

PRELIMINARY DRAFT

Report on Financing
of
Intercollegiate Athletics
(An Update)

Faculty Senate Committee on Fiscal Affairs

March 19, 1987

The Faculty Senate Committee on Fiscal Affairs was charged with bringing to the Faculty Senate a report on spending for intercollegiate athletics for the fiscal year 1984-85. This report is to serve as a follow-up to an extensive report on intercollegiate athletic spending by the Fiscal Affairs Committee in February of 1985.

The 1985 report found that:

1. While the athletic budget grew by 10% from the 1980-81 total to 1982-83, from 1982-83 to 1984-85 the budget grew by 48%.
2. During 1980-81, expenditures for athletics exceeded the budget by \$161,639, while in 1983-84 expenditures exceeded budget by \$381,449.
3. The deficit between expenditures and revenue in 1980-81 was \$653,244 while in 1983-84 expenditures exceeded revenue by \$1,139,280.
4. The football program played a central role in a "deteriorating situation."

The 1985 report also included the following conclusions:

1. The University's intercollegiate athletic budget is in a state of crisis.
2. Despite a slightly improved revenue picture, expenditures are rising more rapidly than income
3. The University must reassess its expensive commitment to Division I-AA football.

This report finds that the conclusions and recommendations of 1985 are still appropriate for 1986

SOURCES OF INFORMATION FOR THE 1987 REPORT

The committee has used the OPERATING BUDGET OF 1985-86 and the TRIAL BALANCE AS OF JUNE 30, 1986 prepared by the Department of Accounts and Budgetary Control.

We would like to thank Dr. Paul Cook, Executive Vice-President for Administrative Affairs, for his cooperation in supplying the above documents, and for his time and patience in meeting with members of this committee to explain details of the documents, and to answer our many questions.

1986 report

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Intercollegiate Athletics Budget versus Expenditures:

	budget 1983-84	spent 1983-84	budget 1984-85	spent 1984-85	budget 1985-86	spent 1985-86
Athletic Director	163,874	163,449	176,933	175,800	168,778	213,634
Athletic Trainer	105,123	143,022	125,449	169,762	125,359	214,891
Men's Coordinator	1,807	1,952	1,807	1,687	1,797	2,934
Football	632,354	832,116	738,345	889,748	765,988	931,073
Basketball (M)	285,068	329,579	326,873	345,666	332,351	364,118
Baseball	84,027	98,757	94,790	128,113	98,339	120,608
Track and Field (M)	54,468	73,065	56,955	66,850	59,710	78,171
Tennis_(M)	18,111	19,519	18,377	22,251	18,377	23,681
Golf (M)	28,268	31,199	20,640	23,605	36,580	39,606
Swimming	40,193	45,693	43,812	49,379	44,590	48,228
Soccer	13,455	16,189	13,230	14,169	19,013	26,639
Women's Coordinator	3,153	3,455	3,138	2,284	3,111	4,170
Basketball (W)	160,844	204,126	212,988	267,392	239,720	280,371
Golf (W)	21,492	22,198	22,066	25,324	22,483	26,266
Tennis (W)	19,033	21,716	19,473	21,792	20,007	20,340
Track and Field (W)	49,690	47,673	48,586	53,658	50,515	54,669
Volleyball	8,551	14,531	10,542	16,265	19,564	32,771
Rifle Team	14,537	17,258	6,100	3,232	2,662	1,916
TOTALS	1,704,048	2,085,497	1,940,004	2,276,977	2,028,944	2,484,086

Comparison of Budget to Expenditures and Budget to Revenues:

	1983-84	1984-85	% change	1985-86	% change
Budget	1,704,048	1,940,004	+13.8	2,028,944	+4.6
Expenditures	2,085,497	2,276,973	+ 9.2	2,484,086	+9.1
Deficit	381,449	336,973	-11.7%	455,142	+35.1
TOTAL DEFICIT FOR 1983-86: \$1,173,564					
Expenditures	2,085,497	2,276,980	+ 9.2	2,484,086	+9.1
Revenue	946,217	1,039,717*	+ 9.9	1,269,413**	+22.1
Deficit	1,139,280	1,237,263	+ 8.6	1,214,673	-1.8
TOTAL DEFICIT FOR 1983-86: \$3,591,216					

* Includes \$492,773 in student registration fees and student athletics fees.

** Includes \$463,495 in student registration fees and student athletics fees.

Comparison of Projected Revenues to Actual Revenues:

	Projected Revenue(85-86)	Actual(85-86)	Actual(84-85)
Registration Fees	225,000	232,530	247,470
Basketball Ticket Sales	260,000	266,929	251,292
Football Ticket Sales	175,000	86,770	77,581
Other Receipts	35,000	2,212	9,849
Basketball Guarantees	6,500	247,052	63,303
Football Guarantees	80,000	80,000	51,000
Sports Network	8,000	9,500	8,810
Student Athletic Fees	225,000	230,965	245,303
Endowment Income	6,500	-0-	-0-
100 Club Reimbursement	62,232	56,407	53,617
Basketball Ticket Sales (W)	20,000	31,460	12,724
Medical Insurance Reimbursement	-0-	25,588	18,770
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TOTALS	1,103,232	1,269,413	1,039,719

Grants-in-Aid: Selected Sports

	budget 1983-84	spent 1893-84	%budget spent	budget 1984-85	spent 1984-85	%budget spent	budget 1985-86	spent 1985-86	%budget spent
FOOTBALL									
Food	117,600	217,898	185.3	125,000	232,226	185.8		261,777	
Books	7,000	8,386	119.8	7,000	9,714	138.8		11,114	
Rent	59,280	52,926	89.3	59,280	51,165	86.3		53,428	
Reg.fees	113,120	116,841	103.3	121,100	144,533	119.4		168,574	
BASKETBALL (M)									
Food	25,200	32,085	127.3	25,200	31,051	123.2		30,992	
Books	1,900	2,156	113.5	1,900	2,726	143.5		2,049	
Rent	14,440	13,297	92.1	14,400	13,895	96.5		14,345	
Reg.fees	25,020	25,035	100.1	26,780	25,636	95.7		24,282	
BASEBALL									
Food	18,480	9,921	53.7	20,160	13,858	68.7		17,820	
Books	1,100	1,458	132.5	1,200	2,124	177.0		1,377	
Rent	8,860	12,270	138.5	9,120	7,520	82.5		9,425	
Reg.fees	18,556	30,626	165.0	20,760	40,494	195.1		37,024	
TRACK and FIELD (M)									
Food	13,440	10,851	80.7	13,440	9,790	72.8		9,697	
Books	800	1,173	146.6	800	1,426	178.3		1,848	
Rent	9,080	4,920	54.2	6,080	4,715	77.5		4,855	
Reg.fees	14,488	24,054	166.0	15,500	23,205	149.7		28,380	
BASKETBALL (W)									
Food	21,840	13,226	60.6	23,520	18,045	76.7		19,736	
Books	1,500	1,171	78.1	1,600	1,676	104.8		1,983	
Rent	11,400	10,181	89.3	12,160	11,836	97.3		12,754	
Reg.fees	21,788	12,355	56.7	24,220	20,913	86.3		21,366	

ACADEMIC SPENDING BY COLLEGE

BOWLING GREEN COLLEGE OF BUSINESS ADMINISTRATION:

Department	Budget	Expenditures	
Accounting	507,847	470,438	
Economics	610,155	565,405	
Administrative Office Systems	293,990	293,567	
Management and Marketing	626,728	634,548	
Finance and Management Information Systems	513,677	531,971	
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	2,552,397	2,495,929	(97.8%)

COLLEGE OF EDUCATION AND BEHAVIORAL SCIENCES

Teacher Education	1,514,396	1,582,342	
Educational Leadership	665,057	640,134	
Psychology	1,053,243	1,115,337	
Physical Education and Recreation	645,591	651,882	
Military Science	23,360	38,941	(38,941)
Home Economics and Family Living	666,772	728,541	
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	4,568,419	4,757,177	(104.1%)

POTTER COLLEGE OF ARTS, HUMANITIES AND SOCIAL SCIENCES

Art	402,385	463,760	
English	1,409,429	1,513,235	
Modern Languages Intercultural Studies	553,648	542,297	
History	732,366	725,441	
Music	695,372	794,425	
Philosophy and Religion	518,528	503,137	
Communication and Theatre	806,206	846,218	
Journalism	476,401	542,897	
Government	435,133	510,976	
Sociology, Anthropology and Social Work	838,330	765,551	
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	6,867,798	7,207,937	(105.0%)

OGDEN COLLEGE OF SCIENCE, TECHNOLOGY AND HEALTH

Department	Budget	Expenditures	
Agriculture	624,667	665,767	
Biology	932,837	950,357	
Chemistry	780,413	752,797	
Geography and Geology	706,282	747,223	
Mathematics	937,192	949,680	
Physics and Astronomy	596,214	528,771	
Industrial and Engineering Technology	1,039,042	1,089,543	
Nursing	655,038	651,792	
Health and Safety	561,380	579,959	
Allied Health-Dental Hygiene	204,680	227,027	
Allied Health-Medical Records	61,412	56,746	
Area Health Education System	53,499	5,075	
AHES-Community Health	-0-	14,247	
AHES-Medical Technology	-0-	6,948	
AHES-Medical Records	-0-	12,268	
AHES-Dental Hygiene	-0-	6,483	
AHES-Dietetics	-0-	4,051	
(subtotal AHES)			(49.07%)
Computer Science	497,105	474,935	
	<u>7,649,761</u>	<u>7,723,669</u>	(101.0%)

SUMMARY OF COLLEGE EXPENDITURES

Bowling Green College of Business	2,552,397	2,495,929	
College of Education	4,568,419	4,757,177	
Ogden College	7,649,761	7,723,669	
Potter College	6,867,798	7,207,937	
	<u>21,638,375</u>	<u>22,184,712</u>	(102.5%)

WHAT IF THE COLLEGES OVERSPENT LIKE INTERCOLLEGIATE ATHLETICS?

Bowling Green College of Business	22.4% x 2,552,397 =	571,737
College of Education	22.4% x 4,568,419 =	1,023,326
Ogden College	22.4% x 7,649,761 =	1,713,546
Potter College	22.4% x 7,207,937 =	1,538,387
		<u>4,846,996</u>

TWO ITEMS OF INTEREST

	Budget	Expenditures	
Faculty Senate	3,375	2,391	(70.8%)
Summer School	846,324	774,578	(91.5%)

CONCLUSIONS

On the basis of the information presented here, the Fiscal Affairs Committee finds that the conclusions and recommendations of the Committee in 1985 are still appropriate in 1986. The main points being:

1. The athletic budget continues to be in a state of crisis.
2. Expenditures continue to exceed budget and revenues.
3. While revenues for 1984-85 have increased a modest amount (9.9 %) compared to 1983-84, unrestrained spending kept pace by increasing 9.2 %. The deficit with respect to budget did decrease slightly (11.7 %) in 1984-84 compared to 1983-84, but this appears to be a result of a significant increase (13.8 %) in budget, rather than any attempt to restrict spending. The deficit of expenditures with respect to revenue for 1984-85 is actually 8.6 % larger than in 1983-84.
4. While football has played a major role in creating an unhealthy situation, it appears that both baseball and women's basketball have caught the fever of overspending budget.

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