

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

Dr. Rollin C. Richmond
President
Humboldt State University:

We have performed the procedures enumerated below, which were agreed to by Humboldt State University (the University), solely to assist you in evaluating whether the accompanying Statement of Revenues and Expenditures (Statement) of the University's Intercollegiate Athletics Program is in compliance with the National Collegiate Athletic Association's (NCAA) Constitution 3.2.4.16 (Requirements) for the year ended June 30, 2013. The University's management is responsible for the Statement and the Statement's compliance with the 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 Revenues and Expenditures

Our procedures and findings are as follows:

REVENUES

1. We agreed the dollar amounts for each operating revenue category reported in the Statement during the reporting period to the University's general ledger for Intercollegiate Athletics (IA) and the University's general ledger for outside organizational activity on behalf of IA.

No exceptions were noted as a result of applying this procedure.

Ticket Sales

2. We obtained IA competition schedules for men's basketball and women's soccer. From the competition schedules, we identified all the home game events for men's basketball and women's soccer. We compared and agreed the dollar amounts for ticket sales included in five 2012/13 men's basketball season home tickets sales reports and five 2012/13 women's soccer season home ticket sales reports to the Statement and the related attendance figures per the ticket office's reconciliation of tickets. The selected men's basketball games occurred on November 21, 2012, December 19, 2012, January 17, 2013, February 2, 2013, and February 14, 2013. The selected women's soccer games occurred on September 14, 2012, September 16, 2012, September 28, 2012, October 5, 2012, and October 7, 2012.

No exceptions were noted as a result of applying this procedure.

3. We agreed the dollar amounts of ticket revenues reported on the sales recaps for the men's basketball home games and women's soccer home games selected in procedure 2 to copies of the deposit slips, the University's Financial System, and the Statement.

No exceptions were noted as a result of applying this procedure.

4. We compared the number of tickets sold during the reporting period, complementary tickets provided during the reporting period, and unsold tickets included in the ticket reconciliation to the detailed ticket sales report for the men's basketball home games and women's soccer home games selected in procedure 2. Based on ticket prices provided by the University and stated in the reconciliation, we compared the reconciliation to the related revenue reported by IA in the Statement.

No exceptions were noted as a result of applying this procedure.

5. We compared the current year ticket sales revenue for the reporting period to current year budget estimates and to prior period actual amounts. We determined that management had documented explanations for all variations greater than 15% and \$25,000.

No exceptions were noted as a result of applying this procedure.

6. We recalculated ticket sales revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Student Fees

7. We obtained the University's fee effective for 2012/13 (http://www.humboldt.edu/studentfinancial/tuition_fees.html).

No exceptions were noted as a result of applying this procedure.

8. We compared and agreed the dollar amount of student activity fees reported by the University on the Statement for the reporting period to student enrollments from the University's website during the same reporting period. We recalculated student activity fee revenue totals within a \$50,000 variance, by utilizing student enrollment and fees charged to students.

No exceptions were noted as a result of applying this procedure.

9. We obtained the 2012/2013 Instructionally Related Activities (IRA) Budget Allocation. We compared and agreed the dollar amount of the IRA budget allocation to the Statement and the University's general ledger.

No exceptions were noted as a result of applying this procedure.

Contributions

10. We obtained a listing of contributions made to the University in support of IA. From the listing, we selected the 10 largest contributions and agreed the dollar amounts to the University's general ledger and deposit slips.

No exceptions were noted as a result of applying this procedure.

11. We determined whether any contributions of moneys, goods, or services received by the University from any affiliated or outside organization (e.g., contributions by corporate sponsors), agency, or group of individuals constituted 10% or more of all contributions received on behalf of IA during the reporting period.

No such contributions were noted.

12. We recalculated contributions revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Direct Institutional Support

13. We agreed the dollar amounts of direct institutional support from the Administrative Scholarship Fund (SJ291) and amounts provided as Housing Grants through the financial aid process. This balance is a component of the total included in the Statement, based on detail prepared by the University. All other sources of revenue were compared and agreed to the University's general ledger.

No exceptions were noted as a result of applying this procedure.

14. We recalculated direct institutional support revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

NCAA/Conference Distributions

15. We agreed the dollar amounts received from NCAA and California Collegiate Athletic Association (CCAA) to the Statement for revenues remitted to the University.

No exceptions were noted as a result of applying this procedure.

16. We recalculated NCAA and C C A A distributions support revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Program Sales, Concessions, Novelty Sales and Parking

17. We obtained a listing of program sales, concessions, novelty sales and parking, which we agreed to the Statement. We compared and agreed five revenue transactions to supporting documentation. We selected the following Journal ID #'s: ID# CNT0255230 in the amount of \$4,418.87, ID# CNT0232673 in the amount of \$4,182.82, ID# CNT0239389 in the amount of \$3,769.10, ID# CNT0236997 in the amount of \$3,491.28, and ID# CNT0227924 in the amount of \$10,691.60.

No exceptions were noted as a result of applying this procedure.

18. We recalculated fundraising, marketing, and promotion expenses totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Royalties, Advertisements, and Sponsorships

19. We obtained a listing of sponsorships related to the University's participation in revenue from royalties, advertisements, and sponsorships during the reporting period (listing). We compared and agreed the dollar amounts of corporate sponsorship revenue per the listing to the Statement for the following executed corporate sponsorship agreements: Adidas, Porter St. BBQ, and Six Rivers Brewery and licensing agreements from Pepsi Bottling Group and Zypher Hats.

No exceptions were noted as a result of applying this procedure.

20. We compared and agreed the dollar amounts of trade-out revenue per the listing to the Statement.

No exceptions were noted as a result of applying this procedure, as there was no trade-out revenue reported.

21. We recalculated royalties, advertisements, and sponsorships revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Sports Camp Revenues

22. We obtained a listing of sports camps in operation during the reporting period. We compared and agreed the dollar amounts of sports camps revenue conducted during the reporting period per the listing to amounts reported on the Statement.

No exceptions were noted as a result of applying this procedure.

23. We obtained a listing of camp participants for men's basketball and men's & women's soccer and selected two participants from each listing. For each selection, we agreed the revenue received to the deposit slip and check copy and the University's general ledger.

No exceptions were noted as a result of applying this procedure.

24. We recalculated sports camp revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Endowment and Investment Income

25. We obtained a listing of IA endowment agreements and agreed the total amount per the listing to the Statement.

No exceptions were noted as a result of applying this procedure. We noted that there was one quasi-endowment from the Humboldt State University Advancement Foundation for athletic scholarships. We inspected the supporting documentation related to the endowment agreement and determined that the use of the income reported in the Statement was consistent with the definition of the income use per the agreements which stated athletics or athletics related.

26. We obtained and reviewed the journal entry related to recording endowment income to the Schedule and the University's general ledger.

Based on our review, we noted an overstatement of \$3,828.95 of endowment income on the Schedule and the University's general ledger.

Other Operating Revenue

27. We calculated the amount of other operating revenue as a percentage of total revenue and noted that the total did not amount to more than 5% of total revenue.

No exceptions were noted as a result of applying this procedure.

28. We compared and agreed the five largest revenue transactions in this category to deposit slip receipts (for external transactions) and journal entries (for internal transfers). We selected the following cash receipts based on the following journal ID numbers: Journal ID # CNT03673 in the amount of \$6,898, Journal ID # CNT02596 in the amount of \$2,380, Journal ID # 000033076 in the amount of \$5,400, Journal ID # B10027455 in the amount of \$1,150 and Journal ID # B10025533 in the amount of \$1,915.

No exceptions were noted as a result of applying this procedure.

29. We recalculated other operating revenue totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Total Operating Revenue

30. We compared all revenue accounts for the reporting period to the current year budget estimates and also compared all revenue accounts to the prior period. We determined that IA had documented explanations for all variances greater than 15% and \$50,000.

No exceptions were noted as a result of applying this procedure.

EXPENSES

31. We compared and agreed the dollar amounts of each operating expense category reported in the Statement during the reporting period to the University's general ledger for IA and the UFSS general ledger for outside organizational activity on behalf of IA.

No exceptions were noted as a result of applying this procedure.

Athletic Student Aid

32. We selected six students from the listing of IA student aid recipients during the reporting period and compared and agreed the dollar amounts of aid received to the student financial aid detail report.

No exceptions were noted as a result of applying this procedure.

33. We obtained the individual student-account detail for each selection noted above and agreed the dollar amounts of total aid allocated to the student's account to the related aid award letter.

No exceptions were noted as a result of applying this procedure.

34. We recalculated athletics scholarship expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Coaching Salaries, Benefits, and Bonuses Paid by IA

35. We obtained a listing of coaches employed by the University during the reporting period. From the listing, we selected a sample of three coaches' employment contracts and promotion/raise information. We selected the following coaches: Robert Railsback (volleyball), Stephen Kinder (basketball) and Fran Cheek (softball). We compared and agreed the dollar amounts for each selection to the related coaching salaries, benefits, and bonuses recorded by IA in the Statement.

No exceptions were noted as a result of applying this procedure.

36. We recalculated coaching salaries expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Support Staff/Administrative Salaries, Benefits, and Bonuses Paid by the University and Related Entities

37. We obtained a listing of support staff and administrators employed by the University during the reporting period. We selected three administrative and staff members employed by IA during the reporting period and compared and agreed the dollar amount of each selection per their respective employment agreements to the related salaries, benefits, and bonuses recorded by IA in the Statement during the reporting period.

We selected the following staff/administrative personnel: Tyler Brown, Daniel Cullen, and Amie Becker.

No exceptions were noted as a result of applying this procedure.

38. We recalculated support staff/administrative salaries expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Recruiting

39. We obtained the IA program's recruiting expense policies and compared and agreed them to NCAA-related policies.

No exceptions were noted as a result of applying this procedure.

40. We obtained a listing of recruiting expenses, which we agreed to the Statement. We agreed the dollar amounts of three recruiting expenses to supporting documentation. We selected expenses from the detail in the amounts of \$1,670.65 (Doc ID # 51661), \$1,219.83 (Doc ID # 41915) and \$2,276.34 (Doc ID # 58552). All three recruiting expenses were agreed to the check copies/bank statements and invoices.

No exceptions were noted as a result of applying this procedure.

41. We recalculated recruiting expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Team Travel

42. We obtained the IA program's team travel expense policies and compared and agreed them to NCAA-related policies.

No exceptions were noted as a result of applying this procedure.

43. We obtained a listing of team travel expenses (airfare and hotel stays), which we agreed to the Statement. We agreed the dollar amounts of five team travel expenses to check copies and invoices or purchase orders. We selected the expenses based on the following Doc IDs: ID #48295 in the amount of \$20,082.25, ID #43086 in the amount of \$6,000, ID #56702 in the amount of \$11,714.04, ID #46860 in the amount of \$5,188.20 and ID #60833 in the amount of \$4,600.90.

No exceptions were noted as a result of applying this procedure.

44. We recalculated team travel paid by the University by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Equipment, Uniforms, and Supplies

45. We obtained a listing of equipment, uniforms, and supplies expenses, and agreed the total dollar amount to the Statement. We agreed two expenses to check copies and invoices. We selected the following expenses from the listing: Doc ID #57889 in the amount of \$3,767.91 and Doc ID #47991 in the amount of \$12,960.00.

No exceptions were noted as a result of applying this procedure.

46. We recalculated equipment, uniforms, and supplies expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Game Expenses

47. We obtained a listing of game expenses, which we agreed to the Statement. We compared and agreed the two largest expenses to supporting documentation. We selected Doc ID #49694 in the amount of \$11,565.00 and Doc ID #44617 in the amount of \$21,328.26. Both expenses were agreed to the check copy and invoice.

No exceptions were noted as a result of applying this procedure.

48. We recalculated game expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Fundraising, Marketing, and Promotions

49. We obtained a listing of fundraising, marketing, and promotions expenses, which we agreed to the Statement. We compared and agreed two expenses to supporting documentation. We selected Doc ID #44875 in the amount of \$1,465.20 and Doc ID# 42499 in the amount of \$2,069.20. Both expenses were agreed to the related invoices.

No exceptions were noted as a result of applying this procedure.

50. We recalculated fundraising, marketing, and promotions expenses totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Sports Camp Expenses

51. We obtained a listing of sports camp expenses, which we agreed to the Statement. We selected the following expenses based on the following Doc ID #'s: #50324 in the amount of \$2,890 and #42265 in the amount of \$6,000. Both expenses were agreed to the check copy and invoice.

No exceptions were noted as a result of applying this procedure.

52. We recalculated sports camp expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Direct Facilities, Maintenance, Utilities, and Rental

53. We obtained a listing of direct facilities, maintenance, utilities, and rental expenses, which we agreed to the Statement. We selected the following expenses based on the following Doc ID #'s: #44542 in the amount of \$6,308.25 and #52251 in the amount of \$6,587.40. Both expenses were agreed to the check copy and invoice.

No exceptions were noted as a result of applying this procedure.

54. We recalculated direct facilities, maintenance, utilities, and rental expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Membership and Dues

55. We obtained a detail of memberships and dues expenses, which we agreed to the Statement. We compared and agreed two expenses to supporting documentation. We selected the following expenses based on the following Doc ID #'s: #41665 in the amount of \$35,757.00 and #42203 in the amount of \$3,500.00. Both expenses were agreed to the check copy and invoice.

No exceptions were noted as a result of applying this procedure.

56. We recalculated memberships and dues expenses totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Other Operating Expenses

57. We obtained a detail of other operating expenses, which we agreed to the Statement. We compared and agreed two expenses to supporting documentation. We selected the following expenses based on the following Doc ID #'s: #61963 in the amount of \$9,461.79 and #62455 in the amount of \$15,874.86. Both expenses were agreed to the check copy and invoice.

No exceptions were noted as a result of applying this procedure.

58. We recalculated other operating expense totals by summing each program total on the Statement.

No exceptions were noted as a result of applying this procedure.

Total Operating Expenses

59. We compared all expense accounts for the reporting period to prior period amounts and we compared all expense accounts to budget estimates for the current year. We determined that IA had documented explanations for all variances greater than 15% and \$50,000.

No exceptions were noted as a result of applying this procedure.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accompanying Statement of Revenues and Expenses of the University. 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 and management of the University, and is not intended to be and should not be used by anyone other than these specified parties.

Macie Mini & O'Connell LLP

Newport Beach, California
January 10, 2014

HUMBOLDT STATE UNIVERSITY
Intercollegiate Athletics Program
Statement of Revenues and Expenditures
For the Year Ended June 30, 2013

	Football	Men's Basketball	Men's Soccer	Men's Tennis	Men's Track and Field/X-Contry	Women's Basketball	Women's Rowing	Women's Soccer	Softball	Women's Tennis	Women's Track and Field/X-Contry	Women's Volleyball	Non-Program Specific	Totals
Operating Revenues														
Ticket Sales	\$ 42,191	\$ 21,157	\$ -	\$ -	\$ -	\$ 4,532	\$ -	\$ 1,379	\$ 1,752	\$ -	\$ -	\$ 1,135	\$ 138,150	\$ 210,296
Student Fees	575,184	212,477	146,388	32,603	77,983	220,637	188,271	130,148	156,449	30,095	49,748	189,602	2,003,526	4,013,111
Guarantees	-	20,000	-	-	-	3,000	-	-	-	-	-	-	-	23,000
Contributions	110,478	37,233	8,779	11,232	6,304	33,239	60,635	9,715	23,148	10,368	4,021	13,362	98,480	426,994
Direct Institutional Support	183,157	111,542	36,502	12,578	22,535	80,340	-	55,709	58,976	15,448	14,376	32,484	-	623,647
NCAA Conference and Tournament Revenues	-	-	-	7,198	595	-	-	-	24,570	6,644	379	-	17,994	57,380
Program Sales, Concessions, Novelty Sales, and Parking	10,378	-	-	-	-	-	43,469	-	3,516	-	-	-	1,382	58,745
Royalties, Advertisements, Sponsorships	22,097	9,961	371	501	844	8,470	3,140	1,644	4,792	462	539	5,554	297,636	356,011
Sports Camp Revenues	5,370	66,594	25,056	-	-	34,068	-	-	4,775	-	-	17,737	-	153,600
Endowments and Investment Income	-	-	-	-	-	-	-	-	-	-	-	-	26,204	26,204
Other Revenues	680	770	-	393	1,796	2,740	5,400	-	1,286	363	1,146	-	19,117	33,691
Total Operating Revenues	\$ 949,535	\$ 479,734	\$ 217,096	\$ 64,505	\$ 110,057	\$ 387,026	\$ 300,915	\$ 198,595	\$ 279,264	\$ 63,380	\$ 70,209	\$ 259,874	\$ 2,602,489	\$ 5,982,679
Operating Expenditures														
Athletics Student Aid	\$ 257,987	\$ 134,725	\$ 40,222	\$ 7,500	\$ 31,000	\$ 95,367	\$ 33,450	\$ 56,900	\$ 66,800	\$ 34,750	\$ 10,210	\$ 41,500	\$ -	\$ 810,411
Guarantees	4,237	16,090	-	-	1,099	1,260	-	-	510	-	701	-	-	23,897
Coaching Salaries, Benefits & Bonuses	455,138	198,677	83,252	20,968	35,765	183,337	138,619	67,011	119,494	20,968	35,765	148,989	-	1,507,983
Support Staff/Admin. Salaries,Benefits, and Bonuses	1,322	-	-	-	-	-	-	-	-	-	-	-	986,287	987,609
Recruiting	26,809	17,730	2,195	725	2,258	10,496	972	14,702	3,901	670	1,440	6,849	168	88,915
Team Travel	136,479	49,290	2,650	20,565	34,296	50,709	88,745	46,084	63,661	18,983	21,879	30,534	4,282	568,157
Equipment, Uniforms and Supplies	65,877	10,055	14,536	472	10,753	5,908	21,005	15,303	15,957	435	6,860	6,088	3,166	176,415
Game Expenses	24,945	11,586	-	211	826	9,636	-	4,039	7,356	195	527	9,363	35,519	104,203
Fund Raising, Marketing, and Promotion	10,622	8,073	919	107	324	5,332	16,654	519	2,758	98	207	3,821	146,436	195,870
Sports Camp Expenses	3,395	45,268	6,377	-	-	20,083	-	-	999	-	-	12,685	300	89,107
Direct Facilities, Maintenance, & Rental	-	-	-	-	-	-	149	-	75	-	-	-	130,063	130,287
Medical Expenses and Medical Insurance	-	-	-	-	-	-	-	-	-	-	-	-	88,618	88,618
Membership and Dues	550	-	-	104	122	130	745	-	-	96	78	275	41,648	43,748
Other Operating Expenditures	49,934	2,557	1,581	539	1,635	4,734	11,304	2,359	506	498	1,043	555	804,594	881,839
Total Operating Expenditures	\$ 1,037,295	\$ 494,051	\$ 151,732	\$ 51,191	\$ 118,078	\$ 386,992	\$ 311,643	\$ 206,917	\$ 282,017	\$ 76,693	\$ 78,710	\$ 260,659	\$ 2,241,081	\$ 5,697,059
Excess/(Deficiency) of Operating Revenues over Operating Expenditures	\$ (87,760)	\$ (14,317)	\$ 65,364	\$ 13,314	\$ (8,021)	\$ 34	\$ (10,728)	\$ (8,322)	\$ (2,753)	\$ (13,313)	\$ (8,501)	\$ (785)	\$ 361,408	\$ 285,620

HUMBOLDT STATE UNIVERSITY
Intercollegiate Athletics Program
Notes to Statement of Revenues and Expenditures
For the Year Ended June 30, 2013

(1) Basis of Presentation

The accompanying Statement of Revenues and Expenditures of the Humboldt State University (the University) Intercollegiate Athletics Program has been prepared on the accrual basis of accounting.

(2) Contributions

The University received \$426,994 of contributions for the year ended June 30, 2013. There were no individual contributions constituting more than 10% of all contributions for the year ended June 30, 2013.

(3) Capitalization of Assets

The University capitalizes individual assets that exceed \$5,000 if the life expectancy is greater than one year. The University uses straight-line depreciation with zero salvage value and a useful life is determined for each asset.

(4) Sports Camps

The University segregates sport camp activity into a separate fund delineated for individual team fundraising. The majority of the activity in this fund is revenue and expenses related to sport camps, (i.e. receipts from participants, payments for participant housing or equipment), however, teams are allowed to spend the profits from their camps on team equipment or activities as a supplement to their department budget. Therefore, a small amount of team expenses may end up in the sport camp category.