



Virginia Military Institute

Independent Accountant's Report on Applying Agreed-Upon Procedures Performed on the Intercollegiate Athletics Program as Required by NCAA Bylaw 20.2.4.17.1

Year Ended June 30, 2023



Virginia Military Institute
Intercollegiate Athletics Program
June 30, 2023

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Major General Cedric T. Wins, Superintendent
Virginia Military Institute
Lexington, Virginia
and
Commonwealth of Virginia Auditor of Public Accounts
and
Glenn Youngkin, Governor of Virginia
and
Members, Joint Legislative Audit and Review Commission

We have performed the procedures enumerated in Attachment B to this report to assist you in evaluating whether the Statement of Revenues and Expenses (Attachment A) of the Virginia Military Institute (Institution) and related notes are in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.17.1 as of and for the year ended June 30, 2023. The management of the Institution is responsible for compliance with the NCAA Bylaw 20.2.4.17.1.

The Institution has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining compliance with the NCAA Bylaw 20.2.4.17.1 as of and for the year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are described in Attachment B to this report.

We were engaged by the Institution to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the NCAA Bylaw 20.2.4.17.1. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Institution and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Institution, the Commonwealth of Virginia Auditor of Public Accounts, the Governor of Virginia, and the Members of the Joint Legislative Audit and Review Commission, and is not intended to be, and should not be, used by anyone other than these specified parties.

FORVIS, LLP

Louisville, Kentucky
February 14, 2024

Virginia Military Institute
Intercollegiate Athletics Program
Statement of Revenues and Expenses
Year Ended June 30, 2023

Attachment A

| | Football | Basketball | Other Sports | Non-Program Specific | Total |
|--|-----------------------|---------------------|-----------------------|----------------------|-----------------------|
| Operating Revenues | | | | | |
| Ticket sales | \$ 309,094 | \$ 40,809 | \$ 1,020 | \$ - | \$ 350,923 |
| Cadet fees | - | - | - | 6,084,096 | 6,084,096 |
| Direct institutional support | - | 14,116 | 84,263 | 197,500 | 295,879 |
| Guarantees | 380,000 | 255,000 | 19,700 | - | 654,700 |
| Contributions | 2,909,200 | 1,052,180 | 2,703,568 | 768,495 | 7,433,443 |
| NCAA distributions | - | - | - | 534,316 | 534,316 |
| Conference distributions (non-media and non-football bowl) | - | - | - | 317,556 | 317,556 |
| Royalties, licensing, advertisement and sponsorships | - | - | - | 139,137 | 139,137 |
| Other operating revenue | - | - | 86,160 | 141,940 | 228,100 |
| Total Operating Revenues | 3,598,294 | 1,362,105 | 2,894,711 | 8,183,040 | 16,038,150 |
| Operating Expenses | | | | | |
| Athletic student aid | 2,720,698 | 751,267 | 2,313,656 | 232,225 | 6,017,846 |
| Guarantees | - | 9,000 | - | - | 9,000 |
| Coaching salaries, benefits and bonuses paid by the Institution and related entities | 1,163,750 | 651,586 | 1,296,584 | - | 3,111,920 |
| Support staff/administrative compensation, benefits and bonuses paid by the Institution and related entities | - | 41,955 | - | 1,964,886 | 2,006,841 |
| Recruiting | 40,761 | 61,238 | 54,611 | - | 156,610 |
| Team travel | 236,804 | 283,433 | 870,585 | - | 1,390,822 |
| Sports equipment, uniforms, and supplies | 382,493 | 127,450 | 389,042 | 82,829 | 981,814 |
| Game expenses | 69,596 | 747 | 158,718 | 99 | 229,160 |
| Athletic facility leases and rental fees | - | - | - | 22,525 | 22,525 |
| Direct facilities maintenance | 61,152 | - | 410 | 336,390 | 397,952 |
| Indirect costs paid to the Institution by Athletics | - | - | - | 2,122,543 | 2,122,543 |
| Medical expenses and insurance | - | - | - | 129,011 | 129,011 |
| Memberships and dues | 8,691 | 5,263 | 47,552 | 76,347 | 137,853 |
| Other operating expenses | 46,363 | 207,067 | 71,333 | 862,156 | 1,186,919 |
| Total Operating Expenses | 4,730,308 | 2,139,006 | 5,202,491 | 5,829,011 | 17,900,816 |
| Excess (Deficiency) of Revenues Over (Under) Expenses | \$ (1,132,014) | \$ (776,901) | \$ (2,307,780) | \$ 2,354,029 | \$ (1,862,666) |
| Other Reporting Items | | | | | |
| Athletics-related debt | | | | \$ | 122,353 |
| Total institutional debt | | | | \$ | 22,893,400 |
| Value of Athletics-dedicated endowments | | | | \$ | 146,459 |
| Value of institutional endowments | | | | \$ | 693,916,012 |
| Total Athletics-related capital expenditures | | | | \$ | 1,381,899 |

Virginia Military Institute
Intercollegiate Athletics Program
Notes to Statement of Revenues and Expenses
June 30, 2023

Note 1: Basis of Presentation

The accompanying Statement of Revenues and Expenses (Statement) (Attachment A) has been prepared on the accrual basis of accounting. The purpose of the Statement is to present a summary of revenues and expenses of the Intercollegiate Athletics Program (Athletics) of the Virginia Military Institute (Institution) for the year ended June 30, 2023, using the accounting methods used by the Institution to monitor Athletics' activities. The Statement includes both those revenues and expenses for Athletics under the direct accounting control of the Institution and those on behalf of Athletics by outside organizations not under the Institution's accounting control. Because the Statement presents only a selected portion of the activities of the Institution, it is not intended to and does not present either the financial position, changes in financial position or changes in cash flows for the year ended June 30, 2023. Revenues and expenses directly identifiable with each category of sport presented are reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

Note 2: Affiliated Organizations

The Virginia Military Institute Keydet Club was established in 1948 for the purpose of raising contributions for scholarships to be awarded to athletes of the Institution. The Keydet Club contributed \$7,094,613 to the Institution for the year ended June 30, 2023. In addition, the Keydet Club contributed \$230,229 of property and equipment that is included in Athletics-related capital expenditures.

The Virginia Military Institute Alumni Agencies Board (Board) was established in 1978 by the Virginia Military Institute Alumni Association to implement a comprehensive development program and to coordinate the Institution's various fundraising activities. The Board provides support to the Institution from cash donations and income from its endowment. The Board contributed \$304,867 in restricted support and \$1,345 in student financial assistance to the Institution in support of Athletics during fiscal year 2023.

The Virginia Military Institute Foundation, Incorporated was established for the purpose of soliciting and accepting various funds and to disburse such funds, or income earned from those funds, for the advancement of the institution and the Virginia Military Institute Alumni Association. During the 2023 fiscal year, the Virginia Military Institute Foundation provided restricted funds of \$26,893 for athletic student financial aid.

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Note 3: Capital Assets

The Institution's policies and procedures for acquiring, approving, depreciating, and disposing of Athletics-related capital assets are the same for all of the Institution's capital assets.

Capital assets consisting of buildings, infrastructure, and equipment are stated at appraised historical cost or actual cost where determinable. Construction in progress (CIP) is capitalized at actual cost as expenses are incurred. All gifts of capital assets are recorded at acquisition value as of the date of donation.

Equipment is capitalized when the unit acquisition cost is \$5,000 or greater and the estimated useful life is one year or more. Renovation costs are capitalized when expenses total more than \$100,000, the asset value significantly increases, and the useful life is significantly extended. Routine repairs and maintenance are charged to operating expense in the year the expense is incurred.

Capital assets also include subscription-based software as defined under GASB Statement No. 96. The right-to-use assets are amortized straight-line over the lives of their related underlying agreements.

Depreciation is computed using the straight-line method over the useful life of the assets. The useful life is 50 years for buildings, 10 to 30 years for infrastructure and land improvements, and 5 to 25 years for equipment.

A summary of capital asset balances for Athletics at June 30, 2023, is as follows:

| | |
|---|---------------|
| Depreciable capital assets | |
| Buildings | \$ 34,091,311 |
| Improvements other than buildings | 3,011,023 |
| Equipment | 2,378,746 |
| Right-to-use leased assets | |
| Subscription-based software* | 144,898 |
| | <hr/> |
| Total depreciable capital assets at cost | 39,625,978 |
| | <hr/> |
| Less accumulated depreciation: | |
| Buildings | (11,803,032) |
| Improvements | (2,436,016) |
| Equipment | (954,666) |
| Right-to-use leased assets | |
| Subscription-based software* | (18,112) |
| | <hr/> |
| Total accumulated depreciation | (15,211,826) |
| | <hr/> |
| Total depreciable capital assets, net of accumulated depreciation | 24,414,152 |
| | <hr/> |
| Total capital assets for Athletics, net of accumulated depreciation | \$ 24,414,152 |
| | <hr/> |

*Implementation of GASB 96 – SBITAS during FY23

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Note 4: Administrative Cost Recoveries

The Commonwealth's Appropriation Act, Section 3-4-01 of Chapter 2 of the 2022 General Assembly Special Session, requires educational and general programs in institutions of higher education to recover the full indirect cost of auxiliary enterprise programs. For the year ended June 30, 2023, the Institution recovered from the Athletics \$1,024,471 of institutional support costs and \$1,098,072 for operation and maintenance of plant costs; both are reflected as a non-program, indirect cost expense within the indirect cost paid to the Institution by Athletics line item.

Note 5: Non-Revenue Funding Sources

Athletics used \$1,862,666 from Athletics reserves from previous years' surplus. This is not reflected as current year revenues to avoid double counting revenue recognized in previous years.

Note 6: Athletics-Related Debt

The Institution has Subscription-Based Information Technology Arrangements (SBITAs) with the following future principal and interest payments as of June 30, 2023:

| Year Ending | Principal | Interest |
|--------------------|-------------------|------------------|
| 2024 | \$ 14,225 | \$ 8,320 |
| 2025 | 15,192 | 7,353 |
| 2026 | 16,225 | 6,320 |
| 2027 | 17,329 | 5,216 |
| 2028 | 18,507 | 4,038 |
| Thereafter | 40,875 | 4,215 |
| | <u>\$ 122,353</u> | <u>\$ 35,462</u> |

Virginia Military Institute Intercollegiate Athletics Program Agreed-Upon Procedures June 30, 2023

Our procedures and findings are described as follows:

Internal Controls

1. We obtained an understanding of Virginia Military Institute's (Institution) internal control structure and those controls unique to the Intercollegiate Athletics Program (Athletics).

Affiliated and Outside Organizations

1. Athletics' management identified all related affiliated and outside organizations and provided us with copies of audited financial statements for each such organization for the reporting period.
2. Athletics' management prepared and provided to us a summary of revenues and expenses for or on behalf of the Institution's Athletics by affiliated and outside organizations included in the Statement of Revenues and Expenses (Statement) (Attachment A).
3. Athletics' management provided to us any additional reports regarding internal control matters identified during the audits of affiliated and outside organizations performed by independent public accountants. We were not made aware of any internal control findings.

Statement of Revenues and Expenses

1. We will obtain the Statement for the year ended June 30, 2023, as prepared by management. We will compare the revenues and expense amounts reported on the Statement to the supporting schedules prepared by management of the Institution for relevant revenue and expense categories which are greater than 4% of total operating revenues and operating expenses.

Results and Findings: No matters are reportable.

2. We will compare a sample of operating revenue receipts and operating expenses obtained from the above Statement to adequate supporting schedules.

Results and Findings: See procedures #4–#66.

3. We will compare each major revenue and expense category over 10% of the total revenues or expenses in the Statement to prior year amounts and current year budgeted amounts. We will obtain and document an understanding of any significant variances greater than 10% from prior year amounts or current year budget estimates.

Results and Findings:

Current year actual versus prior year actual:

- Contributions increased by approximately \$541,000 in 2023. This is due to the Keydet Club increasing the amount paid for scholarships for the current year by approximately \$112,000. In addition, Athletics requested funds for certain upgrades to the football weight room of which approximately \$43,000 consisted of small equipment and furniture that did not meet capitalization thresholds. Additional funds were also requested for the football weight room to cover additional maintenance and repair type items in the amount of approximately \$65,000. The residual increase was driven by a variety of increases,

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such as increases in coaches compensation, the men's and women's soccer program, additional travel expenses for the basketball program, and a campaign to be more competitive in the Institution's athletic programs labeled by the Institution as "compete to win."

- Indirect costs paid to the Institution by Athletics increased by \$1,410,312 in 2023. This is primarily attributed to Athletics now being responsible for 100% of their indirect cost for fiscal year 2023, whereas in fiscal year 2022 they were only responsible for a specified percentage of indirect costs.

We noted that the Institution does not prepare a budget by Statement line item; therefore, no procedures were performed

Ticket Sales

4. For football and men's basketball ticket revenue, we will compare the detail of tickets sold, complimentary tickets provided, and unsold tickets to the related revenue reported by the Institution in the Statement and the related attendance figures and recalculate totals.

Results and Findings: Statement line item was <4% of total revenues; therefore, no procedures were performed.

Cadet Fees

5. We will compare and agree cadet fees reported by the Institution in the Statement to student enrollments and recalculate totals.

Results and Findings: No matters are reportable.

6. We will obtain and document an understanding of the Institution's methodology for allocating cadet fees to Athletics and inquire of the Institution's management as to whether there were any significant changes from prior year.

Results and Findings: No matters are reportable.

7. If Athletics is reporting that an allocation of cadet fees should be countable as generated revenue, we will recalculate the totals of Athletics' methodology for supporting that they are able to count each sport. We will agree the calculation to supporting documents, such as seat manifests, ticket sales reports, and student fee totals.

Results and Findings: No matters are reportable.

Direct State or Other Governmental Support

8. We will compare the direct state or other governmental support recorded by the Institution during the reporting period with state appropriations, Institution authorizations, and/or other corroborative supporting documentation and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

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Direct Institutional Support

9. We will compare the direct institutional support recorded by the Institution during the reporting period with supporting budget transfers documentation and other corroborative supporting documentation and recalculate totals.

Results and Findings: Statement line item was <4% of total revenue; therefore, no procedures were performed.

Transfers Back to Institution

10. We will compare the transfers back to the Institution with permanent transfers back to the Institution from Athletics and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Indirect Institutional Support and Indirect Institutional Support – Athletic Facilities Debt Service Lease and Rental Fees

11. We will compare the indirect institutional support recorded by the Institution during the reporting period with expense payments, cost allocation detail, and other corroborative supporting documentation and recalculate totals.

Results and Findings: There were no revenues in these line items in the Statement; therefore, no procedures were performed.

Guarantees

12. We will select a sample of one settlement report for away games during the reporting period and agree the selection to the Institution's general ledger and/or the Statement and recalculate totals.

Results and Findings: No matters are reportable.

13. We will select a sample of one contractual agreement pertaining to revenues derived from guaranteed contests during the reporting period and compare and agree the selection to the Institution's general ledger and/or the Statement and recalculate totals.

Results and Findings: No matters are reportable.

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Contributions

14. We will obtain a listing of all contributions of money, goods, or services received directly by Athletics from any affiliated or outside organization, agency, or group of individuals (two or more). For any individual contributions greater than 10% of total contributions received, we will obtain and review supporting documentation and recalculate totals.

Results and Findings: Except for contributions received from the Virginia Military Institute Foundation, Virginia Military Institute Development Board and Virginia Military Institute Keydet Club, affiliated organizations, we noted no individual contribution which constituted more than 10% of total contributions received for Athletics. We agreed contributions from the Virginia Military Institute Foundation, Virginia Military Institute Development Board and Virginia Military Institute Keydet Club, which exceeded 10% of all contributions, and agreed them to supporting documentation without exception. Contributions received from the Virginia Military Foundation, Virginia Military Institute Development Board and Virginia Military Institute Keydet Club as disclosed in Note 2 totaled \$7,427,718 as compared to that reported in the VMI Alumni Agencies audited financial statements of \$7,456,134, a difference of \$28,416.

In-Kind

15. We will compare the in-kind revenue recorded by the Institution during the reporting period with a schedule of in-kind donations and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Compensation and Benefits Provided by a Third Party

16. We will obtain the summary of revenues from affiliated and outside organizations (Summary) as of the end of the reporting period from the Institution and select a sample of one item from the Summary and compare and agree the selection to supporting documentation, the Institution's general ledger, and/or the Summary and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Media Rights

17. We will obtain and inspect agreements to understand the Institution's total media rights received by the Institution or through its conference offices as reported in the Statement.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

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18. We will compare and agree the media rights revenues to a summary statement of all media rights identified, if applicable, and the Institution's general ledger and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

NCAA Distributions

19. We will compare the amounts recorded in the Statement to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculate totals.

Results and Findings: Statement line item was <4% of total revenues; therefore, no procedures were performed.

Conference Distributions and Conference Distributions of Football Bowl Generated Revenue

20. We will obtain and read agreements related to the Institution's conference distributions and participation in revenues from tournaments during the reporting period for relevant terms and conditions.

Results and Findings: Conference distributions line item was <4% of total revenues; therefore, no procedures were performed. There were no conference distributions of football bowl generated revenues; therefore, no procedures were performed.

21. We will compare and agree the related revenues to the Institution's general ledger and/or the Statement and recalculate totals.

Results and Findings: Conference distributions line item was <4% of total revenues; therefore, no procedures were performed. There were no conference distributions of football bowl generated revenues; therefore, no procedures were performed.

Program Sales, Concessions, Novelty Sales and Parking

22. We will obtain supporting schedules for revenue reported in the Statement from program sales, concessions, novelty sales, and parking and agree the amounts to the Statement and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Royalties, Licensing, Advertisement and Sponsorships

23. We will obtain and read 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.

Results and Findings: Statement line item was <4% of total revenues; therefore, no procedures were performed.

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24. We will compare and agree the related revenues to the Institution's general ledger, and/or the Statement and recalculate totals.

Results and Findings: Statement line item was <4% of total revenues; therefore, no procedures were performed.

Sports Camp Revenues

25. We will obtain and read sports camp contract(s) between the Institution and person(s) conducting Institution's sports camps or clinics during the reporting period to obtain an understanding of the Institution's methodology for recording revenues from sports camps.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

26. We will obtain schedules of camp participants and select a sample of one individual camp participant's cash receipts from the schedule of sports camp participants and agree the selection to the Institution's general ledger and/or the Statement and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Athletics-Restricted Endowment and Investment Income

27. We will obtain and read endowment agreements (if any) to gain an understanding of the relevant terms and conditions.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

28. We will 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 and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Other Operating Revenue

29. We will obtain support schedules for other revenue reported in the Statement and recalculate totals.

Results and Findings: Statement line item was <4% of total revenues; therefore, no procedures were performed.

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Football Bowl Revenues

30. We will obtain and read agreements related to the Institution's revenues from post-season football bowl participation during the reporting period to gain an understanding of the relevant terms and conditions.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

31. We will compare and agree the related revenues to the Institution's general ledger and/or Statements and recalculate totals.

Results and Findings: There were no revenues in this line item in the Statement; therefore, no procedures were performed.

Athletic Student Aid

32. We will select a sample of students (if the Institution used CA software, the sample is the lesser of 10% or 40 student-athlete recipients; if the Institution did not use CA software, the sample is the lesser of 20% or 60 student-athlete recipients) from the listing of student aid recipients during the reporting period.

Results and Findings: As the Institution uses the NCAA's compliance assistant (CA) software to prepare athletic aid detail, we selected a sample of the lesser of 10% or 40 of the total student-athletes (40 students) from the listing of the Institution's student aid recipients.

33. We will obtain individual student-account detail for each selection and compare total aid per the Institution's student information system to the student's detail in the Institution report that ties directly to the NCAA Membership Financial Reporting System.

Results and Findings: We obtained the individual student-account detail for each selection and compared total aid per the Institution's student information system (Colleague) to the amount reported for each student per the NCAA Membership Financial Reporting System (Squad List). For 40 students, a variance of \$800 per student was noted for aid awarded for digital materials and book fees, which is included in the Institution's general ledger. The Institution noted that this amount was not reflected within the student financial aid transmittal report in Colleague but was reported within the NCAA Squad List as these values represent a book value estimate per student, but actual values were paid directly to the vendor by the Institution.

34. We will compare information for each student selected to their information reported in the NCAA's CA software or the NCAA Squad List, using the following criteria:

- a. We will compare the equivalency value in the CA software for each student-athlete (rounded to two decimal places) to supporting documentation.
- b. We will note whether grants-in-aid were calculated by using the revenue distribution equivalencies by sport and in aggregate (Athletics' grant amount divided by the full grant amount).

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- c. We will note whether other expenses related to attendance (also known as gap money or cost of attendance) are excluded from grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board and course-related books were counted for grants-in-aid revenue distribution per Bylaw 20.02.10.
- d. We will note whether the grant amount represented the full cost of tuition for an academic year, rather than a semester.
- e. If an athlete participated in more than one sport, we will note whether the award was only included in one sport.
- f. We will note whether Athletics' grants were for sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.
- g. We will note whether grants-in-aid were for sports that meet the minimum contests and participants' requirements of Bylaw 20.10.6.3.
- h. We will note whether any of the selected items represented grants to student-athletes listed on the calculation of revenue distribution equivalencies report as "exhausted eligibility" or "medical."
- i. We will note whether any sports were discontinued during the fiscal year.
- j. We will note whether any of the student-athletes selected had exhausted their Athletics' eligibility.
- k. If a selected student received a Pell Grant, we will note whether the value of the grant was excluded from the calculation of equivalencies or the total dollar amount of student Athletics' aid expense for the University.
- l. If a student received a Pell Grant, we will compare the student's total grant to the total number and total value of Pell Grants reported for revenue distribution purposes in the NCAA Membership Financial Reporting System.

Results and Findings: No matters are reportable.

35. We will recalculate the detail amounts of athletic student aid and agree it to the total per the Statement. We will recalculate totals for each sport and overall.

Results and Findings: No matters are reportable.

Guarantees

36. We will obtain and inspect a sample of one visiting institution's away-game settlement reports received by the Institution during the reporting period and agree related expenses to the general ledger and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

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37. We will obtain and inspect a sample of one contractual agreement pertaining to expenses recorded by the Institution during the reporting period from guaranteed contests and agree related expenses to the general ledger and/or Statement and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

Coaching Salaries, Benefits and Bonuses Paid by the Institution and Related Entities

38. We will obtain and inspect a listing of coaches employed by the Institution and related entities during the reporting period and select a sample of coaches' contracts that will include football and men's and women's basketball from the above listing.

Results and Findings: No matters are reportable.

39. We will 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.

Results and Findings: No matters are reportable.

40. We will obtain and inspect payroll summary registers for the reporting year for each selection. We will compare and agree payroll summary registers from the reporting period 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.

Results and Findings: No matters are reportable.

41. We will compare and agree the totals recorded to any employment contracts executed for the sample selected and recalculate totals.

Results and Findings: No matters are reportable.

Coaching Other Compensation Paid by a Third Party

42. We will obtain and inspect a listing of coaches employed by third parties during the reporting period and select a sample of coaches' contracts that will include football and men's and women's basketball from the above listing.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

43. We will 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.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

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44. We will obtain and inspect payroll summary registers for the reporting year for each selection. We will compare and agree payroll summary registers from the reporting period to the coaching other compensation and benefits paid by third-party expenses recorded by the Institution in the Statement during the reporting period.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

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

45. We will select a sample of one support staff/administrative personnel employed by the Institution and related entities during the reporting period.

Results and Findings: No matters are reportable.

46. We will obtain and inspect the reporting period summary payroll register for each selection. We will compare and agree related summary payroll register 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 and recalculate totals.

Results and Findings: No matters are reportable.

Support Staff/Administrative Other Compensation Paid by a Third Party

47. We will select a sample of one support staff/administrative personnel employed by a third party during the reporting period.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

48. We will obtain and inspect reporting period summary payroll register for the selection. We will compare and agree the related summary payroll register to the related support staff/administrative other compensation paid by a third party expense recorded by the Institution in the Statement during the reporting period and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Severance Payments

49. We will select a sample of one employee receiving severance payments by the Institution during the reporting period and agree the severance payment to the related termination letter or employment contract and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

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Recruiting

50. We will obtain an understanding of the Institution's recruiting expense policies and compare to existing Institution and NCAA-related policies.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

51. We will obtain general ledger detail of recruiting expenses and compare to amounts reported in the Statement and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

Team Travel

52. We will obtain an understanding of the Institution's team travel policies and compare to existing Institution and NCAA-related policies.

Results and Findings: No matters are reportable.

53. We will obtain general ledger detail of team travel expenses and compare to amounts reported in the Statement and recalculate totals.

Results and Findings: No matters are reportable.

Equipment, Uniforms and Supplies

54. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: No matters are reportable.

Game Expenses

55. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

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Fundraising, Marketing and Promotion

56. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Sports Camps Expenses

57. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Spirit Groups

58. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

Athletic Facility Debt Service, and Athletics Facility Leases and Rental Fees

59. We will obtain a listing of debt service schedules, lease payments, and rental fees for Athletics' facilities and agree to the general ledger. We will compare a sample of facility payments including the top two highest facility payments, to additional supporting documentation and recalculate totals.

Results and Findings: There were no expenses in Athletics' facilities debt service line item in the Statement; therefore, no procedures were performed. Athletic facility leases and rental fees were <4%; therefore, no procedures were performed.

Direct Overhead and Administrative Expenses

60. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

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Indirect Costs Paid to the Institution by Athletics and Indirect Institutional Support

61. We will obtain general ledger detail and compare to supporting documentation.

Results and Findings: No matters are reportable for indirect costs paid to the Institution by Athletics. There was no indirect institutional support; therefore, no procedures were performed.

Medical Expenses and Insurance

62. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

Memberships and Dues

63. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: Statement line item was <4% of total expenses; therefore, no procedures were performed.

Other Operating Expenses

64. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: No matters are reportable for other operating expenses. There were no transfers to Institution; therefore, no procedures were performed.

Student-Athlete Meals

65. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in this line item in the Statement; therefore, no procedures were performed.

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Football Bowl Expenses and Football Bowl Expenses – Coaching Compensation/Bonuses

66. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction from the general ledger detail and vouch to supporting documentation and recalculate totals.

Results and Findings: There were no expenses in these line items in the Statement; therefore, no procedures were performed.

Additional Minimum Agreed-Upon Procedures

67. We will compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the supporting equivalency calculations of the Institution. We will compare current year grants-in-aid revenue distributions equivalencies to prior year reported equivalencies per the Membership Financial Report submission and note any variances greater than 4%.

Results and Findings: No matters are reportable.

68. We will obtain the Institution's Sports Sponsorship and Demographics Forms Report for the reporting year. We will validate that the countable sports reported by the Institution meet the minimum requirements set forth by Bylaw 20.10.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. Once countable sports have been confirmed, we will ensure that the Institution has properly reported these sports as countable for revenue distribution purposes within the NCAA Squad List. We will compare the current year number of sports sponsored to prior year reported total per the Membership Financial Report submission.

Results and Findings: We noted that Mixed Rifle was listed as a sponsored sport on the Institution's Squad List and Calculation of Revenue Distribution Equivalencies Report, but was listed on the NCAA Membership Financial Reporting System with no values for "Equivalencies Awarded by Your Institution" and "Amount in Dollars All Institutional Financial Aid Awarded by Your Institution."

69. We will agree the total number of Division I student-athletes who, during the academic year, received a Pell Grant award and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting system to a report, generated out of the Institution's financial aid system, of all student-athlete Pell Grants. We will compare the current year Pell Grants total to the prior year reported total per the Membership Financial Report submission and note any variance of student-athletes greater than 20 grants.

Results and Findings: No matters are reportable.

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Minimum Agreed-Upon Procedures for Other Reporting Items

Excess Transfers to the Institution and Conference Realignment Expenses

70. We will obtain general ledger detail and compare to the total expenses reported. We will select a sample of one transaction to agree to supporting documentation and recalculate totals.

Results and Findings: There were no excess transfers to the Institution or conference realignment expenses for the reporting period; therefore, no procedures were performed.

Total Athletics-Related Debt

71. We will obtain repayment schedules for all outstanding Athletics-related debt during the reporting period and recalculate annual maturities. We will agree the total annual maturities and total outstanding Athletics-related debt to supporting documentation and the general ledger.

Results and Findings: No matters are reportable.

Total Institutional Debt

72. We will agree the total outstanding debt of the Institution to supporting documentation and the Institution's financial statements.

Results and Findings: No matters are reportable. We noted that \$269,877 of GASB 87 leases and \$3,339,526 of GASB 96 leases should be included in the line item for total institutional debt, making total institutional debt equivalent to \$22,893,400. We do not consider this a finding.

Value of Athletics-Dedicated Endowments

73. We will obtain a schedule of all Athletics-dedicated endowments maintained by Athletics, the Institution and affiliate organizations. We will agree the fair market value in the schedule to supporting documentation and the general ledger.

Results and Findings: No matters are reportable.

Value of Institutional Endowments

74. We will agree the fair market value of the Institution's endowments to supporting documentation and the general ledger.

Results and Findings: No matters are reportable.

Total Athletics-Related Capital Expenditures

75. We will obtain a schedule of Athletics-related capital expenditures made by Athletics, the Institution and affiliated organizations during the reporting period.

Results and Findings: No matters are reportable.

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76. We will obtain general ledger detail and compare to the total expenses report. We will select a sample of one transaction and compare to supporting documentation and recalculate totals.

Results and Findings: No matters are reportable.