

Idaho State Board of Education
GOVERNING POLICIES AND PROCEDURES
SECTION: V. FINANCIAL AFFAIRS
SUBSECTION: X. Intercollegiate Athletics

June 2016

1. Philosophy

The Board reaffirms the role of intercollegiate athletics as a legitimate and significant component of institutional activity. The responsibility for and control of institutional activities in this area rest with the Board.

In the area of intercollegiate athletics, the Board seeks to establish programs which:

- a. Provide opportunities for student athletes to attend college and participate in athletic programs while pursuing and completing academic degrees;
- b. Reflect accurately the priorities and academic character of its institutions;
- c. Fuel school spirit and community involvement;
- d. Serve the needs of the institutions as they seek, through their athletic programs, to establish fruitful and sustaining relationships with their constituencies throughout the state and nation; and
- e. Actively and strategically progress toward compliance with Title IX of the Higher Education Amendments Act of 1972.

Given these goals, the Board has a continuing interest in the academic success of student athletes, the scope and level of competition, and the cost of athletic programs administered by its institutions. Consequently, the Board will, from time to time in the context of this policy statement, promulgate, as necessary, policies governing the conduct of athletic programs at its institutions.

2. Policies

The day-to-day conduct of athletic programs is vested in the institutions and in their chief executive officers. Decision making at the institutional level must be consistent with the policies established by the Board and by those national organizations and conferences with which the institutions are associated. In the event that conflicts arise among the policies of these governance groups, it is the responsibility of the institution's chief executive officer to notify the Board in a timely manner. Likewise, any knowledge of NCAA or conference rule infractions involving an institution should be communicated by the athletic department to the chief executive officer of the institution.

The Board recognizes that the financing of intercollegiate athletics, while controlled at the institutional level, is ultimately the responsibility of the Board itself. In assuming that responsibility, the sources of funds for intercollegiate athletics shall be defined in the following categories:

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- a. State General Funds means state General Funds (as defined in section 67-1205, Idaho Code) appropriated to the institutions.
 - b. Student Athletic Fee Revenue means revenue generated from the full-time and part-time student activity fee that is dedicated to the intercollegiate athletics program pursuant to policy V.R.3.b.ii.
 - c. Program Funds means revenue generated directly related to the athletic programs, including but not limited to ticket sales/event revenue, tournament/bowl/conference receipts, media/broadcast receipts, concessions/parking/advertisement, game guarantees and foundation/booster donations.
 - d. Institutional Funds means any funds generated by the institution outside the funds listed in a., b. and c. above. Institutional Funds do not include tuition and fee revenue collected under policy V.R.3. Examples of Institutional Funds include, but are not limited to, auxiliaries, investment income, interest income, vending, indirect cost recovery funds on federal grants and contracts, and administrative overhead charged to revenue-generating accounts across campus.
3. Funds allocated and used by athletics from the above sources are limited as follows:
- a. State General Funds
 - i. The limit for State General Funds shall be allocated in two categories: General Funds used for athletics and General Funds used to comply with Title IX.
 - ii. The Board set the following FY 2013 General Fund limits:
 - 1) General Funds for Athletics:

a) Universities	\$2,424,400
b) Lewis-Clark State College	\$ 901,300
 - 2) General Funds for Gender Equity:

a) Boise State University	\$1,069,372
b) Idaho State University	\$ 707,700
c) University of Idaho	\$ 926,660
d) Lewis-Clark State College	\$ 0
 - iii. The methodology for computing the limits for both categories of State General Funds shall be to calculate the rate of change for the next fiscal year ongoing State General Funds compared to the ongoing State General Funds in the current fiscal year, and then apply the rate of change to both limits approved by the Board in the previous year.

b. Institutional funds

i. The Board set the following FY 2013 limits:

1) Boise State University	\$386,100
2) Idaho State University	\$540,400
3) University of Idaho	\$772,100
4) Lewis-Clark State College	\$154,300

- ii. The methodology for computing the limits for Institutional Funds shall be to calculate the rate of change for the next fiscal year ongoing Appropriated Funds compared to the ongoing Appropriated Funds in the current fiscal year, and then apply the rate of change to the limit approved by the Board in the previous year. For purposes of this paragraph, "Appropriated Funds" means all funds appropriated by the Legislature to the institutions, including but not limited to, State General Funds, endowment funds, and appropriated tuition and fees.

- c. Student Athletic Fee Revenue shall not exceed revenue generated from student activity fee dedicated for the athletic program. Institutions may increase the student fee for the athletic program at a rate not more than the rate of change of the total student activity fees.

d. Program funds

The institutions can use the program funds generated, without restriction.

The president of each institution is accountable for balancing the budget of the athletic department on an annual basis. In accounting for the athletic programs, a fund balance for the total athletic program must be maintained. In the event that revenue within a fiscal year exceeds expenses, the surplus would increase the fund balance and would be available for future fiscal years. In the event that expenses within a fiscal year exceeds revenue, the deficit would reduce the fund balance. If the fund balance becomes negative, the institutions shall submit a plan for Board approval that eliminates the deficit within two fiscal years. Reduction in program expenditures and/or increase revenue (program funds only) can be used in an institutional plan to eliminate a negative fund balance. If substantial changes in the budget occur during the year resulting in a deficit for that year, the president shall advise the Board of the situation at the earliest opportunity.

Donations to athletics at an institution must be made and reported according to policy V.E. The amount of booster money donated to and used by the athletic department shall be budgeted in the athletic department budget.

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It is the intent of the Board that increases in program revenues should be maximized before increases to the athletic limits under subsection 3 will be considered.

4. Gender Equity

- a. Gender equity means compliance with Title IX of the Higher Education Amendments Act of 1972 which prohibits discrimination on the basis of gender in any education program or activity receiving federal financial assistance, including athletics. Congress delegated authority to promulgate regulations (34 C.F.R. §106.41) for determining whether an athletics program complies with Title IX. The U.S. Department of Education, through its Office of Civil Rights (OCR) is responsible for enforcing Title IX.
- b. Title IX measures gender equity in athletics in three distinct areas: participation, scholarships, and equivalence in other athletics benefits and opportunities.
- c. The chief executive officer of each institution shall prepare a gender equity narrative for review by the Board in a format and time to be determined by the Executive Director. An institution will provide the Board with report(s) required by the institution's federal regulatory body regarding compliance to Title IX in its athletics programs and any summaries of such reports.

5. Financial Reporting.

The Board requires that the institutions adopt certain reporting requirements and common accounting practices in the area of intercollegiate athletic financing. The NCAA Agreed Upon Procedures Reports that are prepared annually and reviewed by the external auditors for each university will be provided to the Board and will also serve as a reporting template for a similar annual report for Lewis-Clark State College.