

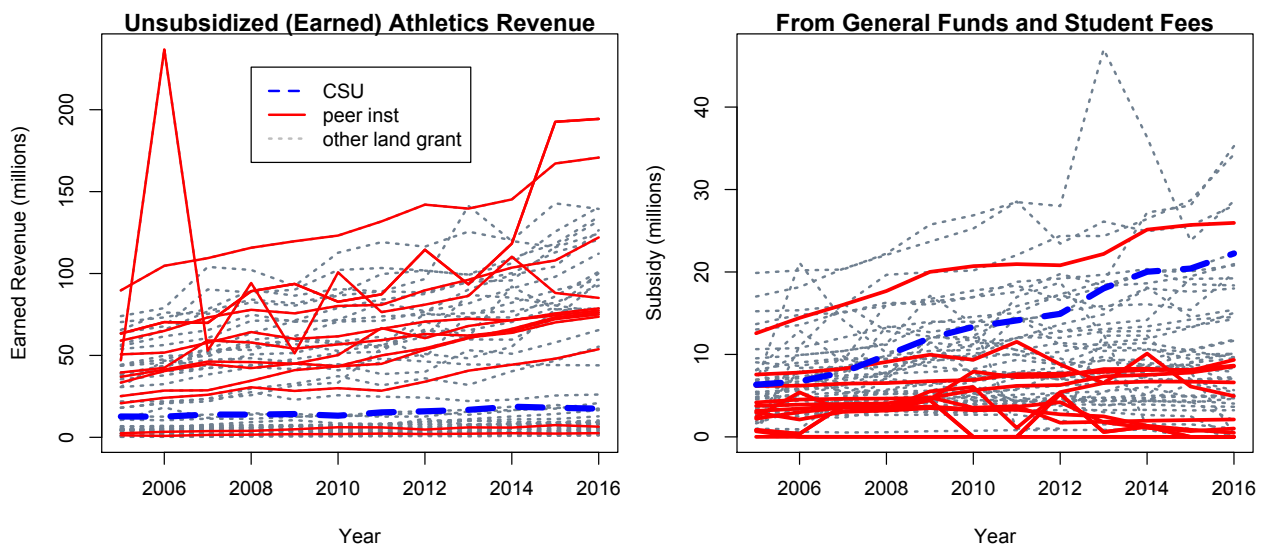
Comparing Athletic Spending at CSU and Peer Institutions by Mary Meyer

Faculty at CSU are increasingly alarmed by runaway spending on athletics programs, while academic programs are underfunded. As pointed out in the September 2017 issue of the CSU-AAUP newsletter, college budgets have increased by a factor of 1.6 from 2005-2016, while athletic subsidy from general funds has increased by a factor of 4.3 over the same time period.

Athletics spending at U.S. colleges has, on average, been increasing at a much faster pace than academic spending. The AAUP 2013-2014 annual report “Losing Focus” reported that the median salary for men’s head coaches in basketball and football at Division IA schools approximately doubled from 2006 to 2012, while full professor salaries at doctoral institutions increased by 4% over the same time period. Per-student university spending is many times higher for student athletes than for non-athletes. Are the trends at CSU “worse” than at other institutions? We find that in fact they are.

The NCAA collects financial data from athletic departments. Athletics revenues can be divided into two pieces: “subsidy” which is money from school funds and student fees, and “earned” revenue, from ticket sales, licensing, and donations directly to athletics. A handful of universities have athletics departments that fund themselves, but most have large contributions from tuition and fee dollars.

The figure below shows trends in earned and subsidized revenues from 2005 to 2016, for land grant universities. Trends for our peer institutions are shown as solid lines, and the CSU trend is the heavy dashed line. The earned revenue at CSU is increasing at a snail’s pace, considerably slower than the average rate of increase for our peer institutions. However, the subsidy is increasing considerably *faster* than that of our peer institutions, and land grant universities in general.



These trends are disturbing. In spite of drastically increasing the athletics budget by depleting general education funds, the earned athletics revenue is not following, and in fact decreased the last two years.

The average percent subsidy for athletics revenue at land grant schools increased from about 34% to about 35% over this time period. However, the CSU subsidy increased from 33% of the athletics budget in 2005 to 56% in 2016. Increasing numbers of millions of tuition dollars are going every year to fund athletics programs that are getting proportionally less profitable.

Decisions to increase athletic spending were driven by Tony Frank in spite of known faculty opposition. Costs for the expensive new stadium (and all the required infrastructure such as new parking) are not included in the athletics budget, so that the actual athletics spending is much higher than reported. Tony Frank's claims that this magnitude of spending will somehow eventually benefit CSU seem to be based primarily on wishful thinking.

It's painful to imagine what scholarship at CSU could be like if these hundreds of millions of dollars were spent on education, research, and service – in other words, spent on the CSU mission.

Data were downloaded from: <http://sports.usatoday.com/ncaa/finances/>

More reading:

<http://www.air.org/sites/default/files/downloads/report/Academic-Spending-vs-Athletic-Spending.pdf>

<https://www.aaup.org/reports-publications/2013-14salarysurvey>