

Minutes of the University Athletics Committee
Friday, June 10, 2014
Board Room, 18th Floor Patterson Office Tower

Meeting Opened and Roll Call

Dr. C.B. Akins, Sr., chair of the University Athletics Committee, called the meeting to order at 9:01 a.m.

The following members of the University Athletics Committee were present: C.B. Akins, Sr. (chair), Sheila Brothers, O. Keith Gannon, Terry Mobley, C. Frank Shoop, community members Vickie Bell, Paula Hanson, Davis Marksbury and faculty representative Joe Fink.

Approval of Minutes

Chair Akins welcomed the committee members and said that the minutes of April 1, 2014 had been distributed and asked for any corrections or comments. Seeing none, Trustee Mobley moved that the minutes be approved. Trustee Shoop seconded the motion, and it carried without dissent.

President's Report

President Capilouto shared a story about the women's softball team; their advancement in post-season play and their achievements in academics.

Departmental Report

Athletics Director Mitch Barnhart gave a Department of Intercollegiate Athletics report. Highlights in sports since April 1, 2014 included that UK Athletics was in the final week of one of the best overall seasons in department history. UK is No. 16 in the latest official Directors' Cup standings and soon to move up due to strong performances by spring sports teams. With 18 of 22 sports contributing to the tally, UK Athletics is poised to break the record set with last year's No. 25 finish.

In winter sports, men's basketball ended its NCAA Tournament run in the national championship game, falling to the University of Connecticut 60-54. The team was welcomed home by thousands of well-wishers. Within weeks of the end of the season, six players elected to bypass the NBA Draft and return for next season. Finally, Coach Calipari has signed a new contract that will keep him at Kentucky through the 2020-21 season.

In spring sports, softball completed the best season in school history, advancing to the Women's College World Series for the first time. Sophomore pitcher Kelsey Nunley threw every pitch in the NCAA Tournament for UK, receiving WCWS All-Tournament Team honors. Baseball returned to the NCAA Tournament and ended the season with a 37-25 record. Senior A.J. Reed, already named national player of the year by Collegiate Baseball, led the way. UK's outdoor track and field teams will compete at NCAA Championships in Eugene, Oregon. UK will be represented by 15 athletes, 11 women and four men. Men's tennis advanced to the Sweet

16 for the fifth straight season. Women's tennis made its first NCAA Tournament appearance since 2009 and advanced to the second round before falling at No. 3 Virginia. Men's golf returned to the NCAA Championship finishing in a tie for No. 18. Women's golf reached an NCAA Regional for the fourth straight season.

Off the field, UK's scholarship student-athletes combined for a cumulative GPA of 3.218. This marks four straight semesters in which UK has posted a department-wide GPA of 3.0 or better. All UK teams received passing marks in the NCAA's Academic Progress Rate (APR), with a school-record three teams (women's cross country, men's golf and men's tennis) earning national awards.

Athletics Director Barnhart continued that women's soccer senior Arin Gilliland will receive the prestigious 2014 Honda Inspiration Award from the Collegiate Women Sports Awards in Los Angeles later this month. She is being honored for overcoming reconstructive knee surgery and the passing of her mother to become one of the best players in the country.

UK's volleyball team recently returned from a two-week cultural exchange trip in China. The Wildcats played seven matches against elite teams, visited numerous historical sites and landmarks and took a class that began a week before their departure and continued while in China. The class instructor, Art History professor Andrew Maske, traveled with the team.

Athletics Director Barnhart stated that the Department hosted the 12th annual CATSPY Awards at Memorial Coliseum in April to celebrate the 2013-14 athletic year. A total of six teams and 28 individuals were recognized for outstanding performances on and off the field.

Women's basketball head coach Matthew Mitchell will donate \$1,000,000 to the Department of Intercollegiate Athletics over the next 10 years. It is the largest gift to the department ever by an employee and will help fund continued capital growth.

Trustee Brothers requested a link to the story regarding Arin Gilliland.

Business Items

The Committee was pleased to review PR 6, the naming of the Soccer Complex as the Wendell and Vickie Bell Soccer Complex. Director Barnhart thanked Wendell and Vickie Bell for their long friendship, both financially and personally, to the many student-athletes, coaches and programs.

Trustee Mobley moved to recommend approval to the Board of Trustees. Trustee Shoop seconded the motion and it passed without dissent. The Athletics Committee gave the Bells a standing ovation.

The Committee considered the financial statements of the Department of Intercollegiate Athletics. Melissa Gleason, Senior Associate Athletics Director - Finance, reviewed the interim financial statements of the department for the nine months ended March 31, 2014. The information included the statement of net position, the statement on revenue and expenses, and the

change in net position. Trustee Brothers moved acceptance of the interim financial statements as presented. Trustee Gannon seconded the motion and it passed without dissent.

Ms. Gleason also presented a detailed Fiscal Year 2014-15 Operating Budget for the Department of Intercollegiate Athletics. She detailed new revenue opportunities, explained escalating expenses and pointed out that the Department of Intercollegiate Athletics is 100% self-supporting and receives no State or University funds. Their budget is 3.8 percent of the University budget and the Department contributes over \$1,700,000 annually to university scholarships. Over \$26,000,000 of their self-supported budget is spent back on campus. This includes the full rate of 340 scholarships, the University Service Assessment, and the department pays all of their own capital improvements, utilities, maintenance, parking and security on athletic facilities. The continued success of the athletic teams also helps generate over \$2,000,000 for campus in licensing revenue and provides over \$500,000 annually for radio advertising inventory to the University for academic messaging.

Trustee Gannon asked about the equivalency scholarships in women's basketball. AD Barnhart explained that scholarships are awarded at the coach's discretion.

Trustee Brothers was uncomfortable with the statement "UK Athletics is 100% self-supporting and receives no State or University funds." She believed that the "student activity fee" was in essence a "university fund." Ms. Gleason explained that the student fee was designated to offset the price of student tickets.

The budget is included in the University wide budget presented in FCR 4. Trustee Shoop moved acceptance of FY 2014-15 Operating Budget for the Department of Intercollegiate Athletics as presented. Trustee Brothers seconded the motion and it passed without dissent.

Dall Clark, Capital Project Management, reviewed FCR 9 regarding the request for an exemption for LEED Silver Level Certification for the Commonwealth Stadium capital project. Trustee Shoop moved to recommend approval to the Finance Committee of FCR 9. Trustee Mobley seconded the motion and it passed without dissent.

Director Barnhart updated the Committee on FCR 10, the Renovate Old Softball/Soccer Locker Room Capital Project. The project will renovate the existing soccer/softball locker and shower space in the old soccer/softball building to create new office and administrative space for the coaches and coaching staff of the men's and women's soccer and women's softball teams. This project will be funded with private funds. Trustee Brothers moved to recommend approval to the Finance Committee. Trustee Gannon seconded the motion and it passed without dissent.

Other Business

President Capilouto asked Executive Vice President for Finance and Administration Eric Monday to further elaborate on how the University classifies funds as it relates to Trustee Brothers question regarding student fees. Mr. Monday stated that student fees are considered designated general funds, designated to be used for a certain purpose. He explained that the Department of Intercollegiate Athletics is considered an "auxiliary" and is self-sustaining. Auxiliary enterprises,

such as the Department of Intercollegiate Athletics do not receive any undesignated general funds from the institution including state appropriations. Auxiliary enterprises generate income from various sources, with their primary revenues coming from sales and services and can include student fees, such as housing, dining and parking. As an auxiliary, they are responsible for their own direct and indirect expenses and do not receive any support from the University.

With no further business, the meeting was adjourned at 9:54 a.m.

Respectfully submitted,

Dr. C.B. Akins, Sr.