

STATE OF COLORADO

UNIVERSITY OF NORTHERN COLORADO



DEPARTMENT OF ATHLETICS, INDEPENDENT
ACCOUNTANTS' REPORT ON APPLYING
NATIONAL COLLEGIATE ATHLETIC
ASSOCIATION AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2022

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REPORT NUMBER 2237F-B

Independent Accountants' Report On Application Of Agreed-Upon Procedures

Members of the Legislative Audit Committee
University of Northern Colorado
President Andrew Feinstein
Greeley, Colorado

We have performed the procedures enumerated below on the accompanying University of Northern Colorado (the University) Intercollegiate Athletics Department Statement of Revenues and Expenses (the Statement), solely to assist the University in evaluating whether the Statement is in compliance as stipulated in the National Collegiate Athletic Association (the NCAA) Bylaw 3.2.4.17 for the year ended June 30, 2022. The University's management is responsible for the aforementioned Statement and related NCAA compliance requirements.

The Office of the State Auditor and University have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the University in evaluating whether the Statement is in compliance with the NCAA Bylaw 3.2.4.17 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 are appropriate for their purposes.

The procedures and the associated findings are as follows:

General Procedures

1. Agreement To General Ledger And Supporting Detail

We obtained the Statement for the year ended June 30, 2022, as prepared by management. For all line items on the Statement greater than 4.0% (of either revenues or expenses), we recalculated the addition of the amounts on the Statement, compared amounts on the Statement to management's supporting documentation and compared the amounts on management's schedules to the general ledger and the audited financial statements of the University.

Findings:

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

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

2. Comparison Of Actual To Budget

We compared Fiscal Year 2022 actual revenues and expenses to budgeted revenues and expenses. We obtained management's explanations for each revenue and expense account over 10.0% of each respective total that yielded variations over 10.0% when compared to the budgeted amount.

Findings:

Management explained that the annual detailed budget that is published by the University is formatted and established in a fashion that correlates to the audited financial statements. As such, a comparison on the level of the revenues and expenses reported in the Statement is not available.

3. Comparison Of Actual To Prior Year

We compared Fiscal Year 2022 actual revenues and expenses to prior-year revenues and expenses. We obtained management's explanations for each revenue and expense account over 10.0% of each respective total that yielded variations over 10.0% when compared to the prior year.

Findings:

There were no fluctuations in revenues or expenses that were greater than the above noted thresholds that could not be explained by management. Management has included a narrative of significant fluctuations in the notes to the Statement.

4. Sponsored Sports

We compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the University.

Findings:

There were no exceptions noted in the procedures performed.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

5. *Sports Sponsorship And Demographic Forms Report*

We obtained the University's Sports Sponsorship and Demographics Forms Report for the reporting year. We confirmed 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 are counted toward meeting the minimum contest requirement. We confirmed that the University has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

Findings:

There were no exceptions noted in the procedures performed.

6. *Pell Grants*

a. 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.

Findings:

There were no exceptions noted in the procedures performed.

b. We compared the number of current-year Pell Grants to prior-year reported totals per the Membership Financial Report submission. We inquired and documented an explanation of any variance greater than +/-20 grants.

Findings:

There were no exceptions noted in the procedures performed.

7. *Excess Transfers To Institution And Conference Realignment Expenses*

Per discussion with management, there were no items related to this category for the year ended June 30, 2022, and as such, no procedures were performed.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

8. Total Athletics Related Debt

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

Findings:

Per discussion with management, there is no outstanding debt specifically related to athletics as of June 30, 2022.

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

Findings:

Per discussion with management, there is no outstanding debt specifically related to athletics as of June 30, 2022.

9. Total Institutional Debt

We agreed 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.

10. Value Of Athletics-Dedicated Endowments

We obtained a schedule of all athletics-dedicated endowments maintained by athletics, the institution and affiliated organizations. We agreed 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.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

11. Value Of Institutional Endowments

We agreed 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.

12. Total Athletics-Related Capital Expenditures

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

Findings:

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

Procedures Related To Internal Control Structure Policies And Procedures

1. Internal Control Structure

We requested a description of aspects of the University's internal control structure unique to the Intercollegiate Athletics Department directly from University management. For the individual expense and revenue transactions selected for testing below, we inspected the evidence present to document the University's internal controls.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

Findings:

Management provided a description of aspects of the University's internal control structure unique to the Intercollegiate Athletics Department directly to us. For all sample selections for revenues and expenses below, we noted evidence of adherence to the University's internal controls in the supporting documentation provided to us.

Procedures Related To Revenues

1. *Ticket Sales*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

2. *Student Athletic Fees*

- a. We obtained and documented an understanding of the University's methodology for allocating student fees to intercollegiate athletics programs.

Findings:

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

- b. We compared and agreed student athletic fees reported by the University to student enrollments during the current period and recalculated the totals. If the athletics department is reporting that an allocation of student fees should be countable as generated revenue, we recalculated the totals of their methodology for supporting that they are able to count each sport. We also tied the calculation to supporting documents such as seat manifests, ticket sales reports and student fee totals.

Findings:

The University does not charge a specific fee for athletics directly to the students (and thereby, does not consider it countable revenue), but rather allocates a portion of the total University-wide student fee to athletics and other activities as approved by the University's Board of Trustees on an annual basis.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

3. *Direct State Or Other Government Support*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

4. *Direct Institutional Support*

- a. We obtained and inspected supporting detail of direct institutional support revenue (specifically, the internal budgeting information). We recalculated the total direct institutional support revenue recorded in the detail listing and compared and agreed to amounts recorded on the general ledger and on the Statement.

Findings:

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

- b. For three selected transactions, we vouched the amount recorded by the University as direct institutional support to supporting documentation.

Findings:

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

5. *Transfers Back To Institution*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

6. *Indirect Institutional Support*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

7. *Guarantees*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

8. Contributions

- a. We obtained and inspected supporting detail of contributions revenue and tested a sample of contributions. We recalculated the total contributions revenue recorded in the detail listing and compared and agreed to amounts recorded on the general ledger and on the Statement.

Findings:

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

- b. For any contributions of moneys, goods or services received directly by the program from any affiliated organization or individual that constituted 10 percent or more in aggregate for the reporting year of all contributions received, obtained and reviewed supporting documentation and recalculated totals.

Findings:

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

9. In-Kind

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

10. Compensation And Benefits Provided By A Third Party

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

11. Media Rights

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

12. NCAA Distributions

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

13. *Conference Distributions (Nonmedia And Nonbowl)*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

14. *Program Sales, Concessions, Novelty Sales And Parking*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

15. *Royalties, Licensing, Advertisements And Sponsorships*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

16. *Sports Camp Revenues*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

17. *Athletics Restricted Endowment And Investments Income*

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

18. *Other Operating Revenues*

- a. We obtained and inspected supporting detail of other revenue. We recalculated the total other revenue recorded in the detail listing and compared and agreed to amounts recorded on the general ledger and on the Statement.

Findings:

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

- b. For three selected transactions, we vouched the amount recorded by the University as other revenue to supporting documentation.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

Findings:

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

19. Bowl Revenues

This revenue category is less than 4.0% of total revenues for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

Procedures Related To Expenses

1. Athletic Student Aid

We selected a sample of students who received athletic student aid. The sample of 29 students selected by us covered 10.0% of the student athletes receiving financial aid and 9.17% of the athletic student aid expense that was reported by the University on the Statement for the year ended June 30, 2022. We obtained individual student account detail and compared the total aid allocated from the student's award letter to the student's accounts as well as the amounts posted to the NCAA's Compliance Assistant software. We also performed a check of each student selected to confirm that their information (using the criteria stipulated in step 31 of the 2022 NCAA minimum agreed-upon procedures) was reported accurately to the NCAA and recalculated totals for each sport and overall.

Findings:

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

2. Guarantees

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

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

We obtained a listing of coaches employed by the University during the reporting period. We compared and agreed a sample of three University coaching salaries, benefits and bonuses expenses (specifically one from football, one from women's basketball, and one from men's basketball) selected from the detail listing to information that supports the amounts paid to the individual coaches.

For the coaches selected, we compared and agreed the financial terms and conditions (including amounts as stipulated in the respective employment contracts) of each selected to the related amounts recorded by the University and reported in the Statement for the reporting period. We also obtained and inspected the payroll registers for the reporting period for each coach selected, and agreed to the amounts reported by the University in the Statement and recalculated totals.

Findings:

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

4. *Coaching Other Compensation And Benefits Paid By A Third Party*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

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

We compared and agreed a sample of five support staff salaries, benefits and bonuses expenses selected from the detail listing to information that supports the amounts paid to the individual staff.

For the staff selected, we compared and agreed the financial terms and conditions of each selected to the related amounts recorded by the University and reported in the Statement for the reporting period. We also obtained and inspected the payroll registers for the reporting period for each staff selected, and agreed to the amounts reported by the University in the Statement and recalculated totals.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

Findings:

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

6. *Support Staff Other Compensation And Benefits Paid By A Third Party*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

7. *Severance Payments*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

8. *Recruiting*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

9. *Team Travel*

- a. We obtained documentation of the University's team travel expense policies and compared and agreed to the existing institutional and NCAA-related policies.

Findings:

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

- b. We obtained and inspected general ledger detail of team travel expenses and recalculated the totals. From this detail, we compared and agreed a sample of five expenses to supporting documentation.

Findings:

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

10. *Equipment, Uniforms And Supplies*

- a. We obtained and inspected general ledger detail of equipment, uniforms and supplies expenses and recalculated the totals. From this detail, we compared and agreed a sample of four expenses to supporting documentation.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

Findings:

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

11. *Game Expenses*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

12. *Fundraising, Marketing And Promotion*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

13. *Sports Camp Expenses*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

14. *Spirit Groups*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

15. *Athletic Facility Debt Service, Leases And Rental Fees*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

16. *Direct Overhead And Administrative Expenses*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

17. *Indirect Institutional Support*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

18. *Medical Expenses And Medical Insurance*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

19. *Membership And Dues*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

20. *Other Operating Expenses And Transfers To Institution*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

21. *Student-Athlete Meals (Nontravel)*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

22. *Bowl Expenses*

This expense category is less than 4.0% of total expenses for the University, and as such, the minimum suggested procedures published by the NCAA for this category were not performed in the current year for the University.

Independent Accountants' Report On Application
Of Agreed-Upon Procedures (*Continued*)

We were engaged by the Office of the State Auditor 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 engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Statement of the University for the year ended June 30, 2022, 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.

We are required to be independent of the University 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 University, the Office of the State Auditor and the Legislative Audit Committee and is not intended to be, and should not be, used by anyone other than the specified parties. However, upon release by the Legislative Audit Committee, this report is a public document.

RubinBrown LLP

January 12, 2023

**UNIVERSITY OF NORTHERN COLORADO
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

STATEMENT OF REVENUES AND EXPENSES

For The Year Ended June 30, 2022

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	Football	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Operating Revenues						
Ticket sales	\$ 346,528	\$ 88,733	\$ 19,965	\$ 67,176	\$ —	\$ 522,402
Direct state or other government support	—	—	—	—	—	—
Student athletic fees	438,601	168,502	262,150	1,151,068	—	2,020,321
Direct institutional support	3,154,728	991,880	1,210,283	3,707,768	2,369,567	11,434,226
Less - transfers to institution	—	—	—	—	(351,599)	(351,599)
Indirect institutional support	—	—	—	—	649,201	649,201
Indirect institutional support - athletic facilities debt service, lease and rental fees	—	—	—	—	—	—
Guarantees	430,000	300,000	20,000	10,000	—	760,000
Contributions	114,559	213,445	37,460	399,869	2,783,823	3,549,156
In-kind	12,164	21,507	5,464	13,313	617,415	669,863
Compensation and benefits provided by a third party	—	—	—	—	—	—
Media rights	—	—	—	—	83,183	83,183
NCAA distributions	—	—	—	—	744,154	744,154
Conference distributions (nonmedia and nonbowl)	—	—	—	—	376,526	376,526
Program sales, concessions, novelty sales and parking	20,704	13,980	—	—	47,268	81,952
Royalties, licensing, advertisements and sponsorships	—	—	—	—	551,791	551,791
Sports camps revenues	—	2,451	—	—	—	2,451
Athletic restricted endowment and investments income	46,645	4,704	2,235	156,536	7,708	217,828
Other operating revenues	105,249	104,701	64,743	463,245	390,523	1,128,461
Bowl revenues	—	—	—	—	—	—
Total Operating Revenues	\$ 4,669,178	\$ 1,909,903	\$ 1,622,300	\$ 5,968,975	\$ 8,269,560	\$ 22,439,916

**UNIVERSITY OF NORTHERN COLORADO
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

STATEMENT OF REVENUES AND EXPENSES

For The Year Ended June 30, 2022

Page 2 Of 2

	Football	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Expenditures						
Athletic student aid	\$ 2,291,742	\$ 486,758	\$ 609,245	\$ 2,506,850	\$ —	\$ 5,894,595
Guarantees	—	16,500	3,000	5,681	—	25,181
Coaching salaries, benefits and bonuses paid by the University and related entities	991,725	522,482	421,424	1,636,938	—	3,572,569
Coaching other compensation and benefits paid by a third party	—	—	—	—	—	—
Support staff and administrative salaries, benefits and bonuses paid by the University and related entities	170,076	77,350	64,145	75,934	2,553,298	2,940,803
Support staff other compensation and benefits paid by a third party	—	—	—	—	—	—
Severance payments	—	—	—	—	—	—
Recruiting	61,044	68,627	52,618	112,578	47,623	342,490
Team travel	668,666	501,793	284,679	1,164,385	5,776	2,625,299
Equipment, uniforms and supplies	216,088	50,405	50,592	200,788	260,406	778,279
Game expenses	92,479	103,738	95,977	110,868	61,080	464,142
Fundraising, marketing and promotion	892	—	121	1,104	212,141	214,258
Sports camp expenses	—	443	—	—	53	496
Spirit groups	—	—	—	—	—	—
Athletic facilities, debt service leases and rental fees	—	—	—	—	—	—
Direct overhead and administrative expenses	65,046	27,365	5,046	26,609	116,387	240,453
Indirect institutional support	—	—	—	—	649,201	649,201
Medical expenses and medical insurance	2,200	—	—	—	236,285	238,485
Membership and dues	1,050	7,926	235	24,664	153,711	187,586
Student-athlete meals (nontravel)	68,950	17,589	13,646	40,940	33,023	174,148
Other operating expenses and transfers to institution	39,220	28,927	21,572	61,636	473,913	625,268
Bowl expenses	—	—	—	—	—	—
Total Operating Expenditures	4,669,178	1,909,903	1,622,300	5,968,975	4,802,897	18,973,253
Total athletics related capital expenditures	—	—	—	—	3,105,188	3,105,188
Total Expenditures	4,669,178	1,909,903	1,622,300	5,968,975	7,908,085	22,078,441
Excess Of Revenues Over Expenditures	\$ —	\$ —	\$ —	\$ —	\$ 361,475	\$ 361,475

**UNIVERSITY OF NORTHERN COLORADO
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

**NOTE TO STATEMENT OF REVENUES AND EXPENSES
For The Year Ended June 30, 2022**

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

Basis Of Presentation

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

Student Fees

Student fees are assessed to each student on a per-credit-hour basis each semester. These fees are allocated by management to various student services, including athletics, annually.

Indirect Institutional Support

General ground support, custodial support and maintenance for the University's track is allocated as nonprogram-specific indirect institutional support within the Statement, unless specifically identified as program-specific within a University work order.

Capital Assets

Athletics-related capital assets are recorded at cost at the date of acquisition or acquisition value at the date of donation if acquired by gift. The University's capitalization policy includes items with a value of \$10,000 or more and an estimated useful life greater than one year.

Depreciation is computed using the straight-line method over the estimated useful life of the asset, generally 40 years for buildings and improvements, 20 years for land improvements, 3 years for software, 10 years for library books and 3 - 10 years for equipment and vehicles. Depreciation expense is not allocated among functional categories.

For the year ended June 30, 2022, the University incurred capital expenditures of \$3,105,188 related to athletics.

**UNIVERSITY OF NORTHERN COLORADO
INTERCOLLEGIATE ATHLETICS DEPARTMENT**

Statement Of Revenues And Expenses (*Continued*)

Debt

As of June 30, 2022, the University did not have any outstanding debt specifically and solely related to the University's Intercollegiate Athletics. The footnotes to the University's audited financial statements for June 30, 2022 provide detail on all of the general bonds and notes payable of the University as a whole.

Transfers To The Institution

Transfers to the institution are contributions made from the Intercollegiate Athletics Department to support the University College. The money is used to offset salaries for academic staff in the Student-Athlete Academic Success Office, which monitors and assists in the academic activities of all student athletes.

Major Variances

To better understand some of the changes from Fiscal Year 2021 to Fiscal Year 2022, the major variances are noted below:

Sources Of Funds:

- Direct institutional support increased by approximately \$1,349,000. Institutional support varies depending on the amount of other operating revenue sources and variations in the Athletic operating expenses. Fiscal Year 2022 operating expenses increased significantly as competition resumed to pre-pandemic levels.
- Contributions increased by approximately \$2,913,000, due to the inclusion of foundation non-program specific revenue, which included deferred revenue from Fiscal Year 2021 capital projects.

Uses Of Funds:

- Support staff/administrative salaries, benefits and bonuses paid by the University and related entities increased by approximately \$281,000, due to University-wide pay increases, the addition of a new Assistant Athletic Trainer position, and student and temporary staffing increases due to the resumption of competition in Fiscal Year 2022.
- Team travel increased by approximately \$1,511,000, due to the return of sporting events post COVID-19 pandemic, post season competition, an increase in single game trips versus multiple game trips (i.e., tournaments), and Men's Basketball playing in more away games due to Big Sky Conference scheduling.