PREREQUISITES: SPMT 201, 60 hours

COURSE DESCRIPTION:

This course is a survey examination of principles of economics, budgeting, and finance as it applies to the sport industry.

COURSE OBJECTIVES:

The student will be able to:

1. Recognize financial statements, spreadsheets, and principles of accounting in sport organizations.
2. Identify sources of revenue for financing sport, including public sector vs. private sector, etc
3. Describe principles of budgeting, including types, development, for-profit and not-for-profit and use as a method of control, organization, and reallocation.
4. Develop an appreciation of financial management for sport facilities.
5. Assess the present financial status of the sports industry and the role of television in sports.
6. Apply economic impact principles on sport, competitive strategy (supply and demand), and economic theory in sport manufacturing and service industries, labor relations, stadiums and arenas.
7. Identify the application of economic theory across amateur, professional, intercollegiate sports and the sport-club industry.
8. Recognize the application of economic principles in sport.
9. Apply knowledge of financial principles in sport.
10. Develop an appreciation of the interrelation of development activities, financial management, and economics in the sport industry.
11. Describe the economic growth of the sport industry in the 20th century
12. Reflect on the economic impact of sport venues and events.

COURSE OVERVIEW:

The learning experiences in this course are afforded through assignments, class participation, lecture, notes, discussion, group activities, technology, assisted activities, and a variety of additional instructional approaches that will offer ample opportunities to meet the course objectives. Course content includes, but is not limited to, the following: Basic accounting principles - types of accounting in sport, with a special emphasis on the importance of fund accounting in public enterprise; Use of financial statements in sport; Sources of revenue for financing for sport - public sector vs. private sector, governments, membership, fees, PLS, taxes, bonds, etc.; Principles of budgeting in sport - types (capital master, departmental, line item, zero-based); Budgets as a method of control, organization, and reallocation in sport; Budget development in sport; Spreadsheet utilization in sport; Financial management of sport facilities; Present financial status of the sports industry - collegiate, professional, private, manufacturers; Concessions and merchandising in sport - trademark licensing, inventory, cost control, cash mgmt; For profit and not-for-profit budgeting in sport; Development and sport fundraising principles and methodology (campaigns, alumni, auctions); Application of micro and macro economic principles in
sport; Economic growth of the sport industry in the 20th century; Concepts of competitive strategy (supply and demand) in sport; Economic impact principles in sport; Economic theory applied to sport manufacturing and service industries; Economic theory applied to professional sports; Economic perspectives in labor relations in professional sports; Economic theory applied to sport stadiums and arenas; Economic theory applied to intercollegiate sports; Impact of the television industry on professional sports; Impact of the television industry on intercollegiate sports; Economic impact of sport venues and events; Economic theory applied to the sport club industry; Relating infrastructure to competitive strategies in the manufacturing and service industries in sport.

HONOR CODE:

George Mason shares in the tradition of an honor system that has existed in Virginia since 1842. The Honor Code is an integral part of university life. On the application for admission, students sign a statement agreeing to conform to and uphold the Honor Code. Students are responsible, therefore, for understanding the code’s provisions. In the spirit of the code, a student’s word is a declaration of good faith acceptable as truth in all academic matters. Cheating and attempted cheating, plagiarism, lying, and stealing of academic work and related materials constitute Honor Code violations. To maintain an academic community according to these standards, students and faculty must report all alleged violations to the Honor Committee. Any student who has knowledge of, but does not report, a violation may be accused of lying under the Honor Code. Students in this course are held to the strictest standards of the George Mason University Honor Code.

STUDENT SUPPORT:

Any eligible student with an exceptionality documented through George Mason University’s Disability Resource Center must notify the instructor so that suitable accommodations can be implemented. The notification should take place during the first week of classes.

STUDENT EXPECTATIONS:

1. All assigned reading for each class is to be completed prior to coming to class.
2. All written assignments must be typed (computer word processing is recommended).
3. Regular attendance and participation is expected.
4. If you miss a class, it is your responsibility to obtain class materials from sources other than the instructor.
5. Students must abide by the Honor Code, guided by the spirit of academic integrity.

Class Attendance:
It enhances your academic success to be in class; therefore, you should attend all scheduled class meetings in accordance with George Mason policy: Students are expected to attend the class periods of the courses for which they register. In-class participation is important not only to the individual student, but to the class as a whole. Because class participation may be a factor in grading, instructors may use absence, tardiness, or early departure as de facto evidence of nonparticipation. Any student who does not attend at least 60% of the classes will not pass the course. Excessive absences or tardiness result in lowering of your grade. Students who miss an exam with an acceptable excuse may be penalized according to the individual instructor’s grading policy, as stated in the course syllabus.

Participation:
Respect the free exchange of thought in an academic environment and the participants therein. For example: a) do not have any sound emitting devices turned on; b) wait until the teacher/guest speaker has finished prior to gathering your belongings; and c) do not smoke, chew tobacco, eat, sleep, disrupt others by inappropriate talking, or disrespect the class schedule by being tardy. You are encouraged to a) feel free to openly and respectfully contribute your thoughts; b) listen actively to the comments of others; c) be punctual; d) ask any and all appropriate questions that you have; and e) maintain civility in your interpersonal communications. Class discussions will be conducted in a civil, informed fashion wherein disruptive students will be asked to leave the class. Your contributions are not only welcomed, they are essential.

Alternative Work:
Make-up work is not allowed in this class. Only those excused absences supported by documentation will be addressed at the instructor’s discretion on an individual basis (e.g. a physician’s note for an illness). Alternative work due to intercollegiate athletic competitions or other legitimate university activity must be arranged – PRIOR – to due date. A grade of zero (‘0’) will be assigned to all missed work unless otherwise determined by the instructor. There will be no extra credit option in this course.
**REQUIRED READINGS:**

Students are expected to read in advance the chapters outlined in the class schedule. In addition, students are to review the Street & Smith’s *Sport Business Journal* and complete the Weekly Drill assignment.

**Required Texts:**


*Sport Business Journal* (12 weeks/$50) – to register [www.sbjcollege.com/subscribe](http://www.sbjcollege.com/subscribe)

Street & Smith Sport Business Journal Weekly Drill - Instructions for Students
1. Click this link: [www.sbjcollege.com/portal](http://www.sbjcollege.com/portal)
2. If not logged in already, log in using the email address and password for your SBJ account (if you do not remember your password, please click the “forget your password” link at the bottom...if you use the “forget your password” link, you may need to click the link in Step 1 again AFTER logging in)
3. Click on “Weekly Drill” on the menu to the left and follow the prompts to answer and submit the Drill
4. Note: Once submitted you are unable to access the Drill again for this course. This includes pressing the “Back” button. (If you receive an error, please be sure to send a screen shot of the error message to cknowling@sportsbusinessjournal.com)

**EVALUATION:**

*Graded Assessment:*

Assessment of student objectives and performance will include, but is not limited to, successful completion of a combination of quizzes, exams, written and/or oral projects/presentations, and regular in-class and/or out-of-class assignments.

Specifically, graded assessments will include (please note that requirements and expectations for grading for each assessment will be explained in detail in class prior to assignment being due):

a) **Two in-class tests** (to cover assigned readings and class lectures). Each will include short answer questions, and will count as 30% of final grade;

b) **Essay Examination** - essay questions, and will count as 20% of final grade;

c) **Final Examination**, a combination of definition of terms, short answer and short essay questions, and will count as 25% of final grade;

b) **Class presentation**, a chapter from *Sport Finance* will be assigned to small teams (2-3 students per team) and presented to class on assigned day, exercise will count as 10% of final grade. Team will identify one real world application from the assigned text and prepare 10-15 minute overview of the topic; and

e) Cumulative **class participation** (including required articles) will count as 15% of final grade.

**Grading Scale**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94 – 100</td>
</tr>
<tr>
<td>A-</td>
<td>90 – 93</td>
</tr>
<tr>
<td>B</td>
<td>88 – 89</td>
</tr>
<tr>
<td>B-</td>
<td>84 – 87</td>
</tr>
<tr>
<td>C</td>
<td>78 – 79</td>
</tr>
<tr>
<td>C-</td>
<td>74 – 77</td>
</tr>
<tr>
<td>D</td>
<td>60 – 69</td>
</tr>
<tr>
<td>F</td>
<td>0 – 59</td>
</tr>
</tbody>
</table>

**NOTE:** This syllabus can be altered at the instructor's discretion.
**STUDENT EXPECTATIONS:**

- Students must adhere to the guidelines of the George Mason University Honor Code [See http://academicintegrity.gmu.edu/honorcode/].

- Students with disabilities who seek accommodations in a course must be registered with the George Mason University Office of Disability Services (ODS) and inform their instructor, in writing, at the beginning of the semester [See http://ods.gmu.edu/].

- Students must follow the university policy for Responsible Use of Computing [See http://universitypolicy.gmu.edu/1301gen.html].

- Students are responsible for the content of university communications sent to their George Mason University email account and are required to activate their account and check it regularly. All communication from the university, college, school, and program will be sent to students solely through their Mason email account.

- Students must follow the university policy stating that all sound emitting devices shall be turned off during class unless otherwise authorized by the instructor.

- Students are expected to exhibit professional behaviors and dispositions at all times.

**CAMPUS RESOURCES:**

- The George Mason University Counseling and Psychological Services (CAPS) staff consists of professional counseling and clinical psychologists, social workers, and counselors who offer a wide range of services (e.g., individual and group counseling, workshops and outreach programs) to enhance students' personal experience and academic performance [See http://caps.gmu.edu/].

- The George Mason University Writing Center staff provides a variety of resources and services (e.g., tutoring, workshops, writing guides, handbooks) intended to support students as they work to construct and share knowledge through writing [See http://writingcenter.gmu.edu/].

- For additional information on the College of Education and Human Development, School of Recreation, Health, and Tourism, please visit our website [See http://rht.gmu.edu].
### Tentative Course Schedule:

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Chapters</th>
<th>Readings/Assessment Due</th>
</tr>
</thead>
</table>
| Week 1 8/26 | - Course Introduction  
- Financial Issues in Sport                                      | 1        |                                  |
| Week 2 9/2 | Labor Day – No Class Meeting                                        |          |                                  |
| Week 3 9/9 | - Basic Financial Concepts  
- Budgeting 101                                                       | 2, 3     |                                  |
| Week 4 9/16| - Financial Systems & How They Operate  
- Business Structures, Bankruptcy, & Taxation | 4, 5     |                                  |
| Week 5 9/23| - Financial Statement, Forecasts, & Planning  
- Time Value of Money                                                 | 6, 7     | Team 1                           |
| Week 6 9/30| - Obtaining Funding  
- Bonds                                                              | 8, 10    | Team 2                           |
| Week 7 10/7| - Capital Budgeting                                                  | 11       | Team 3 & Test #1 (Chapters 1-10) |
| Week 8 10/15| *Columbus Day Class Week – Tuesday Class*  
- Short Term Financial Management                                     | 12       | Team 4                           |
| Week 9 10/21| - Inventory and Production Management                               | 13       | Team 5 & Essay Mid-term Examination Due. |
| Week 10 10/28| - Spending Earnings                                                 | 14       | Team 6                           |
| Week 11 11/4| - Auditing                                                          | 15       | Team 7                           |
| Week 12 11/11| - Exit Strategy                                                    | 16       | Team 8                           |
| Week 13 11/18| - Effect of the Recession on Sport Finance                         | 17       | Team 9 & Test #2 (Chapters 11-16) |
| Week 14 11/25| - Sport Finance Trends                                             | 18       | Team 10                          |
| Week 15 12/2| Exam Review                                                         |          |                                  |
| 12/9       | NO CLASS MEETING                                                   |          |                                  |
| Week 16 12/16| FINAL EXAMINATION (7:30-10 pm)                                     |          |                                  |

**Additional Notes:**

* Guest speakers may be utilized to expand upon topics covered in the assigned readings and class lectures.
* Professor will provide additional supplemental readings as required by current events and/or class interests.
* *Faculty reserves the right to alter the schedule as necessary.*