

**FORT LEWIS COLLEGE**

Athletics Department  
Statement of Revenues and Expenses  
Independent Accountants' Report on Applying  
Agreed-Upon Procedures in Accordance with  
National Collegiate Athletic Association Bylaw 6.2.3.1.1  
For the year ended June 30, 2022



**DALBY, WENDLAND & CO., P.C.**

*CPAs and Business Advisors*

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**FORT LEWIS COLLEGE**

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President and Management of Fort Lewis College  
Members of the Legislative Audit Committee

## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES IN ACCORDANCE WITH NATIONAL COLLEGIATE ATHLETIC ASSOCIATION BYLAW 6.2.3.1.1**

We have performed the procedures enumerated below on the accompanying statement of revenues and expenses (the Statement) of the Fort Lewis College (the College) Intercollegiate Athletics Department for the year ended June 30, 2022 under contract with the Office of the State Auditor. The College's management is responsible for the Statement and for compliance with reporting requirements of the National Collegiate Athletic Association (NCAA) Bylaw 6.2.3.1.1 for the year ended June 30, 2022.

The College has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of compliance with NCAA Bylaw 6.2.3.1.1 for the year ended June 30, 2022. 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 of the Intercollegiate Athletics Department of Fort Lewis College**

The procedures and associated findings are as follows:

#### **Minimum Agreed-Upon Procedures for Affiliated and Outside Organizations**

- Procedure 1: We obtained from the College identification of all intercollegiate athletics-related affiliated and outside organizations. The only organization identified was the Fort Lewis College Foundation (the Foundation). We agreed detailed amounts contributed by the Foundation to amounts recorded in the College's records for the year ended June 30, 2022, without exception.
- Procedure 2: We obtained the Foundation's audited financial statements and required communications to governance letter for the Foundation for the year ended June 30, 2022. We noted no material weaknesses or internal control matters in the reports which would need to be disclosed in the notes to the Statement.
- Procedure 3: We were asked to obtain from the College's Intercollegiate Athletics Department a listing of expenditures paid by the Foundation on behalf of the College's Intercollegiate Athletics Department and compare the amounts to the revenues recorded by the College's Intercollegiate Athletics Department. We did not note any expenditures paid by the Foundation on behalf of the College's Intercollegiate Athletics Department.

#### **Minimum NCAA Agreed-Upon Procedures for Revenues**

- Procedure 4: Compared and agreed each operating revenue category reported in the Statement during the reporting period to supporting schedules provided by the institution, without exception. If a specific revenue

*Aspen • Glenwood Springs • Rifle • Grand Junction • Montrose • Telluride*

category was less than 4.0% of total revenues per the Statement, no procedures were required or performed.

Procedure 5: Compared and agreed a sample of five operating revenue transactions obtained from the above revenue supporting schedules to adequate supporting documentation. See procedures performed in specific revenue categories below.

Procedure 6: We compared each major revenue account over 10% of the total revenues reported on the Statement, by the Intercollegiate Athletics Department, for the year ended June 30, 2022 to budget estimates for the year ended June 30, 2022 and to totals for the year ended June 30, 2021, and obtained explanations from management on variances over 10% as follows:

- a. *Direct Institutional Support* – Direct Institutional Support are the funds provided by the College to athletics for the operations of intercollegiate athletics. Direct Institutional Support had an increase of 4% from the prior year. However, there was a 1004% budget variance noted in the current year. The fiscal year 2022 budgeted amount for institutional support did not account for scholarships, which make up the majority of Direct Institutional Support. The budget does not account for scholarships as scholarship amounts continuously fluctuate and are difficult to budget.

#### **Ticket Sales**

Procedure 7: Ticket sales revenue recorded in the Statement for the year ended June 30, 2022 is less than 4.0% of the total revenues; therefore, no procedures were performed for this specific category.

#### **Student Fees**

Procedure 8: We obtained an understanding of the College's methodology for allocating student fees to Intercollegiate Athletics Department for the year ended June 30, 2022. We recalculated student fees and compared them to student fees per the Statement, without exception. We recalculated the student fees to each countable sport and tied the calculation to supporting documentation for student fee totals, without exception.

#### **Direct State or Other Governmental Support**

Procedure 9: The College does not have direct state or other governmental support for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

#### **Direct Institutional Support**

Procedure 10: We obtained the breakout of direct institutional support by type of support, including amounts to fund scholarships for athletes, amounts to fund salaries of the Intercollegiate Athletics Department, and other funding for athletics generated by the College's auxiliary funds. We compared each type of direct institutional support recorded by the College during the year ended June 30, 2022 to corroborative supporting documentation and we recalculated totals in the breakout of direct institutional support, without exception.

#### **Transfers Back to Institution**

Procedure 11: There were no transfer of funds back to the College from the Intercollegiate Athletics Department for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Indirect Institutional Support**

Procedure 12: The College's Intercollegiate Athletics Department did not have indirect institutional support for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Guarantees**

Procedure 13: Guarantees recorded in the Statement for the year ended June 30, 2022 are less than 4.0% of the total revenues; therefore, no procedures were performed for this specific category.

### **Contributions**

Procedure 14: We obtained from College officials a detailed listing of contributions received directly by the Intercollegiate Athletics Department, which identified any contributions from outside organizations, agencies, or groups of individuals (two or more) during the year ended June 30, 2022. We noted no contributions over 10% of NCAA contribution revenue, therefore, no further procedures were performed for this specific category.

### **In-Kind**

Procedure 15: There was no in-kind revenue recorded in the Statement for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

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

Procedure 16: The College's Intercollegiate Athletics Department did not have compensation and benefits provided by a third-party for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Media Rights**

Procedure 17: The College's Intercollegiate Athletics Department did not have media rights revenue for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **NCAA Distributions**

Procedure 18: NCAA distributions recorded in the Statement for the year ended June 30, 2022 are less than 4.0% of the total revenues; therefore, no procedures were performed for this specific category.

### **Conference Distributions**

Procedure 19: Conference distribution revenue recorded in the Statement for the year ended June 30, 2022 is less than 4.0% of the total revenues and, therefore, no procedures were performed for this specific category.

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

Procedure 20: Program sales, concessions, novelty sales and parking revenues recorded in the Statement for the year ended June 30, 2022 is less than 4.0% of the total revenues; therefore, no procedures were performed for this specific category.

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

Procedure 21: Royalties, licensing, advertisements and sponsorships revenues recorded in the Statement for the year ended June 30, 2022 is less than 4.0% of the total revenues; therefore, no procedures were performed for this specific category.

## **Sports Camp Revenues**

Procedure 22: We obtained an understanding of the College's methodology for recording revenues from sports camps. We selected a sample of five camp cash receipts from the schedule of sports camp participants and agreed receipts selected to their supporting documentation, without exception.

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

Procedure 23: There were no athletics restricted endowments and investment income recorded in the Statement for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

## **Other**

Procedure 24: We selected a sample of five transactions from the other revenue account detail. We agreed each transaction to their supporting documentation, without exception and recalculated totals where applicable.

## **Bowl Revenues**

Procedure 25: The College's Intercollegiate Athletics Department did not have revenues related to post-season bowl games for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

## **Minimum Agreed-Upon Procedures for Expenses**

Procedure 26: Compared and agreed each expense category reported in the Statement during the reporting period to supporting schedules provided by the institution, without exception. If a specific expense category was less than 4.0% of total expenses per the Statement, no procedures were required or performed.

Procedure 27: Compared and agreed a sample of five expenses obtained from the above expense supporting schedules to adequate supporting documentation. See procedures performed in specific expense categories below.

Procedure 28: We compared each major expense account over 10% of the total expenses reported on the Statement, by the Intercollegiate Athletics Department, for the year ended June 30, 2022 to budget estimates for the year ended June 30, 2022 and to totals for the year ended June 30, 2021, and obtained explanations from management on variances over 10% as follows:

- a. *Head Coaching Salaries, Benefits and Bonuses Paid by the College* – Head Coaching Salaries, Benefits and Bonuses increased by 16.6% from the prior year. This was due to overall increases in coaching salaries and benefits for football. Additionally, head coach, assistant coach, support staff and administrative salaries are budgeted altogether. When comparing total expense for these salaries, benefits and bonuses to the budgeted amount, expenses exceeded the budget by 11%. These expenses exceeded the budget due to unexpected turnover and the hiring of new employees with higher salaries than the previous employees.
- b. *Team Travel* – Team Travel expenses increased by 190.4% from prior year and had a variance of 88.9% from the budget estimate for the year ended June 30, 2022. The sudden increase in travel expenses is caused by more COVID restrictions being lifted in the current year resulting in more travel than the prior fiscal year. Additionally, the College did not anticipate the sudden increase in team travel expenses when creating budget estimates for the current year.
- c. *Other Operating Expenses* – the Other Operating Expenses account is used to record expenditures that do not fall within the description of other available accounts. Other Operating Expenses increased by 22.1% from prior year and had a variance of 37.6% from the budget estimate for the year ended June 30, 2022. The increase in Other Operating Expenses was due to

a reduction in COVID restrictions and therefore Other Operating Expenses increased when compared to previous fiscal years, which were affected by COVID resulting in less activity and expenses incurred. The College underbudgeted for Other Operating Expenses account by basing the estimates on prior year expenses which were much lower than historical costs due to inflation.

### **Athletic Student Aid**

Procedure 29: We obtained a listing of College athletic student aid recipients for the year ended June 30, 2022. Since the College does not utilize the NCAA's Compliance Assistant software, we selected a sample of 60 student athletes from this listing and obtained their financial aid awards. We agreed the amounts of financial aid per the College to the respective award, without exception.

Procedure 30: We were asked to obtain individual student account detail for each selection and compare total aid in the College's student system to the student's detail in the NCAA's Compliance Assistant software or the institution report that ties directly to the NCAA Membership Financial Reporting System. Since the College does not utilize the NCAA's Compliance Assistant software, we compared total aid in the College's student system to the student's detail in the institution report that ties directly to the NCAA Membership Financial Reporting System, without exception.

### **Guarantees**

Procedure 31: Guarantee expense recorded in the Statement as of June 30, 2022 is less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

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

Procedure 32: We obtained and inspected a schedule of individual coaches employed by the College for the year ended June 30, 2022. We selected a sample of ten coaches from the schedule. The coaches selected represented football, men's and women's basketball, and other sports. We obtained the coaching contracts for the coaches selected and compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the College in the Statement, without exception. We recalculated total expenses, without exception. We also obtained and inspected the payroll summary registers for the year ended June 30, 2022 for each selection. We compared and agreed the payroll summary registers to the related coaching salaries, benefits, and bonuses paid by the College in the Statement, without exception.

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

Procedure 33: The College's Intercollegiate Athletics Department did not have coaching compensation and benefits paid by a third-party for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

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

Procedure 34: We obtained and inspected a schedule of individual support staff/administrative employees employed by the College for the year ended June 30, 2022. We selected a sample of five support staff from the schedule. The support staff selected represent administrative employees of the Intercollegiate Athletic Department. We obtained the support staff contracts for the five employees selected and compared and agreed the financial terms and conditions of each selection to the related support staff/administrative salaries, benefits, and bonuses recorded by the College in the Statement, without exception. We recalculated total expenses without exception. We also obtained and inspected the payroll summary registers for the year ended June 30, 2022 for each selection. We compared and



agreed the payroll summary registers to the related support staff/administrative salaries, benefits, and bonuses paid by the College in the Statement, without exception.

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

Procedure 35: The College's Intercollegiate Athletics Department did not have support staff/administrative other compensation and benefits paid by a third-party for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

#### **Severance Payments**

Procedure 36: Severance payment expense recorded in the Statement as of June 30, 2022 is less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

#### **Recruiting**

Procedure 37: Recruiting expense recorded in the Statement as of June 30, 2022 is less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

#### **Team Travel**

Procedure 38: We obtained the College's athletics travel expenses detail for the year ended June 30, 2022. We selected five travel expenses from the detail. We traced and agreed the expenses to supporting documentation and to the College's general ledger, without exception. In addition, we obtained an understanding of the College's team travel expense policies and compared and agreed these policies to existing NCAA-related policies, without exception.

#### **Equipment, Uniforms and Supplies**

Procedure 39: Equipment, uniforms and supplies expense recorded in the Statement as of June 30, 2022 is less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

#### **Game Expenses**

Procedure 40: Game expenses recorded in the Statement as of June 30, 2022 are less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

#### **Fund Raising, Marketing and Promotion**

Procedure 41: Fund raising, marketing and promotion expenses recorded in the Statement as of June 30, 2022 are less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

#### **Sports Camp Expenses**

Procedure 42: Sports camp expenses recorded in the Statement as of June 30, 2022 are less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

#### **Spirit Groups**

Procedure 43: The College's Intercollegiate Athletics Department did not have spirit groups expense for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Athletic Facility Debt Service, Leases and Rental Fees**

Procedure 44: The College's Intercollegiate Athletics Department did not have athletic debt service, leases and rental fees paid directly by the Intercollegiate Athletic Department for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Direct Overhead and Administrative Expenses**

Procedure 45: The College's Intercollegiate Athletics Department did not have direct overhead and administrative expenses paid directly by the Intercollegiate Athletic Department for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Indirect Institutional Support**

Procedure 46: We compared indirect institutional support recorded by the College for the year ended June 30, 2022 with College authorizations, without exception. We traced and agreed the amounts presented as expenses to amounts presented as revenues, without exception. We recalculated totals without exception.

### **Medical Expenses and Medical Insurance**

Procedure 47: We obtained the general ledger detail of medical expenses and medical insurance and compared the total to expenses reported. We selected a sample of five transactions and we traced and agreed the expenses to supporting documentation and to the College's general ledger, without exception.

### **Memberships and Dues**

Procedure 48: The memberships and dues expense recorded in the Statement for the year ended June 30, 2022 is less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

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

Procedure 49: Student-athletic meals (non-travel) reported in the Statement for the year ended June 30, 2022 are less than 4.0% of the total expenses; therefore, no procedures were performed for this specific category.

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

Procedure 50: We obtained the general ledger detail of other operating expenses and transfers to the institution and compared the total to expenses reported. We traced and agreed the expenses to supporting documentation and to the College's general ledger, without exception.

### **Bowl Expenses**

Procedure 51: The College's Intercollegiate Athletics Department did not have expenses related to post-season bowl games for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Minimum Agreed-Upon Procedures Program for Other Reporting Items**

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

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

Procedure 1: The College's Intercollegiate Athletics Department did not have excess transfers to institution and conference realignment expenses for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Total Athletics Related Debt**

Procedure 2: The College's Intercollegiate Athletics Department did not have athletics related debt for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Total Institutional Debt**

Procedure 3: Total institutional debt reported by the College for the year ended June 30, 2022 was tested as part of the financial statement audit without exception.

### **Value of Athletics Dedicated Endowments**

Procedure 4: Athletics endowments are maintained by the College's Foundation. For the year ended June 30, 2022, the Foundation's financial statements were included in the College's financial statements as a discretely presented component unit. Given that we rely on the Foundation auditor as part of the overall College audit, no further procedures were performed on this specific category.

### **Value of Institutional Endowments**

Procedure 5: The College's Intercollegiate Athletics Department did not have institutional endowments for the year ended June 30, 2022 and, therefore, no procedures were performed for this specific category.

### **Total Athletics Related Capital Expenditures**

Procedure 6: Obtained a schedule of athletics related capital expenditures made by athletics, the institution and affiliated organizations during the reporting period. We obtained the general ledger detail and compared it to the total expenses reported. From the detail, we selected a sample of four (the only capital expenditures during the year), and validated the existence and accuracy of recording, and recalculated totals, without exception.

We were engaged by the Colorado Office of the State Auditor and management of the College 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 (AICPA). 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 the Statement of the Intercollegiate Athletics Department of the College for the year ended June 30, 2022. 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 the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Legislative Audit Committee, the Colorado Office of the State Auditor, the College's Board of Trustees, management of the College, and the College's Intercollegiate Athletics Department, and is not intended to be and should not be used by anyone other than those specified parties. However, upon release by the Legislative Audit Committee, this report is a public document.

The purpose of this report is solely to describe the procedures and findings related to the statement of revenues and expenses of the College's Intercollegiate Athletics Department for the year ended June 30, 2022. Accordingly, this report is not suitable for any other purpose.

DWC

DALBY, WENDLAND & CO., P.C.  
Grand Junction, Colorado

January 13, 2023

**FORT LEWIS COLLEGE**  
**INTERCOLLEGIATE ATHLETICS DEPARTMENT**  
**STATEMENT OF REVENUES AND EXPENSES (UNAUDITED)**  
For the year ended June 30, 2022

	<b>FOOTBALL</b>	<b>MEN'S BASKETBALL</b>	<b>WOMEN'S BASKETBALL</b>	<b>OTHER MEN'S SPORTS</b>	<b>OTHER WOMEN'S SPORTS</b>	<b>NON- PROGRAM SPECIFIC</b>	<b>TOTAL</b>
<b>REVENUES</b>							
<b>Operating Revenues</b>							
Ticket Sales	\$ 8,622	\$ 4,977	\$ 4,387	\$ 2,205	\$ 7,710	\$ -	\$ 27,900
Student Fees	244,515	87,639	121,966	111,665	305,776	37,953	909,513
Guarantees	120,000	-	11,500	-	-	-	131,500
Contributions	17,486	139,296	56,167	91,752	148,756	106,041	559,498
Direct Institutional Support	887,013	287,412	267,941	534,658	1,077,549	1,102,246	4,156,820
NCAA Distributions	-	-	-	-	-	16,432	16,432
Conference Distributions	-	3,234	-	-	3,274	10,000	16,508
Program and Concession Sales	-	-	645	-	14,861	-	15,507
Royalties, Advertisements and Sponsorships	1,850	2,850	2,850	3,200	6,750	298,230	315,730
Sports Camp Revenues	9,835	28,995	17,515	105,869	122,963	-	285,177
Other Transfers	-	22,217	34,015	38,318	151,604	35,630	281,783
Other Operating Revenues	17,284	-	-	10,906	46,380	336,103	410,673
<b>Subtotal Operating Revenue</b>	<b>1,306,605</b>	<b>576,618</b>	<b>516,987</b>	<b>898,572</b>	<b>1,885,623</b>	<b>1,942,635</b>	<b>7,127,041</b>
<b>EXPENSES</b>							
<b>Operating Expenses</b>							
Athletic Student Aid	625,966	290,712	200,991	434,825	794,766	-	2,347,260
Guarantees	-	2,890	1,000	-	-	18,000	21,890
Coaching Salaries, Benefits and Bonuses - College Paid	126,561	116,671	97,950	193,728	360,986	-	895,896
Assistant Coaching Salaries, Benefits and Bonuses - College Paid	206,252	49,734	77,239	39,354	115,451	-	488,031
Support Staff and Administrative Salaries, Benefits and Bonuses - College Paid	-	-	-	8,206	4,473	504,121	516,800
Severance Payments	46,620	-	-	-	-	-	46,620
Recruiting	24,750	11,934	10,816	6,151	27,392	36,000	117,042
Team Travel	149,116	60,088	72,498	112,417	331,021	-	725,140
Equipment, Uniforms and Supplies	36,570	10,997	14,644	23,617	84,712	54,879	225,419
Game Expenses	13,165	18,623	11,700	10,942	44,676	26,096	125,202
Fund Raising, Marketing and Promotion	658	-	27	257	240	41,267	42,449
Sports Camp Expenses	638	8,554	11,808	27,488	16,702	(13,936)	51,255
Medical Expenses and Medical Insurance	70	-	-	-	-	293,935	294,005
Memberships and Dues	780	165	484	714	1,344	24,037	27,525
Student-Athlete Meals (non-travel)	44,079	-	1,112	9,490	11,301	-	65,982
Net Transfers							
Camp/Program	-	-	-	690	(690)	-	-
Other Transfers	3,761	-	16,065	188	15,615	246,153	281,783
Other Operating Expenses	27,220	5,113	5,543	27,603	50,182	612,084	727,746
<b>Subtotal Operating Expenses</b>	<b>1,306,206</b>	<b>575,480</b>	<b>521,880</b>	<b>895,671</b>	<b>1,858,172</b>	<b>1,842,636</b>	<b>7,000,045</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenses</b>	<b>\$ 399</b>	<b>\$ 1,138</b>	<b>\$ (4,893)</b>	<b>\$ 2,901</b>	<b>\$ 27,451</b>	<b>\$ 99,999</b>	<b>\$ 126,995</b>

**FORT LEWIS COLLEGE**  
INTERCOLLEGIATE ATHLETICS DEPARTMENT  
NOTES TO STATEMENT OF REVENUES AND EXPENSES (UNAUDITED)  
Year ended June 30, 2022

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**NOTE 1 - BASIS OF PRESENTATION**

The accompanying statement of revenues and expenses (the Statement) presents the results of financial activity of the Intercollegiate Athletics Department of Fort Lewis College (the Intercollegiate Athletics Department) and is not intended to present the operations of the College as a whole.

The accompanying Statement has been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when an obligation is incurred.

For reporting purposes, the major sports in which the College participates are combined by and reported by the following major categories: Football, Men's Basketball, Women's Basketball, Other Men's Sports, and Other Women's Sports. The first three categories represent individual activities whereas the last two represent the combined activity of multiple sports. The administrative functions of the Intercollegiate Athletics Department, which supports all sports, have been combined and reported within the Non-Program Specific category.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of the more significant accounting policies of the College's Intercollegiate Athletics Department:

**Revenues**

Revenues from operations have been allocated based on management's estimate of which sport generated the income. Financial aid support has been allocated based on the actual payments made in support of each sport.

**Capital Assets**

Capital assets are stated at cost at the date of acquisition or at fair value at the date of donation. For equipment, the capitalization policy includes all items with a value of \$5,000 or more, and an estimated useful life of greater than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from 3 to 10 years for equipment and 20 to 50 years for facility improvements. The College Purchasing Director is responsible for controlling property procurement. The Department Director is responsible for informing the Purchasing Director of property received by donation. Department personnel are responsible for the safeguard, care, maintenance and proper use of all property assigned. Because the athletic department is considered to be a general fund activity for reporting purposes, no specific assets are allocated to athletics. There is no debt associated with the athletics department.

**NOTE 3 - CONCENTRATION OF DONOR SOURCES**

The Foundation was the single donor source for the Intercollegiate Athletics Department with contributions \$559,498 for the year ended June 30, 2022. The contributions received from the Foundation represent gifts from various donors made on behalf of the Intercollegiate Athletics Department.