



**Collegiate Men’s Gymnastics Financial Analysis**

May 25, 2021

**BACKGROUND:** The USOPC, USA Gymnastics, Collegiate Gymnastics Coaches Association and various school and athlete leaders created the Men’s Gymnastics Collegiate Sustainability Committee in Fall 2020. The committee established their charge, to explore short- and long-term sustainability concepts to support men’s gymnastics at the collegiate level. Professor Spencer Harris, Ph.D. of University of Colorado, Colorado Springs conducted an independent financial landscape analysis of the operations and performance of collegiate men’s gymnastics teams with the intent of using the information to understand opportunities and vulnerabilities facing the sport.

**METHODOLOGY:** The study utilized a comparative design to identify and compare a range of financial, operational, scholarship, roster size, camp/club operations, fundraising and performance data across NCAA men’s gymnastics varsity programs. The study sample population targeted the 15 NCAA men’s gymnastics varsity programs. The study secured a 100% response rate. The data was collated through the electronic distribution of a standard survey, with each survey being completed by the head coach (or their representative). The data was organized into an Excel Spreadsheet with differing workbooks created for descriptive and ranked data. The ranked data was used to support a series of Pearson Correlation tests to assess the strength of relationship between specific variables. Cohen’s convention (1988) was followed to interpret the results whereby 0.01-0.29 denotes a weak positive relationship, 0.30-0.69 denotes a moderate positive relationship, and 0.70-1.00 represents a strong positive relationship.

**KEY FINDINGS:** Table 1 reveals the diversity in the finances used to support collegiate men’s gymnastics, not least the significant variations in scholarships and in almost all revenue-related data. For example, the range of overall program costs varies from a cost of \$1,026,500 to a surplus of \$12,986. Table 2 exposes the strong positive relationship between scholarship and performance as well as total expenditures and performance. The strength of this latter relationship is made more interesting by the fact that salaries (a significant cost item) correlates only moderately with performance. Additionally, larger roster size correlates negatively with performance suggesting that smaller rosters relate more positively with performance rank. Table 3 shows that (a) the majority of schools are operating at or near the NCCA limit of 6.3 scholarships; (b) that men’s gymnastics is a driver of out of state student registrations with an average of 15 of 19 students being out of state; (c) that fundraising efforts across schools vary considerably from \$0 to \$250,000, (d) that a total of 8/15 schools receive endowment contributions annually, although the reporting of the contribution was not consistent or clear, and (e) nine programs run camps/clinics to offset program costs and six programs run clubs with three using revenues to offset program costs.

**Table 1: Analyzing expenditure and revenue.** Table 1 presents the average and standard deviation for (a) the group of 15 schools and (b) the subset of 11 (only DI, non-military schools) across a range of pre-identified key operational expenses and revenues. Concluding notes are provided to highlight significant or notable issues.

AREA	RESULTS			CONCLUSIONS
		Average	Std. Dev.	
Operational Expenditure	Salaries (n=15) (n=11)	\$243,130 \$261,904	\$82,740 \$66,901	<ul style="list-style-type: none"> <li>The variation in salaries is modest, but not significant with a high point of \$360,000 and a low among DI schools of \$165,000.</li> <li>There is clearly a more significant variation in scholarship with a high point among DI schools of \$520,000 and a low of \$23,000.</li> <li>Equipment, travel and recruitment costs are marginal when considered against total expenses, for example the range for recruitment extends from \$2,000 to \$33,000.</li> </ul>
	Scholarships (n=11)	\$291,685	\$173,687	
	Equipment (n=15) (n=11)	\$13,426 \$15,489	\$12,580 \$13,882	
	Travel (n=15) (n=11)	\$85,951 \$89,479	\$34,190 \$36,788	
	Recruiting (n=15) (n=11)	\$15,621 \$17,574	\$9,989 \$10,309	
	Total Expend. (n=15) (n=11)	\$605,809 \$720,194	\$295,486 \$250,169	

**Table 1: Analyzing expenditure and revenue (continued).**

AREA	RESULTS			CONCLUSIONS
		Average	Std. Dev.	
Revenues	Camps/clinics (n=15) (n=11)	\$40,913 \$48,245	\$73,991 \$85,593	<ul style="list-style-type: none"> <li>The variation of revenues across programs is a more significant finding than with expenditure (see standard deviation compared to mean, across all budget areas).</li> <li>Clearly, some programs are maximizing revenues to offset costs and others are not (camps: high = \$279,000, low = \$0; clubs: high = \$266,760, low = \$0, fundraising: high = \$250,000, low = \$0). The reasons underpinning these differences was beyond the scope of this study, but is worthy of further investigation.</li> <li>The overall distribution for revenue data is wide from \$0 (complete subsidy) to \$841,260 (surplus of \$12,986).</li> </ul>
	Clubs (n=15) (n=11)	\$20,451 \$27,887	\$68,914 \$80,129	
	Competitions (n=15) (n=11)	\$12,500 \$8,300	\$25,518 \$14,376	
	Fundraising (n=15) (n=11)	\$38,300 \$49,500	\$65,067 \$73,364	
	Total Revenue (n=15) (n=11)	\$204,702 \$249,593	\$261,402 \$287,695	

**Table 2: Analyzing relationships.** Table 2 presents the findings of the Pearsons correlation test. The correlation coefficient depicts the strength of the relationship in line with Cohens convention, detailed in the methodology (above).

AREA	TESTS	CORRELATION	COHEN'S CONVENTION FINDINGS
Pearsons correlation tests	Scholarship and performance rank	0.85	Strong positive relationship
	Total expenditure and performance rank	0.80	Strong positive relationship
	Salary and performance rank	0.59	Moderate positive relationship
	Recruiting expenditure and performance rank	0.54	Moderate positive relationship
	Total expenditure and total revenue	0.20	Weak positive relationship
	Roster size and performance rank	-0.29	Weak negative relationship

**Table 3: Analyzing scholarships, fundraising and camps/clubs.** Table 3 highlights some of the key findings in relation to scholarships, fundraising and camps/clinics.

AREA	RESULTS	CONCLUSIONS
Scholarships	<ul style="list-style-type: none"> <li>Avg. team offers 5.28 scholarships, totaling \$291,685 to a roster of 19.</li> <li>On average, programs consist of four in-state student-athletes and 15 out-of-state student-athletes.</li> <li>Most athletes are receiving some form of aid to attend the school.</li> </ul>	<ul style="list-style-type: none"> <li>NCAA DI permits 6.3 scholarships and most teams are operating at or below the limit.</li> <li>Sport is drawing out-of-state athletes, adding value to the school enrollment.</li> </ul>
Fundraising	<ul style="list-style-type: none"> <li>In terms of overall fundraising, programs raise an average of \$40,913, with a high point of \$250,00 and a low point of \$0.</li> <li>A total of eight schools use an annual endowment payment to offset costs.</li> </ul>	<ul style="list-style-type: none"> <li>Just over 50% of programs have endowments for their program/sport only, but the level of endowment varies significantly.</li> <li>Only three programs have \$100k+ in fundraising.</li> </ul>

**Table 3: Analyzing scholarships, fundraising and camps/clubs (continued).**

AREA	RESULTS	CONCLUSIONS
Camps/Clubs	<ul style="list-style-type: none"> <li>• Nine programs run camps; all nine use camp income to offset coaches salaries, four use camp income to offset facility costs, and two use camp income to offset other program operational expenses.</li> <li>• The average camp/clinic revenue is \$48,245 with a high point of \$279,500 and a low of \$0.</li> <li>• Six programs run clubs; three of six use club income to offset coaches salaries, one in six uses club income to offset facility costs, and one of six uses club income to offset other operational expenses.</li> <li>• The average club revenue is \$20,241 with a high point of \$266,760 and a low of \$0.</li> </ul>	<ul style="list-style-type: none"> <li>• Camps/clubs provide an opportunity to increase revenue, increase community engagement and elevate booster support.</li> <li>• One school takes a cut of the camp/clinic profits.</li> </ul>

**NEXT STEPS:** Based on the findings, the committee is encouraged to further explore the following:

- *Camp/clinics leveraging:* There are numerous revenue opportunities in the areas of sport camps/clinics, which could be expanded to help off-set expenses for program operations.
- *Recruiting adjustments:* The minimal impact of recruiting on performance suggests less resources should be spent on this area and perhaps less regulation. Deregulating recruiting in the sport of men's gymnastics may help the sport grow at the youth levels and ultimately strengthen the sport nationally.
- *Increased partnerships:* College programs should also explore collaboration opportunities with youth and/or national team efforts, which could increase efficiencies and potentially generate revenue. These partnerships are vital to increased national awareness and growth of the sport.
- *Tuition:* Further analysis of financials could be conducted to analyze the broader contribution that male gymnasts by way of tuition and other contributions to the campus economy.

<sup>1</sup> Findings in Table 2 and Table 3 are focused on the non-DII and non-military schools.

<sup>2</sup> Endowment data was collected from programs, however this data was not reported consistently across programs and has therefore been removed from the analysis. Please note, endowment data was not included in the fundraising data analysis.