
Bowling Green State University

Agreed-upon Procedures Report

June 30, 2020

OHIO AUDITOR OF STATE
KEITH FABER



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We have reviewed the *Independent Accountant's Report on the Application of Agreed-upon Procedures* of the Bowling Green State University NCAA Report, Wood County, prepared by Plante & Moran, PLLC, for the period July 1, 2019 through June 30, 2020. 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 Bowling Green State University is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

November 30, 2020

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Independent Accountant's Report on Applying Agreed-upon Procedures	1-11
Intercollegiate Athletics Program Statement of Revenues and Expenses	12
Notes to Intercollegiate Athletics Program Statement of Revenues and Expenses	13-14
Appendix A	15-16

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Independent Accountant's Report
 on Applying Agreed-upon Procedures

To Dr. Rodney Rogers, Ph.D.
 Bowling Green State University

We have performed the procedures enumerated below, which were agreed to by the president of Bowling Green State University (the "Institution"), solely to assist you in evaluating whether the accompanying intercollegiate athletics program statement of revenues and expenses (the "Statement") of Bowling Green State University is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 for the year ended June 30, 2020. Bowling Green State University's management is responsible for the Statement and the Statement'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 below, either for the purpose for which this report has been requested or for any other purpose.

Agreed-upon Procedures Related to the Statement of Revenues and Expenses

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

Internal Control Structure

A. Related to the Institution's internal control structure:

- 1) We discussed with Jim Elsasser, associate athletic director for internal affairs, and inquired about the general control environment over intercollegiate athletic finances, the level of control consciousness in the Institution, the competence of personnel, and the protection of records and equipment.
- 2) We obtained the Institution's audited financial statements for the year ended June 30, 2020 and any additional reports regarding internal controls, as well as any corrective action taken in response to comments concerning the internal control structure.
- 3) We obtained any documentation of the accounting systems and procedures unique to the intercollegiate athletics department.
- 4) Cash disbursements and athletic employee payroll are addressed in connection with the audit of the Institution's financial statements. The ticket sale control environment and accounting systems are (a) unique to the intercollegiate athletics and (b) have not been addressed in connection with the audit of the Institution's financial statements. We performed the following procedure:

Procedure: We planned to select one game and test the ticket collection receipting process; however, due to the layout of the general ledger detail, management requested that we select a sample of one ticket sales transaction (instead of an entire game) and test the ticket collection receipting process by comparing the total receipts for the transaction selected to the reconciliation and documentation of the related cash deposit amount with the bank.

Result: We noted no exceptions. The receipts were agreed to remittance advices or copies of checks and to the deposit amount with the business office and bank, respectively.

The ticket cash receipt amount for the one transaction was as follows:

Date	Description	Amount
December 6, 2019	Men's Hockey - Door/Gate Receipt	\$ 30,761

NCAA Reporting

B. Procedure: We planned to obtain the information submitted to the NCAA, including the financial data detailing operating revenues, expenses, and capital related to the Institution’s intercollegiate athletics program that was submitted to the NCAA and agreed the amounts to the Statement included in the agreed-upon procedures for the reporting period; however, due to the delay of EADA reporting, we obtained a draft of the report to be submitted.

Result: We reviewed a draft of the report to be submitted, noting no discrepancies. Management represents the report will be submitted as reviewed by the due date of January 15, 2021.

C. Procedure for Grants-in-Aid: We agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from JumpForward, the Compliance Assistant (CA) equivalent system used by the Institution. The NCAA Membership Financial Reporting System populates the sports from the NCAA Sports Sponsorship and Demographics Form as they are reported by the Institution. We compared current year Grants-in-Aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission. We inquired and documented an explanation for any variance greater than +/- 4%. There were no discrepancies in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE. See below for procedures performed:

	Revenue Distribution		Change	% Change	Explanation of Variance per Elizabeth LeMaster
	2019-2020 Total	2018-2019 Total			
Grants-in-aid - Sport					
Men's Baseball	9.33	9.58	-0.25	-2.61%	N/A
Men's Basketball	11.47	11.29	0.18	1.59%	N/A
Men's Cross Country	0.53	0.90	-0.37	-41.11%	The Institution does not fund men's cross country scholarships from the athletic department budget. Any scholarships awarded for this sport are based on fundraising and donor gifts to the program's scholarship fund. This will cause the amount of scholarships awarded to vary each year.
Men's Football	63.1	74.17	-11.07	-14.93%	More football student-athletes received academic scholarships, which reduces the amount of athletic grants-in-aid. Also, due to coaching change, several student athletes chose to leave the team and transfer.
Men's Golf	2.73	2.26	0.47	20.80%	Men's golf typically did not use its full budget allocation for grants-in-aid prior to the 2019-2020 AY.
Men's Ice Hockey	17.29	17.18	0.11	0.64%	N/A
Men's Soccer	8.38	7.42	0.96	12.94%	Men's soccer used donor funding in 2019-2020 to increase its scholarship budget. The amount available varies each year based on gifts from donors
Women's Basketball	12.82	12.86	-0.04	-0.31%	N/A
Women's Cross Country	-	-	-	0.00%	N/A
Women's Golf	3.71	4.13	-0.42	-10.17%	One student decided to transfer and was not replaced.
Women's Gymnastics	8.56	9.38	-0.82	-8.74%	Two student-athletes left the team and BGSU midyear.
Women's Soccer	12.35	12.56	-0.21	-1.67%	N/A
Women's Softball	7.55	8.5	-0.95	-11.18%	Since the season was canceled in March, no midyear transfers were added (which typically happened in prior years). Also, typically the coach increases grants-in-aid for continuing student-athletes midyear, which did not happen, as she was holding funds to be used in 2020-2021 due to the extension of the eligibility of seniors who would have been finished with their eligibility in 2019-2020 and will need an additional year of scholarship funding.
Women's Swimming and Diving	9.11	9.44	-0.33	-3.50%	N/A
Women's Tennis	5.13	5.24	-0.11	-2.10%	N/A
Women's Track and Field	11.92	12.83	-0.91	-7.09%	Two student-athletes left the team and BGSU midyear. Also, typically the coach increases GIA for continuing student-athletes midyear, which did not happen, as she was holding funds to be used in 2020-2021 due to the extension of the eligibility of seniors who would have been finished with their eligibility in 2019-2020 and will need an additional year of scholarship funding.
Women's Volleyball	9.4	10.16	-0.76	-7.48%	One student decided to transfer and was not replaced, which left one full scholarship unused.

Result: We noted the above variances greater than +/- 4% and noted the explanation provided by Elizabeth LeMaster, director of athletic aid. We also noted there were no discrepancies in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE.

To Dr. Rodney Rogers, Ph.D.
Bowling Green State University

D. **Procedure for Sports Sponsorship:** We obtained the Institution's Sports Sponsorship and Demographics Form report for the reporting year. We validated that the countable sports reported by the Institution meet the minimum requirements set forth in Bylaw 20.9.6.3 related to the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. We compared current year number of sports sponsored to the prior year reported total per the Membership Financial Report submission.

Result: We noted no exceptions except for spring sports that did not meet the minimum contest requirements due to the shortened season caused by the COVID-19 global pandemic.

E. **Procedure for Pell Grants:** We agreed 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 athletic aid, Pell Grant recipients on partial athletic aid, and Pell Grant recipients with no athletic aid) and the total dollar amount of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the Institution's financial aid records, of all student-athlete Pell Grants. We compared current year total Pell Grants total to the prior year reported total per the Membership Financial Report submission. We inquired and documented an explanation for any variance greater than +/- 20 grants.

Result: We noted no exceptions. We noted the total Pell Grants in the prior and current year were 93 and 88, respectively. The variance in Pell Grants was less than +/- 20; therefore, no inquiry was made.

Notes, Disclosures, and Other Procedures

F. **Athletics-Related Capital Assets and Expenditures Procedure:** We obtained and described the Institution's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets in Note 2. We obtained a schedule of athletics-related capital expenditures made by athletics, the Institution, and affiliated organizations during the period. We agreed the schedule to the Institution's general ledger. We selected a sample of one transaction to validate existence of the transaction and accuracy of recording and recalculated totals.

Result: We selected the following transaction:

<u>Acquisition Date</u>	<u>Description</u>	<u>Asset Cost</u>
December 30, 2019	Coach Sideline Comm Equip	\$ 85,795

We noted no exceptions.

G. **Athletics-Related and Total Institutional Debt Procedure:** We obtained repayment schedules for all outstanding intercollegiate athletics debt maintained by the Institution during the reporting period. We recalculated annual maturities (consisting of principal and interest) provided in the schedules obtained and agreed the total annual maturities to supporting documentation and the Institution's general ledger, as applicable. The repayment schedule is disclosed in Note 3. We agreed the total outstanding athletics-related debt and total institutional debt to supporting documentation and the Institution's general ledger.

Result: We noted no exceptions.

H. **Excess Transfers to Institution and Conference Realignment Procedure:** We planned to obtain the general ledger detail and compare the total expenses reported for excess transfers to the Institution and conference realignment expenses.

Result: This step is not applicable to Bowling Green State University because there were no expenses reported for excess transfers to the Institution for NCAA in the current year.

To Dr. Rodney Rogers, Ph.D.
Bowling Green State University

- I. **Procedure:** Changes in loan, endowment, or plant funds related to intercollegiate athletics shall not be included in the Statement.
- 1) We obtained and disclosed significant additions to restricted funds related to intercollegiate athletics, as well as significant changes to endowment and plant funds. Significant is defined as exceeding 10 percent of total revenues or expenses in the Statement.
 - 2) We obtained and disclosed the value of endowments at the fiscal year-end that are dedicated to the sole support of athletics. We agreed the fair market value of the schedules to supporting documentation and the general ledger. We agreed the total fair market value of athletics dedicated endowments and institutional endowments to supporting documentation, the Institution's general ledger, and/or audited financial statements, if available.
 - 3) We obtained and disclosed the value of all pledges at the fiscal year-end that support athletics.
 - 4) We obtained and disclosed the athletics department fiscal year-end fund balance.

Result: See Notes 1 and 4 for disclosures. We obtained the information from Bowling Green State University Foundation, Inc. with detailed supporting schedules.

Statement of Revenues and Expenses

- J. **Procedure:** We obtained the Statement for the reporting period, prepared by management, and agreed all amounts back to the Institution's general ledger.
- Result:** Procedures were performed without exception.
- K. **Procedure:** We agreed each revenue and expense amount from the Statement to prior year amounts and budget estimates. We compared each revenue and expense account over 10 percent of total revenues and expenses, respectively, to prior period amounts and budget estimates. We obtained and documented any variations exceeding 10 percent of total revenues or expenses.
- Result:** See Appendix A.

We performed additional procedures on the following revenue and expense categories unless the specific reporting category is less than 4 percent of total revenues or expenses. See procedures below.

Revenues

- L. **Procedure:** We agreed each revenue reported in the Statement during the reporting period to supporting schedules provided by the Institution.
- Result:** The supporting schedules provided by the Institution agreed to the Statement without exception.
- 1) **Ticket Sales Procedure:** We agreed tickets sold during the reporting period, complimentary tickets provided during the reporting period, and unsold tickets to the related revenue reported by the Institution in the Statement and related attendance figures and recalculated totals.
- Result:** We noted no exceptions.
- 2) **Student Fees Procedure:** We compared and agreed student fees reported by the Institution in the Statement for the reporting period to student enrollments during the same reporting period. We obtained documentation of the Institution's methodology for allocating student fees to intercollegiate athletics programs and recalculated totals. We recalculated the total student fees counted as generated revenue and agreed the calculation to supporting documentation.

Result: We obtained board-approved allocation of student fees among various institution activities, including athletics. The budgeted allocation of student-approved fees that related to athletics was 55.79 percent. We compared the budgeted allocation to the actual allocation and noted no difference in the percentage allocated. The budgeted amount for student fees approved by the Institution was \$13,335,180. The actual variance between budget and collections was \$1,763,789. The difference is absorbed each year by the Institution. In the current year, the Statement reflects the budgeted amount.

- 3) **Direct Institutional Support Procedure:** We agreed the direct institutional support recorded by the Institution during the reporting period with state appropriations, institutional authorizations, and other corroborative supporting documentation and recalculated totals.

Result: We noted no exceptions.

- 4) **Guarantees Procedure:** We selected a sample of five settlement reports for away games during the reporting period and agreed each selection to the Institution's general ledger. We selected a sample of five contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period and agreed each selection to the Institution's general ledger. We also recalculated totals.

Result: We selected the following games/agreements:

<u>Event Date</u>	<u>Sporting Event</u>	<u>Guarantee Amount</u>
October 5, 2019	Men's Football - University of ND	\$ 1,100,000
September 7, 2019	Men's Football - Kansas State	815,000
September 16, 2023	Men's Football - U of M	500,000
November 13, 2019	Men's Basketball - LSU	97,500
November 15, 2019	Men's Hockey - Anchorage	15,450

We obtained the respective contractual agreements, agreed amounts to the contracts, and agreed amounts to the Institution's general ledger. We noted one exception during testing. The University of Michigan Game to be played in 2023 should not have been recorded as revenues in the year ended June 30, 2020. The contract stated amount would have to be repaid if the game was canceled by the Institution.

- 5) **Contributions Procedure:** We obtained supporting documentation for each contribution of moneys, goods, or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency, or group of individuals that constitutes 10 percent or more of all contributions received for intercollegiate athletics during the reporting periods. We disclosed the source and dollar value of these contributions in the report.

Result: We disclosed the source and dollar value of contributions over 10 percent in Note 1.

- 6) **In-Kind Procedure:** In-kind donations were less than 4 percent of total revenues, so additional procedures were not performed.
- 7) **Compensation and Benefits Provided by a Third Party Procedure:** Compensation and benefits provided by a third party were less than 4 percent of total revenues, so additional procedures were not performed.
- 8) **Media Rights Procedure:** Media rights were less than 4 percent of total revenues, so additional procedures were not performed.
- 9) **NCAA Distributions Procedure:** We agreed the amounts recorded in the revenue and expense reporting to the general ledger detail for NCAA distributions and other corroborative supporting documents and recalculated totals. We selected a sample of one to vouch to supporting documentation.

Result: We selected the following distribution:

<u>Date</u>	<u>Program</u>	<u>Distribution Amount</u>
July 10, 2019	NCAA Grants-in-Aid distribution	\$ 493,868

We agreed the above distribution to payment detail and traced the deposits to bank statements. The procedure was performed without exception.

- 10) **Conference Distributions (Non Media and Non Bowl Game) Procedure:** We obtained and inspected one agreement related to the Institution's conference distributions and participation in revenues from tournaments other than bowl games during the reporting period for the relevant terms and conditions. We compared the related revenue to the Institution's general ledger.

Result: We selected the following distribution:

<u>Date</u>	<u>Program</u>	<u>Distribution Amount</u>
June 18, 2020	MAC/CCHA annual distribution	\$ 1,427,000

We agreed the above distributions to payment detail and traced the deposits to bank statements. The procedure was performed without exception.

- 11) **Program Sales, Concessions, Novelty Sales and Parking Procedure:** Program sales, concessions, novelty sales and parking were less than 4 percent of total revenues, so additional procedures were not performed.
- 12) **Royalties, Licensing, Advertisements and Sponsorships Procedure:** Royalties, licensing, advertisements and sponsorships were less than 4 percent of total revenues, so additional procedures were not performed.
- 13) **Sports Camp Revenues Procedure:** Sports camp revenues were less than 4 percent of total revenues, so additional procedures were not performed.
- 14) **Athletics Restricted Endowment and Investment Income Procedure:** Athletics restricted endowment and investment income were less than 4 percent of total revenues, so additional procedures were not performed.
- 15) **Bowl Revenues Procedure:** Bowl revenues were less than 4 percent of total revenues, so additional procedures were not performed.
- 16) **Other Procedure:** Other revenues were less than 4 percent of total revenues, so additional procedures were not performed.

Expenses

- M. **Procedure:** We agreed each expense reported in the Statement during the reporting period to supporting schedules provided by the Institution.

Result: The supporting schedules provided by the Institution agreed to the Statement without exception.

We performed the following procedures for the indicated expense category unless the indicated expense category was less than 4 percent of total expenses:

- 1) **Athletic Student Aid Procedures:** We selected a sample of 60 students from the listing of Institutional student aid recipients during the reporting period (no less than 20% of total student-athletes for institutions that have not used the NCAA's CA software to prepare athletic aid detail, with a maximum sample size of 60).

To Dr. Rodney Rogers, Ph.D.
Bowling Green State University

- a. We obtained individual student account detail for each selection and agreed total aid in the Institution's student system to student detail in CA or the Institution report that ties directly to the NCAA Membership Financial Reporting System.
- b. We performed a check of each student selected to ensure that their information was reported accurately in either the CA software or entered directly into the NCAA Membership Financial Reporting System using the following criteria:
 - i. 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 CA as the numerator and the full grant amount which is the total cost for tuition, fees, 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 on the CRDE report labeled "Revenue Distribution Equivalent Award."
 - ii. Grants-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate. (Athletic grant amount divided by the full grant amount.)
 - iii. Other expenses related to attendance (also known as 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 20.02.7.
 - iv. Full grant amount should be entered as a full year of tuition, not a semester or quarter.
 - v. Student-athletes are to be counted once, regardless of multiple sport participation, and should not receive a revenue distribution equivalency greater than 1.00.
 - vi. Athletics grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.
 - vii. 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.
 - viii. Institutions providing grants to student-athletes listed on the CRDE as "Exhausted Eligibility (fifth-year)" or "Medical" receive credit in the grants-in-aid component.
 - ix. The athletics aid equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed maximum equivalency limits due to exhausted eligibility and medical equivalencies (reference Bylaw 15.5.3.1).
 - x. If a sport is discontinued and the athletic grant(s) are still being honored by the Institution, the grant(s) are included in student-athlete aid for revenue distribution purposes.
 - xi. All equivalency calculations should be rounded to two decimal places.
 - xii. If a selected student received a Pell Grant, ensure 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.
 - xiii. If a selected student received a Pell Grant, ensure that the student's grant was included in the total number and total value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting System.
- c. We recalculated totals for each sport and overall.

To Dr. Rodney Rogers, Ph.D.
Bowling Green State University

Result: We noted the total amount of student aid from the squad list agreed within \$254 to the amount of student financial aid of \$6,570,755 included in the Statement. We discussed with management and noted the amount of aid on the squad list is the maximum aid the student can receive. When the aid is entered into the student account, it is the actual amount of aid that the student received causing a difference of \$254. There were also students who received a summer award or were interns and did not receive award letters.

Of the 60 students selected for testing below, 11 of them received Pell Grants. We traced their Pell Grants awarded from the student financial aid detail to inclusion in the total number and total value of Pell Grants reported in JumpForward. All procedures were performed without exception.

The student accounts tested are summarized below:

Student Tested	Amount Awarded	Student Tested	Amount Awarded
1	\$ 9,000.00	31	\$ 33,347.50
2	12,000.00	32	27,368.00
3	12,000.00	33	33,347.50
4	7,000.00	34	16,481.25
5	9,500.00	35	33,347.50
6	9,000.00	36	34,621.25
7	32,198.50	37	35,203.44
8	22,978.00	38	23,749.50
9	33,818.50	39	31,796.00
10	30,971.25	40	28,533.00
11	30,966.00	41	34,240.50
12	23,765.75	42	32,193.00
13	32,934.85	43	34,724.00
14	27,504.00	44	32,298.50
15	27,882.59	45	30,798.50
16	26,514.00	46	30,563.75
17	36,350.99	47	20,802.00
18	32,565.00	48	31,796.00
19	34,265.44	49	8,000.00
20	33,451.00	50	1,000.00
21	15,490.00	51	37,586.56
22	25,026.65	52	24,206.00
23	32,030.40	53	36,647.06
24	36,303.44	54	31,801.75
25	31,901.75	55	28,990.00
26	29,996.00	56	34,592.50
27	32,921.25	57	26,990.00
28	17,000.00	58	12,000.00
29	25,174.65	59	23,100.00
30	27,882.59	60	31,801.75

- 2) **Guarantees Procedure:** Guarantees expenses were less than 4 percent of total expenses, so additional procedures were not performed.

- 3) **Coaching Salaries, Benefits, and Bonuses Paid by the Institution and Related Entities Procedure:** We obtained and inspected a listing of coaches employed by the Institution and related entities during the reporting period. We selected a sample of five coaches' contracts that includes football, and men's and women's basketball from the above listing. We agreed 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. We obtained and inspected payroll summary registers for each selection. We agreed related payroll summary registers 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 and recalculated totals. We agreed the totals recorded to any employment contracts executed for the sample selected.

Result: We selected coaching contracts from the following programs:

Coach	Program
1	Women's Basketball
2	Men's Basketball
3	Men's Football
4	Men's Hockey
5	Women's Volleyball

No exceptions were noted.

- 4) **Coaching Other Compensation and Benefits Paid by a Third Party Procedure:** Compensation and benefits paid by a third party expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 5) **Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the Institution and Related Entities Procedure:** We selected a sample of five support staff/administrative personnel employed by the Institution and related entities during the reporting period. We obtained and inspected payroll summary registers for each selection. We agreed related 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 Statement during the reporting period. We also recalculated totals.

Result: We selected staff from the following programs:

Staff	Staff Title	Program
1	Assistant Athletic Trainer	Non-Program Specific
2	Director of Football Operations	Men's Football
3	Associate Athletic Director	Non-Program Specific
4	Associate Athletic Director	Non-Program Specific
5	Director of Women's Basketball Operations	Women's Basketball

The procedure was performed without exception.

- 6) **Severance Payments Procedure:** Severance payments were less than 4 percent of total expenses, so additional procedures were not performed.
- 7) **Recruiting Procedure:** Recruiting expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 8) **Team Travel Procedure:** We obtained documentation of the Institution's team travel policies. We agreed to existing institutional- and NCAA-related policies. We obtained the general ledger detail and agreed to the total expenses reported.

Result: The procedure was performed without exception.

- 9) **Equipment, Uniforms and Supplies Procedure:** We obtained the general ledger detail and agreed to the total expenses reported. We selected a sample of one transaction and agreed to supporting documentation. We recalculated totals.

Result: We selected the following transaction:

<u>Date</u>	<u>Program</u>	<u>Expense Description</u>	<u>Expense Amount</u>
October 1, 2019	Men's Basketball	Blanket Order Men's Basketball Uniforms	\$ 32,826

The procedure was performed without exception.

- 10) **Game Expenses Procedure:** Game expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 11) **Fund Raising, Marketing and Promotion Procedure:** Fund raising, marketing and promotion expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 12) **Sports Camp Expenses Procedure:** Sports camp expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 13) **Athletic Facility Debt Service, Leases and Rental Fees Procedure:** Athletic facility debt service, leases and rental fee expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 14) **Direct Overhead and Administrative Expenses Procedure:** Direct overhead and administrative expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 15) **Indirect Institutional Support Procedure:** We tested this with the revenue section - Indirect Institutional Support.
- 16) **Medical Expenses and Medical Insurance Procedure:** Medical expenses and medical insurance expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 17) **Memberships and Dues Procedure:** Memberships and dues were less than 4 percent of total expenses, so additional procedures were not performed.
- 18) **Student-Athlete Meals (non-travel) Procedure:** Student-athlete meals were less than 4 percent of total expenses, so additional procedures were not performed.
- 19) **Bowl Expenses Procedure:** Bowl expenses were less than 4 percent of total expenses, so additional procedures were not performed.
- 20) **Other Operating Expenses and Transfers to Institution Procedure:** We obtained the general ledger detail and compared to the total expenses reported. We agreed a sample of one transaction to validate the existence of transaction and accuracy of recording and recalculated totals.

Result: We selected the following transaction:

<u>Date</u>	<u>Program</u>	<u>Expense Description</u>	<u>Expense Amount</u>
September 25, 2019	Men's Football	Football Game Clock	\$ 11,448

We noted the item tested was received during the fiscal year ended June 30, 2019, but it was not reported to the accounting department until fiscal year end 2020. The item should have been included in the prior year Statement.

To Dr. Rodney Rogers, Ph.D.
Bowling Green State University

Related to Affiliated and Outside Organizations not Under the Institution's Accounting Control:

N. In preparation for our procedures related to the Institution's affiliated and outside organizations, we:

- 1) Inquired of management as to whether they have identified any affiliated and outside organizations that meet any of the following criteria:
 - i. Booster organizations established by or on behalf of an intercollegiate athletics program
 - ii. Independent or affiliated foundations or other organizations that have as a principal, or one of their principal purposes, the generating or maintaining of grants-in-aid or scholarships funds, gifts, endowments or other moneys, goods, or services to be used primarily by the intercollegiate athletics program
 - iii. Alumni organizations that have as a principal, or one of their principal purposes, the generating of moneys, goods or services for or on behalf of an intercollegiate athletics programs and that contribute moneys, goods or services directly to an intercollegiate athletics program, booster group, or independent or affiliated foundation as previously noted.
- 2) We also obtained documentation on the Institution's practices and procedures for monitoring the internal controls in place and financial activities of these organizations. We inquired of management on the procedures for gathering information on the nature and extent of affiliated and outside organization activity for or on behalf of the Institution's intercollegiate athletics program.
- 3) We obtained and inspected audited financial statements of the organization and any additional reports regarding internal controls and any corrective action taken in response to comments concerning the control environment that were provided to us by management.

Result: We noted the only affiliated organization was Bowling Green State University Foundation, Inc. We obtained and inspected the audited financial statements of Bowling Green State University Foundation, Inc. and the management letter as a result of its June 30, 2020 audit.

O. **Procedure:** For expenses on or on behalf of intercollegiate athletics programs by affiliated and outside organizations not under the Institution's accounting control, we requested to obtain those organizations' financial statements for the reporting period.

Result: There were no expenses on behalf of intercollegiate athletics programs by affiliated and outside organizations not under the Institution's accounting control. No additional procedures were performed.

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, respectively, on the accompanying intercollegiate athletics program statement of revenues and expenses. 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 Bowling Green State University's management and the National Collegiate Athletic Association and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

Toledo, Ohio
October 20, 2020

Bowling Green State University

Intercollegiate Athletics Program Statement of Revenues and Expenses

June 30, 2020

	Men's Football	Men's Basketball	Men's Hockey	Other Sports	Non-Program Specific	Total
Revenues						
Ticket sales	\$ 1,359,865	\$ 225,029	\$ 303,378	\$ 110,431	\$ -	\$ 1,998,703
Student fees	-	-	-	-	13,335,180	13,335,180
Direct institutional support	-	-	-	-	1,500,000	1,500,000
Guarantees	2,415,000	97,500	15,450	13,725	-	2,541,675
Contributions	105,346	636,635	86,114	230,536	886,813	1,945,444
NCAA distributions	-	-	-	6,755	979,860	986,615
Conference distributions (Nonmedia and Nonbowl)	-	155,977	38,367	4,512	1,477,000	1,675,856
Program, novelty, parking, and concession sales	65,616	-	850	44,414	62,779	173,659
Royalties, licensing, advertisements and sponsorships	-	-	-	-	722,611	722,611
Sports camp revenues	-	-	-	-	10,101	10,101
Other operating revenues	84,465	-	5,150	60,789	49,969	200,373
Total revenues	4,030,292	1,115,141	449,309	471,162	19,024,313	25,090,217
Expenses						
Athletic student aid	2,317,908	436,849	593,896	3,147,701	74,421	6,570,775
Guarantees	550,000	128,000	-	11,000	-	689,000
Coaching salaries, benefits, and bonuses paid by the Institution	2,149,543	1,005,872	555,047	2,396,149	4,403	6,111,014
Support staff/administrative compensation, benefits, and bonuses paid by the Institution	237,377	98,106	48,113	121,659	3,334,006	3,839,261
Recruiting	234,595	75,460	39,276	125,070	1,247	475,648
Team travel	569,411	429,121	293,330	1,004,878	198	2,296,938
Sports equipment, uniforms, and supplies	528,824	123,760	216,268	403,622	81,062	1,353,536
Game expenses	116,832	118,280	44,937	132,775	271,601	684,425
Fundraising, marketing, and promotion	-	-	-	-	168,467	168,467
Sports camp expenses	-	-	-	-	16,411	16,411
Athletic facilities debt service, leases, and rental fees	15,655	17,433	90,202	37,117	12,510	172,917
Medical expenses and insurance	-	-	-	-	355,147	355,147
Memberships and dues	9,582	1,500	50,000	7,318	299,749	368,149
Student-athlete meals	170,284	645	-	10,620	840	182,389
Other operating expenses	333,712	63,074	55,272	222,068	723,509	1,397,635
Total expenses	7,233,723	2,498,100	1,986,341	7,619,977	5,343,571	24,681,712
Excess of Revenues (Under) Over Expenditures	\$ (3,203,431)	\$ (1,382,959)	\$ (1,537,032)	\$ (7,148,815)	\$ 13,680,742	\$ 408,505

See notes to intercollegiate athletics program statement of revenues and expenses.

**Notes to Intercollegiate Athletics Program
Statement of Revenues and Expenses**

June 30, 2020

Note 1 - Contributions

The value of all endowments dedicated to the sole support of athletics at June 30, 2020 is \$13,134,646. The value of all pledges dedicated to the sole support of athletics at June 30, 2020 is \$3,150,882. The athletic department fiscal year-end fund balance for the year ended June 30, 2020 is \$(90,225). Individual contributions of moneys, goods, or services received directly by the Institution's intercollegiate athletics program from any affiliated or outside organization, agency, or individuals (e.g., contributions by corporate sponsors) that constitute 10 percent or more of all contributions received for intercollegiate athletics during the year ended June 30, 2020 are as follows:

Donor	Designation	Amount
Bill Frack Estate	Findlay Hancock Community	\$ 852,133

Note 2 - Intercollegiate Athletics-Related Assets

Property and equipment are recorded at cost or, if donated, the fair value at the time of donation. Expense for maintenance and repairs is charged to current expense as incurred. Depreciation is computed using the straight-line method. No depreciation is recorded on land. Expenses for major renewals and betterments that extend the useful lives of the assets are capitalized. Estimated service lives range from 4 to 10 years depending on class.

The current year capitalized additions and deletions to facilities during the year ended June 30, 2020 are as follows:

	Additions	Deletions
Machinery and equipment	\$ 192,218	\$ (142,215)
Furniture	-	-
Cost - Athletics facilities	192,218	(142,215)
Accumulated depreciation	-	(139,466)
Book value - Athletics facilities	<u>\$ 192,218</u>	<u>\$ (281,681)</u>
Book value - Other institution facilities	<u>\$ 38,550,088</u>	<u>\$ (6,210,172)</u>

**Notes to Intercollegiate Athletics Program
Statement of Revenues and Expenses**

June 30, 2020

Note 2 - Intercollegiate Athletics-Related Assets (Continued)

The total estimated book values of property, plant, and equipment, net of depreciation, of the Institution as of June 30, 2020 are as follows:

Machinery and equipment	\$	970,026
Furniture		131,027
Computer and software		123,105
Vehicles		<u>23,758</u>
Cost - Athletics facilities		1,247,916
Accumulated depreciation		<u>(930,450)</u>
Book value - Athletics facilities	\$	<u>317,466</u>
Book value - Other institutional facilities	\$	<u>600,041,253</u>

Note 3 - Intercollegiate Athletics-Related Debt

The annual debt service and debt outstanding for the Institution as of June 30, 2020 is as follows:

	Annual Debt Service Principal and Interest	Debt Outstanding - Principal Only
	<u> </u>	<u> </u>
Athletically related facilities	\$ -	\$ -
Total institutional facilities	59,260,000	266,680,000

There was no intercollegiate athletics debt outstanding for the year ended June 30, 2020, as it was paid in full during the fiscal year ended June 30, 2015.

Note 4 - Restricted and Endowment and Plant Funds

During the year, the Institution had no significant changes in loan, endowment, or plant funds related to intercollegiate athletics that were not reported in the Statement.

**Revenue and Expenses Variance - Actual to Actual
June 30, 2020**

2019-2020 Actual	2018-2019 Actual	\$ Change	Explanation Provided by Intercollegiate Athletics Senior Fiscal Manager
\$ 2,541,675.00	\$ 1,984,880.00	\$ 556,795.00	Increase is due to football guarantees being higher in YE 2020 and installment payment for a game occurring in 2023.

Revenue and Expenses Variance - Actual to Actual (Continued)
June 30, 2020

	2019-2020 Actual	Budget	\$ Change	Explanation Provided by Intercollegiate Athletics Senior Fiscal Manager
Revenues				
Men's Football	\$ 4,030,291.13	\$ 1,500,000.00	\$ 2,530,291.13	The difference between actual and budget is due to football guarantees being budgeted in the main ICA department 728000.
Non-Program Specific	\$ 19,024,313.81	\$ 21,324,482.00	\$ (2,300,168.19)	The difference between actual and budget is due to reduced NCAA distributions due to COVID-19 pandemic; final sponsorship payment was delayed until August due to COVID.
	2019-2020 Actual	Budget	\$ Change	Explanation Provided by Intercollegiate Athletics Senior Fiscal Manager
Expenses				
Men's Basketball	\$ 2,498,100.52	\$ 2,085,056.00	\$ 413,044.52	The difference between actual and budget is due to team travel to Virgin Islands tournament, MTE in Atlantic City, equipment, and scholarship.

OHIO AUDITOR OF STATE KEITH FABER



BOWLING GREEN STATE UNIVERSITY- NCAA

WOOD COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 12/15/2020

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov