

INTERIM REPORT

OF

WEST VIRGINIA UNIVERSITY

ATHLETIC DEPARTMENT

FOR THE PERIOD

JULY 1, 1976 - JUNE 30, 1981

West Virginia



LEGISLATIVE AUDITOR

CHARLESTON

The Honorable Encil Bailey
Legislative Auditor
State Capitol - Main Unit
Charleston, West Virginia

Sir:

In compliance with your instructions and the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we submit our report of the West Virginia University Athletic Department.

The readers of this report should understand the audit of the University as a whole is not complete and there could be transactions in other accounts of the University which effect the Athletic Department. Those transactions, if any, could change the general remarks, auditors' opinion, financial statements or supplemental information sections of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Thedford L. Shanklin".

Thedford L. Shanklin, CPA, Director
Legislative Postaudit Division

TLS/lst;cmh

WEST VIRGINIA UNIVERSITY

ATHLETIC DEPARTMENT

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WEST VIRGINIA UNIVERSITY

ATHLETIC DEPARTMENT

INTRODUCTION

During our examination of West Virginia University, we were directed by the Joint Committee on Government and Finance to give first priority to the athletic accounts, therefore, we are submitting an interim report of those accounts at this time. The readers of this report should understand the audit of the University as a whole is not complete and there could be transactions in other accounts of the University which could affect the Athletic Department.

Chapter 18, Article 24, Section 7 of the West Virginia Code, as amended, governs the expenditure of funds made by any state college or university athletic department. The above mentioned code section is very broad in nature and has been included in this report in its entirety so that the reader may make his or her own judgment. There have been various Attorney General opinions issued on this code section dealing with the legal expenditures of athletic department funds. Based on our reading of these opinions there are three types of expenditures which are expressly forbidden and they are:

1. Payments to various athletes, based solely upon their participation in athletics at a state educational institution;
2. A college is not authorized to pay medical expenses of a student injured in a physical education class; and,
3. Nor would the athletic director of a state college or board of governors be justified in expending money for rehabilitation in the case of permanent injuries to a football player.

We did not find any expenditures which could be classified in the above categories.

§ 18-24-7. Fees and money derived from athletic contests.

The directors of athletics at state educational institutions may fix and charge admission fees to athletic contests at state educational institutions and may enter into contracts, spend and receive money under such contracts for the student athletic teams of state educational institutions to contest with other athletic teams inside or outside the State.

All money derived from such fees and under such contracts shall be used to defray the cost of maintaining the athletic department and athletic program of such institutions. The operation of training camps and training tables and providing room accommodations for participants in the athletic program of such institutions shall be recognized and considered as a proper part of such maintenance, but the specific mention of training camps and training tables and providing room accommodations shall not be construed or understood to limit in any way the general power and authority otherwise granted and conferred by this section. (1943, c. 83; 1959, c. 66; 1965, c. 67; 1969, c. 139.)

Section is constitutional. — This section, interpreted to permit payment, upon requisition to the state auditor for the payment from the state special athletic receipts fund, of the cost of medical and hospital services rendered to a student athlete of a state educational institution injured in an intercollegiate athletic contest, is not unconstitutional as being in derogation of W. Va. Const., art. X, § 6. State ex rel. Board of Governors of W. Va. Univ. v. Sims, 134 W. Va. 428, 59 S.E.2d 705 (1950), decided under former § 25-1A-2.

Moneys derived under section are public moneys. — Moneys derived under this section by state educational institutions from admission fees to athletic contests, and from contracts for student athletic teams of state educational institutions to contest with other athletic teams inside and outside the State, are public moneys within the meaning of subdivisions (d) and (j) of § 12-2-2. State ex rel. Board of Governors of W. Va. Univ. v. Sims, 134 W. Va. 428, 59 S.E.2d 705 (1950), decided under former § 25-1A-2.

Discretion of governing board. — The governing board of West Virginia University is vested with wide discretion as to the expenditure of money derived under this section and deposited in the state treasury in the state special athletic receipts fund. State ex rel. Board of Governors of W. Va. Univ. v. Sims, 134 W. Va. 428, 59 S.E.2d 705 (1950), decided under former § 25-1A-2.

Auditor must honor requisitions if no abuse of discretion shown. — In the absence of an abuse of discretion on the part of the governing board of West Virginia University, the auditor of the State has the mandatory duty to honor the

requisitions of the board to cover payment of the cost of medical and hospital services rendered to a student athlete injured in an intercollegiate athletic contest and to issue his warrants thereon, which mandatory duty will be enforced, upon the auditor's nonperformance thereof, by writ of mandamus. State ex rel. Board of Governors of W. Va. Univ. v. Sims, 134 W. Va. 428, 59 S.E.2d 705 (1950), decided under former § 25-1A-2.

Payments to varsity athletes, based solely upon their participation in athletics at a state educational institution, would not be a legal expense from athletic funds. 45 Op. Att'y Gen. 512 (1953), construing former § 25-1A-2.

Payments for medical attention to injured athlete. — The payments necessary to provide adequate medical attention for an athlete injured while participating for the university in an intercollegiate athletic contest represents a part of the cost of maintaining the athletic department and the athletic program of the university, even though this section makes no specific provision for such payments. State ex rel. Board of Governors of W. Va. Univ. v. Sims, 134 W. Va. 428, 59 S.E.2d 705 (1950), decided under former § 25-1A-2.

But a college is not authorized to pay medical expenses of a student injured in a physical education class. 44 Op. Att'y Gen. 9 (1950), construing former § 25-1A-2.

Nor would the athletic director of a state college or board of governors be justified in expending money for rehabilitation in the case of permanent injuries to a football player. 45 Op. Att'y Gen. 173 (1952), construing former § 25-1A-2.

WEST VIRGINIA UNIVERSITY

ATHLETIC DEPARTMENT

ADMINISTRATIVE STAFF

Richard D. Martin Director
Brad Rothemel Associate Director
Paul Miller Associate Director
Ed Pastilong Assistant Director
Roger Jefferies Scholarship and Promotional Officer
Mike Parsons Sports Information Director
Tim Lilley Assistant Sports Information Director
Eleanor Lamb Administrative Assistant
Frank Cignetti Administrative Assistant
Debra Coles Ticket Manager

WEST VIRGINIA UNIVERSITY

ATHLETIC DEPARTMENT

SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

CREDIT CARDS

1. Credit cards are used in lieu of charging mileage.

We recommend the Department follow the Governor's Travel Regulations.

As regards to the use of credit cards, we believe it to be inappropriate to compensate individuals who travel on Athletic Department business at the rate of 20¢ per mile when they are provided a vehicle under a vehicle donation program initiated by automobile dealers. Through this program, Athletic Department personnel only incur out-of-pocket costs such as gasoline, oil, and insurance. Thus, it is considerably less expensive to permit credit card charges for gas and oil than to reimburse 20¢ per mile. (See pages 5-6)

2. The possibility exists that some credit card purchases could have been for personal use.

We recommend the Department attempt to identify all purchases for personal use, if any, and collect the amount of the purchases from the responsible employee.

We are in the process of monitoring back credit card usage, and current credit card usage, by making certain that only appropriate employees sign credit cards, by requiring that destinations be noted on credit card slips, by requiring that the license number for the auto in which the gasoline is put be noted on the credit card slips, and by checking expense accounts as they are filed to determine if any gas purchases

are charged for more than once. As any instances of personal usage of credit cards are disclosed, responsible employees will be billed and payment will be exacted. (See pages 7-8)

SPECIAL GATE RECEIPTS ACCOUNT

3. The Department is not complying with Section 403 of the lease agreement to rent the Stadium Team Facilities Building.

We recommend the Department comply with Section 403 of the lease agreement.

We see no problem in complying with the lease agreement. (See pages 8-10)

MOUNTAINEER ILLUSTRATED ACCOUNT

4. We believe the funds in this account to be public funds.

We recommend this account be transferred to a special revenue account in the State Treasury.

The third issue, MOUNTAINEER ILLUSTRATED ACCOUNT, indicates a recommendation that this account be transferred to a special revenue account in the State Treasury. This is fully acceptable although the original indication, that we would make this transition in mid-November, will not be completed on time. This is so because the publishing bills for the football program will not be tendered to us until mid-December. The remaining balance in that account will be transferred to a special revenue account in the State Treasury, the account will be closed and all Mountaineer Illustrated and other publishing will take place via State accounts. The current basketball brochure is being printed through State accounts. (See pages 11-13)

SPECIAL EVENTS ACCOUNT

5. We believe the funds in this account to be public funds. Also, we noted an unexplained disbursement of \$7,075.00 to the West Virginia University Foundations, Inc.

We recommend this account be transferred to a special revenue account in the State Treasury and the \$7,075.00 disbursement to the West Virginia University Foundation, Inc. be returned to this account and transferred to the State Treasury.

The SPECIAL EVENTS ACCOUNT comments are largely correct and we already have acted on your recommendation that this account be transferred to a special revenue account.

We have accepted your second recommendation that a \$7,075 disbursement to the West Virginia University Foundation, Inc., be returned and deposited in the 8610-40 account. Instructions to accomplish this task have been issued. (See pages 13-16)

CONCESSIONS ACCOUNT

6. Possible duplicate payments totaling \$1,639.00 could have been made. This account was administered by the West Virginia University Foundation, Inc.

We recommend the Department determine if the duplicate payments were made, if so, the Department require the vendors to refund the payments. Also, we recommend this account be transferred to the State Treasury.

Your reference to possible duplicate payments to three vendors in February, March, and April, of 1980, appears to be correct. Recovery

of the \$1,639 is underway with the first step being the dispatch of a letter of notification to each of the three vendors.

The CONCESSIONS ACCOUNT has been closed and is now operated through the State Special Account 8610-40, and all contracts are processed through the normal State channels. (See pages 16-20)

MOUNTAINEER SPORTS NETWORK

7. The Mountaineer Sports Network Account is administered by the West Virginia University Foundation, Inc.

We recommend this account be transferred to the State Treasury.

The MOUNTAINEER SPORTS NETWORK ACCOUNT has been closed and is now operated through the State Special Account 8610-40, and all contracts are processed through the normal State channels. (See pages 20-23)

BOX SEATS

8. The box seats at the football stadium was financed by a \$200,000 loan from the Mountaineer Scholarship Fund to the Athletic Fund. The loan agreement does not appear to place a lien on the stadium. (See page 23)

WEST VIRGINIA UNIVERSITY

ATHLETIC DEPARTMENT

GENERAL REMARKS

INTRODUCTION

We have completed a financial and compliance audit of the accounts administered by the West Virginia University Athletic Department. The audit period in this report covers the years ended June 30, 1981 and June 30, 1980. We also reviewed the transactions for the period July 1, 1976 through June 30, 1979.

OPERATING ACCOUNTS

During the audit period, the West Virginia University Athletic Department operated from ten accounts. Two accounts were controlled by the State Treasurer's office, six accounts administered locally and the remaining two accounts administered by the West Virginia University Foundation, Inc. The account descriptions, source and use follow:

Account Description

Source and Use

Athletics (8610-40)

Athletic receipts and Student Athletic fees and Educational fees and interest; used for expenses of Athletic Department and programs; controlled by the State Treasurer's office.

Special Gate Receipts
(8610-48)

Surcharge on football tickets sold to non-students; to pay rent for the stadium team facilities building; controlled by the State Treasurer's office.

Intercollegiate Athletics - Game Advance Account

Advances from the Athletics Account; to pay athletic contest expenses; administered locally.

Mountaineer Illustrated Account

Advertising and program sales; to pay the expenses for producing the programs; administered locally until May 19, 1981 then transferred to the W.V.U. Foundation, Inc.

Special Events Account	Special events and ticket sales for away athletic contests, interest and donations; to pay the expenses of special events and the remittances of away athletic contests, ticket sales and W.V.U. Foundation, Inc.; administered locally.
Credit Card Account	Credit card athletic contest ticket sales and donations; remittances to Athletics, Special Gate Receipts, other local accounts and W.V.U. Foundation, Inc.; administered locally.
Special Office Fund	Athletic event sales and donations; operating expenses, remittances to Athletics, Special Gate Receipts, other local accounts and W.V.U. Foundation, Inc.; administered locally.
Clearing Account	Athletic event sales, donations and miscellaneous; remittances to Athletics, Special Gate Receipts, other local accounts and W.V.U. Foundation, Inc.; administered locally.
Concessions Account	Concession sales; to pay operating expenses of concession sales; administered by the W.V.U. Foundation, Inc.
Mountaineer Sports Network Account	Advertising sales; to pay operating expenses of advertising sales; administered by the W.V.U. Foundation, Inc.

CREDIT CARDS

A total of twenty-nine (29) Exxon Credit Cards were issued to employees of the Athletic Department. It appears these cards were to be used in lieu of charging mileage when the Department's employees were on official business using their personal or courtesy automobile, (a courtesy automobile is an automobile which a car dealer allows the department to use in conducting its business). These employees consisted of the Athletic Director, Associate Athletic Directors, Head Football and Basketball Coaches, Assistant Football and Basketball Coaches, Ticket Manager, Sports Information Director, Equipment Manager, Maintenance Supervisor and others.

The Governor's Travel Regulations state in part as follows:

"Transportation

"1. Motor Vehicle - Reimbursement for the use of an employee's personal car in connection with State business will be at the rate of twenty cents (0.20) per mile. Such reimbursement rate shall apply between the employee's headquarters and any designated location of work as approved by his department head. There will be no reimbursement of expense for commuting purposes other than in cases where an employee has completed his work day and is called out to return to his headquarters or is called out and required to travel on what is normally a non-work day or holiday for that employee....

"5. Credit Cards - Any credit cards authorized in the State's name or any department's name must be approved by the Commissioner of Finance and Administration...."

Based on the above, we do not believe the credit cards should be used in lieu of charging mileage. Also, we could find no evidence that the credit cards were authorized by the Commissioner of Finance and Administration. We recommend the Department follow the Governor's Travel Regulations.

As regards to the use of credit cards, we believe it to be inappropriate to compensate individuals who travel on Athletic Department business at the rate of 20¢ per mile when they are provided a vehicle under a vehicle donation program initiated by automobile dealers. Through this program, Athletic Department personnel only incur out-of-pocket costs; such as, gasoline, oil, and insurance. Thus, it is considerably less expensive to permit credit card charges for gas and oil than to reimburse 20¢ per mile.

We selected a sample of three (3) employees who earned \$20,000 or more for fiscal year 1980-81 and had credit card charges of over \$2,000 for the period July 1, 1980 through March 31, 1981 for a detailed test and noted no exceptions. We also reviewed all the expense sheets of employees making over \$20,000 per year. We noted the following:

1. Where travel expense sheets existed there were no charges for mileage;
2. The following had credit card charges but did not have travel expense sheets nor any other documentation of why charges were made;

Athletic Director	\$ 813.59
Administrative Assistant	1,010.05
Associate Athletic Director	2,033.93
Associate Athletic Director	<u>1,255.08</u>
	<u>\$5,112.65</u>

3. Nineteen (19) employees signed for credit card charges using other employees' cards;
4. Two (2) relatives of card holders signed for credit card purchases;
5. One (1) non-employee signed for credit card purchases; and,
6. The majority of purchases were local and had no corresponding travel sheets or other documentation as to why the purchases were made.

From the above findings, we believe the possibility exists that some of the purchases could have been for personal use.

We recommend the Department attempt to identify all purchases for personal use, if any, and collect the amount of the purchases from the responsible employees.

Your first specific issue, CREDIT CARDS, has been the subject of much scrutiny since February, 1981. We believe the current handling of the situation to be appropriate, as detailed in the credit card procedure appended to your report. In this regard, you have recommended that we attempt to identify all purchases made for personal use and collect reimbursement for any personal purchases from the appropriate employees. We are in the process of monitoring back credit card usage, and current credit card usage, by making certain that only appropriate employees sign credit cards, by requiring that destinations be noted on credit card slips, by requiring that the license number for the auto in which the gasoline is put be noted on the credit card slips, and by checking expense accounts as they are filed to determine if any gas purchases are charged for more than once. As any instances of personal usage of credit cards are disclosed, responsible employees will be billed and payment will be exacted.

SPECIAL GATE RECEIPTS ACCOUNT

The Special Gate Receipts Account (Account Number 8610-48) is a special revenue account in the State Treasury. The receipts in this account are from the surcharge of \$1.50 per ticket for each home football game during the calendar year 1980 and \$2.50 thereafter. The surcharge does not apply on student admissions. The disbursements from this account are to pay the rent for the use of the Stadium Team Facilities Building.

In March, 1977, the Legislature authorized the issuance of bonds by the Board of Regents to finance the construction of a new football stadium not to exceed \$20,000,000. Of the \$20,000,000, the Board allocated \$850,000 for construction of a team facilities building. However, the \$850,000 was not enough to construct the type building the Board had in mind. An alternative method of financing the building was worked out between the Board and

the West Virginia University Foundation, Inc.

The Board agreed to lease the building site to the Foundation for \$1 per annum commencing March 1, 1980, and thereafter on March 1 of each successive year. The Foundation agreed to finance the remaining moneys needed to construct the building through fund raising and the selling of Special Gate Receipts Revenue Bonds. A summary of the source of financing follows:

Special Gate Receipts Revenue Bonds	\$1,600,000
Board of Regents	850,000
Pledges - Cash on Hand W.V.U. Foundation	400,000
	<u>\$2,850,000</u>

The Foundation, the Commissioner of Finance and Administration and the Board signed a lease dated April 1, 1980 in which the State would rent the building from the Foundation in order to pay off the Revenue Bonds. At the end of the lease (midnight April 1, 1992), the building would become the property of the Board.

The lease agreement states the following regarding rent:

"Section 403. Rent. The State agrees to pay the lessor rent from the Special Gate Receipts Account on the 10th day of the month following the deposit of Special Gate Receipts in such account, the entire amount on deposit therein; provided, however, that in no event may the amount so paid in any one calendar year be less than 110% of the Maximum Reserve Requirement. The Board will require the Athletic Director to deposit funds from other sources in the Special Gate Receipts Account in an amount sufficient to provide that the rent paid for such year equals 110% of the Maximum Reserve Requirement. The State may not be required to pay rent hereunder from sources other than Special Gate Receipts Account."

The minimum lease payments over the term of the lease are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
1980-81	\$ 242,110
1981-82	240,317
1982-83	237,996
1983-84	240,636
1984-85	242,281
1985-86	237,407
1986-87	242,952
1987-88	241,477
1988-89	238,920
1989-90	240,757
1990-91	240,988
1991-92	239,580
	<u>\$2,885,421</u>

Also, at the end of the lease any monies remaining which are not needed to pay debt service revert to the West Virginia University Athletic Department.

During our examination of this account, we noted payment of rent was not paid on the 10th day of the month following the deposit of Special Gate Receipts in such account. The last payment was February, 1981. We recommend the Department comply with Section 403 of the lease agreement.

Your second specific issue, SPECIAL GATE RECEIPTS ACCOUNT, indicates that a problem with our transmission of deposits into the trust account for ticket surcharges is evidenced by the lack of rental payments in March and April of 1981. The April and May deposits were delayed pending State Auditor review of the payment process and clarification of the terms of the indenture. During this period, no deposits were made. In any case, payments for August, September, October, and November, 1981, were made as required by the indenture, and we see no problem in complying with the lease agreements in the future. We should point out that the bondholders were not damaged by the delay in that the funds were deposited with the State Treasurer. The deposit, plus interest, was paid to the Trustee, once the questions were resolved.

MOUNTAINEER ILLUSTRATED ACCOUNT

The Mountaineer Illustrated Account is a local account used to account for the receipts and disbursements to prepare the football and basketball programs. There are two sources of revenue which are advertising and the sale of programs. The disbursements from this account were to be those which are necessary for the preparation of the programs.

We performed a detailed examination of the receipts and disbursements of the account for the period July 1, 1976 to June 30, 1981. Our examination consisted of listing all receipts and disbursements for the above mentioned period, reconciling beginning and ending balances, receipts and disbursements per bank to beginning and ending balances, receipts and disbursements per book. Also, we examined all advertisements placed in the football and basketball programs for the fiscal years 1980-81 and 1979-80. We noted the following practices and expenditures:

1. There was no ledger control of cash receipts;
2. The only supporting documents for receipts were the deposit slips;
3. There were large amounts of unidentified cash deposits during the period we examined;
4. There were checks written to a former Athletic Director, the Athletic Director and an Assistant Basketball Coach totaling \$6,348.18 for travel and entertainment expenses; \$4,935.94 of the \$6,348.18 had supporting documents and the remaining \$1,412.24 did not;
5. A total of \$4,105.00 was paid to the Morgantown Travel Service for team travel and travel for the Athletic Director's wife. All of the \$4,105.00 had supporting documents.

6. \$2,472.34 was paid to Lakeview Inn and Country Club for a Christmas party, recruiting, green fees, golf cart rentals, alcoholic beverages and meals; \$2,242.66 had supporting documents and the remaining \$229.68 did not;
7. \$5,156.06 was paid to various motels and clubs for team lodging and Athletic Department entertainment; \$4,732.89 had supporting documents and the remaining \$423.17 did not;
8. Some advertising invoices marked paid could not be traced to the deposit slip;
9. A total of \$3,007.94 was paid to the Pines Country Club for membership fees and shares of stock for one Associate Athletic Director and one Assistant Athletic Director.
10. \$258.00 was paid for a round trip plane ticket from Kansas City, Missouri, for the Athletic Director's brother.

We discussed the above with various Department personnel and were told documentation of receipts and disbursements was not always required and some receipts had been placed in the West Virginia University Foundation, Inc.

We believe the funds generated from the sale of athletic programs to be public funds and should be placed in a special revenue account in the State Treasury. If the funds are in the State Treasury, the Department will be required to have proper documentation of all receipts and disbursements.

We recommend this account be transferred to a special revenue account in the State Treasury.

The third issue, MOUNTAINEER ILLUSTRATED ACCOUNT, indicates a recommendation that this account be transferred to a special revenue account in the State Treasury. This is fully acceptable although the original indication, that we would make this transition in mid-November, will not be completed

on time. This is so because the publishing bills for the football program will not be tendered to us until mid-December. The remaining balance in that account will be transferred to a special revenue account in the State Treasury, the account will be closed and all Mountaineer Illustrated and other publishing will take place via State accounts. The current basketball brochure is being printed through State accounts.

It is acknowledged that there was not adequate documentation for all receipts and disbursements in the Mountaineer Illustrated Account and this situation has been corrected. We do have verification that the expenditures for travel for Mr. Martin's brother were made in connection with services he rendered as a professional artist in producing the cover for the Mountaineer Illustrated and the 1980 Football Poster. In addition, the amount paid to the Pines Country Club has been verified, but one of the two shares mentioned has been sold to the Pines and \$2,500 has been recovered. The other share is held as a fund raising device and with the nominal holder, the Director of the Mountaineer Scholarship Fund, having executed an agreement that indicates the true owner to be the Department of Intercollegiate Athletics. A copy of that agreement is appended.

While we do not endorse the treatment accorded the Mountaineer Illustrated Account, we do note that the Athletic Director handled the account in a local bank and, as such, used it as a discretionary account. Thus, the Department felt it was appropriate to make expenditures from the Account for a variety of items many of which were not related to the production of the Mountaineer Illustrated brochure. In any case, the entire situation has been corrected.

SPECIAL EVENTS ACCOUNT

The Special Events Account is maintained in a local bank account. The revenue in this account is generated from special

events and the sale of tickets to away games. Special events are defined as any activities other than regular scheduled home athletic games; such as, the National Invitational Tournament games, football bowl games, etc. The disbursements from this account are to cover the price of tickets held on consignment and the related expenses incurred by the Department for participating in the special events.

The court case Board of Governors of West Virginia University v. Sims, 134 W.Va. 428, 59 S.E. 2d 705 (1950) stated: "Moneys derived under this section (18-24-7) by state educational institutions from admission fees to athletic contests, and from contracts for student athletic teams of state educational institutions to contests with other athletic teams inside and outside the State, are public moneys within the meaning of subdivision (d) and (j) of 12-2-2." Based on the above, we believe the funds in this account are public funds and should be in a special revenue account in the State Treasury.

We examined all the receipts and disbursements for fiscal years 1980-81 and 1979-80 and reviewed disbursements for fiscal years 1978-79. We noted the following items:

1. There was no system of internal control to check the work of the individual responsible for managing this account;
2. There were no written procedures for the accounting of receipts and disbursements in this account;
3. There was no supporting documentation for green fees (\$1,800), press hospitality (\$150), travel advances (\$471); also, the records did not indicate the travel advances were ever settled and a check was written to the West Virginia University Foundation, Inc. (\$7,075);
4. Purchase of uniforms and T-shirts (\$1,116) with no evidence of any bids being received for the purchase;

5. Made payroll advances (\$665.19) which are not in accordance with Chapter 12, Article 3, Section 13 of the West Virginia Code, as amended. The section states: "No money shall be drawn from the treasury to pay the salary of any officer or employee before the services have been rendered." - (emphasis added); and,
6. Over a three year period the Ticket Manager was paid \$2,092.17 above her regular salary for managing this account and during the 1980-81 year five (5) other full-time employees were paid \$717.92 above their regular salaries for selling tickets.

Also, we noted no retirement and payroll taxes were withheld.

Had the funds in this account been in the State Treasury none of the above would have happened because proper documentation for all disbursements is always required, purchases in excess of \$100 requires bids, payroll advances are not allowed per 12-3-13 and withholding of retirement and payroll taxes is required.

We recommend this account be transferred to a special revenue account in the State Treasury and the \$7,075 disbursement to the West Virginia University Foundation, Inc. be returned to this account and transferred to the State Treasury.

The SPECIAL EVENTS ACCOUNT comments are largely correct and we already have acted on your recommendation that this account be transferred to a special revenue account. In July, 1981, the account was limited in use to the originally intended purpose, namely, the deposit of monies from the sale of away game tickets, which monies were held in trust for the host team. In October the account was closed and distributions of the balances to the appropriate accounts were made.

We have accepted your second recommendation that a \$7,075 disbursement to the West Virginia University Foundation, Inc., be returned and deposited in the 8610-40 account. Instructions to accomplish this task have been issued.

CONCESSIONS ACCOUNT

Per an agreement made the 24th day of June, 1977 effective July 1, 1977 through June 30, 1980, by and between the American Vending Company and West Virginia University Foundation, Inc., whereby the Vending Company agrees to furnish food and beverage service at Mountaineer Field, W.V.U. Coliseum and the Blue Concession Stand at the Coliseum. Payment to the Foundation shall be a fee of \$45,000 per annum or a sum equal to 31.5 percent of all sales except Blue Concession Stand sales which shall be 10 percent, whichever is greater. This contract was extended an additional one year term beginning July 1, 1980 and ending June 30, 1981 per a letter dated June 23, 1980 from the Chairman of the Board, W.V.U. Foundation, Inc., and accepted by the President, American Vending Company. Paragraph 2.1 of the original agreement was changed to read 30 percent of gross sales and the per annum fee to \$50,000.

Commissions received from the Vending Company are credited to Foundation Vending Account No. 1-100-0107. Ten percent of the food and beverage vending commissions are retained by the Foundation as a service charge and the balance is transferred to Stadium Concession Account No. 2-301-0101 for use by the Athletic Department. All commissions from the Blue Concession Stand are retained in another Foundation account and are not used by the Athletic Department. There are no written agreements between the Athletic Department and the Foundation whereby the allowable percentage retained is established, or for what purpose the Blue Concession Stand funds are to be used.

We requested the records of the Concession Account for auditing purposes. We were not allowed to audit the original records, but instead were given copies. These records consisted of copies of the Vending Company's monthly gross sales and concessions to be paid, paid invoices and computer ledger sheets of receipts and disbursements. We did not receive copies of the cancelled checks and bank statements.

We could not trace the commissions paid per the Vending Company's reports to a depository record. This was due to the commissions being credited to Foundation Vending Account No. 1-100-0107 and we were not allowed access to the records. Based on what we were told regarding the Foundation's 10 percent service charge and the Blue Concession Stand commissions being retained in another Foundation account, we were able to ascertain that the balance of the commissions are shown as being credited to the Athletic Concessions Account No. 2-301-0101 on the computer ledger sheets furnished by the Foundation.

	<u>1980-81</u>	<u>1979-80</u>
Gross Commission per Vending Company Reports	\$136,647.65	\$ 95,678.98
Less: Blue Concessions Commission	<u>4,988.12</u>	<u>4,594.53</u>
	131,659.53	91,084.45
Less: 10 Percent Service Charge	<u>13,165.95</u>	<u>9,108.45</u>
	118,493.60	81,976.00
Plus: Transfer Error	<u>-0-</u>	<u>720.74</u>
Total Transferred to A/C No. 2-301-0101	<u>\$118,493.60</u>	<u>\$ 82,696.74</u>

The Athletic Department did not maintain suitable ledger controls that would enable them to verify receipts, disbursements and cash balances with the monthly reports prepared by the Foundation. We were able to trace the copies of paid invoices to the Foundation report. The invoices were stamped with an approval notation but not all were signed by the Athletic

Department. Our review of the payments made for fiscal years ended June 30, 1981 and June 30, 1980 revealed the following:

Possible duplicate payments

Zide's Sport Shop:

Invoice Paid 3/10/80 Check No. 41202	\$ 414.00
3/19/80 Check No. 41437	

The Athlete's Sole:

Invoice Paid 3/10/80 Check No. 41129	465.00
4/10/80 Check No. 41976	

H. L. Heaster, Inc.:

Invoice Paid 1/23/80 Check No. 40027	760.00
2/8/80 Check No. 40437	

Total	\$1,639.00
-------	------------

Payments and no supplier's invoice present

Pi Kappa Alpha Fraternity:

Five payments for cleaning football stadium	\$3,750.00
---	------------

Fairmont TV Sales and Service:

One TV for Tower's Lounge	\$ 650.00
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Charles D. McCullough:

Labor	\$1,297.46
-------	------------

Lennox Hill Brace Shop:

One knee brace	\$ 470.00
----------------	-----------

The above made payments were supported by W.V.U. vendor's invoices and were not approved by the Athletic Department.

Questionable expenditures

The Athlete's Sole - 36 leather basketballs	\$1,872.00
---	------------

Documentation to support this purchase is a vendor's ticket made at the time of purchase. This ticket does not show anyone signing for merchandise or approving for payment.

Wilson Car Rental Systems, Inc. - car rental 5/27/80 - 9/2/80	\$1,142.23
---	------------

This car was rented for the Associate Athletic Director (Business Manager) and approved for payment by him

Assistant Coach - anticipated recruiting expense	\$ 520.00
--	-----------

The Associate Athletic Director approved issuance of this check. We could not find any settlement of this advance.

The Bulova Watch Company, Inc. - 15 men's and ladies' watches Invoice approved by the Associate Athletic Director.	\$1,478.56
Holiday Inn of Morgantown - banquets and buffets 1/17,24,25/81 Approved by Athletic Director.	\$2,613.64

We recommend the Department determine if the three payments totaling \$1,639.00 were duplicate payments, if so, the Department require the vendors to refund the payments. Also, we recommend this account be transferred to the State Treasury.

The CONCESSIONS ACCOUNT, has been closed and is now operated through the State Special Account 8610-40, and all contracts are processed through the normal State channels.

It was noted that the Auditor was not allowed to audit the original records of the CONCESSIONS ACCOUNT but instead was given copies of the documents. It is the University's policy to share all departmental records of accounts of this type for any unit being audited but as regards transactions handled through the WVU Foundation, Inc., departments generally maintain only copies of documents and not the originals. Thus, we believe the Auditor was given all the original records available in the WVU Athletic Department.

As your report notes, in the section entitled "CONCESSIONS ACCOUNT," the Athletic Department did not historically maintain suitable ledger controls. Late in Fiscal Year 1980-81, such controls were installed. All receipts were handled through the ticket office using cash deposits tickets; all disbursements were/are initialed by units authorizing disbursements and then approved by the Athletic Director; all reports from the Foundation were verified immediately upon receipt; and all accounts were reconciled within ten days of the report being issued by the Foundation. Now that the account is handled as a State account, it conforms to the ledger control demands applicable to all accounts.

Your reference to possible duplicate payments to three vendors in February, March, and April, of 1980, appears to be correct. Recovery of the \$1,639 is underway with the first step being the dispatch of a letter of notification to each of the three vendors.

MOUNTAINEER SPORTS NETWORK

The Mountaineer Sports Network of the Athletic Department negotiates and enters into agreements with the sponsors who wish to purchase commercial advertising time on radio and television broadcasts of athletic events. The revenues generated from these sales were deposited with the WVU Foundation, Inc. Payments for operating costs and other expenses were made by the Foundation upon presentation of a vendor's invoice by Sports Network. There are no written agreements between the Foundation and the Sports Network regarding this type of trustee relationship.

The Foundation prepares a monthly report of receipts, disbursements and ending balances for Sports Network. All original paid invoices, receipts, cancelled checks and bank statements are kept by the Foundation. We were furnished copies of the above records by the controller's office.

The Sports Network's files containing the agreements between the sponsors and the Network were incomplete. Not all agreements were available and those present were not always signed by both parties. No accounts payable records were available, therefore, we were unable to verify amounts paid and balances owed.

An agreement for the services of a broadcast announcer for the 1979-80 football and basketball season was signed by the announcer only. This agreement was entered into December 1, 1979, at which time the football season was over. The Athletic Department Business Manager could not produce a copy of the announcer's agreement for the 1980-81 season. Payment records for the announcer for the 1980-81 season indicated that the rate of pay for each radio

broadcast had increased from \$375, plus expenses, 1979-80 season agreement to \$400, plus expenses.

An agreement for the service of another broadcast announcer to do color commentary for basketball and football games was entered into September 15, 1979 and was properly signed. The contract provided for the announcer to receive \$200 for each football game and \$100 for each basketball game worked with no expenses. The contents of this agreement does not state the period covered but shows December 31, 1979 and March 31, 1980 as dates the Network will pay for services rendered. This is the only indication that the agreement could be for the 1979-80 season. There is no agreement for the 1980-81 season. Payments to the announcer for the 1980-81 year are based on rates of the 1979-80 agreement.

There are no agreements between the Athletic Department and the Executive Director of Sports Network, and head basketball and football coaches with regard to services rendered and pay rates. Pay rates are as follows:

	<u>1980-81</u>	<u>1979-80</u>
Executive Director	\$10,000	\$10,000
Head Basketball Coach	14,950	14,350
Head Football Coach	11,800	11,375

The Executive Director of Sports Network is also one of the associate athletic directors. There were no payroll taxes withheld from any of the above wages.

Other people are paid for work from this account. These payments are authorized by the Executive Director of Sports Network. The memorandums authorizing these payments to be made state that these people are to be paid for work performed on various coaches' shows and telecasts of live sports events. Payroll taxes were not withheld from any of these wages.

Had this account been in the State Treasury the above conditions would not have existed, because the State system requires proper documentation

before funds may be deposited and expenditures made. We recommend this account be transferred to the State Treasury.

The MOUNTAINEER SPORTS NETWORK ACCOUNT has been closed and is now operated through the State Special Account 8610-40, and all contracts are processed through the normal State channels.

While apparently there were no formal agreements between the Athletic Department and the Executive Director of the SPORTS NETWORK, the Notice of Appointment to the Executive Director of the SPORTS NETWORK includes a citation of the portion of his income attributable to his participation in the NETWORK. Now that the MOUNTAINEER SPORTS NETWORK ACCOUNT is a State account, all applicable State procedures are being followed in the operation of the NETWORK.

BOX SEATS

During our examination of the Special Office Fund and Clearing Accounts, we noted disbursements being made to the West Virginia University Foundation, Inc. for box seats at the football stadium. We asked the Controller about these transactions. His comments follow:

Your other questions pertained to the Stadium modifications for the seat back/box program. In mid-1980, the Board of Regents was asked to issue a change order to the Stadium construction for the purpose of modifying the box areas of the Stadium. The request was made by Mr. Richard Martin, Director of Intercollegiate Athletics, with the approval of President Budig.

The changes were financed from non-state sources on deposit with the WVU Foundation. Mr. Richard Martin arranged for a loan of the funds from the Mountaineer Scholarship Fund to the Athletic Fund as indicated in the appended promissory note. A check for \$200,000 was drawn on Foundation accounts in March of 1980 and made payable to the West Virginia Board of Regents and the project was completed. In the 1980 and 1981 football season,

the Box seat proceeds of \$7,500 each were received into the Athletic Fund and the sale of tickets in each box, approximately \$2,100, was received into the 861040 Athletics Special Revenue Account. Where a single check was paid to the Department of Intercollegiate Athletics, the Ticket Office split the amount into two categories through its clearing account. The box seat monies were then used in support of the Athletic Department, with the exception of \$126,200 paid in fiscal 1980 from the Athletic Fund to the Mountaineer Scholarship Fund in partial fulfillment of the promissory note. No repayments have been made thus far in fiscal 1981, although a \$20,000 repayment is imminent.

We reviewed the promissory note and it did not appear to put a lien on the football stadium. We have included the promissory note in the appendix of this report.

DISCUSSION OF REPORT

We held an exit conference on December 2, 1981 with the Vice-President for Administration, Controller, Athletic Director and others. The Controller's written responses are included in the Summary of Findings, Recommendations and Responses and after our recommendations in the foregoing General Remarks.

APPENDIX
WEST VIRGINIA UNIVERSITY
DEPARTMENT OF INTERCOLLEGIATE ATHLETICS

Gasoline Credit Card Procedures

Purpose: To establish the policies and procedures by which gasoline credit cards will be issued and controlled within the Department.

Types of Issuance: In order to control the number of gasoline credit cards in circulation at any time, the following procedure will govern their issuance:

1. Permanent issue - Gasoline credit cards will be entrusted to certain Departmental personnel on a permanent basis. The number of cards issued permanently should be held to the minimum number possible and should be issued only to those individuals whose official duties require the regular and frequent travel to out of town locations on University or Department business. Head Coaches and Unit Managers will submit specific justification for each of their subordinates for whom a card is requested on a permanent basis. Such justification should include frequency and purposes of travel performed and any other information which supports the request. Approval authority for all permanent cards rests with the Director of Intercollegiate Athletics.

2. Temporary issue - The Departmental Business Office will retain a supply of gasoline credit cards for issuance to Departmental personnel on a temporary basis to cover trips or travel on Departmental business. The request for temporary issuance of a credit card should be submitted to the Business Office one week in advance of the trip to assure that a card is reserved and available when needed. The request should specify the date of travel, destination, mode of transportation and estimated number of days of travel. The request should be signed and approved by the appropriate Head Coach or Unit Manager. Cards will be returned to the Business Office as soon as possible upon completion of travel.

Card Holder Responsibilities:

1. All gasoline credit card holders will adhere to the provisions of this procedure.

2. Gasoline credit cards are to be used for out of town travel on University or Departmental business and will at no time be used for charges related to personal business or personal usage of any type.
3. Gasoline credit cards will be used for the purpose of charging gasoline and oil only. All other expenditures relating to automobile expenses or other travel costs will be handled on a reimbursement basis.
4. All charge slips will be properly signed by the credit card holder and turned in to the Unit of assignment. The charge slip will contain the license number of the automobile for which the gasoline was purchased and the destination of the trip.
5. Abuse of gasoline credit card charges will result in the recall of the card.

Unit Responsibilities

1. Collect all charge slips turned in by personnel of the Unit.
2. Review the charge slips for validity and propriety and monthly, forward to the Business Office for further processing.

Business Office Responsibilities

1. Receive charge slips from all Units and review them for completeness and propriety. Refer any questions concerning charge slips to the appropriate Head Coach or Unit Manager for resolution.
2. Verify all charges on the monthly statement presented by gasoline companies.
3. Authorize payment of the monthly invoice.

COPY
RW

PROMISSORY NOTE

West Virginia
University

\$200,000.00

March 10, 1980
Morgantown, W. Va.

For value received, the Athletic Fund (2-301-0102) promises to pay to the order of the Mountaineer Scholarship Fund (\$800,000) the sum of \$200,000.00 plus interest at the rate of eight (8%) per centum per annum until paid in full.

Interest shall accrue from the effective date of delivery of said funds to the West Virginia Board of Regents for the construction of "box-seats" at Mountaineer Field. Any monies not used shall be deducted from the \$200,000.00 principal sum. Advance payments may be made at any time.

Repayment of the principal and interest will be made from future sales of the "box-seats" to Mountaineer Scholarship Fund contributors. 50% of the principal sum shall be repaid by September 1, 1981, the remaining 50% shall be due September 1, 1982.

WITNESSETH the duly authorized signature.

Athletic Fund 2-301-0102

BY: Richard W. [Signature]
BUDGET OFFICER

AUDITORS' OPINION

The Honorable Encil Bailey
Legislative Auditor
State Capitol - Main Unit
Charleston, West Virginia

Sir:

We have examined the statement of cash receipts, disbursements and changes in cash balances of the West Virginia University Athletic Department for the years ended June 30, 1981 and June 30, 1980. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as stated in the following paragraph.

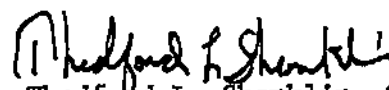
Some of the records for the West Virginia University Athletic Department were maintained by the West Virginia University Foundation, Inc. and we did not have access to the original supporting documents or bank statements with its supporting documents. Also, the audit of West Virginia University as a whole has not been completed and there may be transactions in other accounts of the University which could effect the financial statements of the West Virginia University Athletic Department.

As more fully described in Note A, the financial statement was prepared using the cash basis of accounting. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, except for the effects of the second paragraph above, if any, the statement of cash receipts, disbursements and changes in cash balance of the West Virginia University Athletic Department present fairly cash transactions for the years ended June 30, 1981 and June 30, 1980 on a basis consistent with the preceding year.

Our examination was made for the purpose of forming an opinion on the basic financial statement taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statement, and, in our opinion, except for the effects of the second paragraph above, if any, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.

Respectfully submitted,



Thedford L. Shanklin, CPA, Director
Legislative Postaudit Division

November 25, 1981

Auditors: Delbert Pullen, Supervisor-in-Charge
Forrest O. Grady
Charles W. Carpenter
Russell Staffileno

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCE

	<u>Year Ended June 30,</u>	
	<u>1981</u>	<u>1980</u>
Cash Receipts:		
Athletic Events and Student Fees	\$3,268,291.70	\$2,514,740.40
Advertising and Program Income	312,361.14	258,394.88
Concession Income	118,806.32	82,696.74
Donations	120,602.50	50,241.00
Interest	72,712.57	62,209.01
Miscellaneous	1,470.00	512.67
	<u>3,894,244.23</u>	<u>2,968,794.70</u>
Disbursements:		
Personal Services	1,042,788.53	906,421.02
Current Expenses	2,790,961.12	1,637,209.27
Repairs and Alterations	6,824.84	76,731.22
Equipment	64,918.34	63,017.10
Refunds	14,220.50	12,138.21
Social Security Matching Fund	58,992.72	42,536.00
West Virginia University Foundation, Inc.	85,906.66	29,051.64
Mountaineer Scholarship Fund	55,464.00	50,241.00
	<u>4,120,076.71</u>	<u>2,817,345.46</u>
Cash Receipts Over (Under)		
Disbursements	(225,832.48)	151,449.24
Beginning Cash Balance	<u>1,076,874.95</u>	<u>925,425.71</u>
Ending Cash Balance	<u>\$ 851,042.47</u>	<u>\$1,076,874.95</u>

See notes to financial statement

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT

NOTES TO FINANCIAL STATEMENT

Note A - Accounting Policies

Accounting Method: The cash basis of accounting is followed. Therefora, certain revenue and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Note B - Pension Plan

All eligible employees are members of the West Virginia Teachers' Retirement System. The employees' contributions are 6% of their compensation and employees have vested rights under certain circumstances. Contributions by the West Virginia Teachers' Retirement Board are 6% of the employees' compensation. If and when an employee withdraws his share of contributions before retirement, the State pays 3% interest on his share only. If the employee retires under the plan, interest is calculated at the rate of 3% on both employee and Board contributions.

For the Teachers' Insurance Annuity Association, employees contributions are either 6% or 7½% on a portion or all of their compensation and employees are vested under certain circumstances. Contributions by the Department are 6% or 7½% of the compensation on which the employee made contributions to the Teachers' Insurance Annuity Association.

Contributions for the retirement plan were as follows:

<u>June 30, 1981</u>	<u>June 30, 1980</u>
<u>\$ 35,109.53</u>	<u>\$ 31,735.80</u>

Note C - Intra-Account Transactions

The following intra-account transactions have been eliminated:

<u>June 30, 1981</u>	<u>June 30, 1980</u>
<u>\$2,307,015.22</u>	<u>\$1,501,499.50</u>

SUPPLEMENTAL INFORMATION

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
ATHLETIC ACCOUNT - 8610-40

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
State Treasury	\$ 891,160.88	\$ 853,544.22
Cash Receipts:		
Athletic Events and Student Fees	2,685,997.77	2,314,091.77
Interest	68,026.25	62,209.01
	2,754,024.02	2,376,300.78
TOTAL CASH TO ACCOUNT FOR	\$3,645,184.90	\$3,229,845.00
Disbursements:		
Personal Services	\$ 963,671.25	\$ 832,731.70
Current Expenses	2,003,066.18	1,348,480.11
Repairs and Alterations	5,199.68	70,250.40
Equipment	54,186.48	38,759.91
Refunds	8,964.50	5,926.00
Social Security Matching Fund	58,992.72	42,536.00
	3,094,080.81	2,338,684.12
Ending Balance:		
State Treasury	551,104.09	891,160.88
TOTAL CASH ACCOUNTED FOR	\$3,645,184.90	\$3,229,845.00

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 SPECIAL GATE RECEIPTS ACCOUNT - 8610-48

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
State Treasury	\$108,757.00	\$ -0-
Cash Receipts:		
Special Gate Receipts	302,994.00	108,757.00
Interest	3,514.06	-0-
	<u>306,508.06</u>	<u>108,757.00</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$415,265.06</u>	<u>\$108,757.00</u>
Disbursements:		
Current Expenses	\$254,654.81	\$ -0-
Ending Balance:		
State Treasury	<u>160,610.25</u>	<u>108,757.00</u>
TOTAL CASH ACCOUNTED FOR	<u>\$415,265.06</u>	<u>\$108,757.00</u>

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
INTERCOLLEGIATE ATHLETICS - GAME ADVANCE ACCOUNT

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in Bank	\$ 2,893.23	\$ -0-
Cash Receipts:		
Athletic Events Cash Advances	1,049,100.00	665,850.00
Redeposits	44,493.87	29,581.17
	<u>1,093,593.87</u>	<u>695,431.17</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$1,096,487.10</u>	<u>\$ 695,431.17</u>
Disbursements:		
Travel, Recreational Supplies and Expenses	\$ 725,014.34	\$ 487,166.37
Athletic Account (8610-40)	371,371.09	205,371.57
	<u>1,096,385.43</u>	<u>692,537.94</u>
Ending Balance:		
Cash in Bank	<u>101.67</u>	<u>2,893.23</u>
TOTAL CASH ACCOUNTED FOR	<u>\$1,096,487.10</u>	<u>\$ 695,431.17</u>

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
MOUNTAINEER ILLUSTRATED ACCOUNT

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in Bank	\$ 1,206.46	\$ 8,038.30
Cash Receipts:		
Advertising and Program Sales	116,375.56	89,298.96
TOTAL CASH TO ACCOUNT FOR	\$117,582.02	\$ 97,337.26
Disbursements:		
Personal Services	\$ 1,175.00	\$ 8,114.32
Current Expenses	104,107.98	85,667.45
Equipment	3,713.07	2,349.03
W.V.U. Foundation, Inc.:		
Concessions Account	7,564.31	-0-
Mountaineer Illustrated Account	1,021.66 ^{1/}	-0-
	117,582.02	96,130.80
Ending Cash Balance:		
Cash in Bank	-0-	1,206.46
TOTAL CASH ACCOUNTED FOR	\$117,582.02	\$ 97,337.26

^{1/} Mountaineer Illustrated Account was closed out and transferred to the W.V.U. Foundation, Inc. May 19, 1981.

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
SPECIAL EVENTS ACCOUNT

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in Bank	\$ 435.85	\$ 5,113.35
Cash Receipts:		
Special Events	218,132.39	14,387.15
Special Office Fund	23,488.00	-0-
Clearing Account	11,180.00	-0-
Donations	2,329.00	-0-
Interest	1,172.26	-0-
Miscellaneous	102.00	437.00
	<u>256,403.65</u>	<u>14,824.15</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$256,839.50</u>	<u>\$ 19,937.50</u>
Disbursements:		
Personal Services	\$ 1,210.09	\$ 1,000.00
Current Expenses	193,038.83	18,501.65
Mountaineer Scholarship Fund	1,280.50	-0-
W.V.U. Foundation, Inc.	7,175.00	-0-
Special Office Fund	932.00	-0-
	<u>203,636.42</u>	<u>19,501.65</u>
Ending Balance:		
Cash in Bank	<u>53,203.08</u>	<u>435.85</u>
TOTAL CASH ACCOUNTED FOR	<u>\$256,839.50</u>	<u>\$ 19,937.50</u>

1/ W.V.U. Foundation, Inc.
Account Unknown \$7,075.00
Athletic Director's Discretionary
Account Reimbursement 100.00
\$7,175.00

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CREDIT CARD ACCOUNT

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in Bank	\$ 3,101.00	\$ -0-
Cash Receipts:		
Athletic Events Sales	243,996.00	69,089.50
Donations	3,645.00	1,000.00
	247,641.00	70,089.50
TOTAL CASH TO ACCOUNT FOR	\$250,742.00	\$ 70,089.50
Disbursements:		
Athletic Account (8610-40)	\$196,976.00	\$ 59,925.50
Special Gates Receipts Account (8610-48)	13,529.00	6,063.00
Mountaineer Scholarship Fund	3,645.00	1,000.00
Special Events Account	23,470.50	-0-
Special Office Fund	13,114.50	-0-
	250,735.00	66,988.50
Ending Balance:		
Cash in Bank	7.00	3,101.00
TOTAL CASH ACCOUNTED FOR	\$250,742.00	\$ 70,089.50

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
SPECIAL OFFICE FUND

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in Bank	\$ 42,645.58	\$ 23,637.45
Cash on Hand	200.00	200.00
	42,845.58	23,837.45
Cash Receipts:		
Athletic Event Sales	1,856,544.29	1,509,914.48
Donations	83,602.50	49,241.00
Miscellaneous	69.50	75.67
	1,940,216.29	1,559,231.15
TOTAL CASH TO ACCOUNT FOR	\$1,983,061.87	\$1,583,068.60
Disbursements:		
Athletic Account (8610-40)	\$1,546,568.75	\$1,341,964.75
Special Gate Receipts Account (8610-48)	254,367.50	93,546.25
Postage	10,898.82	8,796.81
Various Schools - Ticket Sales	50,730.00	40,212.00
W.V.U. Foundation, Inc.	47,460.00 ^{1/}	-0-
Mountaineer Scholarship Fund	36,142.50	49,241.00
Special Events Account	23,488.00	-0-
Clearing Account	500.00	-0-
Credit Card Account	296.00	-0-
Refunds	5,256.00	6,212.21
Change Fund	-0-	250.00
	1,975,707.57	1,540,223.02
Ending Balance:		
Cash in Bank	4,754.30	42,645.58
Cash on Hand	2,600.00	200.00
	7,354.30	42,845.58
TOTAL CASH ACCOUNTED FOR	\$1,983,061.87	\$1,583,068.60
^{1/} Box Seat Sales Athletic Fund	\$ 46,460.00	
Donations	1,000.00	
	\$ 47,460.00	

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CLEARING ACCOUNT

	Year Ended June 30, <u>1981</u>
Cash Receipts:	
Athletic Event Sales	\$223,888.50
Donations	29,396.00
Special Office Fund	500.00
Advertising Income	750.00
Miscellaneous	<u>1,298.50</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$255,833.00</u>
 Disbursements:	
West Virginia University Athletic Department	\$214,007.00
Mountaineer Scholarship Fund	14,396.00
Special Events Account	11,180.00
W.V.U. Foundation, Inc.	<u>15,750.00</u> ^{1/}
	255,333.00
 Ending Balance:	
Cash in Bank	413.00
Cash on Hand	<u>87.00</u>
	<u>500.00</u>
TOTAL CASH ACCOUNTED FOR	<u>\$255,833.00</u>
<u>1/</u> Box Seat Sales Athletic Fund	\$15,000.00
Mountaineer Illustrated Account	<u>750.00</u>
	<u>\$15,750.00</u>

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CONCESSIONS ACCOUNT

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in W.V.U. Foundation, Inc.	\$ (8,939.53)	\$ 11,421.07
Cash Receipts:		
Concessions	118,806.32	82,696.74
Mountaineer Illustrated Account	7,564.31	-0-
W.V.U. Foundation, Inc.	1,630.00	-0-
	<u>128,000.63</u>	<u>82,696.74</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$119,061.10</u>	<u>\$ 94,117.81</u>
 Cash Disbursements:		
Personal Services	\$ 3,227.19	\$ 1,035.00
Current Expenses	67,335.64	44,727.72
Repairs and Alterations	1,625.16	6,480.82
Equipment	6,843.79	21,762.16
Other W.V.U. Foundation, Inc. Accounts	2,000.00	29,051.64
	<u>81,031.78</u>	<u>103,057.34</u>
 Ending Balance:		
Cash in W.V.U. Foundation, Inc.	<u>38,029.32</u>	<u>(8,939.53)</u>
TOTAL CASH ACCOUNTED FOR	<u>\$119,061.10</u>	<u>\$ 94,117.81</u>

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
MOUNTAINEER SPORTS NETWORK ACCOUNT

	Year Ended June 30,	
	1981	1980
Beginning Balance:		
Cash in W.V.U. Foundation, Inc.	\$ 35,414.48	\$ 23,471.32
Cash Receipts:		
Advertising Sales	195,235.58	169,095.92
TOTAL CASH TO ACCOUNT FOR	\$230,650.06	\$192,567.24
Disbursements:		
Personal Services	\$ 73,505.00	\$ 63,540.00
Current Expenses	104,337.30	93,466.76
Equipment	175.00	146.00
Other W.V.U. Foundation, Inc. Accounts	12,500.00	-0-
	\$190,517.30	\$157,152.76
Ending Balance:		
Cash in W.V.U. Foundation, Inc.	40,132.76	35,414.48
TOTAL CASH ACCOUNTED FOR	\$230,650.06	\$192,567.24

WEST VIRGINIA UNIVERSITY ATHLETIC DEPARTMENT

COMPLIMENTARY TICKETS

YEAR ENDED JUNE 30, 1981

	Tickets	
	<u>Football</u>	<u>Basketball</u>
West Virginia University Employees	4,520	169
West Virginia University Athletic Teams, Cheer Leaders and Color Guard	2,263	1,130
High School Coaches	1,855	433
Recruiting	1,643	47
Sales Promotion	1,366	-0-
Visiting Teams	1,050	697
West Virginia Legislature	922	-0-
Directors Club Box	750	-0-
Car Dealers	680	-0-
Press	552	980
Student Overflow	478	-0-
Stadium Construction Employees	370	-0-
Game Officials and Advertisers	212	-0-
Team Reunions and Sports Information	162	70
Mountaineer Scholarship Dinners	72	14
Governor's Manpower	50	50
P.A.C.E. (Tickets for Mentally Retarded Children)	24	-0-
Total	<u>16,969</u>	<u>3,590</u>
 Average Tickets per Contest	 <u>2,828</u>	 <u>239</u>
 Cash Value of Tickets	 <u>\$161,205.50</u>	 <u>\$ 17,950.00</u>

WEST VIRGINIA UNIVERSITY
FOOTBALL
Complimentary & Exchange Tickets

<u>WVU EMPLOYEES</u>	<u>1980</u>	<u>1981</u>
Athletic Dept. Staff	2226	1350
President's Office	120	0
Athletic Council	246	108
Physical Plant	22	0
Miscellaneous	226	0
WVU Players, Cheerleaders & Color Guard	2670	2496
High School Coaches	1855	1728
Recruits	1643	1113
Visiting Teams	1050	1200
WV Legislature	922	946
Director Club Box	750	0
Press	552	258
Stadium Construction Employees	370	0
Team Reunions & Sports Information	162	0
Mountaineer Scholarship Dinners	72	24
Underprivileged Children	50	55
P.A.C.E. (Mentally Retarded Children)	24	0
National Merit Scholars	<u>0</u>	<u>154</u>
TOTAL COMPLIMENTARY TICKETS	12960	9432
 Tickets per game (6 games)	 2160	 1572
Cash Value of Total Tickets (\$11 per ticket)	<u>\$142,560</u>	<u>\$103,752</u>

The following tickets were used in lieu of cash for various services rendered and are not complimentary in nature:

	<u>1980</u>	<u>1981</u>
Sales Promotion	1366	747
Car Dealers	680	720
Ticket Takers & Sellers	540	504
Game Officials & Advertisers	945	1621
Policemen	0	360
Doctors on Call	<u>0</u>	<u>36</u>
TOTAL TICKETS	3531	3988

In addition, 478 tickets were included as complimentary in 1980 for student overflow. However, this number accounts for excess students who sat in the North end bowl where there are no permanent seats, just a hill. No charge should have been made.

WEST VIRGINIA UNIVERSITY
BASKETBALL
Complimentary & Exchange Tickets

<u>WVU Employees</u>	<u>80-81</u>	<u>81-82*</u>
Athletic Department Staff	6151	3318
President's Office	204	0
Athletic Council	272	280
Press	1200	490
Recruits	50	50
Visiting Teams	782	560
WVU Players (Men & Women)	1245	1082
High School Coaches	524	700
St. Francis High School	187	0
Morgantown High Band Director	<u>14</u>	<u>0</u>
 TOTAL COMPLIMENTARY TICKETS	 10629	 6480
 Tickets per game (17 & 14 games)	 625	 463
 Cash Value of Total Tickets (\$5 per ticket)	 <u>\$53,145</u>	 <u>\$32,400</u>

The following tickets were used in lieu of cash for various services rendered and are not complimentary in nature:

	<u>80-81</u>	<u>81-82*</u>
Ticket Takers & Sellers	1020	812
Car Dealers	1904	1512
Advertising	374	1106
Officials	2	0
Doctors on Call	<u>0</u>	<u>28</u>
 TOTAL TICKETS	 3300	 3458

*Estimated