

UC DAVIS

A T H L E T I C S

Objectives of Today's Meeting

- 1. Provide an overview of Intercollegiate Athletics and how the organization operates.**
- 2. Help you understand the dynamics that drive ICA's financial model.**
- 3. Answer your questions.**

Intercollegiate Athletics At-a-Glance

- **Over 650 student-athletes compete on 25 varsity athletics teams. 16 women's teams and 9 men's teams.**
- **Compete at the FCS level of Division I in a handful of conferences – most notably the Big West and Big Sky.**
- **Undergraduate students voted to transition from Division II to Division I more than 20 years ago.**
- **Hire over 150 students to work part-time and about 5 recent graduates into full time jobs each year.**

ICA works with campus partners to pursue *institutional* opportunities.

- **Community-building for students, staff, and City of Davis residents.**
 - Approximately 120,000 people attend ICA events in a given year.
- **Visibility for all of UC Davis.**
 - Over 4M people watched UC Davis in 2017 NCAA Tournament.
 - Messaging on sports broadcasts promotes broad academic strengths.
- **Alumni engagement and fundraising opportunities.**
 - Chancellor May and DEVAR use athletics events for fundraising opportunities
- **Other collaborative partnerships with campus groups**
 - Temporary location for the ASUCD Pantry during COVID-19







SCHOOL PROFILE

UC DAVIS AGGIES

LOCATION: DAVIS, CA

ENROLLMENT: 35,186

CONFERENCE: BIG WEST

#1 UNIVERSITY FOR VETERINARY MEDICINE

▲ RANKED 6TH BEST PUBLIC UNIV IN NATION

▲ ACCORDING TO WALL STREET JOURNAL



0:04 / 1:38





San Diego Duck

@PeterJ20

Follow



@YogiRoth I was not aware UC Davis was such a strong academic school...looked it up during the telecast and was surprised...

1:26 PM - 15 Sep 2018

1 Like



2



1



Tweet your reply



Yogi Roth @YogiRoth · 15h



Replying to **@PeterJ20**

Yea, really impressive university. Adding **@CoachHawkinsUCD** & it's going to be a special combination in CFB/school. Thanks for watching **@Pac12Network**



1



3



3



San Diego Duck @PeterJ20 · 15h



It was not that long ago they were d2...impressive jump! I played against them in preseason at western Oregon...we always thought it was strange playing a d2 school with 25k enrollment haha



He is a mentor, coach and commentator... is there anything [@CoachHawkinsUCD](#) cannot do? The [@FCS_STATS](#) Coach of the Year is in Frisco, TX, at the [@NCAA_FCS](#) nat'l championship game sharing his thoughts and opinions on [@espn](#) [#GoAgs](#) [#AGScension](#)





Financial operating principles

1. Transparent

- Kevin's cell phone number is (530)-219-4023.
- Open invitation to be "AD for the day" and shadow.

2. Frugal

- Staff salaries that are lower than the campus average and our staffing model is lean.
- We have no administrative assistants.
- Budgets are managed tightly.

3. Clear and easy to understand

- We want you to know and understand all of the facts.

Revenue Categories

Student Fees

Generated Revenue

Institutional Support

Expense Categories

Salary and Benefits

Scholarships

Operating Expenses

Debt Service

Revenue Categories

Expense Categories

Student Fees

Generated Revenue

Institutional Support

*“Allocated
revenue”*

Salary and Benefits

Scholarships

Operating Expenses

Debt Service

On average, athletics programs at the FCS level operate with about $\frac{3}{4}$ of revenue coming from allocated sources (e.g., fees or institutional support). UC Davis typically approximates the FCS average.

(Source: WinAD Database)

The San Diego Union-Tribune

UCSD students vote to fund Div. I sports



UC San Diego athletes celebrate after undergraduates voted to more than double student athletics fees to fund a move to NCAA Division I in sports. (K.C. Alfred)

Nearly 70 percent said yes to Div. I and the accompanying fee hike.

Generated Revenue Has Grown Substantially; Temporarily Disrupted by COVID-19

- **Fundraising**

- Increased annual fundraising by over 150% since FY16.
- Including capital gifts, fundraising increased from \$2M in FY16 to \$7.2M in FY20.
- ICA led all schools and units in revenue and donors on Give Day 2017, 2018 and 2019.
- First endowed head coaching position in school history in 2017.
- Secured largest gift in UC Davis Athletics history in 2018.

- **Ticket Sales**

- Ticket revenue increased by 77% from FY17 to FY19; not including football playoff revenues, ticket revenue increased 48%.

- **Sponsorship**

- Forthcoming announcement of stadium naming rights deal.
- Partnership with Learfield (third party sales agency) to help increase monetization of sponsorship assets.

- **Game Guarantees**

- Generated all time high of almost \$1.5M in revenue from game guarantees in 18-19.

Fundraising Has Allowed Us to Do a Number of Much-Needed Capital Projects

- **Student Athlete Performance Center**
- **Batting Cages**
- **Schaal Aquatics Center**
- **Women's Basketball Locker Room**
- **Equestrian Center – Western Arena**
- **Men's and Women's Soccer Locker Room**

EXTERIOR DESIGN

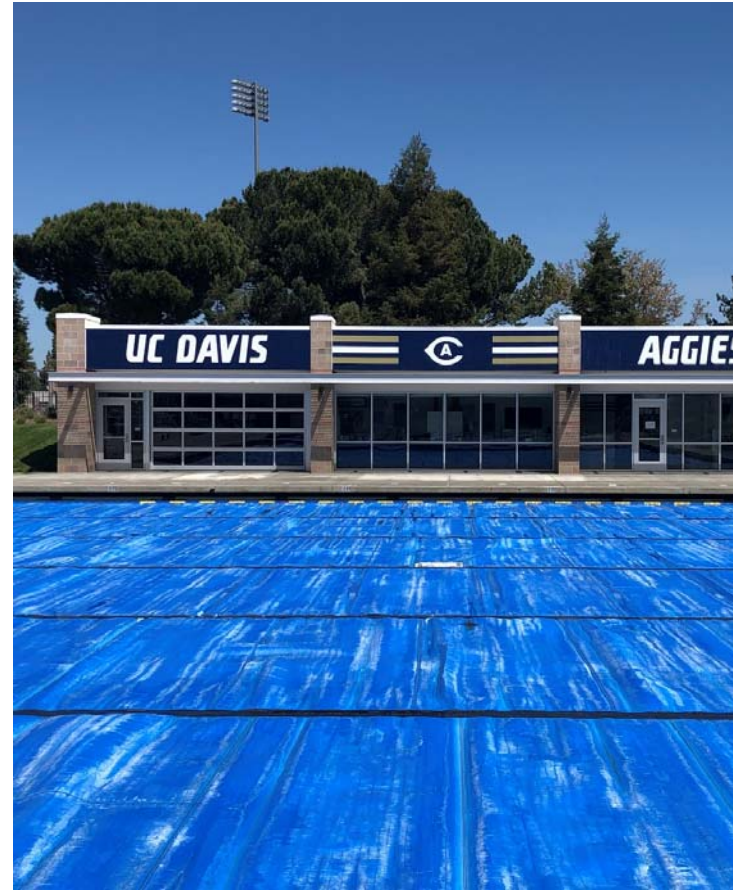


Student Athlete Performance Center

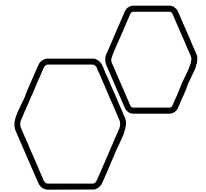


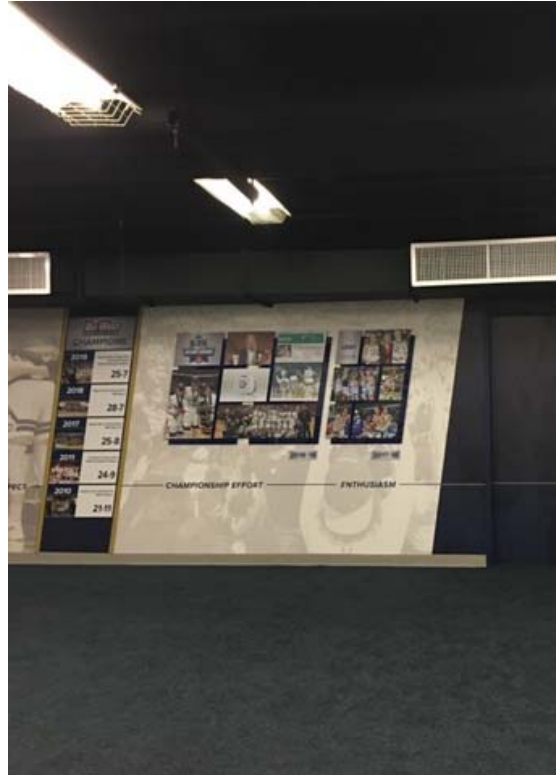
Covered Batting Cages





Schaal Aquatics Center





Women's Basketball Locker Room



Equestrian Center – Western Arena





Men's and Women's Soccer Locker Rooms



How COVID-19 is Affecting Our Finances

- **Anticipate a reduction in revenue of approximately 7%:**
 - **Game Guarantees: -\$1.1M**
 - **Ticket Revenue: -\$688K**
 - **Development: -\$550K**
 - **NCAA Revenues: -\$441K**
 - **Sponsorships (Pepsi): -\$59K**
 - **Total Loss: \$2.8M**

- **Loss in revenue offset by following expenditure reductions:**
 - **Sport Budgets: -\$1.5M (reduced travel, other savings)**
 - **Salary and Benefits: -\$700K (no pay raises, keeping positions open)**
 - **Administrative/Other Savings: -\$600K (various actions)**
 - **Total reductions: \$2.8M**

Revenue Categories

Student Fees

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Institutional Support

Expense Categories

Salary and Benefits

Scholarships

Operating Expenses

Debt Service

Some costs in athletics are not within our immediate control.

Many costs are subject to inflationary increases.

We are frugal and vigilant about controlling expenses.

- Campus per diem limit is \$62; ICA is \$30.**
- Campus lodging cap is \$275/night. We budget at \$145/night (2 per hotel room).**
- ICA staffing very lean and staff generally make less than other parts of campus.**
- Administrative budgets have been reduced annually by 2-5% for the past three years.**
- Increased costs are generally due to inflationary increases for salary/benefits, scholarships, travel and equipment, as well as investments in facilities and student-focused initiatives.**

Other fundamental financial trends in college athletics:

- **No FCS school, and only 15 of the FBS public schools, operates without either student fees or institutional support.** (Source: USA Today 2018-19 NCAA Finances)
- **The median ratio of athletics expenses to institutional expenses has grown from just over 5% in 2004 to 8% in 2016. This ratio at UC Davis is 0.7% in 2018-2019.**
(Source: NCAA Revenue and Expense Report)
- **UC San Diego students recently voted for a similar fee structure to transition UCSD's athletics program to D1. They will join the Big West Conference in the coming years.**

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