

Dollars & Cents in the World of Sports

“Big Red” begins to take on another meaning

By Jim Weeks

The athlete on full scholarship has the highest valued scholarship of any undergraduate at the University. A full athletic scholarship includes tuition, fees, room, board, and \$15 a month. Athletic Director Gomer Jones says the estimated value of such a scholarship at OU on the basis of a student enrolled in fifteen hours per semester ranges from \$1,265 to \$1,805 a year, depending on whether the athlete is a resident of Oklahoma. University tuition is \$12 per hour per semester for residents of Oklahoma and \$30 per hour per semester for nonresidents.

The athlete's scholarship is financed from athletic department income. The highest valued nonathletic undergraduate scholarship at OU is \$1,250 a year, based primarily on need. One such scholarship is sponsored each year by General Motors Corp.

A recent Associated Press series on financing intercollegiate athletes said Notre Dame awards thirty-one scholarships in football and nine in other sports each year. The series also pointed out that Alabama may have 176 athletic scholarships, not exceeding 125 in football and 25 in basketball. The Big Eight Conference allows a member university to award ninety football scholarships over a two-year period. The conference doesn't set limits on the number of scholarships in other sports. Jones says OU will have approximately 125 students on football scholarships each year. An athlete playing football and any other sport must be considered on a football scholarship, according to conference rules. The athletic department determines how many scholarships are awarded in all other sports. Last year OU had the equivalent of 30 full scholarships in wrestling, 30 in track and field, 25 in basketball, 20 in baseball, 14 in swimming, 8 in gymnastics, 6 in tennis, and 6 in golf. Each football and bas-

ketball player receives the equivalent of a full scholarship. The coaches may determine which athletes are on full scholarship and which are on part scholarship in other sports. The coaches recommend such decisions to the University scholarship committee. There apparently is no record of one such recommendation being disapproved. By dividing the scholarships among two or three athletes, a coach may increase the number of athletes receiving some financial aid in a particular sport.

Jones points out that most of the outstanding athletes are on full scholarships. He says the reason football and basketball players are awarded full scholarships is because of the competition in recruiting in these sports. A student at OU may be awarded an athletic scholarship for only one year. If an athlete violates a University rule, misses classes, falls below a certain scholastic standard, or does something considered “unfavorable conduct,” his scholarship may be terminated. However, the rules provide that if an athlete, because of injury or personal reasons, decides not to participate in a sport, his scholarship must be honored for its term. At OU, the athlete who decides not to participate is not allowed to live in the athletic dormitories or eat in the athletic cafeteria. Jones says such an athlete is given financial support equal to the terms of his scholarship agreement until the normal termination of his scholarship.

Although not part of his scholarship, the OU athlete may have special tutors at no expense to him. He also may be aided in gaining summer employment, sometimes at a high salary, but reportedly not a salary higher than paid to those doing similar work. The standards for retaining an athletic scholarship are relatively high. The benefits, if considered only from a financial standard, are very high.

The University of Oklahoma athletic department estimates that it will have an income of \$1,749,000 and ex-

penditures totaling \$1,925,248 during the 1968-69 school year. The department estimates that its expenditures will be \$176,248 more than its income in budgetary items, says Leon Bevers, assistant business manager of the athletic department. Normally both totals will be higher than estimated, and in actuality, the difference in the figures will be less than estimated.

The athletic department maintains its own budget separate from the other University funds. It does not receive state funds appropriated to the University. The budget is submitted for approval each year to the athletic council, University President, and Board of Regents. Estimating what will happen to influence expenditures and income is difficult. Athletic department officials agree that winning and losing is an influence, but they differ as to how much of an influence. Some say playing certain prominent opponents often is a major factor, whether the game is won or lost. Some say the department has had financially better years in some losing seasons than in some winning seasons. What they are referring to primarily is winning and losing in football, because football provides approximately 90 percent of the budgeted income.

It is estimated in the budget that football ticket sales will provide an estimated \$1,382,000 of the total income of \$1,749,000. Football also is the major source of income included in such items as radio and television, concessions, programs, and money from the Big Eight Conference, shared by all conference members. It is proposed that football expenditures next year will be \$258,316. That figure doesn't include expenses for scholarships, items in what is called the “pooled” fund, or various other expenses also applying to all OU intercollegiate sports.

The “pooled” fund, a separate item on the athletic department budget, is made up of expenses applying to all sports at OU. The estimated expense for it is \$549,672. Of that amount, it

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is estimated that \$445,000 will be payment to visiting schools. The home team either shares a percentage of the income or guarantees the visiting team an amount agreed to in the contract for a particular contest. The "pooled" fund also includes expenses for medical needs, officials, travel for prospective athletes, awards, laundry, and salaries of training and equipment personnel.

The estimated expenditures for scholarships, also applying to all sports, is \$403,400. The major items are \$178,000 for tuition and fees, \$80,000 for food, and \$65,000 for kitchen labor costs. Other items of expense, not applying to any particular sport, are included in an "other categories" section. This includes expenses for office management, ticket sales, sports information (not including salaries of full-time employees), University Golf Course, North Campus swimming pool, capital improvements, intramural programs, band, maintenance, bonded indebtedness, utilities, and miscellaneous. Estimated expenses for "other categories" is \$529,624. The major items are \$158,633 for maintenance, bonded indebtedness, some utilities, and miscellaneous; \$126,191 for office management (including some salaries); \$69,422 for ticket sales; \$63,000 for the University Golf Course, and \$41,000 for capital improvements.

Basketball is carried as another separate item with an estimated \$30,000 income from ticket sales and proposed \$58,000 expenditures. The expense figure doesn't include scholarships or the items applying to all sports.

Expenses for all sports except football and basketball are estimated at \$125,376. This includes \$37,508 for track and field, \$23,900 for wrestling, \$23,320 for baseball, \$18,612 for swimming, \$16,536 for gymnastics, \$3,500 for tennis, and \$2,000 for golf. The figures don't include expenses for scholarships or items applying to all sports.

Other income from ticket sales includes \$18,000 for sports other than football and basketball and \$15,000 for season ticket sales in all sports except football. The athletic department supports the intramural program, a nonintercollegiate activity, with an estimated \$34,828. All but

about \$13,000 of this goes toward salaries and office costs. It also pays \$16,300 from its budget to the band. The band or some of its members perform at all varsity and freshman football games here, some away football games, and most varsity basketball games here.

Three funds don't appear on the budget. They include funds received from the Sooner Educational Athletic Scholarship project and the OU Touchdown Club, both composed of individuals not directly associated with the University. Fifty contributors to the scholarship project donate \$1,000 a year to the fund. The Touchdown Club contributes \$34,000 a year. The money is deposited in a University fund earmarked for athletic department use. Athletic Director Gomer Jones says the money is used for scholarships. Also included in the nonbudgetary funds is an athletic department surplus fund of money accumulated over a period of years. As of July 1, the surplus fund will include \$280,833, Bevers says. The money from this fund is used to make up the difference during years when expenditures are more than income, says Bevers.

Officials of college athletic departments say their major problem in the future is simply not having the money to do what they want to do. Under the present system, it appears OU's athletic department will either have to cut expenditures or find new sources of income if it is to continue to operate on or above its present level of \$2 million a year. The simple explanation for OU's expected financial problems is that expenditures are increasing at a faster rate than is the income. For years, the athletic department made a profit and accumulated a surplus fund. Now it is using that fund to offset its losses. It spent approximately \$170,000 from the surplus fund to offset last year's losses. Some \$280,000 will remain in the fund as of July 1. But a budgetary loss of \$170,000 is estimated for 1968-69. At that rate, it will not take long to deplete the surplus fund. Then the department could fall back on funds supplied by the Sooner Educational Athletic Scholarship project and the Touchdown Club. But those funds total only \$84,000 annually.

There are extreme reactions—drop

intercollegiate athletics or continue to pour more money into athletics with apparently no limit. Neither seems satisfactory. Intercollegiate athletics can be an aid to the University by making it better known and it can be an aid to the athlete by teaching him discipline, responsibility, and honesty. The Ivy League and the Big Ten have reacted to the financial situation. The Ivy League schools say their athletes are awarded scholarships on the same basis as any other student applying for a scholarship. Big Ten schools say athletes are awarded scholarships on the basis of need as well as athletic potential. Both the Big Ten and the Ivy League have reduced the number of athletic scholarships awarded in recent years. Athletic Director Jones rejects both plans. He says the caliber of OU football would be hurt. Since football provides so much of the total athletic income at OU, the whole program would be hurt. Jones has two ideas that he says would help. He suggests that the coaches' salaries be paid from the University budget, not athletic department funds, and that the athletic department pay less in tuition for athletes than other students pay. Both of the plans are open to question. In the first place, OU has more serious financial problems than the athletic department.

The OU athletic department has maintained an independence of the University, probably because of the department's financial independence. But it appears that some controls both nationally and locally must be exerted if college athletics are to remain meaningful.

A national uniform scholarship rule would be desirable. Many athletes, perhaps half of those on scholarships at OU, could have attended the University without financial aid. When the family can afford to send a son to college, he shouldn't be awarded the financially most valuable scholarship at his school simply because he is an athlete. For too long, the NCAA has concerned itself almost exclusively with rules pertaining to games and virtually ignored meaningful rules and actions concerning administrative and financial aspects. For years, college athletics has been big business. Now the business is facing trouble. ●