

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

NCAA AGREED-UPON PROCEDURES

Year Ended June 30, 2024

*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, 2024. 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, 2024. 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 purposes.

The procedures and associated findings are listed below. Materiality for the purposes of this report has been determined to be \$250,000.

Agreed-Upon Procedures for Revenues

1. **Procedure:** We will obtain from management the Statement for the year ended June 30, 2024. We will recalculate the mathematical accuracy of the Statement, trace the individual revenue line items to management’s worksheets, and compare the amounts on management’s worksheets to the College’s general ledger. We will also compare each major revenue account greater than 10% of total revenues to prior year amounts and obtain an understanding of any variation greater than 10%.

Results of Procedure: We obtained from management the Statement for the year ended June 30, 2024. We recalculated the mathematical accuracy of the Statement, traced the individual revenue line items to management’s worksheets, and compared the amounts on management’s worksheets to the College’s general ledger. No exceptions were found as a result of applying these procedures. We also compared each major revenue account greater than 10% of total revenues for the year ended June 30, 2024 to prior year amounts and obtained an understanding of any variation greater than 10%. No such variances were identified.

2. **Procedure:** We will compare and agree a sample of five operating revenue receipts recognized during the year ended June 30, 2024 to supporting schedules provided by the College.

Results of Procedure: We compared five operating revenue receipts recognized during the year ended June 30, 2024 as listed on page 2 to supporting schedules provided by the College. No exceptions were found as a result of applying these procedures.

	<u>ID</u>	<u>Description</u>	<u>Amount</u>
1	F0018773	AFFINITY LICENSING 1ST QTR	\$ 59,325.84
2	F0018108	ATHLETICS AFFINITY ROYALTIES	49,136.87
3	F0019230	CK# 7421	191,886.00
4	F0017799	NCAA	42,770.00
5	H0001628	NCAA MBB UNIT	54,636.53

3. **Procedure:** In accordance with the NCAA 2024 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 2024 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 2024 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, 2024 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, 2024 to the total ticket revenue reported on the Statement and related attendance figures. No exceptions were found as a result of applying these procedures.

- b. **Procedure:** We will recalculate the amount of student athletic fees for the year ended June 30, 2024 based on enrollment reports and athletic fees for each term. We will also obtain and document an understanding of the College's methodology for allocating student fees to Intercollegiate Athletics Programs. In addition, we will agree the calculation to supporting documents such as student fee totals.

Results of Procedure: We recalculated the amount of student athletic fees for the year ended June 30, 2024, based on enrollment reports and athletic fees for each term. We also obtained and documented an understanding of the College's methodology for allocating student fees to Intercollegiate Athletics Programs. In addition, we agreed the calculation to student fee totals. No exceptions were found as a result of applying these procedures.

- c. **Procedure:** We will compare the direct institutional support recorded by the College during the year ended June 30, 2024 with the College's supporting budget transfers documentation and other corroborative supporting documentation and recalculate totals.

Results of Procedure: We obtained, recalculated, and traced the direct institutional support recorded by the College during the year ended June 30, 2024 to the general ledger supporting detail and recalculated totals. No exceptions were found as a result of applying these procedures.

- d. **Procedure:** We will obtain the detailed listing of contributions for the year ended June 30, 2024 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, 2024, compared the total to the Statement, and recalculated totals. We inspected the listing, noting one contribution from The Citadel Brigadier Foundation and two contributions from The Citadel Foundation totaling \$2,314,355 and \$1,387,666, respectively, that were greater than 10% of all contributions received by for intercollegiate athletics during the year ended June 30, 2024. We agreed the contributions to supporting documentation and recalculated the total. No exceptions were found as a result of applying these procedures.

- e. **Procedure:** We will obtain and inspect the royalties and licensing agreement related to the College's participation in revenues from royalties, licensing, advertisements, and sponsorships during the year ended June 30, 2024 to gain an understanding of the relevant terms and conditions. We will obtain a schedule of revenues from royalties, licensing, advertisements, and sponsorships and recalculate and agree the schedule to the College's general ledger.

Results of Procedure: We obtained and inspected the royalties and licensing agreement related to the College's participation in revenues from royalties, licensing, advertisements, and sponsorships during the year ended June 30, 2024 to gain an understanding of the relevant terms and conditions. We obtained a schedule of revenues from royalties, licensing, advertisements, and sponsorships and recalculated and agreed the schedule to the College's general ledger. No exceptions were found as a result of applying these procedures.

Agreed-Upon Procedures for Expenses

4. **Procedure:** We will recalculate the mathematical accuracy of the Statement, trace the individual expense line items to management's worksheets and compare the amounts on management's worksheets to the College's general ledger for the year ended June 30, 2024. We will also compare each major expense account over 10% of total expenses for the year ended June 30, 2024 to prior year amounts and obtain an understanding of any variation greater than 10%.

Results of Procedure: We recalculated the mathematical accuracy of the Statement, traced the individual expense line items to management's worksheets, and compared the amounts on management's worksheets to the College's general ledger for the year ended June 30, 2024. No exceptions were found as a result of applying these procedures. We also compared each major expense account over 10% of total expenses for the year ended June 30, 2024 to prior year amounts, and obtained an understanding of any variation greater than 10%, noting no variances greater than 10% as follows:

Direct Overhead and Administrative expense increased \$542,512 or 29% during the year ended June 30, 2024 compared to the prior year due to \$260,000 paid to the Charleston RiverDogs for use of their facilities by the College's baseball team. The increase is also due to various updates and repairs to McAlister Fieldhouse and Johnson Hagood Stadium for year ended June 30, 2024.

5. **Procedure:** We will compare and agree a sample of twenty expenses during the year ended June 30, 2024 to supporting documentation provided by the College.

Results of Procedures: We compared the 20 disbursements listed on page 4 to supporting documentation provided by the College. For selections marked (*) below the College was not able to provide supporting documentation other than a copy of the journal entry from the accounting system. The selections marked (*) were procurement card transactions made by employees that are no longer employed by the College; therefore, the College did not have supporting documentation for these items.

	<u>ID</u>	<u>Description</u>	<u>Amount</u>
1	I0160766	Enterprise Rent-A-Car	\$ 3,315.03
2	S0227797	DOUBLETREE HOTELS*	19,272.45
3	S0225956	HILTON GREENVILLE*	17,480.86
4	S0224339	CHICK-FIL-A #01183*	3,108.38
5	S0230612	THE MORRIS INN	7,484.61
6	I0157628	AA Carolina Events Inc.	18,658.34
7	S0228366	MARRIOTT RALEIGH	4,856.23
8	S0230558	APPSTATE ATHLETICS ECOMM	2,000.00
9	S0231565	CLARION POINTE	3,107.72
10	I0158236	Huddleston, Jody P.	1,485.00
11	I0161268	JD Apparel LLC	7,051.76
12	I0153944	X Stream Designs, Inc.	9,192.33
13	I0154945	First Team Sports	4,500.61
14	I0152440	Riddell All American Sports Corp	25,662.19
15	I0155988	Rawlings Sporting Goods Company Inc	1,182.68
16	UP013789	FR 210030 - RSC Insurance Brokerage	78,787.00
17	J0033046	FY24 Aux OH Estimate	458,866.00
18	I0161920	Healthcare Services Group Inc.	26,922.00
19	I0154491	The Budd Group Inc	18,127.95
20	UP014124	Prepaid Insurance	31,166.62

6. **Procedures:** We will select a sample of 10% of all athletic students from the listing of the College's student aid recipients during the year ended June 30, 2024. We will obtain individual student account detail for each selection and compare total aid allocated from the related aid award letter to the student's account. For each student selected, we will also inspect their information for accuracy in either the NCAA's Compliance Assistant software (the "Software") or entered directly into the NCAA Membership Financial Reporting System (the "System"), using the following criteria:
- a. Grants-in-aid is calculated by using the revenue distribution equivalencies, athletic grant amount divided by the full grant amount.
 - b. Other expenses related to attendance (also known as cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, living expenses, and course-related books are countable for grants-in-aid revenue distribution per Bylaw 20.02.10.
 - c. Full grant amount should be entered as a full year of tuition, not a semester or quarter.
 - d. Student-athletes are to be counted once, regardless of multiple sport participation, and should not receive a revenue distribution equivalency greater than 1.00.
 - e. Athletics grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championships competition, emerging sports for women, and football bowl subdivision football.
 - f. Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contests and participants' requirements of Bylaw 20.10.6.3.
 - g. 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.

- h. The athletics aid equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed maximum equivalency limits due to exhausted eligibility and medical equivalencies, Bylaw 15.5.3.1.
- i. If a sport is discontinued and athletic aid is still being awarded/honored by the College, the athletic aid is countable for revenue distribution purposes.
- j. All equivalency calculations should be rounded to two decimal places.
- k. If a selected student received a Pell Grant, ensure the value of the grant is not included in the calculation of equivalencies or the total dollar amount of student athletic aid expense for the College.
- l. If a selected student received a Pell Grant, ensure the student's grant was included in the total number and total dollar value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting System.

We will recalculate the athletic student aid totals for each sport and overall.

Results of Procedures: We obtained a listing of student athletes receiving student athletic aid and recalculated the student athletic aid totals for each sport and overall. We selected 10% or 29 students, as listed below, receiving student athletic aid from the listing of the College's student aid recipients during the year ended June 30, 2024, as provided on page 6. We obtained individual student account details for each selection below and compared total aid allocated from the related aid award letter to the student's account. For each student selected, we also inspected their information for accurate reporting in either the Software or entered directly into the System using the criteria above. No exceptions were found as a result of applying these procedures.

	ID	Sport	Amount
1	10650920	Tennis	\$ 24,477.30
2	10650195	Football	56,030.04
3	10666219	Football	18,859.52
4	10656671	Mixed Rifle	14,727.00
5	10638414	Volleyball	52,157.86
6	10638817	Womens Track	20,545.50
7	10647212	Wrestling	40,514.25
8	10650838	Football	51,963.07
9	10651121	Wrestling	26,009.50
10	10656285	Baseball	17,016.00
11	10638538	Golf	44,152.48
12	10648679	Womens Track	49,656.72
13	10649164	Tennis	11,837.60
14	10655675	Volleyball	55,096.91
15	10649875	Golf	56,798.76
16	10638481	Soccer	10,378.80
17	10641488	Tennis	20,715.80
18	10648789	Volleyball	49,754.68
19	10647236	Football	57,179.14
20	10652140	Basketball	54,190.61
21	10662547	Basketball	26,754.00
22	10638750	Womens Track	26,837.10
23	10649578	Soccer	53,467.66
24	10648909	Golf	40,795.50
25	10653576	Wrestling	27,234.50
26	10643306	Tennis	49,242.74
27	10644290	Volleyball	52,144.29
28	10643954	Soccer	53,072.79
29	10649213	Mixed Rifle	9,482.90

7. **Procedure:** In accordance with the NCAA 2024 Agreed-Upon Procedures Guide, if an expense category reported on the Statement is less than 4.0% of total expenses on the Statement, no procedures are required for that specific expense category. Compute 4.0% of total expenses per the Statement. Inspect the Statement and identify each specific expense category in excess of 4.0% of total expenses and perform the procedures specified on the NCAA 2024 Agreed-Upon Procedures Guide for that expense category.

Results of Procedure: We mathematically computed 4.0% of total expenses from the Statement. We identified the following expense categories that were in excess of 4.0% of total expenses reported in the Statement procedures a. through e. listed below, and performed the required procedure for that category in accordance with the NCAA 2024 Agreed-Upon Procedures Guide:

- a. **Procedure:** We will obtain and inspect a listing of coaches employed by the College during the year ended June 30, 2024. We will select a sample of three coaches, including football and men’s basketball, and compare and agree the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the College in the Statement during the year ended June 30, 2024. We will also obtain and inspect respective payroll summary registers for each selection and compare the amounts reported to the related salaries, benefits, and bonuses paid to the expense reported by the College. In addition, we will compare and agree the totals recorded to any employment contracts executed for the sample selected.

Results of Procedure: We obtained and inspected a listing of coaches employed by the College during the year ended June 30, 2024. We selected three coaches listed below, including football and men’s basketball, and compared the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the College in the Statement during the year ended June 30, 2024. We also obtained and inspected respective payroll summary registers for each selection and compared the amounts reported to the related salaries, benefits, and bonuses paid to the expense reported by the College. In addition, we compared the totals recorded to any employment contracts executed for the coaches selected. No exceptions were found as a result of applying these procedures.

	<u>ID</u>	<u>Position</u>
1	10043954	Football Head Coach
2	10149073	Men's Basketball Head Coach
3	10616004	Women's Soccer Head Coach

- b. **Procedure:** We will obtain and inspect a listing of support staff/administrative salaries, benefits, and bonuses paid by the College during the year ended June 30, 2024. We will select a sample of three support staff/administrative employees and compare and agree the financial terms and conditions of each selection to the related support staff/administrative salaries, benefits, and bonuses paid by the College recorded in the Statement during the year ended June 30, 2024. We will also obtain and inspect respective payroll summary registers for each selection and compare the amounts reported to the related salaries, benefits, and bonuses paid to the expense reported by the College.

Results of Procedure: We obtained and inspected a listing of support staff/administrative salaries, benefits, and bonuses paid by the College during the year ended June 30, 2024. We selected three support staff/administrative employees, listed below, and compared the financial terms and conditions of each selection to the related support staff/administrative salaries, benefits, and bonuses paid by the College recorded in the Statement during the year ended June 30, 2024. We also obtained and inspected respective payroll summary registers for each selection and compared the amounts reported to the related salaries, benefits, and bonuses paid to the expense reported by the College. No exceptions were found as a result of applying these procedures.

	<u>ID</u>	<u>Position</u>
1	10637276	Athletic Administrator
2	10516872	Administrative Coord I
3	10655617	Media Resource Spec I

- c. **Procedure:** We will obtain an understanding of the College's team travel policies for the year ended June 30, 2024. 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, 2024.

Results of Procedure: We obtained an understanding of the College's team travel policies for the year ended June 30, 2024. 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, 2024. 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 for the year ended June 30, 2024. We will agree the payments to supporting documentation (including debt financing agreements, leases, rental agreements, etc.). We will also compare the amounts recorded to the Statement and recalculate totals.

Results of Procedure: We obtained a listing of athletic facilities debt service schedules, lease payments, and rental fees for the year ended June 30, 2024 and recalculated its mathematical accuracy. We compared the payments to supporting debt financing agreements. We also compared the amounts recorded to the Statement and recalculated totals. We compared the total of facility payments to supporting debt financing agreements. No exceptions were found as a result of applying these procedures.

- e. **Procedure:** We will obtain and recalculate the general ledger detail of direct overhead and administrative expenses for the year ended June 30, 2024 and compare to the total direct overhead and administrative expenses recorded on the Statement and recalculate totals. We will select a sample of five expenses and obtain supporting documentation to confirm the existence of the expense and accuracy of its recorded amount.

Results of Procedure: We obtained a detailed listing of direct overhead and administrative expense for the year ended June 30, 2024, recalculated its mathematical accuracy, and compared the amounts to the amounts recorded in the general ledger. We compared the general ledger amounts to the amounts reported on the Statement and recalculated totals. From this detail, we selected five expenses, listed below, and obtained supporting documentation to confirm the existence of the transaction and accuracy of recording. No exceptions were found as a result of applying these procedures.

	<u>ID</u>	<u>Description</u>	<u>Amount</u>
1	UP013789	FR 210030 - RSC Insurance Brokerage	\$ 78,787.00
2	J0033046	FY24 Aux OH Estimate	458,866.00
3	I0161920	Healthcare Services Group Inc.	26,922.00
4	I0154491	The Budd Group Inc	18,127.95
5	UP014124	Prepaid Insurance	31,166.62

- f. **Procedure:** We will obtain and recalculate the general ledger detail of other operating expenses and compare to the other operating expenses recorded on the Statement and recalculate totals. We will select a sample of five other operating expenses and obtain supporting documentation to validate the existence of the expense and accuracy of its recorded amount.

Results of Procedure: We obtained and recalculated the general ledger detail of other operating expenses and compared it to the other operating expenses recorded on the Statement and recalculated totals. We selected a sample of five expenses as listed below and obtained supporting documentation to validate the existence of the expense and accuracy of its recorded amount. No exceptions were found as a result of applying these procedures.

	<u>ID</u>	<u>Description</u>	<u>Amount</u>
1	I0152432	Peak Sports MGMT	\$ 170,755.05
2	I0156057	Medical University of South Carolina	696,478.95
3	I0156964	Taymar Sales U, LLC	47,766.25
4	I0159491	Taymar Sales U, LLC	47,766.25
5	I0161453	Peak Sports MGMT	21,228.01

Additional Agreed-Upon Procedures

8. **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, 2024. 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, 2024, noting no discrepancies. No exceptions were found as a result of applying these procedures.

9. **Procedure:** We will compare current year Grants-in-Aid revenue distribution equivalencies for the year ended June 30, 2024 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, 2024 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 decreased by 0.54% from the prior year. No exceptions were found as a result of applying these procedures.

10. **Procedure:** We will obtain the College's Sports Sponsorship and Demographics Forms Report for the year ended June 30, 2024 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, 2024. 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.

11. **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.

12. **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, 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 institution's financial aid records of all student-athlete Pell Grants. No exceptions were found as a result of applying these procedures.

13. **Procedure:** We will compare the current year Pell Grants total for the year ended June 30, 2024 to the prior year total Pell Grants per the NCAA Membership Financial Report submission. We will inquire and document any variance greater than +/-20 grants.

Results of Procedure: We compared the current year Pell Grants total for the year ended June 30, 2024 to the prior year reported total per the Membership Financial Report submission and inquired and documented an explanation for any variance greater than +/- 20 grants. We found a variance of 9 fewer Pell Grants for the year ended June 30, 2024. No exceptions were found as a result of applying these procedures.

Agreed-Upon Procedures for Other Reporting Items

14. **Procedure:** We will obtain a repayment schedule for all outstanding intercollegiate athletics debt during the year ended June 30, 2024 and recalculate annual maturities (consisting of principal and interest) provided in the schedules. We will agree the total annual maturities and total outstanding athletic related debt to supporting documentation and the College's general ledger.

Results of Procedure: We obtained a repayment schedule for all outstanding intercollegiate athletics debt during the year ended June 30, 2024, and recalculated annual maturities (consisting of principal and interest) provided in the schedules. We compared the total annual maturities and total outstanding athletic related debt to supporting documentation and the College's general ledger. No exceptions were found as a result of applying these procedures.

15. **Procedure:** We will agree the total outstanding College debt at June 30, 2024 to supporting documentation and the College's audited financial statements.

Results of Procedure: We compared the total outstanding College debt at June 30, 2024 to supporting documentation and the College's audited financial statements. No exceptions were found as a result of applying these procedures.

16. **Procedure:** We will obtain a schedule of all athletics dedicated endowments maintained by athletics and the College at June 30, 2024. We will agree the fair market value in the schedule to the general ledger.

Results of Procedure: We obtained a schedule of all athletics dedicated endowments maintained by athletics and the College at June 30, 2024. We compared the fair market value in the schedule to the general ledger. No exceptions were found as a result of applying these procedures.

17. **Procedure:** We will agree the total fair market value of the College's endowments at June 30, 2024 to the general ledger.

Results of Procedure: We compared the total fair market value of the College's endowments at June 30, 2024 to the general ledger. No exceptions were found as a result of applying these procedures.

18. **Procedure:** We will obtain a schedule of athletics related capital expenditures made by athletics and the College during the year ended June 30, 2024. We will obtain general ledger detail and compare to the total capital expenditures reported. We will select a sample of one transaction to confirm the existence of transactions and accuracy of recording and recalculate totals.

Results of Procedure: We obtained a schedule of athletics related capital expenditures made by athletics department and the College and recalculated totals. We also obtained general ledger detail and compared to the total capital expenditures reported. We selected the one transaction listed below and traced it to the general ledger detail. No exceptions were found as a result of applying these procedures.

	<u>Description</u>	<u>Invoice Number</u>	<u>Amount</u>
1	Biodex Medical Systems, Inc.	446660	\$ 102.16

We were engaged by the College to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Statement. 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.

We are required to be independent of the College and to meet out other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of The Citadel, The Military College of South Carolina, and is not intended to be, and should not be, used by anyone other than this specified party.

Cherry Bekaert LLP

Greenville, South Carolina
January 15, 2025

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

YEAR ENDED JUNE 30, 2024

	Football	Men's Basketball	Other Sports	Nonprogram Specific	Total
Operating Revenues:					
Ticket sales	\$ 1,003,821	\$ 5,667	\$ 64,198	\$ (1,210)	\$ 1,072,476
Student fees	1,873,310	801,672	1,686,187	2,627,844	6,989,013
Direct institutional support	1,401,755	289,265	1,599,822	731,744	4,022,586
Guarantees	-	-	-	522,650	522,650
Contributions	1,827,846	360,663	1,382,284	600,582	4,171,375
NCAA distributions	-	-	-	639,812	639,812
Conference distributions	-	-	-	398,092	398,092
Program sales, concessions, novelty sales, and parking	22,992	2,023	20,033	44,580	89,628
Royalties, advertisements, and sponsorships	-	-	15,187	890,827	906,014
Athletics restricted endowment and investments income	4,885	8,756	29,763	28,097	71,501
Other revenue	-	-	(300)	36,260	35,960
Total Operating Revenues	6,134,609	1,468,046	4,797,174	6,519,278	18,919,107
Operating Expenses:					
Athletics student aid	2,225,950	459,345	2,539,374	1,217,033	6,441,702
Guarantees	-	14,000	12,500	1,925	28,425
Coaching salaries and benefits	1,750,756	749,226	1,575,876	-	4,075,858
Support staff/administrative salaries and benefits	-	-	-	2,455,928	2,455,928
Recruiting	114,756	60,797	83,692	-	259,245
Team travel	288,599	266,224	532,487	-	1,087,310
Equipment, uniforms, and supplies	358,557	87,679	430,346	218	876,800
Game expenses	230,744	95,603	83,906	96,360	506,613
Fundraising, marketing, and promotion	8,731	2,840	6,823	177,442	195,836
Spirit groups	-	-	-	44,158	44,158
Athletic facilities debt service	-	-	4,000	1,098,141	1,102,141
Direct overhead and administrative expenses	64,563	1,447	10,304	2,323,255	2,399,569
Medical expenses and medical insurance	9,056	2,123	5,268	104,225	120,672
Memberships and dues	2,300	27,851	17,949	67,448	115,548
Student athlete meals (non-travel)	289,733	53,128	108,085	15,087	466,033
Other operating expenses	81,339	32,943	65,130	2,025,800	2,205,212
Total Operating Expenses	5,425,084	1,853,206	5,475,740	9,627,020	22,381,050
Excess (Deficiency) of Operating Revenues over Expenses	\$ 709,525	\$ (385,160)	\$ (678,566)	\$ (3,107,742)	\$ (3,461,943)

See selected Notes to Athletic Statement of Revenues and Expenses (Unaudited).

**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, 2024

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 two contributions totaling \$2,314,355 and \$1,387,666 from related party organizations that constituted 10% or more of all contributions received by the Intercollegiate Athletics Program during the year ended June 30, 2024. Contributions are donations that are restricted for financial aid for student athletes and for the support of specific intercollegiate athletic programs.

Note 3—Gifts restricted for plant acquisitions and improvements

During the year ended June 30, 2024, there were no gifts to the athletics department that were restricted for plant acquisitions and improvements.

Note 4—Gifts to the endowment and pledges receivable

At June 30, 2024, the fair value for endowment funds specifically dedicated to support athletics was \$5,357,595. In addition, gross pledges receivable to support athletics was \$23,049 at June 30, 2024. Such amounts are not included in the Statement. At June 30, 2024, the fair value for the College's endowment funds was \$129,974,664.

Note 5—Direct institutional support

The College provided \$4,022,586 of direct institutional support to the Intercollegiate Athletic Program during the year ended June 30, 2024. This total was composed of transfers from non-athletic auxiliary of \$2,244,996 and waived student tuition and fees of \$1,777,590.

Note 6—Contract with outside vendor

On November 17, 2016, the College entered into an exclusive supplier contract with a soft drink vendor that provided for annual funding up to \$225,000 per year. During the year ended June 30, 2024, operating revenue of \$225,000 was recorded related to this contract. Such funding is restricted for specific purposes within the athletics department, including capital expenditures. The contract started on January 2, 2023 and ends on January 1, 2028.

Note 7—Facility service charges

Service charges are allocated to athletics buildings based on facility service personnel time spent or square footage and are included in the direct overhead and administrative expenses line item in the Statement.

**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, 2024

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 2024.

The College incurred \$102 in athletics capital expenditures during 2024.

Note 10—Long-term liabilities

The total annual debt service for the year ended June 30, 2024 was \$1,102,141 for athletic facilities. The total debt outstanding at June 30, 2024 was \$6,360,000 for athletic facilities. Total institutional debt of the College at June 30, 2024 was \$46,075,721.