

**COASTAL CAROLINA UNIVERSITY**  
**INTERCOLLEGIATE ATHLETICS PROGRAM**  
**Year Ended June 30, 2000**

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON PROCEDURES

November 17, 2000

Mr. Thomas L. Wagner, Jr, CPA  
State Auditor, State of South Carolina  
Columbia, South Carolina

We have performed the procedures described below, which were agreed to by the South Carolina Office of the State Auditor and the Board of Trustees and management of Coastal Carolina University, solely to assist the University in complying with NCAA Bylaw 6.2.3.1 for the fiscal year ended June 30, 2000. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants (AICPA). The sufficiency of these procedures is solely the responsibility of the specified users of 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. The procedures and associated findings are as follows:

1. We obtained from the University's accounting department, the statement of revenues, expenditures, and transfers and notes thereto of the intercollegiate athletics program for the year ended June 30, 2000, as prepared by management of Coastal Carolina University and shown as Attachment A in this report. We recalculated the addition of the amounts on the statement, traced those amounts to management's worksheets and agreed the amounts on the management's worksheets to the Athletic Department's accounts in the University's general ledger. We discussed the nature of the worksheet adjustments with management to satisfy ourselves that the adjustments were appropriate. We found no exceptions as a result of the procedures.
2. We obtained from the Athletic Department staff a list of all outside organizations not under the University's accounting control. The list included only the Coastal Carolina Booster Club, Inc. (the CINO Club). The CINO Club has as its principal or one of its principal purposes the generating of resources for or on behalf of the University's intercollegiate athletics program or the promotion of the program. We also obtained descriptions of the University's methods for gathering information on the nature and extent of the CINO Club's activities for or on behalf of the intercollegiate athletics program. We found no exceptions as a result of the procedures.
3. From the University's accounting department, we obtained a copy of the CINO Club's financial statements for the University's fiscal year and noted that these statements were audited by other auditors whose opinion, dated October 23, 2000, was unqualified. We found no exceptions as a result of this procedure.
4. We obtained from the Assistant Athletic Director a listing of all expenditures made directly by the CINO Club for or on behalf of the University's intercollegiate athletics program or employees and determined they are included as revenues and expenditures on the University's Athletic Department accounting records and its statement of revenues, expenditures and transfers. We found no exceptions as a result of the procedures.

5. We scanned the Athletic Department's contributions revenue accounts detail to identify each individual contribution received directly that constitutes more than ten percent of all contributions received for intercollegiate athletics. For the one such receipt, we reviewed the supporting documentation to determine if it was properly classified, if it was received from independent outside sources (those which don't have as one of their principal purposes the promotion and support of the intercollegiate athletics program), and to determine that the source and value of the contribution is disclosed in a footnote to the statement. We found no exceptions as a result of the procedures.

6. From the Athletic Department cash receipts files for all sports, we selected 20 receipts for intercollegiate athletics and tested them to determine if they were properly recorded and classified in the accounting records based on our review of the supporting documentation. The items selected for testing were chosen randomly. The total of the selected items was 3.8% of the aggregate total of recorded receipts. We found no exceptions as a result of the procedures.

7. We asked management to describe specific elements of the University's internal control unique to the Athletic Department's accounting system and financial reporting.

a. We tested the items selected in 6 above to determine if they were complete and properly classified based on a review of the supporting documentation. We also tested these items to determine if internal control over the reporting of these revenues was operating as described. We found no exceptions as a result of the procedures.

b. We tested 25 expenditures recorded in expense accounts applicable to the Athletic Department to determine if these expenditures were complete, properly classified, and properly authorized based on a review of the supporting documentation and if internal control over the reporting of these expenditures was operating as described. The items were selected systematically from the 2,300 Athletic Department vouchers. The items selected were 1.1% of the aggregate total of recorded expenditures. We found no exceptions as a result of the procedures.

c. We tested reported student activity fees revenue for reasonableness by comparing the recorded amount to our estimate of the fees using student enrollment and the fee per student per semester. We found no exceptions as a result of the procedures.

8. We examined guarantee contracts for all basketball games during fiscal year 2000. We compared the contract revenues to recorded revenues in the general ledger. We found no exceptions as a result of the procedures.

9. We obtained a schedule of Athletic Department salaries and agreed those amounts to the appropriate general ledger salary accounts. We estimated the related employer contributions expenditures using the University's average fringe benefits rates for comparably paid employees and compared our estimates with reported expenditures in the appropriate general ledger accounts. We found no exceptions as a result of the procedures.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified areas, accounts, or items. Furthermore, we were not engaged to express an opinion on the effectiveness of internal control over reporting described in paragraph one and procedures 1 - 9 of this report. Accordingly, we do not express such opinions. Had we performed additional procedures, or had we conducted an audit or review of the University's intercollegiate athletics program financial statements or any part thereof, 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 Governor, the Office of the State Auditor, and the Board of Trustees and management of Coastal Carolina University and is not intended to be and should not be used by anyone other than these specified parties.

WILDMAN & RICHARDS, LLP  
Certified Public Accountants

**Coastal Carolina University  
Intercollegiate Athletics Program  
Statement of Revenues, Expenditures, and Transfers  
Year Ended June 30, 2000**

	Baseball	Men's Basketball	Soccer	Basketball	Women's Sports	Other Non-Sport Specific	Total
<b>Operating Revenue and Transfers In:</b>							
Student Activity Fees	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,626,357	\$ 1,626,357
Transfers from Current Fund of University	0	0	0	0	0	1,456,493	1,456,493
Guarantees	800	143,000	1,500	2,000	0	0	147,300
CINO Club Contributions	0	0	0	0	0	30,500	30,500
NCAA Program for Academic Enhancement	0	0	0	0	0	50,000	50,000
NCAA Distributions	0	0	0	0	9,360	40,656	50,016
Big South Distributions	0	0	0	0	0	69,778	69,778
Horry County Higher Education Commission Grant	0	3,825	0	0	0	16,127	19,952
Gifts – Unrestricted	13,024	4,413	0	0	4,000	10,250	31,687
Sponsorship	0	0	0	0	0	62,154	62,154
Athletic Camps	0	0	0	0	0	11,307	11,307
Ticket Sales	14,411	12,818	0	889	4,310	0	32,428
Tournament Income	17,244	0	0	0	0	0	17,244
Other	0	6,218	0	0	640	16,133	22,991
Total Revenues and Transfers In	45,479	170,274	1,500	2,889	18,310	3,389,755	3,628,207
<b>Expenditures:</b>							
Scholarships	157,591	176,377	122,350	138,745	648,315	112,981	1,356,359
Salaries	79,635	130,462	47,548	94,883	237,558	467,813	1,057,899
Fringe Benefits	13,619	30,408	9,417	25,647	53,422	115,235	247,748
Team Travel	17,247	50,128	12,032	33,406	145,150	0	257,963
Recruiting	7,069	23,400	9,920	9,403	21,763	0	71,555
Guarantees	1,200	1,700	3,250	3,750	0	0	9,900
Equip. Rentals and Leases	0	4,473	0	0	1,132	8,978	14,583
Equipment Purchase and Repairs	0	7,010	18	0	1,575	88,688	97,291
Insurance	0	735	0	60	0	18,786	19,581
Broadcasting Services	0	0	0	0	0	43,714	43,714
Game Officials	7,510	14,100	4,287	10,906	5,743	0	42,546
Other Services	400	5,054	84	0	5,114	39,051	49,703
Athletic Supplies	24,969	37,236	12,763	14,520	67,300	0	156,788
Office Expenses	2,204	10,295	3,454	3,385	11,470	120,536	151,344
Staff Travel	14	685	792	897	963	10,267	13,618
Printing and Advertising	183	753	574	264	2,344	35,976	40,094
Visiting Team/Tournament Expenses	14,797	0	0	350	2,009	0	17,156
Other	0	680	0	0	0	0	680
Total Expenditures	326,438	493,496	226,489	336,216	1,203,858	1,062,025	3,648,522
Excess (Deficiency) of Revenues and Transfers In Over (Under) Expenditures	\$ (280,959)	\$ (323,222)	\$ (224,989)	\$ (333,327)	\$ (1,185,548)	\$ 2,327,730	\$ (20,315)

COASTAL CAROLINA UNIVERSITY  
NOTES TO INTERCOLLEGIATE ATHLETICS PROGRAM STATEMENT OF REVENUES,  
EXPENDITURES, AND TRANSFERS  
Year Ended June 30, 2000

1. INDIVIDUAL CONTRIBUTIONS EXCEEDING TEN PERCENT OF TOTAL CONTRIBUTIONS

Contributions and gifts to Coastal Carolina University's intercollegiate athletics program totaled \$124,341. This amount is reported in Attachment A at the following captions:

CINO Club Contributions	\$ 30,500
Gifts - Unrestricted	31,687
Sponsorships	<u>62,154</u>
	<u>\$ 124,341</u>

Individual contributions which exceeded 10 percent of the total contributions and the related donors included in the above amounts are as follows:

CINO Club	\$ 30,500
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2. EXCESS OF EXPENDITURES OVER REVENUES AND TRANSFERS IN

The excess of expenditures out over revenues and transfers in was covered by carryover funds available from prior years.

COASTAL CAROLINA UNIVERSITY  
AUDITORS' COMMENTS  
Year Ended June 30, 2000

**CURRENT YEAR FINDINGS**

There are no current year findings.

**FOLLOW UP ON PRIOR YEAR FINDINGS**

There were no prior year findings