

**YOUNGSTOWN STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

June 30, 2017



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 Horwath LLP, for the period July 1, 2016 through June 30, 2017.

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

January 17, 2018

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YOUNGSTOWN STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT
Youngstown, Ohio

AGREED UPON PROCEDURES
REQUIRED BY THE NCAA
June 30, 2017

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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, 2017. The University's management is responsible for the Intercollegiate Athletics Department Schedule of Revenue and Expenses ("Schedule") and the Schedule's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described 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.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the compliance of the accompanying Intercollegiate Athletics Department Schedule of Revenue and Expenses of Youngstown State University with the NCAA Constitution Article 3.2.4.16. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the 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 Horwath LLP
Crowe Horwath LLP

Columbus, Ohio
December 19, 2017

Youngstown State University
INTERCOLLEGIATE ATHLETICS DEPARTMENT
SCHEDULE OF REVENUE AND EXPENSES
For the Year Ended June 30, 2017
(Unaudited)

ID	Item	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
Summary of Revenue:							
1	Ticket sales	\$ 642,076	\$ 129,542	\$ 4,185	\$ -	\$ -	\$ 775,803
2	Direct state or other government support	-	-	-	-	-	-
3	Student fees	-	-	-	-	-	-
4	Direct institutional support	-	-	-	-	11,929,020	11,929,020
5	Less transfers to institution	-	-	-	-	-	-
6	Indirect institutional support	-	-	-	-	-	-
7	Guarantees	500,000	200,000	17,000	-	-	717,000
8	Contributions	442,358	2,957	1,405	169,318	507,218	1,123,256
9	In-kind	-	-	-	622	-	622
10	Compensation and benefits provided by a third party	-	-	-	-	-	-
11	Media rights	-	-	-	-	3,307	3,307
12	NCAA distributions	156,448	36,454	35,535	386,408	905,944	1,520,789
13	Conference distributions	-	-	-	-	-	-
14	Program, novelty, parking and concession sales	221,282	979	-	-	-	222,261
15	Royalties, licensing, advertisements and sponsorships	304,425	128,150	-	-	117,279	549,854
16	Sports camp revenue	-	-	-	-	313,928	313,928
17	Athletics restricted endowment and investment income	-	-	-	-	2,453	2,453
18	Other operating revenue	29,250	-	-	67,983	208,162	305,395
19	Bowl revenues	-	-	-	-	-	-
20	Total operating revenue	<u>\$ 2,295,839</u>	<u>\$ 498,082</u>	<u>\$ 58,125</u>	<u>\$ 624,331</u>	<u>\$ 13,987,311</u>	<u>\$ 17,463,688</u>

Prepared by Management of Youngstown State University
(Continued)

Youngstown State University
INTERCOLLEGIATE ATHLETICS DEPARTMENT
SCHEDULE OF REVENUE AND EXPENSES
For the Year Ended June 30, 2017
(Unaudited)

ID	Item	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
Summary of Expenses:							
21	Athletic student aid	\$ 1,478,336	\$ 334,534	\$ 335,459	\$ 2,221,439	\$ 304,621	\$ 4,674,389
22	Guarantees	175,000	10,000	7,000	4,000	-	196,000
23	Coaching salaries, benefits, and bonuses paid by the University and related entities	1,243,560	658,325	436,002	1,117,407	-	3,455,294
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	-	-	-	-	2,678,939	2,678,939
26	Support staff/administrative compensation, benefits and bonuses paid by a third-party	-	-	-	-	-	-
27	Severance payments	-	-	-	-	-	-
28	Recruiting	96,295	115,733	66,192	78,160	-	356,380
29	Team travel	600,816	177,040	126,564	738,866	-	1,643,286
30	Equipment, uniforms and supplies	235,772	67,249	34,349	209,443	122,499	669,312
31	Game expenses	362,495	106,177	53,042	120,054	8,063	649,831
32	Fundraising, marketing and promotion	6,162	-	-	-	129,785	135,947
33	Sports camp expenses	-	-	-	-	174,904	174,904
34	Spirit groups	-	-	-	-	81,680	81,680
35	Athletic facilities debt service, leases and rental fees	-	-	-	51,711	402,410	454,121
36	Direct overhead and administrative expenses	380	-	-	-	232,259	232,639
37	Indirect institutional support	-	-	-	-	-	-
38	Medical expenses and medical insurance	-	-	-	-	76,062	76,062
39	Memberships and dues	-	-	-	4,709	17,470	22,179
40	Other operating expenses	109,278	44,544	25,893	42,832	756,708	979,255
41	Student-athlete meals (non-travel)	57,233	-	-	11,188	-	68,421
42	Bowl expenses	-	-	-	-	-	-
43	Total operating expenses	<u>4,365,327</u>	<u>1,513,602</u>	<u>1,084,501</u>	<u>4,599,809</u>	<u>4,985,400</u>	<u>16,548,639</u>
	Excess (deficiency) of revenue over (under) expenses	<u>\$ (2,069,488)</u>	<u>\$ (1,015,520)</u>	<u>\$ (1,026,376)</u>	<u>\$ (3,975,478)</u>	<u>\$ 9,001,911</u>	<u>\$ 915,049</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, 2017

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 2017.

Note B - Capital Assets

Capital assets are stated at cost or fair 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	40 to 50 years
Improvements to buildings	10 to 40 years
Improvements other than buildings	15 years
Moveable equipment, furniture and vehicles	3 to 7 years

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, 2017 is as follows:

	<u>Annual Debt Service</u>	<u>Debt Outstanding</u>
Athletics- Related Facilities	\$ <u>402,410</u>	\$ <u>4,629,030</u>
Total University	\$ <u>6,362,761</u>	\$ <u>83,955,000</u>

(Continued)

Youngstown State University
Intercollegiate Athletics Department
Notes to Schedule of Revenue and Expenses
(Unaudited)
For the Year Ended June 30, 2017

Note C – Intercollegiate Athletics-Related Debt (Continued)

The repayment schedule for all outstanding intercollegiate athletics-related debt maintained by the University during the year ended June 30, 2017 is as follows:

Year Ending June 30

2018	\$ 205,421
2019	206,789
2020	213,309
2021	220,761
2022	228,213
2023-2027	1,271,473
2028-2032	1,560,233
2033-2034	<u>722,831</u>
	<u>\$ 4,629,030</u>

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

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 noted.

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 noted.

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 (Direct Institutional Support, NCAA Distributions, Ticket Sales, Guarantees, and Contributions). 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 understanding 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.

Results: We agreed football ticket revenue per the performance sales and gate sales reports for all games to the general ledger, noting the schedule was \$1,438 (.224% of football ticket revenues) lower than the June 30, 2017 general ledger. We agreed football playoff ticket revenue per the performance sales and gate sales reports for all playoff games to the general ledger, noting the schedule was \$592 (.214% of football playoff revenues) lower than the June 30, 2017 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.

6. Recalculate totals of the listings of tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets.

Results: No exceptions noted.

Student Fees

1. Compare and agree student fees reported by the institution in the Schedule for the reporting period to the student enrollment report obtained from the Registrar during the same reporting period.

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.

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

2. Obtain and document an understanding 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.

3. Recalculate total student fees on the enrollment report.

Results: The procedures enumerated above are not applicable.

4. If the athletics department is reporting that an allocation of student fees should be countable as generated revenue, recalculate their calculation 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 State or Other Governmental Support

5. Compare direct state or other governmental support recorded by the institution during the reporting period with state appropriations, institutional authorizations or other corroborative supporting documentation.

Results: Management of the University informed us that there was 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.

6. Recalculate the total for direct state of other governmental support based on the detailed listing of components provided by the institution.

Results: The procedures enumerated above were not applicable.

Direct Institutional Support

7. 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.

Results: No exceptions noted.

8. Recalculate the total of direct institutional support based on the detailed listing of institutional supporting budget transfers documentation and other corroborative supporting documentation provided by the institution.

Results: No exceptions noted.

Transfers Back to Institution

9. Compare the transfers back to institution reported on the Schedule by the athletics department with supporting journal entries of the institution.

Results: Management of the University informed us that there were no transfers back to the institution, and as such, none were reported on the Schedule. Therefore, the procedures enumerated above were not applicable.

10. Recalculate totals of transfers back to the institution based on detailed listing of supporting journal entries provided by the institution.

Results: The procedures enumerated above were not applicable.

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

Indirect Institutional Support

11. Compare the indirect institutional support recorded by the institution during the reporting period with corroborative documentation such as expense payments, cost allocation detail or other corroborative supporting documentation by the institution.

Results: Management indicated that there was no indirect institutional support received from the University during the year ended June 30, 2017, and as such, none was reported on the Schedule. Therefore, the procedures enumerated above were not applicable.

12. Recalculate totals of indirect institutional support based on detailed listing of expense payments, cost allocation detail or other corroborative supporting documentation provided by the institution.

Results: 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 the Schedule.

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 the Schedule.

Results: No exceptions noted.

15. Recalculate totals of the guarantees reported on the Schedule based on detailed listing of guarantees provided by the institution.

Results: No exceptions noted.

Contributions

16. Obtain and agree supporting documentation for any contributions of money, 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% or more of all contributions received for intercollegiate athletics during the reporting period.

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

Recalculate totals of the contributions reported on the Schedule based on detailed listing of guarantees provided by the institution.

Results: No exceptions noted.

In-Kind

17. Compare the in-kind recorded by the institution during the reporting period with a schedule of in-kind donations.

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.

18. Recalculate total of the schedule of in-kind donations

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

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

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

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.

20. Select a haphazard sample of funds representing at least 20% of the compensation and benefits revenues from the Summary and compare and agree each selection to supporting documentation (such as a report from the third-party), the institution's general ledger, and the Summary.

Results: The procedures enumerated above were not applicable.

21. Recalculate totals of the summary of compensation and benefits provided by a third party based on the listing of revenues from affiliated and outside organizations provided by the institution.

Results: The procedures enumerated above were not applicable.

22. If the third party was audited by independent auditors, obtain the related independent auditors' report.

Results: The procedures enumerated above were not applicable.

Media Rights

23. Obtain and inspect agreements to understand the institution's total media (broadcast, television, radio) rights received by the institution or through their conference offices. Compare and agree the media right revenues recorded to a summary statement of all media rights identified.

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.

24. Compare and agree related revenues to the institution's general ledger and the Schedule. Ledger totals may be different for total conference distributions if media rights are not broken out separately.

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. Recalculate totals of the listing or general ledger detail of revenues related to media rights based on listing of media rights provided by the institution.

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.

NCAA Distributions

26. Compare the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions and other corroborative supporting documents (i.e., check copy, agreement).

Results: No exceptions noted.

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

27. Recalculate totals of amounts recorded in the general ledger detail for NCAA distributions based on the general ledger detail provided by the institution.

Results: No exceptions noted.

Conference Distributions

28. Obtain and inspect all agreements related to the institution's participation in revenues from tournaments during the reporting period to gain an understanding of the relevant terms and conditions.

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

29. Compare and agree the related revenues to the institution's general ledger and the Schedule.

Results: The procedures enumerated above were not applicable.

30. Recalculate totals of conference distributions based on the detailed listing of agreements and related revenues provided by the institution.

Results: The procedures enumerated above were not applicable.

Program Sales, Concessions, Novelty Sales and Parking

31. 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 (i.e., check copy, agreement).

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.

32. Recalculate totals of program sales, concessions, novelty sales and parking revenues based on the detailed listing and general ledger detail provided by the institution.

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

33. Obtain and inspect all agreements related to the institution's participation in revenues from royalties, advertisements and sponsorships during the reporting period to gain an understanding of 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.

34. Compare and agree the related revenues to the institution's general ledger and the Schedule.

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.

35. Recalculate totals of royalties, licensing, advertisements and sponsorship revenues based on the detailed listing of agreements and related revenues provided by management.

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.

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

Sports Camp Revenues

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

Results: Management informed us that there were no contracts between the University and outside persons conducting the institutional sports camps or clinics during the year ended June 30, 2017. All individuals conducting the sports camps were affiliated with the University.

37. Obtain schedules of camp participants.

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.

38. Select a haphazard sample of 3 team camps and 3 individual camp participant cash receipts from the statement of sports-camp participants and agree each selection to the institution's general ledger and the Schedule.

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.

39. Recalculate totals of sports camp revenues based on the detailed listing of sport camp revenues provided by management.

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

40. Obtain and inspect all endowment agreements (if any) to gain an understanding of 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.

41. 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.

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.

42. Recalculate totals of athletics restricted endowment and investment income based on the detailed schedule of the athletics endowment and investment income provided by the institution.

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

43. Perform minimum agreed-upon procedures referenced for all revenue categories (see above under revenue procedures, points 1-3).

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.

44. Recalculate totals of detailed listing provided by the institution supporting other revenues.

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

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

45. Obtain and inspect all 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, as such, none was reported on the Schedule. Therefore, the procedures enumerated above are not applicable.

46. Compare and agree the related revenues to the institution's general ledger and Schedule.

Results: The procedures enumerated above were not applicable.

47. Recalculate totals of post-season bowl revenues based on the detailed listing of agreements and related revenues provided by management.

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 noted.

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 noted.

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, and Bonuses Paid by the University, Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University, Team Travel, Equipment, Uniforms, and Supplies, and Other Operating Expenses). 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 understanding of any significant variations (significant defined as 10% or more). Report the analysis as a supplement to the final agreed upon procedures report.

(Continued)

Youngstown State University
NCAA AUP REVENUE AND EXPENSE PROCEDURES
June 30, 2017
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.

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

Athletic Student Aid

5. Select a haphazard sample of students from the listing of institutional student aid recipients during the reporting period. Sample shall be no less than 10% of the total student athletes for institutions who have used NCAA's Compliance Assistant software to prepare athletic aid detail, with a maximum sample size of 40 and no less than 20% of total student athletes for institutions who have not, with a maximum sample size of 60.

Results: As the University uses the NCAA's Compliance Assistant software, we selected 40 of the 440 students receiving financial aid for testing.

6. Obtain individual student-account detail for each selection and compare total aid allocated from the related aid award letter to the student's account.

Results: No exceptions noted.

7. Perform a check of each student selected to determine 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 squad list 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 for you on that squad list labeled "Rev. Dist. Equivalent Award". If not using the NCAA Compliance Assistant Software, agree the numerator to the grant amount reported on the squad list 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:* If an athlete participates in more than one sport, the Rev. Dist. Equivalent Award can only be included in one sport. NCAA Compliance Assistant software will place an asterisk by the student athlete within the sport that is not countable towards grants-in-aid revenue distribution.

Procedure: For each student selected, determine if the student participated in more than one sport by scanning all squad lists and verify that the student was properly flagged or not flagged by the Compliance assistant software as being in more than one sport. If the Compliance Assistance software is not used, observe computation to determine whether only one equivalent award value was used for each student.

Results: No exceptions noted.

- b. *Criterion:* All equivalency calculations should be rounded to two decimal places. The NCAA Compliance Assistant software and the on-line summary form will automatically round to two decimal places.

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

Results: No exceptions noted.

(Continued)

Youngstown State University
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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.

- c. *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: It was noted that 8 of the 40 selections did not have the correct cost of attendance in the system. Per the discussion with management, these students' cost of attendance amounts were correctly packaged and awarded by the University, but the reported costs of attendance in the NCAA reporting system were not appropriately updated.

- d. *Criterion:* If a sport is discontinued and the grant(s) are still being honored by the institution, the grant(s) may be included in the total.

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.

- e. *Criterion:* Student-athletes receiving athletic aid who have exhausted their athletics eligibility or are inactive due to medical reasons should be included in the grants-in-aid calculation, marked properly on the squad list and on the Grants-in-Aid submission form. Students who have exhausted eligibility will be marked with an "E" and students who are inactive due to medical reasons will be marked with an "M".

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 noted.

- f. *Criterion:* Only athletic grants awarded in sports in which the NCAA conducts championship competitions, emerging sports for women and football should be included in the calculations.

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 noted.

- g. *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 noted.

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

(Continued)

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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.

Procedure: If a selected student received a Pell Grant, observe 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.

Results: It was noted that one student received a Pell award of \$3,819, but the NCAA reporting package only showed \$3,170. The NCAA reporting system should have been updated to the \$3,819, but was not. It was also noted that one student received a Pell award of \$5,815, but this amount was not recorded in the NCAA system. A balance of \$0 was reported in the NCAA system.

8. Recalculate total student aid for each sport and overall based on detailed listing of student aid expense provided by the institution.

Results: We noted an unknown variance between the detailed listing of student aid expense and the NCAA reporting software of approximately \$13,700. This difference is .29% 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 the Schedule.

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.

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.

11. Compare and agree related amounts expensed by the institution during the reporting period to the institution's general ledger and the Schedule.

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.

12. Recalculate total guarantee expense based on detailed listing provided by the institution.

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

13. Obtain and inspect a listing of coaches employed by the institution and related entities during the reporting period.

Results: No exceptions noted.

14. Select a haphazard sample of 5 coaches' contracts that must include football, and men's and women's basketball from the above listing.

Results: No exceptions noted.

15. 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.

(Continued)

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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.

Results: No exceptions noted.

16. Obtain and inspect payroll summary registers for the reporting period for each selection.

Results: No exceptions noted.

17. Compare and agree related payroll registers for 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 noted.

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

Results: No exceptions noted.

19. Recalculate totals of coaching salaries, benefits and bonuses paid based on detailed listing provided by the institution.

Results: No exceptions noted.

Coaching Other Compensation and Benefits Paid by a Third-Party

20. Obtain and inspect a listing of coaches employed by third parties during the reporting period.

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.

21. Select a haphazard sample of 5 coaches from the listing above, or all if less than 5. Compare and agree the financial terms and conditions of each selection to the related coaching other compensation and benefits paid by third party and recorded by the institution in the Schedule during the reporting period.

Results: The procedures enumerated above were not applicable.

22. Obtain and inspect reporting period payroll summary registers for each selection.

Results: The procedures enumerated above were not applicable.

23. Compare and agree the related 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.

Results: The procedures enumerated above were not applicable.

24. Recalculate totals of coaching salaries, benefits and bonuses paid by third parties based on detail listing provided by the institution.

Results: The procedures enumerated above were not applicable.

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

25. 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 noted.

26. Obtain and inspect the reporting period summary payroll register for each selection.

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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.

Results: No exceptions noted.

27. 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.

Results: No exceptions noted.

28. Recalculate totals of support staff/administrative salaries, benefits, and bonuses based on detailed listing provided by the institution.

Results: No exceptions noted.

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

29. 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.

30. Obtain and inspect reporting period payroll summary registers for each selection.

Results: The procedures enumerated above were not applicable.

31. 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.

Results: The procedures enumerated above were not applicable.

32. Recalculate totals of support staff/administrative salaries, benefits, and bonuses paid by third parties based on detailed listing provided by the institution.

Results: The procedures enumerated above were not applicable.

Severance Payments

33. 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.

Results: We were informed by University management that there were no severance payments for the year ended June 30, 2017, and as such, none were reported on the Schedule. Therefore, the procedures enumerated above are not applicable.

34. Recalculate totals of severance payments based on the detail listing provided by the institution.

Results: The procedures enumerated above were not applicable.

Recruiting

35. Obtain and document an understanding 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.

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

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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.

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.

37. Obtain general ledger detail and compare to the total expenses reported.

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

38. Obtain and document an understanding of the Institution's team travel policies.

Results: We obtained the University's 2015-2016 Operations Manual, which includes the most up to date travel expense policies.

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

Results: No exceptions noted.

40. Obtain general ledger detail and compare to the total expenses reported.

Results: No exceptions noted.

Equipment, Uniforms and Supplies

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 by agreeing to underlying invoices.

Results: No exceptions noted.

42. Recalculate totals of equipment, uniforms and supplies expense based on the detailed listing provided by the institution.

Results: No exceptions noted.

Games Expenses

43. 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 by agreeing to underlying invoices.

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.

44. Recalculate totals of grant expenses based on the detailed listing provided by the institution.

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

45. 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 by agreeing to underlying invoices.

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.

46. Recalculate totals of fund raising, marketing and promotion expenses based on the detailed listing provided by the institution.

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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.

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

47. 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 by agreeing to underlying invoices.

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.

48. Recalculate totals of sports camp expenses based on the detailed listing provided by the institution.

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

49. 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 by agreeing to underlying invoices.

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.

50. Recalculate totals of spirit group expenses based on the detailed listing provided by the institution.

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

51. 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.

52. Compare amounts recorded to amounts listed in the general ledger detail.

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.

53. Recalculate totals of athletic, facility debt service, leases and rental fees expenses based on the detailed listing provided by the institution.

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.

Direct Overhead and Administrative Expenses

54. 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 by agreeing to related calculations/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.

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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.

55. Recalculate totals of direct overhead and administrative expenses based on the detailed listing provided by the institution.

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

56. 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 by agreeing to underlying invoices.

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.

57. Recalculate totals of medical expenses and medical insurance based on the detailed listing provided by the institution.

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

58. 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 by agreeing to underlying invoices.

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.

59. Recalculate totals of memberships and dues expenses based on the detailed listing provided by the institution.

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

60. 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 by agreeing to underlying invoices.

Results: No exceptions noted.

61. Recalculate totals of other operating expenses and transfers to the institution based on the detailed listing provided by the institution.

Results: No exceptions noted.

Student-Athlete Meals (non-travel)

62. 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 by agreeing to underlying invoices.

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.

(Continued)

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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.

63. Recalculate totals of student-athlete meals (non-travel) based on the detailed listing provided by the institution.

Results: The procedures enumerated above were not applicable.

Bowl Expenses

64. 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 by agreeing to underlying invoices.

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.

65. Recalculate totals of bowl expenses based on the detailed listing provided by the institution.

Results: The procedures enumerated above were not applicable.

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Youngstown State University
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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.

Additional Minimum Agreed-Upon Procedures

1. Compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of 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 squad lists, 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 squad lists due to the squad lists reported in the Compliance Assistance system reported Fall and Spring aid, whereas the NCAA Membership Financial Reporting System included summer aid. A reconciliation was performed and maintained by management for this difference.

2. 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. Report any exceptions. Compare the countable sports from the Sports Sponsorship and Demographics Forms Report to the sports the institution has reported as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. Report any exceptions.

Results: No exceptions were noted.

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 7 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 \$3,819, but the NCAA reporting package showed \$3,170. The NCAA reporting system should have been updated to \$3,819. It was also noted that one student received a Pell award of \$5,815, but a balance of \$0 was reported in the NCAA system.

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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.

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 were noted.

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 by agreeing to underlying invoices.

Results: Management of the University informed us that there were no excess transfers to the University or conference realignment expenses. Therefore, the procedures enumerated above were not applicable.

3. Recalculate totals of excess transfers and conference realignment expenses based on the detail listing provided by the institution.

Results: The procedures enumerated above were not applicable.

Total Athletics Related Debt

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

Results: No exceptions noted.

5. Agree the total annual maturities and total outstanding athletic debt to the general ledger based on the detail listing provided by the institution.

Results: No exceptions noted.

Total Institutional Debt

6. 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 noted. Refer to Note C.

Value of Athletics Dedicated Endowments

7. Obtain a schedule of all athletics dedicated endowments maintained by athletics, the institution, and affiliated organizations.

Results: We obtained the University's schedule of all athletics dedicated endowments maintained athletics, the institution, and affiliated organizations.

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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.

8. Agree the fair value in the schedule(s) to the detail listing provided by the institution and the audited financial statements, if available, or the institution's general ledger.

Results: No exceptions noted.

Value of Institutional Endowments

9. Agree the total fair value of institutional endowments 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 noted.

Total Athletics Related Capital Expenditures

10. 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 2017.

11. 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 by agreeing to underlying invoices.

Results: No exceptions noted.

12. Recalculate totals of total athletics related capital expenditures based on the detail listing provided by the institution.

Results: No exceptions noted.

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(Continued)

Youngstown State University
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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.

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, 2017, 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 Athletics 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, 2017, which reflected that no material modifications to the financial statements were required. There were no comments noted concerning internal control structure.

The amounts included within Attachment D are not included in the Schedule, except for the contribution made by the Penguin Club to the University's Intercollegiate Athletics Program reported within the Contributions line on the Schedule.

3. Compare and agree a sample of operating revenues and expense 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 revenues and expenses included within Attachment D to a confirmation obtained directly from the Penguin Club, noting no exceptions.

4. Obtain and document an understanding 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 noted.

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Youngstown State University
NCAA AUP YEAR OVER YEAR ANALYTICAL COMPARISON
June 30, 2017
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:	6/30/2017 <u>Total</u>	6/30/2016 <u>Total</u>	Year-over-Year Variations <u>Totals</u>	
			<u>\$ Diff</u>	<u>% Diff</u>
Ticket Sales	\$ 775,803	\$ 531,930	\$ 243,873	45.8%
Direct State or Other Government Support	-	-	-	
Student Fees	-	-	-	
Direct Institutional Support	11,929,020	11,480,232	448,788	3.9%
Less Transfers to Institution	-	-	-	
Indirect Institutional Support	-	-	-	
Guarantees	717,000	1,042,000	(325,000)	-31.2%
Contributions	1,123,256	1,010,571	112,685	11.2%
In-Kind	622	3,933	(3,311)	-84.2%
Compensation and Benefits Provided by Third Party	-	-	-	
Media Rights	3,307	3,472	(165)	-4.8%
NCAA Distributions	1,520,789	1,068,953	451,836	42.3%
Conference Distributions	-	-	-	
Program, Novelty, Parking, and Concessions Sales	222,261	197,500	24,761	12.5%
Royalties, Licensing, Advertisement and Sponsorships	549,854	522,326	27,528	5.3%
Sports Camp Revenue	313,928	214,569	99,359	46.3%
Athletics Restricted Endowment and Investment Income	2,453	2,936	(483)	-16.5%
Other Operating Revenue	305,395	291,383	14,012	4.8%
Bowl Revenues	-	-	-	
Total Operating Revenue	<u>\$ 17,463,688</u>	<u>\$ 16,369,805</u>	<u>\$ 1,093,883</u>	

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.

(Continued)

Youngstown State University
NCAA AUP YEAR OVER YEAR ANALYTICAL COMPARISON
June 30, 2017
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:	6/30/2017 Total	6/30/2016 Total	Year-over-Year Variations Totals	
Athletic Student Aid	\$ 4,674,389	\$ 4,757,943	\$ (83,554)	-1.8%
Guarantees	196,000	184,000	12,000	6.5%
Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities	3,455,294	3,183,530	271,764	8.5%
Coaching Salaries, Benefits and Bonuses paid by a third party	-	-	-	
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by University and Related Entities	2,678,939	2,603,909	75,030	2.9%
Support Staff/Administrative Compensation, Benefits and Bonuses paid by Third Party	-	-	-	
Severance Payments	-	-	-	
Recruiting	356,380	348,444	7,936	2.3%
Team Travel	1,643,286	1,311,851	331,435	25.2%
Equipment, Uniforms and Supplies	669,312	786,323	(117,011)	-14.9%
Game Expenses	649,831	370,856	278,975	75.2%
Fund Raising, Marketing and Promotion	135,947	145,851	(9,904)	-6.8%
Sports Camp Expenses	174,904	149,772	25,132	16.8%
Spirit Groups	81,680	72,940	8,740	12.0%
Athletic Facilities Debt Service, Leases and Rental Fees	454,121	379,974	74,147	19.5%
Direct Overhead and Administrative Expenses	232,639	504,547	(271,908)	-53.9%
Indirect Institutional Support	-	-	-	
Medical Expenses and Medical Insurance	76,062	157,431	(81,369)	-51.7%
Membership Dues	22,179	22,085	94	0.4%
Other Operating Expenses and Transfers to Institution	979,255	865,705	113,550	13.1%
Student-Athlete Meals (non-travel)	68,421	-	68,421	
Bowl Expenses	-	-	-	
Total Operating Expenses	<u>\$ 16,548,639</u>	<u>\$ 15,845,161</u>	<u>\$ 703,478</u>	

Note: There were no expenditure accounts that made up 10% of total expenditures that had a change greater than 10% from prior year to current year.

Youngstown State University
OTHER REPORTING ITEMS
June 30, 2017
Attachment C

Other Reporting Items

Total Athletics Related Debt	\$	4,629,030
Total Institutional Related Debt		83,955,000
Value of Athletics Dedicated Endowments		55,117
Value of Institutional Endowments		8,995,017
Total Athletics Related Capital Expenditures		150,662

Youngstown State University
 SCHEDULE OF FINANCIAL ACTIVITIES OF THE PENGUIN CLUB, INC.
 June 30, 2017
 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>\$ 1,757,467</u>	<u>\$ 1,167,709</u>	<u>\$ 781,179</u>	<u>\$ 2,143,997</u>

Expense Detail

General fund of Youngstown State University	\$ 42,648
Century Kingbird Tickets	159,146
Contributions to business office remodeling	5,987
Contributions to football stadium lighting	114,284
Playoff football game contributions	3,683
Scholarship awards	76,905
Sports banquets and scholars' recognition dinner	9,048
Executive Director's expenses	6,302
Expenses paid on behalf of the Program	25,716
Fund Raising Expenses	137,433
Other Expenses	<u>200,027</u>
 Total	 <u>\$ 781,179</u>

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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 30, 2018**