

STATE OF CONNECTICUT



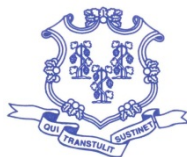
*AUDITORS' REPORT
CENTRAL CONNECTICUT STATE UNIVERSITY
NATIONAL COLLEGIATE ATHLETIC ASSOCIATION
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020*

AUDITORS OF PUBLIC ACCOUNTS
JOHN C. GERAGOSIAN ❖ CLARK J. CHAPIN

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STATE OF CONNECTICUT



AUDITORS OF PUBLIC ACCOUNTS

State Capitol
210 Capitol Avenue
Hartford, Connecticut 06106-1559

JOHN C. GERAGOSIAN

CLARK J. CHAPIN

June 3, 2021

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

Dr. Zulma R. Toro, President
Central Connecticut State University

We have performed the procedures enumerated below, which were agreed to by you, related to whether the accompanying Statement of Revenues and Expenses and related notes of Central Connecticut State University (CCSU) for the fiscal year ended June 30, 2020 (Statement) is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 3.2.4.17 for the fiscal year ended June 30, 2020. CCSU management is responsible for the Statement and the compliance with those requirements. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purposes for which this report has been requested or for any other purpose.

As discussed in Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines, if a specific reporting category is less than 4% of the total revenues or expenses, no procedures are required to be performed for that specific category, and no procedures were performed.

Agreed-Upon Procedures for Internal Control over Compliance

1. We obtained, through discussion with management, an understanding of the CCSU athletic department's internal controls. The controls identified were not unique to the athletic department and are tested as part of other engagements performed at the university. No further procedures were performed.
2. We obtained and tested 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. We performed procedures to determine the university's adherence to these procedures.

No exceptions were noted as a result of performing these procedures.

Statement of Revenues and Expenses

General Procedures

1. We obtained the accompanying Statement of Revenues and Expenses for the fiscal year ended June 30, 2020 from CCSU management. We obtained CCSU prepared schedules for each operating revenue and expense category on the Statement, which management stated are generated from its general ledger.
 - a. We agreed the amounts reported on the Statement to CCSU's prepared schedules. We ensured that the amounts were reported in accordance with NCAA guidelines and generally accepted accounting principles.
 - b. We agreed the amounts reported in CCSU's prepared schedules to its general ledger. We also scanned the general ledger for contributions constituting 10% or more in aggregate of all contributions received. Two contributions were identified constituting 10% or more in aggregate of all contributions received and were properly reported in the notes to the statement.
 - c. We mathematically checked the totals and subtotals included in CCSU's prepared schedules.
 - d. We reviewed the notes to the Statement for propriety and compliance with NCAA guidelines.

No exceptions were noted as a result of performing these procedures.

2. The university does not prepare budgets in the categories as reported in the Statement, so we were unable to report comparisons between budgeted and actual amounts.

Minimum Agreed-Upon Procedures for Operating Revenues

1. We selected ten operating receipts from the revenue supporting schedules obtained from CCSU management. We compared and agreed each selection to adequate supporting documentation.

No exceptions were noted as a result of performing these procedures.

2. We compared each major revenue category over 10% of the total revenues for the fiscal year ended June 30, 2020 to prior period amounts. No variations greater than 10% were identified.
3. As the ticket sales revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category, which is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.

4. We compared the direct institutional support recorded by the university during the reporting period to the general ledger and other corroborative supporting documentation and recalculated the total.

No exceptions were noted as a result of performing these procedures.

5. We compared the indirect institutional support recorded by the university during the reporting period to expense payments, cost allocation detail, and other corroborative supporting documentation and recalculated the total.

No exceptions were noted as a result of performing these procedures.

6. We selected three contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period. We compared each selection to CCSU's general ledger and recalculated totals.

No exceptions were noted as a result of these procedures.

7. We selected three settlement reports for away games during the reporting period and agreed each report to CCSU's general ledger and recalculated the totals.

No exceptions were noted as a result of these procedures.

8. As the contribution revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.

9. As the NCAA distributions revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.

10. As the conference distributions revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.

11. As the program, novelty, parking and concession sales revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.

12. As the royalties, licensing, advertisement and sponsorships revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.

13. As the sports camp revenues revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
14. As the athletics restricted endowment and investment income revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
15. As the other operating revenues revenue category in the Statement is less than 4% of the total operating revenues, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.

Minimum Agreed-Upon Procedures for Operating Expenses

1. We selected ten operating expenses from the expense supporting schedules obtained from CCSU management. We compared and agreed each selection to adequate supporting documentation.

No exceptions were noted as a result of performing these procedures.

2. We compared each major expense category over 10% of total expenses for the fiscal year ended June 30, 2020 to prior period amounts. No variations greater than 10% were identified.
3. We selected 27 student athletes from the listing of CCSU student aid recipients during the reporting period. We obtained individual student account detail and compared total aid in CCSU’s student system to CCSU’s report that corresponds directly to the NCAA Membership Financial Reporting System. We performed a review of each student selected to ensure their information was accurately reported in the NCAA’s Membership Financial Reporting System using NCAA specified criteria. We recalculated the totals for each sport and overall.

No exceptions were noted as a result of performing these procedures.

4. As the guarantees expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
5. We obtained a detailed listing of all sports coaches employed by the university and their related salaries for the fiscal year ended June 30, 2020 from CCSU management.
 - a. We mathematically checked the total of the detailed listing.
 - b. We agreed the total amount of expenses for coaches’ salaries in the detailed listing to the corresponding amount in the line item “Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities” included in the Statement.

- c. From the listing of coaches employed by the university, we selected the head coaches for football, men's basketball, women's basketball, men's baseball, and women's softball. We obtained the payroll summary registers for the reporting period for each of the coaches selected from CCSU management and agreed them to the related expenses in the detailed listing.
- d. We obtained the related employment contracts for each of the coaches selected from CCSU management. We agreed the coaches' salaries per the contracts to the amounts included in the detailed listing. For any salaries that did not agree, we obtained explanations from management. We make no comment as to the appropriateness of the reconciling items or sufficiency of explanations obtained.

No exceptions were noted as a result of these procedures.

- 6. We obtained from CCSU management a detailed listing of all athletics' support staff and their salaries for the fiscal year ended June 30, 2020.
 - a. We mathematically checked the total of the detailed listing.
 - b. We agreed the total expenses for support staff salaries in the detailed listing to the amount in the line item, "Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities" included in the Statement.
 - c. We selected five support staff paid by the university from the detailed listing. We obtained and agreed the payroll summary registers from the reporting period for each of the support staff selections to the related expenses in the detailed listing.

No exceptions were noted as a result of performing these procedures.

- 7. As the severance payments expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.
- 8. As the recruiting expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the "2020 Agreed-Upon Procedures" NCAA guidelines.
- 9. We obtained a listing of team travel expenses for the fiscal year ended June 30, 2020 from CCSU's general ledger.
 - a. We agreed the total dollar amount of travel expenses in the general ledger to the corresponding amount in the line item "Team Travel" included in the Statement and recalculated the totals.
 - b. We obtained CCSU's travel policy from university management. We compared the index of CCSU's travel policies to the NCAA policies to observe that CCSU's policies included

each of the topics included in the NCAA policies. We make no comment as to the appropriateness of the detailed policy.

No exceptions were noted as a result of these procedures.

10. As the sports equipment, uniforms, and supplies expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
11. As the game expenses expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
12. As the fund raising, marketing and promotion expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
13. As the sports camp expenses expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
14. As the spirit groups expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
15. As the direct overhead and administrative expenses expense category in the Statement is less than 4% of the total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
16. We obtained the cost allocation detail and other corroborative supporting documentation for total indirect institutional support and compared it to the total expenses reported and recalculated totals.

No exceptions were noted as a result of performing these procedures.

17. As the medical expenses and insurance expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
18. As the memberships and dues expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.
19. As the student-athletes meals (non-travel) expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.

20. As the other operating expenses expense category in the Statement is less than 4% of total operating expenses, no procedures were performed for this category. This is in accordance with Appendix D to the “2020 Agreed-Upon Procedures” NCAA guidelines.

Minimum Agreed-Upon Procedures for Affiliated and Outside Organizations

1. We obtained a list of all university booster group activities, for both independent and affiliated organizations (including alumni organizations), that have a principal purpose of generating funds for CCSU’s athletic department during the fiscal year ended June 30, 2020 from CCSU management.
 - a. We obtained the financial statements for affiliated organizations as of June 30, 2020 and agreed each of the revenue and expense amounts appearing in the financial statements of the affiliated organizations to the corresponding amounts included in the Statement.
 - b. We obtained a representation letter signed by CCSU management that booster organizations listed are the only booster organizations that support the athletic department as defined in the National Collegiate Athletic Association Financial Audit Guidelines.

No exceptions were noted as a result of performing these procedures.

2. We obtained 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 from CCSU management. We obtained written representations from management as to the fair presentation of the summary schedule.

No exceptions were noted as a result of performing these procedures.

Minimum Agreed-Upon Procedures for Other Reporting Items

1. We scanned CCSU’s general ledger and made inquiries to CCSU management about excess transfers to the university. No transfers were identified, and we were informed by CCSU management that no transfers had occurred. No further procedures were performed.
2. We scanned CCSU’s general ledger and made inquiries to CCSU management about outstanding intercollegiate athletics debt as of the end of the reporting period. No outstanding intercollegiate athletics debt was identified, and we were informed by CCSU management that there was none. No further procedures were performed.
3. We scanned CCSU’s general ledger, reviewed the Connecticut State University System’s audited financial statements, and made inquiries to CCSU management about outstanding debt of the university as of the end of the reporting period. No outstanding university debt was identified, and we were informed that the Connecticut State University System Office holds

all debt of the system, not each specific university, which is supported by the audited financial statements. No further procedures were performed.

4. We obtained a schedule of all athletics dedicated endowments maintained by athletics, the university, and affiliated organizations from CCSU management.
 - a. We mathematically checked the total of the detailed listing.
 - b. We agreed the total fair market value to supporting documentation of the CCSU Foundation Inc.'s general ledger, and the corresponding footnote of the CCSU Foundation, Inc.'s fiscal year 2020 audited financial statements.

We found that CCSU reported athletics dedicated endowments of \$3,793,187 while supporting documentation indicated that the fair value of athletics dedicated endowments was \$3,888,505. In effect, CCSU understated athletics dedicated endowments by \$95,318 in the NCAA Membership Financial Reporting System.

5. We scanned CCSU's general ledger, reviewed the Connecticut State University System's audited financial statements, and made inquiries to CCSU management about institutional endowment funds as of the end of the reporting period.

We found that CCSU reported the CCSU Foundation Inc.'s net assets, totaling \$80,675,289, as institutional endowments. However, the CCSU Foundation Inc. is a separate entity for financial reporting purposes and, as such, its endowment funds should not be reported as CCSU's institutional endowments. In effect, CCSU overstated institutional endowments by \$80,675,289 in the NCAA Membership Financial Reporting System. The overstatement was due to the misinterpretation of the NCAA reporting guidelines.

6. We scanned CCSU's general ledger and made inquiries to CCSU management about athletics related capital expenses made by the athletic department, the university, and affiliated organizations during the reporting period. We compared the total athletics related capital expenses reported in CCSU's general ledger to expenses reported. We selected a sample of transactions to validate the existence of transactions and accuracy of recording, and recalculated totals.

No exceptions were noted as a result of performing these procedures.

7. We obtained representations from CCSU management that to the best of their knowledge and belief, all revenues and expenses related to the athletics department had been properly included in the Statement.

Additional Minimum Agreed-Upon Procedures

1. We compared and agreed the sports sponsored as reported in the NCAA Membership Financial Reporting System to CCSU's squad lists supporting equivalency calculations. We were to inquire about any discrepancies in the sports sponsored and report the justifications.

No exceptions were noted as a result of performing these procedures.

2. We compared the current year grants-in-aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission and documented an explanation for any variances greater than 4%.

No variances greater than 4% were noted in grants-in-aid revenue when compared with the prior year.

3. We obtained CCSU's Sports Sponsorship and Demographics Forms Report for the reporting period and verified that CCSU's countable sports reported met the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and participants in each contest that is counted toward meeting the minimum contest requirement. We ensured CCSU had properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

No exceptions were noted as a result of performing these procedures.

4. We agreed the total number of student athletes who, during the academic year, received a Pell Grant award and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated from CCSU's financial aid records, of all student-athlete Pell Grants.

No exceptions were noted as a result of performing these procedures.

5. We compared the current year Pell Grants total to the prior year reported total per the Membership Financial Report submission and documented an explanation for any variances greater than 20 grants.

No variances greater than 20 grants were noted when compared with the prior year.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Statement of Revenues and Expenses of the University as of June 30, 2020 or on CCSU's compliance with the NCAA requirements. Accordingly, we do not express such an opinion or conclusion. 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 designees, the Board of Regents for Higher Education, and authorized representatives of the NCAA, and is not intended for and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

In conclusion, we wish to express our appreciation for the courtesies and cooperation extended to our representatives by the personnel of Central Connecticut State University during the course of our engagement.

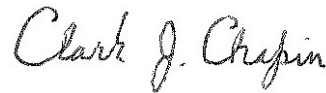
Approved:



John C. Geragosian
State Auditor



Michael J. Delaney
Principal Auditor



Clark J. Chapin
State Auditor

**Central Connecticut State University
Intercollegiate Athletics Program
Statement of Revenue and Expenses (Unaudited)
For the Fiscal Year Ended June 30, 2020**

	Football	Men's Basketball	Women's Basketball	All Other Men's Sports	All Other Women's Sports	Non-Program Specific	2020 Total	2019 Total
Revenues:								
Ticket Sales	\$ 23,671	\$ 15,324	\$ 3,693	\$ -	\$ 2,980	\$ -	\$ 45,668	\$ 50,094
Direct Institutional Support	2,554,011	909,107	1,546,799	1,589,666	3,309,199	2,135,713	12,044,495	11,943,520
Indirect Institutional Support	-	-	-	-	-	2,913,634	2,913,634	2,654,047
Guarantees	325,000	410,000	58,000	-	7,500	-	800,500	789,000
Contributions	15,000	12,500	18,761	36,679	45,900	291,835	420,675	650,001
NCAA Distributions	39,000	-	-	-	21,000	616,787	676,787	416,337
Conference Distributions	-	972	972	-	-	-	1,944	207,669
Program, Novelty, Parking and Concession Sales	-	-	-	-	-	12,379	12,379	14,366
Royalties, Licensing, Advertisement and Sponsorships	-	-	-	-	-	38,601	38,601	21,552
Sports Camp Revenues	-	-	1,045	18,438	18,495	-	37,978	21,070
Athletics Restricted Endowment and Investments Income	25,618	4,107	2,849	14,691	2,600	(7,498)	42,367	60,518
Other Operating Revenues	5,325	8,075	1,175	48,021	38,416	66,958	167,970	151,350
Total Operating Revenues	2,987,625	1,360,085	1,633,294	1,707,495	3,446,090	6,068,409	17,202,998	16,979,524
Expenses:								
Athletic Student Aid	\$ 1,480,277	\$ 498,120	\$ 546,903	\$ 481,815	\$ 1,491,531	\$ 174	\$ 4,498,820	\$ 4,789,229
Guarantees	-	-	-	-	-	-	-	25,000
Coaching Salaries, Benefits and Bonuses								
Paid by the University and Related Entities	935,799	607,809	627,456	965,254	1,549,824	-	4,686,142	4,488,231
Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities	-	-	-	-	384	2,732,559	2,732,943	2,666,099
Severance Payments	-	-	254,536	-	-	-	254,536	-
Recruiting	20,768	15,739	15,529	2,653	12,480	-	67,169	106,380
Team Travel	255,360	88,489	101,958	123,794	183,803	828	754,232	912,389
Sports Equipment, Uniforms and Supplies	97,424	27,812	19,892	62,053	88,053	54,642	349,876	297,515
Game Expenses	86,747	76,704	41,191	18,806	51,338	-	274,786	286,004
Fund Raising, Marketing and Promotion	-	-	-	11,156	-	8,878	20,034	50,250
Sports Camp Expenses	-	545	446	901	545	-	2,437	2,146
Spirit Groups	-	-	-	-	-	10,011	10,011	5,690
Direct Overhead and Administrative Expenses	3,734	2,890	2,819	2,342	2,820	122,538	137,143	194,561
Indirect Institutional Support	-	-	-	-	-	2,913,634	2,913,634	2,654,047
Medical Expenses and Insurance	400	50	150	994	774	73,185	75,553	79,896
Memberships and Dues	3,000	870	-	1,750	4,326	47,372	57,318	62,751
Student-Athletes Meals (Non-Travel)	62,504	15,598	6,616	15,295	33,474	2,151	135,638	135,904
Other Operating Expenses	41,612	25,459	15,798	20,682	26,738	102,437	232,726	223,432
Total Operating Expenses	2,987,625	1,360,085	1,633,294	1,707,495	3,446,090	6,068,409	17,202,998	16,979,524
Excess (Deficiency) of Revenues Over (Under) Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See Accompanying Notes to Statement

(Unaudited)
Central Connecticut State University
Notes to the Statement of Revenues and Expenses
Intercollegiate Athletics Programs
For the Fiscal Year Ended June 30, 2020

Note 1. BASIS OF PRESENTATION

The accompanying Central Connecticut State University (CCSU) Intercollegiate Athletics Program Statement of Revenues and Expenses for the fiscal year ended June 30, 2020, has been prepared on the accrual basis of accounting with the exception that financial aid expenses have not been reduced for scholarship allowances. The purpose of the statement is to present a summary of revenue and expenses of the Intercollegiate Athletics Program of the university consistent with NCAA Agreed-Upon Procedures Guidelines. The statement includes those intercollegiate athletics revenues and expenses made on behalf of the university's athletic programs by affiliated organizations. 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 ended. Revenues and expenses not directly identifiable to a specific sport are reported under the category Non-Program Specific.

Note 2. ALLOCATION AMONG SPORTS

The athletic programs reflected in the accompanying Statement of Revenues and Expenses under All Other Men's Sports include the following:

- Men's Baseball
- Men's Cross-Country
- Men's Soccer
- Men's Track and Field

The athletic programs reflected in the accompanying Statement of Revenues and Expenses under All Other Women's Sports include the following:

- Women's Cross-Country
- Women's Lacrosse
- Women's Soccer
- Women's Softball
- Women's Swimming and Diving
- Women's Track and Field
- Women's Volleyball

The activities reflected as Non-Program Specific include revenues and expenses for non-allocated fees and cost, such as maintenance and general administration, publicity, etc.

Note 3. CONTRIBUTIONS

Contributions received by the Athletics Department during the fiscal years ended June 30, 2020, totaled \$420,675 with the CCSU Foundation, Inc. being the sole contributor.

During the fiscal year ended June 30, 2020, the university received individual contributions from the foundation in excess of 10% of total contributions in the amount of \$58,723 and \$149,772.

Note 4. CAPITAL ASSETS

The estimated book value of the university's athletic-related property, plant, and equipment, net of depreciation, as of June 30, 2020, amounted to \$12,571,448 according to the university's capital expenditure documentation. Capital assets are those valued at more than \$5,000 based upon historical cost; assets are tagged upon acquisition. The university uses the straight-line method of depreciation; land, capitalized collections, and construction in progress are not depreciated. Disposal of capital items is approved by the university's Property Control Unit.