



**Oregon State  
University**

**Office of Audit, Risk and Compliance**  
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**MEMORANDUM**

**To:** Executive & Audit Committee  
**From:** Patricia A. Snopkowski, Chief Audit, Risk and Compliance Executive  
**Date:** January 6, 2022  
**Subject:** NCAA Agreed-Upon Procedures Results

DS  
*Pat*

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The attached report details the results of the National Collegiate Athletic Association (NCAA) Agreed-Upon Procedures performed on the Oregon State University Intercollegiate Athletics' financial reports. The financial statement format and procedures are prescribed by the NCAA. The Office of Audit, Risk and Compliance (OARC) contracts with CliftonLarsonAllen LLP to perform these procedures. The report complies with NCAA format and policies. We are pleased to report that no exceptions were noted.

The intended audience of the report is the president and the vice president and director, Intercollegiate Athletics, and serves the NCAA by providing comparative financial evaluations. You are receiving this report to provide a general overview of the financial results and demonstrate management's compliance with NCAA requirements.

During our January 27, 2022, Executive and Audit Committee meeting, we will be providing our regular OARC progress report and I welcome any questions on the report at the meeting.

c:  
File 2105-GL-Ext

**OREGON STATE UNIVERSITY**

**Intercollegiate Athletics Department  
Statement of Revenues and Expenses**

**Independent Accountants' Report on  
Applying National Collegiate Athletic Association  
Agreed-Upon Procedures**

**For the Year Ended June 30, 2021**



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## **Independent Accountants' Report on Applying National Collegiate Athletic Association Agreed-Upon Procedures**

Dr. Rebecca Johnson, Interim President  
Oregon State University

We have performed the procedures enumerated below on the accompanying Statement of Revenues and Expenses (the Statement) of the Intercollegiate Athletics Department of Oregon State University (the University) for the year ended June 30, 2021. The University is responsible for the Statement and compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 for the year ended June 30, 2021.

The President and management of the University have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of applying procedures and reporting associated findings related to the University's compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 for the year ended June 30, 2021. 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.

If a specific reporting category is less than 4.0% of the total revenues or expenses, no procedures are required for that specific category.

The procedures and the associated findings are as follows:

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

#### **A. Internal Control**

1. We haphazardly selected a sample of four team travel expense reimbursement forms from a listing of travel requisitions provided by the University, from four different sports, that included team per diem meal reimbursements. The four sports selected included Women's Basketball, Women's Track & Field, Football and Men's Basketball. We inspected the reimbursement forms to determine that there was documented evidence that financial management was monitoring expenses for compliance with established allowable expense guidelines. No exceptions noted.
2. We haphazardly selected a sample of two travel card statements from a listing of travel cards provided by the University. The two travel cards selected included the December 2020 travel statement for Men's Basketball and the February 2021 statement for Women's Volleyball. We inspected the travel card statements to determine that there was documented evidence that financial management was monitoring expenses for compliance with established allowable expense guidelines. No exceptions noted.

## **B. External Organizations**

1. We obtained a listing from management of outside organizations that made contributions directly to the Department. Per discussion with management, the only such organization was the Oregon State University Foundation (the Foundation).
2. We obtained from the Foundation a confirmation of the payments made for or on behalf of the Department during the reporting period. We agreed these amounts to either the Statement or to the University's general ledger.
3. We obtained the audited financial statements and required communications to governance letter for the Foundation for the year ended June 30, 2021. We noted no material weaknesses in the reports that would need to be disclosed in the notes to the Statement.
4. We gained an understanding of the Department's procedures for gathering information on the nature and extent of outside organization's activity on behalf of the Department. We then tested these procedures.

## **C. Revenues**

1. We compared and agreed each operating revenue category reported in the Statement during the reporting period to supporting schedules provided by the institution without exception.
2. We compared and agreed a sample of five operating revenue receipts obtained from the above revenue supporting schedules to adequate supporting documentation. See procedures performed in specific revenue categories.
3. 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 significant variances over 10% from the prior year and budget estimates. No additional procedures were performed with respect to management's representations as to the reasons for the variances.

### Current Year to Prior Year:

#### *Revenues*

Direct Institutional Support – Increase of \$1,152,800 or (14.8%): This increase was primarily due to OSU Athletics receiving approximately \$1.2M in HEERF funding in response to the COVID-19 pandemic.

Contributions – Decrease of \$1,117,949 or (16.5%): This decrease was due to COVID-19 related impacts. The Athletics department primarily receives contributions from season ticket sales, however, the significant cancellation of sports in the springtime lead to a decrease in season pass holders and contribution revenue.

Media Rights – Decrease of \$8,051,426 or (30.6%): This decrease was due to COVID-19 related impacts. Because of the pandemic, the number of games held was reduced, causing an overall reduction in media revenue.

Royalties, Licensing, Advertising and Sponsorship – Decrease of \$1,871,692 or (25.0%): This decrease was due to COVID-19 related impacts. Because of the pandemic and the inability to have fans in the stands at games, this revenue experienced cutbacks from partners causing an overall decrease.

*Budget to Actual:*

*Revenues*

Direct Institutional Support – Difference of (\$952,800) or (11.9%): This difference over budget was due to an additional \$1.2M received in HEERF funding in response to the COVID-19 pandemic.

**Ticket Sales**

4. We were asked to compare tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets to the related revenue reported by the University in the Statement and the related attendance figures and recalculate the totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

**Student Fees**

5. We compared and agreed the budget student fees reported by the institution in the Statement for the reporting period to the budgeted student enrollments during the same reporting period and recalculated totals. No exceptions noted.
6. We obtained a description of the University's methodology for allocating student fees to intercollegiate athletics programs. No exceptions noted.
7. We obtained the Department's methodology for allocation of student fees as generated and recalculated totals for each sport. No exceptions noted.

**Direct State or Other Governmental Support**

8. We were asked to compare direct state or other governmental support recorded by the University on the Statement during the reporting period with state appropriations, institutional authorizations and/or other corroborative supporting documentation provided by the University and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

**Direct Institutional Support**

9. We compared direct institutional support recorded by the University on the Statement during the reporting period with institutional supporting budget transfer documentation and other corroborative supporting documentation provided by the University. We recalculated totals. No exceptions noted.

**Transfers Back to Institution**

10. There were no transfers back to institution recorded by the Department for the year ended June 30, 2021. As such, no procedures were performed.

### **Indirect Institutional Support**

11. There was no indirect institutional support recorded by the Department for the year ended June 30, 2021. As such, no procedures were performed.

### **Guarantees**

12. We were asked to select a sample of five settlement reports for away games during the reporting period and agree each selection to the University's general ledger and/or the Statement and recalculate totals. As the category is less than 4.0% of the total revenues for the Department, this procedure was not performed.
13. We were asked to select a sample of five contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period and compared and agreed each selection to the University's general ledger and/or the Statement and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

### **Contributions**

14. We obtained a detailed listing of contributions of moneys, goods or services received directly by the University from any affiliated or outside organization, agency or group of individuals (two or more) or single person that constituted 10% or more in aggregate for the reporting year of all contributions received by the University for the year ended June 30, 2021 and reviewed supporting documentation for each contribution and recalculated totals without exception. The Oregon State University Foundation is the only such organization.

### **In-Kind**

15. We were asked to compare the in-kind revenues recorded by the University during the reporting period with a schedule of in-kind donations and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

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

16. For compensation and benefits provided by a third party, we were asked to obtain the summary of revenues from affiliated and outside organizations (the "Summary") as of the end of the reporting period from the University and recalculate totals. As there were no compensation and benefits provided by a third party, this step was not performed.
17. For compensation and benefits provided by a third party, we were asked to select a sample of five funds from the Summary in Step 16 above and compare and agree each selection to supporting documentation, the institution's general ledger and/or the Summary. As there were no compensation and benefits provided by a third party, this step was not performed.

### **Media Rights**

18. We obtained and inspected agreements to understand the institution's total media rights received by the institution or through their conference offices. As the majority of the media rights revenues were a part of the conference distributions received by the institution from the PAC-12, total media rights and conference distribution balance per the institution was compared to the total distributions received from PAC-12 and agreed without exception. Additionally, recalculated the allocations of the distribution from the conference to each category based on conference best practices and noted that it was allocated without exception.
19. We compared and agreed related revenues to the University's general ledger and the Statement, and recalculated totals without exception.

### **NCAA Distributions**

20. We were asked to compare all amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

### **Conference Distributions**

21. We obtained and inspected agreements related to the institution's conference distributions and participation in revenues from tournaments during the reporting period to gain an understanding of relevant terms and conditions.
22. We compared and agreed the related revenues to the institution's general ledger and the statement, and recalculated totals without exception.

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

23. We were asked to compare the amount recorded in the revenue reporting category to a general ledger detail of program sales, concessions, novelty sales and parking and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

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

24. We selected a sample of five agreements and obtained and inspected agreements related to the institution's participation in revenues from royalties, licensing, advertisements and sponsorships during the reporting period and gained an understanding of the relevant terms and conditions and recalculated totals without exception.
25. We compared and agreed the related revenues to the University's general ledger and the statement and recalculated totals without exception.



### **Sports Camp Revenues**

26. We were asked to sample five sports camps and inspect sports-camp contracts between the institution and persons conducting institutional sports-camps or clinics during the reporting period and obtain an understanding of the institution's methodology for recording revenues from sports-camps. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.
27. We were asked to sample five individual camp participants' cash receipts from the schedule of sports camp participants and agreed each selection to the institution's general ledger and the statement and recalculate totals. As the category was less than 4.0% of the total revenues for the Department, this procedure was not performed.

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

28. We were asked to obtain and inspect a sample of five endowment agreements and gain an understanding of the relevant terms and conditions. As there were no endowment and investment income, this step was not performed.
29. We were asked to compare and agree the classification and use of endowment and investment income reported in the statement during the reporting period to the uses of income deferred within the related endowment agreement and recalculate totals. As there were no endowment and investment income, this step was not performed.

### **Other**

30. We performed minimum agreed upon procedures referenced for all revenue categories and recalculated total without exception.

### **Bowl Revenues**

31. We were asked to obtain and inspect a sample of five agreements related to institution's revenues from post-season bowl participation during the reporting period to gain an understanding of the relevant terms and conditions. As there were no Bowl Revenues, this procedure was not performed.
32. We were asked to compare and agree related revenues to the institution's general ledger and/or the statement and recalculate totals. As there were no Bowl Revenues, this procedure was not performed.

## **D. Expenses**

1. We compared and agreed each operating expense category reported in the Statement during the reporting period to supporting schedules provided by the Department without exception.
2. We compared and agreed a sample of five expenses obtained from the operating expense supporting schedules, referred to in the above procedure, to adequate supporting documentation. See procedures performed in specific expense categories.

3. 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 significant variances over 10% from the prior year and budget estimates. No additional procedures were performed with respect to management's representations as to the reasons for the variances.

Current Year to Prior Year:

*Expenses*

Support Staff/Administrative Salaries, Benefits & Bonuses – Decrease of \$1,860,758 or (13.7%): This decrease was primarily due to the OSU Athletic department staff participating in a salary reduction program as well as a fulltime employee reduction.

Athletic Facilities, Debt Services, Leases & Rental Fees – Increase of \$3,128,833 or (64.6%): This increase was primarily caused by the offering of a debt relief option to the Department in FY20. This resulted in the delay of debt payments in FY20. In FY21, debt payments resumed, including repayment of the amount deferred in FY20.

Budget to Actual:

*Expenses*

Athletic Student Aid – Difference of (\$1,764,044) or (14.9%): The budget is based on estimations for full scholarships, including all out of state scholarships. The difference under budget was the result of the true-up to the actual scholarship numbers.

**Athletic Student Aid**

4. We selected a sample of 10% of the total student athletes (as allowed by the NCAA for institutions who have used NCAA's Compliance Assistant software to prepare athletic aid detail) from the listing of institutional student aid recipients during the reporting period.
  - a. We obtained individual student account detail for each selection and compared total aid in the institution's student system to the student's detail in Compliance Assistant or the institution report that ties directly to the NCAA Membership Financial Reporting System without exception.
5. We performed a check of each student selected above to ensure their information was reported accurately in either the NCAA's Compliance Assistant software or entered directly into the NCAA Membership Financial Reporting System using the following criteria without exception:
  - a. The equivalency value for each student-athlete in all sports, including headcount sports, needs to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA as the numerator and the full grant amount, which is the total cost for tuition, fees, required course-related books, room, and board for an academic year as the denominator. If using the NCAA CA software, this equivalency value will be calculated for you on the CRDE report labeled "Revenue Distribution Equivalent Award."

- b. Grants-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate. (Athletic grant amount divided by the full grant amount).
  - c. Other expenses related to attendance (also known as gap money or cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board, and course-related books are countable for grants-in-aid revenue distribution per Bylaw 20.02.7.
  - d. The full grant amount should be entered as a full year of tuition, not a semester or quarter.
  - e. Student-athletes are to be counted once and should not receive a revenue distribution equivalency greater than 1.00.
  - f. Athletics grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.
  - g. Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contests and participants' requirements of Bylaw 20.9.6.3.
  - h. Institutions providing grants to student-athletes listed on the CRDE as "Exhausted Eligibility (fifth-year)" or "Medical" receive credit in the grants-in-aid component.
  - i. The athletics aid equivalency cannot exceed minimum equivalency limits. However, the total revenue distribution equivalency can exceed maximum equivalency limits due to exhausted eligibility and medical equivalencies (reference Bylaw 15.5.3.1).
  - j. If a sport is discontinued and the athletic grant is still being honored by the institution, the grant is included in student-athlete aid for revenue distribution purposes.
  - k. All equivalency calculations should be rounded to two decimal places.
  - l. If a selected student received a Pell Grant, ensure that the value of the grant is not included in the calculation of equivalencies or the total dollar amount of student athletic aid expense for the institution.
  - m. If a selected student received a Pell Grant, ensure the student's grant was included in the total number and total dollar value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting Database.
6. We recalculated totals for each sport and overall, without exception.

### **Guarantees**

- 7. We were asked to obtain and inspect a sample of five visiting institution's away-game settlement reports received by the institution during the reporting period and agree related expenses to the institution's general ledger and/or the Statement. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

8. We were asked to obtain and inspect a sample of five contractual agreements pertaining to expenses recorded by the institution from guaranteed contests during the reporting period and compare and agree related amounts expensed by the institution during the institution's general ledger and/or the statement and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

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

9. We obtained and inspected a listing of coaches employed by the institution and related entities during the reporting period.
10. We selected a sample of five coaches' contracts that included the Women's Gymnastics Head Coach, Women's Basketball Assistant Coach, Men's Football Assistant Coach, Men's Basketball Assistant Coach, and the Men's Soccer Associate Head Coach from the above listing.
11. We compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the institution and related entities in the Statement during the reporting period without exception.
12. We obtained and inspected payroll summary registers for the reporting year for each selection without exception.
13. We compared and agreed 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 for each selection without exception.
14. We compared and agreed the totals recorded to any employment contracts executed for the sample selected without exception.
15. We recalculated totals without exception.

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

16. We were asked to obtain and inspect a listing of coaches employed by third parties during the reporting period. As there were no compensation and benefits provided by a third party, this step was not performed.
17. We were asked to select sample of five coaches that must include football, men's, and women's basketball from the listing above and agree the financial terms and conditions of each selection to the related coaching other compensation and benefits paid by a third party and recorded by the institution in the statement during the reporting period. As there were no compensation and benefits provided by a third party, this step was not performed.
18. We were asked to obtain and inspect reporting period payroll summary registers for each selection. As there were no compensation and benefits provided by a third party, this step was not performed.

19. We were asked to compare and agree related payroll summary register to the coaching other compensation and benefits paid by a third-party expenses recorded by the institution in the statement during the reporting period for each selection and to recalculate totals. As there were no compensation and benefits provided by a third party, this step was not performed.

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

20. We selected a sample of five support staff/administrative personnel employed by the institution and related entities during the reporting period.
21. We obtained and inspected reporting period summary payroll register for each selection without exception.
22. We compared and agreed 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 for each selection and recalculated totals without exception.

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

23. We were asked to select a sample of five support staff/administrative personnel employed by the third parties during the reporting period. As there were no compensation and benefits provided by a third party, this step was not performed.
24. We were asked to obtain and inspect reporting period payroll summary registers for each selection. As there were no compensation and benefits provided by a third party, this step was not performed.
25. We were asked to compare and agree related payroll summary registers to the related support staff/administrative other compensation and benefits expense recorded by the institution in the statement during the reporting period for each selection and to recalculate totals. As there were no compensation and benefits provided by a third party, this step was not performed.

**Severance Payments**

26. We were asked to select a sample of up to five employees receiving severance payments from the institution during the reporting period and agree each payment to the related termination letter or employment contract. As there were no severance payments, this step was not performed.

**Recruiting**

27. We were asked to obtain and document an understanding of the institution's recruiting expense policies. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.
28. We were asked to compare and agree existing institutional and NCAA-related policies without exception. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

29. We were asked to obtain general ledger detail and compared to the total expenses reported without exception. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

#### **Team Travel**

30. We were asked to obtain and document an understanding of the institution's team travel policies. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.
31. We were asked to compare and agree existing institutional and NCAA-related policies without exception. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.
32. We were asked to obtain general ledger detail and compare to the total expenses reported without exception. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

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

33. We obtained general ledger detail and compared to the total expenses reported. We selected a sample of five equipment, uniform, and supplies expense transactions to and agreed to supporting documentation to validate existence of transaction and accuracy of recording and recalculated totals without exception.

#### **Game Expenses**

34. We were asked to obtain general ledger detail and compare to the total expenses reported. We were asked to select a sample of five game expense transactions and to validate existence of the transactions and accuracy of reporting, noting no exceptions. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

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

35. We were asked to obtain general ledger detail and compare to the total expenses reported. We were also asked to select a sample of five fund raising, marketing and promotion expense transactions and to validate existence of the transactions and accuracy of reporting. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

#### **Sports Camp Expenses**

36. We were asked to obtain general ledger detail and compare to the total expenses reported. We were also asked to select a sample of five sports camp expense transactions to validate existence of the transactions and accuracy of reporting. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

### **Spirit Groups**

37. We were asked to obtain general ledger detail and compare to the total expenses recorded. We were also asked to select a sample of five spirit group expense transactions to validate existence of the transactions and accuracy of reporting. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

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

38. We obtained a listing of debt service schedules, lease payments and rental fees for athletics facilities for the reporting year. We compared a sample of five facility payments, including the top two highest facility payments, to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements) without exception.
39. We compared amounts recorded to amounts listed in the general ledger detail for each selection and recalculated totals without exception.

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

40. We were asked to obtain the general ledger detail and compare to the total expenses reported. We were asked to select a sample of five direct overhead and administrative expense transactions to validate existence of transaction and accuracy of recording and recalculate totals without exception. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

### **Indirect Institution Support**

41. We were asked to compare the indirect institutional support recorded by the institution during the reporting period with expense payments, cost allocation detail, and other corroborative supporting documentation and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

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

42. We were asked to obtain general ledger detail and compare to the total expenses reported, and then select a sample of five medical expenses and medical insurance transactions to validate existence of transaction and accuracy of recording and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

### **Memberships and Dues**

43. We w obtained general ledger detail and compared it to the total expenses reported, and then selected a sample of five memberships and dues expense transactions and agreed them to supporting documents to validate existence of the transactions and accuracy of recording and recalculate totals. No exceptions noted.

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

44. We obtained general ledger detail and compared to the total expenses reported. We selected a sample of five other operating expenses and transfers to institution transactions and agreed to supporting documentation to validate existence of transaction and accuracy of recording and recalculated totals without exception.

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

45. We were asked to obtain general ledger detail and compare to the total expenses reported, select a sample of five transactions and agree to supporting documents to validate existence of transaction and accuracy of recording, and recalculate totals. As the category was less than 4.0% of the total expenses for the Department, this procedure was not performed.

**Bowl Expenses**

46. We were asked to obtain general ledger detail and compare to the total expenses reported, select a sample of five transactions to validate existence of transaction and accuracy of recording, and recalculate totals. As there were no Bowl Expenses, this procedure was not performed.

**E. Additional Minimum Agreed Upon Procedures**

1. For Grants-in-Aid, we compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from the CA or equivalent supporting equivalency calculations from the institution. The NCAA Membership Financial Reporting System populates the sports from the NCAA Membership Database as they are reported by the institution. If there was a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE or equivalent supporting equivalency calculations, we were asked to inquire about such differences. We noted no discrepancies in any sports per performance of this step.
2. We were also asked to compare current year Grants-in-Aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission and inquire and document an explanation for any variance greater than +/- 4%. No variances greater than +/- 4% were noted.
3. For Sports Sponsorship, we obtained the institution's Sports Sponsorship and Demographics Forms Report for the reporting year. We validated that countable sports reported by the institution met the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and the number of participants, with the following exception. Per Bylaw 20.9.6.3, men's football and wrestling, and women's basketball, golf, cross country, indoor track, and volleyball did not meet the participation requirements per the NCAA agreement. This variance was due to these sports receiving a COVID-19 pandemic related waiver. The University received a blanket waiver from the NCAA, waiving the minimum contest requirements due to COVID-19.
4. We were asked to compare the current year number of Sports Sponsored to prior year reported total per the Membership Financial Report submission and inquire any variances. No variances noted, tied without exception.



5. For Pell Grants: We agreed the total number of Division I student-athletes who, during the academic year, received a Pell Grant award (e.g. Pell Grant recipients on Full Grant-In-Aid, Pell Grant recipients on Partial Grants-In Aid and Pell Grant recipients with no Grants-In-Aid) and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the institution's financial aid records, of all student-athlete Pell Grants. We ensured individual student-aid files testing in step D.6 above who received Pell Grants tied back to the report of all student athlete Pell Grants to test the completeness and accuracy of the report. No variances noted, tied without exception.
6. We compared current year Pell Grants total to prior year reported total per the Membership Financial Report submission and inquire and document an explanation for any variance greater than +/- 20 grants. A decrease of 24 Pell Grants reported was noted due to fewer students filling out the FASFA and requesting financial assistance in fiscal year 2021 compared to fiscal year 2020.

#### **F. Minimum Agreed Upon Procedures Program for Other Reporting Items**

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

1. We were asked to obtain general ledger detail and compare to the total expenses reported for excess transfers to the institution and conference realignment expenses. As no related expenses were reported, no testing was performed over this procedure.

##### **Total Athletics Related Debt**

2. We obtained repayment schedules for all outstanding intercollegiate athletics debt during the reporting period, recalculated annual maturities (consisting of principal and interest) provided in the schedules obtained without exception.
3. We agreed the total annual maturities and total outstanding athletic related debt to supporting documentation and the institution's general ledger without exception.

##### **Total Institutional Debt**

4. We agreed the total outstanding debt to supporting documentation and the institution's audited financial statements without exception.

##### **Value of Athletics Dedicated Endowment**

5. 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 to the general ledger and audited financial statements without exception.

##### **Value of Institutional Endowments**

6. We agreed the total fair market value of institutional endowments to supporting documentation, the institution's general ledger and the audited financial statements without exception.

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

7. We obtained a schedule of athletics related capital expenditures made by athletics, the institution, and affiliated organizations during the reporting period.

8. We obtained the general ledger detail and compared to the total expenses reported. We compared a sample of five athletics related capital expenditures to supporting invoices noting the amount and other information agreed without exception.

We were engaged by the President and management of Oregon State 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 object of which would be the expression of an opinion or conclusion, respectively, on the Statement of Revenues and Expenses of the Intercollegiate Athletics Department of the University for the year ended June 30, 2021. 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 ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. In performing our agreed-upon procedures engagement, we have relied solely on representations provided by the President and management of the University relating to its responsibility for the Statement of Revenues and Expenses of the Intercollegiate Athletics Department of the University for the year ended June 30, 2021.

This report is intended solely for the information and use of the President and management of the University and is not intended to be and should not be used by anyone other than the specified parties.

The purpose of this report is solely to describe the procedures and findings related to the Statement of Revenues and Expenses of the Intercollegiate Athletics Department of the University for the year ended June 30, 2021. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Denver, Colorado  
December 16, 2021

**OREGON STATE UNIVERSITY INTERCOLLEGIATE ATHLETICS DEPARTMENT**  
**STATEMENT OF REVENUES AND EXPENSES**  
**For the Year Ended June 30, 2021 (Unaudited)**

	Football	Men's Basketball	Women's Basketball	Other Sports Men	Other Sports Women	Non-Sports Specific	Total
<b>REVENUES:</b>							
Ticket Sales	\$ -	\$ -	\$ -	\$ 89,374	\$ -	\$ 10,041	\$ 99,415
Direct State or Other Government Support	152,700	-	-	\$ 101,800	254,500	11,686	520,686
Student Fees	-	-	-	101,610	1,250	2,410,460	2,513,320
Direct Institutional Support	-	-	-	-	-	8,952,800	8,952,800
Less - Transfers to Institution	-	-	-	-	-	-	-
Indirect Institutional Support	-	-	-	-	-	-	-
Indirect Institutional Support - Athletic Facilities	-	-	-	-	-	-	-
Debt Service, Lease and Rental Fees	-	-	-	-	-	-	-
Guarantees	-	20,000	-	10,000	-	-	30,000
Contributions	426,011	171,285	245,583	422,774	85,673	4,320,713	5,672,039
In-Kind	75,650	20,604	28,248	43,260	45,896	60,233	273,891
Compensation and Benefits provided by a Third Party	-	-	-	-	-	-	-
Media Rights	14,465,867	3,829,448	-	-	-	-	18,295,315
NCAA Distribution	-	-	-	-	-	755,088	755,088
Conference Distributions (Non Media and Non Bow I)	3,764,310	-	-	-	-	3,846	3,768,156
Program, Novelty, Parking and Concession Sales	-	-	-	-	-	384,877	384,877
Royalties, Licensing, Advertising and Sponsorship	-	-	-	-	-	5,629,884	5,629,884
Sports Camp Revenues	4,350	-	-	80,635	130,849	-	215,834
Athletics Restricted Endowment & Investment Income	-	-	-	-	-	-	-
Other Operating Revenue	7,276	31	1,032	2,201	30,326	189,296	230,161
Bow I Revenue	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>18,896,164</b>	<b>4,041,368</b>	<b>274,862</b>	<b>851,655</b>	<b>548,493</b>	<b>22,728,925</b>	<b>\$ 47,341,466</b>
<b>EXPENSES:</b>							
Athletic Student Aid	\$ 3,637,579	\$ 528,260	\$ 533,714	\$ 1,622,169	\$ 3,655,708	\$ 69,725	\$10,047,156
Guarantees	-	154,226	70,000	31,146	1,000	-	256,373
Coaching Salaries, Benefits & Bonuses Paid by the University and Related Entities	5,809,832	3,076,662	1,583,836	2,169,796	2,959,591	-	15,599,717
Coaching Other Compensation and Benefits Paid by a Third-Party	-	-	-	-	-	-	-
Support Staff/Administrative Salaries, Benefits & Bonuses Paid by the University & Related Entities	1,441,007	156,251	215,475	186,713	349,637	9,399,923	11,749,006
Severance Payments	-	-	-	-	-	-	-
Recruiting	804,502	19,000	124,855	84,916	30,969	40,400	1,104,643
Team Travel	449,605	451,025	235,557	609,089	765,758	50,248	2,561,282
Sports Equipment, Uniforms & Supplies	647,980	57,307	53,650	227,983	152,647	3,051,281	4,190,848
Game Expenses	573,320	247,158	145,952	247,873	204,630	404,662	1,823,594
Fund Raising, Marketing & Promotions	81,248	41,574	127,695	77,486	26,714	914,199	1,268,915
Sports Camp Expenses	5,229	883	2,939	25,044	21,212	193	55,500
Spirit Groups	-	-	-	-	-	7,556	\$7,556
Athletic Facilities, Debt Services, Leases & Rental Fees	359,046	17,893	10,645	145,048	635,676	6,807,226	7,975,534
Direct Overhead and Administrative Expenses	200,118	140,183	1,937	26,912	32,722	488,514	890,386
Indirect Institutional Support	-	-	-	7,127	3,931	14,595	25,653
Medical Expenses & Medical Insurance	80,628	13,664	26,322	99,766	108,038	1,220,599	1,549,016
Memberships & Dues	3,300	-	225	1,520	4,625	3,112,617	3,122,287
Student Athlete Meals (Non-Travel)	700,492	29,940	32,333	113,757	109,503	313,190	1,299,214
Other Operating Expenses	229,284	76,871	28,869	47,497	67,703	4,634,734	5,084,958
Bow I Expenses	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$15,023,170</b>	<b>\$5,010,896</b>	<b>\$3,194,003</b>	<b>\$5,723,842</b>	<b>\$9,130,064</b>	<b>\$30,529,661</b>	<b>\$68,611,636</b>
Excess (Deficiency) of Operating Revenues over Expenses	<b>\$ 3,872,994</b>	<b>\$ (969,528)</b>	<b>\$ (2,919,141)</b>	<b>\$ (4,872,187)</b>	<b>\$ (8,581,571)</b>	<b>\$ (7,800,736)</b>	<b>\$(21,270,170)</b>

See accompanying Notes to Statement of Revenue and Expenses.

**OREGON STATE UNIVERSITY INTERCOLLEGIATE ATHLETICS DEPARTMENT**  
**NOTES TO STATEMENT OF REVENUES AND EXPENSES**  
**Year Ended June 30, 2021 (Unaudited)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Statement of Revenues and Expenses has been prepared on the accrual basis of accounting, with the exception of debt services principal payments, which are on the cash basis of accounting.

**2. CAPITALIZATION OF ASSETS**

The institution capitalizes individual assets that exceed \$5,000 if the life expectancy is greater than one year. The institution uses straight-line depreciation with zero salvage value and a useful life is based on asset type.

Total athletics related capital expenditures for the Department at June 30, 2021 were \$7,812,335.

**3. CHANGES TO PLANT FUNDS**

The following summarizes the changes to the various plant funds managed by the Department during the year ended June 30, 2021:

Fund Balance as of July 1, 2020	\$ 517,421
Revenues and transfers in	12,314,349
Expenses and transfers out	<u>12,245,882</u>
Fund Balance as of June 30, 2021	<u>\$ 585,888</u>

**4. BONDS PAYABLE**

As of June 30, 2021, institutional debt totaled \$950,602,000. Of this amount, \$68,789,448 was athletics related debt.

Debt service requirements for the Department at June 30, 2021, were as follows:

<u>Years Ended June 30</u>	<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
1900	1,286,707	3,595,293
1901	1,355,145	3,526,855
1902	1,417,809	3,464,191
1903	1,502,636	3,379,364
1904	1,582,560	3,299,440
2027 - 2031	9,258,678	15,151,322
2032 - 2036	11,992,066	12,417,934
2037 - 2041	15,549,643	8,860,357
2042 - 2046	20,151,007	4,258,993
Thereafter	<u>4,693,197</u>	<u>186,077</u>
Total	<u>68,789,448</u>	<u>58,139,826</u>

**OREGON STATE UNIVERSITY INTERCOLLEGIATE ATHLETICS DEPARTMENT  
NOTES TO STATEMENT OF REVENUES AND EXPENSES  
Year Ended June 30, 2021 (Unaudited)**

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**5. ENDOWMENTS**

As of June 30, 2021, institutional endowments totaled \$75,782,106, endowments held at the Foundation totaled \$817,382,080, and athletics dedicated endowments totaled \$19,970,159.

