

**YOUNGSTOWN STATE UNIVERSITY  
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

**Independent Accountant's Report on  
Applying Agreed-Upon Procedures**

June 30, 2018





# Dave Yost • Auditor of State

Youngstown State University  
One University Plaza  
Youngstown, Ohio 44555

We have reviewed the *Independent Accountants Report in Applying Agreed-Upon Procedures* of the Youngstown State University NCAA Report, Mahoning County, prepared by Crowe LLP, for the period July 1, 2017 through June 30, 2018. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Youngstown State University is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

December 24, 2018

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YOUNGSTOWN STATE UNIVERSITY  
INTERCOLLEGIATE ATHLETICS DEPARTMENT  
Youngstown, Ohio

AGREED-UPON PROCEDURES  
REQUIRED BY THE NCAA  
June 30, 2018

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INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES


James M. Tressel, President  
Youngstown State University  
Youngstown, Ohio

We have performed the procedures enumerated below, which were agreed to by the President of Youngstown State University ("the University"), and the National Collegiate Athletic Association ("NCAA") solely to assist the specified parties in evaluating the University's compliance with the NCAA Constitution Article 3.2.4.16 during the year ended June 30, 2018. The University's management is responsible for the Schedule of Revenue and Expenses of intercollegiate athletics operations ("Schedule") and the Schedule's compliance with those requirements. 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 in the attached listing of procedures and findings either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and our findings are included in Attachment A.

This agreed-upon procedures engagement was conducted 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, the objective of which would be the expression of an opinion or conclusion on the compliance of the accompanying Schedule of Revenue and Expenses of Youngstown State University intercollegiate athletic programs with the NCAA Constitution Article 3.2.4.16. 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.

This report is intended solely for the information and use of the President of Youngstown State University and the NCAA and is not intended to be and should not be used by anyone other than these specified parties.



Crowe LLP

Columbus, Ohio  
December 5, 2018

Youngstown State University  
INTERCOLLEGIATE ATHLETICS DEPARTMENT  
SCHEDULE OF REVENUE AND EXPENSES  
For the Year Ended June 30, 2018  
(Unaudited)

ID	Item	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
Summary of Revenue:							
1	Ticket sales	\$ 423,286	\$ 126,490	\$ 11,011	\$ -	\$ -	\$ 560,787
2	Direct state or other government support	-	-	-	-	-	-
3	Student fees	-	-	-	-	-	-
4	Direct institutional support	-	-	-	-	12,150,977	12,150,977
5	Less transfers to institution	-	-	-	-	(32,500)	(32,500)
6	Indirect institutional support	-	-	-	-	-	-
7	Guarantees	500,000	410,000	18,000	-	-	928,000
8	Contributions	442,408	7,920	7,270	176,597	482,807	1,117,002
9	In-kind	-	-	-	1,343	5,000	6,343
10	Compensation and benefits provided by a third party	-	-	-	-	-	-
11	Media rights	-	-	-	-	-	-
12	NCAA distributions	177,936	42,905	44,325	418,533	401,886	1,085,585
13	Conference distributions	-	-	-	-	105,467	105,467
14	Program, novelty, parking and concession sales	206,047	899	80	-	-	207,026
15	Royalties, licensing, advertisements and sponsorships	333,220	155,750	-	-	145,364	634,334
16	Sports camp revenues	-	-	-	-	256,963	256,963
17	Athletics restricted endowment and investment income	-	-	-	-	2,507	2,507
18	Other operating revenue	-	-	12,176	90,185	167,632	269,993
19	Bowl revenues	-	-	-	-	-	-
20	Total operating revenue	<u>\$ 2,082,897</u>	<u>\$ 743,964</u>	<u>\$ 92,862</u>	<u>\$ 686,658</u>	<u>\$ 13,686,103</u>	<u>\$ 17,292,484</u>



Youngstown State University  
INTERCOLLEGIATE ATHLETICS DEPARTMENT  
SCHEDULE OF REVENUE AND EXPENSES  
For the Year Ended June 30, 2018  
(Unaudited)

ID	Item	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
Summary of Expenses:							
21	Athletic student aid	\$ 1,698,248	\$ 390,611	\$ 347,918	\$ 2,282,369	\$ 58,394	\$ 4,777,540
22	Guarantees	217,500	6,500	4,700	-	-	228,700
23	Coaching salaries, benefits, and bonuses paid by the University and related entities	1,261,772	674,532	455,441	1,163,401	-	3,555,146
24	Coaching salaries, benefits and bonuses paid by a third-party	-	-	-	-	-	-
25	Support staff/administrative compensation, benefits and bonuses paid by the University and related entities	-	-	-	-	2,979,056	2,979,056
26	Support staff/administrative compensation, benefits and bonuses paid by a third-party	-	-	-	-	-	-
27	Severance payments	-	-	-	-	-	-
28	Recruiting	134,469	102,822	63,869	81,801	-	382,961
29	Team travel	415,946	207,839	101,108	753,226	301	1,478,420
30	Equipment, uniforms and supplies	195,306	86,881	27,551	245,332	122,888	677,958
31	Game expenses	100,485	83,610	64,000	104,371	12,001	364,467
32	Fundraising, marketing and promotion	-	-	273	-	160,884	161,157
33	Sports camp expenses	-	-	-	-	132,750	132,750
34	Spirit groups	-	-	-	-	57,484	57,484
35	Athletic facilities debt service, leases and rental fees	-	-	-	50,690	385,733	436,423
36	Direct overhead and administrative expenses	-	-	-	-	527,910	527,910
37	Medical expenses and medical insurance	-	-	-	-	153,135	153,135
38	Memberships and dues	-	-	-	3,654	17,620	21,274
39	Other Operating Expenses and Transfers to Institution	57,181	24,284	24,719	36,578	779,214	921,976
40	Student-athlete meals (non-travel)	75,631	-	-	11,933	-	87,564
41	Bowl expenses	-	-	-	-	-	-
42	Total operating expenses	<u>4,156,538</u>	<u>1,577,079</u>	<u>1,089,579</u>	<u>4,733,355</u>	<u>5,387,370</u>	<u>16,943,921</u>
	Excess (deficiency) of revenue over (under) expenses	<u>\$ (2,073,641)</u>	<u>\$ (833,115)</u>	<u>\$ (996,717)</u>	<u>\$ (4,046,697)</u>	<u>\$ 8,298,733</u>	<u>\$ 348,563</u>

Prepared by Management of Youngstown State University

Youngstown State University  
Intercollegiate Athletics Department  
Notes to Schedule of Revenue and Expenses  
(Unaudited)  
For the Year Ended June 30, 2018

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The accompanying Schedule of Revenue and Expenses (the "Schedule") has been prepared on the accrual basis of accounting and is prepared in a manner which intends to report all activity of Youngstown State University (the "University") intercollegiate athletics program. Unrestricted revenue is recorded when earned and expenses are recorded when incurred. Restricted revenue is reported when expended rather than when received. The revenue and expenses have been classified on a basis consistent with the account structure of the University.

**Note A - Contributions**

NCAA requires disclosure of total contributions from a single donor in excess of 10% of total contributions. There were no contributions from a single donor that exceeded 10% of total contributions for fiscal year 2018.

**Note B - Capital Assets**

Capital assets are stated at cost or acquisition value at date of gift. Infrastructure assets are included in the financial statements and are depreciated. The University's capitalization threshold for equipment, furniture and vehicles is \$5,000; and for buildings, building improvements and improvements other than buildings is \$100,000. Land is capitalized regardless of cost. Library purchases are excluded from capitalization and expensed as purchased.

Depreciation (including amortization of capital leased assets) is computed using the straight-line method over the estimated useful life of the asset and is not included in the Schedule of Revenue and Expenses. Historical collections, including assets that are held for public exhibition, education, or research in furtherance of public service, which are protected and preserved, are not depreciated.

When capital assets are sold, or otherwise disposed of, the carrying value of such assets and any accumulated depreciation is removed from asset accounts and the net investment in capital assets. The costs of normal maintenance and repairs that do not add to the value of the capital asset or materially extend the capital asset's life are expensed when incurred. Estimated lives are as follows:

<u>Classification</u>	<u>Estimated Life</u>
Buildings	50 years
Improvements to buildings	10 to 50 years
Improvements other than buildings	15 years
Moveable equipment, furniture and vehicles	3 to 10 years

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(Continued)

Youngstown State University  
Intercollegiate Athletics Department  
Notes to Schedule of Revenue and Expenses  
(Unaudited)  
For the Year Ended June 30, 2018

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**Note C – Intercollegiate Athletics-Related Debt**

The annual debt service and debt outstanding for the Athletics-related facilities and University as of the year ended June 30, 2018 is as follows:

	<u>Annual Debt Service</u>	<u>Debt Outstanding</u>
Athletics - Related Facilities	\$ <u>385,733</u>	\$ <u>4,423,609</u>
Total University	\$ <u>7,865,244</u>	\$ <u>80,362,057</u>

Maturities of athletics-related debt and debt service for fiscal years subsequent to June 30, 2018 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 206,790	\$ 173,588	\$ 380,378
2020	213,309	166,715	380,024
2021	220,761	159,436	380,197
2022	228,213	151,724	379,937
2023	235,665	143,529	379,194
2024-2028	1,321,773	567,927	1,889,700
2029-2033	1,628,231	258,559	1,886,790
2034-2035	<u>368,867</u>	<u>7,887</u>	<u>376,754</u>
Total	\$ <u>4,423,609</u>	\$ <u>1,629,365</u>	\$ <u>6,052,974</u>

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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## **Procedures**

### Revenue Procedures

1. Before the commencement of fieldwork, determine that the amounts reported on the Schedule agree to the institution's general ledger. Recalculate totals.

*Results:* No exceptions to note.

2. Compare and agree each operating revenue category reported in the Schedule during the reporting period to supporting statements provided by the institution.

*Results:* No exceptions to note.

3. Compare and agree a haphazard sample of 5 operating revenue receipts obtained from the above operating revenue supporting statements to adequate supporting documentation (such as payment receipts, posting general and daily balancing report).

*Results:* Crowe performed specific revenue procedures detailed below for all categories that were equal to or greater than 4% of total revenues (Ticket Sales, Direct Institutional Support, Guarantees and Contributions, and NCAA Distributions). No other category exceeded this threshold, therefore, the procedures enumerated above were not applicable.

4. Compare each major revenue account over 10% of the total revenues to prior period amounts and budget estimates. Obtain and document an explanation of any significant variations over 10% from the prior year. Report the analysis as a supplement to the final agreed upon procedures report.

*Results:* Refer to Attachment B for results of procedures performed.

### Ticket Sales

5. 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 Schedule and the related attendance figures and recalculate totals.

*Results:* We agreed football ticket revenue per the performance sales and gate sales reports for all games to the general ledger, noting the reports were \$3,689 (.872% of football ticket revenues) higher than the June 30, 2018 general ledger. We agreed basketball ticket revenue per performance sales and gate sales reports for all games to the general ledger, no differences or concerns noted.

### Direct State or Other Governmental Support

6. 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 and recalculate totals.

*Results:* Management of the University informed us that there were no revenue from the state or other governmental support. The University does not record direct state or other governmental support on the Schedule. Therefore, the procedures enumerated above were not applicable.

### Student Fees

7. Compare and agree student fees reported by the institution in the Schedule for the reporting period to the student enrollments during the same reporting period and recalculate totals.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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*Results:* We were informed by management that Athletics does not receive student fees revenue. The University does not record student fees in the Schedule. Therefore, the procedures enumerated above are not applicable.

8. Obtain documentation of institution's methodology for allocating student fees to intercollegiate athletics programs.

*Results:* We were informed by management that Athletics does not receive student fees revenue. The University does not record student fees revenue in the Schedule. Therefore, the procedures enumerated above are not applicable.

9. If the athletics department is reporting that an allocation of student fees should be countable as generated revenue, recalculate the totals of their methodology for supporting that they are able to count each sport. Tie the calculation to supporting documents such as seat manifests, ticket sales reports and student fee totals.

*Results:* The procedures enumerated above are not applicable.

Direct Institutional Support

10. Compare the direct institutional support recorded by the institution during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculate totals.

*Results:* No exceptions to note.

Transfers Back to Institution

11. Compare the transfers back to institution with permanent transfers back to institution from the athletics department and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Indirect Institutional Support

12. 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:* Management indicated that there was no indirect institutional support received from the University during the year ended June 30, 2018, and as such, none was reported on the Schedule. Therefore, the procedures enumerated above were not applicable.

Guarantees

13. Select a haphazard sample of 5 settlement reports for away games during the reporting period and agree each selection to the institution's general ledger and/or the Schedule and recalculate totals.

*Results:* We were informed by management, settlement reports are not used by the University for away games. Therefore, the procedures enumerated above are not applicable.

14. Select a haphazard sample of 5 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 Schedule and recalculate totals.

*Results:* No exceptions to note.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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Contributions

15. Any contributions of moneys, goods or services received directly by an intercollegiate athletics program from 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 in aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting periods shall obtain and review supporting documentation for each contribution and recalculate totals.

*Results:* There were no individual contributions that exceeded 10% of total contributions. Therefore, the procedures enumerated above are not applicable.

In-Kind

16. Compare the in-kind recorded by the institution during the reporting period with a schedule of in-kind donations and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Compensation and Benefits Provided by a Third-Party

17. Obtain the summary of revenues from affiliated and outside organizations (the "Summary") as of the end of the reporting period from the institution and 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 Schedule and recalculate totals.

*Results:* Management of the University informed us that there was no revenue from affiliated and outside organizations provided to the coaching staff or certain support staff, and as such, none was reported on the Schedule. Therefore, the procedures enumerated above were not applicable.

Media Rights

18. Obtain and inspect agreements to understand the institution's total media (broadcast, television, radio) rights received by the institution or through their conference offices as reported in the Schedule.

*Results:* This procedure was not applicable in the current year as there were no broadcast, television or radio agreements. Therefore, the procedures enumerated above were not applicable.

19. Compare and agree the media right revenues to a summary statement of all media rights identified, if applicable, and the institution's general ledger and recalculate totals. Ledger totals may be different for total conference distributions if media rights are broken out separately.

*Results:* This procedure was not applicable in the current year as there were no broadcast, television, or radio revenues. Therefore, the procedures enumerated above were not applicable.

NCAA Distributions

20. Compare the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculate totals.

*Results:* No exceptions to note.

Conference Distributions

21. Obtain and inspect agreements related to the institution's conference distributions and participation in revenues from tournaments during the reporting period for relevant terms and conditions.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

22. Compare and agree the related revenues to the institution's general ledger, and/or the Schedule and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Program Sales, Concessions, Novelty Sales and Parking

23. Compare the amount recorded in the revenue reporting category to a general ledger detail of program sales, concessions, novelty sales and parking as well as any other corroborative supporting documents and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Royalties, Licensing, Advertisements and Sponsorships

24. Obtain and inspect agreements related to the institution's participation in revenues from royalties, licensing, advertisements and sponsorships during the reporting period for the relevant terms and conditions.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

25. Compare and agree the related revenues to the institution's general ledger and/or the Schedule and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Sports Camp Revenues

26. Inspect sports-camp contract(s) between the institution and person(s) conducting institutional sports-camps or clinics during the reporting period to obtain documentation of the institution's methodology for recording revenues from sports-camps.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

27. Obtain schedules of camp participants and 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 Schedule and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Athletics Restricted Endowment and Investment Income

28. Obtain and inspect endowment agreements (if any) for relevant terms and conditions.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

29. Compare and agree the classification and use of endowment and investment income reported in the Schedule during the reporting period to the uses of income defined within the related endowment agreement and recalculate totals.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Other Operating Revenue

30. Perform minimum agreed-upon procedures referenced for all revenue categories and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total revenues. Therefore, the procedures enumerated above were not applicable.

Bowl Revenues

31. Obtain and inspect agreements related to the institution's revenues from post-season bowl participation during the reporting period to gain an understanding of the relevant terms and conditions.

*Results:* We were informed by management, there were no revenues earned in the current year from bowls, and as such, none was reported on the Schedule. Therefore, the procedures enumerated above are not applicable.

32. Compare and agree the related revenues to the institution's general ledger and/or the Schedule and recalculate totals.

*Results:* The procedures enumerated above were not applicable.

\* \* \* \* \*

Expense Procedures

1. Before the commencement of fieldwork, determine that the amounts reported on the Schedule agree to the institution's general ledger. Recalculate totals.

*Results:* No exceptions to note.

2. Compare and agree each operating expense category reported in the Schedule during the reporting period to supporting schedules provided by the institution.

*Results:* No exceptions to note.

3. Compare and agree a haphazard sample of 5 operating expenses (or all if the population is less than 5) obtained from the above operating expense supporting schedules to adequate supporting documentation (such as completed expense reimbursement forms, copies of receipts and invoices).

*Results:* Crowe performed specific expense procedures detailed below for all categories that were equal to or greater than 4% of total expenses (Athletic Student Aid, Coaching Salaries, Benefits & Bonuses paid by the University and related entities, Support Staff/Administrative Salaries, Benefits & Bonuses paid by the University and related entities, Team Travel, Equipment, Uniforms & Supplies, Other Operating Expenses and Transfer to Institution). No other category exceeded this threshold, therefore, the procedures enumerated above were not applicable.

4. Compare and agree each major expense account over 10% of the total expenses to prior period amounts and budget estimates. Obtain and document an explanation of any significant variations (significant defined as 10% or more). Report the analysis as a supplement to the final agreed upon procedures report.

*Results:* Refer to Attachment B for results of procedures performed.

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(Continued)



Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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Athletic Student Aid

5. Select a sample of students (10% of the total student-athletes for institutions who have used NCAA's Compliance Assistant (CA) software to prepare athletic aid detail, with a maximum sample size of 40, and 20% of total student-athletes for institutions who have not, with a maximum sample size of 60) from the listing of institutional student aid recipients during the reporting period. Data should be captured by the institution through the creation of a squad/eligibility list for each sponsored sport.

*Results:* As the University uses the NCAA's Compliance Assistant software, we selected 40 of the 464 students receiving financial aid for testing.

6. Obtain individual student account detail for each selection and compare total aid in the institution's student system to the student's detail in CA or in the institution report that ties directly to the NCAA Membership Financial Reporting System.

*Results:* No exceptions to note.

7. Perform a check of each student selected to ensure their information was reported accurately in either the NCAA's Compliance Assistant software or entered directly into the NCAA Membership Financial Reporting System using the following criteria:

The equivalency value for each student-athlete in all sports, including head-count sports, needs to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the Calculation of Revenue Distribution Equivalencies Report (CRDE) from the NCAA Compliance Assistant (CA) as the numerator and the full grant amount which is the total cost for tuition, fees, course related books, room and board for an academic year as the denominator. If using the NCAA Compliance Assistant software, this equivalency value should already be calculated for you on that squad list labeled "Revenue Distribution Equivalent Award". If not using the NCAA Compliance Assistant Software, agree the numerator to the grant amount reported on the CRDE report and the denominator to a schedule of the total cost or tuition, fees, books, room and board for the academic year, and recalculate.

- a. *Criterion:* Grants-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate (Athletic grant amount dividend by the full grant amount).

*Procedure:* For each student selected, recalculate the grants-in-aid and compare to the CRDE report to determine any discrepancies.

*Results:* It was noted that one student had a total grant in aid amount of \$14,490.50 reported to the NCAA Compliance Assistance Software, but the correct amount should have been \$14,450.50. In addition it was noted that one student should have had a total grant in aid amount of \$17,781.98, but was reported as having \$17,756.98.

- b. *Criterion:* Other expenses related to attendance (also known as gap money or cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board, and course-related books are countable for grants-in-aid revenue distribution per Bylaw 20.02.07.

*Procedure:* For each student selected, observe that only tuition, fees, room, board, and course-related books are included in the grants-in-aid revenue distribution.

*Results:* No exceptions to note.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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*Criterion:* The full grant amount should be the full cost of tuition for an academic year, not semester.

*Procedure:* For each student selected, compare the grant amount shown to the cost of tuition as published the institution and determine whether it is for the full year, not a semester.

*Results:* No exceptions to note.

*Criterion:* Student-athletes are to be counted once and should not receive a revenue distribution equivalency greater than 1.00.

*Procedure:* For each selection, observe that the student-athlete was counted once and did not receive a revenue distribution equivalency greater than 1.00. If the student-athlete received a revenue distribution equivalency greater than 1.00, observe they have exhausted their eligibility or are inactive due to medical reasons.

*Results:* No exceptions to note.

- c. *Criterion:* Athletic grants are value for revenue distribution purposes only in sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.

*Procedure:* Obtain a list of NCAA championship competitions and emerging sports for women. For the students selected, compare the sports included within the calculations to those on the list and determine if there are any discrepancies.

*Results:* No exceptions to note.

- d. *Criterion:* Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contests and participants requirements of Bylaw 20.9.6.3.

*Procedure:* For each student selected, compare the Compliance Assistant CRDE report to the institution's general ledger scholarship detail. If a non-athlete student is noted, trace the dollar value of the student's athletic award into the Non-Program Specific column on the Schedule. Report any exceptions.

*Results:* No exceptions to note.

- e. *Criterion:* Institutions providing grants to student-athletes on the CRDE as 'Exhausted Eligibility (fifth year)' or "Medical" receive credit in the grants-in-aid component.

*Procedure:* If a student selected is included in the grants-in-aid calculation, obtain and observe letter(s) from the institution to the student communicating the status and determine that the student is properly flagged in the compliance software (if used). Obtain the grants-in-aid calculation and observe the student is included in the calculation.

*Results:* No exceptions to note.

- f. *Criterion:* The athletics aid equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed maximum limits due to exhausted eligibility and medical equivalencies (reference Bylaw 15.5.3.1).

*Procedure:* For each selection, observe that the student-athlete did not receive a revenue distribution equivalency greater than 1.00. If the student-athlete received a revenue distribution equivalency greater than 1.00, observe they have exhausted their eligibility or are inactive due to medical reasons.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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*Results:* No exceptions to note.

- g. Criterion:* If a sport is discontinued and the grant(s) are still being honored by the institution, the grant(s) may be included in student-athlete aid for revenue distribution purposes.

*Procedure:* For each selection, if the sport is not discontinued, this is not applicable. For any selections where the sport is discontinued and the institution has included the related grant for the student, observe documentation that the grant is still being honored by the institution.

*Results:* We were informed by management there were no discontinued sports in the current year. Therefore, the procedures enumerated above are not applicable.

- h. Criterion:* All equivalency calculations should be rounded to two decimal places.

*Procedure:* For each student selected, observe that calculations have two decimal points.

*Results:* No exceptions to note.

- i. Criterion:* Pell Grants are provided by the government, not the institution or athletics department, and therefore should be excluded in the calculation of equivalencies.

*Procedure:* If a selected student received a Pell Grant, observe that the value of the grant is not included in the calculation of equivalencies or the total dollar amount of student athletic aid expense for the institution.

*Results:* No exceptions to note.

- j. Criterion:* Student-athletes receiving a Pell Grant should be included in the total number of Pell Grants reported by the institution.

*Procedure:* If a selected student received a Pell Grant, observe that the student's grant was included in the total number and total dollar value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting System.

*Results:* No exceptions to note.

8. Recalculate totals for each sport and overall.

*Results:* We noted an unknown variance between the detailed listing of student aid expense and the NCAA reporting software of approximately \$47,600. This difference is 1.00% of the total student athletic aid. No further testing was performed.

Guarantees

9. Obtain and inspect visiting institution's 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 Schedule and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

10. Obtain and inspect all 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 the institution's general ledger and/or the Schedule and recalculate totals.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

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

11. Obtain and inspect a listing of coaches employed by the institution and related entities during the reporting period. Select a haphazard sample of 5 coaches' contracts that must include football, and men's and women's basketball from the listing.

*Results:* No exceptions to note.

12. 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 Schedule during the reporting period.

*Results:* No exceptions to note.

13. Obtain and inspect payroll summary registers for the reporting year for each selection. Compare and agree payroll 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 Schedule during the reporting period.

*Results:* No exceptions to note.

14. Compare and agree the totals recorded to any employment contracts executed for the sample selected and recalculate totals.

*Results:* No exceptions to note.

Coaching Other Compensation and Benefits Paid by a Third-Party

15. Obtain and inspect a listing of coaches employed by third parties during the reporting period. Select a haphazard sample of 5 coaches' contracts that must include football, and men's and women's basketball from the listing.

*Results:* We were informed by University management that no coaches were employed or otherwise compensated by third parties, and as such, none was recorded on the Schedule. Therefore, the procedures enumerated above were not applicable.

16. Compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses paid by a third party and recorded by the institution in the Schedule during the reporting period.

*Results:* The procedures enumerated above were not applicable.

17. Obtain and inspect payroll summary registers for the reporting year for each selection. Compare and agree payroll summary register to the coaching other compensation and benefits paid by a third party expenses recorded by the Institution in the Schedule during the reporting period and recalculate totals.

*Results:* The procedures enumerated above were not applicable.

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

18. Select a haphazard sample 5 (or all if fewer than 5) support staff/administrative personnel employed by the institution and related entities during the reporting period.

*Results:* No exceptions to note.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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19. Obtain and inspect the reporting period summary payroll register for each selection. Compare and agree related reporting period payroll summary registers to the related support/staff administrative salaries, benefits and bonuses paid by the institution and related entities expense recorded by the institution in the Schedule during the reporting period and recalculate totals.

*Results:* No exceptions to note.

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

20. Select a haphazard sample of 5 (or all if fewer than 5) support staff/administrative personnel employed by the third parties during the reporting period.

*Results:* We were informed by University management that no support or administrative staff was employed or otherwise compensated by third parties, and as such, none was reported on the Schedule. Therefore, the procedures enumerated above were not applicable.

21. Obtain and inspect reporting period payroll summary registers for each selection. Compare and agree related reporting period payroll summary registers to the related support/staff administrative other compensation and benefits expense recorded by the institution in the Schedule during the reporting period and recalculate totals.

*Results:* The procedures enumerated above were not applicable.

Severance Payments

22. Select a haphazard sample of 5 employees (or all if fewer than 5) receiving severance payments by the institution during the reporting period and agree each severance payment to the related termination letter or employment contract and recalculate totals.

*Results:* We were informed by University management that there were no severance payments for the year ended June 30, 2018, and as such, none were reported on the Schedule. Therefore, the procedures enumerated above were not applicable.

Recruiting

23. Obtain documentation of the Institution's recruiting expense policies.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

24. Compare and agree to existing institutional and NCAA-related policies.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

25. Obtain general ledger detail and compare to the total expenses reported and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Team Travel

26. Obtain documentation of the Institution's team travel policies.

*Results:* We obtained the University's 2017-2018 Operations Manual, which includes the most up to date travel expenses policy.

27. Compare and agree to existing institutional and NCAA-related policies.

*Results:* No exceptions to note.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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28. Obtain general ledger detail and compare to the total expenses reported and recalculate totals.

*Results:* No exceptions to note.

Equipment, Uniforms and Supplies

29. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* No exceptions to note.

Games Expenses

30. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Fund Raising, Marketing and Promotion

31. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Sports Camp Expenses

32. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Spirit Groups

33. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Athletic Facility Debt Service, Leases and Rental Fees

34. Obtain a listing of debt service schedules, lease payments and rental fees for athletics facilities for the reporting year. Compare a sample of 5 facility payments including the top two highest facility payments and an additional 3 haphazardly selected payments to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements).

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

35. Compare amounts recorded to amounts listed in the general ledger detail and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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Direct Overhead and Administrative Expenses

36. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if less than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Medical Expenses and Medical Insurance

37. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Memberships and Dues

38. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Other Operating Expenses and Transfers to Institution

39. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* No exceptions to note.

Student-Athlete Meals (non-travel)

40. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Bowl Expenses

41. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* We were informed by management that Athletics did not expend any monies on bowl expenses in the current year, and as such, none were recorded on the Schedule. Therefore, the procedure enumerated above is not applicable.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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Additional Minimum Agreed-Upon Procedures

1. For Grants-in-Aid: Compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA or equivalent from the institution. The NCAA Membership Financial Reporting System populates the sports from the NCAA Membership Database as they are reported by the institution. If there is a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE or equivalent supporting equivalency calculations, inquire about the discrepancy and report the reason for the discrepancy in the AUP report.

*Results:* We noted a discrepancy between the NCAA Membership Financial Reporting System and the Calculation of Revenue Distribution Equivalencies Report (CRDE) due to report timing differences between the two systems. We noted the CRDE report was updated subsequent to the report deadline for the NCAA Membership Financial Reporting System which resulted in a difference of approximately \$21,000, which is .39% of the total Athletic Grant Aid on the CRDE report.

2. For Sports Sponsorship: Obtain the institution's Sports Sponsorship and Demographics Forms Report for the reporting year. Compare that the countable sports reported by the institution on the report meet the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum-contest requirement. Post season contests are not countable toward the contest requirements; regular season only. If the institution requested and/or received a waiver related to minimum contests or minimum participants for a particular sport, that sport would not qualify as a sponsored sport for the purposes of revenue distribution. Also, only sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football are eligible. Once countable sports have been validated, ensure that the institution has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. Note: Any discrepancies MUST be resolved within the NCAA Membership Financial Reporting System prior to the report being submitted to the NCAA.

*Results:* No exceptions to note.

3. For Pell Grants: Agree the total number of Division I student-athletes who, during the academic year, received a Pell Grant award (e.g. Pell Grant recipients on Full Grant-in- Aid, Pell Grant recipients on Partial Grants-in-Aid and Pell Grant recipients with no Grants-in-Aid) and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the institutions financial aid records, of all student-athlete Pell Grants. Note: individual student-aid file testing in step 8 above should tie any selected student athletes who received Pell Grants back to the report of all student athlete Pell Grants to test the completeness and accuracy of the report.

*Results:* It was noted that one student received a Pell award of \$5,920, but was not reported to the NCAA Membership Financial Reporting System. It was also noted that one student had reported Pell of \$5,180 for the Fall and Spring semesters, but the full award amount of \$5,920 was reported to the NCAA Membership Financial Reporting System incorrectly. Additionally it was noted that one student was reported to the NCAA Membership Reporting System as having \$2,474 of Pell aid for the year, but actually received \$1,370 for the academic year. Finally, it was noted that one student received \$4,170 of Pell aid for the year, but \$5,706 was reported to the NCAA Membership Financial Reporting System.

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(Continued)



Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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Minimum Agreed-Upon Procedures Program for Other Reporting Items

1. Following is a complete listing of the minimum agreed-upon procedures for other reporting items, by category, to be performed to the Schedule. Before the commencement of fieldwork, determine that the amounts reported on the Schedule agree to the institution's general ledger. Recalculate totals.

*Results:* No exceptions to note.

Excess Transfers to Institution and Conference Realignment

2. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* This procedure was not applicable in the current year as this category was less than 4% of the total expenses. Therefore, the procedures enumerated above were not applicable.

Total Athletics Related Debt

3. Obtain repayment schedules for all outstanding intercollegiate athletics debt during the reporting period. Recalculate annual maturities (consisting of principal and interest) provided in the schedules obtained.

*Results:* No exceptions to note. See schedule C for more information.

4. Agree the total annual maturities and total outstanding athletic debt related to supporting documentation and the institution's general ledger, as applicable.

*Results:* No exceptions to note. See schedule C for more information.

Total Institutional Debt

5. Agree the total outstanding institutional debt to the detail listing provided by the institution and the institution's audited financial statements, if available, or the institution's general ledger.

*Results:* No exceptions to note. See schedule C for more information.

Value of Athletics Dedicated Endowments

6. Obtain a schedule of all athletics dedicated endowments maintained by athletics, the institution, and affiliated organizations. Agree the fair value in the schedule(s) to supporting documentation, the general ledger(s) and audited financial statements, if available.

*Results:* We obtained the University's schedule of all athletics dedicated endowments maintained athletics, the institution, and affiliated organizations. No exceptions to note.

Value of Institutional Endowments

7. Agree the total fair market value of institutional endowments to supporting documentation, the institution's general ledger and/or audited financial statements, if available.

*Results:* No exceptions to note.

Total Athletics Related Capital Expenditures

8. Obtain a schedule of athletics related capital expenditures made by athletics, the institution, and affiliated organizations during the reporting period.

*Results:* We obtained the University's schedule of athletics related capital expenditures made by athletics, the institution, and affiliated organizations during fiscal year 2018.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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9. Obtain general ledger detail and compare to the total expenses reported. Select a haphazard sample of 5 transactions (or all if fewer than 5) to validate existence of transaction and accuracy of recording and recalculate totals.

*Results:* No exceptions to note.

\* \* \* \* \*

Minimum Agreed Upon Procedures for Affiliated and Outside Organizations

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.

*Results:* We obtained the list of outside programs and related financial activities for the year ended June 30, 2018, which is included within Attachment D of this report. Management represented that the Penguin Club, was the only "outside organization" which had expenses for or on behalf of the University's Intercollegiate Athlete Program.

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).

*Results:* We received the reviewed financial statements of the Penguin Club for the year ended June 30, 2018, which reflected that no material modifications to the financial statements were required. There were no comments noted concerning internal control structure.

3. Compare and agree a sample of operating revenues categories reported in the organization's schedule during the reporting period to supporting schedules provided by the confirmation.

*Results:* We agreed the Penguin Club's revenue and expenses included within Attachment D to a confirmation obtained directly from the Penguin Club, noting no exceptions.

4. Compare and agree a sample of 5 operating revenue receipts obtain from the above operating revenue schedule to adequate supporting documentation

*Results:* No exceptions to note.

5. Compare and agree each operating expense category reported in the organization's schedule during the reporting period to supporting schedules provided by the organization.

*Results:* No exceptions to note.

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(Continued)

Youngstown State University  
NCAA AUP REVENUE AND EXPENSE PROCEDURES  
June 30, 2018  
Attachment A

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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6. Compare and agree a sample of 5 operating expenses obtained from the above operating expense supporting schedules to adequate supporting documentation.

*Results:* No exceptions to note.

7. Directly confirm cash balances recorded at the end of the reporting period by the organization and review the related year-end bank reconciliation(s)

*Results:* No exceptions to note.

8. Obtain and inspect minutes of the organizations' governing bodies during the reporting period

*Results:* We inspected the minutes of the University during the reporting period and noted no exceptions to report.

9. Select a sample of financial transactions discuss in the minutes and compare and agree each selection to the organizations' accounting records, as applicable

*Results:* No such transactions noted in the minutes. Therefore, the procedures enumerated above are not applicable.

10. Obtain documentation of the internal controls in place surrounding revenues and expenses related to the organization.

*Procedure:* The University receives a review report from an external accountant that expresses limited assurance that there was no material modification that should be made to the annual financial statements of the Penguin Club for them to be in conformity with accounting principles generally accepted in the United States of America.

*Results:* No exceptions to note.

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Youngstown State University  
NCAA AUP YEAR OVER YEAR ANALYTICAL COMPARISON  
June 30, 2018  
Attachment B

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

Operating Revenue:	6/30/2018 <u>Total</u>	6/30/2017 <u>Total</u>	Year-over-Year Variations <u>Totals</u>	
			<u>\$ Diff</u>	<u>% Diff</u>
Ticket Sales	\$ 560,787	\$ 775,803	\$ (215,016)	(27.7)%
Direct State or Other Government Support	-	-	-	0%
Student Fees	-	-	-	0%
Direct Institutional Support	12,150,977	11,929,020	221,957	1.9%
Less Transfers to Institution	(32,500)	-	(32,500)	0%
Indirect Institutional Support	-	-	-	0%
Guarantees	928,000	717,000	211,000	29.4%
Contributions	1,117,002	1,123,256	(6,254)	(0.6)%
In-Kind	6,343	622	5,721	919.8%
Compensation and Benefits Provided by Third Party	-	-	-	0%
Media Rights	-	3,307	(3,307)	(100)%
NCAA Distributions	1,085,585	1,520,789	(435,024)	(28.6)%
Conference Distributions	105,467	-	105,467	0%
Program, Novelty, Parking, and Concessions Sales	207,026	222,261	(15,235)	(6.9)%
Royalties, Licensing, Advertisement and Sponsorships	634,334	549,854	84,480	15.4%
Sports Camp Revenue	256,963	313,928	(56,965)	(18.1)%
Athletics Restricted Endowment and Investment Income	2,507	2,453	54	2.2%
Other Operating Revenue	269,993	305,395	(35,402)	(11.6)%
Bowl Revenues	-	-	-	
<b>Total Operating Revenue</b>	<b><u>\$ 17,292,484</u></b>	<b><u>\$ 17,463,688</u></b>	<b><u>\$ (171,204)</u></b>	

Note: There were no revenue accounts that made up 10% of total revenues that had a change greater than 10% from prior year to current year. There were no revenue accounts that made up 10% of total revenues that had a change greater than 10% between budgeted and actual amounts.

(Continued)

Youngstown State University  
 NCAA AUP YEAR OVER YEAR ANALYTICAL COMPARISON  
 June 30, 2018  
 Attachment B

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

Operating Expenditures:	6/30/2018 <u>Total</u>	6/30/2017 <u>Total</u>	Year-over-Year Variations <u>Totals</u>	
			<u>\$ Diff</u>	<u>% Diff</u>
Athletic Student Aid	\$ 4,777,540	\$ 4,674,389	\$ 103,151	2.2%
Guarantees	228,700	196,000	32,700	16.7%
Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities	3,555,146	3,455,294	99,852	2.9%
Coaching Salaries, Benefits and Bonuses paid by a third party	-	-	-	0%
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by University and Related Entities	2,979,056	2,678,939	300,117	11.2%
Support Staff/Administrative Compensation, Benefits and Bonuses paid by Third Party	-	-	-	0%
Severance Payments	-	-	-	0%
Recruiting	382,961	356,380	26,581	7.5%
Team Travel	1,478,420	1,643,286	(164,866)	(10.0)%
Equipment, Uniforms and Supplies	677,958	669,312	8,646	1.3%
Game Expenses	364,467	649,831	(285,364)	(43.9)%
Fund Raising, Marketing and Promotion	161,157	135,947	25,210	18.5%
Sports Camp Expenses	132,750	174,904	(42,154)	(24.1)%
Spirit Groups	57,484	81,680	(24,196)	(29.6)%
Athletic Facilities Debt Service, Leases and Rental Fees	436,423	454,121	(17,698)	(3.9)%
Direct Overhead and Administrative Expenses	527,910	232,639	295,271	126.9%
Indirect Institutional Support	-	-	-	0%
Medical Expenses and Medical Insurance	153,135	76,062	77,073	101.3%
Membership Dues	21,274	22,179	(905)	(4.1)%
Other Operating Expenses and Transfers to Institution	921,976	979,255	(57,279)	(5.8)%
Student-Athlete Meals (non-travel)	87,564	68,421	19,143	28.0%
Bowl Expenses	-	-	-	0%
<b>Total Operating Expenses</b>	<b>\$ 16,943,921</b>	<b>\$ 16,548,639</b>	<b>\$ 395,282</b>	

There is 1 expense line item on the Schedule of Revenues and Expenses that account over 10% of the total expenses identified above: Support Staff/Administrative Salaries, Benefits & Bonuses paid by the University. Below is management's explanation of significant variances in this line:

(Continued)

Youngstown State University  
NCAA AUP YEAR OVER YEAR ANALYTICAL COMPARISON  
June 30, 2018  
Attachment B

**If a specific reporting category is omitted from the schedule or it is less than 4% of the total revenue or expenses, the procedure is not deemed to be applicable for that specific category.**

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- Support Staff/Administrative Salaries, Benefits & Bonuses paid by the University is greater than 10% of total expenses, and the fluctuation between current year and prior year is greater than 10% due to new positions within the University being created in the current year.
- Coaching Salaries, Benefits, & Bonuses paid by the University and related entities are greater than 10% of total expenses, and fluctuations between current year actual and current year budgeted amounts are due to the University's budgeting process for this category. Currently, non-coaching positions are budgeted under the Coaching Salaries, Benefits, & Bonuses paid by the University and related entities category, however, a reclassification to Support Staff/Administrative Salaries, Benefits, & Bonuses paid by the University and related entities category is recorded to appropriately reflect those positions in the Statement.

Youngstown State University  
OTHER REPORTING ITEMS  
June 30, 2018  
Attachment C

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Other Reporting Items

Total Athletics Related Debt	\$	4,423,609
Total Institutional Related Debt		80,362,057
Value of Athletics Dedicated Endowments		56,891
Value of Institutional Endowments		9,566,055
Total Athletics Related Capital Expenditures		64,543

Youngstown State University  
 SCHEDULE OF FINANCIAL ACTIVITIES OF THE PENGUIN CLUB, INC.  
 June 30, 2018  
 Attachment D

<u>Booster Organization</u>	<u>Beginning Net Assets</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Ending Net Assets</u>
The Penguin Club, Inc.	\$ <u>2,143,997</u>	\$ <u>1,608,334</u>	\$ <u>1,876,338</u>	\$ <u>1,875,993</u>

Expense Detail

General fund of Youngstown State University	\$ 248,516
Century Kingbird Tickets	157,406
Contribution to the East Side	200,000
Membership Drive Expense	10,004
Scholarship awards	17,444
Sports banquets and scholars' recognition dinner	8,733
Athletic awards	14,480
Executive Director's expenses	2,721
Expenses paid on behalf of the Program	927,114
Fund Raising Expenses	129,077
Other Expenses	<u>160,843</u>
 Total	 <u>\$ 1,876,338</u>





# Dave Yost • Auditor of State

YOUNGSTOWN STATE UNIVERSITY - NCAA

MAHONING COUNTY

## CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
JANUARY 3, 2019