

BOARD OF REGENTS BRIEFING PAPER

1. **Agenda Item Title:** Detailed Athletic Department Budget Reports
Meeting Date: November 30, 2015 Meeting of the ad hoc Committee on Athletics

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

At its inaugural meeting on September 8, 2015, the ad hoc Committee on Athletics requested detailed budgets reports for institution athletics department. The institutions were directed to provide revenue and expense reports in disaggregated form including (a) a four year history of actual revenues and expenses, and (b) four year revenue and expense projections. Attached for the Committee's review are the detailed budget reports submitted by UNR, UNLV, the College of Southern Nevada, and Western Nevada College.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

That the Committee review the detailed budget reports submitted by the institution athletic departments. The Committee may discuss and provide guidance to the Chancellor and the institution presidents and athletic directors as necessary and may approve, or revise and approve, the detailed budget reports. The Committee may make recommendations with regard to the content of the reports.

4. IMPETUS (WHY NOW?):

At its September 8, 2015 meeting, the Committee requested detailed budgets reports for the institution athletics departments. The attached information was submitted by UNR, UNLV, the College of Southern Nevada, and Western Nevada College in response to the Committee's request.

5. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The attached detailed athletic department budget reports were provided at the request of the Committee in order to assist in fulfillment of the Committee's Charge; which includes the review and governance of athletic department activities and budgets.

6. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None.

7. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

None.

8. COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title #____ Chapter #____ Section #____
- Amends Current Board Policy: Title #____ Chapter #____ Section #____
- Amends Current Procedures & Guidelines Manual: Chapter #____ Section #____
- Other: __This information is provided at the request of the Committee in furtherance of the Committee charge which includes review of institution athletic department budgets.
- Fiscal Impact: Yes__ No__X__
Explain:

**Board of Regents ad hoc Committee on Athletics
Intercollegiate Athletics - University of Nevada, Las Vegas
State and Self Supporting Revenue and Expenditures**

	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual
Revenue:				
State Funds	\$ 6,492,671	\$ 7,010,609	\$ 7,038,125	\$ 7,028,385
Men's Basketball Tickets	3,743,196	4,038,339	3,836,444	3,806,759
Priority Seating	3,026,637	3,500,000	3,858,669	3,579,375
MWC	2,698,759	2,108,261	1,893,412	3,456,905
Unrestricted Gifts and Benefits	2,375,062	3,092,510	2,813,838	3,037,570
Student Fees	2,527,911	2,592,959	2,626,923	2,839,079
Institutional Support	2,250,223	2,296,899	2,545,223	2,210,223
NCAA	1,165,306	1,317,602	1,252,706	1,280,107
Football Tickets	1,710,332	1,585,124	1,472,606	1,248,019
Game Guarantees	545,000	207,000	282,865	777,819
Royalties and Rental Fees	418,283	472,949	626,548	608,052
All Other Men's & Women's Sports	363,438	415,565	379,564	424,834
Miscellaneous	134,880	219,297	130,817	195,673
Other Sources	98,245	88,121	45,785	16,191
Bowl Game	-	-	585,950	-
Total Revenue	27,549,943	28,945,235	29,389,475	30,508,991
Expenditures:				
Direct Facilities	1,347,078	1,310,828	1,577,503	\$ 1,380,180
Indirect Facilities	2,412,418	2,349,408	2,257,395	2,254,022
Administration	4,205,706	4,853,075	4,695,943	4,060,972
Sport Support	3,614,753	3,820,882	3,788,768	3,642,174
Men's Basketball Operations	2,406,286	3,216,582	3,108,048	3,250,038
Football Operations	3,757,436	4,116,517	4,794,956	5,791,699 **
All Other M. & W. Sport Operations	4,635,332	5,071,019	5,240,248	5,050,005
ICA Student Aid all Sports	6,802,525	6,824,959	6,793,340	7,158,535
Debt and Loan Payments	555,806	606,067	523,465	616,604
Bowl Game	-	-	582,054	-
Total Expenditures	29,737,340 *	32,169,336	33,361,721	33,204,229
Other Revenue: Transfer In from TMC	2,800,000	2,800,000	3,250,000	2,800,000
Net Contribution(Decrease) to Reserves	612,603	(424,101)	(722,246)	104,762
Beginning Reserves	481,256	1,093,859	669,758	(52,488)
Self Supporting Budget Ending Reserves	\$ 1,093,859	\$ 669,758	\$ (52,488)	\$ 52,274

This financial report has been prepared on the accounting basis used by the university for budgetary purposes and will not include adjustments normally found in statements prepared using generally accepted accounting principles. The NCAA annual report is prepared using generally accepted cost accounting principles and includes a full costing of all support which can include debt service, academic advisors, and indirect facility and administrative support costs. These reports only contain Athletics' budgeted activities.

Notes:

* In Fiscal 2012 NSHE implemented a pay date shift. This had a one-time saving in Salaries and Benefits of ~\$1.3m.

** Football Transition Costs in Fiscal 2015 were ~\$643k.

**Board of Regents ad hoc Committee on Athletics
Intercollegiate Athletics - University of Nevada, Las Vegas
State and Self Supporting Revenue and Expenditures Projections**

	FY 2016			FY 2017		FY 2018		FY 2019	
	Budget	Projected Actual	Budget to Actual	Projection	FY16 vs FY17	Projection	FY17 vs FY18	Projection	FY18 vs FY19
Revenue:									
State Funds	\$ 7,335,457	\$ 7,335,457	\$ -	\$ 7,361,114	\$ 25,657	\$ 7,465,209	\$ 104,095	\$ 7,465,209	\$ -
Student Fees	2,831,184	2,961,184	130,000	3,005,602	44,418	3,035,658	30,056	3,050,836	15,178
Unrestricted Gifts and Benefits	3,365,000	3,365,000	-	3,365,000	-	3,365,000	-	3,465,000	100,000
Priority Seating	3,650,000	3,650,000	-	3,700,000	50,000	3,750,000	50,000	3,750,000	-
Other Sources	32,627	32,627	-	50,000	17,373	25,000	(25,000)	25,000	-
Men's Basketball Tickets	4,112,392	4,112,392	-	4,212,392	100,000	4,262,392	50,000	4,262,392	-
Football Tickets	1,540,000	1,740,000	200,000	1,940,000	200,000	2,140,000	200,000	2,140,000	-
Game Guarantees	1,300,000	1,300,000	-	500,000	(800,000)	1,500,000	1,000,000	550,000	(950,000)
All Other Men's & Women's Sports	566,110	566,110	-	566,110	-	566,110	-	570,000	3,890
Royalties and Rental Fees	648,985	688,985	40,000	688,985	-	688,985	-	700,000	11,015
Miscellaneous	287,000	287,000	-	287,000	-	287,000	-	300,000	13,000
MWC	3,206,330	3,206,330	-	3,206,330	-	3,406,330	200,000	3,450,000	43,670
NCAA	1,300,000	1,300,000	-	1,300,000	-	1,300,000	-	1,300,000	-
Institutional Support	1,203,182	1,203,182	-	294,383	(908,799)	294,383	-	294,383	-
	31,378,267	31,748,267	370,000	30,476,916	(1,271,351)	32,086,067	1,609,151	31,322,820	(763,247)
Expenditures:									
Direct Facilities	1,489,417	\$ 1,489,417	\$ -	\$ 1,540,851	\$ 51,434	\$ 1,540,851	\$ -	\$ 1,617,884	\$ 77,033
Indirect Facilities	2,459,709	2,459,709	-	2,459,709	-	2,459,709	-	2,459,709	-
Administration	4,114,865	4,254,865	140,000	4,294,873	40,008	4,294,873	-	4,294,873	-
Sport Support	3,918,195	3,918,195	-	3,958,201	40,006	3,958,201	-	3,958,201	-
Men's Basketball Operations	3,611,900	3,444,252	(167,648)	3,331,900	(112,352)	3,331,900	-	3,331,900	-
Football Operations	5,556,705	5,556,705	-	5,576,705	20,000	5,576,705	-	5,576,705	-
All Other M. & W. Sport Operations	5,373,452	5,298,452	(75,000)	5,338,452	40,000	5,338,452	-	5,338,452	-
ICA Student Aid all Sports	7,181,995	7,181,995	-	7,293,995	112,000	7,398,090	104,095	7,504,990	106,900
Debt and Loan Payments	472,029	472,029	-	472,029	-	472,029	-	472,029	-
	34,178,267	34,075,619	(102,648)	34,266,715	191,096	34,370,810	104,095	34,554,743	183,933
Other Revenue: Transfer In from TMC	2,800,000	2,800,000	-	2,800,000	-	2,800,000	-	2,800,000	-
Net Contribution(Decrease) to Reserves	-	472,648	472,648	(989,799)	(1,462,447)	515,257	1,505,056	(431,923)	(947,180)
Beginning Reserves	52,274	52,274	-	524,922	472,648	(464,877)	(989,799)	50,380	515,257
Self Supporting Budget Ending Reserves:	\$ 52,274	\$ 524,922	\$ 472,648	\$ (464,877)	\$ (989,799)	\$ 50,380	\$ 515,257	\$ (381,543)	\$ (431,923)

Forward-looking information is based upon various factors and derived using various assumptions. Changes in assumptions or other economic factors may affect the projected outlook. It should be kept in mind that actual results may differ materially from those projected or suggested in this report.

Notes:

- Institutional Support: ~\$210k Debt Service Payments, \$250k Investment Interest, \$450k Facility Services, and ~\$294k NCAA Compliance and Academic Services
- Conference dues were increased by \$140k after the budget was approved. MWC will retain from revenues in FY16.
- We plan to partner with UNR for the 2017 legislative session and request incremental scholarship for general fund tuition and fees. Incremental funding of ~\$1.3m will fund the general fund tuition and fees for student athletes.
- Michigan game guarantee reduction from FY16.
- 2% COLA
- Reduced for cost of basketball court in FY16.
- Does not include "full cost of attendance"; however, UNLV intends to implement full cost of attendance for all sports and is working on funding options. Another ~\$1.05m is required to fund "full cost of attendance" for remaining student athletes. The increase presented is from the 4% tuition and fee increase.
- Ohio State game guarantee increase.

**UNIVERSITY OF NEVADA, LAS VEGAS - INTERCOLLEGIATE ATHLETICS
DIS-AGGREGATED REVENUE DATA
FISCAL 2012 THROUGH 2015**

REVENUE:	FY 2012	FY 2013	FY 2014	FY 2015
STATE FUNDS TOTAL	\$ 6,492,671	\$ 7,010,609	\$ 7,038,125	\$ 7,028,385
TICKETS, BASKETBALL TOTAL	\$ 3,743,196	\$ 4,038,339	\$ 3,836,444	\$ 3,806,759
PRIORITY SEATING GIFTS TOTAL	\$ 3,026,637	\$ 3,500,000	\$ 3,858,669	\$ 3,579,375
CONFERENCE DISTRIBUTION TOTAL	\$ 2,698,759	\$ 2,108,261	\$ 1,893,412	\$ 3,456,905
GIFTS AND BENEFITS TOTAL	\$ 2,375,062	\$ 3,092,510	\$ 2,813,838	\$ 3,037,570
STUDENT FEES TOTAL	\$ 2,527,911	\$ 2,592,959	\$ 2,626,923	\$ 2,839,079
ADDITIONAL INSTITUTIONAL SUPPORT TOTAL	\$ 2,250,223	\$ 2,296,899	\$ 2,545,223	\$ 2,210,223
NCAA DISTRIBUTIONS TOTAL	\$ 1,165,306	\$ 1,317,602	\$ 1,252,706	\$ 1,280,107
TICKETS, FOOTBALL TOTAL	\$ 1,710,332	\$ 1,585,124	\$ 1,472,606	\$ 1,248,019
GAME GUARANTEES TOTAL	\$ 545,000	\$ 207,000	\$ 282,865	\$ 777,819
ALL OTHER M&W SPORTS TOTAL	\$ 363,438	\$ 415,565	\$ 379,564	\$ 424,834
ROYALTIES & RENTALS TOTAL	\$ 418,283	\$ 472,949	\$ 626,548	\$ 608,052
MISC SALES/SERVICE REVENUE TOTAL	\$ 134,880	\$ 219,297	\$ 130,817	\$ 195,673
OTHER SOURCES UNRESTRICTED TOTAL	\$ 98,245	\$ 88,121	\$ 45,785	\$ 16,191
POST SEASON FOOTBALL TOTAL	\$ -	\$ -	\$ 585,950	\$ -
TOTAL REVENUE	\$ 27,549,943	\$ 28,945,235	\$ 29,389,475	\$ 30,508,991
OTHER REVENUE - Transfer in from TMC	\$ 2,800,000	\$ 2,800,000	\$ 3,250,000	\$ 2,800,000

This financial report has been prepared on the accounting basis used by the university for budgetary purposes and will not include adjustments normally found in statements prepared using generally accepted accounting principles. The NCAA annual report is prepared using generally accepted cost accounting principles and includes a full costing of all support which can include debt service, academic advisors, and indirect facility and administrative support costs. These reports only contain Athletics' budgeted activities.

**UNIVERSITY OF NEVADA, LAS VEGAS - INTERCOLLEGIATE ATHLETICS
DIS-AGGREGATED EXPENDITURE DATA
FISCAL 2012 THROUGH 2015**

CATEGORY	FY 2012	FY 2013	FY 2014	FY 2015
DIRECT FACILITIES				
UTILITIES Total	559,442	611,194	607,444	626,606
SALARIES AND BENEFITS Total	444,753	464,062	551,342	508,918
REPAIRS AND MAINTENANCE Total	262,203	188,752	278,558	195,247
FURNITURE AND EQUIPMENT Total	78,728	44,521	123,444	35,147
GENERAL OPERATIONS Total	1,952	2,298	16,714	14,262
TOTAL DIRECT FACILITIES	1,347,078	1,310,828	1,577,503	1,380,180
INDIRECT FACILITIES				
SBS/COX FACILITY SUPPORT	1,765,406	1,491,982	1,785,643	1,481,665
CAMPUS GROUNDS AND FACILITIES	647,012	857,426	471,752	772,356
TOTAL INDIRECT FACILITIES	2,412,418	2,349,408	2,257,395	2,254,021
ADMINISTRATION:				
PROFESSIONAL SALARIES Total	1,625,235	1,944,695	2,071,830	1,615,237
CLASSIFIED SALARIES Total	79,212	143,157	116,942	110,700
WAGES Total	28,654	15,595	33,766	39,306
FRINGE BENEFITS Total	600,400	899,487	652,213	599,847
NON-GRANT OUT OF STATE TRAVEL Total	23,396	38,598	19,509	21,609
HOSTING EXPENSES Total	238,026	293,267	346,077	251,707
GENERAL OPERATIONS Total	1,610,782	1,518,275	1,469,653	1,440,666
SALES & SERVICE RECHARGE Total	-	-	(14,046)	(18,100)
TOTAL ADMINISTRATIVE EXPENSE	4,205,705	4,853,075	4,695,944	4,060,972
SPORT SUPPORT:				
PROFESSIONAL SALARIES Total	1,170,258	1,205,032	1,177,367	1,213,906
CLASSIFIED SALARIES Total	31,591	32,609	34,253	1,224
WAGES Total	617,016	627,454	607,505	588,868
FRINGE BENEFITS Total	190,505	222,300	181,828	173,198
NON-GRANT OUT OF STATE TRAVEL Total	1,092	502	2,545	4,300
ICA TEAM TRAVEL Total	59,059	78,786	55,977	75,321
HOSTING EXPENSES Total	823	-	1,251	2,187
GENERAL OPERATIONS Total	1,654,993	1,777,517	1,773,134	1,628,052
SALES & SERVICE RECHARGE Total	(110,585)	(123,318)	(45,092)	(44,882)
TOTAL SPORT SUPPORT	3,614,753	3,820,882	3,788,768	3,642,174
BASKETBALL-MENS				
SALARIES AND BENEFITS Total	1,202,435	1,584,536	1,801,776	1,709,386
TEAM TRAVEL Total	264,604	328,352	180,816	329,727
GAME GUARANTEES Total	368,960	493,049	491,331	317,109
RECRUITING Total	189,105	245,942	257,859	249,189
GAME EXPENSE Total	141,225	191,146	101,197	222,536
OFFICIALS Total	173,381	177,760	163,637	143,274
STUDENT MEALS Total	22,900	41,846	45,411	76,860
UNIFORMS Total	981	7,981	8,078	62,987
FURNITURE AND EQUIPMENT Total	2,490	22,465	3,185	46,842
OPERATIONS AND MAINTENANCE Total	5,273	1,497	288	43,321
GENERAL OPERATIONS Total	11,856	15,743	15,865	20,065
PRE-SEASON EXPENSE Total	2,128	74,832	25,644	17,960
HOSTING Total	18,393	33,808	7,193	5,762
MISCELLANEOUS Total	2,555	(2,373)	5,768	5,020
TOTAL BASKETBALL-MENS	2,406,286	3,216,582	3,108,048	3,250,038
FOOTBALL				
SALARIES AND BENEFITS Total	1,644,050	1,872,539	2,543,600	3,331,716
TEAM TRAVEL Total	580,253	410,171	493,301	705,857
GAME GUARANTEES Total	475,000	765,000	725,000	600,000
RECRUITING Total	192,265	235,255	192,206	254,759
GAME EXPENSE Total	161,806	235,492	293,140	214,735

**UNIVERSITY OF NEVADA, LAS VEGAS - INTERCOLLEGIATE ATHLETICS
DIS-AGGREGATED EXPENDITURE DATA
FISCAL 2012 THROUGH 2015**

	PRE-SEASON EXPENSE Total	223,381	218,855	204,015	211,773
	STUDENT BENEFITS Total	124,284	133,809	115,994	161,182
	OFFICIALS Total	80,134	88,199	88,814	94,009
	EQUIPMENT Total	149,120	8,950	6,815	56,508
	HOSTING Total	54,364	62,086	67,224	51,322
	SUPPLIES Total	37,524	31,612	32,819	46,294
	MISCELLANEOUS Total	5,420	8,245	5,527	31,864
	MEDICAL SERVICES Total	17,662	23,251	12,153	19,822
	OPERATIONS AND MAINTENANCE Total	12,175	23,051	14,348	11,859
	TOTAL FOOTBALL	3,757,436	4,116,517	4,794,956	5,791,699
OTHER MEN AND WOMEN SPORTS:					
	SALARIES AND BENEFITS Total	2,658,226	2,865,345	2,889,479	2,920,430
	TEAM TRAVEL Total	1,086,593	1,209,297	1,314,233	1,247,722
	OFFICIALS Total	286,424	324,701	353,700	309,770
	RECRUITING Total	246,364	262,211	251,095	241,188
	GAME EXPENSE Total	129,223	120,554	108,862	139,809
	UNIFORMS AND EQUIPMENT Total	51,617	98,743	101,793	84,589
	GENERAL OPERATIONS Total	114,556	122,455	119,787	82,124
	GAME GUARANTEES Total	29,370	23,791	20,455	23,020
	HOSTING Total	3,101	803	1,936	829
	MISCELLANEOUS Total	826	10	145	525
	OPERATIONS AND MAINTENANCE Total	29,033	43,109	78,763	-
	TOTAL OTHER MEN AND WOMEN SPORTS:	4,635,332	5,071,019	5,240,248	5,050,005
ICA STUDENT AID					
	ATHLETIC STIPENDS Total	1,555,900	1,601,443	1,541,703	1,585,998
	BOOKS Total	230,789	209,604	234,047	248,593
	NONRESIDENT NGNB Total	49,853	32,524	37,935	31,823
	NONRESIDENT TUITION Total	2,402,430	2,348,410	2,244,286	2,276,845
	NONRESIDENT WUE Total	118,393	139,336	187,372	195,643
	ROOM & BOARD Total	482,159	539,929	553,761	663,424
	SPECIAL ASSISTANCE Total	19,584	51,440	2,548	84,411
	SUMMER SCHOOL Total	260,385	89,386	53,561	93,415
	TUITION & FEES Total	662,242	744,940	800,645	837,591
	TUITION/FEES STATE PORTION Total	1,020,792	1,067,947	1,137,482	1,140,792
	TOTAL ICA STUDENT AID	6,802,526	6,824,959	6,793,340	7,158,535
DEBT AND LOAN PAYMENTS					
	TOTAL DEBT AND LOAN PAYMENTS	555,806	606,067	523,465	616,604
POST SEASON FOOTBALL BOWL					
	PROFESSIONAL SALARIES - BONUSES Total	-	-	102,083	-
	WAGES Total	-	-	6,567	-
	FRINGE BENEFITS Total	-	-	2,622	-
	ICA TEAM TRAVEL Total	-	-	343,917	-
	HOSTING EXPENSES Total	-	-	19,894	-
	GENERAL OPERATIONS Total	-	-	82,011	-
	ICA STUDENT AID Total	-	-	24,960	-
	TOTAL POST SEASON FOOTBALL BOWL	-	-	582,054	-
	TOTAL ICA EXPENDITURES	29,737,340	32,169,336	33,361,721	33,204,228

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UNIVERSITY OF NEVADA, LAS VEGAS
MOUNTAIN WEST CONFERENCE
YEAR END REVENUE DISTRIBUTION

	FY2012	FY2013	FY2014	FY2015
TELEVISION	1,437,500	888,889	618,182	795,909
CFP		-		1,551,500
BCS/BOWL GAME	259,324	134,825	691,136	(256,908)
MW FB CHAMPIONSHIP		-	78,496	79,167
NCAA MBB	839,361	860,225	727,094	686,818
MW BB CHAMPIONSHIP	158,074	188,630	135,000	112,855
CAP OVERAGE REDISTRIBUTION				267,594
GRAND TOTAL DISTRIBUTION	2,694,259	2,072,570	2,249,907	3,236,934