

**EASTERN WASHINGTON UNIVERSITY  
INTERCOLLEGIATE ATHLETICS PROGRAM**

**INDEPENDENT ACCOUNTANTS' REPORT ON THE  
APPLICATION OF AGREED-UPON PROCEDURES**

**YEAR ENDED JUNE 30, 2016**

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
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## INDEPENDENT ACCOUNTANTS' REPORT ON THE APPLICATION OF AGREED-UPON PROCEDURES

Dr. Mary Cullinan, President  
Eastern Washington University  
Cheney, Washington

We have performed the procedures enumerated below, which were agreed to by the Chief Executive of Eastern Washington University (EWU or the institution), solely to assist you in evaluating whether the accompanying statement of revenue and expenses of the EWU Intercollegiate Athletics Program (Athletics) is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.15 for the year ended June 30, 2016. Management is responsible for the statement of revenue and expenses (the 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 this 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 Revenue and Expenses

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

- We obtained the statement for the year ended June 30, 2016, as prepared by management. We compared and agreed each operating revenue and expense category in excess of 0.5% of the total reported in the statement during the reporting period to supporting schedules provided by the Institution. We compared and agreed a sample of operating revenue receipts and expense disbursements obtained from the supporting schedules to adequate supporting documentation. We compared major revenue and expense accounts over 10% of the total reported in the statement to prior period amounts and budget estimates, and documented our understanding of any significant variations over the lessor of \$1 million or 10%, see supplemental schedule. No findings were noted.
- We documented management's understanding of policies and procedures used for acquiring, approving, depreciating, and disposing of Athletics-related assets. We obtained a schedule of assets capitalized, additions, transfers, dispositions, and depreciation for the year ended June 30, 2016, and agreed amounts to underlying reports and Athletics' general ledger. No findings were noted.

## Agreed-Upon Procedures Related to the Statement of Revenue and Expenses (Continued)

- We performed additional procedures as follows:

### *Revenue:*

Ticket Sales – We compared tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets to the related revenue reported by the Department in the statement and the related attendance figures and recalculated totals. No findings were noted.

Direct State or Other Government Support – We noted direct state or other government support did not exceed 0.5% of total revenues. Therefore, we did not perform these procedures.

Student Fees – We compared and agreed student fees reported by the institution in the statement for the reporting to student enrollments during the same reporting period and recalculated totals. We obtained and documented an understanding of Institution's methodology for allocating student fees to intercollegiate athletics programs. No findings were noted.

Direct Institutional Support – We compared direct institutional support recorded by the institution during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculated totals. No findings were noted.

Less – Transfers to Institution – We noted transfers to institution did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Indirect Institutional Support – We compared the indirect institutional support recorded by the Department during the reporting period with expense payments, cost allocation detail and other corroborative supporting documentation and recalculated totals. No findings were noted.

Indirect Institutional Support – Athletic Facilities Debt Service, Lease and Rental Fees – We noted indirect institutional support – athletic facilities debt service, lease and rental fees did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Guarantees – we selected a sample of settlement reports for away games during the reporting period, agreed each selection to the Department's general ledger and/or the statement, and recalculated totals. We selected a sample of contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period and compared and agreed each selection to the Department's general ledger and/or the statement and recalculated totals. No findings were noted.

Contributions – We vouched income received directly from the Eastern Washington University Foundation (Foundation), including cash and endowment income, via confirmation with the Foundation. No findings were noted.

In-Kind – We noted in-kind contributions did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Compensation and Benefits Provided by a Third Party – We noted compensation and benefits provided by a third party did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

## **Agreed-Upon Procedures Related to the Statement of Revenue and Expenses (Continued)**

### *Revenue (Continued):*

Media Rights – We noted media rights did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

NCAA Distributions – We compared the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculated totals. No findings were noted.

Conference Distributions (Non Media and Non Bowl) – We noted conference distributions (non media and non bowl) did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Program, Novelty, Parking and Concession Sales – We noted program, novelty, parking and concession sales did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Royalties, Licensing, Advertisement and Sponsorships – We obtained and inspected agreements related to the institution's participation in revenues from royalties, licensing, advertisement and sponsorships during the reporting period to gain an understanding of the relevant terms and conditions. We compared and agreed the related revenues to the Department's general ledger, and/or the statement and recalculated totals. No findings were noted.

Sports Camp Revenues – We inspected sports camp contracts between the institution and persons conducting institutional sports-camps or clinics during the reporting period to obtain an understanding of the institution's methodology for recording revenues from sports-camps. We obtained schedules of camp participants, selected a sample of individual camp participant cash receipts from the schedule of sports-camp participants, and agreed each selection to the Department's general ledger and/or the statement and recalculated totals. No findings were noted.

Athletics Restricted Endowment and Investments Income – We noted athletics restricted endowment and investment income did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Other – We noted other income did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

Bowl Revenues – We noted bowl revenues did not exceed 0.5% of total revenues. Therefore, we did not perform specific procedures.

## **Agreed-Upon Procedures Related to the Statement of Revenue and Expenses (Continued)**

### *Expense:*

Athletic Student Aid – We selected a sample of students from the listing of institutional student aid recipients during the reporting period. We 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 either reported accurately in the NCAA's CA software or entered directly into the NCAA Membership Financial Reporting System. We recalculated totals for each sport and overall. No findings were noted.

Guarantees – We noted game guarantees did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities – We obtained and inspected a listing of coaches employed by the institution and related entities during the reporting period. We selected a sample of coaches' contracts, which included football and men's and women's basketball, from the listing. We compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the Department and related entities in the statement during the reporting period. We obtained and inspected payroll summary registers for the reporting year for each selection. We compared and agreed payroll summary registers from the reporting period to the related coaching salaries, benefits, and bonuses paid by the institution and related entities expense recorded by the institution in the statement during the reporting period. We compared and agreed the totals recorded to any employment contracts executed for the sample selected and recalculated totals. No findings were noted.

Coaching Salaries, Benefits, and Bonuses Paid by a Third Party – We noted coaching salaries, benefits and bonuses paid by a third party did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities – We selected a sample of support staff/administrative personnel employed by the institution and related entities during the reporting period. We obtained and inspected the reporting period summary payroll register for each selection. We compared and agreed the related summary payroll register to the related support staff administrative salaries, benefits and bonuses paid by the Department and related entities expense recorded by the institution in the statement during the reporting period and recalculated totals. No findings were noted.

Support Staff/Administrative Compensation, Benefits, and Bonuses Paid by a Third Party – We noted support staff/administrative compensation, benefits, and bonuses paid by a third party did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

Severance Payments – We noted severance payments did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

## **Agreed-Upon Procedures Related to the Statement of Revenue and Expenses (Continued)**

### *Expenses (Continued):*

Recruiting – We obtained and documented an understanding of the institution’s recruiting expense policies. We compared and agreed them to existing institutional- and NCAA-related policies. We obtained general ledger detail and compared to the total expenses reported and recalculated totals. No findings were noted.

Team Travel – We obtained and documented an understanding of the institution’s team travel policies. We compared and agreed them to existing institutional- and NCAA-related policies. We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Sports Equipment, Uniforms and Supplies – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Game Expenses – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Fund Raising, Marketing and Promotion – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Sports Camp Expenses – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Spirit Groups – We noted spirit groups did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

Athletic Facilities Debt Service, Leases, and Rental Fees – We noted athletic facilities debt service, leases, and rental fees did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

Direct Overhead and Administrative Expenses – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

**Agreed-Upon Procedures Related to the Statement of Revenue and Expenses (Continued)**

*Expenses (Continued):*

Indirect Institutional Support – Tested in connection with Indirect Institutional Support revenues. No findings were noted.

Medical Expenses and Insurance – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Memberships and Dues – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Student-Athlete Meals (nontravel) – We noted student-athlete meals (nontravel) did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

Other Operating Expenses – We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals. No findings were noted.

Bowl expenses – We noted bowl expenses did not exceed 0.5% of total expenses. Therefore, we did not perform specific procedures.

**Additional Agreed-Upon Procedures**

We compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the institution. No findings were noted.

We obtained the institution's Sports Sponsorship and Demographics Forms Report for the reporting year and validated that the countable sports reported by the institution met 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. No findings were noted.

Dr. Mary Cullinan, President  
Eastern Washington University

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 of revenue and expenses of the EWU Intercollegiate Athletics Program. 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.

The accompanying statement of revenue and expenses of the EWU Intercollegiate Athletics Program for the year ended June 30, 2016, has not been audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or any other form of assurance on it.

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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Spokane, Washington  
December 14, 2016

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
STATEMENT OF REVENUE AND EXPENSES  
YEAR ENDED JUNE 30, 2016**

|  | Football         | Men's<br>Basketball | Women's<br>Basketball | Other<br>Sports  | Non-Program<br>Specific | Total             |
|--|------------------|---------------------|-----------------------|------------------|-------------------------|-------------------|
| <b>OPERATING REVENUES</b>  |                  |                     |                       |                  |                         |                   |
| Ticket Sales   | \$ 546,516       | \$ 66,629           | \$ 9,834              | \$ 5,606         | \$ -                    | \$ 628,585        |
| Direct State or Other Government Support   | -                | -                   | -                     | -                | -                       | -                 |
| Student Fees   | -                | -                   | -                     | -                | 2,256,000               | 2,256,000         |
| Direct Institutional Support   | 1,172,081        | 403,149             | 582,603               | 2,197,877        | 2,059,349               | 6,415,059         |
| Less - Transfers to Institution  | -                | -                   | -                     | -                | -                       | -                 |
| Indirect Institutional Support   | 219,882          | 94,367              | 83,939                | 379,471          | 136,673                 | 914,332           |
| Indirect Institutional Support - Athletic Facilities Debt Service, Lease and Rental Fees | -                | -                   | -                     | -                | -                       | -                 |
| Guarantees   | 450,000          | 289,000             | -                     | 3,000            | -                       | 742,000           |
| Contributions  | 22,505           | 45,540              | 5,713                 | 6,477            | 551,818                 | 632,053           |
| In-Kind  | -                | 800                 | 6,000                 | 17,810           | -                       | 24,610            |
| Compensation and Benefits Provided by a Third Party                                      | -                | -                   | -                     | -                | -                       | -                 |
| Media Rights   | 37,529           | 423                 | 423                   | 67               | -                       | 38,442            |
| NCAA Distributions   | -                | 112,330             | -                     | -                | 352,662                 | 464,992           |
| Conference Distributions (Non Media and Non Bowl)  | 3,000            | -                   | -                     | -                | -                       | 3,000             |
| Program, Novelty, Parking and Concession Sales   | 1,341            | -                   | -                     | -                | -                       | 1,341             |
| Royalties, Licensing, Advertisement and Sponsorships                                     | -                | -                   | -                     | -                | 116,054                 | 116,054           |
| Sports Camp Revenues   | 694,520          | 166,941             | 58,233                | 135,617          | -                       | 1,055,311         |
| Athletics Restricted Endowment and Investments Income                                    | -                | -                   | -                     | -                | -                       | -                 |
| Other Operating Revenue  | -                | -                   | -                     | -                | 63,494                  | 63,494            |
| Bowl Revenues  | -                | -                   | -                     | -                | -                       | -                 |
| Subtotal Operating Revenues  | <u>3,147,374</u> | <u>1,179,179</u>    | <u>746,745</u>        | <u>2,745,925</u> | <u>5,536,050</u>        | <u>13,355,273</u> |

See accompanying Notes to Statement of Revenues and Expenses.

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
STATEMENT OF REVENUE AND EXPENSES (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

|  | Football              | Men's<br>Basketball | Women's<br>Basketball | Other<br>Sports       | Non-Program<br>Specific | Total                 |
|--|-----------------------|---------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| <b>OPERATING EXPENSES</b>  |                       |                     |                       |                       |                         |                       |
| Athletics Student Aid  | \$ 1,546,467          | \$ 414,412          | \$ 317,691            | \$ 1,717,332          | \$ -                    | \$ 3,995,902          |
| Guarantees   | 20,000                | 14,913              | 14,000                | -                     | -                       | 48,913                |
| Coaching Salaries, Benefits, and<br>Bonuses Paid by the University<br>and Related Entities                           | 1,145,677             | 508,081             | 303,539               | 826,883               | -                       | 2,784,180             |
| Coaching Salaries, Benefits, and<br>Bonuses Paid by a Third-Party  | -                     | -                   | -                     | -                     | -                       | -                     |
| Support Staff/Administrative<br>Compensation, Benefits and<br>Bonuses Paid by the University<br>and Related Entities | 30,622                | 7,764               | -                     | -                     | 2,045,665               | 2,084,051             |
| Support Staff/Administrative<br>Compensation, Benefits and Bonuses<br>Paid by a Third-Party                          | -                     | -                   | -                     | -                     | -                       | -                     |
| Severance Payments   | -                     | -                   | -                     | -                     | -                       | -                     |
| Recruiting   | 97,466                | 43,158              | 36,411                | 52,131                | -                       | 229,166               |
| Team Travel  | 682,325               | 271,265             | 138,453               | 832,477               | -                       | 1,924,520             |
| Sports Equipment, Uniforms and Supplies  | 271,669               | 31,771              | 27,996                | 191,467               | 184,397                 | 707,300               |
| Game Expenses  | 57,020                | 74,000              | 90,100                | 47,136                | -                       | 268,256               |
| Fund Raising, Marketing and<br>Promotion   | -                     | -                   | -                     | -                     | 76,667                  | 76,667                |
| Sports Camp Expenses   | 503,619               | 79,097              | 36,315                | 54,607                | -                       | 673,638               |
| Spirit Groups  | -                     | -                   | -                     | -                     | -                       | -                     |
| Athletic Facilities, Debt Service,<br>Leases and Rental Fees   | -                     | -                   | -                     | -                     | -                       | -                     |
| Direct Overhead and Administrative<br>Support  | 25,195                | 10,374              | 6,747                 | 22,455                | 92,864                  | 157,635               |
| Indirect Institutional Support   | 219,882               | 94,367              | 83,939                | 379,471               | 136,673                 | 914,332               |
| Medical Expenses and Insurance   | -                     | -                   | -                     | -                     | 346,972                 | 346,972               |
| Memberships and Dues   | -                     | -                   | 453                   | 3,780                 | 45,580                  | 49,813                |
| Student-Athlete Meals (non-travel)   | -                     | -                   | -                     | -                     | -                       | -                     |
| Other Operating Expenses   | 95,237                | 15,716              | 20,549                | 39,727                | 233,906                 | 405,135               |
| Bowl Expenses  | -                     | -                   | -                     | -                     | -                       | -                     |
| Subtotal Operating Expenses  | <u>4,695,179</u>      | <u>1,564,918</u>    | <u>1,076,193</u>      | <u>4,167,466</u>      | <u>3,162,724</u>        | <u>14,666,480</u>     |
| <b>EXCESS (DEFICIENCY) OF REVENUES<br/>OVER (UNDER) EXPENSES</b>   | <u>\$ (1,547,805)</u> | <u>\$ (385,739)</u> | <u>\$ (329,448)</u>   | <u>\$ (1,421,541)</u> | <u>\$ 2,373,326</u>     | <u>\$ (1,311,207)</u> |

See accompanying Notes to Statement of Revenues and Expenses.

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
NOTES TO STATEMENT OF REVENUE AND EXPENSES  
YEAR ENDED JUNE 30, 2016**

**NOTE 1 CONTRIBUTIONS**

Contributions received and used by the EWU Intercollegiate Athletics Program from the Eastern Washington University Foundation (Foundation) during the year ended June 30, 2016 were \$650,386. These contributions constituted more than 10% of all contributions received for intercollegiate athletics during the reporting period. Total contributions received through the Foundation on behalf of the EWU Intercollegiate Athletics Program during the year ended June 30, 2016, were \$1,165,928.

**NOTE 2 CAPITAL ASSETS**

Equipment and improvements are recorded at cost, net of accumulated depreciation. Consistent with state of Washington policy, the EWU Intercollegiate Athletics Program capitalizes equipment that has a cost of at least \$5,000. Depreciation is calculated on the straight-line basis over the estimated useful lives of the assets. Capital assets, net of related accumulated depreciation and including \$5,000 in additions and \$17,060 in disposals during the year, were \$545,546 at June 30, 2016.

**NOTE 3 ATHLETICS AND INSTITUTIONAL DEBT**

Total institutional debt was \$52,304,903 at June 30, 2016. Of this amount, none specifically related to the EWU Intercollegiate Athletics Program.

**NOTE 4 ENDOWMENTS**

As of June 30, 2016, institutional endowments totaled \$8,977,700. Of this amount, none specifically related to the EWU Intercollegiate Athletics Program.

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
SUPPLEMENTAL ANALYSIS OF REVENUE AND EXPENSES  
YEAR ENDED JUNE 30, 2016**

**SUPPLEMENTAL SCHEDULE**

|  | 2016       | 2015       | Variance    |         | Percent of Total |
|--|------------|------------|-------------|---------|------------------|
|  |            |            | Amount      | Percent |                  |
| <b>REVENUES</b>  |            |            |             |         |                  |
| <b>Operating Revenues:</b>   |            |            |             |         |                  |
| Ticket Sales   | \$ 628,585 | \$ 685,709 | \$ (57,124) | -8.3%   | 4.7%             |
| Direct State or Other Government Support   | -          | -          | -           | -       | 0.0%             |
| Student Fees   | 2,256,000  | 2,256,000  | -           | 0.0%    | 16.9%            |
| Direct Institutional Support   | 6,415,059  | 6,236,500  | 178,559     | 2.9%    | 48.0%            |
| Less - Transfers to Institution  | -          | -          | -           | -       | 0.0%             |
| Indirect Institutional Support   | 914,332    | 870,041    | 44,291      | 5.1%    | 6.8%             |
| Indirect Institutional Support - Athletic Facilities Debt Service, Lease and Rental Fees | -          | -          | -           | -       | 0.0%             |
| Guarantees   | 742,000    | 726,500    | 15,500      | 2.1%    | 5.6%             |
| Contributions  | 632,053    | 1,103,482  | (471,429)   | -42.7%  | 4.7%             |
| In-Kind  | 24,610     | 6,000      | 18,610      | 310.2%  | 0.2%             |
| Compensation and Benefits Provided by a Third Party                                      | -          | -          | -           | -       | 0.0%             |
| Media Rights   | 38,442     | -          | 38,442      | -       | 0.3%             |
| NCAA Distributions   | 464,992    | 707,513    | (242,521)   | -34.3%  | 3.5%             |
| Conference Distributions (Non Media and Non Bowl)  | 3,000      | -          | 3,000       | -       | 0.0%             |
| Program, Novelty, Parking and Concession Sales   | 1,341      | 20,224     | (18,883)    | -93.4%  | 0.0%             |
| Royalties, Licensing, Advertisement and Sponsorships                                     | 116,054    | 106,826    | 9,228       | 8.6%    | 0.9%             |
| Sports Camp Revenues   | 1,055,311  | 769,184    | 286,127     | 37.2%   | 7.9%             |
| Athletics Restricted Endowment and Investments Income                                    | -          | -          | -           | -       | 0.0%             |
| Other Operating Revenues   | 63,494     | 2,488      | 61,006      | 2452.0% | 0.5%             |
| Bowl Revenues  | -          | -          | -           | -       | 0.0%             |
| Subtotal Operating Revenues  | 13,355,273 | 13,490,467 |             |         | 100.0%           |

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
SUPPLEMENTAL ANALYSIS OF REVENUE AND EXPENSES (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

|  | 2016                  | 2015                | Variance   |         | Percent of Total |
|--|-----------------------|---------------------|------------|---------|------------------|
|  |                       |                     | Amount     | Percent |                  |
| <b>EXPENSES</b>  |                       |                     |            |         |                  |
| <b>Operating Expenses:</b>   |                       |                     |            |         |                  |
| Athletics Student Aid  | \$ 3,995,902          | \$ 3,688,280        | \$ 307,622 | 8.3%    | 27.2%            |
| Guarantees   | 48,913                | 52,299              | (3,386)    | -6.5%   | 0.3%             |
| Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities                         | 2,784,180             | 2,621,715           | 162,465    | 6.2%    | 19.0%            |
| Coaching Salaries, Benefits, and Bonuses Paid by a Third Party   | -                     | -                   | -          | -       | 0.0%             |
| Support Staff/Administrative Compensation, Benefits, and Bonuses Paid by the University and Related Entities | 2,084,051             | 1,970,112           | 113,939    | 5.8%    | 14.2%            |
| Support Staff/Administrative Compensation, Benefits, and Bonuses Paid by a Third Party                       | -                     | -                   | -          | -       | 0.0%             |
| Severance Payments   | -                     | -                   | -          | -       | 0.0%             |
| Recruiting   | 229,166               | 222,792             | 6,374      | 2.9%    | 1.6%             |
| Team Travel  | 1,924,520             | 1,504,795           | 419,725    | 27.9%   | 13.1%            |
| Sports Equipment, Uniforms and Supplies  | 707,300               | 797,656             | (90,356)   | -11.3%  | 4.8%             |
| Game Expenses  | 268,256               | 350,653             | (82,397)   | -23.5%  | 1.8%             |
| Fund Raising, Marketing and Promotion  | 76,667                | 47,184              | 29,483     | 62.5%   | 0.5%             |
| Sports Camp Expenses   | 673,638               | 496,667             | 176,971    | 35.6%   | 4.6%             |
| Spirit Groups  | -                     | -                   | -          | -       | 0.0%             |
| Athletic Facilities Debt Service, Leases and Rental Fees   | -                     | -                   | -          | -       | 0.0%             |
| Direct Overhead and Administrative Expenses  | 157,635               | 107,530             | 50,105     | 46.6%   | 1.1%             |
| Indirect Institutional Support   | 914,332               | 870,041             | 44,291     | 5.1%    | 6.2%             |
| Medical Expenses and Insurance   | 346,972               | 291,412             | 55,560     | 19.1%   | 2.4%             |
| Memberships and Dues   | 49,813                | 88,613              | (38,800)   | -43.8%  | 0.3%             |
| Student-Athlete Meals (non-travel)   | -                     | -                   | -          | -       | 0.0%             |
| Other Operating Expenses   | 405,135               | 1,197,794           | (792,659)  | -66.2%  | 2.8%             |
| Bowl Expenses  | -                     | -                   | -          | -       | 0.0%             |
| Subtotal Operating Expenses  | <u>14,666,480</u>     | <u>14,307,543</u>   |            |         | 100.0%           |
| Total  | <u>\$ (1,311,207)</u> | <u>\$ (817,076)</u> |            |         |                  |

Explanations of variances of expense accounts over 10% of the total expense amounts with variations from prior year over the lessor of \$1,000,000 or 10%.

**Team Travel**

The increase is primarily due to the fiscal year 2016 football schedule requiring the team to travel via aircraft for five of the six away games. Whereas, in the fiscal year 2015 schedule the football team only had to fly on three occasions with the other three being bus trips.

**EASTERN WASHINGTON UNIVERSITY INTERCOLLEGIATE ATHLETICS PROGRAM  
SUPPLEMENTAL ANALYSIS OF REVENUE AND EXPENSES (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

**BUDGET TO ACTUAL**

We compared actual revenue accounts over 10% of the total reported in the Statement for the year ended June 30, 2016 to budget estimates. We identified variances exceeding the lesser of \$1 million or 10% of the budgeted amount for each line item and discussed the reasons for the variances with management. No additional procedures were performed with respect to management's representations as to the reasons for the variances.

*Direct Institutional Support* – Direct institutional revenue exceeded budget by \$980,874 (18.1%). This variance is attributable to Gender Equity Waivers of \$811,226, which is not budgeted for.

We compared actual expense accounts over 10% of the total reported in the Statement for the year ended June 30, 2016 to budget estimates (except for Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities, Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities, and Team Travel, for which no specific budget is adopted). We identified variances exceeding the lesser of \$1 million or 10% of the budgeted amount for each line item and discussed the reasons for the variances with management. No additional procedures were performed with respect to management's representations as to the reasons for the variances.

*Student Aid* – Student aid expenses exceeded budget by \$783,668 (18.1%). This variance is attributable to Gender Equity Waivers of \$811,226, which is not budgeted for.