

20 March 2009

The Special Task Force on Athletics Funding met from 1:30 PM to 3:00 PM on Friday, February 6, 2009 (in the President's Conference Room, Derryberry Hall) and again at the same time on Friday, February 13 (in Henderson Hall Room 10).

The task force members, all of whom attended both meetings, included Dr. Jeff Roberts, Faculty Athletics Representative and Task Force Chair, Mark Wilson, Athletics Director, Dr. Christine Miller, Faculty Senate President, Ashley Warrington, Student Government President, Dr. Richard Rand, Professor, Accounting, Department of Accounting, Finance and Marketing, Tina Martin, Account Supervisor, Business Office, Dr. David Larimore, Department of Curriculum and Instruction, and Linda Maxwell (substituting for Claire Stinson), Associate Vice-President for Business and Fiscal Affairs. Also in attendance were Tammie McMillan, Senior Women's Administrator and Assistant Athletics Director, and Frank Harrell, Director of Compliance and Associate Athletics Director.

The task force was one of eight organized by President Robert Bell in the wake of the current financial crisis. Previously, Tennessee Tech had established a website, which allowed for the campus and community to make suggestions regarding potential budget reductions. Approximately fifteen of the responses somehow mentioned Athletics. Among the anonymous website suggestions were:

- Eliminate Athletics entirely
- Eliminate the football program
- Cut various coaching, administrative and/or staff positions, combine them, and/or reduce their pay
- Charge higher prices for various services (vending, facilities rental, tickets, etc.)
- Reduce operating and travel budgets, and/or reduce the number of competitions in certain sports.

The members of the task force focused our discussion and this report in part as a response to those suggestions.

The task force examined a variety of documents pertaining to the Athletics budget. These included:

- NCAA Division I Membership Requirements (Chapter 20, Section 9, NCAA Division I Manual, pp. 314-323)
- Ohio Valley Conference (OVC) Membership Rules (Article 4, p. 49, OVC Manual)
- Revenue and budget allotment summaries for the Department of Athletics from the 2003-2004 fiscal year through the 2008-2009 fiscal year

- An overview of Athletics General Fund support and scholarship funding from 2003 to the present
- A detailed summary of NCAA revenue sources
- Staffing charts covering both coaches and administration
- A comparison of TTU head coaches pay with salaries at other OVC schools
- A chart of TTU coaches covering full-time and part-time status
- An analysis of costs saved and revenue lost associated with football (and applicable to other sports), prepared by Dr. David Larimore
- Three separate plans for Base Budget Reductions for 2009-2010, submitted by the Department of Athletics earlier this year

The task force engaged in extensive discussion. We examined fundraising, housing allowances, department staffing, position vacancies, facilities renovation, reduction scenarios, travel and scheduling issues, gender equity requirements, ticket sales and prices, concessions, minority enrollment, alumni and community relations, publicity, and various details within the revenue and expenditure reports. Among our most pertinent findings were:

Athletics currently returns approximately 94% (c. \$4.1 million) of the state revenue it receives (c. \$4.4 million) to the University via scholarships and associated costs (room, board, etc.)

Athletics, like many other departments on campus, is short-staffed in several areas. In what is arguably the most notable example, 40% of the coaches (14/35) are part time, serving without benefits, essentially as adjuncts.

Full-time head coach salaries at TTU are typical among OVC institutions.

Operating budgets for 14 of TTU's 16 teams have declined or held steady since 2003. Only football's budget has increased markedly. Football, however, has experienced a growth in generated revenue in the past three years that more than offsets the increases.

Athletics receives substantial revenue from the NCAA. Yet NCAA rules - including but not limited to those specifically focused on gender equality - are designed so as to punish institutions via reduced funding should they cut out sports entirely or cut back on scholarships within sports.

Several of the website suggestions mentioned above, would, if implemented, constitute violations of NCAA and/or OVC policies. Many of the remainder seem ill-advised.

After extensive discussion and review of the documents, the task force reached the following conclusions:

We categorically oppose calls for the elimination of Athletics. Such would be damaging to the University's public image and would not be cost-effective.

We oppose specific calls for the elimination of football for the reasons stated above. The dramatic recent increases in revenue from football, corresponding increases in publicity, attendance, and enthusiasm, as well as the negative experiences of fellow OVC schools that dropped scholarship football, are further arguments to this effect.

We strongly advise against the elimination of other sports. NCAA funding policies make such cuts punitive resulting in minimal savings, if any, for the university.

While we acknowledge that Athletics, like many other departments on campus, has made cuts previously and is short-staffed, the current budget crisis will nonetheless continue to require creative staffing policies. The task force did offer some suggestions to Director Wilson in this regard. We believe, however, that such decisions should be left to those who are most knowledgeable of the varied responsibilities of the positions involved.

Increased revenue enhancement will also be required. Athletics has unique opportunities for revenue production not shared by other campus entities. We believe it reasonable to expect some degree of success here, even in tough economic times.

With the aforementioned caveats, we support the basic reduction plans submitted by the Department of Athletics.