



WILLIAM & MARY

CHARTERED 1693

UNAUDITED
FINANCIAL REPORT OF INTERCOLLEGIATE ATHLETICS
FOR THE YEAR ENDED
JUNE 30, 2019

WILLIAM & MARY

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June 30, 2019

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WILLIAM & MARY
SCHEDULE OF REVENUES AND EXPENSES OF
INTERCOLLEGIATE ATHLETICS PROGRAMS
For the year ended June 30, 2019

	Football	Men's Basketball	Women's Basketball	Other Sports	Non-Program Specific	Total
<u>Operating revenues:</u>						
Ticket sales	\$ 600,181	\$ 294,964	\$ 14,401	\$ 41,943	\$ -	\$ 951,489
Student fees	174,439	-	-	-	15,013,513	15,187,952
Direct institutional support	2,451	11,853	30,110	181,616	109,570	335,600
Indirect institutional support - athletic facilities debt service, lease and rental fees	301,092	39,358	33,344	141,419	715,673	1,230,886
Guarantees	393,750	205,000	-	37,050	-	635,800
Contributions (Note 2)	1,414,584	2,196,978	451,000	1,386,871	867,212	6,316,645
In-Kind	34,935	18,985	8,610	13,462	12,236	88,228
NCAA distributions	195,392	73,527	83,066	611,421	331,839	1,295,245
Conference distributions (non-media or bowl)	-	-	-	-	1,500	1,500
Program, novelty, parking, and concession sales	61,976	8,016	1,021	3,415	1,113	75,541
Royalties, licensing, advertisement and sponsorships	115,552	23,591	15,627	83,130	492,619	730,519
Athletics restricted endowment and investments income (Note 3)	1,819,137	306,286	118,519	1,352,642	216,396	3,812,980
Other operating revenue	169,794	35,225	-	226,923	25,695	457,637
Total operating revenues	5,283,283	3,213,783	755,698	4,079,892	17,787,366	31,120,022
<u>Operating expenses:</u>						
Athletic student aid	2,606,899	818,551	822,741	4,725,331	18,917	8,992,439
Guarantees	-	4,000	-	20,881	-	24,881
Coaching salaries, benefits, and bonuses paid by the University and related entities	1,716,859	803,480	495,511	2,529,982	-	5,545,832
Support staff/administrative compensation, benefits, and bonuses paid by the University and related entities	212,133	50,734	57,362	47,246	4,555,679	4,923,154
Severance Payments	-	1,614,449	-	-	32,089	1,646,538
Recruiting	151,490	112,709	71,924	169,410	6,965	512,498
Team travel	339,007	179,602	125,478	1,105,256	59,037	1,808,380
Sports equipment, uniforms, and supplies	224,831	69,650	62,831	570,352	163,731	1,091,395
Game expenses	255,636	190,975	99,584	387,278	19	933,492
Fundraising, marketing and promotion	-	-	-	-	453,865	453,865
Spirit groups	-	-	-	-	38,897	38,897
Athletic facility leases and rental fees	-	39,358	33,344	79,458	35,570	187,730
Athletic facility debt service	656,331	-	-	401,283	370,478	1,428,092
Direct overhead and administrative expenses	666,951	2,800	2,800	516,723	17,433	1,206,707
Indirect cost paid to the institution by athletics	69,723	-	-	31,724	379,176	480,623
Medical expenses and insurance	-	541	703	6,344	492,132	499,720
Memberships and dues	320	3,831	1,025	10,319	102,007	117,502
Student-Athlete Meals (non-travel)	82,106	32,884	23,552	86,984	-	225,526
Other operating expenses	91,303	47,387	20,107	112,982	588,356	860,135
Total operating expenses	7,073,589	3,970,951	1,816,962	10,801,553	7,314,351	30,977,406
Excess (deficiency) of revenues over (under) expenses	<u>\$ (1,790,306)</u>	<u>\$ (757,168)</u>	<u>\$ (1,061,264)</u>	<u>\$ (6,721,661)</u>	<u>\$ 10,473,015</u>	<u>\$ 142,616</u>

Other Reporting Items:

Total athletics-related debt	\$ 12,754,750
Total institutional debt	\$ 250,919,127
Value of athletics-dedicated endowments	\$ 94,599,254
Value of institutional endowments	\$ 995,873,958
Total athletics-related capital expenditures	\$ 665,223

The accompanying Notes to the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs are an integral part of this Schedule.

WILLIAM & MARY
NOTES TO SCHEDULE OF REVENUES AND EXPENSES OF
INTERCOLLEGIATE ATHLETIC PROGRAMS
AS OF JUNE 30, 2019

1. BASIS OF PRESENTATION

The accompanying Schedule of Revenues and Expenses of Intercollegiate Athletic Programs has been prepared on the accrual basis of accounting. The purpose of the Schedule is to present a summary of revenues and expenses of the Intercollegiate Athletics Programs of the university for the year ended June 30, 2019 and includes both those intercollegiate athletics revenues and expenses under the direct accounting control of the university and those on behalf of the University's Intercollegiate Athletics Programs by outside organizations not under the university's control. Because the Schedule presents only a selected portion of the university's activities, it is not intended to, and does not present the financial position, changes in financial position, or cash flows for the year ended June 30, 2019. Revenues and expenses directly identifiable with each category of sport are presented and reported accordingly. Revenues and expenses not directly identifiable to a specific sport are reported under the category "Non-Program Specific."

2. CONTRIBUTIONS

The William & Mary Athletic Educational Foundation (WMAEF), Incorporated, also referred to as the Tribe Club, raises funds and collects contributions for the benefit of the Intercollegiate Athletics Department. The university received \$6,314,849 from the WMAEF during the year ended June 30, 2019.

The university received \$772,078 through the William & Mary Foundation for capital improvements to Zable Stadium which serves the Football and Men's and Women's Track programs, and for construction of the Plumeri Indoor Batting Cage and Busch Field Team Facility. Capital contributions are not reported in the Intercollegiate Athletics Schedule of Revenues and Expenses.

3. ENDOWMENT AND INVESTMENT INCOME

The William & Mary Foundation is authorized to receive and administer gifts and bequests of all kinds. The Foundation makes such resources available to the university, which may be drawn as needed by the university within the Foundation's budgetary restrictions. The university received \$3,812,981 of endowment and investment income from the Foundation for the benefit of the Intercollegiate Athletics Department for the year ended June 30, 2019.

4. CAPITAL ASSETS

Capital assets are recorded at historical cost at the date of acquisition or acquisition value at the date of donation in the case of gifts. Construction expenses for capital assets and improvements are capitalized when expended. The university's capitalization policy on equipment includes all items with an estimated useful life of two years or more. William & Mary capitalizes all items with a unit price greater than or equal to \$5,000.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Buildings	40-50 years
Improvements other than Buildings	10-50 years
Infrastructure	10-50 years
Equipment	2-30 years
Library Books	10 years

A summary of the capital asset ending balances net of accumulated depreciation for the year ending June 30, 2019 is as follows:

Depreciable capital assets:	
Buildings	\$ 59,654,426
Improvements other than Buildings	2,410,306
Infrastructure	2,628,105
Equipment	<u>3,813,740</u>
Total depreciable capital assets	<u>68,506,577</u>
Less Accumulated depreciation for:	
Buildings	\$16,945,783
Improvements other than Buildings	1,186,018
Infrastructure	2,628,105
Equipment	<u>2,743,944</u>
Total accumulated depreciation	<u>23,503,850</u>
Total capital assets, net	<u>\$ 45,002,727</u>

5. LONG-TERM DEBT

Long-term debt relating to intercollegiate athletics is shown below.

<u>Description</u>	<u>Interest Rates (%)</u>	<u>Fiscal Year Maturity</u>	<u>Balance as of June 30, 2019</u>	<u>% used by Athletics</u>	<u>Athletics Balance June 30, 2019</u>
Section 9(d) Bonds:					
Recreation Sports Center, Series 2010B	5.000	2021	115,000	15%	17,250
Recreation Sports Center, Series 2012A	5.000	2024	180,000	15%	27,000
Recreation Sports Center, Series 2012A	3.000 - 5.000	2025	3,020,000	15%	453,000
Recreation Sports Center, Series 2012A	3.000 - 5.000	2025	960,000	15%	144,000
Recreation Sports Center, Series 2014B	4.000	2026	190,000	15%	28,500
Improve Athletics Facilities, Series 2012A	3.000 - 5.000	2025	1,295,000	100%	1,295,000
Improve Athletics Facilities, Series 2014B	4.000	2026	260,000	100%	260,000
Improve Athletics Facilities, Series 2014B	5.000	2024	210,000	100%	210,000
Improve Athletics Facilities, Series 2016A	3.000	2027	150,000	100%	150,000
Improve Athletics Facilities II, Series 2013A&B	2.000 - 5.000	2034	1,315,000	100%	1,315,000
Improve Athletics Facilities II, Series 2017A	2.125 - 5.000	2038	2,075,000	100%	2,075,000
Improve Auxiliary Facilities, Series 2017A	2.125 - 5.000	2038	3,185,000	100%	3,185,000
J. Laycock Football Facility, Series 2014B	5.000	2024	1,570,000	100%	1,570,000
J. Laycock Football Facility, Series 2016A	3.000	2027	1,100,000	100%	1,100,000
Busch Field Astroturf Replacement, Series 2009B	5.000	2020	65,000	100%	65,000
Busch Field Astroturf Replacement, Series 2016A	3.000 - 5.000	2030	860,000	100%	860,000
Total					<u>\$ 12,754,750</u>

Long-term debt matures as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>
2020	926,000	499,139
2021	972,000	453,364
2022	1,010,000	404,514
2023-2027	5,321,750	1,284,424.51
2028-2032	2,220,000	572,656.30
2033-2037	1,930,000	198,125.00
2038	<u>375,000</u>	<u>5,625.00</u>
Total	<u>\$ 12,754,750</u>	<u>\$ 3,417,847</u>

6. INDIRECT COSTS

The university charges the Athletic Department an administrative fee. During the fiscal year, the Department paid \$480,623 to the university. This amount is included on the Indirect Cost Paid to the Institution by Athletics line item.