

**Georgia Tech Athletic Association
Student Athletic Fee Comparison
October 2011**

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Executive Summary

The Decision Support Group reviewed the student athletic fee data presented by the Georgia Tech Athletic Association (GTAA) to determine its standing relative to the market. For the purpose of this review, the market rate is defined as the average charged by our peer institutions in the Atlantic Coast Conference (ACC). For comparison purposes, we also reviewed fees charged by the Southeastern Conference (SEC) and those institutions with NCAA Division I sports programs who are members of the Association of American Universities (AAU).

Within the ACC, student athletic fees range from \$103 annually at Clemson to \$657 annually at Virginia for 2012. The average is \$285 annually. At an annual rate of \$254, Georgia Tech's fee is \$31 (12%) below the ACC market average as shown in Attachment 2. The following summary also includes: information that compares the portion of Georgia Tech athletic revenues originating from student fees to its ACC, SEC and AAU peers; a brief summary of other selected institutions' student fee policies; and general athletic fee information.

Student Athletic Fees as a Percentage of Total Athletic Revenues

USA TODAY publishes a NCAA College Athletic Finance Database with public records-sourced athletic revenue and expense information. Table 1 shows the percentage of total athletic revenues originating from student fees for selected schools, according to *USA TODAY*'s database.

Compared with other ACC schools, Georgia Tech's 8.4% of total athletic revenues coming from student fees seems reasonable. All ACC schools have similar athletic revenue amounts, and Georgia Tech's student athletic fee as a percentage of all athletic revenues is among the lowest.

However, Georgia Tech's percentage of athletic revenues from student fees is higher than nearly all of its public academic peers, many of whom do not report using any student fees to support athletic revenues. Similarly, Georgia Tech's athletic fee percentage is higher than many SEC schools. Outside of its ACC peers, funding of athletics through student fees at Georgia Tech is high when compared to other public institutions.

In order to put discussions of increasing student athletic fees in a larger perspective, note that students were charged more than \$795 million to support sports programs at 222 Division 1 public institutions during 2008-2009 academic year – an 18% increase since 2005 (Source: *USA TODAY*, October 2010).

Table 1: Student Fees as a Percentage of Total Athletic Revenues

USA Today NCAA College Athletics Finance Database				
		Student Fee Revenue	Total Athletic Revenues	
ACC Peers	Virginia	\$11,874,202	\$63,705,491	18.6%
	Maryland	\$9,408,122	\$54,661,992	17.2%
	Virginia Tech (academic peer)	\$6,533,756	\$63,613,464	10.3%
	UNC - Chapel Hill	\$6,859,868	\$72,825,407	9.4%
	Florida State	\$6,919,449	\$74,402,269	9.3%
	NC State (academic peer)	\$4,200,610	\$49,459,002	8.5%
	Georgia Tech	\$4,643,368	\$55,359,742	8.4%
	Clemson	\$1,585,556	\$57,562,999	2.8%
Miami	Not Reported			
Public AAU Peers	Illinois	\$2,961,577	\$75,189,489	3.9%
	UC – Berkeley	\$2,146,402	\$69,345,931	3.1%
	Florida	\$2,507,391	\$117,104,407	2.1%
	UT - Austin*	\$0	\$143,555,354	0.0%
	Michigan*	\$0	\$106,874,031	0.0%
	Penn State*	\$0	\$106,614,724	0.0%
	Texas A&M	\$0	\$82,774,133	0.0%
	University of Minnesota*	\$0	\$78,706,183	0.0%
	University of Washington*	\$0	\$64,034,410	0.0%
	Purdue*	\$0	\$61,653,561	0.0%
SEC Peers	Mississippi State University	\$4,000,000	\$38,127,591	10.5%
	University of South Carolina	\$6,859,868	\$72,825,407	9.4%
	Auburn University	\$5,261,604	\$92,611,558	5.7%
	University of Mississippi	\$1,820,200	\$45,737,904	4.0%
	University of Georgia	\$3,202,545	\$89,735,934	3.6%
	University of Kentucky	\$738,194	\$79,700,856	0.9%
	University of Tennessee	\$1,000,000	\$115,729,599	0.9%
	University of Alabama*	\$0	\$130,542,153	0.0%
	Louisiana State University*	\$0	\$111,030,795	0.0%
	University of Arkansas*	\$0	\$78,072,620	0.0%

Table Notes:

- Source: *USA TODAY* NCAA College Athletics Finance Database, sourced from *USA TODAY* public-records requests to each university
- *Bulk of athletic revenue from ticket sales, contributions, NCAA conference distributions and royalties/licensing
- The Georgia Tech amounts were verified with Georgia Tech Athletic Association’s annual report (<http://www.gtannualreport.com/#/financials>)

Mandatory Student Fee Policies

Georgia Tech's Mandatory Student Fee and Budget Approval Process Policy is similar to its peers, in that student recommendations are solicited and considered while final decisions are made at the administrative level. A brief summary of selected peer institutions' comparable Student Fee Change Policies follows:

- UC – Berkeley, UCLA – UC President reviews student service fees annually and makes recommendation to Board of Regents. Chancellors at each campus solicit student recommendations on how to allocate student fee revenue via the Council on Student Fees/University of California Student Association, but students don't provide input on proposed changes to the actual fee itself.
- Michigan – mandatory student fees are fixed by the Committee on Budget Administration.
- University of Texas – Student Services Budget Committee advise UT administration on the “type, level and expenditure” of mandatory student fees.
- Virginia Tech – Board of Visitors establishes fees, tuition and other student charges.
- University of Illinois – Urbana-Champaign – Board of Trustees sets tuition and fees, while there is also a Student Senate Subcommittee on the University Budget, Tuition and Student Fees.

Student Athletic Fees: Ticketing and Facility Use Policies for the Students

What the student receives for his/her athletic fee varies from free tickets to all sporting events to reduced rates for particular sports. Use of some athletic facilities also appears to be a benefit at select schools. A summary of policies is shown below for the ACC institutions.

Clemson: Undergraduate students are not charged a fee for football tickets. Students also receive 2400 student men's basketball tickets and virtual open access to other sports.

Duke: The athletics program does not receive any student fees and students (undergrad) don't pay for tickets. Students do pay a recreation fee, which goes to Phys Ed/Campus Rec Department for membership to the recreation facilities but that is unrelated to athletics.

Florida State: At FSU, students receive free tickets for athletic events.

Georgia Tech: To be eligible for tickets, a student must pay their athletic fee. There are two options for football: Students can purchase a "reserved season ticket" or they can claim a ticket on a game by game basis. Men's basketball ticket policies for the 2012 season have not yet been published. Other sports are typically free with a Georgia Tech identification card.

Maryland: At Maryland, the athletic student fee entitles students to free tickets to all ticketed athletic events. For football games the minimum student ticket allotment is 11,000 and for men's basketball it is 4,000. If student ticket demand exceeds supply for any particular game, tickets are distributed using a loyalty-based lottery system.



Miami: The students who pay a student fee have access to all home athletic events at no additional cost.

NC State: Students receive 10,000 football tickets distributed by a loyalty point / lottery system. Students also receive 4,000 tickets for men's basketball with the same distribution process. NC State provides transportation to home football and basketball events since their facilities are off campus. The students also have access to some of the athletic facilities for club competition events.

North Carolina: Students receive tickets to regular season athletic events, reduced rates at our golf course and use of certain fields and facilities.

Virginia: Mandatory Fees including Athletics are assessed to all on-grounds, degree-seeking students, with the exception of those assessed the special session fee. A valid student ID is used for admittance in lieu of a ticket to all ticketed athletic events. There is a separate component of Mandatory Fees for Recreational Facilities. The same valid student ID is used for admittance to recreational facilities.

Virginia Tech: Students have the opportunity to purchase student season tickets for men's basketball and football at a greatly reduced price (\$60 for football, \$93 for basketball), or can enter the lottery for a chance to get free tickets to those games.

Wake Forest: There are no student fees for athletics. The students do pay some fees for facility use and they do get free tickets. WF does not receive student fee revenue for athletics.

Student Athletic Fee Disclosure

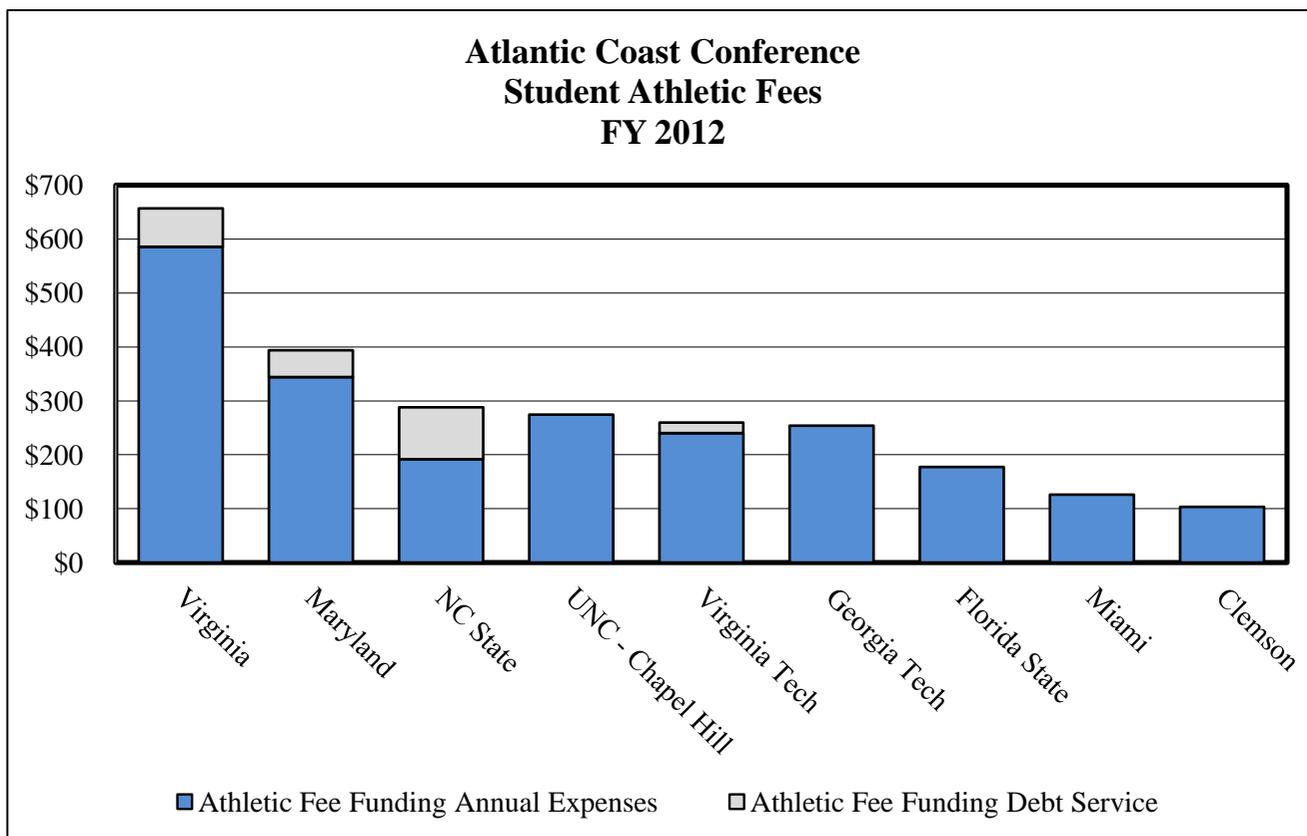
A review of other institutions indicated that very few - Florida (\$57/year), Georgia (\$106/year) and Kentucky (\$38/year) - explicitly name an "Athletic Fee" in their published fee structures. A few other institutions mention that either free or discounted admission to athletic events is included in activity and recreation fees – in essence, students' activity and recreation fees simply allow them the option to purchase tickets to collegiate athletic events, sometimes at discounted rates.

Georgia Tech's disclosure of its fee schedule is somewhat rare – many schools do not break out where mandatory student fees are spent. Two states have laws (Tennessee and Virginia) that fee allocations must be disclosed, while some other university systems (California, Maryland) mandate it. However, it is still relatively difficult to find detailed mandatory fee information.

**ACC Student Fee Comparison
Academic Year 2011-2012**

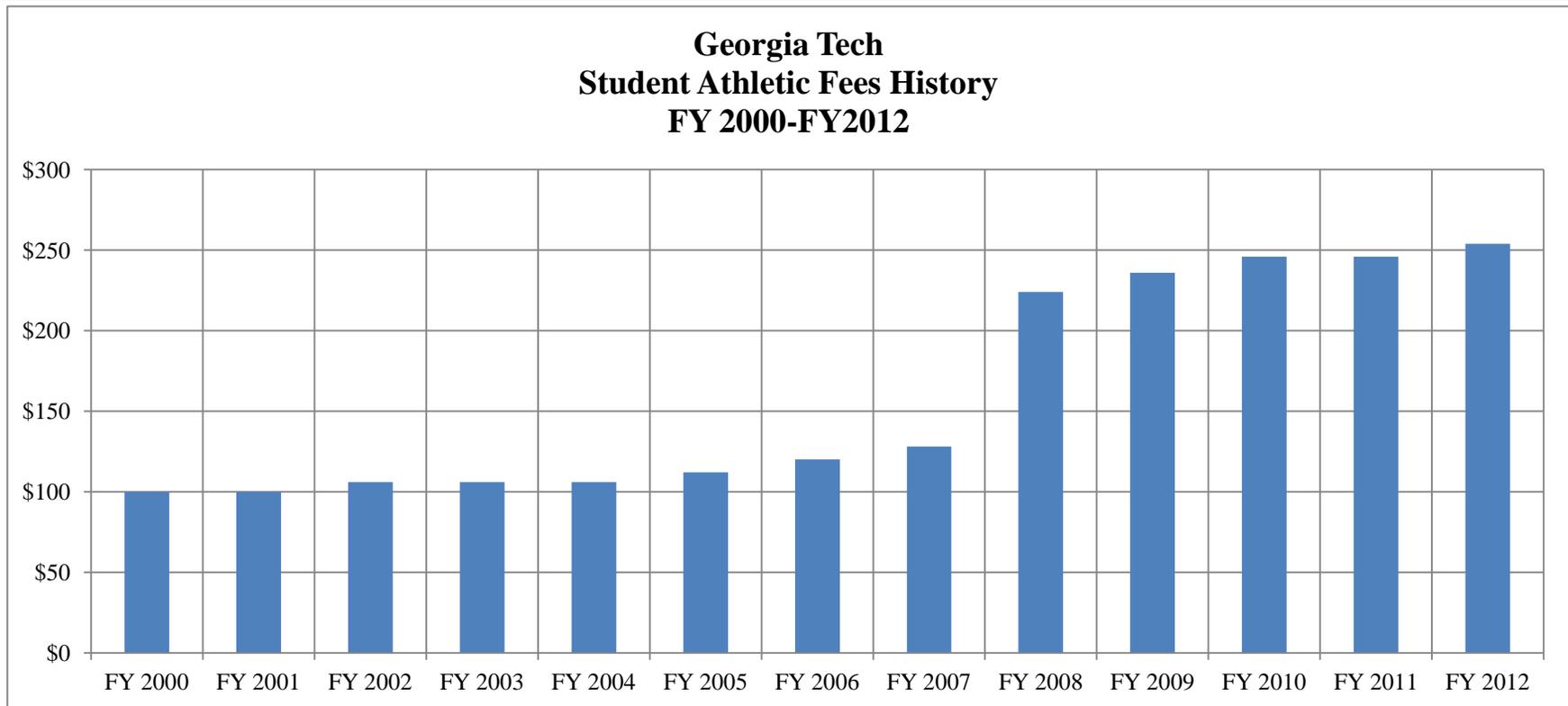
Institution	Portion of Fee funding annual (non-debt)	Portion of Fee funding Debt Services	Total Annual Fee	Estimated # of Students Paying Fee	Budgeted Fee Revenue
Virginia	\$586	\$71	\$657	19,800	\$13,008,600
Maryland	\$344	\$50	\$394	35,000	\$11,032,878
NC State	\$192	\$96	\$288	28,512	\$8,211,000
UNC - Chapel Hill	\$275	\$0	\$275	25,866	\$7,105,707
Virginia Tech	\$240	\$20	\$260	27,593	\$7,174,180
Georgia Tech	\$254	\$0	\$254	17,600	\$4,747,005
Florida State	\$177	\$0	\$177	40,000	\$7,400,000
Miami	\$126	\$0	\$126	9,500	\$1,200,000
Clemson	\$103	\$0	\$103	15,346	\$1,585,000
Median			\$267		
Average			\$285		

A
B
C
D
E



- A .** # of students paying fee includes 24,000 full time & 11,000 part time students (part time students assessed lesser fee).
- B .** Fee= \$7.39 per credit hour per semester times estimated 12 credit hours per student
- C .** # of students paying fee total is average of estimated first semester (18,414) + second semester (16,861) enrollment. Total fee revenue includes \$ generated from summer school fee of \$40 per student.
- D .** Totals noted for Clemson do not result from an athletic student fee. These dollars are allocated by the university from funds generated by the student activity fee.
- E .** Fee is required for full time undergraduates but optional for part time & graduate students.

Term	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Fall	\$50	\$50	\$53	\$53	\$53	\$56	\$60	\$64	\$112	\$118	\$123	\$123	\$127
Spring	\$50	\$50	\$53	\$53	\$53	\$56	\$60	\$64	\$112	\$118	\$123	\$123	\$127
Total	\$100	\$100	\$106	\$106	\$106	\$112	\$120	\$128	\$224	\$236	\$246	\$246	\$254



Georgia Institute of Technology
Mandatory Fee Review and Approval Process
Fiscal Year 2012

This document summarizes the process for review of mandatory fee proposals at Georgia Tech as follows:

1. Review of proposals by advisory organizations
2. Mandatory Student Fee Advisory Committee (MSFAC) review
3. President's recommendations to Board of Regents (BOR) and BOR approval.

The process does not include review of the Institutional Fee initiated by the Board of Regents. The BOR has modified its policies to exclude this from the usual review process, as indicated in the excerpt from the BOR Policy Manual below:

7.3.2.1 Mandatory Student Fees (excerpt)

Proposals submitted by an institution to increase mandatory student fees, proposals to create new mandatory student fees, or a substantive change in the purpose of a mandatory fee, shall first be presented for advice and counsel to a committee at each institution composed of at least fifty percent (50%) students, except in special circumstances when a general purpose fee is instituted system-wide by the Board of Regents (BoR Minutes, June 2009, revised May 2010). The committee shall include at least four students, who shall be appointed by the institution's student government association. Institutions and student government associations should make a concerted effort to include broad representation among the students appointed to the committee (BoR Minutes, January 2010).

1. Review of Proposals by Advisory Organizations

Georgia Tech's fee review process includes extensive involvement by the following organizations that assess program needs and budgets prior to the Mandatory Student Advisory Committee's (MSFAC) review:

- Student Activity Fee – Student Government Association and separate student advisory organizations to the Campus Recreation Center and the Student Center, which are both partially funded through this fee
- Transportation – Parking and Transportation Advisory Committee (*1/4 student membership: 6 students out of 23 members*)
- Student Health Advisory Committee (*1/3 student membership: 6 students out of 16*)
- Technology Fee – Technology Fee Committee (*1/2 student membership: 4 students out of 8 members*)
- Athletic Fee – GT Athletic Association (*3 of 13 voting trustees are students*)

See the flow chart in Attachment 1 on how these organizations provide input to the MSFAC. With the students serving on the MSFAC, there are a total of 27 students (not including SGA) involved in Georgia Tech's mandatory fee process. The SGA total of 113 brings the total student participants to 140.

Each advisory organization has its own methods of seeking input from students on fee proposals, including use of surveys, student newspaper articles, open forums, and web sites. Auxiliary Services conducts annual customer satisfaction surveys for all of their programs. The Student Government Association annually reaches out to students to gauge their willingness to pay more for the services funded through the mandatory fees.

2. Mandatory Student Fee Advisory Committee

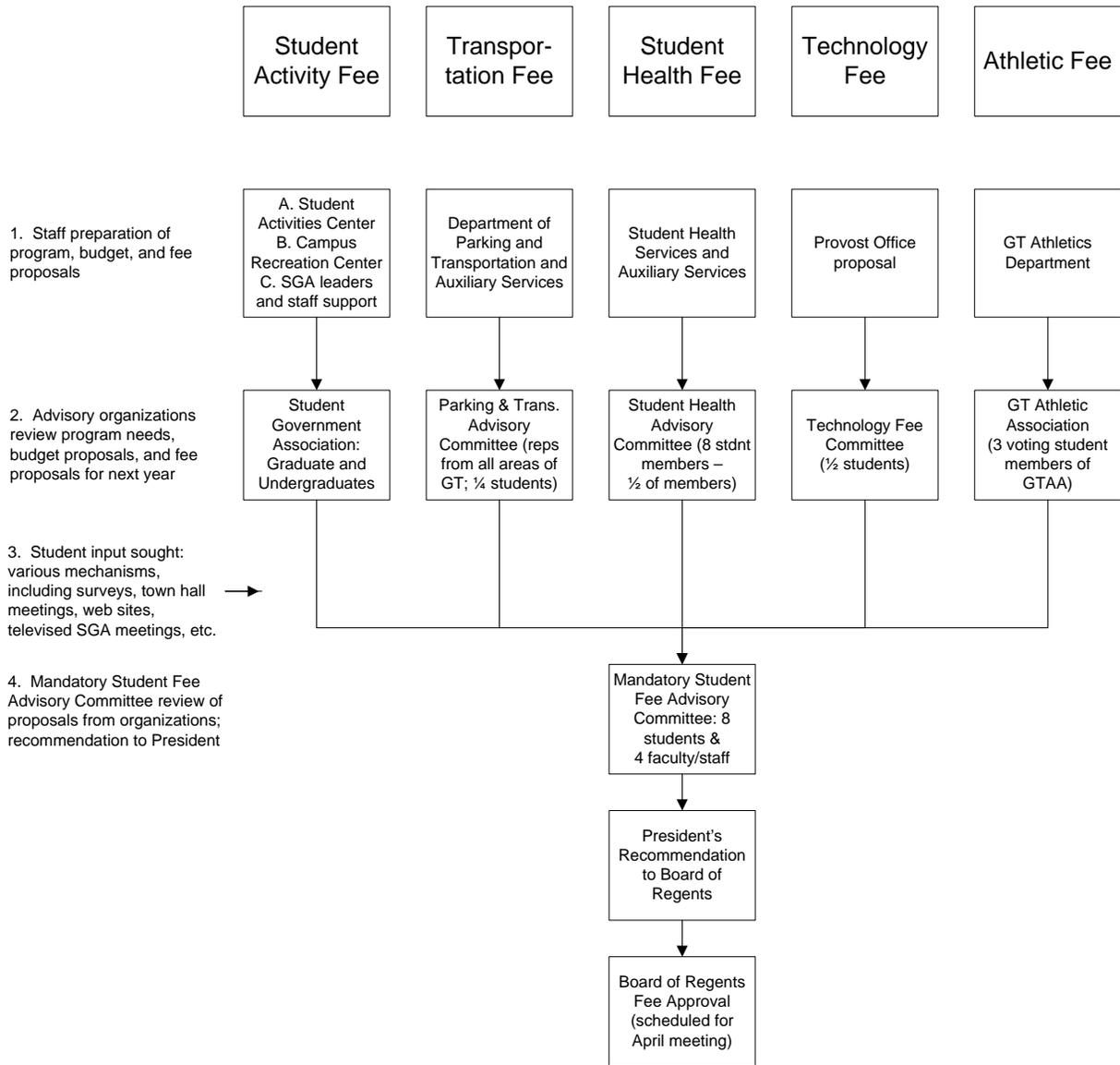
Georgia Tech's Mandatory Student Fee Advisory Committee (MSFAC) is comprised of eight students appointed by the two SGA presidents and four faculty or staff appointed by the Provost and the Executive Vice President for Administration and Finance. The SGA presidents always appoint themselves to the committee, as well as the SGA Vice President of Finance. The full policy is included as Attachment 2. All work of the Committee is open to students, faculty, and staff, and the editor of the student newspaper, the Technique, is an ex-officio member of the committee. All committee documents are posted on the following web site:
<http://www.budgets.gatech.edu/MSFAC/>

3. President's Recommendation and Board of Regents Approval

Following recommendations from the MSFAC on mandatory fees the President provides his recommendations to the Board of Regents. Institutions must provide justification for increases in the mandatory fees through prescribed forms. In most years the mandatory fees are approved by the BOR at its April meeting, along with tuition rates. The BOR does not approve elective fees but does require institutions to submit the fee amounts for posting on the Board's website.

Attachment 1

Georgia Tech Mandatory Fee Review Flowchart



Georgia Institute of Technology
Mandatory Student Fee and Budget Approval Process Policy

Background:

Board of Regents Policy 705.5 (February 9, 2000)

Mandatory Student Fees:

“Proposals to increase mandatory student fees and proposals to create new mandatory student fees, submitted by an institution, shall first be presented for advice and counsel to a committee at each institution composed of at least 50% students. Students shall be appointed by the institution’s student government association.

All mandatory student fees collected by an institution shall be budgeted and administered by the president, using proper administrative procedures, which shall include the advice and counsel of an advisory committee composed of at least 50% students. Students shall be appointed by the institution’s student government association. All payments from funds supported by the student mandatory fees shall be made according to Board of Regents approved business procedures and the appropriate business practices of the institution.”

Policy:

A Georgia Institute of Technology Mandatory Student Fee Advisory Committee (MSFAC) is created to implement the provisions of Board of Regents Policy 705.5, as amended on February 9, 2000. The Committee shall make recommendations to the Institute Budget and Planning Committee and to the President on changes to existing mandatory student fees or on possible new mandatory fees. Fees considered by the Committee shall exclude elective fees that are paid by the students who choose to receive specific services. Mandatory fees are defined in the Board of Regents' Policy manual as follows:

"Mandatory fees must be paid by all students unless waivers are specifically approved by the Board of Regents. There are two categories of mandatory fees: fees mandated by the Board of Regents for all University System students; and fees mandated by the institution and approved by the Board of Regents for all students at the individual institution, such as activity fees, athletic fees, health fees, and transportation fees."
(BOR Policy Manual Section 704.02)

The MSFAC shall be composed of twelve members selected as follows:

- Eight students appointed by the Presidents of the Student Government Associations;
- Four faculty or staff members appointed by the President of Georgia Tech, provided that at least two of these are faculty members and one be the Director of Budget Planning and Administration.

In addition, there shall be non-voting, ex officio members of the Committee as follows (unless appointed as a voting member). The ex-officio student Committee members shall be the

Presidents of the Graduate and Undergraduate Student Government Associations, the Editor of the Technique, the Vice President for Finance and Chair of the Joint Finance Committee, and any other students appointed by the Student Government Association Presidents. Ex-officio faculty and staff Committee members may include the Vice President for Student Affairs, the Associate Vice President for Auxiliary Services, and any other faculty or staff appointed by the President.

It is anticipated that appointments to the MSFAC will be made from advisory committees working in each mandatory student fee area, and that these representatives would act as liaisons to the MSFAC from their respective areas.

The MSFAC shall receive and consider recommendations on mandatory fee levels from the following organizations:

- Technology Fee - Technology Fee Committee (for recommendations on fee levels only and not on projects to be funded)
- Transportation Fee - Parking and Transportation Advisory Committee
- Student Health Fee - Student Health Advisory Committee
- Student Activity Fee - Student Government Association
- Athletic Fee - Georgia Tech Athletic Association.

The MSFAC will be co-chaired by one of the eight student members designated by the Presidents of the Student Government Association and by an administration co-chair selected by the President of the Georgia Institute of Technology.

The President of Georgia Institute of Technology will appoint the MSFAC annually prior to the beginning of the fall semester. The newly elected leadership of the student government associations will select the eight student members and provide their names to the President of the Georgia Institute of Technology. The Committee will serve for one year or until the successor committee is appointed.

Procedures:

The MSFAC will be responsible for first reviewing proposals for mandatory student fee increases and proposals to create new mandatory fees, and budgets funded therefrom, and for recommending same to the Institute Budget and Planning Committee. The Institute Budget and Planning Committee provides recommendations to the President of the Georgia Institute of Technology, who then provides a specific request to the Chancellor and Board of Regents of the University System of Georgia.

The following guidelines shall govern voting by the MSFAC:

- a) The Committee should only vote on proposals to change existing fee levels or to add new fees.
- b) Where a staff Committee member works in a program funded through a fee, he or she shall abstain from voting on the proposal for that fee.
- c) When a Committee member is absent from a meeting, a substitute may be selected for that member in writing.

- d) In no case shall the number of voting student members at a meeting fall below one-half of the total voting Committee members.

The MSFAC calendar must be built around the calendar of the Board of Regents and the Chancellor's Office. In order to provide the Chancellor with mandatory student fee and budgetary recommendations in January of each year, the MSFAC will need to perform most of its work in the fall semester. The nominal calendar assumes that committee members will use the summer term to familiarize themselves with programs, budgets, fees and related issues; the fall term to review program, budget and fee proposals, and prepare recommendations for consideration by the Institute Budget and Planning Committee; and the spring term to do any special studies or consider longer term issues.

Approved – September 12, 2000

Amended – October 1, 2001

**Athletic Fees at Association of American Universities (AAU) Institutions
FY2000-FY2011**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Colorado	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57
Florida	\$ 51		\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57
Georgia Tech	\$ 100	\$ 100	\$ 106	\$ 106	\$ 106	\$ 112	\$ 120	\$ 128	\$ 224	\$ 236	\$ 246	\$ 246
Kansas	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 80	\$ 80	\$ 80	\$ 80	\$ 80
Maryland	\$ 230	\$ 238	\$ 293	\$ 303	\$ 330	\$ 334	\$ 340	\$ 355	\$ 369	\$ 384	\$ 394	\$ 394
North Carolina	\$ 80		\$ 85	\$ 95	\$ 97	\$ 99	\$ 199	\$ 249	\$ 249	\$ 255	\$ 265	\$ 271
Rutgers	\$ 170	\$ 183	\$ 192	\$ 203	\$ 213	\$ 226	\$ 247	\$ 270	\$ 286			
SUNY-Buffalo	\$ 280	\$ 280	\$ 310	\$ 335	\$ 352	\$ 364	\$ 385	\$ 396	\$ 415	\$ 430	\$ 447	\$ 474
SUNY-Stony Brook								\$ 389	\$ 408	\$ 423	\$ 447	\$ 478
UC San Diego								\$ 95		\$ 340	\$ 355	\$ 355
Virginia	\$ 229	\$ 238	\$ 288	\$ 325	\$ 388	\$ 450	\$ 512	\$ 548	\$ 607	\$ 644	\$ 621	\$ 657

Source: AAUDE Survey on Tuition and Fees