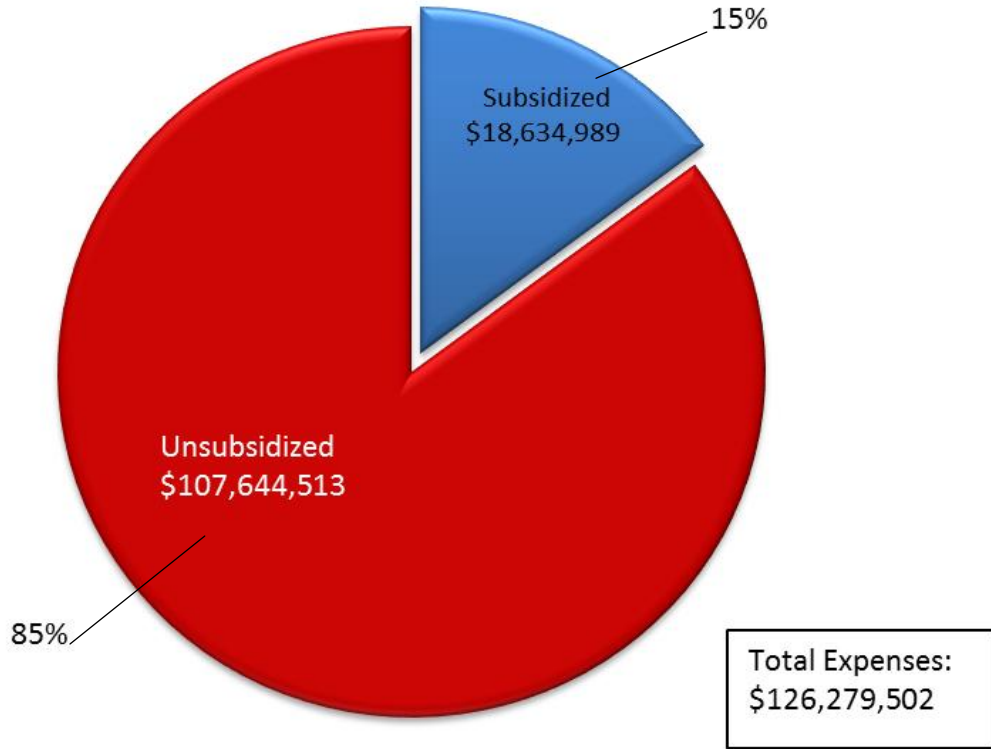
## STATEWIDE NCAA REVENUES and EXPENSES

Revenues and expenses have been divided into two major categories: subsidized and unsubsidized. Subsidized revenues are a result of “direct institutional support”. According to the NCAA’s guidelines for agreed-upon procedures, “direct institutional support” includes the value of any institutional resources provided. Examples include state funds, tuition, and federal work study support for student workers employed by the athletic department. Unsubsidized revenues include any other revenues collected outside of “direct institutional support”. Examples of unsubsidized revenues are tickets, concessions and student fees. Subsidized expenses are those expenses that are equal to subsidized revenues. Unsubsidized expenses are any expenses not covered by subsidized expenses or total expenses less subsidized expenses.

As presented in the following charts, unsubsidized revenues utilized by sporting programs statewide was approximately \$109.6 million or 85 percent of all revenues. The total revenues collected statewide from sporting programs for Fiscal Year 2013 was approximately \$128.2 million. Total expenses statewide for sporting programs was approximately \$126.3 million. Unsubsidized expenses recorded was approximately \$107.6 million or 85 percent of all expenses. Combined revenues exceeded combined expenses by approximately \$1.9 million for the nine higher education institutions for Fiscal Year 2013.



**Figure 3**  
**Total Statewide NCAA Expenses**  
**Fiscal Year 2013**





## DIVISION I INSTITUTIONS

### Overall Program Revenues and Expenses

As previously stated, there are two higher education institutions in West Virginia classified as Division I. The two institutions are Marshall University and West Virginia University. The following is a condensed version of each institution's Statement of Revenues and Expenses broken into subsidized and unsubsidized revenues, and total expenses for Fiscal Year 2013:

Schools	Subsidized Revenues <sub>1</sub>	Unsubsidized Revenues	Total Revenues	Expenses	Excess/ (Deficiency) <sub>2</sub>
<b>Marshall University</b>	\$7,879,003	\$19,708,271	\$27,587,274	\$28,337,108	(\$749,834)
<b>West Virginia University</b>	\$31,485	\$77,675,213	\$77,706,698	\$73,501,593	\$4,205,105
<b>Total:</b>	<b>\$7,910,488</b>	<b>\$97,383,484</b>	<b>\$105,293,972</b>	<b>\$101,838,701</b>	<b>\$3,455,271</b>

<sub>1</sub>This category includes all Direct Institutional Support  
<sub>2</sub>Excess indicates total revenues exceed total expenses; Deficiency indicates total expenses exceed total revenues.

We have highlighted the "Excess/(Deficiency)" amount for the institution that reported a deficiency related to their NCAA athletic operations for Fiscal Year 2013. Overall, Division I institutions reported an excess of approximately \$3.5 million in revenues over spending for Fiscal Year 2013.

Based on the Division I institutions' reported Fiscal Year 2013 NCAA-related data, the four largest revenue and expense accounts are presented below. (*Definitions of each financial statement line presented below were adapted from the NCAA agreed-upon procedures reporting requirements.*)

The top four revenue categories for Division I institutions were:

- **Direct institutional support.** This revenue source for subsidized revenues totals \$7,910,488 for both higher education institutions. It includes the value of institutional resources for current operations, as well as all unrestricted funds allocated to the athletics department by the university, such as state funds and tuition. This also includes the Federal Work Study support for student workers employed by the athletics departments.
- **NCAA/conference distributions.** This revenue source totaled \$12,771,961 for both higher education institutions. It consists of revenues received from participation in bowl games and tournaments, as well as any NCAA distributions, such as amounts received from the NCAA for hosting a championship game. These revenues include amounts received for direct participation as well as shares of conference television agreements.
- **Contributions.** This revenue source totaled \$27,399,242 for both higher education institutions. It includes amounts received directly from individuals, corporations, foundations and other organizations that are designated as either restricted or unrestricted by the donor.

Contributions include cash, marketable securities and in-kind contributions. Contributions do not include pledges until the funds are allocated and do not include the amount of a ticket.

- **Ticket sales.** This revenue source totaled \$24,714,614 for both higher education institutions. It includes revenue received for public, faculty and student admission to athletic events, including money received for shipping and handling of tickets.

Total remaining revenue, excluding the four accounts identified above, totaled approximately \$32.5 million and included revenue sources such as student fees, direct state and other government support, program sales, concessions, novelty sales, parking, royalties, licensing, advertisements and sponsorships.

The top four expense categories for Division I institutions were:

- **Coaching salaries paid by the university and related entities.** This expense category totaled \$17,049,808 for both higher education institutions. It includes gross salaries, bonuses and benefits provided to the head and assistant coaches that would be reported on the university and related entities' W-2 and 1099 forms.
- **Athletic student aid.** This expense category totaled \$14,466,299 for both higher education institutions. It includes the total amount of athletic related student aid awarded and includes aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons.
- **Support staff/administrative salaries, benefits and bonuses paid by the university and related entities.** This expense category totaled \$16,777,010 for both higher education institutions. It includes gross salaries, bonuses and benefits provided to administrative staff, including a football secretary and a sport-specific trainer, which would be reported on the university and related entities' W-2 and 1099 forms.
- **Direct facilities, maintenance and rental.** This expense category totaled \$12,717,552 for both higher education institutions. It includes facilities costs charged to intercollegiate athletics, including building and grounds maintenance, utilities, rental fees, operating leases, equipment repair and maintenance, and debt service.

Total remaining expenses, excluding the four expense accounts identified above, totaled approximately \$40.8 million and included expense categories such as recruiting, team travel, equipment, uniforms and supplies.

## Major Program Revenues and Expenses

NCAA regulations require that revenues and expenses for only those sports programs classified as "major programs" be separately broken out in the NCAA agreed-upon procedures Statement of Revenues and Expenses. Major programs are to be identified by each institution. Factors that influence the classification include: the internal account structure of the reporting institution's athletics programs, the institution's treatment of indirect facilities and administrative support related to athletics, and the extent to which institutional funds or state appropriations are earmarked or budgeted by the institution for athletics. The major programs identified by each of the State's Division I institutions are as follows:

<b>Table 2</b> <b>State of West Virginia</b> <b>Division I- Major Programs</b> <b>Fiscal Year 2013</b>	
<b>Marshall University</b>	
Football	
<b>Men's:</b> Basketball, Baseball, Golf, Soccer, Track and Field, Cross-Country	
<b>Women's:</b> Basketball, All Track Combined, Golf, Soccer, Softball, Swimming and Diving, Tennis, Volleyball	
<b>West Virginia University</b>	
Football	
<b>Men's:</b> Basketball, Baseball, Soccer, Swimming and Diving, Wrestling, Rifle	
<b>Women's:</b> Basketball, All Track Combined, Rowing, Soccer, Swimming and Diving, Tennis, Volleyball, Rifle	

There are three major sports (football, men's basketball and women's basketball) identified on each institution's revenues and expenses that are common to both Division I institutions. In addition, these three sports have the largest amount of revenue and expenses for both institutions. Fiscal Year 2013 total revenues and total expenses by institution for the Division I higher education institutions are shown in the following table.

<b>Table 3</b> <b>State Of West Virginia</b> <b>Division I</b> <b>Major Sports and All Other Sports Revenues and Expenses by Institution</b> <b>Fiscal Year 2013</b>				
		<b>Total Revenue</b>	<b>Total Expenses</b>	<b>Excess/(Deficiency)<sub>1</sub></b>
<b>Football</b>	<b>Marshall University</b>	\$7,874,920	\$7,197,939	\$676,981
	<b>West Virginia University</b>	\$27,006,208	\$16,135,413	\$10,870,795
	<b>Total</b>	<b>\$34,881,128</b>	<b>\$23,333,352</b>	<b>\$11,547,776</b>
<b>Men's Basketball</b>	<b>Marshall University</b>	\$2,381,869	\$2,379,790	\$2,079
	<b>West Virginia University</b>	\$6,671,645	\$7,487,609	(\$815,964)
	<b>Total</b>	<b>\$9,053,514</b>	<b>\$9,867,399</b>	<b>(\$813,885)</b>
<b>Women's Basketball</b>	<b>Marshall University</b>	\$912,133	\$1,225,973	(\$313,840)
	<b>West Virginia University</b>	\$1,590,841	\$3,413,672	(\$1,822,831)
	<b>Total</b>	<b>\$2,502,974</b>	<b>\$4,639,645</b>	<b>(\$2,136,671)</b>
<b>All Other Sports<sub>2</sub></b>	<b>Marshall University</b>	\$3,746,772	\$5,981,042	(\$2,234,270)
	<b>West Virginia University</b>	\$2,210,278	\$10,851,380	(\$8,641,102)
	<b>Total</b>	<b>\$5,957,050</b>	<b>\$16,832,422</b>	<b>(\$10,875,372)</b>

**Source:** Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013

<sub>1</sub>Excess indicates total revenues exceed total expenses. Deficiency indicates total expenses exceed total revenues

<sub>2</sub>All Other Sports includes Other Sports but does not include non-program specific revenues and expenses. This category includes all Direct Intuitional Support

## Financial Aid by Sport

Each institution is required to submit its "athletic student aid" expenses to the NCAA. According to NCAA requirements, athletic student aid is the total amount of student athletic aid awarded and may include financial aid given to student athletes who have exhausted their eligibility or who are inactive due to medical reasons. The "athletic student aid" data for each institution was combined with information provided by the institutions to provide the average amount of student aid by sport. The percent of students receiving aid was calculated by dividing the number of students receiving aid by the students participating in the sport.

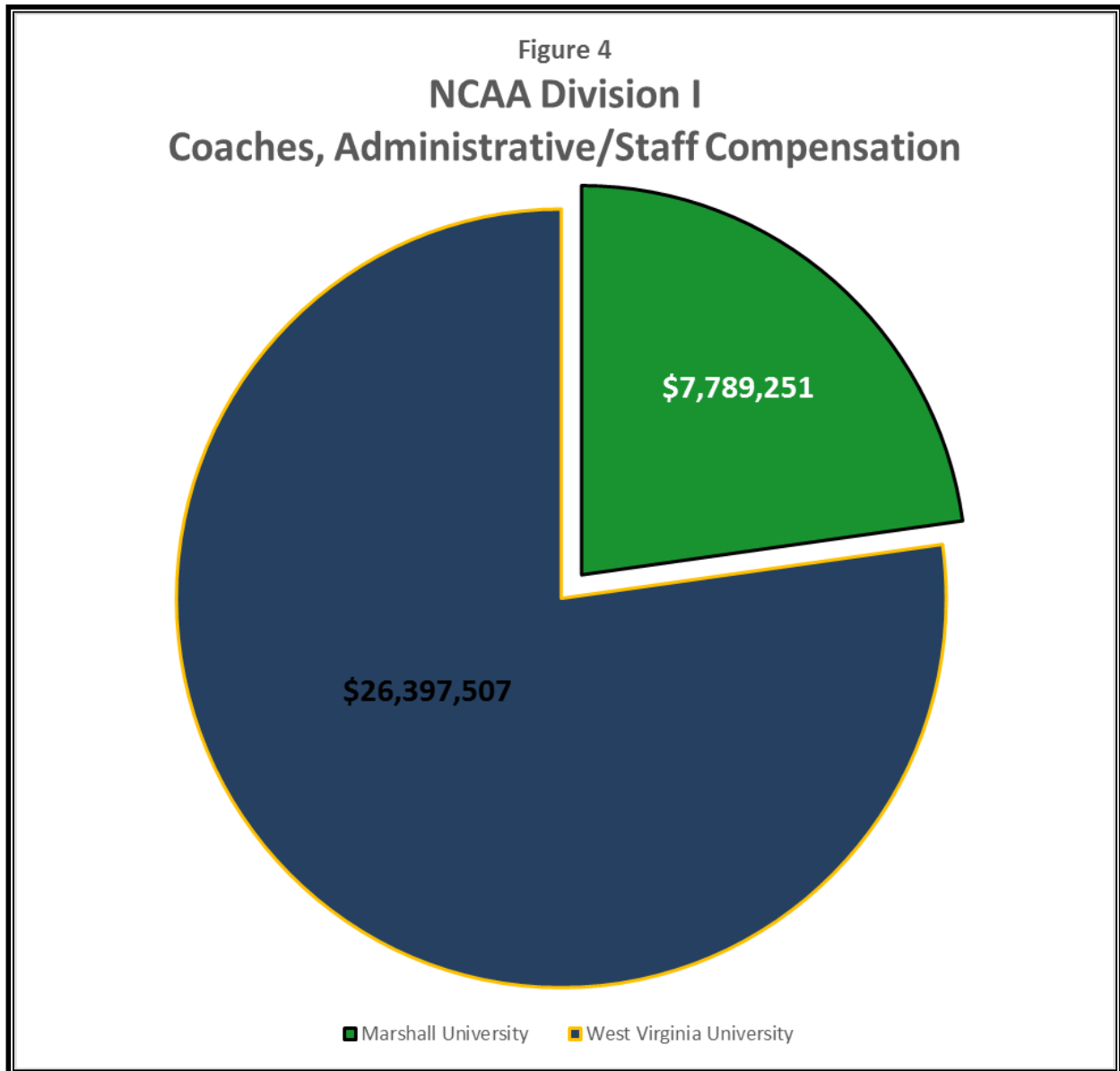
		Students Receiving Aid <sup>1,2</sup>	Students Participating <sup>1,3</sup>	Percent Aided	Total Financial Aid <sup>4</sup>	Avg. Aid Per Student
Football	Marshall University	84	115	73%	\$2,344,381	\$27,909
	West Virginia University	93	128	73%	\$3,185,961	\$34,258
	<b>Total</b>	<b>177</b>	<b>243</b>	<b>73%</b>	<b>\$5,530,342</b>	<b>\$31,245</b>
Men's Basketball	Marshall University	13	16	81%	\$310,146	\$23,857
	West Virginia University	13	15	87%	\$482,585	\$37,122
	<b>Total</b>	<b>26</b>	<b>31</b>	<b>84%</b>	<b>\$792,731</b>	<b>\$30,490</b>
Women's Basketball	Marshall University	13	14	93%	\$329,454	\$25,343
	West Virginia University	16	15	107%	\$565,964	\$35,373
	<b>Total</b>	<b>29</b>	<b>29</b>	<b>100%</b>	<b>\$895,418</b>	<b>\$30,876</b>
All Other Sports <sup>5</sup>	Marshall University	187	289	65%	\$2,635,131	\$14,092
	West Virginia University	236	432	55%	\$4,503,470	\$19,083
	<b>Total</b>	<b>423</b>	<b>721</b>	<b>57%</b>	<b>\$7,138,601</b>	<b>\$16,876</b>

Source:<sup>1</sup> Individual higher education institutions provided information.  
<sup>2</sup>Per NCAA requirements, the expense identified as athletic student aid includes "aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons." Therefore, as is the case with WVU's women's basketball, it is possible for the number of students receiving aid to exceed the number of participants.  
<sup>3</sup>According to NCAA electronic submission requirements, "Participation" includes students listed as a team member, who practice with the varsity team and receive coaching from one or more varsity coaches or receive athletically-related student aid. This also includes students who are inactive.  
<sup>4</sup>Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013  
<sup>5</sup>This category includes all other sports at each higher education institution.

The Division I institutions used approximately \$14.4 million to aid 655 out of 1,024 (64%) of student athletes participating in the various sports during fiscal year 2013. Shown above are the number of students receiving financial aid and the total number of students participating. In addition, the table identifies student aid amounts reported by each Division I institution. Furthermore, the table identifies student aid amounts reported by each Division I institution for fiscal year 2013 for each major sport category and all other sports combined. The average aid per student was calculated by the Post Audit Division.

## Compensation Paid to Coaching Staff

The Statement of Revenues and Expenses provided as part of the NCAA agreed-upon procedures provides expense information for salaries, benefits and, as applicable, bonuses paid by the university and related parties as well as severance payments for coaches and support/administrative staff. In the following table, both institutions are compared based on total salaries, benefits and bonuses paid to coaches and support/administrative staff.



## DIVISION II INSTITUTIONS

### Overall Program Revenues and Expenses

Seven higher education institutions in West Virginia are classified as NCAA Division II members: Bluefield State College, Concord University, Fairmont State University, Glenville State College, Shepherd University, West Liberty University and West Virginia State University. A condensed version of each institution's Statement of Revenues and Expenses is provided in the table below:

Schools	Subsidized	Unsubsidized	Total Revenues	Expenses	Excess/
<b>Bluefield State College</b>	\$1,050,850	\$856,297	\$1,907,147	\$1,905,757	\$1,390
<b>Concord University</b>	\$2,729,650	\$1,150,851	\$3,880,501	\$3,880,501	\$0
<b>Fairmont State University</b>	\$1,917,612	\$2,778,059	\$4,695,671	\$4,544,437	\$151,234
<b>Glenville State College</b>	\$1,876,824	\$1,299,610	\$3,176,434	\$3,165,919	\$10,515
<b>Shepherd University</b>	\$1,205,295	\$3,478,012	\$4,683,307	\$4,583,213	\$100,094
<b>West Liberty University</b>	\$729,925	\$1,645,094	\$2,375,019	\$3,896,842	(\$1,521,823)
<b>West Virginia State University</b>	\$1,214,345	\$980,293	\$2,194,638	\$2,464,132	(\$269,494)
<b>Total:</b>	<b>\$10,724,501</b>	<b>\$12,188,216</b>	<b>\$22,912,717</b>	<b>\$24,440,801</b>	<b>(\$1,528,084)</b>
<small>                     1 This category includes all Direct Institutional Support                      2 Excess indicates total revenues exceed total expenses. Deficiency indicates total expenses exceed revenues.                 </small>					

Similar to the Division I section of this report, revenues are separated into subsidized and unsubsidized. The highlighted amounts in the table above indicate those institutions that had deficiencies in their NCAA athletic operations for Fiscal Year 2013. Overall, Division II institutions reported approximately a \$1.5 million deficit for the year. Nearly all of the amount was due to the deficit reported by West Liberty University.

Based on the Division II institutions' reported Fiscal Year 2013 NCAA related data, the four largest revenue and expense accounts statewide are presented below. *(Definitions of each financial statement line presented below were adapted from the NCAA agreed-upon procedures reporting requirements.)*

The top four revenue categories for Division II were:

- Direct institutional support.** This revenue source accounts for total subsidized revenues of \$10,724,501 for all seven institutions. It includes the value of institutional resources for current operations, as well as all unrestricted funds allocated to the athletics department by the university, such as state funds and tuition. This also includes the Federal Work Study support for student workers employed by the athletic department.

- **Contributions.** This revenue source totaled \$1,360,175 for all seven institutions. Contributions include cash, marketable securities, and in-kind contributions. Contributions do not include pledges until the funds are allocated.
- **Student fees.** This revenue source totaled \$6,958,723 for all seven institutions. It includes fees assessed and restricted for support of intercollegiate athletics.
- **Indirect facilities and administration support.** This revenue source totaled \$2,351,725 for all seven institutions. It includes the value of facilities and services provided by the institution not charged to athletics. This support may include an allocation for institutional administrative cost, facilities and maintenance, grounds and field maintenance, security, risk management, utilities, depreciation and debt service.

Total remaining revenues, excluding the four accounts identified above, totaled approximately \$1.4 million and included direct state and other government support, program sales, concessions, novelty sales, parking, royalties, licensing, advertisement and sponsorships.

The top four expense categories for the Division II institutions were:

- **Athletic student aid.** This expense category totaled \$8,496,574 for all seven institutions. This account includes the total amount of athletic related student aid awarded, and includes aid given to student athletes who have exhausted their eligibility or who are inactive due to medical reasons.
- **Coaching salaries paid by the university and related entities.** This expense category totaled \$4,500,529 for all seven institutions. It includes gross salaries, bonuses and benefits provided to the head and assistant coaches that would be reported on the university and related entities' W-2 and 1099 forms.
- **Support staff/administrative salaries paid by the university and related entities.** This expense category totaled \$2,529,246 for all seven institutions. It includes gross salaries, bonuses and benefits provided to administrative staff, including a football secretary and a sport-specific trainer, which would be reported on the university and related entities' W-2 and 1099 forms.
- **Indirect facilities and administrative support.** This expense category totaled \$2,351,725 for all seven institutions. It includes the value of facilities and services provided by the institution not charged to athletics. This support may include an allocation for institutional administrative cost, facilities and maintenance, grounds and field maintenance, security, risk management, utilities, depreciation and debt service.

Total remaining expenses totaled approximately \$6.5 million and included expense categories such as team travel, game expenses, recruiting and membership dues.

## Major Program Revenues and Expenses

NCAA regulations require that revenue and expenses for only those sports programs classified as “major programs” be separately broken out on the Statement of Revenues and Expenses. The following table presents each major program as identified by Division II member institutions’ Statement of Revenues and Expenses. Similar to Division I, all Division II institutions list men’s and women’s basketball as major programs. Additionally, with the exception of Bluefield State College, these Division II institutions also have football programs. Each institution with a football program lists it as a major program.

Bluefield State College	Shepherd University
Men's: Baseball, Basketball, Golf, Tennis	Football
Track and Field, Cross-Country	Men's: Baseball, Basketball, Golf, Soccer, Tennis
Women's: Basketball, Softball, Tennis	Women's: Basketball, Lacrosse, Soccer, Softball
Track and Field, Cross-Country, Volleyball	Tennis, Volleyball
Concord University	West Liberty University
Football	Football
Men's: Baseball, Basketball, All Track Combined	Men's: Baseball, Basketball, Golf, Tennis
Golf, Soccer, Tennis	Track and Field Indoor, Track and Field Outdoor,
Women's: Basketball, All Track Combined	Cross-Country, Wrestling
Golf, Soccer, Softball, Tennis, Volleyball	Women's: Basketball, Golf, Soccer, Softball, Tennis
Fairmont State University	Track and Field, Cross-Country, Volleyball
Football	West Virginia State University
Men's: Baseball, Basketball, Golf, Swimming	Football
Tennis, Track and Field, Cross-Country	Men's: Baseball, Basketball, Golf, Tennis
Women's: Basketball, Golf, Gymnastics, Softball	Women's: Basketball, Golf, Softball, Tennis
Swimming, Tennis, Track and Field, Cross-Country, Volleyball	
Glennville State College	
Football	
Men's: Baseball, Basketball, All Track Combined	
Golf	
Women's: Basketball, All Track Combined, Golf	
Softball, Volleyball	

For Fiscal Year 2013, football revenue was approximately \$4.8 million, while men’s basketball revenue totaled approximately \$1.9 million and women’s basketball revenue totaled approximately \$1.6 million. Other Division II sports revenue totaled approximately \$5.2 million.



Table 7  
**State Of West Virginia**  
**Division II**  
**Major Sports and All Other Sports Revenues and Expenses by Institution**  
**Fiscal Year 2013**

		Total Revenue	Total Expenses	Excess/(Deficiency) <sub>1</sub>
<b>Football</b>	Bluefield State College <sub>2</sub>	N/A	N/A	N/A
	Concord University	\$1,189,498	\$1,189,498	\$0
	Fairmont State University	\$1,099,135	\$1,075,660	\$23,475
	Glennville State College	\$904,230	\$1,051,295	(\$147,065)
	Shepherd University	\$1,239,519	\$1,208,318	\$31,201
	West Liberty University	\$346,008	\$1,196,758	(\$850,750)
	West Virginia State University	\$47,018	\$689,528	(\$642,510)
	<b>Total</b>	<b>\$4,825,408</b>	<b>\$6,411,057</b>	<b>(\$1,585,649)</b>
<b>Men's Basketball</b>	Bluefield State College	\$99,706	\$193,306	(\$93,600)
	Concord University	\$273,568	\$273,567	\$1
	Fairmont State University	\$668,859	\$668,859	\$0
	Glennville State College	\$275,002	\$378,107	(\$103,105)
	Shepherd University	\$411,621	\$409,498	\$2,123
	West Liberty University	\$143,116	\$488,255	(\$345,139)
	West Virginia State University	\$23,172	\$290,091	(\$266,919)
	<b>Total</b>	<b>\$1,895,044</b>	<b>\$2,701,683</b>	<b>(\$806,639)</b>
<b>Women's Basketball</b>	Bluefield State College	\$120,181	\$231,181	(\$111,000)
	Concord University	\$299,048	\$299,048	\$0
	Fairmont State University	\$441,776	\$437,710	\$4,066
	Glennville State College	\$198,097	\$329,025	(\$130,928)
	Shepherd University	\$412,709	\$410,610	\$2,099
	West Liberty University	\$91,875	\$310,356	(\$218,481)
	West Virginia State University	\$1,000	\$188,117	(\$187,117)
	<b>Total</b>	<b>\$1,564,686</b>	<b>\$2,206,047</b>	<b>(\$641,361)</b>
<b>All Other Sports<sub>3</sub></b>	Bluefield State College	\$408,914	\$604,305	(\$195,391)
	Concord University	\$1,318,354	\$1,318,354	\$0
	Fairmont State University	\$904,636	\$887,679	\$16,957
	Glennville State College	\$545,859	\$659,119	(\$113,260)
	Shepherd University	\$1,437,242	\$1,412,697	\$24,545
	West Liberty University	\$501,482	\$1,220,920	(\$719,438)
	West Virginia State University	\$85,605	\$625,135	(\$539,530)
	<b>Total</b>	<b>\$5,202,092</b>	<b>\$6,728,209</b>	<b>(\$1,526,117)</b>

Source: Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013

<sub>1</sub>Excess indicates total revenues exceed total expenses. Deficiency indicates total expenses exceed total revenues

<sub>2</sub> N/A = Not Applicable. Bluefield State College does not have a football program

<sub>3</sub>All Other Sports includes Other Sports but does not include non-program specific revenues and expenses. This category includes all Direct Institutional Support

## **Financial Aid by Sport**

As discussed previously, as a part of the NCAA agreed-up procedures engagement process, each Division II institution provides a Statement of Revenues and Expenses that details financial aid expenses by major program. The data was combined with information provided by each of the seven institutions for the number of students receiving aid and the number of students participating in athletic programs.

At the State's Division II institutions, a total of \$8.5 million was used to aid 1,448 of 2,052 (71%) of student-athletes participating in the various sports during Fiscal Year 2013. Shown in the following table are the number of students receiving aid and the total number of students participating in major programs.

Table 8  
State of West Virginia  
Division II  
Financial Aid by Major Program and All Other Sports  
Fiscal Year 2013

		Students Receiving Aid <sup>1,2</sup>	Students Participating <sup>1,3</sup>	Percent Aided	Total Financial Aid <sup>4</sup>	Avg. Aid Per Student
Football	Bluefield State College <sup>6</sup>	N/A	N/A	N/A	N/A	N/A
	Concord University	74	102	73%	\$662,312	\$8,950
	Fairmont State University	67	94	71%	\$490,011	\$7,314
	Glenville State College	131	161	81%	\$581,654	\$4,440
	Shepherd University	85	136	63%	\$478,064	\$5,624
	West Liberty University	85	117	73%	\$632,156	\$7,437
	West Virginia State University	63	81	78%	\$285,107	\$4,526
	<b>Total</b>	<b>505</b>	<b>691</b>	<b>73%</b>	<b>\$3,129,304</b>	<b>\$6,197</b>
Men's Basketball	Bluefield State College	14	21	67%	\$89,827	\$6,416
	Concord University	16	16	100%	\$160,102	\$10,006
	Fairmont State University	13	18	72%	\$178,383	\$13,722
	Glenville State College	16	18	89%	\$212,309	\$13,269
	Shepherd University	12	15	80%	\$179,038	\$14,920
	West Liberty University	14	15	93%	\$192,695	\$13,764
	West Virginia State University	9	15	60%	\$140,531	\$15,615
	<b>Total</b>	<b>94</b>	<b>118</b>	<b>80%</b>	<b>\$1,152,885</b>	<b>\$12,265</b>
Women's Basketball	Bluefield State College	17	20	85%	\$110,778	\$6,516
	Concord University	17	18	94%	\$165,545	\$9,738
	Fairmont State University	12	16	75%	\$168,873	\$14,073
	Glenville State College	14	15	93%	\$141,454	\$10,104
	Shepherd University	12	12	100%	\$179,609	\$14,967
	West Liberty University	14	16	88%	\$158,928	\$11,352
	West Virginia State University	10	12	83%	\$88,546	\$8,855
	<b>Total</b>	<b>96</b>	<b>109</b>	<b>88%</b>	<b>\$1,013,733</b>	<b>\$10,560</b>
All Other Sports <sup>5</sup>	Bluefield State College	82	107	77%	\$370,913	\$4,523
	Concord University	164	193	85%	\$629,866	\$3,841
	Fairmont State University	80	158	51%	\$439,568	\$5,495
	Glenville State College	102	144	71%	\$426,145	\$4,178
	Shepherd University	102	177	58%	\$392,134	\$3,844
	West Liberty University	149	254	59%	\$562,076	\$3,772
	West Virginia State University	74	101	73%	\$355,462	\$4,804
	<b>Total</b>	<b>753</b>	<b>1134</b>	<b>66%</b>	<b>\$3,176,164</b>	<b>\$4,218</b>
	<b>Division II Grand Total</b>	<b>1,448</b>	<b>2,052</b>	<b>71%</b>	<b>\$8,472,086</b>	<b>\$5,851</b>

<sup>1</sup>Source: Individual higher education institutions provided information.

<sup>2</sup>Per NCAA requirements, the expense identified as athletic student aid includes "aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons."

<sup>3</sup>According to NCAA electronic submission requirements, "Participation" includes students listed as a team member, who practice with the varsity team and receive coaching from one or more varsity coaches or receive athletically-related student aid. This also includes students who are inactive.

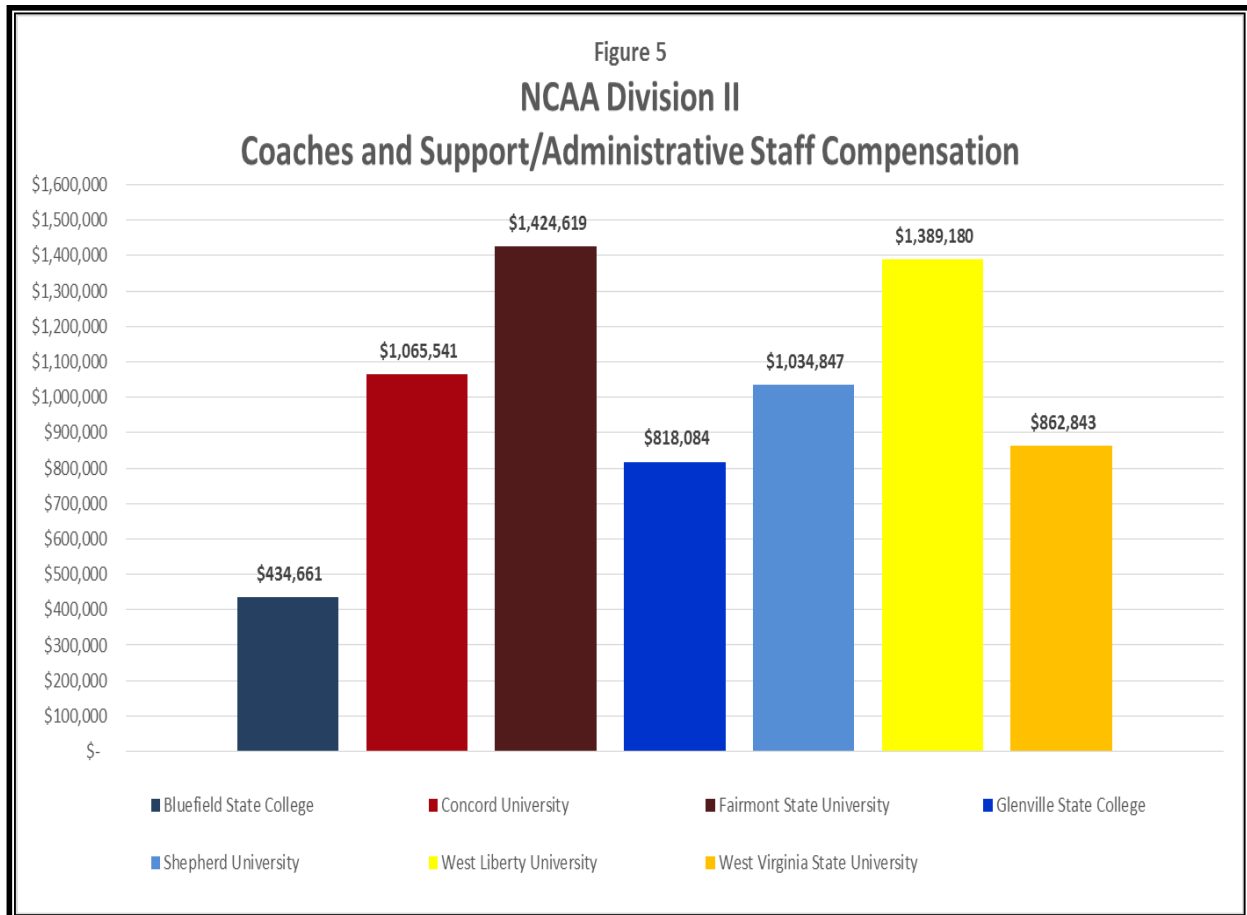
<sup>4</sup>Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013

<sup>5</sup>This category includes all other sports at each higher education institution.

<sup>6</sup>N/A = Not Applicable. Bluefield State College does not have a football program.

## Compensation Paid to Coaching Staff

The Statement of Revenues and Expenses provided as part of the NCAA agreed-upon procedures provides expense information for salaries, benefits and, as applicable, bonuses paid by the institution and related parties as well as severance payments for coaches and support/administrative staff. As follows, the seven institutions are compared based on total salaries, benefits and bonuses paid to coaches and support/administrative staff.



# Appendix A

The following documents are included in this Appendix:

Division I - Major Sports and All Other Sports Revenues and Expenses by Institution.....	18
Division I - Financial Aid by Major Sports and All Other Sports.....	18
Division I- Combined Revenues and Expenses from Institutions.....	19

Source: Post Audit Division analysis of each institution’s NCAA (unaudited) Statement of Revenues and Expenses

**Table 9**  
**State Of West Virginia**  
**Division I**  
**Major Sports and All Other Sports Revenues and Expenses by Institution**  
**Fiscal Year 2013**

		Total Revenue	Total Expenses	Excess/(Deficiency) <sub>1</sub>
<b>Marshall University</b>	<b>Football</b>	\$7,874,920	\$7,197,939	\$676,981
	<b>Men's Basketball</b>	\$2,381,869	\$2,379,790	\$2,079
	<b>Women's Basketball</b>	\$912,133	\$1,225,973	(\$313,840)
	<b>All Other Sports</b>	\$3,746,772	\$5,981,042	(\$2,234,270)
	<b>Total</b>	<b>\$14,915,694</b>	<b>\$16,784,744</b>	<b>(\$1,869,050)</b>
<b>West Virginia University</b>	<b>Football</b>	\$27,006,208	\$16,135,413	\$10,870,795
	<b>Men's Basketball</b>	\$6,671,645	\$7,487,609	(\$815,964)
	<b>Women's Basketball</b>	\$1,590,841	\$3,413,672	(\$1,822,831)
	<b>All Other Sports</b>	\$2,210,278	\$10,851,380	(\$8,641,102)
	<b>Total</b>	<b>\$37,478,972</b>	<b>\$37,888,074</b>	<b>(\$409,102)</b>

**Source:** Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013

<sub>1</sub>Excess indicates that total revenues exceeds total expenses. Deficiency indicates that total expenses exceeds total revenues

**Table 4**  
**State of West Virginia**  
**Division I**  
**Financial Aid by Major Program and All Other Sports**  
**Fiscal Year 2013**

		Students Receiving Aid <sub>1,2</sub>	Students Participating <sub>1,3</sub>	Percent Aided	Total Financial Aid <sub>4</sub>	Avg. Aid Per Student
<b>Football</b>	<b>Marshall University</b>	84	115	73%	\$2,344,381	\$27,909
	<b>West Virginia University</b>	93	128	73%	\$3,185,961	\$34,258
	<b>Total</b>	<b>177</b>	<b>243</b>	<b>73%</b>	<b>\$5,530,342</b>	<b>\$31,245</b>
<b>Men's Basketball</b>	<b>Marshall University</b>	13	16	81%	\$310,146	\$23,857
	<b>West Virginia University</b>	13	15	87%	\$482,585	\$37,122
	<b>Total</b>	<b>26</b>	<b>31</b>	<b>84%</b>	<b>\$792,731</b>	<b>\$30,490</b>
<b>Women's Basketball</b>	<b>Marshall University</b>	13	14	93%	\$329,454	\$25,343
	<b>West Virginia University</b>	16	15	100%	\$565,964	\$35,373
	<b>Total</b>	<b>29</b>	<b>29</b>	<b>100%</b>	<b>\$895,418</b>	<b>\$30,876</b>
<b>All Other Sports<sub>5</sub></b>	<b>Marshall University</b>	187	289	65%	\$2,635,131	\$14,092
	<b>West Virginia University</b>	236	432	55%	\$4,503,470	\$19,083
	<b>Total</b>	<b>423</b>	<b>721</b>	<b>57%</b>	<b>\$7,138,601</b>	<b>\$16,876</b>

**Source:** <sub>1</sub> Individual higher education institutions provided information.

<sub>2</sub>Per NCAA requirements, the expense identified as athletic student aid includes "aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons."

<sub>3</sub>According to NCAA electronic submission requirements, "Participation" includes students listed as a team member, who practice with the varsity team and receive coaching from one or more varsity coaches or receive athletically-related student aid. This also includes students who are inactive.

<sub>4</sub>Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013

<sub>5</sub>This category includes all other sports at each higher education institution.

**Table 10**  
**Division I**  
**Combined Revenues and Expenses from Institutions**  
**Fiscal Year 2013**

	<b>Marshall University</b>	<b>West Virginia University</b>	<b>Total</b>
<b>Operating Revenues</b>			
<b>Subsidized Revenues</b>			
Direct Institutional Support	\$7,879,003	\$31,485	\$7,910,488
<b>Total Subsidized</b>	<b>\$7,879,003</b>	<b>\$31,485</b>	<b>\$7,910,488</b>
<b>Unsubsidized Revenues</b>			
NCAA/Conference distributions including all tournament revenues	\$2,417,462	\$10,354,499	\$12,771,961
Contributions	\$3,483,071	\$23,916,171	\$27,399,242
Ticket Sales	\$3,302,999	\$21,411,615	\$24,714,614
Miscellaneous Revenues <sub>1</sub>	\$10,504,739	\$21,992,928	\$32,497,667
<b>Total Unsubsidized</b>	<b>\$19,708,271</b>	<b>\$77,675,213</b>	<b>\$97,383,484</b>
<b>Total Operating Revenues</b>	<b>\$27,587,274</b>	<b>\$77,706,698</b>	<b>\$105,293,972</b>
<b>Operating Expenses</b>			
Coaching paid by the University and related entities	\$4,336,562	\$12,713,246	\$17,049,808
Athletic Student Aid	\$5,728,319	\$8,737,980	\$14,466,299
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$3,406,326	\$13,370,684	\$16,777,010
Direct facilities, maintenance, and rental	\$2,048,277	\$10,669,275	\$12,717,552
Miscellaneous Expense <sub>1</sub>	\$12,817,624	\$28,010,408	\$29,494,562
<b>Total Operating Expenses</b>	<b>\$28,337,108</b>	<b>\$73,501,593</b>	<b>\$101,838,701</b>
(Less) Subsidized Expenses	\$7,879,003	\$31,485	\$7,910,488
<b>Total Unsubsidized Expenses</b>	<b>\$20,458,105</b>	<b>\$73,470,108</b>	<b>\$93,928,213</b>
Excess(Deficiency) of Revenues Over (Under) Expenses	<b>(\$749,834)</b>	<b>\$4,205,105</b>	<b>\$3,455,271</b>

**Source:** Post Audit Division analysis of each institution's NCAA (unaudited) Statement of Revenues and Expenses for Fiscal Year 2013  
<sub>1</sub> Miscellaneous Revenues and Expenses are the sums of revenues and expenses, respectively, in all other remaining accounts.

# Appendix B

The following documents are included within this Appendix:

Division II - Major Sports and All Other Sports Revenues and Expenses by Institution.....21

Division II - Financial Aid by Major Sports and All Other Sports.....22

Division II - Combined Revenues and Expenses from Institutions.....23

Source: Post Audit Division analysis of each institution’s NCAA (unaudited) Statement of Revenues and Expenses



Table 11  
**State Of West Virginia**  
**Division II**  
**Major Sports and All Other Sports Revenues and Expenses by Institution**  
**Fiscal Year 2013**

		Total Revenue	Total Expenses	Excess/(Deficiency) <sup>1</sup>
Bluefield State College <sup>2</sup>	Football	N/A	N/A	N/A
	Men's Basketball	\$99,706	\$193,306	(\$93,600)
	Women's Basketball	\$120,181	\$231,181	(\$111,000)
	All Other Sports <sup>3</sup>	\$408,914	\$604,305	(\$195,391)
	<b>Total</b>	<b>\$628,801</b>	<b>\$1,028,792</b>	<b>(\$399,991)</b>
Concord University	Football	\$1,189,498	\$1,189,498	\$0
	Men's Basketball	\$273,568	\$273,567	\$1
	Women's Basketball	\$299,048	\$299,048	\$0
	All Other Sports <sup>3</sup>	\$1,318,354	\$1,318,354	\$0
	<b>Total</b>	<b>\$3,080,468</b>	<b>\$3,080,467</b>	<b>\$1</b>
Fairmont State University	Football	\$1,099,135	\$1,075,660	\$23,475
	Men's Basketball	\$668,859	\$668,859	\$0
	Women's Basketball	\$441,776	\$437,710	\$4,066
	All Other Sports <sup>3</sup>	\$904,636	\$887,679	\$16,957
	<b>Total</b>	<b>\$3,114,406</b>	<b>\$3,069,908</b>	<b>\$44,498</b>
Glenville State College	Football	\$904,230	\$1,051,295	(\$147,065)
	Men's Basketball	\$275,002	\$378,107	(\$103,105)
	Women's Basketball	\$198,097	\$329,025	(\$130,928)
	All Other Sports <sup>3</sup>	\$545,859	\$659,119	(\$113,260)
	<b>Total</b>	<b>\$1,923,188</b>	<b>\$2,417,546</b>	<b>(\$494,358)</b>
Shepherd University	Football	\$1,239,519	\$1,208,318	\$31,201
	Men's Basketball	\$411,621	\$409,498	\$2,123
	Women's Basketball	\$412,709	\$410,610	\$2,099
	All Other Sports <sup>3</sup>	\$1,437,242	\$1,412,697	\$24,545
	<b>Total</b>	<b>\$3,501,091</b>	<b>\$3,441,123</b>	<b>\$59,968</b>
West Liberty University	Football	\$346,008	\$1,196,758	(\$850,750)
	Men's Basketball	\$143,116	\$488,255	(\$345,139)
	Women's Basketball	\$91,875	\$310,356	(\$218,481)
	All Other Sports <sup>3</sup>	\$501,482	\$1,220,920	(\$719,438)
	<b>Total</b>	<b>\$1,082,481</b>	<b>\$3,216,289</b>	<b>(\$2,133,808)</b>
West Virginia State University	Football	\$47,018	\$689,528	(\$642,510)
	Men's Basketball	\$23,172	\$290,091	(\$266,919)
	Women's Basketball	\$1,000	\$188,117	(\$187,117)
	All Other Sports <sup>3</sup>	\$85,605	\$625,135	(\$539,530)
	<b>Total</b>	<b>\$156,795</b>	<b>\$1,792,871</b>	<b>(\$1,636,076)</b>

Source: Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013.

<sup>1</sup>Excess indicates total revenues exceed total expenses. Deficiency indicates total expenses exceed total revenues.

<sup>2</sup> N/A = Not Applicable. Bluefield State College does not have a football program.

<sup>3</sup>All Other Sports includes Other Sports but does not include non-program specific revenues and expenses. This category includes all Direct Institutional Support.

Table 12  
State of West Virginia  
Division II  
Financial Aid by Major Program and All Other Sports  
Fiscal Year 2013

		Students Receiving Aid <sup>1,2</sup>	Students Participating <sup>1,3</sup>	Percent Aided	Total Financial Aid <sup>4</sup>	Avg. Aid Per Student
Bluefield State College <sup>5</sup>	Football	N/A	N/A	N/A	N/A	N/A
	Men's Basketball	14	21	67%	\$89,827	\$6,416
	Women's Basketball	17	20	85%	\$110,778	\$6,516
	All Other Sports	82	107	77%	\$370,913	\$4,523
	<b>Total</b>	<b>113</b>	<b>148</b>	<b>76%</b>	<b>\$571,518</b>	<b>\$5,058</b>
Concord University	Football	74	102	73%	\$662,312	\$8,950
	Men's Basketball	16	16	100%	\$160,102	\$10,006
	Women's Basketball	17	18	94%	\$165,545	\$9,738
	All Other Sports	164	193	85%	\$629,866	\$3,841
	<b>Total</b>	<b>271</b>	<b>329</b>	<b>82%</b>	<b>\$1,617,825</b>	<b>\$5,970</b>
Fairmont State University	Football	67	94	71%	\$490,011	\$7,314
	Men's Basketball	13	18	72%	\$178,383	\$13,722
	Women's Basketball	12	16	75%	\$168,873	\$14,073
	All Other Sports	80	158	51%	\$439,568	\$5,495
	<b>Total</b>	<b>172</b>	<b>286</b>	<b>60%</b>	<b>\$1,276,835</b>	<b>\$7,423</b>
Glennville State College	Football	131	161	81%	\$581,654	\$4,440
	Men's Basketball	16	18	89%	\$212,309	\$13,269
	Women's Basketball	14	15	93%	\$141,454	\$10,104
	All Other Sports	102	144	71%	\$426,145	\$4,178
	<b>Total</b>	<b>263</b>	<b>338</b>	<b>78%</b>	<b>\$1,361,562</b>	<b>\$5,177</b>
Shepherd University	Football	85	136	63%	\$478,064	\$5,624
	Men's Basketball	12	15	80%	\$179,038	\$14,920
	Women's Basketball	12	12	100%	\$179,609	\$14,967
	All Other Sports	102	177	58%	\$392,134	\$3,844
	<b>Total</b>	<b>211</b>	<b>340</b>	<b>62%</b>	<b>\$1,228,845</b>	<b>\$5,824</b>
West Liberty University	Football	85	117	73%	\$632,156	\$7,437
	Men's Basketball	14	15	93%	\$192,695	\$13,764
	Women's Basketball	14	16	88%	\$158,928	\$11,352
	All Other Sports	149	254	59%	\$562,076	\$3,772
	<b>Total</b>	<b>262</b>	<b>423</b>	<b>62%</b>	<b>\$1,545,855</b>	<b>\$5,900</b>
West Virginia State University	Football	63	81	78%	\$285,107	\$4,526
	Men's Basketball	9	15	60%	\$140,531	\$15,615
	Women's Basketball	10	12	83%	\$88,546	\$8,855
	All Other Sports	74	101	73%	\$355,462	\$4,804
	<b>Total</b>	<b>156</b>	<b>209</b>	<b>75%</b>	<b>\$869,646</b>	<b>\$5,575</b>
<b>Division II Grand Total</b>		<b>1,448</b>	<b>2,052</b>	<b>71%</b>	<b>\$8,472,086</b>	<b>\$5,851</b>

<sup>1</sup>Source: Individual higher education institutions provided information.

<sup>2</sup>Per NCAA requirements, the expense identified as athletic student aid includes "aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons."

<sup>3</sup>According to NCAA electronic submission requirements, "Participation" includes students listed as a team member, who practice with the varsity team and receive coaching from one or more varsity coaches or receive athletically-related student aid. This also includes students who are inactive.

<sup>4</sup>Each higher education institution's NCAA Statement of Revenues and Expenses for Fiscal Year 2013

<sup>5</sup> N/A = Not Applicable. Bluefield State College does not have a football program.

Table 13  
Division II  
Combined Revenues and Expenses from Institutions  
Fiscal Year 2013

	Bluefield State College	Concord University	Fairmont State University	Glenville State College	Shepherd University	West Liberty University	West Virginia State University	Total
<b>Operating Revenues</b>								
Subsidized Revenues								
Direct Institutional Support	\$1,050,850	\$2,729,650	\$1,917,612	\$1,876,824	\$1,205,295	\$729,925	\$1,214,345	\$10,724,501
<b>Total Subsidized</b>	<b>\$1,050,850</b>	<b>\$2,729,650</b>	<b>\$1,917,612</b>	<b>\$1,876,824</b>	<b>\$1,205,295</b>	<b>\$729,925</b>	<b>\$1,214,345</b>	<b>\$10,724,501</b>
<b>Unsubsidized Revenues</b>								
NCAA/Conference distributions including all tournament revenues	\$26,910	\$12,781	\$23,118	\$24,668	\$37,930	\$100,749	\$0	\$226,156
Contributions	\$37,285	\$0	\$641,381	\$0	\$406,570	\$130,865	\$144,074	\$1,360,175
Student Fees	\$309,721	\$791,279	\$1,385,819	\$765,616	\$1,823,900	\$1,250,667	\$631,721	\$6,958,723
Miscellaneous Revenues <sup>1</sup>	\$482,381	\$346,791	\$727,741	\$509,326	\$1,209,612	\$162,813	\$204,498	\$3,643,162
<b>Total Unsubsidized</b>	<b>\$856,297</b>	<b>\$1,150,851</b>	<b>\$2,778,059</b>	<b>\$1,299,610</b>	<b>\$3,478,012</b>	<b>\$1,645,094</b>	<b>\$980,293</b>	<b>\$12,188,216</b>
<b>Total Operating Revenues</b>	<b>\$1,907,147</b>	<b>\$3,880,501</b>	<b>\$4,695,671</b>	<b>\$3,176,434</b>	<b>\$4,683,307</b>	<b>\$2,375,019</b>	<b>\$2,194,638</b>	<b>\$22,912,717</b>
<b>Operating Expenses</b>								
Coaching paid by the University and related entities	\$203,012	\$757,604	\$871,961	\$580,164	\$590,412	\$915,808	\$581,568	\$4,500,529
Athletic Student Aid	\$571,518	\$1,623,106	\$1,277,085	\$1,361,562	\$1,247,802	\$1,545,855	\$869,646	\$8,496,574
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$231,649	\$307,937	\$552,658	\$237,920	\$444,435	\$473,372	\$281,275	\$2,529,246
Direct facilities, maintenance, and rental	\$29,180	\$0	\$0	\$10,299	\$110,453	\$26,058	\$24,956	\$200,946
Miscellaneous Expense <sup>1</sup>	\$870,398	\$1,191,854	\$1,842,733	\$975,974	\$2,190,111	\$935,749	\$706,687	\$8,713,506
<b>Total Operating Expenses</b>	<b>\$1,905,757</b>	<b>\$3,880,501</b>	<b>\$4,544,437</b>	<b>\$3,165,919</b>	<b>\$4,583,213</b>	<b>\$3,886,842</b>	<b>\$2,464,132</b>	<b>\$24,440,801</b>
(Less) Subsidized Expenses	\$1,050,850	\$2,729,650	\$1,917,612	\$1,876,824	\$1,205,295	\$729,925	\$1,214,345	\$10,724,501
<b>Total Unsubsidized Expenses</b>	<b>\$854,907</b>	<b>\$1,150,851</b>	<b>\$2,626,825</b>	<b>\$1,289,095</b>	<b>\$3,377,918</b>	<b>\$3,166,917</b>	<b>\$1,249,787</b>	<b>\$13,716,300</b>
<b>Excess(Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$1,390</b>	<b>\$0</b>	<b>\$151,234</b>	<b>\$10,515</b>	<b>\$100,094</b>	<b>(\$1,521,823)</b>	<b>(\$269,494)</b>	<b>(\$1,528,084)</b>

Source: Post Audit Division analysis of each institution's NCAA (unaudited) Statement of Revenues and Expenses for Fiscal Year 2013.  
<sup>1</sup> Miscellaneous Revenues and Expenses are the sums of revenues and expenses, respectively, in all other remaining accounts.

# Appendix C

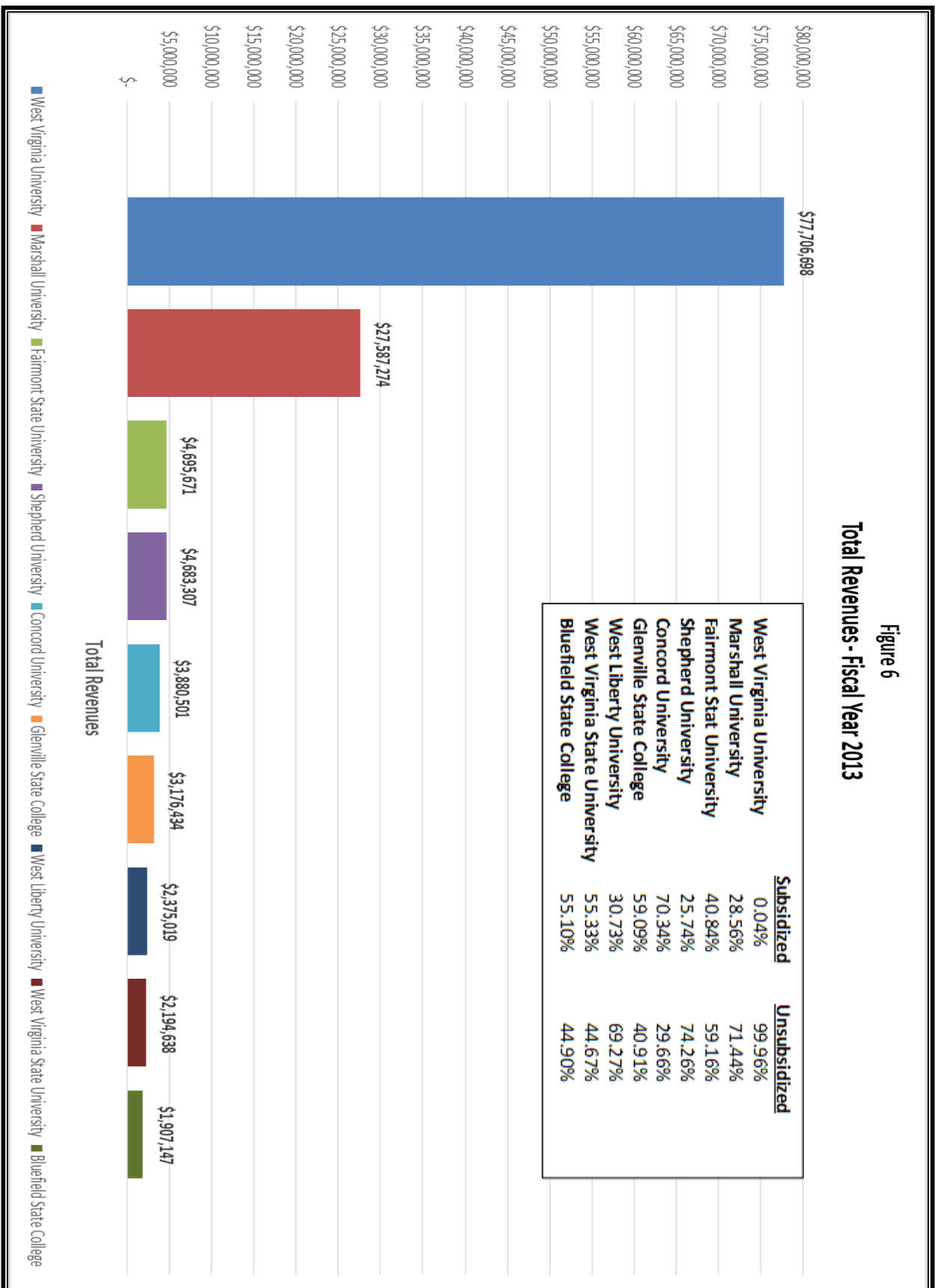
The following documents are included within this Appendix:

Total Revenues.....25

Total Expenses.....26

Revenue Excess/(Deficiency).....27

Figure 6  
Total Revenues - Fiscal Year 2013



	<b>Subsidized</b>	<b>Unsubsidized</b>
West Virginia University	0.04%	99.96%
Marshall University	28.56%	71.44%
Fairmont Stat University	40.84%	59.16%
Shepherd University	25.74%	74.26%
Concord University	70.34%	29.66%
Glenville State College	59.09%	40.91%
West Liberty University	30.73%	69.27%
West Virginia State University	55.33%	44.67%
Bluefield State College	55.10%	44.90%

Figure 7  
Total Expenses - Fiscal Year 2013

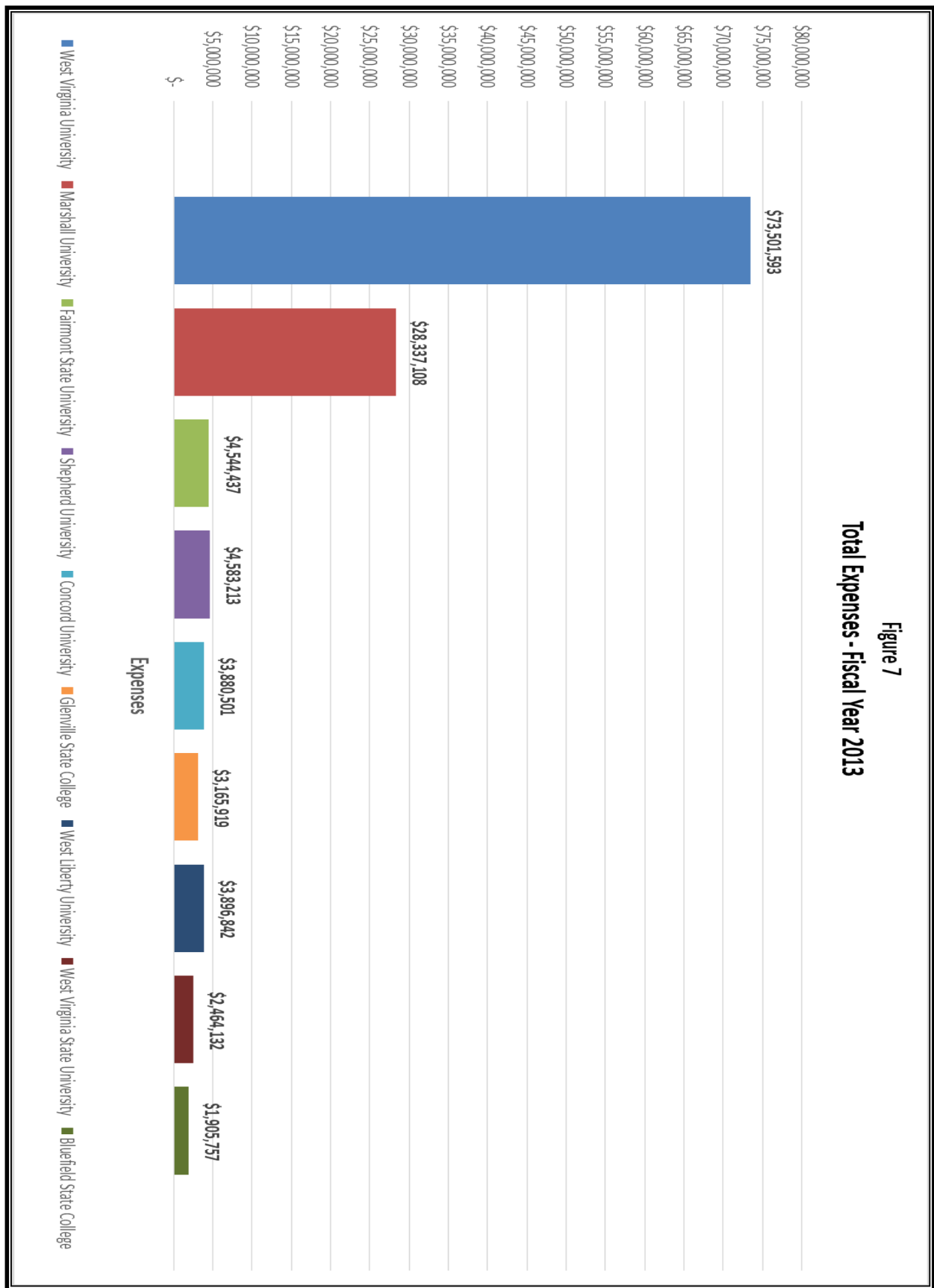
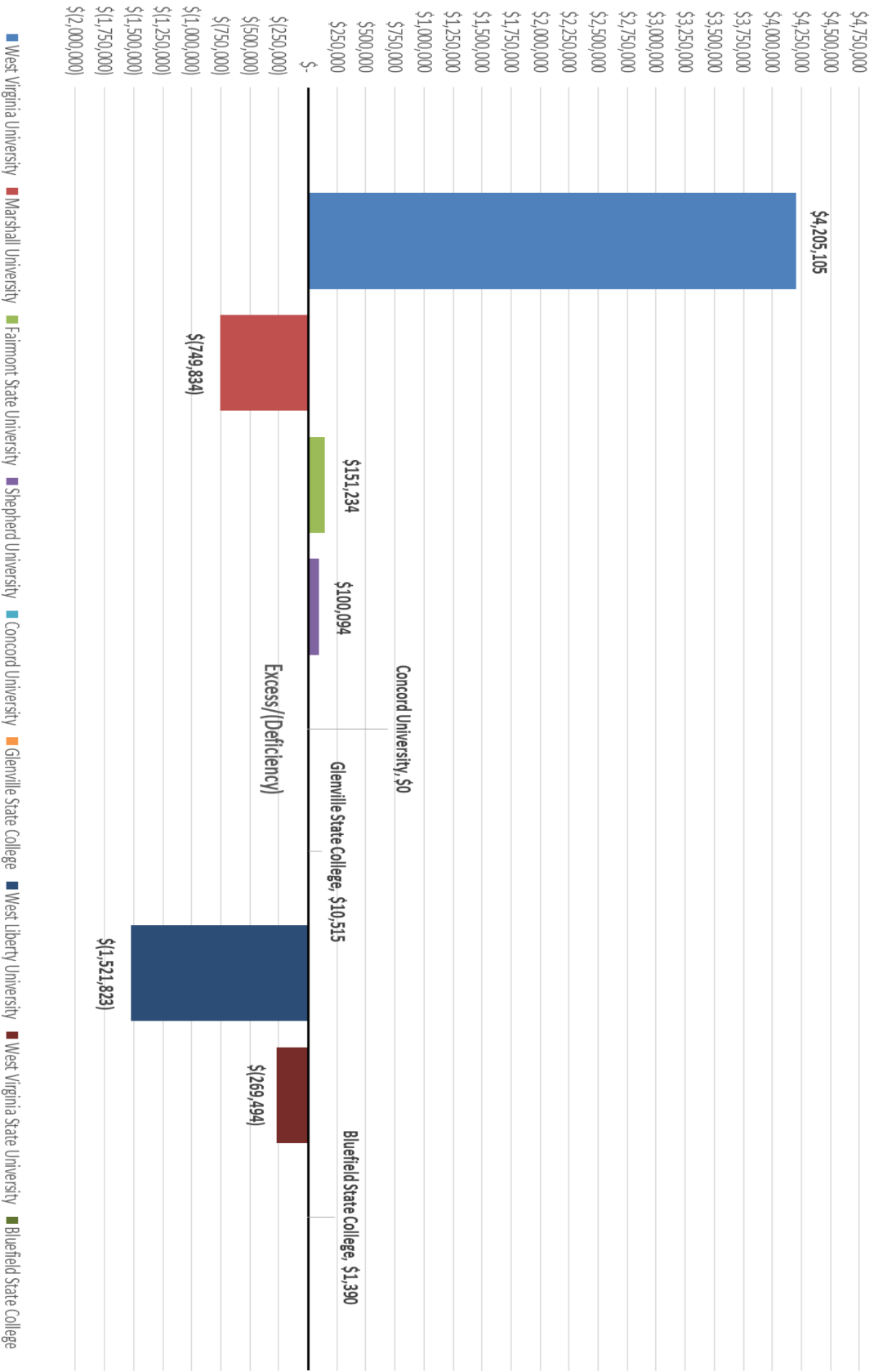


Figure 8  
**Revenue Excess/(Deficiency) - Fiscal Year 2013**



# Appendix D

West Virginia University Five Year Revenues & Expenses Trend Analysis.....	29
Marshall University Five Year Revenues & Expenses Trend Analysis.....	30
Fairmont State University Five Year Revenues & Expenses Trend Analysis.....	31
Concord University Five Year Revenues & Expenses Trend Analysis.....	32
West Virginia State University Five Year Revenues & Expenses Trend Analysis.....	33
Division I and II Schools Subsidized Revenues Comparison.....	34
Division I and II Schools Subsidized Revenues as a Percentage of Total Revenues Comparison.....	35
WVU and Marshall Revenue by Major Sport Comparison.....	36
Division I and II Schools Coaches, Administrative/Support Staff Compensation Comparison.....	37

Note: Glenville State College, Bluefield State College, Shepherd University, and West Liberty University did not respond to our request for information concerning their total revenues and total expenses for the years 2009-2012.



Figure 9  
 WVU Revenues & Expenses 5-Year Trend Analysis



Figure 10

### Marshall University Revenues & Expenses 5-Year Trend Analysis

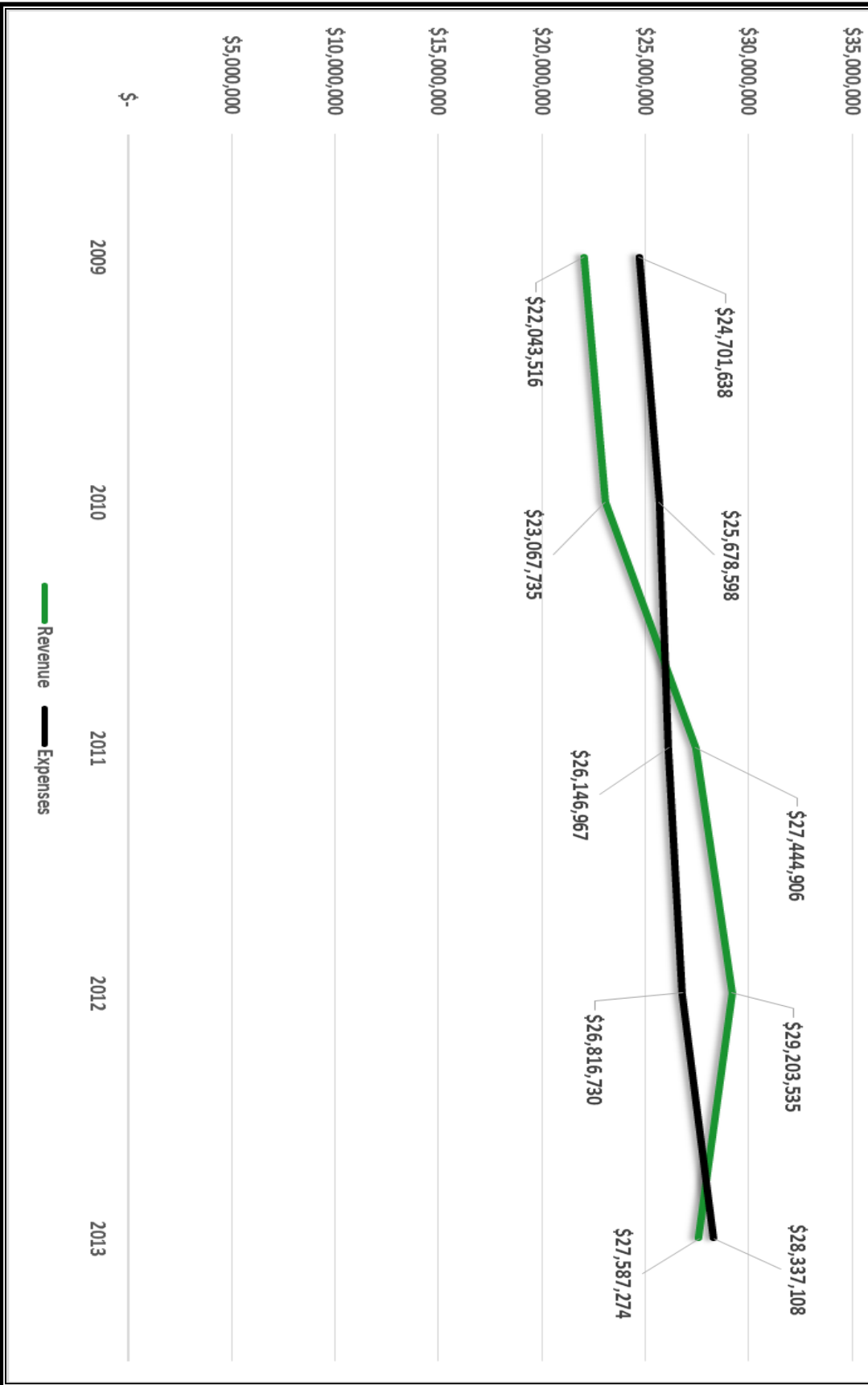


Figure 11

### Fairmont State University Revenues & Expenses 5-Year Trend Analysis

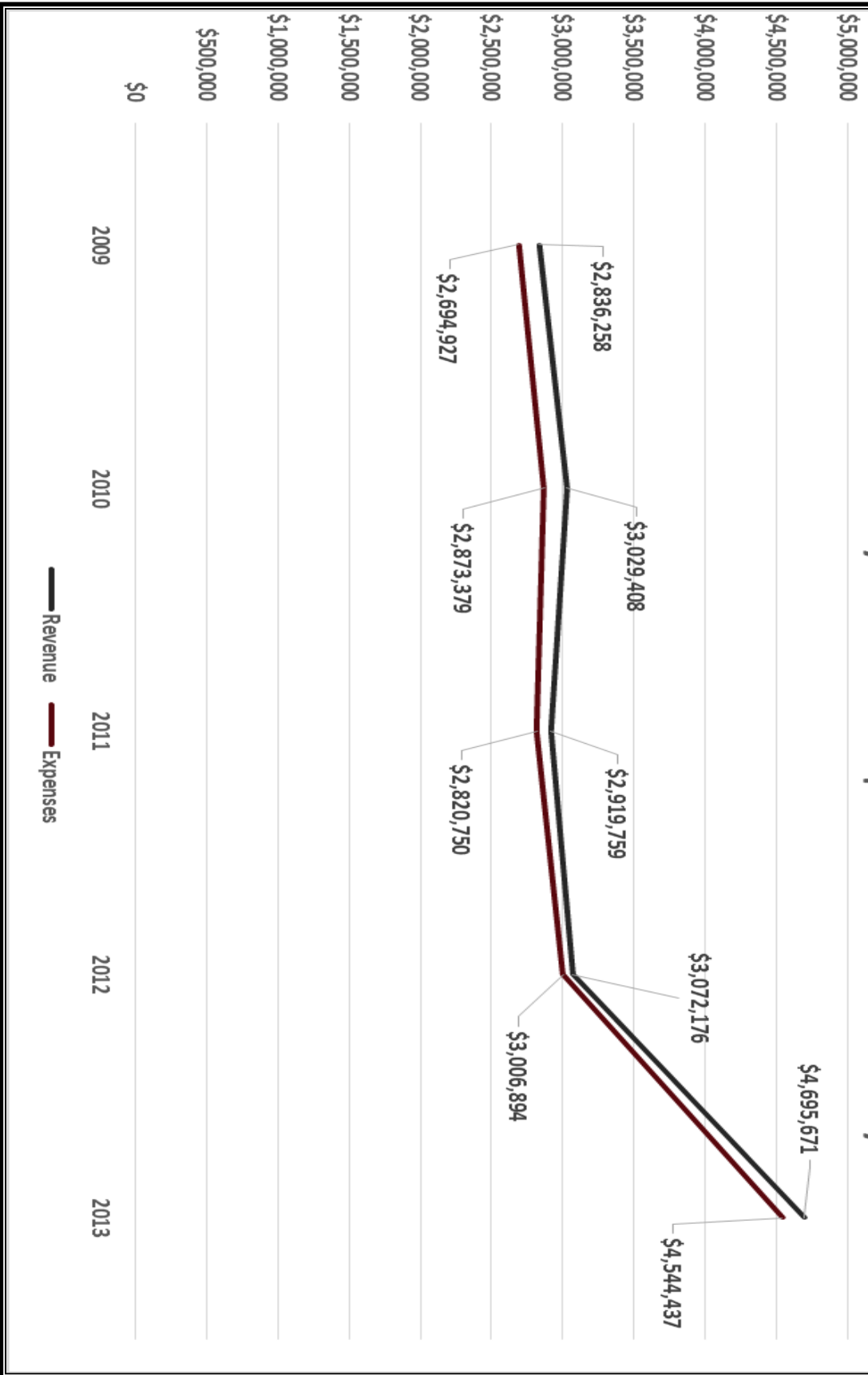


Figure 12  
 Concord University Revenues & Expenses 5-Year Trend Analysis

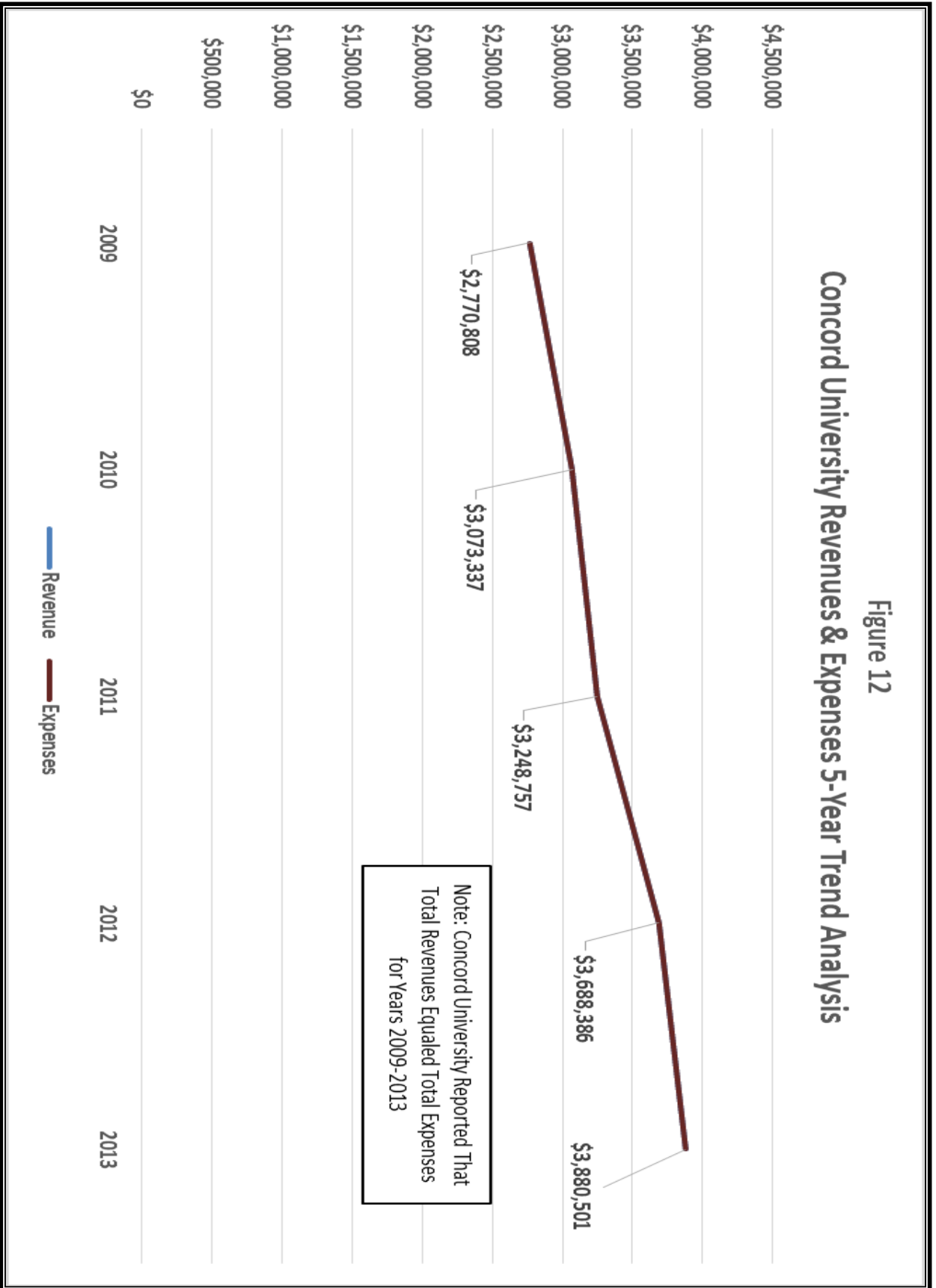


Figure 13  
WVSU Revenues & Expenses 5-Year Trend Analysis

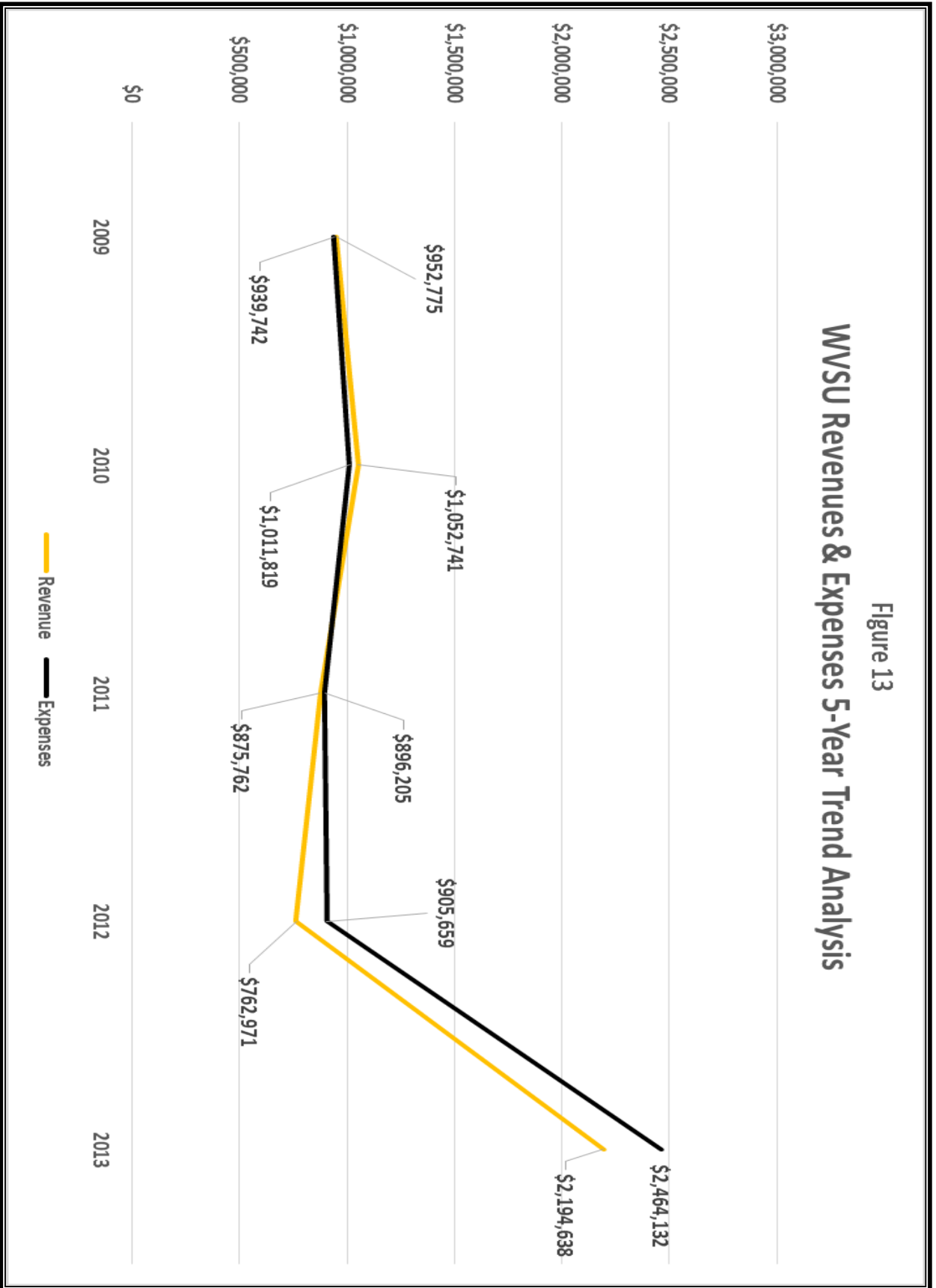
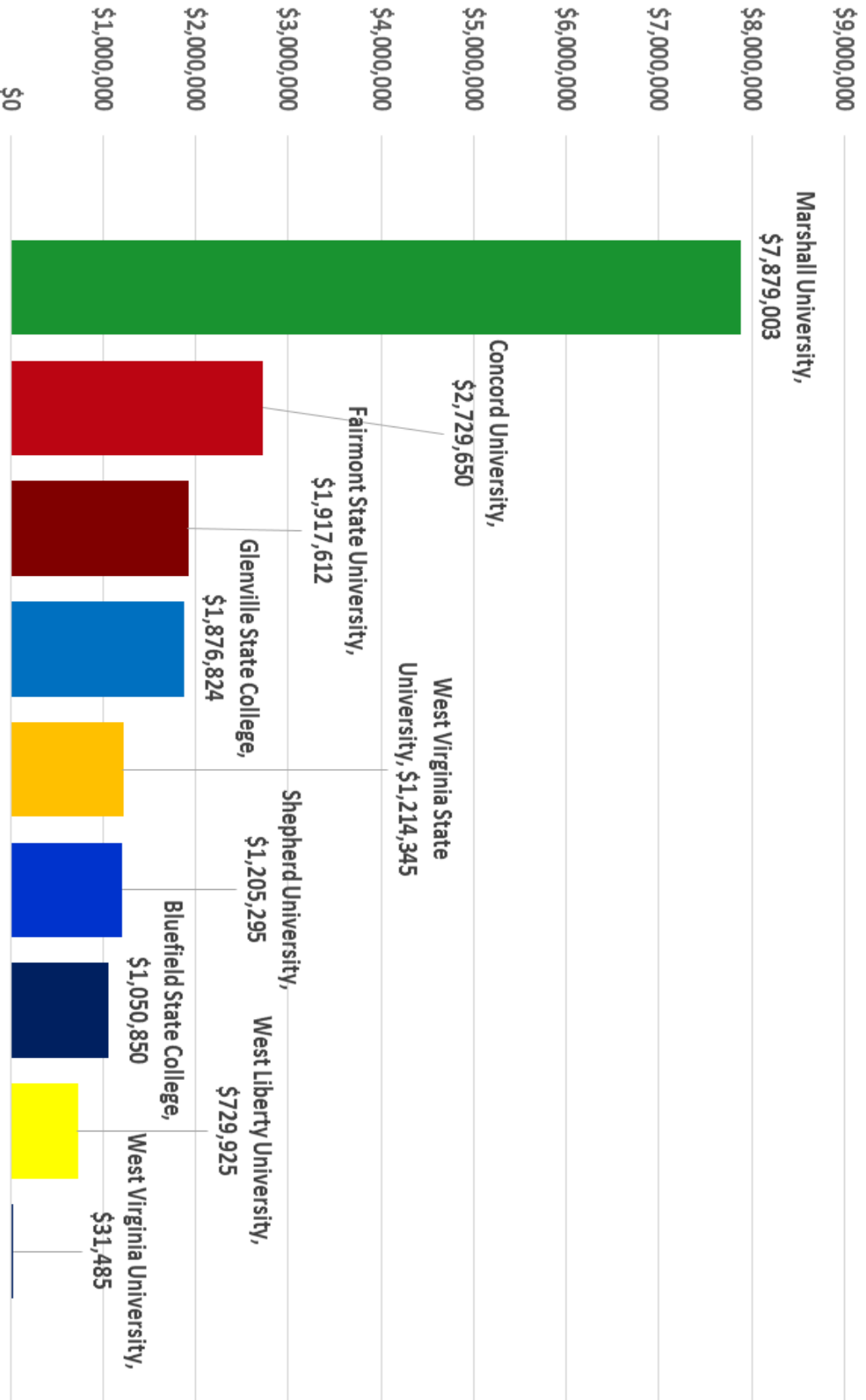


Figure 14  
 2013 Subsidized Revenues Comparison Division I & II Schools



**Figure 15**  
**Subsidized Revenues as a Percentage of Total Revenues**  
**Division I & II Schools Fiscal Year 2013**

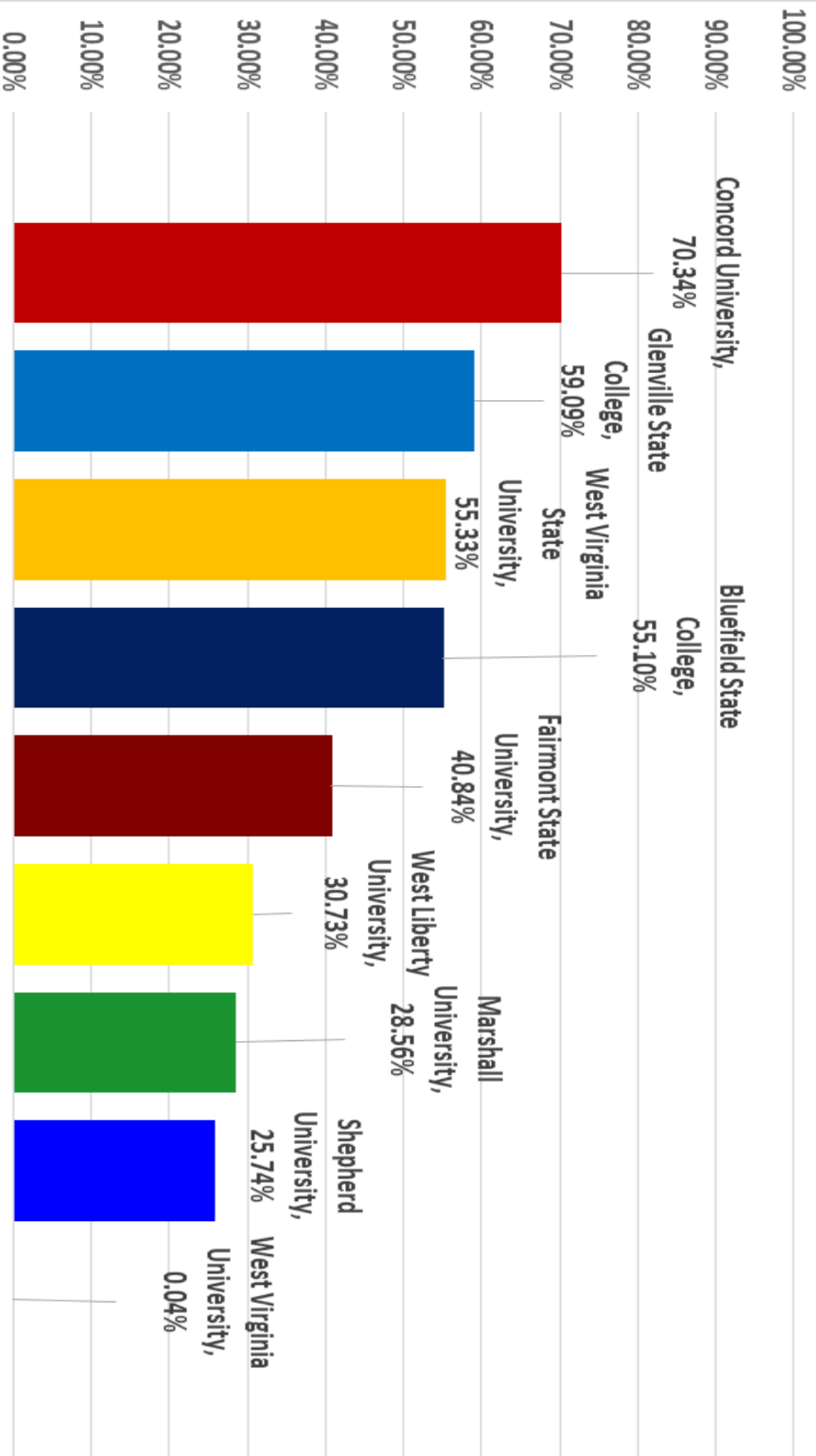
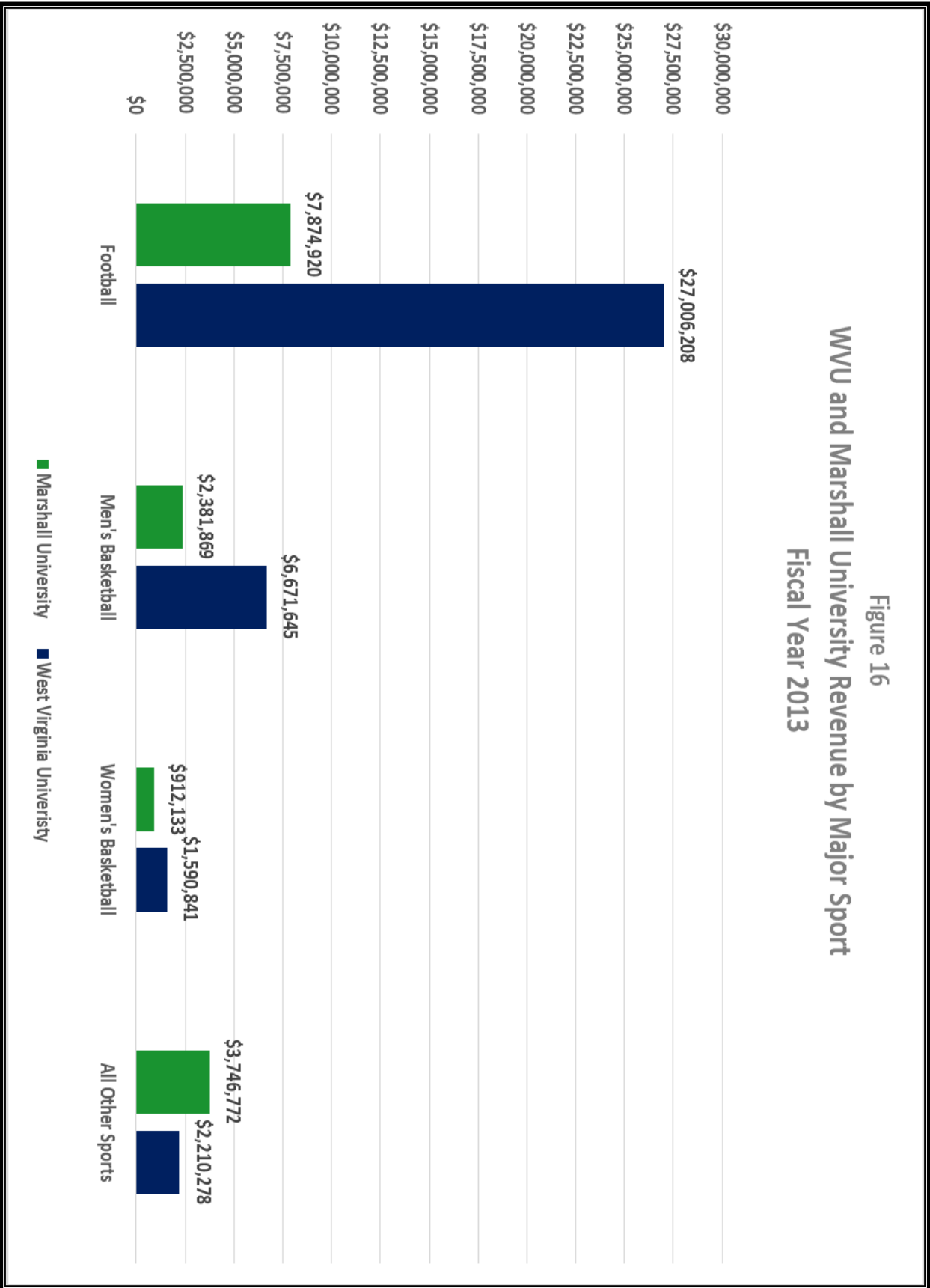
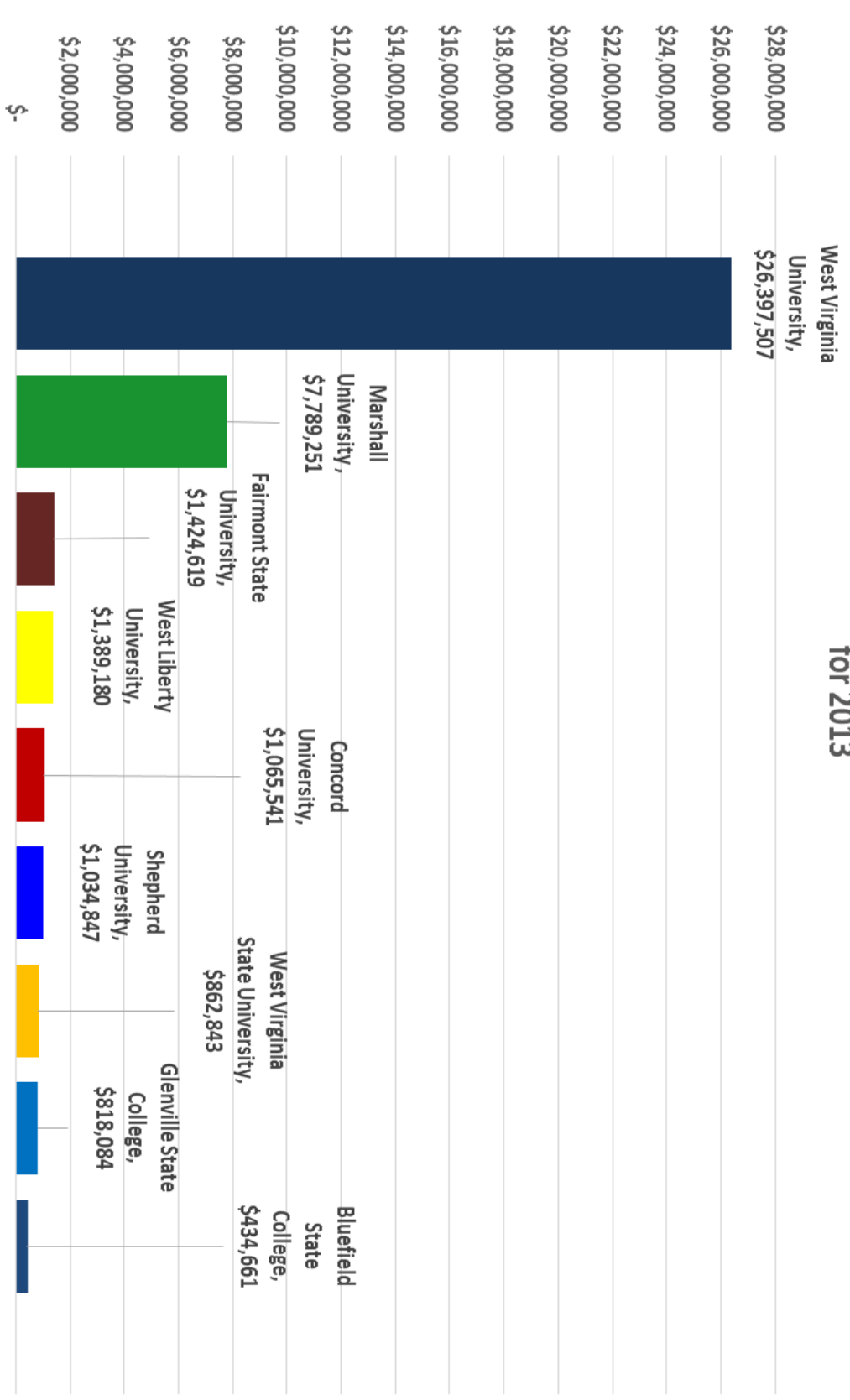


Figure 16  
 WVU and Marshall University Revenue by Major Sport  
 Fiscal Year 2013





**Figure 17**  
**Division I & II Coaches and Support/Administrative Staff Compensation Comparison**  
**for 2013**



# Appendix E

Provided on the following pages is the NCAA Agreed-Upon Procedures template.

Source: National Collegiate Athletic Association (NCAA)

# **AGREED-UPON PROCEDURES**

## **August 15, 2013**

### **INTRODUCTION**

In August 2004, National Collegiate Athletic Association (NCAA) legislation was amended to change the NCAA financial reporting timeline, to specify the agreed-upon procedures and related reporting, and to update the agreed-upon procedures to reflect the changes in reporting definitions approved by the membership.

NCAA member institutions have two NCAA requirements for reporting financial data. One requires an agreed-upon procedures report be submitted to the chief executive officer (CEO) and the other requires online reporting financial data to the NCAA. These are two separate and distinct processes. However, changes in legislation will make the two processes more compatible. Additionally, the agreed-upon procedures will result in data similar to that required by Equity in Athletics Disclosure Act (EADA).

The financial agreed-upon procedures reporting requirements of NCAA member institutions' ("institution") intercollegiate athletics programs are mandated under the provisions of NCAA Constitution 3.2.4.16 for each division. Per those requirements, all revenues, expenses and capitalized expenditures on behalf of an institution's intercollegiate athletics program, including those by outside entities, are reported on annually by an independent accountant from outside the institution. The independent accountant shall be selected by the institution's chief executive or the chief executive's designee.

Separate guidance will be issued for the online submission of financial information to the NCAA. However, the agreed-upon procedures will provide data to fulfill NCAA financial reporting requirements.

NCAA member institutions should be in full compliance with the new agreed-upon procedures contained herein no later than January 15, 2006.

### **NCAA LEGISLATION**

The NCAA agreed-upon procedure reporting legislation for each of the three membership divisions are contained in Constitution 3.2.4.16:

#### **Division I**

Constitution 3.2.4.16. “

An institution shall submit financial data detailing operating revenues, expenses and capital related to its intercollegiate athletics program to the NCAA on an annual basis in accordance with the financial reporting policies and procedures. The required data shall include, but is not limited to, the following:

- (a) All expenses and revenues for or on behalf of an institution's intercollegiate athletics program, including those by any affiliated or outside organization, agency or group of individuals;
- (b) Salary and benefits data for all athletics positions. The data shall include base salary, bonuses, endorsements, media fees, camp or clinic income, deferred income and other income contractually guaranteed by the institution;
- (c) Capital expenditures (to be reported in aggregate for athletics facilities), including capitalized additions and deletions to facilities during the reporting period, total estimated book value of

athletically related plant and equipment net of depreciation, total annual debt service on athletics and university facilities and total debt outstanding on athletics and university facilities;

(d) Value of endowments at fiscal year-end that are dedicated to the sole support of athletics;

(e) Value of all pledges at fiscal year-end that support athletics; and

(f) The athletics department fiscal year-end fund balance..”

Constitution 3.2.4.16.1 “The report shall be subject to annual agreed-on verification procedures approved by the membership (in addition to any regular financial reporting policies and procedures of the institution) and conducted by a qualified independent accountant who is not a staff member of the institution and who is selected by the institution's chancellor or president or by an institutional administrator from outside the athletics department designated by the chancellor or president. The independent accountant shall verify the accuracy and completeness of the data prior to submission to the institution's chancellor or president and the NCAA. The institution's chancellor or president shall certify the financial report prior to submission to the NCAA.”.

## **Division II**

Constitution 6.2.3.1.1. “At least once every three years, all expenses and revenues for or on behalf of a Division II member institution's intercollegiate athletics programs, including those by any affiliated or outside organization, agency or group of individuals (two or more), shall be subject to agreed-on procedures approved by the Division II membership (in addition to any regular financial reporting policies and procedures of the institution) conducted for the institution by a qualified independent accountant who is not a staff member of the institution and who is selected either by the institution's president or chancellor or by an institutional administrator from outside the athletics department designated by the president or chancellor. If, within the last three years, the institution has conducted an overall institutional audit that includes a financial audit of all athletics department funds, then the institution is not required to perform a separate financial audit of all athletics department expenditures.”

Constitution 6.2.3.1.1. “The report created pursuant to the approved procedures shall be completed and presented to the president or chancellor on or before January 15 after the end of the institution's fiscal year.”

## **Division III**

Constitution 6.2.3. “All expenditures and revenue for or on behalf of a Division III member institution's intercollegiate athletics programs shall be subject to the institution's regular financial audit. In particular, additional revenue and expenditures associated with outside groups or individuals shall be included in this audit.”

## **INTERPRETATIONS**

### **OBJECTIVES OF AGREED-UPON PROCEDURES**

The institution’s agreed-upon procedures report shall be presented to the chief executive by the independent accountant. The report’s primary purpose is to ensure that the chief executive is made aware of all financial activity (both internal and external) for athletics purposes and to assist the institution in exercising control over financial activity made by or on behalf of the intercollegiate athletics program. The report should not be filed with the NCAA national office. However, should information supplied as a result of this initiative raise questions or prompt concerns about the proper application of NCAA legislation, an institution’s chief executive may wish to contact the NCAA administrative services staff for assistance.

The agreed-upon procedures scope of work shall include the reporting of revenue, expenses and capital improvements required in the EADA and NCAA financial reporting information. The definitions used in the agreed-upon procedures provide a consistent means of reporting intercollegiate athletics finances and will provide the chief executives and other campus decision makers of our member institutions with empirical data to assist them in making their formal decisions.

Data available for the agreed-upon procedures may vary among institutions as a result of differences in athletics programs' organizational structure, financial resources and accounting and budgetary methods. Information that may prove particularly useful (depending on circumstances noted above) to institutions in evaluating the level of institutional control includes:

1. A comparison of actual revenues and expenses related to the intercollegiate athletics program as defined on pages 10-16 (from both internal and external sources) to amounts budgeted;
2. The nature of institutional internal controls that affect operations of the intercollegiate athletics program, and
3. The relationship of expenses for or on behalf of intercollegiate athletics by affiliated and outside organizations (e.g., booster groups, alumni organizations, independent or affiliated foundations) to institutional expenses for similar purposes and the nature of internal controls in place to monitor the financial activities of such affiliated and outside organizations.

The financial information and the existence and appropriateness of the institution's internal controls are the responsibility of the institution. Independent accountants, through the application of agreed-upon procedures, should not provide an opinion or assurance on the reliability of financial information generated by the institution and the existence and functioning of appropriate internal controls. The agreed-upon procedures report presents the findings of the agreed-upon procedures performed by the independent accountant. An understanding of this distinction in role and responsibility is crucial to the chief executive's effective use of the information provided as part of the agreed-upon procedures performed.

The NCAA has developed the agreed-upon procedures set forth in this document with the assistance of the National Association of College and University Business Officers (NACUBO) and Association of College and University Auditors (ACUA). These procedures seek to provide flexibility in complying with the provision of Constitution 3.2.4.16. At a minimum, the institution's chief executive should seek information considered consistent with the legislation's purpose and the requirements of professional auditing literature, recognizing reasonable cost and benefit considerations.

An institution's chief executive also may request additional information from the institution's athletics department and affiliated and outside groups, as well as the performance of additional agreed-upon procedures in agreement with the independent accountants. Each institution's chief executive should consider carefully what approach best serves the institution's needs in evaluating institutional control. The chief executive may include a formal assessment of internal controls over intercollegiate athletics programs financial processes.

The independent accountants will not review or include in their reports information concerning the institution's compliance with NCAA legislation. Responsibility for assuring compliance with NCAA legislation is the ultimate responsibility of the institution's chief executive, and the information provided as part of the agreed-upon procedures report is intended to assist chief executives in their efforts to assure institutional compliance.

While the detection of improper application of NCAA legislation is not the primary function of these procedures, the independent accountants should be alert nonetheless for situations or

transactions that may indicate the existence of such conditions. If, during the course of executing the procedures the independent accountant becomes aware of acts that may indicate a violation of NCAA legislation, the independent accountant shall immediately report the violation to the institution's chief executive.

## **ORGANIZATION OF INTERCOLLEGIATE ATHLETICS PROGRAMS**

Intercollegiate athletics programs vary significantly in scope and complexity among institutions. Financial-reporting procedures and controls also vary. For example, some institutions clearly have segregated intercollegiate athletics from other institutional athletics programs and physical education while at other institutions, these activities are integrated with the institution's administrative structure and accounting records.

Likewise, the extent to which institutions receive cash or in-kind contributions from affiliated and outside organizations and the method by which such contributions from affiliated and outside organizations are included in the institution's athletics department's financial statements vary considerably. Institutional accounting practices also differ in areas such as indirect facilities and administrative support, grants-in-aid costs and student-activity fees. Institutions and their independent accountants should be aware of these differences among programs and recognize that this legislation does not mandate particular organizational structure or specific budgetary approaches.

For purposes of these procedures, as applicable, the independent accountant (or, in Division III, the institution's accountant) shall include certain financial information of the following organizations, agencies and groups within the agreed-upon procedures:

1. Booster organizations established by or on behalf of an intercollegiate athletics program. For the purposes of this legislation, a booster group may be defined as any organization that has as its principal, or one of their principal purposes, the generating of moneys, goods or services for or on behalf of an intercollegiate athletics program, or the promotion of said program through other means;
2. Independent or affiliated foundations or other organizations that have as a principal, or one of their principal purposes, the generating or maintaining of grants-in-aid or scholarship funds, gifts, endowments, or other moneys, goods or services to be used entirely or in part by the intercollegiate athletics program, and
3. Alumni organizations that have as a principal, or one of their principal purposes, the generating of moneys, goods or services for or on behalf of an intercollegiate athletics program and that contribute moneys, goods or services directly to an intercollegiate athletics program, booster group, or independent or affiliated foundation as previously noted.

## **THE INDEPENDENT ACCOUNTANT**

In Divisions I and II, the agreed-upon procedures report is required to be conducted by an independent accountant who is not an institutional staff member. This requirement is not intended to question the ability or integrity of institutional auditors but rather to emphasize that this is a separate procedure for specific NCAA compliance purposes and to further protect the institution from inferences that the agreed-upon procedures were not objective. In Division III, an independent accountant is not required.

For the purposes of this legislation in Divisions I and II, an individual employed by the state (or by a state university system) to perform audits for that state's colleges and universities (or for the colleges and universities within a state university system) is considered to be an independent

accountant, provided the individual is not a regular employee of the institution. The procedures undertaken by state auditors in the performance of their duties should meet the minimum standards set forth in these agreed-upon procedures applicable to the revenues and expenses of all independent booster or support organizations. If state auditors are unable to perform those procedures, the chief executive is required to engage an independent accountant to satisfy these procedures. The approach required by the independent accountant to satisfy these procedures will depend on the scope of the state auditors work and the ability and willingness of the independent accountant to rely on the work performed by the state auditors.

Work performed by internal auditors at Division I and II institutions, even though their responsibility includes an annual financial audit for the entire institution (including intercollegiate athletics and institution-controlled affiliated or outside organizations), would not meet the requirements of this legislation. Internal auditors may prepare schedules and accumulate data or provide other information for the practitioner's use in performing the agreed-upon procedures. Accordingly, independent accountants may use work performed by internal auditors. However, it would be inappropriate for the independent accountant to agree to merely read the internal auditors' report solely to describe or repeat the findings, take responsibility for all or a portion of any procedures performed by the internal auditors by reporting those findings as the practitioner's own, or report in any manner that implies shared responsibility for the procedures with the internal auditors.

## **AGREED-UPON PROCEDURES**

Depending on the institution's existing level of agreed-upon procedures and the organizational structure of the institution's intercollegiate athletics programs and related affiliated or outside organizations, there are several approaches that the independent accountant may use to comply with the agreed-upon procedure requirements for Division I and II institutions. [Note: In Division III, the completion of the institution's regular financial audit shall satisfy the requirements of Constitution 3.2.4.16, provided that all revenues and expenses and capitalized expenses for or on behalf of the institution's intercollegiate athletics programs are subject to the annual institutional audit, including additional revenues and expenses associated with affiliated and outside groups or individuals.]

Work performed by an independent auditor as part of a Division I or II institution-wide financial audit would comply with the terms of this legislation if the work performed by the independent auditor relative to the institution's department of intercollegiate athletics conforms to the requirements set forth in the section entitled "Minimum Agreed-Upon Procedures." In using this approach, the independent auditor shall also conduct certain minimum agreed-upon procedures related to the revenues and expenses of affiliated and outside organizations that are not under the accounting control of the institution. See the "Minimum Agreed-Upon Procedures for Affiliated and Outside Organizations" section for details. Affiliated and outside organizations (e.g., booster clubs, affiliated foundations and alumni groups) are considered to be under the accounting control of the institution when all activities of the organization (including revenues and expenses) are recorded on the books and records of the institution and are subject to the internal control structure. Alternatively, where an institution-wide agreed-upon procedure has been performed, the chief executive may elect to comply with these agreed-upon procedures by engaging the independent auditor to perform separate agreed-upon procedures as discussed in the next paragraph.

In the event that an institution-wide independent audit has not been conducted, or the athletics department functions as a separate legal or accounting entity (e.g., a separately incorporated athletics foundation), a Division I or II institution would comply with the terms of this legislation by engaging an independent accountant to perform these agreed-upon procedures on the statement. To the extent that activities of affiliated and outside organizations are under the accounting control of the institution, those revenues and expenses shall be included in the statement that the independent accountant applies these agreed-upon procedures against. Otherwise, activities of affiliated and outside organizations shall be subject to minimum agreed-upon procedures as set forth in the section entitled "Minimum Agreed-Upon Procedures for Affiliated and Outside Organizations."

**This section describes the minimum level of procedures considered to be necessary to achieve the objectives of this legislation.**

### **Athletics Department Statement of Revenues and Expenses**

To provide adequate information for the independent accountant to execute these agreed-upon procedures, the institution must prepare the statement.

Appendix B sets forth an example of the statement. The statement reports the revenues and expenses of the intercollegiate athletics programs as recorded on the general ledger of the institution. Please note that expenses on behalf of an institution's athletics programs by affiliated and outside organizations not under the accounting control of the institution shall be included in the statement and subject to the agreed-upon procedures set forth in the section entitled "Minimum Agreed-Upon Procedures for Affiliated and Outside Organizations."



Factors that influence the classification of revenues, expenses and major programs in the statement include:

1. The internal account structure of the reporting institution's intercollegiate athletics program;
2. The institution's usual treatment of indirect facilities and administrative support related to athletics, and
3. The degree to which institutional funds or state appropriations are earmarked or budgeted by the institution for athletics and generally considered to be a part of the department's operating revenue. More detailed discussion of revenue and expenditure classifications is set forth separately in the Additional Information section.

The institution shall prepare the statement using the basic accounting and revenue recognition principles set forth in the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide entitled "Not-for-Profit Organizations" (the "NFP Audit Guide") and in the NACUBO publication entitled "College and University Business Administration." Please note that the statement presents an excess (deficiency) of revenues over (under) expenses but does not present any fund or net asset balances. In addition, changes in loan, endowment or plant funds related to intercollegiate athletics shall not be included in the statement. Significant additions to restricted funds related to intercollegiate athletics, as well as significant changes to endowment and plant funds, shall be disclosed separately in the notes to the statement. In addition, capitalized assets, additions and improvements of facilities shall be reported in accordance with the attached schedule and definitions.

After the institution has prepared the statement, the independent accountant shall meet with the institution's chief executive (or his or her designees) to identify areas of significant interest and specific agreed-upon procedures related to both internal controls and other specified areas.

### **Minimum Compliance Agreed-Upon Procedures**

The institution, through discussions with the independent accountant, shall identify aspects of the institution's internal control structure unique to the intercollegiate athletics department. Consideration should be given to departmental organization, control consciousness of staff, use of internal auditors in the department, competency of personnel, adequate safeguarding and control of records and assets, controls over interaction with the information technology department, and other relevant matters.

The chief executive may include a formal assessment of internal controls over intercollegiate athletics programs financial processes. The independent accountant may test the internal control procedures unique to intercollegiate athletics and internal control procedures for the athletics department. In those situations where the institution's independent accountant performed tests of controls in connection with the audit of the institution's financial statements, the independent accountant may expand the scope of these tests of controls to specifically include transactions from the intercollegiate athletics department.

Regardless of the situation, the independent accountant shall test specific elements of the control environment and accounting systems that are (1) are unique to intercollegiate athletics and (2) have not been addressed in connection with the audit of the institution's financial statements (e.g., the system of accounting for revenues from ticket sales).

Finally, the independent accountant shall perform agreed-upon procedures related to the institution's procedures for gathering information on the nature and extent of affiliated and outside organizational activity for or on behalf of the institution's intercollegiate athletics program. The institution must provide the independent accountant with the institution's procedures for gathering information on the nature and extent of affiliated and outside organizational activity for or on behalf of the institutions intercollegiate athletics program. The

independent accountants will then test those procedures. After completing these procedures, independent accountants shall report their findings to the chief executive in a format similar to that outlined in Appendix C.

### **Minimum Agreed-Upon Procedures**

To identify unusual items, the NCAA has developed minimum agreed-upon procedures for independent accountants to use regarding the accuracy of revenues and expenses of intercollegiate athletics programs. For a complete listing of the minimum agreed-upon procedures, see the sections entitled “Minimum Agreed-Upon Procedures Program for Revenues” and the “Minimum Agreed-Upon Procedures Program for Expenses” in the Additional Information section to be performed by the independent accountant to comply with this legislation. Each institution will also be required to complete the attached schedule of capitalized assets, additions and improvements of facilities.

The minimum agreed-upon procedures are intended to indicate the nature of the procedures to be performed on the institution’s financial systems and records. The institution and their independent accountants should conform to such procedures as appropriate for the institution’s systems and records, as well as to professional practice and reporting standards.

Upon approval of the institution, the minimum agreed-upon procedures performed may be tailored by the independent accountant based upon the specific areas of significance to the institution. The institution should keep the objective of the minimum agreed-upon procedures in mind when determining the sufficiency of the procedures to be performed.

The institution’s chief executive may engage the independent accountant to perform supplemental agreed-upon procedures. The independent accountant shall document the scope of the supplemental agreed-upon procedures requested by the chief executive in an engagement letter signed in advance by the institution’s chief executive. The institution, together with the independent accountant, shall determine the extent of the supplemental agreed-upon procedures to be performed.

### **MINIMUM AGREED-UPON PROCEDURES FOR AFFILIATED AND OUTSIDE ORGANIZATIONS**

Following are minimum agreed-upon procedures that independent accountants and institutions shall use in applying agreed-upon procedures related to expenses for or on behalf of intercollegiate athletics programs by affiliated and outside organizations not under the institution’s accounting control. The results of these procedures may be reported and included within the agreed-upon procedures report on the institution. See Appendix A.

1. The institution shall identify all intercollegiate athletics-related affiliated and outside organizations and obtain those organizations’ statements for the reporting period. Once the institution has made these statements available, the independent accountant shall agree the amounts reported in the statement to the organization’s general ledger or, alternatively, confirm revenues and expenses directly with a responsible official of the organization. In addition, the institution shall prepare a summary of revenues and expenses for or on behalf of intercollegiate athletics programs affiliated and outside organizations to be included with the agreed-upon procedures report.
2. The independent accountant shall obtain and review the audited financial statements of the organization and any additional reports regarding internal control matters if the organization is audited independent of the agreed-upon procedures required by NCAA legislation. The institution’s independent accountant shall also inquire of institutional and organizational management as to corrective action taken in response to comments concerning internal control structure (if any).

The institution may tailor these procedures based upon the areas of significance to the institution. The institution should keep the objective of the agreed-upon procedures in mind when determining the sufficiency of the procedures to be performed.

### **SUPPLEMENTAL PROCEDURES FOR AFFILIATED AND OUTSIDE ORGANIZATIONS**

1. Compare and agree a sample of operating-revenue categories reported in the organization's statement during the reporting period to supporting schedules provided by the organization;
2. Compare and agree a sample of operating-revenue receipts obtained from the above operating revenue schedule to adequate supporting documentation;
3. Compare and agree each operating expense category reported in the organization's statement during the reporting period to supporting schedules provided by the organization;
4. Compare and agree a sample of operating expenses obtained from the above operating expense supporting schedules to adequate supporting documentation;
5. Directly confirm cash balances recorded at the end of the reporting period by the organization and review the related year-end bank reconciliation(s);
6. Obtain and inspect minutes of the organizations' governing bodies during the reporting period and select a sample of financial transactions discussed in the minutes;
7. Select a sample of financial transactions discussed in the minutes and compare and agree each selection to the organizations' accounting records, as applicable, and
8. Obtain and document an understanding of the internal controls in place surrounding revenues and expenses related to the organization.

### **INSTITUTIONAL REPRESENTATIONS**

In an engagement to apply agreed-upon procedures to certain financial and other information of the institution, the independent accountant shall obtain written representations from the institution's management. These representations may be tailored to cover specific assertions and matters unique to the intercollegiate athletics department (e.g., completeness of the schedule of intercollegiate athletics activities, institutional compliance with NCAA legislation and a listing of all known affiliated and outside organizations reported to the independent accountant).

### **REPORT ON AGREED-UPON PROCEDURES**

#### **Application of Agreed-Upon Procedures**

The independent accountants' report on agreed-upon procedures applied to the institution should be in the form of procedures and findings. Among other things, the report should have a title that includes the word "independent" and identify the specified parties, the subject matter, and the procedures performed (and findings). See Appendix C for a listing of the required elements for a report on agreed-upon procedures. Examples of reports concerning agreed-upon procedures applied to institution's statement and affiliated and outside organizations' records are included as Appendix A.

## **Presentation of the Statement of Revenues and Expenses**

The basis of presentation of the statement will vary among institutions. As a result, the institution's statement may be presented in conformity with accounting principles generally accepted in the United States of America (GAAP) or with a comprehensive basis of accounting other than GAAP.

## **Notes and Disclosures**

1. Each individual contribution of moneys, goods or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency or individuals (e.g., contributions by corporate sponsors) that constitutes 10 percent or more of all contributions received for intercollegiate athletics during the reporting period shall be disclosed in the notes to the statement of athletics department revenues and expenses (the "statement") and included in the agreed-upon procedures report. Disclosure of the source of funds, goods and services, as well as the value associated these items, shall also be made within the notes to the statement. In addition, as part of the minimum agreed-upon procedures, the independent accountant shall obtain and review supporting documentation for each such contribution.

2. A description of the institution's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets, shall be included in the notes to the statement. At a minimum, this schedule shall be substantiated by the institution's general ledger. The independent accountant shall also obtain repayment schedules for all outstanding intercollegiate athletics debt maintained by the institution during the reporting period. At a minimum, the independent accountant shall recalculate annual maturities (consisting of principal and interest) provided in the schedules obtained. The independent accountant shall then agree the total annual maturities to supporting documentation and the institution's general ledger, as applicable. The repayment schedule(s) shall be included in the notes to the statement.

## Additional Information

### CLASSIFICATION OF REVENUES AND EXPENSES

The following is supplemental information to be used by institutional staff members and independent accountants in preparing the institution’s statement, a sample of which is attached to this document as Appendix B. Major programs as identified by each institution (e.g., football, men’s and women’s basketball) are listed across the top of the statement, and directly identifiable revenues and expenses are reported on the appropriate lines within the major program columns. These statements are available from the Print Menu page of the NCAA/EADA Financial Reporting system (as “Statement of Revenues and Expenses – Appendix B Agreed-Upon Procedures”).

If the institution allocates indirect facilities and administrative support costs to specific programs, these amounts shall be included under the appropriate major program heading, and the basis for allocation shall be disclosed in the notes to the statement.

This classification of revenues and expense data will allow institutions and chief executive officers to use consistent definitions and reporting requirements to comply with NCAA and federal agreed-upon procedures on revenues and expenses. Preparing this statement will provide chief executive officers more comparable financial data to manage intercollegiate athletics progress.

#### Revenues

Sources of revenue for the athletics program will vary among institutions; however, typical sources of intercollegiate athletics revenues are outlined (each followed by a comprehensive definition) below:

ID	Item	Amount	Definition
1	<a href="#">Ticket Sales</a>	0	Include revenue received for sales of admissions to athletics events. Include ticket sales to the public, faculty and students, and money received for shipping and handling of tickets. Do not include ticket sales for conference and national tournaments that are pass-through transactions. Report amounts in excess of a ticket’s face value paid by ticket purchasers (for example, to obtain preferential seating) in Category 4 (Contributions).
2	<a href="#">Student Fees</a>	0	Include student fees assessed and restricted for support of intercollegiate athletics.
3	<a href="#">Guarantees</a>	0	Include revenue received from participation in away games.
4	<a href="#">Contributions</a>	0	Include amounts received directly from individuals, corporations, associations, foundations, clubs or other organizations that are designated, restricted or unrestricted by the donor for the operation of the athletics program. Report amounts paid in excess of a

			ticket's value. Contributions shall include cash, marketable securities and in-kind contributions. In-kind contributions may include dealer-provided automobiles (market value of the use of a car), apparel and soft-drink products for use by staff and teams. Do not report pledges until funds are allocated. Report gifts and merchandise from corporate sponsorship agreements in Category 12 (Royalties, Licensing, Advertisement and Sponsorship).
5	<a href="#">Compensation and Benefits Provided by a Third Party</a>	0	Include all amounts provided by a third party and contractually guaranteed by the institution, but not included on the institution's W-2 (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, compensation from camps, radio income, television income, and shoe and apparel income). This should equal Expense Categories 20 and 22 combined.
6	<a href="#">Direct State or Other Government Support</a>	0	Include state, municipal, federal and other government appropriations made in support of the operations of intercollegiate athletics. This amount includes funding specifically earmarked to the athletics department by government agencies for which the institution has no discretion to reallocate. Any state or other government support appropriated to the university, for which the university determines the dollar allocation to the athletics department shall be reported in Direct Institutional Support (item 7).
7	<a href="#">Direct Institutional Support</a>	0	Include value of institutional resources for the current operations of intercollegiate athletics, as well as all unrestricted funds allocated to the athletics department by the university (e.g., state funds, tuition, tuition waivers and transfers). Also include Federal Work Study support for student workers employed by athletics. Report actual amounts and do not net with Transfers to Institution (category 37).

8	<a href="#">Indirect Facilities and Administrative Support</a>	0	Include value of facilities and services provided by the institution not charged to athletics. This support may include an allocation for institutional administrative cost, facilities and maintenance, grounds and field maintenance, security, risk management, utilities, depreciation and debt service. If your institution does not currently track indirect institutional support, consult your business office for a reasonable allocation. If counted here, include offsetting expenditure equal in value in Expense Category 32 (Indirect Facilities and Administrative Support).
9	<a href="#">NCAA/Conference Distributions Including All Tournament Revenues</a>	0	Include revenue received from participation in bowl games, tournaments and all NCAA distributions. This category includes amounts received for direct participation or through a sharing arrangement with an athletics conference, including shares of conference television agreements. If known by sport, report as such. Include any payments received from the NCAA for hosting a championship (permissible to include in Revenue Not Related to Specific Teams).
10	<a href="#">Broadcast Television, Radio and Internet Rights</a>	0	Include institutional revenue received directly for radio and television broadcasts, Internet and e-commerce rights received through institution-negotiated contracts.
11	<a href="#">Program Sales, Concessions, Novelty Sales and Parking</a>	0	Include revenue of game programs, novelties, food or other concessions, and parking revenues. Revenue from sales of game program advertising is to be included in Revenue Category 12 (Royalties, Licensing, Advertisements and Sponsorships).
12	<a href="#">Royalties, Licensing, Advertisements and Sponsorships</a>	0	Include all revenue from corporate sponsorships, licensing, sales of advertisements, trademarks and royalties. An allocation will be necessary to distinguish revenues generated by athletics versus the university if payments are combined. Include the value of in-kind products and services provided as part of the sponsorship (e.g., equipment, apparel, soft drinks, water and isotonic products).
13	<a href="#">Sports-Camp Revenues</a>	0	Include amounts received by the athletics department for sports-camps and clinics.
14	<a href="#">Endowment and Investment Income</a>	0	Include endowment spending policy distribution and other investment income in support of the athletics department. These categories include only restricted investment and endowment income for the operations of intercollegiate athletics; institutional allocations of income from unrestricted endowments qualify as "Direct Institutional Support."

15	<a href="#">Other Operating Revenue.</a>	0	Less than 5% of total revenues may appear on this line. If the number is greater than 5%, please reclassify adequate revenue to the appropriate category(ies) above to bring the category to less than 5% of the total revenue.
16	<a href="#">Total Operating Revenue.</a>	0	Add Categories 1-15.



## Expenses

Expenses for the athletics program will vary among institutions; however, typical sources of intercollegiate athletics expenses are outlined (each followed by a comprehensive definition) below:

17	<a href="#">Athletic Student Aid</a>	0	Include the total amount of athletically related student aid awarded, including summer school and tuition discounts and waivers (including aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons). Athletics aid awarded to non-athletes (student-managers, graduate assistants, trainers) should be reported as Expenses Not Related to Specific Teams. It is permissible to report only dollars in the Expenses Not Related to Specific Teams row as long as you have reported non-zero entries for Equivalencies, Number of Students, and Dollars (all 3 required) for at least one sport.
18	<a href="#">Guarantees</a>	0	Include amounts paid to visiting participating institutions.
19	<a href="#">Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities</a>	0	Include gross salaries, bonuses and benefits provided to head and assistant coaches, which includes all gross wages, benefits and bonuses attributable to coaching that would be reportable on university and related entities (e.g., foundations, booster clubs) W-2 and 1099 forms (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, supplemental retirement allowance, compensation from camps, radio income, television income, tuition remission, earned deferred compensation benefits). Place any payment made to previous coaches to satisfy a contractual agreement for coaching in Category 23 (Severance Payments).
20	<a href="#">Coaching Other Compensation and Benefits Paid by a Third-Party</a>	0	Include all compensation paid to the coaching staff by a third party and contractually guaranteed by the institution, but not included on the institution's W-2 (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, compensation from camps, radio income, television income, shoe and apparel income). Expense Categories 20 and 22 combined should equal Revenue Category 5 (Compensation and Benefits Provided by a Third Party).
21	<a href="#">Support Staff/Administrative Salaries, Benefits and</a>	0	Include gross salaries, bonuses and benefits paid to administrative staff (i.e., football secretary, sport-

	<a href="#">Bonuses Paid by the University and Related Entities</a>		specific trainer) that would be reportable on university and related entities (e.g., foundations, booster clubs) W-2 and 1099 forms (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, supplemental retirement allowance, compensation from camps, radio income, television income, tuition remission, earned deferred compensation benefits). Staff members responsible for the gender-specific athletics department, but not a specific sport (i.e., director of men's athletics), will have their compensation figures reported as Expenses Not Related to Specific Teams fields. Athletics department staff members who assist both men's and women's teams (sports information director, academic advisor) will be reported as Not Allocated by Gender column.
22	<a href="#">Support Staff/Administrative Other Compensation and Benefits Paid by a Third-Party</a>	0	Include all compensation paid to the support staff by a third party and contractually guaranteed by the institution, but not included on the institution's W-2 (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, compensation from camps, radio income, television income, shoe and apparel income). Expense Categories 20 and 22 combined should equal Revenue Category 5 (Compensation and Benefits Provided by a Third Party).
23	<a href="#">Severance Payments</a>	0	Include severance payments and applicable benefits recognized for past coaching and administrative personnel.
24	<a href="#">Recruiting</a>	0	Include transportation, lodging and meals for prospective student-athletes and institutional personnel on official and unofficial visits, telephone call charges, postage and such. Include value of use of institution's own vehicles or airplanes as well as in-kind value of loaned or contributed transportation.
25	<a href="#">Team Travel</a>	0	Include air and ground travel, lodging, meals and incidentals for competition related to preseason, regular season and postseason. Amounts incurred for food and lodging for housing the team before a home game also should be included. Include value of use of the institution's own vehicles or airplanes as well as in-kind value of donor-provided transportation.
26	<a href="#">Equipment, Uniforms and Supplies</a>	0	Include items that are provided to the teams only. Equipment amounts are those expended from current

			or operating funds.
27	<a href="#">Game Expenses</a>	0	Include game-day expenses other than travel that are necessary for intercollegiate athletics competition, including officials, security, event staff, ambulance and such.
28	<a href="#">Fund Raising, Marketing and Promotion</a>	0	Include costs associated with fund raising, marketing and promotion for media guides, brochures, recruiting publications and such.
29	<a href="#">Sports Camp Expenses</a>	0	Include all expenses paid by the athletics department, including non-athletics personnel salaries and benefits, from hosting sports camps and clinics. Athletics personnel salaries and benefits should be reported in Categories 19, 20, 21 or 22.
30	<a href="#">Direct Facilities, Maintenance, and Rental</a>	0	Include direct facilities costs charged to intercollegiate athletics, including building and grounds maintenance, utilities, rental fees, operating leases, equipment repair and maintenance, and debt service.
31	<a href="#">Spirit Groups</a>	0	Include support for spirit groups including bands, cheerleaders, mascots, dancers, etc.
32	<a href="#">Indirect Facilities and Administrative Support</a>	0	Include value of facilities and services provided by the institution not charged to athletics. This support may include an allocation for institutional administrative cost, facilities and maintenance, grounds and field maintenance, security, risk management, utilities, depreciation and debt service. If your institution does not currently track indirect institutional support, consult your business office for a reasonable allocation. If counted here, include offsetting amount equal in value in Revenue in Category 8 (Indirect Facilities and Administrative Support).
33	<a href="#">Medical Expenses and Medical Insurance</a>	0	Include medical expenses and medical insurance premiums for student-athletes.
34	<a href="#">Memberships and Dues</a>	0	Include memberships, conference and association dues.
35	<a href="#">Other Operating Expenses</a>	0	Other operating expenses include printing and duplicating, subscriptions, business insurance, telephone, postage, operating and equipment leases, non-team travel and any other operating expense not reported elsewhere. Do not include indirect administration overhead provided by the university (use Category 32) or salaries and benefits (use Categories 19 or 21). Attempt to allocate all expenses to Categories 17 through 34 before using this

			category. As a guide, please limit this category to 10% of total operating expenses. If the number is greater than 10%, please provide the top three categories and amounts in the comments section below.
36	<a href="#">Subtotal Operating Expenses</a>	0	Add Categories 17-35.
37	<a href="#">Transfers to Institution</a>		Include, if applicable, the amount of athletic-generated revenues or athletic reserves that are contributed back to your institution for other institutional initiatives outside of athletics. Amount reported should not be deducted from Direct Institutional Support (category 7) allocated to athletics by your institution.
38	<a href="#">Total Expenses</a>		Add Categories 36-37.

### **MINIMUM AGREED-UPON PROCEDURES PROGRAM FOR REVENUES**

Following is a complete listing of the minimum agreed-upon procedures for revenues, by category, to be performed to the statement by the independent accountant.

Before the commencement of fieldwork, the independent accountant should ensure that the amounts reported on the statement agree to the institution's general ledger. For all revenue categories perform the minimum agreed-upon procedures set forth below.

1. Compare and agree each operating revenue category reported in the statement during the reporting period to supporting schedules provided by the institution.
2. Compare and agree a sample of operating revenue receipts obtained from the above operating revenue supporting schedules to adequate supporting documentation.
3. Compare each major revenue account to prior period amounts and budget estimates. Obtain and document an understanding of any significant variations.

#### **Ticket Sales**

- 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.

#### **Student Fees**

- Compare and agree student fees reported by the institution in the statement for the reporting 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.

#### **Guarantees**

- Select a sample of 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 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.

### **Contributions**

- Compare each major revenue account to prior period amounts and budget estimates. Obtain and document an understanding of any significant variations.
- Any contributions of moneys, goods or services received directly by an intercollegiate athletics program for any affiliated or outside organization, agency or group of individuals (two or more) not included above (e.g., contributions by corporate sponsors) that constitutes 10 percent or more of all contributions received for intercollegiate athletics during the reporting periods shall obtain and review supporting documentation for each contribution.

### **Compensation and Benefits Provided by a Third-Party**

- 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 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, obtain the related independent auditors' report.

### **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.

### **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.

### **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.

### **NCAA/Conference Distributions Including All Tournament Revenues**

- Obtain and inspect 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.

### **Broadcast, Television, Radio and Internet Rights**

- Obtain and inspect 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.

### **Program Sales, Concessions, Novelty Sales and Parking**

- Perform minimum agreed-upon procedures referenced for all revenue categories (see page 16, points 1-3).
- Recalculate totals.

### **Royalties, Licensing, Advertisements and Sponsorships**

- Obtain and inspect agreements related to the institution's participation in revenues from royalties, licensing, 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.

### **Sports Camp Revenues**

- Inspect 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 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.

### **Endowment and Investment Income**

- Obtain and inspect 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.

### **Other**

- Perform minimum agreed-upon procedures referenced for all revenue categories (see page 16, points 1-3).
- Recalculate totals.

## **MINIMUM AGREED-UPON PROCEDURES PROGRAM FOR EXPENSES**

Following is a complete listing of the minimum agreed-upon procedures for expenses, by category, to be performed to the statement by the independent accountant. Before the commencement of fieldwork, the independent accountant should ensure that the amounts reported on the statement agree to the institution's general ledger.

1. Compare and agree each expense category reported in the statement during the reporting period to supporting schedules provided by the institution;
2. Compare and agree a sample of expenses obtained from the above operating expense supporting schedules to adequate supporting documentation.
3. Compare and agree each major expense account to prior period amounts and budget estimates. Obtain and document an understanding of any significant variations.

### **General**

- Compare each major expenses account to prior-period amounts and budget estimates.
- Obtain and document an understanding of any significant variations.
- Recalculate totals.

### **Athletic Student Aid**

- Select a sample of 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.

### **Guarantees**

- Obtain and inspect 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 during to the institution's general ledger and/or the statement.
- Recalculate totals.

### **Coaching Salaries, Benefits, and Bonuses Paid by the University 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 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 entities expense recorded by the institution in the statement during the reporting period.
- Recalculate totals.

### **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.
- 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 expenses recorded by the institution in the statement during the reporting period.
- Recalculate totals.

### **Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the University and Related Entities**

- Select a sample of 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.

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

- Select a sample of 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.

### **Severance Payments**

- Select a sample of 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.

### **Recruiting**

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

### **Team Travel**

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

### **Equipment, Uniforms and Supplies**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.



### **Game Expenses**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.

### **Fund Raising, Marketing and Promotion**

- Perform minimum agreed-upon procedures referenced for all expense categories (see page 18-19, points 1-3).
- Recalculate totals.

### **Sports Camp Expenses**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.

### **Direct Facilities, Maintenance and Rental**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.

### **Spirit Groups**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.

### **Indirect Facilities and Administrative Support**

- Obtain and document an understanding of the institution's methodology for allocating indirect facilities support.
- Sum 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.

### **Medical Expenses and Medical Insurance**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.

### **Memberships and Dues**

- Perform minimum agreed-upon procedures referenced for all expense categories (see pages 18-19, points 1-3).
- Recalculate totals.

### **Other Operating Expenses and Transfers to Institution**

- Perform minimum agreed-upon procedures referenced for all expense categories (see page 18-19, points 1-3).
- Recalculate totals.

## **Capital Expenditure Survey**

The following is the Capital Expenditure Survey and Surplus/Deficit Allocation and Additional Athletics Financial Information segment of the Financial Reporting System. This information has no suggested agreed-upon procedures to conduct upon the requested data and therefore none of its content is included in the agreed-upon procedures report. However, it is recommended that the independent accountant, if applicable review the survey content and where appropriate record amounts represented on the most recent annual financial statements, or develop procedures as requested by the institution. For FY2011 reporting, the questions in the Surplus/Deficit Allocation and Additional Athletics Financial Information section are no longer renumbered. In addition, the question regarding Indirect Support Athletics provides back to the university/academics was removed since a new expense category was added instead (37. Transfers to Institution).

**Capital Expenditure Survey**  
**Name of Reporting Institution: 1 - DI CA Test**  
**Information for the Reporting Year: 2011**

1. Does your institution utilize an athletic facility that is not under the direct control of the university (e.g. municipal facility, professional facility)?

- Yes. Go to question 2.                       No. Go to question 3.

2. If the facility(s) is not under the control of the university, check one or more of the following boxes:

<input type="checkbox"/>	Football Stadium?	<input type="text"/>
<input type="checkbox"/>	Basketball Facility?	<input type="text"/>
<input type="checkbox"/>	Other	<input type="text"/>

3. Current year additions: Additions to facilities during the current reporting period.

a. Football Athletics Facilities	<input type="text"/>
b. Basketball Athletics Facilities	<input type="text"/>
c. Other Athletics Facilities	<input type="text"/>
d. Total Athletics Facilities (a+b+c)	<input type="text"/>
e. Other Institutional Facilities	<input type="text"/>

4. Current year deletions: Deletions of facilities during the current reporting period.

a. Football Athletics Facilities	<input type="text"/>
b. Basketball Athletics Facilities	<input type="text"/>
c. Other Athletics Facilities	<input type="text"/>
d. Total Athletics Facilities (a+b+c)	<input type="text"/>
e. Other Institutional Facilities	<input type="text"/>

5. Total book value of athletically-related and university plant and equipment net of depreciation.

Athletically-Related Property Plant and Equipment balance.	<input type="text"/>
Institution's Total Property Plant and Equipment balance.*	<input type="text"/>

6. Total annual debt service on athletic and university facilities.

Athletically-Related Facilities   
 Annual Debt Service  
 Institution's Annual Debt Service\*

7. Total debt outstanding on athletic and university facilities.

Athletically-Related Outstanding Debt Balance   
 Institution's Total Outstanding Debt Balance\*

**Surplus/Deficit Allocation and Additional Athletics Financial Information**

8. Total Athletics Revenues/Expenses (fields a. - c. are pre-populated based upon data already captured in Rev/Exp category reporting)

a. Total Athletics Revenues   
 b. Total Athletics Expenses   
 c. Surplus(Deficit)

**How is the deficit funded or surplus allocated? (Enter amount where applicable)**

d. Athletic Reserve (enter negative "-" if deficit indicated in 1.c above)   
 e. Auxillary Reserve (enter negative "-" if deficit indicated in 1.c above)   
 f. Institutional Reserve (enter negative "-" if deficit indicated in 1.c above)   
 g. Other (enter negative "-" if deficit indicated in 1.c above)

Comment

Questions 9 – 13 apply only to DI schools. For FY2009 reporting, this was voluntary. Beginning with FY2010 reporting, questions 9 through 11 will be required as stipulated by the referenced

by-laws:

**9. 3.2.4.16 (d) Value of endowments at fiscal year-end that are dedicated to the sole support of athletics:**

**10. 3.2.4.16 (e) If applicable, value of all pledges at fiscal year-end that solely support athletics:**

**11. 3.2.4.16 (f) The athletics department fiscal year-end unrestricted fund balance:**

Additional Financial Information (voluntary submission if applicable)

**12. Direct support athletics provides back to the university/academics:**

**Purpose of the direct support:**

### **Indirect Facilities and Administrative Support**

\* The following questions pertain to the Financial Reporting System's category #32 – Indirect Facilities and Administrative Support.

13a. What indirect cost allocation methodology was used in determining your indirect facilities and administrative support?

- Federal Indirect Cost Methodology
- Square footage/space
- Headcount
- Salaries
- Percent of budget
- Other \*Please specify (Max. 50 Chars.)

13b. Other than the Agreed Upon Procedures Report, for what other purposes has the indirect cost methodology been used?



\* Record amounts represented on the most recent annual financial statements for your institution. This schedule may require the assistance of the institution's business office.

## Appendix A

### **INDEPENDENT ACCOUNTANTS' REPORT ON THE APPLICATION OF AGREED-UPON PROCEDURES**

Chief Executive  
XYZ University

We have performed the procedures enumerated below, which were agreed to by the chief executive of XYZ University, solely to assist you in evaluating whether the accompanying statement of revenue and expenses of XYZ University is in compliance with the National Collegiate Athletic Association ("NCAA") Constitution 3.2.4.16 for the year ended June 30, 20XX. XYZ University's management is responsible for the statement of revenue and expenses ("statement") and the statement's compliance with those requirements. 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.

#### **Agreed-Upon Procedures Related to the Statement of Revenue and Expenses**

The procedures that we performed and our findings are as follows:

#### **INDEPENDENT ACCOUNTANT TO INSERT PROCEDURES PERFORMED AND FINDINGS**

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the compliance of the accompanying statement of revenue and expenses of XYZ University. 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 specified parties listed above, and is not intended to be and should not be used by anyone other than these specified parties.

CPA FIRM  
DATE

## Appendix B

**These statements are available from the print menu page of the NCAA/EADA Financial Reporting system (as “statement of revenues and expenses – Appendix B agreed-upon procedures**

### XYZ UNIVERSITY ATHLETIC DEPARTMENT

#### STATEMENT OF REVENUES AND EXPENSES FOR THE YEAR ENDED JUNE 30, 20XX (UNAUDITED)

REVENUES	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>Operating Revenues:</b>						
1						Ticket Sales
2						Student Fees
3						Guarantees
4						Contributions
5						Compensation and Benefits Provided by a Third-Party
6						Direct State or Other Government Support
7						Direct Institutional Support
8						Indirect Facilities and Administrative Support
9						NCAA/Conference Distributions Including All Tournament Revenues
10						Broadcast, Television, Radio and Internet Rights
11						Program Sales, Concessions, Novelty Sales and Parking
12						Royalties, Licensing, Advertisements and Sponsorships
13						Sports Camp Revenues
14						Endowment and Investment Income
15						Other
<b>16</b>						<b>Subtotal Operating Revenue</b>



**EXPENSES**

**Operating Expenses:**

- 17 Athletics Student Aid
- 18 Guarantees
- 19 Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities
- 20 Coaching Other Compensation and Benefits Paid by a Third-Party
- 21 Support Staff/Administrative Salaries, Benefits, and Bonuses Paid by the University and Related Entities
- 22 Support Staff/Administrative Other Compensation and Benefits Paid by a Third Party
- 23 Severance Payments
- 24 Recruiting
- 25 Team Travel
- 26 Equipment, Uniforms and Supplies
- 27 Game Expenses
- 28 Fund Raising, Marketing and Promotion
- 29 Sports Camp Expenses
- 30 Direct Facilities, Maintenance and Rental
- 31 Spirit Groups
- 32 Indirect Facilities and Administrative Support
- 33 Medical Expenses and Medical Insurance
- 34 Memberships and Dues
- 35 Other Operating Expenses
- 36 Total Operating Expenses**
- 37 Transfers to Institution
- 38 Total Expenses**

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**EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENSES**

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## Appendix C

The independent accountant's report on agreed-upon procedures should be in the form of procedures and findings. The report should contain the following elements:

- A title that includes the word "independent";
- Identification of the specified parties;
- Identification of the subject matter (or the written assertion related thereto), including the period and point in time addressed and a reference to the character of the engagement;
- Identification of the responsible party;
- A statement that the subject matter is the responsibility of the responsible party;
- A statement that the procedures performed were those agreed to by the specified parties identified in the report;
- For compliance-attestation engagements, a statement that the procedures, which were agreed to by the specified parties identified in the report, were performed to assist the specified parties in evaluating the entity's compliance with specified requirements or the effectiveness of its internal control over compliance;
- A statement that the agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants;
- A statement that the sufficiency of the procedures is solely the responsibility of the specified parties and a disclaimer of responsibility for the sufficiency of those procedures;
- A list of the procedures performed (or reference thereto) and related findings;
- Where applicable, a description of any agreed-upon materiality limits;
- A statement that the practitioner was not engaged to and did not conduct an examination of the subject matter, the objective of which would be the expression of an opinion, a disclaimer of opinion on the subject matter, and a statement that if the practitioner had performed additional procedures, other matters might have come to the practitioner's attention that would have been reported;
- A statement of restrictions on the use of the report because it is intended to be used solely by the specified parties;
- Where applicable, reservations or restrictions concerning procedures or findings;
- Where applicable, a description of the nature of the assistance provided by a specialist;
- The manual or printed signature of the practitioner's firm and
- The date of the report.

## COMMON QUESTIONS AND ANSWERS

Q: Can an internal auditor of one member institution conduct the required independent audit for another member institution in the same state system?

A: Yes, provided the individual is an independent certified auditor and is not a staff member of that institution.

Q: Can a member institution seek an extension of the deadline for completion of the annual agreed-upon procedures?

A: No. NCAA legislation does not contain a provision under which the deadline may be extended or waived.

Q: Are agreed-upon procedures performed by the internal audit division of a state system of higher education considered independent?

A: Yes, since individuals who perform the work are employees of the state system reporting to the system's director of internal audits, provided the internal audit division performs the minimum agreed-upon procedures in a manner consistent with NCAA agreed-upon procedures for each institution.

Q: Are there specific sanctions for noncompliance of the agreed-upon procedures?

A: Failure to complete the required agreed-upon procedures during the period allotted would constitute a violation of NCAA Constitution 3.2.4.16. The institution would be subject to the Association's enforcement procedures and would need to contact the NCAA enforcement staff to report the circumstances of the violation, as well as any procedures the institution may have implemented to prevent a recurrence.

Q: How does a Division II institution satisfy the agreed-upon procedures requirement if the institution sponsors a sport(s) at the Division I level?

A: The NCAA Interpretations Committee determined during its June 30, 1993, conference call that a Division II member institution that sponsors a Division I sport(s) shall not be subject to agreed-upon procedures (Based on Division II legislative action August 2004) for the Division I sport(s). This interpretation supersedes the previous legislative staff interpretation of January 15, 1992.

- Q: Does an independent group or organization that does not constitute a booster organization by name only (e.g., alumni association, foundation) need to have its athletically related financial activities included in the institution's financial audit (i.e., tested by the auditor and reported to the institutional auditor)?
- A: Any agency or group of individuals (two or more) that has as its principal purpose the generation of moneys, goods or services for or on behalf of an intercollegiate athletics program should be included in the annual agreed-upon procedures.
- Q: Once affiliated and outside organizations (e.g., independent groups, affiliated foundations), such as those that do not fall under the purview of direct institutional oversight, are identified, how is their financial data to be included in the agreed-upon procedures?
- A: Either the organization's statements of revenues and expenses should be procured or, if audited independently of the institution, agreed-upon procedures and any reports to management related to the internal control structure need to be obtained and reviewed. Also, a schedule of expenses by the affiliated and/or outside organization for or on behalf of the institution's athletics program should be obtained and reconciled with the revenues recorded in the athletics program's accounting records.
- Q: What are the criteria used in compiling the total dollars generated for or on behalf of an athletics program?
- A: An institution must disclose in a footnote to the statement of athletics department revenues and expenses contributions from any outside source (not included as an agency, organization or group as indicated in the NCAA agreed-upon procedures in the section entitled "organization of intercollegiate athletics programs") that constitutes more than 10 percent of all contributions received (e.g., contributions by corporate sponsors). The source from which such funds are received also shall be disclosed in a footnote to the statement of revenues and expenses.
- Q: Is there a charge for additional copies of the agreed-upon procedures?
- A: No. The agreed-upon procedures no longer will be published as a cover-bound, typeset booklet, but may be obtained by contacting the compliance services staff. This will allow the information to be available to the membership and its auditors at no cost.
- Q: For an institution with a fiscal year-end which would preclude a timely report, how can an exception be granted to report on the most recent fiscal year that is completed?
- A: The institution should contact the NCAA Administrative Services group for guidance.

## **NCAA ON-LINE FINANCIAL REPORTING LINKS**

**To access the NCAA on-line financial reporting Website:**

[http://www.ncaa.org/wps/myportal/ncaahome?WCM\\_GLOBAL\\_CONTEXT=/ncaa/ncaa/about+the+ncaa/diversity+and+inclusion/gender+equity+and+title+ix/eada/index.html](http://www.ncaa.org/wps/myportal/ncaahome?WCM_GLOBAL_CONTEXT=/ncaa/ncaa/about+the+ncaa/diversity+and+inclusion/gender+equity+and+title+ix/eada/index.html)

**To access the agreed-upon procedures document:**

[http://www.ncaa.org/wps/wcm/myconnect/3e11ed004e0d6250bd0afd1ad6fc8b25/procedures\\_9\\_16\\_11.pdf?MOD=AJPERES&CACHEID=3e11ed004e0d6250bd0afd1ad6fc8b25](http://www.ncaa.org/wps/wcm/myconnect/3e11ed004e0d6250bd0afd1ad6fc8b25/procedures_9_16_11.pdf?MOD=AJPERES&CACHEID=3e11ed004e0d6250bd0afd1ad6fc8b25)

**To access the forms:**

<https://web1.ncaa.org/ncaaeada/ncaaeadalogin.jsp> (the forms)

**If you need a user name and password to access the NCAA reporting forms, please send an email to: [eadahelp@ncaa.org](mailto:eadahelp@ncaa.org)**