NATIONAL COLLEGIATE ATHLETIC ASSOCIATION

CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

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CONTENTS

INDEPENDENT AUDITOR'S REPORT

The Board of Governors
National Collegiate Athletic Association
Indianapolis, Indiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the National Collegiate Athletic Association ("the NCAA"), which comprise the consolidated statement of financial position as of August 31, 2019, and the related consolidated statements of activities and of cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the University's preparation and fair presentation of the consolidated financial statements 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 University'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 consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

(Continued)

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the NCAA as of August 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the NCAA has adopted ASU 2016-14 - *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-For-Profit Entities,* ASU 2014-09 – *Revenue from Contracts with Customers (Topic 606)* ASU 2018-08- *Not For Profit Entities- Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, and ASU 2019-06- *Extending the Private Company Accounting Alternatives on Goodwill and Certain Identifiable Intangible Assets to Not-for-Profit Entities.* Our opinion is not modified with respect to this matter.

Other Matters

The consolidated financial statements of NCAA as of August 31, 2018, were audited by other auditors whose report dated December 11, 2018, expressed an unmodified opinion on those statements. The other auditors reported on the 2018 consolidated financial statements before the cumulative effect adjustment as discussed in Note 2 to the financial statements.

As part of our audit of the 2019 consolidated financial statements, we also audited the adjustments described in Note 2 that were applied to the 2018 consolidated financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2018 consolidated financial statements of the NCAA other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2018 consolidated financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the 2019 consolidated financial statements as a whole. The 2019 consolidating statement of activities is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 consolidated financial statements or to the 2019 consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2019 consolidated financial statements as a whole.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
December 18, 2019

NATIONAL COLLEGIATE ATHLETIC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
August 31, 2019 and 2018

	2019	2018
ASSETS		
Cash and cash equivalents	$ 15,150,504	$ 14,162,770
Prepaid expenses	4,920,944	4,062,089
Accounts receivable, net	61,465,921	68,341,697
Investments	473,713,892	400,464,839
Goodwill	6,300,000	7,000,000
Intangible assets, net	780,000	910,000
Properties, net	43,478,741	46,255,646
Other assets	5,083,949	4,118,926
Total	$ 610,893,951	$ 545,315,967
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued liabilities	$ 100,682,159	$ 110,994,697
Deferred revenue and deposits	48,147,363	37,888,317
Bonds payable, net	11,922,422	16,828,652
Total liabilities	160,751,944	165,711,666
NET ASSETS		
Without donor restrictions	$ 447,799,739	$ 377,149,361
With donor restrictions	2,342,268	2,454,940
Total net assets	450,142,007	379,604,301
Total	$ 610,893,951	$ 545,315,967

See notes to consolidated financial statements.

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended August 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE			
Television and marketing rights fees	$ 867,527,070	$ -	$ 867,527,070
Championships and NIT tournaments	177,872,026	-	177,872,026
Investment income, net	14,566,001	-	14,566,001
Sales, services, and other	55,395,739	-	55,395,739
Contributions – facilities	3,134,709	-	3,134,709
Total revenue	1,118,495,545	-	1,118,495,545
RECLASSIFICATIONS			
Without donor restrictions resources used for program services	112,672	(112,672)	-
Total reclassifications	112,672	(112,672)	-
EXPENSES			
Distribution to Division I members	610,911,851	-	610,911,851
Division I championships, programs, and NIT tournaments	153,777,866	-	153,777,866
Division II championships, distribution, and programs	53,313,095	-	53,313,095
Division III championships and programs	35,179,996	-	35,179,996
Association-wide programs	149,966,362	-	149,966,362
Management and general	44,808,669	-	44,808,669
Total expenses	1,047,957,839	-	1,047,957,839
Change in net assets	70,650,378	(112,672)	70,537,706
Net assets at the beginning of year	377,149,361	2,454,940	379,604,301
Net assets at end of year	$ 447,799,739	$ 2,342,268	$ 450,142,007

See notes to consolidated financial statements.

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended August 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE			
Television and marketing rights fees	$ 844,267,484	$ -	$ 844,267,484
Championships and NIT tournaments	170,256,115	-	170,256,115
Investment income, net	22,657,492	-	22,657,492
Sales, services, and other	57,456,759	-	57,456,759
Contributions – facilities	3,063,930	-	3,063,930
Total revenue	1,097,701,780	-	1,097,701,780
RECLASSIFICATIONS			
Without donor restrictions resources used for program services	138,093	(138,093)	-
Total reclassifications	138,093	(138,093)	-
EXPENSES			
Distribution to Division I members	609,223,992	-	609,223,992
Division I championships, programs, and NIT tournaments	158,301,388	-	158,301,388
Division II championships, distribution, and programs	48,905,924	-	48,905,924
Division III championships and programs	36,623,210	-	36,623,210
Association-wide programs	177,622,804	-	177,622,804
Management and general	41,679,096	-	41,679,096
Total expenses	1,072,356,414	-	1,072,356,414
Change in net assets	25,483,459	(138,093)	25,345,366
Net assets at the beginning of year, as previously reported	352,095,244	46,802,961	398,898,205
Adoption of accounting principle (Note 2)	(429,342)	(44,209,928)	(44,639,270)
Net assets at the beginning of year, As restated	351,665,902	2,593,033	354,258,935
Net assets at end of year	$ 377,149,361	$ 2,454,940	$ 379,604,301

See notes to consolidated financial statements.

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended August 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	$ 70,537,706	$ 25,345,366
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation and amortization	6,764,850	6,105,568
Amortization of bond premium	(326,230)	(332,707)
Unrealized (gain) loss on investment	2,941,518	(590,927)
Realized (gain) on investments	(85,110)	(10,304,344)
Changes in assets and liabilities:		
Receivables	6,875,776	(12,115,027)
Prepaid expenses	(858,855)	1,020,262
Other assets	(965,023)	(558,984)
Accounts payable and accrued liabilities	(10,264,721)	(137,153,329)
Deferred revenue and deposits	10,259,046	3,456,040
Net cash from operating activities	84,878,957	(125,128,082)
Cash flows from investing activities:		
Purchases of capital assets	(3,379,050)	(2,621,647)
Purchases of investments	(173,905,223)	(52,367,861)
Proceeds from sales of investments	97,973,050	184,942,463
Net cash from investing activities	(79,311,223)	129,952,955
Cash flows from financing activities		
Principal payments on bonds payable	(4,580,000)	(4,390,000)
Net cash from financing activities	(4,580,000)	(4,390,000)
Net increase in cash and cash equivalents cash and cash equivalents:	987,734	434,873
Beginning of year	14,162,770	13,727,897
End of year	$ 15,150,504	$ 14,162,770
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	$ 711,244	$ 898,506
NONCASH TRANSACTIONS		
Purchases of property, plant, and equipment accrued in accounts payable at the end of the year	-	221,105

NOTE 1 - THE ASSOCIATION

The National Collegiate Athletic Association (NCAA or the "Association") is an unincorporated not-for-profit educational organization founded in 1906. The NCAA is the organization through which colleges and universities of the nation speak and act on athletic matters at the national level. It is a voluntary association of more than 1,200 institutions, conferences, and organizations devoted to the sound administration of intercollegiate athletics in all its phases. NCAA members consider athletics issues that cross regional or conference boundaries. The NCAA strives for integrity in intercollegiate athletics and serves as the colleges' national athletics governing agency. One of the core values of the NCAA is to maintain intercollegiate athletics as an integral part of the educational program and the athlete as an integral part of the student body.

The NCAA operates through a governance structure which empowers each division to guide and enhance their ongoing division-specific activities. In Division I, the legislative system is based on conference representation and a twenty-four member Division I Board of Directors that approves legislation. The Divisions II and III boards are known as the Division II Presidents Council and Division III Presidents Council, respectively. However, legislation in Divisions II and III is considered through a one-school, one-vote process at the NCAA Annual Convention. The governance structure also includes a NCAA Board of Governors composed of twenty-one members that oversee association-wide issues. The NCAA Board of Governors is charged with ensuring that each division operates consistently with the basic purposes, fundamental policies, and general principles of the NCAA. The NCAA Board of Governors has representation from all three divisions and oversees the Association's finances, legal affairs, and the hiring and evaluation of the Association's President.

The NCAA is also comprised of the following entities:

- NIT, LLC, the entity that administers the Postseason NIT collegiate basketball event.
- College Football Officiating, LLC, which pursues the development and maintenance of a national Division I college football officiating program.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

<u>Basis of Presentation</u>: The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The financial results of the NCAA and the entities described in Note 1 are included in the consolidated financial statements. All intercompany balances and transactions have been eliminated in consolidation.

The classification of the NCAA's net assets and its revenues, expenses, gains, and losses is based on the existence or absence of donor-imposed restrictions. Net assets are grouped into the following two categories:

> Net Assets Without Donor Restrictions **-** Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Governors.
>
> Net Assets With Donor Restrictions **-** Net assets whose use by the NCAA is subject to donor-imposed stipulations. These restrictions can be temporary in nature and fulfilled by actions of the NCAA or that expire by the passage of time. Other restrictions may be perpetual in nature.

<u>Accounts Receivable</u>: Accounts receivable are amounts due to the NCAA from championships and various contractual rights fees, as well as provisional insurance recoveries related to legal settlements. Accounts receivable are shown net of any allowance for uncollectible amounts.

Contributions Receivable: Legally enforceable grants and pledges, including unconditional promises to give, are reported at their fair value at the date of the gift, less an allowance for uncollectible amounts, using a discount rate to reflect present value. All contributions receivable are considered to be available for use unless specifically restricted by the donor.

Investments: Investments include debt and equity securities and U.S. government obligations having a maturity of more than three months, or intended to be held more than three months, and shares in mutual funds. Publicly traded investments are stated at fair value based on quoted market prices. Traditional fixed income securities are valued based on pricing services which consider readily observable inputs such as the yield or price of bonds of comparable quality, coupon, maturity and type. Pooled equity and debt investments that are not publicly traded are stated at net asset value, as a practical expedient to fair value.

Goodwill and Intangible Assets: Previously, the NCAA did not amortize goodwill. Effective September 1, 2018, the NCAA adopted ASU 2019-06, *Intangibles-Goodwill and Other*. ASU 2019-06 permits the NCAA to amortize goodwill. With the adoption of ASU 2019-06, the NCAA chose to amortize its goodwill over a period of 10 years. No impairment was recorded in 2019 or 2018.

Properties: Properties are recorded at cost. Maintenance and repairs are expensed in the year incurred. Expenditures that result in betterment or extensions of the useful lives of assets and exceed $5,000 are capitalized and depreciated over the remaining lives of such assets. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are capitalized and amortized over the lesser of their estimated lives or the life of the related lease.

The NCAA identifies and records impairment losses on properties whenever events or changes in circumstances indicate the carrying amount of such assets may not be recoverable. In accordance with GAAP, recoverability of those assets is determined by comparing the forecasted undiscounted cash flows attributable to such assets over their remaining useful lives to their carrying value. If the carrying value of the assets exceeds the forecasted undiscounted cash flows, then the assets are written down to their fair value. Fair value is determined based on discounted cash flows or appraisal values, depending upon the nature of the assets. No impairment was recorded during the fiscal years ended August 31, 2019 and 2018.

Cable Television Royalties Payable: The NCAA has represented the interests of the membership before the Copyright Royalty Tribunal Board (the "Tribunal") regarding rights fees for cable television broadcasts of collegiate sporting events since 1978. The NCAA acts as the collection agent for any cable television broadcast fees that relate directly to a NCAA member's submissions or the NCAA. As a result, a liability is recorded for fees received from the Tribunal that will ultimately be disbursed to members. Although claims are filed each year for the previous calendar year, royalties are distributed to claimants only when any and all controversies are resolved with the claimants. Accounts payable and accrued liabilities include $0 of cable television royalties payable as of both August 31, 2019 and 2018.

Several years may pass before the copyright office determines through administrative proceedings among the claimants that an allocation should be distributed. For the fiscal year ended August 31, 2019, $2,711,485 was distributed for royalties related to 2014, 2015, and 2016. For the fiscal year ended August 31, 2018, $2,002,590 was distributed for royalties related to 2015.

Revenue Recognition:

Television and radio rights – The NCAA enters into contracts with broadcasters for the right to broadcast NCAA championship games. The NCAA's performance obligation is to host these games and the performance obligation is met once the championship is complete. The NCAA receives payments throughout the fiscal year for that fiscal year's championships. A portion of the contract payments are received in advanced for the related championship and is recognized as deferred revenue.

Royalties and promotion rights - The NCAA enters into contracts with third-parties to license NCAA branded content, goods, and merchandise. The NCAA's performance obligation is to provide the NCAA brands to these licensees. The performance obligation is met throughout the fiscal year when these licenses are provided. The NCAA receives payments throughout the fiscal year for that fiscal year's license rights. There are no contract assets or deferred revenue associated with this revenue stream.

Championship and NIT tournaments - The NCAA sells tickets to NCAA championship events. The performance obligation is to host these events for the ticketholders and the performance obligation is met once the championship is complete. Payment is due when the ticket order is received. A portion of the championship and NIT tournament revenue is received in advance of the related championship and is recognized as deferred revenue.

Eligibility center certifications - The NCAA Eligibility Center certifies prospective student-athletes to participate in NCAA Division I and Division II college sports. There is a fee charged to register with the NCAA Eligibility Center and it is collected at registration. The performance obligation is to provide a certification to the prospective student-athletes. This performance obligation is met over time from when the prospective student-athlete registers until when the prospective student-athlete enrolls in college or university. Due to the timing of registration and enrollment, there may be deferred revenue for the remaining performance obligation.

Membership dues – The NCAA members pay annual membership dues to be a member of the NCAA. The performance obligation is to provide membership services to these members during the fiscal year and this performance obligation is met throughout the fiscal year. Membership dues are billed prior to the fiscal year in which they relate, which the NCAA recognizes as deferred revenue.

The NCAA generally does not offer returns, refunds, or warranties on contracts.

<u>Insurance Recoveries</u>: Amounts recovered from insurance carriers for contingencies are recorded in Sales, services, and other and are recognized when realization of the claim for recovery is deemed probable, which is generally when an agreement has been reached with the insurance carrier.

<u>Distribution of Revenues</u>: In August 1990, the NCAA Board of Governors (formerly the Executive Committee) approved a plan to distribute revenues to member institutions for the year ended August 31, 1991, and each year thereafter.

For active Division I members, the plan consists of:

- A Basketball Performance Fund distribution based on historical performance in the Division I Men's Basketball Championship,
- An Equal Conference Fund distribution for active Division I basketball playing conferences,
- Broad-Based distributions based on Division I sports sponsorship and grants-in-aid,
- A Conference Grant distribution, and
- Student Assistance Fund and Academic Enhancement Fund distributions for current Division I student-athletes to be used for academic and other needs.

For Division II members, the plan consists of sports sponsorship and an equal distribution among all active Division II members.

<u>Association-Wide Program Expenses</u>: Association-wide program expenses include student-athlete programs, membership education programs, promotion, legal, and governance committee expenses.

<u>Related-Party Transactions</u>: The NCAA is comprised of over 1,200 members. The NCAA charges and collects dues from members. Additionally, Division I and II members receive annual distributions.

Income Taxes: The NCAA is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. Income tax expense is provided for unrelated business income, if any. With a few exceptions, the NCAA is no longer subject to U.S. federal examinations by tax authorities for years before 2016.

GAAP prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and provides guidance on derecognition, classification, interest and penalties, disclosure, and transition. Management asserts that no such uncertain tax positions exist for the NCAA at August 31, 2019 or 2018.

On December 22, 2017, the Tax Cuts and Jobs Act (the “Act”) was enacted into legislation, which includes a broad range of provisions. The Act makes changes to the computation of unrelated business income tax liability by, among other provisions, reducing the corporate tax rate from 35% to 21%, and changing the rules for utilizing losses from unrelated trade or business activities. The Act did not have a material effect on the consolidated financial statements.

Estimates: The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Standards:

Effective September 1, 2018, the NCAA adopted ASU 2014-09, *Revenue from Contracts with Customers*. The core principle of ASU 2014-09 is that an entity should recognize revenue as promised goods or services are transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled.

The NCAA implemented ASU 2014-09 using a fully retrospective method of application to all contracts. There were no material changes to the recognition of revenue as a result of the adoption of ASU 2014-09, except as follows. ASU 2014-09 modified the guidance on accounting for revenue transaction as a principal versus an agent. Under previous GAAP, the NCAA recognized transactions with championship host institutions on a net basis based on acting as an agent in the transaction. With the adoption of ASU 2014-09, the NCAA has determined that the NCAA is the principal in these transactions and should recognize these transactions on a gross basis.

Effective September 1, 2018, The NCAA adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 addresses the complexity and understandability of net asset classification and deficiencies in information about liquidity, availability of resources, expenses, and investment return. ASU 2016-14 has been applied retrospectively to all periods presented, except for the liquidity and functional expense disclosures, as permitted. The NCAA has adjusted its net asset classification and included the new required disclosures. Additionally, with the guidance in ASU 2016-14, the NCAA revised its allocation of expenses to its programs to better align the spend with the related program.

Effective September 1, 2018, the NCAA adopted ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 provides a more robust framework to determine when a transaction should be accounted for as a contribution or as an exchange transaction. 2018-08 also provide guidance about how to determine whether a contribution is conditional. ASU 2018-08 has been applied retrospectively to all periods presented. As a result of adopting ASU 2018-08, the NCAA determined that its previously recorded contribution receivable for its facilities lease was conditional. As such, the NCAA has derecognized its lease receivable and has recorded an in-kind contribution revenue and expense for each annual period. See further information in Note 5.

The following table summarizes the effects of the adoption of ASU 2014-09, ASU 2016-14, and ASU 2018-08:

	2018				
	As Reported	ASU 2014-09 Adjustments	ASU 2016-14 Adjustments	ASU 2018-08 Adjustments	Revised
ASSETS					
Contributions receivable	$ 63,970,138	-	-	$ (63,970,138)	$ -
LIABILITIES					
Accrued lease expense	17,758,988	-	-	(17,578,988)	-
TOTAL NET ASSETS	425,995,451	-	-	(46,391,150)	379,604,301
REVENUE					
Championship and NIT tournaments	133,374,157	36,881,958	-	-	170,256,115
Contributions – facilities	6,647,348	-	-	(3,583,418)	3,063,930
EXPENSES					
DI championships, programs, and NIT	103,401,082	34,195,481	20,704,825	-	158,301,388
DII championships, distribution, and programs	41,836,305	1,326,640	5,742,979	-	48,905,924
DIII championships and programs	32,321,528	1,359,837	2,941,845	-	36,623,210
Association-wide programs	207,145,686	-	(29,522,882)	-	177,622,804
Management and general	43,377,401	-	133,233	(1,831,538)	41,679,096
TOTAL CHANGE IN NET ASSETS	27,097,246	-	-	(1,751,880)	25,345,366

In February 2016, the FASB issued ASU 2016-02 *Leases*, which requires a lessee to recognize most leases on the balance sheet thereby resulting in the recognition of lease assets and liabilities for those leases currently classified as operating leases. ASU 2016-02 is effective for the NCAA for the fiscal year ending August 31, 2020. The NCAA is currently evaluating the effect this ASU will have on the consolidated financial statements.

Subsequent Events: The NCAA has evaluated its subsequent events through December 18, 2019, the date the consolidated financial statements were issued.

NOTE 3 - CASH AND CASH EQUIVALENTS

Short-term investments with an original maturity of less than three months are reported as cash equivalents. Cash and cash equivalents include designated cash of $1,617,600 and $2,290,510 as of August 31, 2019 and 2018, respectively. Designated cash consists of compensating balances on deposit with banks for certain NCAA employee benefit plans, the Exceptional Student-Athlete Disability Insurance Program, and certain other balances. Money market funds managed by outside investment managers are included in investments.

NOTE 4 - FAIR VALUE MEASUREMENTS OF FINANCIAL ASSETS

ASC 820, *Fair Value Measurements*, establishes a framework for measuring fair value, which provides fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Assets or liabilities that are valued based on unadjusted quoted prices in active markets that are accessible at measurement date.

Level 2- Assets or liabilities that are valued based on inputs other than quoted prices that are observable, including quoted prices for similar assets or liabilities and other pricing models (which use observable inputs).

Level 3 - Assets or liabilities that are valued based on unobservable inputs, including the reporting entity's own analysis of the underlying economic data that market participants would factor into the pricing of the asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The NCAA measured the fair value of the investments as of August 31, 2019 and 2018, as follows:

	2019		
	Level 1	Level 2	Total
Money market funds	$ 83,200,479	$ -	$ 83,200,479
U.S. equity mutual funds	378,233	-	378,233
Non-U.S. equity mutual funds	30,812,063	-	30,812,063
Global equity mutual funds	47,445,661	-	47,445,661
Lifecycle retirement mutual funds	1,114,792	-	1,114,792
Opportunistic strategies	644,432	-	644,432
Traditional fixed income			
Government agency securities in U.S.	-	38,035,414	38,035,414
U. S. corporate securities	33,475	25,612,593	25,646,068
U.S. diverse mutual funds	38,055,908	-	38,055,908
Global corporate mutual funds	24,824,333	-	24,824,333
Unconstrained fixed income:			
Global diverse mutual funds	17,616,486	-	17,616,486
U.S. government mutual funds	17,123,028	-	17,123,028
Subtotal	$ 261,248,890	$ 63,648,007	324,896,897
Investments measured at net asset value (1)			
U.S. equity index funds			61,905,881
Non-U.S. equity mutual funds			31,935,832
U.S. diverse fixed income mutual funds			3,701,720
Opportunistic strategies – hedge funds			30,000,000
Bank loans			21,273,562
Total			$ 473,713,892

	2018		
	Level 1	Level 2	Total
Money market funds	$ 31,776,938	$ -	$ 31,776,938
U.S. equity mutual funds	373,735	-	373,735
Non-U.S. equity mutual funds	27,496,554	-	27,496,554
Global equity mutual funds	56,678,231	-	56,678,231
Lifecycle retirement mutual funds	945,060	-	945,060
Traditional fixed income			
Government agency securities in U.S.	-	32,590,086	32,590,086
U. S. corporate securities	44,793	22,244,602	22,289,395
U.S. diverse mutual funds	33,189,426	-	33,189,426
Global corporate mutual funds	21,881,218	-	21,881,218
Unconstrained fixed income:			
Global diverse mutual funds	23,052,944	-	23,052,944
U.S. government mutual funds	22,900,912	-	22,900,912
Subtotal	$ 218,339,811	$ 54,834,688	273,174,499
Investments measured at net asset value (1)			
U.S. equity index funds			60,313,203
Non-U.S. equity mutual funds			27,624,526
U.S. diverse fixed income mutual funds			3,357,644
Opportunistic strategies – hedge funds			15,285,354
Bank loans			20,709,613
Total			$ 400,464,839

(1) In accordance with ASU 2015-07 Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), investments for which fair value is measured using net asset value per share (or its equivalent) as a practical expedient are not classified within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

The methods used to estimate fair value may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the NCAA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment income (loss) as of August 31, 2019 and 2018, consists of the following:

	2019	2018
Dividends and interest income	$ 17,422,409	$ 11,762,221
Realized gain, net	85,110	10,304,344
Unrealized gain (loss), net	(2,941,518)	590,927
	$ 14,566,001	$ 22,657,492

The Association's alternative investments include investments in: (1) U.S. equity funds such as non-publicly traded stock index funds; (2) non-U.S. equity funds, including inflation hedge strategies and non-publicly traded stock index funds; (3) unconstrained fixed income funds such as non-publicly traded debt index funds; (4) opportunistic strategies such as hedge funds; and (5) bank loans. These investments are valued at net asset value (NAV) per share or its equivalent. Following is a summary of the alternative investments categorized by major security type, with a description of the investment managers' strategies, and the nature of any restrictions to redeem the investment value as of August 31, 2019:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
U.S. equity index funds [a]	$ 61,905,881	$ -	Daily	1 day
Non-U.S. equity mutual funds [b]	31,935,832	-	Daily, monthly	3 to 10 days
U.S. diverse fixed income mutual funds [c]	3,701,720	-	Daily	2 days
Opportunistic strategies – hedge funds [d]	30,000,000	-	Semi-annual	95 days
Bank loans [e]	21,273,562	-	Monthly, quarterly	5-60 days
	$ 148,816,995	$ -		

[a] This category includes investments in pooled equity funds that invest in U.S. common stocks in an effort replicate performance of a particular stock index. This type of strategy seeks to invest in the same securities as the underlying index in approximately the same proportions as the underlying index.

[b] This category includes investments in exchange-traded funds as well as pooled equity funds that invest in international equity securities in an effort to replicate performance of a particular index. The replication strategy seeks to invest in the same securities as the underlying index in approximately the same proportions as the underlying index.

[c] This category includes investments in pooled fixed income funds that invest in U.S. debt securities in an effort to replicate performance of a particular index. This type of strategy seeks to invest in the same securities as the underlying index in approximately the same proportions as the underlying index.

[d] This category includes investments in hedge funds. This type of strategy seeks to capitalize on favorable market conditions through a variety of diverse strategies.

[e] This category includes investments in bank loans. This type of strategy seeks to hedge fixed income exposure during periods of rising interest rates due to low correlation to fixed income performance.

NOTE 5 – IN-KIND CONTRIBUTION – FACILITIES LEASE

In July 1999, the NCAA leased its headquarters and related facilities from the Indiana White River State Park Development Commission. The NCAA's original lease agreement had a term of 30 years with three 10-year renewal options and required the NCAA to make annual lease payments in the amount of one dollar. The State of Indiana, City of Indianapolis, and other interested parties provided funds for the construction of the NCAA's facilities in exchange for the NCAA maintaining its headquarters in Indianapolis and holding certain events, such as the Men's Final Four, in Indiana on a 5-year cycle.

In March 2010, the NCAA amended its lease agreement with the White River State Park Development Commission to provide for an amended lease term of 50 years with three 10-year renewal options. In addition, the amended lease provided for a 3-acre parcel of real property that sits adjacent to the original NCAA headquarters to accommodate the 2012 expansion of the headquarters. The amendment does not alter the financial terms of the lease, and the NCAA is still required to make annual lease payments of one dollar.

As mentioned in Note 2, effective September 1, 2018 and applied retrospectively, the NCAA adopted ASU 2018-08. As a result of adopting ASU 2018-08, the NCAA determined that its previously recorded contribution receivable for the facilities lease was conditional based on the NCAA's commitments to State of Indiana and the City of Indianapolis. As such, the NCAA has derecognized its lease receivable and has recorded an in-kind contribution revenue and expense based on the fair value of the lease for each annual period. Conditional amounts receivable under this contribution range from $3,207,259 to $8,286,240, annually, through 2060 and will be recognized upon the annual satisfaction of the related conditions.

NOTE 6 - GOODWILL AND INTANGIBLES

NCAA's intangible assets consist of the following:

As of August 31, 2019	Cost	Accumulated Impairment	Accumulated Amortization	Net book Value
NIT				
Goodwill	$ 19,703,283	$ (7,777,462)	$ (5,625,821)	$ 6,300,000
Trademark	2,600,000	-	(1,820,000)	780,000
Total NIT	$ 22,303,283	$ (7,777,462)	$ (7,445,821)	$ 7,080,000

As of August 31, 2018	Cost	Accumulated Impairment	Accumulated Amortization	Net book Value
NIT				
Goodwill	$ 19,703,283	$ (7,777,462)	$ (4,925,821)	$ 7,000,000
Trademark	2,600,000	-	(1,690,000)	910,000
Total NIT	$ 22,303,283	$ (7,777,462)	$ (6,615,821)	$ 7,910,000

For the years ended August 31, 2019 and 2018, amortization expense related to intangible assets was $830,000 and $130,000, respectively. Trademarks have useful lives of fifteen to twenty years and contracts have useful lives of six to twelve years. Future expected amortization expense as of August 31, 2019 is as follows:

2020	$ 830,000
2021	830,000
2022	830,000
2023	830,000
2024	830,000
Thereafter	2,930,000
Total	$ 7,080,000

NOTE 7 - PROPERTIES

Properties consist of an 89,000 square foot warehouse and distribution facility, tenant finish improvements for the NCAA Dempsey headquarters building, the 130,000 square foot NCAA Brand headquarters building, conference facilities, furnishings, technology infrastructure, and equipment to support the NCAA national office.

Properties according to their specific category as of August 31, 2019 and 2018, are as follows:

	Estimated Useful Lives	2019	2018
Land		$ 350,000	$ 350,000
Buildings and improvements	30 years	42,645,542	42,645,542
Leasehold improvements	10-30 years	11,241,460	11,241,460
Furniture, equipment, and fixtures	3-10 years	40,200,666	39,268,620
		94,437,668	93,505,622
Less accumulated depreciation and amortization		(50,958,927)	(47,249,967)
Properties, net		$ 43,478,741	$ 46,255,646

Depreciation and amortization expense related to properties was $5,934,850 and $5,975,568 for the years ended August 31, 2019 and 2018, respectively.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

The Association is named as a defendant or co-defendant in various legal proceedings, including those discussed below. The Association complies with the requirements of ASC Topic 450, *Contingencies*, and related guidance, and records liabilities for legal proceedings in those instances where the liability is deemed probable and the Association can reasonably estimate the amount of the loss (or a range of loss can be estimated). Once established, accruals are adjusted from time to time, as appropriate, to reflect (1) the facts and circumstances known to us at the time, including information regarding negotiations, settlements, rulings and other relevant events and developments, (2) the advice and analyses of counsel and (3) the significant assumptions and judgment of management.

The NCAA is a membership-driven organization dedicated to safeguarding the well-being of student-athletes and equipping them with the skills to succeed on the playing field, in the classroom and throughout life. NCAA members—mostly colleges and universities, but also conferences and affiliated groups—work together to create the framework of rules for fair and safe competition. Those rules are administered by NCAA national office staff, which also organizes national championships and provides other resources to support student-athletes and the schools they attend. The NCAA membership and national office work together to help membership student-athletes develop their leadership, confidence, discipline and teamwork through college sports. Decisions made by the NCAA are at times challenged by the affected parties through lawsuits. These lawsuits range from seeking to overturn legislation adopted by member schools to seeking monetary damages and reimbursement of legal fees.

In July 2014, NCAA proposed a settlement in several consolidated class action lawsuits related to student-athlete concussion injury litigation. The settlement stipulates that the NCAA will provide $70 million to be used for concussion testing and diagnoses of current and former NCAA student-athletes (“medical monitoring fund”), as well as educational initiatives and research. Subsequent to August 31, 2019, the court with jurisdiction has issued final approval and all appeals have been extinguished related to the settlement.

In September 2014, the NCAA entered into an agreement with the U.S. Department of Defense on a $30 million joint initiative to enhance the safety of student-athletes and U.S. service members, specifically related to concussions. The NCAA agreed to provide one-half of the funding on this joint initiative. Under the agreement, approximately 75% of the funding is for a study and 25% is to finance educational initiatives. The research is managed by three research institutions, who are the recipients of the funding. In October 2017, the NCAA designated an additional $12.5 million for future research to be performed. As of

August 31, 2018 and 2019 the NCAA's remaining commitment was $15.7 million and $10.7 million, respectively.

The NCAA and its legal counsel defend against other lawsuits and claims arising in the normal course of its day-to-day activities. The NCAA does not believe the ultimate resolution of these matters will result in material losses or have a material adverse effect on the consolidated financial position, change in net assets, or cash flows of the NCAA. The NCAA has incurred attorney's fees in the process of defending against such matters, which are recorded in the accompanying consolidated financial statements. As of August 31, 2019, and 2018, the NCAA has recorded an accrual for the legal settlements within accounts payable and accrued liabilities.

NOTE 9 - BONDS PAYABLE

On June 1, 2012, the NCAA issued tax-exempt bonds of $13,560,000 with fixed interest rates ranging from 3.00% to 5.00% with original maturities ranging from 2016 to 2025. The bonds were issued at a premium of $2,653,019. Interest is payable on May 1st and November 1st of each year. Proceeds from the bond issue were used to advance refund a portion of the Series 2005 revenue bonds since the bonds could not be redeemed at that time.

On May 1, 2010, the NCAA issued tax-exempt bonds of $18,750,000 with fixed interest rates ranging from 2.00% to 5.00% and with original maturities ranging from 2011 to 2020. The bonds were issued at a premium of $1,391,773. Interest is payable on May 1st and November 1st of each year. Proceeds from the bond issuance were used to partially finance the expansion of the NCAA's headquarters.

On November 1, 2005, the NCAA issued tax-exempt bonds of $31,750,000 with fixed interest rates ranging from 3.00% to 5.00% with original maturities ranging from 2006 to 2025. The bonds were issued at a premium of $775,288. Interest is payable on May 1st and November 1st of each year. Proceeds from the bond issue were used to advance refund a portion of the Series 1999 revenue bonds and fund certain costs associated with the acquisition and settlement of the NIT. This series of bonds was retired in May 2019.

Principal payments as of August 31, 2019, due over the next five years and thereafter are as follows:

Fiscal Years Ending August 31	
2020	$ 3,575,000
2021	1,305,000
2022	1,360,000
2023	1,425,000
2024	1,500,000
Thereafter	1,575,000
Total bond principal payments	10,740,000
Unamortized premium and debt issue costs, net	1,182,422
Total bonds payable – net	$ 11,922,422

The fair value of the bonds payable is not materially different from its carrying value.

NOTE 10 - TELEVISION AND MARKETING RIGHTS FEES

On April 22, 2010, the NCAA entered into a Multimedia Agreement with CBS and Turner Broadcasting System Inc. (Turner). This agreement conveyed exclusive television and other internet and multimedia broadcast rights to CBS and Turner for 14 years in connection with the Division I Men's Basketball Championship. In addition, the agreement grants CBS and Turner marketing rights with respect to all NCAA championships. The agreement, which began in fiscal year 2011 and expires in 2024, provides payments of $10,800,000,000 to the NCAA over the agreement term.

On March 14, 2016, the NCAA extended its agreement with CBS and Turner for an additional 8 years (2025 thru 2032). Total payments to the NCAA under this extended agreement will be $8,800,000,000. These payments include $425,000,000 that will be prepaid by CBS and Turner beginning in 2018 through 2024 (the "Pre-Term Payments"). The remaining $8,375,000,000 will be paid from 2025 to 2032. A portion of the Pre-Term Payments will be deposited in an escrow with the remainder paid directly to the NCAA. As the Pre-Term Payments represent an advance on future contract years and are refundable to CBS and Turner should certain events occur, the Pre-Term Payments will be recognized as revenue in years 2025 through 2032 when no longer considered refundable in accordance with the terms of the contract.

The financial obligations of both agreements are guaranteed by Time Warner, Inc., the parent company of Turner. Pursuant to these agreements, for the years ended August 31, 2019 and 2018, the NCAA received $804,000,000 and $782,000,000, respectively.

The NCAA will recognize estimated future television broadcast revenue and licensing rights as follows:

Fiscal Years Ending August 31	
2020	$ 827,000,000
2021	850,000,000
2022	870,000,000
2023	873,000,000
2024	873,000,000
Thereafter	8,800,000,000
Total	$ 13,093,000,000

The Pre-Term Payments will be paid by CBS and Turner as follows:

Fiscal Years Ending August 31	Escrowed	Advanced to NCAA	Total
2018	$ 71,250,000	$ 3,750,000	$ 75,000,000
2019	67,500,000	7,500,000	75,000,000
2020	66,000,000	9,000,000	75,000,000
2021	41,250,000	8,750,000	50,000,000
2022	40,000,000	10,000,000	50,000,000
2023	25,000,000	25,000,000	50,000,000
2024	5,000,000	45,000,000	50,000,000
	$ 316,000,000	$ 109,000,000	$ 425,000,000

Amounts paid by CBS and Turner and held in escrow are not recognized in the consolidated financial statements as the NCAA does not have the right to control the escrow and the earnings process giving right to the funds has not occurred. Amounts received directly by the NCAA are deferred and included in the balance of deferred revenue and deposits.

On December 15, 2011, the NCAA entered into a multi-media agreement with ESPN, Inc. and ESPN Enterprises, Inc. (collectively, ESPN). The agreement gives ESPN the rights to televise certain NCAA Fall, Winter, and Spring Championships, the NIT Pre-Season and Post-Season tournaments, and international distribution of the Division I Men's Basketball Championship. The rights include live telecasting or other distributions of the Championships in compliance with the applicable NCAA rules and regulations and specific terms of the agreement. The terms of the agreement cover the fiscal year 2010–2011 (2010 Fall Championships) through fiscal year 2023–2024 (2024 Spring Championships) and provide for payments totaling $500,000,000 over the life of the 14-year contract. Pursuant to the agreement, for the years ended August 31, 2019 and 2018, the NCAA received $38,667,000 and $37,180,000, respectively.

The NCAA will receive estimated future television broadcast payments as follows:

Fiscal Years Ending August 31	
2020	$ 40,214,000
2021	41,823,000
2022	43,496,000
2023	45,235,000
2024	47,045,000
	$ 217,813,000

NOTE 11 - NET ASSETS

As of August 31, the NCAA has net assets subject to donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by the NCAA as follows:

	2019	2018
NCAA Leadership Conference	$ 100,000	$ 100,000
Usher Scholarships	50,000	50,000
Total NCAA net assets with donor restrictions	$ 150,000	$ 150,000

The NCAA has net assets whose use by the NCAA is subject to donor-imposed stipulations that can be fulfilled by actions of the NCAA pursuant to those stipulations or that expire by the passage of time. These net assets relate to student-athlete programs and services and were $2,192,268 and $2,304,940 as of August 31, 2019 and 2018, respectively.

The NCAA Board of Governors has designated certain net assets without donor restrictions to fund future strategic and operational initiatives. While designated for specific purposes, these designations may be modified at the discretion of the NCAA Board of Governors.

As of August 31, net assets without donor restrictions include the following designations:

	2019	2018
Association-wide operating reserve	$ 192,500,000	$ 179,500,000
Division II reserve	41,132,150	41,373,663
Division III reserve	30,461,574	29,181,289
Other commitments	133,906,073	85,721,117
Furniture, technology, and properties	13,743,813	14,899,510
College Football Officiating, LLC	233,863	226,515
Available for operations and distributions	35,822,266	26,247,267
Total NCAA net assets without donor restrictions	$ 447,799,739	$ 377,149,361

NOTE 12 – DEFINED CONTRIBUTION PLANS

The NCAA has defined contribution plans, which include the NCAA Retirement Plan (the retirement plan), the NCAA 403(b) Savings Plan (the 403(b) plan), and the NCAA Qualified Savings Plan (the qualified savings plan). Employees become eligible for participation in the retirement plan and the qualified savings plan beginning in the quarter after the employee completes six months of service. Employees become eligible to contribute to the 403(b) plan on the first day of employment. The NCAA provides, through the retirement plan, a biweekly contribution to each employee’s pension account at a rate of 10% of their annual compensation. The qualified savings plan is based on matching provisions from the employee’s 403(b) savings plan program. The NCAA will provide matching contributions to the plan on the employee’s behalf in an amount equal to 100% of the first 3% of compensation contributed to the 403(b) savings plan and 50% of the next 2% of compensation contributed to the 403(b) savings plan. A participant becomes eligible for the matching contribution only if the participant makes a deferral contribution in the 403(b) savings plan of at least 1% of their annual compensation. For the year ended August 31, 2019, the NCAA contributed $1,870,219 to the qualified savings plan and $4,530,381 to the retirement plan, for total contributions of $6,400,600 compared to total contributions of $6,287,517 for the year ended August 31, 2018.

NOTE 13 - LIQUIDITY AND AVAILABILITY

As of August 31, 2019, the NCAA has $550.4 million of financial assets available within 1 year of the balance sheet date to meet cash needs for general expenditures consisting of cash of $15.2 million, accounts receivable of $61.5 million, and investments of $473.7 million. The accounts receivable are subject to implied time restrictions but are expected to be collected within one year.

Board designations of net assets without donor restrictions are considered to be liquid and available given the nature of the designations and the Board’s ability to undesignated, if needed, as described in Note 11.

The NCAA structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, as part of its liquidity management, the NCAA invests excess cash in various investments (see Note 4).

NOTE 14 – REVENUE

The following table disaggregates NCAA revenue by major source. Fiscal years 2018 and 2019 represent revenue recognized from contracts with customers. Fiscal years beyond 2019 represent remaining performance obligations from contracts with customers.

	2018	2019	2020	2021	2022	2023	2024	Thereafter
Television and radio rights	$ 830,991,656	$ 854,698,500	$ 879,414,000	$ 904,223,000	$ 926,096,000	$ 931,035,000	$ 933,045,000	$ 8,800,000,000
Royalties and promotional rights	13,275,828	12,828,570	11,850,000	10,200,000	10,550,000	10,700,000	11,050,000	140,000
Championships and NIT tournaments	170,256,115	177,872,026	17,766,292	17,408,357	17,576,275	8,145,088	8,314,843	69,161,562
Eligibility center certifications	12,440,668	12,828,090	7,638,820	-	-	-	-	-
Membership dues	1,883,710	3,122,350	3,305,484	1,164,521	1,343,772	523,273	-	-
Other sales and services	9,510,614	6,803,101	-	-	-	-	-	-
Total	$1,038,358,591	$1,068,152,637	$ 919,974,596	$ 932,995,878	$ 955,566,047	$ 950,403,361	$ 952,409,843	$ 8,869,301,562

All deferred revenue as of 8/31/19 is expected to be recognized as revenue during fiscal year 2019-20. The closing balance of receivables from contracts with customers as of 8/31/19 was $8,965,921.

NOTE 15 - EXPENSES BY NATURE

The NCAA’s programs are based on its divisional structure as described in Note 1. Natural expenses are allocated based on specific identification of the related expenses and methodologies of allocating employee time. Fundraising costs for the NCAA are insignificant due to the nature of its operations.

The table below presents these functional expenses by their natural classification for the year ended August 31, 2019.

	Division I Distributions, Championships, and Programs	Division II Distribution, Championships, and Programs	Division III Championships, and Programs	Association-wide Programs	Management and General	Total 2018-19	Total 2017-18
Distributions, grants, and scholarships	$ 611,233,711	$ 13,056,923	$ 4,988,609	$ 5,261,016	$ 1,291,192	$ 635,831,451	$ 635,129,612
Insurance, interest, and depreciation	245,172	122,955	40,968	20,212,106	13,649,680	34,270,881	30,750,582
Compensation	17,758,528	6,935,699	3,372,111	37,328,342	12,845,562	78,240,242	77,698,245
Event operations	52,852,937	8,279,669	6,303,320	12,131,887	482,433	80,050,246	87,928,656
Facilities, technology, and office	1,813,097	311,393	258,124	2,709,143	6,590,605	11,682,362	10,770,831
Professional services	15,970,649	3,108,770	981,197	59,380,746	8,245,727	87,687,089	109,311,267
Travel	64,815,623	21,497,686	19,235,667	12,943,122	1,703,470	120,195,568	120,767,221
Total expenses	$ 764,689,717	$ 53,313,095	$ 35,179,996	$ 149,966,362	$ 44,808,669	$ 1,047,957,839	$ 1,072,356,414

SUPPLEMENTARY INFORMATION

NATIONAL COLLEGIATE ATHLETIC ASSOCIATION
CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended August 31, 2019

	NCAA	NIT, LLC	College Football Officiating, LLC	Consolidating Entries	Total
REVENUES:					
Television and marketing rights fees	$ 863,342,662	$ 4,184,408	$ -	$ -	$ 867,527,070
Championships and NIT tournaments	176,710,175	1,161,851	-	-	177,872,026
Investment income, net	14,566,001	-	-	-	14,566,001
Sales, services, and other	55,214,795	-	691,010	(510,066)	55,395,739
Contributions – facilities	3,134,709	-	-	-	3,134,709
Total revenues	1,112,968,342	5,346,259	691,010	(510,066)	1,118,495,545
EXPENSES:					
Distribution to Division I members	610,577,771	334,080	-	-	610,911,851
Division I championships, programs, and NIT tournaments	150,664,238	2,749,551	489,077	(125,000)	153,777,866
Division II championships, distribution, and programs	53,313,095	-	-	-	53,313,095
Division III championships and programs	35,179,996	-	-	-	35,179,996
Association-wide programs	150,311,867	-	-	(345,505)	149,966,362
Management and general	44,483,170	170,483	194,577	(39,561)	44,808,669
Total expenses	1,044,530,137	3,254,114	683,654	(510,066)	1,047,957,839
Total change in net assets	$ 68,438,205	$ 2,092,145	$ 7,356	$ -	$ 70,537,706

See notes to consolidated financial statements.