

STATE OF UTAH
OFFICE OF THE UTAH STATE AUDITOR



TINA M. CANNON
UTAH STATE AUDITOR

University of Utah

Intercollegiate Athletic Department

Agreed-Upon Procedures

For the year ended June 30, 2025

Report No. 25-21

Office of the Utah State Auditor

Audit Leadership:

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TINA M. CANNON
UTAH STATE AUDITOR

Independent Auditor's Report

To the Board of Trustees, Audit Committee,
and
Taylor R. Randall, President
University of Utah

We have performed the procedures enumerated below on the University of Utah's (University) compliance with the National Collegiate Athletic Association (NCAA) *2025 Agreed-upon Procedures Guide* (Guide) for the year ended June 30, 2025. University management is responsible for compliance with the Guide.

The University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in evaluating whether the University complied with the Guide for the year ended June 30, 2025. 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 performed and the associated findings are as follows:

Internal Control Agreed-upon Procedures

- A. We reviewed the general control environment for the Intercollegiate Athletic Department (Department). As part of this review, we reviewed its organization. We also made certain inquiries of management regarding departmental organization, control consciousness of staff, competency of personnel, adequate safeguarding and control of records and assets, the extent of the Internal Audit Department's involvement with athletics, controls over interactions with the Information Technology Department, and other relevant matters. We found no exceptions as a result of these procedures.
- B. We tested samples of Ticket Office cash receipts, Business Office cash receipts, payroll transactions, and non-payroll transactions to ensure that the internal controls of the Department are the same as those addressed in connection with the audit of the University's financial statements for June 30, 2025. Our sample sizes were limited to 5 items each for cash receipts, payroll, and non-payroll transactions. We found no exceptions as a result of these procedures.

- C. We reviewed and tested the University's procedures for gathering information on the nature and extent of affiliated and outside organization activity for or on behalf of the Department. Except for the Crimson Collective, which the University and the Office of the Utah State Auditor do not agree on its status of being an outside organization, all booster group activity is under the accounting control of the University; therefore, we performed no additional procedures.

Statement of Revenues and Expenses Agreed-Upon Procedures

- D. We obtained the Department's Statement of Revenues and Expenses (the Statement) for the year ended June 30, 2025, as prepared by management.
- We agreed the amounts reported on the Statement to the University's general ledger. We ensured that the amounts were reported in accordance with NCAA guidelines and generally accepted accounting principles.
 - We compared and agreed each operating revenue and expense category that comprised more than 4.0% of total revenues or total expenses, as reported on the Statement during the reporting period, to supporting schedules provided by the University.
 - We compared and agreed samples selected in step B above and in the Revenue and Expense Procedures noted below to adequate supporting documentation.
 - We compared each major revenue and expense account over 10% of the total revenues or total expenses to prior period amounts. We obtained and documented an explanation of any variations greater than 10%. We have reported our analysis as a supplement to this Agreed-Upon Procedures report (see Exhibit 1).
 - We reviewed the footnotes to the Statement for propriety and compliance with NCAA guidelines.

There were two instances where the amounts on the Statement did not agree to supporting schedules provided by the University in excess of the \$100,000 exception-reporting threshold agreed to by the University. These exceptions were:

- \$1,216,000 for Contributions Revenue reclassified from the Football column to the Men's Basketball column to properly allocate donations received.
- \$667,455 to reduce Conference Distributions Revenues in the Football (\$567,337) and Men's Basketball (\$100,118) columns with a corresponding decrease to Other Operating Expenses in the Non-Sport Specific column.

The Statement was adjusted to correct these two errors. We found no exceptions greater than \$100,000 as a result of the other procedures above.

E. We performed the following procedures related to the Intercollegiate Athletics Department.

Revenue Procedures:

1. Contributions

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

2. Athletic Restricted Endowment and Investment Income

- a. We obtained and inspected 6 endowment agreements, representing 10% of all endowment agreements, for relevant terms and conditions.
- b. We compared and agreed the classification and use of endowment and investment income reported in the statement during the reporting period to the uses of income defined within the related endowment agreement and recalculated totals.

3. Sports Camp Revenues

- a. We selected 10 sports camp contracts between the University and persons conducting University sports camps or clinics during the reporting period to obtain documentation of the University's methodology for recording revenues from sports camps.
- b. We obtained schedules of camp participants and selected 10 individual camp participant cash receipts from the schedule of sports camp participants and agreed each selection to the University's general ledger and/or the Statement and recalculated totals.

Expense Procedures:

4. Game Expenses

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

5. Fund Raising, Marketing, and Promotion

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

6. *Spirit Groups*

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

7. *Medical Expenses and Insurance*

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

8. *Memberships and Dues*

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

9. *Post-season Non-football Bowl Expenses*

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

10. *Enhanced Educational Expenses (Alston or other)*

We obtained general ledger detail and compared to the total expenses reported. We selected a sample of 10 transactions and validated the existence of and accuracy in recording the transactions and recalculated totals.

Other Reporting Items**11. *Total Athletics Related Debt***

- a. We obtained repayment schedules for all outstanding intercollegiate athletics debt during the reporting period. We recalculated annual maturities (consisting of principal and interest) provided in the schedules obtained.
- b. We agreed the total annual maturities and total outstanding athletics related debt to supporting documentation and the University's general ledger, as applicable.

12. *Value of Athletics Dedicated Endowments*

We obtained a schedule of all athletics dedicated endowments maintained by athletics, the University, and affiliated organizations. We agreed the fair market value in the schedules to supporting documentation, the general ledger, and audited financial statements, if available.

We found no exceptions greater than \$100,000 as a result of these procedures.

Additional Agreed-Upon Procedures

F. Grants-in-Aid:

- We compared and agreed the sports sponsored as reported in the NCAA Membership Financial Reporting System (MFRS) to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from Compliance Assistance (CA).
- We compared current year Grants-in-Aid revenue distribution equivalencies to the prior year reported equivalencies per the Membership Financial Report submission. The variance between years was less than +/- 4% therefore, obtaining explanations for the variances was not necessary.

G. Sports Sponsorship:

- We obtained the University's Sports Sponsorship and Demographics Form submitted to the NCAA for the reporting year and validated that the countable NCAA sports reported by the University met the minimum requirements set forth in Bylaw 20.9.6.3 related to the number of contests and the number of participants in each contest that are counted toward meeting the minimum contest requirement. We then ensured that the University properly reported these sports as countable for revenue distribution purposes within the MFRS.
- We compared the current year number of Sports Sponsored to the prior year reported total per the Membership Financial Report submission. There were no variances between years.

H. Pell Grants:

- We agreed the total number of Division I student athletes who, during the academic year, received a Pell Grant award and the total value of these Pell Grants reported in the MFRS to a report, generated out of the University's financial aid records, of all student athlete Pell Grants.
- We compared the current year Pell Grants total to the prior year reported total per the Membership Financial Report submission. The variance between years was less than +/- 20 grants therefore, obtaining explanations for the variances was not necessary.

We found no exceptions as a result of these procedures.

We were engaged by the University 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. An agreed-upon procedures engagement involves 1) performing specific procedures that the University has agreed to and acknowledged to be appropriate for the intended purpose of the engagement, and 2) reporting on findings based on the procedures performed. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the University's compliance with the NCAA's *2025 Agreed-upon Procedures Guide* for the year ended June 30, 2025. 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.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to agreed-upon procedure engagements.

Office of the State Auditor

Office of the Utah State Auditor

Salt Lake City, Utah

January 14, 2026

Financial Statements

Statement of Revenue and Expenses for the Year Ended June 30, 2025



UNIVERSITY OF UTAH
ATHLETICS DEPARTMENT
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	Football	Men's Basketball	Women's Basketball	Gymnastics	Other Sports (Note 1)	Non-Sport Specific (Note 1)	Total
REVENUES:							
Ticket Sales	10,936,251	2,035,791	136,747	649,051	241,362	36,506	14,035,708
Direct State or Other Gov't Support	-	-	-	-	-	-	-
Student Fees	1,574,130	224,876	174,903	199,890	4,285,133	-	6,458,932
Direct Institutional Support (Note 3)	1,959,338	301,871	190,441	178,403	1,079,801	-	3,709,854
Indirect Institutional Support Guarantees	153,552	-	-	-	-	2,304,975	2,458,527
Contributions (Note 2)	-	160,480	-	-	17,000	-	177,480
In-Kind	39,846,967	7,381,404	103,380	50,869	2,033,848	86,488	49,502,956
Compensation and Benefits by 3rd party	90,000	68,840	-	45,210	-	155,624	359,674
Media Rights (Note 5)	1,500,000	800,000	-	-	-	-	2,300,000
NCAA Distributions (Note 4 & Note 5)	19,802,898	3,494,629	-	-	-	219	23,297,746
Conference Distributions (Note 5)	-	1,828,868	48,375	19,995	80,918	3,676,358	5,654,514
Program, Novelty, Parking, & Concessions Sales (Note 7)	14,406,546	355,589	-	-	-	-	14,762,135
Royalties, Licensing, Advertisement & Sponsorships (Note 7)	1,730,260	127,572	-	21,210	24,678	7,949	1,911,669
Sports Camps (Note 11)	9,380,497	1,668,193	279,739	84,585	3,147,598	1,156,521	15,717,133
Endowment and Investment Income	84,811	35,485	110,929	169,319	748,115	300	1,148,959
Other Operating Revenue	334,230	58,982	-	-	-	20	393,232
Bowl Revenues	-	-	-	-	5,870	(1,641,525)	(1,635,655)
	-	-	-	-	-	-	-
Total revenues	101,799,480	18,542,580	1,044,514	1,418,532	11,664,323	5,783,435	140,252,864
EXPENSES:							
Student Aid (Note 3)	5,707,851	859,646	895,812	799,813	8,380,524	186,612	16,830,258
Guarantees	625,000	755,000	178,000	-	81,175	-	1,639,175
Salaries and Benefits	21,815,567	3,933,139	1,933,709	1,084,960	6,722,682	16,350,684	51,840,741
Severance Payments	796,317	697,809	12,211	66,065	10,934	407,558	1,990,894
Recruiting	1,309,925	179,716	169,050	118,217	609,100	1,629	2,387,637
Team Travel	2,641,576	866,912	715,594	178,047	3,640,657	62,967	8,105,753
Equipment, Uniforms & Supplies	2,637,130	374,000	274,247	198,438	2,145,286	2,230,276	7,859,377
Game Expenses (Note 8)	2,488,969	938,385	543,573	347,222	752,124	487,995	5,558,268
Fund Raising, Marketing & Promotion	1,266,655	20,971	23,527	69,950	203,578	935,724	2,520,415
Sports Camps (Note 11)	109,061	44,831	99,222	35,009	222,478	-	510,601
Spint Groups	-	-	-	-	-	728,297	728,297
Facilities, Debt Service, Leases & Rental Fees (Note 9)	9,082,007	1,827,490	15,000	6,000	251,000	-	11,181,497
Direct Overhead & Admin Expenses	692,887	4,551	1,005	1,166	188,423	2,610,438	3,498,470
Indirect Institutional Support	153,552	-	-	-	-	2,304,975	2,458,527
Medical Expenses & Insurance	472,297	60,098	53,355	54,872	567,984	137,295	1,345,901
Memberships and Dues	2,810	705	8,744	2,591	93,553	61,277	169,680
Student Athlete Meals	895,912	162,150	62,410	37,733	377,309	203,963	1,739,477
Other Operating Expenses (Note 10)	516,621	371,554	92,579	82,177	404,960	11,003,783	12,471,674
Post-Season Football Expenses	140,918	-	-	-	-	-	140,918
Post-Season Non-Football Expenses	-	31,573	145,213	434,123	514,578	-	1,125,487
Enhanced Educational Benefits	437,110	63,300	72,260	74,760	809,657	-	1,457,087
Institutional NIL Revenue Share	-	-	-	-	-	-	-
Total Expenses	51,792,175	11,191,830	5,295,511	3,591,143	25,976,002	37,713,473	135,560,134
Change in Net Assets	\$ 50,007,305	\$ 7,350,749	\$ (4,250,997)	\$ (2,172,611)	\$ (14,311,679)	\$ (31,930,038)	\$ 4,692,729

The accompanying notes are an integral part of this financial statement.

Notes to the Statement of Revenues and Expenses for the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Statement of Revenues and Expenses (Statement) presents the results of financial activity of the University of Utah's Athletic Department and has been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles except for the following:

- Direct Institutional Support Revenues and Athletic Student Aid Expenses have not been reduced for scholarship allowances of \$2,713,782.
- Tuition waivers have been reported as Direct Institutional Support and Athletic Student Aid Expense.
- Contribution revenues are recognized in the Statement when both received and used, as required by NCAA, rather than when pledged or received.
- Debt service payments paid by the University for athletic-related debt have been reported as Indirect Institutional Support Revenue and Athletic facilities debt service expense.
- Debt service payments paid by Athletic endowment donations for Athletic related debt have been reported as Athletic endowment income and Athletic facilities debt service expense as required by NCAA.

The Statement presents the results of financial activity of the University of Utah (University) Intercollegiate Athletic Department (Athletic Department), which includes the George S. Eccles Tennis Facility, Spence & Cleone Eccles Football Center, and Jon M. & Karen Huntsman Basketball Facility. The financial activity of the Athletic Department's endowment and fixed assets, in accordance with NCAA reporting guidelines, is not included in the Statement. In addition, the financial activity of the Huntsman Center and Rice-Eccles Stadium is not included in the financial statement because they are not under the jurisdiction of the Athletic Department. The significant accounting policies followed are described below.

Sports Accounting

Because of the significant revenues and expenses generated by football, men's basketball, women's basketball, and gymnastics, they are reported separately. Other sports in which the University participates are combined and reported as "Other Sports." The administrative functions of the Department and activities, which provide support for all sports, have been combined for reporting purposes under the caption "Non-Sport Specific." These supportive activities include costs such as those related to weight and training rooms, student wellness, academic advising, marketing, compliance, information technology, sports information, media relations, etc.

Revenue Allocation

Sales and services revenues have been allocated to the activity generating the income. All revenues – student activity fees, contributions, conference distributions, national broadcast revenue, e-commerce, investment income, direct institutional support, etc. – have been allocated based on the Department’s management decisions and categorized as instructed by the NCAA’s revenue and expense policies and procedures.

Expenditure Allocation

Generally, expenses have been allocated to the activity incurring the expense. The majority of the advertising/promotions, and general and administrative expenditures were charged to “Non-Sport Specific.”

Additional Significant Accounting Policies

Other significant accounting policies are set forth in the following notes.

2. CONTRIBUTIONS

Donations are used to subsidize student athlete scholarships, facility upgrades, and academic support. Donations received are posted to Crimson Club, Athletic Restricted, and Scholarship Circle Development accounts. Donation money is transferred from the development account into the department operating accounts to cover the aforementioned expenses.

The athletics department adjusted the methodology of collecting and accounting for revenue associated with football and basketball season tickets. The allocation of the cost for season tickets was adjusted such that a larger portion was allocated to contributions rather than ticket sales.

Donations deposited to the Crimson Club general fund account were allocated 85% to football and 15% to men’s basketball. All sport specific donations are allocated accordingly.

In Kind Contributions include dealer provided automobiles, equipment, goods, and services.

3. DIRECT INSTITUTIONAL SUPPORT

Direct Institutional Support includes facilities, general and administrative, and Title IX support. The department receives state funds in the form of tuition waivers: Title 53, special, and continuing

scholarships. These waivers, totaling \$2,713,782, are included as revenue under Direct Institutional Support and subsequently expensed under Student Aid.

4. NCAA DISTRIBUTIONS

NCAA distributions include NCAA sport sponsorships, NCAA grant-based aid, Student Athlete Opportunity Fund subsidies, academic enhancements, NCAA reimbursements for post-season participation, and any NCAA distributions that pass through the Big -12 Conference.

5. BIG 12 DISTRIBUTIONS / MEDIA RIGHTS

The Statement includes gross distributions of \$40,631,603 from the Big 12 Conference during fiscal year 2025. These funds are reported on the "Conference Distributions," "Media Rights," and "NCAA Distributions" revenue line items, for NCAA reporting purposes. The Statement also includes conference expenses in their respective expense category (i.e. game officials, bowl expense sharing, etc.). The department received a net distribution of \$34,564,519. Media rights received from the Big 12 Conference were allocated 85% to football and 15% to men's basketball.

6. PROGRAM, NOVELTY, PARKING & CONCESSIONS SALES

Concessions are operated by Auxiliary Services. A memorandum of understanding between Auxiliary Services and Athletics states that they are to share 50% of net profits for Athletic related events. For fiscal year 2025, the money transferred to Athletics was \$0 due to a negative net operating margin by Auxiliary Services.

7. ROYALTIES, LICENSING, ADVERTISEMENT & SPONSORSHIPS

Licensing and University Campus Store merchandise sales are allocated 85% to football and 15% to men's basketball.

JMIS College, LLC retains all rights to local media and corporate sponsorships for the athletics department. The financial agreement to obtain these rights for fiscal year 2025 was a guaranteed payment of \$6,600,000. Athletics received a payment in the amount of \$6,600,000 of which was allocated 85% to football and 15% to men's basketball.

Under Armour (UA) is the exclusive apparel outfitter of the Department. Per contractual agreement, UA paid the Department \$110,000. An additional payment of \$75,000 was also received for winning the conference championship and appearing in post season play for specific

sports, such as women’s basketball, women’s gymnastics, women’s volleyball, men’s golf, and skiing. A retail product allowance of \$5,387,500 was also received.

8. GAME EXPENSES

Game Expenses include the cost of officials expensed through the conference office as a deduction from the University’s year-end revenues. The total for fiscal year 2025 was \$1,049,007.

9. FACILITIES, DEBT SERVICE, LEASES & RENTAL FEES

The Department paid \$1,989,048 in facility rent and fees for use of the Rice-Eccles Stadium and the Jon M. Huntsman Center during fiscal year 2025. A portion of these costs are associated with miscellaneous facility agreements and one-time rentals.

The Department has assumed the annual bond payment for the Spence & Cleone Eccles Football Center. In fiscal year 2025, the annual debt service totaled \$2,050,775. As of June 30, 2025, the Department had \$11,890,000 of outstanding Series 2012 Auxiliary and Campus Facilities Revenue Bonds for the Spence & Cleone Eccles Football Center. The Department anticipates the bond will be paid off as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2026	1,465,000	586,025	2,051,025
2027	1,535,000	512,775	2,047,775
2028	1,615,000	436,025	2,051,025
2029	1,695,000	355,275	2,050,275
2030	1,770,000	279,000	2,049,000
2031-2032	3,810,000	288,000	4,098,000
	<u>\$ 11,890,000</u>	<u>\$ 2,457,100</u>	<u>\$ 14,347,100</u>

The Department has also assumed the annual bond payment for the Jon M. and Karen Huntsman Basketball Training Center. In fiscal year 2025, the annual debt service totaled \$1,792,490. As of June 30, 2025, the Department had \$17,827,849 of outstanding debt for the Jon M. and Karen Huntsman Basketball Training Center. The Department anticipates the bond will be paid off as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2026	932,944	755,841	1,688,785
2027	867,046	718,033	1,585,079
2028	903,896	681,184	1,585,080
2029	942,311	642,768	1,585,079
2030	982,359	602,720	1,585,079
2031-2035	5,574,689	2,350,709	7,925,398
2036-2040	6,864,374	1,061,023	7,925,397
2041	760,230	32,310	792,540
	<u>\$ 17,827,849</u>	<u>\$ 6,844,588</u>	<u>\$ 24,672,437</u>

The Department has also assumed the annual bond payment for the Ken Garff Red Zone at Rice Eccles Stadium. In fiscal year 2025, the annual debt service totaled \$5,349,184. As of June 30, 2025, the Department had \$61,025,000 of outstanding debt for the Ken Garff Red Zone. The Department anticipates the bond will be paid off as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2026	2,880,000	2,468,683	5,348,683
2027	3,030,000	2,320,933	5,350,933
2028	3,185,000	2,165,558	5,350,558
2029	3,350,000	2,002,183	5,352,183
2030	3,520,000	1,830,433	5,350,433
2031-2035	20,425,000	6,327,424	26,752,424
2036-2040	24,635,000	2,119,424	26,754,424
	<u>\$ 61,025,000</u>	<u>\$ 19,234,638</u>	<u>\$ 80,259,638</u>

These outstanding bonds and loans are secured by the University's pledging of net revenues, student building fees, and other miscellaneous fees. The debt service payments are paid by the Department's revenues. Additional information related to the bonds is available in the University's separately issued financial statements.

10. OTHER OPERATING EXPENSES

Other Expenses include miscellaneous operating expenses such as, Big 12 conference operating expenses (\$3,970,258), and Independent Contractors/Consultants (\$2,966,516).

11. SPORT CAMPS

The department maintains sports camps in-house. The profit earned from the sports camps are paid to department coaches as compensation upon completion of the camp. Revenues from the sports camps are recognized in the statement when earned and expenses are recognized when incurred.

12. CAPITAL ASSETS

As described in the University's separately issued financial statements, capital assets are recorded at historical cost or acquisition value at the date of donation, in the case of gifts. Buildings, infrastructure and improvements, and additions to existing assets are capitalized when acquisition costs equal or exceed \$250,000. Equipment is capitalized when acquisition costs equal or exceed \$5,000. All land is capitalized and not depreciated. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Capital assets of the University are depreciated on a straight-line basis over their estimated useful lives: 40 years for buildings, 15 years for infrastructure and improvements, and 5 to 20 years for equipment.

13. ATHLETICS RESERVES

In addition to the statement of revenue and expenses, the Athletic Department has included other pertinent information to further illustrate its current financial condition. This information can be found in the table below.

The Athletics Department currently has a negative fund balance of (\$53,446,562). This is due to conference realignment in FY24, impact of Covid in FY21, and an internal loan that was provided to athletics upon entrance into the Pac-12. The Athletics Department continues to work closely with campus in managing this debt.

The Athletics Reserves include facility and sport specific contributions, which are not recognized in the statement. This is in accordance with the NCAA's definition to only include contributions

that are provided and used by athletics within that reporting year. The additional unrestricted reserves were originally established in fiscal year 2015 in order to offset additional costs associated with current and future autonomy or NCAA legislation. For example: the cost of attendance legislation, new recruiting rules, more meals for student athletes, etc. The facility reserves are for assistance in subsidizing future debt payments and/or R&R projects in our facilities.

	Football	Men's Basketball	Women's Basketball	Gymnastics	Other Sports (Note 1)	Non-Sport Specific (e 1)	Total
Operating Fund Balance	-	-	-	-	-	(53,466,562)	(53,466,562)
Capital Expenditures	895,291	-	-	-	5,269,263	49,991	6,214,545
Athletics Reserves:							
Unrestricted Reserves						18,989,139	18,989,139
Facility Reserves						18,665,314	18,665,314
Sport Reserves	501,282	246,863	198,011	262,162	1,925,547	1,279,006	4,412,871
Total Reserves							42,067,324
Value of Endowments	-	-	-	-	-	18,490,910	18,490,910

Variance Analysis for the Year Ended June 30, 2025

Exhibit 1

Comparison of Current Year Actual to Prior Year Actual:

REVENUES:	2025 Totals	2024 Totals	Variance \$ Over/(Under)	Variance % Over/(Under)	
Ticket Sales	14,035,708	14,836,499	(800,791)	-5.40%	
Contributions	49,502,956	29,370,388	20,132,568	68.55%	A
Media Rights	23,297,746	22,986,205	311,541	1.36%	
Conference Distributions (Note 5)	14,762,135	6,204,276	8,557,859	137.93%	B
Royalties, Licensing, Advertisement & Sponsorships (Note 7)	15,717,133	11,262,851	4,454,282	39.55%	C
EXPENSES:					
Student Aid	16,830,258	15,259,413	1,570,845	10.29%	D
Salaries and Benefits	51,840,741	50,991,739	849,002	1.66%	

Explanations for Variances

- A. Contributions saw an increase in FY25 due to an increased fundraising effort tied to major gifts for capital projects as well as athletics needing to transfer over additional reserves to balance its operation budget.
- B. In FY24, conference distributions were impacted by the University leaving the Pac-12 Conference, resulting in a settlement amount that was withheld from departing schools. FY25 was the University's first year in the Big 12 Conference, in which they received a full revenue distribution. This resulted in a sizable increase year-over-year.
- C. Licensing, Advertisement, and Sponsorships increase in FY25 due to a larger licensing revenue share transfer from the University, new corporate sponsorship commitments for the baseball facility project, and an incremental increase to the Under Armour allotment.
- D. Student Aid saw an increase in FY25 due to the University increasing the cost of attendance amounts that were disbursed to students in addition to incremental increases in tuition.