

## The Position of Fiscal Management in Sports Administration

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### **Abstract**

*The quality of sports programme in any institution depends largely on the administration than any other factor. Fiscal responsibility is inherent in any sports management budget description, one handles funds through a budget process and gain successful programme through sound fiscal management although, the chief responsibility for budgeting falls on the top manager and all the supporting staff have a role in planning and operating financial resources. The paper therefore examined the budget and financial management, responsibilities of sports administrators, organizational devise systems for handling cash and revenue, sources of sports fund and revenues, types of expenditures and the role of sports managers in the fiscal management among others. Recommendations were also offered such as: Since the sports administrators have the responsibility of making fiscal or financial budget, like in any other agencies, they need to be trained by budget experts and inculcate all the qualities of a good administrator, financial managers and accountants.*

**Key words:** Sports, Fiscal, Budget, Management, Administration.

### **Introduction**

Since administration is not restricted to a particular field of human endeavor, it is a bit difficult to have a single definition that will cover or adequately cover the fields. What is basic is that administration is administration, no matter the field of specialization. What could be noticed is just slight modifications from one establishment to the other. Administration is simply to get things done. Administration can simply defined as the organization and directing of persons in order to accomplish a specified end (Belz, 1990).

The quality of sports programme in any institution depends largely on the administration than any other factor (Ladani, 1999). It is true that what can be accomplished depend appreciably on the facilities, equipment, personnel and time allotment that are available. Among the functions and duties of administrator includes the following: Policy formulation, employment and supervision of personnel, programme planning and equipment, budget and finance management, public relations, counseling and guidance, reporting (Steven 2001). For the purpose of this paper, the position of fiscal management in sports administration, budget and finance is the focus which could be term as fiscal management or planning annual financial expenditure for the purpose of moving sporting activities forward and to a success.

### **Budget and Financial Management**

This is aspect of administration that requires greater care and attention. Mistakes, carelessness, minor dishonesties, inefficiencies or any sort of laxity in this area can coast the administrator his job more quickly than in almost any other profession. Meticulous care and integrity in dealing with finances usually reflects favorably on the entire administration operation. According to Jamieson, 2009 stated that budget administration consist essentially four steps.

- 1) Gathering information
- 2) Preparing the budget
- 3) Presentation of the budget
- 4) Expending the fund

Each of these steps involves detailed procedures and recommended practices. The fiscal management serves as the controlling job for the whole organization and the administrator must sign all requisition and purchase orders. This will give the administrator the true and clear picture of what is happening in all the arms of the sports administration. These procedures will also help him to control all unnecessary expenses and stop requisition on which funds have expended or exhausted.

### **Financial Responsibilities of Sports Administrators**

Those employed in sports administration settings will find several responsibilities for maintaining a sound financial picture, fiscal responsibility including many facets such as the following:

- 1) Budget planning and implementation
- 2) Cash control and accountability
- 3) Fund raising
- 4) Documentation of financial process
- 5) Evaluation and changes in financial goals.

The sports programmer needs to understand the nature of income and expenditures, how to account for the funds and how to plan for acquiring and managing these funds. In a national climate of fiscal exigency, all levels of sports organization must operate efficiently to maintain or improve services (Giles, 2000).

The status of financing in sports management parallels that of leisure industry diminished tax supports, greater reliance on other fees and greater accountability of all staff within an organization. As a result of work programme developed in the planning process, a budget, once approved, is available for implementation. In the public sector, the agency receives allocations of tax moneys for use. In addition, the agency accounts for other revenue sources as it accumulates them. In a sector like that of sports administration sales of goods and services to client or spectators, fans secure funds and this income forms the basis for expenditures. Sports administration keep financial records regularly in form of monthly,

quarterly, or annual reports which form the basis of fiscal management and to be followed strictly to ensure accountability, success and implementation.

### **Organization Devises Systems for Handling Cash and Revenue**

Cash control is important in sports management and administration due to the daily cash income collected from government, pool, gate taking, complexes, centers, field and similar facilities. When you collect large amounts of cash these can be an increase of robbery and employee theft (Steven, 2001). Therefore, through creative programming, sports administrators are always able to implement new programmes that can generate revenue.

### **Sources of Sports Revenue**

According to Gambari (2010), sports activities programmes revenue sources vary according to political priorities, participants needs/want and interest. Recent changes in the economy have stimulated discovering of non-traditional revenue sources to maintain and expand current level of sports programmes and activities. He further stated that, revenue represents income either produced or acquired by the sports administration agency:

- 1) **Taxes:** Are special assessment or mandatory fees earmarked for sports from industries, individual, company etc.
- 2) **Grant:** This is in form of government allocation of fund from either federal, state, or local governments directly to carry or cater sporting activities and programmes.
- 3) **Gifts and Donations:** Gifts may include in cash or in kind at will from agencies, individual to promote sports programmes and activities.
- 4) **Lease:** A new source of revenue is leasing public land or facilities to private individuals or agencies to operate.
- 5) **Gate Taking:** This is in form of spectators to pay for watching a match at stadium, theaters, indoor halls complex etc. and is in different categories, club seats, elite and popular side which the payment differ greatly.
- 6) **Fund Raising and Appeal Fund:** An agency may raise money through special events or fund drives to sponsor local, state, national or international contest and events.
- 7) **Merchandise/Commercial:** Under this arrangement, a commercial establishment offer to underwrite the cost of personnel equipment, facilities or programme of sports.

**Types of Expenditure** Expenditures are outlays of cash or sometimes other assets to purchase goods and services requires expenditure. The expenditure can be categorized into two forms: i.e. capital and operating or recurrent (Jamieson, 2009). Sports administrators and managers mostly work with operating budget of supplies and staffing.

#### **1) Capital Expenditure**

Capital expenditure are outlays for non-recurring project having a life expectancy of at least ten years. Items in this categories includes renovating facilities, construction of new sports halls and courts, acquiring land for training e.t.c.

#### **2) Operating Expenditure**

This represents the recurrent cost for providing sports programmes and facilities. Examples include payroll, contractual services, supplies, materials repairs, insurance e.t.c.

### **Role of Sports Manager in the Fiscal Management**

A financial plan is known as a budget (Steven 2001). The sports administrator is often called on to prepare two fiscal management or budget that is long term needs and the other for annual operation. An annual budget provides an administrator with an allocation policy that accomplishes stated goals and objectives for the delivery of programmes, facilities and services. It's a tool for planning, implementation and control, inflecting a choice among priorities and a forecast of the cost personnel and other resources. Regarding implementation, a budget organizes resources for clarifying or supporting decisions. As a control mechanism, fiscal management aids in determining the efficiency for an area of the total programme. Expenditures are evaluated by comparing results with stated objectives. Finally the fiscal management serves as a guideline for adjusting for emergencies or new priorities. Fiscal preparation and management requires careful thought and detailed planning. Although the responsibility for developing, requesting, and managing the budget remains an administrative function, and the administrator have to follow the principle of financial accountability by following budget control measures and preventing unnecessary expenditures or losses during daily operation. Secondly, the administrator provides feedback to supporting staff regarding operational concerns, recommendation and financial priorities. The sports administrator is in a position to give the sport administration foresight concerning next years anticipated operating expenses and income (Ladani,1999).

### **Conclusions**

Fiscal responsibility is inherent in any sports management budget description, one handles funds through a budget process and gain successful programme through sound fiscal management although, the chief responsibility for budgeting falls on the top manager and all the supporting staff have a role in planning and operating financial resources.

### **Recommendations**

1. Since the sports administrators have the responsibility of making fiscal or financial budget, like in any other agencies, they need to be trained by budget experts and inculcate all the qualities of a good administrators, financial managers and accountants.
2. Sports administrators should be tactful, confidence, sense of purpose and direction, modesty, honest, technical skills, teaching skills, ability to obtain cooperation, sense of judgment, foresight, ability to organize and delegate responsibility etc.
3. Provision of standard facilities, equipment, fund, training of sports personnel all over the country is of paramount important if the desired level of sports development is to be attained.
4. To encourage a well-coordinated sports program budget well in time for the financial needs of sports at all levels in the country.

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