

**WEST VIRGINIA STATE UNIVERSITY**

**ATHLETICS ACCOUNT REVIEW**

**FY 2010**

CONFIDENTIAL

December 15, 2010

## INTRODUCTION

In Fiscal Year 2010, 98% of the revenue for the Athletics Account was generated from student fees. WVSU students as well as Kanawha Valley Community and Technical College (KVCTC) students were charged a prorated athletic fee based on the number of class credit hours for which they were registered.

## KVCTC STUDENT FEES

According to WV Code §18B-2A-7a, "WVSU and KVCTC shall develop a plan that ensures the financial stability of auxiliary enterprises, including athletics, through fiscal year 2012." After fiscal year 2012, WVSU will no longer receive athletic student fees from the KVCTC. Also, KVCTC has a plan in place to reduce the athletic student fees by 20% each fiscal year until they are completely eliminated, which is allowable by WV Code. One reason the Athletics Account is in deficit is because of the reduction in athletic student fees from the KVCTC.

## REVENUES AND EXPENSES

FY 2010 Revenues	\$917,058.20
FY 2010 Payroll Expenses	424,874.04
FY 2010 Operating Expenses	586,945.34
Total	(\$94,761.18)

An analysis of administrative expenses showed that payroll and benefits made up 59% of total expenses for the Athletics Account during FY 2010. Aside from payroll and benefits, travel, clothing, household, and recreational supplies were the highest expense categories.

## CONCLUSION

Because of the reduction in athletic student fees from the KVCTC, the Athletics Department must create a plan to address this revenue reduction either by developing new revenue sources or reducing expenditures.