

# FINANCES OF INTERCOLLEGIATE ATHLETICS: 10-Year (2011-2020) Division III Summary November 2021

This summary provides an overview of 10-year trends (2011 to 2020)<sup>1</sup> in Division III finances, including median revenues, expenses and net calculations.<sup>2</sup> In summary, median athletics expenses and generated revenues tended to increase at Division III schools between 2011 and 2019. However, expenses consistently outpaced generated revenue for all Division III colleges, requiring schools to subsidize athletics programs with student fees and institutional contributions. Analysis of 2020 data suggests there are initial departures from previous trends, with declines in total and generated revenues in all of Division III and declines of expenses at schools without football. Median deficit increases continued for the typical school that sponsors football but dropped for those without football.

## Revenue Sources

Total revenue, defined as generated (e.g., ticket sales) plus allocated (e.g., student fees), steadily increased on average in Division III between 2011 and 2019, leading to large total gains during the nine-year span. In 2020, median total revenue at Division III football schools stayed consistent with revenue from 2019, while median total revenue at schools without football declined (Table 1).

Table 1. Changes in median total revenue by football sponsorship<sup>3</sup>

	2011-2019 FY Typical Yearly Change	2020 FY Change
<b>Institutions With Football</b>	5.6%	(0.2%)
<b>Institutions Without Football</b>	7.8%	(5.9%)

- Median generated revenue (e.g., ticket sales, advertising, alumni contributions) increased at the typical Division III school from 2011 to 2019. However, there was a large drop in generated revenue in 2020, even though pandemic adjustments likely occurred after the sports of football and men's and women's basketball finished their seasons (Table 2).

Table 2. Changes in median generated revenue by football sponsorship

	2011-2019 FY Typical Yearly Change	2020 FY Change
<b>Institutions With Football</b>	6.7%	(18.7%)
<b>Institutions Without Football</b>	11.0%	(41.2%)

## Athletics Expenses

- Total athletics expenses typically increased each year in Division III between 2011 and 2019. In 2020, the median total athletics expenses stayed flat for schools with football and declined for schools without football (Table 3).

<sup>1</sup> The 2019-2020 fiscal year is referred to as the 2020 FY in this report. The 2018-2019 fiscal year is labeled 2019 FY, and so on.

<sup>2</sup> See the [NCAA Financial Database Glossary](#) for general methods and definitions used in NCAA financial reports.

<sup>3</sup> Typical yearly change is the average of change across 2011-2019 FY. Numbers in (red) represent a percentage decrease.

Table 3. Changes in median total athletics expense by football sponsorship

	2011-2019 FY Typical Yearly Change	2020 FY Change
Institutions With Football	5.6%	0.7%
Institutions Without Football	6.9%	(6.5%)

- Salaries and benefits, facility costs, and game and travel expenses accounted for approximately 84% of Division III expenses and saw steady increases the nine years leading up to 2020. In 2020, game and travel expenses declined for all schools, while only football schools continued to see increases in the other major expense categories (Table 4).

Table 4. Major expense categories by football sponsorship (medians rounded)

	Institutions With Football			Institutions Without Football		
	2019	2020	Change	2019	2020	Change
Direct Facilities	\$101,000	\$130,000	28.7%	\$54,000	\$32,000	(40.9%)
Game Expenses	\$112,000	\$103,000	(8.0%)	\$84,000	\$69,000	(17.7%)
Travel Expenses	\$517,000	\$431,000	(16.6%)	\$306,000	\$258,000	(15.7%)
Coach Compensation	\$1,470,000	\$1,550,000	5.5%	\$724,000	\$726,000	0.3%
Administrative Compensation	\$723,000	\$730,000	0.9%	\$619,000	\$523,000	(15.5%)

## Net Generated Revenue

- All Division III athletics programs operated in a deficit between 2011 and 2020, meaning schools required student fees and institutional support to close the gap between generated revenue and total athletic expenses. In 2020, net generated revenue declined for schools that sponsored football but increased for schools without football (Table 5).

Table 5. Changes in median net generated revenue by football sponsorship

	2011-2019 FY Typical Yearly Change	2020 FY Change
Institutions With Football	(5.5%)	(4.2%)
Institutions Without Football	(7.2%)	6.9%

The full-scale financial implications of the pandemic response are still unknown as schools and athletics programs continue to address concerns related to COVID-19. And although initial disruption occurred late in the 2019-2020 fiscal year, the review of Division III financial data provides initial insights into the impact of the pandemic on intercollegiate athletics economic trends: Total and generated revenues declined, while the median deficit increased for football schools but dropped for schools without football. Greater deviations in financial trends than those identified in 2020 are likely to be observed in 2021, as colleges enrolled fewer students and modified athletics operations — both likely to influence institutional and athletics finances.