

Spring 5-1-2008

Accounting for Athletics: A Balanced Scorecard Approach

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*Accounting for Athletics:
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Approach*

Daniel Delaney
May 6, 2008
Honors Thesis

Introduction

The field of accounting is extremely broad and encompasses many facets of a business or organization, whether you are looking at it internally or externally. Accounting is not only used to prepare financial statements but it can also be used to convince a bank or firm that you can support a loan, to determine product pricing and it can even be used to help guide your firm strategy. Using a managerial accounting principle called the “balanced scorecard,” I will review the Division of Athletics of the University of Connecticut and evaluate it using different measures on how successful they are following their strategy.

UConn Athletics

The Division of Athletics at the University of Connecticut encompasses 24 sports and over 650 student-athletes as of 2007 and is recognized as one of the premier athletic programs in the country. (Annual Report, 3) They are in Division 1 of the National Collegiate Athletic Association (NCAA) which places them in the ring with the top athletic contenders across the country. With a 2007 budget of over \$53 million dollars it boasts several state-of-the-art on and off campus venues and brings in fans from all over the state of Connecticut and the nation. (Annual Report, 19) UConn Athletics has a history of excellence, winning the Men's Basketball National Championship in 1999 and 2004, with the Women taking the crown 5 times since 1995 and have won either the Big East Championship or regular season title in each of the last 15 seasons.(Geno, 1) Since the football program's introduction into Division 1-A, UConn Football has been selected to participate in two post-season bowl games and in the 2007 season they won a share of

the Big East regular season title. Although many other sports offered by the Division of Athletics have achieved greatness on the playing field, my focus will be on the three that capture most of the attention and provide the largest share of revenue to the athletics program. Football and men's and women's basketball are the three most followed UConn sports in terms of press and attendance.

The Balanced Scorecard

The Balanced Scorecard is a managerial accounting system designed for internal use in order to align four different facets of a business with its overall vision and strategy. The overall concept was developed by Robert Kaplan and David Norton (Hilton, 9). It is very commonly used in order to improve business communications, monitor internal performance and achieve goals. The balanced scorecard emphasizes that an organization should not be judged on financial performance alone, but also on a variety of non-financial metrics. Financial measures which businesses traditionally used for their performance evaluation are "lag" measures, which means decisions have been made in the past that have attributed to that measure. In developing the balanced scorecard, it was noted that the financial measures needed to be coupled with other "lead" metrics in order to see how the organization looks in the long-run. In addition, only using financial data may promote actions that sacrifice long-term prosperity for short-term gains. (Kaplan and Norton, 6) The key to the successful implementation of the balanced scorecard is to be careful about placing too much emphasis on any one metric and to get a detailed, encompassing view of the organization as it works to achieve its mission statement. Let

us take a look at each of the four quadrants in detail and we will use Dell Computer's Balanced Scorecard as a reference.

Customers

The first of the four aspects contained in the Balanced Scorecard is the Customers. The question to think about is, "How do we appear to our customers?" For a retail store this may be differentiating between trying to be the broad differentiator or trying to be the low-cost leader. We may also wonder about the number of customer complaints or concerns. Are the customers satisfied with the product or the service? How can we measure how satisfied they are? Dell Computers uses customer retention and customer perception of value, as determined through a survey, to evaluate their success in this quadrant (Hilton, 432).

Financial Performance

The second feature of the Balanced Scorecard is financial performance. To succeed financially, how do we want to appear to our shareholders? Do we want to achieve a certain earnings per share or a certain income figure? Our goal this year may be to break even or reach a certain revenue level. The financial section of the scorecard looks at the company's financial goals and how they are meeting the goals both currently and in the future. In many companies this would seem like the most important metric, because it is the one that shareholders are looking for and the one that the public keys in on when evaluating a company. However, for a non-profit organization many times these traditional financial measures are not the most meaningful. For example, the Duke

Children's Hospital seeks to, "achieve continued improvements in net asset and liquidity," and wants to obtain, "sufficient funding support for all programs/services (Kaplan, 364). In other words, their goal is to stay afloat.

Learning and Growth

The third part of the balanced scorecard is Learning and Growth. To achieve our vision, how will we sustain our ability to change and improve? What initiatives do we have planned to keep up with a changing corporate landscape? How are we measuring this change and growth? Metrics may include employee retention rates or even the number of training hours for full-time employees. Dell uses training expenditures for full-time employees and number of emerging technologies evaluated as metrics for the learning and growth section (Hilton, 432). The Duke Children's Hospital relies on "diverse staff," and access to career development and mentoring for all staff. (Kaplan, 364). As an organization, it is necessary to adapt to a changing landscape through employee training, learning, and development. This is a very important aspect of the balanced scorecard because it looks into the future of the organization, instead of taking a snapshot of how the organization is performing right now.

Internal Business Process

The last quadrant of the balanced scorecard is internal business process. To satisfy our shareholders and customers, what business processes must we excel at? For a retail store this metric might be to sell a large quantity of items at a low price or a measure of success when they specialize in bringing the highest quality item to the consumer. We

may look at the number of errors in internal transaction processing or cost per transaction. “Are we doing our job well?” (Hilton 427-430) For Dell Computer this is measured by the defect rates in manufacturing operations and the time spent in contact with customers. Dell also uses order-to-delivery cycle time as a metric (Hilton, 432). Other metrics that businesses may use include machine downtime, cost of inventories held, or the completed products per day.

It is important to note that a metric could fit into more than one quadrant, such as defect rate. The defect rate could be considered part of internal business process because it is a rate that the division must strive to reduce in order to create value in the program.

Additionally, it could be apart of the customer quadrant because customers who received defective products probably are not going to be satisfied. A very low defect rate should increase customer satisfaction overall.

Application of the Balanced Scorecard to Athletics

Each of the four quadrants should be evaluated using different measures to see how the performance of the Division of Athletics is doing in comparison with the goal. The balanced scorecard evaluation will show current metrics and actions along side the divisional mission and how the division plans to implement the mission in the future. We will break down the metrics used in the balanced scorecard into two categories. The first category is that of ‘lead indicators’ which are measures of both financial and nonfinancial outcomes that help management make decisions now that will have positive effects in the future. The other category, ‘lag indicators’ are only financial measures that are outcomes

of past decisions made by management. Examples include a company's cash flow or profit (Hilton 427-430).

One of the most important features in applying the balanced scorecard approach is to determine the scope of application to the organization. Are you applying the methodology for a specific division? If so, then you should not compare the division to the overall organizations vision and strategy. Are you working with a subsidiary? Then the vision and strategy should be that of the subsidiary and not that of the parent company. In this application, I am focusing on the Division of Athletics at the University of Connecticut and I will center my analysis on the Division of Athletics' mission statement and not on the overall mission statement for the University of Connecticut. The key is to analyze the effectiveness of the Division of Athletics on achieving its mission statement. It is important to note that the UConn Division of Athletics does fit into the overall University and because of that I will also look at how it affects the overall mission of the University.

Division of Athletics Mission Statement

“The broad mission of the Division of Athletics at UConn is to provide an opportunity for students to enrich their college experience through comprehensive, challenging and professionally managed intercollegiate, intramural and recreational sports programs. Through associated athletic events, student-athletes are encouraged to achieve levels of excellence in competition and individual development, gaining interpersonal and leadership skills in the process. Additionally, the Division is dedicated to enhancing the

University's reputation for integrity and excellence, as demonstrated by the performance of student-athletes, coaches and all Division staff members both on and off the field."

(Student, 3)¹This quotation is drawn directly from the Student-Athlete Handbook that is given to all players upon entrance to the University. It is a statement that the Athletics Division wants those involved to be aware of and help be apart of the overall mission.

As Athletic Director Jeff Hathaway said in his Annual Report letter in 2007, " 'Today's Student-Athletes... Tomorrow's Leaders.' The title of this year's publication appropriately reflects our core philosophy --- for our student-athletes to earn their UConn degree, to give our student-athletes the opportunity to compete in their chosen sport at the highest level and for our student-athletes to be leaders in society. Our mission is clearly focused on developing our student-athletes into well-rounded individuals. Success in athletics is certainly important, but the objective is much loftier. We want our Husky student-athletes to achieve academically and be active members of the community."

(Annual Report, 3)

The balanced scorecard will center on these two mission statements and the Division of Athletics will be evaluated on how well they are achieving this goal. Figure 1 is my example of the Balanced Scorecard for the UConn Division of Athletics.

[Insert Figure 1]

¹ I have attached the entire mission statement as Appendix A

Customers – The Fans

In terms of the University of Connecticut Division of Athletics there are two main groups of customers. I see customers to be both Husky fans and the athletes themselves. Fans include both those who attend games, and those who follow them on television or the internet. I believe this is best quantified by attendance at home venues and support in post season play by “selling out” of ticket allotments. Additionally, media revenues can show popularity trends for following the Huskies on TV or online. Selling out a venue shows that the Huskies are popular and that there is a demand to see them. The student-athletes themselves should be considered customers of the program as the Division of Athletics gives these students the chance to compete in their sport at a very high level. Metrics to look at for the student-athletes are the success of teams and the success of the student-athletes after college.

[Insert Appendix B]

Overall, between football and men’s and women’s basketball the last few years have yielded less than stellar results. All three teams display declining average attendance rates and a declining percentage of games for which all tickets have been sold.² I believe some of the decline in both basketball teams’ attendance can be attributed to all the hype after the 2003-2004 basketball season but lack of national championships after that.

Connecticut Husky Fans are spoiled because of the excellent athletic teams that we have had over the years. Therefore, when the teams are not winning consistently, I believe people lose interest fast. In a study titled, “Factors Affecting Fan Attendance,” the

² To see all attendance data please see Appendix B

authors refer to an increase in attendance following athletic success as ‘BIRGing’ or “basking in reflected glory”. People tend to associate with winning teams because they feel increased self-esteem. On the converse teams that have not been as successful suffer from fans trying to maintain their self-esteem by disassociating themselves. This is known as ‘CORFing’ or “cutting off reflected failure” (Laverie, 1). For football, it seemed like interest peaked leading into our first bowl game in 2005, and has been steadily dropping ever since. It will be interesting to see the effect that last years bowl game and share of the BigEast Championship will have on next years season ticket sales. Also in Appendix B, you can see we did not buy the entire allotment of tickets for our first football bowl game in 2005, selling about 60% of the tickets: but in 2007 Husky fans responded well and for the first time UConn sold out their bowl game ticket allotment of 12,500 tickets even though it was 100 miles further away than their first bowl game.

[Insert Appendix C]

A metric that can be used to gauge interest in the Division of Athletics is media revenues from internet, radio, and television. The change in media revenues garnered by the athletics division shows a very strong upward increase since 2004 (Appendix C). This increase in media revenue shows that there is an increasing demand for internet and TV-based UConn games and information. Although the increase was not as great in 2007 as it was between 2004 and 2005, the revenue is still growing which shows the demand is not going away. The Division of Athletics should continue to explore other media as an additional way to generate revenue and reach their fan base.

Customers – The Student Athlete

In addition to the Division of Athletics entertaining fans in the three primary revenue-producing sports, the Division shapes and creates student-athletes. Thus, a second “consumer” perspective will focus on the student athlete as the customer of the University. For the student-athlete as a “customer” I want to return to the Division of Athletics’ mission statement which states that student-athletes are, “encouraged to achieve levels of excellence in competition and individual development, gaining interpersonal and leadership skills in the process.” According to this statement, I think it is acceptable to identify the dual role of the student-athlete.

Academic Success Measures

The primary reason why these individuals are in college should be to get an education. Some key measures of performance of the student-athlete are grade point averages (GPA’s) and the new APR rating system established by the NCAA. According to the 2007 Athletics Annual Report, Athletic Director Hathaway boasted that in 2007 40% of all student athletes attained at least a 3.0 while 14 students had a perfect 4.0 in either the fall or spring semester. Additionally, the academic retention rate was 99% and for the second year in a row UConn was named to the honor roll of the National Consortium for Athletics and Sports (NCAS) for assisting former athletes to complete their degrees (Annual Report, 17)

These measures show a great deal of success for the quality of the student-athletes and in this area I think athletics is excelling. A second metric used by the NCAA is a new rating system implemented during the 2004-2005 season called the Academic Progress Rating (APR). It is designed to measure both the student-athletes progress toward completing his or her degree and the universities ability to retain the student-athlete. Each athlete may get up to two points per semester, 4 points per year. A point is given each semester if 1) the student is still enrolled at UConn the following semester and 2) that student is academically eligible to play. Each team's average is computed and must be over 92.5% or else the university must submit a plan to correct this deficiency to the NCAA (Hoskin, 1). Although we are still waiting for more data to see how this new metric sorts out, as of 2007 all 24 UConn teams met the standards (Annual Report, 17).

Personal Athletic Success Measures

Although the student-athletes main purpose should be to get an education, they are also here because they want to compete at a high level athletically. Is UConn turning out high quality athletes? I think it is fair to measure this success through the number of former University of Connecticut student-athletes in professional leagues after college. Currently we have 13 men's basketball players in the NBA, four of whom came from the UConn Class of 2005, the year after winning the National Championship. That moves UConn to the head of the class as the college or university with the most current players in the NBA (Huskies in the NBA). On the women's side, there are 12 current players on active WNBA rosters through the 2007 season. In addition, Ketia Swanier and Charde Houston were just selected in the 2008 draft. That brings the total of University of Connecticut

women's basketball student-athletes to play in the WNBA in the history of the program to 19 (Media Guide). Again, that means UConn has the most active players in the WNBA among all universities. How many Huskies are in the National Football league? Since 1925, there have been 21 different Huskies to make the active NFL rosters, but I expect that number to jump as UConn still has a fledgling football program³ (UConn in the NFL).

I think this area of the balanced scorecard is very strong as the Division of Athletics has shown that they are very committed to both the athletics and to the education of their student-athletes. They have been recognized by both NCAS and NCAA for academic accomplishments and they continue to turn out athletes of the highest caliber. The objective of the Division of Athletics should be to continue to place athletes in the professional leagues and maintain the academic excellence that is characteristic of UConn Athletics. These two facets tie directly into the mission statement as the Division of Athletics strives to help student-athletes achieve excellence in competition and individual development.

One important note here is that we are dealing with a lag measure. The actions of athletics have already occurred and the attendance levels are a response to the decisions that the division has made. Athletics may have already implemented a change this year, but we will not see results until next years attendance data has been gathered.

³ Although UConn has had a football team since 1896 they joined division 1-A in 2000.

Evaluation of the Customers Quadrant

The Division of Athletics should make it their goal to return to 100% attendance at home contests through greater communication with the fans and new marketing initiatives.

Reasons for attaining this goal go beyond revenue from ticket sales. Selling out venues will bring more fans that will spend more money on parking, food, and merchandise and will greatly contribute to the energy at the games. Can someone say 6th (or 12th) man award? More importantly, crowd energy plays right into the mission statement by helping push students to compete at the highest level. The Division of Athletics also needs to continue its great work with the CPIA program to keep academic standards high among the student-athletes. Both the student-athletes and the fans are vital to achieving the Division of Athletics' mission statement.

Financial:

The Division of Athletics is a division of a much larger organization, the University of Connecticut and as it is now, it does not break even. In 2007 Athletics revenues covered 81% of expenses leaving the other 19% to be picked up by the University (Annual Report, 19). But what specifically in the financial statements is important to us? Since the Athletic Division is a nonprofit organization they are under no pressure to meet earnings targets. I believe the best financial measures that are important to the Division achieving its mission are ticket revenues from select sports, proceeds from the BigEast or from the NCAA, and donations.

[Insert Appendix D]

Financial – Ticket Revenues

Appendix D breaks down ticket revenues of the three major sports and total ticket revenue taken in by athletics as well as the percent change year to year. Ticket revenues seemed to peak in 2005 and then fell sharply in 2006 and still have not fully recovered. As explained in the Customers section, I believe this can be attributed to both the Men and the Women's basketball teams winning the national championships in 2004 which brought Athletics into a lot of media attention. In the next several years athletics should strive to pull ticket revenues up to the level seen in 2005 to approximately \$15.2 million. According to a study from the University of Oregon, there are four ways to increase ticket sales. These are differential pricing, flexible season ticket packaging, money back guarantees, and web-based ticketing (Howard). The Division of Athletics currently employs online ticketing and flexible season ticket packaging⁴. I strongly suggest that the Division of Athletics look into differential pricing⁵ as a way to try to increase ticket sales. The ability to fill the venues is important to the vision of the Athletics Division as it will strengthen the university's "reputation of integrity and excellence."

Financial – Conference Distributions

In terms of revenue coming from the BigEast Conference and the NCAA the latest figure shows that approximately 11.4% of total revenues come from these distributions. That is down from a high in 2004 when over 13% of total revenues came from the two organizations. Again I believe this difference can be attributed to strong postseason play

⁴ Flexible Season ticket packaging is when you can purchase only part of a season or select games in one "mini-plan" instead a whole set of season tickets.

⁵ Differential Pricing refers to charging different prices for tickets depending on seating location, game time and location, and customer status (donor, alumni, etc).

in 2004 which garners a larger amount of money from the leagues. In order to improve this percentage, the Division of Athletics needs to reinforce its history of athletic success and have teams playing in a postseason bowl game and in the NCAA basketball championship's Final Four. This is a measure, to some extent, on how well the division is fulfilling its vision of giving student-athletes the ability to achieve levels of excellence. Another way to judge the success of the programs is to looking media revenue from television, radio, and internet contracts. Every year since 2004 the amount of revenue generated from these contracts has increased, which bodes well for the continued popularity of UConn Athletics⁶. Participating successfully in the postseason will increase the amount of conference money infused in the school as well as the media contracts.

[Insert Appendix E]

Financial - Donations

Donations to the Division of Athletics are generally viewed as a measure of how satisfied the fans are. Remember, the financial aspect concentrates on how the Division is viewed by their customers. If our fans are satisfied, many will seek to support the program in terms of donations. Appendix E diagrams donations to the Athletic Division from 2004 - 2007. Included are the two main fundraising organizations for the division, the UConn Club, and the UConn Foundation. The numbers to look at are the total donations across the two organizations. Since 2004, donations have increased significantly with the only drop being from 2006-2007. Donations help contribute to the development of the program and new initiatives and are a good financial metric for the Athletics Division.

⁶ See Appendix C for data on media revenue

Learning and Growth:

This facet of the balanced scorecard attempts to measure, “how can we continually improve and create value?” Competition between universities requires that each must continually innovate and improve their athletics programs to attract talented student-athletes. That could mean building new facilities or training centers, or investing in recruiting or other value-added aspects to the Division of Athletics. Many of these features fall into the category of “lead” measures. They are decisions and expenditures now that will affect future performance. This is where the balanced scorecard is very valuable as it drives us to look at the long-term effect that decisions may have on the program.

Learning and Growth – Facilities

Highlighting the new facility additions to the Division of Athletics is the Burton Family Football Complex and the Shenkman Training Center. Opened in the summer of 2006 these on-campus facilities are the new home of the football program. The football complex contains locker rooms, meeting rooms, study lounges and a modern sports medicine area. There is also a dining facility and players lounge. The training center contains a 120-yard indoor playing field complete with a Fieldturf playing surface and a catwalk for taping practices. There is an 18,000 square foot strength training area which is claimed to be one of the most technically advanced in the country. At a cost of approximately \$50 million dollars, the training center was designed in hope of the football team attracting some top notch student-athlete football players and, in turn,

bringing in revenue for the program (Evans, 1) As the facility has been open less than 2 years, the full benefits of the facility may not have yet been realized.

Opening in 2003, Rentschler Field in East Hartford became the Huskies new football stadium, with seating capacity of 40,000. This was a huge increase over the 16,200 capacity that Memorial Stadium on the Storrs campus could hold and it was a key addition to the football program to develop a strong Division 1-A program. The new stadium has enabled the football team to develop its fan base and increase recruiting ability and has lead the football team from losing money in 2004 and 2005 to generating an excess of \$2.5 million in 2006 and \$252,284 in 2007⁷.

Learning and Growth - Recruiting

Another way in which to measure learning and growth is to use the ratings of incoming athletes. Football and basketball players are rated with 1-5 stars, if you have 5 stars it means you are the highest quality and 1 means you are not ranked⁸. Since we joined the BigEast in Division 1-A Football in 2004 we have consistently averaged above 2 stars for recruiting and in 2007 we had our first 4-star recruit⁹.(Football) With the addition of the Burton/Shenkman complex on campus, this will be a key measure to follow in the upcoming years. In Men's basketball we had three stellar recruiting years from 2004-2006 with ratings averaging over a 3.8. 2007 was a little lackluster with just one 3-star

⁷ The difference in these two figures can be attributed to an increase in expenses of \$1.7 million from 2006-2007 mainly attributed to higher game expenses and team travel while revenue fell by about \$400,000, primarily due to lower ticket sale revenue.

⁸ The rankings can be found on Rivals.com which is operated by Yahoo Sports. They cite their rankings in stars, and the rank is determined by both "qualitative and quantitative factors." (Rivals)

⁹ Complete data can be found in Appendix C

recruit joining the squad⁵. The average rating of recruits is a metric that could be used to judge future success of the team.

Women's basketball in general really does not subscribe to such an objective rating system but the University of Connecticut has garnered the #1 prospect for the last three years. Beginning with Tina Charles in 2006, then with Maya Moore in 2007 and looking forward to Elena Delle Donne next year, Geno Auriemma's recruiting efforts have really paid off. These all of these recruits playing together will certainly help the women's basketball program as part of the Division of Athletics succeed at their mission of athletic excellence.

Learning and Growth – Academic Support

With the creation of the Counseling Program for Intercollegiate Athletes (CPIA) in 1986 the athletics division showed that they care about the educational and personal development of the athletes. Currently the CPIA program offers not only counseling and tutoring services but also life skills courses and academic advising (CPIA). Students can even have their CPIA counselors help them communicate their needs to their teachers or the administration. They have a 25-computer computer lab and have areas in Gampel Pavilion and the new Shenkman football complex to work with the athletes. Athletes are also able to borrow laptops if they are going on the road and can even have a CPIA counselor proctor an exam if they are away from campus when it was scheduled. In 2008, during the universities recertification by the NCAA the CPIA program received specific mention and the NCAA even asked if they, "could share with other schools the report

compiled on the CPIA's activities (UConnSports).” This program really helps the division contribute to their mission of creating well-rounded individuals with talents both on the field and off.

Going forward, the University of Connecticut Division of Athletics has some excellent initiatives and growth opportunities to develop their students, their teams, and their customers and these show a lot of promise in the future.

Internal Business Process:

This segment of the balanced scorecard addresses the question, “in what activities must we excel?” (Hilton, 427) These are the everyday processes which an organization must accomplish well in order to fulfill its mission statement. For the Division of Athletics we want to look at the process which the division needs to do well to be successful. How well does the division handle the fans' transactions? This could be measured through donations to athletics through either the UConn Club or through the UConn Foundation¹⁰. Recruiting is another facet that would fit under the internal business processes. How well is UConn attracting the top recruits? On the student-athlete side, is the CPIA effective in helping student-athletes succeed in the classroom?

Internal Business Process - Fundraising

Appendix E shows the donations from 2004 – present from both the UConn Club and the UConn Foundation. When you look at the total donations you see an upward trend with a

¹⁰ Both the UConn Foundation and the UConn club are separate entities from UConn with the general purpose of raising money for Athletics and the University.

slight dip in 2007. I think overall that is positive and it shows that the targeted donors have been more satisfied with their experience with the program. Possible causes of increased satisfaction are the launch of online transaction processing or better customer service.

Internal Business Process - Recruiting

Referencing Appendix C and the discussion of the recruiting success in the Learning and Growth section, another metric to look at in terms of internal business process is how well the Division of Athletics is recruiting top athletes from around the country. Since the athletes are viewed as customers as well, it is important to see how happy they are with UConn. The best metric for this is how many of them decide on attending the university. For football and basketball the average number of stars is a good metric for evaluating how the top recruits like what the Division of Athletics can offer them. Furthermore, as more data is compiled about the APR score, the score would also be a good metric as it takes into account if students athletes remain at the university or if they decide to pursue their athletics and academics elsewhere.

For the student side of the athletes how effective is the CPIA in helping the athletes perform well at the university? The GPA of the athletes is a good metric in evaluating this and the CPIA cites that there has been an “upward trend students achieving a GPA of 3.0 or above,” during the past decade (CPIA). Additionally, they cite graduation rates among student-athletes as higher than that of the general university population. These are great measures for the success of the Division of Athletics in developing the student-

athlete in what the mission statement calls, “[giving] students the opportunity to excel in academic achievement and athletic accomplishments.”

[Insert Appendix F]

Internal Business Process - Other Effects on the University

The Athletic Division begins its mission statement with, “In conjunction with the mission of the University of Connecticut...the mission of the Division of Athletics is to operate a broad-based program...that reflects the ethical philosophy of the university, the interests of the student body, and the desires of the University’s internal and external constituencies.” This implies that part of the mission of the Division of Athletics is to improve the university. An interesting effect that Athletics has on the university is sometimes referred to the “Flutie Effect.” This is when success on the athletic fields translates to an increased number of applicants to the university (Potter). Following tremendous seasons by the men’s and women’s basketball teams from 2002-2004 and culminating in dual championships in 2004 it really helped push application numbers for the Storrs campus. As seen in Appendix F, Applications were up 28% from 2002 to 2003 and another 5% in 2004 (Factbook 2007-2008). Contained in the University’s mission statement is that UConn, “is dedicated to excellence demonstrated through national and international recognition.” The Division of Athletics complements this goal with its sound Athletic program, and it has been very successful in bringing recognition to the university as seen through the increase in the number and quality of applications. In addition to visibility, athletics offers a huge amount to student life at the University of

Connecticut. In addition to holding games on campus, the Division of Athletics operates the Student Recreational Facility where students can work out, play an intramural sport, attend a fitness class, or even travel around the country with the outdoor adventure program. The recreational facility is vital to campus life and is used by thousands of students daily. A metric that could be used to measure the effect of the Department of Recreation on the University could be number of participations per day in the facility or number of students involved in one of their programs.

Conclusion

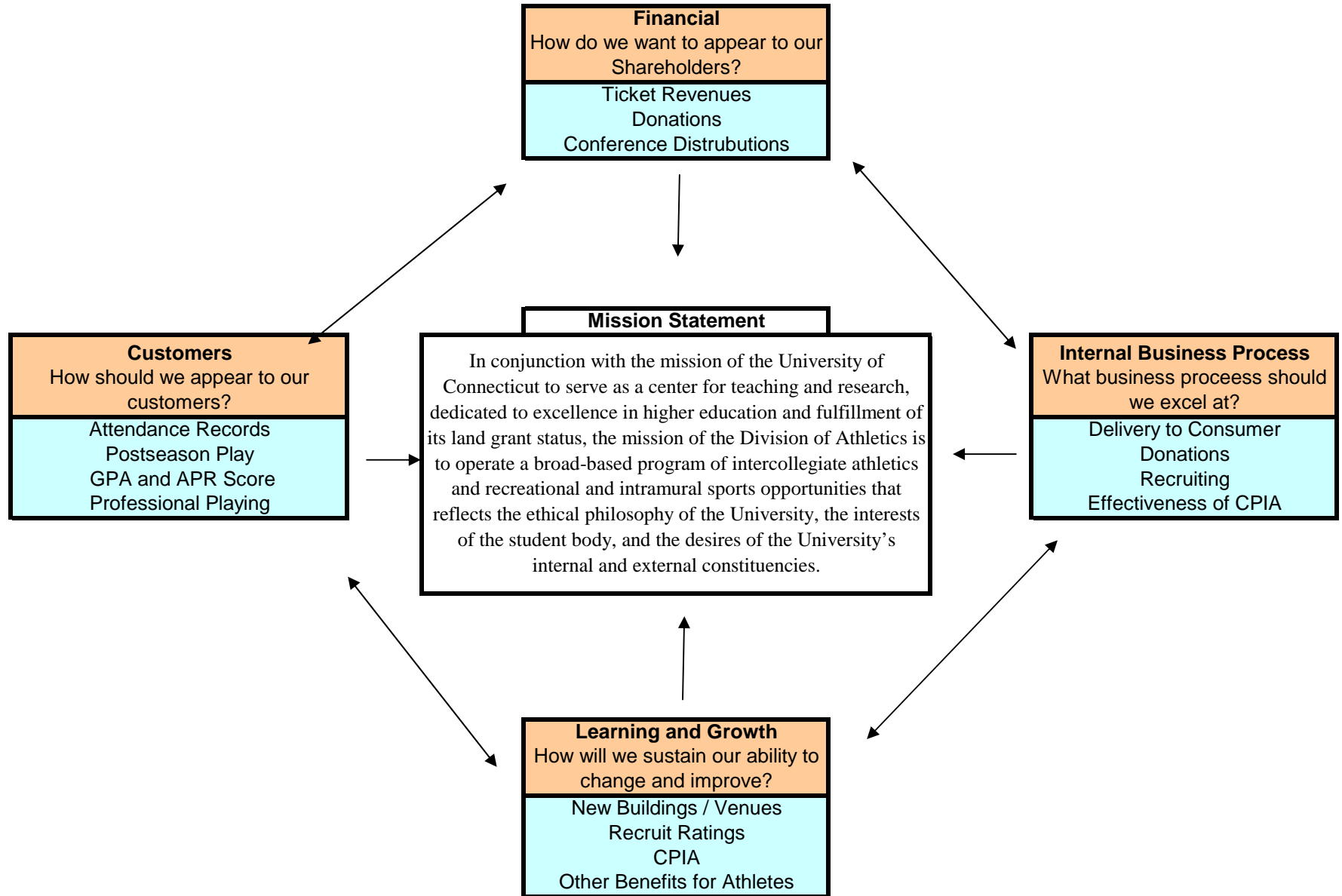
Using the balanced scorecard criteria to evaluate the Division of Athletics is a great way to identify strengths and weaknesses in the implantation of the divisional strategy. In the areas of Learning and Growth and Internal Business Processes I believe the Division of Athletics is really succeeding. There are a lot of great projects in the works from new facilities to new sought-after recruits. Also, UConn has a reputation for developing these high school players into professional athletes as seen by a high number of players in the NFL, NBA, and WNBA. Some may argue that UConn is almost too good at developing professional-caliber talent, and as a result some players forgo further years in college sports to jump right into the professional leagues before they graduate. This may result in a lower APR measure and reflect negatively on the Division. Just because the Division of Athletics is succeeding in these two areas does not mean they can rest on their laurels. By continuing to improve what they offer the student-athletes in terms of education and athletics they should be successful for years to come.

Two sections that I believe they can improve on are Customers and the Financial Aspects and I believe they are related areas. I think if the Division can find a way to bring back and re-energize its fan base it will increase attendance and donations to the athletics program. I think the division should explore the possibility of differential ticket pricing as a way to garner an additional amount of revenue as well as increased attendance.

Additionally, as someone who traveled to see UConn play in both the Car Care Bowl and in the Women's Basketball Final Four, this year I saw firsthand that UConn has a ways to go in terms of "customer" service. While at the Final Four, you could see that each other team playing had their fans organized by color be it Tennessee Orange, LSU Purple or the Stanford Red. Based on lack of direction from the Division of Athletics the UConn fans made up everything else, sporting different color blues, whites, and even shades of grey. When people travel for postseason play they want to represent the school and I believe more direction and care from the Division of Athletics will increase fan spirit and really show the teams playing that their home crowd came to watch them.

Balanced Scorecard for UConn Athletics

Figure 1



Appendix A

University of Connecticut Division of Athletics Mission Statement

In conjunction with the mission of the University of Connecticut to serve as a center for teaching and research, dedicated to excellence in higher education and fulfillment of its land grant status, the mission of the Division of Athletics is to operate a broad-based program of intercollegiate athletics and recreational and intramural sports opportunities that reflects the ethical philosophy of the University, the interests of the student body, and the desires of the University's internal and external constituencies.

The priority of the Division of Athletics is to give students the opportunity to excel in academic achievement and athletic accomplishments. In addition, the Division of Athletics fosters among its students a sense of citizenship, leadership and social responsibility.

The athletic program of the University adheres to the highest standards of integrity and ethics. The Division of Athletics promotes principles of good sportsmanship, honesty and fiscal responsibility in compliance with university, state, NCAA and conference regulations. The Division of Athletics promotes and supports the University's comprehensive commitment to diversity and equity, providing equitable opportunity for all students and staff, including women and minorities.

Through its program of intercollegiate athletics, recreational and intramural activities, public service and outreach efforts, the Division of Athletics enhances the student experience and contributes to the quality of life within the campus community, the State and across the nation.

The Division of Athletics and its programs undergo regular and periodic evaluation so that the Division may remain responsive to the educational and social needs of its students, the outreach efforts of the University, the competitive standards of the athletic conferences with which it is affiliated and the fiscal demands of rapidly changing environments.

University of Connecticut Mission Statement

The University of Connecticut is dedicated to excellence demonstrated through national and international recognition. As Connecticut's public research university, through freedom of academic inquiry and expression, we create and disseminate knowledge by means of scholarly and creative achievements, graduate and professional education, and outreach. Through our focus on teaching and learning, the University helps every student grow intellectually and become a contributing member of the state, national, and world communities. Through research, teaching, service, and outreach, we embrace diversity and cultivate leadership, integrity, and engaged citizenship in our students, faculty, staff, and alumni. As our state's flagship public university, and as a land and sea grant institution, we promote the health and well-being of Connecticut's citizens through enhancing the social, economic, cultural and natural environments of the state and beyond.

Appendix B

Football						
Year	Total Attendance	# Games	Average Attendance	Sellouts	% Sellouts	Attendance Change
2004	275,129	7	39,304	6	86%	-
2005	240,000	6	40,000	6	100%	2%
2006	272,576	7	38,939	4	57%	-3%
2007	227,435	6	37,906	3	50%	-3%

Football				
Year	Bowl	Ticket Allotment	Sales	% Sold
2005	Motor City Bowl	10,000	6,000	60%
2007	Car Care Bowl	12,500	12,500	100%

Women's Basketball					
Year	Total Attendance	# Games	Average Attendance	Sellouts	% Sellouts
2004-2005	217,808	16	13,613	16	100%
2005-2006	223,503	19	11,763	4	21%
2006-2007	198,434	18	11,024	2	11%
2007-2008	178,917	16	11,182	2	13%

Men's Basketball					
Year	Total Attendance	# Games	Average Attendance	Sellouts	% Sellouts
2004-2005	234,109	17	13,771	17	100%
2005-2006	223,176	16	13,949	15	94%
2006-2007	260,231	20	13,012	13	65%
2007-2008	202,082	17	11,887	6	35%

Appendix C

Football		
Year	Average # of Stars	Best Rating (Number)
2004	2.04	3 (1)
2005	2.27	3 (7)
2006	2.17	3 (4)
2007	2.24	4 (1)

Basketball		
Year	Average # of Stars	Best Rating (Number)
2004	4.0	5 (1)
2005	3.8	5 (1)
2006	3.9	5(2)
2007	3	3(1)

Radio, TV, and Internet Rights Revenue		
Year	Total Revenue	% Increase
2004	\$ 867,510	-
2005	\$ 1,132,379	30.5%
2006	\$ 1,927,852	70.2%
2007	\$ 1,936,927	0.5%

Appendix D

Ticket Revenue								
Year	Football	% Change	Men's Basketball	% Change	Women's Basketball	% Change	Total*	% Change
2004	\$ 3,969,196.00		\$ 5,106,315.00		\$ 3,728,208.00		\$ 12,889,376.00	
2005	\$ 5,034,764.00	27%	\$ 5,848,354.00	15%	\$ 4,227,145.00	13%	\$ 15,181,912.00	18%
2006	\$ 4,339,079.00	-14%	\$ 5,382,909.00	-8%	\$ 3,446,333.00	-18%	\$ 13,334,815.00	-12%
2007	\$ 4,679,827.00	8%	\$ 5,806,562.00	8%	\$ 2,759,329.00	-20%	\$ 13,437,072.00	1%

*Total includes revenues from all sports

Guarantees / Proceeds from BigEast and NCAA				
Year	Total	% Change	Total Revenues	Support as % of Revenue
2004	\$ 3,839,050.00		\$ 44,009,333.00	8.7%
2005	\$ 6,333,442.00	65%	\$ 47,195,392.00	13.4%
2006	\$ 6,078,692.00	-4%	\$ 58,083,007.00	10.5%
2007	\$ 6,016,287.00	-1%	\$ 52,795,923.00	11.4%

NOTE: In 2004 the auditor preparing the report was KPMG and 2005-2007 the report was prepared by Seward and Monde
There could be slight differences in their account classifications

Appendix E

Donations Summary					
Program	Year	Beginning Cash Balance	Cash Receipts	Contributions to the Program	Ending Cash Balance
UConn Club	2004	\$ 4,793	\$ 322,782	\$ 327,575	\$ -
	2005	*\$2,465	\$ 272,671	\$ 267,060	\$ 8,076
	2006	\$ 8,076	\$ 309,837	\$ 287,265	\$ 30,648
	2007	\$ 30,648	\$ 262,786	\$ 172,268	\$ 121,066
UConn Foundation	2004	\$ 30,277,660	\$ 17,217,990	\$ 9,410,261	\$ 38,085,389
	2005	\$ 38,085,389	\$ 20,608,298	\$ 12,716,083	\$ 45,977,604
	2006	\$ 45,977,604	\$ 18,238,561	\$ 18,240,691	\$ 45,975,474
	2007	\$ 45,975,474	\$ 16,092,045	\$ 15,493,233	\$ 46,574,286

Total Donations	
2004	\$ 9,737,836
2005	\$ 12,983,143
2006	\$ 18,527,956
2007	\$ 15,665,501

Notes: The UConn Foundation ending cash balance amounts are dollars earmarked for the athletics department in custody of the UConn Foundation
 *Restated Balance

Appendix F

Application Data - Storrs Campus				
Year	Applicants	% Change	Admissions	Admission %
Fall 2002	13,760		8,507	62
Fall 2003	17,666	28%	9,287	53
Fall 2004	18,466	5%	9,319	50
Fall 2005	18,608	1%	9,498	51
Fall 2006	19,778	6%	10,102	51
Fall 2007	21,105	7%	10,429	49

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