

# WRITTEN REPORT 3

## Athletics Budget Update Fiscal Year FY2025

March 6-7, 2025

SUBJECT: Athletics Budget Adjustments Fiscal Year FY2025

SUBMITTED BY: Anne McCoy, Athletics Director  
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The Board of Regents approved the FY2025 Athletics budget in April of 2024. Athletics continues to work with University Finance and the Pac-12 conference to navigate impacts of changes in revenue and expenses, both in FY2025 and beyond, as college athletics continues to change at a pace like never before.

### Revenue

Through January of 2025, athletic related revenues are on pace to exceed the originally approved \$74M budget. Athletics anticipates a \$700k ticket revenue surplus driven by the football Apple Cup and men's basketball mini plans. Additionally, Athletics will utilize \$900k in personnel buyout revenues to offset expenses related to the football coaching transition. Conversely, reimbursements related to participation in the Holiday bowl appear to be \$500k lower than previously forecast. Finally, including the additional \$2M of institutional support, Athletics is projecting \$3.1M in additional resources available for use in FY2025. As a reminder, the Board approved the \$74M in available resources in April of 2024 and was updated on the projected increase to \$76M in January of 2025. With the updated projections listed above, Athletics now projects a net increase to \$77.1M of available resources for use in FY2025.

### Expense

Through the seven months of FY2025, expenditures, including scholarships and personnel, are tracking towards the approved budget. Athletics continues to monitor team operating costs such as team travel and recruiting, as these remain as areas of concern due to inflation, roster management/NCAA legislation, and post-season participation. Two areas that Athletics are monitoring closely are costs related to roster management impacted by coaching transitions and team travel costs related to post-season play. Additionally, Athletics incurred \$900k worth of personnel transition costs. These additional transition costs will be offset by the available buyout funds mentioned in the above revenue. Finally, Holiday Bowl expenses appear to be \$800k higher than anticipated. However, settlements related to the bowl game are not yet final and could be lower than reflected in the attached forecast. Athletics believes the additional expenses incurred will be offset by additional resources and the overall financial plan continues to track towards a balanced budget for FY2025.

As a reminder, Athletics continues to engage monthly with the Athletics Budget Oversight Committee, which includes members of university finance, Athletics staff, and faculty and regent representatives. Athletics remains initiative-taking in forecasting and anticipating

potential impacts to current and future year budgets and will provide further updates at the April 2025 Board of Regents meeting.

ATTACHMENT:      FY25 Budget Forecast as of January 2025

## Forecast as of January 2025

ATHLETIC REVENUE	Budget	March BOR	Budget to date Variance	Notes
Conference Distribution + Supplemental Resources	38.4	38.4	-	Anticipating a need to true up as more information is available
<b>REVENUE ITEMS CONFERENCE/SETTLEMENT</b>	<b>38.4</b>	<b>38.4</b>	<b>-</b>	
Ticket Sales - Admissions Net of Tax	4.5	5.2	0.7	Increased ticket sales from MBB mini plans and Apple Cup sales
Student Sports Pass	2.0	2.0	-	
Apple Cup	1.7	1.7	-	
Annual Fund	6.5	6.5	-	
Foundation Support	0.3	0.3	-	
Strategic Giving	1.2	1.2	-	
Program/Concessions	0.4	0.4	-	
Other Revenue	1.7	2.6	0.9	Buyout revenues to offset coaching transition expenses
<b>REVENUE ITEMS WITH PROJECTED CHANGE</b>	<b>18.3</b>	<b>19.9</b>	<b>1.6</b>	
Endowments	1.0	1.0	-	Additional Institutional Support investment
NCAA Distribution	1.6	1.6	-	
Royalties/Advertising	4.3	4.3	-	
Student Fees - Debt Service	0.6	0.6	-	
Direct Institutional Support - \$\$\$	2.5	4.5	2.0	
<b>REVENUE ITEMS WITH MINIMAL CHANGE</b>	<b>10.0</b>	<b>12.0</b>	<b>2.0</b>	
<b>REVENUE BEFORE OFFSETS</b>	<b>66.7</b>	<b>70.3</b>	<b>3.6</b>	
Sports Camp Revenue	0.4	0.4	-	Bowl revenue shortfall
Direct Institutional Support - GE Waivers	3.4	3.4	-	
Indirect Institutional Support	0.5	0.5	-	
In Kind Contributions	1.6	1.6	-	
Bowl Revenue	1.6	1.1	(0.5)	
<b>REVENUE ITEMS = EXPENSE</b>	<b>7.5</b>	<b>7.0</b>	<b>(0.5)</b>	
<b>TOTAL REVENUE</b>	<b>74.0</b>	<b>77.1</b>	<b>3.1</b>	
<b>ATHLETIC EXPENSE</b>				
Scholarships	8.7	8.7	-	
Compensation	25.3	25.3	-	
Debt	11.1	11.1	-	
<b>TOTAL ADMINISTRATION</b>	<b>45.1</b>	<b>45.1</b>	<b>-</b>	
Recruiting	1.6	1.6	-	
Team Travel	3.7	3.7	-	
Equipment	0.8	0.8	-	
Game Expenses	2.6	2.6	-	
Medical Costs	1.7	1.7	-	
Student Athlete Meals	0.6	0.6	-	
<b>TOTAL SPORTS PROGRAMS</b>	<b>11.0</b>	<b>11.0</b>	<b>-</b>	
Direct Admin Expense	2.1	2.3	(0.2)	Coaching transition relocation expenses
<b>DIRECT ADMIN EXPENSE</b>	<b>2.1</b>	<b>2.3</b>	<b>(0.2)</b>	
Guarantee Expense	2.1	2.1	-	
Fund Raising/Marketing	1.1	1.1	-	
Spirit Expense	0.2	0.2	-	
Other Expense	5.1	7.0	(1.9)	
<b>TOTAL OTHER EXPENSE</b>	<b>8.5</b>	<b>10.4</b>	<b>(1.9)</b>	Expenses tied to institutional investment, coaching buyout expenses
<b>EXPENSE BEFORE OFFSETS</b>	<b>66.7</b>	<b>68.8</b>	<b>(2.1)</b>	
Sports Camp Expense	0.4	0.4	-	
Scholarships - GE Waivers	3.4	3.4	-	
Indirect Institutional Support	0.5	0.5	-	
In Kind Contributions	1.6	1.6	-	
Bowl Bonus	0.4	0.4	-	
Bowl Expense	1.2	2.0	(0.8)	
<b>EXPENSE ITEMS = REVENUE</b>	<b>7.5</b>	<b>8.3</b>	<b>(0.8)</b>	Increase holiday bowl expenses and consignment ticket shortfall
<b>TOTAL EXPENSE</b>	<b>74.0</b>	<b>77.1</b>	<b>(3.1)</b>	
<b>Net Approved Budget</b>	<b>-</b>	<b>-</b>	<b>-</b>	

*\*There may be minor differences in subtotals shown above due to rounding to dollars million*