



# FACULTY SENATE UPDATE

LOUISVILLE ATHLETICS | JULY 2024

**LOUISVILLE**

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# Student-Athlete Make Up

Total Student-Athletes: 651

Undergraduate: 91%    Graduate: 9%

In-State: 18%    Out of State: 82%

International: 13%

Pell Grant Recipients: 20%

Graduation Success Rate: 93%





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# Achieve 100% Graduation Success Rate

THIS YEAR'S ACADEMIC SUCCESS: BY THE NUMBERS

92%

**GRADUATION  
SUCCESS RATE (GSR)**

Highest in Department's History

89 (FALL)

96 (SPRING)

STUDENT-ATHLETES EARNED  
**PERFECT 4.0 GPA**

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3.28

**OVERALL DEPT. GPA**  
Fall & Spring Combined

Highest in Department's History

493 (FALL)

510 (SPRING)

STUDENT-ATHLETES EARNED  
**AD HONOR ROLL**  
STATUS (3.00+SEMESTER GPA)

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TEAMS REACHED PERFECT 1000 SCORES  
**ACADEMIC PROGRESS REPORT (APR)**

25

SEMESTERS IN A ROW WITH A  
**3.00+ DEPT. GPA**  
Top Teams: Baseball & Field Hockey



# Financial Impact on the University

	# of Students	Tuition Charges	Athletics Funded	Incremental Contribution
Varsity Sports	651	\$16,470,000	\$8,104,954	\$8,132,628
Spirit Teams	131	\$2,995,164	\$68,000	\$2,927,164
GAs, Managers & Interns	108	\$1,871,626	\$1,032,360	\$839,266
<b>Total</b>	<b>890</b>	<b>\$21,336,790</b>	<b>\$9,205,314</b>	<b>\$12,131,476</b>



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# Total Financial Impact on the University

- Over \$15.5 million annually in direct tuition, housing and fees support to the University
- Over \$12 million in additional support paid directly by our student-athletes, graduate assistants and managers to the University
- Contribute \$200,000 annually to initiatives with the College of Business



# ULAA Uncontrollable Budget Changes YoY

Item	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Cost of Attendance	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370	\$1,676,370
YUM! Center	-	-	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000	\$2,420,000
Utilities Charges	-	-	-	\$718,491	\$663,234	\$688,528	\$772,957	\$930,952	\$1,031,000	\$1,100,000
Student Fee Reduction	-	-	-	\$964,103	\$1,074,728	\$987,500	\$1,075,000	\$1,075,000	\$1,075,000	\$1,075,000
Excise Tax	-	-	-	-	\$3,288,406	\$1,523,075	\$1,292,388	\$1,908,341	\$2,000,928	\$1,600,000
Incremental Insurance Allocation	-	-	-	-	-	\$133,135	\$114,850	\$199,527	\$70,873	\$1,208,216
Alston Funding	-	-	-	-	-	-	-	\$650,000	\$1,733,718	\$1,733,718
COVID Operating Loan	-	-	-	-	-	-	-	\$601,033	\$601,033	\$601,033
IT Allocation	-	-	-	-	-	-	-	\$554,629	\$898,100	\$1,023,775
<b>ANNUAL BUDGET IMPACT</b>	<b>\$1,676,370</b>	<b>\$1,676,370</b>	<b>\$4,096,370</b>	<b>\$5,778,964</b>	<b>\$9,122,738</b>	<b>\$7,428,608</b>	<b>\$7,351,565</b>	<b>\$10,015,852</b>	<b>\$11,507,022</b>	<b>\$12,438,112</b>
<b>CUMULATIVE BUDGET IMPACT</b>	<b>\$1,676,370</b>	<b>\$3,352,740</b>	<b>\$7,449,110</b>	<b>\$13,228,074</b>	<b>\$22,350,812</b>	<b>\$29,779,420</b>	<b>\$37,130,985</b>	<b>\$47,146,837</b>	<b>\$58,653,859</b>	<b>\$71,091,971</b>



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# FY25 Budget Outlook

- 6 Home football games and no premium game
- Loss of Indiana home football game
- Men's Basketball performance
- Team travel to California due to conference realignment
- Continued evolution of NCAA rules
- Inflationary pressures



# FY25 Budget Proposal - Resources

RESOURCES	FY25 Proposed
Ticket Sales	\$ 27,363,716
Seat Licenses	\$ 16,609,059
Unrestricted Gifts / Use of Restricted	\$ 2,592,752
Endowment Income	\$ 166,236
Capital Contributions / Pledges	\$ 3,033,889
Sponsorships	\$ 22,621,288
Suite Sales	\$ 6,195,300
Concession Sales	\$ 1,760,000
Parking Sales	\$ 1,326,949
NCAA/ Conference Revenue	\$ 47,808,356
Facility Rentals	\$ 917,115
Licensing Revenue	\$ 2,000,000
Other Income	\$ 3,665,250
Campus Support	\$ 5,812,602
<i>Use of Prior Year Funds</i>	\$ 3,158,762
<b>TOTAL RESOURCES</b>	<b>\$ 145,031,274</b>

## FY25 Assumptions

### Ticket Sales:

- 40,000 FB Season Tickets sold (10% Increase)
- 12,000 MBB Season Tickets sold (30% Increase)
- Sellout of one home football game
- One premium non-conference MBB game at 90% capacity
- One ACC MBB game at 90% capacity

### NCAA/ Conference Revenue:

- ACC Success Incentive – Bowl Game Appearance
- ACC Success Incentive – CFP Top 25 Finish

### Campus Support:

- ~\$3 million to help offset impact of lost revenue from COVID & Stadium Naming

### Use of Prior Year Funds:

- ~\$1.7 million in reserves to augment FY25 operations
- \$578k from The New Standard to fund investments in our women's programs
- \$895k in capital contributions previously received to augment debt expenses for stadium and dorm





# FY25 Budget Proposal - Expenditures

	FY25 Proposed
<b>EXPENDITURES</b>	
Financial Aid	\$ 18,131,326
Salaries	\$ 49,560,724
Benefits	\$ 9,383,749
Recruiting	\$ 2,366,508
Equipment	\$ 2,918,738
Team Travel / Post Season	\$ 11,860,603
Home Game Operations	\$ 11,094,043
Game Guarantees	\$ 2,233,400
Operating Expense	\$ 21,303,799
Capital Expenditures	\$ 578,000
Debt Service	\$ 12,571,609
Other Expenses	\$ 3,028,775
<b>TOTAL EXPENDITURES</b>	<b>\$ 145,031,274</b>
<b>EXTRAORDINARY COSTS ABSORBED</b>	
Men's Basketball Transition	\$ 2,509,252
Chris Mack Buyout	\$ 521,290
<b>TOTAL EXTRAORDINARY COSTS</b>	<b>\$ 3,030,542</b>

## FY25 Assumptions

### Salaries:

- ~\$500k for COLA increases
- ~\$1 million for retention bonuses due in FY25
- \$500k in contractual base salary increases
- \$3.03 million in MBB severance payments

### Recruiting:

- ~\$230k investment to better align with historical spending

### Team Travel:

- ~\$1.2 million investment due to continued inflationary challenges
- ~\$300k added for travel to California due to ACC realignment

### Operating Expense:

- ~\$500k increase in credit card fees
- \$500k allocation for Physical Plant budget
- \$75k allocation for a department moving budget

### Debt Service:

- ~\$3.3 million to reflect gross debt expense
- ~\$230k for ULGC loan payment

### Other Expenses:

- ~\$125k increase in central IT allocation



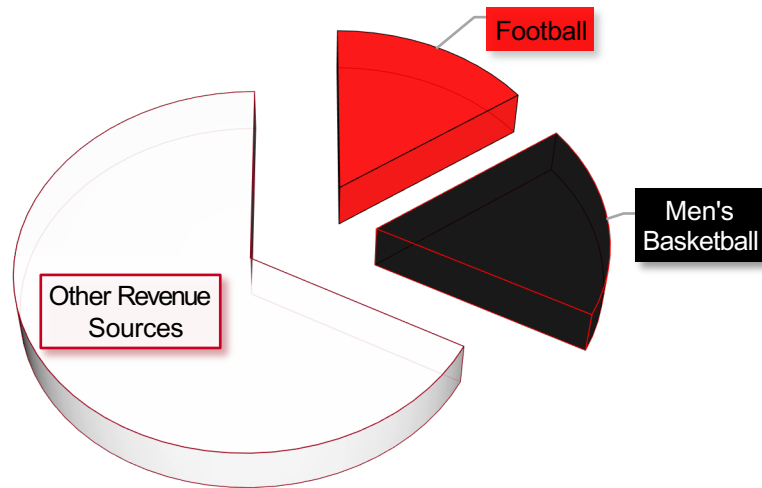
# FY25 Team Budgets

Sport	Revenue	Compensation	Financial Aid	Operating	Total Budget
Baseball	\$ 215,000	\$ 3,146,007	\$ 652,484	\$ 736,526	\$ 4,535,017
Field Hockey	\$ -	\$ 563,217	\$ 611,884	\$ 471,119	\$ 1,646,220
Football	\$ 24,415,854	\$ 15,152,178	\$ 4,777,008	\$ 7,597,050	\$ 27,526,236
Lacrosse	\$ -	\$ 464,143	\$ 612,014	\$ 479,719	\$ 1,555,876
Men's Basketball	\$ 25,806,780	\$ 5,546,460	\$ 810,332	\$ 3,011,047	\$ 9,367,839
Men's Golf	\$ -	\$ 285,507	\$ 246,261	\$ 164,599	\$ 696,367
Men's Soccer	\$ -	\$ 573,487	\$ 564,987	\$ 361,695	\$ 1,500,168
Men's Swim	\$ -	\$ 566,071	\$ 496,932	\$ 266,124	\$ 1,329,127
Men's Tennis	\$ -	\$ 325,640	\$ 247,695	\$ 265,792	\$ 839,127
Men's Track	\$ -	\$ 448,171	\$ 684,028	\$ 290,364	\$ 1,422,563
Rowing	\$ -	\$ 556,174	\$ 944,752	\$ 526,669	\$ 2,027,595
Softball	\$ -	\$ 606,718	\$ 636,714	\$ 560,112	\$ 1,803,545
Volleyball	\$ 850,441	\$ 1,279,093	\$ 682,234	\$ 800,788	\$ 2,762,115
Women's Basketball	\$ 1,455,000	\$ 3,803,511	\$ 882,306	\$ 1,747,238	\$ 6,433,055
Women's Golf	\$ -	\$ 294,572	\$ 306,797	\$ 185,098	\$ 786,467
Women's Soccer	\$ -	\$ 599,225	\$ 766,840	\$ 429,521	\$ 1,795,586
Women's Swim	\$ -	\$ 566,071	\$ 726,610	\$ 377,255	\$ 1,669,936
Women's Tennis	\$ -	\$ 281,477	\$ 425,713	\$ 268,760	\$ 975,950
Women's Track	\$ -	\$ 448,171	\$ 900,034	\$ 435,544	\$ 1,783,749
<b>TOTAL</b>	<b>\$ 52,743,075</b>	<b>\$ 35,505,891</b>	<b>\$ 15,975,625</b>	<b>\$ 18,975,020</b>	<b>\$ 70,456,536</b>



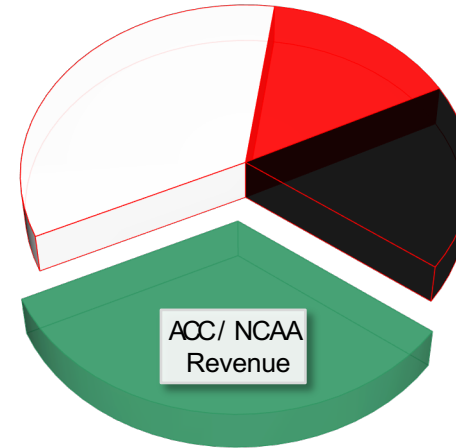
# Sources of Revenue

## SEAT REVENUE



33% of the revenue budget is attributable to football and men's basketball tickets

## ACC/ NCAA DISTRIBUTIONS



Distributions from the ACC and NCAA make up an additional 33% of our revenue budget

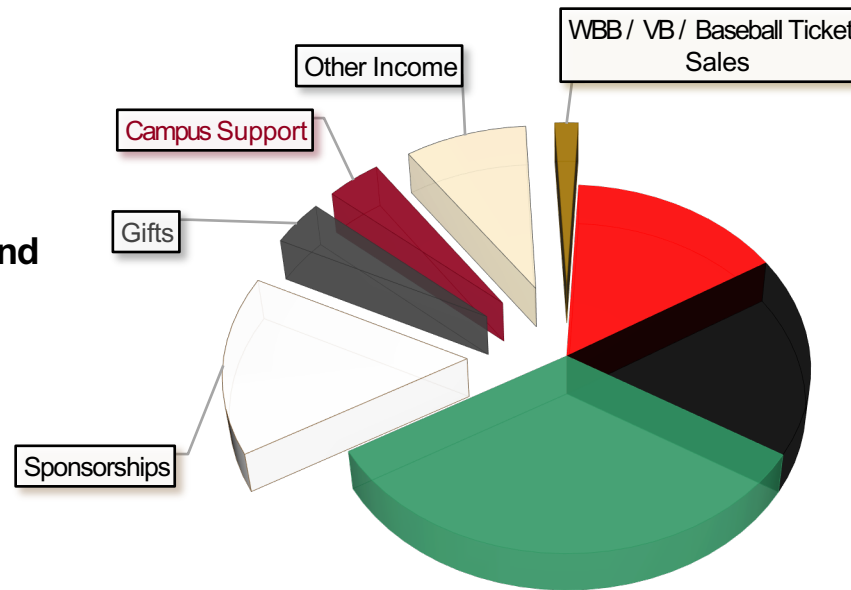
# Sources of Revenue

Other income, which includes ACCN Studio income, a football game guarantee and service fees makes up about 8% of revenues

Ticket sales for WBB, VB, and Baseball account for 2% of our total revenues

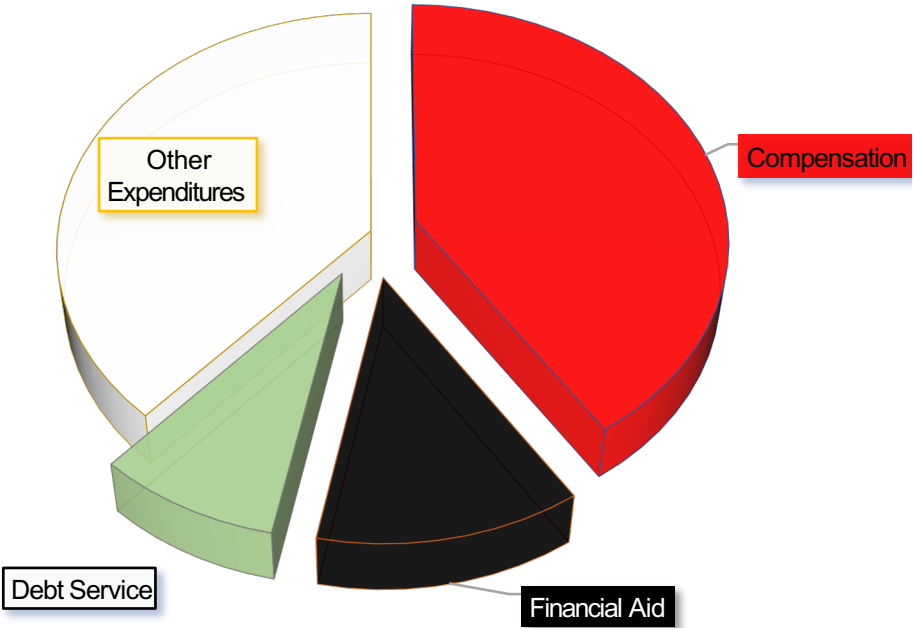
Campus support contributes 4% of the total budget

Sponsorships account for 16% of revenue and philanthropic gifts account for 4%



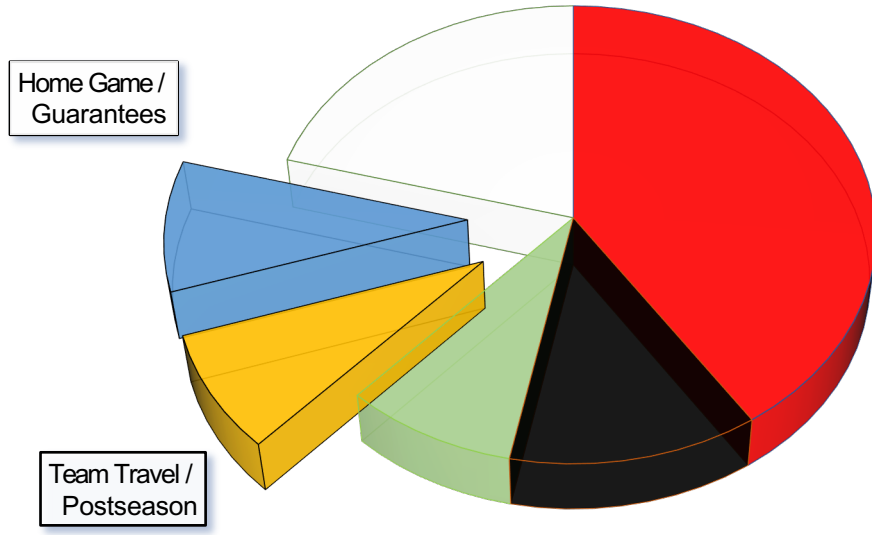
# Impact of Fixed Costs

## FIXED EXPENSES



Compensation, Financial Aid and Debt Service account for 62% of our expenditures

## LARGELY FIXED EXPENSES



Team Travel, Postseason, and Home Game costs make up an additional 17% of the Athletics budget





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## House vs NCAA Settlement

- Damages - \$2.77B
  - Payments will be made to former student-athletes over the next 10 years
- Future NIL Payments – Permissive
  - 22% of the average annual revenues of Power-4 conferences
  - \$19.8M per year to be paid to student-athletes across 23 sports
- Unanswered Questions
  - How will this be funded?
  - How will it be distributed?
  - Which portion of payments will be taxed?
  - How will contracts be written?





Questions?

**LOUISVILLE**