

**INTERCOLLEGIATE ATHLETICS OPERATING BUDGET
FOR THE FISCAL YEAR ENDING JUNE 30, 2027**

A Recommendation

1. **Division and Department:** Intercollegiate Athletics
2. **Introduction:** The proposed budget for Intercollegiate Athletics is presented for approval for the fiscal year ending June 30, 2027.

The ancillary activity presented represents an operation connected with and in support of the educational mission of Oakland University (University). Each ancillary budget is presented in a similar format, using common terminology and revenue, expense, and University Support categories. The “all funds” budget model is used to construct the proposed budget. The all funds model provides a comprehensive picture of the financial activities of each unit. This format depicts operating and capital transactions in the General Fund, Auxiliary Fund, Designated Fund, Expendable Restricted Fund, and Plant Fund. Gifts are included, but the fund balances in permanent endowments are not included as there is no discretion with regard to their use. Distributions from endowments are included.

3. **Previous Board Action:** On April 11, 2025 the Board of Trustees (Board) approved the FY2026 ancillary budget for Intercollegiate Athletics.
4. **Budget Implications:** See the program description for budget implications.
5. **Educational Implications:** See the program description for educational implications.
6. **Personnel Implications:** See the program description for personnel implications.
7. **University Reviews/Approvals:** The Athletics budget was reviewed by the Financial Performance Review Committee, Budget and Financial Planning office, Director of Athletics, Senior Vice President for Finance and Administration, Chief of Staff and President.

8. **Recommendation:**
RESOLVED, that the Board of Trustees approve the FY2027 Budget for Intercollegiate Athletics, with expenditures and transfers not to exceed the total as reflected in the attached budget, except as set forth; and, be it further

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RESOLVED, that any expenditure level in excess of the approved amount that is not funded by a direct revenue increase must have the prior approval of the President or his/her designee and those amounts shall be reported on a periodic basis to the Board of Trustees; and, be it further

RESOLVED, that subject to satisfaction of the requirements set forth in all applicable Board of Trustees policies, the Board of Trustees authorizes the President, the Vice Presidents, and their respective designees, to perform all acts and deeds and to execute and deliver all contracts, instruments and documents required by this resolution that are necessary, expedient and proper in connection with the FY2027 budget and the ongoing administration of the FY2027 budget; and, be it further

RESOLVED, that any and all such contracts, instruments and documents shall be reviewed by and be in a form acceptable to the Vice President for Legal Affairs and General Counsel prior to execution, and be in compliance with the law and with University policies and regulations and conform to the legal standards of the Vice President for Legal Affairs and General Counsel.


9. Attachments:

- A. Description of Athletics Budget Notes & Assumptions
- B. Athletics Proposed Budget – FY2027

Submitted to the President
on Apr 9, 2026, 2026 by



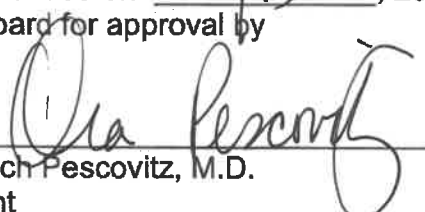
Steven Waterfield
Director of Athletics



Stephen W. Mackey
Senior Vice President for Finance and Administration,
and Treasurer to the Board of Trustees

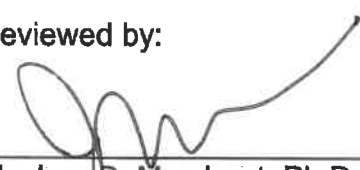
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Recommended on 4/13, 2026
to the Board for approval by



Ora Hirsch Pescovitz, M.D.
President

Reviewed by:



Joshua D. Merchant, Ph.D.
Chief of Staff and
Secretary to the Board of Trustees

Department of Intercollegiate Athletics

Description of Program

The Oakland University (OU) Department of Intercollegiate Athletics has been fully participating in Division I athletics since the 1999-2000 academic year. In 24 years, the Golden Grizzlies have won 33 regular-season conference championships, 9 conference tournament titles, and have made 57 NCAA tournament appearances.

OU has 19 varsity sports: baseball, men's basketball, women's basketball, men's cross country, women's cross country, esports, men's golf, men's soccer, women's soccer, softball, men's swimming & diving, women's swimming & diving, women's tennis, men's indoor & outdoor track, women's indoor & outdoor track, and volleyball.

The Golden Grizzlies play their court sports (volleyball, and men's and women's basketball) at the OU Credit Union O'rena which has a capacity of 4,000, with baseball, softball, and soccer games played at the Oakland Athletic Fields. Oakland swimming and diving competes in the Oakland Aquatics Center, which has a capacity of 1,000, and OU's Katke-Cousins golf course is the home course for the men's and women's golf teams. The track & field and tennis programs compete at the Outdoor Recreation and Athletic Complex. Esports compete in the Oakland Center.

Key Performance Indicators

The James J. McCafferty Trophy, named after the Horizon League's first commissioner, is awarded annually to signify the League's all-sport champion. For the sports of men's and women's soccer, volleyball, men's and women's basketball, softball and baseball, points are awarded based on combined regular season (60 percent) and championship (40 percent) finishes. For all other sports, points are based on performance in the league championship.

	FY2023	FY2024	FY2025
Men's Sports McCafferty Trophy Ranking	3	1	2
Women's Sports McCafferty Trophy Ranking	1	2	3
Overall McCafferty Trophy Ranking	2	1	3

Key Performance Indicators (continued)

	FY2023	FY2024	FY2025
Number of Student-Athletes	350	350	350
Graduation Rates – All Students / Student-Athletes	58%/67%	57%/71%	58%/71%
Graduation Success Rate – Student-Athletes	82%	95%	91%

Freshman-Cohort 2016/2017, 2017/2018, and 2018/2019 Graduation Rates: These are the most recent graduating classes for which the required six years of information is available. "All Students" represents all undergraduate students who were enrolled in a full-time program of studies for a degree. "Student Athletes" represents those student athletes who received athletics aid from the university for any period during their entering year.

The primary difference between the two rates is that the Graduation Success Rate considers the successful completion of graduation requirements for transfer students.

FY2026 Explanation of Major Changes

1. Operating Revenue is expected to exceed budget due to Men's Basketball hosting a fundraising event at the Detroit Athletic Club in June. The revenue generated from this event will go towards revenue sharing to Men's Basketball student-athletes.
2. The positive variance in gifts and grants is due to major gifts received for the Men's Basketball program. These gifts were made to assist Athletics with revenue sharing after Oakland opted in to the House v. NCAA settlement.
3. The savings in compensation as compared to budget are due to open positions, mostly in Athletics Compliance. The Assistant Athletic Director for NCAA Compliance left in August 2025 along with a Compliance Coordinator and neither position was refilled. Athletics has partnered with Fortify compliance services for FY2026.

Attachment A

4. The estimated increase in Supplies & Services is due to revenue sharing for student-athletes. Athletics had intended to use guarantee revenue for revenue sharing but to remain competitive within the Horizon League, Athletics had to spend additional money from team gift funds to cover the costs. Athletics also anticipate an increase in professional services due to the Fortify compliance services.
5. Athletics scholarships are expected to end the year higher than budgeted due to the increase in cost for pre and post season housing. Scholarship expenditures for pre & post season housing, student-athlete health insurance, Alston awards and international taxes have been moved from Supplies & Services to Athletic Grants for FY2026. Moving forward those expenditures will be budgeted into Athletic Grants rather than Supplies & Services.
6. Short-term loan repayment was below budget, as repayments are based on available net income, which came in lower than anticipated for the year. Net income was impacted by reduced operating revenue from sponsorships and NCAA distributions related to the Ray settlement, as well as unbudgeted expenditures for College Sports Consulting (apparel and multimedia rights review) and House settlement software costs (CAPS and NIL Go).
7. University operating support is lower due to the championship travel costs. The University reimburses travel for Horizon League championships and all costs for NCAA travel but neither Men's nor Women's basketball advanced to post season play. Additionally, as OU will host the Horizon League Outdoor Track and Field Championships, Athletics will avoid team travel expenses associated with that competition.
8. University Support of Athletic Scholarships is lower due to Athletics not spending the full scholarship budget with the move to roster limits.

FY2027 Budget Assumptions

The Oakland University Department of Intercollegiate Athletics' budget reflects the revenues and expenditures of its continuing participation in NCAA Division I and league affiliation to The Horizon League. Budget assumptions for FY2027 have been projected based on Horizon League competition:

Attachment A

1. Operating revenue changes are reflective of anticipated guarantee game increases specifically within Men's Basketball. Athletics will continue to try to schedule teams that will provide a guarantee. Additionally, Athletics is expecting a reduction in NCAA distributions due to the NCAA Ray Settlement. The NCAA Ray Settlement will be paid out over a 3-year period with the anticipated amount of \$89,000 per year reduced from Oakland's NCAA distributions
2. The increase in compensation is reflective of the anticipated salary increases for FY2027.
3. The increase in Insurance costs is the result of Athletics' secondary insurance. Athletics is projected to have an increase of about \$80,000 for insurance due to the 5-year claims history.
4. The increase in Athletic Grants represents an increase in Alston Award expenditure. Alston awards allow basketball scholarship student-athletes to receive up to an additional \$5,980 annually for educational-related benefits. Awarding began the winter semester of FY2025 based on the student-athlete being academically eligible prior to the start of the winter semester. These awards will be offset with additional university support. Additionally, Athletics received a 4.5% increase in FY2026 to their scholarship budget with the University tuition increase. These additional monies have been added in to each team's scholarship spending cap.
5. The change in the Short-Term Operations loan payment reflects Athletics' continued efforts to reduce unrestricted debt. In addition to operating within the budgets allocated to each sport, coaches have been instructed to maintain gift fund balances at or above beginning-of-year levels. There has also been an increased emphasis on fundraising, particularly as Athletics transitions to the collegiate revenue-sharing model.

Oakland University
Ancillary Activities Operating Budget
Department of Intercollegiate Athletics
Proposed Budget - All Funds
FY2027

	FY2025 ACTUAL	FY2026 BUDGET	FY2026 ESTIMATED ACTUAL	FY2027 PROPOSED BUDGET
Revenue:				
Operating Revenue	\$ 3,762,687	\$ 3,565,988	\$ 3,599,360	\$ 3,736,665
Retail Sales	168,857	180,000	180,000	180,000
OU Purchased Services	-	-	-	-
Gifts and Grants	591,377	475,000	625,000	500,000
Investment Income	75,616	75,000	86,884	75,000
Total Revenue	\$ 4,598,537	\$ 4,295,988	\$ 4,491,244	\$ 4,491,665
Expenditures:				
Compensation	\$ 6,566,239	\$ 7,162,327	\$ 6,894,105	\$ 7,292,545
Supplies and Services	4,796,533	4,362,696	4,751,070	4,659,607
Repairs and Maintenance	(467)	10,000	27,000	10,000
Cost of Retail Sales	50,498	50,000	50,000	50,000
Equipment	-	-	18,775	-
Insurance	157,396	202,275	202,275	282,275
Utilities	-	-	-	-
Debt Service	-	-	-	-
Overhead charged by OU	-	-	-	-
Athletics Turf Loan Repayment (principal)	70,326	70,326	70,326	70,326
Short-Term Operations Loan Repayment (principal)	-	351,454	98,305	50,916
Interest Expense Short-Term Internal Loan	50,807	50,807	58,757	51,680
Other Transfers	-	-	-	-
Athletic Scholarships	5,628,184	5,434,347	5,596,656	5,726,942
Total Expenditures	\$ 17,319,516	\$ 17,694,232	\$ 17,767,269	\$ 18,194,291
Net Income	\$ (12,720,979)	\$ (13,398,244)	\$ (13,276,025)	\$ (13,702,626)
University Support:				
Operating	\$ 7,398,266	\$ 7,935,152	\$ 7,839,453	\$ 8,015,684
Athletic Scholarships	5,286,707	5,394,347	5,391,571	5,686,942
<i>Net income before loan/support</i>	\$ (36,006)	\$ (68,745)	\$ (45,000)	\$ 0
Short-Term Internal Loan	14,497	-	-	-
Total University Support	\$ 12,699,470	\$ 13,329,499	\$ 13,231,024	\$ 13,702,626
Net Income with University Support	\$ (21,509)	\$ (68,745)	\$ (45,000)	\$ 0
Ending Balances prior to Major Cap. Expenditures:				
Restricted Fund Balance *	\$ 729,152	\$ 660,407	\$ 684,152	\$ 684,152
Unrestricted Fund Balance	151,485	-	-	-
Return of Unused Plant Fund Proceeds	81,807	-	-	-
Less: Major Capital Expenditures	233,292	-	-	-
Total Ending Fund Balance	\$ 729,152	\$ 660,407	\$ 684,152	\$ 684,152
Endowment Spend Funds			195,280	
Student-Athlete Funds			175,457	
Golf Training Facility			313,415	
Restricted Fund Balance *			<u>\$ 684,152</u>	