

#3 Chancellor E. H. Lindley
December 10, 1936

sheet #3, which applies to the 1936-37 school year. You will notice the amount allotted to athletics from the activity fee in our case is smaller than any of the other "Big Six" schools. We receive \$3.50 from the activity book. In addition, we sell basket ball tickets for \$1.50 to one-fourth of the student body. From this amount, we allow the Jay Jones a 10 per cent commission for taking orders, which brings our net revenue from this source to \$1.35. This makes our total income from the student activity fee \$3.82.

Kansas State receives \$7.20, nearly twice the amount we receive. They have no stadium indebtedness and consequently are in a much better financial condition than we are to carry on their minor sports program. During the "slump" years, it was considered good administration to curtail these sports, but since financial conditions are steadily improving, the other "Big Six" schools, students, and the public would not understand if we curtail our spring sports program. The other schools are enlarging their minor sports programs.

The only sport that provides any appreciable income, outside of football, is basket ball. Last year, it showed a profit of \$4,640.00, and we have every reason to believe that it will reach or exceed that amount this year. This, however, is not to be considered as an additional revenue, as all except the cash gate sale has already been received through student activity fees and the season ticket sale.

(4) The broadcasting of football games also offers a possibility of additional income. Mr. Don Davis, President of the WHB Broadcasting Company, is interested in making us a proposition for exclusive rights for this broadcast. Many of the eastern schools have come to the conclusion that this is a source of additional revenue and a commodity that can be sold to national advertisers by the broadcasting stations.

5. The possible increase of coaches' salaries from the State, relieving the Corporation somewhat. Sheet #4 refers to the comparative amounts paid during the last ten years. It will be seen that there has been a gradual reduction of the amount paid by the State and an equally increased amount paid by our Corporation.

In a recent conversation with Mr. Frank Myers, Assistant Athletic Director of Kansas State College, he stated that President Farrell had them turn over \$12,000.00 as their share of the coaches' salaries for the year. We now pay \$18,007.50 as our share of coaches' salaries.