

THE UNIVERSITY OF TOLEDO
NCAA AGREED-UPON PROCEDURES
YEAR ENDED JUNE 30, 2019



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Dr. Sharon Gaber, President
University of Toledo
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We have reviewed the *Independent Accountants' Report on Applying Agreed-Upon Procedures* of the University of Toledo NCAA Report, Lucas County, prepared by CliftonLarsonAllen LLP, for the period July 1, 2018 through June 30, 2019. 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 University of Toledo is responsible for compliance with these laws and regulations.



Keith Faber
Auditor of State
Columbus, Ohio

November 18, 2019

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**THE UNIVERSITY OF TOLEDO
NCAA AGREED-UPON PROCEDURES
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Dr. Sharon Gaber, President
The University of Toledo
Toledo, Ohio

We have performed the procedures enumerated below, which were agreed to by the President of the University of Toledo (the Institution), solely to assist you in evaluating whether the accompanying Intercollegiate Athletics Program statement of revenues and expenses (the statement) of the University of Toledo is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.15 for the year ended June 30, 2019. The University of Toledo'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 enumerated 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 findings are as follows:

Internal Control Structure

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

- We met with the Executive Director of Internal Audit and Chief Compliance Officer 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.
- We obtained the University's audited financial statements for the year ended June 30, 2019, any additional reports regarding internal control, and any corrective action taken in response to comments concerning the internal control structure.
- We obtained documentation of the accounting systems and procedures unique to the Intercollegiate Athletics Department.
- Cash disbursements and athletic employee payroll were addressed in connection with the audit of the Institution's financial statements.

No exceptions noted.

NCAA Reporting

- B. We compared and agreed 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.

Results: We noted no exceptions.

- C. We compared current year Grants-in-Aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission.

Results: Only football had a variance +/-4% due to a larger number of mid-year replacement student-athletes in FY18 than in FY19. Mid-year replacements occur due to student-athletes who graduate in December, and the number varies year to year. Explanation is considered reasonable.

- D. We obtained the Institution's Sports Sponsorship and Demographics Forms 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 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. We ensured that the Institution has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

Results: We noted no exceptions.

- E. We compared current year number of Sports Sponsored to prior year reported total per the Membership Financial Report submission.

Results: We noted no exceptions.

- F. 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 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 Institution's financial aid records, of all student-athlete Pell Grants.

Results: We noted no exceptions.

- G. We compared current year Pell Grants total to prior year reported total per the Membership Financial Report submission.

Results: We noted no exceptions.

Notes and Disclosures

- H. We obtained the Institution's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets, and reviewed them for consistency with the University's policies as described in Note 1 to the statement. We agreed the schedule to the Institution's general ledger. 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(s) are included in Note 2 to the statement.

Results: We noted no exceptions.

- I. Changes in loan, endowment, or plant funds related to intercollegiate athletics were not included in the Statement.
- 1) We obtained 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% of total contributions.
 - 2) We obtained and disclosed the value of endowments at the fiscal year-end that are dedicated to the sole support of athletics.
 - 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.

Results: We noted no exceptions. There were no significant changes to endowment and plant funds. See Note 3 for disclosures.

Statement of Revenues and Expenses

- J. We obtained the Intercollegiate Athletics Program Statement of Revenues and Expenses for the reporting period, prepared by management, and agreed all amounts back to the Institution's general ledger.

Results: We noted no exceptions.

- K. For each major revenue/expense account over 10% of the total revenues/expenses, we agreed each revenue and expense amount from the statement to prior year amounts and budget estimates. We obtained and documented an understanding of any variations greater than 10% of total revenues/expenses.

Results: We reported this analysis as a supplement to the final report. See Appendix A.

- L. We performed additional procedures on the following revenue and expense categories unless the specific reporting category was less than 4.0% of total revenues or expenses.

Results: See procedures below.

Revenues

- M. We agreed each revenue category reported in the statement during the reporting period to supporting schedules provided by the Institution.

Results: We noted no exceptions.

For each of the operating revenue categories in excess of 4% of total revenues reported in the statement, we performed the following procedures:

1) Ticket Sales

We compared 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.

Results: We selected the following ticket sales transactions for testing:

<u>Date</u>	<u>Description</u>	<u>Amount</u>
07/31/2018	IND FT GAME July'18 CC	\$123,578
09/30/2018	IND FT GAME Sept. '18 CC	196,335
10/31/2018	IND FT GAME Oct. '18 CC	48,064
11/06/2018	1811020002 10/25 Cash and Checks	21,160
11/30/2018	IND FT Game Nov. '18 CC	5,525

We noted no exceptions.

2) Student Fees

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 and recalculated totals. We obtained and documented an understanding of the Institution's methodology for allocating student fees to intercollegiate athletics programs and recalculated totals.

Results: We noted no exceptions. We noted the total amount allocated to athletics agreed to the approved budgeted amount and was composed of the following elements:

<u>Name</u>	<u>Amount</u>
Athletics and Cheerleaders	\$10,091,212
Fetterman Training Facility	123,300
Glass Bowl	51,042
Larimer Team Facility	263,167

3) Direct Institutional Support

We compared the direct institutional support recorded by the Institution during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculated totals.

Results: We noted no exceptions.

4) Transfers Back to the Institution

We compared the transfers back to the Institution with permanent transfers back to the Institution from the athletics department and recalculated totals.

Results: We noted no transfers back to the Institution.

5) Contributions

We obtained and reviewed supporting documentation and recalculated totals for any contribution of monies, 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 constituted 10% or more in aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting period.

Results: We obtained the general ledger detail for contribution revenue and noted there were no contributions over 10%.

6) Media Rights

We obtained and inspected agreements to understand the Institution's total media (broadcast, television, radio) rights received by the Institution or through their conference offices as reported in the statement. We compared and agreed the media rights revenue recorded to a summary statement of all media rights identified, if applicable, and the Institution's general ledger and recalculated totals.

Results: We selected the following revenue:

<u>Revenue Source</u>	<u>Amount</u>
Learfield (UT's media partner)	\$1,149,204

We noted no exceptions.

7) NCAA Revenue

We compared the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA revenue and other corroborative supporting documents and recalculated totals.

Results: We selected the following NCAA revenues:

<u>Description</u>	<u>Amount</u>
NCAA CDA Trade Pay	\$665,614
NCAA CDA Trade Pay	112,005
Mid-American Athbill.com	136,806
Mid-American Athbill.com	228,498

We noted no exceptions.

8) Conference Distributions

We obtained and inspected agreements related to the Institution's conference distributions and participation in revenues from tournaments during the reporting period to gain an understanding of the relevant terms and conditions. We compared the related revenues to the Institution's general ledger and the statement, and recalculated totals.

Results: We selected the following conference distributions:

<u>Description</u>	<u>Amount</u>
MAC Conference Distribution	\$1,325,000
NCAA Base Unit Pool	129,000

We compared the above distributions to documentation from the Mid-American Conference and the related deposit slips. We noted no exceptions.

Expenses

N. We agreed each expense category reported in the statement during the reporting period to supporting schedules provided by the Institution.

Results: We noted no exceptions.

For each of the operating expense categories in excess of 4% of total expenses reported in the statement, we performed the following procedures:

1) Athletic Student Aid

We selected a sample of 33 students from the listing of institutional student aid recipients during the reporting period (no less than 10% of the total student athletes since the Institution used NCAA's Compliance Assistant software to prepare athletic aid detail). We obtained individual student account detail for each selection and agreed total aid in the Institution's student system to the student's detail in Compliance Assistant.

- a) We performed a check of each student selected to ensure that his or her 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:
 - 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 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 on that squad list labeled "Rev. Dist. Equivalent Award."
 - ii) A student-athlete 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 per sport hierarchy listed in the Division I manual.
 - iii) 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.
 - iv) The full grant amount should be the full cost of tuition for an academic year, not semester. The "Period of Award" column on the NCAA Compliance Assistance squad list can identify those student-athletes receiving aid for a particular semester.
 - v) 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.
 - vi) Student-athletes receiving athletic aid who have exhausted their athletic eligibility or are inactive due to medical reasons should be included in the student-athlete aid total and correctly noted on the squad list.
 - vii) Only athletic aid awarded in sports in which the NCAA conducts championship competitions, emerging sports for women, and FBS football should be included in the calculations.

viii) If a selected student received a Pell Grant, ensure 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.

ix) If a selected student received a Pell Grant, ensure 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.

b) We recalculated totals for each sport and overall.

Results: We noted no exceptions. The students' accounts tested are summarized below:

Student Tested	Amount Awarded	Student Tested	Amount Awarded
1	\$26,346	18	\$26,346
2	18,441	19	26,346
3	2,634	20	36,883
4	26,344	21	26,346
5	8,920	22	26,346
6	26,346	23	35,684
7	13,221	24	35,684
8	17,842	25	35,684
9	13,172	26	35,684
10	16,413	27	26,346
11	0	28	25,818
12	36,883	29	18,556
13	26,346	30	17,486
14	16,057	31	26,346
15	16,057	32	22,123
16	35,684	33	22,844
17	1,054		

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

We obtained and inspected a listing of coaches employed by the Institution and related entities during the reporting period. We selected a sample of eight coaches' contracts that included football, and men's and women's basketball from the listing. We compared and 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 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. We compared and agreed the totals recorded to any employment contracts executed for the sample selected and recalculated totals.

Results: We noted no exceptions. We selected eight coaches' for detail testing (including football, men and women's basketball), obtained contracts (where applicable), and performed the procedures above for the following coaches:

Coach	Title
1	Football – Head Coach
2	Women’s Basketball – Head Coach
3	Men’s Basketball – Head Coach
4	Tennis – Head Coach
5	Baseball – Assistant Coach
6	Soccer – Assistant Coach
7	Softball – First Assistant Coach
8	Volleyball – Second Assistant Coach

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

We selected a sample of four support staff/administrative personnel employed by the Institution and related entities during the reporting period. We obtained and inspected the reporting period summary payroll register for each selection. We compared and agreed the related summary payroll register to the related support staff/administrative salaries, benefits and bonuses paid by the Institution and related entities expense recorded by the Institution in the statement during the reporting period and recalculated totals.

Results: We selected four support staff/administrative personnel for detail testing and performed the procedures above for the following staff:

Staff	Title
1	Coordinator of Marketing Sales/Fan Experience
2	Associate Athletic Director Sports Medicine/ HC Administration
3	Assistant Athletic Communications Director
4	Athletic and Special Events Manager

We noted no exceptions.

4) Team Travel

We obtained and documented an understanding of the Institution’s team travel policies. We compared and agreed to existing Institutional- and NCAA-related policies. We obtained general ledger detail and compared to the total expenses reported and recalculated totals. We selected a sample of 10 transactions to validate existence of the transaction and accuracy of recording and recalculated totals.

Results: We selected the following transactions:

Sample #	Team	Amount
1	ATH – Market & Promotion	\$2,825
2	MAC Champ	7,100
3	Baseball	16,200
4	Softball	14,448
5	Basketball - Men	2,230
6	Basketball - Women	812
7	Football	1,337
8	Golf-Women	340
9	Golf-Women	950
10	Swimming-Women	4,069

We noted no exceptions.

5) Equipment, Uniforms, and Supplies

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of three transactions to validate existence of the transaction and accuracy of recording and recalculated totals.

Results: We selected the following transactions:

Date	Expense Description	Amount
11/09/2018	Signs	\$496.00
03/29/2019	Business Cards	1,721.99
09/14/2018	Golf Yardage Guides	1,500.00

We noted no exceptions.

6) Game Expenses

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of the transaction and accuracy of recording and recalculated totals.

Results: We selected the following transactions:

Date	Expense Description	Amount
09/14/2018	HR Payroll	\$1,608.40
04/25/2019	Production services rendered	6,685.00
01/04/2019	Coca-Cola Bottling Co.	1,425.01

We noted no exceptions.

7) Athletic Facility Debt Service, Leases, and Rental Fees

We obtained a listing of debt service schedules, lease payments, and rental fees for athletic facilities for the reporting year. We compared a sample of facility payments including the top two highest facility payments to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements). We compared amounts recorded to amounts listed in the general ledger detail and recalculated totals.

Results: We selected the following facility debt service payments:

<u>Expense Description</u>	<u>Amount</u>
Larimer Renovation Funding Repayment	\$250,000
UT Foundation Loan	1,028,024
Turf	113,752
Glass Bowl Facility Debt Service Transfer	38,224

We noted no exceptions.

8) Other Operating Expenses

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of three transactions to validate existence of the transaction and accuracy of recording and recalculated totals.

Results: We selected the following transactions:

<u>Date</u>	<u>Expense Description</u>	<u>Amount</u>
02/04/2019	Cody J. Smith	\$2,000
08/20/2018	Mayflower	8,231
10/29/2018	Winthrop Intelligence LLC	12,600

We noted no exceptions.

Affiliated and Outside Organizations

O. 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:
 - Booster organizations established by or on behalf of an intercollegiate athletics program.
 - Independent or affiliated foundations or other organizations that have as a principal purpose, generating or maintaining of grants-in-aid or scholarships funds, gifts, endowments or other monies, goods, or services to be used entirely or in part by the intercollegiate athletics program.
 - Alumni organizations that have as one of its principal purposes the generating of monies, goods or services for or on behalf of an intercollegiate athletics programs and that contribute monies, 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 athletic 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.

Results: We obtained the following listing prepared by the Institution of all identified affiliated and outside organizations and agreed that list to the activities recorded in the Institution’s financial statements and to the Intercollegiate Athletics Program statement of revenue and expenditures. We noted that two of the organizations’ finances are handled through the Institution’s foundation, with only the Downtown Coaches Association being outside the control of the Institution. We noted the following activity with the three affiliated outside organizations:

Entity	Beginning Cash Balance at 6/30/18	Cash Receipts	Contribution to or on Behalf of Program	Ending Cash Balance at 6/30/19
Varsity ‘T’ Club	\$48,068	\$24,100	\$15,883	\$56,285
Downtown Coaches Association	4,835	268,517	268,103	5,249
The University of Toledo Women’s Basketball Fan Club	13,095	27,770	35,194	5,671
Total All Funds	\$65,998	\$320,387	\$319,180	\$67,205

- P. For expenses on or behalf of intercollegiate athletic programs by affiliated and outside organizations not under the Institution’s accounting control, we obtained that organization’s financial statements for the reporting period. We agreed the amounts reported to the organization’s general ledger, and performed the following procedures:

- 1) We disclosed the following summary of revenue and expenses for one such organization outside the Institution’s control, the Downtown Coaches Association (DCA), as of June 30, 2019:

Revenue	\$268,517
Expenses	268,103
Net Gain	\$414

- 2) We agreed a sample of three operating revenue categories reported in the DCA’s statement during the reporting period to supporting schedules provided by the DCA.

Revenue Category	Amount
1 Football 50/50	\$160,550
2 Men’s Basketball 50/50	46,621
3 Women’s Basketball 50/50	36,957

- 3) We agreed a sample of three operating revenue receipts obtained from the above operating revenue schedule to supporting documentation.

Date of Receipt	Amount
1 09/24/2018	\$21,917
2 01/16/2019	2,173
3 03/25/2019	2,360

- 4) We agreed each operating expense category reported in the DCA statement during the reporting period to supporting schedules provided by the DCA.

	Expense Account	Amount
1	Lunches – Aramark	\$25,344
2	Football 50/50 Awards	56,504
3	Men’s Basketball 50/50 Awards	20,993
4	Women’s Basketball 50/50 Awards	16,732
5	Pointstreak Commission	14,310
6	Pointstreak Technical Fees	1,891
7	Miscellaneous Expenses	1,126
8	Executive Compensation	4,600
9	50/50 Team Distribution	54,833
10	Athletic Department Distribution	55,000
11	Miscellaneous 50/50 Expense	795
12	50/50 Withhold – IRS	15,974

- 5) We agreed a sample of three operating expenses obtained from the above operating expense supporting schedules to supporting documentation.

	Expense Category	Amount
1	Football 50/50 Winner	\$13,551
2	Aramark Lunches	3,738
3	Pointstreak Commission	1,011

- 6) We directly confirmed cash balances recorded at the end of the reporting period by the DCA and agreed to the related year-end bank reconciliations. The balance per the bank was \$5,249.02 at June 30, 2019.
- 7) We obtained and inspected minutes of the DCA’s governing body during the reporting period and selected a sample of three financial transactions discussed in the minutes. Each transaction selected was agreed to supporting documentation without exception.

	Meeting Date	Amount
1	12/10/2018	\$25,000
2	03/04/2019	500
3	12/10/2018	5,925

- 8) We obtained and documented an understanding of the internal controls in place surrounding revenues and expenses related to the organization.

* * * * *

Dr. Sharon Gaber, President
The University of Toledo

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 compliance of the accompanying Intercollegiate Athletics Program statement of revenues and expenses of the University of Toledo. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users above, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Toledo, Ohio
October 15, 2019

**THE UNIVERSITY OF TOLEDO
INTERCOLLEGIATE ATHLETICS PROGRAM –
STATEMENT OF REVENUE AND EXPENSES
YEAR ENDED JUNE 30, 2019**

	<u>Football</u>	<u>Men's Basketball</u>	<u>Women's Basketball</u>	<u>Other</u>	<u>Total</u>
OPERATING REVENUES					
Ticket Sales	\$ 1,744,741	\$ 413,010	\$ 209,835	\$ 121,725	\$ 2,489,311
Student Fees	-	-	-	10,528,721	10,528,721
Direct Institutional Support	258,712	19,813	22,876	1,756,861	2,058,262
Guarantees	200,000	-	-	6,000	206,000
Contributions	776,041	105,360	30,504	3,605,830	4,517,735
Media Rights	-	-	-	1,249,204	1,249,204
NCAA Revenue	-	-	-	1,402,497	1,402,497
MAC Revenue	-	950	-	1,667,926	1,668,876
Program Sales, Concessions, and Parking	53,320	10,265	6,862	31,774	102,221
Royalties, Ads, and Sponsorships	4,903	-	-	702,591	707,494
Sports Camp Revenue	50,360	70,029	28,190	104,225	252,804
Athletics Restricted Endowment and Investment Income	-	-	-	190,228	190,228
Bowl Revenue	353,604	-	-	-	353,604
Other Revenue	146,358	41,238	32,277	314,550	534,423
Total Operating Revenues	<u>3,588,039</u>	<u>660,665</u>	<u>330,544</u>	<u>21,682,132</u>	<u>26,261,380</u>
OPERATING EXPENSES					
Athletic Student Aid	3,348,560	487,273	491,932	4,601,686	8,929,451
Guarantees	1,050,000	111,500	26,000	14,000	1,201,500
Coaching Salaries	3,471,472	1,148,506	1,040,100	1,590,221	7,250,299
Support Staff Salaries	874	452	(3)	3,649,044	3,650,367
Recruiting	330,769	77,690	79,143	115,614	603,216
Team Travel	350,109	175,972	173,515	848,005	1,547,601
Equipment, Uniforms, and Supplies	686,331	72,931	72,099	976,177	1,807,538
Game Expenses	1,269,812	431,566	296,442	182,274	2,180,094
Fundraising, Marketing, and Promotion	-	-	795	825,955	826,750
Sports Camp Expense	16,924	27,774	11,342	49,925	105,965
Spirit Groups	-	-	-	77,095	77,095
Debt Service	-	-	-	1,216,755	1,216,755
Direct Overhead	14,407	1,944	2,627	556,994	575,972
Medical Expenses and Insurance	2,560	-	336	444,513	447,409
Memberships and Dues	1,344	4,115	908	194,494	200,861
Student-Athlete Meals	291,823	31,749	-	18,577	342,149
Bowl Expense	470,223	-	-	-	470,223
Bowl Expense-Coaching	47,000	-	-	-	47,000
Other Operating Expenses	343,887	102,517	104,578	1,327,523	1,878,505
Total Operating Expenses	<u>11,696,095</u>	<u>2,673,989</u>	<u>2,299,814</u>	<u>16,688,852</u>	<u>33,358,750</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (8,108,056)</u>	<u>\$ (2,013,324)</u>	<u>\$ (1,969,270)</u>	<u>\$ 4,993,280</u>	<u>\$ (7,097,370)</u>

This statement should be read only in connection with the accompanying agreed upon procedures report and the notes to the statement.

**THE UNIVERSITY OF TOLEDO
NOTES TO INTERCOLLEGIATE ATHLETICS PROGRAM –
STATEMENT OF REVENUE AND EXPENSES
YEAR ENDED JUNE 30, 2019**

NOTE 1 – INTERCOLLEGIATE ATHLETICS-RELATED ASSETS

Property and equipment are recorded at cost or, if donated, the acquisition value at the time of donation. Expense for maintenance and repairs are 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 four to forty years depending on class.

The current year capitalized additions and deletions to facilities during the year ended June 30, 2019 are as follows:

	<u>Current Year Additions</u>	<u>Current Year Deletions</u>
Football Athletic Facilities	\$225,939	\$ -0-
Other Athletic Facilities	1,176,223	-0-
Total Athletics Facilities	<u>\$1,402,162</u>	<u>\$-0-</u>
Other Institutional Facilities	\$23,581,728	\$6,558,216

The total estimated book values of property, plant, and equipment, net of depreciation, of the Institution as of and for the year ended June 30, 2019 are as follows:

	<u>Estimated Book Value</u>
Athletics-Related Property, Plant, and Equipment Balance	\$43,126,109
Institution's Total Property, Plant, and Equipment Balance	<u>541,856,000</u>

NOTE 2 – INTERCOLLEGIATE ATHLETICS-RELATED DEBT

The annual debt service and debt outstanding for the Institution as of the year ended June 30, 2019 is as follows:

	<u>Annual Debt Service</u>	<u>Debt Outstanding</u>
Athletics-Related Facilities	\$2,406,360	\$34,861,217
Institution's Total	23,272,000	413,964,000

The repayment schedule for all outstanding intercollegiate athletics debt maintained by the Institution during the year ended June 30, 2019 is as follows:

Year	Glass Bowl		Savage Hall		Practice Facility		Total		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2020	18,650	19,850	658,959	631,793	615,816	461,292	1,293,425	1,112,935	2,406,360
2021	19,450	17,300	618,407	663,611	642,533	434,273	1,280,390	1,115,185	2,395,574
2022	0	0	709,648	578,570	671,921	406,082	1,381,569	984,652	2,366,220
2023	0	0	679,234	602,676	701,309	376,601	1,380,543	979,278	2,359,821
2024			770,475	520,754	733,369	344,236	1,503,844	864,990	2,368,833
Thereafter	0	0	11,861,254	3,561,895	6,218,274	1,322,985	18,079,528	4,884,881	22,964,409
Total	<u>\$38,100</u>	<u>\$37,150</u>	<u>\$15,297,976</u>	<u>\$6,559,299</u>	<u>\$9,583,222</u>	<u>\$3,345,470</u>	<u>\$24,919,298</u>	<u>\$9,941,919</u>	<u>\$34,861,217</u>

**THE UNIVERSITY OF TOLEDO
NOTES TO INTERCOLLEGIATE ATHLETICS PROGRAM –
STATEMENT OF REVENUE AND EXPENSES
YEAR ENDED JUNE 30, 2019**

NOTE 3 – CONTRIBUTIONS

The value of all endowments dedicated to the sole support of athletics at June 30, 2019 is \$5,200,353. The value of all pledges dedicated to the sole support of athletics at June 30, 2019 is \$3,959,970. The athletic department fiscal year-end fund balance for the year ended June 30, 2019 is \$-0-. There were no individual contributions of monies, 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% or more of all contributions received for intercollegiate athletics during the year ended June 30, 2019.

**THE UNIVERSITY OF TOLEDO
 INTERCOLLEGIATE ATHLETICS PROGRAM –
 NCAA AGREED UPON PROCEDURES—APPENDIX A
 YEAR ENDED JUNE 30, 2019**

	2018-19 Total	2017-18 Total	Amount Change	Percent Change	<u>Explanation of Variance per Management</u>
OPERATING REVENUES					
Contributions	\$ 4,517,735	\$ 3,848,058	\$ 669,677	17.40%	\$400,000 for a marketing bonus (in effect 1/1/18) had to be transferred in FY19 because there were not enough funds in the budget. Also nine coaches received quarterly retention bonuses totaling \$143,930 in FY19. Funds were transferred from the Foundation to cover these bonuses.

OHIO AUDITOR OF STATE KEITH FABER



UNIVERSITY OF TOLEDO - NCAA

LUCAS 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
DECEMBER 5, 2019