

**SHEPHERD UNIVERSITY  
BOARD OF GOVERNORS  
POLICY 28**

**TITLE : FUNDING OF INTERCOLLEGIATE ATHLETICS**

*SECTION 1. GENERAL*

- 1.1 Scope - This policy governs the funding of intercollegiate athletics teams which participate in the NCAA and WVIAC. This policy has no bearing on intramural sports programs or club sports at the University.
- 1.2 Authority - West Virginia Code § 18B-1-6.
- 1.3 Effective Date - September 9, 2004

*SECTION 2. FUNDING PHILOSOPHY*

- 2.1 Student participation in intercollegiate athletics can contribute to the total growth and development of students by promoting leadership skills, physical fitness, sportsmanship, teamwork and discipline. Athletic participation can also help students grow physically, mentally, socially and emotionally.
- 2.2 In addition to the benefits derived by the student participants, intercollegiate athletic programs can also generate recognition and support for the institution in the local community, throughout the State, and regionally or nationally. The athletics program can serve as an important focal point for student life on campus and can help build loyalty and commitment to the University by students and alumni. Because student-athletes are often highly visible, those who project a positive image can help establish a positive image of the institution by the general public.
- 2.3 The intercollegiate athletics program shall be conducted in a manner that adheres to all state and federal laws, especially relating to equal opportunity. The University places a high priority, to the degree reasonably achievable, to meet the athletics interests of its student body.
- 2.4 Recognizing the benefits that come from an intercollegiate athletics program, the University shall conduct an intercollegiate athletics program that operates within the WVIAC and the NCAA, Division II. It is a priority of the Board that the athletics program be funded sufficiently to create an opportunity for each Shepherd University team to be competitive in the WVIAC and NCAA, Division II.
- 2.5 It is the further intention of the Board that scarce resources of the University not be disproportionately allocated to intercollegiate athletics at

the expense of other vital programs of the University. This policy is intended to help regulate the balance of financial allocations to the athletics programs.

### *SECTION 3. REVENUES*

Allocation of funding revenues for intercollegiate athletics shall be subject to the following provisions:

#### 3.1 Student Athletic Fees.

3.1.1 There shall be a Student Athletic Fee assessed as a part of the aggregate enrollment fees for each Shepherd University student, in such amount as the Board may from time to time set. The amount of the fee shall be prorated for part-time students.

3.1.2 Absent some emergency condition requiring emergency, temporary changes, prior to proposing any increase in the athletics fee to the Board, the President shall obtain the advice and counsel of the Student Government Association regarding such proposal.

3.1.3 Beginning with the formulation of a budget for FY'06, the President shall develop a budget for the intercollegiate athletics program, and shall propose an appropriate fee level, recognizing and reasonably consistent with the institution's previous tradition of athletics fees being not more than 9% of all enrollment fees of students but also recognizing that the institution is transitioning to decreased dependence upon state-appropriated funding for athletics.

3.1.4 The provisions of subsection 3.1.3 shall not apply to any Athletics Equity Fee or any Athletics Capital Fee that may be implemented by the Board from time to time.

#### 3.2 Appropriated Funds.

3.2.1 Beginning with the formulation of a budget for FY '06, and thereafter, the University shall, absent exigent circumstances at the discretion of the Board, limit the allocation of appropriated funds to intercollegiate athletics operating funds to not more than the total dollars of the appropriated funds of FY '05 which were applied to athletics.

#### 3.3 Revenues from Operations.

The Board encourages the fixing of gate receipts, concessions, program sales, game guarantees, tournament and post-season income, institutional sport camps, and other revenue-producing activity associated with intercollegiate athletics, all of which have traditionally been applied to the operations of the intercollegiate athletics program. Such funds may be utilized for intercollegiate athletics funding, for athletics capital funding, or otherwise as directed by the President.

3.4 Private Support.

The Board encourages contributions of foundations, associations, booster clubs, and personal gifts to all sectors of the University, including the intercollegiate athletics program. However, it is imperative that the President, through the office of the chief financial officer of the University, have oversight and management control over the entire financial operation of the athletics program. All private support for the intercollegiate athletics program of the University shall be either deposited with the University for contribution to the Athletics institutional budget or shall be administered by either the Alumni Association or the Foundation and will be reviewed by the office of the Vice President for Finance for compliance with institutional policy and philosophy.

*SECTION 4. EXPENDITURES FOR SALARIES AND BENEFITS.*

The total amount of base salaries and benefits for coaches, athletic department administrators and staff, and other University employees whose total job responsibilities are related to the intercollegiate athletic program shall be paid from the budget for intercollegiate athletics generated from revenue sources identified in Section 3, herein. The salary and benefit cost for each employee whose responsibilities are split between intercollegiate athletics and some other institutional program shall be pro-rated. The basis for the pro-rating of each such employee shall be included in the annual report to the Board on athletics funding.

*SECTION 5. TUITION WAIVERS.*

In formulating the athletics budget for each fiscal year, the number of enrollment fee waivers that may be awarded on the basis of athletics participation shall be based upon the prior year's enrollment and regulated in the following manner.

- 5.1 If the prior year's FTE enrollment is greater than or equal to the FTE enrollment of the year preceding that, then the athletics waivers shall be 40% of the total waivers for that year.
- 5.2 If the prior year's FTE enrollment is less than the FTE enrollment of the year preceding that, then the President may authorize that the total number of athletics waivers shall remain constant.

*SECTION 6. ANNUAL REPORT*

The President shall provide the Board annually a report reflecting the summary of financial data and student participation information for the preceding fiscal year, together with such additional information relating to intercollegiate athletics as the President deems appropriate or which the Board may request.