

**Cleveland State University
National Collegiate Athletics Association**

Agreed-upon Procedures Report

June 30, 2017



Dave Yost • Auditor of State

Board of Trustees
Cleveland State University
2121 Euclid Avenue
Cleveland, Ohio 44115

We have reviewed the *Independent Accountant's Report on the Application of Agreed-upon Procedures* of the Cleveland State University NCAA Report, Cuyahoga County, prepared by Plante & Moran, PLLC, for the audit period July 1, 2016 through June 30, 2017.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Cleveland State University is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

November 21, 2017

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Cleveland State University National Collegiate Athletics Association

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Independent Accountant's Report on
the Application of Agreed-upon Procedures

To Dr. Ronald M. Berkman, President
Cleveland State University

We have performed the procedures enumerated below, which were agreed to by the President of Cleveland State University (the "Institution"), solely to assist you in evaluating whether the accompanying intercollegiate athletics program statement of revenues and expenses (the "Statement") of Cleveland State University is in compliance with the National Collegiate Athletics Association (NCAA), Constitution 3.2.4.15 for the year ended June 30, 2017. Cleveland State University's management is responsible for the statement of revenue and expenses (the "Statement") and the statement's compliance with those requirements. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Agreed-upon Procedures Related to the Statement of Revenue and Expenses

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

Internal Control Structure

A. In preparation for our procedures related to the Institution's internal control structure:

- 1) We met with the associate director of intercollegiate athletics and inquired about the general control environment over intercollegiate athletic finances, the level of control consciousness in the Institution, the competence of personnel, and the protection of records and equipment.
- 2) We obtained the audited financial statements for the year ended June 30, 2017 and any additional reports regarding internal controls and any corrective action taken in response to comments concerning the internal control structure.
- 3) We obtained any documentation of the accounting systems and procedures unique to the intercollegiate athletics department.

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- 4) Cash disbursements and athletic employee payroll are addressed in connection with the audit of the Institution's financial statements. The following control environment and accounting systems are (a) unique to the intercollegiate athletics and (b) have not been addressed in connection with the audit of the Institution's financial statements. We performed the following procedure:
- i. We selected one game and traced ticket collections per the receipting process for such games to the reconciliation and documentation of the related cash deposit amount with the bank.

Result: We were unable to trace the cash from the ticket sales report to the deposit slip and bank statement. No other exceptions were noted. The ticket cash receipt amount tested was for the following deposit:

<u>Event Date</u>	<u>Sporting Event</u>	<u>Ticket Sales Amount</u>	<u>Deposit Amount</u>	<u>Deposit Date</u>
12/7/2016	Men's basketball game vs Western Michigan	\$ 467	\$ 1,829	12/9/2016

NCAA Reporting

- B. **Procedure:** The financial report submission to the NCAA is now due on January 16, 2018. We obtained the financial data detailing operating revenue, expenses, and capital related to the Institution's intercollegiate athletics program that will be submitted to the NCAA and agreed the amounts to the intercollegiate athletics program statement of revenue and expenses included in the agreed-upon procedures for the reporting period.

Result: We noted no discrepancies.

- C. **Procedure:** We agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the Institution. The NCAA Membership Financial Reporting System populates the sports from the NCAA Membership Database as they are reported by the Institution.

Result: We noted no discrepancies.

- D. **Procedure:** We obtained the Institution's Sports Sponsorship and Demographics Forms Report for the reporting year. We agreed the number of contests and number of participants for each sport to supporting documents. We agreed the sports reported as countable for revenue distribution purposes to the NCAA Membership Financial Reporting System.

Result: We noted no discrepancies in the countable sports for funding purposes between the NCAA Membership Financial Reporting System and the supporting documentation. Management represented the Institution is meeting the minimum participant/contest for at least 16 sponsored sports, as necessary. We noted the following minimum requirements included in Bylaw 20.9.6.3 that were reported by management as not met: minimum contests for men's lacrosse, minimum participants and contests for women's indoor track, and minimum participants and contests for women's outdoor track.

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E. **Procedure:** 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.

Result: We noted no discrepancies.

Notes, Disclosures, and Other Procedures

F. **Procedure:** We obtained and described the Institution's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets in Note 2. We obtained a schedule of athletics-related capital expenditures made by athletics, the Institution, and affiliated organizations during the period. We agreed the schedule to the Institution's general ledger. We selected a sample of one transaction to validate existence of the transactions and accuracy of recording and recalculated totals.

Result: We selected the following transaction and vouched the asset addition to the related invoice and purchase order:

<u>Capital Asset</u>	<u>Acquisition Date</u>	<u>Capitalized Amount</u>
Ice Machine	3/24/2017	\$5,818

We noted no exceptions.

G. **Procedure:** We requested repayment schedules for all outstanding intercollegiate athletics debt maintained by the Institution during the reporting period. We recalculated annual maturities (consisting of principal and interest) provided in the schedules obtained and agreed the total annual maturities to supporting documentation and the Institution's general ledger, as applicable.

Result: We noted there was no athletics-related debt; therefore, there were no schedules to obtain or recalculations to perform and nothing to disclose related to athletic debt. We noted no other exceptions.

H. **Procedure:** We requested the general ledger detail to compare the total expenses reported for excess transfers to the Institution and conference realignment expenses.

Result: We noted there were no expenses reported for excess transfers to the Institution or conference realignment expenses, so additional procedures were not performed.

I. **Procedure:** We noted that changes in loan, endowment, or plant funds related to intercollegiate athletics were not included in the Statement.

I) We obtained and disclosed significant additions to restricted funds related to intercollegiate athletics, as well as significant changes to endowment and plant funds. Significant is defined as exceeding 10 percent of total contributions.

To Dr. Ronald M. Berkman, President
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- 2) We obtained and disclosed the value of endowments at the fiscal year end that are dedicated to the sole support of athletics.

We obtained and disclosed the value of all pledges at the fiscal year end that support athletics.

- 3) We obtained and disclosed the athletics department fiscal year-end fund balance.

Result: We disclosed all items in Notes 1 and 4.

Statement of Revenue and Expenses

- J. **Procedure:** We obtained the intercollegiate athletics program statement of revenue and expenses for the reporting period, prepared by management, and agreed all amounts back to the Institution's general ledger.

Result: We noted no exceptions.

- K. **Procedure:** We compared each major revenue and expense account over 10 percent of the total revenue or expenses to prior period amounts and budget estimates. We requested an understanding of any variations greater than 10 percent of the total revenue or expenses.

Result: There were no variances that met the thresholds for required disclosure. The budget to actual statement comparison was not performed on the same level of detail as the actual to actual comparison due to limitations of the Institution's internal reporting structure for the budgeting process.

- L. **Procedure:** We performed additional procedures on the following revenue and expense categories unless the specific reporting category is less than 4 percent of total revenue or expenses.

Result: See procedures below.

Revenue

- M. **Procedure:** We agreed each revenue reported in the Statement during the reporting period to supporting schedules provided by the Institution.

Result: The supporting schedules provided by the Institution agreed to the Statement without exception.

- 1) Ticket Sales

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

- 2) Student Fees

Procedure: We agreed student fees reported by the Institution in the Statement for the reporting period to student enrollments during the same reporting period. We obtained the Institution's methodology for allocating student fees to intercollegiate athletics programs, and recalculated totals.

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Result: We noted the University allocated fees to intercollegiate athletics programs by transfers of unrestricted fund balance at year end based upon actual expenditures. We completed the procedures above without exceptions.

3) Direct State or Other Governmental Support

Procedure: No amounts were reported for this revenue category, so additional procedures were not performed.

4) Direct Institutional Support

Procedure: We agreed the direct institutional support recorded by the Institution during the reporting period with institutional authorizations and budget transfer transaction detail and recalculated totals.

Result: We noted no exceptions.

5) Transfers Back to Institution

Procedure: No amounts were reported for this revenue category, so additional procedures were not performed.

6) Indirect Institutional Support

Procedure: No amounts were reported for this revenue category, so additional procedures were not performed.

7) Guarantees

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

8) Contributions

Procedure: We obtained supporting documentation for each contribution of monies, goods, or services received directly by an intercollegiate athletics program for any affiliated or outside organization, agency, or group of individuals that constitute 10 percent or more of all contributions received for intercollegiate athletics during the reporting periods. We disclosed the source and dollar value of these contributions in the report.

Result: See Note I - contributions over 10 percent.

9) In-kind

Procedure: No amounts were reported for this revenue category, so additional procedures were not performed.

10) Media Rights

Procedure: No amounts were reported for this revenue category, so additional procedures were not performed.

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11) NCAA Distributions

Procedure: We agreed the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions along with the related transaction register, sports sponsorship distribution, and grants in aid distribution tables, and recalculated totals.

Result: We noted no exceptions.

12) Conference Distributions

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

13) Program Sales, Concessions, Novelty Sales, and Parking

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

14) Royalties, Licensing, Advertisements, and Sponsorships

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

15) Sports Camp Revenue

Procedure: No amounts were reported for this revenue category, so additional procedures were not performed.

16) Athletics Restricted Endowment and Investment Income

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

17) Other

Procedure: Revenue category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

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Expenses

N. **Procedure:** We agreed each expense reported in the Statement during the reporting period to supporting schedules provided by the Institution.

Result: The supporting schedules provided by the Institution agreed to the Statement without exception.

We performed the following procedures for the indicated expense category:

I) Athletic Student Aid

Procedure: We selected a sample of 23 students from the listing of institutional student aid recipients during the reporting period (10 percent of the total student athletes at the Institution because the Institution uses the NCAA's Compliance Assistant (CA) software to prepare athletic aid detail). We obtained individual student-account detail for each selection and agreed total aid in the University's student system to the student's account and to student detail from the squad lists generated by the CA, and recalculated totals.

- a. We performed a check of each student selected to ensure that 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:
 - i. The equivalency value for each student-athlete in all sports, including head-count sports, need to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the squad list as the numerator and the full grant amount, which is the total cost for tuition, fees, books, and room and board for an academic year as the denominator. If using the NCAA Compliance Assistant software, this equivalency value should already be calculated on that squad list labeled "Rev. Dist. Equivalent Award".
 - ii. A student-athlete participant can only be included in one sport. NCAA Compliance Assistant software will place an asterisk by the student-athlete within the sport that is not countable toward grants-in-aid revenue distribution per sport hierarchy listed in the division I manual.
 - iii. All equivalency calculations should be rounded to two decimal places. The NCAA Compliance Assistant software and the on-line summary form will automatically round to two decimal places.
 - iv. The full grant amount should be the full cost of tuition for an academic year, not semester. The "Period of Award" column on the NCAA Compliance Assistance squad list can identify those student-athletes receiving aid for a particular semester.
 - v. If a sport is discontinued and the grants are still being honored by the Institution, the grants are included in the student-athlete aid for revenue distribution purposes.

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- vi. Student-athletes receiving athletic aid who have exhausted their athletic eligibility or are inactive due to medical reasons should be included in the student-athlete aid total and correctly noted on the squad list.
 - vii. Only athletic aid awarded in sports in which the NCAA conducts championship competitions, emerging sports for women, and football should be included in the calculations.
 - viii. 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.
 - ix. If a selected student received a Pell Grant, ensure that the student's grant was included in the total number and total value of Pell Grants reported for Revenue distribution purposes in the NCAA Membership Financial Reporting System.
- b. We recalculated totals for each sport and overall.

Result: The total amount of countable aid from the squad list tied to the amount shown on the statement of revenue and expenditures within \$268,834. We inquired with management about the discrepancy and found the reason to be a result of total institutional aid included in the countable aid in the squad list. We noted the following differences between the amount awarded and the student account. We noted no other exceptions. The amount awarded represents the awarded amount reported in the NCAA Compliance Assistant. The student account represents the amount credited per the individual student account detail.

The students' accounts tested are summarized below:

<u>Student Tested</u>	<u>Amount Awarded</u>	<u>Student Account</u>	<u>Difference</u>
1	\$ 29,271	\$ 26,571	\$ 2,700
2	25,220	22,675	2,545
3	9,720	9,372	348
4*	-	-	-
5	5,000	5,000	-
6	25,520	25,520	-
7	12,264	12,264	-
8	13,314	13,314	-
9	7,200	7,200	-
10	17,723	17,723	-
11	18,200	18,145	55
12	25,220	18,529	6,691

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<u>Student Tested</u>	<u>Amount Awarded</u>	<u>Student Account</u>	<u>Difference</u>
13	\$ 29,271	\$ 21,434	\$ 7,837
14*	-	-	-
15	3,000	3,000	-
16	14,962	13,868	1,094
17	6,000	6,000	-
18	5,000	5,000	-
19*	-	-	-
20	10,164	10,164	-
21	27,271	26,710	561
22	18,220	19,677	(1,457)
23	29,932	27,694	2,238

* Students received awards for textbooks, which is not included in the totals above.

2) Guarantees

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

3) Coaching Salaries, Benefits, and Bonuses Paid by the Institution and Related Entities

Procedure: We obtained and inspected a listing of coaches employed by the Institution and related entities during the reporting period. We selected a sample of five coaches' contracts that includes football, and men's and women's basketball from the above listing. We 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. We obtained and inspected payroll summary registers for each selection. We agreed related payroll summary registers 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, and recalculated totals. We compared and agreed the totals recorded to any employment contracts executed for the sample selected.

Result: We selected five coaches' contracts that included men's basketball, women's basketball, golf, tennis, and women's volleyball. The Institution does not have a football program. We recalculated the men's basketball coach's total compensation within \$128 per the employment agreement. We noted no other exceptions.

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Cleveland State University

4) Support Staff/Administrative Salaries, Benefits, and Bonuses Paid by the Institution and Related Entities

Procedure: We selected a sample of one support staff/administrative personnel employed by the Institution and related entities during the reporting period. We obtained and inspected payroll summary registers for each selection. We agreed related payroll summary registers 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. We also recalculated totals.

Result: We tested the assistant athletic director as described above, noting no exceptions. We agreed total expenses to general ledger documentation within \$939.

5) Severance Payments

Procedure: No amounts were reported for this expense category, so additional procedures were not performed.

6) Recruiting

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

7) Team Travel

Procedure: We obtained the Institution's team travel policies. We agreed to existing institutional- and NCAA-related policies. We obtained general ledger detail and agreed to the total expenses reported.

Result: We noted no exceptions.

8) Equipment, Uniforms, and Supplies

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

9) Game Expenses

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

10) Fundraising, Marketing, and Promotion

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

11) Sports Camp Expenses

Procedure: No amounts were reported for this expense category, so additional procedures were not performed.

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12) Spirit Groups

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

13) Athletic Facility Debt Service, Leases, and Rental Fees

Procedure: No amounts were reported for this expense category, so additional procedures were not performed.

14) Direct Overhead and Administrative Support

Procedure: We obtained general ledger detail and agreed to the total expenses reported. We agreed a sample of one transaction to the transaction register and supporting fiscal year 2017 maintenance charge table. We recalculated totals.

Result: We selected the following transaction:

<u>Date</u>	<u>Department</u>	<u>Expense Description</u>	<u>Expense Amount</u>
1/31/17	Plant and Environment, Health, Safety & Fire	Maintenance for Plant Services	\$45,286

We noted no exceptions.

15) Indirect Institutional Support

Procedure: No amounts were reported for this expense category, so additional procedures were not performed.

16) Medical Expenses and Medical Insurance

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

17) Memberships and Dues

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

18) Student-Athletic Meals (non-travel)

Procedure: Expense category was less than 4 percent of total revenue or expenses, so additional procedures were not performed.

19) Other Operating Expenses

Procedure: We agreed other expenses to the Institution's general ledger, and/or the Statement, and recalculated totals.

Result: We noted no exceptions.

To Dr. Ronald M. Berkman, President
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Affiliated and Outside Organizations

O. In preparation for our procedures related to the Institution's affiliated and outside organizations, we:

1) Inquired of management as to whether they have identified any affiliated and outside organizations that meet any of the following criteria:

i. Booster organizations established by or on behalf of an intercollegiate athletics program

Independent or affiliated foundations or other organizations that have as a principal purpose, generating or maintaining of grants-in-aid or scholarships funds, gifts, endowments or other monies, goods, or services to be used entirely or in part by the intercollegiate athletics program.

ii. Alumni organizations that have as one of their principal purposes the generating of monies, goods, or services for or on behalf of an intercollegiate athletics programs and that contribute monies, goods, or services directly to an intercollegiate athletics program, booster group, or independent or affiliated foundation as previously noted.

2) We also obtained documentation on the Institution's practices and procedures for monitoring the internal controls in place and financial activities of these organizations. We inquired of management on the procedures for gathering information on the nature and extent of affiliated and outside organization activity for or on behalf of the Institution's intercollegiate athletic program.

3) We obtained and inspected audited financial statements of the organization and any additional reports regarding internal controls and any corrective action taken in response to comments concerning the control environment that were provided to us by management.

Results: We noted the only affiliated organization was Cleveland State University Foundation, Inc. We obtained and inspected the audited financial statements of Cleveland State University Foundation, Inc. and the management letter as a result of their June 30, 2017 audit.

P. **Procedure:** For expenses on or on behalf of intercollegiate athletic programs by affiliated and outside organizations not under the Institution's accounting control, we obtained those organizations' financial statements for the reporting period. We were to agree the amounts reported to the organization's general ledger or confirm the revenue and expenses directly with the responsible official of the organization.

Result: There were no expenses on or on behalf of intercollegiate athletic programs affiliated and outside organizations not under the Institution's accounting control. No additional procedures were performed.

To Dr. Ronald M. Berkman, President
Cleveland State University

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying intercollegiate athletics program statement of revenue and expenses. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Cleveland State University management and the National Collegiate Athletics Association and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

October 30, 2017

Cleveland State University National Collegiate Athletics Association

Intercollegiate Athletics Program Statement of Revenue and Expenses Year Ended June 30, 2017

	Men's Football	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Revenue						
Ticket Sales	\$ -	\$ 88,974	\$ -	\$ 25,674	\$ -	\$ 114,648
Student Fees	-	1,993,807	1,095,121	4,686,721	2,725,400	10,501,049
Direct Institutional Support	-	111,794	-	-	463,340	575,134
Guarantees	-	240,000	17,500	21,000	-	278,500
Contributions	-	35,186	736	320,186	249,302	605,410
NCAA Distributions	-	-	-	-	527,003	527,003
Conference Distributions (Non Media or Bowl)	-	-	-	-	30,000	30,000
Program, Novelty, Parking, and Concession Sales	-	-	-	-	14,848	14,848
Royalties, Licensing, Advertisement, and Sponsorships	-	-	-	-	151,223	151,223
Athletics Restricted Endowment and Investments Income	-	32,352	16,759	56,100	3,339	108,550
Other Operating Revenue	-	1,700	-	22,805	152,171	176,676
Total Revenue	\$ -	\$ 2,503,813	\$ 1,130,116	\$ 5,132,486	\$ 4,316,626	\$ 13,083,041
Expenses						
Athletic Student Aid	\$ -	\$ 427,245	\$ 351,931	\$ 2,361,481	\$ 37,639	\$ 3,178,296
Guarantees	-	35,098	4,500	-	-	39,598
Coaching Salaries, Benefits, and Bonuses paid by the University and Related Entities	-	1,380,774	396,067	1,413,914	-	3,190,755
Support Staff/Administrative Compensation, Benefits, and Bonuses paid by the University and Related Entities	-	53,665	52,940	-	2,045,259	2,151,864
Recruiting	-	70,976	61,070	61,309	-	193,355
Team Travel	-	301,530	138,184	796,076	58,252	1,294,042
Sports Equipment, Uniforms, and Supplies	-	50,404	24,848	260,802	161,397	497,451
Game Expenses	-	77,400	44,727	84,784	219,565	426,476
Fundraising, Marketing, and Promotion	-	-	-	-	130,508	130,508
Spirit Groups	-	-	-	-	48,147	48,147
Athletic Facilities Debt Service, Leases, and Rental Fee	-	-	-	-	-	-
Direct Overhead and Administrative Support	-	8,907	5,838	24,648	590,532	629,925
Medical Expenses and Insurance	-	-	-	-	289,832	289,832
Memberships and Dues	-	3,035	640	8,682	15,693	28,050
Student Athlete Meals (non-travel)	-	41,598	34,062	44,475	6,450	126,585
Other Operating Expenses	-	53,181	15,309	76,315	713,352	858,157
Total Operating Expenses	\$ -	\$ 2,503,813	\$ 1,130,116	\$ 5,132,486	\$ 4,316,626	\$ 13,083,041
Revenue (Under) Over Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Cleveland State University

National Collegiate Athletics Association

Notes to Intercollegiate Athletics Program Statement of Revenue and Expenses Year Ended June 30, 2017

Note 1 - Contributions

Individual contributions of monies, goods, or services received directly by the Institution's intercollegiate athletics program from any affiliated or outside organization, agency or individuals (e.g., contributions by corporate sponsors) that constitute 10 percent or more of all contributions received for intercollegiate athletics during the year ended June 30, 2017 are as follows:

Source of Funds, Goods, and Services	Value
Danferd C. Avis Endowed Scholarship for Men's Basketball	\$ 159,167

Note 2 - Intercollegiate Athletics-related Assets

Property and equipment are recorded at cost or, if donated, the fair value at the time of donation. Expenses for maintenance and repairs are charged to current expense as incurred. Depreciation is computed using the straight-line method. No depreciation is recorded on land. Expenses for major renewals and betterments that extend the useful lives of the assets are capitalized. Estimated service lives range from 5-40 years depending on class.

The current year capitalized additions and deletions to facilities during the year ended June 30, 2017 are as follows:

	Current Year Additions	Current Year Deletions
Basketball athletics facilities	\$ 22,790	\$ -
Other athletics facilities	232,866	7,718
Total athletics facilities	<u>\$ 255,656</u>	<u>\$ 7,718</u>
Other institutional facilities	\$ 27,109,531	\$ 9,281,033

The total estimated book values of property, plant, and equipment, net of depreciation, of the Institution as of the year ended June 30, 2017 are as follows:

	Estimated Book Value
Athletically related property, plant, and equipment balance	<u>\$ 18,903,664</u>
Institution's total property, plant, and equipment balances	<u>\$ 487,778,055</u>

**Cleveland State University
National Collegiate Athletics Association**

**Notes to Intercollegiate Athletics Program
Statement of Revenue and Expenses
Year Ended June 30, 2017**

Note 3 - Intercollegiate Athletics-related Debt

The annual debt service and debt outstanding for the Institution as of the year ended June 30, 2017 is as follows:

	Annual Debt Service Principal and Interest	Debt Outstanding - Principal Only
Athletically related facilities	\$ -	\$ -
Total Institutional facilities	\$ 24,440,486	\$ 225,649,697

Note 4 - Restricted and Endowment and Plant Funds

During the year, the Institution had the following significant changes in loan, endowment, or plant funds related to intercollegiate athletics that were not reported in the Statement:

<u>Restricted/Endowment/Plant Funds</u>	<u>Value</u>
Wahoo Club - Luke Easter Endowed Memorial Scholar	\$ 527,148
Homer E. Woodling Athletic Scholarship Endowment	\$ 611,155

In addition, at June 30, 2017, the Institution had \$2,542,872 of endowments and \$13,642 in pledges receivable dedicated to the sole support of athletics not reported in the Statement. The athletics department's fund balance is \$0 at June 30, 2017.



Dave Yost • Auditor of State

CLEVELAND STATE UNIVERSITY - NCAA

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 5, 2017**