

a specific definition of the categories of expenses that must be reported. However, the Secretary does wish to emphasize several points with regard to that definition. All items within the categories listed in the statute—lodging, meals, transportation, officials, uniforms, and equipment—must be included in the report. Expenses in these categories related to both home and away contests must be included in the report. Any travel expenses related to intercollegiate athletics paid for by the institution must be included in the report.

Because the statute explicitly defines the kinds of expenses to be captured in this section of the report as operating expenses, the Secretary disagrees with the commenters who maintain that these items must include capital expenses. The inclusion of such items as videotape equipment will depend on whether those items are accounted for by the institution as operating expenses or capital expenses. The Secretary agrees that for reasons of comparability between men's and women's teams and among institutions, items not specifically enumerated in the statute, such as appearance fees or guarantees paid to visiting teams, should not be included in the report.

The Secretary agrees that the original source of the funds used to pay operating expenses (for example, fund-raising organizations) should not exempt the institution from reporting those expenses. If the funds are expended by the institution for one of the purposes listed in the statute, the expenses must be reported.

The Secretary disagrees with the commenter who urged that institutions be allowed or required to report expenses averaged over several years, and also disagrees with the commenter who maintained that institutions be allowed not to report post-season expenses. The statute requires an institution to report for each reporting year, and separately for each team, its expenditures on all specified operating expenses. If an institution wishes to provide further information on these matters, such as multi-year data, or explanations of significant year-to-year variations in expenses, it may do so (e.g., in a "further information" section of its form or report).

In this regard the Secretary wishes to point out that while an institution is required to list all teams meeting the definition found in § 668.48(b)(6) as varsity teams regardless of the institution's level of funding for them, the Secretary interprets the statute to require institutions to report only institutional expenditures. An

institution shall report expenses for unfunded or non-institutionally-funded varsity teams as zero. For teams an institution only partially funds, the institution shall report as zero those expenses it does not fund.

The Secretary also notes that the statute and these regulations allow institutions to report operating expenses on a per capita basis for each team, and to report combined expenditures attributable to closely-related teams, such as track and field, or swimming and diving.

*Changes:* None.

*Comments:* Several commenters supported requiring the proration of expenses for co-educational teams based on the proportion of males to females on such teams. Several commenters supported only prorating "in a reasonable manner," arguing that prorating on the basis of male-female ratios would involve, for example, calculations for each trip taken, and thus would constitute an unwarranted burden on institutions. One of these commenters also believed that these calculations would provide a false precision, as different accounting practices would lead to large discrepancies. Several commenters recommended that expenses for co-educational teams instead be listed as a separate category in order to reduce burdensome calculations.

*Discussion:* In the interest of reducing burden, and because the EADA does not specifically address the reporting requirements for co-educational teams, the Secretary will allow, but not require, institutions to report the expenses of co-educational teams in a separate category without proration.

However, the Secretary emphasizes that these expenses, in whatever form they are categorized, are to be reported in an unduplicated manner. An institution that prorates co-educational team expenses between men's and women's teams would not report those same expenses under a co-educational team category. Similarly, an institution that lists co-educational team expenses in a co-educational team category would not add a prorated portion of those same expenses to the figures they report for men's and women's teams.

*Changes:* None.

*Comments:* One commenter urged that a consistent definition of "full-time" coach be promulgated in the interest of consistent reporting. Because few coaches coach twelve months a year, this commenter recommended that the Department define a "full-time" coach as someone employed full-time nine months a year, with eighty percent of his or her job responsibilities being

related to coaching the particular sport. One commenter recommended that volunteer coaches not be counted, as there is no cost factor involved. One commenter questioned the efficacy of counting assistants and interns, as the required number will vary from sport to sport. This commenter also questioned the relevance of this requirement to the intent of the statute.

*Discussion:* The Secretary does not agree with the commenter who urged that a definition of "full-time" be set by the Department. The Secretary allows institutions to make their own determination of "full-time" and "part-time", so long as those designations are credible and reasonable. In the interest of accurate and clear reporting the Secretary expects institutions to explain what they mean by those terms, and also expects them to employ the terms consistently. The optional form provides a space for institutions to supply this information.

The Secretary disagrees with the commenters who argued that volunteers, assistants and interns not be counted. While it is true that there is no cost factor associated with volunteers, the statute aims to disclose not only monetary resources expended on student-athletes, but also time and attention spent in instructing student-athletes. Similarly, while the number of assistants and interns needed will depend on the nature of the sport, the statute requires that the number of those coaches be disclosed.

*Changes:* None.

*Comments:* One commenter recommended that the definition of athletically-related student aid be defined as "all unearned, nonrepayable financial aid awarded and administered by the institution's department of athletics (or upon recommendation of the department of athletics) and based on athletic ability (e.g., athletic scholarship). Such aid would include any tuition waiver or room waiver (state or institutional waivers) administered at the institution's discretion based on the student-athlete's athletic ability." This commenter argued that such a definition is superior to that found in the HEA, as it is clearer and broader. Several commenters urged that if the aid is made through the athletics department, it should be counted. One commenter argued that all grants to current or former athletes be counted. One commenter agreed that such aid should be defined as it has been in other regulations.

*Discussion:* The Secretary, while recognizing the merit of the definitions offered by the commenters, concludes that they are neither clearer nor more