

INTERCOLLEGIATE ATHLETICS OPERATING BUDGET
FOR THE FISCAL YEAR ENDING JUNE 30, 2026

A Recommendation

1. **Division and Department:** President's Division and Intercollegiate Athletics
2. **Introduction:** The proposed budget for Intercollegiate Athletics is presented for approval for the fiscal year ending June 30, 2026.

The ancillary activity presented represents an operation connected with and in support of the educational mission of Oakland University (University). Each ancillary budget is presented in a similar format, using common terminology and revenue, expense, and University Support categories. The "all funds" budget model is used to construct the proposed budget. The all funds model provides a comprehensive picture of the financial activities of each unit. This format depicts operating and capital transactions in the General Fund, Auxiliary Fund, Designated Fund, Expendable Restricted Fund, and Plant Fund. Gifts are included, but the fund balances in permanent endowments are not included as there is no discretion with regard to their use. Distributions from endowments are included.

3. **Previous Board Action:** On June 28, 2024, the Board of Trustees (Board) approved the FY2025 ancillary budget for Intercollegiate Athletics.
4. **Budget Implications:** See the program description for budget implications.
5. **Educational Implications:** See the program description for educational implications.
6. **Personnel Implications:** See the program description for personnel implications.
7. **University Reviews/Approvals:** The Athletics budget was reviewed by the Financial Performance Review Committee, Budget and Financial Planning office, Director of Athletics, Senior Vice President for Finance and Administration, Chief of Staff and President.
8. **Recommendation:**
RESOLVED, that the Board of Trustees approve the FY2025 Budget for Intercollegiate Athletics, with expenditures and transfers not to exceed the total as reflected in the attached budget, except as set forth; and, be it further

**Intercollegiate Athletics Operating Budget For The
Fiscal Year Ending June 30, 2026
Oakland University**

Board of Trustees Formal Session

April 11, 2025

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RESOLVED, that any expenditure level in excess of the approved amount that is not funded by a direct revenue increase must have the prior approval of the President or his/her designee and those amounts shall be reported on a periodic basis to the Board of Trustees; and, be it further

RESOLVED, that subject to satisfaction of the requirements set forth in all applicable Board of Trustees policies, the Board of Trustees authorizes the President, the Vice Presidents, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the FY2026 budget and the ongoing administration of the FY2026 budget; and, be it further

RESOLVED, that any and all such contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.

9. Attachments:

- A. Description of Athletics Budget Notes & Assumptions
- B. Athletics Proposed Budget – FY2026

**Intercollegiate Athletics Operating Budget For The
Fiscal Year Ending June 30, 2026
Oakland University**

Board of Trustees Formal Session

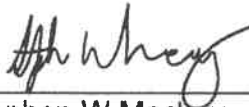
April 11, 2025

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Submitted to the President
on March 28, 2025 by

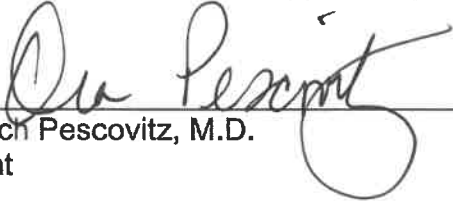


Steven Waterfield
Director of Athletics



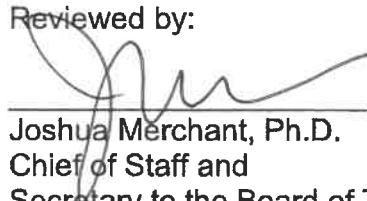
Stephen W Mackey
Senior Vice President for Finance and Administration
and Treasurer to the Board of Trustees

Recommended on 4/4, 2025
to the Board of Trustees for approval by



Ora Hirsch Pescovitz, M.D.
President

Reviewed by:



Joshua Merchant, Ph.D.
Chief of Staff and
Secretary to the Board of Trustees

Department of Intercollegiate Athletics

Description of Program

The Oakland University (OU) Department of Intercollegiate Athletics has been fully participating in Division I athletics since the 1999-2000 academic year. In 23 years, the Golden Grizzlies have won 33 regular-season conference championships, 8 conference tournament titles, and have made 56 NCAA tournament appearances.

OU has 19 varsity sports: baseball, men's basketball, women's basketball, men's cross country, women's cross country, esports, men's golf, women's golf, men's soccer, women's soccer, softball, men's swimming & diving, women's swimming & diving, women's tennis, men's indoor & outdoor track, women's indoor & outdoor track, and volleyball.

The Golden Grizzlies play their court sports (volleyball, and men's and women's basketball) at the OU Credit Union O'rena which has a capacity of 4,000, with baseball, softball, and soccer games played at the Oakland Athletic Fields. Oakland swimming and diving competes in the Oakland Aquatics Center, which has a capacity of 1,000, and OU's Katke-Cousins golf course is the home course for the men's and women's golf teams. The track & field and tennis programs compete at the Outdoor Recreation and Athletic Complex. Esports competes in the Oakland Center.

This spring / summer, the new athletics West Campus – Varsity Basketball Training Center Project will be available for the basketball programs to use. This additional practice area will provide for much needed practice time flexibility in the O'Rena for non-basketball team practices, in addition to improved office and administrative space utilization.

Key Performance Indicators

The James J. McCafferty Trophy, named after the Horizon League's first commissioner, is awarded annually to signify the League's all-sport champion. For the sports of men's and women's soccer, volleyball, men's and women's basketball, softball and baseball, points are awarded based on combined regular season (60 percent) and championship (40 percent) finishes. For all other sports, points are based on performance in the league championship.

	FY2022	FY2023	FY2024
Men's Sports McCafferty Trophy Ranking	1	3	1
Women's Sports McCafferty Trophy Ranking	1	1	2
Overall McCafferty Trophy Ranking	1	2	1

Key Performance Indicators (continued)

	FY2022	FY2023	FY2024
Number of Student-Athletes	342	350	350
Graduation Rates – All Students / Student-Athletes	56% / 79%	58% / 67%	57% / 71%
Graduation Success Rate – Student-Athletes	88%	82%	95%

Freshman-Cohort 2015/2016, 2016/2017, and 2017/2018 Graduation Rates: These are the most recent graduating classes for which the required six years of information is available. "All Students" represents all undergraduate students who were enrolled in a full-time program of studies for a degree. "Student Athletes" represents those student athletes who received athletics aid from the university for any period of time during their entering year.

The primary difference between the two rates is that the Graduation Success Rate takes into account the successful completion of graduation requirements for transfer students.

FY2025 Explanation of Major Changes

1. A positive variance in operating revenue is due to the FIFA Club World Cup. Athletics will host a Club World Cup team in June resulting in an increase in rental revenue of \$215,000. Some of this rental revenue will be reinvested back to our Soccer Field for an improved playing surface for the student-athletes.
2. Compensation expenditures are projected to be less than budgeted mostly due to the retirement of the Head Women's Basketball Coach. Athletics is conducting a national search for a new head coach and have contracted with Bowsby Sports Advisers to assist.
3. The expected increase in Supplies & Services is due to the hiring of Bowsby to assist with the Head Coach search, in addition to contracting with College Sports Solutions to review the Multimedia Rights and Apparel contracts.
4. Repairs and Maintenance increased due to the softball fence sustaining wind damage in the fall and needing to be repaired.
5. Athletic Scholarships are expected to end the year higher than budgeted due to increased costs for pre and post season housing.

Major Capital Expenditures included:

Tennis Bubble Project	\$	50,000
Golf Simulator Project @ GLC		145,000
<u>Soccer Field Improvements</u>		<u>125,000</u>
Total FY2025 Capital Expenditures	\$	320,000

FY2026 Budget Assumptions

The Oakland University Department of Intercollegiate Athletics' budget reflects the revenues and expenditures of its continuing participation in NCAA Division I and league affiliation to The Horizon League. Budget assumptions for FY2026 have been projected based on Horizon League competition:

1. Operating revenue changes are reflective of the proposed House Settlement approval that will begin in FY2026. Athletics will opt-in to the settlement and will now be allowed to share revenue with student-athletes. Men's Basketball will be playing more guarantee games in order to provide some of the guarantee revenue to the Men's Basketball student-athletes.
2. The increase in compensation is reflective of anticipated salary increase for FY2026 along with the addition of two new Athletics positions. Athletics will be adding an Associate Athletic Director for Student-Athlete Leadership and Engagement and also a Director of Philanthropy. The Associate Athletic Director position will sit on Senior Staff and will also oversee the department's NIL education.
3. The increase in Supplies & Services represents anticipated increased costs for revenue sharing to the student-athletes. Men's Basketball anticipates utilizing part of their guarantee revenue for revenue sharing and the department is also planning to commit up to \$50 per student-athlete in exchange for the usage of their photos in Athletic Department promotional material.
4. The increase in Athletic Grants represents Alston Award expenditures. Alston awards allow basketball scholarship student-athletes to receive up to an additional \$5,980 annually for educational-related benefits. Awarding began winter semester FY2025 based on the student-athlete being academically eligible prior to the start of the winter semester. For FY2026, the Alston Awards will total \$107,640. These awards will be offset with additional university support.

Oakland University
Ancillary Activities Operating Budget
Department of Intercollegiate Athletics
Proposed Budget - All Funds
FY2026

	FY2024 ACTUAL	FY2025 BUDGET	FY2025 ESTIMATED ACTUAL	FY2026 PROPOSED BUDGET
Revenue:				
Operating Revenue	\$ 4,038,955	\$ 3,283,860	\$ 3,504,860	\$ 3,565,988
Retail Sales	217,335	203,500	203,500	180,000
OU Purchased Services	-	-	-	-
Gifts and Grants	407,753	475,000	475,000	475,000
Investment Income	72,964	75,000	76,556	75,000
Total Revenue	\$ 4,737,007	\$ 4,037,360	\$ 4,259,916	\$ 4,295,988
Expenditures:				
Compensation	\$ 6,476,586	\$ 6,707,510	\$ 6,573,550	\$ 7,162,327
Supplies and Services	4,479,832	4,122,735	4,232,735	4,362,696
Repairs and Maintenance	5,990	20,000	20,000	10,000
Cost of Retail Sales	61,351	50,000	50,000	50,000
Equipment	11,632	-	-	-
Insurance	146,560	172,275	157,396	202,275
Utilities	-	-	-	-
Debt Service	-	-	-	-
Overhead charged by OU	-	-	-	-
Athletics Turf Loan Repayment (principal)	-	70,326	70,326	70,326
Short-Term Operations Loan Repayment (principal)	-	161,534	297,498	351,454
Interest Expense Short-Term Internal Loan	15,606	67,829	53,674	50,807
Other Transfers	-	-	-	-
Athletic Scholarships	5,209,808	5,186,365	5,216,365	5,434,347
Total Expenditures	\$ 16,407,365	\$ 16,558,574	\$ 16,671,545	\$ 17,694,232
Net Income	\$ (11,670,358)	\$ (12,521,214)	\$ (12,411,629)	\$ (13,398,244)
University Support:				
Operating	\$ 6,742,735	\$ 7,409,849	\$ 7,409,849	\$ 7,935,152
Athletic Scholarships	5,036,944	5,146,365	5,146,365	5,394,347
<i>Net Income before loan/support</i>	<i>\$ 109,321</i>	<i>\$ 35,000</i>	<i>\$ 144,585</i>	<i>\$ (68,745)</i>
Varsity Basketball Training Center Project	5,000,000			
Short-Term Internal Loan	1,797,425			
Total University Support	\$ 18,577,104	\$ 12,556,214	\$ 12,556,214	\$ 13,329,499
Net Income with University Support	\$ 6,906,746	\$ 35,000	\$ 144,585	\$ (68,745)
Ending Balances prior to Major Cap. Expenditures:				
Restricted Fund Balance *	\$ 5,902,146	\$ 1,057,200	\$ 871,731	\$ 657,986
Unrestricted Fund Balance	281,904	(120,054)	175,000	
Return of Unused Plant Fund Proceeds	33,445			
Less: Major Capital Expenditures	5,315,349		320,000	
Total Ending Fund Balance	\$ 902,146	\$ 937,146	\$ 726,731	\$ 657,986
Endowment Spend Funds			259,930	
Student-Athlete Funds			153,616	
Golf Training Facility			458,185	
Restricted Fund Balance *			<u>\$ 871,731</u>	