



MONTANA UNIVERSITY SYSTEM
Office of the Commissioner of Higher Education

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MEMORANDUM

TO: The Board of Regents
FROM: Frieda Houser
Director of Budget and Accounting
DATE: February 24, 2009
RE: Montana University System – Athletic Reports

The following system-wide summaries are available on the March 19-20, 2009 (Helena) Board of Regents meeting agenda at http://mus.edu/board/meetings/2009/Mar09/AdminBudget/Mar09_AdminBudget.asp:

- Athletic Income Details - Summarizes by sport and by campus, the revenues and expenditures for the fiscal year ending June 30, 2008. In addition, individual campus income details are available.
- Athletic Expense Comparisons – Reports the revenues and expenses by sport for teams in the Big Sky Conference. The amounts are taken from the U.S. Department of Education website where the Equity in Athletics Disclosure Act requires a report on financial and statistical information on men's and women's collegiate sports.
- Student Athlete Information – Summarizes unduplicated student participation by sport, by gender and by residency. This report also includes a summary by campus of graduation and grade point averages of athletes compared to the general student population.
- Financial Aid Summary – Reports by campus, the fee waivers and scholarships awarded to student athletes.

FISCAL YEAR 2008 SUMMARY

The collective financial resources committed for athletics in the MUS is significant: \$37.9 million in revenue and \$36.6 million in expenditures for a one-year non-cumulative operating surplus for fiscal year 2008 of approximately \$1.2 million. The fiscal year 2007 surplus was approximately \$1.9 million.

Athletic spending in state fiscal year 2007-2008, represented 4.1% of the all funds budget for the campuses offering athletics. Direct institutional support of athletics, which includes the value of fee waivers and state appropriations, represented 4.8% of the state fiscal year 2007-2008 current unrestricted funds for the campuses with athletic programs.

Individual campus financial operating results reported were mixed with MSU-Northern & UM-Western reporting small operating losses. The remaining four campuses reported operating surpluses from all

sources. UM-Missoula reported the largest operating surplus in fiscal year 2008 of approximately \$1.2 million. Approximately, \$1.1 million of the operating surplus at the University of Montana is driven by external funds that are restricted. These external funds include contributions made to the UM Foundation and Scholarship Association that are restricted for specific athletic program purposes such as scholarships.

Of the \$37.9 million in total revenue, \$16.4 million, or 43 percent, came from direct institutional support, including state appropriated funds for fee waivers and current operations of the athletics department, transfers or allocations made in support of athletics. Contributions and third party support accounted for \$6.2 million in revenue or 16.3 percent of total revenue. Other significant revenue sources include ticket sales and student fees which collectively added \$8.7 million, or 23 percent to total revenue.

On the expenditure side, Coaching and support staff salaries and benefits was the largest expense with \$10.7 million or approximately 29 percent of total expenditures. Athletics Student Aid was second with \$9.6 million, about 26 percent of total expenditures. Other significant expenditures included team travel and direct facilities, maintenance, and rental, which collectively required about \$5.4 million, or 14.7 percent of total expenditures.

Football recorded the most revenue (\$12.3 million) and required the most resources (\$10.1 million) in fiscal year 2008, yielding an operating surplus of nearly \$2.1 million system wide. UM Missoula's football program reported approximately \$1.7 million operating surplus. Men's and Women's Basketball were other significant sports, together costing about \$7.0 million and yielding an operating deficit in fiscal year 2008 of approximately \$645,000. All Other Sports, as a group, also reported an operating deficit of \$2.1 million on the system level in fiscal year 2008.

STUDENT ATHLETES

Over 1,500 athletes participated in 14 different intercollegiate sports in 2007-08. Male athletes represented 66 percent of the athletes and 57 percent of the athletes were Montana residents.

MSU-Billings, UM-Missoula, Montana Tech of UM, and UM Western reported that overall graduation rates of student athletes exceeded overall graduation rates of the general student population. The overall grade point average of student athletes exceeds that of the overall general student population for MSU-Bozeman, MSU-Billings, UM-Missoula and Montana Tech of UM.