

THE CITADEL, THE MILITARY COLLEGE
OF SOUTH CAROLINA
INTERCOLLEGIATE ATHLETICS PROGRAM

NCAA AGREED-UPON PROCEDURES

Year Ended June 30, 2023

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

THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA
INTERCOLLEGIATE ATHLETICS PROGRAM
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Independent Accountant's Report on
Applying Agreed-Upon Procedures

To General Glenn M. Walters, USMC (Retired), President
The Citadel, The Military College of South Carolina
Charleston, South Carolina

We have performed the procedures enumerated below on the Statement of Athletic Revenues and Expenses of the Intercollegiate Athletics Program (Unaudited) (the "Statement") of the Citadel, the Military College of South Carolina, (the "College"), for the year ended June 30, 2023. The College's management is responsible for the Statement.

The College has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose, as mandated under the provisions of the National Collegiate Athletic Association ("NCAA") Bylaw 20.2.4.17.1, of subjecting to agreed-on procedures all expenses and revenues for or on behalf of the College's intercollegiate athletics program for the year ended June 30, 2023. The College has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their intended use.

Results of Procedure: We compared five operating revenue receipts recognized during the year ended June 30, 2023 listed below to supporting schedules provided by the College:

	Description	Reference Number	Amount
1.	Athletics CHK Pepsi 2/23	F0017195	\$ 60,000
2.	USAA	F0016435	10,000
3.	IPS	F0016094	19,300
4.	Affinity 3 rd Quarter	F0016783	83,414
5.	Affinity 2 nd Quarter	F0016435	43,783

No exceptions were found as a result of applying these procedures.

3. Procedure: In accordance with the NCAA 2023 Agreed-Upon Procedures Guide, if a revenue category reported on the Statement is less than 4.0% of total revenues on the Statement, no procedures are required for that specific revenue category. Compute 4.0% of total revenues per the Statement. Inspect the Statement and identify each specific revenue category in excess of 4.0% of total revenues and perform the procedures specified on the NCAA 2023 Agreed-Upon Procedures Guide for that revenue category.

Results of Procedure: We mathematically computed 4.0% of total revenues from the Statement. We identified the following revenue categories that were in excess of 4.0% of total revenues reported in the Statement, procedures a. through e. listed below, and performed the required procedure for that category in accordance with the NCAA 2023 Agreed-Upon Procedures Guide:

- a. Procedure: We will compare and recalculate total revenues related to ticket sales, complimentary tickets provided and unsold tickets during the year ended June 30, 2023 to the total ticket revenue reported on the Statement and related attendance figures.

Results of Procedure: We compared and recalculated total revenues related to ticket sales, complimentary tickets provided and unsold tickets during the year ended June 30, 2023 to the total ticket revenue reported on the Statement and related attendance figures. g revenue

- d. Procedure: We will obtain the detailed listing of contributions for the year ended June 30, 2023 and will compare the total to the Statement. From the listing, for any contributions that constitute 10% or more of all contributions received for intercollegiate athletics during the year, we will agree amounts per the listing to the supporting documentation, inspect for reasonableness, and will recalculate totals.

Results of Procedure: We obtained the detailed listing of contributions for the year ended June 30, 2023, compared the total to the Statement, and recalculated totals. We inspected the listing, noting one contribution from The Citadel Brigadier Foundation for \$2,080,000 that was greater than 10% of all contributions received by for intercollegiate athletics during the year ended June 30, 2023. We agreed the \$2,080,000 contribution from Th

5. Procedure: We will compare and agree a sample of twenty expenses during the year ended June 30, 2023 to supporting schedules provided by the College. This sample will include items selected from the samples identified in procedure 7, with additional samples picked as necessary to reach a total of twenty.

Results of Procedures: We compared the twenty disbursements listed below to supporting schedules

- c. Other expenses related to attendance (also known as gap money or cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board and course-related books are countable for grants-in-aid revenue distribution per

	Employee	Department	Position
1.	Mike Marangelli	Equipment	Director of Football Equipment
2.	Collin Smith	Communications	Assistant Director of Athletic Communications
3.	Joe Varga	Strength & Conditioning	Director of Strength & Conditioning (Football)

- c. Procedure: We will obtain an understanding of the College's team travel policies for the year ended June 30, 2023. We will compare and agree the policies to existing College and NCAA-related policies. We will obtain the general ledger detail of travel expenses and compare it to the total travel expenses reported on the Statement and recalculate totals for the year ended June 30, 2023.

Results of Procedure: We obtained an understanding of the College's team travel policies for the year ended June 30, 2023. We compared the policies to existing College and NCAA-related policies. We obtained the general ledger detail of travel expenses and compared it to the total travel expenses reported on the Statement and recalculated totals for the year ended June 30, 2023. No exceptions were found as a result of applying these procedures.

- d. Procedure: We will obtain and recalculate a listing of athletic facilities debt service schedules, lease payments, and rental fees

Additional Agreed-Upon Procedures

1. Procedure: We will compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the College for the year ended June 30, 2023. If any discrepancies are found between the NCAA Membership Financial Reporting System and the squad lists, we will inquire about the discrepancy and confirm that it is justifiable and report any justification on the final agreed-upon procedures report.

Results of Procedure: We compared the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the College for the year ended June 30, 2023, noting no discrepancies. No exceptions were found as a result of applying these procedures.

2. Procedure: We will compare current year Grants-in-Aid revenue distribution equivalencies for the year ended June 30, 2023 to prior year reported equivalencies per the NCAA Membership Financial Reporting System. We will inquire and document any variance greater than +/-4%.

Results of Procedure: We compared current year grants-in-aid revenue equivalencies for the year ended June 30, 2023 to prior year reported equivalencies per the Membership Financial Report submission and inquired and documented an explanation for any variance greater than +/- 4%. Overall, grants-in-aid increased by 3.8% from the prior year. The initial increase was 28.5% based on the original prior year equivalencies, however, the College stated that the prior year equivalency total of 119 was incorrect and should have been 147.58 which causes a variance of 3.8% when compared to the prior year.

3. Procedure: We will obtain the College's Sports Sponsorship and Demographics Forms Report for the year ended June 30, 2023 and confirm that the countable sports reported by the College meet the minimum requirements set forth in Bylaw 20.10.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum contest requirement. Once countable sports have been confirmed, we will inspect it for proper reporting of these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

Results of Procedure: We obtained the College's Sports Sponsorship and Demographic Forms Report for the year ended June 30, 2023. We inspected it to confirm that the countable sports reported by the institution meet the minimum requirements set forth in Bylaw 20.10.6.3 for the number of contests and number of participants in each contest that is counted toward meeting the minimum contest requirement. Once the countable sports were confirmed, we inspected it for proper reporting of the sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System. No exceptions were found as a result of applying these procedures.

4. Procedure: We will compare the current year number of Sports Sponsored to the prior year reported total per the Sports Sponsored per the NCAA Membership Financial Report submission. We will inquire and document any variance.

Results of Procedure: We compared the current year number of sports sponsored to the prior year reported total per the Membership Financial Report submission and inquired and documented an explanation for any variance. We found no variances in the current year number of sports sponsored compared to the prior year reported total per the Membership Financial Report submission. No exceptions were found as a result of applying these procedures.

5. Procedure: For Pell Grant recipients, we will agree the total number of Division I student-athletes, during the academic year, who 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 Grants-in-Aid) and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the institutions financial aid records, of all student-athlete Pell Grants.

Results of Procedure: For Pell Grants, we compared the total number of Division I student-athletes,

11. Procedur e:

THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA
INTERCOLLEGIATE ATHLETICS PROGRAM
STATEMENT OF ATHLETIC REVENUES AND EXPENSES (UNAUDITED)

YEAR ENDED JUNE 30, 2023

THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA
INTERCOLLEGIATE ATHLETICS PROGRAM
SELECTED NOTES TO STATEMENT OF ATHLETIC REVENUES AND EXPENSES
(UNAUDITED)

YEAR ENDED JUNE 30, 2023

Note 1—Basis of presentation

The Statement of Athletic Revenues and Expenses (Unaudited) of The Citadel, The Military College of South Carolina's (the "College") Intercollegiate Athletics Program (the "Statement") was prepared on the accrual basis of accounting modified to omit depreciation expense and gross pledges receivable which are not considered allocated until cash is received.

Note 2—Contributions

The College received a contribution totaling \$2,080,000 from a related party organization that constituted 10% or more of all contributions received by the Intercollegiate Athletics Program during the year ended June 30, 2023. Contributions are donations that are restricted for financial aid for student athletes and for the support of

THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA
INTERCOLLEGIATE ATHLETICS PROGRAM
SELECTED NOTES TO STATEMENT OF ATHLETIC REVENUES AND EXPENSES
(UNAUDITED)

YEAR ENDED JUNE 30, 2023

Note 8—Capital assets

Capital assets are stated at cost at the date of acquisition or fair value at the date of donation in the case of gifts. The College follows capitalization guidelines established by the state of South Carolina. 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 are capitalized. The College capitalizes movable personal property with a unit value in excess of \$5,000 and a useful life in excess of two years and depreciable land improvements, buildings and improvements, and intangible assets costing in excess of \$100,000. Routine repairs and maintenance and library materials, except individual items costing in excess of \$5,000, are charged to operating expenses in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and improvements and land improvements and 2 to 25 years for machinery, equipment, and vehicles. A full year of depreciation is taken the year the asset is placed in service and no depreciation is taken in the year of disposition. Depreciation expense is not included in the Statement.

The College capitalizes as a component of construction in progress interest cost in excess of earnings on debt associated with the capital projects; therefore, asset values in capital assets include such interest costs. There was no capitalized interest for any athletics or non-athletics capital projects in 2023.

Note 9—Capital expenditures

The College incurred \$6,482 in athletics capital expenditures during 2023.

Note 10—Long-term liabilities

The total annual debt service for the year ended June 30, 2023 is \$1,099,101 for athletic facilities. The total debt outstanding at June 30, 2023 was \$7,105,000 for athletic facilities. Total institutional debt of the College at June 30, 2023 was \$48,924,252.