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COLORADO

FINANCIAL

REPORTING

for Intercollegiate Athletics Programs

SYSTEM

Colorado
Commission
on Higher
Education

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COLORADO COMMISSION ON HIGHER EDUCATION

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June 14, 1971

TO: Presidents of State-Supported Colleges and Universities

HB 1010 provides that "...Subject to the approval of the State Controller, the Commission shall prescribe uniform financial reporting systems for the state-supported institutions of higher education, in conformity with prescribed state accounting systems. Such reporting systems shall reflect all programs and activities of each such institution, including but not limited to degree programs, extension service, research, auxiliary enterprises, intercollegiate athletics, nondegree instruction, and public service...."

In accordance with this provision, the financial accounting and reporting system for intercollegiate athletics programs, to be followed by state-supported colleges and universities in Colorado, is set forth in this publication. The system is to be implemented beginning July 1, 1971. It is anticipated that the system will be re-evaluated from time to time and that appropriate revisions will be made based on experience.

We greatly appreciate the help that a number of people provided during the course of work on this project. Major contributors are listed on the following page, although there were others who provided assistance from time to time. Altogether, participants were involved in four day-long meetings extending over a period of five months. They evaluated five different drafts of the reporting system. Some of the institutional participants carried on extensive dialogue with people on their own campuses and applied the system to their own local situations in order to better evaluate the workability of it.


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Colorado Commission on Higher Education


State Controller,
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INTRODUCTION

Over the past two years there has been considerable interest on the part of the General Assembly and others in state government in intercollegiate athletics programs of colleges and universities in Colorado. The various studies, investigations, and expressions of desire for changes of one type or another are well known and need not be reviewed. However, the most recent report on this subject, that of the Legislative Council Committee on Intercollegiate Athletics, contains a number of statements which illustrate the problems which the General Assembly perceives insofar as intercollegiate athletics programs are concerned:

"...at these smaller schools, the intramural, physical education, and intercollegiate athletic programs are usually combined under one department. That is to say, that facilities, staff, equipment, etc., are used interchangeably. The result is a situation in which individual program costs become hard to identify.

In the above cases, the Committee believes state assistance in the form of prorated portions of salaries, administrative overhead, maintenance, etc., for academics and intramurals especially, is justified."

"...particularly at the four state colleges and the University of Northern Colorado, the reports provided the Committee did not clearly identify all costs directly attributable to intercollegiate athletics. The School of Mines does try to prorate costs between programs, but the methods used to determine these allocations appear to need improvement. This was the major problem encountered by the Committee--a lack of detailed, uniform, and well-supported information on intercollegiate athletic costs at the smaller schools. In general, the reports of the two major universities were much more comprehensive; but the Committee believes these could also be improved."

"The Committee believes that uniform reports which recognize all athletic costs--salaries, administrative overhead, facility use, maintenance, etc., are an absolute necessity."

"...the Committee recommends that a uniform chart of accounts be developed based on criteria outlined by the Legislative Auditor, the Executive Budget Office, and the Commission on Higher Education."

"The Committee suggests that each school be required to complete a thorough program budget for intercollegiate athletics and submit it along with its total budget request. In the case of all schools any tax dollars, student fees and outside revenues accruing to their athletic program would be identifiable."

"The Committee believes that the basic budget request form used by the Commission on Higher Education can serve, with a few specific additions, as an adequate interim form. The Committee also notes that this form as presently used is completed entirely by some schools and parts are ignored at others. The Committee suggests that the Commission and other reviewing agencies be directed not to accept, or act upon, any budget request that is incomplete or lacks sufficient justification for the answers provided."

"...no state policy exists concerning allocations of costs between multiple-use athletic facilities (facilities used for athletic, physical education, intramurals, and other purposes such as assemblies, concerts, etc.)."

"...this situation cannot be corrected until a uniform state policy concerning allocations of operating costs (and construction costs) is developed."

"...it will be possible to develop definite allocation formulae based on perhaps, either student contact-hour, scheduled-hour, or spectator-hour usage, or a combination of these."

"...At most of the six colleges, coaches' salaries are charged directly to resident instruction."

"...a definite cost-allocation formula should be developed to accurately allocate the costs of such staff people between athletic and academic programs."

"One of Colorado's colleges...apparently reports any payments made to its athletes for on-campus employment (guaranteed as a part of the initial athletic award) as hourly wages paid for various maintenance duties related to the athletic program."

Considering the findings of the Legislative Council Committee, as well as previous studies, it became clear that efforts should be undertaken to develop a uniform accounting and reporting system for intercollegiate athletic programs. Work on such a project was initiated January 11-12, 1971 when the topic of intercollegiate athletics accounting was included on the agenda for a meeting on the State Uniform Central Accounting System, called by the State Controller. A paper presenting a proposed chart of accounts for intercollegiate athletics programs was prepared by the staff of the Commission on Higher Education and discussed at the January 11-12 meeting.

At the meeting were representatives of various public colleges and universities in Colorado, the State Controller's office, the State Auditor's office, the office of the Board of Trustees of State Colleges, the office of the State Board of Community Colleges and Occupational Education, and the office of the Commission on Higher Education.

From the outset a high degree of interest in this project was exhibited by the various parties concerned. Numerous suggestions for changes in the proposed accounting system were made at the first meeting and it was agreed that additional meetings should be held to

discuss the system. Subsequent meetings were held on February 3, March 25, and April 28, 1971. All were day-long meetings. Altogether, five different drafts of the system were prepared, all of which were subjected to rigorous evaluation on the part of participants in this project. Participants have maintained a completely objective point of view throughout. There has been but one goal, that of developing the most accurate system of accounting for and reporting on the financing of intercollegiate athletics programs which is practicable.

PROGRAM COSTING AND INTERCOLLEGIATE ATHLETICS

As is suggested by the quotations from the Legislative Council Committee report, basic direct costs of several different programs in the general area of athletics are often combined under one department, with imprecise division of the costs among the several programs. Also, indirect costs of these programs such as administrative and physical plant overhead, are generally not assessed and accounted for by program.

Were an effort to be made to account for the total costs of any program in higher education, the same general problems would be encountered. Few colleges and universities have designed and implemented accounting systems which yield costs on a program basis, as opposed to organizational unit costs, costs by object, costs by function, etc. Major efforts are being made around the country to develop program costing techniques, however, and indications are that program costing systems will be common in a few years.

In the absence of an overall program costing system it is quite difficult to accurately determine costs of an individual program. Take the costs of operating and maintaining a gymnasium, for example. Such a facility is often used for physical education classes, for intercollegiate athletics activities, for intramural activities, and for other activities such as popular entertainment events, etc. If operation and maintenance costs were to be allocated to the various using departments, the allocations would have to be made on some logical basis, presumably extent of usage.

The first problem which might be encountered in the process of allocating operation and maintenance costs would be the lack of identifiable costs for operating and maintaining the individual building, or individual rooms within the building. Operation and maintenance costs often are not identified with individual buildings and, if so, generally do not include a proportional share of administrative and other overhead.

If operation and maintenance cost data were available by building and by room within the building, a further problem which likely would be encountered would be the lack of good data on space usage to be used as a basis for cost allocations. Data on usage by regularly scheduled classes would be readily available but other space usage data, such as use by various student groups on an irregular basis, likely would be non-existent and special machinery would be required to obtain it.

In spite of the lack of comprehensive program costing systems in use at Colorado colleges and universities, and the prospects that such systems will not be implemented in the near future, the conclusion has been reached that a useful interim costing system for intercollegiate athletics can be implemented beginning July 1, 1971. The system no doubt will be inadequate in some ways but it should produce fairly precise and uniform cost data. As more comprehensive program costing techniques are developed for use by colleges and universities in Colorado refinements can be made in the system of accounting for intercollegiate athletics.

THE PRESCRIBED SYSTEM

In designing a proposed system, primary reliance has been placed on three basic information sources: (a) the Intercollegiate Athletics Finance Study, published by the Colorado Commission on Higher Education and the Legislative Audit Committee, March, 1969, (b) An Analysis of Revenues, Expenses and Management Accounting Practices of Intercollegiate Athletic Programs, published by the National Collegiate Athletic Association, May, 1970, and (c) forms used for submitting budget data on intercollegiate athletics by colleges and universities in Colorado.

A basic objective is that, through this system, virtually all costs (other than capital costs) which are appropriately chargeable to intercollegiate athletics programs will be identified in a fairly uniform manner, regardless of where these costs reside in present accounting systems. Appropriate allocations of general administration costs, general institutional expense, physical plant operation and maintenance costs, and academic administration costs will be made to the intercollegiate athletics program. The system assumes that intercollegiate athletics programs are classified as auxiliary enterprises.

The system which is outlined on the following pages is intended as a reporting system and is not necessarily intended to be followed precisely in the financial accounting process. For example, Item Number 9 under "Revenue Reporting" is to be used for reporting net revenues from concession rentals and sales. This would mean that concessions expenses would be subtracted from gross revenues to arrive at net revenues. In this way a greater degree of comparability of financial data among institutions can be obtained since some institutions retain outside firms to handle concessions and receive only net revenue from this type of operation. Although only net revenues would be reported, the institution's accounting records should reflect all expenses as well as the gross revenues.

Although the system set forth in this document deals exclusively with financial data, it is expected that institutions will be asked to report related data through the budgetary process. For example, data on numbers of various classifications of employees will be requested in the future as in the past.

Accounting for intercollegiate athletics will be done on an accrual basis as prescribed by the State Controller.

Revenue Reporting

Revenues and transfers for intercollegiate athletics should be classified by fund or sub-fund, by source of revenue, and according to "Restricted Contributions" or "Regular Operating Funds." Classification by fund is intended to mean:

1. General Current Fund
 - a. Direct Appropriations
 - b. Colorado Student Grants
 - c. Other
2. Current restricted funds
3. Auxiliary enterprise funds, other than intercollegiate athletics
4. Intercollegiate athletics funds

The specific revenue sources which should be used are as follows:

1. Ticket Sales, Less Guarantees Paid. --All revenues from season and single ticket sales, including the net amount received on discounted ticket sales. Revenues from ticket sales should be reported net of guarantees paid to visiting teams.
2. Guarantees and Options Received. --Revenues received from away-from-home games.
3. Radio and Television Broadcasting Fees. --Self-explanatory.
4. Conference Distributions. --Revenues from post-season events, broadcasting, etc., which is distributed by the conference.
5. Contributions. --Gifts and grants made to the institution for intercollegiate athletics purposes. The reporting of contributions which are restricted to use for intercollegiate athletics purposes should be made in the operating statements for a given fiscal year only to the extent such funds are expended during the year. (Unexpended balances would, of course, appear on the balance sheet.)
6. Student Fees. --All fees paid by students in support of intercollegiate athletics, other than for purchase of admission tickets. Student fees which are levied specifically for the purpose of supporting the intercollegiate athletics program, or which are budgetarily allocated to intercollegiate athletics from a multi-purpose fee (such as one for student activities), should be classified as intercollegiate athletics revenue. Student fees which are collected ostensibly for a purpose other than intercollegiate athletics but which are used to reduce or eliminate an athletics deficit should not be considered an intercollegiate athletics revenue but as a transfer.
7. Income from Investments. --All revenue received on permanent and temporary investment of intercollegiate athletics funds, including investment earnings on gift funds.
8. Rental of Athletic Plant and Equipment. --Revenue from the rental of plant and equipment which was purchased with intercollegiate athletics funds or which is assigned to and maintained by intercollegiate athletics operations.
9. Concession Rentals and Sales. --The net revenue received through concession rentals and sales. Thus, all expenses of concessions would be deducted from gross revenues in arriving at net revenues.
10. Program Advertising and Sales. --The net revenue received through program advertising and sales.

11. Revenue from Other Auxiliary Operations.--The net revenues of auxiliary operations such as parking, golf courses, coaching clinics, and the like.
12. Miscellaneous Revenues.--Any intercollegiate athletics revenues which are not covered by other categories.

More detailed revenue categories than those presented above might be used by the institution provided the detailed categories can be folded into the prescribed format.

"Restricted Contributions" are gifts made to the institution to be used exclusively for the purpose of covering expenses that "Regular Operating Funds" do not cover. As such, restricted contributions should not displace regular sources of operating support.

Expense Reporting

Expenses and transfers should be classified by fund or sub-fund, by object, and according to "Restricted Contributions" or "Regular Operating Funds."

The object categories which should be used are as follows:

1. Coaches' Salaries and Benefits.--Included here should be coaches' salaries and benefits which are paid from intercollegiate athletic funds as well as an appropriate portion of salaries and benefits for coaches who divide their time between instructional and intercollegiate athletic activities and who are paid entirely from resident instruction funds. Also included here should be any "extra" compensation paid by the institution to coaches for coaching responsibilities.
2. Other Professional Staff Salaries and Benefits.--Included here should be salaries and benefits of professional personnel other than coaches, reported on the same basis as for coaches.
3. Student Assistants.--Salaries of students whose salaries are appropriately chargeable to intercollegiate athletics, reported on the same basis as for coaches.
4. Hourly Wages and Related Benefits.--Amounts paid non-salaried personnel.
5. Other Support Staff Salaries and Benefits.--Salaries and benefits of secretarial, clerical, and maintenance personnel.
6. Grants-in-Aid, Colorado Student Grants.--The dollar value of all aid received by athletes through the Colorado Student Grants Program.
7. Grants-in-Aid, Tuition and Fees.--The cost of tuition and fees for athletes paid from intercollegiate athletics funds.
8. Grants-in-Aid, Room and Board.--The cost of room and board for athletes.
9. Grants-in-Aid, Books and Incidental Expenses.--Amounts paid to athletes for books and incidental expenses other than for tuition and fees and room and board.

10. Filming and Photography.--All costs of filming and photography associated with intercollegiate athletics activities.
11. Dues and Memberships.--NCAA membership dues, conference dues, etc.
12. Team Travel.--All costs of transporting the team to away-from-home games, the costs of meals and lodging associated with such travel, etc.
13. Recruiting Travel.--All costs of transportation, meals, and lodging associated with recruiting students for the intercollegiate athletics program.
14. Scouting Travel.--All costs of transportation, meals, and lodging associated with scouting competing teams.
15. Miscellaneous Travel.--All costs of transportation, meals, and lodging associated with intercollegiate athletics travel other than team travel, recruiting travel, and scouting travel.
16. Rentals, Communications, and Utilities.--All rentals paid on buildings, space, and equipment usage for intercollegiate athletics purposes; the costs of telephone, telegraph, postage, and other communications; the costs of electricity, gas, water, etc.
17. Printing and Reproduction.--Self-explanatory.
18. Insurance.--The cost of team travel insurance, medical insurance, property insurance, etc.
19. Supplies and Materials.--In addition to the cost of supplies and materials, this category should include the cost of freight, express, and cartage on supplies and materials purchased.
20. Contractual Services.--The costs of maintenance, laundry and dry cleaning, medical service, or other services provided through contract.
21. Non-Capital Equipment.--In addition to the cost of equipment, this category should include the cost of freight, express, and cartage on equipment purchased. Non-capital equipment is generally defined as replacement equipment, replacing original or base stock equipment.
22. Interest Expense.--The interest paid on both long-term and short-term debt (principal payments should be reported separately).
23. Miscellaneous Expense.--All operating expenses other than those covered by one of the other categories.
24. General Administration and General Institutional Expense Overhead Allocation.--The portion of the cost of the president's office, governing board, business office, auditing, the development office, general insurance, legal fees, public relations, and the like which is allocated to intercollegiate athletics.
25. Physical Plant Operation and Maintenance Allocation.--The portion of the cost of operating and maintaining the institution's physical plant which is allocated to intercollegiate athletics.
26. Data Processing Costs.--The costs of data processing which are directly charged to intercollegiate athletics.
27. Instructional Expense Allocation.--The portion of the cost of the academic vice-president's office, academic dean's office, department head's office, and the like, which is allocated to intercollegiate athletics; departmental expenses allocated to intercollegiate athletics; etc.

Principles of Cost Allocation

In view of the different organizational patterns of colleges and universities in Colorado, and the impracticality of attempting to achieve uniformity of organizational structure, it is not possible to develop a highly specific set of procedures to be followed by all colleges and universities in allocating indirect costs to intercollegiate athletics. For example, if Institution A has the intercollegiate athletics program under a director of athletics who reports directly to the president and Institution B has the intercollegiate athletics program under the head of the physical education department who reports to the academic dean who in turn reports to the president, significantly different allocation procedures would be necessary for the two institutions. Primarily for this reason it is necessary to adopt a set of cost allocation principles to which an institution can relate in the formulation of allocation techniques that are uniquely suited to that institution. Following are principles which should be followed in developing a system for identifying costs with intercollegiate athletics programs:

1. The pool of costs to be distributed between intercollegiate athletics and other programs of the institution should exclude costs not in any way associated with the athletic program. For example, athletics should ordinarily not be assigned any of the cost of contract and grant administration.
2. A distinction should be made in the cost allocation process between students' intercollegiate athletics participation and their academic pursuits. For example, the normal costs of registering students for classes should not be apportioned between intercollegiate athletics and other institutional programs. Likewise, payments made to students involved in intercollegiate athletics or work performed in the library or other "non-athletic" department should be charged to that department and not to intercollegiate athletics.
3. Cost allocation methods which are employed should be as simple as possible, consistent with reasonably accurate costing.
4. The methods which are used to allocate indirect costs to intercollegiate athletics should be consistent with the method of allocating costs to other auxiliary enterprises and as consistent as possible with the method of allocating indirect costs to contracts and grants (subject to negotiation, federal agency requirements, and the like).
5. Allocations should be made on the basis of the best assessment which can be made of the intercollegiate athletics program's appropriate share of costs.

6. As many intercollegiate athletics costs as possible should be charged directly to the intercollegiate athletics program.
7. The rather common practice of assigning shared costs to programs through a system of arbitrary direct costing of discrete cost elements should not be followed. For example, the practice of paying all coaches' salaries from instructional physical education funds and all operating supplies and expenses from intercollegiate athletics funds, even though each type of expense is shared by the two programs, should not be employed.

Suggested Cost Allocation Procedures

Following is an explanation of procedures which are suggested for allocating shared costs to the intercollegiate athletics program:

1. Personnel Costs.--In those cases where personnel devote time to intercollegiate athletics and to other institutional service, an appropriate assessment should be made of the time devoted to each and costs allocated accordingly. In the case of coaches who teach classes, a significant factor in the determination of the division of time between the instructional program and intercollegiate athletics would be the teaching load of the coach. For example, if the normal teaching load of the department is 12 credits and the coach is teaching 6, there is a strong indication that the coach is devoting essentially one-half his time to intercollegiate athletics. In such a consideration, time devoted to courses which are only for students participating in intercollegiate athletics, even if credit is granted, should be identified with intercollegiate athletics.

Even though the teaching load of the coach is an indicator of how time is divided, it by no means is paramount. The full range of activities engaged in by faculty members is too complex to make it possible to accurately gauge their workload through the use of a single statistic such as credits of teaching. It is, of course, clear that faculty members are normally expected to provide many services to the institution in addition to the actual teaching of classes. A substantial part of the typical faculty member's time would be devoted to such activities as paper grading, preparing lectures, advising students, participating in faculty committee activity, and the like. Such activities as those enumerated would generally be considered "resident instruction" activities and expenditures classified accordingly.

The extent of involvement (or lack of it) of coaches in such ancillary instructional activities as those enumerated above should have a significant bearing on how his time is allocated. Following are several illustrations which might help in making the point:

Faculty Member	Resident Instruction										Intercollegiate Athletics	
	Contact Hours Taught		Class Preparation		Student Advice-ment		Committee Assign-ments, etc.		Total			
	Hrs.	%	Hrs.	%	Hrs.	%	Hrs.	%	Hrs.	%	Hrs.	%
"A"	15	0.30	30	0.60	5	0.10	-	-	50	1.00	-	-
"B"	12	0.50	12	0.50	-	-	-	-	24	1.00	-	-
"C"	15	1.00	-	-	-	-	-	-	15	1.00	-	-
"D"	12	0.29	-	-	-	-	-	-	12	0.29	30	0.71
"E"	14	0.32	10	0.23	-	-	-	-	24	0.55	20	0.45
"F"	6	0.15	12	0.30	2	0.05	-	-	20	0.50	20	0.50

Illustration "D" above shows data for a coach who teaches 12 contact hours but who spends no time in activities which would generally be considered as necessary related activities such as preparing for class. Instead, he spends a substantial amount of time with his coaching responsibilities. Even though he is teaching what many would consider to be a "full" load, the greater part of his salary should be allocated to intercollegiate athletics.

2. Physical Education Department Non-Personnel Costs.--In those instances where the physical education department has responsibility for instructional physical education, intramurals, and intercollegiate athletics, and where non-personnel costs are not charged directly to the various programs, allocations should be made to (a) intercollegiate athletics and (b) instructional and intramural activities on the basis of total salaries and wages.
3. Physical Plant Operation and Maintenance Costs.--Set forth in this section are procedures for allocating most physical plant operation and maintenance costs of intercollegiate athletics. Costs of police and watchmen and such costs as those related to safety promotion, fire prevention, sanitation, and accident investigation should not be allocated in the same way as other physical plant costs are allocated but should be allocated as per "4" below. Costs of such physical plant costs as the motor pool operations should be charged directly to intercollegiate athletics as travel.

The steps which should be followed in allocating physical plant costs other

than for police and watchmen and motor pool operations are as follows:

- a. All costs of physical plant administration, grounds maintenance, custodial services, building maintenance, utilities, and fire protection should be allocated to (a) athletic-physical education facilities and (b) non-athletic-physical education facilities on the basis of assignable square feet in the facilities to the extent that such costs are not directly charged to the facilities.
- b. Assignable square feet in athletic-physical education facilities should be allocated to (a) intercollegiate athletics and (b) instructional, intramural, and public service activities on the basis of usage as follows:
 1. Assignable square feet of an athletic-physical education room (gym playing floor, indoor swimming pool, dance floor, etc.), together with rooms serving that athletic-physical education room (dressing rooms, equipment storage rooms, etc.), should be allocated on the basis of annual room-periods of use. For example, if there are 15,000 assignable square feet of gym playing floor and related service space and the floor is used 350 hours during the year for intercollegiate athletics and 700 hours for instructional, intramural, and public service activities, 5,000 square feet should be allocated to intercollegiate athletics.
 2. Space in an office, together with rooms serving this office (reception areas, storage rooms, etc.) should be allocated on the same basis as the salaries of the occupant(s). For example, if an office and its service area contain 300 square feet, there is one occupant, and 25 per cent of the occupant's salary is allocated to intercollegiate athletics, 75 square feet should be allocated to intercollegiate athletics.
 3. Service rooms which serve more than one prime area should be allocated on the same basis as the prime area. For example, if there is an equipment storage room with 1,000 square feet which serves two athletic-physical education rooms (and related service) with a total of 22,250 square feet, and 6,450 square feet (or 29 per cent) of the athletic-physical education space has been allocated to intercollegiate athletics, then 29 per cent or 290 square feet of the service space should be allocated to intercollegiate athletics.
- c. Costs for maintaining the athletic-physical education facility should be allocated on the basis of assignable square feet.

Following are illustrations of the preceding:

Room	Assign. Sq. Ft.	% Distribution of Rm. Periods Used/Salaries of Office Occupants/Prime Space Being Served		Sq. Ft. Allocation	
		Inter. Ath.	Other	Inter. Ath.	Other
Gym Playing Floor	10,500				
Dressing Room A	1,500				
Dressing Room B	3,000				
Sub Total	15,000	0.333	0.667	5,000	10,000
Swimming Pool	5,000				
Dressing Room C	1,000				
Dressing Room D	1,250				
Sub Total	7,250	0.20	0.80	1,450	5,800
Equipment Storage*	1,000	0.29	0.71	290	710
Office A	150				
Reception	90				
Storage Room	60				
Sub Total	300	0.25	0.75	75	225
Total	23,550			6,815	16,735

*Assumes that this room serves both the gym playing floor and the swimming pool.

If it is calculated that the cost of maintaining the athletic-physical education facility is \$1.75 per square foot, \$11,926 should be allocated to intercollegiate athletics (6,815 x \$1.75).

Extraordinary clean-up costs after intercollegiate games, and the like, should be charged directly to intercollegiate athletics.

4. General Administration Costs, General Institutional Expenses, and Costs of Police and Watchmen. -- All general administration costs, certain general institutional expenses, costs of police and watchmen, and such costs as those related to safety promotion, fire prevention, sanitation, and accident investigation (classified as physical plant operation and maintenance costs) should be allocated to intercollegiate athletics on the basis of the ratio of the costs of salaries and wages for intercollegiate athletics to total salaries and wages for all institutional activities. These costs should include their proportional share of physical plant costs allocated as per "3" above.

Included in this category should be all costs of the governing board, the president's office, the business office, and other general administration

expenses. General institutional expenses which should be included are those such as the following:

- a. Alumni Office
- b. Auditing
- c. Development Office
- d. General Insurance (other than property insurance)
- e. Legal Fees
- f. Memberships
- g. Publications
- h. Public Relations
- i. Telephone
- j. Mailroom
- k. Workman's Compensation

General institutional expenses which should not be allocated to intercollegiate athletics (because they are related to instructional programs almost exclusively) are: (a) catalogs and bulletins, (b) commencements, and (c) convocations.

Student service costs (such as registration costs, admissions costs, the costs of the office of the dean of students, and the like) should not be allocated to intercollegiate athletics because these costs are related to the academic pursuits of students almost exclusively.

5. Instructional Costs. --In those cases where the intercollegiate athletics program is organizationally a part of an instructional department, appropriate instructional costs should be allocated to intercollegiate athletics on the basis of salaries and wages as per "4" above.
6. Interest on Long-Term Debt. --If physical education facilities have been constructed totally or partially through the issuance of revenue bonds, interest on the long-term debt should be allocated to intercollegiate athletics on the basis of space use as set forth in "3" above and the intercollegiate athletic program's initial capital contribution. Following are illustrations of how current interest costs should be allocated:

Illustration A: Construction Cost Financed Totally through Issuance of Revenue Bonds

Current Interest Cost	\$80,000
Current Use of Facility for Intercollegiate Athletics	10%
Interest Cost Charged to Intercollegiate Athletics	\$8,000

Illustration B: Construction Cost Financed Partially through Issuance of Revenue Bonds--Portion Not Financed through Revenue Bonds Provided by State Appropriation

Portion of Construction Cost Financed through Issuance of Revenue Bonds	25%
Current Interest Cost	\$20,000
Current Use of Facility for Intercollegiate Athletics	10%
Interest Cost Charged to Intercollegiate Athletics	
$\left(\frac{10\%}{25\%} \times \$20,000 \right)$	\$8,000

Illustration C: Construction Cost Financed Partially through Issuance of Revenue Bonds--Portion Not Financed through Revenue Bonds Provided by State Appropriation and Intercollegiate Athletics Funds

Portion of Construction Cost Financed through:	
Issuance of Revenue Bonds	25%
Intercollegiate Athletics Funds	4%
State Appropriation	71%
Current Interest Cost	\$20,000
Current Use of Facility for Intercollegiate Athletics	10%
Interest Cost Charged to Intercollegiate Athletics	
$\left(\frac{10\% - 4\%}{25\%} \times \$20,000 \right)$	\$4,800

All data which serve as a basis for cost allocations, and all calculations of the allocations, should be retained in auditable form. Supporting data for personnel cost allocations should be available on an employee-by-employee basis and data for physical plant maintenance allocations should be available on a room-by-room basis.

Reporting Format

Following is a format which should be followed in reporting data on the financial operations of the intercollegiate athletics program.

INTERCOLLEGIATE ATHLETICS REVENUES, EXPENSES, TRANSFERS, AND BALANCES

FISCAL YEAR _____

	Restricted Contributions	Regular Operating Funds	Total
<u>Revenue:*</u>			
1. Ticket Sales, Less Guarantees Paid			
2. Guarantees and Options Received			
3. Radio and Television Broadcasting Fees			
4. Conference Distributions			
5. Contributions			
6. Student Fees			
7. Income from Investments			
8. Rental of Athletic Plant and Equipment			
9. Concession Rentals and Sales			
10. Program Advertising and Sales			
11. Revenue from Other Auxiliary Operations			
12. Miscellaneous Revenues			
<u>Total Revenues</u>			
<u>Expenses:</u>			
1. Coaches' Salaries and Benefits			
2. Other Professional Staff Salaries and Benefits			
3. Student Assistants			
4. Hourly Wages and Related Benefits			
5. Other Support Staff Salaries and Benefits			
6. Grants-in-Aid, Colorado Student Grants			
7. Grants-in-Aid, Tuition and Fees			
8. Grants-in-Aid, Room and Board			
9. Grants-in-Aid, Books and Incidental Expenses			
10. Filming and Photography			
11. Dues and Memberships			
12. Team Travel			
13. Recruiting Travel			
14. Scouting Travel			
15. Miscellaneous Travel			
16. Rentals, Communications, and Utilities			
17. Printing and Reproduction			
18. Insurance			
19. Supplies and Materials			

INTERCOLLEGIATE ATHLETICS REVENUES, EXPENSES, TRANSFERS, AND BALANCES

FISCAL YEAR _____
(Continued)

	Restricted Contributions	Regular Operating Funds	Total
20. Contractual Services			
21. Non-Capital Equipment			
22. Interest Expense			
23. Miscellaneous Expense			
24. Gen. Adm. and Gen. Ex. Overhead Allocation			
25. Physical Plant Operation and Maintenance Allocation			
26. Data Processing Costs			
27. Instructional Expense Allocation			
<u>Total Expenses</u>			
<u>Excess (Deficit) Revenues Over Expenses</u>			
<u>Transfers In:</u>			
1. General Current Fund:			
a. Direct Appropriations			
b. Colorado Student Grants			
c. Other			
2. Current Restricted Funds			
3. Auxiliary Enterprise Funds, Other than Intercollegiate Athletics			
<u>Total Transfers In</u>			
<u>Transfers Out:</u>			
1. Capital Equipment			
2. Bond Principal			
3. Other (Explain):			
a. _____			
b. _____			
c. _____			
<u>Total Transfers Out</u>			
<u>Excess (Deficit) Revenues Over Expenses and Transfers</u>			
<u>Fund Balance, Beginning of Year</u>			
<u>Fund Balance, End of Year</u>			

* If any revenues are pledged, a footnote should be appended to this statement which sets forth an appropriate explanation.