

**Virginia Tech Board of Visitors**  
**Special Meeting**

**Tuesday, September 30, 2025**  
**9:30 a.m.**  
**All-Virtual Meeting\***

**Agenda**

**Resolution Regarding Athletics Funding**

- Ms. Amy Sebring, Executive Vice President and Chief Operating Officer
- Mr. Simon Allen, Vice President for Finance and Chief Financial Officer

\*A link for the public to view the livestream on YouTube will be available prior to the meeting at the Board of Visitors website: <https://bov.vt.edu/>.

NOTE: There will be no public comment at this meeting.

## **RESOLUTION REGARDING ATHLETICS FUNDING**

**September 30, 2025**

**WHEREAS**, the Board of Visitors recognizes the critical importance of intercollegiate athletics to Virginia Polytechnic Institute and State University, the region and the Commonwealth; and

**WHEREAS**, Board of Visitors members J. Pearson and Ryan McCarthy were charged by the Rector, John Rocovich, to work closely with university leadership to develop a plan to position athletics to be competitive with the best institutions in the Atlantic Coast Conference; and

**WHEREAS**, a four-year athletics budget adjustment, appended as Attachment A, has been proposed;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Visitors hereby expresses its intention to position athletics to be competitive with the best institutions in the Atlantic Coast Conference, in accordance with the following provisions:

1. As a supplement to the existing budget, and subject to applicable legal and regulatory requirements, Attachment A is hereby adopted as a supplemental budget for athletics.
2. In consideration of the changing collegiate athletics environment and potential shifts in future economic conditions, the Board of Visitors reserves the ability to amend the supplementary budget for any fiscal year as necessary.

**RECOMMENDATION:** That the resolution regarding athletics funding be adopted.

**VIRGINIA TECH**  
**Intercollegiate Athletics Budget Adjustments**

<b>Investment to Win</b>				
(\$ in millions)				
	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>
Incremental Operating	33.3	47.5	50.5	55.3
One-Time	<u>13.8</u>	<u>13.5</u>	<u>10.1</u>	<u>5.2</u>
<i>Total Growth</i>	<i>\$47.1</i>	<i>\$61.0</i>	<i>\$60.6</i>	<i>\$60.5</i>

Includes both revenue and expenditure adjustments over current FY26 budget.

<b>Estimated NCAA Report Annual Operating Expenses</b>				
(\$ in millions)				
	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>
Before Investment	156.8			
<b>After Investment</b>	<b>\$190.1</b>	<b>\$204.3</b>	<b>\$207.3</b>	<b>\$212.1</b>

Projections exclude one-time dollars.

# Invest to WIN



## Athletics Funding Plan

Board of Visitors  
September 30, 2025

# Virginia Tech Athletics Contributes to Our Success

Invest to WIN



- Serves as a key ***part of the Hokie experience*** for many students and employees
- ***Attracts over 500,000 visitors*** to the university annually, contributing to the local and regional economy
- Provides student athletes an ***opportunity for an education and development***
- Facilitates ***lifelong connections for our alumni***
- Generates ***brand awareness*** and provides national recognition





# Why Now?

- Intercollegiate athletic landscape has evolved dramatically over the past year
- Widening gap between top tier programs and the remainder
- Although investment will be needed, being a quality, competitive program has the potential to generate significant outside revenue to the institution
- Without investment, the university and region risk declining revenues
  - Potential losses to the university – existing revenues (e.g., media rights, ticket sales, sponsorships, etc.), negative impact on non-revenue sports, brand value, alumni connections
  - Potential losses to the broader community and region – lodging, meals and sales tax revenue, affiliated jobs, community vibrancy
- Demonstrating the university's commitment is critical to attracting the external partnerships necessary to achieve success

# Goal: Grow Athletics to \$200M+ Annually

Invest to WIN



- Position VT to be competitive for top allocation of media rights and conference revenue
- Shared responsibility between the institution and donors
  - Institutional subsidy within state limit
  - Includes limited increases in student fees consistent with state cap over multiple years
  - Targeted fundraising campaign
- Bridge funding to reach sustainable financial position by FY30 through enhanced media revenues, conference allocations, and other self-generated revenues





# Resources to Reach \$200M+ Annually

\$ in millions

Investment to WIN				
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Incremental Operating	\$33.3	\$47.5	\$50.5	\$55.3
One-Time	\$13.8	\$13.5	\$10.1	\$5.2
Total Growth	\$47.1	\$61.0	\$60.6	\$60.5

Includes both revenue and expenditure adjustments over current FY26 budget.

Estimated NCAA Report Annual Operating Expenses*				
Before Investment	\$156.8			
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\*National Collegiate Athletic Association (NCAA) requires an annual Schedule of Revenues and Expenses of Intercollegiate Athletics Program. This is an accrual basis report that differs from the cash basis financial performance report provided to the board each quarter and provides a more complete view by including scholarships and other activities funded by the foundation.





# Incremental Funding Breakdown by Source

FY26 – FY29

\$ in millions

	FY26	FY27	FY28	FY29	Total Investment
Institutional Support	10.8	12.5	12.5	12.5	48.3
Student Fee Revenue*	0.0	3.3	7.1	10.9	21.3
Bridge Funding	6.3	15.2	11.0	7.1	39.6
Philanthropy	30.0	30.0	30.0	30.0	120.0
<b>TOTAL</b>	<b>\$47.1</b>	<b>\$61.0</b>	<b>\$60.6</b>	<b>\$60.5</b>	<b>\$229.2</b>

\* Student fee revenue estimate is based on \$100 fee increase per year. VT is expected to continue to have the lowest comprehensive fee of the Virginia public institutions.



# Key Take-Aways

- Financial plan provides support to intercollegiate athletics within the parameters consistent with state law
- Proposal is a team effort with multiple fund sources needed to succeed
- Financial plan does not directly impact current academic operations, though it will limit our flexibility for new and emerging investments in the future
- The time is now to make a meaningful investment to our athletic program that ensures the continued positive impact that the program has on the university, the region, and the commonwealth