

Vitalization Project – Workgroup 4  
Meeting #2, Shelbyville Room  
9:00 am, Oct. 14, 2016  
Minutes

Committee members present: Tami Babbs (chair), Kelsie Abolt, Kevin Linker, Steve Rich and Dan Sheeran

Tami called the meeting to order and the minutes of the 10/12/16 meeting were unanimously approved following a motion by Steve and second by Kevin. Future meetings were discussed and it was agreed the committee would meet at 4:00 pm on Tuesdays and Thursdays each of the next two weeks.

Paul McCann, interim vice president for business affairs, attended to share information on the development of the profit/loss statements on the project website (which he noted was temporarily down).

The NCAA requires a prior-year high level summary each year to monitor athletic programs and a version of this report is what was shared on the site. The NCAA report is focused on expenses by sport rather than revenues and this is why the report appears as it does. He also noted that grants-in-aid, fees, equipment purchases and other expenses are sometimes accounted for through accounts other than those of the individual sports but the data is annually verified by external auditors. He noted that while the expenses are well-tracked, they don't always tie to specific sports through the accounting system.

Paul estimated that 20% of EIU's student-athletes receiving scholarships have "full-rides" (tuition, fees, housing) while the balance receive partial scholarships. Grant-in-aid funding is primarily used for housing/dining-related scholarships. Steve asked why housing revenues were reflected in the athletic statement but not for other units on campus. Paul responded that the athletic reports were intended to show a complete view of revenues and expenses and they were included because athletics often pays for housing/dining for student-athletes.

Dan asked about additional years and other data, such as that reflected in reports for other areas on the site. Paul indicated the information would be added and explained that because of the way Banner is structured the athletic accounts are not as clear as others due to the large number of individual accounts in the unit. Dan expressed that this would be appreciated as the information would be helpful and show transparency in the process. Paul shared that "non-sport specific" expenses in the report include items such as facilities, fees, athletic training expenses, sports information, administrative costs and insurance. Steve asked about FY16 data since it would be helpful as athletics had a balanced budget last year and Paul responded it would not be available until the university audit and financial statements are completed later this year. Tami reminded the committee that the IAB reports contain additional data which might be helpful to review.

Paul indicated it's difficult for the larger programs to show a profit because of the number of student-athletes and games and associated costs such as travel. Kevin noted the tuition revenue generated by some sports and there was discussion as to whether student-athletes chose a university because of the opportunity to participate in a particular sport or the academic programs offered by the institution.

Paul noted the report as created was intended to show the benefits to the institution as a whole further explained that budgets are created prior to a fiscal year as an estimate of what will be spent in a given year. He also talked about the intangible benefits of athletics and Steve noted its value in creating brand awareness, which benefits the entire university.

Dan asked about ratios such as tuition per student-athlete. It was noted that we could create those using the data provided but Paul would see if they could be added. Kevin noted that student-athletes are eligible for non-athletic scholarships/financial aid, as well. Dan indicated he knew of student-athletes who were taking honors chemistry courses and said it's possible they are receiving honors scholarships in addition to any athletic aid provided. Tami noted that student-athletes, like all students, are encouraged to complete the FAFSA annually to determine if they are eligible for any additional aid.

Tami once again reminded the committee of the IAB data and indicated IAB chair Jim Davis would be happy to meet with the committee or individual members if it would be helpful. She also shared that financial aid staff would be available to assist with any data if needed.

Questions which were developed by some members of the group were reviewed. It was noted that meetings have been scheduled for the following week to discuss branding and interview athletic director Tom Michael, members of the coaching staff and student-athletes. Steve asked about the timeline and Tami indicated the group would continue gathering data next week and begin drafting the report the following week. Kelsie asked if we should ask interviewees about any specific ideas they might have and Tami indicated we should. Kelsie also asked about confidentiality for those being interviewed and Tami responded that we would maintain confidentiality and their names were not required when we reviewed their responses. Dan shared that he had found a longitudinal study showing trends in intercollegiate athletics which might be helpful.

Tami asked if there were any additional questions and, hearing none, asked for a motion to adjourn. The motion was made by Kevin, with Kelsie seconding, and all were in favor.