



**KSU Football and Title IX
Presentation to the Board of Regents
Finance and Business Operations
Committee**

February 13, 2013



BACKGROUND

- **Sept. 2008 and Aug. 2009: BOR briefed on KSU Sports and Recreation Park, including possibility of football**
- **Dec. 2009: Football Exploratory Comm. named**
- **Sept. 2010: FEC recommends adding football**
- **Nov. 2010: Student referendum supports football**
- **Dec. 2010-Now: Fund-raising underway**
- **May-August 2012: Major asks made**
- **Sept. 2012: Major ask succeeds**
- **Oct. 2012: Student Fee Committee supports fee 10-1**
- **Jan. 2013: SGA reaffirms support for fee 24-1**



USG FOOTBALL PROGRAMS

| <u>SCHOOL</u> | <u>FTBL STARTED</u> | <u>DIVISION</u> | <u>2012 STUDENTS</u> |
|----------------|---------------------|-----------------|----------------------|
| UGA | 1892 | IA | 34,518 |
| Ga. State | 2010 | IA | 32,087 |
| Kennesaw | 2015? | IAA | 24,462 |
| Ga. Tech | 1892 | IA | 21,558 |
| Ga. Southern | 1982 | IAA | 20,574 |
| Valdosta State | 1982 | II | 12,515 |
| West Georgia | 1981 | II | 11,769 |
| Savannah State | 1915 | IAA | 4,582 |
| Albany State | 1947 | II | 4,275 |
| Fort Valley | 1947 | II | 3,568 |



WHY FOOTBALL IS IMPORTANT FOR KSU

- Provides more complete collegiate experience
- Helps student, faculty & staff recruitment
- Improves retention & graduation rates
- Adds to connections, networks & pride
- Assists in fund-raising
- Aids in branding



THE PROPOSED FEE INCREASE FOR FOOTBALL AND TITLE IX

- \$100 increase in student athletic fee per semester beginning in Fall Semester 2013, from \$152 to \$252
- Will generate \$4.8-\$5.4 million per year
- Supported by 55.5% vote of students, with over 7,000 students (32% of student body) voting, in Nov. 2010
- Supported by 10-1 Student Fee Committee vote in Oct. 2012
- Reaffirmed by 24-1 SGA vote in Jan. 2013



How Athletic Fees Will Be Used

- **Scholarships**
- **Academic Support**
- **Athletic Training**
 - Supplies
 - Insurance
- **Football/Title IX Sports Operations**
 - Travel
 - Equipment/Uniforms/Supplies
 - Recruiting
 - Strength & Conditioning Supplies
- **Game Day Operations**
 - Game Day Staff
 - Rental Equipment
- **Coaches' Salaries & Fringes**
- **Marching Band**



TITLE IX STRATEGIC PLAN

FY13: Add Women's Lacrosse

**FY14: Fully fund Women's Track & Field/Cross
Country to 18 scholarships**

**FY14-16: Fully fund Women's Lacrosse to 12
scholarships**

FY18: Likely additional Title IX Sports:

Acrobatics & Tumbling

Crew

Equestrian

Sand Volleyball



ELEMENTS OF INSTITUTIONAL FINANCIAL CONTROL

- KSU's President chairs Athletic Association Board
- KSU's Attorneys' Office provides legal review of all contracts over \$5,000
- KSU's Athletic Association Executive Committee (President, KSU CBO, AD, and Faculty Athletic Board Chair) approves all contracts over \$5,000
- KSU's CBO sits on Athletic Association Board and signs all contracts over \$10K



IN-HAND SPONSORSHIPS AND GIFTS

- Major sponsor committed to sign MOU at \$5 million over 10 years
- Eight letters of intent for suite rentals at \$35K each, totaling \$280K in year one
- Two high probability verbal commitments for suite rentals at \$35K each, totaling \$70K in year one
- Letter from KSU Foundation promising continuing support at \$200K per year



MOST LIKELY PRO FORMA WITH REVENUE FROM ALL SOURCES

Including revenue from:

- **Corporate Sponsorships and Donations**
- **Apparel Sales**
- **Concession Sales**
- **Game Day Sponsorships**
- **Parking Revenues**
- **Tail Gate Location Rentals in KSU Sports and Recreation Park**



MOST LIKELY PRO FORMA (in millions)

| | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
|------------------|--------------|--------------|--------------|--------------|--------------|
| REVENUES | \$5.7 | \$6.4 | \$6.9 | \$7.3 | \$8.0 |
| Student Fees | \$4.8 | \$5.1 | \$5.2 | \$5.3 | \$5.4 |
| Naming Rights | \$0.5 | \$0.5 | \$0.5 | \$0.5 | \$0.5 |
| Other Gifts | \$0.2 | \$0.2 | \$0.2 | \$0.2 | \$0.2 |
| Ticket Sales | ---- | \$0.4 | \$0.4 | \$0.4 | \$0.5 |
| Other Corporate | \$0.2 | \$0.2 | \$0.2 | \$0.3 | \$0.4 |
| Guarantee Games | ---- | ---- | \$0.3 | \$0.3 | \$0.6 |
| Game Day Sponsor | ---- | ---- | \$0.1 | \$0.1 | \$0.1 |
| Food and Clothes | ---- | ---- | \$0.1 | \$0.1 | \$0.2 |
| Parking/Tailgate | ---- | ---- | \$0.1 | \$0.1 | \$0.1 |
| EXPENSES | \$4.2 | \$6.2 | \$6.6 | \$6.9 | \$7.6 |
| Football Ops. | \$2.2 | \$4.2 | \$4.5 | \$4.7 | \$4.9 |
| Admin Support | \$1.2 | \$1.8 | \$1.8 | \$1.8 | \$1.8 |
| Title IX Sports | \$0.2 | \$0.2 | \$0.3 | \$0.4 | \$0.9 |
| Start-Up Costs | \$0.6 | ---- | ---- | ---- | ---- |



Five Year Reserve ~ \$2.8 million

REDUCED EXPENSE PRO FORMA

FY14: No stadium improvements saves \$500K

FY15: No stadium improvements & reduced marching band support saves \$600K

FY16: Same reductions as FY 15 saves \$600K

FY17: No stadium improvements, reduced marching band support & no 5th year support saves \$700K

FY18: Same reductions as FY 17 saves \$700K



REDUCED EXPENSE

PRO FORMA (in millions)

| | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> |
|-----------------|--------------|--------------|--------------|--------------|--------------|
| REVENUES | \$5.3 | \$6.0 | \$6.0 | \$6.3 | \$6.9 |
| Student Fees | \$4.8 | \$5.1 | \$5.1 | \$5.1 | \$5.1 |
| Naming Rights | \$0.5 | \$0.5 | \$0.5 | \$0.5 | \$0.5 |
| Other Gifts | ---- | ---- | ---- | ---- | ---- |
| Ticket Sales | ---- | \$0.4 | \$0.4 | \$0.4 | \$0.5 |
| Other Corporate | ---- | ---- | ---- | ---- | ---- |
| Guarantee Games | ---- | ---- | ---- | \$0.3 | \$0.6 |
| KSU Foundation | ---- | ---- | ---- | ---- | \$0.2 |
| EXPENSES | \$3.7 | \$5.6 | \$6.0 | \$6.2 | \$6.9 |
| Football Ops | \$2.2 | \$4.2 | \$4.5 | \$4.6 | \$4.8 |
| Admin Support | \$0.7 | \$1.2 | \$1.2 | \$1.2 | \$1.2 |
| Title IX Sports | \$0.2 | \$0.2 | \$0.3 | \$0.4 | \$0.9 |
| Start-Up Costs | \$0.6 | ---- | ---- | ---- | ---- |



Five Year Reserve ~ \$2.1 million

THE BOTTOM LINE

- Our students, alumni, and community want football!
- We can afford football and additional women's sports!
- We will maintain institutional control!
- Football will further enhance KSU's growth and reputation as an up-and-coming national-class educational institution!



Thank You!

