

# **COWBOY JOE CLUB**

**Report on the Application of Agreed-Upon Procedures  
to the Records of the University of Wyoming  
Cowboy Joe Club and to its System of  
Internal Accounting Control**

**FINANCIAL REPORT**

**JUNE 30, 2017**

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AGREED-UPON PROCEDURES TO THE RECORDS OF THE UNIVERSITY  
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**INDEPENDENT ACCOUNTANT'S REPORT ON THE APPLICATION  
OF AGREED-UPON PROCEDURES TO THE RECORDS OF THE  
UNIVERSITY OF WYOMING COWBOY JOE CLUB AND TO ITS  
SYSTEM OF INTERNAL ACCOUNTING CONTROL**

To the Board of Trustees of the  
University of Wyoming  
Laramie, Wyoming

We have performed the procedures enumerated below, which were agreed to by you, on the accounting processes and internal controls of the University of Wyoming Cowboy Joe Club for the year ended June 30, 2017. The University of Wyoming Cowboy Joe Club's management is responsible for the accounting processes and internal controls. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The agreed-upon procedures performed are as follows:

**CASH**

1. We footed the Cowboy Joe Club's June 30, 2017 bank account reconciliation for the accounts held at the University of Wyoming Foundation and Cowboy Joe Club's cash account and traced the balances to the PISTOL report balances.

**ACCOUNTS RECEIVABLE/PLEDGES RECEIVABLE**

1. We obtained a detail list of accounts receivable at June 30, 2017 and traced the collections to bank deposits on 10 of those accounts subsequent to June 30, 2017 through August 15, 2017 to determine collectability. We noted none of the accounts had been collected as of August 15, 2017. Through discussions with management, these were still deemed collectable.
2. We inspected 10 deposits during the period June 30, 2017 through August 15, 2017 for unrecorded accounts receivable. No unrecorded accounts receivable were noted.
3. We obtained the calculation for the allowance for uncollectible accounts at June 30, 2017 and agreed it to the amount recorded.
4. We obtained a detail list of pledges receivable for the most recent drive year and inquired of management regarding allowances for 10 haphazardly selected accounts to determine collectability. All 10 pledges have been collected.
5. We obtained a listing of Wildcatter Club suites and seats and agreed the amounts of the accounts receivable, deferred revenue, and revenue to the amounts recorded by management in the trial balance.
6. We selected 10 new agreements from the Wildcatter Club suites/seats listing provided to us and agreed to contract, noting amount, number of seats, and number of years noting that for one of the 10 selections, the agreement was for \$5,500 but was recorded as \$6,417.

## **LIFE INSURANCE POLICIES**

1. We obtained life insurance policies owned by the Cowboy Joe Club and compared the cash surrender values on policy statements to the amounts recorded on the general ledger noting the amounts did not agree to the general ledger by \$66,148. Subsequent to identifying the difference, the Cowboy Joe Club adjusted the balances to the proper amounts.

## **CORPORATE STOCK AND OTHER ASSETS**

1. We noted no gifts or sales of corporate stock or other assets through our review of the University of Wyoming Foundation reports.

## **EQUIPMENT AND AUTOS**

1. We obtained the depreciation schedule for additions and deletions during the year ended June 30, 2017 and traced depreciation expense for the year to the general ledger.
2. We noted no additions during the year ended June 30, 2017.

## **ACCOUNTS PAYABLE**

1. We obtained a listing of accounts payable at June 30, 2017, footed the listing, and agreed it to the general ledger.
2. We reviewed expenditures over \$5,000 since June 30, 2017 through August 15, 2017 to identify any additional unrecorded payables noting four expenditures over \$5,000 from June 30, 2017 through August 15, 2017. All amounts were properly excluded from accounts payable at June 30, 2017.

## **INTERFUND TRANSACTIONS**

1. We determined that Interfund receivables or payables balanced with other funds.
2. We determined that Interfund transfers balanced with other funds.

## **MEMBERSHIP REVENUE**

1. We obtained the year-end report of cash memberships received from the membership system, footed the report, and agreed the total amount to the general ledger.
2. We obtained a year-end report of gifts-in-kind memberships from the membership system, footed the report and agreed the total amount to the general ledger per Cowboy Joe Club's reconciling procedures for gifts-in-kind memberships noting a difference between donor-committed and actual utilization of certain gifts-in-kind. This difference occurs each year due to the difference between pledged amounts and utilized amounts for gifts such as hotel rooms, fuel, etc.
3. We determined that membership revenue from gifts-in-kind equaled the total gifts-in-kind expense on the general ledger.
4. We traced five memberships from the membership system (DonorNet) to the general ledger.

## **CASH RECEIPTS – MEMBERSHIPS**

1. We selected one month (September 2016) at random and:
  - a. Obtained the Daily Mail Log (notebook of copies of cash and checks), footed the logs, and traced the amounts to membership batches.
  - b. Inspected membership donation batches for the test month and traced the amounts to attached deposit receipts. We noted the number of days between the batch date and the date of the deposit was less than five days.
  - c. Inspected the general ledger coding on the membership batches for the test month and traced entries for the test month to the general ledger by looking at the activity detail report for the test month. We vouched all the debits and credits in the membership related accounts in the Cowboy Joe Club and restricted funds to the source documents for the test month.
2. We traced five debit entries in account 101.01 PISTOL 14870 to supporting documentation.

## **CASH RECEIPTS MISCELLANEOUS**

1. We selected one month (March 2017) at random and:
  - a. Obtained the cash receipts recorded on the income transmittals, and agreed them to the deposit receipts, copies of checks/cash, and any attached documentation.
  - b. Obtained support for the cash receipts issued for the test month and traced them to the income transmittals and deposit receipts.
  - c. Inspected the general ledger coding on the income transmittals for the test month.
2. We traced five debit entries in account 102.01 PISTOL 14872 to supporting documents.
3. We documented the procedures used for cash receipts through inquiry of the Cowboy Joe Club accountant. We noted there are three people involved in the cash receipting procedures.

## **CASH DISBURSEMENTS**

1. We selected one month (July 2016) at random and:
  - a. Traced a sample of 10 credit entries for the test month for accounts 101.01, University Cash Holding Account, and 102.01, University Cash Hospitality Account, to the PISTOL reports voucher and journal entries and inter-departmental request detail sections for PISTOL accounts 14870 and 14872, respectively.

## **TRAVEL AND BUSINESS MEAL EXPENSE DOCUMENTATION**

1. We selected one month at random and:
  - a. For the month of May, we selected one travel expense from the general ledger to vouch to support for the Athletic Director, Associate Athletic Director, and each of the three Cowboy Joe Club Development Officers, noting no unusual expenditures.
  - b. For the month of May, we selected one travel voucher to trace back to the general ledger for the Athletic Director, Associate Athletic Director, and each of the three Cowboy Joe Club Development Officers, noting no unusual expenditures.

## **GIFTS-IN-KIND**

1. We selected the month of September 2016 at random and obtained membership batch reports and inspected general ledger coding and traced the amounts to the general ledger posting by looking at the activity detail report for the test month.
2. We traced a sample of five regular gift-in-kind donation entries from the month of September 2016 to the documentation in the donor's file. We also traced five auto gift-in-kind donations from July 1, 2016 to June 30, 2017 to documentation in the donor's file.

## **INCOME AND EXPENSES**

1. We obtained year-end balances for income and expenses and obtained explanation of the change from prior year for accounts with a change greater than 15% and \$5,000.
2. We obtained the annual auction revenues and expenses and obtained explanations of the change from prior year for accounts with a change greater than 15% and \$5,000.
3. We obtained revenue and expenses from one golf tournament (Phoenix) and obtained explanations of the change in amounts from prior year with a change greater than 15% and \$5,000, noting no changes greater than the thresholds.

## **ANNUAL FILINGS**

1. We determined that Form 990 was prepared and filed for the year ended June 30, 2016.
2. We determined that the annual corporate report was filed by reviewing the Wyoming Secretary of State website.

## **BOARD MINUTES**

1. We reviewed Board minutes for the year ended June 30, 2017 and traced actions reported and authorized to transactions reflected in the general ledger.

## **ENDOWMENT FUNDS**

1. We requested and obtained Endowment accounts at year end and traced to the University of Wyoming Foundation's report balances that have all the transactions for the year. We traced the amounts reported in the Cowboy Joe Club's general ledger for endowment accounts to the University of Wyoming Summary Foundation spreadsheet and to the University of Wyoming Foundation general ledger report.
2. We obtained agreements for 10 endowments. We verified that the gift was to the Club (versus the University of Wyoming Foundation) and noted the use of principal and interest was specified in the agreement.
3. We traced the Endowment donations and other additions received during the year (except for account 141.00, see below) to the adjusting journal entry and the general ledger.
4. We traced the unrestricted Endowment (accounts 140.00 and 141.00) transactions for the year ended June 30, 2017 to the adjusting journal entry and the general ledger:
  - a. We traced the unrestricted investment income in the Cowboy Joe Club fund to the transfer entry to the Endowment Fund.
  - b. We traced the voluntary addition of investment income to account 141.00 as a transfer from the Cowboy Joe Club to the Endowment Fund. We noted no voluntary additions to account 141.00.

5. We obtained the University of Wyoming Foundation's spreadsheet of investment activity for the Cowboy Joe Club for the year ended June 30, 2017 and traced the journal entries to the general ledger:
  - a. To record Realized Gains for True Endowments
  - b. To record Unrealized Gains for True Endowments
  - c. To record Realized Gains for Quasi Endowments
  - d. To record Unrealized Gains for Quasi Endowments
  - e. To determine that Interfund receivables or payables balanced with other funds
  - f. To determine that Interfund transfers balanced with other funds

#### **RESTRICTED FUNDS**

1. We requested and obtained reports from the University Foundation that reflect all the transactions for the year ended June 30, 2017. We footed Cash account balances at year end and traced them to the University of Wyoming Foundation's report balances.
2. We obtained the reconciled Investment Income on the Cowboy Joe Club general ledger to the University of Wyoming Foundation Reports reflecting investment income less assessments for the year ended June 30, 2017.
3. We reconciled PISTOL transactions for the year ended June 30, 2017 to the report from the query CJC\_SCHOLARSHIPS\_UW:
  - a. We reviewed cash balances at June 30, 2017, and noted no unfunded negative cash balances (PISTOL account 001100).
  - b. We reviewed Scholarship expenses for the year on 10 scholarships and reconciled to those recorded in PISTOL account 610100.
  - c. We inspected Foundation transfers for the year and reconciled to scholarship expenses in PISTOL account 006210.
4. We traced membership income on the general ledger to the annual membership reconciliation.
5. We reviewed Steer A Year for unusual activity and obtained information for the following accounts:
  - a. Steers in Inventory (account 130.21) at June 30, 2017, and traced amounts to general ledger.
  - b. Steer A Year gain on sale (account 451.21) for the year ended June 30, 2017, and noted that gain was calculated and recorded properly.
  - c. Steer A Year expenses (account 1601.21) for the year ended June 30, 2017 and traced amounts to the general ledger.
6. We determined that Interfund receivables or payables balanced with other funds.
7. We selected 10 Interfund transfers and determined that the transfers balanced with other funds.
8. We recalculated Team fund balances starting with last year's ending balances per the general ledger, adding memberships and donations, less expenditures. We selected five sports teams for testing. From those five teams, five additions and five expenses were selected for tracing to supporting documentation, noting no exceptions.

## UNIVERSITY OF WYOMING OPERATING FUNDS

1. We footed the University of Wyoming bank account reconciliations at June 30, 2017 and traced them to the PISTOL report balance.
2. We traced expenditures for the year ended June 30, 2017 to the PISTOL report balances.
3. We determined that Interfund receivables or payables balanced with other funds.
4. We determined that Interfund transfers balanced with other funds.
5. We traced the payroll liabilities at June 30, 2017 to the adjusting journal entry and the general ledger, if applicable, for vacation, part-time salaries, comp time, Board retiree sick leave, and Board retiree life insurance.

## STATE MATCH

1. We obtained a listing of all donations related to State of Wyoming matching requirements for the year ended June 30, 2017.
2. We selected one quarter (January through March) and traced 10 donations from the listing to donor net and the corresponding deposit slip and noted they were recorded in the proper quarter.

## INQUIRIES FOR AGREED UPON PROCEDURES

We inquired of Rachael Hulet, Assistant Athletic Director for Business Operations, and Randal Welniak, Senior Associate Athletics Director for Development and Revenue Enhancement, about:

1. Any personal knowledge of fraud or suspected fraud.
2. Any allegations of fraud or suspected fraud made by employees, vendors, customers, or other persons.
3. Areas of operations, types of transactions, or accounts where fraud is more likely to exist.
4. Programs and controls Cowboy Joe Club has established or should establish to mitigate these fraud risks.
5. How management communicates its views on acceptable business practices and ethical behavior to employees.
6. Any other concerns or issues to discuss or have us address during our performance of procedures.
7. Anyone else recommended to interview.

No items of concern were noted from inquiries.

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 accounting processes and internal controls of the University of Wyoming Cowboy Joe Club. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you.

This report is intended solely for the use of the University of Wyoming Board of Trustees, University of Wyoming Administration, and University of Wyoming Cowboy Joe Club personnel, and is not intended to be, and should not be, used by anyone other than those specified parties.

*McGee, Hearn & Paiz, LLP*

Cheyenne, Wyoming  
December 6, 2017