

**COASTAL CAROLINA UNIVERSITY  
INTERCOLLEGIATE ATHLETICS PROGRAM  
CONWAY, SOUTH CAROLINA**

---

**Independent Accountants' Report On  
Applying Agreed-Upon Procedures  
June 30, 2018**



**COASTAL CAROLINA UNIVERSITY**  
**INTERCOLLEGIATE ATHLETICS PROGRAM**  
For the Year Ended June 30, 2018

Table of Contents

Independent Accountants' Report On Applying Agreed-Upon Procedures	1-9
Statement of Revenues, Expenditures, and Transfers	10
Notes to the Statement	11-13

Independent Accountants' Report On  
Applying Agreed-Upon Procedures

Dr. David A. DeCenzo, President  
Coastal Carolina University  
P.O. Box 261954  
Conway, South Carolina 29528-6059

We have audited the financial statements of Coastal Carolina University ("University") as of and for the year ended June 30, 2018, and have issued our unmodified opinion thereon under the date of September 28, 2018. At your request, we have also performed the procedures described below which were agreed to by the Board of Trustees and management of Coastal Carolina University, solely to assist these users in evaluating whether the accompanying Statement of Revenues, Expenditures and Transfers of Coastal Carolina University is in compliance with the National Collegiate Athletic Association ("NCAA") Bylaw 3.2.4.15 for the fiscal year ended June 30, 2018. The Statement of Revenues, Expenditures and Transfers of Coastal Carolina University Intercollegiate Athletics Program and related note disclosures were not audited or reviewed by us. Management is responsible for Coastal Carolina University's compliance with the requirements of NCAA Bylaw 3.2.4.15, the Intercollegiate Athletics Program's financial records, internal controls and compliance with applicable laws, rules and regulations. This engagement to apply agreed-upon procedures ("AUP") 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.

The procedures and associated findings are as follows:

**Procedures Related to the Statement of Revenues, Expenditures and Transfers**

1. We obtained the Statement of Revenues, Expenditures and Transfers of Coastal Carolina University Intercollegiate Athletics Program and related note disclosures for the year ended June 30, 2018, as prepared by accounting management of the University and shown on page 10 in this report. We recalculated the mathematical accuracy of the amounts on the statement, traced the individual line item amounts from the statement to management's worksheets and compared the amounts on management's worksheets to the accounts in the University's general ledger.

We found no exceptions as a result of this procedure.

2. We compared each major revenue and expense accounts in the Statement of Revenues, Expenditures and Transfers to prior period amounts. We obtained and documented our understanding of any significant variations. If a specific reporting category total (specific line items of revenues and expenses) is less than 4.0% of the total revenues or total expenses, no procedures were performed for that specific category.
  - We compared each major revenue and expense account over 10% of the total revenues and total expenditures to prior period amounts. We obtained and documented our understanding of any variations over 10%. We obtained the following explanations from the University's athletic management regarding the reasons for the variances.

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Indirect Institutional Support	\$ 4,863,439	\$ 4,188,467	16.12%
Coaching Salaries and Fringe Benefits	\$ 6,484,248	\$ 5,553,761	16.75%
Administrative Salaries and Fringe Benefits	\$ 4,258,934	\$ 3,698,431	15.16%

**Indirect Institutional Support Revenue/Expense Increase (16.12%)**

*Indirect Institutional Support is a percentage of total salaries and fringe. In total salaries and fringe increased over \$1.4M. This increase is primarily due to contractual commitments from the success of athletic performance.*

**Coaching Salaries and Fringe Benefits Increased (16.75%)**

*Coaches' salaries, bonuses and fringe overall increased for all sports; however, primarily in football, baseball and men's soccer. Contractual commitments are the reason for the increase in wage expense.*

**Administrative Salaries and Fringe Benefits Increased (15.16%)**

*Administrative salaries and fringe increased primarily in sports for football, baseball and women's basketball. Football added a new position, baseball issued bonuses in FY2018 that were not in FY2017 and women's basketball had an increase in student managers and temporary staff wages. Non-sport wages increased due to change in duties in positions or performance based successes.*

We found no exceptions as a result of this procedure.

3. We inquired of management the specific elements of the University's internal control unique to the Intercollegiate Athletics Program's accounting system and financial reporting.

There are no specific elements of the University's internal controls that are unique to the Intercollegiate Athletics Program. The University and the Intercollegiate Athletics Program use the same accounting and financial reporting system.

**Receipts**

- We obtained from accounting management the general ledger activity for all cash receipts related to intercollegiate athletics. We selected a sample of individual receipts and compared the recorded cash receipt amount to adequate supporting documentation. The sample of the individual receipts selected for comparison is as follows:

Reference Number	Date	Received From/Description	Amount
C000888734	5/18/2018	PG ATHLETICS	\$ (279.00)
C000891295	6/1/2018	BS LB BUYBACKFALL	(129.00)
C000892481	6/7/2018	PG NCAA BB, fees, CAF, FB Def	(7,234.23)
C000894024	6/21/2018	KM ATHLETICS	(18.00)
C000824602	7/5/2017	BS COASTAL HOLISTICS SPR.	(1,250.00)
C000828275	7/28/2017	CCU ATHLETIC TICKET OFFICE	(1,062.00)
C000836356	8/22/2017	CCU ATHLETIC TICKET OFFICE	(4,949.00)
C000837934	9/1/2017	Ext Housing Fee:Cheerleading Operating	360.00
C000838337	9/5/2017	Michael C. Makins:Football Operating	360.00
C000838411	9/5/2017	Elizabeth G. Lennon:Women's Track and Field	140.00
C000841216	9/15/2017	CCU ATHLETIC TICKET OFFICE	(1,905.00)
C000843686	10/6/2017	B.S. BigMommias Refund	(150.00)
C000846732	10/20/2017	CCU ATHLETIC TICKET OFFICE	(12,263.84)
C000849671	11/7/2017	B.S. PDays Travel Card	(16.75)
C000852581	11/30/2017	L.B. reimb expense	(17.10)
C000854247	12/13/2017	Brandy S. Worthy:Women's Basketball Operating	550.00
C000856071	12/28/2017	Emma N. Jagich:Cheerleading Operating	365.00
C000862427	1/16/2018	Miller Direct Media:Check Payment	(75,000.00)
C000863242	1/19/2018	BS ADV GRAPH ROYALTY	(1,600.68)
C000867143	2/6/2018	BS Lafayette Entry Fees	(300.00)
C000871345	2/23/2018	CCU ATHLETIC TICKET OFFICE	(726.00)
C000876160	3/15/2018	CCU ATHLETICS	10.00
C000879443	4/4/2018	Window World of Myrtle Beach:Check Payment	(928.57)
C000886652	4/19/2018	CCU ATHLETIC TICKET OFFICE	(364.00)
C000887714	5/10/2018	BS CA-OX Lafayette	(195.00)

We found no exceptions as a result of this procedure.

**REVENUES**

**Student Fees**

1. We compared and agreed the student fees reported by the University in the statement for the reporting period to student enrollments during the same reporting period and recalculated the totals.

We found no exceptions as a result of this procedure.

2. We obtained and documented our understanding of the University's methodology for allocating student fees to intercollegiate athletics programs.

We found no exceptions as a result of this procedure.

3. The athletics department reported that the allocation of student fees is countable as generated revenue. We recalculated the totals of the University's methodology for supporting that they are able to count each sport. We tied the calculation to supporting documents.

We found no exceptions as a result of this procedure.

### **Direct Institutional Support**

1. We compared the direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculated the totals.

We found no exceptions as a result of this procedure.

### **Indirect Institutional Support Revenues**

1. We compared the indirect institutional support recorded by the University during the reporting period with expense payments, cost allocation detail and other corroborative supporting documentation and recalculated totals.

We found no exceptions as a result of this procedure.

### **Guarantees**

1. We requested settlement reports for away games during the reporting period to agree each selection to the institution's general ledger and/or the statement and to recalculate the totals.

Per management, the University did not have any guarantees which required settlement reports.

2. 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 institution's general ledger and/or the statement and recalculated the totals.

We found no exceptions as a result of this procedure.

### **Contributions**

1. We obtained and reviewed all supporting documentation and recalculated totals for any contributions of moneys, goods or services received directly by an intercollegiate athletics program from any affiliated or outside organization, agency, or group of individuals (two or more) not included above (e.g., contributions by corporate sponsors) that constitutes 10 percent or more in aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting periods.

We found no exceptions as a result of this procedure.

### **NCAA Distribution**

1. We compared the amounts recorded in the revenue and expense reporting to the general ledger detail for NCAA distributions and other corroborative supporting documents and recalculated the totals.

We found no exceptions as a result of this procedure.

## **EXPENSES**

### **Athletic Student Aid**

1. We obtained a listing from the University detailing institutional student aid recipients for the year. We selected a sample of 40 students.
2. We obtained the individual student account detail for each selection and compared the total aid allocated to the squad list and the total athletics student aid allocated to the statement.
3. We performed a check of each student selected to ensure their information was reported accurately in the NCAA's Compliance Assistant (CA) software using the following criteria:
  - a. The equivalency value for each student-athlete in all sports, including head-count sports, needs to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA as the numerator and the full grant amount which is the total cost for tuition, fees, books, room and board for an academic year as the denominator.
  - b. Grant-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate.
  - c. Other expenses related to attendance should not be included in the grants-in-aid revenue distribution equivalencies.
  - d. Full grant amount should be entered as full year of tuition, not a semester or quarter.
  - e. Student-athletes are to be counted once and should not receive a revenue distribution equivalency greater than 1.00.
  - f. Athletic grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championship competition, emerging sports for women and bowl subdivision football.
  - g. Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contest and participants' component.
  - h. Institutions providing grants to student-athletes listed on the CRDE as "Exhausted Eligibility (fifth year) or "Medical" receive credit in the grants-in-aid component.
  - i. The athletic aid equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed minimum equivalency limits due to exhausted eligibility and medical equivalencies.
  - j. If a sport is discontinued and the athletic grant(s) are still being honored by the institution, the grant(s) are included in student athlete aid for revenue distribution purposes.
  - k. All equivalency calculations should be rounded to two decimal places.
  - l. If a selected student received a PELL Grant, we verified that the student's grant was not included in the calculation of equivalencies or the total dollar amount of student athletic and expense for the institution.
  - m. If a selected student received a PELL Grant, we verified that the student's grant was included in the total number of and total value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting System.

4. We recalculated the totals for each sport and overall.

We found no exceptions as a result of these procedures.

#### **Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities**

1. We obtained and inspected a listing of coaches employed by the University and related entities during the reporting period. We selected a sample of coaches' contracts from the listing. We ensured that our sample includes coaches from football and men's and women's basketball.
2. We compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the University and related entities in the statement during the reporting period.
3. 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 University and related entities expense recorded by the University in the statement during the reporting period.
4. We compared and agreed the totals recorded to any employment contracts executed for the sample selected and recalculated the totals.

We found no exceptions as a result of these procedures.

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

1. We obtained a listing of support staff/administrative salaries, benefits and bonuses paid by the University and related entities for the year ended. From the listing, we selected a sample of support staff/administrative personnel.
2. We obtained and inspected reporting period payroll summary registers for each selection. We compared and agreed the related payroll summary registers to the related support staff administrative other compensation and benefits expense recorded by the University in the statement during the reporting period and recalculated the totals.

We found no exceptions as a result of these procedures.

#### **Disbursements**

1. We obtained the general ledger accounts for recruiting expense, team travel expense, equipment, uniforms and supplies, game expense, spirit group expense, direct overhead and administrative expense, medical expense, medical insurance, and other operating expenses. We compared the total expenditures reported to the statement.
2. We selected a sample of transactions (see below) to validate the existence of the transactions and the accuracy of recording and recalculated the totals.
3. We obtained and documented our understanding of the University's team travel policies. We compared the existing University and NCAA related policies to determine if they were in agreement.
4. For the selected expenses, we obtained the related disbursement package to determine the items required by University's procurement policy were included and that the expense had been authorized in accordance with the University's policy.

Coastal Carolina University  
Intercollegiate Athletics Program

**Disbursements, continued**

The sample of the individual disbursement selected for testing is as follows:

Voucher	Date	Vendor/Description	Amount
V0789674	5/18/2018	Coastal Carolina University	(500.00)
TE042018	5/22/2018	TE-COURTYARD BY MARRIOTT -	274.42
TE042018	5/22/2018	TE-DUNKIN #355356 Q35 - Pur	20.39
TE042018	5/22/2018	TE-DELTA 00670142364205	373.30
V0790074	5/29/2018	Athletic Flooring Installers	40,851.75
V0791598	6/14/2018	C&D Landscaping & Janitorial	1,680.93
TE051818	6/25/2018	TE-1505 JCS JACKSONVILLE -	17.23
TE051818	6/25/2018	TE-HILTON GARDEN INN MYRT -	1.14
TE051818	6/25/2018	TE-SONNY'S BBQ #49 - Purcha	122.16
V0793777	6/29/2018	Caroline S. Patterson	144.14
PC062718	6/30/2018	PC-FOOT MANAGEMENT INC - Pu	92.50
TE062018	6/30/2018	TE-BP#8283186CIRCLE K QPS -	34.35
V0749678	8/2/2017	Jaida Williams	128.00
V0751235	8/18/2017	Trevor N. Damron	125.00
V0751127	8/25/2017	Larry A. Collins, Jr.	380.40
TE072017	8/31/2017	TE-TEXACO 0358701 - Purchas	32.60
V0756390	9/5/2017	BSN Sports, LLC	32.95
V0759229	9/21/2017	BSN Sports, LLC	4,548.60
PC082517	9/28/2017	PC-NACDA AND ITS AFFILIATES	1,995.00
TE081817	10/2/2017	TE-RPS MYRTLE BEACH - Purch	63.00
TE081817	10/2/2017	TE-D&B MYRTLE BEACH 107 - P	34.00
V0762031	10/19/2017	Spectrum Reach	276.00
V0762948	10/26/2017	Henry Schein Inc	79.38
V0763542	11/1/2017	CCU PRINTING	30.00
TE092017	11/3/2017	TE-RPS MYRTLE BEACH - Purch	36.00
TE092017	11/3/2017	TE-HOTWIRE-SALES FINAL - Pu	161.29
V0767733	11/10/2017	Myrtle Beach Screen Printing	1,464.00
V0750142	11/24/2017	Myles D. White	1,222.80
PC102717	11/30/2017	PC-CCU MAIL SERVICES - Purc	2.94
TE102017	12/1/2017	TE-FRESH MKT-080 WLMT - Pur	59.64
TE102017	12/1/2017	TE-BP#8283293CIRCLE K QPS -	23.11
TE102017	12/1/2017	TE-ROMA ITALIAN BISTRO - Pu	410.19
V0770072	12/8/2017	Agile Sports Technologies Inc	35,000.00
TE112017	1/2/2018	TE-APPLEBEES 083097583207 -	442.18
TE112017	1/2/2018	TE-NATURES TABLE BISTRO - P	75.95
TE112017	1/2/2018	TE-MARRIOTT MYTRLE BEACH -	134.47
TE112017	1/2/2018	TE-DELTA 00670068985180	401.86
PC112717	1/5/2018	PC-CALLAWAY - Purchase	10.61
V0775649	1/22/2018	CCU TELEPHONE EQUIPMENT	15.00
TE122017	1/25/2018	TE-AMERICAN 00170084340576	298.00
TE122017	1/25/2018	TE-HAMPTON INNS - Purchase	142.75
V0778430	1/25/2018	Palmetto Portables	25.20
V0775893	1/29/2018	Edward J. Gallagher, III	380.40
V0780442	2/13/2018	Foam Inc	172.28
PC012618	2/26/2018	PC-BENIK CORPORATION - Purc	177.00
TE011918	2/26/2018	TE-DELTA 0068295249433	25.00
TE011918	2/26/2018	TE-SOUTHWES 5261402231061	(521.32)
V0782028	2/28/2018	STM Driven	6,550.00
V0783309	3/9/2018	Horry County Government	15.78
TE022018	3/19/2018	TE-ARAMARK EINSTEINS - Purc	15.95
TE022018	3/19/2018	TE-AMERICAN 00170100457682	417.14
TE022018	3/19/2018	TE-AMERICAN 00121722307556	95.50
V0766405	3/27/2018	Brayden C. Matts	380.40
V0785678	4/4/2018	Gary R. Gilmore	490.22
TE032018	4/20/2018	TE-WM SUPERCENTER #5417 - P	185.79
TE032018	4/20/2018	TE-DELTA 0068261476314	25.00
TE032018	4/20/2018	TE-PARKWAY BAKERY - Purchas	8.00
TE032018	4/20/2018	TE-DELTA 00670124517462	543.80
V0787304	4/24/2018	Joseph A. Catenacci	175.00
V0787512	4/26/2018	Benjamin D. Moss	43.09

We found no exceptions as a result of these procedures.

### **Team Travel**

1. We obtained documentation of the University's team travel policies.
2. We compared and agreed to existing institutional and NCAA related policies.
3. We obtained the general ledger detail and compared to the total expenses reported and recalculated the totals.

We found no exceptions as a result of this procedure.

### **Athletic Facility Debt Service**

1. We obtained a listing of the debt service schedules, lease payments and rental fees for athletics facilities for the reporting year. We compared a sample of facility payments including the top two highest facility payments to additional supporting documentation (e.g. debt financing agreements, leases, rental agreements).
2. We compared amounts recorded to amounts listed in the general ledger detail and recalculated the totals.

We found no exceptions as a result of this procedure.

### **Direct Overhead and Administrative Expenses**

1. We obtained the 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 the totals.

We found no exceptions as a result of this procedure.

### **Indirect Institutional Support Expenses**

1. We tested this line item with the revenue section Indirect Institutional Support.

We found no exceptions as a result of this procedure.

### **Outside Organizations**

1. We obtained a list of all outside organizations, whose principal purpose is to benefit the University's Intercollegiate Athletics Program. We obtained a copy of the outside organization's audited financial statements.
2. We compared the amount received from this outside organization to the amount recorded in the general ledger and on the statement.

We found no exceptions as a result of these procedures.

### **ADDITIONAL MINIMUM AGREED-UPON PROCEDURES**

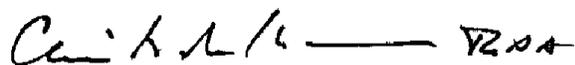
In order for NCAA to place reliance on the financial reporting for NCAA distribution purposes, we performed the following procedures:

1. For Grant-in-Aid: We compared the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from Compliance Assistance (CA) or equivalent supporting equivalency calculation from the University. The NCAA Membership Financial Reporting System populated the sports from the NCAA Membership Database as they are reported by the University. If there was a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE or equivalent supporting equivalency calculation, we inquired about the discrepancy and report the justification in the AUP report.
2. For Sport Sponsorship: We validated that the countable sports reported by the University meet the minimum requirements set forth by Law 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. Post season contests are not countable toward the contest requirements; regular season only. If the University requested and/or received a waiver related to minimum contests or minimum participants for a particular sport, that sport would not qualify as a sponsored sport for the purposes of revenue distribution. Also, only sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football are eligible. Once countable sports were validated, we ensured that the University properly reported these sports as countable for revenue distribution purposes within the NCAA Membership Reporting System. If applicable, any discrepancies were resolved within the NCAA Membership Financial Reporting System prior to the report being submitted to the NCAA.
3. For Pell Grants: We agreed the total number of Division I student-athletes who, during the academic year, received a Pell Grant award (e.g. Pell Grant recipients on Full Grant-in-Aid, Pell Grant recipients on Partial Grants-in-Aid and Pell Grant recipients with no Grant-in-Aid) and the total value of these Pell Grants reported in NCAA Membership Financial Reporting System to a report, generated out of the University's financial aid records, of all student-athlete Pell Grants.

We found no exceptions as a result of these procedures.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on compliance with NCAA Bylaw 3.2.4.15 or the expression of an opinion on The Statement of Revenues, Expenditures and Transfers of the Intercollegiate Athletics Program of Coastal Carolina University for the year ended June 30, 2018, and, furthermore, we were not engaged to express an opinion on the effectiveness of the internal controls over compliance with the laws, rules and regulations. Therefore, we express no 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 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.



January 2, 2019  
Gaffney, SC

**Coastal Carolina University**  
**InterCollegiate Athletics Program**  
Statement of Revenues, Expenditures and Transfers  
For the Year Ended June 30, 2018  
(Unaudited)

	Football	Baseball	Men's Basketball	Women's Basketball	Men's Soccer	Women's Soccer	Other Sports	Non-Sport Specific	Total
<b>Revenues:</b>									
Ticket Sales	\$ 757,436	163,774.00	99,333.00	6,121.00	-	-	16,533.00	-	1,043,197
Student Activity Fees	1,920,939	251,906	298,536	310,300	213,304	212,890	1,645,243	-	4,853,118
Direct Institutional Support	3,645,899	2,166,249	1,565,236	1,182,924	791,814	658,590	4,119,325	1,085,906	15,215,943
Indirect Institutional Support	1,243,375	578,460	373,081	238,635	186,084	91,846	775,425	1,376,533	4,863,439
Indirect Institutional Support-Athletic Debt Service	890,410	46,070	133,634	133,634	7,173	7,173	1,044,657	305,413	2,568,164
Guarantees	1,500,000	-	45,000	20,000	-	2,000	35,500	-	1,602,500
Contributions	739,330	260,617	31,334	24,037	10,959	25,595	640,380	751,508	2,483,760
Inkind Gifts	-	-	-	-	-	-	84,699	-	84,699
NCAA Distributions	98,403	46,690	12,884	12,651	34,127	-	25,262	1,501,650	1,731,667
Conference Distributions (Sun Belt)	-	-	-	-	-	-	-	657,079	657,079
Program/Novelty Sales/Concessions	4,981	-	-	-	-	-	-	-	4,981
Royalties, Licensing/Sponsorships	12,169	5,000	-	1,014	4,970	338	26,836	993,081	1,043,408
Sport Camp Field Rentals	-	-	-	-	-	-	-	23,498	23,498
Athl Restricted Endowment/Investment Income	12,475	6,653	1,443	1,417	572	887	18,190	-	41,637
Tournament Revenue, Entry Fees, Services, Misc Revenues	-	138,783	-	152	2,299	25	8,300	26,248	175,807
<b>Total Revenues</b>	<b>\$ 10,825,417</b>	<b>3,664,202</b>	<b>2,560,481</b>	<b>1,930,885</b>	<b>1,251,302</b>	<b>999,344</b>	<b>8,440,350</b>	<b>6,720,916</b>	<b>36,382,897</b>
<b>Expenditures:</b>									
Scholarships Including Out of State Abatements	\$ 2,955,876	535,466	511,948	542,438	377,346	438,958	3,051,883	55,354	8,469,269
Guarantees	458,081	60,007	40,844	5,568	2,366	-	676	-	567,542
Coaching Salaries and Fringe Benefits	1,996,362	1,179,513	703,947	412,963	398,638	202,884	1,589,941	-	6,484,248
Administrative Salaries and Fringe Benefits	750,213	98,287	120,178	114,175	12,415	-	122,949	3,040,717	4,258,934
Recruiting	297,234	46,401	109,958	41,733	14,827	14,207	125,426	-	649,786
Team Travel	900,446	289,372	304,899	223,429	110,316	127,012	\$919,805	-	2,875,279
Equipment, Uniforms and Supplies	303,967	177,835	32,408	19,634	51,019	27,963	230,007	-	842,833
Game Expenses	515,758	305,948	164,005	129,850	49,883	47,586	185,038	-	1,398,068
Marketing and Promotions	-	-	-	-	-	-	-	130,302	130,302
Spirit Groups	-	-	-	-	-	-	-	232,917	232,917
Athletic Debt Service	890,410	46,070	133,634	133,634	7,173	7,173	1,044,657	305,413	2,568,164
Direct Overhead and Administrative Expenses	336,574	183,869	47,692	50,031	19,089	29,097	310,430	1,199,563	2,176,345
Indirect Institutional Support	1,243,375	578,460	373,081	238,635	186,084	91,846	775,425	1,376,533	4,863,439
Medical Expenses and Insurance	-	-	-	-	-	-	-	79,920	79,920
Memberships and Dues	82	280	535	800	550	485	8,889	96,913	108,534
Student-Athlete Meals (non-travel)	156,129	31,327	3,900	6,343	4,743	11,307	53,059	-	266,808
Other Operating Expenses	20,910	2,774	13,452	11,652	412	826	20,032	238,486	308,544
Visiting Team/Tournament Expenses	-	128,593	-	-	16,441	-	2,133	27,091	174,258
<b>Total Expenditures</b>	<b>\$ 10,825,417</b>	<b>3,664,202</b>	<b>2,560,481</b>	<b>1,930,885</b>	<b>1,251,302</b>	<b>999,344</b>	<b>8,440,350</b>	<b>6,783,209</b>	<b>36,455,190</b>
<b>Deficiency of Revenues Over Expenses</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62,293)</b>	<b>(62,293)</b>

**COASTAL CAROLINA UNIVERSITY**  
**INTERCOLLEGIATE ATHLETICS PROGRAM**  
Notes to the Statement of Revenues, Expenditures and Transfers  
June 30, 2018  
(Unaudited)

**NOTE 1 - CONTRIBUTIONS**

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

Chanticleer Athletic Foundation (CAF)	\$	1,908,133
Coastal Education Foundation (CEF)		597,965
		597,965
	\$	2,506,098

**NOTE 2 - INTERCOLLEGIATE ATHLETICS - RELATED ASSETS**

Capital assets are recorded at cost on the date of acquisition or, in the case of gifts, at the acquisition value on the date of donation. The asset capitalization policy refers to guidelines set by the State of South Carolina to determine the useful life of an asset. All land is capitalized regardless of cost. Qualifying improvements that rest in or on the land itself are recorded as depreciable land improvements. Major additions and renovations and other improvements that add to the usable space, prepare existing buildings for new uses or extend the useful life of an existing building costing in excess of \$100,000 are capitalized. Permanent improvement projects and routine maintenance that do not fall within the defined parameters for capitalization are expensed in the year they occur according to Generally Accepted Accounting Principles (GAAP). As a rule, if the work is of a replacement nature and does not materially lengthen the useful life of a structure, it will not be capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful life for buildings and improvements is 10 to 40 years; 10 to 15 years for land improvements; 3 to 10 years for vehicles, equipment and machines; 3 years for intangible assets externally acquired – internally generated not capitalized. A full month of depreciation is taken the month the asset is placed in service and no depreciation is taken the month of disposition.

Interest cost incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed net of interest earned on the invested proceeds over the same period.

**COASTAL CAROLINA UNIVERSITY  
INTERCOLLEGIATE ATHLETICS PROGRAM**

Notes to the Statement of Revenues, Expenditures and Transfers, Continued  
June 30, 2018  
(Unaudited)

**NOTE 3 - INTERCOLLEGIATE ATHLETICS - RELATED DEBT**

	Interest Rates	Maturity Dates	Balance 6/30/2018
State Institution Obligation Bonds			
General Obligation 2010A	2.5% to 5.0%	4/1/2030	\$ 8,826,617
General Obligation 2016E	5.0%	4/1/2027	2,155,770
Total State Institutional Bonds			<u>10,982,387</u>
Revenue Bonds			
Series 2016	3.0% to 5.0%	6/1/2041	20,990,000
Total Revenue Bonds			<u>20,990,000</u>
 Total Bonds Payable			 <u><u>\$ 31,972,387</u></u>

Maturities of debt related to intercollegiate athletics at June 30, 2018 were as follows:

General Obligation Bonds			
Due in Fiscal Year	Principal	Interest	Payments
2019	\$ 778,004	\$ 443,517	\$ 1,221,521
2020	806,909	406,077	1,212,985
2021	841,835	371,777	1,213,612
2022	876,760	335,960	1,212,720
2023	916,504	298,638	1,215,141
2024-2028	4,951,047	852,183	5,803,230
2029-2030	1,811,328	68,467	1,879,795
	<u>\$ 10,982,387</u>	<u>\$ 2,776,619</u>	<u>\$ 13,759,004</u>

Revenue Bonds			
Due in Fiscal Year	Principal	Interest	Payments
2019	\$ 585,000	\$ 729,431	\$ 1,314,431
2020	610,000	706,031	1,316,031
2021	635,000	681,631	1,316,631
2022	660,000	656,231	1,316,231
2023	695,000	623,231	1,318,231
2024-2028	3,940,000	2,639,406	6,579,406
2029-2033	4,700,000	1,880,806	6,580,806
2034-2038	5,460,000	1,127,725	6,587,725
2039-2041	3,705,000	243,425	3,948,425
	<u>\$ 20,990,000</u>	<u>\$ 9,287,917</u>	<u>\$ 30,277,917</u>

**COASTAL CAROLINA UNIVERSITY  
INTERCOLLEGIATE ATHLETICS PROGRAM**

Notes to the Statement of Revenues, Expenditures and Transfers, Continued  
June 30, 2018  
(Unaudited)

**NOTE 3 - INTERCOLLEGIATE ATHLETICS - RELATED DEBT**, Continued

Athletically related debt service and total debt year ended June 30, 2018.

	Athletically Related	University Total
Total Annual Debt Service	\$ 2,568,164	\$ 18,574,741
Total Debt Outstanding:		
Institution Bonds	\$ 10,982,387	\$ 45,595,000
Revenue Bonds	20,990,000	196,677,786
Internal Debt	658,821	-
	\$ 32,631,208	\$ 242,272,786