

YSU Budget Advisory Council

Minutes for the meeting of April 28, 2017

2:00 p.m. – Tod Hall, Leaders Conference Room

Members in attendance: Dr. Martin Abraham, Elaine Jacobs, Len Schiavone (by phone), Amy Gordon, Carly Devenburgh, Lisa Mudryk, Eddie Howard, Gabriella Gessler, Dr. Tomi Ovaska, Dr. Ken Learman, Dr. Charles Howell, Dr. Jeff Tyus, Carole Weimer, Jacob Schrinier-Briggs, Neal McNally.

Guests in attendance: Ron Strollo and Jasmine Harper.

Members absent: Dr. Jeffrey Coldren, Connie Augustine-Thompson, Dr. Thomas Wakefield.

1. The meeting convened at 2:00 p.m. The minutes from the 4/12/17 meeting, which had been distributed prior to today's meeting, were accepted as final without changes.
2. Jasmine Harper, a YSU freshman participating in the Navarro Executive Fellows program, made a PowerPoint presentation regarding budget committee models used at other universities, including Cleveland State, Ohio University, John Carroll, Kent State, the University of Iowa, and California State-Channel Islands. Ms. Harper's presentation is available online at:

Noting that Kent State's budget advisory committee is based in KSU's faculty senate, Tomi Ovaska asked who on YSU's budget advisory council are considered senate appointments. Jeff Tyus and Ken Learman confirmed that they were both appointed through YSU's faculty senate, as was Tomi Ovaska. Neal McNally noted the YES Committee's efforts to define *shared governance* at YSU, and said that it would be helpful to have a more streamlined process by which senators could be nominated to serve on various campus committees at YSU.

3. YSU Athletic Director Ron Strollo presented information pertaining to the budget for YSU's intercollegiate athletics programs. Approximately \$11.3 million of Athletics' \$14.8 million budget (FY 2017) is supported by the YSU general fund budget. Regarding expenses, 33% is for scholarships; 39% is for personnel; and 28% is for operations, such as team travel, recruiting, and equipment. Mr. Strollo stated that the NCAA requires a minimum of six men's programs to maintain Division I status, making it difficult for YSU to reduce men's sports since YSU has countable six men's programs—baseball, basketball, football, golf, tennis and track (though track actually consists of three separate programs but only counts as one due to NCAA requirements). Also, to meet Horizon League minimum requirements for

membership, YSU needs to sponsor baseball.

Mr. Strollo also presented information comparing YSU athletic expenditures to the average expenses in the Missouri Valley Football Conference, the Mid-American Conference, and the Horizon League. In general, YSU's expenses are lower than the conference averages, though YSU does spend \$193,000 more on football than the MVFC average. Mr. Strollo noted that expenses were abnormally high during this fiscal year due to expenses related to the coaching change that occurred. YSU's total athletic expenses are higher than the Horizon League average, but that is because YSU is the only member of the Horizon League that has a scholarship football team. Dr. Ovaska noted that when expenses are viewed on a per student basis, YSU's costs are actually greater than the MVFC conference average. Mr. Strollo noted that YSU's cost per student is more reflective of YSU having a comparatively smaller institutional budget, rather than actual expenditures related to athletics.

Mr. Strollo presented revenue data that show that YSU fares better than the MVFC and Horizon League in terms of the level of earned income as a percentage of total athletic expenses for both football and men's basketball. Dr. Ovaska said that compared to YSU's academic affairs budget, YSU's athletics budget has increased at a greater rate over the past six years, which raises questions about the University's priorities. Mr. Strollo acknowledged that the cost of college athletics continues to grow, which is partially due to gender equity requirements and NCAA mandates. As an example, Mr. Strollo cited the relatively high cost of officiating, noting that rates YSU must pay for game officials are set by the respective league's and are non-negotiable. Mr. Strollo noted that although athletic expenditures at YSU are increasing, they are doing so at an annual rate significantly lower than peer institutions. Mr. Strollo also responded that having a Division I athletic program is the result of a long-standing institutional decision that only the YSU Board of Trustees can undo. Mr. Strollo noted the recent investment made in the men's basketball, as evidenced by the hiring of new head coach Jarred Calhoun, whose annual salary is approximately \$57,000 more than his predecessor. Despite this investment, Mr. Strollo said that salaries for YSU coaches are still the lowest in the Horizon League. He cited Wright State University and Cleveland State University, both of which are paying their basketball coaches \$501,000 and \$315,000 respectively. And despite the fact that the University spends \$11.3 million from its general fund to support Athletics, Mr. Strollo asserted that eliminating Athletics would not actually save YSU \$11.3 million. This is because many student athletes are on partial scholarships, and many reside in on-campus residence halls, thereby generating significant amounts of revenue to YSU. And the fact that YSU student athletes perform better, on average, than non-athletes helps bolster YSU's state funding, which is based in part on the student success, i.e., course completions and

degrees awarded. Mr. Strollo speculated that eliminating Athletics at YSU might save approximately \$3 to \$5 million net—nowhere near the \$11.3 million allocated from the YSU general fund budget.

There was some discussion about the athletic conferences to which YSU belongs, both of which require fairly extensive travel costs for team travel to places like Wisconsin and North Dakota. Elaine Jacobs said there would be considerable cost-savings if the Mid-American Conference moved to YSU's level, i.e., Football Championship Subdivision. This would reduce the financial commitment MAC universities must make annually, and would also enable YSU to renew rivalries with in-state universities like Kent State and Akron. And if YSU could compete within the MAC, travel costs would be significantly lower since most MAC universities are located in Ohio. Such regional proximity might also help improve attendance at athletic events. Ms. Jacobs acknowledged the unwillingness of MAC universities to take such action.

Mr. McNally suggested that YSU Athletics supports two cornerstones of the 2020 Strategic Plan: (1) *Student Success* in that YSU's student athletes, on average, perform better academically than the YSU student body at large, suggesting that Athletics exemplifies the student success model should be emulated more broadly; and (2) *Regional Engagement* in that thousands of visitors from across the region, state and nation come to YSU each year to attend various athletic events and/or non-athletic events hosted at an athletic facility on campus, such as the WATTS. Mr. Strollo stated that Athletics helps enrich YSU's diversity, as a greater proportion of student athletes come from outside Ohio and tend to have more diverse backgrounds compared to the YSU student body at large.

Finally, Mr. Strollo shared the preliminary results of a study conducted by Agility PR Solutions that found that the success of YSU's football team generated over 2,000 media articles between August 2016 and January 2017, with a circulation of over 307,000,000 and a media-buy value of \$7.3 million. Mr. Strollo noted this figure is just for football and does not include the media-buy value for all other 18 sports. Mr. McNally noted the significance of this media coverage, especially in light of the fact that much of the feedback President Tressel has received from his town hall meetings this semester has centered on the need for YSU to invest more heavily in marketing. Ms. Jacobs said that video boards in Beeghly Center and Stambaugh Stadium are presently underutilized but provide excellent (and free) marketing opportunities for YSU, its programs, colleges and/or departments.

4. The meeting adjourned at approximately 4:00 p.m.