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Women Basketball Loses Money for Colleges on High Salaries

By Curtis Eichelberger - Apr 1, 2011

The University of [Connecticut](#)'s run at a third consecutive women's championship comes with the trappings of a world-class sports event, including a national television audience and rowdy fans in blue wigs and face paint.

The Huskies dominate on the court, and can sell out arenas. What they lose is money. The [program](#) spent \$723,900 more than it earned in fiscal 2010.

Across the U.S., the most popular women's college sport is in the red. Women's basketball at the 53 public schools in the six largest conferences recorded operating losses last fiscal year of \$109.7 million, while the men's teams had operating profits of \$240 million, according to their financial records.

Women's basketball needs to figure out how to at least pay its own way as states grapple with budget deficits and some university systems eliminate intercollegiate sports to save money, said [Bernadette McGlade](#), an Atlantic 10 Conference commissioner and a former coach and player.

"There is intrinsic value in being able to carry your own weight," McGlade said. "For the amount of resources going into intercollegiate women's basketball, there's going to be a time where there has to be a rational decision of, is it worth it?"

Each of the 53 teams lost money in the fiscal year ended 2010, and the average operating deficit was \$2.07 million on average operating revenue of \$804,577, according to data compiled by Bloomberg and obtained through Freedom of Information Act requests. Private schools in the six conferences -- Atlantic Coast, [Big East](#), Big Ten, Big 12, Pac-10 and Southeastern -- aren't required to make such records public.

1,783 Percent

The University of Tennessee, ranked fourth in the [Associated Press Top 25](#), lost \$713,997, while No. 7 [Texas A&M University](#) had a \$2.8 million deficit. No. 12 Michigan State University was \$2.01 million in the red.

Some schools paid their coaching staffs many times what their teams earned, the data show. The Texas A&M staff received \$1.36 million, or 114 percent of operating revenue of \$1.19 million, and Michigan State paid out \$833,931, or 87 percent of operating revenue of \$954,779.

At Auburn University, salaries and benefits cost \$1.14 million, or 1,783 percent of the Tigers' operating revenue of \$64,225, and the program posted a \$3.16 million operating loss.

It's unlikely any women's college basketball team in the U.S. makes money, as football and men's basketball are probably the only two with operating profits, according to the [National Collegiate Athletic Association](#).

Women 'Pioneers'

Sports aren't necessarily intended to be money-making, valued instead for teaching leadership, team building and other skills, said [NCAA President Mark Emmert](#), former president of the University of [Washington](#). Intercollegiate or club programs, whether in basketball, lacrosse, squash or tennis, can also be key to marketing to donors and students, Emmert said.

What women learn from sports, including fighting back after defeat, can't be accounted for in a financial statement and will help long after college, said [Susan Herbst](#), who will become Connecticut's first female president in June.

Star college players have gone on to a range of careers: Leigh Curl, a four-year starter who went to Connecticut on a basketball scholarship and graduated in 1985, is an orthopedic surgeon and team orthopedist for the National Football League's Baltimore Ravens; Robin Roberts, a 1983 Southeastern Louisiana University graduate who was the all-time leading scorer (1,446 points), is an ABC Good Morning America anchor; Air Force Major General [Michelle Johnson](#) was a two-time Academic All-American before graduating from the Air Force Academy in 1981, and carried the case of nuclear weapons codes -- known as "the football" -- for Presidents George H.W. Bush and [Bill Clinton](#).

'Different Calculus'

Female athletes are worth the investment whatever their sports' earning power, said Herbst, executive vice chancellor and chief academic officer for the University System of [Georgia](#).

"It's a different calculus," she said. "Women are still not where they need to be."

With the first NCAA women's championship tournament taking place in 1982, [43 years](#) after the first for men, "we're still growing women's basketball," said Chris Plonsky, the women's athletic director at the

University of [Texas](#) at Austin, where the Longhorns had a fiscal 2010 operating loss of \$2.6 million.

Women's basketball has the best shot at becoming the first female sport to help financially support others, including some played only by men, because it's the biggest revenue producer with the largest crowds and broadest media exposure, according to the NCAA.

Budget Pressures

Profits should be a goal on most campuses, McGlade said. "It makes a difference whether you make money. It gives you a seat at the table where the decisions are made."

That's especially important when budgets are under pressure, she said. Last year, at least 43 states cut funding to public colleges and universities, according to the Center on Budget and Policy Priorities, threatening athletics programs.

The [University of California](#), Berkeley dropped baseball, men's and women's gymnastics and women's lacrosse and reduced rugby to a club sport in September, then reinstated rugby, women's gymnastics and lacrosse in February after soliciting \$12 million in donations to keep the programs alive.

Operating profits and losses measure expenses such as coaches' salaries and recruiting against income from ticket sales, corporate sponsorships and other enterprises. It doesn't include subsidies, student fees and revenue not attributed to a specific sport, such as an arena's naming rights agreement.

'Takes Time'

At Connecticut, the women's basketball team pulled in \$4.9 million in operating revenue last fiscal year and the coaching staff earned the second highest amount in salaries and benefits among the schools reviewed: \$2.2 million. Head coach Geno Auriemma, in his 26th season at the school, will be paid about \$1.8 million in 2013, the final year of his contract.

Under [Auriemma](#), the Huskies (36-1) have collected seven national championship trophies and notched the longest winning streak for a basketball team of either gender in NCAA basketball history, with 90 consecutive victories.

The goal for the Huskies is to continue winning on the court while earning their keep, said Jeff Hathaway, the university's athletic director. Connecticut plays the University of [Notre Dame](#) on April 3 in one semifinal round of the NCAA tournament, while [Texas A&M](#) and Stanford meet in the other. The championship is April 5 at Consecro Fieldhouse in Indianapolis.

"I'm not saying it is OK when you don't make money in the women's basketball program -- we are here

to generate revenue," he said. "It takes time."

Title IX

Connecticut, where men's basketball became a varsity sport in 1900, has had a women's intercollegiate basketball team since 1974, two years after Congress passed Title IX. It prohibits discrimination on the basis of gender in educational programs that receive federal funding. Women must have equal opportunities and treatment in sports, which may mean chartered flights, trainers, video specialists and tutors.

Women's college basketball has grown since Title IX, according to the NCAA. In the past 10 years, [association data](#) show, the number of teams increased to 1,059 from 1,011 in Divisions I, II and III, with 15,423 women playing in 2010 compared with 14,445 in 2000.

Low ticket prices, high coaches' salaries and a society that places a premium on male athletic prowess are among the reasons the women's teams aren't self-supporting, according to administrators and economists.

\$9 Tickets

Connecticut charges \$30 for men's basketball tickets and \$22 for women's; at the University of [North Carolina](#) in Chapel Hill, the Tar Heels ask an average \$45 for men and \$9 for women, according to the schools.

[Ben Jay](#), senior associate athletic director for finance and operations at [Ohio State University](#) in Columbus, said the average men's basketball ticket is \$25, while it's \$9 for women. At that price, he calculates the women's team would have to increase average attendance to between 15,000 and 16,000 a game from 3,732 to get out of the red.

"I don't foresee women's basketball breaking even," said Jay, who helps manage a \$128 million budget for 36 sports and 1,048 athletes. "We'd love it to. We are marketing the brand and pushing the program and all the fan experience elements. But we don't see women's basketball subsidizing other sports."

At the same time, women's teams need to spend for the best college coaches if they want to turn their programs around and reach profitability some day, according to athletic directors, administrators and conference commissioners.

'It's Insane'

Besides Connecticut, the schools paying the most for staff were [Tennessee](#), at \$3.42 million; the University of [Oklahoma](#), at \$1.87 million; [Rutgers University](#) at \$1.85 million and Texas \$1.7 million,

according to school records.

“It’s insane,” said Andrew Zimbalist, sports economist at Smith College in Northampton, [Massachusetts](#). “You show me a fortune 500 company that would be profitable if the CEO got 75 percent of the revenue.”

Jay at Ohio State said the market drives coach salaries, and that paying for the best is worth it. “You spend the money that you need to spend to have a successful program,” he said. “We compete in a national market, pay our coaches in a national market and that’s where Ohio State has chosen to be.”

Plonsky said a coach doesn’t have to post profits to justify his or her salary. “What we want is success in the sport and a coach that cares about the kids on the court personally and in the classroom,” she said. “It’s not out of control if the quality is there.”

Television Numbers

Last year, 3.5 million people watched on television as Connecticut beat Stanford 53-47 for the women’s NCAA title, while [Duke University](#)’s victory over Butler in the men’s match attracted an audience of 23.9 million, according to [New York](#)- based The Nielsen Company.

The two stories are told in other TV numbers. The NCAA signed a 14-year, \$10.8 billion contract last year to show its men’s basketball tournament on CBS Sports Inc. and [Time Warner Inc. \(TWX\)](#)’s Turner Broadcasting. The 11-year women’s basketball agreement with [Walt Disney Co. \(DIS\)](#)’s ESPN -- packaged with 21 other championships, including Division 1 men’s lacrosse -- that was negotiated in 2001 is worth \$163 million, according to the NCAA.

In 2010, college sports’ governing body received \$6.74 million in ticket sales from the women’s tournament, and spent \$13.9 million to run the event, according to the NCAA.

The association’s [Division 1 women’s basketball committee](#) has discussed delaying the start of the season for one month so it won’t compete with the end of the college football season, and the beginning of men’s basketball.

[Kentucky](#) Wildcats

McGlade has recommended that in the next television contract, the NCAA negotiate a rights fee for women’s basketball only, no matter how small, and use that as a baseline to set new goals for developing the women’s television product.

In Lexington, the University of Kentucky has made women’s basketball a priority. Within a year of [Mitch Barnhart](#)’s becoming athletic director in 2002, he spent \$100,000 to promote the program on billboards

and radio and through direct mail.

“We made it family friendly, very affordable, built the brand and said ‘Hey, come try it out,’” Barnhart said.

Kentucky upgraded Memorial Coliseum, where the women play, with an \$800,000 video scoreboard, \$380,000 floor and \$100,000 sound system. It built a \$30 million practice facility that the men and women share.

In nine years, the Wildcats’ attendance jumped to a record 6,364 this season from an average 1,694 in 2002. Season ticket prices increased to an average \$45 from an average \$20.

Last season, under third-year [coach Matthew Mitchell](#), the school went 28-8 and was one of the final eight teams in the NCAA tournament. Mitchell was named the Southeastern Conference’s Coach of the Year, and Barnhart was praised for his skill as a turnaround specialist.

Still, financial managers reported a \$1.98 million operating loss in fiscal 2010.

“There are only two sports that carry the ball for us in terms of our finances: football and men’s basketball,” Barnhart said. “I respect what others say about this all needs to be financed, but I don’t think it’s realistic at this point.”

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