The budget is a critical tool for any type of business. In tough economic times, the budget becomes even more critical. In the current economic downturn, administrators at educational institutions, such as universities and high schools, are being forced to make tougher financial decisions. These institutions are placing educational programs and infrastructure upgrades at the forefront of their financial needs, while the needs of the athletic programs are being pushed to the back of the line.

According to a July article written on AnnArbor.com by Pete Bigelow, only six athletic departments in the NCAA Division I have earned a surplus in their budgets in each of the last five years. The NCAA participation survey indicates that college athletic departments have eliminated 227 teams since winter 2007 due to a decrease in state funding. Hoch (2006) identified three challenges that have a financial impact on college athletic programs: Title IX, a lack of qualified coaches, and the economy. In the case of Title IX, universities are enacting measures to meet the three pronged criteria for compliance set forth in this federal law. This has resulted in the elimination of some sports programs or a decrease in athletic scholarships, both of which have negatively impacted men’s college sports. As universities have used this strategy to meet the equivalency rule of Title IX, coaches must properly manage the scholarship funding allocated to their particular teams. With varying types of scholarships (full, partial, renewable, four years guaranteed, etc.), coaches must be equipped to track their scholarship funding on an annual basis and be flexible enough to make adjustments in order to meet federal guidelines. On average 1-3% of an educational institution’s operating budget is allocated towards the athletic department (Hoch, 2006).

While there are many types of higher education institutions, the budgeting process remains relatively the same across each school (Goldstein, 2005). Coaches need to work very closely with their business managers and administrators to ensure their budgets can effectively meet the needs of their team.

This poster will depict the creation of a budgeting basics manual for coaches. The manual provides coaches with the terminology used in developing annual budgets, as well as several budgeting techniques used in businesses and educational institutions. Through this manual, coaches have the opportunity to better understand the budget cycle, why it is important to their teams and the institution, and the phases that of the budget cycle that they must be closely involved with. The poster will also focus on the key areas of the athletic team’s budget such as personnel cost, equipment expenses and travel cost, and will provide coaches with techniques on how to plan for and manage these expenses throughout the year. The most important aspect of the presentation will be to provide the coaches with specific budgeting techniques. The poster will review four techniques in detail and provide real examples of how these are utilized in a team budgeting setting. The presentation will also include charts and simple Excel models used as part of the four budgeting techniques. Lastly, attendees of this poster presentation will gain a better understanding of how to manage team budgets throughout the year by developing financial forecasts.