
**TRUMAN STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS
DEPARTMENT**

*INDEPENDENT ACCOUNTANTS' REPORT
ON APPLICATION OF
AGREED-UPON PROCEDURES
JUNE 30, 2023*



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Independent Accountants' Report On Application Of Agreed-Upon Procedures

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We have performed the procedures enumerated below, on whether the accompanying statement of revenues and expenses of the University is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1 for the year ended June 30, 2023, and completed procedures prescribed in the NCAA Agreed-Upon Procedures Guidelines. The management of Truman State University (the "University" or the "Institution") is responsible for its compliance with these regulations and the related financial statement elements, accounts, and items.

Management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1 for the year ended June 30, 2023. 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.

Our procedures and findings are as follows:

Procedures Related To Revenues

1. Agreement To General Ledger

- a. Obtain the University's Intercollegiate Athletics Department Statement of Revenues and Expenses from management. Compare and agree each category of revenues per the Statement of Revenues and Expenses to the University's general ledger.

Findings: No exceptions were found as a result of applying these procedures.

2. *Internal Control Policies And Procedures*

- a. We obtained from the University's management a description of aspects of the University's internal control structure unique to the Intercollegiate Athletics Department, such as ticket sales and receipts and athletic department expenses. We were engaged to report whether there were any significant changes in the policies that occurred during the year.

Findings: Management noted that the University does not have an internal control structure document unique to the athletics department. Management has communicated that there were no material or significant changes to the University wide internal control structure during the current period.

3. *Student Fees*

- a. Compare and agree student fees revenue reported in the Institution's Statement during the reporting period to supporting schedules provided by the Institution

Findings: No exceptions were found as a result of applying this procedure.

- b. Compare and agree student fees revenue reported in the Institution's Statement during the reporting period to student enrollments during the same reporting period and recalculate totals.

Findings: We performed a reasonableness test from the number of enrolled student headcount provided by management. The reasonableness test yielded an amount that was within \$10,897 of the amount reported on the Statement.

- c. Obtain and document an understanding of the University's policies for allocating student athletic fees to the intercollegiate athletic program.

Findings: Management indicated that the student population is charged an athletic fee of \$58 per student.

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

Findings: The University does not allocate student fees as generated revenue, thus this procedure is not applicable.

4. Direct Institutional Support

- a. Compare and agree Direct Institutional Support reported in the statement during the reporting period to supporting schedules provided by the Institution and recalculate totals.

Findings: No exceptions were found as a result of applying this procedure.

- b. Select a sample of direct institutional support receipts and agree to supporting documentation.

Findings: No exceptions were found as a result of applying this procedure.

5. Indirect Institutional Support

- a. Compare and agree indirect Institutional Support reported in the statement during the reporting period with expense payments, cost allocation detail and/or other corroborative supporting documentation and recalculate totals.

Findings: No exceptions were found as a result of applying this procedure.

6. Other NCAA Revenue Categories

- a. The following NCAA revenue categories were individually less than 4.0% of the University's total NCAA revenues, and therefore, no procedures were required to be performed per the NCAA Agreed-Upon Procedures guidelines:

Ticket Sales, Direct State or Other Government Support, Transfers Back to Institution, Guarantees, Contributions, In-Kind, Compensation and Benefits Provided by a Third-Party, Media Rights, NCAA Distributions, Conference Distributions and Conference Distributions of Football Bowl Generated Revenue, Program Sales Concessions Novelty Sales and Parking, Royalties Licensing Advertisements and Sponsorships, Sports Camp Revenues, Athletics Restricted Endowment and Investment Income, Other Operating Revenue, Football Bowl Revenues.

Procedures Related To Expenses

1. Agreement To General Ledger

- a. Obtain the University's Intercollegiate Athletics Department Statement of Revenues and Expenses from management. Compare and agree each category of expenses per the Statement of Revenues and Expenses to the University's general ledger.

Findings: No exceptions were found as a result of applying these procedures.

2. Athletic Student Aid

- a. Obtain and inspect supporting transaction detail of athletic student aid expenses. Recalculate the total athletic student aid expenses recorded in the detail listing (by sport and overall) and agree to amounts recorded on the general ledger and explain any variances.

Findings: No exceptions were found as a result of applying these procedures.

- b. Select a sample of students that amounts to 10% of the total student-athletes (since the University utilizes the NCAA's compliance assistant software) from the listing of institutional student aid recipients during the reporting period. Compare the total aid allocated from the aid award letter to the student's account to ensure athletics related aid did not exceed the award letter amount.

Findings: We obtained and inspected a listing of athletic student aid recipients. We obtained and inspected supporting documentation, including the student record, for 38 student athletes, accounting for 10% of the population of student athletes receiving aid. No exceptions were found as a result of applying these procedures.

3. Coaching Salaries, Benefits And Bonuses Paid By The University And Related Entities

- a. We obtained and inspected supporting transaction detail of coaching salaries, benefits and bonuses paid and agreed to amounts recorded on the general ledger and in the statement.

Findings: No exceptions were found as a result of applying these procedures.

- b. From the listing in step 3a above, obtain and inspect the payroll registers and contracts for the head coaches for football, Men's basketball and Women's basketball. Compare and agree the financial terms and conditions of each selection to the related coach's salaries, benefits and bonuses paid by the Institution and related entities expense recorded by the Institution in the statement during the reporting period.

Findings: No exceptions were found as a result of applying these procedures.

- c. Obtain and inspect payroll summary registers for the reporting year for each selection noted in step 3b above. Compare and agree payroll summary registers from the reporting period to the related coaching salaries, benefits and bonuses paid by the Institution and related entities expense recorded by the Institution in the statement during the reporting period.

Findings: No exceptions were found as a result of applying these procedures.

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

Findings: No exceptions were found as a result of applying these procedures.

4. *Support Staff And Administrative Salaries, Benefits And Bonuses Paid By The University And Related Entities*

- a. Obtain and inspect the supporting detail schedule of support staff and administrative salaries, benefits, and bonuses paid by the University and related entities recorded per the statement and agree the total to the general ledger.

Findings: No exceptions were found as a result of applying these procedures.

- b. Select a sample of 3 support staff/administrative personnel from the listing in step 4a above employed by the Institution and related entities during the reporting period.

Findings: No exceptions were found as a result of applying these procedures.

- c. Obtain and inspect reporting period summary payroll register for each selection from step 4b above. Compare and agree 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 recalculate totals.

Findings: No exceptions were found as a result of applying these procedures.

5. Team Travel

- a. Compare and agree the University's team travel expense policies to the NCAA-related policies.

Findings: Per inquiry with management, The University does not have any policies documented that are unique to the athletics department. Management provided a copy of the University-wide travel policy to us. All policy statements are disclosed in the University's Employee and Student Handbooks, and are accessible on the University's website.

- b. Obtained and inspect supporting transaction detail of team travel expenses and recalculate the total team travel expenses recorded in the detail listing and compare and agree to amounts recorded on the general ledger.

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

- c. Compare and agree a sample of three team travel expenses selected from the supporting transaction detail to supporting documentation.

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

6. Sports Equipment, Uniforms, And Supplies

- a. Obtain and inspect supporting transaction detail of equipment, uniforms and supplies. Recalculate the total equipment, uniforms and supplies recorded in the detail listing and agree to amounts recorded on the general ledger.

Findings: No exceptions were found as a result of applying these procedures.

- b. Compared and agreed a sample of three equipment, uniforms and supplies expenses selected from the supporting transaction detail to supporting documentation.

Findings: We compared and agreed a sample of three equipment, uniforms, and supplies expenses selected from the supporting transaction detail to supporting documentation without exception.

7. *Other NCAA Expense Categories*

- a. The following NCAA expense categories were individually less than 4.0% of the University's total expenses, and therefore, no procedures were required to be performed per the NCAA Agreed-Upon Procedures guidelines:

Guarantees, Coaching Other Compensation and Benefits Paid by a Third-Party, Support Staff/Administrative Other Compensation and Benefits Paid by a Third-Party, Severance Payments, Recruiting, Game Expenses, Fundraising Marketing and Promotion, Sports Camp Expenses, Spirit Groups, Athletic Facility Debt Service Leases and Rental Fees, Direct Overhead and Administrative Expenses, Medical Expenses and Insurance, Membership and Dues, Student-Athlete Meals (non-travel), Other Operating Expenses, Football Bowl Expenses.

8. *Other Procedures*

- a. Compare each major revenue and expense account over 10% of the total expenses to prior period amounts and budget estimates. Obtain and document an understanding of any variations over 10%. Report the analysis as a supplement to the final Agreed-Upon Procedures report.

Findings: The University's budgeting categories do not align with the presentation of the revenue and expense categories required in the Statement, therefore, a budget vs actual variance analysis was not performed. Management provided the following explanations of variations from the current year to prior year in excess of 10% as a result of applying these procedures:

Team travel increased from the prior year by \$58,000 and 10%. Management explained that team travel increased as costs related to charter coaches, fuel, lodging, and meals increased in cost from the prior year.

General sport actual expenditures were higher than budget by approximately \$369,000 and 36%. Management explained this is due to unforeseen increased costs, as the Foundation's athletic funds had to be used to cover the difference.

Recruiting was over budget by approximately \$8,000 and 16%. Management explained this is due to higher travel costs incurred during the year.

Travel was over budget by approximately \$7,000 and 15%. Management explained this is due to higher travel costs incurred during the year.

Sports camps were under budget by approximately \$19,000 and 17%. Management explained that this was due to camp revenues exceeding expenses by more than anticipated.

Fundraising was over budget by approximately \$2,000 and 11%. Management explained that this was due to unspent profits from fundraising.

Fee Income / Athletic Insurance was under budget by approximately \$880,000 and 77%. Management explained that this was due to backing out capital expenditures, which are not recorded within the Operating section.

9. Total Athletics Related Debt

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

Findings: No exceptions were found as a result of applying these procedures.

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

Findings: No exceptions were found as a result of applying these procedures.

10. Total Institutional Debt

- a. Agree the total outstanding institutional debt to supporting documentation and the institution's audited financial statements, if available, or the institution's general ledger.

Findings: No exceptions were found as a result of applying these procedures.

11. Value Of Athletics Dedicated Endowments

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

Findings: No exceptions were found as a result of applying these procedures.

12. Value Of Institutional Endowments

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

Findings: No exceptions were found as a result of applying these procedures.

13. Total Athletics Related Capital Expenditures

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

Findings: No exceptions were found as a result of applying these procedures.

- b. Obtain general ledger detail and compare to the total expenses reported. We will select a sample of transactions to validate existence of the transaction and accuracy of recording and we will recalculate totals.

Findings: We selected a sample of three capital expenditures associated with athletics, obtained supporting documents, and recalculated totals. No exceptions were found as a result of applying these procedures.

We were engaged by management and the University 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, the objective of which would be the expression of an opinion or conclusion, respectively, on the compliance of the accompanying University Intercollegiate Athletics Department Statement of Revenues and Expenses for the year ended June 30, 2023, or the specified elements, accounts and items or internal control over financial reporting and compliance described above. 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 parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

December 11, 2023

**TRUMAN STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

STATEMENT OF REVENUES AND EXPENSES

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For The Year Ended June 30, 2023

	Football	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Revenues						
Ticket sales	\$ 16,363	\$ 778	\$ 776	\$ —	\$ —	\$ 17,917
Student fees	—	—	—	—	347,601	347,601
Direct institutional support	1,312,930	489,936	515,485	1,783,614	449,361	4,551,326
Indirect institutional support	—	—	—	—	247,556	247,556
Indirect institutional support - athletic facilities debt service, lease and rental fees	—	—	—	—	11,306	11,306
Guarantees	—	31,500	9,500	2,500	—	43,500
Contributions	65,617	18,831	15,057	96,850	16,821	213,176
In-kind	12,150	100	150	1,000	—	13,400
Media rights	—	250	250	—	—	500
NCAA distributions	—	—	—	13,243	14,660	27,903
Conference distributions (non media and non bowl)	—	—	—	—	2,253	2,253
Program, novelty, parking and concession sales	1,928	—	—	215	—	2,143
Royalties, licensing, advertisements and sponsorships	—	—	—	—	15,940	15,940
Sports camp revenues	—	4,160	33,990	50,290	—	88,440
Other operating revenue	11,742	—	1,680	16,501	9,411	39,334
Football bowl revenues	5,000	—	—	—	—	5,000
Athletics restricted endowment and investments income	14,735	4,250	1,710	30,298	32,683	83,676
Total Revenues	\$ 1,440,465	\$ 549,805	\$ 578,598	\$ 1,994,511	\$ 1,147,592	\$ 5,710,971

See the accompanying notes to statement of revenues and expenses.

**TRUMAN STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

STATEMENT OF REVENUES AND EXPENSES

Page 2 Of 2

For The Year Ended June 30, 2023

	Football	Basketball	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Expenses							
Athletic student aid	\$ 593,543	\$ 211,532	\$ 175,011	\$ 497,460	\$ 162	\$ 1,477,708	
Guarantees	—	2,750	500	—	—	3,250	
Coaching salaries, benefits and bonuses paid by the University and related entities	494,905	184,138	187,015	744,037	—	1,610,095	
Support staff and administrative compensation, benefits and bonuses paid by the University and related entities	37,167	18,098	37,608	101,750	595,419	790,042	
Recruiting	16,535	13,101	14,225	15,109	—	58,970	
Team travel	89,769	70,590	90,058	362,539	—	612,956	
Sports equipment, uniforms and supplies	94,956	20,159	22,770	110,069	16,056	264,010	
Game expenses	19,827	14,353	11,591	48,619	760	95,150	
Fundraising, marketing and promotion	20,307	7,403	4,333	12,857	2,663	47,563	
Sports camps	—	961	11,566	16,456	—	28,983	
Spirit groups	—	—	—	—	3,058	3,058	
Athletic facilities, debt service, leases and rental fees	—	—	—	—	16,720	16,720	
Direct overhead and administrative expenses	5,000	—	—	38,446	15,147	58,593	
Indirect institutional support	—	—	—	—	247,556	247,556	
Medical expenses and medical insurance	—	119	—	874	152,786	153,779	
Membership and dues	2,375	185	360	4,129	31,700	38,749	
Student athlete meals (non travel)	25,010	3,926	3,143	8,748	—	40,827	
Bowl expenses	12,864	—	—	—	—	12,864	
Other operating expenses	28,207	2,490	20,418	33,418	65,565	150,098	
Total Expenses	1,440,465	549,805	578,598	1,994,511	1,147,592	5,710,971	
Excess Of Revenues Over Expenses	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	

See the accompanying notes to statement of revenues and expenses.

**TRUMAN STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

**NOTES TO STATEMENT OF REVENUES AND EXPENSES
For The Year Ended June 30, 2023**

1. Notes To Statement Of Revenues And Expenses (Unaudited)

Basis Of Presentation

The Statement of Revenues and Expenses of the Intercollegiate Athletics Department of Truman State University (the University) is prepared in conformity with accounting principles generally accepted in the United States of America.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The following estimated useful lives are being used by the University:

Land improvements	20 years
Buildings and improvements	20 - 50 years
Infrastructure	20 years
Furniture, fixtures and equipment	3 - 20 years
Library materials	10 years

The University does record capital assets by organization code and, therefore, at the Intercollegiate Athletics Department level.

Debt

Total University short-term and long-term debt at June 30, 2023 was \$30,483,397. Debt related to athletics consisted of a proportional amount of the debt related to the HVAC and chiller system in Pershing Building and a portion of the Energy Lease is included in the total Athletics-related debt of \$32,201.

Endowment Funds

As of June 30, 2023, the University's value of endowment funds dedicated for Athletics totaled approximately \$989,000.