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## Comparing universities' sports subsidies to library spending (essay)

Submitted by John V. Lombardi on June 1, 2012 - 3:00am

Everyone talks about the amount of money spent on college football, superstar coaches, television contracts and stadiums. They worry about an imbalance between the expense of university sports programs and the challenge of funding the academic enterprise. These real concerns provoke often-impassioned responses from those who defend or attack the current state of intercollegiate athletics in America.

Unfortunately, much of the noise tends to focus on extreme examples, spectacularly paid coaches of whom we may have only a dozen or so out of the hundreds of college sports personnel, super-sized stadiums and sports department budgets when most sports programs operate on a more modest scale. The targets are attractive because the celebrity status of big-time football and basketball fill pages of newspapers and specialty magazines, appear endlessly on multiple television channels, and enjoy the attention of rabid fans.

Yet college sports is a complicated enterprise that serves many interests at institutions public and private, large and small. Sports are a pervasive part of American culture, and like other high-profile activities (such as finance, real estate or banking), there are bad actors, people of questionable integrity, and errors of commission and omission that attract justifiable outrage and response.

Those of us who live in the academic world, however, sometimes have trouble sorting out the real impact of college sports on our lives. We can understand this competitive world better if we separate the institution of intercollegiate athletics into its various parts, including the engagement of students, the lives of student-athletes (both celebrity performers and regular participants), the involvement of alumni and public, and the financial consequences of sustaining these programs.

Of these, the financial elements are most accessible thanks to data collected by the NCAA and required by various federal reporting rules. Money in universities is always important, especially in these difficult economic times, and we looked for a way to index the university's cost of intercollegiate athletics to the institution's budget.

Sports expenses are funded from earned revenue (tickets, television, sales, gifts and similar revenue generated by the athletic activity itself), and from institutional revenue available for any purpose (student fees and university funds). The institutional revenue is a subsidy for an enterprise that in the

best of all possible worlds should earn its own way in much the same fashion as other university nonacademic enterprises such as food services, bookstores, parking, and housing.

All but a few universities, however, subsidize athletics from student fees and general university revenue. We should ask how significant that subsidy is within the general framework of the university's academic activities. With some sense of the relationship between subsidy and academics, we can assess when sports consume too much of our academic resources.

We could compare the sports subsidy to the cost of a college of business perhaps, or to the cost of an honors program. Each university's organization is substantially different, however, making these units hard to compare.

Libraries, especially for research universities, are stable, standard enterprises central to the work of the university in a continuing way. In addition, the Association of Research Libraries (ARL) has maintained standard data on library expenses, revenue, and budgets (as well as other statistics of significance) for many decades. We anticipated that a comparison of the athletics subsidy to the expenditures on the research university's library could provide a useful reference for understanding the wide variation in the financial impact of college sports on academic institutions.

Aiding in this illustration are the data compiled by *USA Today* on college sports finances, although its data involve only Division I public institutions whose information is available under freedom of information rules. Private universities prefer we not see their numbers.

If we take the 64 Division I public research university members of the Association of Research Libraries (all major research universities of varying size and complexity) and compare their athletic subsidies to the cost of their libraries as reflected in the ARL data, we can get a useful distribution of the impact of sports subsidies on academic enterprises. These research universities maintain libraries to support their instructional and research programs, compete for the best students and faculty, compete as well for the external funding that makes research at this level possible, and require strong libraries for their success.

The size of the libraries reflects an institutional commitment to the academic enterprise, while the sports subsidy for the sports program reflects a commitment to the nonacademic competitiveness of athletics. The subsidy also represents an institutional investment that the institution could have allocated to academic enterprises but instead uses to pay part of the cost of the intercollegiate athletic program, a nonacademic enterprise.

The table below clearly illustrates that the impact of college sports on the academic enterprise varies widely from those institutions whose sports programs require no subsidy (and therefore have no detrimental impact on the academic enterprise) to those sports programs whose subsidy reaches one and a half times the total library budget, clearly a major impact.

These varying impacts are not the result of dramatic changes over time in the library expenditures (which have followed the general trend of university budgets throughout recent years). The impact is the consequence of a college sports environment that requires growing expenses to sustain competitive or even functional programs at the Division I level. When the university must subsidize the athletic program, it indicates that sports at that institution do not compete well enough to earn sufficient revenue from attendance, television, sponsorships, alumni and donors, and must spend university money to stay within the competitive context of Division I.

The wide variation in subsidy also indicates that if the revenue of public universities continues to decline, some institutions may find their level of subsidy for athletics at the expense of academics too high for the other benefits sports provides. That could prompt a change in competitive division within

the NCAA, or the elimination of a variety of high-cost sports.

However, those of us who have lived in various institutions know that while talk of curtailing expenditures on sports is common and enthusiastic among many faculty and some outside commentators, the constituencies for college sports among alumni, trustees, elected officials, and fans are passionate at unbelievable levels. Trustees, alumni and elected officials, in addition to fans of all kinds, want their sports regardless of the subsidy required at the expense of the academic enterprise.

Perhaps along with the other financial requirements for participation in the NCAA Division I, we might expect such programs to limit their institutional subsidies to less than a third of their library budget. That may, however, be asking too much.

## Subsidy of College Athletics (2010-11) and Library Expenditures (2008-9)

Division I Public Research Universities

Institution	Total Library Expenditures	Total Sports Subsidy	Ratio Subsidy to Library
University of Delaware	\$18,734,280	\$28,535,457	1.52
Ohio University	\$13,268,842	\$19,576,760	1.48
University of Massachusetts at Amherst	\$15,403,001	\$22,043,976	1.43
Kent State University	\$12,551,309	\$16,717,874	1.33
State University of New York at Stony Brook	\$13,772,703	\$17,887,144	1.30
University of California at Davis	\$19,932,904	\$20,953,181	1.05
University of Houston	\$20,149,427	\$20,142,457	1.00
State University of New York at Albany	\$12,506,329	\$12,444,324	1.00

State University of New York at Buffalo	\$21,026,650	\$20,823,478	0.99
Colorado State University	\$15,334,082	\$14,128,711	0.92
Southern Illinois University at Carbondale	\$15,228,311	\$13,961,656	0.92
University of California at Riverside	\$13,395,277	\$11,872,584	0.89
Rutgers University	\$33,219,035	\$28,475,523	0.86
Washington State University	\$14,356,836	\$11,531,641	0.80
University of New Mexico	\$20,809,647	\$16,605,866	0.80
University of Cincinnati	\$20,330,143	\$14,708,672	0.72
University of Colorado at Boulder	\$22,131,757	\$15,518,149	0.70
University of Hawaii	\$19,076,939	\$11,986,408	0.63
University of Maryland at College Park	\$25,783,433	\$15,861,641	0.62
University of California at Santa Barbara	\$19,197,432	\$11,484,580	0.60
University of Connecticut	\$26,831,009	\$15,029,723	0.56
University of California at Irvine	\$21,947,912	\$11,833,894	0.54
Virginia Tech	\$14,177,077	\$7,591,114	0.54
Georgia Institute of Technology	\$12,511,623	\$6,454,071	0.52

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University of Louisville	\$19,533,056	\$10,061,012	0.52
University of Illinois at Chicago	\$20,616,384	\$10,360,432	0.50
Florida State University	\$15,750,486	\$7,528,006	0.48
Arizona State University	\$24,640,095	\$10,660,952	0.43
University of Utah	\$23,948,377	\$9,381,567	0.39
University of Virginia	\$34,248,073	\$12,973,298	0.38
Auburn University	\$12,276,211	\$4,307,040	0.35
Oklahoma State University	\$17,886,909	\$6,187,333	0.35
University of Alabama	\$17,430,914	\$5,235,300	0.30
University of Arizona	\$30,645,753	\$7,396,592	0.24
Texas Tech University	\$26,049,443	\$5,788,180	0.22
University of North Carolina at Chapel Hill	\$40,769,990	\$8,829,369	0.22
University of California at Berkeley	\$51,973,099	\$10,505,850	0.20
University of Minnesota	\$41,225,580	\$7,778,861	0.19
University of Wisconsin at Madison	\$43,732,756	\$7,237,901	0.17

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Iowa State University	\$23,250,210	\$3,739,115	0.16
University of Missouri at Columbia	\$17,235,752	\$2,681,641	0.16
University of Florida	\$28,147,202	\$4,367,071	0.16
University of Oregon	\$16,074,716	\$2,419,855	0.15
University of Kansas	\$23,042,922	\$3,436,907	0.15
University of Georgia	\$22,802,390	\$3,197,387	0.14
Michigan State University	\$26,411,564	\$3,650,280	0.14
University of South Carolina	\$19,284,992	\$2,248,275	0.12
University of Illinois at Urbana- Champaign	\$41,600,882	\$3,983,640	0.10
Indiana University at Bloomington	\$33,147,603	\$2,686,769	0.08
University of Washington	\$43,956,131	\$2,458,983	0.06
University of California at Los Angeles	\$50,205,645	\$2,587,439	0.05
University of Tennessee at Knoxville	\$23,515,580	\$1,000,000	0.04
North Carolina State University	\$28,483,805	\$1,088,895	0.04
University of Kentucky	\$21,734,374	\$819,124	0.04

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University of Iowa	\$29,517,181	\$564,680	0.02
University of Michigan	\$53,134,323	\$272,684	0.01
Texas A&M University	\$36,374,551	\$9,856	0.00
Louisiana State University	\$13,428,011	\$0	0.00
Ohio State University	\$38,818,365	\$0	0.00
Pennsylvania State University	\$49,451,130	\$0	0.00
Purdue University	\$24,830,291	\$0	0.00
University of Nebraska at Lincoln	\$15,230,621	\$0	0.00
University of Oklahoma	\$23,865,613	\$0	0.00
University of Texas at Austin	\$46,205,263	\$0	0.00

Sports subsidy and library budget data refer to public Division I universities whose libraries are members of the Association of Research Libraries.

Sources: Association of Research Libraries (in <u>The Chronicle of Higher Education</u> [1]) and <u>USA Today</u> [2].

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## Links:

[1] http://chronicle.com/article/Library-Investment-Index-at/123964/

[2] http://www.usatoday.com/sports/college/story/2012-05-14/ncaa-college-athletics-finances-database/54955804/1