



Board of Regents

1860 Van Hise Hall
1220 Linden Drive
Madison, Wisconsin 53706
(608)262-2324

DATE: January 29, 2016 *REVISED*

TO: Members of the Board of Regents

FROM: Jane S. Radue, Executive Director and Corporate Secretary *JSR*

PUBLIC MEETING NOTICE

Meetings of the University of Wisconsin System Board of Regents
to be held at UW-Madison, Union South, 1308 W. Dayton Street, 2nd Floor,
Madison, Wisconsin 53715
on February 4 & 5, 2016

Thursday, February 4, 2016

9:00-10:30 a.m. Capital Planning and Budget Committee – Varsity Hall I

9:00-10:30 a.m. Research, Economic Development, and Innovation Committee – Varsity Hall II

10:45 a.m.-12:15 p.m. Business and Finance Committee – Varsity Hall I

10:45 a.m.-12:15 p.m. Education Committee – Varsity Hall II

12:15-1:15 p.m. Lunch – Varsity Hall III

1:15 p.m. All Regents – Varsity Hall II

1. Calling of the roll
2. Updates and introductions
3. Host-Campus Presentation by UW-Madison Chancellor Rebecca Blank:
“All Ways Forward”
4. *Presentation:* University of Wisconsin System Federal Priorities for 2016
5. *Presentation:* Annual NCAA Division I Athletics Report: UW-Madison

(continued on page 2)

6. Closed session:

Move into closed session: (a) to consider a UW-Green Bay honorary degree nomination, as permitted by s. 19.85(1)(f), Wis. Stats.; (b) to consider an amended additional compensation agreement for the UW-Madison head football coach, as permitted by s. 19.85(1)(c) and (e), Wis. Stats.; (c) to consider an amended additional compensation agreement for a UW-Madison associate head football coach/offensive coordinator, as permitted by s. 19.85(1)(c) and (e); (d) to consider an employment agreement and additional compensation agreement for a UW-Madison assistant football coach/defensive coordinator, as permitted by s. 19.85(1)(c) and (e); and (e) to confer with legal counsel regarding pending or potential litigation, as permitted by s. 19.85(1)(g), Wis. Stats.

Friday, February 5, 2016

9:00 a.m. All Regents – Varsity Hall II

Followed by:

Education Committee Reconvenes – All Regents Invited – Varsity Hall II

[See Friday agenda for details.]

The closed session agenda may be considered before, after, or during any recess in the regular meeting on either Thursday or Friday. Information about agenda items can be found at <https://www.wisconsin.edu/regents/meetings/> or may be obtained during the week of the meeting from Jane Radue, Executive Director, Office of the Board of Regents, 1220 Linden Drive, 1860 Van Hise Hall, Madison, WI 53706, (608)262-2324. The meeting will be webcast at <http://www.uwex.edu/ics/stream/regents/meetings/> on Thursday, February 4, 2016, from 1:15 p.m. to approximately 3:30 p.m. and on Friday, February 5, 2015, from 9:00 a.m. until approximately 12 noon.

THE 2016 UNIVERSITY OF WISCONSIN SYSTEM FEDERAL AGENDA**BACKGROUND**

In early January, the University of Wisconsin System, Office of Federal Relations set in motion the annual process to produce a well-honed federal agenda. Leaders from across the UW System met for a planning meeting to submit recommendations and help set the UW System's 2016 Federal agenda. The proposed priorities are reviewed by several levels, including by the President's cabinet and the UW System Chancellors. The proposed priorities urge the U.S. Congress to place a high priority on investments in student financial aid and research and development programs, and include statements of policy to guide the UW System's federal advocacy efforts in the 2nd session of the 114th Congress.

At the February 4, 2016 Board of Regents meeting, Kris Andrews, UW System Associate Vice President for Federal and Corporate Relations, will provide a review of 2015 and an overview of 2016 priorities.

REQUESTED ACTION

For information. Federal priorities are submitted to Board members for passive review.

DISCUSSION

The following is an outline of UW System's Federal priorities for 2016 (refer to attachment for details):

1. Budget Priorities for Fiscal Year 2017 (October 2016-September 2017)

Appropriations Bills

- a. Agriculture
- b. Commerce
- c. Energy
- d. Labor, Health and Human Services, and Education
- e. Other

2. Legislative Priorities

Higher Education Act Reauthorization

- a. Access
- b. Affordability
- c. Campus Safety
- d. Innovation
- e. International
- f. Regulation
- g. Teacher Preparation

3. Other Legislative and Regulatory Priorities

- a. Fair Labor Standards Act
- b. Immigration
- c. Veterans

RELATED REGENT POLICIES

N/A

Federal Relations

University of Wisconsin System Federal Agenda for 2016

Summary:

This document provides a review of 2015 and presents recommendations for the 2016 University of Wisconsin System Federal Agenda.

Review of 2015:

In April 2015, the University of Wisconsin System's Board of Regents heard a presentation by Associate Vice President Kris Andrews regarding the 2015 UW System Federal agenda, a legislative program for the System that included national public policy priorities for the 1st Session of the 114th Congress. Over the past year, UW System leaders and the UW System's Office of Federal Relations have worked diligently to advance those priorities.

Federal Budget Priorities

The Fiscal Year 2016 omnibus appropriations bill increases investments in student aid and research. The UW System made a concerted effort to let our Wisconsin delegation know the significance of these investments.

Student Aid:

- Ensures the maximum Pell grant award will increase by \$140 to \$5,915 in the 2016-2017 academic year, while not dipping into the Pell Grant surplus for future years;
- Increases funding for TRIO programs by \$60 million, a 7.1% increase over the previous fiscal year.

Research:

- Increases funding for the National Institutes of Health (its largest single increase in over a decade), the National Science Foundation, the U.S. Department of Energy Office of Science, and the U.S. Department of Agriculture. Notably, \$5 million was included in the bill to support capacity-building at non-land grant Colleges of Agriculture and Natural Resources. This is competitive funding designed to give predominantly undergraduate schools and students greater opportunities to participate in research and creative activities through capacity-building.

Legislative and Regulatory Priorities

Federal Perkins Loan Program: The UW System was successful in advocating for continuation of the Federal Perkins Loan Program, which means that almost 16,000 students in the UW System will be eligible to receive about \$30 million in financial aid awards each year for the next two years. This means \$60 million in federal student aid will continue to circulate for students in the UW System as a result of these efforts. While the bill is less than perfect, Congress reached a compromise that will keep the program available for those students with the most need until the Higher Education Act can be reauthorized.

Prior-Prior Year (PPY): The UW System was also successful in advocating for a change in the Federal Application for Free Student Aid (FAFSA) application process that would allow students and families to use "prior-prior year" tax data. This is important because Internal Revenue Service (IRS) data will be

available for students earlier in the aid process and, in turn, help speed up the application and award notification process for students and families. The U.S. Department of Education used its authority to adopt changes to its policy to allow for use of prior-year data on the FAFSA.

Revised Pay As You Earn: The UW System also submitted comments regarding the ability of students who borrow Federal Direct Loans to cap their federal student loan payments at 10% of their income. In December, the U.S. Department of Education announced the availability of the Revised Pay As You Earn Plan, which allows all Direct Loan borrowers to cap their monthly payment at 10% of their income, regardless of when the loan was borrowed.

Competency-based Education and Campus Sexual Assault and Violence: Other UW System-led initiatives included efforts to promote competency-based education opportunities. The UW Flexible Option program was discussed at a hearing convened by the U.S. Senate's Health, Education, Labor and Pensions Committee. The UW System also worked with Wisconsin's U.S. Senators to provide information and assistance on policy issues related to campus sexual assault and violence.

Regulations: The regulatory environment is also a top issue that has impacted the UW System.

- Following an unsuccessful effort to rate colleges and universities, in June, the Obama Administration abandoned the ratings system and instead announced it would expand an existing online tool, the College Scorecard.
- The UW System submitted comments to the U.S. Treasury expressing concerns about the treatment of student employment in higher education and the employer-shared responsibility for employee health insurance coverage.
- Comments were also submitted to the U.S. Department of Labor regarding the proposed regulation that would increase the minimum salary threshold to the 40th percentile of weekly earnings for full-time salaried workers. In July 2016, the Labor Department is expected to issue final rules based on an overtime pay executive order.

Recommendations for 2016:

During the 2nd Session of the 114th Congress, Congress is expected to be in session for roughly 30 work weeks, with a bare-bones agenda during this presidential election year.

Among the agenda items on the higher education front are reauthorization of the Higher Education Act (HEA) and action on the bipartisan recommendations to simplify and make more effective the regulation of colleges and universities. Whether the Congress takes the approach outlined by the Senate Committee on Health, Education, Labor and Pensions to move forward aggressively or the piecemeal approach to HEA put forward by the House remains to be seen. Congress must also pass a new spending bill by September.

In early January, leaders from across the UW System met for a planning meeting to submit recommendations and help set the UW System's 2016 Federal Agenda. The proposed priorities have advanced through several levels of review, including by the President's cabinet and the UW System Chancellors.

Federal Budget Priorities for Fiscal Year 2017

Agriculture:

- Maintain strong funding for activities of the U.S. Department of Agriculture;
- Support the National Institute of Food and Agriculture (NIFA) Aquaculture Research Program;
- Invest in Non-Land Grant Colleges of Agriculture and Natural Resources (NLGCA) programs at the U.S. Department of Agriculture.

Commerce:

- Maintain strong funding for activities of the National Science Foundation;
- Support undergraduate research programs that provide undergraduate students with research opportunities.

Energy:

- Maintain strong funding for research activities of the U.S. Department of Energy, Office of Science;
- Provide research funding to the U.S. Department of Energy to support energy-water research.

Labor, Health and Human Services, and Education:

- Support continued increases to the maximum Federal Pell Grant Award and maintain the Pell Grant surplus for students in the future;
- Invest in the Federal campus-based aid programs (Supplemental Educational Opportunity Grant, Federal Work-Study and the Federal Perkins Loan Program);
- Consider restoration of graduate student eligibility for the Federal Perkins Loan Program;
- Provide robust funding for TRIO and GEAR UP programs, and oppose any proposal to scale back or eliminate any significant component of these programs;
- Maintain funding for successful international and foreign language education programs;
- Oppose funding for the portion referred to as the “Great Teaching and Leading for Great Schools Act” in Title II of the Every Student Succeeds Act;
- Maintain strong funding for the National Institutes of Health.

Other:

- Continue to provide administrative allowances for campuses to write and submit grants. Many grant programs have eliminated the administrative cost allowance, discouraging institutions from fully participating in seeking federal grants.

Legislative and Regulatory Priorities

Higher Education Act Reauthorization

Access:

- Support continued increases to the Federal Pell Grant maximum award and maintain the Pell Grant surplus for students in the future;
- Support the overarching theme of simplification found in the Financial Aid Simplification and Transparency Act (FAST);
- Oppose two-question FAFSA applications;
- Support implementation of the change to utilizing “prior-prior year (PPY)” data;

- Support and expand funding for campus-based aid programs, which include the Supplemental Education Opportunity Grant (SEOG), Federal Work-Study (FWS) and Federal Perkins Loan Program and consider restoration of Perkins eligibility for graduate students;
- Support continuation beyond 2017 of the American Opportunity Tax Credit for qualified educational expenses;
- Increase support for TRIO and GEAR UP;
- Support undergraduate research experiences, which promote retention and graduation rates, for all students.

Affordability:

- Oppose elimination of subsidized loan programs if Congress moves to consolidate grant and loan programs;
- Support programs that allow student loan borrowers to refinance at more favorable interest rates;
- If consolidation of student repayment programs occurs, continue to support the Pay As You Earn and Revised Pay As You Earn programs, along with the standard 10-year Federal loan plan;
- Support a move to income-based repayment as the default option.

Campus Safety:

- A complainant seeking to file a complaint with the Office for Civil Rights (OCR) should be required to demonstrate an affiliation with the institution of higher education and demonstrate personal impact;
- An OCR investigation should be conducted in a cooperative manner, allowing OCR to share more information about the nature and particulars of the complaint and to continue to share information with the institution throughout the process;
- It should be clarified that sub-regulatory guidance is recommended, but voluntary; future such efforts should go through the notice and comment rule-making process, with appropriate input from institutions of higher education;
- The proposed Campus Accountability and Safety Act (CASA) has advanced the concept that institutions should have Memorandums of Understanding with local law enforcement concerning investigation, information-sharing, and other areas related to Title IX. While this is a worthy objective, the language is problematic as drafted;
- Limited resources should not be diverted into the creation of reports for which there is little evidence that these reports achieve their desired results;
- Higher education, schools, community organizations, faith organizations and others should be encouraged to work together to address this broad societal problem.

Innovation:

- Modify HEA Section 103: Distance Education to provide a modern definition of distance education;
- Update and clarify the current definition of “regular and substantive” (SAP, R2T4, etc.);
- Amend Title IV requirements to enable students to engage in various academic modalities simultaneously;
- Amend Title IV requirements so that (especially adult) students can access the entire spectrum of Federal student aid funds.

International:

- Reaffirm support for international and foreign language education in the United States;

- Amend Title VI to specifically enable two-year colleges to plan, develop and carry out programs to improve undergraduate instruction in international studies and foreign languages;
- Authorize and fund a program to encourage international teacher exchanges.

Regulation:

- The Federal government should rely on the expertise of the Department of Justice (DOJ) in creating the standard definitions for crimes, and the Clery Act should require reporting on crimes as they are defined in the Uniform Crime Reporting (UCR) or National Incident-Based Reporting System (NIBRS), and if Congress believes campuses should report on other “crimes” that are not currently a part of the UCR or NIBRS, it should instruct DOJ to modify the UCR/NIBRS to include these definitions;
- Campus law enforcement should have clear authority to use its own expert judgment to determine when a serious or continuing threat exists and when they have the appropriate information to issue a Timely Warning;
- The definition of “non-campus property” should be clarified and narrowed to focus more directly on property that is a core part of a college or university;
- Congress and the U.S. Department of Education should make sure that information and data being collected from institutions and provided to consumers will actually be useful before imposing additional information and data requirements;
- Institutions should not be subject to new information collection requirements from Congress or the U.S. Department of Education when the same or substantially similar information is already in the possession of other Federal agencies, but should work with those agencies to obtain the necessary information;
- Congress should use the HEA reauthorization to review all of its provisions and strike requirements that are not clearly related to the core mission and responsibilities of higher education;
- Regulations or policies regarding the conduct of research should be examined to determine those that could be eliminated, streamlined or harmonized across agencies, especially in the areas of effort reporting, monitoring subcontracting, human subject research and research using animals, and harmonization across departments or agencies;
- Congress should clarify the requirements on institutions to meet state authorization requirements apply to states in which an institution is physically located.

Teacher Preparation:

- Through the FY2017 appropriations process, oppose funding for the portion of the law referred to as the "Great Teaching and Leading for Great Schools Act," in Title II of the Every Student Succeeds Act;
- The UW System strongly supports adoption of The Educator Preparation Reform Act (S. 1062/H.R. 2172), introduced by Senator Jack Reed and Representative Mike Honda. This legislation is supported by a wide array of P-12 and higher education organizations that includes advocates and practitioners.

Other Legislative and Regulatory Priorities

Fair Labor Standards Act:

- The U.S. Department of Labor should consider lowering the proposed salary threshold for all employers;

- Alternatively, the U.S. Department of Labor should provide lower thresholds for nonprofit and public employers and/or consider expanding the exemption for teachers from the minimum salary level to others integral to the education process;
- The U.S. Department of Labor should phase in the new salary level over time;
- The U.S. Department of Labor should not automatically update the salary levels; instead, the Department should proceed through the standard formal notice and comment process when making adjustments to the threshold levels.

Immigration:

- Create Standard Occupational Classification (SOC) Codes specific to post-doctoral researchers;
- Simplify the green card self-petition process for U.S.-educated graduates;
- Eliminate artificial per-country caps for employment based immigrant visas;
- Make F visas "dual intent;"
- Expand temporary visas for U.S.-educated graduates, particularly F-1 OPT and H-1B;
- Give all H-4 dependents work authorization, not just those with an approved I-140;
- Allow non H-1B dependent employers to use their own actual wage data for prevailing wages.

Veterans:

- Support continued dialogue with U.S Department of Veterans Affairs (VA) around the innovations proposed in the Veteran and Service Member Education Benefit Data Flow Re-Engineering Project developed by the National Student Clearing House (NSC) in partnership with Student Veterans of America (SVA), the National Association of Veterans Programs Administrators (NAVPA), and institutions of higher education;
- Support innovative competency-based and alternative degree programs that attract student veterans;
- Restore payments by the VA to institutions made to support the cost of administering benefit programs and attending VA-sponsored training conferences;
- Support the VA classification of hybrid or blended classes as "in residence" rather than "distance learning;"
- Support the use of VA benefits for developmental courses that are delivered online. The VA currently prevents the use of benefits to support enrollment in these courses;
- Request that the VA join the U.S. Department of Education and consistently recognize an institution's published academic calendar as the basis for establishing the first date of an academic term.

UW-MADISON NCAA DIVISION I ATHLETICS 2014-15 REPORT

EXECUTIVE SUMMARY

BACKGROUND

Collegiate athletics are high-profile activities that exist for the betterment of the student body, student athletes, and the university. As some of the most visible programs at institutions of higher education, athletics provide valuable experiences for student athletes, opportunities to engage the broader community and a public face for the institution. This visibility, as well as the number of student-athlete participants, the members of the public attending athletic events and the substantial compliance requirements, necessitates a high level of oversight and scrutiny by both administrators and governing bodies.

A recent study by the Association of Governing Boards of Colleges and Universities (AGB), “Trust, Accountability, and Integrity: Board Responsibilities for Intercollegiate Athletics” (2012), included three recommendations:

- The governing board is ultimately accountable for athletic policy and oversight and should fulfill this fiduciary responsibility.
- The board shall act decisively to uphold the integrity of the athletics program and its alignment with the academic mission of the institution.
- The board must educate itself about its policy role and oversight of intercollegiate athletics.

The UW System has three institutions with Division I NCAA athletics programs (UW-Green Bay, Madison, and Milwaukee); one institution with a Division II athletics program (UW-Parkside); and nine institutions with Division III athletics programs (UW-Eau Claire, La Crosse, Oshkosh, Platteville, River Falls, Stevens Point, Stout, Superior, and Whitewater).

In November 2012, the Board of Regents established a reporting framework for UW institutions that participate in NCAA Division I athletics. Under this framework, institutions annually provide information to the Board regarding academic, fiscal and compliance matters related to NCAA Division I intercollegiate athletics.

The framework requires each of the UW institutions with an NCAA Division I athletic program to submit a written annual report to the Board of Regents, which is the basis for annual presentations to the Board by the Chancellor and Athletic Director. The report and presentation are designed to assist the Board in ensuring that the institutions are: 1) adhering to any performance standards implemented by an institution or its athletic board; 2) safeguarding the welfare of all students; 3) maintaining NCAA compliance; and 4) assuring fiscal integrity.

REQUESTED ACTION

This item is for discussion purposes only.

DISCUSSION

UW-Madison has submitted its 2014-15 athletics report to the Board of Regents for discussion at the Board's February 2016 meeting. An overview of significant items in the report follows.

I. Athletics

UW-Madison Athletics Department's 2014-15 report to the Board of Regents states that the department provided educational support and athletic opportunities to nearly 900 student-athletes in 23 sports. The report also includes a link to the Athletics Department 2014-15 Annual Report, which provides an overview of accomplishments and progress towards specific goals. Athletic accomplishments highlighted in the two reports included:

- The men's basketball team claimed both the Big Ten regular and tournament championships and made a second-consecutive trip to the Final Four.
- The football team claimed the Big Ten Conference West Division title and a victory in the Outback Bowl.
- The volleyball team won its first Big Ten Championship since 2001 and reached the NCAA tournament Elite Eight.
- The women's soccer team won the 2014 Big Ten Tournament championship and reached the second round of the NCAA tournament.
- For the first time in school history, two student athletes were selected in the first round of the NBA draft.

II. Academics

UW-Madison Athletics Department's 2014-15 report to the Board of Regents identifies three measures used to monitor academic progress of student-athletes—the federal graduation rate (FGR), the graduation success rate (GSR), and the academic progress rate (APR)—and established benchmarks for each.

The Athletics Department identifies three benchmarks related to the Federal Graduation Rate. The benchmarks are to maintain a student-athlete FGR that is: (1) greater than the rate for all UW-Madison students; (2) greater than the median rate for the Big Ten Conference; and (3) greater than the rate for all Division I student-athletes. With an FGR of 71% (up from 65% the previous year), the Athletics Department met the third but did not meet the first two benchmarks in 2014-15. The FGRs for UW-Madison students, Big Ten Conference student-athletes, and Division I student-athletes were 85%, 74%, and 67%, respectively.

The report identifies two benchmarks related to the Graduation Success Rate. These call for a GSR for student-athletes that is: (1) greater than the median GSR of the Big Ten

Conference; and (2) greater than the GSR of all Division I athletes. With a GSR of 85% (up from 84% the previous year), the Athletics Department did not meet the first of these two benchmarks, as the median GSR for the Big Ten Conference was at 88%. However, UW-Madison's GSR was higher than the GSR of all Division I student-athletes (83%).

The report also identifies two benchmarks related to the Academic Progress Rate: (1) all teams will have a multiyear APR above 930; and (2) all teams will have a single-year APR above 930. The NCAA's minimum multiyear APR for postseason competition is 930. All teams maintained multiyear APRs above 930 for 2013-14, the most current year for which NCAA APR data are available. All teams, except the men's cross country team, also had single-year APRs above 930. The men's cross country team APR for the 2013-14 was 929. The team was not at risk of losing post-season competition eligibility, however.

According to the Athletics Department report to the Board of Regents, there was considerable academic achievement among UW-Madison's student-athletes during 2014-15. UW-Madison student-athletes maintained a 3.02 cumulative grade point average (GPA) at the end of the Spring 2015 term. After the Spring 2015 term, seven student-athletes had a perfect 4.0 cumulative GPA, and 156 student-athletes earned Academic All-Big Ten honors between the Fall 2014 and Spring 2015 semesters.

The Athletics Department 2014-15 Annual Report linked in the report to the Regents highlights several additional academic accomplishments:

- The men's cross country, the women's cross country, and the women's track and field teams were named National Scholar Teams by the U.S. Track and Field and Cross Country Coaches Association. The honor is awarded to teams with at least 3.0 cumulative team grade point average.
- Thirty-six student-athletes were named National Scholar Athletes by their respective coaches associations.
- Forty-three student-athletes were recognized as Big Ten/WCHA Distinguished Scholars. The honor is awarded to student-athletes who have an annual grade point average of 3.70 or above (for the Big Ten) or 3.50 or above (for the WCHA).

III. Financial Situation

The Athletics Department report to the Regents includes the department's budget, actual revenues, actual expenses, balances, debt balances and payments, and endowments for the 2014-15 fiscal year. The report notes an actual operating surplus of \$127,428 for FY 2014-15. The report also identifies an unrestricted fund balance of \$765,822 at the end of the 2014-15 fiscal year, or 0.7% of 2014-15 expenditures.

The report also notes that the Athletics Department budget supports 23 sports and approximately 900 student-athletes, and that the department employs more than 600 people. The department's economic impact has been estimated at \$970 million annually, with nearly 9,000 jobs supported and created by the department.

IV. NCAA Rules Compliance

The report to the Regents indicates no major NCAA violations and 22 secondary violations in 2014-15, and indicates that these numbers are consistent with prior years.

The Athletics Department report to the Board includes the NCAA-required report on Agreed Upon Procedures, issued by independent auditor Baker Tilly, for the year ended June 30, 2015. Baker Tilly noted that the deficiency in the Human Resources System (HRS) at the Athletics Department related to access rights, an issue that pertained to HRS more broadly and was a comment from the prior year's audit, is considered resolved. The single comment in the current year's audit pertains to procedures and controls to identify capital assets that should be deleted. Baker Tilly recommends that the Athletics Department determine how to verify its capital assets to identify capital and related cumulative depreciation that should be deleted. This comment is not considered a material weakness or a significant deficiency, however.

Also included in the Athletics Department report to the Board is the Athletics Department's Standards for Safeguarding Institutional Governance of Intercollegiate Athletics. The Department adopted these standards to express its support and commitment to implement the Big Ten standards adopted by the Big Ten Council of Presidents/Chancellors. The Big Ten standards were developed in response to the incident at Penn State University and went into effect on August 1, 2015. The Big Ten standards were aimed at making sure all Big Ten institutions are committed to implementing policies and procedures to ensure the "integrity of governance of athletic programs."

The Athletics Department's 2014-15 report to the Regents indicates that an audit of Athletics Department Compliance Procedures for 2014-15 was not performed due to a restructuring of the Internal Audit function and the transition to a comprehensive online compliance management system. NCAA rules requires a compliance review at least once every four years, but the Athletics Department has elected to have an annual review. The annual compliance review will resume with the 2015-16 academic year.

RELATED REGENT POLICIES

Regent Policy Document 10-1: Endorsement of the Statement of Principles from the Knight Foundation Commission on Intercollegiate Athletics

2014-15

REPORT TO BOARD OF REGENTS ON INTERCOLLEGIATE ATHLETICS AT UW-MADISON



February 4, 2016

2014-15 Executive Summary to Board of Regents

Introduction

This report provides information about University of Wisconsin-Madison intercollegiate athletics for the Board of Regents. It addresses fiscal responsibility, academics, and compliance.

The Athletics Department: Makeup, Mission, & Membership

The Division of Intercollegiate Athletics, generally referred to as the “Athletics Department,” is a departmental unit within the University governed by the policies of UW-Madison. While retaining ultimate authority subject to the general oversight of the Board of Regents of the University of Wisconsin System, the Chancellor has delegated the authority, responsibility, and accountability for the day-to-day administration of intercollegiate athletics to the Athletic Director. There are no exceptions to this delegation. The Athletic Board exercises the authority of the faculty as part of the University’s shared-governance system.¹

The Athletics Department dedicates itself to the mission of providing athletic opportunities to a wide range of students and providing an environment in which all student-athletes can achieve their academic and competitive goals.

The Athletics Department is a member institution of the National College Athletic Association (NCAA), the Big Ten Conference, and the Western Collegiate Hockey Association (WCHA). Therefore, the Athletics Department abides by the rules and regulations promulgated by these organizations.

On-Field Achievements

The UW experienced one of its most noteworthy seasons in 2014-15. The program featured five conference champions on the way to another national top 20 finish (UW’s 10th in 19 years) in the Learfield Directors Cup all-sports standings. Headlining the year were an Outback Bowl victory over 19th-ranked Auburn and a second-straight appearance in the NCAA Men’s Basketball Final Four that included a defeat of previously unbeaten Kentucky and a showdown with Duke in the national championship game. In addition, the volleyball program won its first Big Ten title since 2001; women’s soccer set the school record for wins in a season with 19 while notching a Big Ten Tournament title; men’s cross country won the Big Ten championship for the 15th time in 16 years and 47th in school history; and women’s hockey won the WCHA playoff title on the way to another Frozen Four appearance.

Financial Highlights

The full report contains the final budget, debt balances and payments, and endowments for the 2014-15 fiscal year (see Appendices C and D). The annual budget for the Athletics Department supports 23 sports and approximately 900 student-athletes at any given time, depending on roster changes. The Athletics Department employs over 600 people. The Athletics Department’s economic impact has been estimated at \$970 million annually, with nearly 9,000 jobs supported and created. There is no deficit to be handled from 2014-15 operations.

¹ For a more detailed elaboration on the authority over intercollegiate athletics, please see Appendix A: “University of Wisconsin-Madison Standards for Safeguarding Institutional Governance of Intercollegiate Athletics.” These standards were prepared in response to the standards adopted by the Big Ten’s Council of Presidents/Chancellors (Appendix B).

Academic Measures

The Athletics Department uses various means to monitor the academic progress of the student-athletes. The federal graduation rate (FGR), graduation success rate (GSR), and Academic Progress Rate (APR) are the most recognizable of these measures.

The FGR is compiled by the U.S. Department of Education and measures the percentage of first-time, full-time freshmen who graduate within six years of entering their original four-year institution. The GSR differs from the FGR in that it excludes from the denominator those student-athletes who leave the institution in good academic standing and includes in the numerator those who transfer into the institution and go on to graduate. Lastly, the APR is a term-by-term calculation of the eligibility and retention of all student-athletes. A score of 1000 means every student-athlete on that particular team stayed eligible and returned to school. Teams begin losing points for student-athletes who are not eligible and/or are not retained.

Of the 14 student-athletes in the 2015 single-year FGR cohort for the three highest revenue men's and women's sports who did not graduate from the UW in six years, nine transferred to other institutions, of which five have since earned degrees, and four left early to pursue professional opportunities. The remaining student-athlete did not enroll in another institution upon leaving the UW.

The UW student-athlete four-year average FGR was 71% in 2014-15, compared to 73% for the Big Ten Conference, and 66% for all NCAA Division I student-athletes. The graduation rate for all UW-Madison students has risen to 83% in recent years.

The GSR for UW student-athletes was 85% in 2014-15, which exceeded the GSR for all NCAA Division I student-athletes (83%). The APR for UW student-athletes – used by the NCAA to hold institutions accountable for the academic progress of their student-athletes – was above 930 in all sports in both the multiyear and single year measures.

The Academic Support staff also utilizes its own measures to track success that differ from the conventional measures in important ways. For example, the Athletics Department considers a student successful who matriculates at UW and receives Athletics aid, but graduates from another institution within the prescribed period.

UW student-athletes carried a 3.02 cumulative GPA at the end of the Spring 2015 term. After the Spring 2015 semester, seven student-athletes carried a perfect 4.00 cumulative GPA. Additionally, two sports – Softball and Women's Track – achieved the highest cumulative GPA on record for their respective programs.

UW student-athletes currently major in 84 diverse areas of study. Sociology, Life Sciences Communication, Kinesiology, Biology, and Economics are the most common majors among student-athletes, but there are currently 66 different areas of study that ten or fewer student-athletes have declared as majors. A total of 137 student-athletes graduated during the 2014-15 academic year.

The UW does not employ a special admissions process for student-athletes. Student-athletes progress through the admissions process in the same manner as other applicants. The UW utilizes a holistic, competitive, and selective admissions review.

Agreed-Upon Procedures & Intercollegiate Athletics Budget Report

The full report contains reports from an independent auditor on the Athletics Department's agreed-upon procedures and budget report for the 2014-15 fiscal year.

Compliance

The Athletics Department reported no Level I or Level II violations (formerly classified as “major” violations) and 22 Level III or Level IV violations (formerly classified as “secondary” violations) to the NCAA in 2014-15. These numbers are consistent with reporting statistics from previous years. For a detailed list of reported Level III and Level IV violations, see Appendix I.

Due to a number of factors, including substantial staff transition in the UW System Administration Office of Internal Audit, as well as the Athletics Department’s transition to a comprehensive online compliance management system, an audit of Athletics Department Compliance Procedures for 2014-15 was not performed. NCAA rules require a compliance review at least once every four years. The Athletics Department will resume annual review of its Compliance Procedures beginning with the 2015-16 academic year.

INTERCOLLEGIATE ATHLETICS REPORT

TABLE OF CONTENTS

I.	<u>DIVISION OF INTERCOLLEGIATE ATHLETICS INTRODUCTION</u>	
	A. MISSION OF INTERCOLLEGIATE ATHLETICS.....	1
	B. NATIONAL COLLEGIATE ATHLETIC ASSOCIATION	2
	C. HISTORY OF INTERCOLLEGIATE ATHLETICS.....	2
	D. ATHLETICS DEPARTMENT ANNUAL REPORT	4
II.	<u>FINANCIAL HIGHLIGHTS</u>	
	A. 2014-15 FINAL BUDGET REPORT.....	4
	B. 2014-15 DEBT BALANCES & PAYMENTS REPORT	4
	C. 2014-15 VALUE OF ENDOWMENTS DEDICATED TO SUPPORT ATHLETICS.....	5
III.	<u>MEASURES & BENCHMARKS USED TO ASSESS STUDENT-ATHLETE ACADEMIC PROGRESS</u>	
	A. FEDERAL GRADUATION RATE.....	5
	B. GRADUATION SUCCESS RATE	6
	C. ACADEMIC PROGRESS RATE.....	7
	D. ADDITIONAL INFORMATION: GPA & MAJORS.....	8
	E. ADDITIONAL INFORMATION: SPECIAL ADMISSIONS OF STUDENT-ATHLETES.....	8
IV.	<u>AGREED UPON PROCEDURES & INTERCOLLEGIATE ATHLETICS BUDGET REPORT</u>	
	A. SEE APPENDIX	8
V.	<u>COMPLIANCE EVALUATION REPORT AS REQUIRED BY THE NCAA</u>	
	NOT APPLICABLE AT THIS TIME	
VI.	<u>NCAA SELF STUDY REPORT</u>	
	NOT APPLICABLE AT THIS TIME	
VII.	<u>LIST OF LEVEL III & LEVEL IV NCAA VIOLATIONS & NCAA OVERSIGHT CERTIFICATION LETTER</u>	
	A. SEE APPENDIX	9
	<u>TABLE OF APPENDICES</u>	10

INTRODUCTION

The purpose of this report is to provide annual information of intercollegiate athletics and the functions outlined by the Faculty Senate to the Board of Regents. In the first section, information is provided about the NCAA, the Big Ten, and the Intercollegiate Athletics Department. The subsequent sections outline specific information addressing academics, fiscal responsibility, and compliance regulation.

I. DIVISION OF INTERCOLLEGIATE ATHLETICS

The Division of Intercollegiate Athletics, generally referred to as the “Athletics Department,” is a departmental unit within the University governed by the policies of the University of Wisconsin-Madison (“UW”). While retaining ultimate authority subject to the general oversight of the Board of Regents of the University of Wisconsin System, the Chancellor has delegated the authority, responsibility, and accountability for the day-to-day administration of intercollegiate athletics to the Athletic Director. There are no exceptions to this delegation. The Athletic Board exercises the authority of the faculty as part of the UW’s shared-governance system.²

A. Mission of Intercollegiate Athletics

The Athletics Department dedicates itself to the mission of providing athletic opportunities to a wide range of students and creating an environment in which all student-athletes can achieve their academic and competitive goals. The Athletics Department strives to provide equitable opportunities for all student-athletes and staff regardless of gender or ethnic backgrounds. To honor its academic mission and that of the UW, the Athletics Department supports the educational aspirations, academic progress, and general welfare of the student-athlete. In competition, the Athletics Department fosters principles of sportsmanship, respect, fair play, and athletic excellence. In all of its activities, the Athletics Department insists on integrity, ethical conduct, and accountability.

The Athletics Department’s mission on behalf of the...

- **Student-Athletes** - Provide the resources for student-athletes to pursue their academic and athletic dreams, while shaping their development into adulthood.
- **University** - Operate all areas of the Athletics Department with class and quality while accepting our role as a source of school spirit and pride for all faculty, staff, students and alumni of the UW.
- **Citizens of the State** - Support the community by participating in a variety of public service projects, hosting events that provide good entertainment and contribute positively to the economy, and serving as a source of state pride through the academic achievement of our student-athletes and successful performance in their athletic pursuits.

This mission is derived from the overall mission of the UW to provide the opportunity for highest achievement in all areas of human knowledge and endeavor: intellectual, artistic, and physical. Intercollegiate athletics is a part of the UW’s total educational purpose: (1) through values; (2) through diversity and outreach; (3) through cultural appreciation; and (4) through physical human development. In addition to these four explicit interactions with the UW’s purpose, intercollegiate athletics is aligned with the UW’s mission through tradition.

² For a more detailed elaboration on the authority over intercollegiate athletics, please see Appendix A: “University of Wisconsin-Madison Standards for Safeguarding Institutional Governance of Intercollegiate Athletics.” These standards were prepared in response to the standards adopted by the Big Ten’s Council of Presidents/Chancellors (Appendix B).

B. National Collegiate Athletic Association (NCAA)

The colleges, universities, and conferences, referred to as “members,” make up the NCAA. The members appoint volunteer representatives who serve on committees that introduce and vote on rules called bylaws. The members also establish programs to govern, promote, and further the purposes and goals of intercollegiate athletics.

Approximately 350 paid professionals who implement the rules and programs established by the membership make up the “national office.” The national office staff is located primarily at the NCAA headquarters office in Indianapolis, Indiana. The entire organization, comprised of members and staffs, is referred to as the NCAA.

The NCAA's core ideology consists of two notions: core purpose – the organization's reason for being – and core values – essential and enduring principles that guide the organization. Its purpose is to govern competition in a fair, safe, equitable, and sportsmanlike manner and to integrate intercollegiate athletics into higher education so that the educational experience of the student-athlete is paramount. The NCAA – through its member institutions, conferences, and national office staff – shares a belief in and commitment to:

- The collegiate model of athletics in which students participate as an avocation, balancing their academic, social, and athletics experiences.
- The highest levels of integrity and sportsmanship.
- The pursuit of excellence in both academics and athletics.
- The supporting role that intercollegiate athletics plays in the higher education mission and in enhancing the sense of community and strengthening the identity of member institutions.
- An inclusive culture that fosters equitable participation for student-athletes and career opportunities for coaches and administrators from diverse backgrounds.
- Respect for institutional autonomy and philosophical differences.
- Presidential leadership of intercollegiate athletics at the campus, conference, and national levels.

For more information regarding the NCAA, visit <http://www.ncaa.org/>.

C. History of Intercollegiate Athletics

The creation of athletic teams occurred just 25 years after the UW was founded in 1848. By the end of the 19th century, the UW joined six other schools to form the Western Conference (now known as the Big Ten Conference). As a charter member of the Big Ten, the UW has a long and proud athletic history.

Men's sports dominated the scene at the UW until the late 1960s when women's athletics began to grow. Naming Kit Saunders as the administrator of the women's sports program in 1967 and the enactment of Title IX of the Educational Amendments Act of 1972 both helped vault UW women's athletics into the mainstream. That movement along with the growing popularity of sports on college campuses around the nation catapulted the Athletics Department into the college culture.

Today, the UW sponsors 23 sports programs supporting approximately 900 student-athletes at any given time, depending on roster changes. The UW experienced one of its most noteworthy seasons in 2014-15. The program featured five conference champions on the way to another national top 20 finish (UW's 10th in 19 years) in the Learfield Directors Cup all-sports standings. Headlining the year were an Outback Bowl victory over 19th-ranked Auburn and a second-straight appearance in the NCAA Men's Basketball Final Four that included a defeat of previously unbeaten Kentucky and a showdown with Duke in the national championship game. In addition, the volleyball program won its first Big Ten title since 2001; women's soccer set the school record for wins in a season with 19 while notching a Big Ten Tournament title; men's cross country won the Big Ten championship for the 15th time in 16 years and 47th in school history; and women's hockey won the WCHA playoff title on the way to another Frozen Four appearance.

For more information regarding the Athletics Department, visit www.uwbadgers.com.

The Athletics Department is a member institution of the National College Athletic Association (NCAA), the Big Ten Conference, and the Western Collegiate Hockey Association (WCHA). Therefore, the Athletics Department abides by the rules and regulations promulgated by these organizations.

Big Ten Conference

The Big Ten Conference is an association of fourteen world-class universities whose member institutions share a common mission of research, graduate, professional, and undergraduate teaching and public service. Intercollegiate athletics has an important place within the Big Ten's common mission. Conference institutions sponsor broad-based athletic programs supporting more than 300 teams.

Founded in 1896, the Big Ten Conference has sustained a comprehensive set of shared practices and policies that enforce the priority of academics in student-athletes' lives and emphasize the values of integrity, fairness, and competitiveness. Big Ten universities provide nearly \$200 million in athletic scholarship aid to more than 9,500 men and women student-athletes who compete for 28 championships – 14 for men and 14 for women.

The Big Ten Conference institutions provide an avenue for thousands of young men and women to pursue higher education while competing in sport. The Big Ten Conference sponsors the following twenty-eight sports:

Men's Sports

Baseball
Basketball
Cross Country
Football
Golf
Gymnastics
Ice Hockey
Lacrosse
Soccer
Swimming & Diving
Tennis
Indoor Track & Field
Outdoor Track & Field
Wrestling

Women's Sports

Basketball
Cross Country
Field Hockey
Golf
Gymnastics
Lacrosse
Rowing
Soccer
Softball
Swimming & Diving
Tennis
Indoor Track & Field
Outdoor Track & Field
Volleyball

For more information regarding the Big Ten Conference, visit www.bigten.org.

Western Collegiate Hockey Association (WCHA)

The Big Ten Conference does not sponsor women's hockey, thus the Athletics Department is a member of the Western Collegiate Hockey Association (WCHA).

From the WCHA's founding days as the Midwest Collegiate Hockey League (MCHL) from 1951-53, as the Western Intercollegiate Hockey League (WIHL) from 1953-58, and ultimately as the Western Collegiate Hockey Association in 1959, this prestigious association has maintained a tradition of excellence that is second to none. With a noteworthy past that spans seven decades, three overriding characteristics that have continued to define the WCHA over its existence are history, tradition, and success.

For more information regarding the WCHA, visit <http://www.wcha.com/>.

D. Athletics Department Annual Report

On a yearly basis the Athletics Department creates an Annual Report that provides an overview of the Athletics Department's accomplishments and progress towards specific performance goals. The Athletics Department has embraced the following core values to guide future decision making:

EXCELLENCE
in **Academics** and **Athletic Competition**

COMMITMENT
to **Fiscal Responsibility, Compliance** and **Diversity and Gender Equity**

PERSONAL DEVELOPMENT
of **Student-Athletes**

SERVICE AND CONNECTION
to **Community** and **Campus**

PROFESSIONAL DEVELOPMENT
of **Staff**

RECOGNITION
of **Department Success**

The 2014-15 report is found online at http://issuu.com/uwathletics/docs/2015_annualreport_2.

II. FINANCIAL HIGHLIGHTS

A. 2014-15 Final Budget Report

Please see **Appendix C** on page 27 for the detailed report.

B. 2014-15 Debt Balances & Payments Report

Please see **Appendix D** on page 28 for the detailed report.

C. 2014-15 Value of Endowments Dedicated to Support Athletics

	Market Value	Cash/Interest
June 2015	\$52,436,228	\$3,306,948
June 2014	\$52,900,758	\$1,238,466

III. MEASURES & BENCHMARKS USED TO ASSESS STUDENT-ATHLETE ACADEMIC PROGRESS

A. Measure 1: Federal Graduation Rate

Definition: The percentage of first-time, full-time freshmen who graduate within six years of entering their original four-year institution.

Three-Year Federal Graduation Rate Trend for the Three Highest Revenue Men's Sports*

	Football	Basketball	Hockey
2014-2015 (2008-2009 Cohort)	63%	80%	29%
2013-2014 (2007-2008 Cohort)	56%	33%	46%
2012-2013 (2006-2007 Cohort)	71%	67%	50%

Three Year Federal Graduation Rate Trend for the Three Highest Revenue Women's Sports*

	Basketball	Hockey	Volleyball
2014-2015 (2008-2009 Cohort)	75%	100%	100%
2013-2014 (2007-2008 Cohort)	71%	83%	80%
2012-2013 (2006-2007 Cohort)	80%	100%	33%

**Of the 14 student-athletes in the 2015 single-year FGR cohort for the above sports who did not graduate from the UW in six years, nine transferred to other institutions, of which five have since earned degrees, and four left early to pursue professional opportunities. The remaining student-athlete did not enroll in another institution upon leaving the UW.*

Benchmark I: Maintain a student-athlete graduation rate that is greater than the rate for all UW-Madison students.

UW Student-Athletes vs. All UW Madison Students

Year	Graduation Rate			Four Year Average		
	UW S-A	UW	Difference	UW S-A	UW	Difference
2015	71%	85%	(14%)	71%	83%	(12%)
2014	65%	83%	(18%)	71%	83%	(12%)
2013	75%	83%	(8%)	72%	82%	(10%)
2012	73%	83%	(10%)	68%	82%	(14%)

Benchmark II: Maintain a student-athlete graduation rate that is greater than the rate for the Big Ten Conference.

UW Student-Athletes vs. Median of Big Ten Conference

Year	Graduation Rate			Four Year Average		
	UW S-A	Big Ten S-A	Difference	UW S-A	Big Ten S-A	Difference
2015	71%	74%	(3%)	71%	73%	(2%)
2014	65%	72%	(7%)	71%	72%	(1%)
2013	75%	74%	1%	72%	72%	-
2012	73%	75%	(2%)	68%	71%	(3%)

Benchmark III: Maintain a student-athlete graduation rate that is greater than the rate for all Division I Student-Athletes.

UW Student-Athletes vs. All NCAA Division I Student-Athletes

Year	Graduation Rate			Four Year Average		
	UW S-A	D1 S-A	Difference	UW S-A	D1 S-A	Difference
2015	71%	67%	4%	71%	66%	5%
2014	65%	66%	(1%)	71%	65%	6%
2013	75%	65%	10%	72%	65%	7%
2012	73%	65%	8%	68%	64%	4%

B. Measure 2: Graduation Success Rate (GSR)

Please see **Appendix E** on page 29 for the detailed report.

Definition: The percentage of first-time, full-time freshmen who graduate within six years of entering their original four-year institution, excluding from the denominator those student-athletes who leave the institution in good academic standing and including in the numerator those who transfer into the institution and go on to graduate.

Benchmark I: Maintain a GSR for student-athletes that is greater than the median GSR of the Big Ten Conference.

UW Student-Athletes vs. Median of Big Ten Conference

Year	UW S-A	Big Ten S-A	Difference
2015	85%	88%	(3%)
2014	84%	87%	(3%)
2013	85%	88%	(3%)
2012	83%	85%	(2%)

Benchmark II: Maintain a GSR for student-athletes that is greater than the GSR of all NCAA Division I Athletes.

UW Student-Athletes vs. All Division I Student-Athletes

Year	UW S-A	D1 S-A	Difference
2015	85%	83%	2%
2014	84%	82%	2%
2013	85%	80%	5%
2012	83%	80%	3%

C. Measure 3: Academic Progress Rate (APR)

Please see **Appendix F** on page 30 for the detailed NCAA 2013-14 report. **The 2013-14 NCAA report is the most current publicly available data.

Definition: A term-by-term calculation of the eligibility and retention of all student-athletes. Each student-athlete receiving athletically related financial aid earns one retention point for staying in school and one eligibility point for being academically eligible. A team's total points are divided by points possible and then multiplied by one thousand to equal the team's Academic Progress Rate score.

Benchmark I: Maintain a multiyear Academic Progress Rate (APR) above 930 for all sports.

Number of Sports with a Multiyear APR below 930

Year	APR < 930
2014	0 sports
2013	0 sports
2012	0 sports
2011	0 sports

Multiyear APR by Sport

Men's Sports	Multiyear APR	Women's Sports	Multiyear APR
Basketball	985	Basketball	981
Cross Country	982	Cross Country	991
Football	998	Rowing	977
Golf	984	Golf	1000
Hockey	985	Hockey	992
Rowing	-	Soccer	974
Soccer	978	Softball	992
Swimming	973	Swimming	991
Tennis	970	Tennis	992
Track (Indoor)	977	Track (Indoor)	992
Track (Outdoor)	977	Track (Outdoor)	992
Wrestling	970	Volleyball	995

Benchmark II: Maintain a single year Academic Progress Rate (APR) above 930 for all sports.

Single Year APR by Sport

Men's Sports	Single Year APR	Women's Sports	Single Year APR
Basketball	1000	Basketball	983
Cross Country	929	Cross Country	985
Football	1000	Rowing	958
Golf	1000	Golf	1000
Hockey	960	Hockey	1000
Rowing	-	Soccer	945
Soccer	987	Softball	1000
Swimming	988	Swimming	988
Tennis	1000	Tennis	968
Track (Indoor)	952	Track (Indoor)	982
Track (Outdoor)	952	Track (Outdoor)	982
Wrestling	974	Volleyball	1000

D. Additional Information: GPA & Major Selection

University of Wisconsin student-athletes carried a 3.02 cumulative GPA at the end of the Spring 2015 term. After the Spring 2015 semester seven student-athletes carried a perfect 4.00 cumulative GPA. Between the Fall 2014 and Spring 2015 semesters, a total of 156 student-athletes earned Academic All-Big Ten honors.

UW student-athletes currently major in 84 diverse areas of study. Sociology, Life Sciences Communication, Kinesiology, Biology, and Economics are the most common majors among student-athletes, but there are currently 66 different areas of study that ten or fewer student-athletes have declared as majors. A total of 137 student-athletes graduated during the 2014-15 academic year. For a full list of majors, please see **Appendix G** on page 34.

E. Additional Information: Special Admissions of Student-Athletes

The UW does not employ a special admissions process for student-athletes. Student-athletes progress through the admissions process in the same manner as other applicants. The UW utilizes a holistic, competitive, and selective admissions review. The Athletics Department's goal is to recruit, admit, and enroll a high quality and diverse student body. The academic record always comes first in our review, but we also consider written statements, standardized test scores, extracurricular activities, leadership involvement, and optional letters of recommendation.

IV. AGREED UPON PROCEDURES REPORT & INTERCOLLEGIATE ATHLETIC BUDGET REPORT

Please see **Appendix H** on page 36 for the detailed evaluation report.

V. COMPLIANCE EVALUATION REPORT AS REQUIRED BY THE NCAA

Due to a number of factors, including substantial staff transition in the UW System Administration Office of Internal Audit, as well as the Athletics Department's transition to a comprehensive online compliance management system, an audit of Athletics Department Compliance Procedures for 2014-15 was not performed. NCAA rules require a compliance review at least once every four years. The Athletics Department will resume annual review of its Compliance Procedures beginning with the 2015-16 academic year.

VI. NCAA SELF-STUDY REPORT (IN YEARS REQUIRED BY THE NCAA)

Not applicable at this time.

VII. LIST OF LEVEL III & LEVEL IV NCAA VIOLATIONS REPORT & NCAA OVERSIGHT CERTIFICATION LETTER

Please see **Appendix I** on page 87 for the detailed report, and **Appendix J** on page 88 for the letter.

APPENDICES

A.	UNIVERSITY OF WISCONSIN-MADISON STANDARDS FOR SAFEGUARDING INSTITUTIONAL GOVERNANCE OF INTERCOLLEGIATE ATHLETICS	11
B.	THE BIG TEN CONFERENCE STANDARDS FOR SAFEGUARDING INSTITUTIONAL GOVERNANCE OF INTERCOLLEGIATE ATHLETICS	12
C.	2014-15 UNIVERSITY OF WISCONSIN ATHLETICS DEPARTMENT FINAL BUDGET REPORT	27
D.	2014-15 UNIVERSITY OF WISCONSIN ATHLETICS DEPARTMENT DEBT BALANCES & PAYMENTS REPORT	28
E.	2005-08 COHORTS GRADUATION SUCCESS RATE REPORT	29
F.	2013-14 NCAA ACADEMIC PROGRESS RATE PUBLIC REPORT	30
G.	2014-15 STUDENT-ATHLETE MAJOR ANALYSIS.....	34
H.	2014-15 AGREED UPON PROCEDURES & INTERCOLLEGIATE ATHLETICS BUDGET REPORT	36
I.	2014-15 NCAA VIOLATION REPORT	87
J.	2014-15 NCAA OVERSIGHT CERTIFICATION LETTER	88

Appendix A

UNIVERSITY OF WISCONSIN-MADISON

STANDARDS FOR SAFEGUARDING INSTITUTIONAL GOVERNANCE OF INTERCOLLEGIATE ATHLETICS

Introduction

At its June 1, 2014 meeting, the Big Ten Council of Presidents/Chancellors adopted “The Big Ten Conference Standards for Safeguarding Institutional Governance of Intercollegiate Athletics” (the “Conference Standards”). The Conference Standards embody the firm and common commitment of each Big Ten Conference member institution to the core principle that intercollegiate athletics must be properly aligned with the institution’s overall educational mission. The University of Wisconsin-Madison fully supports the Conference Standards, and adopts this document to demonstrate its commitment to the principles contained therein. While many of the requirements of the Conference Standards are current University policy and practice, the University is pleased to adopt this document and to fully implement the Conference Standards. To the extent any existing policies or practices at the University are contrary to the principles and standards contained in this document, this document controls.

Basic Principles

In accordance with the principles set forth by both the Conference Standards and the Big Ten Handbook, the University affirms that intercollegiate athletics is an integral part of the educational mission of the institution, and that accordingly, governance of intercollegiate athletics should be consistent with, and not independent from, the governance applicable to other University units and programs.

Organizational Governance Standards

The Chancellor of the University, subject to the general oversight of the Board of Regents of the University of Wisconsin System, and working within the constructs of the principles of shared governance, has ultimate authority, responsibility, and accountability for the administration of intercollegiate athletics. There are no exceptions to this authority, responsibility, or accountability.

While retaining ultimate authority, the Chancellor has delegated the authority, responsibility and accountability for the day-to-day administration of intercollegiate athletics to the Athletic Director. There are no exceptions to this delegation.

The Athletic Board exercises the authority of the faculty as part of the University’s shared-governance system. The Athletic Board is a University Committee with membership, functions

and responsibilities set forth in the University's Faculty Policies and Procedures.¹ The "authority of the faculty" in the University's shared-governance system must be understood in the context of the Chancellor being ultimately responsible for the institutional control of athletics. However, Wisconsin law recognizes that chancellors are expected to consult with faculty in discharging their responsibilities and recognizes the role of the faculty in governance.² In this way, University faculty has the shared responsibility for academic and educational activities and faculty personnel matters.³

Operational Standards for Athletics

The University reaffirms its policies and operational standards in the following areas: 1) Academic Support; 2) Institutional, Conference, and NCAA Rules Compliance; 3) Admissions; 4) Student Discipline and Codes of Conduct; 5) Medical and Athletic Training Services; and 6) Cost of Attendance.

1. Academic Support

Academic Success

The University is committed to providing student-athletes with academic support and counseling (e.g., academic advising) that is adequate and appropriate for their progress toward a degree and graduation.⁴ The personal and academic well-being of every student-athlete is the primary concern of the University and the Athletic Board.

Academic Integrity

The University is committed to both the detection and prevention of (a) academic fraud and misconduct, and (b) abusive use of independent study or clustering of student-athletes in particular courses or majors.⁵

¹ Appendix 1, University of Wisconsin-Madison Faculty Policies and Procedures ("FPP"), Section 6.26.

² Wisconsin Statute Section 36.09(4).

³ For more information regarding the Role of the Athletic Board, see Appendix 2, Faculty Document 2114, "Role of the Athletic Board."

⁴ For a detailed review of the steps the University takes to provide student-athletes with academic support, see Appendix 3, Office of Academic Services Handbook ("OAS Handbook"), pgs. 25 ("Advisors"), 27 ("Learning Specialists"), 29 ("Mentors"), 33 ("Individual Tutoring & Drop-In Study Groups"); see also Appendix 4, 2008-2009 Division 1 Athletics Certification Self-Study Instrument ("Self Study"), pgs. 33-35 (point 8) and pgs. 65-91 ("Operating Principle 2.2, Academic Support"); see also Appendix 5, 2013-2014 Badger Student-Athlete Handbook and Planner ("SA Handbook") pgs. 10 ("The Shared Responsibility of Academic Success" and "Staff"), and 12 ("Services and Programs").

⁵ For a detailed review of the steps the University takes to detect and prevent such academic problems, see Appendix 3, OAS Handbook, pgs. 14 ("Academic Misconduct"), 20 ("Writing and Editing Guidelines"), 21 ("Ethical Conduct"), 25 ("Advisors"), 36 ("Class Checking"), and 37 ("Directed Study"); see also Appendix 5, SA Handbook, pgs. 60-64, ("Academic Misconduct Guide for Students"); see also Appendix 9, Coaches Orientation Handbook ("Coaches Handbook"), pgs. 61-64 ("Directed Study Policy").

Prevention of Improper Influence

In order to ensure that athletic academic support staff members are free from potential improper influence, coaches shall not have direct responsibility for, or exercise undue or improper influence over, the hiring or supervision of any member of the academic support staff. Further, coaches shall not attempt to inappropriately influence any member of the academic support staff in order to obtain or maintain the academic eligibility of a student athlete. While a coach may have input or be otherwise involved in the hiring or evaluation of the performance of an academic support staff member, the ultimate authority for hiring and supervising academic support staff will reside with the Associate Athletic Director for Student Services.

In addition, coaches shall not attempt to inappropriately influence any faculty member. To prevent the potential for improper influence, communication between the athletics department staff and faculty regarding a student-athlete's performance in class shall be conducted through the Associate Athletic Director for Student Services, the staff members of the Office of Academic Services, staff members of the Office of Compliance, or through the Faculty Athletics Representative.⁶

In addition to reporting to the Athletic Director, the Associate Athletic Director for Student Services reports monthly to the Athletic Board, chaired by the Faculty Academics Representative, regarding academic performance and support.

2. Institutional, Conference, and NCAA Rules Compliance

Compliance Success

The University is committed to the detection and prevention of breaches of institutional, conference and NCAA rules.⁷ The University does and will maintain appropriate and adequate compliance staffing in order to maintain a compliant environment. In addition to the five full-time employees devoted exclusively to compliance issues, compliance is considered to be a shared responsibility at the University. That is, other athletics department personnel, the

⁶ Coaches are instructed at yearly coaches meetings not to contact campus instructional faculty or staff. See Appendix 9, Coaches Handbook, pg. 7 ("Academic Services will make all contact with professors."); see also, Appendix 6, University of Wisconsin, Division of Intercollegiate Athletics, Compliance Education for New Staff ("Compliance Education") (As part of the hiring process, all coaches are told to utilize the resources available and warned not to "directly contact individuals from the Registrar, Housing, Admissions, Big Ten, etc.").

⁷ For a detailed review of the steps the University takes to detect and prevent such breaches, see Appendix 4, Self Study, pgs. 17-23; see also Appendix 5, SA Handbook, pgs. 39-54 ("Big Ten/NCAA Rules & Regulations"); see also Appendix 6, Compliance Education; see also Appendix 7, Compliance Manual, The University of Wisconsin Division of Intercollegiate Athletics ("Compliance Manual").

Faculty Athletics Representative, and the head coaches and administrators outside of the athletic department who are responsible for the certification of student-athletes for financial aid and practice and competition eligibility, are all expected to assume a primary role in ensuring compliance with all rules.⁸

Prevention of Improper Influence

In order to ensure that athletic compliance staff members are free from potential improper influence, coaches shall not have direct responsibility for, or exercise undue or improper influence over, the hiring or supervision of any member of the athletic compliance staff. Further, coaches shall not attempt to influence inappropriately any member of the athletic compliance staff in any way. While a coach may have input or be otherwise involved in the hiring or evaluation of the performance of an athletic compliance staff member, the ultimate authority for hiring and supervising athletic compliance staff will reside with the Associate Athletic Director for Compliance. Communication between the athletics department staff and such compliance constituents as the Registrar's Office, the Student Financial Services Office, Big Ten and NCAA regarding the application of NCAA or Big Ten rules shall be conducted through the Associate Athletic Director for Compliance or staff members of the Office of Compliance.

In addition to reporting to the Athletic Director, the Associate Athletic Director for Compliance reports monthly, for oversight purposes, to the Chair of the Athletic Board, (which is chaired by the Faculty Academics Representative), regarding institutional, Big Ten and NCAA compliance. The Assistant Athletic Director for Compliance shall also make available any information or reports that may be requested by the Vice Chancellor for Legal Affairs.

3. Admissions

Admission Decisions

The final decision-making authority for the admission of potential student-athletes resides in the same office that admits other undergraduate applicants to the University, the Office of Admissions and Recruitment ("Admissions"). Student-athletes progress through the admissions process in the same manner as other applicants.⁹ Admissions utilizes a holistic, competitive, and selective review process. The goal is to recruit, admit, and enroll a high quality and diverse freshman class. Admissions seeks students from groups that are underrepresented at the University, including not only ethnic minorities, but international students, those from rural Wisconsin farm backgrounds, first-generation college students, women and men who have

⁸ For more information regarding this shared responsibility, see Appendix 6, Compliance Education; see also Appendix 7, Compliance Manual pgs. 6 ("Institutional Control") and 7 ("Compliance Philosophy").

⁹ For more information regarding admission of potential student-athletes, see Appendix 3, OAS Handbook, pgs. 46-63 ("Admissions"); see also Appendix 8, "Requirements and Expectations" document created and maintained by the Office of Admissions; see also Appendix 9, Coaches Handbook pgs. 40-41 ("Admissions Information").

served our country in the armed forces, and women interested in STEM (science, technology, engineering, or math) majors. Admissions seeks students with special talent in music, dance, art, athletics, or other areas of the University community.

Prevention of Improper Influence

In order to prevent the potential for improper influence, communication between athletics department staff, and either Admissions or Admissions personnel from individual schools and colleges regarding prospective student-athletes, shall be conducted through the Associate Athletic Director for Student Services or the staff members of the Office of Academic Services.¹⁰

4. Student Discipline and Codes of Conduct

University and Athletic Department Discipline

Under the authority of the University's Division of Student Life, student-athletes shall be subject to general disciplinary rules and codes of conduct applicable to other students at the University, and shall be subject to the same procedures and sanctions.¹¹ In addition to, and independent from the process managed by the Division of Student Life, student-athletes are further subject to the Student-Athlete Discipline Policy and to individual team rules.¹²

Prevention of Improper Influence

In order to prevent the potential for improper influence, communication between athletics department staff and the Division of Student Life regarding student-athletes shall be conducted through the Associate Athletic Director for Student Services or the staff members of the Office of Academic Services.¹³

¹⁰ Coaches are instructed at yearly coaches meetings not to contact Admissions. See Appendix 9, Coaches Handbook, pg. 7 ("Academic Services will make all contact with the Office of Admissions."); see also, Appendix 6, Compliance Education (As part of the hiring process, all coaches are told to utilize the resources available and warned not to "directly contact individuals from the Registrar, Housing, Admissions, Big Ten, etc.").

¹¹ For more information regarding the application of general disciplinary rules of the University to student athletes, see Appendix 5, SA Handbook pgs. 60 ("Academic Misconduct Guide for Students"), and 64 ("Institutional Discipline" and "Violations of University Regulations").

¹² For a detailed explanation of the Student Athlete Discipline Policy, see SA Handbook, pgs. 67-71 ("Athletic Department Rules and Policies") and pg. 72 ("Violations of Team Rules").

¹³ Coaches are instructed at yearly coaches meetings not to contact the University's Division of Student Life. See Appendix 6, Compliance Education (As part of the hiring process, all coaches are told to utilize the resources available and warned not to "directly contact individuals from the Registrar, Housing, Admissions, Big Ten, etc.").

5. Medical and Athletic Training Services

Medical Decisions

The University places priority on a student-athlete's health over other considerations.¹⁴ The personal and academic well-being of every student-athlete is the primary concern of the University and the Athletic Board. Health-related policies, procedures and protocols, including those related to student-athlete concussions,¹⁵ will be followed.

Medical Services to student-athletes at the University are offered in a medical model of care under which the diagnosis and treatment of student-athletes is the ultimate responsibility of the physicians employed by the University of Wisconsin School of Medicine and Public Health, administratively managed by its Division of Sports Medicine in the Department of Orthopedics and Rehabilitation. The Athletic Department's licensed athletic trainers practice under the supervision of these physicians and the Assistant Athletic Director for Sports Medicine. Each Head Team Physician is appointed by the Chair of the Department of Orthopedics and Rehabilitation. The Head Team Physician and the Assistant Athletic Director for Sports Medicine assume joint responsibility for quality assurance and the monitoring of student-athlete care on an ongoing basis. A Medical Advisory Committee reviews and advises policies and procedures related to the delivery of medical services to student-athletes. The committee consists of the Chair of the Division of Sports Medicine, the Head Team Physician, Athletic Department administrators, a representative from UW Hospital and Clinics and two members of the Athletic Board.

Prevention of Improper Influence

The final decision regarding student-athlete participation, in practice or competition, resides with the medical and athletic training staff.¹⁶ In order to ensure that medical and athletic training staff are able to exercise their best professional judgment in caring for student-athletes, coaches shall not have direct responsibility for, or exercise undue or improper influence over, the hiring or supervision of any member of the medical or athletic training staff who works with the coach's own team. Further, coaches shall not attempt to influence

¹⁴ See Appendix 5, SA Handbook, pg. 79 ("Sports Medicine Policy" and "Pregnancy Policy"); see also Appendix 10, Competition and Practice Injury Management Plan; see also Appendix 11, Concussion Management Plan.

¹⁵ See Appendix 10, Competition and Practice Injury Management Plan; see also Appendix 11, Concussion Management Plan

¹⁶ Coaches' employment contracts each state that "[c]oach hereby understands and agrees that the final decision regarding student-athlete participation in organized practices and/or competitions shall be made by the Division's medical and training room staff," and that "[t]his provision is essential to this Employment Agreement and violation thereof may be considered just cause for termination."

inappropriately any member of the medical or athletic training staff regarding the medical treatment of a student athlete.

6. Cost of Attendance

Determination of Cost of Attendance

The process for determining the cost of attendance for student-athletes shall be essentially the same process utilized for all students. Cost of attendance is determined by the Office of Student Financial Aid.¹⁷

Prevention of Improper Influence

Coaches shall not attempt to inappropriately influence any member of the Financial Aid staff in order to adjust cost of attendance values to better serve recruiting or other athletically-related interests.¹⁸ In order to prevent the potential for improper influence, communication between athletics department staff, and the Office of Student Financial Aid, shall be conducted through the Associate Athletic Director for Compliance. The Director of Financial Aid should notify the Chancellor or designee of any inappropriate communication relating to financial aid policy received from any booster or official of the University of staff member in the Athletics Department.

Concern Reporting

The University recognizes that ensuring compliance with the six areas of operational standards set forth above necessarily requires that individuals have the ability to report concerns, free from fear of retaliation, regarding whether these standards are being followed. Individuals can and should report any concerns they have in relation to these standards to the Athletic Director, the Associate Athletic Director for Compliance, Compliance staff or the Faculty Athletics Representative, with the knowledge that no retaliation will occur as a result of voicing such concerns. Indeed, the University encourages individuals to report any concerns they may have.

¹⁷ For the current breakdown of University Cost of Attendance, see Appendix 12, Office of Student Financial Aid, Undergraduate Cost of Attendance, 2015-16.

¹⁸ Coaches are instructed at yearly coaches meetings not to contact the University's Office of Student Financial Aid. See Appendix 6, Compliance Education (As part of the hiring process, all coaches are told to utilize the resources available and warned not to "directly contact individuals from the Registrar, Housing, Admissions, Big Ten, etc.")

Ongoing Obligations

1. Annual Review

The University will conduct an annual internal review of the effectiveness of these Conference Standards.

2. Reporting Requirements

Following the internal annual review, the University will report to the Big Ten Conference Office on how it is achieving compliance with the Conference Standards, and how it is taking action to avoid governance-related problems in athletics. Within this report, the University will describe to the Big Ten Conference Office any violation of the Conference Standards.¹⁹ The University will report to the Big Ten Conference Office any revisions to this document, or any material revisions to any incorporated Appendix, within thirty days of the adoption of any such revision.

¹⁹ Within this requirement, it is understood that identifying and addressing violations in a timely manner is a characteristic of a properly functioning compliance system—indicative of a system that is working as opposed to a system that is malfunctioning. Accordingly, violations of these standards that are properly identified and addressed in a timely manner are to be accounted for in the annual report within the context of demonstrating the effectiveness of the standards. By contrast, violations that are indicative of systemic failures of the standards (e.g., system malfunctions) are to be reported to the conference office within a timeframe that is contemporaneous to the time at which such failures are discovered.

Appendix B

THE BIG TEN CONFERENCE STANDARDS FOR SAFEGUARDING INSTITUTIONAL GOVERNANCE OF INTERCOLLEGIATE ATHLETICS

Introduction

The Big Ten Conference's history demonstrates that high-level athletic programs can be successfully maintained at top research universities and advance the mission of such universities. Incorporating athletic competition within the broader framework of higher education also presents challenges, however, particularly given the visibility of intercollegiate athletics and the passion it engenders. Good governance of athletics within the structure of each Big Ten Conference Member Institution is essential to manage these challenges. The public's trust in a Member Institution and the value of its intercollegiate athletics program are eroded when the Institution fails to implement sound governance principles applicable to its athletics programs, principles that are reflective of those applied to its academic programs and consistent with the values of higher education.

While not alone in this regard, Big Ten Member Institutions have experienced lapses in achieving sound governance of their athletic programs. All Member Institutions are affected when any Member Institution fails to maintain proper control over its intercollegiate athletics programs. Recognizing this, the Big Ten Council of Presidents/Chancellors (COPC) directed the Conference "to initiate an immediate review of the fundamental issues and systems affecting intercollegiate athletics, including the serious issues relating to control of athletics."

Institutions that affiliate in an athletics conference should have common values and common objectives. The Conference's attention to maintaining institutional integrity and earning public trust predates the activities of the NCAA, which did not begin in earnest until the 1960's. Members of the Big Ten Conference have traditionally come together to deal with important matters of common concern. For example, in 1972, the Conference formed an Advisory Commission on the Integration of African-American Athletes to advance their opportunities for participation in intercollegiate athletics at Member Institutions. In 1992, the Conference was a national leader in adopting measures and making concerted efforts to advance gender equity of student-athletes at the Member Institutions. The Conference has had a long history of establishing academic standards governing eligibility of student-athletes, and the Conference office and the Member Institutions have regularly interacted in a constructive manner to improve practices at Member Institutions, especially those involving academic and compliance matters. Conference attention to the integrity of the governance of athletic programs is clearly consistent with this tradition.

The Risks Associated with Failure to Implement Good Governance Policies

To be successful in their objectives, Member Institutions depend in large measure on public trust and confidence. The failure effectively to govern any part or program of the Institution, including athletics, undermines public trust and confidence in the Institution.

Because of the high level of public interest in Big Ten sports, the risks of departures from good governance procedures in athletics are significant, and the impact of such departures on public trust and confidence may prove to be severe.

The loss of public trust in a Member Institution because of governance problems affecting its athletics programs has many negative consequences:

- the reputations of the individual Member Institution and all other Member Institutions in the Conference are damaged;
- injury to reputation reduces support for athletics and other programs among the Member Institution's various constituencies (faculty, staff, students, alumni, donors, fans, legislators, and the general public);
- lack of public confidence invites outside intervention in the Member Institution's affairs;
- student-athletes may lose opportunities for lessons in teamwork, effort, fair play, and the pursuit of excellence because of program-related sanctions;
- the Member Institution may suffer financial losses and additional costs when it is difficult for the Institution to absorb them.

The visibility, competitiveness, and passion associated with intercollegiate athletics combine to create a high-risk, high-reward environment which places great pressures on good governance procedures. At Member Institutions, athletics departments are expected to produce revenue streams through successful sports programs that will be sufficient to fund broad-based athletic programs without additional institutional support. Fans and boosters have high expectations and higher hopes, coaches and administrators seek the job security winning programs provide, the extraordinary popularity of athletics grows every year, and the financial consequences of success and failure are very high, both individually and institutionally. Fans or boosters, in pursuit of personal agendas or through a misplaced desire to "help" their favorite programs, are drawn to interact with coaches and student-athletes in ways that may circumvent ordinary procedures or violate the rules governing athletics. Some participants, by their celebrity status, obtain concentrated power far beyond that held by other employees or students. Successful coaches, major donors, and other persons of influence can seek to circumvent normal lines of authority and to exercise undue and improper influence over the actual responsible or accountable decision-makers. All of these problems are exacerbated if authority over athletic decision-making is unclear or is not formalized in official institutional policies.

For all of these reasons, the COPC proposes to address collectively the issues of integrity in intercollegiate athletics by encouraging the adoption by Member Institutions of clearer governance standards and to engage the Conference office to assist Member Institutions in implementing these standards.

Basic Principles

The Big Ten Conference Standards for Safeguarding Institutional Governance of Intercollegiate Athletics (Conference Standards) conform to the following basic principles:

1. Conference policies for governance of athletics should reflect a common commitment to integrity and good governance practice while recognizing the autonomy of the Member Institutions in fashioning their own organizational structures and allocating authority, responsibility, and accountability to their own officials.
2. Each Member Institution should have a set of governance standards that clearly define the authority over, and responsibility and accountability for, the governance of its athletic programs. Each Member Institution should be expected to comply fully with its own standards.
3. Intercollegiate athletics is an integral part of each Member Institution. Accordingly, athletic governance should be consistent with, and not independent from, the governance applicable to other university units and programs. For example, each Member Institution in the Big Ten provides that the President or Chancellor of the Institution is the chief executive officer and is responsible and accountable for the general administration of the Institution, subject to the general oversight of a Governing Board or a Systems Administration or both. Absent specific policies to the contrary, the President or Chancellor should, therefore, be the responsible and accountable officer for decisions made with respect to athletics.

Organizational Governance Standards

Each Member Institution shall have written standards relating to the allocation of authority, responsibility, and accountability for intercollegiate athletics at its Institution. These standards shall prescribe the governance structure for athletics at the Member Institution. It is anticipated that, at a minimum, the standards shall:

1. a. Provide, expressly or by general description, that the President or Chancellor, subject to the general oversight of the Governing Board or Systems Administration or both, and working within the constructs of the principles of shared governance held by each Member Institution, has ultimate authority, responsibility, and accountability for the administration of intercollegiate athletics, and
b. State any exceptions to this authority, responsibility, or accountability.
2. a. Provide, expressly or by general description, that the President or Chancellor has delegated authority, responsibility, and accountability for the administration of the Athletics Department to the Athletics Director, and
b. State any exceptions to that delegation.

3. State the role and responsibility of any other institutional officer, board, or committee with responsibility for issues relating to intercollegiate athletics, including those officers, boards, or committees who or which play an advisory role to the Athletics Director or to the President or Chancellor relating to intercollegiate athletics.
4. Establish procedures to implement the expectation that those with authority and responsibility to govern the athletic programs of the Member Institution do so without improper influence from others within or outside the Institution.

Operational Standards for Athletics

The integrity of the governance of a Member Institution's intercollegiate athletics program is threatened when improper influence is brought to bear on Member Institution officials to make a decision that is not in the best interest of the Institution or, in more egregious cases, that violates the Institution's, the Conference's, or the NCAA's rules. Certainly, the line between providing advice or appropriate advocacy on the one hand and undue or improper influence on the other is not a bright one, but, at one time or another, that line has been crossed at various Member Institutions. Operational standards that address the exercise of improper influence on important decision-making affecting athletic programs at each Member Institution should reduce the risk that such situations will recur.

Each Member Institution shall, therefore, have written standards with respect to the operation of its Athletics Department and units within the Institution that interact with its Athletics Department. The purpose of these operational standards shall, at a minimum, be to:

1. Assure that the unit that provides academic support services for student-athletes operates without undue influence by Athletics Department staff, including coaching staff. Each Institution's operational standards shall, therefore, be designed to:
 - a. Prevent coaches from: (i) having direct responsibility for, or exercising undue or improper influence over, the hiring or supervision of any member of the academic support staff, and (ii) attempting to influence inappropriately any member of the academic support staff or any faculty member in order to obtain or maintain the academic eligibility of a student-athlete.
 - b. Detect and prevent (i) academic fraud and misconduct, and (ii) abusive use of independent study or clustering of student-athletes in particular courses or majors.
 - c. Provide student-athletes with academic support and counseling that is adequate and appropriate for their progress toward a degree and graduation.
 - d. Route communications between Athletics Department staff and faculty regarding student-athletes' performance in classes through the Director of Academic Support Services or his/her designee(s) or through the FAR.

In addition, good practice suggests that the Director of Academic Support Services should report to an academic administrator outside the Athletics Department, such as the Provost or FAR, either exclusively or as a dual report to that administrator and the Athletics Director.

-
2. Assure that the units that enforce compliance with the rules and regulations of the Member Institution, Conference, and NCAA have sufficient independence from athletics staff to meet their responsibilities. Each Institution's operational standards shall, therefore, be designed to:
 - a. Prevent coaches from (i) having direct responsibility for, or exercising undue or improper influence over, the hiring or supervision of any member of the athletics compliance staff, and (ii) attempting to influence inappropriately any member of the athletics compliance staff.
 - b. Detect and prevent breaches of the Institution's, the Conference's, and the NCAA's rules.
 - c. Provide adequate and appropriate athletics compliance staffing for the Institution.

In addition, good practice suggests that, for oversight purposes, the Director of Compliance should report to an administrator outside the Athletics Department, such as the Campus Compliance/Integrity Officer, General Counsel, or FAR, either exclusively or as a dual report to that administrator and the Athletics Director.

3. Assure that the admission process for student-athletes is essentially the same as that for other applicants with special talents. Each Institution's operational standards shall, therefore, be designed to:
 - a. Place final decision-making authority for the admission of student-athletes in the same office that admits other undergraduate applicants to the Member Institution.
 - b. Route all communications regarding prospective student-athletes between Athletics Department staff and the admissions office through the Athletics Director or his/her designee(s).

In addition, good practice suggests that the Director of Admissions should notify the President or Chancellor or his/her designee(s) of any inappropriate communication relating to the admission of a prospective student-athlete received from any booster or official of the Member Institution or from any staff member in the Athletics Department.

4. Assure that student-athletes are subject to general disciplinary rules and codes of conduct applicable to other students at the Member Institution. Each Institution's operational standards shall, therefore, be designed to:
 - a. Apply such rules and codes, including the same procedures and sanctions, as well as any Athletics Department policies applicable specifically to student-athletes and any team rules, to student-athletes.
 - b. Route communications regarding student-athletes between Athletics Department staff and student disciplinary staff through the Athletics Director or

his/her designee(s).

In addition, good practice suggests that the Dean of Students or his/her designee should notify the President or Chancellor or his/her designee(s) of any inappropriate communication on behalf of a student-athlete in connection with a disciplinary decision, especially if that communication is from a booster or official of the Member Institution or from any staff member in the Athletics Department.

5. Assure that the medical and athletic training staff who provide medical services to student-athletes are able to exercise their best professional judgment in caring for student-athletes. Each Institution's operational standards shall, therefore, be designed to:
 - a. Prevent coaches from (i) having direct responsibility for, or exercising undue or improper influence over, the hiring or supervision of any member of the medical or athletic training staff who works with the coach's own team, and (ii) attempting to influence inappropriately any member of the medical or athletic training staff regarding the medical treatment of a student-athlete.
 - b. Allow for effective implementation of and adherence to institutional policies, procedures, and/or protocols regarding student-athlete concussions.
 - c. Place priority on the student-athlete's health over other considerations.

In addition, good practice suggests that the Director of Sports Medicine Services should report to an academic or medical administrator outside the Athletics Department, either exclusively or as a dual report to the administrator and the Athletics Director.

6. Assure that the process for determining an institution's cost of attendance for student-athletes is essentially the same as that for all students, and that the unit that determines an institution's cost of attendance values for financial aid purposes operates without undue influence by Athletics Department staff, including coaching staff. Each Institution's operational standards shall, therefore, be designed to:
 - a. Prevent coaches from attempting to influence inappropriately any member of the financial aid staff in order to adjust an institution's cost of attendance values to better serve recruiting or other athletically related interests.
 - b. Route all communications regarding financial aid between Athletics Department staff and the financial aid office through the Athletics Director or his/her designee(s).

In addition, good practice suggests that the Director of Financial Aid should notify the President or Chancellor or his/her designee(s) of any inappropriate communication relating to financial aid policy received from any booster or official of the Member Institution or from any staff member in the Athletics Department.

Enforcement of the Policies

The Member Institutions recognize that the integrity of the governance of intercollegiate athletics is important for the Conference as well as for intercollegiate athletics generally and that failures of one Member Institution affect the reputation of all Member Institutions. Accordingly, the Member Institutions agree to the following relating to enforcement of these Conference Standards:

1. **Annual Review - Members.** Each Member Institution will conduct an annual internal review of the effectiveness of the standards it has implemented in fulfillment of these Conference Standards.
2. **Reports to/by Conference.**
 - a. After conducting its internal review, each Member Institution will report annually to the Conference on how it is achieving compliance with these Conference Standards and taking action to avoid governance-related problems in athletics. It will attach to that report copies of the standards it has implemented in fulfillment of these Conference Standards. Each Member Institution will also submit copies of any revisions to its standards to the Conference within thirty (30) days after their adoption.
 - b. After reviewing the reports from the Member Institutions, the Conference will prepare a summary in which it will draw on the reports to provide information to the Member Institutions that will assist them in complying with these Conference Standards. The Conference will submit the summary to the COPC for review and discussion at a COPC meeting. The Conference summary may include recommendations for changes in the Conference Standards for consideration by the COPC.
3. **Compliance.**
 - a. Each Member Institution will comply with the standards it has implemented in fulfillment of these Conference Standards.
 - b. If the Conference receives a report or allegation that a Member Institution is not in compliance with these Conference Standards, (i) it shall so advise the Member Institution and require that it file a detailed response to the report or allegation, including means to achieve compliance if the Member Institution determines that the report or allegation is, in one or more respects, accurate; and (ii) it may conduct its own investigation of the report or allegation. The Member Institution will cooperate with the Conference's investigation.
 - c. Each Member Institution will report to the Conference any violation of the standards it has implemented in fulfillment of these Conference Standards.

4. Enforcement.

- a. Informal Actions. The purpose of these Conference Standards is to enhance the integrity of the governance of intercollegiate athletics among the Member Institutions. In the event a Member Institution does not achieve complete compliance with these Conference Standards, the initial response should be that the Conference and the Member Institution engage in constructive conversations whose goal is greater compliance with these Conference Standards by the Member Institution.
- b. Formal Actions. In cases where a Member Institution persistently fails to comply with these Conference Standards, the Commissioner may recommend corrective action to the COPC. The COPC may request information from the Member Institution, which the Member Institution will provide, and the Commissioner, may, if so instructed by the COPC, conduct a more formal hearing on the matter. The COPC may adopt the Commissioner's recommendation or any other corrective action designed to enhance the Member Institution's compliance with these Conference Standards. Such corrective action may include:
 - i. Financial penalties, including a reduction of Conference distributions.
 - ii. Probation, under terms that reasonably relate to correcting the failure to comply.
 - iii. Suspension from participation in a particular sport, or from membership in general, for a stated period of time.
 - iv. Expulsion from membership.

The Big Ten Conference is a voluntary association of Member Institutions. The Conference Bylaws provide that suspension of membership, expulsion from the Conference, or placement on probation each requires a vote of at least 70% of the Membership. It is extraordinarily unlikely that a Member Institution would be expelled unless the failure to comply with these standards was so persistent and serious that it indicated the Member Institution no longer subscribes to the common values and objectives of the Conference and the other Member Institutions.

5. Effective Date

These Conference Standards were approved by the COPC on June 1, 2014 effective for the Conference and all Member Institutions on August 1, 2015. Between the approval date and the effective date, the Conference will assist each Member Institution in preparing to comply fully with the Conference Standards as of the effective date.

Appendix C

2014-15 Wisconsin Athletics Budget Report

<u>REVENUE</u>	<u>Budget</u>	<u>Actual</u>
Concessions & Catering	4,505,000	4,353,354
Conference Distributions	25,953,000	29,280,117
Events	875,500	791,491
Gift Funds	21,500,000	22,428,347
Multi Media	9,490,000	9,651,396
Other Revenue	6,154,000	6,642,830
Post Season	2,900,000	2,452,799
Ticket Sales	27,875,000	28,653,379
TOTAL REVENUE	99,252,500	104,253,712

<u>EXPENSE</u>		
All Salaries & Fringe Benefits	39,551,600	40,923,147
Capital Projects	3,800,000	7,236,790
Debt Service	13,557,500	12,767,004
Financial Aid	6,148,100	6,916,563
Operational Expenses	33,185,000	32,670,587
Post Season Participation	2,900,000	3,612,194
TOTAL EXPENSE	99,142,200	104,126,284
Net Operating Margin	110,300	127,428

There is no deficit from 2014-15 operations

Ending Cash Balance 2014-15	765,822
(Unrestricted Fund Balance)	

Appendix D

2014-15 University of Wisconsin Athletics Department Debt Balances & Payments Report

<u>Project</u>	<u>Outstanding Debt, as of 6/30/15</u>	<u>Debt Service Payment FY '15</u>
Kohl Center	4,720,709	2,391,044
Goodman Softball Complex	190,050	49,459
Camp Randall Stadium Renovation	46,341,825	6,618,138
Crew House	3,328,435	478,304
Nielsen Tennis Stadium Floor	5,046	988
University Ridge Golf Course	124,863	12,326
Hockey/Swimming Facility	8,437,406	580,963
Student Athlete Performance Center	47,988,011	<u>2,391,204</u>
 Total Debt Service - GO Bonds	 111,136,345	 12,522,426
 Dane County Bonds Feb '94 - Coliseum Ice & Arena Improves	 0	 244,577
 Total Debt Service and Kohl Center Obligations		 <u>12,767,003</u>

Graduation Success Rate Report

2005 - 2008 Cohorts: University of Wisconsin, Madison

Men's Sports

Sport

Baseball

Basketball

CC/Track

Fencing

Football

Golf

Gymnastics

Ice Hockey

Lacrosse

Mixed Rifle

Skiing

Soccer

Swimming

Tennis

Volleyball

Water Polo

Wrestling

Men's Non-NCAA Sponsor. Sports

GSR Fed Rate

-

-

67

57

95

78

-

-

71

58

100

63

-

-

71

50

-

-

-

-

-

-

94

69

81

68

100

67

-

-

-

-

86

71

-

-

Women's Sports

Sport

Basketball

Bowling

CC/Track

Crew/Rowing

Fencing

Field Hockey

Golf

Gymnastics

W. Ice Hockey

Lacrosse

Skiing

Soccer

Softball

Swimming

Tennis

Volleyball

Water Polo

Women's Non-NCAA Sponsor. Sports

GSR Fed Rate

100

80

-

-

95

85

96

82

-

-

-

-

88

86

-

-

87

83

-

-

-

-

94

82

67

56

96

79

100

100

90

80

-

-

-

-

2013 - 2014 NCAA Division I Academic Progress Rate Public Report

Institution: University of Wisconsin, Madison

Date of Report: 05/26/2015

This report is based on NCAA Division I Academic Progress Rate (APR) data submitted by the institution for the 2010-11, 2011-12, 2012-13 and 2013-14 academic years.

*[Note: All information contained in this report is for four academic years. Some squads may still have small sample sizes within certain sport groups. In accordance with the Family Educational Rights and Privacy Act's (FERPA's) interpretation of federal privacy regulations, data cells containing three or fewer student-athletes have been suppressed and are indicated by an * symbol. The information in this report does not reflect any changes to data made after this date.]*

The following chart represents by-sport APR averages for noted subgroups. National aggregates are based on all squads that have certified their academic data as final.

Sport (N)	Multiyear APR	2013-2014 APR	Percentile Rank within Sport	Percentile Rank within All Sports	All Division I	Private Institutions	Football Subdivision	Bowl Subdivision	Football Championship Subdivision	Division I (Non-Football)
By Sport - Men's										
Baseball (300)	NA	NA	NA	NA	969	965	977	972	969	967
Basketball (350)	985	1000	80th-90th	50th-60th	961	958	967	965	957	962
Cross Country (315)	982	929	50th-60th	40th-50th	977	973	986	981	975	976
Football (249)	998	1000	90th-100th	80th-90th	956	952	966	961	952	NA

* Denotes data representing three or fewer student-athletes. In accordance with FERPA's interpretation of federal privacy regulations, institutions should not disclose statistical data contained in this report in cells made up of three or fewer students without student consent.

N/A = No APR or not applicable.

N = Number of teams represented.

¹ Denotes APR that does not subject the team to ineligibility for postseason competition based on institutional, athletics and student resources and the team's Graduation Success Rate.

² Denotes APR that does not subject the team to ineligibility for postseason competition due to the team's demonstrated academic improvement.

³ Denotes APR that does not subject the team to ineligibility for postseason competition due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 950 for that team to be subject to ineligibility for postseason competition. Squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁴ Denotes APR that does not subject the team to penalties due to the team's demonstrated academic improvement.

⁵ Denotes APR that does not subject the team to penalties due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to penalties. The squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁶ Denotes APR based on a one year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁷ Denotes APR based on a two year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁸ Denotes that team is not subject to ineligibility for postseason competition and/or penalties based on institutional resources.

⁹ Denotes that team's APR data is under review.

2013 - 2014 NCAA Division I Academic Progress Rate Public Report

Institution: University of Wisconsin, Madison

Date of Report: 05/26/2015

Sport (N)	Multiyear APR	2013-2014 APR	Percentile Rank within Sport	Percentile Rank with in All Sports	All Division I	Private Institutions	Football Subdivision	Bowl	Football Subdivision	Championship	Division I (Non-Football)
Fencing (18)	NA	NA	NA	NA	985	975	979		990		986
Golf (302)	984	1000	40th-50th	50th-60th	979	976	983		976		978
Gymnastics (15)	NA	NA	NA	NA	982	981	985		976		941
Ice Hockey (59)	985	960	40th-50th	50th-60th	985	982	986		992		980
Lacrosse (67)	NA	NA	NA	NA	976	973	984		972		976
Skating (11)	NA	NA	NA	NA	982	978	987		987		968
Soccer (203)	978	987	60th-70th	40th-50th	971	966	971		974		970
Swimming (135)	973	988	30th-40th	30th-40th	979	974	979		982		977
Tennis (261)	970	1000	20th-30th	20th-30th	978	975	980		975		979
Track, Indoor (259)	973	952	50th-60th	30th-40th	967	964	971		966		969
Track, Outdoor (280)	977	952	50th-60th	40th-50th	970	966	973		968		971
Volleyball (22)	NA	NA	NA	NA	984	981	984		985		982
Water Polo (22)	NA	NA	NA	NA	985	980	988		992		978
Wrestling (77)	970	974	60th-70th	20th-30th	963	963	968		962		962
By Sport - Women's											

* Denotes data representing three or fewer student-athletes. In accordance with FERPA's interpretation of federal privacy regulations, institutions should not disclose statistical data contained in this report in cells made up of three or fewer students without student consent.

N/A = No APR or not applicable.

N = Number of teams represented.

¹ Denotes APR that does not subject the team to ineligibility for postseason competition based on institutional, athletic and student resources and the team's Graduation Success Rate.

² Denotes APR that does not subject the team to ineligibility for postseason competition due to the team's demonstrated academic improvement.

³ Denotes APR that does not subject the team to ineligibility for postseason competition due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to ineligibility for postseason competition. Squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁴ Denotes APR that does not subject the team to penalties due to the team's demonstrated academic improvement.

⁵ Denotes APR that does not subject the team to penalties due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to penalties. The squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁶ Denotes APR based on a one year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁷ Denotes APR based on a two year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁸ Denotes that team is not subject to ineligibility for postseason competition and/or penalties based on institutional resources.

⁹ Denotes that team's APR data is under review.

2013 - 2014 NCAA Division I Academic Progress Rate

Public Report

Institution: University of Wisconsin, Madison

Date of Report: 05/26/2015

Sport (N)	Multiyear APR	2013-2014 APR	Percentile Rank within Sport	Percentile Rank with in All Sports	All Division I	P u b l i c Institutions	Private Institutions	Football Subdivision	Bowl Subdivision	Football Championship Subdivision	Division I (Non-Football)
Basketball (348)	981	983	50th-60th	40th-50th	975	972	983	975	975	977	975
Bowling (32)	NA	NA	NA	NA	975	973	979	991	991	970	980
Cross Country (346)	991	985	50th-60th	70th-80th	986	983	991	987	987	984	986
Fencing (22)	NA	NA	NA	NA	986	972	993	982	982	993	984
Field Hockey (78)	NA	NA	NA	NA	988	986	990	986	986	991	985
Golf (263)	1000	1000	90th-100th	90th-100th	987	985	991	991	991	984	984
Gymnastics (61)	NA	NA	NA	NA	991	991	993	991	991	994	992
Ice Hockey (35)	992	1000	50th-60th	70th-80th	990	987	991	991	991	993	987
Lacrosse (103)	NA	NA	NA	NA	988	986	990	993	993	987	986
Rowing (87)	977	958	10th-20th	40th-50th	988	986	989	986	986	990	989
Skating (12)	NA	NA	NA	NA	987	983	992	980	980	992	988
Soccer (329)	974	945	10th-20th	30th-40th	984	982	988	986	986	983	984
Softball (293)	992	1000	70th-80th	70th-80th	981	978	988	985	985	977	982
Swimming (197)	991	988	50th-60th	70th-80th	988	986	990	988	988	989	986
Tennis (322)	992	968	60th-70th	70th-80th	985	983	990	988	988	983	986

* Denotes data representing three or fewer student-athletes. In accordance with FERPA's interpretation of federal privacy regulations, institutions should not disclose statistical data contained in this report in cells made up of three or fewer students without student consent.

N/A = No APR or not applicable.

N = Number of teams represented.

¹ Denotes APR that does not subject the team to ineligibility for postseason competition based on institutional, athletics and student resources and the team's Graduation Success Rate.

² Denotes APR that does not subject the team to ineligibility for postseason competition due to the team's demonstrated academic improvement.

³ Denotes APR that does not subject the team to ineligibility for postseason competition due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 950 for that team to be subject to ineligibility for postseason competition. Squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁴ Denotes APR that does not subject the team to penalties due to the team's demonstrated academic improvement.

⁵ Denotes APR that does not subject the team to penalties due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to penalties. The squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁶ Denotes APR based on a one year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁷ Denotes APR based on a two year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁸ Denotes that team is not subject to ineligibility for postseason competition and/or penalties based on institutional resources.

⁹ Denotes that team's APR data is under review.

2013 - 2014 NCAA Division I Academic Progress Rate Public Report

Institution: University of Wisconsin, Madison

Date of Report: 05/26/2015

Sport (N)	Multiyear APR	2013-2014 APR	Percentile Rank within Sport	Percentile Rank with in All Sports	All Division I	Private Institutions	Football Subdivision	Bowl	Football Subdivision	Championship	Division I (Non-Football)
Track, Indoor (320)	992	982	70th-80th	70th-80th	980	977	987	981	981	978	982
Track, Outdoor (331)	992	982	70th-80th	70th-80th	981	978	988	982	982	980	983
Volleyball (333)	995	1000	70th-80th	80th-90th	983	981	989	985	985	982	983
Water Polo (32)	NA	NA	NA	NA	987	981	993	988	988	989	986
By Sport - Co-Ed											
Rifle (22)	NA	NA	NA	NA	980	978	1000	979	979	981	NA

* Denotes data representing three or fewer student-athletes. In accordance with FERPA's interpretation of federal privacy regulations, institutions should not disclose statistical data contained in this report in cells made up of three or fewer students without student consent.

N/A = No APR or not applicable.

N = Number of teams represented.

¹ Denotes APR that does not subject the team to ineligibility for postseason competition based on institutional, athletics and student resources and the team's Graduation Success Rate.

² Denotes APR that does not subject the team to ineligibility for postseason competition due to the team's demonstrated academic improvement.

³ Denotes APR that does not subject the team to ineligibility for postseason competition due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to ineligibility for postseason competition. Squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁴ Denotes APR that does not subject the team to penalties due to the team's demonstrated academic improvement.

⁵ Denotes APR that does not subject the team to penalties due to the squad-size adjustment. The "upper confidence boundary" of a team's APR must be below 930 for that team to be subject to penalties. The squad-size adjustment does not apply to teams with four years of APR data and a multiyear cohort of 30 or more student-athletes.

⁶ Denotes APR based on a one year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁷ Denotes APR based on a two year cohort, not subject to ineligibility for postseason competition and/or any penalties.

⁸ Denotes that team is not subject to ineligibility for postseason competition and/or any penalties.

⁹ Denotes that team's APR data is under review.

Appendix G

Student-Athlete Major Analysis

Student-Athletes vs. Student Body

Student-Athlete Majors vs. Student Body Majors (As of 11/15/2015)			
Major	# S-A Majors*	S-A %	Student Body %
Agricultural & Appl Econ	3	.33%	0.22%
Agricultural Business Mgmt	17	1.88%	0.41%
Animal Sciences	1	.11%	0.68%
Anthropology	1	.11%	0.53%
Art	3	.33%	0.81%
Art History	1	.11%	0.30%
Biochemistry	9	1.0%	2.34%
Biological Aspects of Conservation	1	.11%	0.35%
Biological Systems Engineering	7	.78%	2.44%
Biology	28	3.1%	6.07%
Biomedical Engineering	8	.89%	0.62%
Botany	1	.11%	0.11%
Bus: Accounting	13	1.44%	1.85%
Bus: Finance, Invest & Bank	11	1.22%	3.07%
Bus: International Business	1	.11%	0.58%
Bus: Management & Hum Res	7	.78%	1.39%
Bus: Marketing	7	.78%	2.32%
Bus: Operations & Tech Management	2	.22%	0.39%
Bus: Real Estate & Urban Econ	5	.55%	0.82%
Bus: Risk Man. & Insurance	2	.22%	0.13%
Chemical Engineering	9	1.0%	2.50%
Chemistry	4	.44%	0.70%
Civil Engineering	16	1.77%	1.77%
Classical Humanities	1	.11%	0.06%
Communication Science & Disorders	4	.44%	0.66%
Communication Arts	5	.55%	1.94%
Community & Env Soc	1	.11%	0.28%
Community & Nonprofit Leadership	15	1.66%	0.33%
Computer Engineering	2	.22%	1.35%
Computer Sciences	3	.33%	2.42%
Consumer Affairs	3	.33%	0.02%
Curriculum and Instruction	1	.11%	0.27%
Dairy Science	1	.11%	0.29%
Economics	34	3.77%	3.88%
Educational Leadership MS**	5	.55%	
Electrical Engineering	5	.55%	1.49%
Engineering Mechanics	1	.11%	0.76%
Engineering Physics	1	.11%	0.10%
Elementary Education	2	.22%	1.03%
English	8	.89%	1.85%
Environmental Studies	3	.33%	0.43%
Environmental Sciences	2	.22%	0.94%
Food Science	4	.44%	0.64%
Forest Science	2	.22%	0.13%
French	2	.22%	0.39%
Gender and Women's Studies	8	.88%	0.44%
Genetics	5	.55%	1.16%

Major	# S-A Majors*	S-A %	
Geography	1	.11%	0.37%
Geological Engineering	3	.33%	0.57%
Geology & Geophysics	2	.22%	0.53%
German	1	.11%	0.21%
History	14	1.55%	1.71%
History of Sci, Medicine and Tech	1	.11%	0.32%
Human Development & Family St	21	2.32%	1.14%
Industrial Engineering	3	.33%	1.20%
International Studies	6	.66%	1.36%
Journalism	6	.66%	2.20%
Kinesiology	43	4.76%	21.86%
Latin	1	.11%	0.02%
Legal Studies	10	1.1%	0.98%
Life Sciences Comm	52	5.76%	0.89%
Materials Science & Engineering	3	.33%	0.53%
Mathematics	2	.22%	1.46%
Mechanical Engineering	17	1.88%	3.98%
Microbiology	2	.22%	1.04%
Nuclear Engineering	3	.33%	0.50%
Nursing	8	.89%	2.87%
Nutritional Sciences	12	1.33%	1.25%
Personal Finance	19	2.1%	0.55%
Philosophy	2	.22%	0.42%
Physics	2	.22%	0.41%
Political Science	20	2.21%	3.09%
Psychology	14	1.55%	3.49%
Public Health	1	.11%	0.25%
Rehabilitation Psychology	6	.66%	0.73%
Retailing	14	1.55%	0.75%
Russian	2	.22%	0.17%
Scandinavian Studies	1	.11%	0.12%
Social Welfare	2	.22%	0.71%
Sociology	27	3%	1.13%
Spanish	6	.66%	2.16%
Special Education	1	.11%	0.29%
Statistics	1	.11%	0.54%
Zoology	9	1%	0.92%
Undecided	278	30.79%	29%
Grand Total	903		

* Duplicated counts. As students with more than one major are counted as one unit in each major, the total number of majors may exceed the total number of students.

** Since these majors are graduate or doctorate degrees, they were not included in the undergraduate student body percentage calculation.

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

Madison, Wisconsin

**STATEMENT OF REVENUES AND
EXPENDITURES – BUDGETARY BASIS**

For the Year Ended June 30, 2015

**TOGETHER WITH INDEPENDENT AUDITORS' REPORT
AND REPORT ON AGREED-UPON PROCEDURES
REQUIRED BY THE PROVISIONS OF
NCAA BYLAW 3.2.4.16**

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

TABLE OF CONTENTS
For the Year Ended June 30, 2015

Independent Auditors' Report	1 – 2
Statement of Revenues and Expenditures – Budgetary Basis	3
Notes to Statement of Revenues and Expenditures – Budgetary Basis	4 – 14
Supplemental Information	
Independent Auditors' Report on Applying Agreed-Upon Procedures for Affiliated and Outside Organizations	15 – 16
Exhibit A – Statement of Changes in Cash of Recognized Booster Organizations	17
Notes to Statement of Changes in Cash of Recognized Booster Organizations	18
Independent Auditors' Report on Applying Agreed-Upon Procedures for the University of Wisconsin – Division of Intercollegiate Athletics	19 – 28
Analysis of Major Revenue and Expense Accounts (Those in Excess of 10% of Totals) with Variations Over the Lesser of \$1M or Ten Percent	29
Independent Auditors' Report on Applying Agreed-Upon Procedures for the University Ridge Golf Course	30



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

INDEPENDENT AUDITORS' REPORT

To the Chancellor
University of Wisconsin - Madison
Madison, Wisconsin

Report on the Financial Statements

We have audited the accompanying statement of revenues and expenditures - budgetary basis of the University of Wisconsin - Madison Division of Intercollegiate Athletics (the "Athletic Department"), for the year ended June 30, 2015, and the related notes to the statement of revenues and expenditures - budgetary basis.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the basis of accounting described in Note 1.B; this includes determining that the basis of accounting described in Note 1.B is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Athletic Department's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Athletic Department's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



To the Chancellor
University of Wisconsin - Madison

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenues and expenditures of the Athletic Department for the year ended June 30, 2015 in accordance with the basis of accounting described in Note 1.B.

Emphasis of Matter

As discussed in Note 1.A., the statement of revenues and expenditures - budgetary basis of the Athletic Department is intended to present the changes in financial position that are attributable to the transactions of the Athletic Department. The financial statement does not purport to, and does not, present fairly the financial position of the State of Wisconsin as of June 30, 2015, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis of Accounting

We draw attention to Note 1.B. to the financial statement, which describes the basis of accounting. The financial statement is prepared on the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.


Madison, Wisconsin
January 22, 2016

UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS
STATEMENT OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
For the Year Ended June 30, 2015

	Football	Men's Basketball	Men's Hockey	Women's Volleyball	Women's Basketball	Other Sports	Not Team Related	Totals
REVENUES								
Ticket sales	\$ 20,149,626	\$ 5,546,699	\$ 2,430,266	\$ 149,451	\$ 96,220	\$ 88,254	\$ 10,379	\$ 28,532,895
Direct institutional support	1,646,137	229,184	236,386	292,048	332,441	-	41,637	5,090,236
Indirect institutional support	-	-	-	-	-	-	2,770,000	2,770,000
Guarantees	2,000,000	181,455	-	-	-	6,500	-	2,187,955
Contributions	9,255,483	1,038,515	933,378	55,154	930,485	1,910,145	7,895,738	22,038,898
In-Kind	159,743	99,868	-	-	-	48,700	469,134	777,475
Media rights	19,711,286	7,439,204	65,000	-	-	42,500	3,231,250	30,489,240
NCAA distributions	289,170	4,789,185	-	19,487	-	139,820	585,248	5,823,010
Conference distributions	4,333,387	339,464	-	-	-	-	27,318	4,700,169
Program, novelty, parking and concession sales	2,490,285	899,228	491,156	133,330	77,271	77,496	2,994,180	7,132,936
Royalties, licensing, advertisements and sponsorships	39,415	58,405	18,700	41,803	41,803	540,873	5,170,405	6,218,968
Sports camp revenues	56,721	296,791	74,405	375,743	57,438	1,344,517	27,850	2,233,465
Athletics restricted endowment and investments income	-	-	-	-	-	-	1,112,125	1,112,125
Other operating revenue	23,234	1,945	1,211	879	763	44,159	4,725,933	4,798,144
Total Revenues	60,469,229	20,889,943	4,353,502	1,061,317	1,535,421	8,524,907	29,061,217	123,895,536
EXPENDITURES								
Athletic student aid	3,278,953	446,057	624,478	547,079	611,610	5,788,262	700,085	11,996,524
Guarantees	1,650,000	685,011	25,000	18,949	61,240	29,950	-	2,440,150
Head coaching salaries, benefits, and bonuses paid by the University and related entities	2,493,370	3,489,478	414,999	338,788	369,841	2,489,793	2,306	9,598,595
Coaches salaries, benefits, and bonuses paid by the University and related entities	3,762,505	1,074,027	324,096	223,580	403,990	2,734,884	8,735	8,531,817
Support staff/administrative salaries, benefits and bonuses paid by the University and related entities	902,537	234,813	219,142	158,928	187,807	541,832	23,812,128	26,057,187
Severance payments	227,151	-	-	-	-	99,273	-	326,424
Recruiting	244,295	84,332	48,557	63,755	96,627	473,300	-	1,000,966
Team travel	1,676,642	2,286,584	573,577	436,271	671,669	3,504,991	-	9,149,734
Sports equipment, uniforms and supplies	58,141	67,773	150,663	57,006	43,923	840,006	281,726	2,002,601
Game expenditures	945,012	243,930	163,584	39,518	157,465	183,633	2,617,054	4,350,196
Fund raising, marketing and promotion	-	-	360	39,518	353	1,240	2,881,168	2,883,121
Sports camp expenditures	29,645	163,810	23,080	199,929	22,525	510,419	71,179	1,020,587
Soft groups	20,177	7,570	-	3,375	-	2,229	116,393	149,744
Athletic facilities debt service, lease and rental fees	8,052,960	797,015	1,157,795	797,015	797,015	1,950,003	12,326	12,767,004
Direct overhead and administrative expenditures	5,696,629	365,913	438,446	7,248	363,913	1,364,294	4,996,215	13,234,658
Indirect institutional support	-	-	-	-	-	-	2,770,000	2,770,000
Medical expenditures and insurance	35,107	50,153	84,634	47,619	47,019	2,266,301	-	2,846,799
Memberships and dues	4,000	860	470	705	885	11,804	-	18,784
Other operating expenditures	772,930	168,534	60,129	51,608	78,789	593,625	5,814,704	7,546,319
Total Expenditures	30,889,253	10,135,860	4,315,000	2,194,418	3,906,671	23,385,869	44,054,039	118,691,110
Excess of Revenues Over (Under) Expenditures	29,779,976	10,754,083	38,502	(1,133,101)	(2,371,250)	(16,860,962)	(15,002,822)	5,204,426
OTHER								
Transfers to institution	-	-	-	-	-	-	-	\$ 151,179

TOTAL REVENUES OVER EXPENDITURES
LESS TRANSFERS TO INSTITUTION

See accompanying notes to statement of revenues and expenditures - budgetary basis.

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

INDEX TO NOTES TO STATEMENT OF
REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE	Page
1. Summary of Significant Accounting Policies	5
A. Reporting Entity	5
B. Basis of Accounting	6
C. Measurement Focus	6
D. General Capital Assets	7
E. Compensated Absences	7
F. Other Postemployment Benefits	7
G. Claims and Judgments	7
H. Contributions	8
2. Long-Term Debt	8
3. Long-Term Capital Leases	11
4. Employees' Retirement System	12
5. Commitments and Contingencies	12
6. Adidas Contract	13
7. Related Party Transactions	13
8. Capital Assets	13
9. Significant Contributions	14
10. Risk Management	14
11. Contributions and Endowments Held by the University of Wisconsin Foundation	14
12. Subsequent Events	14

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

**NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying statement of revenues and expenditures – budgetary basis has been prepared on the budgetary basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). The budgetary basis for the University of Wisconsin-Madison Division of Intercollegiate Athletics represents the accounting principles used in managing its operations in accordance with its budgetary procedures. The Governmental Accounting Standards Board establishes generally accepted accounting principles for states and local governmental units, including the University of Wisconsin-Madison Division of Intercollegiate Athletics. The most significant differences between the budgetary basis and GAAP (full accrual basis) are as follows:

- > Capital asset acquisitions funded by revenues are reported as expenditures rather than as capital assets.
- > Capital asset acquisitions funded by debt proceeds or from the State of Wisconsin are not reported.
- > Depreciation on capital assets is not reported.
- > Long-term debt proceeds are not reported as other financing sources or as a liability.
- > Principal payments on long-term debt are reported as expenditures rather than as a reduction of a liability.
- > In-kind contributions are reported as revenues and expenditures in the year the goods were received or services provided to the Division of Intercollegiate Athletics.

See also Note 1B.

The format of the statement of revenues and expenditures – budgetary basis is based upon the prescribed format of the National Collegiate Athletic Association (NCAA).

A. REPORTING ENTITY

The Division of Intercollegiate Athletics (the "Athletic Department") of the University of Wisconsin-Madison (the "University") is responsible for intercollegiate sports programs of the University. The Athletic Director is responsible for the day to day operation of the Athletic Department. The Athletic Department is ultimately governed by the University's Chancellor through the authority delegated by the Board of Regents of the University of Wisconsin System, which is part of the State of Wisconsin.

This report includes the statement of revenues and expenditures – budgetary basis of the Athletic Department's intercollegiate sports programs. All functions related to these intercollegiate sports programs are included. The operations of University Ridge Golf Course have been included within the Statement of Revenues and Expenditures – Budgetary Basis. In prior years, University Ridge prepared separate calendar year financial reports to coincide with the golf season being in mid-season on June 30th.

Officially recognized booster organizations have been established to aid the Athletic Department with its outreach booster efforts. These organizations are not component units of the University and are not under the direct accounting control of the University or Athletic Department. As such, the accompanying statement of revenues and expenditures – budgetary basis excludes the financial activity of these booster organizations. However, the accompanying statement of revenues and expenditures – budgetary basis includes, upon satisfying all donor restrictions, those cash or in-kind contributions made to the Athletic Department by the recognized booster organizations.

Page 5

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

**NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Expenditures of these organizations are excluded from the accompanying statements. The recognized booster organizations at June 30, 2015 are as follows:

Badger Basketball Boosters
Mendota Gridiron Club, Inc.
National "W" Club, Inc. and Subsidiary

B. BASIS OF ACCOUNTING

The accompanying statement of revenues and expenditures – budgetary basis has been prepared on the budgetary basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP). Under the budgetary basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Athletic Department considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Significant revenues susceptible to accrual include most operating revenues. Contributions from recognized booster organizations generally are recorded as revenues when received in cash or in-kind because they are not measurable or available until actually received. Cash receipts from advance ticket sales related to athletic events to be held in the subsequent year are unearned and will be recognized as revenues during the year the event takes place.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a liability when expected to be paid with expendable available financial resources. Guaranteed payments to nonconference football opponents are reported as expenditures. Ticket sales shared with conference opponents are netted against gross ticket revenues.

Tuition waivers are recorded as athletic scholarships and tuition waivers. The value of the Adidas merchandise received is reported under the sports or other team expenditure categories while revenue is recorded under corporate sponsorships.

C. MEASUREMENT FOCUS

The measurement focus of the statement of revenues and expenditures – budgetary basis is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays funded by operating revenues and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable revenue. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are not recognized as current expenditures. These related expenditures are recognized when the liabilities are liquidated.

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

**NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. GENERAL CAPITAL ASSETS

General capital assets acquired for Athletic Department purposes are recorded as expenditures in the statement of revenues and expenditures – budgetary basis when they are funded by operating revenues. Capital assets funded by debt proceeds and the State of Wisconsin are not reported.

Depreciation is not recorded on capital assets and is not reflected in the statement of revenues and expenditures – budgetary basis.

E. COMPENSATED ABSENCES

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Employees are allowed to accumulate unused sick leave and vacation time and carry it forward to future periods. The Athletic Department is charged for sick leave by the State of Wisconsin as the sick leave is earned. Amounts are accumulated by the State of Wisconsin in the accumulated sick leave fund in the state's Comprehensive Annual Financial Report. Therefore, no sick leave liability exists for the Athletic Department. Total vested vacation time and other compensated absences at June 30, 2015 were \$2,262,906.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Vested benefit liabilities are determined on the basis of current salary rates and include salary related payments.

F. OTHER POSTEMPLOYMENT BENEFITS

The State of Wisconsin's health insurance program, a cost-sharing multiple employer, defined benefit plan, is an employer-sponsored program offering group medical coverage to eligible employees and retirees of the State of Wisconsin. Under this plan, retired employees of the State are allowed to pay the same healthcare premium as active employees creating an implicit rate subsidy for retirees. This implicit rate subsidy, which is calculated to cover pre-age 65 retirees, is treated as an other postemployment benefit (OPEB) and results in an actuarial determined liability and expense in the State of Wisconsin's Comprehensive Annual Financial report. Details of the plan are included in the Comprehensive Annual Financial Report of the State of Wisconsin for the year ended June 30, 2015. The liability and expense is computed for the entire State of Wisconsin and is not separately calculated for the Athletic Department.

G. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as expenditures if all the conditions of Governmental Accounting Standards Board pronouncements are met. There were no significant claims or judgments at year end.

The Division of Intercollegiate Athletics (DIA) is a unit of a state governmental body. The Board of Regents of the University of Wisconsin System and DIA, as a unit of this state agency, cannot be sued because they have governmental immunity. Claims arising out of employment or agency (excluding employment discrimination claims) must be brought against state employees or agents individually under § 895.46, Wis. Stats.

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

H. CONTRIBUTIONS

The Athletic Department receives contributions in support of various intercollegiate sports programs. All contributions for the Athletic Department are initially remitted to the University of Wisconsin Foundation (the "Foundation") which is the official not-for-profit fund raising corporation for the University of Wisconsin-Madison.

The Athletic Department applies some of the contributions for capital outlay (capital assets). Other contributions are used to support the annual operations of the Athletic Department. These contributions are reported as contribution revenues, which are recorded as revenues when they are drawn from the Foundation.

NOTE 2 – LONG-TERM DEBT

The State of Wisconsin has issued various general obligation bonds, portions of which were for construction of various Athletic Department projects.

The general obligation bonds are backed by the full faith and credit of the State of Wisconsin. The Athletic Department's share of these bonds will be retired by Athletic Department program revenues.

For the year ended June 30, 2015, the Athletic Department's debt service payments consisted of the following:

Principal on bonds	\$ 7,607,114
Interest on bonds	<u>4,915,312</u>
Total	<u>\$ 12,522,426</u>

The following represents the unpaid balance of all long-term general obligation debt for which the Athletic Department is financially responsible:

	Issue Year	Original Debt	Maturity Date	Average Interest Rates	Balance 6/30/15
Utility System Improvement	1998	\$ 627,278	4/15/17	5.50%	\$ 217,408
	2007	31,802	4/15/20	5.00%	31,802
	2014	61,491	4/16/18	5.00%	61,491
	2015	28,996	10/16/15	5.00%	28,996
Total Utility System Improvement					<u>339,697</u>

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 2 – LONG-TERM DEBT (cont.)

	Issue Year	Original Debt	Maturity Date	Average Interest Rates	Balance 6/30/15
Goodman Softball Complex	2007	\$ 49,423	4/15/20	5.00%	\$ 49,423
	2014	95,564	4/16/18	2.20%	95,564
	2015	45,063	10/16/15	5.00%	45,063
Total Goodman Softball Complex					190,050
Kohl Center	1998	11,653,139	10/15/17	5.50%	4,038,855
Environmental Management Center	1998	223,729	10/15/17	5.50%	77,542
	2007	48,746	4/15/20	5.00%	41,785
	2011	26,763	10/17/22	5.00%	26,763
	2014	199,349	4/15/20	5.00%	191,129
	2014	3,356	4/16/18	2.21%	3,356
	2015	1,582	10/16/15	5.00%	1,582
Total Environmental Management Center					342,157
Camp Randall	2007	17,362,138	4/15/20	5.00%	13,955,487
	2011	431,577	4/15/22	5.00%	431,577
	2011	16,816,187	10/17/22	5.00%	16,816,187
	2012	7,690,868	4/15/25	5.00%	7,690,868
	2013	5,744,354	4/15/25	5.00%	5,744,354
	2014	1,269,727	4/15/16	5.00%	1,269,727
	2014	227,529	4/16/18	1.97%	227,529
	2015	206,096	10/16/15	5.00%	206,096
Total Camp Randall					46,341,825
Nielsen Stadium	2007	31,802	4/15/20	5.00%	811
	2011	511	4/15/21	5.00%	352
	2014	3,166	4/16/18	2.70%	3,166
	2015	717	4/16/24	5.00%	717
Total Nielsen Stadium					5,046

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 2 – LONG-TERM DEBT (cont.)

	Issue Year	Original Debt	Maturity Date	Average Interest Rates	Balance 6/30/15
Crew House					
	2007	\$ 2,030,000	4/15/20	5.00%	\$ 1,725,072
	2011	1,194,973	10/17/22	5.00%	1,194,973
	2012	408,390	4/15/25	5.00%	<u>408,390</u>
Total Crew House					<u>3,328,435</u>
University Ridge Golf Course					
	2007	172,338	4/15/28	5.00%	23,119
	2014	39,301	10/17/23	5.00%	39,301
	2014	62,443	4/14/28	5.00%	<u>62,443</u>
Total University Ridge Golf Course					<u>124,863</u>
Hockey/Swim Facility					
	2011	9,000,000	4/15/31	5.00%	8,150,025
	2014	10,696	4/14/28	5.00%	10,696
	2015	276,685	4/16/27	4.00%	<u>276,685</u>
Total Hockey/Swim Facility					<u>8,437,406</u>
Student Athlete Performance Center					
	2012	31,422,857	4/16/42	5.50%	31,422,857
	2012	8,647,637	4/15/33	5.50%	8,647,637
	2012	6,474,464	5/03/21	5.50%	5,084,528
	2013	1,467,596	5/03/21	5.50%	1,152,548
	2015	1,327,671	4/16/35	5.00%	1,327,671
	2015	352,770	4/16/21	5.00%	<u>352,770</u>
Total Student Athlete Performance					<u>47,988,011</u>
Total					<u>\$ 111,136,345</u>

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 2 – LONG-TERM DEBT (cont.)

Future general obligation debt repayment schedule:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 7,977,214	\$ 4,945,364	\$ 12,922,578
2017	7,563,394	4,548,301	12,111,695
2018	6,246,321	4,253,709	10,500,030
2019	7,062,029	3,945,274	11,007,303
2020	6,812,175	3,571,581	10,383,756
2021 – 2025	32,171,651	12,489,740	44,661,391
2026 – 2030	9,350,045	7,772,332	17,122,377
2031 – 2035	19,309,948	4,623,412	23,933,360
2036 – 2040	9,940,357	2,157,495	12,097,852
2041 – 2042	4,703,211	284,515	4,987,726
Totals	<u>\$ 111,136,345</u>	<u>\$ 48,591,723</u>	<u>\$ 159,728,068</u>

NOTE 3 – LONG-TERM CAPITAL LEASES

The State of Wisconsin (State) established a facility in 1992 that provides lease purchase financing for property and certain service items acquired by state agencies. This facility is the Third Amended and Restated Master Lease between the State acting by and through the Wisconsin Department of Administration and U.S. Bank National Association. Lease purchase obligations under the Master Lease are not general obligations of the State, but are payable from appropriations of State agencies participating in the Master Lease Program, subject to a separate determination. Pursuant to terms of the Master Lease, the Trustee for the facility issues parity Master Lease certificates of participation that evidence proportionate interest of the owners thereof in lease payments.

The capital leases that are the responsibility of University Ridge Golf Course are for various equipment capital assets with terms ranging from 48 to 60 months. Equipment under capital leases is included in capital assets as follows:

Equipment under capital leases	\$ 584,061
Less: Accumulated depreciation	<u>387,285</u>
Totals	<u>\$ 196,776</u>

Following is a schedule of future minimum lease payments required under these capital leases:

<u>Fiscal Year Ended June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 125,537	\$ 16,419	\$ 141,956
2017	106,217	11,161	117,378
2018	71,074	5,530	76,604
2019	24,299	2,191	26,490
2020	25,529	961	26,490
Totals	<u>\$ 352,656</u>	<u>\$ 36,262</u>	<u>\$ 388,918</u>

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 4 – EMPLOYEES' RETIREMENT SYSTEM

All eligible Athletic Department employees participate in the Wisconsin Retirement System ("system"), a cost-sharing defined benefit multiple-employer public employee retirement system (PERS).

All permanent employees expected to work over 600 hours a year are eligible to participate in the system. Covered employees are required by statute to contribute 6.65% of their salary to the plan. The total contributions by the Athletic Department for the year ended June 30, 2015 are unknown.

Details of the plan are included in the Comprehensive Annual Financial Report of the State of Wisconsin for the year ended June 30, 2015.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

During the ordinary course of business, the Athletic Department enters into various long-term commitments with third parties. These commitments vary in duration and in the amount of resources required to fulfill each commitment. A description of the major commitments in effect at June 30, 2015, and the expiration date of the current agreements are summarized below:

<u>Description of Long-Term Commitment</u>	<u>Expiration Date of Current Agreement</u>
Employment contract – football head coach	January 31, 2020
Employment contract – men's basketball head coach	May 31, 2020
Employment contract – men's hockey head coach	June 30, 2019
Employment contract – women's basketball head coach	May 31, 2019
Employment contract – men's track head coach	June 30, 2018
Employment contract – wrestling head coach	May 31, 2018
Employment contract – volleyball head coach	January 31, 2019
Employment contract – women's hockey head coach	June 30, 2020
Employment contract – men's crew head coach	June 30, 2018
Employment contract – director of strength and conditioning	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – assistant football coach	June 30, 2016
Employment contract – men's tennis head coach	May 31, 2018

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 5 – COMMITMENTS AND CONTINGENCIES (cont.)

From time to time, the Athletic Department is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Legal Affairs Office that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Athletic Department's statement of revenues and expenditures – budgetary basis.

NOTE 6 – ADIDAS CONTRACT

A five year contract with Adidas Promotional Retail Operators was entered into on August 20, 2010. During each contract year, Adidas shall be the exclusive supplier of athletic footwear and apparel to UW Intercollegiate Athletic teams, and Adidas shall provide compensation in the form of goods, services and monetary contributions to benefit the University, Athletic Department and the Madison community.

NOTE 7 – RELATED PARTY TRANSACTIONS

The University provides various administrative and accounting services to the Athletic Department. The cost of these services is charged to the Athletic Department. In addition, the Foundation provides various administrative and accounting services to the Athletic Department. The Athletic Department pays the Foundation for these costs.

NOTE 8 – CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance 7/01/14	Additions	Deletions	Adjustments for University Ridge Golf	Balance 6/30/15
Land	\$ 2,975,678	\$ -	\$ -	\$ 7,675,500	\$ 10,651,178
Buildings and fixtures	345,147,426	2,113,402	-	3,526,360	350,787,188
Improvements other than buildings	9,705,093	-	-	8,716,929	18,422,022
Equipment	10,988,798	504,482	-	3,249,848	14,743,128
Total Capital Assets	368,816,995	2,617,884	-	23,168,637	394,603,516
Less: Accumulated depreciation for:					
Buildings and fixtures	83,335,781	8,626,816	-	1,572,763	93,535,360
Improvements other than buildings	7,104,936	297,840	-	1,657,252	9,060,028
Equipment	8,535,120	823,408	-	2,984,323	12,342,851
Total Accumulated Depreciation	98,975,837	9,748,064	-	6,214,338	114,938,239
Capital Assets, Net of Depreciation	\$ 269,841,158				\$ 279,665,277

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF REVENUES AND EXPENDITURES – BUDGETARY BASIS
For the Year Ended June 30, 2015

NOTE 8 – CAPITAL ASSETS (cont.)

University Ridge Golf Course capital assets along with revenues and expenditures have been added to this report for the first time in fiscal year ended June 30, 2015. In prior years NCAA Report guidelines allowed for the exclusion of facilities operated primarily for non-student athletes.

NOTE 9 – SIGNIFICANT CONTRIBUTIONS

In fiscal year 2014-15, the Foundation did not receive contributions for the Athletic Department from any individual constituting greater than ten percent of all contributions received by the Foundation for Athletic Department purposes.

NOTE 10 – RISK MANAGEMENT

The Athletic Department participates in the State of Wisconsin's Risk Management Fund. It is the general policy of the State not to purchase commercial insurance for the risks of losses to which it is exposed. Instead, the State believes it is more economical to manage its risks internally and set aside assets for claim settlement in its Risk Management Fund. The fund services most claims for risk of loss to which the State is exposed, including damage to State owned property, liability for property damages and injuries to third parties, and worker's compensation.

In addition, the Athletic Department participates in the Wisconsin Department of Employee Trust Funds. The Wisconsin Department of Employee Trust Funds operates four public entity risk pools: health insurance, group income continuation insurance, protective occupation duty disability insurance, and long-term disability insurance. Information regarding these risk pools can be found in the State's Comprehensive Annual Financial Report.

NOTE 11 – CONTRIBUTIONS AND ENDOWMENTS HELD BY THE UNIVERSITY OF WISCONSIN FOUNDATION

As of June 30, 2015 the Athletic Department had \$92,693,987 of fundraising, endowment and other investments held at the Foundation. The Athletic Department will draw funds from the Foundation as needed, and according to the Memorandum of Agreement upon approval, to finance expenditures of the Athletic Department.

NOTE 12 – SUBSEQUENT EVENTS

There have been changes to the employment contracts listed in Note 5 for the men's basketball head coach as well as one of the assistant football coaches since June 30, 2015. No additional significant long-term employment contracts have been added as of January 22, 2016.

SUPPLEMENTAL INFORMATION



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

INDEPENDENT AUDITORS' REPORT ON APPLYING AGREED-UPON
PROCEDURES FOR AFFILIATED AND OUTSIDE ORGANIZATIONS

To the Chancellor
University of Wisconsin-Madison
Madison, Wisconsin

We have performed the procedures enumerated below, which were agreed to by the University of Wisconsin-Madison Division of Intercollegiate Athletics (the "Athletic Department") and the National Collegiate Athletic Association (the "NCAA"), solely to assist you with respect to complying with NCAA Bylaw 3.2.4.16 for the year ended June 30, 2015. The University of Wisconsin-Madison Division of Intercollegiate Athletics is responsible for compliance with the requirements of NCAA Bylaw 3.2.4.16. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed are summarized as follows:

- a. We obtained a list of recognized booster organizations ("organizations") and related statements of changes in cash of recognized organizations presented in Exhibit A for the year ended June 30, 2015, or comparable period. No audit procedures were performed on these statements in connection with our audit of the statement of revenues and expenditures – budgetary basis.
- b. We confirmed with the appropriate office of the recognized booster organizations the cash receipts and disbursements of the organizations for the year ended June 30, 2015, or comparable period as shown in Exhibit A.
- c. We received the financial statements and report regarding internal control of the National "W" Club, Inc. for the year ended June 30, 2015, and the financial statements and report regarding internal control of the Mendota Gridiron Club, Inc. for the year ended December 31, 2014, both of which had been audited by other independent auditors who expressed unmodified opinions on these statements.

The results of these procedures are summarized in the following statement of changes in cash of recognized booster organizations.



To the Chancellor
University of Wisconsin-Madison

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accompanying statement of changes in cash of recognized booster organizations. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Chancellor, management of the University of Wisconsin and Athletic Department, or an authorized representative of the National Collegiate Athletic Association and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly Vinchow Krause, LLP

Madison, Wisconsin
January 22, 2016

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

STATEMENT OF CHANGES IN CASH OF RECOGNIZED BOOSTER ORGANIZATIONS
For the Year Ended June 30, 2015

	Beginning Cash Balance	Revenue Transfers From/(To) Foundation	Booster Cash Receipts	Expenditures On Behalf of Athletics	Expenditures On Behalf of Booster Organization	Ending Cash Balance
Badger Basketball Boosters	\$ 37,651	\$ -	\$ 185,770	\$ -	\$ (166,355)	\$ 57,066
Mendota Gridiron Club, Inc.	78,929	-	232,474	-	(229,815)	81,588
National "W" Club, Inc. and Subsidiary	798,084	-	1,392,429	-	(1,262,991)	927,522
TOTALS	\$ 914,664	\$ -	\$ 1,810,673	\$ -	\$ (1,659,161)	\$ 1,066,176

See independent auditors' report on applying agreed-upon procedures for affiliated and outside organizations and notes to statement of changes in cash of recognized booster organizations.

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

NOTES TO STATEMENT OF CHANGES IN CASH OF
RECOGNIZED BOOSTER ORGANIZATIONS
For the Year Ended June 30, 2015

(1) Cash Receipts

Cash receipts represent funds deposited by recognized booster organizations in their checking accounts during their fiscal year. These amounts are proceeds from club activities. Individual gifts made in support of particular sports are made directly to the University of Wisconsin Foundation and, therefore, are not reflected as a booster organization receipt in the Statement of Changes in Cash of Recognized Booster Organizations. These amounts are recognized as revenues when they are transferred to the Athletic Department.

(2) Expenditures

Cash disbursements are made by the recognized booster organizations for various purposes.

Disbursements that are reflected on the Statement of Changes in Cash of Recognized Booster Organizations as expenditures on behalf of the Athletic Department include the following:

- a. Annual sport banquet, parent weekend and senior day expenses
- b. Products used specifically by department staff

Disbursements that are reflected on the Statement of Changes in Cash of Recognized Booster Organizations as expenditures on behalf of support organizations include the following:

- a. Cost of goods sold (where the organization sells products or services)
- b. Administrative expenses
- c. Athletic Department sanctioned club activity expense
- d. Other miscellaneous disbursements

In addition to these expenditures, the Athletic Department may expend funds from specific Foundation funds to assist support organizations in their club activities. These amounts are included in the Athletic Department's statement of revenues and expenditures – budgetary basis.



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

INDEPENDENT AUDITORS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE
UNIVERSITY OF WISCONSIN – DIVISION OF INTERCOLLEGIATE ATHLETICS

To the Chancellor
University of Wisconsin-Madison
Madison, Wisconsin

We have performed the procedures enumerated below, which were agreed to by the University of Wisconsin-Madison Division of Intercollegiate Athletics (the "Athletic Department") and the National Collegiate Athletic Association (the "NCAA"), solely to assist you with respect to complying with NCAA Constitution 3.2.4.16 for the year ended June 30, 2015. The University of Wisconsin-Madison Division of Intercollegiate Athletics is responsible for compliance with the requirements of NCAA Constitution 3.2.4.16. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed are summarized as follows:

MINIMUM AGREED-UPON PROCEDURES FOR REVENUES

General

- > We compared and agreed each operating revenue category reported in the statement during the reporting period to supporting schedules provided by the Athletic Department. If a specific reporting category was less than 0.5% of the total revenues, no procedures were required for that specific category.
- > We compared and agreed a sample of operating revenue receipts obtained from the above operating revenue supporting schedules to adequate supporting documentation.
- > We compared each major revenue account over 10% of the total revenues to prior period amounts and budget estimates. We obtained and documented an understanding of any variations over the lesser of \$1M or 10%. We reported the analysis as a supplement to the final Agreed-Upon Procedures Report.

No findings were noted.

Ticket Sales

- > We compared tickets sold during the reporting period, complimentary tickets provided during the reporting period, and unsold tickets to the related revenue reported by the Athletic Department in the statement and the related attendance figures and recalculated totals.

No findings were noted.



To the Chancellor
University of Wisconsin-Madison

Student Fees

- > We compared and agreed student fees reported by the Athletic Department in the statement for the reporting to student enrollments during the same reporting period and recalculated totals.
- > We obtained and documented an understanding of the Athletic Department's methodology for allocating student fees to intercollegiate athletics programs.
- > If the Athletic Department is reporting that an allocation of student fees should be countable as generated revenue, we recalculated the totals of their methodology for supporting that they are able to count each sport. We tied the calculation to supporting documents such as seat manifests, ticket sales reports, and student fee totals.

We did not perform these procedures as they did not apply to the Athletic Department.

Direct State or Other Governmental Support

- > We compared direct state or other governmental support recorded by the Athletic Department during the reporting period with state appropriations, institutional authorizations, and/or other corroborative supporting documentation and recalculated totals.

We did not perform these procedures as they did not apply to the Athletic Department.

Direct Institutional Support

- > We compared the direct institutional support recorded by the Athletic Department during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculated totals.

No findings were noted.

Transfers Back to Institution

- > We compared the transfers back to institution with permanent transfers back to institution from the Athletic Department and recalculated totals.

We did not perform these procedures as they did not apply to the Athletic Department.

Indirect Institutional Support

- > We compared the indirect institutional support recorded by the Athletic Department during the reporting period with expense payments, cost allocation detail, and other corroborative supporting documentation and recalculated totals.

No findings were noted.

Guarantees

- > We selected a sample of settlement reports for away games during the reporting period and agreed each selection to the Athletic Department's general ledger and/or the statement and recalculated totals.
- > We selected a sample of contractual agreements pertaining to revenues derived from guaranteed contests during the reporting period and compared and agreed each selection to the Athletic Department's general ledger and/or the statement and recalculated totals.

No findings were noted.

Page 20

To the Chancellor
University of Wisconsin-Madison

Contributions

- > For any contributions of monies, goods, or services received by an 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 constitutes 10 percent or more in aggregate for the reporting year of all contributions received for intercollegiate athletics during the reporting periods, we obtained and reviewed supporting documentation for each contribution and recalculated totals.

No findings were noted.

In-Kind

- > We compared the in-kind recorded by the Athletic Department during the reporting period with a schedule of in-kind donations and recalculated totals.

No findings were noted.

Compensation and Benefits Provided by a Third-Party

- > We obtained the summary of revenues from affiliated and outside organizations (the "Summary") as of the end of the reporting period from the institution and selected a sample of funds from the Summary and compared and agreed each selection to supporting documentation, the institution's general ledger and/or the Summary and recalculated totals.
- > If the third party was audited by independent auditors, we obtained the related independent auditors' report.

See results of procedures performed for affiliated and outside organizations.

Media Rights

- > We obtained and inspected agreements to understand the Athletic Department's total media (broadcast, television, radio) rights received by the Athletic Department through the Big 10 conference offices as reported in the statement.
- > We compared and agreed the media right revenues to a summary statement of all media rights identified, if applicable, and the institution's general ledger and recalculated totals.

No findings were noted.

NCAA Distributions

- > We compared the amounts recorded in the revenue and expense reporting to general ledger detail for NCAA distributions and other corroborative supporting documents and recalculated totals.

We did not perform these procedures as they did not apply to the Athletic Department since NCAA distributions are distributed through the Big 10 conference.

To the Chancellor
University of Wisconsin-Madison

Conference Distributions

- > We obtained and inspected agreements related to the Athletic Department's conference distributions and participation in revenues from tournaments during the reporting period to gain an understanding of the relevant terms and conditions.
- > We compared and agreed the related revenues to the Athletic Department's general ledger, and/or the statement and recalculated totals.

No findings were noted.

Program Sales, Concessions, Novelty Sales, and Parking

- > We compared the amount recorded in the revenue reporting category to a general ledger detail of program sales, concessions, novelty sales, and parking as well as any other corroborative supporting documents and recalculated totals.

No findings were noted.

Royalties, Licensing, Advertisements, and Sponsorships

- > We obtained and inspected agreements related to the Athletic Department's participation in revenues from royalties, licensing, advertisements, and sponsorships during the reporting period to gain an understanding of the relevant terms and conditions.
- > We compared and agreed the related revenues to the Athletic Department's general ledger, and/or the statement and recalculated totals.

No findings were noted.

Sports Camp Revenues

- > We inspected sports camp contract(s) between the Athletic Department and person(s) conducting the Athletic Department sports-camps or clinics during the reporting period to obtain an understanding of the Athletic Department's methodology for recording revenues from sports-camps.
- > We obtained schedules of camp participants and selected a sample of individual camp participant cash receipts from the schedule of sports-camp participants and agreed each selection to the Athletic Department's general ledger and/or statement and recalculated totals.

No findings were noted.

Athletics Restricted Endowment and Investment Income

- > We obtained and inspected endowment agreements (if any) to gain an understanding of the relevant terms and conditions.
- > We compared and agreed the classification and use of endowment and investment income reported in the statement during the reporting period to the uses of income deferred within the related endowment agreement and recalculate totals.

No findings were noted.

To the Chancellor
University of Wisconsin-Madison

Other

- > We performed minimum agreed-upon procedures referenced for all revenue categories and recalculated totals.

No findings were noted.

MINIMUM AGREED-UPON PROCEDURES FOR EXPENSES

General

- > We compared and agreed each expense category reported in the statement during the reporting period to supporting schedules provided by the Athletic Department. If a specific reporting category was less than 0.5% of the total expenses, no procedures were required for that specific category.
- > We compared and agreed a sample of expenses obtained from the above operating expense supporting schedules to adequate supporting documentation.
- > We compared each major expense account over 10% of the total expenses to prior period amounts and budget estimates. We obtained and documented an understanding of any variations over the lesser of \$1M or 10%. We reported the analysis as a supplement to the final Agreed-Up On Procedures Report.

No findings were noted.

Athletic Student Aid

- > We selected a sample of students from the listing of institutional student aid recipients during the reporting period.
- > We obtained individual student account detail for each selection and compared total aid allocated from the related aid award letter to the student's account.
- > We performed a check of each student selected to ensure their information was reported accurately in the NCAA's Compliance Assistant software or entered directly into the NCAA Membership Financial Reporting System using criteria provided by the NCAA.
- > We recalculated totals for each sport and overall.

No findings were noted.

To the Chancellor
University of Wisconsin-Madison

Guarantees

- > We obtained and inspected visiting institution's away-game settlement reports received by the Athletic Department during the reporting period and agreed related expenses to the Athletic Department's general ledger and/or the statement and recalculated totals.

We did not perform this procedure as it did not apply to the Athletic Department during the current year. All guarantees were based upon fixed amounts.

- > We obtained and inspected contractual agreements pertaining to expenses recorded by the Athletic Department from guaranteed contests during the reporting period. We compared and agreed related amounts expensed by the Athletic Department during to the Athletic Department's general ledger and/or statement and recalculated totals.

No findings were noted.

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

- > We obtained and inspected a listing of coaches employed by the Athletic Department and related entities during the reporting period. We selected a sample of coaches' contracts including football, and men's and women's basketball from the listing.
- > We compared and agreed the financial terms and conditions of each selection to the related coaching salaries, benefits, and bonuses recorded by the Athletic Department and related entities in the statement during the reporting period.
- > We obtained and inspected payroll summary registers for the reporting year for each selection. We compared and agreed payroll summary registers from the reporting period to the related coaching salaries, benefits, and bonuses paid by the Athletic Department and related entities expense recorded by the Athletic Department in the statement during the reporting period.
- > We compared and agreed the totals recorded to any employment contracts executed for the sample selected and recalculated totals.

No findings were noted.

Coaching Other Compensation and Benefits Paid by a Third-Party

- > We obtained and inspected a listing of coaches employed by third parties during the reporting period. We selected a sample of coaches' contracts that included football, and men's and women's basketball from the listing.
- > We compared and agreed the financial terms and conditions of each selection to the related coaching other compensation and benefits paid by a third party and recorded by the Athletic Department in the statement during the reporting period.
- > We obtained and inspected reporting period payroll summary registers for each selection. We compared and agreed related payroll summary register to the coaching other compensation and benefits paid by a third party expenses recorded by the institution in the statement during the reporting period and recalculated totals.

We did not perform these procedures as they did not apply to the Athletic Department.

To the Chancellor
University of Wisconsin-Madison

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

- > We selected a sample of support staff/administrative personnel employed by the Athletic Department and related entities during the reporting period.
- > We obtained and inspected reporting period summary payroll register for each selection. We compared and agreed related summary payroll register to the related support staff administrative salaries, benefits, and bonuses paid by the Athletic Department and related entities expense recorded by the Athletic Department in the statement during the reporting period and recalculated totals.

No findings were noted.

Support Staff/Administrative Other Compensation and Benefits Paid by a Third-Party

- > We selected a sample of support staff/administrative personnel employed by the third parties during the reporting period.
- > We obtained and inspected reporting period payroll summary registers for each selection. We compared and agreed related payroll summary registers to the related support staff administrative other compensation and benefits expense recorded by the Athletic Department in the statement during the reporting period and recalculated totals.

We did not perform these procedures as they did not apply to the Athletic Department.

Severance Payments

- > We selected a sample of employees receiving severance payments by the Athletic Department during the reporting period and agreed each severance payment to the related termination letter or employment contract and recalculated totals.

No findings were noted.

Recruiting

- > We obtained and documented an understanding of the Athletic Department's recruiting expense policies.
- > We compared and agreed to existing Athletic Department- and NCAA-related policies.
- > We obtained general ledger detail and compared to the total expenses reported and recalculated totals.

No findings were noted.

Team Travel

- > We obtained and documented an understanding of the Athletic Department's team travel policies.
- > We compared and agreed to existing institutional- and NCAA-related policies.
- > We obtained general ledger detail and compared to the total expenses reported and recalculated totals.

No findings were noted.

To the Chancellor
University of Wisconsin-Madison

Equipment, Uniforms, and Supplies

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Game Expenses

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Fund Raising, Marketing, and Promotion

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Sports Camp Expenses

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Spirit Groups

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Athletic Facility Debt Service, Leases, and Rental Fees

- > We obtained a listing of debt service schedules, lease payments, and rental fees for athletics facilities for the reporting year. We compared a sample of facility payments including the top two highest facility payments to additional supporting documentation (e.g., debt financing agreements, leases, rental agreements).
- > We compared amounts recorded to amounts listed in the general ledger detail and recalculated totals.

No findings were noted.

Direct Overhead and Administrative Expenses

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

To the Chancellor
University of Wisconsin-Madison

Indirect Institutional Support

- > We tested with revenue section – Indirect Institutional Support.

No findings were noted.

Medical Expenses and Medical Insurance

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Memberships and Dues

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

Other Operating Expenses and Transfers to Institution

- > We obtained general ledger detail and compared to the total expenses reported. We selected a sample of transactions to validate existence of transaction and accuracy of recording and recalculated totals.

No findings were noted.

ADDITIONAL MINIMUM AGREED-UPON PROCEDURES

- > We compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the Athletic Department.

No findings were noted.

SUPPLEMENTAL AGREED-UPON PROCEDURES

- > We tested a sample of operating expenditures to supporting documentation for University of Wisconsin Foundation disbursements on behalf of the Athletic Department.

No findings were noted.

- > We obtained the Athletic Department's schedule of capital assets, additions, and improvements summarized by type.
- > We tested significant capitalized fixed assets greater than \$25,000 incurred during the reporting period and reconciled the recorded cost to supporting documentation.

No findings were noted.

- > We tested and disclosed the source of funds, goods, and services, as well as the value associated with individual contributions of monies, goods, or services received directly by the Athletic Department from any affiliated or outside organization within the notes to the financial statements if they exceeded 10 percent of all contributions.

We performed this procedure and we did not note any amounts over this threshold.

To the Chancellor
University of Wisconsin-Madison

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accompanying analysis of major revenue and expense accounts with variations over the lessor of \$1M or ten percent. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Chancellor, management of the University of Wisconsin and Athletic Department, or an authorized representative of the National Collegiate Athletic Association and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly Vinchur Krause, LLP

Madison, Wisconsin
January 22, 2016

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

ANALYSIS OF MAJOR REVENUE AND EXPENSE ACCOUNTS (THOSE IN EXCESS OF 10% OF TOTALS) WITH VARIATIONS OVER THE
LESSER OF \$1M OR TEN PERCENT
For the Year Ended June 30, 2015

Revenue Account	Current Actual	Budgeted	Prior Actual	Explanations
Media Rights	\$30,489,240	\$26,500,000	\$26,042,248	> Conservative budgeting with unknown results from addition of Rutgers, Nebraska, and Maryland to pool.
Contributions	\$22,038,898	\$21,500,000	\$37,564,080	> Decreased draws from Annual Funds maintained by Foundation due to increased financial operations performance. > Decreased costs for the Stadium Vision project at Kohl Center than at Camp Randall.
Ticket Sales	\$28,532,895	\$27,875,000	\$27,556,038	> Football season ticket price increase in current year, which was conservatively budgeted.

Expense Account	Current Actual	Budgeted	Prior Actual	Explanations
Support Staff/Administrative Salaries, Benefits and Bonuses Paid by the University and Related Entities	\$26,057,187	**	\$23,775,799	> The operations of University Ridge golf course were added to the schedule this year. > Increases in camp salaries and fringes for support staff. > Increased FTE's for departmental support staff – LTE → FTE conversions. > Compensation adjustments for staff.
Athletic Facilities, Debt Service, Lease and Rental Fees	\$12,767,004	**	\$26,001,662	> Fewer capital projects due to the completion of the Student Athlete Performance Center fiscal 2014.
Men's Football	\$11,382,722	\$9,955,400	**	> Higher than expected salaries for men's football due to coaching changes. > Higher than expected costs for football conference championship game.

** - The University of Wisconsin – Madison Division of Intercollegiate Athletics budgets by units that differ from those categories presented for NCAA reporting.

See independent auditors' report on applying agreed-upon procedures for the University of Wisconsin-Division of Intercollegiate Athletics.



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

INDEPENDENT AUDITORS' REPORT ON APPLYING AGREED-UPON
PROCEDURES FOR THE UNIVERSITY RIDGE GOLF COURSE

To the Chancellor
University of Wisconsin-Madison
Madison, Wisconsin

We have performed the procedures enumerated below, which were agreed to by the University of Wisconsin-Madison Division of Intercollegiate Athletics (the "Athletic Department"). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed related to the University Ridge Golf Course for the period July 1, 2014 through June 30, 2015 are summarized as follows:

- a. We compared each major revenue account to prior period amounts and budget estimates and obtained and documented significant account variations.
- b. We tested a sample of operating expenditures to supporting documentation for the following:
 1. Athletic Department disbursements for University Ridge activity.
 2. Athletic Department payroll disbursements for University Ridge personnel.
- c. We compared each major expenditure account to prior period amounts and budget estimates and obtained and documented significant account variations.
- d. We tested individual capital assets greater than \$25,000 to supporting documentation.
- e. We obtained repayment schedules for all outstanding capital leases of the University Ridge Golf Course and agreed the payments reported by the Athletic Department to the schedules.

For the operating expenditures testing, one of the twenty-five invoices tested was not properly approved. No other exceptions were noted during our testing.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Chancellor and management of the University of Wisconsin and Athletic Department, and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
January 22, 2016



Page 30

An Affirmative Action Equal Opportunity Employer

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

Madison, Wisconsin

COMMUNICATION TO THOSE CHARGED WITH
GOVERNANCE AND MANAGEMENT

For the Year Ended June 30, 2015

**UNIVERSITY OF WISCONSIN-MADISON
DIVISION OF INTERCOLLEGIATE ATHLETICS**

TABLE OF CONTENTS

	<u>Page No.</u>
Required Communication of Internal Control Related Matters Identified in the Audit to Those Charged with Governance	1
Other Communications with Those Charged with Governance	
Two Way Communication Regarding your Audit	2 – 3
Communication of Other Control Deficiencies and Recommendations to Management that are not Material Weaknesses or Significant Deficiencies	4
Required Communications by the Auditor to Those Charged with Governance	5 – 7
Management Representations	

REQUIRED COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS
IDENTIFIED IN THE AUDIT TO THOSE CHARGED WITH GOVERNANCE



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

To the Chancellor
University of Wisconsin-Madison
Madison, Wisconsin

In planning and performing our audit of the statement of revenues and expenditures – budgetary basis of the University of Wisconsin-Madison Division of Intercollegiate Athletics (Athletic Department) for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Athletic Department's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the statement of revenues and expenditures – budgetary basis, but not for the purpose of expressing an opinion on the effectiveness of the Athletic Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Athletic Department's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

This communication is intended solely for the information and use of the Chancellor, management of the University of Wisconsin and Athletic Department, or an authorized representative of the National Collegiate Athletic Association, and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
January 22, 2016

OTHER COMMUNICATIONS TO THOSE CHARGED WITH GOVERNANCE

TWO WAY COMMUNICATION REGARDING YOUR AUDIT

As part of our audit of your financial statement, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statement whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of the financial statement and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential misstatements.
 - > Consider factors that affect the risks of material misstatement.
 - > Design tests of controls, when applicable, and substantive procedures.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs.

- c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the Athletic Department is ultimately governed by the University's Chancellor through the authority delegated by the Board of Regents of the University of Wisconsin System. The Athletic Director and others within management have the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statement?

TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

Also, is there anything that we need to know about the attitudes, awareness, and actions of the Athletic Department concerning:

- a. The Athletic Department's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. Our final fieldwork is scheduled for late October or early November to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our audit procedures at our office and review drafts of your report as prepared by your staff. Final copies of your report and other communications are issued after approval by your staff. This is typically in December or early January, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

**COMMUNICATION OF OTHER CONTROL DEFICIENCIES AND
RECOMMENDATIONS TO MANAGEMENT THAT ARE NOT MATERIAL
WEAKNESSES OR SIGNIFICANT DEFICIENCIES**

CURRENT YEAR COMMENT

CAPITAL ASSET DELETIONS

The Athletic Department reports capital asset activity within its notes to the financial statements as required by generally accepted accounting principles. Additions are based upon procedures and controls to identify capital asset acquisitions and donations during the year, but there is not currently a procedure or control to identify capital assets that should be deleted. This likely results in capital, and related accumulated depreciation, being reported for which the asset is no longer in existence or owned by the Athletic Department. Capital asset management should include a periodic verification process of a comprehensive capital asset listing to ensure that only capital that is still currently owned is being reported. We recommend that the Athletic Department determine how to procedurally verify their capital assets, perhaps working with the University of Wisconsin System Accounting department, to identify capital and related accumulated depreciation that should be deleted.

PRIOR YEAR COMMENT

PAYROLL – SEGREGATION OF DUTIES

A properly designed system of internal control includes creating application controls within financial systems used as well as policies and procedures to properly segregate duties. Properly designed internal controls limit the access or control of any one individual to the Athletic Department's assets or accounting records, and achieve a higher likelihood that errors or irregularities in the Athletic Department's accounting processes would be discovered by your staff in a timely manner.

The Human Resource System (HRS) is used throughout the University of Wisconsin (UW) System, including Athletics, to process payroll and track and maintain employee information. Users are granted specific access rights to the HRS system dependent upon their responsibilities. Two users of the HRS system in the Athletic Department have the ability to add employees and make other changes to employee information, at the same time that they have access rights to process payroll. Allowing users to have access to both of these critical areas without independent oversight, results in a weakness in internal controls.

This same issue for the entire UW System has been communicated to members of the Board of Regents by the Legislative Audit Bureau. In response, UW-Madison has developed a procedure to provide a compensating control for this deficiency. A monitoring report is generated each week that allows for an independent review of payroll transactions. This control began for Athletics in June of 2014. We recommend that the Athletic Department continue to use this monitoring report to review payroll transactions to ensure that they are appropriate. This review should be documented and performed by someone in the Athletic Department that is independent from the HRS responsibilities but is also knowledgeable regarding the requirements of payroll transactions and processing.

Status (6/30/15)

We reviewed the above-noted monitoring reports for fiscal 2015 and noted that the compensating control reports are being reviewed on a consistent basis. This control was in place for all of fiscal 2015. We consider this comment resolved.

**REQUIRED COMMUNICATIONS BY THE AUDITOR
TO THOSE CHARGED WITH GOVERNANCE**



Baker Tilly Virchow Krause, LLP
Ten Terrace Ct, PO Box 7398
Madison, WI 53707-7398
tel 608 249 6622
fax 608 249 8532
bakertilly.com

To the Chancellor
University of Wisconsin-Madison
Madison, Wisconsin

Thank you for using Baker Tilly Virchow Krause, LLP as your auditor.

We have completed our audit of the statement of revenues and expenditures – budgetary basis of the University of Wisconsin-Madison Division of Intercollegiate Athletics (Athletic Department) for the year ended June 30, 2015, and have issued our report thereon dated January 22, 2016. This letter presents communications required by our professional standards.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or those charged with governance of their responsibilities.

As part of the audit we obtained an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statement and to design the nature, timing and extent of further audit procedures. The audit was not designed to provide assurance on internal control or to identify deficiencies in internal control.

OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

The statement of revenues and expenditures – budgetary basis has been audited. Our responsibilities are addressed in the Independent Auditors' Report. Also included in the bound document is the statement of changes in cash of recognized booster organizations. We have not audited this document and our responsibilities are addressed in the Independent Auditors' Reports on Applying Agreed-Upon Procedures for Booster Organizations.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in the Communication to Those Charged with Governance and Management dated January 23, 2015 and our meeting with the Finance, Facilities, and Operations Committee on February 11, 2015.



To the Chancellor
University of Wisconsin-Madison

QUALITATIVE ASPECTS OF THE ENTITY'S SIGNIFICANT ACCOUNTING PRACTICES

Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Athletic Department are described in Note 1 to the statement of revenues and expenditures – budgetary basis. We noted no transactions entered into by the Athletic Department during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the statement of revenues and expenditures – budgetary basis prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We are not aware of any particularly sensitive accounting estimates utilized by management in its financial statement process.

Financial Statement Disclosures

The disclosures in the notes to the financial statement are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

There were no such misstatements identified.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the statement of revenues and expenditures – budgetary basis or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Chancellor
University of Wisconsin-Madison

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter. This letter follows this required communication.

INDEPENDENCE

We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and the Athletic Department that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of for the year ended June 30, 2015, Baker Tilly Virchow Krause, LLP hereby confirms that we are, in our professional judgment, independent with respect to the Athletic Department in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants, and provided no services to the Athletic Department other than audit services provided in connection with the audit of the current year's financial statement and the agreed-upon procedures which in our judgment do not impair our independence.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Athletic Department's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

RESTRICTION ON USE

This information is intended solely for the use of the Chancellor, management of the University of Wisconsin, and Athletic Department and is not intended to be, and should not be, used by anyone other than the specified parties.

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.


Madison, Wisconsin
January 22, 2016

MANAGEMENT REPRESENTATIONS



January 22, 2016

Baker Tilly Virchow Krause, LLP
Ten-Terrace Court
P.O. Box 7398
Madison, WI 53707-7398

Dear Baker Tilly Virchow Krause, LLP:

We are providing this letter in connection with your audit of the Statement of Revenues and Expenditures-Budgetary Basis of the University of Wisconsin Madison Division of Intercollegiate Athletics for the year ended June 30, 2015 for the purpose of expressing an opinion as to whether the Statement of Revenues and Expenditures-Budgetary Basis presents fairly, in all material respects, the revenues and expenditures of the University of Wisconsin Madison Division of Intercollegiate Athletics, in conformity with the budgetary basis of accounting. We confirm that we are responsible for the fair presentation of the previously mentioned Statement of Revenues and Expenditures-Budgetary Basis in conformity with the budgetary basis of accounting. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

1. The financial statements referred to above are presented in conformity with the budgetary basis of accounting which is an other comprehensive basis of accounting. This basis of accounting is not in accordance with accounting principles generally accepted in the United States of America.
2. We have provided you with:
 - a. Financial records and related data and all audit or relevant monitoring reports, if any, received from funding sources.
 - b. Minutes of the meetings of the Athletic Board and Finance Committee or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There have been no communications from the NCAA or other regulating agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statement.
5. All known bookkeeping adjustments have been included in our financial statement, and we are in agreement with those adjustments.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.

University of Wisconsin • Intercollegiate Athletics

Keliner Hall • 1440 Monroe Street • Madison, Wisconsin 53711
(608) 262-1866 • www.uwbadgers.com



Baker Tilly Virchow Krause, LLP

January 22, 2016

Page 2

7. We have no knowledge of any fraud or suspected fraud affecting the entity involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
8. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
9. The following, if any, have been properly recorded or disclosed in the financial statement:
 - a. Related party transactions, including revenues, expenditures, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the University of Wisconsin Madison Division of Intercollegiate Athletics is contingently liable.
 - c. All accounting estimates that could be material to the financial statements including the key factors and significant assumptions underlying those estimates and measurements. We believe the estimates and measurements are reasonable in the circumstances, consistently applied, and adequately disclosed.
10. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant and debt agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts.
11. There are no –
 - a. Violations or possible violations of provisions of contracts, laws or regulations, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with generally accepted accounting principles.
 - a. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by generally accepted accounting principles.
12. The University of Wisconsin Madison Division of Intercollegiate Athletics has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
13. The University of Wisconsin Madison Division of Intercollegiate Athletics has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
14. The financial statements include all related organization

University of Wisconsin • Intercollegiate Athletics

Kellner Hall • 1440 Monroe Street • Madison, Wisconsin 53711
(608) 262-1866 • www.uwbadgers.com



Baker Tilly Virchow Krause, LLP

January 22, 2016

Page 3

15. The financial statements properly classify all activities.
16. Capital assets are properly reported and depreciated as disclosed in the Notes to the Statement of Revenues and Expenditures – Budgetary Basis.
17. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of this audit being undertaken and the corrective actions taken to address significant findings and recommendations.
18. With respect to NCAA Requirements:
The Athletic Department management confirms to the best of our knowledge and belief, the following representations made to you during the course of your engagement.
 - a. We have complied with the provisions of all NCAA legislation.
 - b. All booster organizations and related statements are properly disclosed and they include the Badger Basketball Boosters, Mendota Gridiron Club, Inc., National "W" Club, Inc. and Subsidiary.
 - c. The financial statement properly classifies all activities.
 - d. Capital assets are properly reported and depreciated as disclosed in the Notes to the Statement of Revenues and Expenditures – Budgetary Basis.
 - e. All individual contributions of moneys, goods or services rendered directly by an intercollegiate athletics program from any affiliated or outside organization exceeding 10 percent of all contributions are properly disclosed.
 - f. Long-term obligations are properly reported.
19. With respect to the Agreed Upon Procedures for the University Ridge Golf Course:
The Athletic Department management confirms to the best of our knowledge and belief, the following representations made to you during the course of your engagements.
 - a. Revenues and expenditures are properly classified.
 - b. Capital assets are properly reported and depreciated as disclosed in the Notes to the Statement of Revenues and Expenditures – Budgetary Basis.
 - c. Capital leases are properly reported.

University of Wisconsin • Intercollegiate Athletics

Kellner Hall • 1440 Monroe Street • Madison, Wisconsin 53711
(608) 262-1866 • www.uwbadgers.com



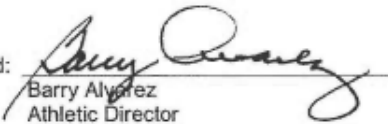
Baker Tilly Virchow Krause, LLP

January 22, 2016
Page 4

To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred subsequent to June 30, 2015, and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statement.

Sincerely,

UNIVERSITY OF WISCONSIN MADISON DIVISION
OF INTERCOLLEGIATE ATHLETICS

Signed: 
Barry Alvarez
Athletic Director

Signed: 
Mario Morris
Associate Athletic Director-Business Operations

University of Wisconsin • Intercollegiate Athletics

Kellner Hall • 1440 Monroe Street • Madison, Wisconsin 53711
(608) 262-1866 • www.uwbadgers.com

Appendix I

2014-15 Summary of Level III & Level IV NCAA Violations

Sport/Department	Occurred	Bylaw(s) Involved	Violation
Women's Hockey	2012-13; 2013-14	15.5.7	The team exceeded their maximum team equivalency by 0.09 in 2012-13 and 0.02 in 2013-14.
Men's Cross Country; Women's Track; Wrestling	5/5/12; 1/10/15; 5/7/15	NCAA: 17.31.1.7; Big Ten: 14.6	SAs in multiple sports participated in outside competition prior to receiving institutional permission to do so (end of semester report).
Men's Basketball	8/6/2014	12.5.1.1	SA missed class in order to attend a permissible promotional activity.
Men & Women's Track	8/20/2014	13.8.1	Three individuals from high school coaches association visited Assistant Coach at UW to discuss upcoming clinic. Assistant Coach paid for their parking (total of \$9).
Men's Cross Country	8/25/2014	13.1.3.1.2	Head Coach made one phone call to PSA before the permissible date to make such calls.
Women's Cross Country	8/30/2014	13.1.3.1.2	Assistant Coach made one phone call to a junior PSA before the permissible date to make such calls.
Football	9/1/2014	13.10.2.4	The former Recruiting Coordinator publicized the names of PSAs visiting the UW campus to a media entity.
Men's Rowing	9/2/2014	12.7.2.1; 12.7.3.1; 12.10.2	Second-year SA was allowed to practice without being listed on the squad list and prior to completing the required NCAA student-athlete statement and drug-testing consent forms.
Men's Golf	9/5/2014	11.01.6	Volunteer coach was also employed at University Ridge Golf Course, which falls under the oversight of Athletic Department.
Men's Rowing	9/8/2014	12.10.1; 12.10.2	SA participated in practice prior to being added to squad list and complete compliance paperwork.
Men's Rowing	9/26/2014	13.2.1, 13.6.7.5	SA purchased a hat for PSA with student host money during official visit.
Men's Basketball	11/1/2014	12.5.1.1	SA participated in otherwise permissible promotional activity prior to receiving approval to do so.
Volleyball	11/19/2014	13.7.2.1	PSA was provided five complimentary admissions during an unofficial visit.
Women's Swimming	12/29/2014	16.02.3	Former Assistant Coach provided an impermissible gift to SA.
Women's Soccer	1/9/2015	13.5.2.1; 13.5.2.6; 13.2.1	The Athletics Department's travel agency charged the cost of an airline ticket for PSA's mother, who was accompanying her on an official visit, to the Athletic Department's credit card, rather than the mother's.
Softball	1/18/2015	13.10.2.4	Photos of unsigned PSAs were posted on Twitter during an institutional camp.
Football	1/20/2015	13.1.3.4.1	One phone call was placed to a PSA by a noncoaching staff member, who is an impermissible caller.
Men's & Women's Swimming & Diving	5/4/2015	17.02.18; 17.1.7.2; 17.02.1	Coaching staff were present during voluntary activities, therefore making them countable during a week no countable activities may occur.
Volleyball	5/15/2015	13.10.2	Athletics Communications staff member retweeted a tweet from a local newspaper writer regarding an unsigned PSA.
Football	7/8/2015	13.1.3.1.3	Two impermissible phone calls were made by an Assistant Coach to a transfer PSA.
Football	7/27/2015	13.6.9	During an official visit, the uncle of a PSA used a hotel room originally reserved for the PSA's parents.
Women's Golf	7/29/2015	13.10.2	The name of an unsigned PSA was included in an article on the Athletics Department website regarding a current SA's participation in a summer tournament.

Appendix J

NCAA OVERSIGHT CERTIFICATION LETTER



February 4, 2016

Ms. Regina Millner, President, University of Wisconsin Board of Regents
Mr. Raymond W. Cross, President, University of Wisconsin System
Van Hise Hall
1220 Linden Drive
Madison, WI 53706

Presidents:

In connection with your oversight of the University of Wisconsin-Madison's intercollegiate athletics program, we are confirming via this letter and supporting documents, to the best of our knowledge and belief, the following pertaining to 2014-15.

There were no instances of any major Level I or Level II compliance violations. We are aware of twenty-two Level III or Level IV secondary violations of non-compliance with NCAA rules and regulations which occurred during 2014-15.

There were no illegal acts or non-compliance with federal, state, or local law by individuals employed by the institution or representatives of the University of Wisconsin-Madison's athletics interests.

There are no monitoring reviews currently underway by the NCAA, law enforcement officials, or others, except for routine audits done annually or periodically.

There are no allegations of fraud or suspected fraud affecting intercollegiate athletics received in communication from employees, former employees, or others.


In accordance with the NCAA self-study report standards, the institution has evaluated and updated its gender-equity plan from our previous self-study, dated 2008-2009.

We have processes in place to ensure background checks are performed on all coaches, assistant coaches, contractors, volunteers, student employees, and any other individuals serving as an agent of the institution related to intercollegiate athletics. These processes apply to those involved with offering camps and clinics, and others who participate in activities involving children. Adverse outcomes of background checks are evaluated by Director of Human Resources Holly Weber.


We understand our fiduciary responsibilities to act in the best interest of the institution even if it conflicts with the immediate interests of the athletic department.

The athletic department has not intervened when a student-athlete is being disciplined under regular student conduct rules.

Very truly yours,


Chancellor


Athletics Compliance Officer


Athletic Director


Deputy Athletic Director

University of Wisconsin • Intercollegiate Athletics

Kellner Hall • 1440 Monroe Street • Madison, Wisconsin 53711
(608) 262-1866 • www.uwbadgers.com