

5.2.1 Debt Reduction Plan for Athletics Results

At the January 2017 Board of Governors meeting, the BOG Inspector General provided an update on the progress of the Debt Reduction Plan for Athletics. Actions to date indicate that FAMU is making process in adhering to the BOT approved debt reduction plan for athletics.

Accomplishments to Date:

- 1. Developed 5 Year Athletics Reduction Plan and Business Growth Strategy**
 - Change of note include reorganizing department of athletics senior staff
- 2. FY 2015-2017 27% or \$1.4M Reduction in Operating Expenses**
 - Change of note include combining sports teams to reduce travel expenses, Scholarship reduction, reduction in salaries, reduction in contracted services and recommission of the athletics owned bus
- 3. FY 2016-2017 Increased Revenue by (10.5%) or \$856k**
 - Changes of note include a \$640K or (49%) increase in FB and Olympic Sport Game Guarantees, 458% increase in fundraising, Increase in NCAA revenues, FB Ticket Sales, and other axillary revenue
- 4. \$200K Payment to Replenishment Auxiliary Cash Accounts**
 - Change of note include FAMU Foundation/Athletics 12 Year Payment Plan
- 5. Athletics Projects a Balanced Budget in 2016-2017**
 - Changes of note include successful execution of a 2017 \$651K projected deficit reduction strategy
- 6. Financial Quality Assurance & Accountability**
 - Change of note include weekly budget meeting between athletics, CFO, Budget Office and Controller. Additionally, there is also a bi-weekly meeting with Athletics, BOT Chair, President and BOG Members

Athletics Revenue/Expense Reduction Graph

