



STATE OF WISCONSIN | Legislative Audit Bureau

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Joe Chrisman
State Auditor

April 24, 2019

Representative Samantha Kerkman
Room 315 North, State Capitol
Madison, Wisconsin 53708

Dear Representative Kerkman:

At your request, we have compiled background information on the University of Wisconsin (UW)-Milwaukee's affiliation with the Milwaukee Brewers (Brewers).

UW-Milwaukee provides post-secondary educational instruction to more than 27,000 students. UW-Milwaukee's fiscal year (FY) 2017-18 budget was \$653.3 million. Of this amount, \$203.9 million was funded through tuition and academic fees, including revenue derived from extension activities. UW institutions, including UW-Milwaukee, develop and implement marketing initiatives to recruit potential students. During FY 2017-18, UW-Milwaukee spent a total of \$1.9 million for all marketing activities across the institution. UW-Milwaukee ranked third among UW institutions in such spending across the UW System, with UW-Madison spending \$5.2 million and UW-Extension spending \$2.1 million on marketing activities during FY 2017-18.

As part of its marketing activities, UW-Milwaukee has agreements with a number of area professional sports organizations, including the Brewers. According to UW-Milwaukee staff, an agreement with the Brewers began with the opening of Miller Park in 2001. During FY 2017-18, UW-Milwaukee paid the Brewers \$313,000 with tuition revenue derived from UW-Milwaukee's extension activities.

We obtained the three most recent three-year agreements to assess the details of such agreements. The agreements between UW-Milwaukee and the Brewers totaled \$712,600 from 2013 through 2015 and \$920,800 from 2016 through 2018. The agreements signed in 2013 and 2016 provided UW-Milwaukee exclusive marketing rights over other non-profit colleges in Milwaukee, Waukesha, Ozaukee, and Racine counties. Among other provisions of the agreements, UW-Milwaukee also received:

- in-game advertising and signage;
- ticket promotions;
- on-field recognition;

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- marketing materials sent by the Brewers to season ticket holders; and
- use of Miller Park for a collegiate baseball game once per year.

Beginning in 2016, the agreement included a game-day promotion event that provided the first 10,000 fans in attendance with a hat with the UW-Milwaukee logo in each of the 2016, 2017, and 2018 seasons.

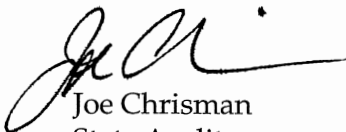
In December 2018, UW-Milwaukee and the Brewers entered into a new three-year agreement, totaling \$927,300 through 2021. This agreement included most of the provisions of prior agreements but did not continue the exclusive marketing rights. We also found that the current agreement includes a similar giveaway of a fanny-pack to the first 20,000 fans in attendance for a June 2019 game. Similar promotions are also anticipated for one game during each of the 2020 and 2021 seasons.

UW-Milwaukee staff indicated these agreements with the Brewers provide UW-Milwaukee exposure to a large audience on a regular basis with the goal of recruiting potential students. Further, UW-Milwaukee noted that it must compete with a large number of private and public universities and colleges in the Milwaukee area.

According to available UW System expenditure data, we also found that UW-Milwaukee paid the Milwaukee Bucks \$63,300 in FY 2017-18 for similar marketing initiatives. In addition, we found UW-Green Bay paid the Green Bay Packers a total of \$130,000 in marketing expenditures during FY 2017-18. We did not obtain agreements associated with these professional sports organizations and, therefore, do not have the details of the specific benefits received by the UW institutions under those agreements.

I hope you find this information useful. Please contact me with any questions.

Sincerely,



Joe Chrisman
State Auditor

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