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GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
FOR THE YEAR ENDED JUNE 30, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 1/30/02

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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
TO THE ACCOUNTING RECORDS**

Dr. Neari Warner, Acting President
Grambling State University
Grambling, Louisiana 71245

At your request, we have performed the agreed-upon procedures, as enumerated below, which were agreed to by management of the Grambling State University (the University), to the unaudited accounting records of the Intercollegiate Athletics Program as of the year ended June 30, 2002, solely to assist the University in complying with NCAA Bylaw 8.2.3.1. The University is responsible for the unaudited accounting records of the Intercollegiate Athletics Program. The State of Louisiana Legislative Auditor audited the general purpose financial statements of the University for the year ended June 30, 2002. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the 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. Our procedures and findings were as follows:

- A. We agreed the revenue and expenditure amounts per the Schedule of Revenues and Expenditures for the year ended June 30, 2002 to the audited general ledger and noted no exceptions.
- B. We verified amounts reported as ticket sales by reviewing appropriate documentation (i.e. sales reports, receipts, etc.), recalculating the number of tickets sold by reference to the ticket price and comparing amounts calculated to the final box office statements and we vouchered supporting cash receipts. As a result of the procedures performed, we noted the following exceptions:

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
TO THE ACCOUNTING RECORDS**

(CONTINUED)

Dr. Neal Warner, Acting President
Grambling State University
Page 2

- Amounts per ticket sales reports differed from amounts recorded in the general ledger for four (4) of the four (4) home football games selected for testing, as a result of general ledger account misclassifications, and amounts per sales reports not being reconciled to the amount per the general ledger.
- Bayou Classic collections as reported in the general ledger aggregated \$627,624 as compared to the settlement statement which totaled \$654,471, we were unable to reconcile the difference.
- The University was not reimbursed by the Grambling State Alumni Association for Bayou Classic expenses paid by the University on behalf of the Association.

We also noted that the Legislative Auditor conducted an investigative audit of athletic ticket revenues and cash collections. See the Schedule of Summary Results of Investigative Audit for the audit findings.

- C. We agreed the amounts reported as game guarantee revenues and expenditures to the University's contract with other Universities and additionally, we touched supporting cash receipts and cash disbursements accordingly. We noted no exceptions as a result of this procedure.
- D. We agreed NCAA distributions and other miscellaneous revenue to applicable supporting documentation and noted no exceptions.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES
TO THE ACCOUNTING RECORDS**
(CONTINUED)

Dr. Neam Warner, Acting President
Grambling State University
Page 3

- E. We obtained and compared the payroll amounts for athletic employees per the June 30, 2002 and 2001 subsidiary schedule of Earnings and Fringe Benefits (the Schedule). We reviewed sampled supporting personnel action forms for appropriate approval for the related wages and fringe benefit increases or decreases and noted no exceptions as a result of this procedure.

- F. We vouches a random sample of expenditure amounts and reviewed the related purchasing documents, invoices and cancelled checks. We noted no exceptions as a result of 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 specified elements, accounts, or items. 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 acting President, her designees and authorized representatives of the National Collegiate Athletic Association and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2002

GRANDDOD STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAMS
SCHEDULE OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022

| | Football | Baseball | Softball | Sub-squad Football | Baseball | Softball | Baseball | Other Sports | Non-Program Revenues | Total |
|--|-------------------|------------------|-------------------|--------------------|-------------------|-------------------|-------------------|---------------------|----------------------|-------------------|
| Operating Revenues: | | | | | | | | | | |
| Tuition sales | \$ 421,894 | \$ | \$ 1,192,273 | \$ | \$ 2,867 | \$ | \$ 3,657 | \$ | \$ | \$ 1,700,691 |
| Contributions | 144,000 | | 144,000 | | 46,000 | | 171,000 | | | 361,000 |
| State Appropriations (NOTICE) | | | | | | | | 1,498,475 | | 1,498,475 |
| State Services Allocation (NOTICE) | | | | | | | | 251,258 | | 251,258 |
| Other revenues | | | | | | | | 20,497 | | 20,497 |
| Total operating revenues | 565,894 | 779,311 | 1,336,273 | 44,867 | 174,857 | 174,852 | 3,657 | 1,769,225 | 1,769,225 | 3,134,112 |
| Operating Expenditures: | | | | | | | | | | |
| Personnel services | 114,110 | 8,299 | 256,461 | 219,120 | 210,447 | | 210,447 | 683,448 | | 1,317,735 |
| Professional services | 3,398 | 126,796 | 124,294 | 34,158 | 30,054 | | 30,054 | 156,963 | | 361,458 |
| Talent | 179,248 | 87,880 | 277,448 | 179,258 | 214,413 | | 214,413 | 600,714 | | 1,111,862 |
| Supplies | 169,625 | | 169,625 | 21,254 | 21,255 | | 21,255 | 240,258 | | 360,388 |
| Printing | 9,448 | | 9,448 | | | | | 6,388 | | 11,218 |
| Books | 40,814 | | 40,814 | 8,798 | 14,318 | | 14,318 | 11,882 | | 75,402 |
| Classroom | 5,186 | | 5,186 | 5,881 | | | | 18,888 | | 29,955 |
| Other charges | 49,388 | 1,049 | 51,437 | 39,481 | 47,289 | | 47,289 | 82,343 | | 210,403 |
| Major Repairs | 11,892 | | 11,892 | 2,281 | | | | 21,413 | | 35,585 |
| Scholarships | 24,687 | | 24,687 | 147,131 | 249,687 | | 249,687 | | | 497,405 |
| Total operating expenditures | 1,247,491 | 311,725 | 1,473,192 | 280,297 | 1,069,711 | 1,069,711 | 210,447 | 1,029,916 | 1,029,916 | 4,468,631 |
| Excess expenditures over revenues | \$ 281,597 | \$ 41,414 | \$ 286,819 | \$ 235,430 | \$ 294,854 | \$ 294,854 | \$ 210,447 | \$ 1,044,711 | \$ 1,044,711 | \$ 553,019 |

The accompanying notes are an integral part of this schedule.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE 1 - Organization

Grambling State University (GSU) which is located in Grambling, Louisiana is an institution of higher education founded in 1901.

The University is a component unit of the State of Louisiana within the executive branch of government and is governed by the University of Louisiana Board of Supervisors under the direction of the Board of Regents. The annual budget of the University and any proposed changes to degree programs, or departments of instruction, etc., require the recommendations of the University of Louisiana Board of Supervisors and the approval of the Louisiana Board of Regents.

The University has an enrollment of approximately 4,500 students and is accredited by the Southern Association of Colleges and Schools and the National Council for Accreditation of Teachers Education.

The University operates the following intercollegiate Athletics Programs:

- Football;
- Basketball (men and women);
- Baseball;
- Tennis (men and women);
- Golf (men and women);
- Track (men and women);
- Volleyball (women);
- Softball (women); and
- Bowling (women).

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE 2 - Summary of Significant Accounting Policies

Basis of Reporting

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement Nos. 34, Basic Financial Statement - and Management Discussion and Analysis - for State and Local Governments and 35, Basic Financial Statement - and Management Discussion and Analysis - for State and Local Governments. The financial statement presentation required by GASB 34 and 35 replaces the fund-group perspective previously required and provides a comprehensive, entity-wide perspective of the institution's assets, liabilities, net assets, revenues, expenses, and changes in net assets, and cash flows.

The accompanying Schedule of Revenues and Expenditures (the Schedule) for the intercollegiate Athletics Program has been prepared in the format set forth in the NCAA Audit Guide. The purpose of the Schedule is to present a summary of those activities of Grambling State University for the year ended June 30, 2002 which relate to intercollegiate athletics.

Because the Schedule 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 fund balances or the current fund's revenues, expenditures and other changes of the University.

The component unit general purpose financial statements were audited by the State of Louisiana Legislative auditors for the year ended June 30, 2002.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE 2 - Summary of Significant Accounting Policies, Continued:

Basis of Reporting, Continued

The accounting principles followed by the University in preparing the accompanying Schedule are as follows:

o **Fund Accounting**

For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities. All activities of the University are accounted for within a single proprietary (enterprise) fund. Accordingly, Grambling State University's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The Schedule of Revenues and Expenditures for the Intercollegiate Athletics Program has been prepared on the accrual basis of accounting and in accordance with generally accepted accounting principles.

The preparation of the Schedule of Revenues and Expenditures in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

To the extent that current funds are used to finance plant assets, the amounts so provided are accounted for as expenditures.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE 3 - Capital Outlays:

Capital assets are recorded as additions to capital assets on the Statement on Net Assets and as a fund addition to Net Assets Invested in Capital Assets, net of related debt.

NOTE 4 - State Appropriation:

Grambling State University is a publicly supported institution of higher education. As a state university, operations of the University's programs are funded through annual lapsing appropriations made by the Louisiana Legislature.

State appropriations as shown on the Schedule of Revenues and Expenditures for Intercollegiate Athletics represents the State appropriation budgeted for the University's intercollegiate athletic program for the year ended June 30, 2002.

NOTE 5 - Ticket Sales:

Ticket sale revenues include the net proceeds received for participating in the Classics, and the gross revenue for all home games.

NOTE 6 - Bayou Classic:

Ticket sales revenue included the net proceeds from the Bayou Classic. Revenues and direct expenditures are recorded in the University's Statement of Revenues, Expenses and Other Changes as auxiliary enterprises for intercollegiate athletics.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETIC PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
NOTES TO THE SCHEDULE OF REVENUES AND EXPENDITURES
(CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE 7 - Outside Organizations:

Grambling State University's Intercollegiate Athletic Program is the recipient of contributions to or on behalf of the program by the Grambling University Athletic Foundation (the Athletic Foundation) and other affiliated outside organization. The financial activities of the Athletic Foundation for the year ended June 30, 2002 were provided to the University, but are not included in the Schedule of Revenues and Expenditures.

NOTE 8 - NCAA Revenue Distribution:

The Intercollegiate Athletic Program received revenues during the year from the NCAA for certain intercollegiate athletic activities. The amount received was calculated by the NCAA in accordance with a distribution formula which is utilized to determine the amount to be received to all participating institutions.



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**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES -
INTERNAL CONTROL OVER FINANCIAL REPORTING
FOR THE INTERCOLLEGIATE ATHLETICS PROGRAM**

Dr. Nnani Warner, Acting President
Grambling State University
Grambling, Louisiana 71245

We have performed the procedures enumerated below, which were agreed to by the management of Grambling State University. They were performed solely to assist the users in evaluating whether Grambling State University maintained an effective internal controls over financial reporting for the Intercollegiate Athletics Program as of June 30, 2002. The management of the University is responsible for Grambling State University's Intercollegiate Athletics Program's internal control over financial reporting. 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.

Our procedures and findings are as follows:

- A. We reviewed the athletic department's organization and noted the following:
- The Office of Business Service (ticket office) is currently responsible for selling tickets for all athletic events, recording the revenue received from such events and reconciling all game income, which represents a lack of separation of duties.
 - The staffing of the Office of Business Services (ticket office) was inadequate to meet the following office requirements:

**INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES -
INTERNAL CONTROL OVER FINANCIAL REPORTING
FOR THE INTERCOLLEGIATE ATHLETICS PROGRAM
(CONTINUED)**

- Planning and supervising athletic travel needs;
 - Processing medical bills for athletes;
 - Selling game tickets;
 - Monitoring departmental expenditures;
 - Coordinating certain athletic events; and
 - Recording athletic event income.
- A periodic inventory of unaid pre-numbered ticket stock paper and internal audits of athletic ticket sales were not performed during the year ended June 30, 2002.
- B. We reviewed the flow of information through the accounting system for randomly selected revenue, cash receipts and cash disbursement transactions. As a result of this procedure, we noted that transactions were not being properly classified in the general ledger. We also noted that athletic ticket sales reports were not reconciled to amounts in the general ledger and that amounts recorded as Bayou Classic revenues were not reconciled to the Bayou Classic settlement statement.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on the effectiveness of internal control over financial reporting. 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 acting President, her designees and authorized representatives of the NCAA, and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2002



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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES -
COMPLIANCE WITH STATE LAWS AND REGULATIONS.**

Dr. Nezi Warner, Acting President
Grambling State University
Grambling, Louisiana 71245

We have performed the procedures enumerated below, which were agreed to by the management of Grambling State University (the University). They were performed solely to assist the users in evaluating the effectiveness about Grambling State University's Intercollegiate Athletics Program's internal control over compliance with state laws and regulations as of June 30, 2000. 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.

Our procedures and findings were as follows:

- A. We reviewed and tested certain representations made by management in the Louisiana Compliance Questionnaire (the Questionnaire) which related to the operations of the Intercollegiate Athletics Program. We noted that the University had not complied with Part V Item 15 of the Questionnaire relative to the timely submission of the agreed-upon procedures engagement.

INDEPENDENT ACCOUNTANTS REPORT
ON APPLYING AGREED-UPON PROCEDURES -
COMPLIANCE WITH STATE LAWS AND REGULATIONS
(CONTINUED)

- B. We reviewed the Athletic Department's compliance with state travel regulations and competitive bid requirements by randomly testing expenditure transactions. We noted no exceptions as a result of this procedure.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the effectiveness of internal controls over compliance. 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 acting President, her designees and authorized representatives of the NCAA, and is not intended to be and should not be used by anyone other than these specified parties.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
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December 31, 2002



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**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES -
TO THE FINANCIAL STATEMENTS OF AN OUTSIDE ORGANIZATION**

**Dr. Neal Warner, Acting President
Grambling State University
Grambling, Louisiana 71242**

At your request, we have performed the agreed-upon procedures, as enumerated below, which were agreed to by management of Grambling State University (the University), solely to assist you with respect to activities of the Intracollegiate Athletics Program and the Grambling Athletic Foundation (an outside organization).

This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures below either for the purpose for which this report has been requested or for any other purpose. Our procedures and findings were as follows:

- A. We obtained the statements of financial position and cash flows and the accompanying statements of activities of the Grambling University Athletic Foundation (the Foundation) for the year ended June 30, 2002, which had been audited by other independent auditors who expressed an unqualified opinion on these statements.

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES -
TO THE FINANCIAL STATEMENTS OF AN OUTSIDE ORGANIZATION

(CONTINUED)

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 elements, accounts, or items. 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 acting President, her designees and authorized representatives of the National Collegiate Athletic Association and is not intended to be used should not be used by anyone other than these specified users.

Bruno & Tervalon LLP
BRUNO & TERVALON LLP
CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2002

BRANDLEIGH UNIVERSITY ATHLETIC FOUNDATION
 Statement of Activities
 For the Year Ended
 June 30, 2002

| | Unrestricted | Temporarily Restricted | Total |
|---|-------------------|------------------------|-------------------|
| Supporting Revenue | | | |
| Contributions | \$ 6,678 | \$ 242,971 | \$ 249,649 |
| Investments | 14,003 | 17,240 | 31,243 |
| Membership Fees (Sage Club) | 17,800 | - | 17,800 |
| Other Revenues | | | |
| Interest | 6,611 | 178 | 6,789 |
| Endowments | 1,188 | - | 1,188 |
| Rental Fees (Lease) | 1,710 | - | 1,710 |
| Unrelated Other (Comes) | (293) | - | (293) |
| Reclassification of Net Assets | 11,108 | (11,108) | - |
| Net Assets Released from Restrictions | | | |
| Revenues Initiated by Payments | 230,117 | (230,117) | - |
| Total Support Revenue, Reclassification, and Release from Restrictions | <u>117,108</u> | <u>117,117</u> | <u>234,225</u> |
| Expenses | | | |
| Contract and Administrative Expenses | 27,696 | - | 27,696 |
| Facilities Expenses | 38,004 | - | 38,004 |
| Program Expenses | 262,143 | - | 262,143 |
| Total Expenses | <u>267,843</u> | <u>-</u> | <u>267,843</u> |
| Change in Net Assets | <u>14,265</u> | <u>117,117</u> | <u>131,382</u> |
| Other - Change in Net Assets | | | |
| Fair Value Adjustment | 4,817 | - | 4,817 |
| Total Other - Change in Net Assets | <u>4,817</u> | <u>-</u> | <u>4,817</u> |
| Total Change in Net Assets | <u>19,082</u> | <u>117,117</u> | <u>136,199</u> |
| Net Assets as of Beginning of Year | <u>125,118</u> | <u>215,381</u> | <u>340,500</u> |
| Net Assets as of End of Year | <u>\$ 144,200</u> | <u>\$ 332,498</u> | <u>\$ 476,698</u> |

See Accompanying Notes to Financial Statements

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
SUMMARY RESULTS OF INVESTIGATIVE AUDIT
FOR THE YEAR ENDED JUNE 30, 2002**

The Legislative Auditor conducted an investigative audit of Grambling State University's Athletic Program. The investigative audit reviewed athletic ticket revenues and cash collections. The Legislative Auditor's Investigative Audit Report cited the following condition:

Diverted Ticket Money

During the period July 27, 1998, through August 31, 2001, \$25,512 was diverted from Grambling State University (GSU) ticket sales to an unauthorized bank account in the name of GSU Baptist Student Union. A former GSU athletic department employee, admitted that she obtained checks from the GSU athletic department made payable to GSU for ticket sales and deposited these checks into the GSU Baptist Student Union bank account, which she controlled. The employee stated that she used the money from this unauthorized bank account for personal purposes and to support the Baptist Student Union. Records of the Baptist Student Union show that checks totaling \$31,005 were made payable directly to the employee. The remaining checks totaling \$4,507 were payable to vendors and employees of the Baptist Student Union.

In addition, because of missing records and inadequate internal controls, GSU cannot determine the amount of proceeds actually collected by the athletic department for sporting events and related activities nor can GSU determine whether all of these proceeds were actually deposited into bank accounts controlled by GSU.

The investigative audit report is dated September 25, 2002.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012**

1. Independent Accountants' Report on Applying Agreed-Upon Procedures to the Accounting Records

Reference Section: A

Description of Finding: Rayco Classic revenues per the general ledger differed from amounts recorded in the Rayco Classic Settlement Statement.

Initial Year of Finding: June 30, 2011

Page Number: Page 2

Status of Finding (check one):

| | | | |
|---------------------|-------|--------------------------|--------------|
| Fully Corrected | _____ | Not Corrected | <u> X </u> |
| Partially Corrected | _____ | No Further Action Needed | _____ |

Description of Status: The University has developed new procedures and reorganized the staffing of the athletic business department to ensure that proper accounting and reconciliations are performed to eliminate this problem. In the future, gross ticket sales revenue will be recorded and expenditures on the settlement statement will be charged to the athletic department as reimbursed by Rayco Classic accounts maintained by the Grambling State University National Alumni Association.

See the current year's finding located at the Independent Accountants' Report on Applying Agreed-Upon Procedures - Section B

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2002**

2. Independent Accountants' Report on Applying Agreed-Upon Procedures - Internal Control over Financial Reporting for the Intercollegiate Athletics Program.

Reference Section: A

Description of Finding: The Office of Business Services lacked a proper segregation of duties, and a periodic inventory of annual pre-numbered ticket stock paper and internal audits of athletic ticket sales were not performed during the year.

Initial Year of Finding: June 30, 2000

Page Number: Page 30 of 44

Status of Finding (check one):

| | | | |
|---------------------|-------|--------------------------|-------|
| Fully Corrected | _____ | Not Corrected | _____ |
| Partially Corrected | _____ | No Further Action Needed | _____ |

Description of Status: The University is in the process of reorganization as well as evaluating the staffing needs of the Athletic Business Office. Subsequent to the evaluation of the Business Office, the former Budget Director was transferred to the ticket office and a new accountant is being recruited to ensure proper segregation of duties. The University now has a fully staffed internal audit department who will inventory the ticket stock paper and conduct internal audits of athletic ticket sales.

See the current year's finding located at the Independent Accountants' Report on Applying Agreed-Upon Procedures - Internal Controls over Financial Reporting for the Intercollegiate Athletics Program - Section A.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2020**

Reference Section: B

Description of Finding: During the review of selected revenues, cash receipts, and cash disbursement transactions, we noted that transactions were not being properly classified in the general ledger.

Initial Year of Finding: June 30, 2018

Page Number: Page 11

Status of Finding (check one):

| | | | |
|---------------------|-------|--------------------------|----------------|
| Fully Corrected | _____ | Not Corrected | _____ <u>1</u> |
| Partially Corrected | _____ | No Further Action Needed | _____ |

Description of Status:

See the current year's finding located at the Independent Accountants' Report on Applying Agreed-Upon Procedures – Internal Controls over Financial Reporting for the Intercollegiate Athletics Program – Section B.

**Reference Section: Independent Accountants' Report on Applying Agreed Upon Procedures-
Compliance with State Laws and Regulations Section A.**

Description of Finding: During the review of the University's compliance with State Laws and Regulations, we noted that the agreed upon procedures engagement was not submitted timely.

Initial Year of Finding: June 30, 2018

Page Number: Page 12

Status of Finding (check one):

| | | | |
|---------------------|-------|--------------------------|----------------|
| Fully Corrected | _____ | Not Corrected | _____ <u>1</u> |
| Partially Corrected | _____ | No Further Action Needed | _____ |

Description of Status:

See the current year's finding located at the Independent Accountants' Report on Applying Agreed-Upon Procedures – Compliance with State Laws and Regulations – Section A.

**GRAMBLING STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS PROGRAM
AGREED-UPON PROCEDURES ENGAGEMENT**

EXIT CONFERENCE

An exit conference was held with representatives of the University. Those individuals participating were as follows:

GRAMBLING STATE UNIVERSITY

| | | |
|---------------------------|----|---|
| Mr. Billy R. Owens, CPA | -- | Vice President of Finance |
| Mr. Nathan E. Jones | -- | Associate Vice President of Finance and Controller |
| Mr. Albert R. Dennis, III | -- | Athletic Director |

BRUNO & TERVALON LLP, CERTIFIED PUBLIC ACCOUNTANTS

| | | |
|---------------------------|----|------------------|
| Mr. Michael B. Bruno, CPA | -- | Managing Partner |
| Mr. Sean Bruno, CPA | -- | Supervisor |