

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

AUDIT REPORT
OF
UNIVERSITY OF SOUTHERN INDIANA
NCAA FINANCIAL REPORT
July 1, 2011 to June 30, 2012



FILED
04/08/2013



STATE OF INDIANA
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**INDEPENDENT ACCOUNTANT'S REPORT ON
THE APPLICATION OF AGREED-UPON PROCEDURES**

Dr. Linda L.M. Bennett
President
University of Southern Indiana

We have performed the procedures enumerated below, which were agreed to by the chief executive of the University of Southern Indiana, solely to assist you in evaluating whether the accompanying Statement of Revenue and Expenses of Intercollegiate Athletics of the University of Southern Indiana is in compliance with the National Collegiate Athletic Association ("NCAA") Bylaw 6.2.3.1.1. for the year ended June 30, 2012. The University of Southern Indiana's management is responsible for the Statement of Revenue and Expenses of Intercollegiate Athletics ("statement") and the statement's compliance with those 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 those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Agreed-Upon Procedures Related to the Statement of Revenues and Expenses

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

- a. We obtained the statement of revenues and expenditures for the year ended June 30, 2012, as prepared by management and attached to this document. We recalculated the addition of the amounts on the statement, traced the University amounts on the statement to management's work sheets and to the accounts on the University's general ledger. We noted no difference between the amounts in the accounts on the general ledger and the amounts on the work sheets. We discussed the nature of the work sheet adjustments with management and are satisfied that the adjustments are appropriate.
- b. We compared total revenues and expenditures by classification to the budgeted amounts and noted that they were reasonable.
- c. The attached statement of revenues and expenditures is a summary of the transactions for Intercollegiate Athletics.

INDEPENDENT ACCOUNTANT'S REPORT ON
THE APPLICATION OF AGREED-UPON PROCEDURES
(Continued)

We were not engaged and did not conduct an examination, the objective of which would be the expression of an opinion on the compliance of the accompanying Statement of Revenue and Expenditures of Intercollegiate Athletics of the University of Southern Indiana. 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 specified parties listed above, and is not intended to be and should not be used by anyone other than these specified parties.

STATE BOARD OF ACCOUNTS

February 28, 2013

UNIVERSITY OF SOUTHERN INDIANA
STATEMENT OF REVENUES AND EXPENDITURES
OF INTERCOLLEGIATE ATHLETICS
For The Year Ended June 30, 2012

	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Totals
Revenues:					
Ticket Sales	\$ 105,900	\$ 20,128	\$ 14,606	\$ -	\$ 140,634
Student Fees	200,341	251,533	927,921	241,082	1,620,877
Guarantees	10,000	-	-	-	10,000
Contributions	17,112	15,671	183,898	6,097	222,778
Direct Institutional Support	170,419	120,289	419,403	623,195	1,333,306
Indirect Facilities & Administrative Support	55,116	46,387	153,979	230,059	485,541
NCAA/Conference Distribution Including All Tournament Revenues	4,250	-	19,985	21,023	45,258
Program Sales, Concessions, Novelty Sales & Parking	1,165	329	3,738	-	5,232
Royalties, Licensing, Advertisements & Sponsorships	-	-	26,544	105,378	131,922
Other	3	1	46,596	8,398	54,998
Total Revenues	<u>564,306</u>	<u>454,338</u>	<u>1,796,670</u>	<u>1,235,232</u>	<u>4,050,546</u>
Expenditures:					
Athletics Student Aid	203,288	207,034	724,825	1,384	1,136,531
Guarantees	22,037	6,500	1,854	14,900	45,291
Coaches Salaries, Benefits, and Bonuses					
Paid by the University and Related Entities	160,419	120,289	417,488	-	698,196
Support Staff, Administrative Salaries, Benefits and Bonuses					
Paid by the University and Related Entities	2,739	3,365	16,177	630,391	652,672
Recruiting	22,505	7,942	14,943	90	45,480
Team Travel	47,290	32,773	316,398	1,933	398,394
Equipment, Uniforms & Supplies	15,054	10,471	110,204	2,682	138,411
Game Expenses	12,788	10,256	35,554	27,027	85,625
Fund Raising, Marketing & Promotions	10,555	6,406	16,177	19,740	52,878
Direct Facilities, Maintenance & Rental	-	-	8,895	116	9,011
Indirect Facilities and Administrative Support	55,116	46,387	153,979	230,058	485,540
Medical Expenses and Medical Insurance	2,501	1,954	1,729	113,518	119,702
Membership and Dues	812	1,052	3,327	24,060	29,251
Other Operating Expenses	4,920	4,794	44,593	115,467	169,774
Total Expenditures	<u>560,024</u>	<u>459,223</u>	<u>1,866,143</u>	<u>1,181,366</u>	<u>4,066,756</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 4,282</u>	<u>\$ (4,885)</u>	<u>\$ (69,473)</u>	<u>\$ 53,866</u>	<u>\$ (16,210)</u>
Affiliated or Outside Support:					
Other Scholarships	\$ -	\$ -	\$ 77,554	\$ -	\$ 77,554

The accompanying notes are an integral part of the statement.

UNIVERSITY OF SOUTHERN INDIANA
NOTES TO THE STATEMENT OF REVENUES AND EXPENDITURES
OF INTERCOLLEGIATE ATHLETICS
AS OF JUNE 30, 2012

Note 1. Basis of Presentation

The accompanying Statement of Revenues and Expenses of Intercollegiate Athletics ("Statement") has been prepared on the accrual basis of accounting. The purpose of the Statement is to present a summary of revenues and expenditures of the intercollegiate athletics of the University for the year ended June 30, 2012. The Statement includes those intercollegiate revenues and expenditures made on behalf of the University's athletics by outside organizations not under the accounting control of the University. Because the Statement presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in financial position, or cash flows for the year then ended. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

Note 2. Contributions

All contributions in Fiscal Year 2012 came from the University of Southern Indiana Foundation which is a component unit of the University.

Note 3. Capital Assets

Capital assets consist of buildings which are stated at historical cost or actual cost where determinable.

Depreciation is computed using the straight-line method over the useful life of the assets. The useful life is 8 to 50 years for building components.

A summary of changes in capital assets associated with the Intercollegiate Athletics follows for the year ended June 30, 2012.

Category	July 1, 2011 Balance	Additions	Deletions	June 30, 2012 Balance
Depreciable capital assets:				
Buildings	\$ 7,332,873	\$ 861,460	\$ -	\$ 8,194,333
Less: accumulated depreciation				
Buildings	<u>4,948,055</u>	<u>267,069</u>	<u>-</u>	<u>5,215,124</u>
Total net capital assets	<u>\$ 2,384,818</u>	<u>\$ 594,391</u>	<u>\$ -</u>	<u>\$ 2,979,209</u>