



Thirteen-Year Trends in Division I Athletics Finances

Data

- ▶ Data collected from the NCAA Financial Reporting System for fiscal years 2003-04 through 2015-16.
- ▶ Significant changes were made to the process beginning with the data collection in 2003-04 (e.g., definitional changes, agreed-upon procedures, etc.), so previous data are not comparable.
- ▶ When the data are divided into quartiles for this presentation, those quartiles are based on 2016 total expenses within each subdivision.
- ▶ 347 Division I institutions provided data to the NCAA Financial Information System.

Generated Revenue Sources

- ▶ Ticket sales.
- ▶ NCAA and conference distribution.
- ▶ Contributions from alumni and others.
- ▶ Other:
 - Guarantees and options.
 - Third party support.
 - Concessions.
 - Broadcast rights.
 - Royalties/advertising/sponsorship.
 - Sports camps.
 - Endowment/investment income.

Allocated Revenue Sources

- ▶ Allocated support:
 - Student activity fees.
 - Direct government support.
 - Direct institutional support.
 - Indirect institutional support.

Summary Data for Division I by Subdivision

Median (and Range) 2016 Revenues and Expenses for Division I Institutions by Subdivision

	FBS	FCS	Division I – No MFB
Generated Revenues	\$52,845,000 (\$5.9 to \$194.4 million)	\$4,492,000 (\$1.2 to \$27.3 million)	\$2,842,000 (\$586,000 to \$21.1 million)
Total Revenues	\$68,614,000 (\$14.7 to \$194.4 million)	\$17,409,000 (\$2.6 to \$58.6 million)	\$16,018,000 (\$3.4 to \$46.4 million)
Total Expenses	\$71,689,000 (\$14.6 to \$171.4 million)	\$17,290,000 (\$4.3 to \$59.3 million)	\$15,956,000 (\$4.3 to \$46.4 million)
Net Generated Revenue	\$14,407,000 (\$47.8 to \$57.3 million)	\$12,550,000 (\$21.6 to \$40.2 million)	(\$12,595,000) (\$3.5 to \$38.9 million)

Median (and Range) 2016 Revenues and Expenses for Division I Institutions by Subdivision

	Autonomy	Non Autonomy
Generated Revenues	\$94,903,000 (\$44.2 to \$194.4 million)	\$13,195,000 (\$5.9 to \$52.8 million)
Total Revenues	\$97,276,000 (\$58.8 to \$194.4 million)	\$33,470,000 (\$14.7 to \$79.2 million)
Total Expenses	\$98,913,000 (\$62.5 to \$171.4 million)	\$33,113,000 (\$14.6 to \$79.2 million)
Net Generated Revenue	\$3,570,000 (\$40.1 to \$57.3 million)	\$19,893,000 (\$1.6 to \$47.8 million)

Summary of 2016 FBS Data

- ▶ Large disparities seen in both revenues and expenses across FBS institutions.
- ▶ Median institution shows negative generated net revenue of approximately \$14.4 million.
- ▶ The median generated revenues increased by 10.2%, and the median total expenses increased by 8.1% since 2015.
- ▶ Generated revenues exceeded expenses in 2016 at 24 institutions. The average net positive revenue for those institutions was \$12.0 million (ranged from \$129,000 to \$57.3 million).

Summary of 2016 FCS Data

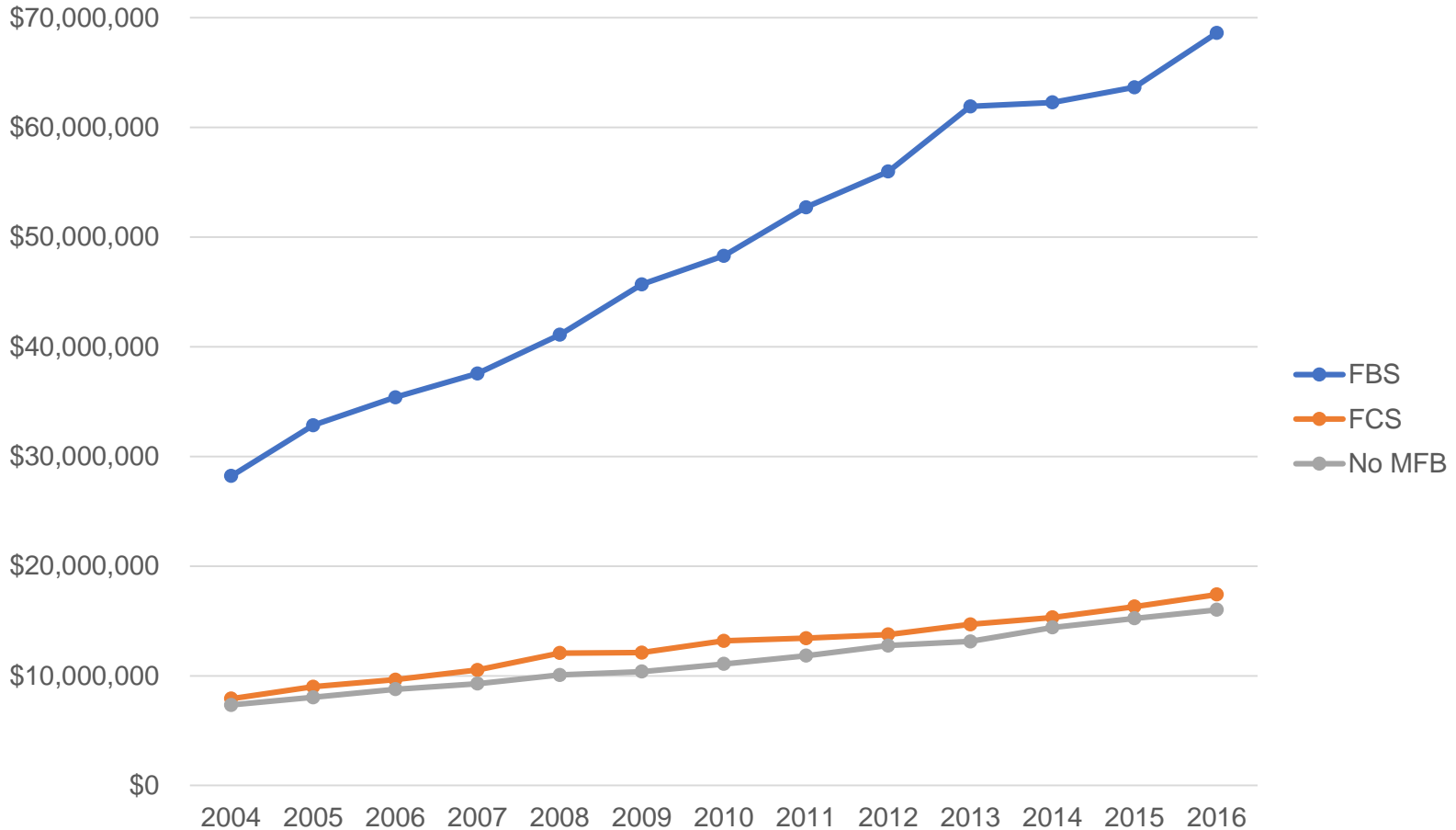
- ▶ Large disparities seen in both revenues and expenses across FCS institutions (expenses ranged from approximately \$4.6 to \$59.3 million and revenues ranged from \$2.6 to \$58.6 million).
- ▶ The median generated revenues increased by 11.0%, while the median total expenses increased by 6.9% since 2015.
- ▶ Generated revenues did not exceed expenses for any institution in 2016.
- ▶ The median negative net generated revenue for FCS schools is approximately \$12.5 million.

Summary of 2016 No MFB Data

- ▶ Large disparities seen in both revenues and expenses across no MFB institutions (expenses ranged from approximately \$4.3 to \$46.4 million and revenues ranged from \$3.4 to \$46.4 million).
- ▶ The median generated revenues decreased by 2.5%, and the median total expenses also increased approximately 5.9% since 2015.
- ▶ Generated revenues did not exceed expenses for any institution in 2016.
- ▶ The median negative net generated revenue for Division I no MFB institutions is approximately \$12.6 million.

Revenue and Expense Trends from 2004 to 2016 By Subdivision

Division I Median Total Revenues By Subdivision and Year (2004-2016)



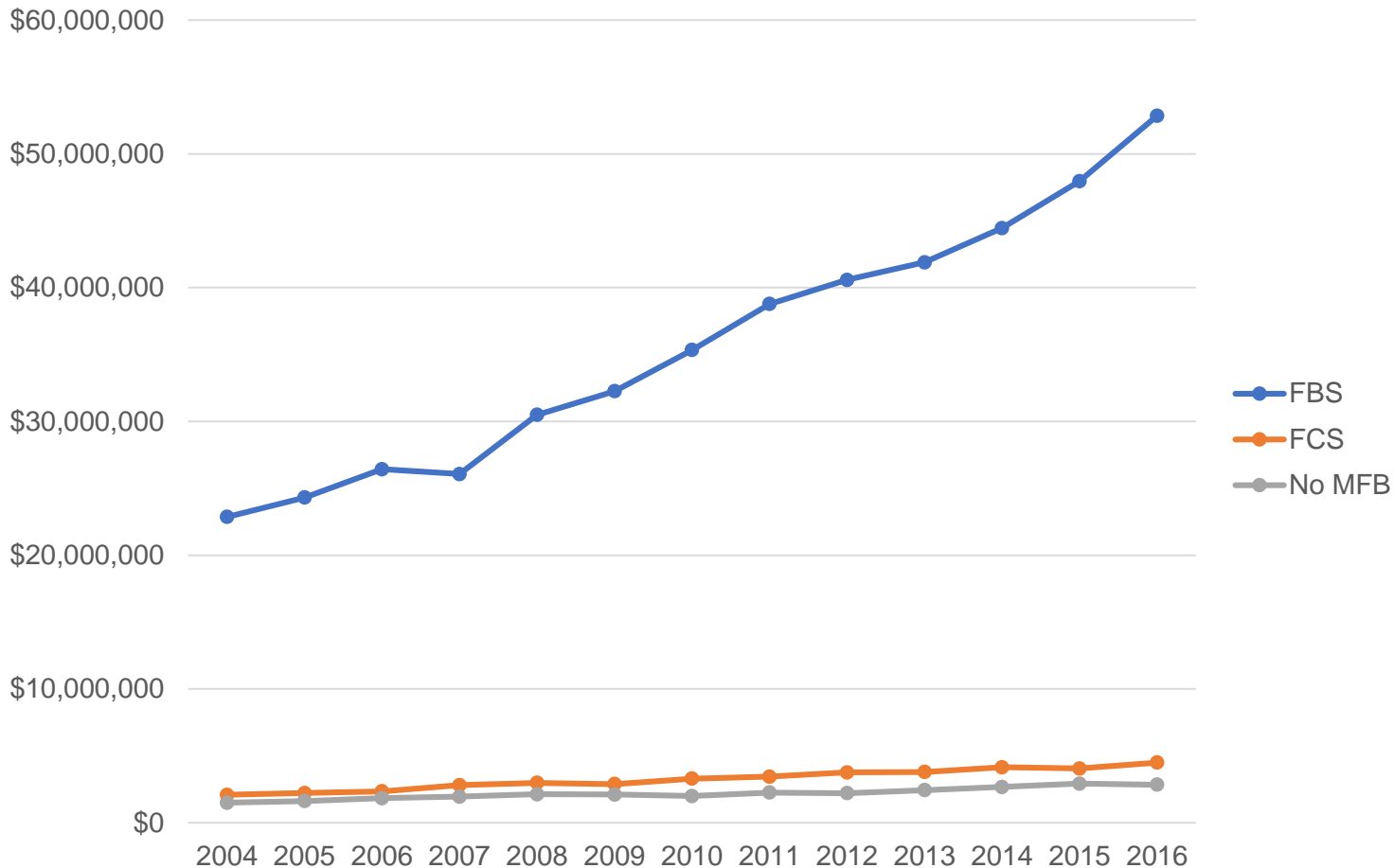
Percentage increase from 2004-2016

FBS = 143.2%

FCS = 119.7%

No MFB = 118.1%

Division I Median Generated Revenues By Subdivision and Year (2004-2016)



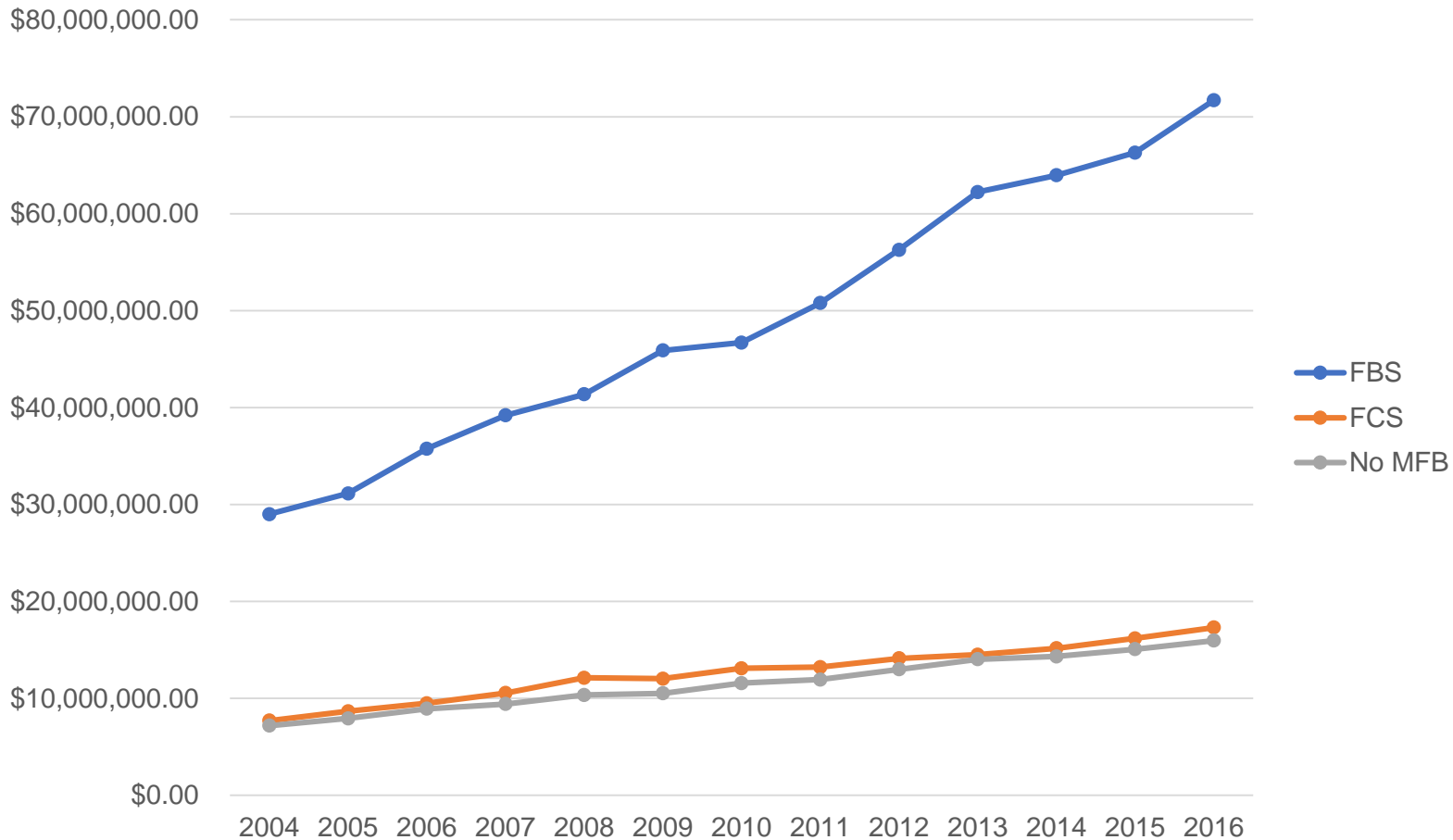
Percentage increase from 2004-2016

FBS = 131.1%

FCS = 116.2%

No MFB = 90.2%

Division I Median Total Expenses By Subdivision and Year (2004-2016)



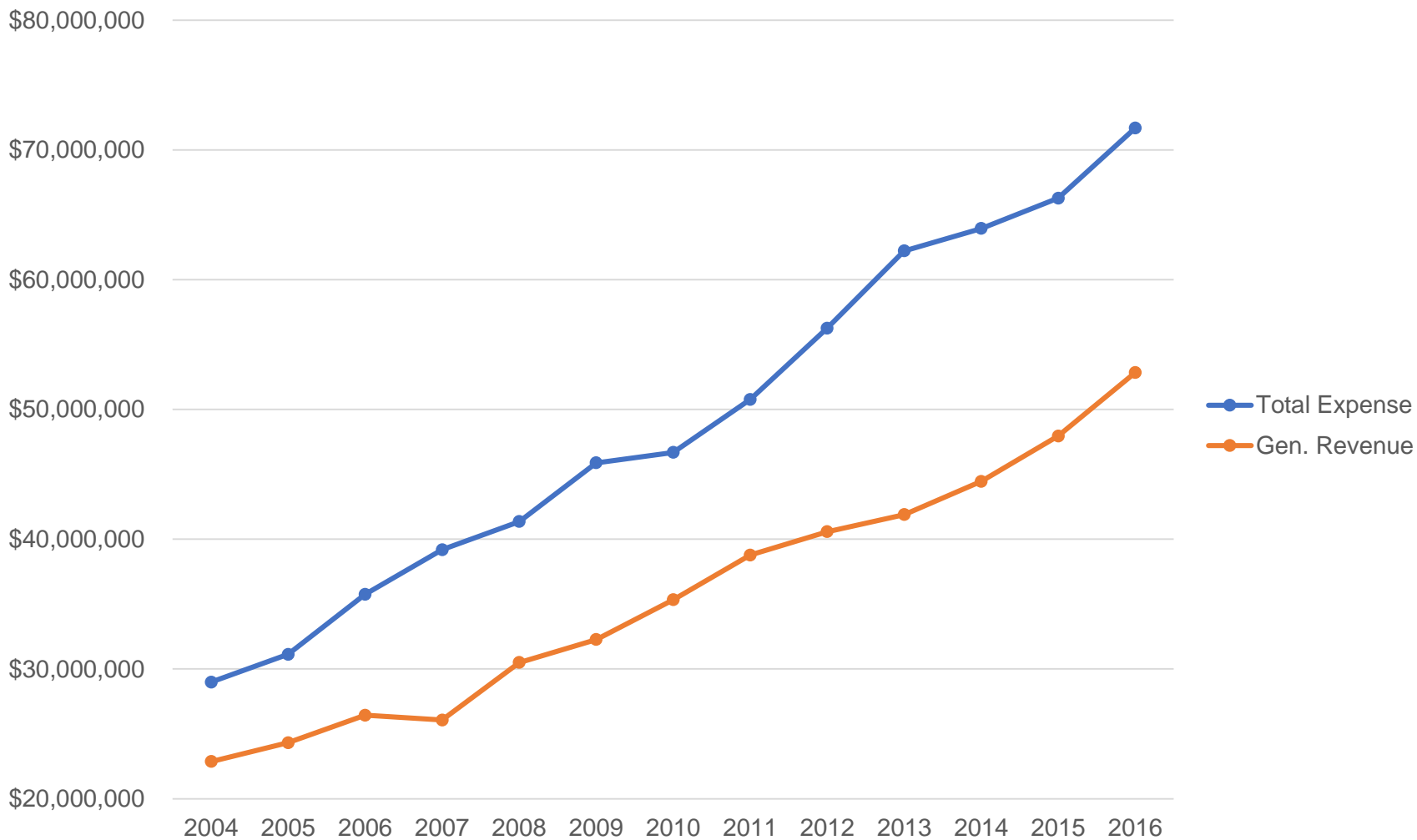
Percentage increase from 2004-2016

FBS = 147.3%

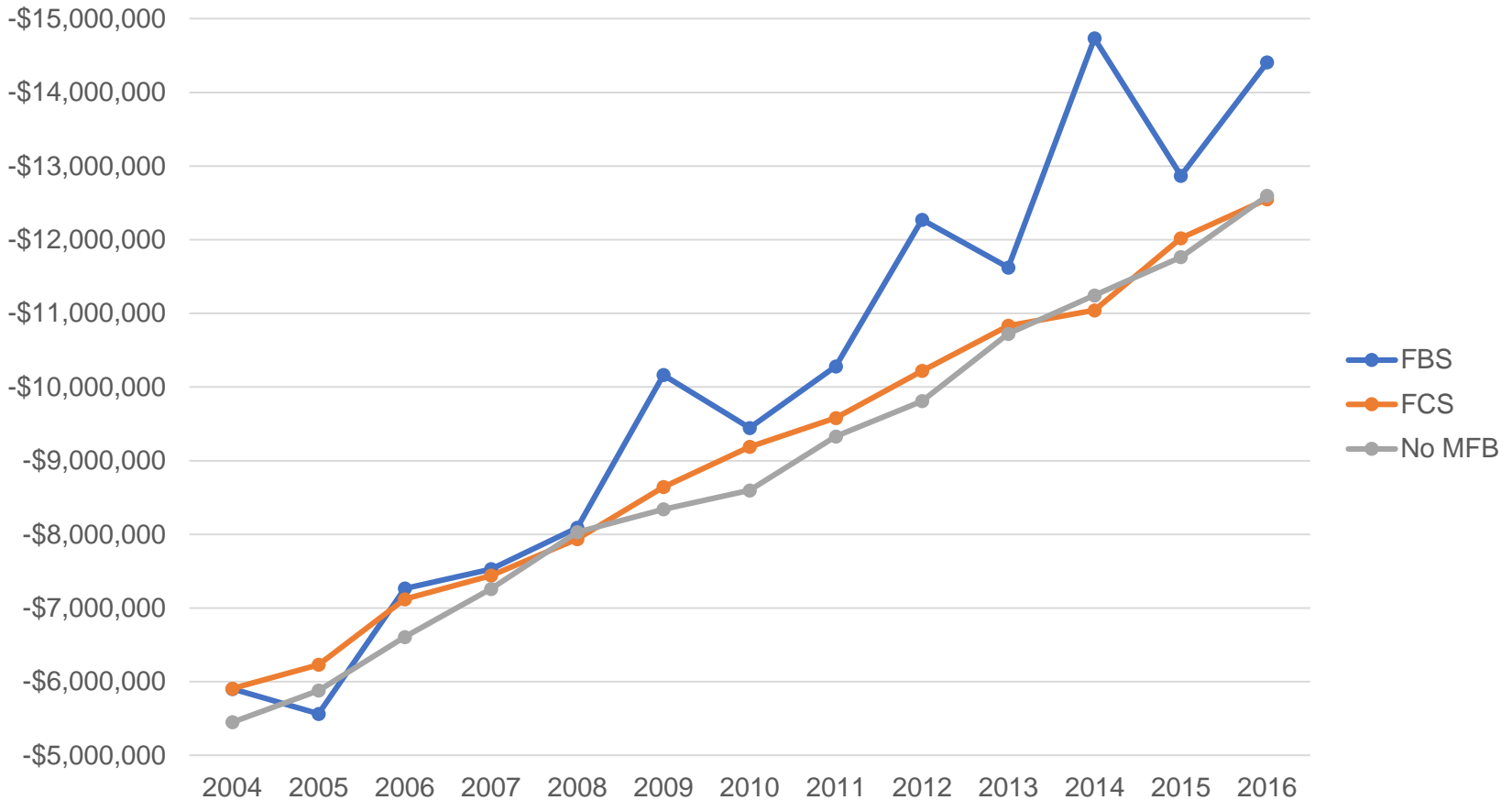
FCS = 124.7%

No MFB = 122.5%

Comparison of FBS Generated Revenue and Total Expense Trends (2004-2016)



Division I Net Operating Results Excluding Allocated Support (2004-2016)



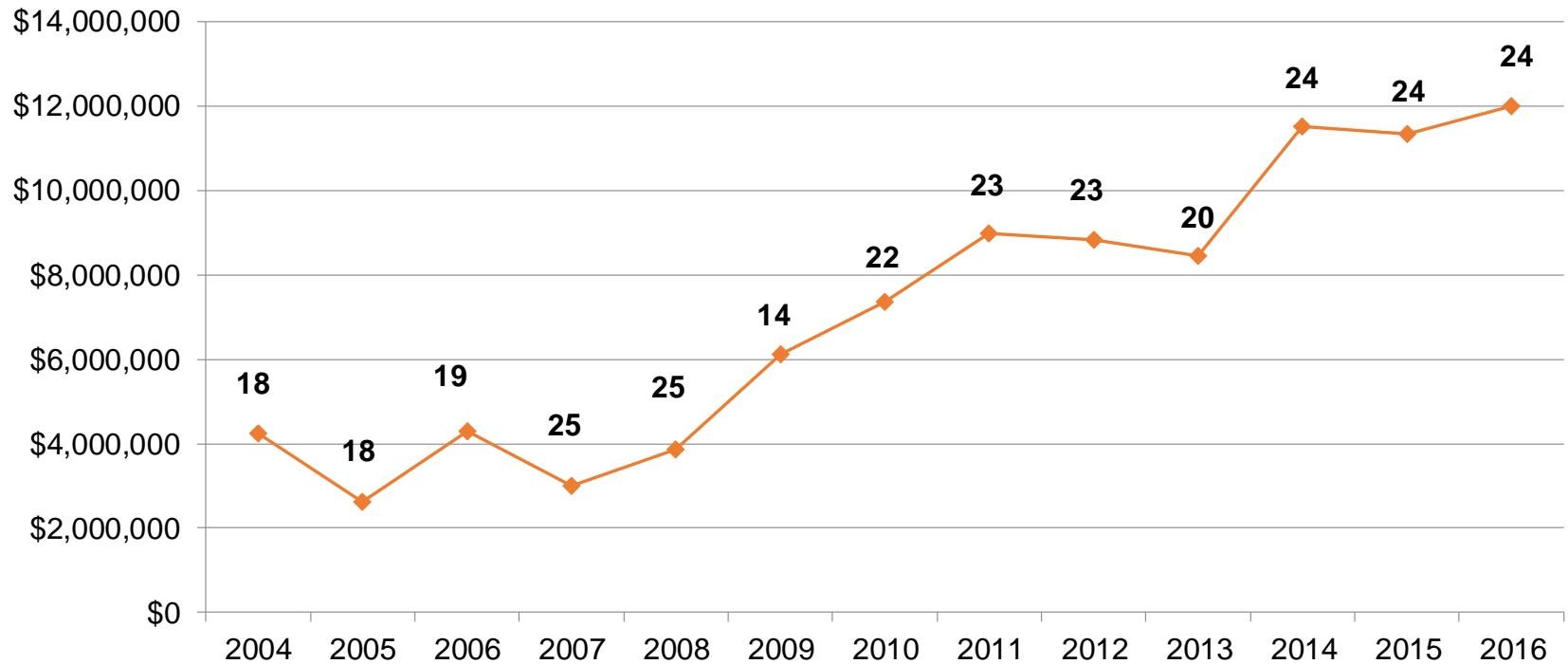
Percentage increase from 2004-2016

FBS = 144.1%

FCS = 112.5%

No MFB = 131.1%

Division I FBS Average Positive Generated Net Revenue (PNR) for Those Schools Reporting PNR By Year



*Number displayed by each data point equals number of institutions showing positive generated net revenue in that year.

Summary of 2004-2016 FBS Trend Data

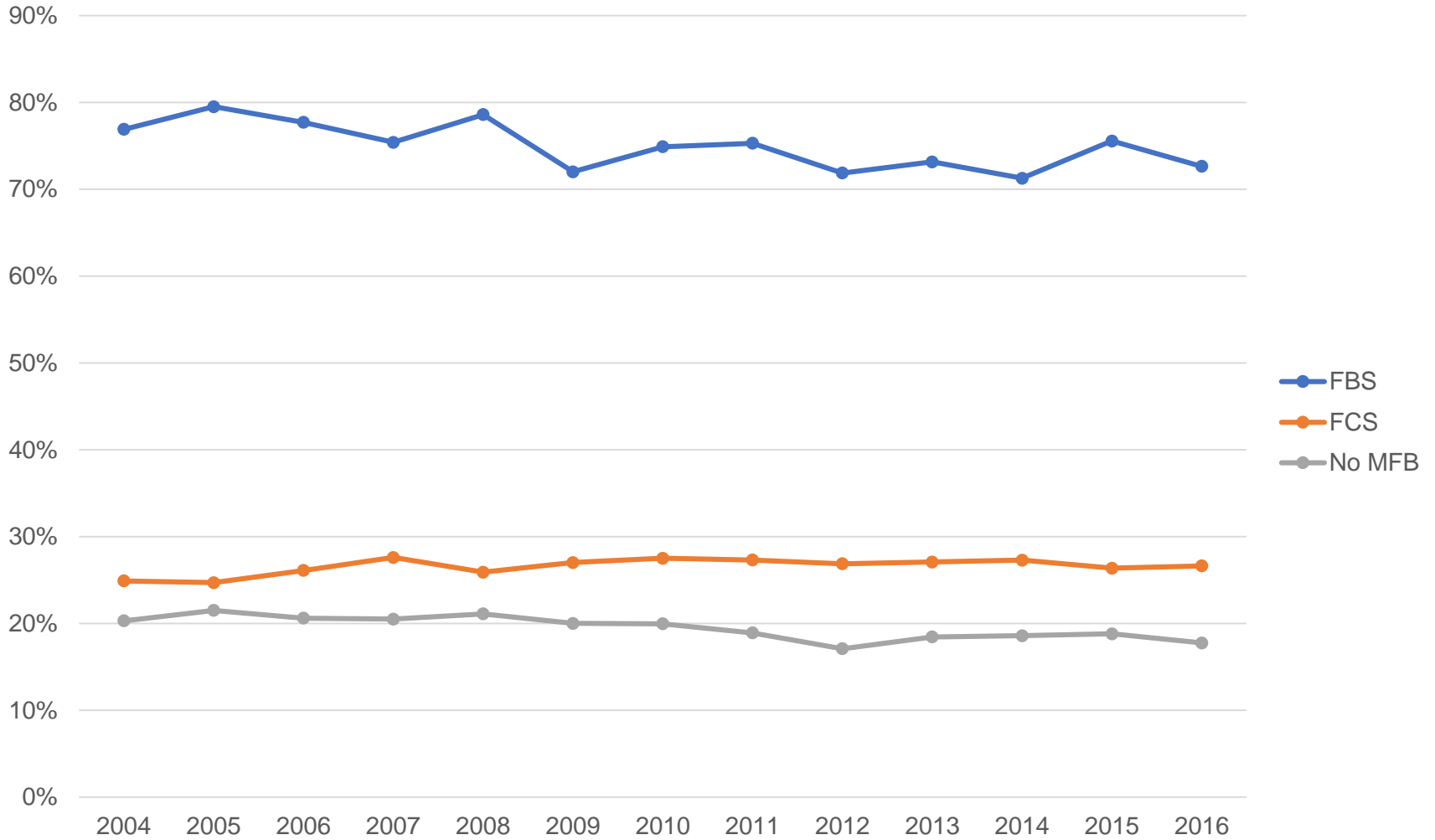
- ▶ Over the 13-year period, generated revenues grew by 131.1%. Total expenses grew by 147.3%.
- ▶ Over the past two years, generated revenues have grown by 18.9% while total expenses have grown by 12.1%.
- ▶ The three subdivisions show wide disparities among them in terms of median revenues and expenses. However, the median negative net revenue is relatively similar across the three subdivisions and there is a fairly narrow distribution of allocated revenue totals across the division (the medians are between \$12.5 million and \$14.4 million). This may indicate some consensus on the monetary value to institutions of supporting a Division I athletics program.

Summary of 2004-2016 FCS and No MFB Trend Data

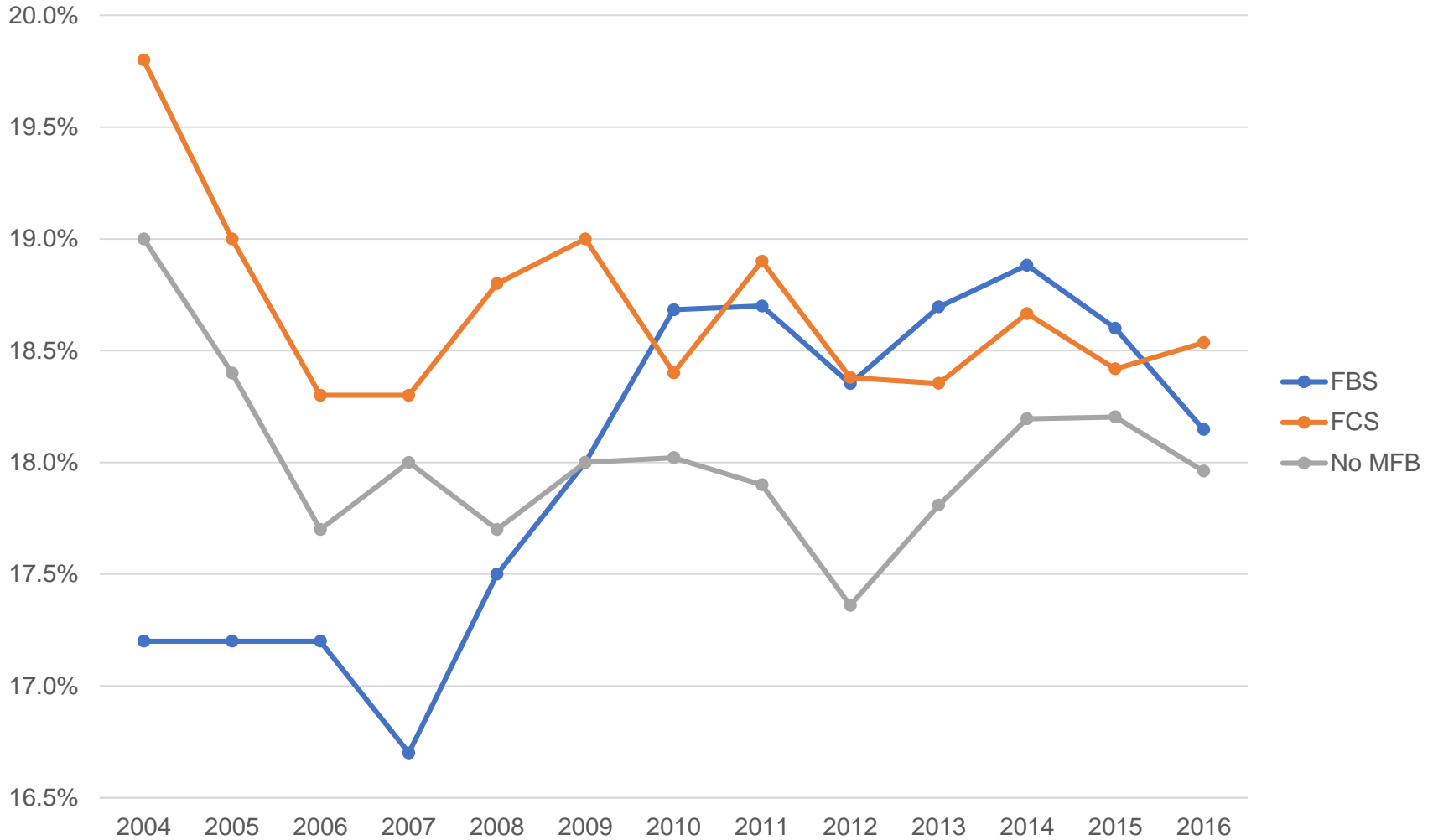
- ▶ Over the 13-year period, generated revenues for FCS grew by 116.2%. Total expenses grew by 124.7%.
 - ▶ Over the past two years, generated revenues increased by 8.6% and total expenses increased by 14.1%.
- ▶ Among Division I schools with no MFB, generated revenues grew by 90.2% over the past 13-year period. During this same time, total expenses grew by 122.5%.
 - ▶ Over the past two years, generated revenues increased by 6.5% and total expenses increased by 11.4%.

Selected Findings from Dashboard Indicators By Subdivision

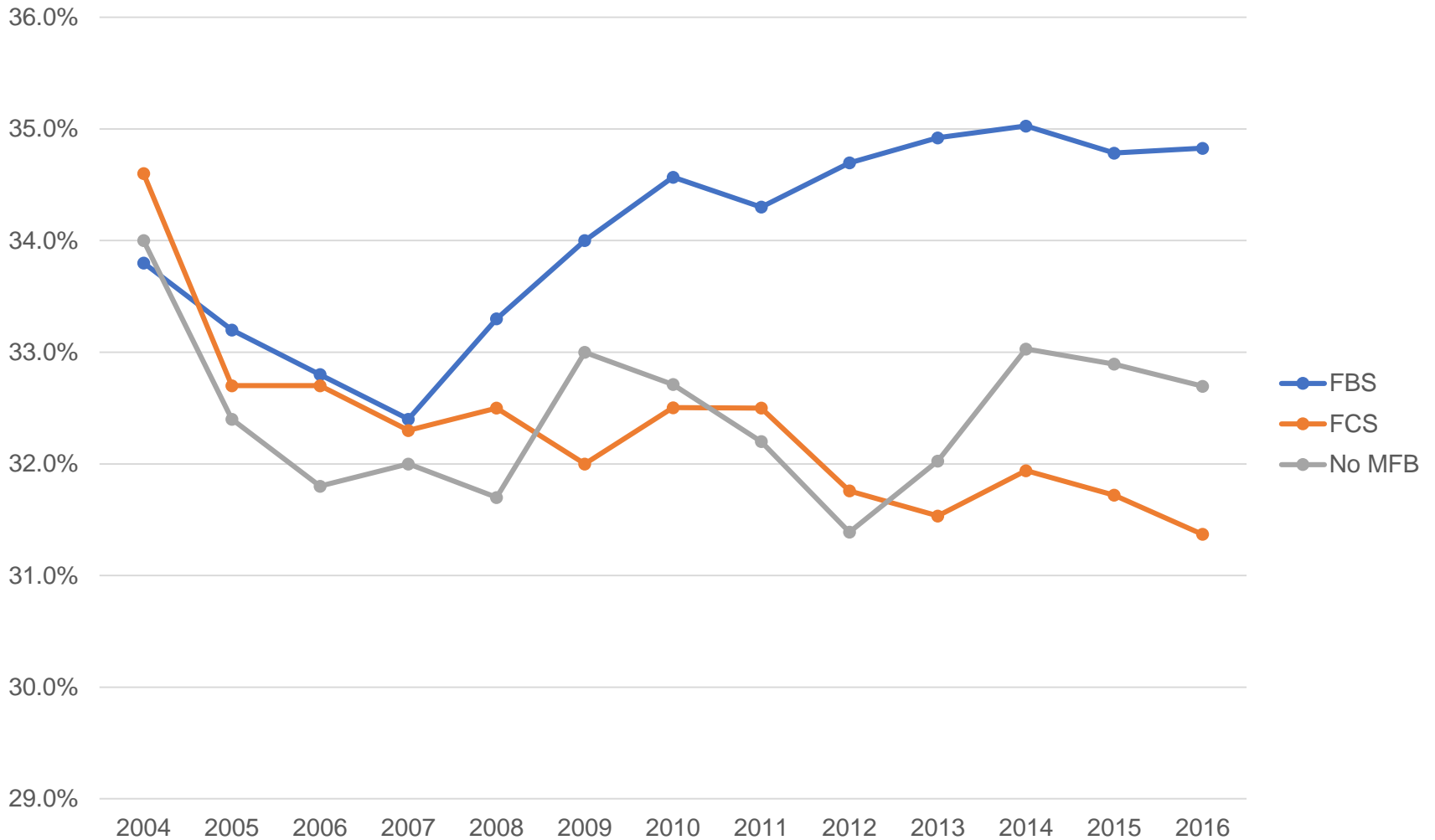
Division I Median Revenue Self-Sufficiency (Gen. Rev. by Total Exp.) By Subdivision and Year (2004 – 2016)



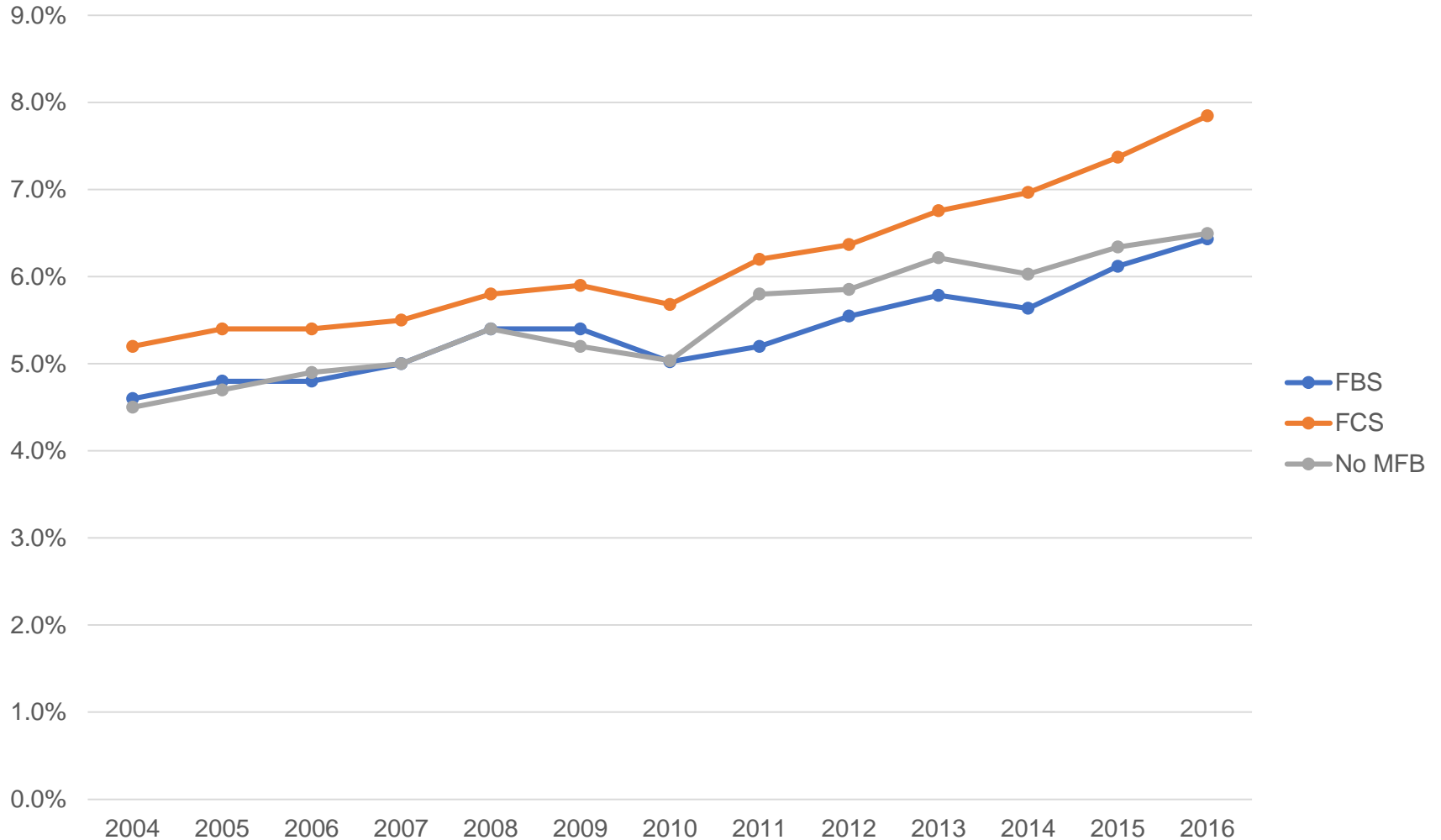
Division I Median Proportion of Total Expenses Related to Coaches' Compensation By Subdivision and Year (2004 – 2016)



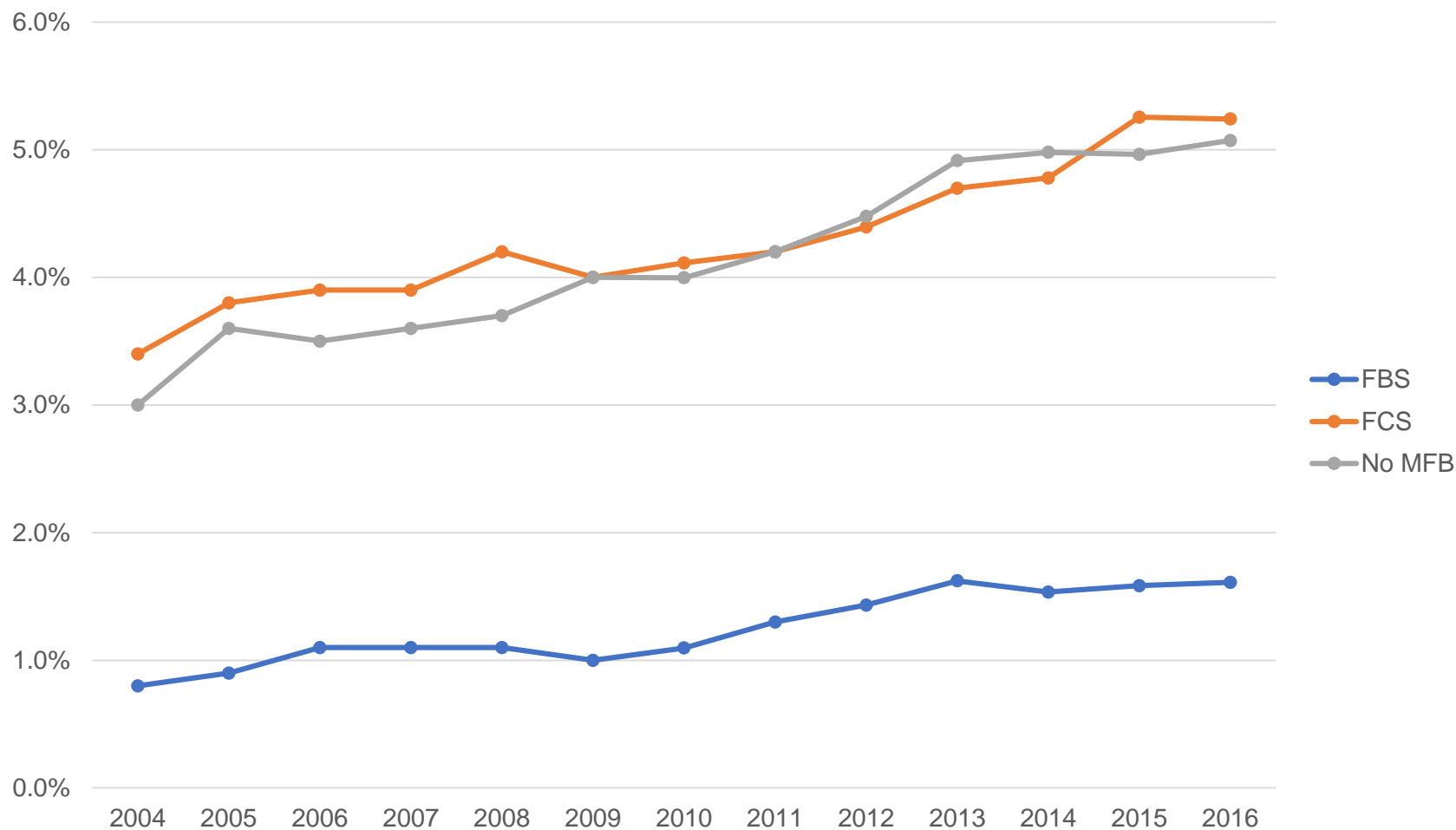
Division I Median Proportion of Total Expenses Related to Total Compensation By Subdivision and Year (2004 – 2016)



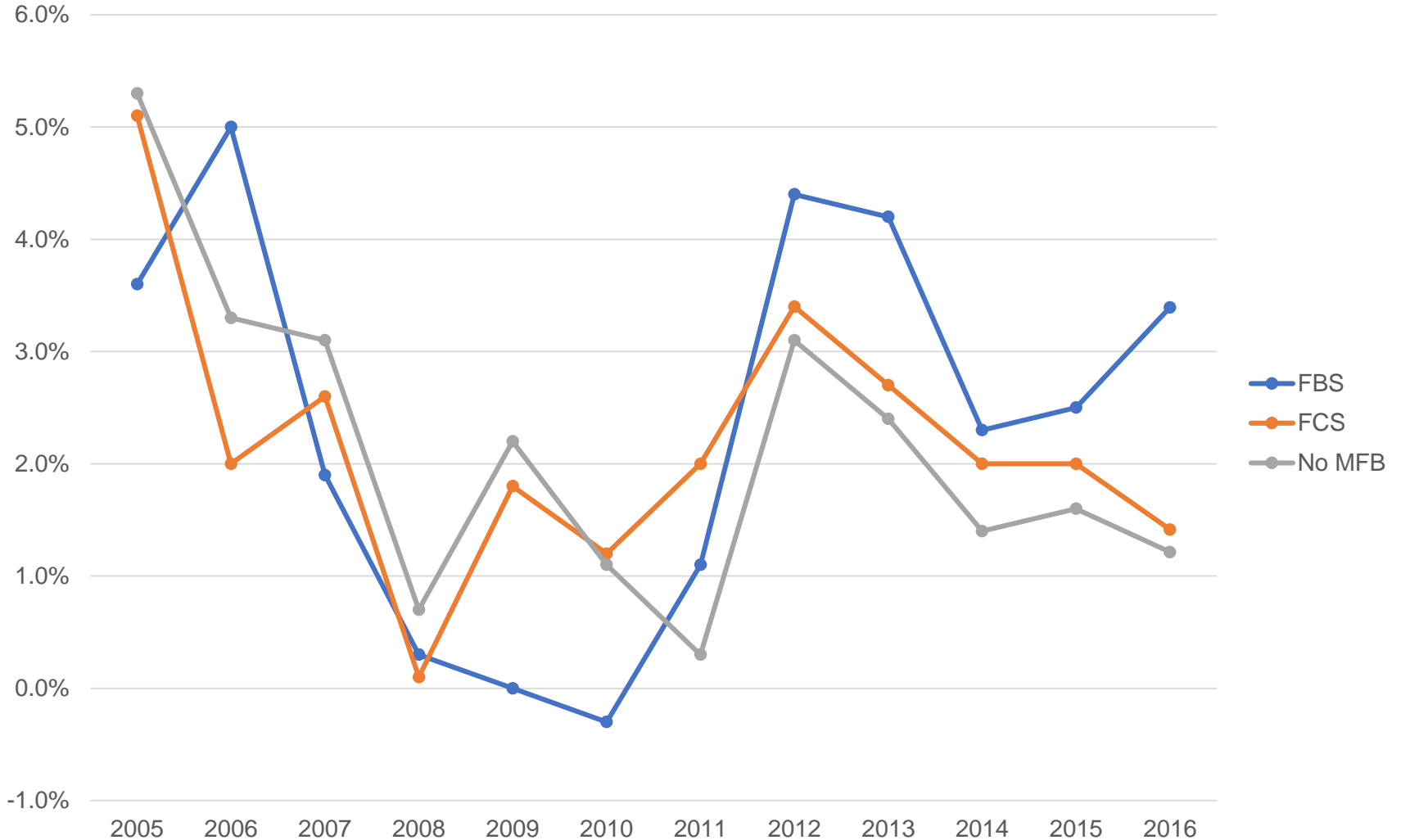
Division I Median Ratio of Athletics Expenses to Institutional Expenses By Subdivision and Year (2004 – 2016)



Division I Median Ratio of Allocated Revenues to Institutional Expenses By Subdivision and Year (2004 – 2016)



Division I Median Increase Gap* Between Athletics Expenses and Institutional Expenses By Subdivision and Year (2004 – 2016)



*Increase Gap is calculated by subtracting annual percentage increase in institutional expenses from annual percentage increase in athletics expenses.

Summary of 2004 – 2016 FBS Dashboard Indicator Trend Data

- ▶ The median FBS institution is approximately 72.6% self-sufficient. This is in contrast with 26.6% and 17.7% levels in the other two subdivisions.
- ▶ Coaches' compensation as a proportion of total expenses has remained steady over time.
- ▶ Total compensation as a proportion of total expenses has also remained steady over time.
- ▶ The median ratio of athletics expenses to institutional expenses has risen from about 4.5% in 2004 to 6.4% in 2016.
- ▶ In the early years of this time period, athletics expenses were growing at rates that were up to 5.0% faster than institutional expenses. During the recession the rate slowed to almost zero, but the trend has been increasing after the recent recession. Since 2014 athletics expenses are growing 2 to 3% faster than institutional expenses.

Summary of 2004 – 2016 FCS Dashboard Indicator Trend Data

- ▶ The median FCS institution is approximately 26.6% self-sufficient.
- ▶ Coaches' compensation as a proportion of total expenses has dropped from almost 20% at the beginning of the period to 18.5% in the most recent year.
- ▶ The median ratio of athletics expenses to institutional expenses has grown from just over 5% to 7.8% over this period. FCS institutions have the highest such ratio of the three subdivisions.
- ▶ In the early years of this time period, athletics expenses were growing at rates that were up to 5.0% faster than institutional expenses. While the past few years the rate has slowed, the trend is increasing after the recent recession, and athletics expenses increased at a rate that was 1.4% higher than institutional expenses in the most recent year.

Summary of 2004 – 2016 No MFB Dashboard Indicator Trend Data

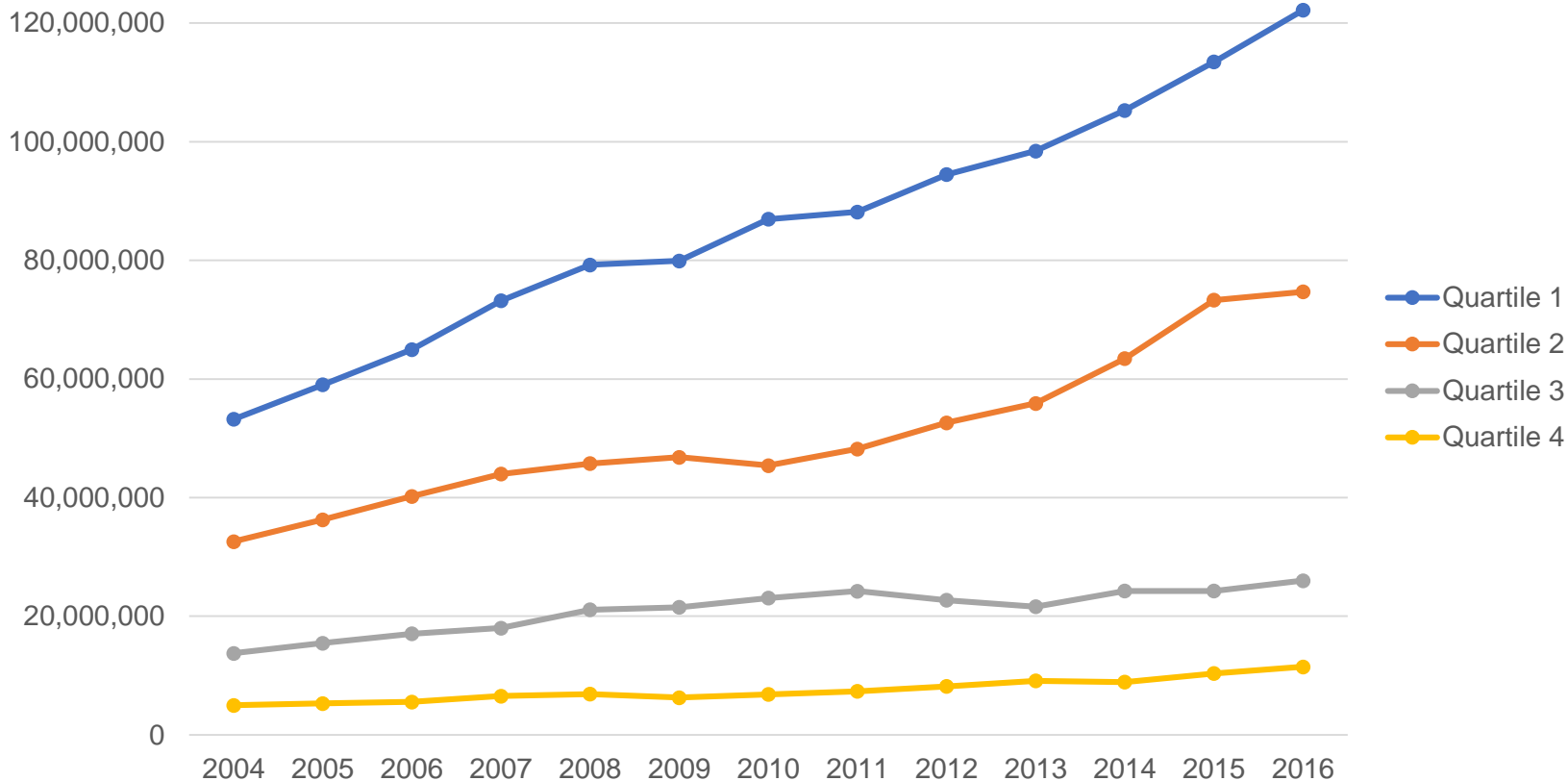
- ▶ The median Division I No MFB institution is approximately 17.7% self-sufficient.
- ▶ Coaches' compensation as a proportion of total expenses has been fairly steady over the period (17.0 to 19.0% of the total expenses).
- ▶ The median ratio of athletics expenses to institutional expenses has grown from about 4.5% to over 6.5% over this period.
- ▶ In the early years of this time period, athletics expenses were growing at rates that were up to 5.0% faster than institutional expenses. While the past few years the rate has slowed, the trend is increasing after the recent recession and athletics expenses have increased 1.0 to 1.5% more quickly than institutional expenses over the past few years.

Revenue and Expense Detail for FBS Institutions By Expense Quartile

Median 2016 Revenues and Expenses for FBS Institutions By Expense Quartile

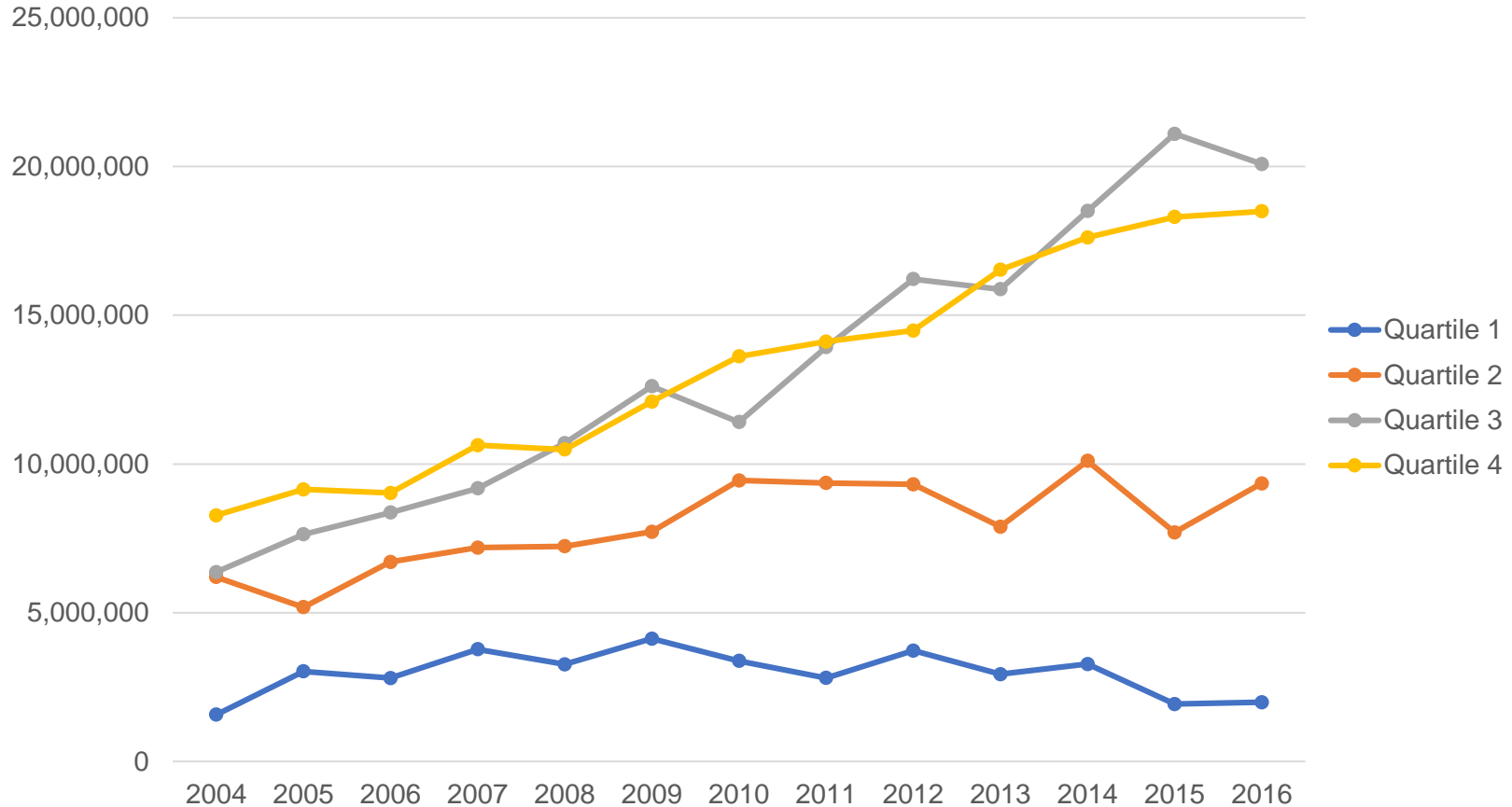
	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall FBS
Generated Revenues	\$122,176,478	\$74,691,024	\$26,014,933	\$11,468,809	\$52,845,195
Total Revenues	\$123,437,882	\$84,665,198	\$44,647,510	\$29,456,758	\$68,614,363
Total Expenses	\$119,021,313	\$85,174,034	\$45,999,116	\$29,080,388	\$71,688,623
Net Generated Revenue	\$3,436,704	(\$9,864,499)	(\$21,814,838)	(\$18,944,693)	(\$14,406,916)

Division I FBS Median Generated Revenues By Expense Quartile and Year (2004 – 2016)



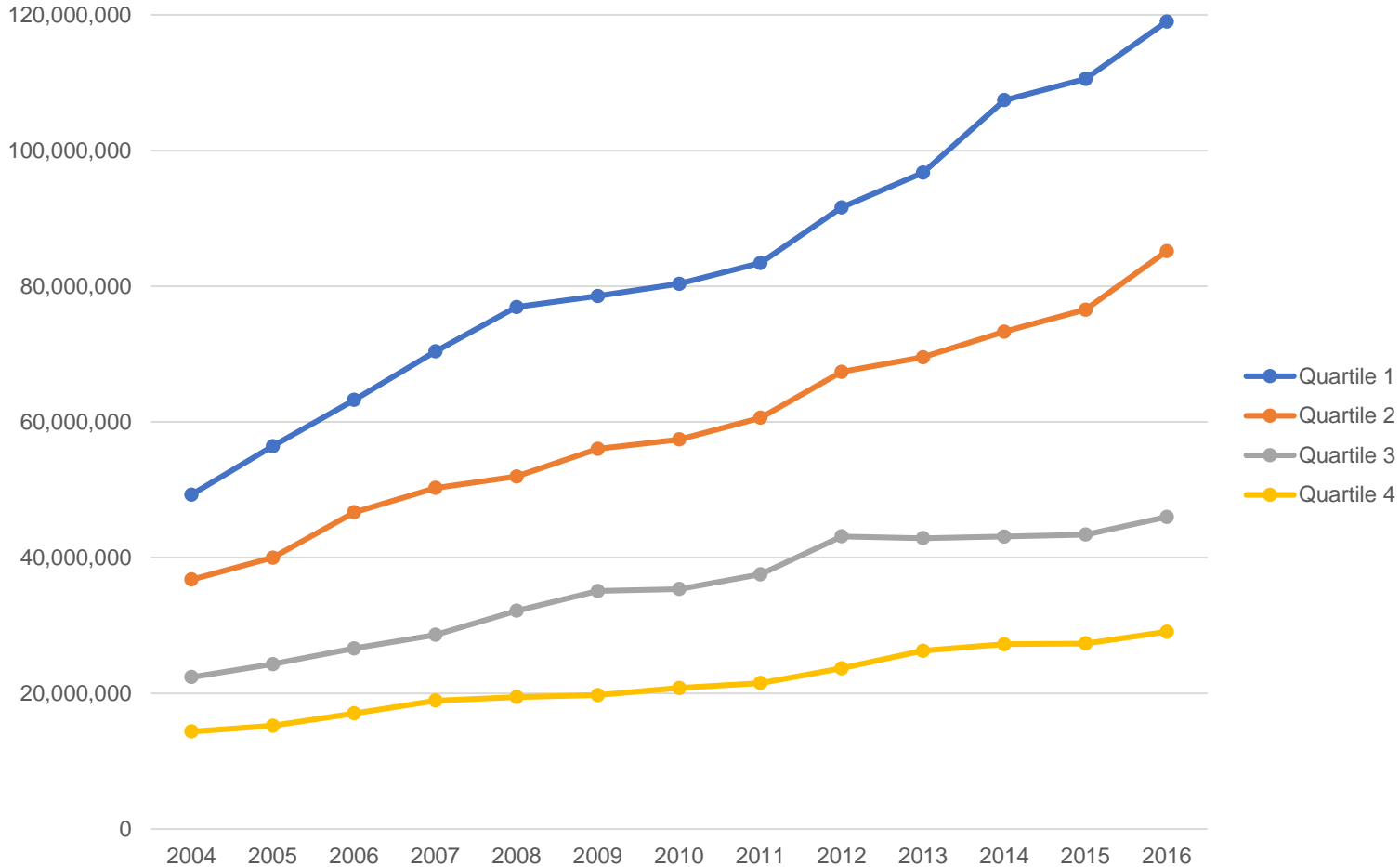
Percentage increase from 2004-2016: Quartile 1 = 129.5%
 Quartile 2 = 129.1%
 Quartile 3 = 89.1%
 Quartile 4 = 129.7%

Division I FBS Median Allocated Revenues By Expense Quartile and Year (2004 – 2016)



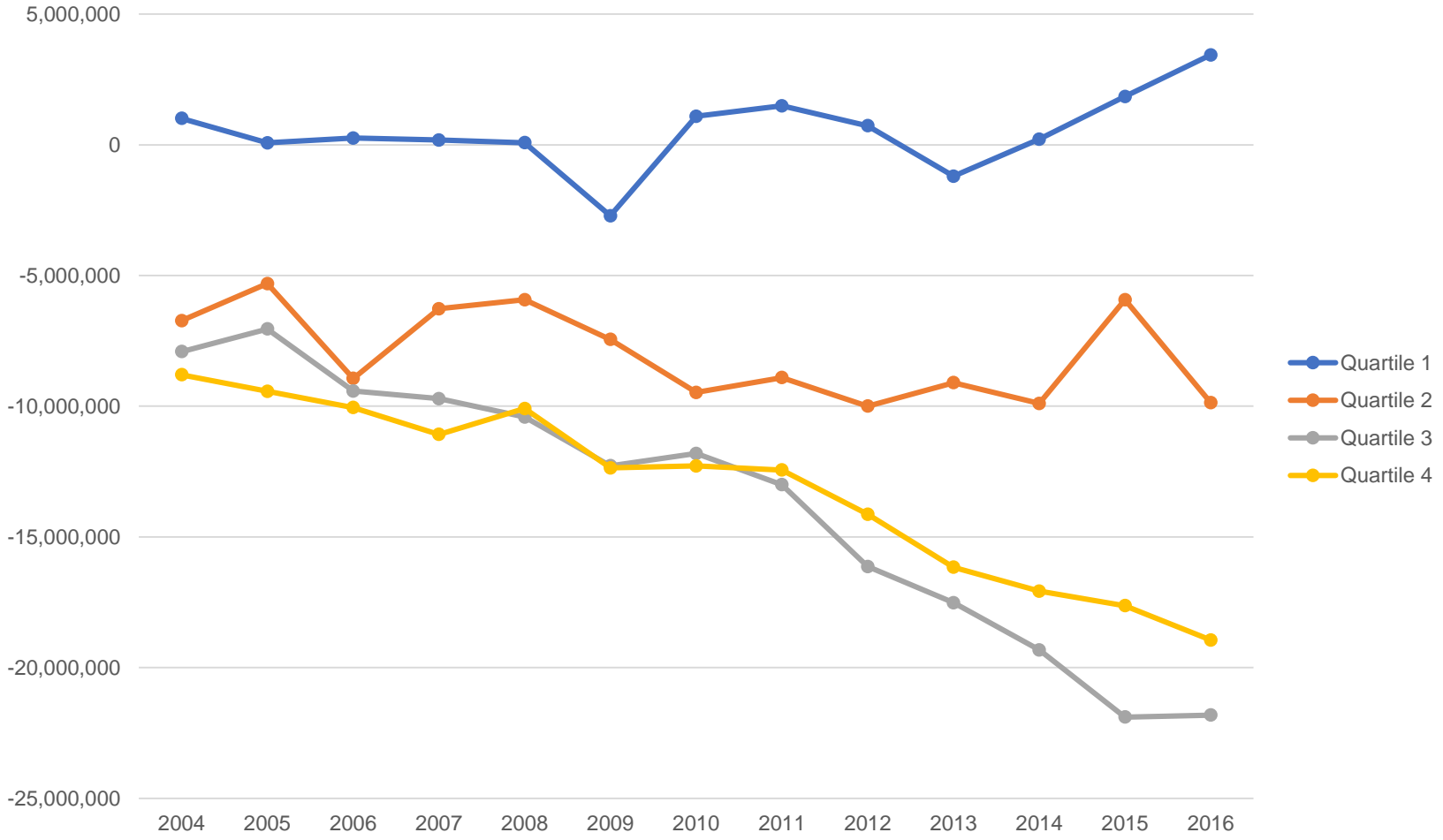
Percentage increase from 2004-2016: Quartile 1 = 26.6%
 Quartile 2 = 50.7%
 Quartile 3 = 215.5%
 Quartile 4 = 123.5%

Division I FBS Median Total Expenses By Expense Quartile and Year (2004 – 2016)



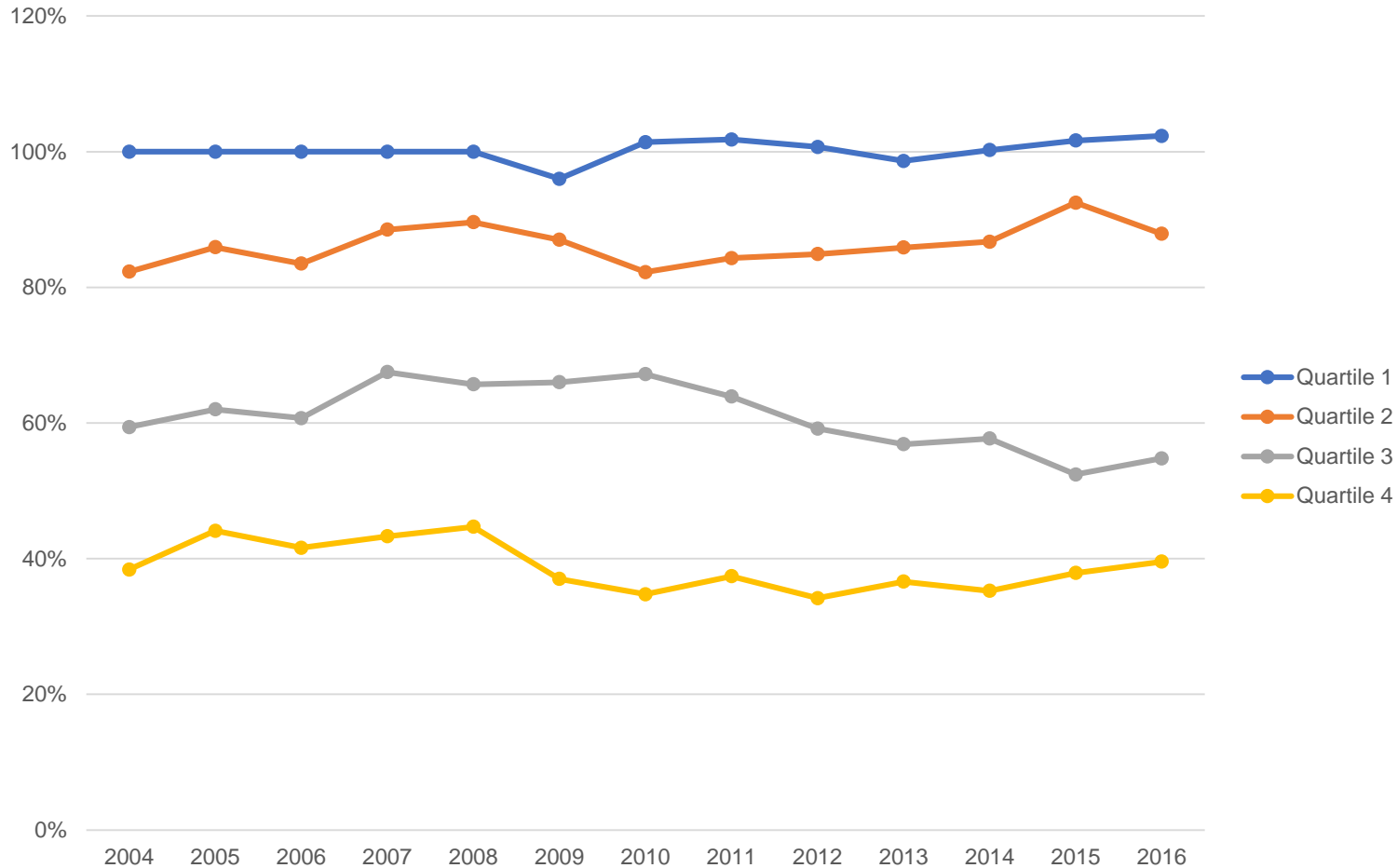
Percentage increase from 2004-2016: Quartile 1 = 141.5%
Quartile 2 = 131.7%
Quartile 3 = 105.4%
Quartile 4 = 102.3%

Division I FBS Net Generated Revenue By Expense Quartile and Year (2004 – 2016)



Percentage increase from 2004-2016: Quartile 1 = 240.6%
 Quartile 2 = 46.6%
 Quartile 3 = 175.8%
 Quartile 4 = 115.3%

Division I FBS Median Revenue Self-Sufficiency (Gen. Rev by Total Exp.) By Expense Quartile and Year (2004 – 2016)



2016 Top Four Revenue Categories for FBS Institutions

By Expense Quartile

	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall FBS
Category 1 (% of Total)	Ticket Sales (25%)	Broadcast Rights (21%)	Direct Inst. Support (23%)	Student Fees (30%)	Alumni Contributions (19%)
Category 2 (% of Total)	Alumni Contributions (24%)	Alumni Contributions (19%)	Student Fees (12%)	Direct Inst. Support (25%)	Ticket Sales (18%)
Category 3 (% of Total)	Broadcast Rights (18%)	Ticket Sales (17%)	Alumni Contributions (13%)	Alumni Contributions (10%)	Broadcast Rights (15%)
Category 4 (% of Total)	Royalties and Sponsorships (9%)	NCAA/Conf. Distributions (13%)	Ticket Sales (11%)	NCAA/Conf. Distributions (9%)	NCAA/Conf. Distributions (11%)

2016 Top Four Expense Categories for FBS Institutions By Expense Quartile

	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall FBS
Category 1 (% of Total)	Salaries and Benefits (36%)	Salaries and Benefits (36%)	Salaries and Benefits (35%)	Salaries and Benefits (32%)	Salaries and Benefits (35%)
Category 2 (% of Total)	Facilities and Maintenance (20%)	Facilities and Maintenance (15%)	Grants-in-Aid (17%)	Grants-in-Aid (23%)	Facilities and Maintenance (16%)
Category 3 (% of Total)	Grants-in-Aid (12%)	Grants-in-Aid (16%)	Facilities and Maintenance (13%)	Facilities and Maintenance (10%)	Grants-in-Aid (15%)
Category 4 (% of Total)	Other Expenses (7%)	Other Expenses (7%)	Team Travel (8%)	Team Travel (8%)	Team Travel (6%)

Summary of 2004 – 2016 FBS Revenue and Expense Detail

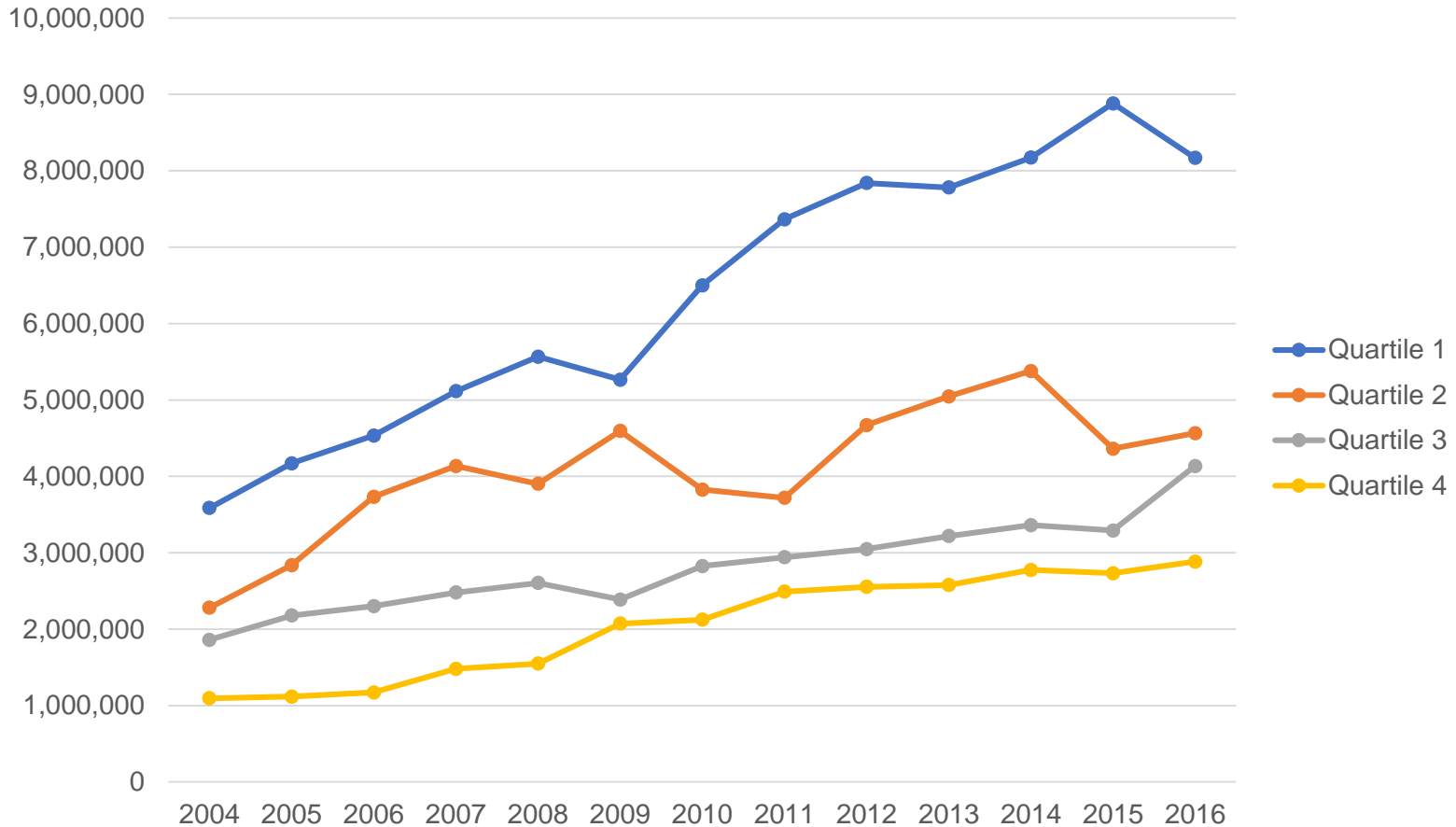
- ▶ There are large disparities within FBS in both revenues and expenses. For instance, the median expenses in the top quartile were approximately \$119 million, versus a median of \$29.1 million in the lowest quartile.
- ▶ The gap between high and low seems to be widening. The lowest quartiles shows the lowest rates of growth in generated revenues; conversely, the top two quartiles are growing expenses at the fastest rates.
- ▶ No positive growth in net generated revenue is shown.
- ▶ Ticket sales is the top revenue category in the top quartile, while student fees is the top revenue generator in the lowest quartile.
- ▶ Salaries are the main expense items in all quartiles at approximately 34.8% of total expenses. Facilities expenses are second for the top two quartiles, for the bottom two it is grants-in-aid.

Revenue and Expense Detail for FCS Institutions By Expense Quartile

Median 2016 Revenues and Expenses for FCS Institutions By Expense Quartile

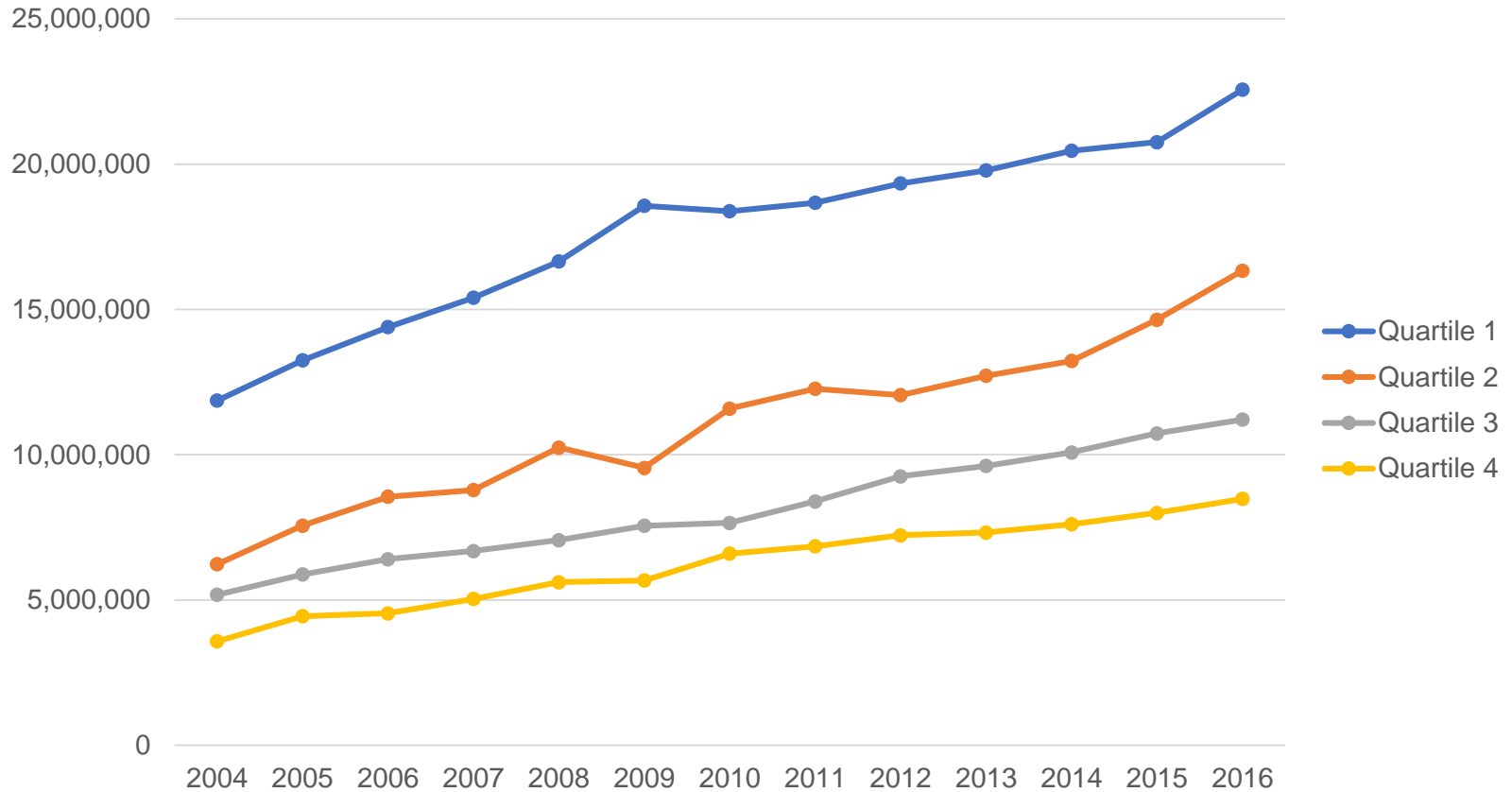
	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall FCS
Generated Revenues	\$8,167,608	\$4,565,875	\$4,135,509	\$2,884,293	\$4,492,005
Total Revenues	\$30,769,612	\$21,333,182	\$15,255,219	\$11,753,701	\$17,409,038
Total Expenses	\$30,422,315	\$20,415,940	\$15,556,852	\$11,903,831	\$17,289,540
Net Generated Revenue	(\$21,835,851)	(\$15,925,668)	(\$11,413,535)	(\$8,496,140)	(\$12,550,127)

Division I FCS Median Generated Revenues By Expense Quartile and Year (2004 – 2016)



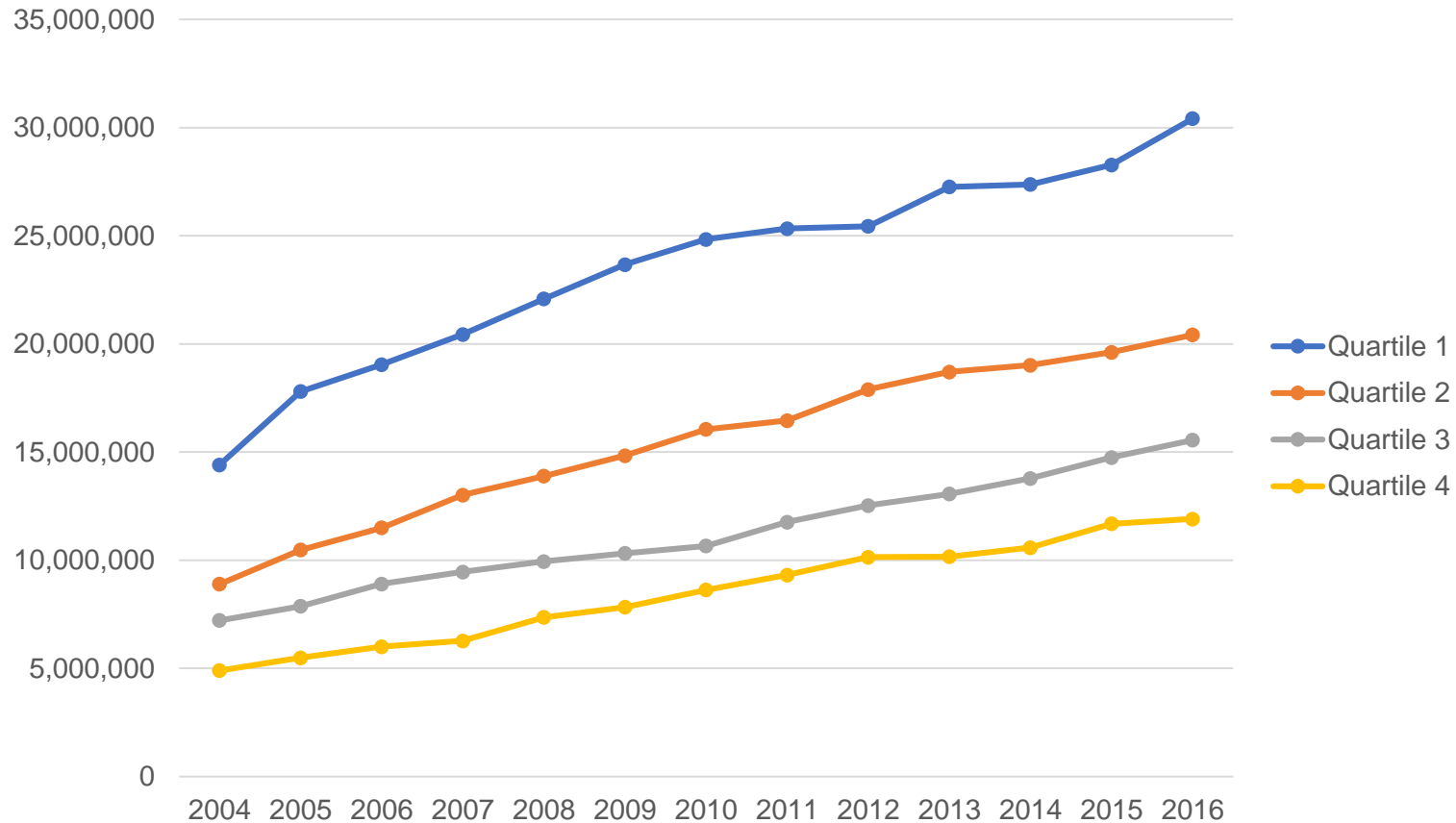
Percentage increase from 2004-2016: Quartile 1 = 127.7%
 Quartile 2 = 100.3%
 Quartile 3 = 122.3%
 Quartile 4 = 163.3%

Division I FCS Median Allocated Revenues By Expense Quartile and Year (2004 – 2016)



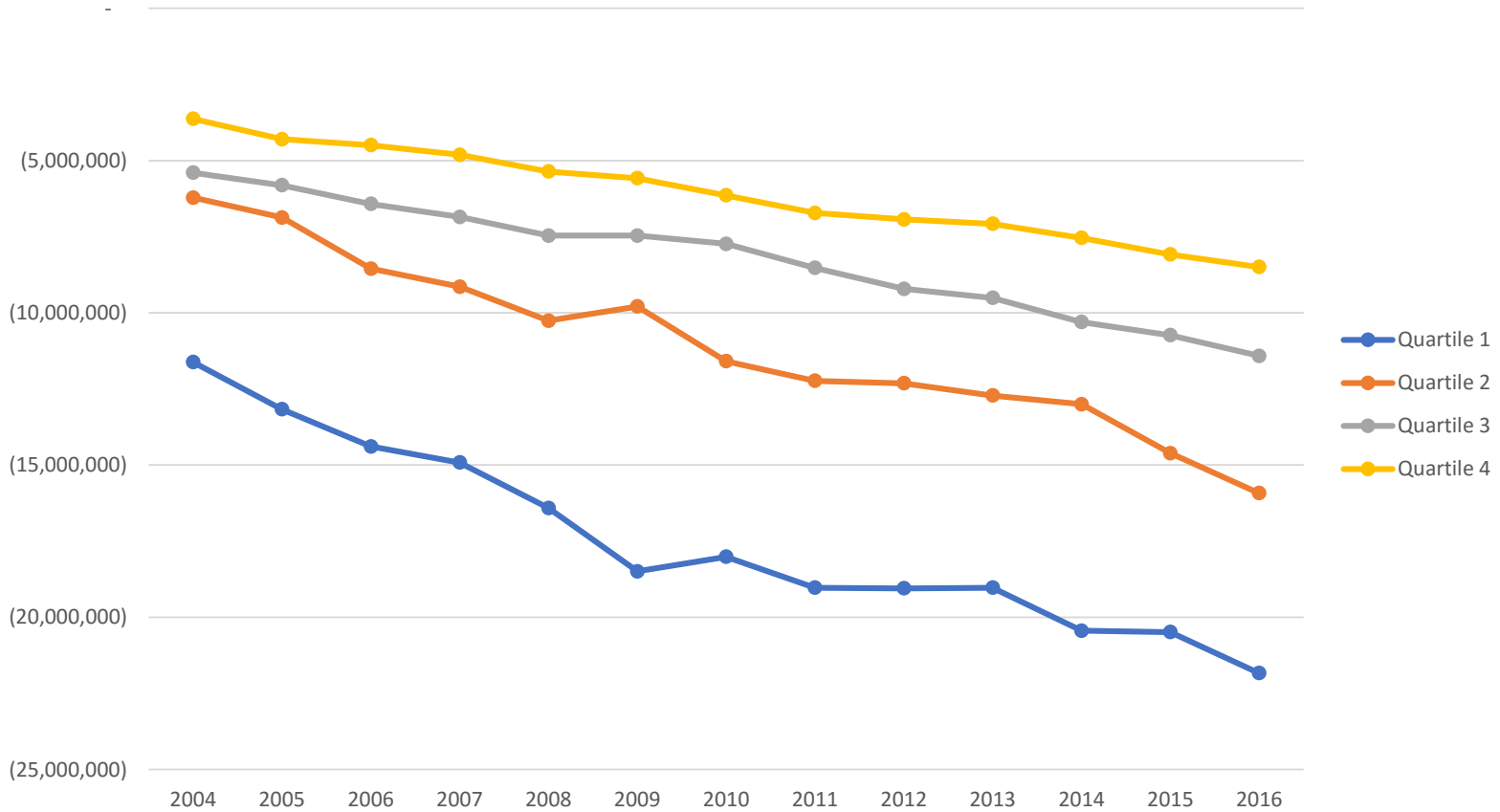
Percentage increase from 2004-2016: Quartile 1 = 90.2%
Quartile 2 = 162.3%
Quartile 3 = 116.3%
Quartile 4 = 137.1%

Division I FCS Median Total Expenses By Expense Quartile and Year (2004 – 2016)



Percentage increase from 2004-2016: Quartile 1 = 159.4%
 Quartile 2 = 242.5%
 Quartile 3 = 194.5%
 Quartile 4 = 228.8%

Division I FCS Net Generated Revenue By Expense Quartile and Year (2004 – 2016)



2016 Top Four Revenue Categories for FCS Institutions By Expense Quartile

	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall FBS
Category 1 (% of Total)	Direct Inst. Support (42%)	Direct Inst. Support (51%)	Direct Inst. Support (52%)	Direct Inst. Support (38%)	Direct Inst. Support (46%)
Category 2 (% of Total)	Student Fees (15%)	Indirect Inst. Support (11%)	Student Fees (12%)	Student Fees (25%)	Student Fees (15%)
Category 3 (% of Total)	Indirect Inst. Support (12%)	Student Fees (10%)	Alumni Contributions (7%)	Guarantees- Revenues (9%)	Indirect Inst. Support (10%)
Category 4 (% of Total)	Alumni Contributions (11%)	Alumni Contributions (9%)	Indirect Inst. Support (7%)	Alumni Contributions (6%)	Alumni Contributions (9%)

2016 Top Four Expense Categories for FCS Institutions By Expense Quartile

	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall FBS
Category 1 (% of Total)	Salaries and Benefits (31%)	Salaries and Benefits (32%)	Grants-in-Aid (32%)	Salaries and Benefits (33%)	Salaries and Benefits (32%)
Category 2 (% of Total)	Grants-in-Aid (21%)	Grants-in-Aid (28%)	Salaries and Benefits (31%)	Grants-in-Aid (32%)	Grants-in-Aid (27%)
Category 3 (% of Total)	Facilities and Maintenance (12%)	Indirect Inst. Support (9%)	Team Travel (9%)	Team Travel (10%)	Team Travel (8%)
Category 4 (% of Total)	Indirect Inst. Support (9%)	Facilities and Maintenance (6%)	Indirect Inst. Support (6%)	Equipment, Uniforms (4%)	Facilities and Maintenance (8%)

Summary of 2004 – 2016 FCS Revenue and Expense Detail

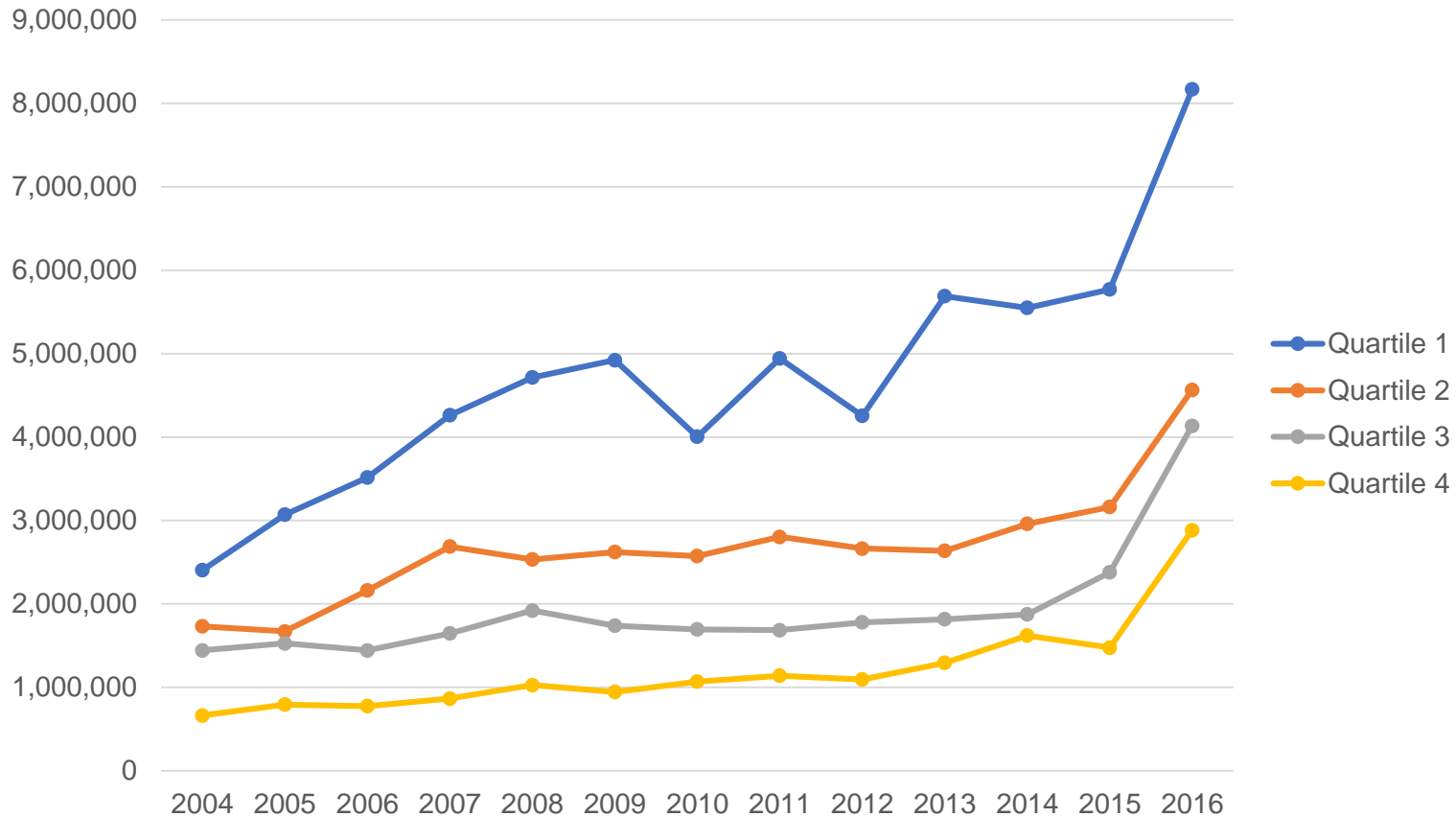
- ▶ There are large disparities within FCS in both revenues and expenses. For instance the median expenses in the top quartile were approximately \$30.4 million, versus a median of \$17.9 million in the lowest quartile.
- ▶ The gap between high and low seems to be widening.
- ▶ No positive growth in net generated revenue is shown.
- ▶ Direct institutional support is the top revenue category in all quartiles.
- ▶ Salaries and grants-in-aid are the top two expense items in all quartiles. Salaries are approximately 32% of total expenses and grants-in-aid follow at 27% for overall expenses.

Revenue and Expense Detail for No MFB Institutions By Expense Quartile

Median 2016 Revenues and Expenses for No MFB Institutions By Expense Quartile

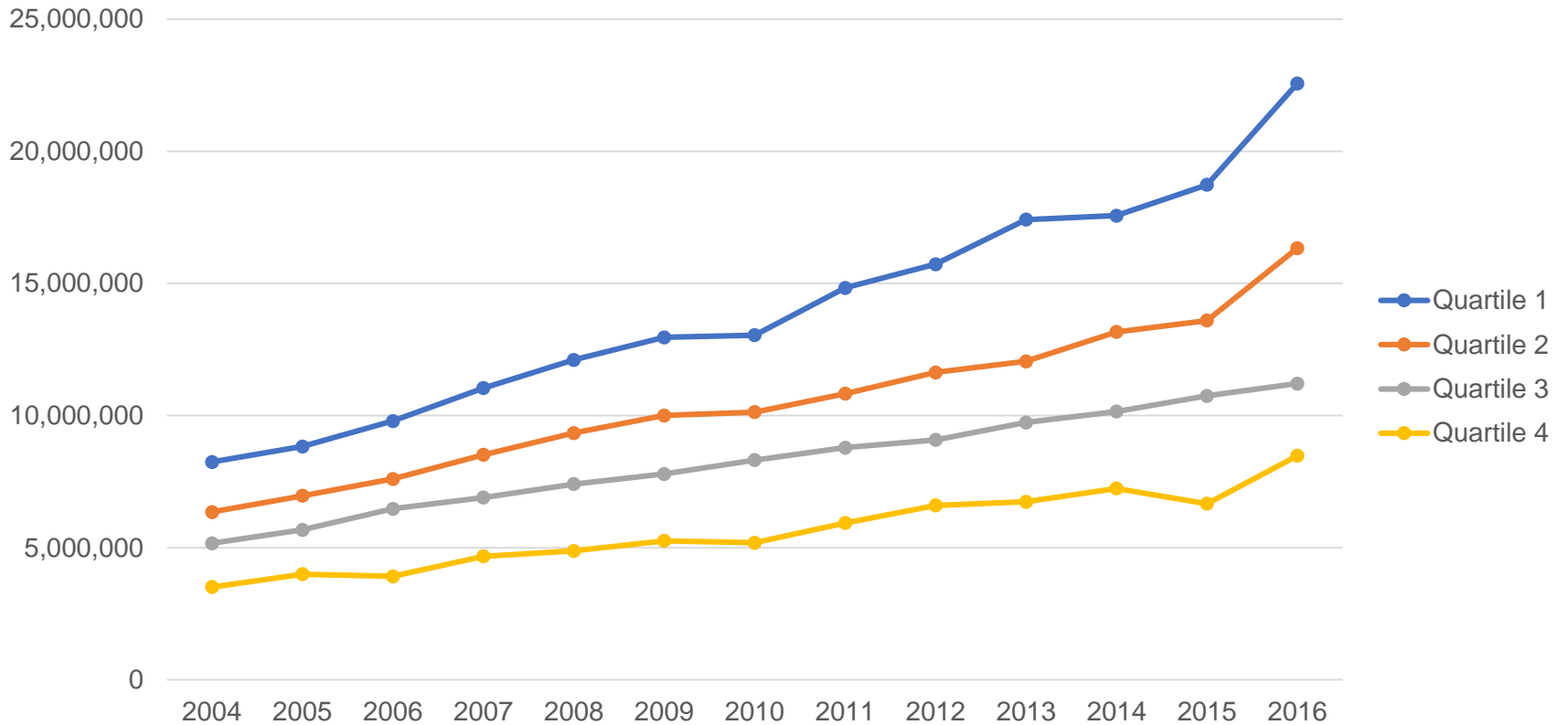
	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall No MFB
Generated Revenues	\$7,461,964	\$3,319,304	\$2,035,277	\$1,732,962	\$2,841,669
Total Revenues	\$27,909,979	\$18,095,674	\$14,017,116	\$10,319,247	\$16,017,632
Total Expenses	\$25,968,147	\$18,207,648	\$13,863,105	\$10,439,388	\$15,955,636
Net Generated Revenue	(\$20,355,598)	(\$14,238,700)	(\$11,721,952)	(\$7,977,346)	(\$12,595,437)

Division I No MFB Median Generated Revenues By Expense Quartile and Year (2004 – 2016)



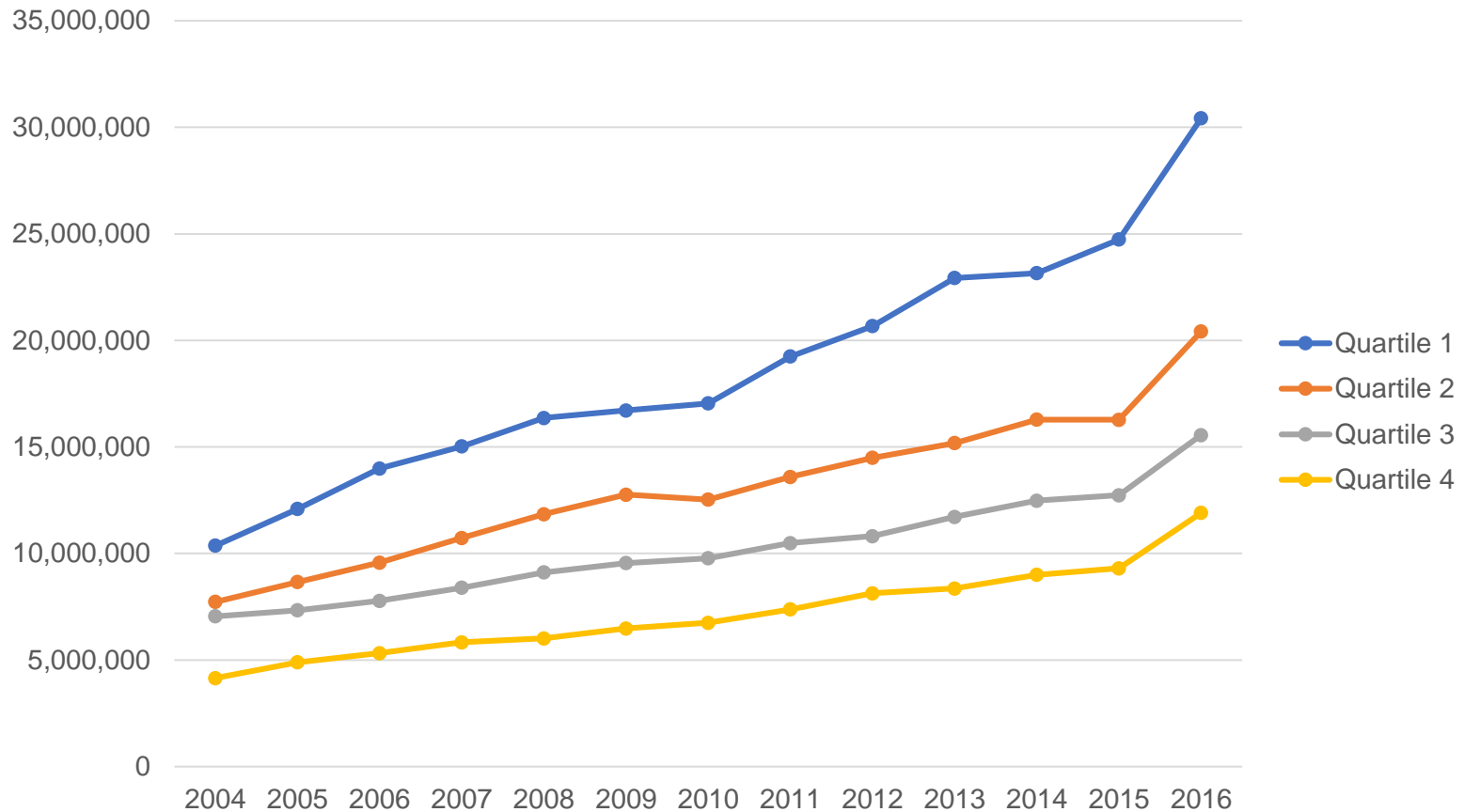
Percentage increase from 2004-2016: Quartile 1 = 239.7%
 Quartile 2 = 163.5%
 Quartile 3 = 186.4%
 Quartile 4 = 335.1%

Division I No MFB Median Allocated Revenues By Expense Quartile and Year (2004 – 2016)



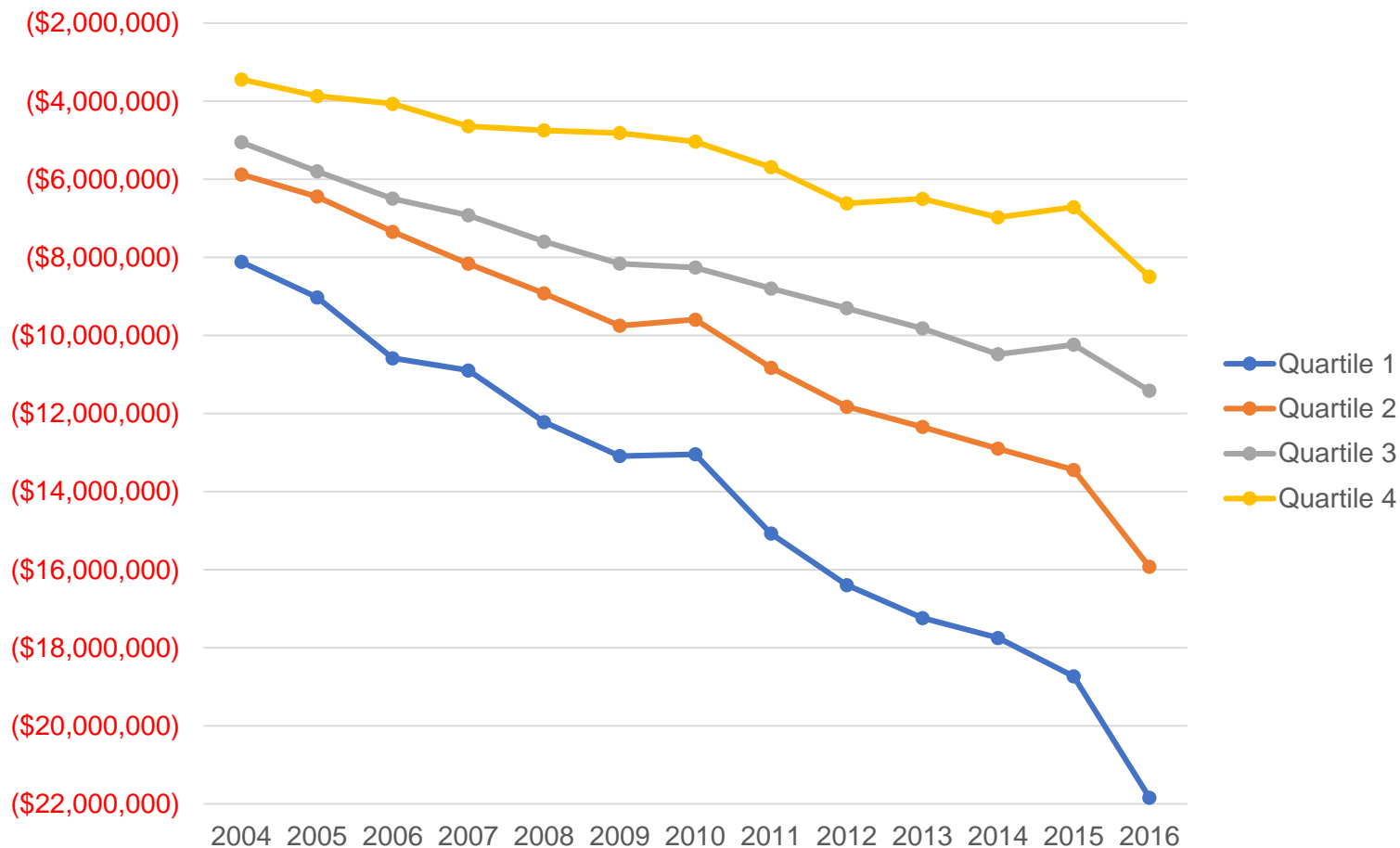
Percentage increase from 2004-2016: Quartile 1 = 173.9%
Quartile 2 = 157.3%
Quartile 3 = 117.1%
Quartile 4 = 141.8%

Division I No MFB Median Total Expenses By Expense Quartile and Year (2004 – 2016)



Percentage increase from 2004-2016: Quartile 1 = 193.3%
Quartile 2 = 164.1%
Quartile 3 = 120.6%
Quartile 4 = 186.6%

Division I No MFB Net Generated Revenue By Expense Quartile and Year (2004 – 2016)



Percentage increase from 2004-2016: Quartile 1 = 169.0%
 Quartile 2 = 171.1%
 Quartile 3 = 126.0%
 Quartile 4 = 146.7%

2016 Top Four Revenue Categories for No MFB Institutions By Expense Quartile

	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall No MFB
Category 1 (% of Total)	Direct Inst. Support (52%)	Direct Inst. Support (57%)	Direct Inst. Support (54%)	Direct Inst. Support (54%)	Direct Inst. Support (52%)
Category 2 (% of Total)	Indirect Inst. Support (12%)	Student Fees (14%)	Student Fees (22%)	Student Fees (30%)	Student Fees (15%)
Category 3 (% of Total)	Alumni Contributions (9%)	Indirect Inst. Support (11%)	Indirect Inst. Support (8%)	Indirect Inst. Support (5%)	Indirect Inst. Support (10%)
Category 4 (% of Total)	Student Fees (7%)	Alumni Contributions (5%)	Alumni Contributions (5%)	Alumni Contributions (5%)	Alumni Contributions (7%)

2016 Top Four Expense Categories for No MFB Institutions By Expense Quartile

	Quartile 1	Quartile 2	Quartile 3	Quartile 4	Overall No MFB
Category 1 (% of Total)	Salaries and Benefits (31%)	Salaries and Benefits (32%)	Salaries and Benefits (34%)	Salaries and Benefits (32%)	Salaries and Benefits (32%)
Category 2 (% of Total)	Grants-in-Aid (27%)	Grants-in-Aid (29%)	Grants-in-Aid (30%)	Grants-in-Aid (31%)	Grants-in-Aid (29%)
Category 3 (% of Total)	Indirect Inst. Support (9%)	Indirect Inst. Support (9%)	Team Travel (9%)	Team Travel (9%)	Team Travel (8%)
Category 4 (% of Total)	Facilities and Maintenance (8%)	Team Travel (8%)	Indirect Inst. Support (8%)	Facilities and Maintenance (5%)	Indirect Inst. Support (8%)

Summary of 2004 – 2016 No MFB Revenue and Expense Detail

- ▶ There are large disparities within Division I schools without MFB in both revenues and expenses. For instance, the median expenses in the top quartile were approximately \$26 million, versus a median of \$10.4 million in the lowest quartile.
- ▶ The gap between high and low seems to be widening. The third quartile shows the lowest rate of growth in both generated revenues and expenses.
- ▶ No positive growth in net generated revenue is shown.
- ▶ Direct institutional support is the top revenue category in all quartiles, followed by indirect institutional support in the top quartile and student fees in the bottom three quartiles.
- ▶ Salaries are the main expense items in all four quartiles at approximately 32% of total expenses. Grants-in-aid follows at 29% for overall expenses.



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