

ATHLETIC DEPARTMENT SOUTHERN UNIVERSITY AND A&M COLLEGE

**SOUTHERN UNIVERSITY SYSTEM
STATE OF LOUISIANA**

FINANCIAL AUDIT SERVICES

**Agreed-Upon Procedures Report
Issued January 25, 2023**

**LOUISIANA LEGISLATIVE AUDITOR
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January 13, 2023

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

**MR. DENNIS SHIELDS, PRESIDENT-CHANCELLOR
SOUTHERN UNIVERSITY AND A&M COLLEGE
SOUTHERN UNIVERSITY SYSTEM
STATE OF LOUISIANA**
Baton Rouge, Louisiana

We have performed the procedures enumerated below, which were agreed to by you, as President and Chancellor of the Southern University and A&M College (University), solely to assist you in evaluating whether the accompanying Statement of Revenues and Expenses (Statement) of the University's athletic department is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 for the year ended June 30, 2022. University management is responsible for the accuracy of the Statement (unaudited) and the related notes (unaudited) and the compliance with NCAA requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of management of the University. Management of the University has acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement. 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 University specified a threshold of \$5,000 for reporting exceptions and the agreed-upon procedures described below were not applied to any transactions that fell under this amount, nor did we report any exceptions noted below this amount. In addition, procedures were not performed on specific reporting categories that were less than 4% of the total revenues or expenses.

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



MINIMUM COMPLIANCE AGREED-UPON PROCEDURES

INTERNAL CONTROL

1. We obtained, through discussion with management, the identity of those aspects of internal control that management considers unique to intercollegiate athletics.
2. We performed procedures to test specific elements of the control environment and accounting systems that are unique to intercollegiate athletics to determine adherence to established policies and procedures relating to revenues and expenses. The following procedures were performed:
 - (a) We randomly selected one cash receipt batch sheet of ticket sales and followed it through the University's cash control system to determine adherence to established policies and procedures.
 - (b) We selected the largest athletic department cash disbursement transaction and followed it through the University's accounting system to determine adherence to established policies and procedures.
 - (c) We inquired of and observed athletic department personnel to determine their compliance with policies and procedures related to the control and safeguarding of unsold tickets.

We found no exceptions as a result of these procedures.

3. We obtained the University's procedures for gathering information on the nature and extent of affiliated and outside organization activity for or on behalf of the University's intercollegiate athletics program and performed procedures to determine the University's adherence to these procedures.

We found no exceptions as a result of these procedures.

STATEMENT OF REVENUES AND EXPENSES

GENERAL PROCEDURES

1. We obtained written representations from management as to the accuracy of the Statement, completeness of required schedules and related financial information, adequacy of controls, compliance with NCAA rules and legislation, completeness of the list of all known affiliated and outside organizations, and other information as we considered necessary for the fiscal year ended June 30, 2022.

2. We verified the mathematical accuracy of the amounts on the Statement and compared and agreed the amounts to supporting schedules provided by the University and/or the University's general ledger.

We found no exceptions as a result of these procedures.

3. We compared and agreed a sample of one operating revenue receipt and a sample of one expense disbursement obtained from the supporting schedules to adequate supporting documentation.

We found no exceptions as a result of these procedures.

4. We compared each major revenue and expense account greater than 10% of total revenues or expenses for June 30, 2022, to June 30, 2021, amounts and budget estimates, to identify variations greater than 10%.

We reported the analysis in Appendix A to this report.

MINIMUM AGREED-UPON PROCEDURES FOR REVENUES

1. Using a schedule prepared by the University, we compared the value of the tickets sold, complimentary tickets provided, and unsold tickets for the reporting period per the schedule to the related revenue reported by the University in the general ledger and Statement and to related attendance figures. We agreed the information on the schedule to the supporting game reconciliations for a random sample of one football and one men's basketball game. We recalculated the reconciliation for the games tested.

We found no exceptions as a result of these procedures. We were unable to perform the comparison procedures to attendance figures because attendance supporting documentation was not available for review.

2. We obtained documentation of the University's methodology for allocating student fees to the intercollegiate athletics program. We compared and agreed student fees reported in the Statement to student enrollment. We obtained explanations from the University regarding any variances in excess of 5%. We recalculated the totals.

We found no exceptions as a result of these procedures.

3. We compared direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation, and other corroborative supporting documentation. We recalculated the totals.

We found no exceptions as a result of these procedures.

4. We compared indirect institutional support recorded by the University during the reporting period with expense payments, cost allocation detail, and other corroborative supporting documentation. We recalculated the totals.

These procedures included the associated expenses reported in Statement A as Indirect Institutional Support. We found no exceptions as a result of these procedures.

5. We were to select a sample of one settlement report for an away game during the reporting period and agree to the University's general ledger and/or the Statement and recalculate the totals.

There were no settlement reports during the reporting period; therefore, this procedure was not performed.

6. We selected a sample of one contractual agreement pertaining to revenues derived from guaranteed contests during the reporting period and compared and agreed to the University's general ledger and/or the Statement. We recalculated the totals.

We found no exceptions as a result of these procedures.

7. We obtained and inspected agreements related to the University's participation in revenues from royalties, licensing, advertisements, and sponsorships during the reporting period for relevant terms and conditions. We compared and agreed the related revenues to the general ledger, and/or the Statement. We recalculated the totals.

Royalties, licensing, advertisements, and sponsorship revenues were understated by \$58,589. Other Operating Revenues were overstated by \$58,589. Statement A was corrected.

MINIMUM AGREED-UPON PROCEDURES FOR EXPENSES

1. We selected a sample of 10% of student athletes, with a maximum sample size of 40, from the listing of student aid recipients. Data was captured by the University through the creation of a squad/eligibility list for each sponsored sport. We obtained individual student account detail for each selection, and compared total aid in the University's student system to the student's detail in the NCAA's Compliance Assistance (CA) software or the University report that ties directly to the NCAA Membership Financial Reporting System. We performed a check of each student selected to ensure his/her information was reported accurately in either the NCAA's CA software or entered directly into the NCAA Membership Financial Reporting System using the criteria found in 2022 NCAA Agreed-Upon Procedures. We recalculated the totals for each sport and overall for all sports.

Three of 24 student athletes tested had the incorrect athletic grant amounts in the NCAA Membership Financial Reporting System. Two students' grant amount was overstated by a total of \$19,872 and one student's grant amount was understated by \$698 for a net error of \$19,174. The NCAA Membership Financial Reporting System was corrected.

2. We obtained and inspected a list of coaches and support staff/administrative personnel paid by the University and related entities during the reporting period. We selected all head coaches' contracts of football and men's and women's basketball from the listing and a sample of two staff/administrative personnel and performed the following:
 - (a) We compared and agreed the financial terms and conditions of each selection to the related salaries, benefits, and bonuses recorded by the University and related entities in the Statement during the reporting period.
 - (b) We obtained and inspected payroll summary registers for the reporting year for each selection.
 - (c) We compared and agreed payroll summary registers for each selection to the related salaries, benefits, and bonuses paid by the University and related entities' expense recorded by the University in the Statement during the reporting period.
 - (d) We compared and agreed the totals recorded to any employment contracts executed for the sample selected.
 - (e) We recalculated the totals.

We found no exceptions as a result of these procedures.

3. We obtained documentation of the University's team travel policies, and compared and agreed the University's team travel policies to existing University and NCAA-related policies. In addition, we obtained the general ledger detail and compared the detail to the total expenses reported and recalculated the totals.

We found no exceptions as a result of these procedures.

4. We obtained the general ledger detail for game expenses and compared the detail to the total expenses reported. We selected a sample of one transaction to validate the existence of the transaction and the accuracy of its recording and recalculated the totals.

We found no exceptions as a result of these procedures.

5. We obtained a listing of debt service schedules, lease payments and rental fees for athletic facilities and compared the two facility payments made to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements). We compared amounts recorded to the general ledger detail. We recalculated the totals.

These procedures included the associated revenues reported in Statement A as Indirect Institutional Support – Athletic Facilities Debt Service, Lease, and Rental Fees. We found no exceptions as a result of these procedures.

6. We obtained the general ledger detail for other operating expenses and compared the detail to the total expenses reported. We selected a sample of one transaction to validate the existence of the transaction and the accuracy of its recording and recalculated the totals.

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR OTHER REPORTING ITEMS

1. We obtained the repayment schedule and general ledger detail for all outstanding intercollegiate athletics debt during the reporting period. We recalculated the annual maturities (consisting of principal and interest) provided in the schedule obtained. We agreed the total annual maturities and total outstanding athletic debt to supporting documentation and the University's general ledger, as applicable.

The repayment schedule was not properly disclosed by fiscal year ended dates. The note was corrected (see note 2 to the Statement).

2. We agreed the total outstanding University debt to supporting documentation and the University's audited financial statements, if available, or the University's general ledger.

We found no exceptions as a result of these procedures.

3. We agreed the total fair market value of University endowments to supporting documentation, the University's general ledger, and/or audited financial statements, if available.

We found no exceptions as a result of these procedures.

MINIMUM AGREED-UPON PROCEDURES FOR NOTES AND DISCLOSURES

1. If there were any contributions of money, goods, or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency, or group of individuals (two or more) that

constitutes 10% or more of all contributions received for intercollegiate athletics during the reporting period, we were to ensure the source(s) of the funds, goods, and services, as well as the value associated with these items, were properly disclosed in the notes to the Statement.

Per University management, no contributions were received by the University for intercollegiate athletics during the reporting period.

2. We obtained a description of the University's policies and procedures for acquiring, approving, depreciating, and disposing of intercollegiate athletics-related assets. We ensured that the University's policies and procedures are properly disclosed within the notes to the Statement.

We found no exceptions as a result of these procedures (see note 1 to the Statement).

3. We obtained from University management the repayment schedules for all outstanding intercollegiate athletics debt maintained by the University during the reporting period. We recalculated the annual maturities, agreed annual maturities to supporting documentation and to the University's general ledger, and ensured the repayment schedule is properly disclosed within the notes to the Statement.

As noted above, the repayment schedule was not properly disclosed by fiscal year ended dates. The annual allocated percentage of the lease payment that the athletic department owed for fiscal year 2022 was reported as 94.17% of the total due by the Southern University System but should have been 92.63%. In addition, the note 2 disclosure wording did not agree with the Southern University System related note. The note was corrected (see note 2 to the Statement).

MINIMUM AGREED-UPON PROCEDURES FOR AFFILIATED AND OUTSIDE ORGANIZATIONS

1. We obtained from management a listing of all affiliated and outside organizations for the reporting period. We obtained written representations from management that the Southern University System Foundation (Foundation) is the only outside organization created for or on behalf of the athletic department.

We found no exceptions as a result of these procedures.

2. We obtained from management of the University statements for all affiliated and outside organizations and agreed the amounts reported in the statements to the University's general ledger or, alternatively, we confirmed revenues and expenses directly with a responsible official of the organization.

We found no exceptions as a result of these procedures.

3. We obtained from University management a summary schedule of revenues and expenses for or on behalf of intercollegiate athletics programs by affiliated and outside organizations not under the accounting control of the University to be included with the agreed-upon procedures report as follows:

Revenues	Southern University System
Sponsorships	\$746,741
Expenses	
Coach salaries	17,655
Game expenses	69,612
Direct overhead and administrative expenses	140,572
Other operating expenses	551,806
Total operating expenses	779,645
Deficiency of Revenue Under Expenses	(\$32,904)

We obtained written representations from management as to the accuracy of the summary schedule.

We found no exceptions as a result of these procedures.

4. For all outside organizations that had an independent audit, we obtained the independent auditor's report to identify any significant deficiencies relating to the outside organization's internal controls. We were to make inquiries of management to document any corrective action taken in response to the significant deficiencies.

The Foundation's statements were audited by an independent certified public accountant for the year ended December 31, 2021. The audit report dated August 1, 2022, did not include a report on internal control.

ADDITIONAL MINIMUM AGREED-UPON PROCEDURES

1. In order for the NCAA to place reliance on the Division I financial reporting to calculate the NCAA revenue distributions, we performed the following procedures:
- (a) For Grants-in-Aid, we compared and agreed the sports sponsored and reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report from CA or other report that supports the equivalency calculations

from the institution. We were to inquire about any discrepancies and report the justification.

We found no exceptions as a result of these procedures.

- (b) We compared current-year Grants-in-Aid revenue distribution equivalencies to prior-year reported equivalencies per the Membership Financial Report submission and obtained explanations for variances greater than +/- 4%.

There were variances of greater than +/- 4% for baseball (21.2%), football (-16.1%), men's basketball (8.3%), women's basketball (7.4%), bowling (-7.8%), women's indoor/outdoor track and cross country (7.0%), softball (-10.5%), tennis (6.7%), and volleyball (-8.3%).

University management noted that the increases mentioned above were caused by additional student athletes being awarded scholarships in fiscal year 2022 as follows: five for baseball, one for men's basketball, and one for women's basketball. For women's indoor/outdoor track and cross country there was one less student athlete awarded a scholarship, but a higher percentage of aid was awarded to cover fees in fiscal year 2022. For tennis, the number of student athletes awarded scholarships was the same in fiscal year 2022, but one student quit the team after the Fall 2020 term.

University management noted that the decreases mentioned above were caused by reduced number of student athletes being awarded scholarships in fiscal year 2022 as follows: 18 for football and one for volleyball. For bowling and softball, the number of student athletes awarded scholarships was the same in fiscal year 2022, but the dollar amounts of the scholarships were reduced.

- (c) For Sports Sponsorships, we obtained the University's Sports Sponsorship and Demographics Form submitted to the NCAA for the reporting year between May and August. We validated that the countable NCAA sports reported by the University met the minimum requirements, set forth in Bylaw 20.9.6.3, related to the number of contests and the number of participants. Once validated, we ensured that the University has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

Two countable contests were incorrect on the Sports Sponsorship and Demographics Forms Report. The Sports Sponsorship and Demographics Forms Report was corrected for these errors.

- (d) We compared current-year number of Sports Sponsored to prior-year reported total per Membership Financial Report submission and were to obtain explanations for any variances.

We found no variances as a result of these procedures.

- (e) 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 Athletic Aid, Pell Grant recipients on Partial Athletic Aid, and Pell Grant recipients with no Athletic Aid) and the total dollar amount of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the University's financial aid records, of all student-athlete Pell Grants.

We found one student was excluded who received a Pell Grant of \$6,495; two students were included in error causing an overstatement in Pell Grants of \$7,067; and two students had incorrect amounts netting to an overstatement of \$1,725 in Pell Grants in the NCAA Membership Financial Reporting System. The total number of student athletes who received a Pell Grant award and the total dollar amount of these Pell Grants were overstated by one and a net overstatement of \$2,297, respectively. The NCAA Membership Financial Reporting System was corrected.

- (f) We compared current-year Pell Grants total to prior-year reported total per the Membership Financial Report submission. We were to inquire and document an explanation for any variance greater than +/- 20 grants.

We found no exceptions as a result of these procedures and identified no variances that exceed +/- 20 grants.

An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. 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 compliance of the accompanying Statement and related notes of the University's Athletic Department or on its compliance with NCAA Bylaw 3.2.4.17 or on the effectiveness of the University Athletic Department's internal control over financial reporting for the year ended June 30, 2022. 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 President and Chancellor of the University and is not intended to be, and should not be, used by anyone other than this specified party. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Michael J. "Mike" Waguespack, CPA
Legislative Auditor

CS:AD:RR:EFS:aa

SUBRNCAA2022

UNAUDITED

Statement A

**ATHLETIC DEPARTMENT
SOUTHERN UNIVERSITY AND A&M COLLEGE
SOUTHERN UNIVERSITY SYSTEM
STATE OF LOUISIANA**

**Statement of Revenues and Expenses
For the Year Ended June 30, 2022**

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
REVENUES						
Operating revenues:						
Ticket sales	\$2,080,973	\$35,461	\$140	\$19,385		\$2,135,959
Direct state or other government support					\$429,877	429,877
Student fees					3,396,386	3,396,386
Direct institutional support					3,749,841	3,749,841
Indirect institutional support					4,495,930	4,495,930
Indirect institutional support - athletic facilities debt service, lease, and rental fees	1,100,389					1,100,389
Guarantees	350,000	365,000	105,000	19,000		839,000
NCAA distributions	71,044	29,396	33,473	234,540	75,000	443,453
Conference distributions (non media and non bowl)	4,000	4,000	4,000	48,000	37,084	97,084
Program, novelty, parking, and concession sales	491,821					491,821
Royalties, licensing, advertisement, and sponsorships	238,984	137,917	137,917	137,917	152,595	805,330
Other operating revenue				1,319	204,409	205,728
Total operating revenues	<u>4,337,211</u>	<u>571,774</u>	<u>280,530</u>	<u>460,161</u>	<u>12,541,122</u>	<u>18,190,798</u>
EXPENSES						
Operating expenses:						
Athletic student aid	1,320,891	267,108	341,314	1,646,050		3,575,363
Guarantees	50,000	12,000				62,000
Coaching salaries, benefits, and bonuses paid by the University and related entities	1,208,798	389,775	297,142	847,862	206,298	2,949,875
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities					1,608,668	1,608,668
Severance payments	51,168			7,020	3,611	61,799
Recruiting	49,512	16,589	9,431	8,542		84,074
Team travel	290,036	242,902	204,434	496,967		1,234,339
Sports equipment, uniforms, and supplies	59,410		11,875	79,235		150,520
Game expenses	650,863	71,916	79,176	65,185	33,310	900,450
Spirit groups	31,818				14,370	46,188
Athletic facilities debt service, leases, and rental fees	1,573,119					1,573,119
Direct overhead and administrative expenses					352,786	352,786
Indirect institutional support					4,495,930	4,495,930
Medical expenses and insurance					418,981	418,981
Memberships and dues					39,760	39,760
Other operating expenses	31,787	5,000	5,173	33,023	956,481	1,031,464
Total operating expenses	<u>5,317,402</u>	<u>1,005,290</u>	<u>948,545</u>	<u>3,183,884</u>	<u>8,130,195</u>	<u>18,585,316</u>
EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENSES	<u>(\$980,191)</u>	<u>(\$433,516)</u>	<u>(\$668,015)</u>	<u>(\$2,723,723)</u>	<u>\$4,410,927</u>	<u>(\$394,518)</u>

NOTES TO THE FINANCIAL STATEMENT

(Unaudited)

1. CAPITAL ASSETS

Capital assets are reported at cost at the date of acquisition or their estimated fair value at the date of donation. For movable property, the University's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized if they exceed \$100,000. Any infrastructure exceeding \$3 million must be capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 40 years for buildings and infrastructure, 20 years for depreciable land improvements, and 3 to 10 years for most movable property. All departments within the University follow standardized policies and procedures prescribed by state laws and regulations for acquiring, approving, depreciating, and disposing of capital assets. Library collections regardless of age, with a total acquisition value of \$5,000,000 or more are capitalized and depreciated.

The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease. The University reports lessee and lessor leases of \$100,000 or more based upon the total lease contract value.

2. LEASES

Financed Purchase Lease with Foundation

The Southern University System (System) records items under the lease agreement with the Foundation as assets and liabilities in its financial statements. Assets under the Foundation lease agreement are included as capital assets in the notes to the System's financial statement. The lease liability is associated with the Foundation lease agreement described in the notes to the System's financial statement. The lease liability reported by the System does not equal the lease receivable reported by the Foundation due to the Foundation's fiscal year ending on December 31. The following is a schedule of future minimum lease payments under these leases, together with the present value of minimum lease payments, at June 30, 2022, for the Southern University and A&M College campus within the System (Note: The University Athletic Department is responsible for an annual allocated percentage of these future minimum lease payments):

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2023	\$1,593,369
2024	1,591,492
2025	1,587,739
2026	1,582,110
2027	1,583,752
2028-2032	7,910,187
2033-2037	7,908,580
2038-2039	<u>3,152,728</u>
Total minimum payments	26,909,957
Less - amount representing interest	<u>(7,634,638)</u>
Present value of net minimum lease payments	<u><u>\$19,275,319</u></u>

The gross amount, including capitalized interest, of assets held under the leases as of June 30, 2022, for the Southern University and A&M College campus, totals \$27,354,227 and includes buildings, land and improvements, and equipment of \$24,152,164, \$2,218,112, \$983,951 respectively.

The annual allocated percentage of the lease payment that the University's Athletic Department owed for the fiscal year 2022 is \$1,573,119, which represents 92.63% of the total due by the System to the Foundation.

MAJOR REVENUE AND EXPENSE ANALYSIS

(Unaudited)

Appendix A

Appendix A includes an analysis of revenue and expense accounts that exceed 10% of total revenues and expenses. A comparison is presented of current-year amounts to prior-year amounts and of current-year amounts to budget estimates.

**ATHLETIC DEPARTMENT
SOUTHERN UNIVERSITY AND A&M COLLEGE
SOUTHERN UNIVERSITY SYSTEM
STATE OF LOUISIANA**

**Major Revenue and Expense Analysis
For the Year Ended June 30, 2022**

Accounts Exceeding 10% Threshold and Variation Greater Than 10%	Fiscal Year 2022	Fiscal Year 2021	Increase/ (Decrease)	Percent Variance	
Operating Revenues per Statement A					
Ticket sales	\$2,135,959	\$188,808	\$1,947,151	1,031%	1
Direct institutional support	\$3,749,841	\$3,284,000	\$465,841	14%	2
Indirect institutional support	\$4,495,930	\$3,896,686	\$599,244	15%	3
Operating Expenses per Statement A					
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$2,949,875	\$2,616,047	\$333,828	13%	4
Indirect institutional support	\$4,495,930	\$3,896,686	\$599,244	15%	5
Budget					
	Fiscal Year 2022 - Actual	Fiscal Year 2022 - Budget	Increase/ (Decrease)	Percent Variance	
Ticket sales	\$2,135,959	\$2,560,000	(\$424,041)	(17%)	6
Athletic student aid	\$3,575,363	\$2,903,171	\$672,192	23%	7
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$2,949,875	\$5,374,460	(\$2,424,585)	(45%)	8

NOTES:

- COVID-19 negatively affected the revenue opportunities in fiscal year 2021 by forcing the cancellation of the football competition season and altering other sport's schedules by reducing the number of contests that were allowed to be held in indoor facilities by the CDC standards. As the CDC COVID-19 restrictions reduced in fiscal year 2022, that allowed for more games to be played as scheduled, with few cancellations, which in turn increased ticket sales revenue.
- The increase is due to additional funds being allocated to the Athletic Department from funds received related to the COVID-19 pandemic to aid with loss revenue.
- The increase is due to funds being allocated to the Athletic Department to offset the loss of revenue in fiscal year 2021.
- The increase is due to personnel changes within the Athletic Department coaching staff and an increase in salary for new personnel.
- The increase in expense is due to an increase in cost for safety and prevention methods of the Athletic Department to eliminate COVID-19 effects. Additionally, the expenses increased in fiscal year 2022 due to the expansion to the student athletes' mental health as the Athletic Department had to outsource mental health care service.
- The variance is due to fewer than expected patrons participating in sporting events due to COVID-19 which affected the revenue for ticket sales and related handling fees, including the annual Bayou Classic.
- The variance is due to more student athletes, primarily freshmen, being eligible to compete and receive aid than originally predicted by the Athletic Department.
- The variance from actual expenses to budgeted expenses is due to the Athletic Department deciding to not immediately hire a new coach when there was a resignation or lay off as part of the fiscal plan to save funds.