

University of Wyoming

Independent Accountant's Report on Applying Agreed-Upon Procedures
Performed on the Intercollegiate Athletics Program as
Required by NCAA Bylaw 3.2.4.17
Year Ended June 30, 2021

University of Wyoming
June 30, 2021

Contents

**Independent Accountant's Report on
Applying Agreed-Upon Procedures 1**

Additional Information

Agreed-Upon Procedures and Related Findings 2

Statement of Revenues and Expenses (Unaudited) 9

Notes to the Statement of Revenues and Expenses (Unaudited)..... 11

Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Trustees
University of Wyoming
Laramie, Wyoming

We have performed the procedures enumerated in the attachment to this report on the accompanying Statement of Revenues and Expenses and related notes (the Statement) prepared in accordance with National Collegiate Athletic Association's (NCAA) Bylaw 3.2.4.17 as of and for the year ended June 30, 2021. The management of the University of Wyoming (the University) is responsible for the preparation of the Statement and complying with the NCAA Constitution Bylaws 3.2.4.17.

The University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with the NCAA Constitution Bylaws 3.2.4.17 as of and 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.

The procedures and the associated findings are described in the attachment to this report.

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

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

BKD, LLP

Denver, Colorado
November 18, 2021

University of Wyoming
NCAA Agreed-Upon Procedures and Related Findings
Year Ended June 30, 2021

The procedures performed and the results of our testing are described below.

1. We obtained the Statement, as prepared by the administration of the University and compared the amounts disclosed in the Statement to the University's general ledger noting they agreed without exception.

For revenues and expenses categories above the 4.0% threshold of total revenues and expenses, we performed the following:

2. We compared the amount of each operating revenue and expense category reported in the Statement during the year ended June 30, 2021, to supporting schedules provided by the administration of the University, noting that they agreed without exception. The following revenue reporting categories were less than 4.0% of total revenues, and the following expense categories were less than 4.0% of total expenses, and therefore, as prescribed in the NCAA Agreed-Upon Procedures Guidelines, no procedures were performed for these categories:

Revenues

- a. Ticket sales
- b. Student fees
- c. Less – transfers to institution
- d. Indirect University support
- e. Guarantees
- f. In-kind
- g. NCAA distributions
- h. Conference distributions (non-media and non-bowl)
- i. Conference distributions of football bowl generated revenue
- j. Program, novelty, parking, and concession sales
- k. Royalties, licensing, advertisement, and sponsorships
- l. Athletics restricted endowment and investments income
- m. Other operating revenue

Expenses

- a. Guarantees
- b. Recruiting
- c. Sports equipment, uniforms, and supplies
- d. Game expenses
- e. Spirit groups

University of Wyoming
NCAA Agreed-Upon Procedures and Related Findings
Year Ended June 30, 2021

- f. Athletic facilities debt service, leases, and rental fees
 - g. Direct overhead and administrative expenses
 - h. Indirect University support
 - i. Medical expenses and insurance
 - j. Memberships and dues
 - k. Student-athlete meals (non-travel)
 - l. Other operating expenses
3. We inquired of the University's management whether there were any of the following revenues, expenses or other reporting items during the year ended June 30, 2021, and University management represented that there were none:

Revenues

- a. Indirect institutional support – athletic facilities debt service, lease, and rental fees
- b. Compensation and benefits provided by a third party
- c. Sports camp revenues
- d. Football bowl revenues
- e. Non-operating revenue categories including plant, endowment contributions and state or other support for capital purposes

Expenses

- a. Coaching salaries, benefits, and bonuses paid by a third party
 - b. Support staff/administrative compensation and benefits paid by a third party
 - c. Severance payments
 - d. Sports camp expenses
 - e. Football bowl expenses
 - f. Bowl expenses – coaching compensation/bonus
 - g. Non-operating expense categories including debt service and capital expenses.
4. We compared each major revenue and expense amount over 10% of total revenues and expenses reported in the Statement to prior year amounts and current year budget estimates. We obtained and documented an understanding of any significant variances (10% change) from prior year amounts and current year budget estimates, as noted below:

Current Year Actual Versus Prior Year Actual

- *Direct University support* – Increased \$2,133,718 or 15.39% due to \$2 million in CARES funding that was allocated to athletics.

University of Wyoming

NCAA Agreed-Upon Procedures and Related Findings

Year Ended June 30, 2021

- *Contributions* – Increased \$2,735,076, or 32.99%, due to the recognition of Wildcatter Club seats and suites ticket sales which had been deferred in the prior year due to COVID-19. In addition, the Cowboy Joe Club ran a special campaign for lost revenues due to COVID-19.

Current Year Actual Versus Current Year Budget Estimates

- *Direct University support* – Revenues exceeded budget estimate by \$2,094,736 or 15.59% due to the receipt of \$2 million in CARES funding.
5. For revenue and expense categories that exceeded 4% of total revenues and expenses, we compared and agreed a sample of operating receipts and expenses, defined as the lesser of 10% or 20 items unless otherwise noted, from the supporting schedules to adequate supporting documentation. In addition, we performed the “Minimum NCAA Agreed-Upon Procedures for Revenue, Expenses and Other Reporting Items” as noted below:

Revenues

6. *Direct State or Other Government Support* – We selected a sample of direct state support recorded by the University during the reporting period to corroborative supporting documentation and recalculated the totals without exception. In addition, we compared the amount recorded by the University to the state appropriation noting the amount agreed without exception.
7. *Direct University Support* – We compared the direct institutional support recorded by the University during the reporting period with budget transfers and other corroborative supporting documentation and recalculated totals without exception.
8. *Contributions* – We obtained the supporting documentation for contributions received specifically to support athletics, noting that all contributions were received from the Cowboy Joe Club. We selected a sample of contributions, agreed them to supporting documentation, and recalculated totals without exception.
9. *Media Rights* – We obtained copies of all media rights agreements available to gain an understanding of the University’s total media rights. We determined that all media rights are received through their conference distribution. We agreed the amount recorded to their conference distribution schedule without exception.

Expenses

10. *Athletic Student Aid* – As the University utilizes NCAA CAi software (compliance software), we selected a sample of 10% of the student athletes (40 students), with a maximum sample size of 40, from the listing of the University student aid recipients. We obtained individual student account detail for each selection and compared total aid allocated from the squad list 2020-2021 to the students’ account detail. We recalculated totals for each sport and overall. We performed the following, as discussed below:

University of Wyoming
NCAA Agreed-Upon Procedures and Related Findings
Year Ended June 30, 2021

- a. We compared the equivalency value in the CA software for each student athlete (rounded to two decimal places) to supporting documentation. For each student athlete, we noted:
 - i. If an athlete participates in more than one sport, the award was only included in one sport.
 - ii. Other expenses related to attendance were not included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board, and course related materials were included.
 - iii. The grant amount represented the full cost of tuition for an academic year, rather than a semester.
 - iv. No sports were discontinued during fiscal year 2021.
 - v. None had exhausted their athletics eligibility.
 - vi. Only athletic grants were awarded in sports which the NCAA conducts championship competitions, emerging sports for women or football.
 - vii. Grants-in-aid were valid for revenue distribution purposes in NCAA sports that did not meet the minimum contests and participants' requirements of Bylaw 20.9.6.3.
 - viii. The University is providing grants to student-athletes listed on the CRDE as "Exhausted Eligibility (fifth-year)" or "Medical" and receive credit in the grants-in-aid component.
 - ix. The athletics aid equivalency did not exceed maximum equivalency limits.
 - x. If a selected student received a Pell Grant, the value of the grant was not included in the calculation of equivalencies or the total dollar amount of student athletic aid expense for the institution. In addition, ensured 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 System.

Finding: We noted one exception in our testing. A member of the spirit (cheerleading) squad did not receive their full amount of aid awarded. The student was underpaid by \$100. It should be noted that cheerleading is not a NCAA sponsored sport and thus there were not any subsequent NCAA issues/violations.

11. *Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities* – We obtained a listing of coaches employed by the University during the year ended June 30, 2021. We selected a sample of seven coaches employed by the University. The sample included one coach from men's basketball, one coach from women's basketball, two football coaches and three coaches from all other sports.

We obtained and agreed payroll summary registers for the reporting year for each selection to the related coaching salaries, benefits and bonuses paid by the University.

We compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the University and related entities in the Statement during the reported period.

University of Wyoming
NCAA Agreed-Upon Procedures and Related Findings
Year Ended June 30, 2021

We compared and agreed the totals recorded to the employment contracts executed for the sample selected and recalculated totals without exception.

12. *Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities* – We selected a sample of 12 athletic support staff/administrative personnel employed by the University. We obtained supporting salary information for each selection, recalculated and agreed the information to the expense recorded by the University in the Statement without exception.
13. *Team Travel* – We obtained documentation of the University’s travel policies and compared them to the NCAA policies, noting no exceptions. We obtained the general ledger detail for team travel and compared to the amount reported in the Statement and recalculated the total without exception.
14. *Fundraising, Marketing and Promotion* – We obtained general ledger detail and compared to total expenses reported without exception. We selected a sample of transactions to view supporting documentation to validate existence of the transactions and accuracy of recording and recalculated totals without exception.

Agreed-Upon Procedures Related to Affiliates and Outside Organizations

15. The University identified the University of Wyoming Foundation (the Foundation) as an outside intercollegiate athletics-related organization incurring expenses on behalf of athletics which are not under the University’s accounting control. We confirmed activity with the Foundation and ensured the activity was included in the Statement.
16. We obtained the audited financial statements as of and for the year ended June 30, 2021 for the Foundation and the management letter for the Foundation noting no matters that would significantly affect the Statement.

Agreed-Upon Procedures Related to Internal Control

17. We obtained an understanding of the internal control environment and accounting systems unique to Athletics that have not been addressed in connection with the audit of the University’s financial statements. We documented our understanding of these internal controls.

Additional Minimum Agreed-Upon Procedures

18. *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 CA noting a difference in the amount of \$541,488 due to the equivalencies certified and calculated on the 12-credit hour semester as compared to the actual number of credit hours the students are enrolled in for the semester. Institutions are permitted to calculate equivalencies utilizing either process (12 hours or actual) per NCAA bylaws.

We compared current year Grants-in-Aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission. See below for variances +/- 4%.

University of Wyoming
NCAA Agreed-Upon Procedures and Related Findings
Year Ended June 30, 2021

Due to COVID-19 room and board was refunded in March 2020. There were no refunds in FY21 causing an increase in the current year for the following programs:

Football
Men's Basketball
Men's Golf
Men's Swimming and Diving
Men's Wrestling
Women's Basketball
Women's Cross Country
Women's Golf
Women's Soccer
Women's Swimming and Diving
Women's Track, Indoor and Outdoor
Women's Volleyball

Additionally, the following sports were impacted by factors other than or in addition to the room and board refunds noted above:

Football had three additional equivalencies awarded during FY20 and not in FY21.

Men's Cross Country and Men's Track, Indoor and Outdoor had two international student athletes who were unable to return to the University in FY21 and two athletes sat out due to COVID.

Women's Tennis received less institutional aid in FY20 resulting in more cost to athletics and had more credit hours in FY21.

19. *Sports Sponsorship* – We obtained the University's Sports Sponsorship and Demographics Forms Report for the reporting year. We noted the NCAA issued a waiver for the 2020-2021 academic year that institutions are not required to meet sports sponsorship minimums, provided the institution intended to sponsor the requisite number of sports (and so indicated on the Sports Sponsorship and Demographic Survey). The waiver also waived the requirements set forth in Bylaw 20.9.6.3 for the minimum contest and participant requirements.

We compared the current year number of sports sponsored to prior year reported total per the Membership Financial Report submission noting no changes in the number of sports sponsored.

20. *Pell Grants* – We agreed the total number of Division I student athletes that received a Pell Grant award and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report generated out of the institutions financial aid records, of all student athlete Pell Grants, noting the amounts agreed without exception.

University of Wyoming
NCAA Agreed-Upon Procedures and Related Findings
Year Ended June 30, 2021

We compared current year Pell Grants total to prior year reported total per the Membership Financial Report submission. The variance in grants from prior year to current year was +4.

Agreed-Upon Procedures for Other Reporting Items

21. *Excess Transfers to Institution and Conference Realignment Expenses* – We inquired of the University’s management whether there were any excess transfers to the University and conference realignment expenses during the year ended June 30, 2021, and University management represented that there were none.
22. *Total Athletics Related Debt* – There is no athletics related debt as of June 30, 2021.
23. *Total Institutional Debt* – We agreed the total outstanding University debt of \$84,664,468 which is comprised of revenue bonds totaling \$70,815,000, premiums for revenue bonds of \$10,403,766, and notes payable of \$3,445,702 to supporting documentation and the University’s June 30, 2021, audited financial statements, without exception.
24. *Value of Athletics Dedicated Endowments* – We obtained a confirmation directly from the Foundation of all athletics dedicated endowments maintained by the Foundation. We agreed the fair market value in the schedules to supporting documentation, the general ledger and the University’s June 30, 2021, audited financial statements without exception.
25. *Value of Institutional Endowments* – We agreed the total fair market value of the University’s endowments to supporting documentation, the University’s general ledger and June 30, 2021, audited financial statements without exception.
26. *Total Athletics Related Capital Expenditures* – We obtained a schedule of athletics-related capital expenditures made by athletics and the University during the reporting period. We obtained general ledger detail and compared to the total expenses reported without exception. We selected a sample of transactions to validate existence of transactions and accuracy of recording and recalculated totals without exception. The only capital related expenditures in FY21 related to equipment.

University of Wyoming
Intercollegiate Athletics Program
Statement of Revenues and Expenses (Unaudited)
Year Ended June 30, 2021

	Football	Men's Basketball	Women's Basketball	Other Sports	Non-program Specific	Total
Operating Revenues						
Ticket sales	\$ 203,191	\$ 76,822	\$ 25,239	\$ 4,391	\$ -	\$ 309,643
Direct state or other government support	2,078,223	655,144	458,607	1,775,048	32,978	5,000,000
Student fees	513,258	194,051	63,753	11,092	-	782,154
Direct University support	4,740,148	1,283,285	983,223	4,149,934	4,373,558	15,530,148
Less - transfers to institution	-	-	-	-	(202,975)	(202,975)
Indirect University support	-	-	-	-	519,737	519,737
Guarantees	-	50,000	-	-	-	50,000
Contributions	1,298,346	210,107	203,797	1,548,582	7,763,651	11,024,483
In-kind	96,476	42,455	41,858	87,662	641,306	909,757
Media rights	2,231,499	363,268	-	-	-	2,594,767
NCAA distributions	-	-	19,800	-	1,422,506	1,442,306
Conference distributions (non-media and non-bowl)	1,066,295	-	-	-	-	1,066,295
Conference distributions of football bowl generated revenue	3,584	-	-	-	-	3,584
Program, novelty, parking and concession sales	34,379	8,672	3,395	1,369	30,580	78,395
Royalties, licensing, advertisement and sponsorships	-	-	-	-	983,068	983,068
Athletics restricted endowment and investments income	43,838	84,256	78,410	173,998	472,172	852,674
Other operating revenue	-	16,500	26,500	2,450	1,498,326	1,543,776
	<u>12,309,237</u>	<u>2,984,560</u>	<u>1,904,582</u>	<u>7,754,526</u>	<u>17,534,907</u>	<u>42,487,812</u>
Total operating revenues						

University of Wyoming
Intercollegiate Athletics Program
Statement of Revenues and Expenses (Unaudited) (continued)
Year Ended June 30, 2021

	Football	Men's Basketball	Women's Basketball	Other Sports	Non-program Specific	Total
Operating Expenditures						
Athletics student aid	2,924,765	452,282	456,776	3,448,743	79,778	7,362,344
Guarantees	-	271,000	-	-	-	271,000
Coaching salaries, benefits and bonuses paid by the University and related entities	4,376,519	1,366,210	769,551	2,279,113	-	8,791,393
Support staff/administrative compensation, benefits and bonuses paid by the University and related entities	639,524	179,299	101,044	149,294	8,220,583	9,289,744
Recruiting	138,878	61,702	24,103	43,334	-	268,017
Team travel	597,132	319,460	301,799	837,357	-	2,055,748
Sports equipment, uniforms and supplies	416,365	130,543	79,482	296,802	19,655	942,847
Game expenses	49,270	114,350	66,650	38,023	237,740	506,033
Fundraising, marketing and promotion	-	-	-	178,910	4,400,302	4,579,212
Spirit groups	-	-	-	-	52,336	52,336
Athletic facilities debt service, leases and rental fees	-	-	-	-	70,618	70,618
Direct overhead and administrative expenses	32,089	2,921	1,344	191,944	1,318,634	1,546,932
Indirect University support	-	-	-	-	519,737	519,737
Medical expenses and insurance	-	-	-	-	1,099,332	1,099,332
Memberships and dues	-	-	-	4,998	418,463	423,461
Student-athlete meals (non-travel)	219,451	52,183	19,583	76,950	816,278	1,184,445
Other operating expenses	173,036	53,022	46,066	128,756	752,979	1,153,859
	<u>9,567,029</u>	<u>3,002,972</u>	<u>1,866,398</u>	<u>7,674,224</u>	<u>18,006,435</u>	<u>40,117,058</u>
Total operating expenditures						
Excess (Deficiency) of Revenue Over Expenditures	<u>\$ 2,742,208</u>	<u>\$ (18,412)</u>	<u>\$ 38,184</u>	<u>\$ 80,302</u>	<u>\$ (471,528)</u>	<u>\$ 2,370,754</u>

University of Wyoming
Intercollegiate Athletics Program
Notes to the Statement of Revenues and Expenses
Year Ended June 30, 2021
(Unaudited)

Note 1: Summary of Presentation Policies

The accompanying Schedule of Revenues and Expenses presents only the transactions of athletics, which includes the activities of Cowboy Joe Club, an affiliated athletics organization under the University's control, and no other transactions for the University. Cowboy Joe Club activity is supervised by the Senior Associate Athletic Director for Development and Revenue Enhancement. The purpose of the Cowboy Joe Club is to promote the University by providing financial support. Athletics cash is maintained and accounted for within the University's pooled cash.

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

For reporting purposes, the primary sports in which athletics participates are reported separately. All other sports have been combined and reported within the category "other sports." The administrative functions of athletics, which supports all sports, have been combined and reported within the category "non-program specific."

Note 2: Concentration of Donor Sources

Cowboy Joe Club is the single largest donor source to athletics with 100% of cash contributions of the total contributions for the year ended June 30, 2021. The cash contributions received from the Cowboy Joe Club represent gifts from various donors made for the benefit of athletics. The Foundation is the single largest source of athletics restricted endowment and investments income. The restricted endowments and investment income are used for various expenses for athletics. The total funds available by the Foundation for the benefit of athletics is \$702,046 as of June 30, 2021.

Note 3: Property, Plant and Equipment

Athletics-related assets are accounted for consistent with the University's policies for property, plant and equipment. Capital assets are stated at cost at date of acquisition or, in the case of gifts, at fair market value at date of gift. Property, plant and equipment valued at \$5,000 or more and having an estimated useful life of greater than one year is capitalized. Renovations to buildings, infrastructure and land improvements significantly increase the value or extend the expense of the structure are capitalized. Routine repairs and maintenance are charged to operating expenses in the year in which the expense was incurred. Depreciation of capital assets is computed on a straight-line basis over the estimated useful lives of the respective assets, generally 50 years for building, 15 to 30 years for land and building improvements and infrastructure, and 3 to 7 years for equipment.

University of Wyoming
Intercollegiate Athletics Program
Notes to the Statement of Revenues and Expenses
Year Ended June 30, 2021
(Unaudited)

At June 30, 2021, athletic property, plant and equipment consisted of:

	Balance June 30, 2020	Additions	Disposals	Balance June 30, 2021
Cost of capital assets				
Infrastructure	\$ 558,621	\$ -	\$ -	\$ 558,621
Land improvements	10,047,621	-	-	10,047,621
Buildings	167,911,825	-	-	167,911,825
Equipment	<u>3,140,560</u>	<u>114,032</u>	<u>32,827</u>	<u>3,221,765</u>
	<u>181,658,627</u>	<u>114,032</u>	<u>32,827</u>	<u>181,739,832</u>
Accumulated depreciation				
Infrastructure	547,138	1,616	-	548,754
Land improvements	6,760,246	656,910	-	7,417,156
Buildings	41,557,193	4,322,850	-	45,880,043
Equipment	<u>2,469,871</u>	<u>248,604</u>	<u>32,827</u>	<u>2,685,648</u>
	<u>51,334,448</u>	<u>5,229,980</u>	<u>32,827</u>	<u>56,531,601</u>
Net book value	<u>\$ 130,324,179</u>			<u>\$ 125,208,231</u>