

ATHLETIC DEPARTMENT  
MCNEESE STATE UNIVERSITY  
UNIVERSITY OF LOUISIANA SYSTEM  
STATE OF LOUISIANA



AGREED-UPON PROCEDURES REPORT  
ISSUED FEBRUARY 15, 2017

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LOUISIANA LEGISLATIVE AUDITOR  
DARYL G. PURPERA, CPA, CFE

January 12, 2017

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

**DR. PHILIP C. WILLIAMS, PRESIDENT  
MCNEESE STATE UNIVERSITY  
UNIVERSITY OF LOUISIANA SYSTEM  
STATE OF LOUISIANA  
Lake Charles, Louisiana**

We have performed the procedures enumerated below, which were agreed to by you as president of McNeese State University (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) Constitution 3.2.4.15 for the year ended June 30, 2016, and to assist you in your evaluation of the effectiveness of the University Athletic Department's internal control over financial reporting as of June 30, 2016. University management is responsible for the Statement (unaudited) and related notes (unaudited) and 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. 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.

Procedures were not performed on specific reporting categories that are less than 0.5% 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 two largest athletic department cash disbursement transactions and followed them 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 organizational activity for or on behalf of the University's intercollegiate athletics program and performed tests to determine the University's adherence to those 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 fair presentation of the Statement, completeness of required schedules and related financial information, adequacy of controls, compliance with NCAA rules and legislations, completeness of the list of all known affiliated and outside organizations, and other information we considered necessary for the year ended June 30, 2016.
2. We verified the mathematical accuracy of the amounts on the Statement and compared and agreed each operating revenue and expense category reported in the Statement 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 five operating revenue receipts and a sample of five expense disbursements obtained from the supporting schedules to adequate supporting documentation.

We found no exceptions as a result of these procedures.

4. We compared each major operating revenue and expense account over 10% of total revenues or expenses for June 30, 2016, to June 30, 2015, amounts and

budget estimates. We obtained and documented the University's explanations for any significant variances over the lesser of \$1 million or 10% from June 30, 2016.

We have included this analysis in Appendix A.

#### **MINIMUM AGREED-UPON PROCEDURES FOR REVENUES**

1. Using a schedule prepared by the University, we compared the value of the tickets sold, complementary 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 the related attendance figures. We agreed the information on the schedule to the supporting game reconciliations for a random sample of one football, one basketball, and one baseball game. We recalculated the reconciliations for the games tested.

We found no exceptions as a result of these procedures.

2. We obtained and documented an understanding of the University's methodology for allocating student fees to the intercollegiate athletics program. We compared and agreed student fees reported by the University in the Statement for the reporting period to student enrollment during the same reporting period and recalculated the totals. In addition, since the athletic department reported that an allocation of student fees should be countable as generated revenue, we recalculated the totals of its methodology and ensured that the athletic department is able to count each sport. We tied the calculation to supporting documents.

We found no exceptions as a result of these procedures.

3. We inquired about direct state or other governmental support recorded by the University during the reporting period and were informed by management that the University had no direct state or other governmental support as defined by NCAA guidelines.
4. We compared direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation and/or other corroborative supporting documentation. We recalculated the totals.

We noted that the University failed to include the amount of Federal Work Study paid to students working in athletics. This resulted in an understatement of direct institutional support and support staff/administrative compensation, benefits, and bonuses paid by the University and related entities of \$3,205. The Statement was corrected.

5. We inquired about transfers back to the University from the athletic department and were informed by management that there were no transfers back to the University from the athletic department.

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

We noted that although a portion of the amount retained by the institution as indirect institutional support was transferred to athletics, it was not considered when preparing the report. This resulted in an overstatement of indirect institutional support of \$18,832. Statement A was corrected.

7. We selected the away game with the largest game guarantee settlement and agreed the settlement amount to the general ledger and to the contractual agreement. We recalculated the settlement report for the game tested.

We found no exceptions as a result of these procedures.

8. We obtained and reviewed supporting documentation for each contribution of monies, 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 constitute 10% or more of all contributions received for intercollegiate athletics during the reporting period.

We found no exceptions as a result of these procedures.

9. We compared the in-kind revenue recorded by the University during the reporting period with a schedule of in-kind donations and recalculated the totals.

We found no exceptions as a result of these procedures.

10. No procedures were performed for media rights agreement revenue since the amount was less than 0.5% of total revenue.

11. We compared the amounts recorded in the revenue and expense reporting to general ledger detail for the NCAA distributions and other corroborative supporting documents and recalculated the totals.

We found no exceptions as a result of these procedures.

12. We inquired about Conference distributions and participation in revenues from Conference tournaments during the reporting period and were informed by management that no Conference distributions or participation in revenues from Conference tournaments were recorded by the University.

13. We compared the amount recorded by the University during the reporting period for program sales, concessions, novelty sales, and parking to the general ledger detail. We randomly selected two operating revenue receipts from this category



and agreed the amounts reported to adequate supporting documentation and recalculated the totals.

We noted that the University misclassified funds received for the sale of program advertisements, which resulted in the overstatement of program, novelty, parking, and concession sales and an understatement of royalties, licensing, advertisement, and sponsorships of \$1,677. Statement A was corrected.

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

We found no exceptions as a result of these procedures except as noted in revenue procedure 13.

15. We inquired about sports camp contracts between the University and person(s) conducting the camps or clinics and were informed by management that the University had no sports camps or clinic revenue during the reporting period.
16. No procedures were performed on endowment agreements since the amount was less than 0.5% of total revenue.
17. No procedures were performed on other operating revenue since the amount was less than 0.5% of total revenue.
18. We inquired about postseason bowl participation during the reporting period and were informed by management that the University had no bowl revenues recorded during the reporting period.

#### **MINIMUM AGREED-UPON PROCEDURES FOR EXPENSES**

1. We selected a random sample of 20% of total student athletes from the listing of University student aid recipients, obtained individual student account detail for each selection, and compared total aid allocated from the related aid award letter to the student's account. We performed a check of each student selected to ensure their information was accurately entered directly into the NCAA Membership Financial Reporting System. We recalculated the totals for each sport and overall.

We found no exceptions as a result of these procedures.

2. We inquired about the away game with the largest settlement report received by the University and were informed by management that no away game settlement report expenses were recorded by the University.

3. We obtained and inspected the contractual agreements pertaining to expenses recorded by the University from guaranteed contests during the reporting period. We compared and agreed related amounts expensed by the University during the reporting period to its general ledger and/or the Statement and recalculated the totals.

We found no exceptions as a result of these procedures.

4. 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 randomly selected two support staff/administrative personnel and all head coaches from football and men's and women's basketball, and performed the following procedures:

- (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.

5. We inquired about coaches and support staff/administrative personnel who were paid by third parties and were informed by management that no salaries were paid by third parties.
6. No procedures were performed on severance payments to athletic department employees since the amount was less than 0.5% of total expenses.
7. We compared and agreed the University's recruiting expense policies to existing University and NCAA-related policies. We obtained the general ledger detail and compared it to the total expenses reported. We randomly selected a sample of two recruiting expenses and validated the existence of the transactions and accuracy of recording. We recalculated the totals.

We found no exceptions as a result of these procedures.

8. We compared and agreed the University's team travel policies to existing University and NCAA-related policies. We obtained the general ledger detail and compared it to the total expenses reported. We randomly selected a sample of two team travel expenses and validated the existence of the transactions and accuracy of recording. We recalculated the totals.

We found no exceptions as a result of these procedures.

9. We obtained the general ledger detail for equipment, uniforms, and supplies and compared it to the total expenses reported. We randomly selected two expense transactions and validated existence of the transactions and accuracy of recording. We recalculated the totals.

We found no exceptions as a result of these procedures.

10. We obtained a listing of debt service schedules, lease payments, and rental fees for athletics facilities for the reporting year. We compared the two highest facility payments to additional supporting documentation. We compared amounts recorded to amounts listed in the general ledger detail and recalculated totals.

We found no exceptions as a result of these procedures.

11. We obtained general ledger detail for each expense category not previously mentioned above and compared it to the respective total expenses recorded. We randomly selected a sample of two expense transactions from each of these categories and validated the existence of the transactions and accuracy of recording. We recalculated the totals.

We noted that the University misclassified amounts paid for a Wi-Fi hotspot, which resulted in an overstatement of memberships and dues and an understatement of other operating revenues of \$3,388. Statement A was corrected.

#### **MINIMUM AGREED-UPON PROCEDURES FOR NOTES AND DISCLOSURES**

1. We obtained from University management a list of contributions of monies, goods, or services received directly by the athletic department to identify any individual contributions that constitute more than 10% of the total contributions. We ensured the source of funds and goods and services, as well as the value associated with these items, were properly disclosed.

No individuals or outside organizations other than the McNeese State University Foundation, Inc., contributed monies, goods, or services for or on behalf of the athletic department that exceeded 10% of the total contributions included in Statement A.

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.

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

We found no exceptions as a result of these procedures.

#### **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 McNeese State University Foundation, Inc. and the Cowboy Club Gaming Account were the only outside organizations created for or on behalf of the athletic department.
2. We obtained from management statements for all affiliated and outside organizations and we agreed the amounts reported in the statements to the University's general ledger.

We noted that funds received from the NCAA through the foundation were misclassified, which resulted in an overstatement of contributions and an understatement of NCAA disbursements of \$150,000. Statement A was corrected.

3. We obtained from 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:

	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	NON- PROGRAM SPECIFIC	TOTAL
<b>Revenues:</b>						
Contributions	\$132,233	\$47,770	\$58,445	\$687,274	\$78,213	\$1,003,935
Total revenues	<u>132,233</u>	<u>47,770</u>	<u>58,445</u>	<u>687,274</u>	<u>78,213</u>	<u>1,003,935</u>
<b>Expenses:</b>						
Athletic student aid				5,168	3,886	9,054
Guarantees				7,926		7,926
Recruiting		7,518	9,400	23,643	981	41,542
Team travel	5,323	2,175	900	74,430		82,828
Equipment, uniforms, and supplies	75,577	7,833	28,516	199,784	11,362	323,072
Game expenses		100		7,749		7,849
Fundraising, marketing, and promotion	12,526		2,391	10,227	1,944	27,088
Direct overhead and administrative expenses	10,264	1,817		286,944	6,455	305,480
Medical expenses and medical insurance	1,959	196		6,100	20,602	28,857
Memberships and dues		1,870		6,691	1,832	10,393
Student-athlete meals (non-travel)	600	1,237	54	464	644	2,999
Other operating expenses	25,984	25,024	17,184	58,148	30,507	156,847
Total expenses	<u>132,233</u>	<u>47,770</u>	<u>58,445</u>	<u>687,274</u>	<u>78,213</u>	<u>1,003,935</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>						
	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

We obtained written representation from management as to the fair presentation of the summary schedule.

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

The financial statements of the McNeese State University Foundation, Inc., were audited by an independent certified public accounting firm for the year ended June 30, 2016. The audit report is dated October 27, 2016, and included no significant deficiencies on the outside organization's internal control.

#### **ADDITIONAL MINIMUM AGREED-UPON PROCEDURES**

- We obtained the squad lists of the University and compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the University.

We found no exceptions as a result of these procedures.

- We obtained the institution's Sports Sponsorship and Demographics Forms Report for the reporting year. We validated that the countable sports reported by the institution meet the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. We also ensured that the institution has properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

We found no exceptions as a result of these procedures.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the compliance of the accompanying Statement and related notes of the University's Athletic Department or on its compliance with NCAA Constitution 3.2.4.15 or on the effectiveness of the University Athletic Department's internal control over financial reporting for the year ended June 30, 2016. Accordingly, we do not express such an opinion. 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 the president of the University and is not intended to be, and should not be, used by anyone other than the president. By provisions of state law, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Daryl G. Purpera".

Daryl G. Purpera, CPA, CFE  
Legislative Auditor

KDD:CR:BH:EFS:ch

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**ATHLETIC DEPARTMENT  
MCNEESE STATE UNIVERSITY  
UNIVERSITY OF LOUISIANA SYSTEM  
STATE OF LOUISIANA**

**Statement of Revenues and Expenses  
For the Year Ended June 30, 2016**

REVENUES					NON-	TOTAL
	FOOTBALL	MEN'S BASKETBALL	WOMEN'S BASKETBALL	OTHER SPORTS	PROGRAM SPECIFIC	
<b>Operating Revenues:</b>						
Ticket sales	\$1,154,125	\$50,467	\$46,208	\$108,316		\$1,359,116
Student fees	127,092	127,671	84,490	106,371		445,624
Direct institutional support	750,096	78,050	375,563	2,149,859	\$1,345,337	4,698,905
Indirect institutional support					173,396	173,396
Indirect institutional support - athletic facilities debt service, lease and rental fees					435,256	435,256
Guarantees	500,000	345,000	48,000	45,500		938,500
Contributions	416,682	93,902	104,837	985,675	74,792	1,675,888
In-kind	40,288	24,100	13,925	16,564	8,450	103,327
Media rights					2,091	2,091
NCAA distributions	47,283	78,813	156,656	377,701	161,612	822,065
Program, novelty, parking, and concession sales	155,521			2,842	11,841	170,204
Royalties, licensing, advertisement, and sponsorships	45,533	8,425	7,925	86,544	725,004	873,431
Athletics restricted endowment and investment income					746	746
Other operating revenue					11,639	11,639
<b>Total operating revenues</b>	<b>3,236,620</b>	<b>806,428</b>	<b>837,604</b>	<b>3,879,372</b>	<b>2,950,164</b>	<b>11,710,188</b>
<b>EXPENSES</b>						
<b>Operating Expenses:</b>						
Athletics student aid	1,297,159	226,008	259,576	1,778,487	94,010	3,655,240
Guarantees	162,296	15,000	8,000	42,060	2,167	229,523
Coaching salaries, benefits, and bonuses paid by the University and related entities	782,170	232,595	213,045	701,842		1,929,652
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	102,078	22,666	28,738	115,433	962,224	1,231,139
Severance payments	8,575	1,184	10,246	13,173	402	33,580
Recruiting	75,698	33,290	36,602	98,264	7,815	251,669
Team travel	166,728	142,684	111,980	583,089	6,167	1,010,648
Sports equipment, uniforms, and supplies	160,408	36,688	36,079	286,827	15,058	535,060
Game expenses	108,216	50,097	41,078	101,091	38,807	339,289
Fundraising, marketing, and promotion	70,295	1,388	4,043	29,214	153,949	258,889
Athletic facilities debt service, leases and rental fees					435,256	435,256
Direct overhead and administrative expenses	188,620	1,892		305,746	12,115	508,373
Indirect institutional support					173,396	173,396
Medical expenses and medical insurance	1,959	196		6,100	415,481	423,736
Membership and dues	20,961	9,074	8,340	10,799	46,121	95,295
Student-athlete meals (non-travel)	50,286	14,897	6,779	18,749	644	91,355
Other operating expense	138,343	31,737	21,618	93,656	416,377	701,731
<b>Total operating expenses</b>	<b>3,333,792</b>	<b>819,396</b>	<b>786,124</b>	<b>4,184,530</b>	<b>2,779,989</b>	<b>11,903,831</b>
<b>EXCESS (Deficiency) OF REVENUES OVER (Under) EXPENSES</b>	<b>(\$97,172)</b>	<b>(\$12,968)</b>	<b>\$51,480</b>	<b>(\$305,158)</b>	<b>\$170,175</b>	<b>(\$193,643)</b>





# NOTES TO THE FINANCIAL STATEMENT

(UNAUDITED)

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## 1. CONTRIBUTIONS

No individuals or outside organizations, other than the McNeese State University Foundation, Inc., contributed monies, goods, or services for or on behalf of the athletic department that exceeded 10% of the total contributions included in Statement A.

## 2. 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, but the University does not have any infrastructure that meets that criterion. 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 three 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.

## 3. BONDS PAYABLE

The University has the following debt associated with its athletic department's capital assets:

On August 6, 2009, the University entered into a trust indenture with The Bank of New York Mellon Trust Company to obtain financing of the renovation and expansion of the University's athletic field house. Financing of the project is through the issuance of \$6,000,000 in University Revenue Bonds, Series 2009. The bonds have a yearly fixed rate of interest at 3.93% and are due in varying installments through 2030.

The following is a detailed summary of bonds payable for the athletic department for the year ended June 30, 2016:

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Outstanding June 30, 2015</u>	<u>Issued (Redeemed)</u>	<u>Outstanding June 30, 2016</u>	<u>Maturities</u>	<u>Interest Rate</u>	<u>Interest Outstanding June 30, 2016</u>
University Field House Project Bonds – Series 2009	August 6, 2009	\$6,000,000	\$4,900,000	(\$245,000)	\$4,655,000	2030	3.9%	\$1,394,659

The following is the amortization schedule for the outstanding bonds payable for the athletic department as of June 30, 2016:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$255,000	\$177,931	\$432,931
2018	265,000	167,713	432,713
2019	275,000	157,102	432,102
2020	290,000	146,000	436,000
2021-2025	1,615,000	547,744	2,162,744
2026-2030	<u>1,955,000</u>	<u>198,169</u>	<u>2,153,169</u>
Total	<u>\$4,655,000</u>	<u>\$1,394,659</u>	<u>\$6,049,659</u>

## MAJOR REVENUE AND EXPENSE ANALYSIS

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### 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  
 MCNEESE STATE UNIVERSITY  
 UNIVERSITY OF LOUISIANA SYSTEM  
 STATE OF LOUISIANA

## APPENDIX A

Major Revenue and Expense Analysis  
 For the Year Ended June 30, 2016

## Fiscal Year 2016 to Fiscal Year 2015 - Significant Variances

Accounts	Fiscal Year 2016	Fiscal Year 2015	Increase/ (Decrease)	%	
				Variance	
<b>10% of Operating Revenues per Statement A</b>					
<b>Revenue Account Balances Exceeding 10% Threshold and Variance of \$1 Million or 10%</b>					
Ticket sales	\$1,359,116	\$1,038,752	\$320,364	31%	1
Contributions	\$1,675,888	\$2,006,416	(\$330,528)	(16%)	2
<b>10% of Operating Expenses per Statement A</b>					
<b>Expense Account Balances Exceeding 10% Threshold and Variance of \$1 Million or 10%</b>					
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$1,929,652	\$1,739,128	\$190,524	11%	3
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	\$1,231,139	\$961,294	\$269,845	28%	3
<b>Fiscal Year 2016 - Significant Budget Variances</b>					
<b>Revenue Account Balances Exceeding 10% Threshold and Variance of \$1 Million or 10%</b>					
	Actual	Budget	Positive/ (Negative)	%	
Ticket sales	\$1,359,116	\$1,175,100	\$184,016	16%	4
Direct institutional support	\$4,698,905	\$2,862,756	\$1,836,149	64%	5
<b>Expense Account Balances Exceeding 10% Threshold and Variance of \$1 Million or 10%</b>					
Athletics student aid	\$3,646,186	\$3,111,666	(\$534,520)	(17%)	6
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$1,929,652	\$1,546,176	(\$383,476)	(25%)	7
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	\$1,231,139	\$1,077,228	(\$153,911)	(14%)	7

**NOTE:** The budget analysis is presented based on University data only. Budget information is not available for the McNeese State University Foundation, Inc.

## UNAUDITED

### NOTES:

<sup>1</sup> The increase in revenue for ticket sales from fiscal year (FY)15 to FY16 is due to an increase in football ticket prices of \$5 per ticket.

<sup>2</sup> The variance in contributions is due to a change in classification. For FY16, the report includes a new section presenting capital expenditures. Approximately \$200,000 of the foundation contributions were included in the capital expenditures category, which are outside of the basic statement.

<sup>3</sup> Both coaching salaries, benefits, and bonuses paid the University and related entities, and support staff/administrative salaries, benefits, and bonuses paid by the University and related entities increased due to McNeese employees receiving the first merit-based salary increase in seven years during October 2015.

<sup>4</sup> The variance between budget and actual for ticket sales was due to the establishment of the budget prior to the implementation of the ticket increase mentioned above.

<sup>5</sup> The budgeted direct institutional support only includes the Board of Regents-specified maximum state support because the other items included in the actual direct institutional support are not projectable; for example, the Calcasieu Parish Riverboat Head tax. In FY16, the head tax was approximately \$1 million. In addition, the budgeted amount does not include the allowable gender equity support, which was \$250,000 in FY16.

<sup>6</sup> Budgeted amounts for student athletic aid did not include the GRAD Act increase in tuition and fees and the new student assessed general fee.

<sup>7</sup> The budgeted amounts for coaching salaries and support staff/administrative compensation, benefits, and bonuses paid by the University and related entities did not encompass the merit-based increases employees received October 2015, which was the first merit-based increase in seven years.