

**The University of Texas at El Paso
Department of Intercollegiate Athletics
Agreed-Upon Procedures Report
For the Fiscal Year Ended August 31, 2025**



January 2026

PERFORMED BY BAKER TILLY ON BEHALF OF
THE UNIVERSITY OF TEXAS SYSTEM AUDIT OFFICE



The University of Texas at El Paso Department of Intercollegiate Athletics

Agreed-Upon Procedures Report

August 31, 2025

The University of Texas at El Paso
Department of Intercollegiate Athletics

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Independent Accountants' Report

Heather Wilson, Ph. D., President
The University of Texas at El Paso

National Collegiate Athletic Association

We have performed the procedures enumerated below to confirm whether the accompanying schedule of revenues and expenses (unaudited) (the Schedule) of The University of Texas at El Paso (the University) Department of Intercollegiate Athletics is in compliance with National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.18 for the year ended August 31, 2025 (the reporting period). The University's management is responsible for the accompanying Schedule.

The University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement of complying with NCAA Bylaw 20.2.4.18. Additionally, the NCAA has specified in their Bylaws the procedures to be performed and, therefore has agreed to and acknowledged that the procedures performed are appropriate to meet their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Material exceptions for reporting are defined as errors or misclassifications equal to or greater than 1% of total revenues or expenses. Immaterial differences, if any, were discussed with management and adjusted as needed on the Schedule.

The procedures we performed and our associated findings are as follows:

Agreed-Upon Procedures Related to the Schedule of Revenues and Expenses

- We obtained the Schedule for the year ended August 31, 2025, as prepared by management. We compared the amounts reported on the Schedule to the University's general ledger.

We found no exceptions as a result of these procedures.

Revenue General

- Compared and agreed each operating revenue category reported in the Schedule during the reporting period to supporting schedules provided by the University. If a specific reporting category was less than 4% of the total operating revenues, net of the University's direct and indirect support, no procedures were required for that specific category.

We found no exceptions as a result of these procedures.

- Compared and agreed a sample of 25 operating revenue receipts obtained from the above operating revenue supporting schedules to adequate supporting documentation. The sample was selected from revenue categories that exceeded 4% of total operating revenues, net of the University's direct and indirect support.

We found no exceptions as a result of these procedures.

- Compared each major revenue account over 10% of the total revenues to prior period amounts and budget estimates. Obtained and documented an explanation from management of any variations greater than 10%. The analysis is included as supplementary information to this report.

We were unable to compare some categories to budgeted amounts due to the unavailability of support for those items. We found no exceptions as a result of these procedures.

The above-referenced testing included the following procedures for specific revenue sources:

Ticket Sales

- Compared a sample of tickets sold during the reporting period, complimentary tickets provided during the reporting period and unsold tickets to the related revenue reported by the University in the Schedule and the related attendance figures.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Direct State or Other Governmental Support

- There was no direct state or other government support reported on the Schedule, so no procedures were performed.

Student Fees

- Selected a sample of student fees transactions during the reporting period and agreed each selection to the University's general ledger and/or the Schedule and recalculated totals.
- Compared and agreed student fees reported by the University in the Schedule for the reporting period to student enrollments during the same reporting period and recalculated totals.
- Obtained documentation of the University's methodology for allocating student fees to intercollegiate athletics programs.
- If the athletics department is reporting that an allocation of student fees should be countable as generated revenue, recalculated the totals of their methodology for supporting that they are able to count each sport. Tied the calculation to supporting documents such as seat manifests, ticket sales reports and student fee totals.

We found no exceptions as a result of these procedures.

Direct Institutional Support

- Compared the direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Less - Transfers to Institution

- There were no transfers to institution reported on the Schedule so no procedures were performed.

Indirect Institutional Support

- Compared the indirect institutional support recorded by the University during the reporting period with expense payments, cost allocation detail and other corroborative supporting documentation.

- Recalculated totals.

We found no exceptions as a result of these procedures.

Guarantees

- Selected a sample of settlement reports for away games during the reporting period and agreed each selection to the University's general ledger and/or the Schedule and recalculated totals.
- Selected a sample of contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period. Compared and agreed each selection to the University's general ledger and/or the Schedule and recalculated totals.

We found no exceptions as a result of these procedures.

Contributions

- Requested contributions of moneys, goods or services received directly by the intercollegiate athletics program from any affiliated or outside organization, agency or group of individuals (two or more) not included above (e.g., contributions by corporate sponsors) that constitute 10% or more in aggregate for the reporting period of all contributions received for intercollegiate athletics during the reporting period. We selected a sample of contributions and obtained supporting documentation. There was one contribution of 10% or more in the current year that was reviewed as part of our sample, see Note 4 to schedule of revenues and expenses for additional details.
- Recalculated totals.

We found no exceptions as a result of these procedures.

In-Kind

- As the total of in-kind contributions reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Compensation and Benefits Provided by a Third Party

- As the total of compensation and benefits provided by a third party reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Media Rights

- As the total of media rights reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

NCAA Distributions and NCAA Host Revenue Settlements

- As the total of NCAA distributions and NCAA host revenue settlements reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Conference Distributions and Conference Distributions Post-Season Generated Revenue

- There were no conference distributions and conference distributions of post-season generated revenue reported on the Schedule so no procedures were performed.

Program Sales, Concessions, Novelty Sales, and Parking

- As the total of program sales, concessions, novelty sales, and parking reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Royalties, Licensing, Advertisements and Sponsorships

- Obtained and inspected a sample of agreements related to the University's participation in revenues from royalties, licensing, advertisements and sponsorships during the reporting period for relevant terms and conditions.
- Compared and agreed the related revenues to the University's general ledger and/or the Schedule.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Sports Camp Revenues

- As the total of sports camp revenues reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Athletics Restricted Endowment and Investment Income

- As the total of athletics restricted endowment and investment income reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Other Operating Revenue

- As the total of other operating revenue reported on the Schedule was less than 4% of total revenues, net of the University's direct and indirect support, no procedures were performed.

Football Bowl Revenues

- There were no football bowl revenues reported on the Schedule, so no procedures were performed.

Expense General

- Compared and agreed each expense category reported in the Schedule during the reporting period to supporting schedules provided by the University. If a specific reporting category was less than 4% of the total expenses, net of the University's athletic student aid and indirect support, no procedures were required for that specific category.

We found no exceptions as a result of these procedures.

- Compared and agreed a sample of 25 expenses obtained from the above operating expense supporting schedules to supporting documentation. The sample was selected from expense categories that exceeded 4% of total operating expenses, net of the University's athletic student aid and indirect support.

We found no exceptions as a result of these procedures.

- Compared each major expense account over 10% of the total expenses to prior period amounts and budget estimates. Obtained and documented an explanation from management of any variations greater than 10%. The analysis is included as supplementary information to this report.

We were unable to compare some categories to budgeted amounts due to the unavailability of support for those items. We found no exceptions as a result of these procedures.

The above referenced testing included the following procedures for specific operating expense transactions:

Athletic Student Aid

- Selected a sample of 26 students (10% of the total student athletes) from the listing of institutional student aid recipients during the reporting period.
- Obtained individual student account detail for each selection and compared total aid in the University's student system to the student's detail in Compliance Assistant (CA) or University's report that reconciles to the NCAA Membership Financial Reporting System.
- Performed a check of each student selected to determine whether their information was reported accurately in either the NCAA's CA software or entered directly into the NCAA Membership Financial Reporting System using the criteria as defined by the 2025 NCAA Agreed Upon Procedures Manual page 34-36.
- Recalculated totals for each sport and overall.

We found no exceptions as a result of these procedures.

Guarantees

- As the total of guarantees reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Coaching Salaries, Benefits and Bonuses Paid by the University and Related Entities

- Obtained and inspected a listing of coaches employed by the University and related entities during the reporting period. Selected a sample of coaches' contracts that included football and men's and women's basketball from the listing.
- Compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits and bonuses recorded by the University in the Schedule during the reporting period.
- Obtained and inspected payroll summary registers for the reporting period for each selection. Compared and agreed payroll summary registers from the reporting period to the related coaching salaries, benefits and bonuses paid by the University and recorded by the University in the Schedule during the reporting period.
- Compared and agreed the totals recorded to any employment contracts executed for the sample selected.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Coaching Salaries, Benefits and Bonuses Paid by a Third Party

- As the total coaching salaries, benefits and bonuses paid by a third party reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities

- Selected a sample of support staff/administrative personnel employed by the University during the reporting period.
- Obtained and inspected the reporting period summary payroll register for each selection. Compared and agreed related summary payroll register to the related support staff administrative salaries, benefits and bonuses paid by the University and recorded by the University in the Schedule during the reporting period.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Support Staff/Administrative Compensation, Benefits and Bonuses Paid by a Third Party

- As the total support staff/administrative other compensation and benefits paid by a third party reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Severance Payments

- As the total severance payments reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Recruiting

- As the total recruiting expenses reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Team Travel

- Selected a sample of team travel transactions during the reporting period and agreed each selection to the University's general ledger and/or the Schedule.
- Obtained a copy of the University's team travel policies. Compared and agreed existing University team travel policies to NCAA related policies.
- Obtained general ledger and compared to the total expenses reported.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Sports Equipment, Uniforms and Supplies

- Obtained general ledger detail and compare to the total expenses reported.
- Selected a sample of transactions to validate existence of transaction and accuracy of recording.

- Recalculated totals.

We found no exceptions as a result of these procedures.

Game Expenses

- Obtained general ledger detail and compare to the total expenses reported.
- Selected a sample of transactions to validate existence of transaction and accuracy of recording.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Fund Raising, Marketing and Promotion

- As the total of fund raising, marketing and promotion expenses reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Sports Camp Expenses

- As the total of sports camp expenses reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Spirit Groups

- There was no spirit groups expense reported on the Schedule, so no procedures were performed.

Athletic Facilities Debt Service, Leases and Rental Fees

- Obtained a listing of debt service schedules, lease payments and rental fees for athletics facilities for the reporting period. Compared a sample of facility payments including the top two highest facility payments to supporting documentation (e.g., debt financing agreements, leases, rental agreements).
- Compared amounts recorded to amounts listed in the general ledger.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Direct Overhead, Administrative Expenses, Facilities Maintenance and Operations

- Obtained general ledger detail and compared to the total expenses reported. Selected a sample of transactions to validate existence of transaction and accuracy of recording.
- Compared amounts recorded to amounts listed in the general ledger detail.
- Recalculated totals.

We found no exceptions as a result of these procedures.

Indirect Institutional Support

- See procedures performed in the revenue section - Indirect Institutional Support

We found no exceptions as a result of these procedures.

Medical Expenses and Insurance

- As the total of medical expenses and insurance reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Memberships and Dues

- As the total of memberships and dues reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Student-Athlete Meals (Non-Travel)

- As the total of student-athlete meals (non-travel) reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Other Operating Expenses

- As the total of other operating expenses reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Post-Season Football Expenses

- There were no post-season football expenses reported on the Schedule, so no procedures were performed.

Post-Season Non-Football Expenses

- As the total of post-season non-football expenses reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Enhanced Educational Expenses (Alston or other)

- As the total of enhanced educational expenses reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Institutional NIL Revenue Share

- As the total of institutional NIL revenue share reported on the Schedule was less than 4% of total expenses, net of the University's athletic student aid and indirect support, no procedures were performed.

Additional Minimum Agreed-Upon Procedures

- For Grants-in-Aid - Compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from Compliance Assistant (CA) or other report that supports the equivalency calculations from the University.
- For Grants-in-Aid - We also compared the current year Grants-in-Aid revenue distribution equivalencies to prior year reported equivalencies per the Membership Financial Report submission and documented an explanation for any variations greater than +/- 4%.

We found no exceptions as a result of these procedures.

- For Sports Sponsorship - Compared the Sports Sponsorship and Demographics Forms to the minimum requirements set forth in Bylaw 20.9.6.3, related to the number of contests and the number of participants. We compared the sponsored sports to the countable sports for revenue distribution reported in the NCAA Membership Financial Reporting System. We also compared the current year number of sports sponsored to prior year reported total per the Membership Financial Report submission and inquired and documented an explanation for any variance.

We found no exceptions as a result of these procedures.

- For Pell Gants - Agreed the total number of Division I student athletes who, during the academic year, received a Pell Grant award (e.g. Pell Grant recipients on Full Grants-in-Aid, Pell Grant recipients on Partial Grants-in Aid and Pell Grant recipients with no Grants-in-Aid) and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System to a report, generated out of the University's financial aid records, of all student-athlete Pell Grants. Also agreed the students selected in the Athletic Student Aid procedures noted above who received Pell grants back to the report generated from the University's financial aid records of all student athlete Pell grant recipients.
- For Pell Grants - Compared the current year total Pell Grants to the prior year reported total per the Membership Financial Report submission for any variance greater than 20 grants. There was not a variance greater than +/-20 grants.

We found no exceptions as a result of the procedures.

Minimum Agreed-Upon Procedures Program for Other Reporting Items

The following is a complete listing of the minimum agreed-upon procedures for other reporting items, by category performed:

Excess Transfers to Institution

- There were no transfers to institution reported on the Schedule, therefore there were no excess transfers to institution, so no procedures were performed.

Conference Realignment Expenses

- There were no conference realignment expenses, so no procedures were performed.

Total Athletics Related Debt

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

We found no exceptions as a result of these procedures.

Total Institutional Debt

- Agreed the total outstanding debt to supporting documentation and the University's audited financial statements, if available, or the University's general ledger.

We found no exceptions as a result of these procedures; we agreed the total outstanding debt for the University into the University of Texas system audited financial statements since the debt is not held at the University level.

Value of Athletics Dedicated Endowments

- Obtained a schedule of all athletics dedicated endowments maintained by athletics, the University and affiliated organizations. Agreed the fair value in the Schedule to supporting documentation, the University's general ledger, and audited financial statements, if available.

We found no exceptions as a result of these procedures.

Value of Institutional Endowments

- Agreed the fair value of the institutional endowments to supporting documentation, the University's general ledger and/or audited financial statements, if available.

We found no exceptions as a result of these procedures.

Total Athletics Related Capital Expenditures

- Obtained a schedule of athletics related capital expenditures made by athletics, the University and affiliated organizations during the reporting period.
- Obtained general ledger detail and compared to the total expenses reported. Selected a sample of transactions to validate existence of transactions and accuracy of recording and recalculated totals.

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. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Schedule of the University for the year ended August 31, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely for the information and use of the President and members of management of the University and an authorized representative of the NCAA, and is not intended to be, and should not be, used by anyone other than these specified parties.



Pittsburgh, Pennsylvania
January 15, 2026

The University of Texas at El Paso
Department of Intercollegiate Athletics

Schedule of Revenues and Expenses (Unaudited)
Year Ended August 31, 2025

	Football	Men's Basketball	Men's Other	Women's Basketball	Women's Other	Non Program Specific	Total
Operating Revenues							
Ticket sales	\$ 844,317	\$ 684,392	\$ -	\$ 65,245	\$ 246,090	\$ -	\$ 1,840,044
Direct state or other governmental support	-	-	-	-	-	-	-
Student fees	-	-	-	-	-	9,275,833	9,275,833
Direct institutional support	1,379,861	412,329	240,270	301,821	1,056,659	6,872,929	10,263,869
Less - transfers to institution	-	-	-	-	-	-	-
Indirect institutional support	-	236,299	-	236,299	-	2,244,087	2,716,685
Guarantees	3,200,000	186,730	-	-	13,500	-	3,400,230
Contributions	1,346,412	971,448	227,491	125,182	352,524	3,755,494	6,778,551
In-kind	-	-	-	-	-	141,518	141,518
Compensation and benefits provided by a third party	9,434	13,435	13,436	-	22,974	23,837	83,116
Media rights	110,117	74,837	-	11,760	-	17,106	213,820
NCAA distributions and NCAA host revenue settlements	-	-	-	-	5,556	267,573	273,129
Conference distributions and conference distributions post-season generated revenue	-	-	-	-	-	-	-
Program sales, concessions, novelty sales, and parking	27,480	530	-	-	-	335,310	363,320
Royalties, licensing, advertisements and sponsorships	1,270,303	815,000	352	140,604	40,778	334,920	2,601,957
Sports camp revenues	32,634	16,010	2,068	5,866	380,349	-	436,927
Athletics restricted endowment and investment income	19,758	221,353	7,066	178,261	4,636	70,873	501,947
Other operating revenue	-	-	2,750	-	4,079	139,794	146,623
Football bowl revenues	-	-	-	-	-	-	-
Total operating revenues	<u>8,240,316</u>	<u>3,632,363</u>	<u>493,433</u>	<u>1,065,038</u>	<u>2,127,145</u>	<u>23,479,274</u>	<u>39,037,569</u>
Operating Expenses							
Athletic student aid	3,013,745	484,914	708,942	564,728	2,956,930	545,797	8,275,056
Guarantees	300,000	49,833	-	53,000	7,000	-	409,833
Coaching salaries, benefits and bonuses paid by the University and related entities	2,777,779	1,366,049	410,176	644,163	1,602,026	-	6,800,193
Coaching salaries, benefits and bonuses paid by a third party	9,434	13,436	13,436	-	22,974	-	59,280
Support staff/administrative compensation, benefits and bonuses paid by the University and related entities	1,237,621	466,967	287	103,140	20,052	3,693,151	5,521,218
Support staff/administrative compensation, benefits and bonuses paid by a third party	-	-	-	-	-	23,837	23,837
Severance payments	212,807	-	-	-	-	-	212,807
Recruiting	430,132	105,189	32,322	85,385	156,108	11,301	820,437
Team travel	1,375,202	522,874	365,666	287,769	963,604	-	3,515,115
Sports equipment, uniforms and supplies	420,996	100,919	102,463	82,444	400,546	-	1,107,368
Game expenses	694,697	331,444	6,151	206,909	174,405	-	1,413,606
Fund raising, marketing and promotion	207,304	140,886	-	24,641	4,585	305,166	682,582
Sports camp expenses	11,469	12,552	975	4,732	162,267	-	191,995
Spirit groups	-	-	-	-	-	-	-
Athletic facilities debt service, leases and rental fees	661,041	414,560	-	414,560	15,000	-	1,505,161
Direct overhead, administrative expenses, facilities maintenance and operations	684,760	518,150	35,553	56,855	183,896	1,072,708	2,551,922
Indirect institutional support	-	-	-	-	-	2,244,087	2,244,087
Medical expenses and insurance	6,384	-	55	-	-	713,647	720,086
Memberships and dues	-	-	-	-	-	413,483	413,483
Student-athlete meals (non-travel)	480,035	49,360	33,468	37,346	91,294	-	691,503
Other operating expenses	41,481	32,136	47,322	8,596	46,892	64,030	240,457
Post-season football expenses	-	-	-	-	-	-	-
Post-season non-football expenses	-	-	-	-	78,394	-	78,394
Enhanced educational expenses (Alston or other)	29,100	-	-	70,500	2,500	-	102,100
Institutional NIL revenue share	123,073	61,966	-	3,333	-	-	188,372
Total operating expenses	<u>12,717,060</u>	<u>4,671,235</u>	<u>1,756,816</u>	<u>2,648,101</u>	<u>6,888,473</u>	<u>9,087,207</u>	<u>37,768,892</u>
Excess (deficiency) of revenues over (under) expenses	<u>\$ (4,476,744)</u>	<u>\$ (1,038,872)</u>	<u>\$ (1,263,383)</u>	<u>\$ (1,583,063)</u>	<u>\$ (4,761,328)</u>	<u>\$ 14,392,067</u>	<u>\$ 1,268,677</u>

See notes to schedule of revenues and expenses (unaudited)

The University of Texas at El Paso
Department of Intercollegiate Athletics

Notes to Schedule of Revenues and Expenses (Unaudited)
Year Ended August 31, 2025

1. Basis of Presentation

The accompanying schedule of revenues and expenses (the Schedule) for the fiscal year ended August 31, 2025 includes the revenues and expenses of the Department of Intercollegiate Athletics of The University of Texas at El Paso (the University) and its intercollegiate athletic programs.

The activities reported within the Schedule include all men's and women's intercollegiate athletic programs. Certain shared costs are allocated to the individual sports based on the relative benefits provided by such activities.

In accordance with National Collegiate Athletic Association (NCAA) financial agreed-upon procedures guidelines, restricted gifts and endowment earnings are reported in the Schedule based upon the existence of conditions placed upon the use of the award by the donor. In addition, plant-related activity such as depreciation is not included in the Schedule. However, the University's policy in regard to property, plant and equipment is to record such assets at cost, or if acquired by gift, at fair value at the date of the gift. Assets are depreciated using the straight-line method over the estimated useful lives of the assets. As assets are retired, sold, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and gains and losses resulting from such transactions are recorded. Maintenance and repairs are expensed as incurred.

The accompanying Schedule has been prepared on the accrual basis of accounting and in accordance with NCAA Bylaws, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Equipment purchases and debt principal payments, which are reported as expenses in the accompanying Schedule, would be capitalized and presented as assets or as a reduction of liabilities, respectively, on the statement of financial position of financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

2. Capital Assets

Athletics acquires, approves, depreciates, and disposes assets in accordance with the University's institutional policy as follows:

- **Acquisition** - Athletics acquires capital assets through the normal process at the institution. All purchases are centralized and are to be made using the method that provides the best value to the University. Informal quotes are required for purchases above \$15,000, and comparative procurement is required for all assets above \$50,000. The capitalization threshold is \$5,000.
- **Approval** - Debt-financed capital asset purchases are approved by the Vice President for Business Affairs.
- **Depreciation** - Depreciation is allocated to Athletics assets, or portions of real-assets, under the control of Athletics. Depreciation is calculated on a straight-line basis.
- **Disposal** - Disposal of capital assets must be done in accordance with State of Texas law and institutional policy.

3. Athletics Long-Term Debt

Total University debt outstanding, net of issuance cost, at August 31, 2025 was \$204,895,000.

The University of Texas at El Paso
Department of Intercollegiate Athletics

Notes to Schedule of Revenues and Expenses (Unaudited)
Year Ended August 31, 2025

Total debt service related to athletic facilities (principal and interest) for the year ended August 31, 2025 was \$1,491,236. The aggregate future scheduled principal and interest payments on athletics related debt at August 31, 2025 is as follows:

Years ending August 31:	
2026	\$ 1,490,572
2027	1,493,561
2028	1,490,958
2029	1,490,644
2030	1,489,108
Thereafter	<u>22,905,952</u>
 Total	 <u>\$ 30,360,795</u>

4. Contributions of 10% or More

One contribution that was 10% or more of all contributions received for intercollegiate athletics during the reporting period was noted. The source of the \$2.5 million contribution of funds is individual 1 (name withheld for confidentiality).

The University of Texas at El Paso
Department of Intercollegiate Athletics

Reportable Variances in Revenues and Expenses to Budget and Prior Period (Unaudited)
Year Ended August 31, 2025

	2025 Actual	2025 Budget	Budget to Actual Variance	2024 Actual	2025 to 2024 Variance
Operating Revenues					
Student fees	\$ 9,275,833	\$ 10,885,827	\$ (1,609,994) A	\$ 9,252,829	\$ 23,004
Direct institutional support	10,263,869	122,431	10,141,438 B	10,322,779	(58,910)
Contributions	6,778,551	2,260,200	4,518,351 C	3,899,031 D	2,879,520
Operating Expenses					
Athletic student aid	8,275,056	5,757,896	2,517,160 E	8,229,853	45,203
Support staff/administrative compensation, benefits and bonuses paid by the University and related entities	5,521,218	3,331,450	2,189,768 F	5,399,168	122,050

- A** Actual student fees was less than the budget due to the fact that actual contributions exceeded projections and targets. The end of year transfer of student fees revenue is recalculated once UTEP Athletics closes the year.
- B** The increase in direct institutional support compared to the budget is due to non-budgeted interdepartmental transfers, non-resident tuition waivers calculated at the end of the year, and support from other departments on campus that are not part of the Athletics budget; such as: work-study funding, Compliance, Miner Foundation, Sun bowl events, and insurance for injuries.
- C** Actual contributions exceeded budget since athletics launched several fundraising campaigns to cover expenditures due to the lack of conference or NCAA revenue distributions in FY25
- D** The increase in contributions over prior year over 10% was due to not having conference or NCAA revenue, had to fundraise for the deficit and started the "climb higher" fundraising campaign which contributed \$3.0 million.
- E** Athletic student aid exceeded budget since tuition waivers and most of summer school are not part of the initial budget.
- F** Support staff/admin compensation, benefits and bonuses exceeded budget due to salaries paid to work-studies, Compliance, and Miner Foundation out of other departments on campus.