

# **Cleveland State University Cuyahoga County**

Independent Accountant's Report on Applying  
Agreed-Upon Procedures Performed on the  
Intercollegiate Athletics Department as Required by  
NCAA Constitution 3.2.4.17

June 30, 2022



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPARreport@ohioauditor.gov  
(800) 282-0370

Board of Trustees  
Cleveland State University NCAA  
2121 Euclid Ave  
Cleveland, Ohio 44115

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures Performed on the Intercollegiate Athletics Department as Required by NCAA Constitution 3.2.4.17 of Cleveland State University NCAA, Cuyahoga County*, prepared by RSM US LLP, for the period July 1, 2021 through June 30, 2022. 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. Cleveland State University NCAA is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

January 05, 2023

**This page intentionally left blank.**



RSM US LLP

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

Dr. Laura Bloomberg, President  
Cleveland State University

We have performed the procedures enumerated in our engagement letter dated May 19, 2022 related to Cleveland State University's compliance with National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 (the specified requirements) during the period July 1, 2021 to June 30, 2022. We have performed the procedures included in the NCAA Bylaw 3.2.4.17 and enumerated below. Cleveland State University's management is responsible for its compliance with those requirements.

Cleveland State University's management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in determining whether the entity complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

### **Agreed-Upon Procedures Related to the Statement of Revenues and Expenses and Other Reporting Items**

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

- A. We obtained the Department's Statement of Revenues and Expenses (Statement) for the year ended June 30, 2022, as prepared by management and included herein as Exhibit A. We computed, without exception, the mathematical accuracy of the Statement. We compared the individual line items in the "Total" column to the respective amounts recorded in the Department general ledger for the year ended June 30, 2022 and found them to be in agreement. If a specific reporting category was less than 4% of the total revenue and expense, no procedures were performed for that specific category.

No exceptions were noted as a result of applying these procedures.

- B. We obtained a variance analysis prepared by the management of the Department. We compared each major revenue account over 10% of the total revenues to prior period amounts and budget estimates. We obtained and documented an understanding of any variances greater than 10% which are as follows:

There were no variances that met the threshold noted above. Therefore, no additional procedures were performed.

## **Agreed-Upon Procedures Related to Revenues**

### *Ticket Sales*

1. This specific reporting category is less than 4% of the total revenue, therefore, no procedures were performed.

### *Student Fees*

- 2-4. We compared student fees reported in the Statement for the year ended June 30, 2022 to student enrollment information and recalculated totals. We obtained the University's methodology for allocating student fees to the intercollegiate athletics department and recalculated the totals based on this methodology. The Department reports an allocation of student fees countable as generated revenue. We recalculated totals for each sport based on their methodology provided and agreed the calculation to student fee reports.

No exceptions were noted as a result of applying these procedures.

### *Direct State or Other Governmental Support*

5. We noted, through inquiry of the Department, the Department did not receive any direct state or other governmental support for the year ended June 30, 2022. Therefore, no additional procedures were performed.

### *Direct Institutional Support*

6. We noted, through inquiry of the Department, the Department did not receive any direct institutional support for the year ended June 30, 2022. Therefore, no additional procedures were performed.

### *Transfers Back to Institution*

7. We noted, through inquiry of the Department, the Department did not have any transfers back to the institution for the year ended June 30, 2022. Therefore, no additional procedures were performed.

### *Indirect Institutional Support*

8. We noted, through inquiry of the Department, the Department did not receive any indirect institutional support for the year ended June 30, 2022. Therefore, no additional procedures were performed.

### *Guarantees*

- 9-10. This specific reporting category is less than 4% of the total revenue, therefore, no procedures were performed.

### *Contributions*

11. We obtained from the Department the general ledger detail of all contributions recorded by the University during the year ended June 30, 2022. We then haphazardly selected five contributions recorded in the general ledger. For these items, we agreed the amount recorded to supporting documentation (donor letter and check copy) for the contribution. We compared the total revenues from "Contributions" per the Statement to the respective account in the general ledger for the year ended June 30, 2022 and found it to be in agreement.

#### *In-Kind*

12. We noted, through inquiry of the Department, the Department did not receive any in-kind contributions for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Compensation and Benefits by a Third-Party*

13. We noted, through inquiry of the Department, the Department did not receive any compensation and benefits provided by a third-party for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Media Rights*

- 14-15. We noted, through inquiry of the Department, the Department did not receive any media rights for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *NCAA Distributions*

16. This specific reporting category is less than 4% of the total revenue, therefore, no procedures were performed.

#### *Conference Distributions*

- 17-18. This specific reporting category is less than 4% of the total revenue, therefore, no procedures were performed.

#### *Program, Novelty, Parking and Concession Sales*

19. We noted, through inquiry of the Department, the Department did not receive any program, novelty, parking and concession sales for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Royalties, Licensing, Advertisements and Sponsorships*

- 20-21. This specific reporting category is less than 4% of the total revenue, therefore, no procedures were performed.

#### *Sports Camp Revenues*

- 22-23. We noted, through inquiry of the Department, the Department did not receive any sports camp revenues for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Athletics Restricted Endowment and Investment Income*

- 24-25. We obtained and inspected endowment agreements for relevant terms and conditions. We compared and agreed the classification and use of endowment and investment income reported in the statement during the reporting period to the uses of income defined within the related endowment agreement and recalculated totals.

No exceptions were noted as a result of applying these procedures.

#### *Other*

26. This specific reporting category is less than 4% of the total revenue, therefore, no procedures were performed.

### *Bowl Revenues*

- 27-28. We noted, through inquiry of the Department, the Department did not receive any bowl revenues for the year ended June 30, 2022. Therefore, no additional procedures were performed.

### **Agreed-Upon Procedures Related to Expenses**

- C. We obtained a variance analysis prepared by the management of the Department. We compared each major expense account over 10% of the total expenses to prior period amounts and budget estimates. We obtained and documented an understanding of any variances greater than 10% which are as follows:

*Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities* – We noted a variance greater than 10% compared to the prior period amount and the budget. We noted, through inquiry of the Department, coaching salaries, benefits, and bonuses paid by the University and related entities increased due to salary increases for the men’s head basketball coach and assistants as well as coaching bonuses.

*Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the University and Related Entities* – We noted a variance greater than 10% compared to the prior period amount and the budget. We noted, through inquiry of the Department, support staff/administrative salaries, benefits and bonuses paid by the University and related entities increased from the prior year due to salary increases and no mandatory furloughs were required in the current year.

There were no additional variances greater than 10% compared to budget estimates.

For additional information, see supplement to the Agreed-Upon Procedures report.

### *Athletic Student Aid*

- 29-32. We obtained a listing of student athletes who received financial assistance during the year ended June 30, 2022 from management. Management used the NCAA’s Compliance Assistant (CA) software to prepare the athletic aid detail. We haphazardly selected 10% of the total student athletes from the listing. We obtained a detail of each selected student’s account and the financial aid award letter. We inspected each student account selected and agreed their student account information per the University to the information reported in the NCAA’s CA software. If the student received a Pell Grant, we noted the value of the Pell Grant was excluded in student athletic aid expense and that the student’s total number and value of Pell Grants reported for revenue distributions purposes were included in the NCAA Membership Financial Reporting System.

No exceptions were noted as a result of applying these procedures.

### *Guarantees*

- 33-34. This specific reporting category is less than 4% of the total expense, therefore, no procedures were performed.

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

- 35-38. We obtained a listing of University coaches employed at the University during the year ended June 30, 2022. From this list, we selected a total of five coaches (that included men’s and women’s basketball coaches) and obtained the reporting period summary payroll register and agreed the recorded salary, benefit and bonus expense in their respective payroll accounts to their contracts and found them to be in agreement.



We also obtained the general ledger for the total expenses for coaching salaries, benefits and bonuses paid by the University for the year ended June 30, 2022. We then agreed the amount to the Statement and found them to be in agreement. We noted, through inquiry of the Department, for items tested, no payments were made to related entities or third parties.

No exceptions were noted as a result of applying these procedures.

#### *Coaching Other Compensation and Benefits Paid by a Third-Party*

- 39-41. We noted, through inquiry of the Department, that the Department did not expend any compensation and benefits provided by a third-party for the year ended June 30, 2022. Therefore, no additional procedures were performed.

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

- 42-43. We obtained a listing of support staff/administrative salaries employed at the University during the year ended June 30, 2022. From this listing, we haphazardly selected a sample of five support staff/administrative salaries and obtained the reporting period summary payroll register for the year ended June 30, 2022. For each selection we agreed the summary payroll registers to the related support staff/administrative salaries, benefits and bonuses paid by the University to the Statement during the reporting period and recalculated totals.

No exceptions were noted as a result of applying these procedures.

#### *Support Staff/Administrative Other Compensation and Benefits Paid by a Third-Party*

- 44-45. We noted, through inquiry of the Department, that the Department did not expend any support staff/administrative other compensation and benefits paid by a third-party for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Severance Payments*

46. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

#### *Recruiting*

- 47-49. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

#### *Team Travel*

- 50-52. We obtained and read the written documentation from the Department outlining the University's athletics team travel expense policies. We also obtained and read a copy of the NCAA travel expense policies.

Based on the procedures performed and discussions with the University's management, we noted that the University's athletics travel expense policies and categories were consistent with the respective NCAA guidelines and categories.

We then obtained the general ledger detail of team travel expenses for the year ended June 30, 2022. From the general ledger detail, we haphazardly selected a sample of five expense transactions for testing and agreed to the amounts in the general ledger to invoice and check copies. The amounts reported in the general ledger also agreed to the Statement.

No exceptions were noted as a result of applying these procedures.

*Equipment, Uniforms, and Supplies*

53. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

*Game Expenses*

54. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

*Fundraising, Marketing and Promotion*

55. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

*Sports Camp Expenses*

56. We noted, through inquiry of the Department, that the Department did not expend any sports camps for the year ended June 30, 2022. Therefore, no additional procedures were performed.

*Spirit Groups*

57. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

*Athletic Facility Debt Service, Leases and Rental Fees*

- 58-59. We noted, through inquiry of the Department, that the Department did not expend any athletic facility debt service, leases and rental fees for the year ended June 30, 2022. Therefore, no additional procedures were performed.

*Direct Overhead and Administrative Expenses*

60. We then obtained the general ledger detail of direct overhead and administrative expenses for the year ended June 30, 2022. From the general ledger detail, we haphazardly selected a sample of five expense transactions for testing and agreed to the amounts in the general ledger to invoice and check copies. The amounts reported in the general ledger also agreed to the Statement.

No exceptions were noted as a result of applying these procedures.

*Indirect Institutional Support*

61. We noted, through inquiry of the Department, that the Department did not expend any indirect institutional support for the year ended June 30, 2022. Therefore, no additional procedures were performed.

*Medical Expenses and Insurance*

62. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

*Memberships and Dues*

63. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

#### *Other Operating Expenses and Transfers to Institution*

64. We obtained the general ledger detail of other operating expenses for the year ended June 30, 2022. From the general ledger detail, we haphazardly selected a sample of five expense transactions for testing and agreed to the amounts in the general ledger to invoice and check copies. The amounts reported in the general ledger also agreed to the Statement.

No exceptions were noted as a result of applying these procedures.

#### *Student-Athlete Meals (non-travel)*

65. This specific reporting category is less than 4% of the total expenses, therefore, no procedures were performed.

#### *Bowl Expenses*

66. We noted, through inquiry of the Department, the Department did not incur any bowl expenses for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### **Additional Minimum Agreed-Upon Procedures**

- D. Obtain and agree the sports sponsored and demographics form reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) of the Department. The NCAA Membership Financial Reporting System populates the sports from the NCAA Membership Database as they are reported by the Department. If there is a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE, inquire about the discrepancy and report the explanation in the AUP report.

No exceptions were noted as a result of applying these procedures.

- E. Obtain and compare the current year grants-in-aid revenue distribution equivalencies to the prior year reported equivalencies in the Membership Financial report submission. Inquire and document any variances +/-4%.

We obtained and compared the current year grants-in-aid revenue distribution equivalencies to the prior year reported equivalencies reported in the Membership Financial report submission and noted variances greater than +/- 4% for the following men's sports: basketball, golf, lacrosse, soccer, swimming and diving, tennis and wrestling; and the following women's sports: basketball, fencing, golf, softball, swimming and diving, tennis and volleyball. We noted, through inquiry of the Department, the variances are due to changes in the number of students receiving aid and equivalency fluctuations based on aid provided to specific sports and cost of attendance in the current period.

- F. Obtain the Department's Sports Sponsorship and Demographics Forms Report for the reporting year. Compare that the countable sports reported by the Department meet the minimum requirements, set forth in Bylaw 20.9.6.3, for the number of contests and the number of participants. Once countable sports have been compared, agree that the Department has reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. If any discrepancies are identified they must be resolved within the NCAA Membership Financial Reporting System prior to the report being submitted to the NCAA. Obtain and agree the current year number of sports sponsored to the prior year reported total to the NCAA Membership Financial reporting System, inquire about any discrepancies and report the explanation in the AUP report.

No exceptions were noted as a result of applying these procedures.

- G. 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, recipients on partial grants-in-aid and recipients with no grants-in-aid) and the total value of these Pell Grants reported in the Department's financial aid records, to the NCAA Membership Financial Reporting System, of all student athlete Pell Grants. We tested the student aid files selected in step 32, to the report of all student athletes who received Pell Grant awards. We obtained and agreed the current year Pell Grants total to prior year reported total to the Membership Financial Report submission, inquire and document any variance that is +/- 20 grants.

No exceptions were noted as a result of applying these procedures.

### **Minimum Agreed-Upon Procedures Related to Other Reporting Items**

#### *Excess Transfers to Institution and Conference Realignment Expenses*

67. We noted, through inquiry of the Department, that the Department did not expend any excess transfers to institution and conference realignment expenses for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Total Athletics Related Debt*

- 68-69. We noted, through inquiry of the Department, that the Department did not incur any athletics related debt for the year ended June 30, 2022. Therefore, no additional procedures were performed.

#### *Total Institutional Debt*

70. We obtained a listing of the total outstanding University debt and agreed the listing to University's audited financial statements for the year ended June 30, 2022.

No exceptions were noted as a result of applying these procedures.

#### *Value of Athletics Dedicated Endowments*

71. We obtained a schedule of all athletics dedicated endowments maintained by athletics, the University, and affiliated organizations for the year ended June 30, 2022. We agreed the fair market value in the schedules to investment statements, the general ledger and audited financial statements for the year ended June 30, 2022.

No exceptions were noted as a result of applying these procedures.

#### *Value of Institutional Endowments*

72. We obtained a schedule of institutional endowments maintained by the University for the year ended June 30, 2022. We agreed the total fair market value of University's endowments to investment statements, the University's general ledger and audited financial statements for the year ended June 30, 2022.

No exceptions were noted as a result of applying these procedures.

#### *Total Athletic Related Capital Expenditures*

- 73-74. We obtained a schedule of athletics related capital expenditures made by athletics, the University, and affiliated organizations for the year ended June 30, 2022. We obtained the general ledger detail and compared to the total capital expenditures reported in the notes to the Statement. We noted there were no athletic related capital expenditures for the year ended June 30, 2022.

No exceptions were noted as a result of applying these procedures. Additionally, we

noted, through inquiry of the Department, there were no capital expenditures related to affiliated organizations for the year ended June 30, 2022.

### **Affiliated and Outside Organizations**

H. In preparation for our procedures related to the University's affiliated and outside organizations we:

1. Inquired of management as to whether they have identified any affiliated and outside organizations that meet any of the following criteria:
  - i. Booster organizations established by or on behalf of an intercollegiate athletics program.
  - ii. Independent or affiliated foundations or other organizations that have, as a principal purpose, the generating or maintaining of grant-in-aid or scholarship funds, gifts, endowments, or other moneys, goods, or services to be used entirely or in part by the intercollegiate athletics program.
  - iii. Alumni organizations that have, as one of its principal purposes, the generating of moneys, goods, or services for or on behalf of an intercollegiate athletics program and that can contribute moneys, goods, or services directly to an intercollegiate athletics program, booster group, or independent or affiliated foundation as previously noted.

We inquired of the Department, the Department identified Cleveland State University Foundation, an affiliated foundation. Cleveland State Foundation acts primarily as a fundraising organization to supplement the resources that are available to the University in support of its programs.

2. 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 by NCAA legislation. The University's independent accountant shall also inquire of institutional and organization management as to corrective action taken in response to comments concerning internal control structure, if applicable.

We obtained and inspected the audited financial statements of Cleveland State University Foundation and noted there were no additional reports regarding internal controls or corrective action. No exceptions were noted as a result of applying these procedures.

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

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

This report is intended solely for the information and use of members of the Financial Affairs Committee, Board of Trustees, administration of the University, and an authorized representative of the NCAA, and is not intended to be and should not be used by anyone other than these specified parties.

*RSM US LLP*

Cleveland, Ohio  
December 15, 2022

**Intercollegiate Athletics Department  
Statement of Revenues and Expenses  
Year Ended June 30, 2022**

	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	2022 Total
<b>Revenues:</b>					
Operating revenues:					
Ticket sales	\$ 214,216	\$ -	\$ 24,660	\$ -	\$ 238,876
Student fees	2,185,429	1,409,361	4,741,401	2,811,836	11,148,027
Guarantees	170,000	-	5,500	-	175,500
Contributions	88,941	26,384	477,603	358,056	950,984
NCAA distributions	-	-	-	475,216	475,216
Royalties, licensing, advertisements and sponsorships	-	-	-	322,490	322,490
Athletics restricted endowment and investment income	-	-	-	60,470	60,470
Other	-	-	37,927	158,393	196,320
<b>Operating revenue</b>	<b>2,658,586</b>	<b>1,435,745</b>	<b>5,287,091</b>	<b>4,186,461</b>	<b>13,567,883</b>
<b>Expenses:</b>					
Operating expenses:					
Athletic student aid	397,704	532,875	2,387,479	5,022	3,323,080
Guarantees	136,000	4,500	-	-	140,500
Coaching salaries, benefits, and bonuses paid by the University and related entities	1,526,191	576,814	1,424,947	-	3,527,952
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	-	-	-	2,462,419	2,462,419
Severance payments	220,813	-	-	-	220,813
Recruiting	81,047	82,523	86,036	-	249,606
Team travel	230,097	64,963	369,563	-	664,623
Equipment, uniforms and supplies	42,359	41,130	222,486	214,046	520,021
Game expenses	291,523	127,208	107,832	-	526,563
Fundraising, marketing and promotion	-	-	-	294,309	294,309
Spirit groups	-	-	23,528	10,442	33,970
Direct overhead and administrative expenses	10,549	5,311	11,849	611,192	638,901
Medical expenses and insurance	-	-	-	85,475	85,475
Memberships and dues	4,341	6,213	3,017	30,732	44,303
Student-athlete meals (non-travel)	34,387	19,346	106,767	-	160,500
Other operating expenses and transfers to institution	11,263	15,448	290,198	399,334	716,243
<b>Operating expenses</b>	<b>2,986,274</b>	<b>1,476,331</b>	<b>5,033,702</b>	<b>4,112,971</b>	<b>13,609,278</b>
<b>Excess of revenue over expense</b>	<b>\$ (327,688)</b>	<b>\$ (40,586)</b>	<b>\$ 253,389</b>	<b>\$ 73,490</b>	<b>\$ (41,395)</b>

See notes to statement of revenues and expenses.

## Cleveland State University

### Intercollegiate Athletics Department Notes to Statement of Revenues and Expenses Year Ended June 30, 2022

---

#### **Note 1. Basis of Presentation**

The accompanying Statement of Revenues and Expenses of the Intercollegiate Athletics Department of Cleveland State University (the Statement) has been prepared in accordance with accounting principles generally accepted in the United States of America and the NCAA Agreed-Upon Procedures guidelines. The purpose of the Statement is to present a summary of revenues and expenses of the Intercollegiate Athletics Department of Cleveland State University (the Department) for the year ended June 30, 2022 on the accrual basis. Revenues are recorded when earned. Expenses are recorded in the period in which the related liability is incurred. Because the Statement presents only a selected portion of the activities of Cleveland State University (the University), it is not intended to and does not present the financial position, changes in financial position or revenues and expenses for the year then ended for the University as a whole.

The amounts in the accompanying Statement were obtained from the University's trial balance, which is maintained on an accrual basis. All revenues and expenditures directly related to various sports were disclosed as such, except compensation and benefits paid by third parties, which were not applicable. The University records depreciation on physical plant and equipment; however, depreciation is not part of the statement of revenues and expenses.

#### **Note 2. Other Sports**

Other sports include men's fencing, men's golf, men's lacrosse, men's soccer, men's swimming, men's tennis, men's wrestling, women's fencing, women's golf, women's soccer, women's softball, women's swimming, women's tennis, women's track and cross country, and women's volleyball.

#### **Note 3. Endowments, Pledges Receivable and Net Position**

For the year ended June 30, 2022, the University had \$2,677,053 of endowments and no amounts in pledges receivable dedicated to the sole support of athletics not reported in the Statement. The athletic department's net position was \$0 at June 30, 2022.

#### **Note 4. Contributions**

Contribution revenue included in the Statement represent contributions given to the University's Intercollegiate Athletics Department based on donors' instructions.

#### **Note 5. Other Forms of Compensation**

The value of volunteer assistant coaching services, according to NCAA financial audit guidelines, should be reported as contributions and as salary expenditures. The University estimates that the value of volunteer assistant coaching services is not material to the Statement and, therefore, is not reflected in the Statement.

**Cleveland State University**

**Intercollegiate Athletics Department  
Notes to Statement of Revenues and Expenses  
Year Ended June 30, 2022**

---

**Note 6. Capital Assets**

Capital assets are stated at historical cost or at an appraised value at date of donation, if acquired by gift. It is the University's policy to capitalize equipment costing \$5,000 or more and buildings and improvements costing \$100,000 or more. Depreciation of capital assets is provided on a straight-line basis over the estimated useful lives (five to 40 years) of the respective assets and is not allocated to the functional expenditure categories. Amortization of the capitalized cost of assets held under capital leases is generally computed using the straight-line method over the estimated useful lives of the underlying assets or the term of the lease, whichever is shorter.

The current year capitalized additions and deletions to facilities during the year ended June 30, 2022 are as follows:

	<u>Additions</u>	<u>Deletions</u>
Athletic related capital asset balance	\$ 17,123	\$ -
University's total capital asset balance	7,751,344	1,521,136

The total estimated book values of capital assets, net of depreciation, of the University as of the year ended June 30, 2022 are as follows:

	<u>Estimated Book Value</u>
Athletic related capital asset balance	\$ 12,115,669
University's total capital asset balance	454,631,750

**Note 7. Intercollegiate Athletics-Related Debt**

There was no intercollegiate athletics-related debt for the year ended June 30, 2022. Annual debt service and debt outstanding (including principal and interest) for the University for the year ended June 30, 2022 are as follows:

	<u>Annual Debt Service</u>	<u>Debt Outstanding</u>
University's total	\$ 11,454,159	\$ 163,840,000



**Cleveland State University**

**Intercollegiate Athletics Department  
 Supplement to the Agreed Upon-Procedures  
 Year Ended June 30, 2022**

	Actual 2022	Actual 2021	\$ Change	% Change	Management Explanation
<b>Expenses:</b>					
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$ 3,527,952	\$ 3,202,169	\$ 325,783	10%	We noted, through inquiry of the Department, coaching salaries, benefits, and bonuses paid by the University and related entities increased due to salary increases for the men's head basketball coach and assistants as well as coaching bonuses.
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$ 2,462,419	\$ 1,873,470	\$ 588,949	31%	We noted, through inquiry of the Department, support staff/administrative salaries, benefits and bonuses paid by the University and related entities increased due to salary increases and no mandatory furloughs were required in the current year.

	Actual 2022	Budget 2022	\$ Change	% Change	Management Explanation
<b>Expenses:</b>					
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$ 2,462,419	\$ 2,208,938	\$ 253,481	11%	We noted, through inquiry of the Department, support staff/administrative salaries, benefits and bonuses paid by the University and related entities increased from the budget due salary increases for administrative positions and staff bonuses.

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



## CLEVELAND STATE UNIVERSITY - NATIONAL COLLEGIATE ATHLETICS ASSOCIATION AGREED-UPON PROCEDURES REPORT

CUYAHOGA COUNTY

### AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/17/2023

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)