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UNIVERSITY COMMITTEE ON PLANNING AND BUDGET (UCPB)

Robert Brosnan
rjbrosnan@ucdavis.edu

June 16, 2026

Ahmet Palazoglu
Chair, Academic Council

RE: UCPB Report on Athletics Funding at the UC

Dear Ahmet,

UCPB began investigating how athletic departments are funded across the UC when a member raised concerns that athletics budget deficits might be contributing to their own campus's structural deficit and affecting funds available to support core teaching and research activities. To study this issue, committee members from each undergraduate campus first requested information about how their own local athletic departments were funded. Additionally, UCPB consulted with CFO Brostrom and reviewed recent literature relevant to athletics funding in higher education and the solutions proposed to address athletics budget deficits. A table containing funding data from each campus and the primary source literature reviewed are included as appendices to this report.

We look forward to discussing this report's findings and suggestions with Council. UCPB recommends that this report be made available to campuses for divisional consideration. UCPB also suggests the creation of an inter-campus athletics funding task force for next year to consider solutions that may be appropriate to address at a systemwide level.

Sincerely,

Robert Brosnan
Chair

cc: UCPB



University Committee on Planning and Budget (UCPB) Report on Athletics Funding at the UC

Background

Many UC campuses have significant structural budget deficits that have the potential to impact funding for core instructional, research, and service missions. Recent local news reports, such as those from the *East Bay Times* and *Daily Bruin* (see appended articles), indicate that increasing financial commitments to college athletics contribute to deficits on some UC campuses. Rising athletics program expenses may present opportunity costs—particularly in the current environment of threatened federal funding and constrained higher education resources—that require a systematic evaluation of costs/benefits and impacts on UC campuses’ priorities. In light of these concerns, this report undertakes a systematic evaluation of how athletics programs are funded across the 9 UC undergraduate campuses by assessing whether programs are financially self-sufficient or require campus discretionary support, quantifying that support where applicable, and outlining options that campuses might consider to address athletics program deficits.

Approach and Findings

UCPB consulted the US Department of Education’s Equity in Athletics Data Analysis (EADA) (<https://ope.ed.gov/athletics/#/institution/search>) which is designed to “provide rapid customized reports for public inquiries relating to equity in athletics data.” However, a key limitation of standard athletics financial reporting is that EADA treats discretionary campus subsidies—including core fund contributions—as program revenue. As a result, the EADA reports for UC campuses show “Grand Total Revenues Minus Grand Total Expenses” as zero, creating the misleading impression that athletics programs do not contribute to campus deficits at all. In reality, unrestricted funds directed to athletics programs should be treated as budgetary deficits rather than program revenues, since they represent discretionary campus resources diverted from core instructional, research, and service missions. Accurate financial reporting for campus athletics programs therefore must include separate accounting of costs, campus core/discretionary fund contributions, and other revenues, ideally broken out by sport and, where applicable, by gender within sports.

In an effort to obtain more candid data on athletics funding, divisional representatives from each of the 9 UC undergraduate campuses collected the following data from their respective campus: the number of student athletes, the total revenue from athletics and its sources, total expenditures of athletics programs, and overall net revenue (or loss funded by non-athletics-derived revenue). Campus reports of athletics expenditures and revenues are shown in Table 1.

As expected, athletics program deficits vary considerably among campuses (Table 1). Excluding normal campus budgetary contributions, UC Berkeley and UCLA show annual losses of approximately \$24M and \$22M, respectively, with deficits between \$1M to \$7M at the other campuses. UCLA Athletics has consistently operated at a deficit over the last decade, with recent annual deficits exceeding \$20 million. These deficits have occurred alongside direct subsidies from the central campus of approximately \$30 million per year in recent years, as well as additional indirect costs of an approximately comparable magnitude covered by the central campus. Recent annual deficits for Berkeley Athletics likewise exceed \$20 million: the deficit for FY24 approaches \$30 million and that for FY25 is \$24 million. These figures represent the shortfall after accounting for athletics-generated revenues, but before applying direct institutional support from the central campus, which was slightly less than \$43 million for FY25 and around \$37 million for FY24. Total expenditure on Athletics at Berkeley for FY25 is close to \$67 million. To put this in broader context, Berkeley's athletics deficit for FY25 represents 57% of its reported total campus deficit of \$42 million. Notably, the direct institutional support allocated to Athletics alone would be sufficient to cover Berkeley's entire campus deficit. For other UC campuses, the athletics deficit is about 10% or less of the total deficit, underscoring the significant role athletics financing plays in Berkeley's overall budget picture. The athletics funding gap occurs within the context of overall budget deficits at all campuses. UCLA has the largest of these at \$200M+. However, deficits indexed per student are larger at other campuses such as UC Santa Cruz.

When comparing the athletics deficits on campuses with the overarching structural deficits, additional nuance is needed, such as distinguishing between restricted and unrestricted revenue sources. Restricted athletics revenue sources could not be used to cover core fund deficits on campuses. For example, UCLA received a very large settlement from their deal with Under Armour which they are now applying to cover part or all of Athletics' deficit, and that revenue would not be eligible for other general uses.

Options for consideration

The University of California has been plagued by structural deficits, varying in severity among campuses. This situation has been exacerbated by federal cuts to research dollars, leading to efforts to identify where and how to cut expenses to preserve a research enterprise. Cuts to academic units and even entire majors, increased class sizes, fewer graduate students, and allowing attrition to shrink the professoriate are all considered to save money. The relative costs and benefits of student athletics programs should also be considered in the mix of cost-savings and campus budget restructuring efforts. UCPB recognizes that none of the following options is easy or without peril, and no single solution will be right for all campuses. UCPB presents the following 5 options only as points of departure for discussion and deliberation by local campuses and the UC system.

Option 1: Do nothing.

A campus can continue athletics programs unchanged. This has the advantage of familiarity. There are no costs to enter or exit conferences, media outlets can continue to offer publicity for the program and campus, and athletes can continue to compete in their chosen conference. This approach, however, continues to increase campus deficits and pulls unrestricted

funds away from core responsibilities of the UC. A winning sports team can shed reflected glory on a campus, but the optics of spending quite large amounts on athletic programs while cutting academic and/or research programs can cause negative publicity. Continuing deficit spending is likely to be unsustainable on some campuses, as shown by the percentage of total debt made up of athletic debt. In addition, spending discretionary funds to stopgap athletics budgets means that there may be less money available to fund some instructional or research priorities.

Option 2: Increase athletics program revenue.

A second response to athletic funding shortfalls would be to cultivate increased or new revenue streams to make the program financially self-sufficient. This may include new philanthropic development, corporate sponsorships, and licensing agreements. At some campuses, niche sports may offer untapped revenue potential in some areas, whereas revenue development efforts in high-profile sports such as football and basketball may already be approaching their limits. Student fees can provide additional revenue but may require buy-in from the campus student body who would have to vote to implement new athletics fees. If collegiate sports are a statewide priority, the UC can try to persuade the California legislature to add D-1 athletics as a budget line item, though this would certainly be difficult given competing state priorities and limited financial resources. Large cities having a campus with a successful team may also mutually benefit from financial or resource-sharing partnerships.

This option seems very attractive in that it allows continuation of the status quo while solving the athletics budget deficit issue. However, UCPB members caution that achieving this aim is very difficult in practice, and there may be a propensity to overpromise fundraising efforts or create unrealistic revenue projections in order to make a budget plan seem fiscally sound. For example, the UC Berkeley “Final Report of the Intercollegiate Athletics Task Force” dated 12-Apr-2026 (attached) references the Administration’s hope that “the NCAA may undergo a major reorganization in 2030-32 due to expiring TV contracts across multiple conferences. This could result in augmented media rights revenues and reduced travel costs for a subset of the top ~75 teams. To make the cut, Cal aims to succeed consistently in football and basketball between now and 2030 (defined as 9+ wins in football and competitive in the March Madness men’s and women’s basketball tournaments). In other words, the strategy for Athletics that has been adopted by leadership in the last year emphasizes revenue sports and their success.” UCPB notes that building a budget around a series of contingencies of uncertain probability raises significant concerns about fiscal prudence.

Option 3: Decrease NCAA division level.

Most expenses and revenues from collegiate athletics programs arise from 2 sports: men’s football and men’s basketball. Remaining compliant with NCAA Division I rules (<https://www.ncaa.org/sports/d1>) and Title IX regulations (<https://www.ed.gov/laws-and-policy/civil-rights-laws/title-ix-and-sex-discrimination>) means that a campus cannot meaningfully impact athletics spending simply by cutting unprofitable sports programs. Nor does decreasing from Division I to Division II realize significant savings, as the cost structures of Division II programs are sufficiently similar to Division I (outside football) that the savings realized in a downgrade are minimal (<https://www.ncaa.org/sports/d2>).

The most recent cost-benefit analysis for a university decreasing from NCAA Division I to Division III was conducted by the University of Hartford (cf. CarrSports Feasibility Study, attached). Advantages identified include accommodation of most sports, potential for more local competitions (less travel), and marked reduction in comparator institutional athletics spending. Disadvantages of reduced division level in the CarrSports study include NCAA exit fees, entry fees into a new conference, potential loss of coaches and student-athletes, and adverse public relations issues.

However, others have called into question whether dropping to NCAA Division III would actually realize any net savings. The OSKR “Analysis and Suggested Revisions to the University of Hartford Athletics Feasibility Study” (attached), highlights the high switching costs to Division III (\$1M for the University of Hartford), loss of development funds that may be tied to athletics programs, loss associated with naming rights and licensing agreements, questionable scholarship savings, and costs associated with contractual obligations. In addition, loss of Division I status may lead to decreased ticket sales revenue, decreased development (both athletics and non-athletics related), decreased licensing fees, diminished institutional reputation and ranking, and reduced ability to recruit top students and faculty.

Option 4: Change the rules through congressional action.

It is questionable whether the NCAA can rein in athletics program spending, put guardrails on transfers and eligibility, or cap the amount of NIL (name, image, likeness) compensation a student can receive. Top football programs have payrolls between \$30 and \$50 million, and this is money that must be raised every single year. The recent House v. NCAA settlement illustrates the scale of financial obligations now embedded in collegiate athletics, further underscoring the need for federal-level guardrails. Last year was the first year of the court-mandated House v NCAA settlement that, in addition to compensating former athletes who competed without NIL opportunities, permits up to 22% of designated athletics revenues (up to \$20M per year per school) to be used for revenue sharing with athletes and elimination of numerical caps of scholarship limits. Revenue sharing caps are expected to increase 4% per annum per school up to \$32.9M by 2035, and NIL payouts are only likely to increase (cf. appended KMK Law summary by Michael Goldman). Most NIL funds come from individual donors or corporate sponsors and not from campus funds. However, many of these donors had previously provided philanthropic contributions to campus athletics or academic programs or both. Donors have not increased their overall giving in this environment but simply redirected much of it towards NIL or direct payments. The United States Congress has the legislative power to put limits on collegiate athletics spending and compensation, and the UC system, given our seven D-1 campuses, could play a significant role in advocating for a more financially sustainable model. Nonetheless, extreme partisanship and dysfunction within the legislative branch, coupled with perceived antipathy towards higher education within the executive branch, pose significant challenges towards producing an effective federal policy solution at this time.

Option 5: Create a new model for collegiate athletics programs.

Rethinking athletics models could include fusing athletics programs and education curricula for student athletes. In their paper titled “Preserving a Tradition or Creating a New One? The Legal Benefits of an Enhanced Educational Model” (attached), Feldman and Blevins argue for

integration of athletics into a comprehensive education program with the aim of treating “college athletics as a rigorous academic discipline, enhancing the legitimacy of athletics as an educational endeavor.” Such programs would be faculty-led and overseen by Senate curricular approval processes. Weight’s *Chronicle of Higher Education* commentary “Time to Embrace the Art and Science of College Sports” (attached) provides an example of such a model. “[A]thletes who enroll in applied exercise-conditioning classes that complement their training can learn about the science underlying their experiences. Athletes who take such courses can learn about the rationale for training methodologies, the physiology of muscle soreness, the metabolic systems that fuel different types of physiological demands, etc. The classes can be taught by current exercise physiology faculty members or by strength coaches who would be hired, evaluated, and valued as faculty members.”

UCLA has already piloted several athletics-focused academic programs that could serve as models for a system-wide enhanced educational model, including SLAM Minor, an MBA Specialization, and an M.Ed. Located in the UCLA Anderson Center for Media, Entertainment & Sports, the SLAM Minor/Program offers courses on the global sports ecosystem, leadership, and media. This undergraduate minor requires 90 units, a 2.0 GPA, and a resume/essay to apply, and the degree focuses on strategy, finance, and sports analytics. An MBA Specialization provides training for graduate students looking to enter the sports management industry and has developed partnerships with organizations like Real Madrid and LA28 for industry-connected learning. A Transformative Coaching and Leadership (M.Ed.) program through the UCLA Department of Education focuses on coaching philosophy, social justice, and leadership in sports.

By fusing the athletic program with educational curriculum for student athletes, athletics becomes a component of the educational pursuit. This approach addresses legal employment concerns for student athletes (including costs associated with payments for athletics participation) and is consistent with a scholarly view of athletics in education. However, this approach to treat athletics as a formal academic discipline with faculty oversight is inconsistent with NCAA requirements, which prohibit certain educational and compensation arrangements. Other institutions would need to agree on the same model for this option to work, a likely very time-intensive process requiring intercollegiate (UC and non-UC) agreements and substantial organizational development with all participants forced to leave the NCAA.

Conclusions

This report highlights the significant and often underreported financial burdens associated with athletics programs across UC campuses. UCPB’s analysis reveals that, at several campuses — most notably UC Berkeley and UCLA — athletics deficits constitute a substantial portion of overall campus structural deficits, with Berkeley’s athletics deficit alone representing 57% of its total reported campus deficit for FY25. Across all campuses examined, athletics programs rely to varying degrees on unrestricted campus discretionary funds that would otherwise be available to support core instructional, research, and service missions. This dynamic is obscured by standard EADA reporting, which treats institutional subsidies as program revenue, and therefore requires the more candid, campus-level accounting approach undertaken in this report.

The five options presented — maintaining the status quo, increasing athletics revenue, decreasing NCAA division level, pursuing federal legislative reform, and developing a new educational model for collegiate athletics — are not mutually exclusive, nor is any single option

appropriate for all campuses. Each carries meaningful trade-offs that must be weighed against campus-specific financial circumstances, competitive histories, and institutional values.

UCPB recommends that divisional academic senates lead campus-specific cost-benefit analyses of these options. An inter-campus task force should also be considered to generate concrete recommendations by the end of the 2026-27 academic year. The opportunity costs of current athletics financial structures at each campus should be carefully balanced against other UC commitments, core missions, and values. The task force's findings should be reported to CFO Brostrom, UCPB, and the wider Academic Council to inform ongoing budget planning and policy development.

Attachments:

1. Table 1: Summary of athletics funding at UC campuses
2. East Bay Times: “Cal’s spring to ACC likely hurts budget in long run”
3. Daily Bruin: “Academic Senate report finds UCLA generates \$400 million annual budget deficit”
4. “Final Report of the Intercollegiate Athletics Task Force” (UC Berkeley)
5. CarrSports Study: “University of Hartford Athletics Feasibility Study”
6. OSKR Report: “Analysis and Suggested Revisions to the University of Hartford Athletics Feasibility Study”
7. Michael Goldman (KMK Law Summary): “House settlement—detailed breakdown”
8. Feldman and Blevins: Preserving a Tradition or Creating a New One? The Legal Benefits of an Enhanced Educational Model
9. Chronicle of Higher Education: “Time to Embrace the Art and Science of College Sports”

Appendices

Table 1 – Athletics by Campus

	Berkeley	Davis	Irvine	Los Angeles	Merced	Riverside	San Diego*	Santa Barbara	Santa Cruz
Total Student Athletes	944	669		583	236		563	420	315
Total Revenues from all Athletics Sources	153,043,652	44,490,315	35,833,127	\$151,797,240	\$1,981,722	10,206,967	\$35.02M	26,211,630.52	2,858,488
Total Expenditures on Athletics on Campus	165,382,286	47165518	\$37046224	\$173,429,394	\$4,486,069	17,484,746	\$39.6M	32,458,191.98	4,747,684
Net Revenues	-12,338,634	-2,675,203	-1,213,097	-21,632,154	-2,504,347	-7,277,789	-4,580,000	-6,246,561.46	-1,889,196
Institutional Support for all Athletic Programs in Total	42,665,030	5,978,711		\$30,060,000			\$3.1M	18,222,131.14	877,515
Total Campus Deficit	-33,000,000 ¹	-40,000,000 ²	-30,000,000 ³	-200,000,000 to -250,000,000 ⁴	-33,000,000 ⁵	-4,900,000 ⁶	-1,000,000 ⁷	-108,000,000 ⁸	-100,000,000 ⁹
Percentage of Total Campus Deficit Represented by Athletics Deficit	37.389%	6.68%	4.04%	10.81% to 8.65%	7.5%			5.78%	1.889%
Revenue component Breakdown:									
Ticket Sales	14,259,893	1,105,071		\$18,313,824	\$48,780		\$529,297	372,886.84	
Student Fees	444,374	28,111,592		1,000,000	\$1,698,935	2,297,973	27,517,419	2,496,224.08	1,500,134
Direct Institutional Support	42,665,030	5,987,711**		30,060,000	0		2,000		877,515
Indirect Institutional Support	0			(10,000,000)			1,268,297		

¹ https://cfo.berkeley.edu/sites/default/files/fiscal_year_2026-27_fy27_budget_call_letter_2026_03_03.pdf

² <https://financeandbusiness.ucdavis.edu/bia/budget/budget-framework>

³ <https://www.budgetoffice.uci.edu/budgeting/financial-stability-plan/index.php>

⁴ <https://dms.senate.ucla.edu/issues/issue/?10781.Council.on.Planning.and.Budget.Updated.Report.Analysis.of.UCLA.Campus.Structural.Deficit>

⁵ <https://finance.ucmerced.edu/financialstabilization>

⁶ https://www.google.com/url?sa=t&source=web&rct=j&opi=89978449&url=https://insideucr.ucr.edu/announcements/2025/07/29/fy26-budget-update&ved=2ahUKewi1z_CPvbmUAxVFJEQIHZDQF_wQFnoECBkQAQ&usg=AOvVaw3LuhV0uRqyKSmsut71yuK7

⁷ <https://senate.ucsd.edu/media/747178/budget-town-hall-slides-012626.pdf>

⁸ <https://bap.ucsb.edu/budget-frameworkv>

⁹ <https://planning.ucsc.edu/budget/budget-overview/>

Indirect Institutional Support – Facility Debt Service, Lease and Rental Fees	11,936,788			1,688,568			1,839,790		
Guarantees	474,300	1,042,000		13,370,189	5000		232,500		9000
Contributions	20,523,208			108,006	36,550		504,997		273,906
NCAA Distributions (reimbursements)	24,695,527			1,771,504			130,768	53,183.01	37,579
Conference Distributions	Under NCAA Distributions	2,035,149		12,919,995			589,694	40,512.63	
Program, Novelty, Parking and Concession Sales	1,282,183			1,305,901	31,198		655		
Royalties, Licensing, Advertisement & Sponsorships	5,490,492	648,139		10,589,277	684		391,625	305,473.10	
Media Rights	Under NCAA Distributions								
Sports Camp Revenues	0	1,161,381					969,095		153,640
Restricted Endowment & Investment Income	15,087,410	4,287,741		2,771,489	18,292		470,326	3,368,752.74	1654
Football Bowl Revenues									
In-Kind					4900				
Other Operating Revenue	28,121,235			6,640,115	101,281		576,158	882,466.98	5059
Total Operating Revenue	153,043,652	44,490,315		151,797,240			35,022,621	26,221,630.52	2,858,488

*Data Source: FY 25 NCAA Financial Report

** Not specified direct/indirect



CAL'S SPRINT TO ACC LIKELY HURTS BUDGET IN LONG - East Bay Times (CA) - March 4, 2026 - page A1

March 4, 2026 | East Bay Times (CA) | Jon Wilner, Columnist | Page A1

The dollars and cents from Cal's first year in the Atlantic Coast Conference have been reported to the NCAA and made available to the public. They underscore an issue that cuts to the heart of the athletic department's interminable **budget** squeeze.

The Bears don't have a spending problem. They have an eight-figure revenue problem that won't be solved anytime soon and is tied to their rushed move to the ACC.

In the summer of 2023, when the implosion of the Pac-12 left them desperate for a new home, Cal and Stanford hastily agreed to join the ACC and receive partial shares of the conference's media rights distributions to member schools for the bulk of their 12-year contract term.

The challenge posed by the arrangement is framed deep within Cal's statement of revenues and expenses for the 2025 fiscal year, which was submitted to the NCAA in January and made public last week.

The report shows a \$12.4 million shortfall based on \$165.4 million in operating expenses and \$153 million in revenue. (The shortfall nearly doubles to \$24.3 million when including debt service for Memorial Stadium renovation and other capital projects.)

The report also shows the initial \$10 million contribution from UCLA, mandated by the UC Regents after the Bruins left Cal behind in conference realignment with their leap to the Big Ten, and the \$15 million assist from the UC Office of the President (UCOP). Both infusions, scheduled to last at least three years, are booked under "other operating revenue."

Also revealed in the numbers, as expected, was an increase in travel costs associated with life in a conference based on the East Coast.

The Bears spent \$10.3 million on travel during FY2024, their final year in the Pac-12, and \$14.3 million in the first year in the ACC. The majority of the increase - \$2.1 million - was related to men's and women's basketball, which make multiple trips across the country each season for league play. (Yes, it's insane. But that's not our focus.)

The Bears also spent \$66.6 million on coaching salaries and compensation for the administrative

staff and support personnel. It takes a city to operate 30 varsity **sports**.

But the expense side of the ledger isn't unusual.

In fact, the Bears spent less than ACC stalwart North Carolina (\$188 million), which doesn't have a stadium remodel or send its teams across the country multiple times throughout the fall, winter and spring.

Nor did the Bears spend as much as UCLA, which has comparable travel commitments, five fewer Olympic **sports** to fund and no stadium renovation debt to service.

The Bruins piled up \$173.4 million in expenses during their first year in the Big Ten, which is more than Cal's total without the stadium debt (\$165.4 million) and slightly less when Cal's debt payments are included (\$177.4 million).

But when the focus turns to top-line numbers, the comparisons look ominous.

The Bears booked \$153 million in revenue in FY2025, but a whopping 42 percent came from three outside sources: \$10 million from UCLA, \$15 million from the UCOP and \$39 million in net institutional support, which includes direct support, student fees and transfers from athletics back to central campus.

Remove that \$64 million in external support and the amount of organic revenue generated by athletics itself is just \$89 million. It would have been lower if not for a stellar fundraising year that resulted in \$20.4 million in contributions, up from \$13.7 million in 2024, as the Bears have emphasized booster funding under chancellor Rich Lyons.

By comparison, North Carolina reported \$164.5 million in revenue with campus support removed from the calculation.

Sure, the Tar Heels generated \$17.2 million from men's basketball ticket sales. (That was twice as much as Cal and UCLA combined, by the way.) But the primary source of Cal's light top-line number, at least compared to its ACC peers, is the school's partial-share revenue agreement.

As part of their 12-year deal negotiated in the summer of 2023, both Cal and Stanford agreed to receive just 33 percent of the ACC's media rights distributions for seven years. They will ladder up to full-share status in Year 10, provided further realignment doesn't blow up the conference by then.

The arrangement places both Bay Area schools at a massive cash **deficit** relative to their competition.

The NCAA's financial reporting system assigns three lines on the revenue side (11-13) to conference media rights, NCAA distributions and postseason revenue.

North Carolina's total revenue in FY2025 from those buckets was \$54.2 million.

Cal's total: \$24.7 million.

The greatest shortfall was in media rights, where the Tar Heels, who receive full shares, collected \$34.3 million and the Bears just \$11 million.

(The ACC also has implemented a performance fund that rewards schools for postseason participation and TV ratings. But those specific amounts are not presented on the NCAA revenue report.)

Without access to the ACC's media rights agreement with ESPN, which is the conference's exclusive broadcast partner and owns the ACC Network, it's impossible to calculate the difference in revenue Cal and Stanford will receive over the course of the 12-year agreement compared to the full-share members.

But \$30 million annually for seven years is a good place to start.

CITATION (AGLC STYLE)

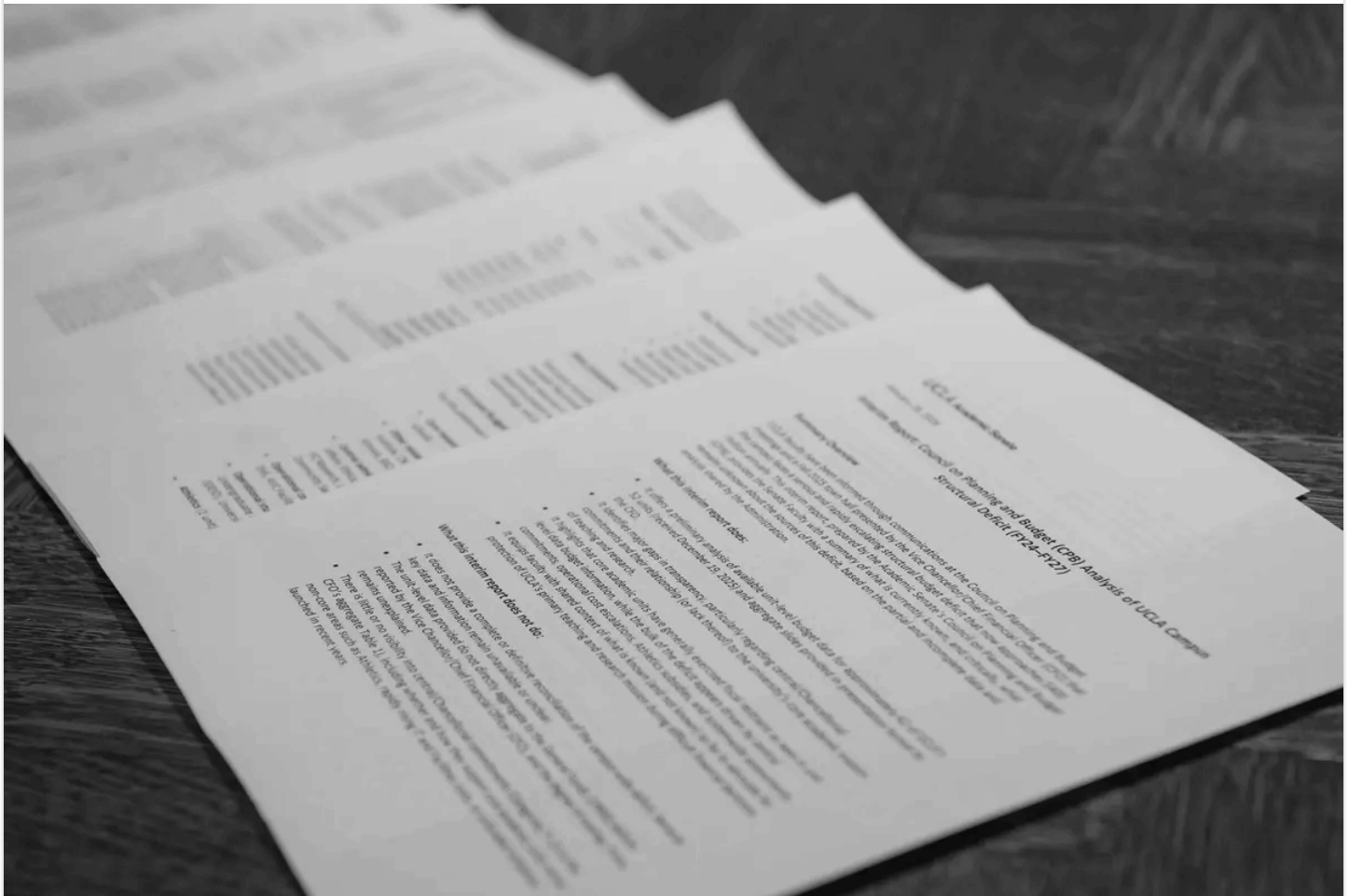
Jon Wilner, Columnist, 'CAL'S SPRINT TO ACC LIKELY HURTS BUDGET IN LONG RUN', *East Bay Times* (online), 4 Mar 2026 A1

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A CLOSER LOOK, ACADEMICS, CAMPUS, HIGHER EDUCATION, NEWS

Academic Senate report finds UCLA generates \$400 million annual budget deficit



The Academic Senate Council on Planning and Budget's 14-page report on UCLA's budget is pictured. The council found that UCLA is generating a nearly \$400 million annual deficit. (Leydi Cris Cobo Cordon/Daily Bruin senior staff)



By Natalia Mochernak

Feb. 5, 2026 10:05 p.m.

UCLA is generating a nearly \$400 million annual structural budget deficit, according to a Jan. 29 Academic Senate preliminary report.

The report – created by the Academic Senate's Council on Planning and Budget – said data provided by UCLA administrators showed that the university is projected to run a combined \$829.7 million deficit across the 2025 and 2026 fiscal years if it has not taken

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The university previously was projected to run a \$184.6 million deficit in 2024, according to the report. However, UCLA implemented one-time corrective measures – including a \$60 million withdrawal from core academic savings and a central hiring freeze.

Despite those measures, UCLA is still running a deficit for the 2025 and 2026 fiscal years.

The main drivers of the deficit, the report said, include central commitments, operational cost escalations, accumulating subsidies to cover UCLA Athletics' estimated \$80 million annual deficit, and facilities and IT costs, according to the report.

Costs of academic instruction and research are not significantly impacting the deficit, according to the report. Academic units, the report said, have exercised “significant fiscal restraint.”

The CPB also alleged in the report that administrators originally told them the budget deficit for the 2025 and 2026 fiscal years was projected to be about \$180 to \$280 million but never provided reasons for the larger deficit or plans to mitigate it.

UCLA received about \$1.6 billion in general funds – which includes state funding and gross tuition – for the 2024, 2025 and 2026 fiscal years, according to the report. Salary and benefits within the general funds increased by nearly \$11 million from the 2025 to 2026 fiscal years, while academic and research support, priority programs and strategic initiatives were cut from \$152.7 million to \$74.3 million, the report said.

The council alleged in the report that the data did not clarify the amount of general funds generated through investments.

The unit-level data provided by APB indicated that UCLA's 42 units contributed only about \$15 million to the general funds deficit in the fiscal year 2025, according to the report – which the council said left uncertainty as to where the bulk of the deficit originates.

The council said in the report that it recommends UCLA conduct an Athletics subsidy review and freeze central chancellorial programs that do not correspond with the university's academic mission.

UCLA Athletics' subsidy for the 2025-26 fiscal year is \$80 million, according to the report.

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Athletics more than \$30 million in the 2023-24 fiscal year, not enough to cover the department's annual deficit.

The council also recommended that UCLA consolidate administrative functions, defer non-academic projects and funnel funds to instructional support and research in the 2026-27 fiscal year. The council said in the report that these changes could save UCLA about \$250 to \$300 million while preserving more than 95% of core funds.

"University priorities must unequivocally center on protecting the core teaching and research mission," the council said in the report. "Non-core commitments must be frozen, rigorously reviewed, and reprioritized—or deferred—until sustainable funding sources are secured and their impacts on academic units are fully understood."

Chancellor Julio Frenk established the Executive Budget Action Group in November to mitigate UCLA's budget deficit amid state and federal budget cuts. Frenk said in a Jan. 15 interview with the Daily Bruin that the group would share rationales behind financial decisions, such as cuts to specific programs.

[Related: Q&A: Julio Frenk condemns federal cuts, pledges future budget transparency]

Academic Senate Chair Megan McEvoy – who is the group's faculty representative – said in a Jan. 23 announcement to Senate members that the group has met four times since December. Senate leadership has been told that the information discussed in the group is confidential, McEvoy said in a letter demanding financial transparency to Frenk and Darnell Hunt, external vice chancellor and provost.

[Related: Julio Frenk announces Executive Budget Action Group to manage UCLA's monetary concerns]

UCLA Media Relations did not respond in time to a request for comment on the projected roughly \$400 million annual deficit, its causes or how the school plans to mitigate it.

The Academic Senate is a campus governing body representing UCLA faculty. Its nearly 4,000 faculty members manage degree and enrollment requirements and advise UCLA administrators on personnel decisions.

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X

The council alleged in the report that UCLA has not been transparent about its budget and has only communicated significant financial data verbally, adding that its investigation was based on “incomplete, fragmented data and working assumptions.” The university has not published a campuswide financial report since the 2022-23 fiscal year, the council added.

UCLA previously published the report in June of each given fiscal year.

The council said in the report that UCLA Academic Planning and Budget provided the data Dec. 19 for about 42 out of 52 of UCLA's academic units from spring and fall 2025. Councilmembers received PowerPoint slides that they manually transcribed because they were not machine-readable, the council added in the report.

The council said the report's information was bolstered by slides presented by Agostini, who is also a vice chancellor, at a Jan. 12 CPB meeting, which the committee said was not shared with members afterward.

“In the future, machine-readable data, explicit reconciliation methodology, and public dashboards are expected for effective consultation on budgetary matters,” the council said in the report.

The Senate passed a Dec. 3 resolution calling for Frenk and Hunt to include faculty in campus budgetary planning. It also urged administrators to provide the council with comprehensive financial documents for the 2024-25 and 2025-26 fiscal years, detailed documentation of all campus unit financial transfers and analyses of the impact of state and federal funding cuts on the university's budget before Dec. 19.

The state deferred a nearly \$130 million payment to the UC until July 1, 2026 in its final 2025-26 budget – but Gov. Gavin Newsom recently proposed pushing the payment an additional year. It also delayed a \$240.8 million general funding increase for the UC to the 2027-28 fiscal year.

[Related: Proposed state budget includes \$350 million increase to UC amid federal cuts]

The Trump administration suspended \$584 million in federal research funding to UCLA in

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through the courts.

Frenk and Hunt said in a Dec. 18 letter to the Senate that they plan to release the financial report for fiscal year 2024-25 in March. They added in the letter that they will not release the 2025-26 report until March 2027, in accordance with “required schedules and information releases dictated by the UCLA Office of the President.”

“We appreciate the Senate’s deep investment in UCLA’s financial health and its commitment to ensuring budget decisions support our shared academic mission,” Frenk and Hunt said in the letter. “We welcome the opportunity to clarify where we are in the budget process, outline the information we can provide, and reaffirm the substantial engagement that has already occurred with Senate leadership and committees throughout this fiscal year.”

The Senate issued a Jan. 20 *Corrections of Fact* letter in response to Frenk and Hunt’s Dec. 18 letter, alleging that the administration has not been transparent and communicative about UCLA’s budget environment, as Frenk and Hunt claimed. It disputed claims from Frenk and Hunt’s letter – including that CPB and Senate leadership had already received detailed 2024-25 and 2025-26 data – and criticized the allegedly limited information that Agostini shared at CPB meetings.

UCLA Media Relations did not respond in time to a request to comment on the Senate’s allegations against Frenk and Hunt in its *Corrections of Fact* letter.

“Although CFO Agostini attends the majority of the two-hour CPB meetings for approximately 30 minutes, the time spent has not been productive because CPB does not receive documents for consideration,” the January letter said.

Agostini did not respond in time to a request for comment on his participation in CPB meetings and the materials he has shared with members.

The council also alleged in the report that data previously provided by administrators had major gaps – missing figures and detailed budgets from the David Geffen School of Medicine, Office of Campus & Community Safety, Intercollegiate Athletics, some Grand Challenges, DataX and several central units.

Grand Challenges are part of UCLA’s research mission, including one dedicated

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schools and divisions.

The Academic Senate asked Frenk and Hunt to provide the missing data outlined in the report by Jan. 26 in a separate Jan. 20 letter. The CPB said in the report that while Agostini provided them with a verbal presentation Jan. 26, Frenk and Hunt did not provide the additional requested data by the due date.

The Senate said Agostini's information "recategorized expenditures across categories without further explanation," but that his new data did not alter the main concerns of the report.

Frenk and Hunt said in a Jan. 26 [response letter](#) that all financial data provided by Agostini and APB is accurate, adding that they were the same materials UCLA used to brief UCOP, as well as Frenk and Hunt themselves.

"Given the complexity of the university's financial structure and the varying levels of familiarity of CPB members with central budget constructs, the decision was made to rely heavily on detailed verbal presentations to walk through the tables, explain underlying assumptions, and respond to questions in real time," Frenk and Hunt said in their letter. "In this context, additional written materials would not alter the substance of the information conveyed or the discussions that occurred."

McEvoy did not respond in time to a request for comment on Frenk and Hunt's Jan. 26 claims.

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Natalia Mochernak | Campus politics editor

Mochernak is the 2025-2026 campus politics editor and a Sports contributor. She was previously a News contributor on the metro and features and student life beats. Mochernak is a second-year communication and Spanish language and culture student from San Diego.

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Final Report
Intercollegiate Athletics Task Force
April 12, 2026

Executive Summary

- Intercollegiate Athletics nationwide continues to undergo radical structural change, imposing strong upward pressures on spending for revenue sharing with student-athletes.
- Campus leadership instituted a series of changes to Cal Athletics during FY2025 to improve revenues and strengthen budgetary transparency. Some initial progress was achieved on both fronts. Total central campus investment was \$66.9M, 4.4 percent below our projections in last year's IA Working Group report.
- The changes underway also place strain on student-athletes' academic success and the academic support services provided to them by campus. Increased travel demands and associated proctoring and tutoring needs are of particular concern.
- Berkeley is well-positioned to lead UC systemwide and national conversations about the values and principles that should guide Division I universities in the rapidly evolving landscape of Intercollegiate Athletics.
- The Faculty Senate should play an integral role in these efforts, in partnership with campus and Athletics Department leaders.

Introduction

Our work this year took place in the context of continuing rapid and unprecedented change in Intercollegiate Athletics (IA) nationwide. In June 2025, Federal Judge Claudia Wilken approved a [settlement in the case of *House v. NCAA*](#), creating a system of direct payments by Division I schools to student-athletes of up to [\\$20.5 million per school \(set to increase by 4% per year over coming years\)](#). These payments, known as revenue sharing, went into effect for the first time in 2025-26. Enforcement of the \$20.5 million cap falls to a new College Sports Commission, empowered by the NCAA to oversee both revenue sharing by schools and payments for "Name, Image and Likeness" (NIL) by third parties (e.g., companies or booster groups known as collectives). That said, enforcement remains a work in progress. There have been numerous reports of schools circumventing the cap, and many collectives remain active as de facto marketing agencies for deals outside the terms of *House*.

In a separate legal settlement, the NCAA agreed to discontinue its limits on transfer eligibility (which had previously required students who transferred more than once to sit out a season). Many student-athletes are now opting to transfer multiple times during their college careers, offering their talents to the highest bidder through the NCAA transfer portal. Some athletes at the most highly valued positions in football and men's basketball are reportedly making seven-figure incomes, although [precise details remain difficult to find](#), even for public schools. Meanwhile, private equity firms have [invested heavily in youth sports](#) at the middle- and high-school levels, [actively stoking](#) the monetization of young athletes' talents even before they reach college. Suffice to say that competition among schools for the best free agents is putting [strong upward pressure on athletics' spending](#) in all four major conferences. There are appeals to the *House* settlement and numerous [unaddressed issues](#) in it which could change the financial projections and liabilities, but it is generally agreed that federal legislation will be required to contain the current "[structural crisis](#)." The President recently signed an [Executive Order](#) directing the NCAA to impose strict transfer and eligibility limits and insisting on enforcement of NIL payment rules, but [initial speculation](#) is that this will have little impact without Congressional action.

Elsewhere in the UC system, the UCLA Faculty Senate objected to large and mounting Athletics deficits in [letters](#) that were soon publicized in local media. The issue was raised in the systemwide Assembly, and several other Senate Divisions initiated efforts to identify spending deficits at their campuses. Several Senate divisions, as well as UC CFO Nathan Brostrom, requested copies of the 2025 report of our predecessor committee, CAPRA's Intercollegiate Athletics Working Group. Deficit spending at UCLA may threaten any extension of the "Calimony" payments from UCLA (\$10M) and support from UCOP (\$15M) to Berkeley to help offset the costs of the dissolution of the Pac-12.

Here at Berkeley, Chancellor Lyons made a number of notable changes to the Athletics Department and its leadership. In March 2025, he hired alum and former NFL head coach Ron Rivera as General Manager of Football, a new position created to help manage the transfer portal and revenue sharing. In July, Lyons appointed Jenny Simon-O'Neill and Jay Larson as co-Athletics Directors, and in December he hired alum Tosh Lupoi as head football coach. Administratively, Lyons decided that Rivera would report directly to him, and that the new Athletics CFO (search ongoing) would have a dual line report to the co-Athletic Directors and

new campus CFO Kelly Sparks. These changes are intended to boost revenues from football through improved on-field performance and philanthropy and to contain expenses through greater campus oversight. Administratively, the Chancellor determined that Athletics is not an auxiliary unit under UCOP policies, but rather a division akin to other divisions on campus, and effective April 1, 2026, he reconstituted the University Athletics Board (UAB) to focus on on-field success, academic excellence, and financial sustainability. The new UAB has representatives from Senate leadership, CAPRA, FACL, and this Task Force, as well as leaders from the administration and Athletics.

Process

During this academic year, the Task Force has met individually with members of IA leadership on campus and has continued to assemble information regarding: 1. Revenues and expenses of Cal's IA department; 2. changes in IA nationally; 3. Comparative data about other IA departments in the UC system and across the nation.

The leadership members we met include:

- Richard Lyons, Chancellor
- Rosemary Kim, Associate Chancellor and Chief of Staff to the Chancellor
- Jenny Simon-O'Neill and Jay Larson, co-Athletics Directors
- Ron Rivera, General Manager of Football
- Tarik Glenn, Executive Director of the Athletic Study Center
- Kelly Sparks, Chief Financial Officer
- Oliver O'Reilly, Faculty Athletics Representative and Vice Provost for Undergraduate Education

Budget/finances

CAPRA's 2025 Working Group report identified substandard revenues as the primary reason for Athletics' mounting fiscal problems and proposed \$10M/year as an appropriate level of campus investment. Subsequent to the report, improving revenues became Chancellor Lyons' priority strategy going forward. Philanthropy promised the most immediate results, and donations to Athletics have increased significantly since Rivera's arrival in spring 2025; FY25 saw \$82M in donations, and football alone had raised \$21.5M as of mid-March 2026. Some of these gifts

were earmarked for endowments and were therefore excluded from the FY25 Statement of Revenues and Expenses (SRE); other gifts were restricted to revenue sharing and were carried over to FY26, when the *House* settlement went into effect. Overall, FY25 revenues were \$153M, including \$42M in direct institutional support and \$25M in Calimony and UCOP funding. Including debt service and capital projects, there was a \$24M deficit, bringing total campus spending in Athletics to \$66.9M. This is \$3.3M less than projected in the 2025 Working Group report. IA's \$24M deficit represents a substantial part of the FY2025 campus deficit (\$42M).

Chancellor Lyons asked the co-Athletics Directors (co-ADs) and campus CFO Sparks to study the Athletics Department's revenues and expenses in detail and to develop a strategy for improving revenues. Their baseline, status quo projections assumed annual institutional support of \$22.5M and \$8M from the Chancellor as a match for donations earmarked for revenue sharing. It is important to note that the Administration considers these costs to be normal campus investments, *not* deficits or subsidies. They are classified as revenue in the Statement of Revenues and Expenses (SRE) of the Athletics Department. (The NCAA has rules that dictate the content of the SRE and its classification of "revenue" and "expense;" these are shared across universities, although the accuracy per university might differ.) On top of these amounts, Sparks and the co-ADs forecasted deficits rising from ~\$30M in FY2027 to ~\$60M in FY2031 before declining to ~\$40M in 2034, when UC Berkeley (Cal) will receive a full ACC media share for the first time. They assumed the current 3-year Calimony agreement and UCOP support will not be extended beyond FY27. Their figures are broadly consistent with projections in the 2025 IA Working Group report.

Working with Athletics, Sparks disaggregated expenses and revenues by sport in greater detail than previously. She concluded that football's deficit in FY26, without Calimony and UCOP support, is <7 percent of the total Athletics' deficit, and that Olympic sports represent >84 percent. With its share of Calimony and UCOP support included (\$20M), football is \$17M in the black, and its surpluses help to support the rest of Athletics. (This has been the model for [funding Olympic Sports](#) in the U.S.A. for decades.) Sparks and the co-ADs are presently working to attribute IA costs that are not on Athletics' books, such as scholarships, the Athletics Study Center, facilities used jointly by multiple teams and/or campus, etc. There are also costs that Athletics shoulders entirely even though they benefit more than only its student-athletes. Athletics maintains its own building operations, for example, while its facilities are open to Recreation & Wellbeing as well as student groups and other UC Berkeley groups. (It is worth

noting that there is currently no financial metric for intangible costs or benefits associated with student-athletes or Athletics, e.g., leadership skills, alumni loyalty, job placement/success, etc.) Total expenditures in FY25 were \$165M, up 10 percent from FY24. Travel expenses were \$14.3M, compared to \$10.2M in FY24, when Cal was in the Pac-12.

Athletics Revenues by Year

	FY23	FY24	FY25
Football	38,005,469	35,456,424	69,809,593
Men Basketball	7,545,388	7,649,320	13,415,643
Women's Basketball	616,184	1,129,205	4,618,767
Other Men's Sports	7,759,901	7,972,661	12,505,730
Other Women's Sports	2,466,783	3,521,694	35,116,758
Non-program specific	73,075,547	63,831,493	17,577,162
Total Revenues	129,469,272	119,560,797	153,043,652

Note: This table reports total Athletics revenues by sport category and fiscal year using the University of California Athletics NCAA Summary of Revenues and Expenses data. Categories correspond to the reporting groups in the NCAA filing, and "Total Revenues" reflects total operating revenues. "Non-program specific" refers to revenues not assigned to a single sport program.

Athletics Expenditures by Year

	FY23	FY24	FY25
Football	33,937,261	45,584,981	46,834,533
Men Basketball	9,176,766	12,289,665	14,268,528
Women's Basketball	5,053,245	6,140,136	8,649,878
Other Men's Sports	13,264,229	15,488,451	17,175,015
Other Women's Sports	18,086,286	20,826,581	25,600,338
Non-program specific	47,304,801	48,967,539	52,853,994
Total Expenditures	126,822,588	149,297,353	165,382,286

Note: This table reports total Athletics expenditures by sport category and fiscal year using the University of California NCAA Summary of Revenues and Expenses data. Categories correspond to the reporting groups in the NCAA filing, and "Total Expenditures" reflects total operating expenses. "Non-program specific" refers to expenditures not assigned to a single sport program.

Finally, Simon-O'Neill, Larson, and Sparks developed a strategy for \$40-\$50M of additional Athletics revenues by 2030. A small portion of this reflects Memorial Stadium events and naming rights. The rest hinges on football becoming a consistent 9+ victory/year program to

drive philanthropy, ticket sales, and brand value, with a longer-term objective of ensuring that Cal remains at the highest level of college sports, including if a new “super league” emerges after 2030. Under this scenario, institutional support would decline to \$7.5M/year in FY2030, with an Athletics deficit at that time of \$40M. It also presumes additional shorter-term investments in football of \$15M from philanthropy and \$2.25M from campus and hiring a chief marketing officer to increase revenues from games, merchandise and events.

Clearly, the Chancellor has embraced a strategy for Athletics that foregrounds the so-called revenue sports: football and men’s basketball (and perhaps women’s basketball as that sport’s popularity grows). Recent increases in philanthropy are seen as promising signs for this strategy. The administrative reorganization of Athletics is intended to achieve on-field success and revenue growth, with transparency and accountability through closer oversight from the campus CFO. Lyons has stated that he envisions the revenue sports becoming self-sustaining, and the others (known as Olympic sports) becoming endowed through philanthropy; he reports five teams already endowed and plans to fundraise for three additional teams per year for five years. (“Endowed” means self-sufficient in salaries, benefits and operating budgets, and may not include academic expenses.) GM of Football Rivera described containing revenue sharing costs and roster turnover by recruiting and retaining athletes who are attracted to Berkeley’s academic brand, emphasizing the benefits of academic excellence for long-term life and career outcomes. Finally, the NCAA may undergo [a major reorganization in 2030-32](#) due to expiring TV contracts across multiple conferences. This could result in augmented media rights revenues and reduced travel costs for a subset of the top ~75 teams. To make the cut, Cal aims to succeed consistently in football and basketball between now and 2030 (defined as 9+ wins in football and competitive in the March Madness men’s and women’s basketball tournaments). In other words, the strategy for Athletics that has been adopted by leadership in the last year emphasizes revenue sports and their success.

Student-Athletes’ academic support and performance

Our inquiries this year were not limited to budgets and finances. We also sought to explore the other constituent elements of an athletics program aligned with Berkeley’s unique institutional identity and mission. How can IA benefit from, and contribute to, comprehensive excellence? What do student-athletes need to excel in their classes as well as their sports? How has the

move to the ACC, the rise of revenue sharing and NIL, and the transfer portal affected the answers to these questions? How do the new revenue sharing and NIL arrangements impact women's and men's sports, and what are the legal ramifications under Title IX? We conducted interviews with campus and Athletics leaders to understand the full spectrum of issues, challenges and opportunities facing Cal, Berkeley, and the relationship between them.

Student-athletes as a whole achieve academic outcomes at or above campus norms, but the present situation raises a number of issues. The [transfer portal](#), whose rules have changed annually (even up to this March!), creates additional strains on academic progress and on Admissions staff, who must assess potential transfers' records on a tightly compressed schedule. Once admitted, mid-year transfers may have trouble finding seats in spring semester classes due to their late arrival on campus relative to registration schedules for other students. Increased travel time as part of the ACC impacts student-athletes' attendance in classes and their time and energy for studying. Some teams miss 20 days of instruction traveling to competitions; multiple interviewees report that the heaviest travel burdens fall on sports other than football. The Athletic Study Center, which reports directly to the Vice Provost for Undergraduate Education, is under-resourced relative to increased needs for off-site proctoring and tutoring, especially in light of current collective bargaining agreements. Faculty support and cooperation for student-athletes' academic needs and constraints are reportedly very uneven. Finally, several interviewees expressed concern about the unequal distribution of revenue sharing and NIL payments, which skew heavily towards men's sports, especially football and basketball. All of these factors may impact student-athletes' mental health and stress. FACL has led, and continues to lead, efforts (including discussions and partnerships) in this arena, tackling many of the above issues in their meetings.

Opportunities for Senate engagement

We appreciate the transparency and information that the administration and Athletics have provided to the Task Force this year. It represents an exceptional degree of trust and partnership with the Senate compared to past decades and also compared to other universities. The Senate should embrace the opportunity to participate with campus leadership and Athletics in navigating the profound changes and challenges underway in Intercollegiate Athletics nationwide. The Senate's role should include continued monitoring of Athletics' budgets,

revenues and expenses, and advocacy for steady progress reducing dependence on central campus resources. Things are moving in the right direction, but it is still early in a process that will take 4-6 years to unfold.

We also see a significant need for Senate leadership in articulating the fundamental values and principles of athletics at Berkeley, both at the intercollegiate level and for students more broadly. This should go beyond grades and graduation rates to encompass health, leadership, teamwork, physical education, and life skills as constitutive components of the Berkeley experience. Clear and forthright assertion of these values is all the more important in a time of galloping monetization and professionalization in college sports.

The Senate should be prepared to engage these issues in the systemwide Assembly and with UCOP as opportunities arise. The problems of the status quo are principally collective-action problems, and responses will be more likely to succeed if they are coordinated with other schools. It is evident that IA is undergoing a structural change that presents unprecedented challenges. On the one hand, there are budgetary challenges as the resources required to maintain Division I IA departments escalate with the new highly unregulated model of revenue sharing, NIL contracts, upcoming media contracts, and potential conference re-structuring. On the other hand, there are unmet needs for regulating the new IA landscape nationally and for reconsidering the principles of IA for the post-amateur era.

Finally, the efforts of the Division Chair, FACL, the new UAB, CAPRA, and this Task Force should be coordinated to maximize collaboration on the cross-cutting nature of the challenges facing intercollegiate athletics.

Conclusions and Recommendations

The 2025 Athletics Working Group report called for reduced campus spending through increased revenues and tighter oversight. Progress was achieved on both fronts in FY25 and FY26, with philanthropy up and significant reorganization of Athletics' staff and reporting lines. CFO Sparks and co-ADs Simon-O'Neil and Larson brought greater transparency in Athletics' budgets and spending.

That said, campus costs to support Athletics are still unsustainably high, and they are likely to increase further until 2030. The move to the ACC under a highly disadvantaged revenue model is a continuing challenge for both for student-athletes and for campus, due to academic and budgetary impacts. The budgetary impacts will persist until FY2032, when Cal will begin to receive more than a 30-percent share of ACC media revenues.

Understood as a division rather than an auxiliary for administrative purposes, Athletics is not expected to be fully self-supporting. This means that it is considered normal and appropriate for central campus to shoulder the costs of basic operations and facilities, as it does for other divisions at UC-Berkeley. This represents a major change relative to long-held assumptions among the faculty; the Senate should consider making efforts to clarify this among its members and committees.

Rather than “Plan A” or “Plan B,” to use the language of last year’s Working Group report, what appears to be emerging is something like “Plan A-prime,” in which Cal leans into UC Berkeley’s academic brand to buffer Athletics against the most challenging new realities of the NCAA. This entails careful attention to student-athletes’ academic support and success, and to the role that athletics more broadly—including intramural sports and physical education—should play in Berkeley’s vision of comprehensive excellence and access.

Senate leadership is needed to articulate and advocate for these principles for a new era in IA sports. Identifying and articulating the values of athletics at Berkeley is especially important now to counterbalance the unconstrained monetization of (some) sports and student-athletes. UC Berkeley is well positioned to lead deliberate discussions of the current transformations and possible alternatives.

In the last three years, the CAPRA IA Working Group and the Senate’s IA Task Force have documented the forces and consequences of the transformations underway. Both campus and Athletics officials expressed concerns to us this year about the effects of the new landscape on teams, student-athletes, and the character of college-level sports. They also expressed the need for coordinated action among Division I schools to press for Congressional action and a new vision for athletics. The changes in IA are structural and national in scope and scale. As currently configured, the trend is toward virtually unlimited spending. New forms of regulation

are needed of comparable scope and scale. A valuable summary of the challenges can be found in an [open letter](#) by the leaders of the University of Louisville and its Athletics Department.

We recommend that UC Berkeley play a leading role in conversations of possible alternatives both nationally and within the UC system. We are ahead of the curve in faculty-campus-IA coordination and engagement on these issues relative to our sister campuses and many schools nationwide, and we should not miss the opportunity to extend UC-Berkeley's leadership.

2025-2026 Faculty Senate Intercollegiate Athletics Task Force:



Nathan Sayre (chair), Geography



Teresa Caldeira, City and Regional Planning



Fred Finan, Economics



Karine Gibbs, Plant and Microbial Biology



Molly Van Houweling, Law

Appendix: Analysis of the Revenue/Expenditures Data

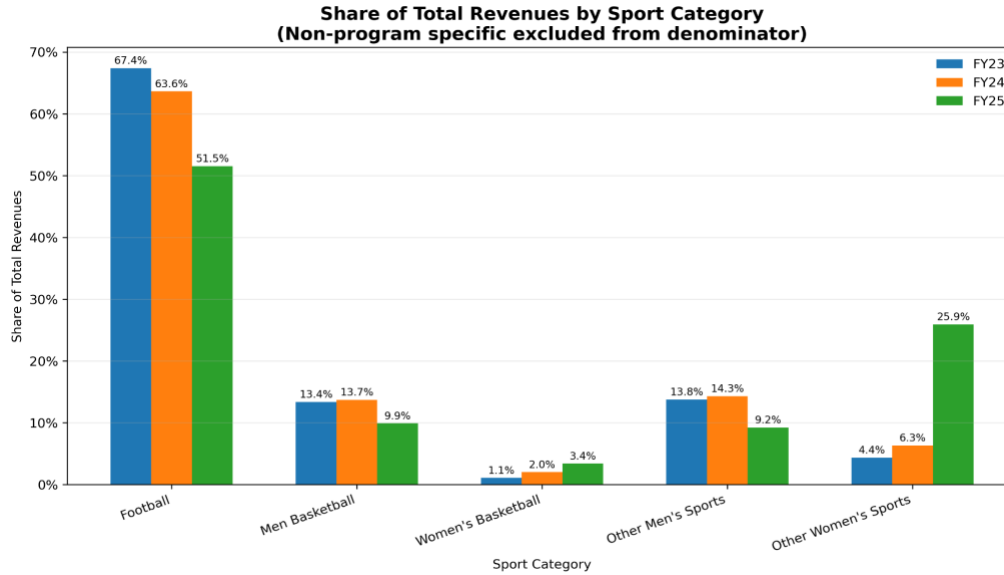
Revenues

Athletics revenues increased overall between FY23 and FY25, rising from \$129.5 million to \$153.0 million, an increase of about 18 percent, despite a dip in FY24. The FY24 decline appears to be driven largely by sharp reductions in Conference Distributions (-\$4.3 million) and Royalties, Licensing, Advertising, and Sponsorships (-\$6.4 million), which are the revenue categories most likely to have been affected by Cal's transition from the Pac-12 to the ACC. Roughly half of total Athletics revenues in each year are classified as "non-program specific." Excluding those revenues, football generates the largest share of sport-specific revenue, followed by other men's sports. In FY25, other women's sports showed a particularly large increase, generating \$35.1 million, or about 26 percent of sport-specific revenue. Most of that increase appears to reflect direct institutional support.

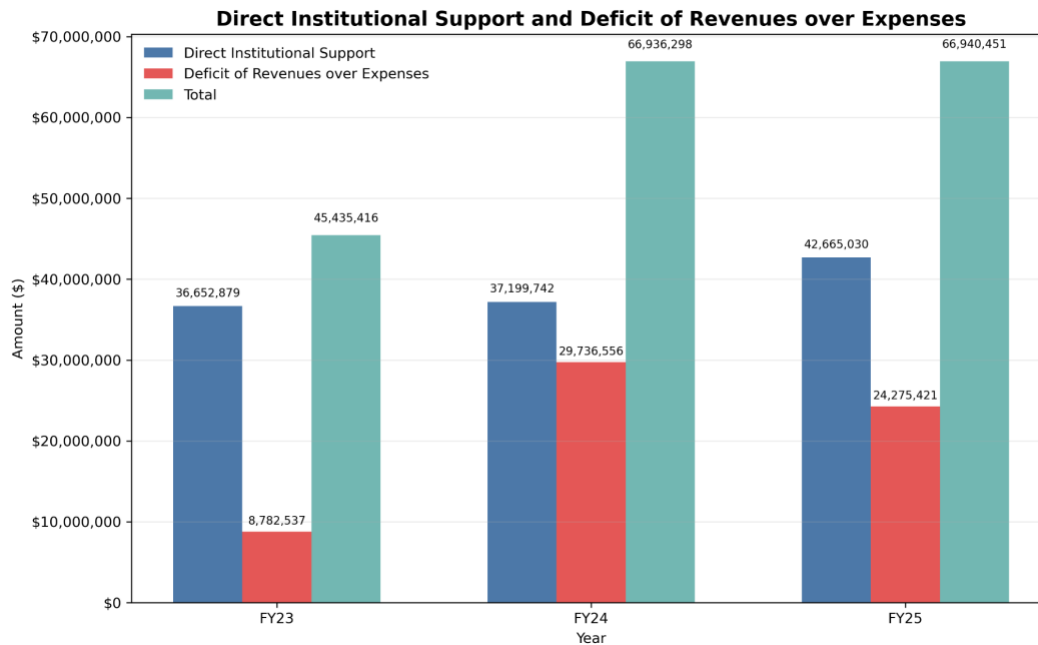
At the same time, the revenue data highlight two concerning trends. First, a substantial share of Athletics revenues comes from direct institutional support. Second, Athletics has continued to run an operating deficit, as discussed further below in the expenses section. Both sources of support have grown over time. Combined, direct institutional support and the operating deficit account for between 35 percent of total revenues in FY23 and 56 percent in FY24.

FY25 may represent a partial break in this pattern. Campus support remained essentially flat relative to FY24, at about \$67 million, while total revenues increased by 28 percent over the prior year. Much of that increase appears to come from contributions, conference distributions, and Calimony.

Because the Knight-Newhouse dataset has not yet been updated with FY25 figures, it is not possible to compare Cal's FY25 performance with that of other Power Four institutions, including ACC peers. Using FY24 data instead, the basic picture remains similar to that reported in last year's Working Group report. Cal Athletics continues to rank near the bottom in total revenue among peer institutions, despite receiving among the highest levels of direct institutional support.



Note: The figure shows each sport category's share of Athletics revenues for FY23–FY25 using the University of California NCAA Summary of Revenues and Expenses. The “Non-program specific” category is excluded from both the plotted categories and the denominator, so the displayed sport-category shares sum to 100 percent within each year. Categories correspond to the NCAA reporting groupings for football, men's basketball, women's basketball, other men's sports, and other women's sports.



Note: The figure reports direct institutional support, the deficit of revenues over expenses, and the sum of the two for FY23–FY25 using the University of California NCAA Summary of Revenues and Expenses. Direct institutional support is taken from the Revenues section (Direct Institutional Support), while the deficit is constructed from the “Other” section as the absolute value of negative Excess (Deficiency) of Revenues Over Expenses; years with positive excess would be recorded as zero deficit. The “Total” bar is the sum of these two components and is intended to show the combined scale of institutional support and operating shortfall in each year.

Expenditures

Athletics expenditures rose steadily from FY23 to FY25, increasing from \$126.8 million to \$165.4 million, or about 30 percent over the period. Cal joined the ACC in FY25, and although expenditures continued to grow that year, the 10 percent increase was notably smaller than in the preceding two years. Football remained the largest sport-specific expenditure category throughout the period, but its costs rose only modestly from FY24 to FY25, by 2.8 percent. The largest increase among sport programs in FY25 came in women's basketball, where expenditures grew by nearly 42 percent, followed by non-program-specific costs.

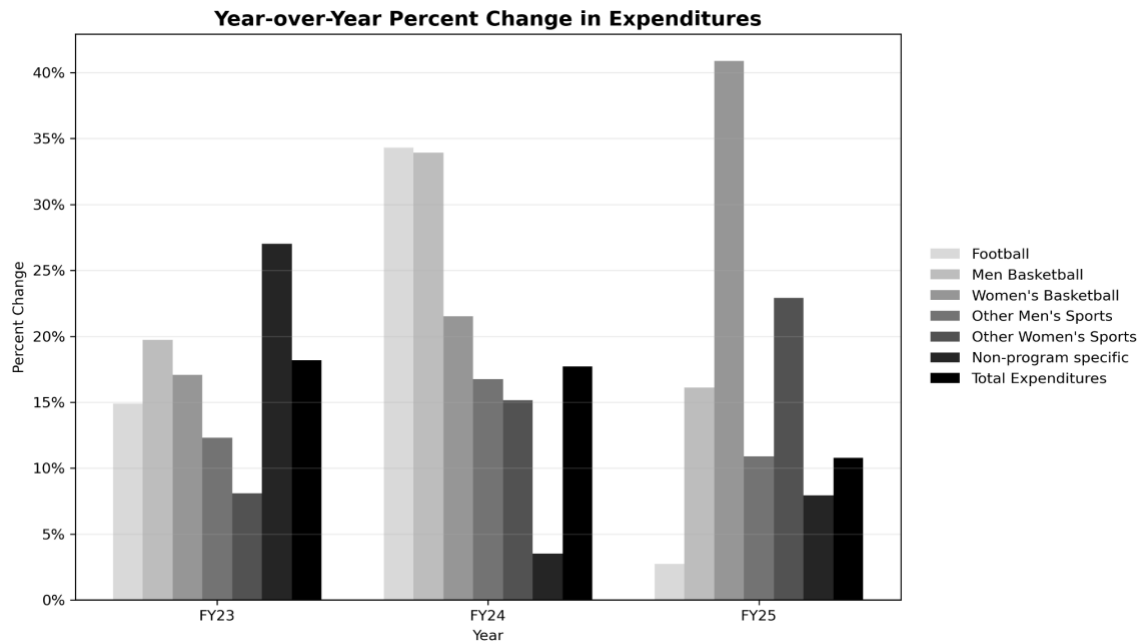
Some of the largest expenditure increases from FY24 to FY25 are not shown in the figures but are nevertheless important. Membership and dues rose sharply, from \$0.2 million to \$3.3 million, while athletic student aid increased from \$16.0 million to \$23.1 million. Travel costs also rose substantially, from \$10.3 million to \$14.4 million, an increase of nearly 40 percent, consistent with the greater travel demands associated with Cal's move to the ACC.

At the same time, Athletics remains a relatively low spender compared with other Power Four programs. As highlighted in last year's subcommittee report, expenditures per sport are among the lowest in the Power Four. Based on 2023 Knight-Newhouse data covering 50 Power Four schools, Cal's total expenditures of just under \$135 million ranked 37th out of 50 schools. On a per-sport basis, Cal had the lowest expenditures in the sample. This pattern continued in 2024. Although FY25 data are not yet available at the time of writing, the relatively modest growth in expenditures suggests that this pattern is likely to persist.

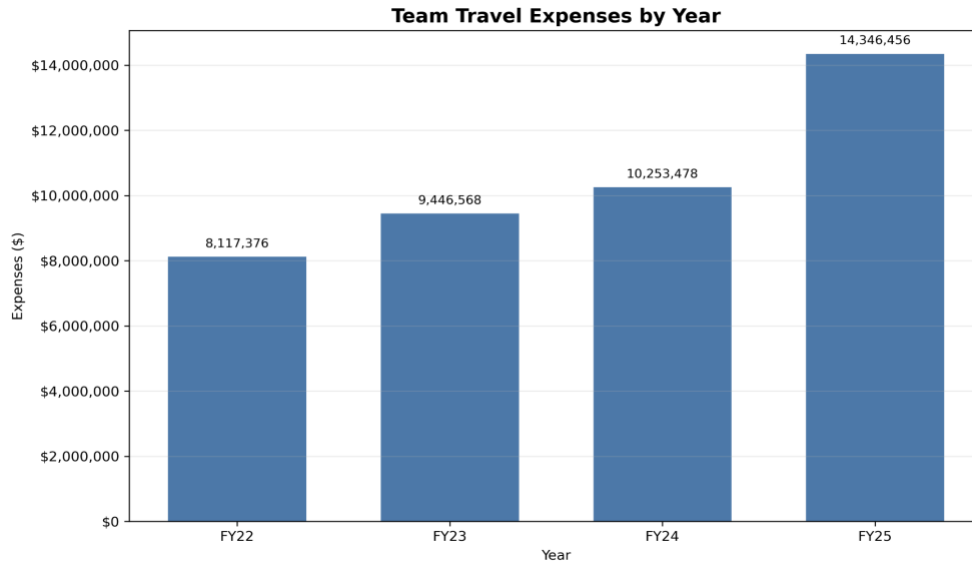
Most Cal sports operated at a deficit throughout the period FY23–FY25. Football was approximately break-even in FY23 and FY24, then generated a surplus of \$17.0 million in FY25. Non-program-specific activities also posted sizable surpluses in each year, reaching \$19.4 million in FY24 and remaining high at \$14.9 million in FY25. By contrast, men's basketball, women's basketball, and other men's sports ran persistent moderate deficits, while other women's sports posted the largest sport-specific shortfall, though that deficit narrowed in FY25.

These year-to-year comparisons should be interpreted cautiously, since revenues and possibly expenditures do not appear to be reported consistently across sport categories over time. In particular, some direct institutional support appears to have been allocated across individual programs in FY24, whereas in earlier years it appears to have been reported largely under non-program-specific revenue. Accordingly, part of the observed movement in category-level surpluses and deficits may reflect reporting changes rather than underlying shifts in program

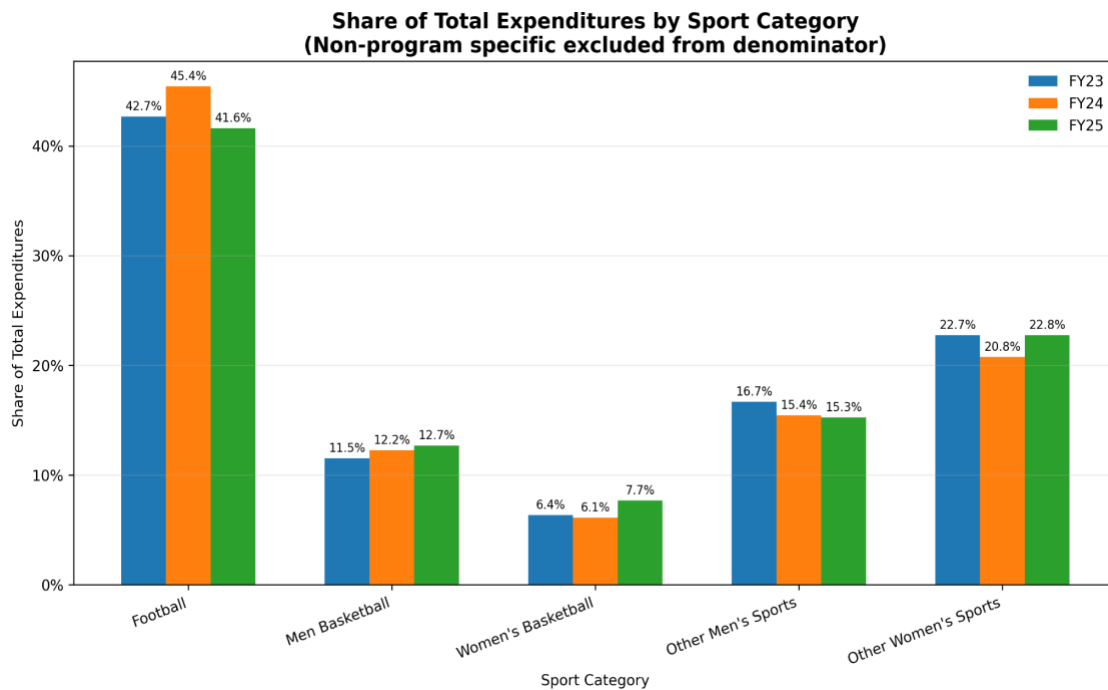
operations. Overall, Athletics remained in deficit in all three years, with the total shortfall worsening from \$8.8 million in FY23 to \$39.1 million in FY24 before improving to \$24.3 million in FY25.



Note: The figure shows year-over-year percentage changes in Athletics expenditures by sport category using the University of California NCAA Summary of Revenues and Expenses data. Percent changes are calculated from total operating expenses reported for each category in consecutive fiscal years, so the first plotted year reflects the change from FY22 to FY23. Total Expenditures is shown separately from the sport-specific and non-program specific categories and is displayed in black.



Note: The figure reports total team travel expenses by fiscal year using the University of California NCAA Summary of Revenues and Expenses data. The values correspond to the Team Travel line item in the Expenses section for the Total Athletics program, and the dollar amounts are labeled directly above each bar.

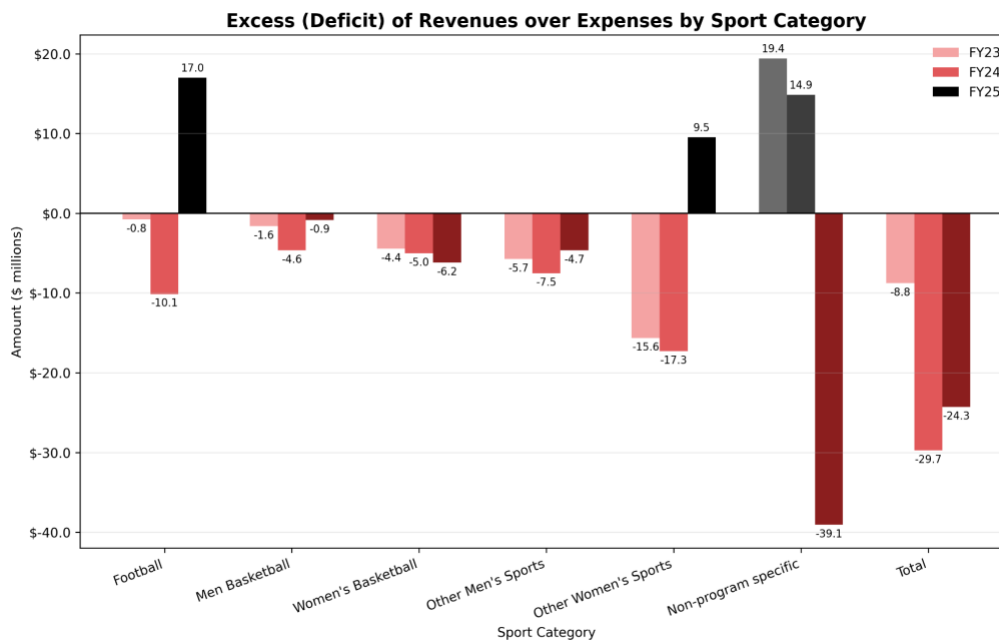


Note: The figure shows each sport category's share of Athletics expenditures for FY23–FY25 using the University of California NCAA Summary of Revenues and Expenses data. The “Non-program specific” category is excluded from both the plotted categories and the denominator, so the displayed sport-category shares sum to 100 percent within each year. Categories correspond to the NCAA reporting groupings for football, men's basketball, women's basketball, other men's sports, and other women's sports.

Ranking among 50 Power 4 Schools

Metric	Cal	UNC	UVA	ACC Average	Rank (of 50)
Number of Sports	28	28	25	23	4th
Number of Student-Athletes	839	872	792	635	5th
Total Revenue	\$116.8M	\$164.5M	\$153.5M	\$153.2M	47th
Total Revenue by Sport	\$4.2M	\$5.9M	\$6.1M	\$6.9M	50th
Direct Institutional Support	\$34.5M	\$21.4M	\$9.5M	\$12.8M	2nd
Total Expenditures	\$146.6M	\$155.9M	\$145.6M	\$151.6M	34th
Total Expenditures by Sport	\$5.2M	\$5.6M	\$5.8M	\$6.8M	49th

Note: The table reports Cal's 2024 rank among the 50 Power Four schools observed in Knight Newhouse data, together with comparison values for North Carolina, Virginia, and the ACC average. The school list is based on 2025 Power Four conference membership, but USC and Stanford are not present in the underlying data, so the ranking sample contains 50 rather than 52 schools and the ACC average is computed from the 9 ACC schools available in the file. Number of Sports Teams, Total Unduplicated Athletes, Total Revenue, Direct Institutional Support, and Total Expenditures come directly from the custom reporting file; Total Revenue by Sport and Total Expenditures by Sport are calculated by dividing total revenues or expenditures by the number of sports teams. Schools included in the ranking sample are, by conference: Big Ten — Illinois, Indiana, Iowa, Maryland, Michigan, Minnesota, Michigan State, Nebraska, Oregon, Ohio State, Penn State, Purdue, Rutgers, UCLA, Washington, Wisconsin; SEC — Alabama, Arkansas, Auburn, Florida, Georgia, Kentucky, LSU, Mississippi State, Mississippi, Missouri, Oklahoma, South Carolina, Tennessee, Texas, Texas A&M; Big 12 — Arizona, Arizona State, Colorado, Iowa State, Kansas, Kansas State, Oklahoma State, Texas Tech, Utah, West Virginia; ACC — Cal, Clemson, Florida State, Georgia Tech, Louisville, NC State, UNC, Virginia Tech, Virginia. Also note that the Knight-Newhouse expenditure and revenue totals for California in 2024 do not exactly match the NCAA SRE totals because the Knight-Newhouse/custom-reporting data appear to exclude the Excess Transfers to Institution line item. In the FY24 SRE, that amount is \$2,734,038, which exactly equals the gap between the SRE totals and the Knight-Newhouse totals for both expenditures and revenues.



Note: The figure reports excess (deficiency) of revenues over expenses by sport category for FY23–FY25 using the University of California NCAA Summary of Revenues and Expenses data. Values are taken from the “Other” section

of the SRE under the line item Excess (Deficiency) of Revenues Over Expenses and are shown in millions of dollars, rounded to the nearest tenth. Positive values indicate that revenues exceeded expenses for that category, while negative values indicate an operating deficit; the Total category reports the overall Athletics program value for each year.

Spending money to make money?

As Athletics expenditures continue to rise year after year, a natural question is whether that spending is paying off. Even setting aside the opportunity costs of these funds, does higher spending lead to greater athletic success, and does that success translate into higher future revenues? A thorough causal analysis of these questions would be difficult and is beyond the scope of this report. Still, because football accounts for the largest share of Athletics expenditures, it is useful to examine whether football spending is correlated with performance among Power Four schools.

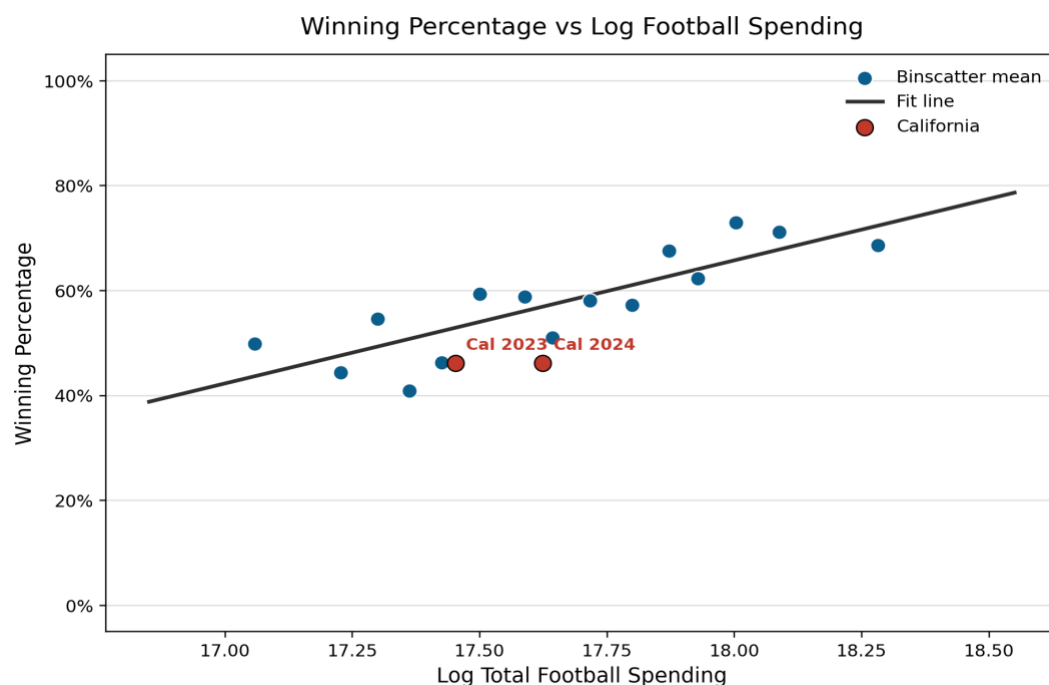
The figure below plots winning percentage against log total football spending for Power Four schools in 2023 and 2024. The figure shows binned averages, a fitted OLS line, and highlighted observations for Cal, allowing us to see where Cal sits relative to the broader spending-performance relationship. The upward-sloping fitted line indicates a positive raw association in the sample: higher-spending football programs tend to have higher winning percentages. Because this figure is descriptive rather than based on a fully specified causal model, it should be interpreted as suggestive rather than definitive evidence. Even so, it is notable that Cal appears to have underperformed relative to other programs with similar levels of football spending.

The table below examines whether this relationship remains after accounting for additional factors. Specifically, the regression framework controls for strength of schedule, year effects, and conference fixed effects, and it also considers whether higher spending is associated with bowl-game participation in the same season. As the table shows, the association between football spending and performance remains positive and statistically significant even after accounting for these factors.

The next figure and table examine the other side of the question: whether last season's winning percentage is predictive of future revenues. Specifically, they show how a team's winning percentage in 2023 is correlated with athletics revenues in 2024. Here too, the relationship is strongly positive: programs that won more in 2023 also tended to report higher revenues in

2024. This correlation remains even after controlling for current winning percentage, strength of schedule, and conference fixed effects.

Interpreted mechanically, the point estimate on the 2023 winning percentage suggests that a 10-percentage point increase in winning percentage is associated with about a 2.8 percent increase in revenues the following year. This estimate should be interpreted with caution, however. It reflects a correlation, not necessarily a causal effect of winning on revenue. Important confounding factors may still be omitted. Moreover, even if the estimate did reflect a causal relationship, it would not by itself show where the additional revenue comes from. For example, perhaps administrations reward more successful programs with greater institutional support, rather than success directly generating more self-sustaining revenue.

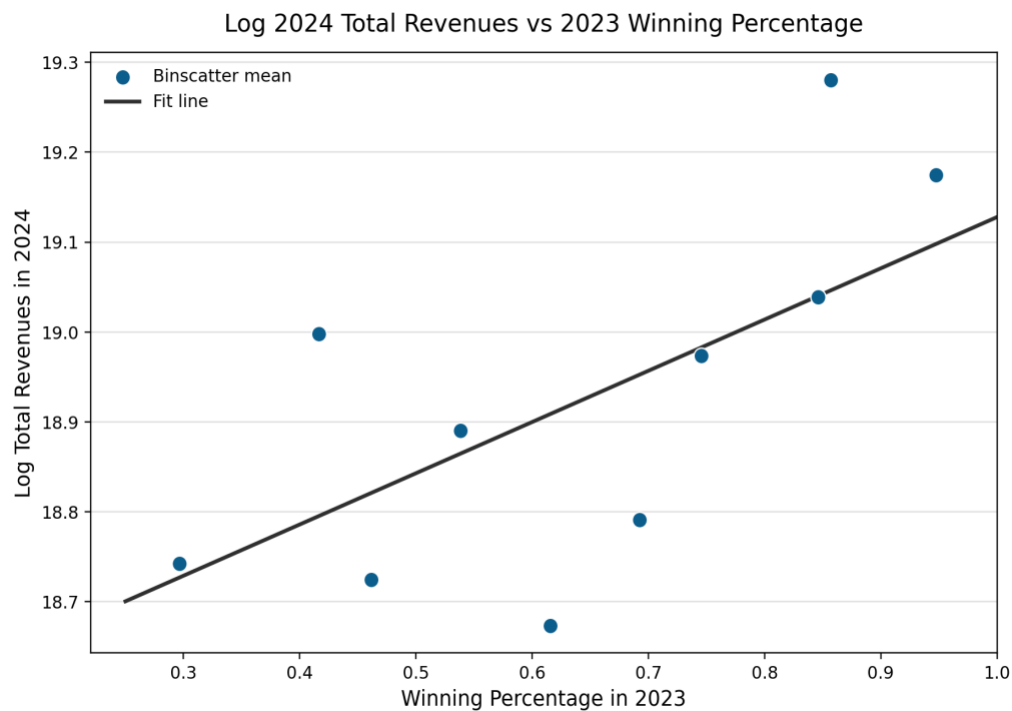


Note: The figure plots a binscatter of winning percentage against log total football spending, using football performance data with athletics finance data for observed Power Four schools in 2023 and 2024. Blue points show mean winning percentage within bins of log football spending, the black line is the fitted OLS relationship estimated from the underlying school-year observations, and the highlighted red points identify California in 2023 and 2024.

Football Expense Regressions

Term	Win Percentage	Bowl Game
Log Total Football Spending	0.281***	3.231***
	(0.068)	(1.013)
Strength of Schedule	-0.005	-0.246*
	(0.010)	(0.144)
Season = 2024	-0.070*	-0.489
	(0.038)	(0.500)
Constant	-4.348***	-53.882***
	(1.194)	(17.573)
Observations	106	106
R-squared / Pseudo R-squared	0.196	0.150
Season Controls	Yes	Yes
Conference Fixed Effects	Yes	Yes
Model	OLS	Logit

Notes: Standard errors in parentheses. * p<0.10, ** p<0.05, *** p<0.01. Season and conference fixed effects included; conference coefficients not reported.



Note: The figure plots a binscatter of log total athletics revenues in 2024 against winning percentage in 2023. Blue points show mean 2024 log revenues within bins of 2023 winning percentage, and the black line is the fitted OLS relationship estimated from the underlying school-level observations.

Future Revenue Regression

Term	Log 2024 Total Revenues
Winning Percentage in 2023	0.281**
	(0.126)
Strength of Schedule in 2023	0.027
	(0.019)
Winning Percentage in 2024	0.330**
	(0.136)
Constant	18.424***
	(0.110)
Observations	53
R-squared	0.663
Conference Fixed Effects	Yes
Model	OLS

Standard errors in parentheses; conference fixed effects omitted from the table.

Note: The table reports the estimates from an OLS regression of log total athletics revenues in 2024 on winning percentage in 2023, strength of schedule in 2023, and winning percentage in 2024, with conference fixed effects absorbed. The estimation uses the school-level dataset, which links 2023 football performance to 2024 athletics revenue outcomes for observed Power Four schools. Conference fixed effects are included in the specification but omitted from the reported table; standard errors are shown in parentheses.



HARTFORD HAWKS

UNIVERSITY OF HARTFORD ATHLETICS FEASIBILITY STUDY

CONFIDENTIAL - FEBRUARY 12, 2021



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Executive Summary

INTRODUCTION

Maintaining a sustainably successful Division I athletics program has significant funding and infrastructure requirements, as well as long-term implications for the University of Hartford (UHart) and the University of Hartford Department of Athletics (Athletics). Accordingly, President Woodward formed and charged the President's Task Force on Athletics¹ (Task Force) with conducting an analytically focused examination of the future of Athletics, specifically under UHart's current NCAA Division I model (Division I). This examination focused primarily on "ways to reduce costs, evaluating ways to achieve excellence, and refining the role of Athletics in the University, community and our Conference"². The continued practicality of UHart's membership in the NCAA Division I America East Conference (AEC) received rigorous review.

CarrSports Consulting, LLC (CarrSports) was retained to provide an objective analysis and recommendations based on UHart's parameters for determining the most suitable model for UHart Athletics. The models, in keeping with those of the Task Force, are identified below:

Model I: Remain in the America East Conference

Model II: Review other NCAA Division I (Division I) conference options

Model III: Examine NCAA Division III (Division III) membership and conference options

The above models presume maintaining UHart's current sports offerings and a planned reduction of institutional funding for Athletics over the next four years. Each model analysis was guided by six overarching assumptions:

- UHart's preferred Athletics model will continue an emphasis on academic excellence, student-athlete well-being, and holistic development.
- NCAA rules compliance and alignment with the University's Mission will be foundational to any Athletics model.
- UHart will implement a substantial reduction in institutional funding for Athletics seeking a more financially self-sustainable Athletics model. The current Division I funding model is not sustainable.
- Athletics' contribution to UHart's enrollment management goals will include generating a significant increase in net tuition revenues from student-athlete enrollment. Present student-athlete net tuition revenues are negligible.
- Athletics' expenses, along with UHart's student-athlete financial aid discount rate (around 94%), are inconsistent with UHart's institutional size and operating capacity, and run significantly counter to the University's general student population discount rate.
- Athletics' future organizational design and facility enhancements will be strategically aligned with the broader enrichment of campus life. Campus wellness, health, recreation, intramurals, and club sports will be formally integrated with Athletics.

Consistent with intercollegiate athletics nationwide, UHart's model will also be significantly influenced by enrollment uncertainty, University budgeting instability, as well as the unpredictability of NCAA governance and legislation. Additionally, University and Athletics' operations and planning will continue to be influenced by the COVID-19 pandemic through FY 2021-2022 and beyond.

¹President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*. November 2020.

²President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward; p.1*. November 2020.



CONTEXT

Within the AEC, UHart's student-athletes have excelled in the classroom, as measured by claiming the AEC's Harrison Cup, awarded to the top academic institution in the Conference, six out of the last seven years³. In contrast, its sports teams and individual student-athletes have had only sporadic competitive success at the Conference, regional and national levels. The Hawks have never won the AEC Commissioner's Cup⁴; over the last ten years UHart has averaged eighth-place in the then nine-member AEC. Likewise, Athletics has had marginal success in common Division I areas such as revenue generation, non-athlete student participation, and institutional brand enhancement.

Financially, one of the primary goals of the Task Force report is to reduce Athletics' costs and maintain financial stability. For example, the "annual net loss for Athletics has more than doubled from FY 2000 to FY 2020."⁵ Notably, "most revenue and expenses have remained fairly flat over the past five years, with only student-athlete financial aid showing a significant increase over the period."⁶

The rising costs in student-athlete financial aid are mainly attributed to an accelerated increase in student-athlete financial and combo aid. For example, the student-athlete discount rate was 93% in FY 2018-19 and 96% in FY 2019-20. Budget planning shows the student-athlete discount rate at 94% in FY 2020-21. Recent data showed that Athletics consumed over 9.15% of total University resources,⁷ while student-athletes represented approximately 6.77% of the undergraduate enrollment.

By contrast, Division III benchmark data estimates Athletics' net revenue versus expenses decrease from an approximately \$13M in FY 2021-22 to around \$3.8M as a Division III member. Additionally, using FY 2022-23 as a hypothetical year for Division III membership along with a 57% Discount Rate, student-athlete payments and net University revenue would both increase to approximately \$5.1M.

This financial reality, coupled with parameters outlined in the assumptions on the previous page, conclusively shows that Athletics' current Division I funding model is not viable, nor does it achieve the goal of becoming more self-sustaining. Therefore, Models I and II are not realistic options for UHart, and membership in Division III should be explored.

METHODOLOGY

In addition to following the University's specified assumptions, CarrSports' conclusions were reached using the following methodology:

- Conducted listening sessions with select University leadership and examined applicable University, Athletics, AEC, NCAA, Division I and Division III materials
- Collaborated with University leadership in developing Feasibility Study Assumptions
- Confirmed Athletics Title IX equity compliance
- Benchmarked UHart Athletics with AEC and other potential Division I and Division III conferences (FY 2018-19 EADA data (*US Department of Education Equity in Athletics Data Analysis*)):
 - **Division I**
 - America East Conference (AEC); UHart is the only private institution

³ The Academic Cup, established by the America East Board of Directors in 1995, is presented to the institution whose student-athletes post the highest grade-point average during that academic year. The award was named for long time University of Hartford President, Walter Harrison, in 2017.

⁴ The Commissioner's Cup annually recognizes the strongest athletic program in the AEC as determined by a scoring system which rewards a school for success both during the regular season and championship competition in the Conference's 19 sports.

⁵ President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*; p.7. November 2020.

⁶ Ibid.

⁷ President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*; p.4. November 2020.



- Metro Atlantic Athletic Conference (MAAC); all private institutions
- Northeast Conference (NEC); nine private and one public institution; six full NEC members who play Division I FCS football
- **Division III**
 - Commonwealth Coast Conference (CCC); all private institutions
 - Little East Conference (LEC); all public institutions
 - New England Women's and Men's Athletic Conference (NEWMAC); all private institutions and the United States Coast Guard Academy
- Performed an analysis on each of the Task Force's three prospective UHart Athletics models, incorporating relevant data points
- Modeled UHart's current financial Division I position with a hypothetical Division III model representative of the Division III conferences noted above. Also see Executive Summary Attachments:
 - *Executive Summary Attachment: University of Hartford Athletics Budget Models Division I to Division III Comparison*
 - *Executive Summary Attachment: Operating Budgets History, Projections and Estimates for Transition into Division III*
- Collaborated with UHart leadership in developing a theoretical pro forma illustrating the potential financial benefits to the University by reducing operating expenses, as well as the student-athlete discount rate. Also see Executive Summary Attachment:
 - *Executive Summary Attachment: Financial Aid Discount Rate History and Projections*

COMPREHENSIVE CONCLUSIONS AND RECOMMENDATIONS

This Feasibility Study presents CarrSports' objective analysis and recommendations, based on the University's prevailing parameters for determining the best Athletics model for UHart. Additionally, the EADA benchmarking data used by this Study sometimes differs by respective reporting institutions. Financial projections should be viewed as estimates and intended as a tool for preliminary decision-making.

CONCLUSIONS

1. Given the financial reality of this Study, coupled with parameters outlined in the assumptions on the previous page, Athletics' current Division I-funding model is not viable and cannot achieve the goal of becoming more self-sustaining.
2. It will take a sizable infusion of additional revenues to effectively support UHart's continued membership in Division I (Models I and II).
3. Adding student-athletes by increasing team rosters or through the expansion of sports offerings would increase net tuition revenues for the University.
4. Therefore, continued Division I membership (Models I and II) are not realistic or sustainable options for UHart. Membership in Division III should be explored.

RECOMMENDATIONS

1. UHart should explore viable membership options in NCAA Division III that will align with the University's Mission.
2. UHart should examine the AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.



3. Considerations should be given to financial impact of AEC Exit Fees (see AEC Principals for Resignation).⁸
4. UHart should engage the Board of Regents, campus leadership, and select external constituents in the communication and decision-making process relative to changes in the Athletics' model.
5. Secure membership in a Division III conference before departing the AEC.
6. After exploring Division III, develop a detailed transition plan before departing the AEC for Division III. Essential components include:
 - Follow Division III transition guidelines
 - Examine impact on Title IX equity compliance
 - Develop process and timeline for complying with Division III guidelines
 - Create appropriate financial pro forma(s)
 - Continue facilities planning to accommodate the integration of campus wellness, health, recreation, intramurals, and club sports; the possible increase in student-athlete enrollment and sports offerings should also be considered in campus planning
 - Incorporate transition planning into a three-to five-year strategic plan for Athletics and campus wellness, health, recreation, intramurals, and club sports

⁸ Excerpt from *2019-20 America East Constitution*, (2020): p. 4-5

Article 3.4 Resignation. The principals for resignation from the Conference are:

- a) A member institution wishing to resign from the Conference shall notify the Commissioner in writing of its intention at least two years prior to the date of resignation from the Conference. The two-year period shall commence on the June 30 following the notification, with the effective date of the resignation being two years subsequent to said June 30;
- b) Upon notice of an institution's intention to withdraw from America East; the institution's teams become ineligible, on a date to be determined by the remaining members of the Board of Presidents, to compete for Conference championships;
- c) Exit Payments. {Revised: November 2013}

(5) Resignation. A member institution that resigns from the Conference will required to remain in the AEC for an additional two years and shall make a payment of \$1,000,000 to the Conference. This payment shall be due 30 days after the effective date of the resignation.



ATTACHMENTS

EXECUTIVE SUMMARY

The following attachments represent a higher level of detail

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EXECUTIVE SUMMARY ATTACHMENT

UNIVERSITY OF HARTFORD ATHLETICS BUDGET MODELS DIVISION I
TO DIVISION III COMPARISON

University of Hartford Athletics Budget Models Division I to Division III Comparison			
	Projected Division I	Estimated Division III	DIVISION I / DIVISION III Difference
Revenue Summary			
Student Fees	\$500,000	\$500,000	-
Department Operating Revenue	\$1,800,000	\$600,000	\$(1,200,000)
Total Revenue	\$2,300,000	\$1,100,000	\$(1,200,000)
Expense Summary			
Athletic Aid	\$6,189,000	-	\$(6,189,000)
Compensation	\$5,550,000	\$3,623,000	\$(1,927,000)
Operating Expenses	\$3,625,000	\$1,260,000	\$(2,365,000)
Total Expenses	\$15,364,000	\$4,883,000	\$(10,481,000)
Net Revenue vs Expense	\$(13,064,000)	\$(3,783,000)	

Note #1: In the above table, the Division I model uses FY22 projected revenue and expenses as a reference to show the financial impact of moving to Division III. The Division III Estimated Revenue represents UHart revenue estimates while expenses estimates are from the 3 conferences included in this study and as noted in Note #4 below.

Note #2: The first year of official membership in a Division III conference is preceded by the transitional years required to gain acceptance and attain full member status. Budgets during the transition years will vary and therefor may alter the difference column.

Note #3: It should be noted that all financial data reported in this project are derived from the EADA data base for FY 2019 which is the most recent reporting year available. Because the EADA reports data in aggregate by different categories, the data was compiled and reported by either median or averages to illustrate the most accurate estimates. Lastly, due to the variance in reporting budgets and sources of funding at the Division III level, expense budgets according to the above noted categories are derived from estimated averages across the conferences included in this study.

Note #4: The Division III model Department Operating Revenue estimate includes modest ticket sales and corporate sponsorships, Sports Center, Fitness and Leisure, and fundraising used primarily to offset operating expenses for sports.



Note #5: The Division III model Expense estimates for compensation and operating are derived from the EADA data from the 3 conferences included in this study. Because the EADA reports data in aggregate by different categories, the data was compiled according to averages and adjusted to arrive at reasonable estimates. Then that FY19 data was adjusted at 3% annual inflation.

Note #6: Additional financial considerations do not include: 1) AEC Conference exit fees, 2) Division III conference entry fees, 3) Division III provisional membership fees and annual dues, 4) Coaches' contract obligations, 5) Fulfillment of Division I financial aid obligations, 5) Other third-party contract obligations (concessions, multi-media, apparel, etc.).

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EXECUTIVE SUMMARY ATTACHMENT

OPERATING BUDGETS HISTORY, PROJECTIONS AND ESTIMATES FOR TRANSITION INTO DIVISION III

Operating Budgets History, Projections and Estimates for Transition into Division III						
	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected	Estimated Division III	FY 2022 to Division III
Revenue Summary						
Student Fees	\$470,000	\$475,000	\$460,000	\$500,000	\$500,000	-
Department Operating Revenue	\$2,133,000	\$1,732,000	\$903,000	\$1,800,000	\$600,000	\$(1,200,000)
Total Revenue	\$2,603,000	\$2,207,000	\$1,363,000	\$2,300,000	\$1,100,000	\$(1,200,000)
Expense Summary						
Athletic Aid	\$6,472,000	\$6,842,000	\$6,781,000	\$6,189,000	-	\$(6,189,000)
Compensation	\$5,401,000	\$5,203,000	\$4,466,000	\$5,550,000	\$3,623,000	\$(1,927,000)
Operating Expenses	\$3,178,000	\$3,219,000	\$2,659,000	\$3,625,000	\$1,260,000	\$(2,365,000)
Total Expenses	\$15,051,000	\$15,264,000	\$13,906,000	\$15,364,000	\$4,883,000	\$(10,481,000)
Net Revenue vs Expenses / (University Support)	\$(12,448,000)	\$(13,057,000)	\$(12,543,000)	\$(13,064,000)	\$(3,783,000)	

Note #1: In the above table, the Division I model uses FY22 projected revenue and expenses as a reference to show the financial impact of moving to Division III. The Division III Estimated Revenue represents UHart revenue estimates while expense estimates are from the 3 conferences included in this study and as noted in Note #6 below.

Note #2: The first year of official membership in a Division III conference is preceded by the transitional years required to gain acceptance and attain full member status. Budgets during the transition years will vary and therefore may alter the difference column.

Note #3: It should be noted that all financial data reported in this project are derived from the EADA data base for FY19 which is the most recent reporting year available. Because the EADA reports data in aggregate by different categories, the data was compiled and reported by either median or averages to illustrate the most accurate estimates. Lastly, due to the variance in reporting budgets and sources of funding at the Division III level, expense budgets according to the above noted categories are derived from estimated averages across the conferences included in this study.

Note #4: FY19 & FY20 REVENUE and EXPENSES data is from NCAA Financial Statements as reported by the University. FY21 & FY22 provide best estimates given the uncertainty and restrictions of activities during the pandemic.



Note #5: The Division III model Department Operating Revenue estimate includes modest ticket sales and corporate sponsorships, Sports Center, Fitness and Leisure, and fundraising used primarily to offset operating expenses for sports.

Note #6: The Division III model Expense estimates for compensation and operating are derived from the EADA data from the 3 conferences included in this study. Because the EADA reports data in aggregate by different categories, the data was compiled according to averages and adjusted to arrive at reasonable estimates. Then the FY19 data was adjusted at 3% annual inflation.

Note #7: Additional financial considerations do not include: 1) AEC Conference exit fees, 2) Division III conference entry fees, 3) Division III provisional membership fees and annual dues, 4) Coaches' contract obligations, 5) Fulfillment of Division I financial aid obligation, 5) Other third-party contract obligations (concessions, multi-media, apparel, etc.)

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EXECUTIVE SUMMARY ATTACHMENT

FINANCIAL AID DISCOUNT RATE HISTORY AND PROJECTIONS

Financial Aid Discount Rate History and Projections

	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected at Current Discount Rate	FY 2023 Projected Based on Number of Student-Athletes Billed & Desired Discount Rate		
# of Student-Athletes	305	297	360	325	325	325	400	500
Annual Average Tuition Rate	\$38,000	\$39,000	\$40,000	\$42,000	\$43,000	\$43,000	\$43,000	\$43,000
Annual Full Cost of Attendance	\$53,000	\$55,000	\$57,000	\$58,000	\$61,000	\$61,000	\$61,000	\$61,000
Total Aid Distributed (A)	\$10,452,000	\$11,302,000	\$13,014,000	\$12,700,000	\$13,100,000	\$8,000,000	\$10,000,000	\$12,000,000
Tuition Billed (B)	\$11,221,000	\$11,739,000	\$13,795,000	\$13,554,000	\$13,961,000	\$13,961,000	\$17,182,000	\$21,478,000
(A) / (B) = Discount Rate	93%	96%	94%	94%	94%	57%	58%	56%
Student-Athlete Payments	\$4,632,000	\$4,309,000	\$4,813,000	\$6,222,000	\$6,606,000	\$11,706,000	\$14,254,000	\$16,798,000
Less Educational Cost Estimate	\$(3,020,000)	\$(2,950,000)	\$(3,564,000)	\$(3,298,000)	\$(3,380,000)	\$(3,380,000)	\$(3,380,000)	\$(3,380,000)
Net Revenue to University	\$1,612,000	\$1,359,000	\$1,249,000	\$2,924,000	\$3,226,000	\$8,326,000	\$10,874,000	\$13,418,000

Note #1: The above data for FY19-FY22 Tuition Billed and Total Aid Distributed was provided by the UHart Budget Office. For FY22 and FY23, the same data was calculated based on Full Cost of Attendance and # of Student-Athletes. The additional FY23 Projected columns show the increases relative to # of Student-Athletes and Total Aid Distributed.

Note #2: The Discount Rate is calculated by the Total Aid Distributed then divided by the Tuition Billed to the student-athletes.

Note #3: The balance paid by student-athletes, after their financial aid is applied, is then reduced by the Educational Cost Estimate to arrive at the Net Revenue to the University.

Note #4: FY23 shows the Discount Rate at the current 94% and the amount of Total Aid Distributed must be reduced to \$8M or \$5.1M less to arrive at the desired 57%.

Note #5: At the 57% Discount Rate, FY23 shows that Student-Athlete Payments and Net Revenue to University would both increase approximately \$5.1M. The increase in the number of student-athletes and in Total Aid Distributed will increase the Net University Revenue proportionally.



I. Introduction

THE CHARGE

Maintaining a sustainably successful Division I athletics program has significant funding and infrastructure requirements, as well as long-term implications for the University of Hartford (UHart) and the University of Hartford Department of Athletics (Athletics). Accordingly, President Woodward formed and charged the President's Task Force on Athletics⁹ (Task Force) with conducting a purposeful and analytical examination of the future of Athletics, especially UHart's current NCAA Division I model (Division I). This examination focused primarily on "ways to reduce costs, evaluating ways to achieve excellence and refining the role of Athletics in the University, community and our Conference"¹⁰. The appropriateness of the University's membership in the NCAA Division I America East Conference (AEC) was also considered.

CarrSports Consulting, LLC (CarrSports) was retained to provide an objective analysis and recommendations based on UHart's parameters for determining the most practical model for UHart's intercollegiate athletics program. The models, consistent with those of the Task Force, are identified below:

Model I: Remain in the America East Conference

Model II: Review other NCAA Division I (Division I) conference options.

Model III: Examine NCAA Division III (Division III) membership and conference options.

Note: Each model assumes maintaining UHart's current sports offerings and a planned reduction in of institutional funding to Athletics over the next four years.

Consistent with intercollegiate athletics nationwide, UHart's model will also be significantly influenced by enrollment uncertainty, University budgeting instability, as well as the unpredictability of NCAA governance and legislation. Additionally, University and Athletics' operations and planning will continue to be influenced by the COVID-19 pandemic through FY 2021-2022 and beyond.

NCAA Divisional Membership

- Division I: 350
- Division III: 445

STUDY CONTEXT

UNIVERSITY OF HARTFORD

The University of Hartford was officially established in 1957 as a private institution. Attracting a diverse student population of 6,700, UHart is recognized regionally and nationally for challenging academics, outstanding students, exceptional faculty, student life, and supportive culture. Hartford's student-athletes consistently number around 300 and are spread across 17 Division I sports.

Athletics has excelled in the classroom as measured by its claim to the AEC's Harrison Cup as the AEC's top academic school six out of the last seven years¹¹. UHart's student-athletes regularly have a higher GPA and graduation rate than the University's general student population. While the University's sports teams and individual student-athletes have had sporadic competitive success at the

University of Hartford

Mission Statement

Dedicated to learning, personal growth, knowledge creation and the betterment of society, the University engages students in acquiring the knowledge, skills, and values necessary to thrive in and contribute to a pluralistic, complex world.

⁹ President's Task Force on Athletics *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*. November 2020.

¹⁰ President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*; p.1. November 2020.

¹¹ The Academic Cup, established by the America East Board of Directors in 1995, is presented to the institution whose student-athletes post the highest grade-point average during that academic year. The award was named for long time University of Hartford President, Walter Harrison, in 2017.



Conference, regional and national levels, the Hawks have never won the AEC Commissioner's Cup¹². Over the last 10 years, UHart has averaged a Commissioner Cup eighth-place finish in the then nine-member AEC.

Additionally, other measures of Athletics excellence have been marginally successful compared to many Division I athletic departments. Those include revenue generation, non-athlete student participation, and institution brand enhancement. Further, UHart's current Division I model is not prepared to effectively support the University's vision of more formal integration of Athletics with campus wellness, health, recreation, intramurals, and club sports. This combined programming will require strategic allocation of limited resources.

One of the overarching goals of the Task Force report is to reduce Athletics' costs and maintain financial stability. This challenge is documented within the Task Force report: the "annual net loss for Athletics has more than doubled from FY 2000 to FY 2020."¹³ Notably, "most revenue and expenses have remained fairly flat over the past five years, with only student-athlete financial aid showing a significant increase over the period."¹⁴ However, the net total loss has increased from \$10.23M in FY 2015 to \$11.56M in FY 2018-19. The rising costs in student-athlete financial aid are primarily attributed to an accelerated increase in student-athlete financial and combo aid. For example, the student-athlete discount rate was 93% in FY 2018-19 and 96% in FY 2019-20.

Further, recent data showed that Athletics consumed over 9.15% of total University resources,¹⁵ while student-athletes represented approximately 6.77% of the undergraduate enrollment.

METHODOLOGY

CarrSports' approach to assessing and recommending the most viable model for UHart's intercollegiate athletics program is outlined below.

- Conducted listening sessions with select University leadership and examined applicable University, Athletics, AEC, NCAA, Division I and Division III materials
- Collaborated with University leadership in developing Feasibility Study Assumptions
- Confirmed Athletics Title IX equity compliance
- Benchmarked UHart Athletics with AEC and other potential Division I and Division III conferences (FY 2018-19 EADA data (*US Department of Education Equity in Athletics Data Analysis*)):
 - **Division I**
 - America East Conference (AEC); UHart is the only private institution
 - Metro Atlantic Athletic Conference (MAAC); all private institutions
 - Northeast Conference (NEC); nine private and one public institution; six full NEC members who play Division I FCS football
 - **Division III**
 - Commonwealth Coast Conference (CCC); all private institutions
 - Little East Conference (LEC); all public institutions
 - New England Women's and Men's Athletic Conference (NEWMAC); all private institutions and the United States Coast Guard Academy

¹² The Commissioner's Cup annually recognizes the strongest athletic program in the AEC as determined by a scoring system which rewards a school for success both during the regular season and championship competition in the Conference's 19 sports.

¹³ President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*; p.7. November 2020.

¹⁴ Ibid.

¹⁵ President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*; p.4. November 2020.



- Performed an analysis on each of the Task Force's three prospective UHart Athletics models, incorporating relevant data points
- Modeled UHart's current financial Division I position with a hypothetical Division III model representative of the Division III conferences noted above. Also see Executive Summary Attachments:
 - *Executive Summary Attachment: University of Hartford Athletics Budget Models Division I to Division III Comparison*
 - *Executive Summary Attachment: Operating Budgets History, Projections and Estimates for Transition into Division III*
- Collaborated with UHart leadership in developing a theoretical pro forma illustrating the potential financial benefits to the University by reducing operating expenses, as well as the student-athlete discount rate. Also see Executive Summary Attachment:
 - *Executive Summary Attachment: Financial Aid Discount Rate History and Projections*

FEASIBILITY STUDY FORMAT

The Feasibility Study is arranged as follows:

Executive Summary

- I. Introduction
 - II. Feasibility Study Assumptions
 - III. Analysis of Hartford Athletics NCAA Membership Models
 - Model I: Remain in the America East Conference
 - Model II: Review other NCAA Division I Conference Options
 - Model III: Examine NCAA Division III Membership and Conference Options
 - IV. Comprehensive Conclusions and Recommendations
- Exhibits

KEY PLANNING RESOURCES

- *President's Task Force on Athletics Final Report, November 2020*
- *President's Task Force on Athletics, November 2020 (PowerPoint)*
- *2020-2021 NCAA Division I Manual*
- *2020-2021 NCAA Division III Manual*
- *U. S. Department of Education Equity in Athletics Data Analysis (EADA) FY 2018-19*
- *Division III 2020-21 Facts and Figures*
https://ncaaorg.s3.amazonaws.com/about/d3/D3_FactandFigures.pdf
- *NCAA Division III New Member Calendar of Activities*
https://ncaaorg.s3.amazonaws.com/membership/d3/D3Mem_NewMemCalendarOfActivities.pdf
- *Model for Success for a Division III Athletics Program*
<https://www.ncaa.org/sites/default/files/Model%2BDIII%2BAthletics%2BProgram-December%2B2013.pdf>
- *Application for NCAA Division III Provisional and Reclassifying Membership*
https://ncaaorg.s3.amazonaws.com/membership/d3/D3Mem_ApplicationProvReclassMbshp.pdf



- *Division III Best Practices Guide for Presidents and Chancellors*
https://ncaaorg.s3.amazonaws.com/about/d3/best/D3_BestPracticesPresidentsChancellors.pdf

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II. Feasibility Study Assumptions

Determining the optimal model for the University of Hartford's Intercollegiate Athletics Department (Athletics) has significant funding and infrastructure requirements, as well as long-term implications for the University. Additionally, University of Hartford (UHart) and Athletics planning, and operations will continue to be influenced by the COVID-19 pandemic, as well as other economic and environmental factors through FY 2021-2022 and beyond.

Accordingly, these Feasibility Study Assumptions (Assumptions) establish a shared understanding of the environment in which Athletics currently operates, as well as expectations for the University's preferred NCAA membership model.

1. Athletics will comply with all University, Board of Regents, state, federal, NCAA, and conference requirements.
2. Athletics' future organizational design and facility enhancements will be strategically aligned with the broader enrichment of campus life. Campus wellness, health, recreation, intramurals, and club sports will be formally integrated with Athletics.
3. UHart is dedicated to the principles of equal opportunity and non-discrimination; this pledge includes compliance with all federal Title IX regulations, including those measuring gender equity. Athletics' core value of Diversity, Equity and Inclusion will align with the UHart Office of Student Engagement and Inclusion's Mission and Vision.
4. UHart's student-athletes achieve or exceed the same high level of academic performance as their non-athlete peers. Further, UHart anticipates continued high achievement from Athletics in primary NCAA academic metrics such as Academic Progress Rate (APR), Academic Success Rate (ASR), Graduation Success Rate (GSR), and Federal Graduation Rates (FGR).
5. Athletics is not viewed as a major contributor to UHart's branding and enrollment goals. Net tuition revenues from student-athlete enrollment are negligible.
6. University resources presently allocated to Athletics may be better utilized in advancing UHart's enrollment management strategy. FY 2018-19 data shows that Athletics consumed over 9.15% of total University resources¹⁶, while its student-athletes represent only approximately 6.77% of undergraduate enrollment.
7. In addition to the recent Athletics budget reductions, the University's planned FY 2022 - FY 2025 10% annual subsidy reductions to Athletics will severely restrict UHart's viability as a Division I member.
8. Athletics' expenses, particularly the current 94% discount rate, are inconsistent with UHart's institutional size and operating capacity. The current funding model is not sustainable.
9. UHart's Division I funding model and documented limitations will not provide UHart's student-athletes with opportunities to compete at the highest level, nor varsity teams that consistently compete for conference championships and postseason opportunities.

¹⁶ President's Task Force on Athletics. *President's Task Force on Athletics Spring 2020—Final Report by Gregory Woodward*. November 2020.



10. UHart's emphasis on student-athlete academic excellence, well-being, and holistic development along with NCAA rules compliance will remain consistent with the University's Mission.
11. Within the Division I model, new NCAA legislation, including more liberal student-athlete transfer policies, allowing student-athletes to benefit financially from the use of their name, image, and likeness (NIL), and Cost of Attendance (COA), will significantly alter the current Division I model.
12. Athletics is committed to engaging the Hartford community and region to position the University as a valued partner with business, industry, government, and non-profit organizations.

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III. Analysis of Hartford Athletics NCAA Membership Models

MODEL I:
Remain in the America East Conference

MODEL II:
Review other NCAA Division I Conference Options

Model III:
Examine NCAA Division III Membership and Conference Options



MODEL I

REMAIN IN THE AMERICA EAST CONFERENCE





AMERICA EAST CONFERENCE HISTORY

The AEC was founded as the Eastern College Athletic Conference-North, a men's basketball-only conference in 1979. The conference was known as the ECAC-North from 1979 to 1988 and the North Atlantic Conference (all sports) from 1988 to 1996. The University of Hartford joined in 1985.

CONFERENCE OFFICE: Boston, MA

MEMBERSHIP DEMOGRAPHICS

- The AEC has traditionally been a nine-member conference until the addition of NJIT in the Fall of 2020.
- Nine of the ten AEC members are public institutions; UHart is the only private school member.
- Per the 2018-19 EADA data, UHart has the lowest undergraduate enrollment (4,426), and Stony Brook University the highest (16,243) of AEC members.
- The average AEC undergraduate enrollment is 7,161.

VARIANCE IN ATHLETICS BUDGETS

Fiscal Year 2018-19 AEC athletics department budgets range from a low of approximately \$14.6M (UMBC) to a high of approximately \$32.2M (New Hampshire). UHart's FY 2018-19 athletics budget of \$15.4M ranked 8th. The AEC median is approximately \$20.5M.

Note: See *Table 1- AMERICA EAST CONFERENCE - FY 2019 BUDGETS – ALL EXPENSES* on the following page.

SPORTS SPONSORSHIP

The AEC sponsors 18 sports (8 men and 10 women). UHart competes in eight of the AEC's ten sponsored women's sports; and, of UHart's 8 men's sports, seven compete in the AEC. UHart's men's and women's golf teams compete in the Big Sky Conference and Metro Atlantic Athletic Conference (MAAC) Championships, respectively.

Note: See *Table 2 - AMERICA EAST CONFERENCE - FY 2019 SPORTS SPONSORED* on the following page

STUDENT-ATHLETE PARTICIPATION

AEC total student-athlete participation ranges from a low of 360 (UHart) to a high of 717 (New Hampshire) with a median of 576. UHart's student-athletes numbered 360 or 9th out of nine AEC members.

Note: See *Table 3 - AMERICA EAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s* on the following page.

US News & World Report 2021 Best National University Rankings (National Universities)

University of Hartford	217
Stony Brook University	8
Binghamton University	88
New Jersey Institute of Technology	118
University of Vermont	118
University of New Hampshire	143
University at Albany	160
University of Maryland Baltimore County	160
University of Massachusetts Lowell	176
University of Maine	206



AMERICA EAST CONFERENCE - FY 2019 BUDGETS – ALL EXPENSES					TABLE 1
	Low	Median	High	UHart	UH-Rank
MEN'S AEC SPONSORED SPORTS	2,839,046	4,836,145	5,782,686	5,574,305	3rd
MEN'S ALL SPORTS TOTALS	4,797,861	8,652,692	11,858,693	5,943,035	7th
WOMEN'S AEC SPONSORED SPORTS	4,438,829	5,819,013	6,858,999	5,479,263	6th
WOMEN'S ALL SPORTS TOTALS	4,438,829	6,507,785	10,479,459	5,774,628	6th
M & W AEC SPONSORED SPORTS	7,494,458	10,698,117	12,166,039	11,053,568	4th
M & W ALL SPORTS TOTALS	9,236,690	15,160,477	22,053,987	11,717,663	7th
ATHLETIC DEPT TOTAL BUDGET	14,604,969	20,509,064	32,206,155	15,413,249	8th

Source of Data - FY 2019 EADA (includes Payroll, Operating and Athletic Financial Aid)

AMERICA EAST CONFERENCE - FY 2019 SPORTS SPONSORED					TABLE 2
	Low	Median	High	UHart	
MEN'S AEC SPONSORED SPORTS	5	7	8	7	
MEN'S ALL SPORTS	8	8	11	8	
WOMEN'S AEC SPONSORED SPORTS	8	9	9	8	
WOMEN'S ALL SPORTS	9	10	12	9	
M & W AEC SPONSORED SPORTS	14	16	17	15	
M & W ALL SPORTS	17	18	21	17	

Source of Data - FY 2019 EADA

AMERICA EAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s					TABLE 3
	Low	Median	High	UHart	UH-Rank
MEN'S AEC SPONSORED SPORTS	187	219	301	187	9th
MEN'S ALL SPORTS	195	314	357	195	9th
WOMEN'S AEC SPONSORED SPORTS	158	237	298	158	9th
WOMEN'S ALL SPORTS	165	242	360	165	9th
M & W AEC SPONSORED SPORTS	345	483	538	345	9th
M & W ALL SPORTS	360	576	717	360	9th
MEN'S AEC SPONSORED SPORTS	187	219	301	187	9th

Source of Data - FY 2019 EADA



MODEL I: REMAIN IN THE AMERICA EAST CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS

ADVANTAGES

- Hartford's long tenure in the AEC provides security and familiarity
- No conference exit or entry fee
- ESPN+ platform provides exposure for the University and Athletics
- UHart has claimed the AEC Harrison Cup as the Conference's top academic school six out of the last seven years

DISADVANTAGES

- Only private institution in the conference
- Smallest enrollment of AEC member schools
- Athletics budget ranks eighth out of nine AEC members (FY 2018-19)
- Athletics facilities are not comparable to most AEC members
- Lack of competitiveness; Commissioner's Cup average of eighth in the then nine-team conference over the past ten years
- Proposed Athletics budget reductions will further reduce UHart's competitive position and diminish the quality of the student-athlete experience

CONCLUSIONS

- As the only private school, lowest enrollment and next to last Athletics budget in the AEC does not position UHart for long-term success in its current conference.
- UHart's current Athletics' funding model coupled with the proposed 10% per annum reductions to Athletics' budget from FY's 2022–2025 will compound an already challenging financial situation.
- Membership in the Division I AEC is not a viable or sustainable option for UHart.

RECOMMENDATIONS

- UHart should explore Division III membership.
- UHart should examine the AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.
- UHart should review prospective Division III conferences' governance and bylaws to determine financial and timing implications before exiting the AEC.
- Explore and secure membership in a Division III conference before departing the AEC.
- Develop a thorough transition plan before departing the AEC and moving to a new conference.



ATTACHMENTS

MODEL I: REMAIN IN THE AMERICA EAST CONFERENCE

The following attachments represent a higher level of detail

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ATTACHMENT 1

MODEL I – REMAIN IN THE AMERICA EAST CONFERENCE

AMERICA EAST CONFERENCE - FY 2019 Sports Budgets (ALL Expenses)

Men's Sports		Hartford	Binghamton University	Stony Brook University	University at Albany	University of Maine	UMBC	UMass Lowell	Univ. New Hampshire	University of Vermont	Tot
1	Baseball	1,203,085	771,789	1,111,875	645,637	995,313	485,069	1,050,895			7
2	Basketball	2,303,817	1,753,592	2,392,346	1,799,859	1,432,766	2,222,771	1,882,325	1,601,005	2,261,158	9
3	Cross Country	74,988	54,904	79,574	37,724	41,671	63,740	110,100	61,836	60,729	9
4	Lacrosse	882,912	561,001	1,064,705	894,543		720,512	949,867		1,299,589	7
5	Soccer	875,167	592,384	754,002	620,730		595,496	841,686	1,092,157	862,890	8
6	Swimming / Diving		247,066			167,523	357,830				3
7	Track - Indoor	117,168	148,698	190,092	389,493	100,887	176,222	382,848	204,646	197,369	9
8	Track - Outdoor	117,168	148,698	190,092	448,159	100,887	176,222	382,848	204,646	197,369	9
MEN'S AEC SUB-TOTALS		5,574,305	4,278,131	5,782,686	4,836,145	2,839,046	4,797,861	5,600,568	3,164,290	4,879,104	
Ranking		3	7	1	5	9	6	2	8	4	
MEN'S Non Conference Sports Offered											
	Ice Hockey					2,190,998		3,052,124	2,756,369	2,312,342	4
	Football			6,076,007	4,450,095	4,287,134			5,264,384		4
	Golf	368,730	212,297								2
	Skiing								389,485	612,325	2
	Tennis		336,489								1
	Wrestling		607,027								1
	SUB-TOTALS	368,730	1,155,813	6,076,007	4,450,095	6,478,132	-	3,052,124	8,410,238	2,924,667	
MEN'S ALL SPORTS TOTALS		5,943,035	5,433,944	11,858,693	9,286,240	9,317,178	4,797,861	8,652,692	11,574,528	7,803,771	
Ranking		7	8	1	4	3	9	5	2	6	



ATTACHMENT 1

MODEL I – REMAIN IN THE AMERICA EAST CONFERENCE

AMERICA EAST CONFERENCE - FY 2019 Sports Budgets (ALL Expenses)											
Women's Sports		Hartford	Binghamton University	Stony Brook University	University at Albany	University of Maine	UMBC	UMass Lowell	Univ. New Hampshire	University of Vermont	Tot
1	Basketball	2,045,795	1,393,152	1,691,404	1,438,682	1,372,435	1,445,287	1,578,140	1,347,430	1,698,738	9
2	Cross Country	60,927	57,299	99,788	34,396	83,907	74,011	103,963	119,561	66,611	9
3	Field Hockey				759,794	730,621		958,208	1,027,490	988,215	5
4	Lacrosse	716,041	531,306	1,011,326	655,896		849,043	847,763	856,990	1,023,683	8
5	Soccer	1,011,000	617,588	918,827	793,952	761,866	503,813	844,020	1,110,424	907,569	9
6	Softball	712,316	647,875	854,382	730,652	783,358	295,588	852,480			7
7	Swimming / Diving		302,957	305,782		466,395	372,858		653,865	622,124	6
8	Track - Indoor	107,795	179,060	312,669	524,078	228,415	191,195	291,675	379,476	256,036	9
9	Track - Outdoor	107,795	179,060	312,669	449,196	228,415	191,195	291,675	379,476	256,036	9
10	Volleyball	717,594	625,152	876,506	847,916		515,840	739,860	984,286		7
WOMEN'S AEC TOTALS		5,479,263	4,533,450	6,383,353	6,234,562	4,655,412	4,438,829	6,507,785	6,858,999	5,819,013	
Ranking		6	8	3	4	7	9	2	1	5	
WOMEN'S Non Conference Sports Offered											
	Tennis		273,499	508,166							2
	Gymnastics								1,255,206		1
	Ice Hockey					1,104,049			1,785,040	1,653,416	3
	Skiing								580,214	668,053	2
	Golf	295,365			379,854						2
SUB-TOTALS		295,365	273,499	508,166	379,854	1,104,049	-	-	3,620,460	2,321,469	
WOMEN'S ALL SPORTS TOTALS		5,774,628	4,806,949	6,891,519	6,614,416	5,759,461	4,438,829	6,507,785	10,479,459	8,140,482	
Ranking		6	8	3	4	7	9	5	1	2	



ATTACHMENT 1

MODEL I – REMAIN IN THE AMERICA EAST CONFERENCE



AMERICA EAST CONFERENCE - FY 2019 Sports Budgets (ALL Expenses)

	Hartford	Binghamton University	Stony Brook University	University at Albany	University of Maine	UMBC	UMass Lowell	Univ. New Hampshire	University of Vermont
AMERICA EAST TOTALS	11,053,568	8,811,581	12,166,039	11,070,707	7,494,458	9,236,690	12,108,353	10,023,289	10,698,117
Ranking	4	8	1	3	9	7	2	6	5

ALL SPORTS TOTALS	11,717,663	10,240,893	18,750,212	15,900,656	15,076,639	9,236,690	15,160,477	22,053,987	15,944,253
Ranking	7	8	2	4	6	9	5	1	3

Expenses Not Allocated by Sport	3,695,586	5,395,613	7,932,059	5,136,441	5,059,401	5,368,279	6,600,495	10,152,168	4,564,811
TOTAL ATHLETIC DEPT BUDGET	15,413,249	15,636,506	26,682,271	21,037,097	20,136,040	14,604,969	21,760,972	32,206,155	20,509,064
Ranking	8	7	2	4	6	9	3	1	5



ATTACHMENT 1

MODEL I – REMAIN IN THE AMERICA EAST CONFERENCE

AMERICA EAST CONFERENCE - FY 2019 Sports Sponsored										
	AMERICA EAST	Hartford	Binghamton University	Stony Brook University	University at Albany	University of Maine	UMBC	UMass Lowell	Univ. of New Hampshire	University of Vermont
MEN'S AEC SPONSORED SPORTS	8	7	8	7	7	6	8	7	5	7
MEN'S ALL SPORTS		8	11	8	8	8	8	8	8	9
WOMEN'S AEC SPONSORED SPORTS	10	8	9	9	9	8	9	9	9	8
WOMEN'S ALL SPORTS		9	10	10	10	9	9	9	12	10
M & W AEC SPONSORED SPORTS	18	15	17	16	16	14	17	16	14	15
M & W ALL SPORTS		17	21	18	18	17	17	17	20	19

Source of Data - FY2019 EADA



ATTACHMENT 1

MODEL I – REMAIN IN THE AMERICA EAST CONFERENCE



AMERICA EAST CONFERENCE - FY 2019 Student-Athlete Participation #'s

	Hartford	Binghamton University	Stony Brook University	University at Albany	University of Maine	UMBC	UMass Lowell	Univ. of New Hampshire	University of Vermont
MEN'S AEC SPONSORED SPORTS	187	213	229	219	189	270	301	206	237
Ranking	9	7	4	5	6	2	1	8	3
MEN'S ALL SPORTS TOTALS	195	261	344	314	315	270	332	357	280
Ranking	9	8	2	5	4	7	3	1	6
WOMEN'S AEC SPONSORED SPORTS	158	221	230	264	237	217	237	298	272
Ranking	9	7	6	3	5	8	4	1	2
WOMEN'S ALL SPORTS TOTALS	165	230	242	270	261	217	237	360	310
Ranking	9	7	5	3	4	8	6	1	2
M & W AEC SPONSORED SPORTS	345	434	459	483	426	487	538	504	509
Ranking	9	7	6	5	8	4	1	3	2
M & W ALL SPORTS	360	491	586	584	576	487	569	717	590
Ranking	9	7	3	4	5	8	6	1	2

Source of Data - FY 2019 EADA



MODEL II

REVIEW OTHER DIVISION I CONFERENCE OPTIONS





METRO ATLANTIC ATHLETIC CONFERENCE HISTORY

The MAAC was founded in 1980 by six charter members and is currently comprised of eleven institutions (all-sports) and 17 Associate members, including two AEC members (Hartford and Albany).

CONFERENCE OFFICE: Edison, NJ

MEMBERSHIP DEMOGRAPHICS

- The MAAC is comprised of 11 private institutions.
- Per the 2018-19 EADA Reports, Quinnipiac University's undergraduate enrollment is the highest (7,051), and Canisius College the lowest (2,153) of MAAC members.
- The average MAAC undergraduate enrollment is 3,703. UHart's undergraduate enrollment (4,426) would be in the upper tier of the MAAC.
- All MAAC members are located in Connecticut, New Jersey, and New York.

US News & World Report

2021 Best National University Rankings

University of Hartford	217	N
Fairfield University	3	R
Marist College	11	R
Manhattan College	13	R
Siena College	15	R
Canisius College	19	R
Monmouth College	23	R
Niagara University	23	R
Iona College	50	R
Rider University	38	R
St. Peter's University	75	R
Quinnipiac University	153	N

R - Regional Universities North
N - National Universities

VARIANCE IN ATHLETICS BUDGETS

MAAC FY 2018-19 athletic department budgets range from a low of approximately \$7.6M (Saint Peter's), to a high of approximately \$28.7M (Quinnipiac). The median MAAC athletic budget for FY 2018-19 is approximately \$18.8M. UHart's FY 2018-19 budget of \$15.4M would rank seventh in the MAAC.

Note: See *Table 1 – METRO ATLANTIC ATHLETIC CONFERENCE - FY 2019 EXPENSE BUDGETS* on the following page.

SPORTS SPONSORSHIP

The MAAC sponsors 25 sports (11 men's and 14 women's) with the recent addition of esports. The MAAC would accommodate all UHart sports, including men's and women's golf and esports.

Note: See *Table 2 – METRO ATLANTIC ATHLETIC CONFERENCE - FY 2019 SPORTS SPONSORED* on the following page.

STUDENT-ATHLETE PARTICIPATION

MAAC total student-athlete participation ranges from a low of 298 (Saint Peter's) to a high of 723 (Marist) with a median of 485. UHart's student-athletes numbered 360 or 10th out of eleven MAAC members.

Note: See *Table 3 - METRO ATLANTIC ATHLETIC CONFERENCE – FY 2019 STUDENT-ATHLETE PARTICIPATION #'s* on the following page.



METRO ATLANTIC ATHLETIC CONFERENCE - FY 2019 EXPENSE BUDGETS					TABLE 1
	Low	Median	High	UHart	UH-Rank
MEN'S MAAC SPONSORED SPORTS	2,902,729	6,023,367	7,740,110	5,943,035	7th
MEN'S ALL SPORTS	2,902,729	6,725,207	2,955,329	5,943,035	8th
WOMEN'S MAAC SPONSORED SPORTS	2,525,286	6,132,057	9,062,859	5,774,628	7th
WOMEN'S ALL SPORTS	2,525,286	6,132,057	7,981,606	5,774,628	7th
M & W MAAC SPONSORED SPORTS	5,428,015	12,441,716	6,076,578	11,717,663	7th
M & W ALL SPORTS	5,428,015	2,857,264	24,267,718	1,717,663	7th
ATHLETIC DEPT TOTAL BUDGET	7,588,471	8,793,576	8,680,434	5,413,249	7th

Source of Data - FY 2019 EADA (includes Payroll, Operating and Athletic Financial Aid)

METRO ATLANTIC ATHLETIC CONFERENCE - FY 2019 SPORTS SPONSORED					TABLE 2
	Low	Median	High	UHart	UH-Rank
MEN'S MAAC SPONSORED SPORTS	120	195	300	195	6
MEN'S ALL SPORTS	151	219	431	195	8
WOMEN'S MAAC SPONSORED SPORTS	137	235	292	165	11
WOMEN'S ALL SPORTS	137	254	340	165	11
M & W MAAC SPONSORED SPORTS	298	422	566	360	10
M & W ALL SPORTS	298	485	723	360	10

Source of Data - FY 2019 EADA

METRO ATLANTIC ATHLETIC CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s					TABLE 3
	Low	Median	High	UHart	
MEN'S MAAC SPONSORED SPORTS	6	9	10	8	
MEN'S ALL SPORTS	7	9	11	8	
WOMEN'S MAAC SPONSORED SPORTS	8	10	12	9	
WOMEN'S ALL SPORTS	8	11	13	9	
M & W MAAC SPONSORED SPORTS	16	19	21	17	
M & W ALL SPORTS	16	19	23	17	

Source of Data - FY 2019 EADA



MODEL II: REVIEW OTHER DIVISION I CONFERENCE OPTIONS METRO ATLANTIC ATHLETIC CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS

ADVANTAGES

- Members are all private institutions
- Comprised of institutions with similar academic profiles to Hartford
- UHart would be the second highest nationally-ranked institution in the Conference per the US News & World Report rankings (2021)
- UHart's enrollment is better aligned with MAAC member institutions
- The footprint of the MAAC (Connecticut, New Jersey, and New York) directly coincides with the Hartford Enrollment Management and Marketing Office's student recruitment footprint
- UHart sports sponsorship is fully aligned with the MAAC
- Potential for more competitive success
- UHart's facilities are more comparable to MAAC
- The MAAC is a stable conference with strong leadership and eleven full members
- Residual media coverage from competing against NEC schools in metro NYC
- The MAAC is considered one of the premier conferences in the country for esports.
- Travel distances are more attractive; less missed class time and travel expenses, as well as possible increases in home game attendance
- Possibilities for enhanced rivalries with Quinnipiac and Fairfield
- The MAAC sport sponsorship profile of 25 sports would provide sport expansion opportunities for UHart

DISADVANTAGES

- UHart - AEC exit fees
- UHart – MAAC entry fees
- UHart's athletic budget would be near the bottom of MAAC member institutions
- The MAAC mandates Cost of Attendance (COA) for both men's and women's basketball
- The MAAC's membership academic profile is not as strong as the AEC

CONCLUSIONS

- UHart's current Athletics' funding model coupled with the proposed 10% per annum reductions to Athletics' budget from FY's 2022–2025 will compound an already challenging financial situation.
- Membership in the Division I MAAC is not a viable or sustainable option for UHart.

**MODEL II: REVIEW OTHER DIVISION I CONFERENCE OPTIONS****METRO ATLANTIC ATHLETIC CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS****RECOMMENDATIONS**

- UHart should explore Division III membership.
- UHart should examine the AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.
- UHart should review prospective Division III conferences' governance and bylaws to determine financial and timing implications before exiting the AEC.
- Explore and secure membership in a Division III conference before departing the AEC.
- Develop a thorough transition plan before departing the AEC and moving to a new conference.



NORTHEAST CONFERENCE HISTORY

When established with eleven members in 1981, the NEC was initially known as the ECAC Metro Conference. The Conference's name changed to the Northeast Conference in 1988. Current membership is comprised of ten full members (all-sports) and seven affiliate members.

CONFERENCE OFFICE: Somerset, NJ

MEMBERSHIP DEMOGRAPHICS

- NEC is comprised of 10 member institutions, all private except for Central Connecticut State University.
- Per the 2018-19 EADA data, Central Connecticut State University's undergraduate enrollment would be the highest (7,571), and St. Francis University the lowest (1,469) within the NEC.
- The average NEC undergraduate enrollment is 3,284. UHart's undergraduate enrollment (4,426) would rank in the upper half of the NEC.

US News & World Report 2021 Best National University Rankings

University of Hartford	217	N
Bryant University	7	R
St. Francis College (Brooklyn)	13	R
Saint Francis University	26	R
Wagner College	26	R
Mount St. Mary's University	38	R
Merrimack College	45	R
Fairleigh Dickinson University	50	R
Central Connecticut State	105	R
Sacred Heart University	217	N
Long Island University	272	N

R - Regional Universities North
N - National Universities

VARIANCE IN ATHLETICS BUDGETS

Fiscal Year 2018-19 NEC athletic budgets range from a low of approximately \$8.3M (St. Francis College), to a high of nearly \$26.3M (Sacred Heart). The NEC median budget is approximately \$16.5M. UHart's FY 2018-19 budget of \$15.4M would rank seventh in the NEC.

Note: See *Table 1 – NORTHEAST CONFERENCE - FY 2019 EXPENSE BUDGETS* on the following page.

SPORTS SPONSORSHIP

The NEC sponsors 24 sports (11 men's and 13 women's) which would accommodate all UHart's sports, except esports.

Note: See *Table 2 – NORTHEAST CONFERENCE - FY 2019 SPORTS SPONSORED* on the following page.

STUDENT-ATHLETE PARTICIPATION

NEC total student-athlete participation ranges from a low of 314 (Fairleigh Dickinson) to a high of 940 (Sacred Heart) with a median of 564. UHart's student-athletes numbered 360 or 8th out of nine NEC members.

Note: See *Table 3 – NORTHEAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s* on the following page.



NORTHEAST CONFERENCE - FY 2019 EXPENSE BUDGETS					TABLE 1
	Low	Median	High	UHart	UH-Rank
MEN'S NEC SPONSORED SPORTS	2,711,227	6,459,234	10,658,505	5,943,035	7th
MEN'S ALL SPORTS	3,009,528	6,815,597	10,658,505	5,943,035	7th
WOMEN'S NEC SPONSORED SPORTS	2,527,292	4,813,650	7,090,405	5,774,628	4th
WOMEN'S ALL SPORTS	2,701,767	5,875,157	9,187,568	5,774,628	6th
M & W NEC SPONSORED SPORTS	5,238,519	11,803,833	16,784,387	11,717,663	6th
M & W ALL SPORTS	5,711,295	13,089,085	19,756,621	11,717,663	7th
ATHLETIC DEPT TOTAL BUDGET	8,289,239	16,524,184	26,326,420	15,413,249	7th

Source of Data - FY 2019 EADA (includes Payroll, Operating and Athletic Financial Aid)

NORTHEAST CONFERENCE - FY 2019 SPORTS SPONSORED					TABLE 2
	Low	Median	High	UHart	
MEN'S NEC SPONSORED SPORTS	5	9	11	8	
MEN'S ALL SPORTS	6	9	14	8	
WOMEN'S NEC SPONSORED SPORTS	8	10	13	9	
WOMEN'S ALL SPORTS	9	11	18	9	
M & W NEC SPONSORED SPORTS	16	20	23	17	
M & W ALL SPORTS	16	22	32	17	

Source of Data - FY 2019 EADA

NORTHEAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s					TABLE 3
	Low	Median	High	UHart	UH-Rank
MEN'S NEC SPONSORED SPORTS	157	272	416	195	7th
MEN'S ALL SPORTS	157	294	446	195	8th
WOMEN'S NEC SPONSORED SPORTS	130	201	363	165	7th
WOMEN'S ALL SPORTS	144	238	494	165	8th
M & W NEC SPONSORED SPORTS	295	500	703	360	7th
M & W ALL SPORTS	314	564	940	360	8th
MEN'S NEC SPONSORED SPORTS	157	272	416	195	7th

Source of Data - FY 2019 EADA

**MODEL II: REVIEW OTHER DIVISION I CONFERENCE OPTIONS****NORTHEAST CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS****ADVANTAGES**

- All are private institutions, except for Central Connecticut State University
- UHart's enrollment is more aligned with NEC member institutions
- UHart may experience more competitive success in the NEC
- NEC would accommodate all UHart sports except esports
- UHart's athletic facilities are more comparable to NEC member institutions
- Residual media coverage from competing against NEC schools in metro NYC
- There is opportunity to strengthen rivalry with Central Connecticut State University

DISADVANTAGES

- Six of the NEC's full-time members play Division I FCS Football; football-playing schools typically have more extensive infrastructure than those without football
- UHart - AEC exit fees
- UHart - NEC entry fees
- UHart's athletic budget would be near the bottom of NEC member institutions
- Less attractive travel distance compared to the MAAC

CONCLUSIONS

- UHart's current Athletics' funding model coupled with the proposed 10% per annum reductions to Athletics' budget from FY's 2022–2025 will compound an already challenging financial situation.
- Membership in the NEC is not a viable or sustainable option for UHart.

**MODEL II: REVIEW OTHER DIVISION I CONFERENCE OPTIONS****NORTHEAST CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS****RECOMMENDATIONS**

- UHart should explore Division III membership.
- UHart should examine the AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.
- UHart should review prospective Division III conferences' governance and bylaws to determine financial and timing implications before exiting the AEC.
- Explore and secure membership in a Division III conference before departing the AEC.
- Develop a thorough transition plan before departing the AEC and moving to a new conference.



ATTACHMENTS

MODEL II: REVIEW OTHER DIVISION I CONFERENCE OPTIONS

The following attachments represent a higher level of detail





ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

METRO ATLANTIC ATHLETIC CONFERENCE



MAAC CONFERENCE - FY 2019 Sports Budget (ALL Expenses)

Men's Sports	Hartford	Canisius College	Fairfield University	Iona College	Manhattan College	Marist College	Monmouth University	Niagara University	Quinnipiac University	Rider University	St. Peter's University	Siena College	Tot
1 Baseball	1,203,085	778,466	880,151	584,814	1,083,535	945,951	1,103,854	585,730	1,151,303	790,755	359,844	618,591	11
2 Basketball	2,303,817	1,639,094	3,280,514	2,881,346	2,455,366	2,358,993	2,795,919	1,683,937	3,203,013	2,508,228	1,641,425	3,219,292	11
3 Cross Country	74,988	25,847	106,429	146,834	178,413	43,442	167,006	56,415	241,709	84,875	28,528	114,060	11
4 Golf	368,730	135,704	177,349	143,995	146,226		263,118	80,481		129,641	143,348	182,088	9
5 Lacrosse	882,912	663,615	1,538,736		950,864	1,057,958	863,456		1,340,371			827,321	7
6 Soccer	875,167	543,568	982,561	422,370	900,853	734,370	1,018,403	530,597	865,344	713,143	342,359	731,124	11
7 Swimming / Diving		189,036	242,958	317,383	296,299	396,086	360,497	182,063		536,371	244,583		9
8 Tennis			180,459			215,058	388,498	103,665	211,979	102,741		185,190	7
9 Track - Indoor	117,168	64,618		313,247	356,826	135,755	389,680			258,315	71,321	60,382	8
10 Track - Outdoor	117,168	64,618		313,247	356,826	135,755	389,680			258,315	71,321	60,383	8
MEN'S MAAC TOTALS	5,943,035	4,104,567	7,389,157	5,123,236	6,725,207	6,023,367	7,740,110	3,222,888	7,013,719	5,382,385	2,902,729	5,998,431	
Ranking	7th	9	2	8	4	5	1	10	3	7	11	6	
MEN'S Non Conference Sports Offered													
Ice Hockey		1,240,291						1,587,103	3,114,995				3
Football						1,514,261	5,215,219						2
Rowing			124,631			223,695							2
Water Polo				108,710									1
Wrestling										962,368			1
SUB-TOTALS	-	1,240,291	124,631	108,710	-	1,737,956	5,215,219	1,587,103	3,114,995	962,368	-	-	
MEN'S ALL SPORTS TOTALS	5,943,035	5,344,858	7,513,788	5,231,946	6,725,207	7,761,323	12,955,329	4,809,991	10,128,714	6,344,753	2,902,729	5,998,431	
Ranking	8th	8	4	9	5	3	1	10	2	6	11	7	



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

METRO ATLANTIC ATHLETIC CONFERENCE



MAAC CONFERENCE - FY 2019 Sports Budget (ALL Expenses)

Women's Sports	Hartford	Canisius College	Fairfield University	Iona College	Manhattan College	Marist College	Monmouth University	Niagara University	Quinnipiac University	Rider University	St. Peter's University	Siena College	Tot
1 Basketball	2,045,795	1,392,360	1,956,064	1,773,279	1,706,291	1,917,983	1,853,587	1,478,052	2,735,931	1,620,103	1,285,517	1,791,641	11
2 Cross Country	60,927	52,892	80,276	166,831	195,531	84,963	155,075	64,585	170,518	127,145	49,426	113,660	11
3 Golf	295,365		109,903				216,526	107,173	396,782			167,675	5
4 Lacrosse	716,041	499,856	826,145	437,025	819,187	715,365	915,532	702,822	1,037,688			673,452	9
5 Rowing		291,142	195,518	86,061	274,388	456,506							5
6 Soccer	1,011,000	541,880	1,144,763	533,308	752,897	605,704	1,105,743	556,262	1,425,968	585,444	333,592	841,424	11
7 Softball	712,316	594,286	699,247	513,943	766,044	616,894	922,232	492,936	900,667	513,668	282,557	633,941	11
8 Swimming / Diving		213,245	390,225	309,763	240,906	410,322	305,782	206,283		582,424	125,232	260,412	10
9 Tennis			194,595			200,779	306,898	160,724	472,001	86,879		190,932	7
10 Track - Indoor	107,795	76,399		243,830	361,733	180,546	443,071	134,138	479,583	279,718	78,258	55,406	10
11 Track - Outdoor	107,795	76,399		243,830	361,733	180,546	443,071	134,138	479,583	279,718	78,258	55,405	10
12 Volleyball	717,594	503,200	858,403	467,300	653,347	508,527		387,264	964,137	393,909	292,446	873,448	10
13 Water Polo				189,318		540,214						209,860	3
WOMEN'S MAAC TOTALS	5,774,628	4,241,659	6,455,139	4,964,487	6,132,057	6,418,349	6,667,517	4,424,378	9,062,859	4,469,008	2,525,286	5,867,256	
Ranking	7th	10	3	7	5	4	2	9	1	8	11	6	
WOMEN'S Non Conference Sports Offered													
Field Hockey			560,811				888,478		1,323,552	487,288			4
Ice Hockey									2,218,088				1
Bowling							425,611						1
OTHER									1,534,505				1
SUB-TOTALS	-	-	560,811	-	-	-	1,314,089	-	5,076,145	487,288	-	-	
WOMEN'S ALL SPORTS TOTALS	5,774,628	4,241,659	7,015,950	4,964,487	6,132,057	6,418,349	7,981,606	4,424,378	14,139,004	4,956,296	2,525,286	5,867,256	
Ranking	7th	10	3	7	5	4	2	9	1	8	11	6	



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

METRO ATLANTIC ATHLETIC CONFERENCE



MAAC CONFERENCE - FY 2019 Sports Budget (ALL Expenses)												
	Hartford	Canisius College	Fairfield University	Iona College	Manhattan College	Marist College	Monmouth University	Niagara University	Quinnipiac University	Rider University	St. Peter's University	Siena College
M & W MAAC TOTALS	11,717,663	8,346,226	13,844,296	10,087,723	12,857,264	12,441,716	14,407,627	7,647,266	16,076,578	9,851,393	5,428,015	11,865,687
Ranking	7th	9	3	7	4	5	2	10	1	8	11	6
M & W ALL SPORTS TOTALS	11,717,663	9,586,517	14,529,738	10,196,433	12,857,264	14,179,672	20,936,935	9,234,369	24,267,718	11,301,049	5,428,015	11,865,687
Ranking	7th	9	3	8	5	4	2	10	1	7	11	6
Expenses Not Allocated by Sport	3,695,586	2,576,038	7,432,596	3,305,154	6,477,228	3,594,986	5,198,019	1,189,232	4,412,716	3,407,113	2,160,456	6,927,889
TOTAL ATHLETIC DEPT BUDGET	15,413,249	12,162,555	21,962,334	13,501,587	19,334,492	17,774,658	26,134,954	10,423,601	28,680,434	14,708,162	7,588,471	18,793,576
Ranking	7th	9	3	8	4	6	2	10	1	7	11	5



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

METRO ATLANTIC ATHLETIC CONFERENCE



MAAC CONFERENCE - FY 2019 Sport Sponsored													
	MAAC	Hartford	Canisius College	Fairfield University	Iona College	Manhattan College	Marist College	Monmouth University	Niagara University	Quinnipiac University	Rider University	St. Peter's University	Siena College
MEN'S MAAC SPONSORED SPORTS	10	8	9	8	8	9	9	10	7	6	9	8	9
MEN'S ALL SPORTS TOTALS		8	10	9	9	9	11	11	8	7	10	8	9
WOMEN'S MAAC SPONSORED SPORTS	13	9	10	12	11	10	12	10	11	10	10	8	10
WOMEN'S ALL SPORTS		9	10	13	11	10	12	12	11	13	11	8	10
M & W MAAC SPONSORED SPORTS	23	17	19	20	19	19	21	20	18	16	19	16	19
M & W ALL SPORTS		17	20	22	20	19	23	23	19	20	21	16	19

Source of Data - FY 2019 EADA



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

METRO ATLANTIC ATHLETIC CONFERENCE



MAAC CONFERENCE - FY 2019 Student-Athlete Participation												
	Hartford	Canisius College	Fairfield University	Iona College	Manhattan College	Marist College	Monmouth University	Niagara University	Quinnipiac University	Rider University	St. Peter's University	Siena College
MEN'S MAAC SPONSORED SPORTS	195	233	187	181	279	270	300	120	140	277	161	195
Ranking	6th	5	7	8	2	4	1	11	10	3	9	6
MEN'S ALL SPORTS TOTALS	195	263	219	197	279	431	402	151	168	310	161	195
Ranking	8th	5	6	7	4	1	2	11	9	3	10	8
WOMEN'S MAAC SPONSORED SPORTS	165	222	235	232	254	292	266	215	239	237	137	201
Ranking	11th	8	6	7	3	1	2	9	4	5	11	10
WOMEN'S ALL SPORTS TOTALS	165	222	258	232	254	292	299	215	340	257	137	201
Ranking	11th	8	4	7	6	3	2	9	1	5	11	10
M & W MAAC SPONSORED SPORTS	360	455	422	413	533	562	566	335	379	514	298	396
Ranking	10th	5	6	7	3	2	1	10	9	4	11	8
M & W ALL SPORTS	360	485	477	429	533	723	701	366	508	567	298	396
Ranking	10th	6	7	8	4	1	2	10	5	3	11	9

Source of Data - FY 2019 EADA



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

NORTHEAST CONFERENCE



Northeast Conference (NEC) - FY 2019 Sports Budget (ALL Expenses)

Men's Sports		Hartford	Bryant University	Central Connecticut State University	Fairleigh Dickinson University	Mount St. Mary's University	Robert Morris University	Sacred Heart University	Saint Francis University	St Francis College	Wagner College	Tot
1	Baseball	1,203,085	1,226,176	820,658	760,440	528,549		723,859			843,871	6
2	Basketball	2,303,817	1,883,381	1,402,297	1,846,780	1,815,414	2,661,978	1,496,346	2,040,877	1,358,525	1,487,551	10
3	Cross Country	74,988	48,475	64,051	248,750	106,487		86,767	70,132	82,003	93,313	9
4	Football		4,171,935	3,106,994			3,184,965	3,267,299	3,057,635		3,636,726	7
5	Golf	368,730	209,459		381,059	152,775	264,964	175,854	196,062	105,389	92,902	8
6	Lacrosse	882,912	1,521,566			917,625	764,123	1,004,531			607,654	5
7	Soccer	875,167	599,605	652,629	970,827	519,609	630,344	719,976	592,147	517,930		9
8	Swimming / Diving		424,980			321,514				217,456		3
9	Tennis		354,790		315,951	147,040		148,976		86,537	94,002	7
10	Track - Indoor	117,168	109,069	145,182	357,578	307,359		190,405	87,230	171,694	179,960	9
11	Track - Outdoor	117,168	109,069	145,182	357,578	307,359		190,405	415,151	171,694	179,960	9
MEN'S NEC TOTALS		5,943,035	10,658,505	6,336,993	5,238,964	5,123,731	7,506,374	8,004,419	6,459,234	2,711,227	7,215,939	
Ranking		7	1	6	7	8	3	2	5	9	4	

MEN'S Non Conference Sports Offered

Fencing								117,647				4
Ice Hockey							1,372,190	1,985,848				4
Volleyball								168,335	356,363			2
Water Polo										298,301	344,166	1
Wrestling								292,804				1
SUB-TOTALS		-	-	-	-	-	1,372,190	2,564,634	356,363	298,301	344,166	
MEN'S ALL SPORTS TOTALS		5,943,035	10,658,505	6,336,993	5,238,964	5,123,731	8,878,564	10,569,053	6,815,597	3,009,528	7,560,105	
Ranking		7	1	6	7	8	3	2	5	9	4	



ATTACHMENT 2

OPTION II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

NORTHEAST CONFERENCE



Northeast Conference (NEC) - FY 2019 Sports Budget (ALL Expenses)

Women's Sports	Hartford	Bryant University	Central Connecticut State University	Fairleigh Dickinson University	Mount St. Mary's University	Robert Morris University	Sacred Heart University	Saint Francis University	St Francis College	Wagner College	Tot
1 Basketball	2,045,795	1,523,225	1,191,504	1,405,249	1,161,269	1,555,049	1,393,337	1,552,791	1,166,858	1,358,388	10
2 Bowling				373,356	152,031		376,027	230,194	186,155		6
3 Cross Country	60,927	69,488	69,359	189,486	154,373	110,163	102,333	40,945	57,589	93,656	10
4 Field Hockey		726,814					623,705	688,708			3
5 Golf	295,365			327,617	130,021		256,659	300,251	70,771	114,403	6
6 Lacrosse	716,041	879,906	429,789		708,453	656,772	618,958	592,046		679,788	8
7 Soccer	1,011,000	745,214	875,250	1,036,396	458,757	612,853	733,897	833,221		655,721	9
8 Softball	712,316	612,119	610,159	643,539	438,601	710,632	826,259	729,517		598,371	8
9 Swimming / Diving		455,164	526,369		334,222		453,942	557,495	285,869	586,446	8
10 Tennis		205,241		451,024	147,671		276,103	252,398	138,190	119,295	8
11 Track - Indoor	107,795	115,814	158,534	315,810	351,199	247,867	313,975	82,089	105,580	190,913	10
12 Track - Outdoor	107,795	115,814	158,534	315,810	351,199	247,867	313,975	474,286	105,580	190,913	10
13 Volleyball	717,594	677,083	794,153	619,341		588,019	801,236	539,657	410,701		8
WOMEN'S NEC SUB-TOTALS	5,774,628	6,125,882	4,813,650	5,677,628	4,387,797	4,729,221	7,090,405	6,873,598	2,527,292	4,587,894	
Ranking	4	3	5	4	8	6	1	2	9	7	

WOMEN'S Non Conference Sports Offered

Equestrian							501,204				1
Fencing				197,529			182,803			202,668	3
Ice Hockey						1,409,100	593,821				2
Rowing						647,692	360,512				3
Water Polo								285,297	174,475	584,839	3
Other Women's Sports					232,182		458,823			153,579	3
SUB-TOTALS	-	-	-	197,529	232,182	2,056,792	2,097,163	285,297	174,475	941,086	
WOMEN'S ALL SPORTS TOTALS	5,774,628	6,125,882	4,813,650	5,875,157	4,619,979	6,786,013	9,187,568	7,158,895	2,701,767	5,528,980	
Ranking	6	4	7	5	8	3	1	2	9	6	



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

NORTHEAST CONFERENCE



Northeast Conference (NEC) - FY 2019 Sports Budget (ALL Expenses)										
	Hartford	Bryant University	Central Connecticut State University	Fairleigh Dickinson University	Mount St. Mary's University	Robert Morris University	Sacred Heart University	Saint Francis University	St Francis College	Wagner College
M & W NEC TOTALS	11,717,663	16,784,387	11,150,643	10,916,592	9,511,528	12,235,595	15,094,824	13,332,832	5,238,519	11,803,833
Ranking	6	1	6	7	8	4	2	3	9	5

M & W ALL SPORTS TOTALS	11,717,663	16,784,387	11,150,643	11,114,121	9,743,710	15,664,577	19,756,621	13,974,492	5,711,295	13,089,085
Ranking	7	2	6	7	8	3	1	4	9	5

Expenses Not Allocated by Sport	3,695,586	3,248,385	5,831,925	2,754,802	1,953,811	2,913,599	6,569,799	2,549,692	2,577,944	2,842,097
TOTAL ATHLETIC DEPT BUDGET	15,413,249	20,032,772	16,982,568	13,868,923	11,697,521	18,578,176	26,326,420	16,524,184	8,289,239	15,931,182
Ranking	7	2	4	7	8	3	1	5	9	6



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

NORTHEAST CONFERENCE



Northeast Conference (NEC) - FY 2019 Sports Sponsored

	NEC	Hartford	Bryant University	Central Connecticut State University	Fairleigh Dickinson University	Mount St. Mary's University	Robert Morris University	Sacred Heart University	Saint Francis University	St Francis College	Wagner College
MEN'S NEC SPONSORED SPORTS	11	8	11	7	8	10	5	10	7	8	9
MEN'S ALL SPORTS		8	11	7	8	10	6	14	8	9	10
WOMEN'S NEC SPONSORED SPORTS	13	9	11	9	10	11	8	13	13	9	10
WOMEN'S ALL SPORTS		9	11	9	11	12	10	18	14	10	13
M & W NEC SPONSORED SPORTS	24	17	22	16	18	21	13	23	20	17	19
M & W ALL SPORTS		17	22	16	19	22	16	32	22	19	23

Source of Data - EADA



ATTACHMENT 2

MODEL II – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

NORTHEAST CONFERENCE



Northeast Conference (NEC) - FY 2019 Student-Athlete Participation #'s

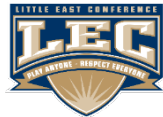
	Hartford	Bryant University	Central Connecticut State University	Fairleigh Dickinson University	Mount St. Mary's University	Robert Morris University	Sacred Heart University	Saint Francis University	St Francis College	Wagner College
MEN'S NEC SPONSORED SPORTS	195	416	257	157	325	193	340	272	165	299
Ranking	7th	1	6	9	3	7	2	5	8	4
MEN'S ALL SPORTS	195	416	257	157	325	219	446	294	186	322
Ranking	8th	2	6	9	3	7	1	5	8	4
WOMEN'S NEC SPONSORED SPORTS	165	238	192	148	246	159	363	277	130	201
Ranking	7th	4	6	8	3	7	1	2	9	5
WOMEN'S ALL SPORTS TOTALS	165	238	192	157	281	225	494	293	144	242
Ranking	8th	5	7	8	3	6	1	2	9	4
M & W NEC SPONSORED SPORTS	360	654	449	305	571	352	703	549	295	500
Ranking	7th	2	6	8	3	7	1	4	9	5
M & W ALL SPORTS	360	654	449	314	606	444	940	587	330	564
Ranking	8th	2	6	9	3	7	1	4	8	5

Source of Data - FY 2019 EADA



MODEL III

EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS





COMMONWEALTH COAST CONFERENCE HISTORY

The first meetings to discuss the formation of the CCC took place in 1984 at Hellenic College. In May of that year, the Conference was formed with six schools as the league's charter members. Competition began in 1984-85 as a men's basketball league with seven teams competing, as the United States Coast Guard Academy was also granted membership.

CONFERENCE OFFICE: Biddeford, ME

MEMBERSHIP DEMOGRAPHICS

- The CCC is comprised of ten private institutions with Suffolk University having the largest undergraduate enrollment (4,836) and Nichols College the lowest (1,222).
- The average CCC undergraduate enrollment is 2,718. UHart's undergraduate enrollment (4,426) would rank 2nd among CCC institutions.

VARIANCE IN ATHLETICS BUDGETS

FY 2018-19 LEC athletic department budgets range from a low of approximately \$1.9M (Salve Regina) to a high of approximately \$4.3M (Western New England); the FY 2018-19 median is approximately \$2.8M.

Note: See *Table 1 – COMMONWEALTH COAST CONFERENCE - FY 2019 EXPENSE BUDGETS*

SPORT SPONSORSHIP

The CCC sponsors 20 sports (9 men's and 11 women's). The CCC would accommodate all UHart sports, except women's golf, men's track and field, and esports.

Note: See *Table 2 – COMMONWEALTH COAST CONFERENCE - FY 2019 SPORTS SPONSORED*

STUDENT-ATHLETE PARTICIPATION

CCC total student-athlete participation ranges from a low of 308 (Gordon) to a high of 581 (Endicott), with a median of 499. UHart's student-athletes numbered 360, or 8th out of nine members.

Note: See *Table 3 – COMMONWEALTH COAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s*

US News & World Report 2021 Best National University Rankings

Curry College	137-176	R
Endicott College	23	R
Gordon College	155	NLA
Nichols College	NR	B
Roger Williams University	31	R
Salve Regina University	31	R
Suffolk University (2021)	31	R
University of New England	249	N
Wentworth Institute of Technology	38	R
Western New England University	227	N

R - Regional Universities North
N - National Universities
NLA – National Liberal Arts College
B – Business Schools



COMMONWEALTH COAST CONFERENCE - FY 2019 EXPENSE BUDGETS (UHart Total does not include Athletic Aid)				TABLE 1
	Low	Median	High	UHart
MEN'S CCC SPONSORED SPORTS	579,134	1,099,756	1,610,945	3,066,623
MEN'S ALL SPORTS	679,890	1,247,006	1,812,408	3,160,959
WOMEN'S CCC SPONSORED SPORTS	339,433	833,963	1,093,614	2,104,984
WOMEN'S ALL SPORTS	339,433	942,964	1,250,825	2,211,655
M & W CCC SPONSORED SPORTS	1,229,084	1,611,593	2,562,021	5,171,607
M & W ALL SPORTS	1,229,084	1,992,400	2,814,418	5,372,615
ATHLETIC DEPT TOTAL BUDGET	1,983,056	2,807,421	4,297,919	9,068,201

Source of Data - FY 2019 EADA (includes Payroll and Operating)

COMMONWEALTH COAST CONFERENCE - FY 2019 SPORTS SPONSORED				TABLE 2
	Low	Median	High	UHart
MEN'S CCC SPONSORED SPORTS	6	8	9	6
MEN'S ALL SPORTS	7	10	12	9
WOMEN'S CCC SPONSORED SPORTS	6	9	10	8
WOMEN'S ALL SPORTS	6	10	13	9
M & W CCC SPONSORED SPORTS	14	15	19	14
M & W ALL SPORTS	14	19	25	18

Source of Data - FY 2019 EADA

COMMONWEALTH COAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s					TABLE 3
	Low	Median	High	UHart	UH-Rank
MEN'S CCC SPONSORED SPORTS	118	227	327	145	10th
MEN'S ALL SPORTS	137	278	366	195	9th
WOMEN'S CCC SPONSORED SPORTS	98	178	249	158	7th
WOMEN'S ALL SPORTS	98	178	263	165	9th
M & W CCC SPONSORED SPORTS	269	412	549	303	9th
M & W ALL SPORTS	308	499	581	360	9th
MEN'S CCC SPONSORED SPORTS	118	227	327	145	10th

Source of Data - FY 2019 EADA



MODEL III: EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS COMMONWEALTH COAST CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS

ADVANTAGES

- All private institutions
- Accommodates all UHart sports, except women's golf, men's track and field, and esports
- Average undergraduate enrollment (2,718) comparable to UHart's (4,426)
- Median athletic department budget (\$2.8M)
- Shorter travel distance to CCC members (average 104 miles)
- CCC median number of student-athlete participants (499)

DISADVANTAGES

- UHart - AEC exit fees
- UHart – CCC entry fees
- Potential loss of current coaches and student-athletes
- Potential public relations issues with moving to Division III

CONCLUSIONS

The CCC is a very viable Division III option based on similar undergraduate enrollment numbers, median budget (\$2.8M), reasonable travel distance, median student-athlete participation (499), and accommodation of all UHart sports, except women's golf, men's track and field, and esports.

RECOMMENDATIONS

- UHart should consider membership in the CCC if a decision is made to move to Division III.
- UHart should examine the CCC governance and AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.
- Explore and secure membership in the CCC before departing the AEC.
- Develop a thorough transition plan before departing the AEC for the CCC; follow NCAA Division III transition guidelines.



LITTLE EAST CONFERENCE HISTORY

The LEC was established in 1986 as a single sport league by six public institutions located throughout New England. The LEC-member men's and women's basketball teams commenced play in 1986-87. Since then, the LEC has become a multi-sport league with nine primary members and eight affiliate members sponsoring 19 championships. The primary members are in the six New England states.

CONFERENCE OFFICE: Pawtucket, RI

MEMBERSHIP DEMOGRAPHICS

- The LEC is comprised of nine public institutions.
- UMass-Boston has the largest undergraduate enrollment (9,897) and Keene State the lowest (3,362).
- The average LEC undergraduate enrollment is 5,067. UHart's undergraduate enrollment (4,426) would rank in the upper half of the LEC.

US News & World Report

2021 Best National University Rankings

University of Hartford	217	N
Castleton University	23	RC
Eastern Connecticut State	90	R
Keene State College	9	RC
Plymouth State University	121	R
Rhode Island College	113	R
UMass, Boston	227	R
UMass, Dartmouth	217	N
University of Southern Maine	136-176	R
Western State University	130	R

R - Regional Universities North
N - National Universities
RC - Regional Colleges North

VARIANCE IN ATHLETICS BUDGETS

FY 2018-19 LEC athletic department budgets range from a low of approximately \$2.7M (Rhode Island College) to a high of approximately \$4.4M (Western Connecticut State); the FY 2018-19 median is approximately \$3.3M.

Note: See *Table 1 – LITTLE EAST CONFERENCE - FY 2019 EXPENSE BUDGETS*

SPORT SPONSORSHIP

LEC sponsors 21 sports (10 men's and 11 women's) and would accommodate all UHart sports, except women's golf and esports.

Note: See *Table 2 – LITTLE EAST CONFERENCE - FY 2019 SPORTS SPONSORED*

STUDENT-ATHLETE PARTICIPATION

LEC total student-athlete participation ranges from a low of 309 (Rhode Island College) to a high of 627 (Castleton), with a median of 443. UHart's student-athletes numbered 360 or 9th out of what would be a ten-member conference.

Note: See *Table 3 – LITTLE EAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s*



LITTLE EAST CONFERENCE - FY 2019 EXPENSE BUDGETS (UHart Total does not include Athletic Aid)				TABLE 1
	Low	Median	High	UHart
MEN'S LEC SPONSORED SPORTS	551,939	813,129	1,142,509	3,160,959
MEN'S ALL SPORTS	860,896	1,049,097	1,633,580	3,160,959
WOMEN'S LEC SPONSORED SPORTS	677,920	877,419	1,501,391	2,104,984
WOMEN'S ALL SPORTS	745,504	1,005,602	1,501,391	2,211,655
M & W LEC SPONSORED SPORTS	1,304,785	1,729,794	2,643,900	5,265,943
M & W ALL SPORTS	1,789,583	2,096,939	3,045,505	5,372,615
TOTAL ATHLETIC DEPT BUDGET	2,718,004	3,272,032	4,419,771	9,068,201

Source of Data - FY 2019 EADA (includes Payroll and Operating)

LITTLE EAST CONFERENCE - FY 2019 SPORTS SPONSORED				TABLE 2
	Low	Median	High	UHart
MEN'S LEC SPONSORED SPORTS	7	8	10	8
MEN'S ALL SPORTS	7	9	14	8
WOMEN'S LEC SPONSORED SPORTS	8	10	11	8
WOMEN'S ALL SPORTS	9	11	13	9
M & W LEC SPONSORED SPORTS	16	18	21	16
M & W ALL SPORTS	17	21	27	17

Source of Data - FY 2019 EADA

LITTLE EAST CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s					TABLE 3
	Low	Median	High	UHart	UH-Rank
MEN'S LEC SPONSORED SPORTS	126	206	221	195	7th
MEN'S ALL SPORTS	142	274	417	195	8th
WOMEN'S LEC SPONSORED SPORTS	147	190	265	158	8th
WOMEN'S ALL SPORTS	149	200	288	165	9th
M & W LEC SPONSORED SPORTS	273	374	486	353	8th
M & W ALL SPORTS	309	443	627	360	9th
MEN'S LEC SPONSORED SPORTS	126	206	221	195	7th

Source of Data - FY 2019 EADA


MODEL III: EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS
LITTLE EAST CONFERENCE ADVANTAGES, DISADVANTAGES, CONCLUSIONS AND RECOMMENDATIONS
ADVANTAGES

- Accommodate all UHart sports, except women's golf and esports
- Average undergraduate enrollment (5,067) comparable to UHart's (4,426)
- Median athletic department budget (\$3.3M)
- Travel distances are more attractive to LEC members (average 113 mile)
- LEC median number of student-athlete participants (443)

DISADVANTAGES

- UHart - AEC exit fees
- UHart - LEC entry fees
- All public institutions
- Four LEC members sponsor men's ice hockey
- Potential public relations issues with moving to Division III
- Potential loss of current coaches and student-athletes

CONCLUSIONS

The LEC is a viable Division III option if UHart wishes to join a conference of all public institutions. This assessment is based on similar undergraduate enrollment numbers, median budget (\$3.3M), reasonable travel distance, median student-athlete participation (443), and accommodation of UHart sports, except women's golf and esports.

RECOMMENDATIONS

- UHart should consider membership in the LEC if a decision is made to move to Division III.
- UHart should determine the appropriateness of joining a conference comprised of all public institutions.
- UHart should examine the LEC governance and AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.
- Explore and secure membership in the LEC before departing the AEC.
- Develop a thorough transition plan before departing the AEC for the LEC; follow NCAA Division III transition guidelines.



NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE HISTORY

The NEWMAC was established in 1998, when the former New England Women's 8 Conference (NEW 8) voted to begin sponsoring conference play and championships for men. The Conference then expanded its membership to include Springfield College and the United States Coast Guard Academy. Emerson College became the 11th full-time member of the Conference in 2013.

CONFERENCE OFFICE: Wellesley, MA

MEMBERSHIP DEMOGRAPHICS

- The NEWMAC is comprised of 10 private institutions and the Coast Guard Academy, with MIT having the largest undergraduate enrollment (4,506) and the Coast Guard Academy the lowest (1,069).
- The average NEWMAC undergraduate enrollment is 3,414. UHart's undergraduate enrollment (4,426) would rank 3rd among the NEWMAC institutions.

US News & World Report

2021 Best National University Rankings

Babson College	NR	B
Clark College	103	N
Coast Guard Academy	1	R
Emerson College	9	R
MIT	9	N
Mount Holyoke	34	N
Smith College	15	NLA
Springfield College	26	R
Wellesley College	4	NLA
Wheaton College	84	NLA
Worcester Poly Institute	66	N

R - Regional Universities North

N - National Universities

NLA - National Liberal Arts College

B - Business Schools

VARIANCE IN ATHLETICS BUDGETS

FY 2018-19 NEWMAC athletic department budgets range from a low of approximately \$2.2M (Clark) to a high of approximately \$6.9M (MIT); the FY 2018-19 median is approximately \$4.5M.

Note: See *Table 1 – NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE - FY 2019 EXPENSE BUDGETS*

SPORT SPONSORSHIP

The NEWMAC sponsors 22 sports (10 men's and 12 women's). The NEWMAC would accommodate all UHart sports, except men's and women's golf and esports

Note: See *Table 2 – NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE - FY 2019 SPORTS SPONSORED*

STUDENT-ATHLETE PARTICIPATION

NEWMAC total student-athlete participation ranges from a low of 224 (Emerson) to a high of 794 (MIT), with a median of 451. UHart's student-athletes numbered 6th out of nine members. Note: The NEWMAC information presented does not include four members and accompanying data from the FY 2018-19 EADA: US. Coast Guard Academy, Mount Holyoke, Smith College, and Wellesley College.

Note: See *Table 3 – NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s*



NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE - FY 2019 EXPENSE BUDGETS (UHart Total does not include Athletic Aid)				TABLE 1
	Low	Median	High	UHart
MEN'S NEWMAC SPONSORED SPORTS	734,963	1,074,148	2,156,687	3,160,959
MEN'S ALL SPORTS	734,963	1,701,133	2,784,911	3,160,959
WOMEN'S NEWMAC SPONSORED SPORTS	760,406	1,491,375	1,777,737	2,104,984
WOMEN'S ALL SPORTS	760,406	1,491,375	2,037,357	2,211,655
M & W NEWMAC SPONSORED SPORTS	1,495,369	2,825,919	3,749,184	5,265,943
M & W ALL SPORTS	1,495,369	3,250,387	4,540,882	5,372,615
TOTAL ATHLETIC DEPT BUDGET	2,206,657	4,546,335	6,859,610	9,068,201

Source of Data - FY 2019 EADA (includes Payroll and Operating)

NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE - FY 2019 SPORTS SPONSORED				TABLE 2
	Low	Median	High	UHart
MEN'S NEWMAC SPONSORED SPORTS	6	9	10	7
MEN'S ALL SPORTS	7	10	15	8
WOMEN'S NEWMAC SPONSORED SPORTS	7	11	12	8
WOMEN'S ALL SPORTS	7	12	15	9
M & W NEWMAC SPONSORED SPORTS	13	20	22	15
M & W ALL SPORTS	14	21	30	17

Source of Data - FY 2019 EADA

NEW ENGLAND WOMEN'S AND MEN'S CONFERENCE - FY 2019 STUDENT-ATHLETE PARTICIPATION #'s					TABLE 3
	Low	Median	High	UHart	UH-Rank
MEN'S NEWMAC SPONSORED SPORTS	116	211	372	187	5th
MEN'S ALL SPORTS	126	231	460	195	6th
WOMEN'S NEWMAC SPONSORED SPORTS	98	232	313	158	7th
WOMEN'S ALL SPORTS	98	240	358	165	7th
M & W NEWMAC SPONSORED SPORTS	214	443	637	345	6th
M & W ALL SPORTS	224	451	794	360	6th
MEN'S NEWMAC SPONSORED SPORTS	116	211	372	187	5th

Source of Data - FY 2019 EADA



**MODEL III: EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS
NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE ADVANTAGES, DISADVANTAGES,
CONCLUSIONS AND RECOMMENDATIONS**

ADVANTAGES

- Accommodates all UHart sports, except men's and women's golf, and esports
- Average undergraduate enrollment (3,414) comparable to UHart's (4,426)
- Median athletic department budget (\$4.5M)
- Reasonable travel distance to NEWMAC members (average 67 miles)
- NEWMAC median number of student-athlete participants (451)
- All private schools and the United States Coast Guard Academy

DISADVANTAGES

- UHart - AEC exit fees
- UHart - NEWMAC entry fees
- Potential loss of current coaches and student-athletes
- Potential public relations issues with moving to Division III

CONCLUSIONS

The NEWMAC is a very viable Division III option based on similar undergraduate enrollment numbers, median budget (\$4.5M), reasonable travel distance, median student-athlete participation (451), and accommodation of all UHart sports, except men's and women's golf, and esports.

RECOMMENDATIONS

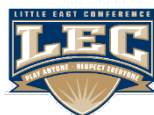
- UHart should consider membership in the NEWMAC if a decision is made to move to Division III.
- UHart should examine the NEWMAC and AEC manuals and bylaws to determine financial and timing implications for exiting the AEC.
- Explore and secure membership in the NEWMAC before departing the AEC.
- Develop a thorough transition plan before departing the AEC for the NEWMAC; follow NCAA Division III transition guidelines.



ATTACHMENTS

MODEL III: EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

The following attachments represent a higher level of detail





ATTACHMENT 1

MODEL III – REVIEW OTHER DIVISION I CONFERENCE OPTIONS

COMMONWEALTH COAST CONFERENCE



Commonwealth Coast Conference (CCC) - FY 2019 Sports Budget (ALL Expenses)												
Men's Sports		Hartford (Less Aid)	Curry College	Endicott College	Gordon College	Nichols College	Roger Williams University	Salve Regina University	University of New England	Wentworth Institute of Technology	Western New England University	Tot
1	Baseball	567,815	72,995	180,971	122,643	222,686	165,638	116,348		162,744	219,582	8
2	Basketball	1,594,089	68,656	140,230	155,017	160,701	155,074	90,488	173,022	117,091	171,078	9
3	Cross Country	38,759		34,781	24,999	31,073	26,904	14,120	22,316	31,094	20,265	8
4	Football		374,990	289,577		396,123		287,077	609,275		501,578	6
5	Golf	208,071		38,163		30,387	22,191		72,084	65,834	46,027	5
6	Ice Hockey		198,698	186,011		290,679		175,617	268,591	325,670	207,817	7
7	Lacrosse	387,004	90,906	142,622	122,081	82,384	89,355	110,413	150,548	196,237	255,456	9
8	Soccer	270,886	59,906	102,989	135,247	140,056	77,003	76,931	97,101	152,277	141,958	9
9	Tennis		23,500	40,209	69,445	60,994	42,969	18,037		48,809	47,184	8
	MEN'S CCC TOTALS	3,066,623	889,651	1,155,553	629,432	1,415,083	579,134	889,031	1,392,937	1,099,756	1,610,945	
	Ranking	1st	6	4	8	2	9	7	3	5	1	
MEN'S Non CCC Sports Offered												
	Equestrian Coed							14,791				1
	Indoor Track	47,168								29,511		1
	OutdoorTrack	47,168			26,221	23,092	39,925					3
	Rowing									135,103		1
	Sailling Coed						56,422	45,233				2
	Swimming / Diving				24,237		110,177					2
	Volleyball			91,453		34,567				77,797		3
	Wrestling						225,612				201,463	2
	OTHER						20,525					1
	SUB-TOTALS	94,336	-	91,453	50,458	57,659	452,661	60,023	-	242,411	201,463	
	MEN' S ALLS SPORT TOTALS	3,160,959	889,651	1,247,006	679,890	1,472,742	1,031,795	949,054	1,392,937	1,342,167	1,812,408	
	Ranking	1st	8	5	9	2	6	7	3	4	1	



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

COMMONWEALTH COAST CONFERENCE



Commonwealth Coast Conference (CCC) - FY 2019 Sports Budget (ALL Expenses)												
	Women's Sports	Hartford (Less Aid)	Curry College	Endicott College	Gordon College	Nichols College	Roger Williams University	Salve Regina University	University of New England	Wentworth Institute of Technology	Western New England University	Tot
1	Basketball	1,097,953	68,171	85,366	142,214	154,823	116,156	101,350	156,853	94,441	152,186	9
2	Cross Country	24,699	15,418	23,165	24,999	21,010	26,156	11,738	27,454		20,026	8
3	Field Hockey			85,211	123,427	64,235	53,850	77,336	150,135		118,293	7
4	Ice Hockey			142,850		215,227		139,356	180,653			4
5	Lacrosse	249,627	44,642	134,781	111,653	127,508	89,319	62,905	151,935	87,450	176,764	9
6	Soccer	249,917	65,513	152,743	122,259	96,748	91,034	64,851	218,498	142,541	151,602	9
7	Softball	213,087	67,761	94,966	86,062	157,709	132,346	81,531	85,583	69,728	137,297	9
8	Tennis		21,567	44,807	66,715	25,210	38,146	18,774		38,322	61,663	8
9	Track - Indoor	37,795										0
10	Track - Outdoor	37,795		37,887	31,525	11,776	39,769	61,561				5
11	Volleyball	194,111	56,361	100,411	125,109	68,718	90,149	44,509	122,503	79,355	133,245	9
	WOMEN'S CCC TOTALS	2,104,984	339,433	902,187	833,963	942,964	676,925	663,911	1,093,614	511,837	951,076	
	Ranking	1st	9	4	5	3	6	7	1	8	2	
WOMEN'S Non CCC Sports Offered												
	Swimming / Diving				26,826		106,837		51,562		50,934	4
	Equestrian			49,314			104,545					2
	Equestrian Coed							14,791				1
	Golf	106,672										0
	Sailing Coed						56,422	45,233				2
	OTHER						15,877		105,649			2
	SUB-TOTALS	106,672	-	49,314	26,826	-	283,681	60,023	157,211	-	50,934	
	WOMEN'S ALL SPORTS TOTALS	2,211,655	339,433	951,501	860,789	942,964	960,606	723,934	1,250,825	511,837	1,002,010	
	Ranking	1st	9	4	6	5	3	7	1	8	2	



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

COMMONWEALTH COAST CONFERENCE



Commonwealth Coast Conference (CCC) - FY 2019 Sports Budget (ALL Expenses)										
	Hartford (Less Aid)	Curry College	Endicott College	Gordon College	Nichols College	Roger Williams University	Salve Regina University	University of New England	Wentworth Institute of Technology	Western New England University
M & W CCC TOTALS	5,171,607	1,229,084	2,057,740	1,463,395	2,358,047	1,256,059	1,552,942	2,486,551	1,611,593	2,562,021
Ranking	1st	9	4	7	3	8	6	2	5	1
M & W ALL SPORTS TOTALS	5,372,615	1,229,084	2,198,507	1,540,679	2,415,706	1,992,400	1,672,988	2,643,762	1,854,004	2,814,418
Ranking	1st	9	4	8	3	5	7	2	6	1
Expenses Not Allocated by Sport	3,695,586	898,298	1,611,986	660,306	3,677	1,061,026	310,068	651,370	953,417	1,483,501
ATHLETIC DEPT TOTALS	9,068,201	2,127,382	3,810,493	2,200,985	2,419,383	3,053,426	1,983,056	3,295,132	2,807,421	4,297,919
Ranking	1st	8	2	7	6	4	9	3	5	1



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

COMMONWEALTH COAST CONFERENCE



Commonwealth Coast Conference (CCC) - FY 2019 Sports Programs Sponsored

	CCC	Hartford	Curry College	Endicott College	Gordon College	Nichols College	Roger Williams University	Salve Regina University	University of New England	Wentworth Institute of Technology	Western New England University
MEN'S CCC SPONSORED SPORTS	9	6	7	9	6	9	7	8	7	8	9
MEN'S ALL SPORT TOTALS		9	7	10	8	11	12	10	7	11	10
WOMEN'S CCC SPONSORED SPORTS	11	8	7	10	9	10	9	10	8	6	8
WOMEN'S ALL SPORTS		9	7	11	10	10	13	12	10	6	9
M & W CCC SPONSORED SPORTS	20	14	14	19	15	19	16	18	15	14	17
M & W ALL SPORTS		18	14	21	18	21	25	22	17	17	19

Source of Data - FY 2019 EADA



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

COMMONWEALTH COAST CONFERENCE



Commonwealth Coast Conference (CCC) - FY 2019 Student-Athlete Participation #'s

	Hartford	Curry College	Endicott College	Gordon College	Nichols College	Roger Williams University	Salve Regina University	University of New England	Wentworth Institute of Technology	Western New England University
MEN'S CCC SPONSORED SPORTS	145	252	300	118	304	155	271	227	171	327
Ranking	9th	6	3	9	2	8	4	5	7	1
MEN'S ALL SPORTS	195	252	318	137	366	278	280	227	240	356
Ranking	9th	6	3	9	1	5	4	8	7	2
WOMEN'S CCC SPONSORED SPORTS	158	111	249	164	178	184	195	185	98	157
Ranking	7th	8	1	6	5	4	2	3	9	7
WOMEN'S ALL SPORTS	165	111	263	171	178	248	219	243	98	168
Ranking	8th	8	1	6	5	2	4	3	9	7
M & W CCC SPONSORED SPORTS	303	363	549	282	482	339	466	412	269	484
Ranking	8th	6	1	8	3	7	4	5	9	2
M & W ALL SPORTS	360	363	581	308	544	526	499	470	338	524
Ranking	7th	7	1	9	2	3	5	6	8	4

Source of Data - FY 2019 EADA



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

LITTLE EAST CONFERENCE



Little East Conference (LEC) - FY 2019 Sports Budget (ALL Expenses)												
Men's Sports		Hartford (Less Aid)	Castleton University	Eastern Connecticut	Keene State	UMass Boston	UMass Dartmouth	Plymouth State	Rhode Island College	Southern Maine	Western Connecticut	#of Prog
1	Baseball	567,815	166,903	300,052	152,038	227,395	182,777	191,981	303,714	243,393	260,415	9
2	Basketball	1,594,089	118,260	254,757	220,432	154,927	86,602	82,264	140,517	153,343	204,066	9
3	Cross Country	38,759	20,289	26,870	18,211	14,319	61,130	24,598	37,343	28,702	10,916	9
4	Golf	208,071	11,298				36,971		61,659	28,559	19,195	5
5	Lacrosse	387,004	111,161	216,896	142,986	157,898	56,978	105,641		62,591	237,145	8
6	Soccer	270,886	106,024	236,453	212,875	137,753	64,551	66,989	137,567	118,832	214,311	9
7	Swimming / Diving				70,647		60,425				104,472	3
8	Tennis		9,459			61,651	19,358		52,240	17,418	24,498	6
9	Track - Indoor	47,168	13,676	53,740	21,853	29,593	35,266	51,172	57,972	70,797		8
10	Track - Outdoor	47,168	15,675	53,740	21,853	29,593	31,403	29,294	62,139	70,797		8
	MEN'S LEC TOTALS	3,160,959	572,745	1,142,509	860,896	813,129	635,461	551,939	853,151	794,432	1,075,018	
	Ranking	1st	8	1	3	5	7	9	4	6	2	
MEN'S Non Little East Sports Offered												
	Ice Hockey		152,389			204,266	144,930	216,018		155,817		5
	Football		405,774				238,979	333,756			558,562	4
	Skiing		88,747					60,933				2
	Wrestling		131,763					87,956	106,985	97,942		4
	OTHER		28,481									1
	SUB-TOTALS	-	807,154	-	-	204,266	383,909	698,663	106,985	253,759	558,562	
	MEN'S ALL SPORTSTOTALS	3,160,959	1,379,899	1,142,509	860,896	1,017,395	1,019,370	1,250,602	960,136	1,048,191	1,633,580	
	Ranking	1st	2	4	9	7	6	3	8	5	1	



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

LITTLE EAST CONFERENCE



Little East Conference (LEC) - FY 2019 Sports Budget (ALL Expenses)

Women's Sports	Hartford (Less Aid)	Castleton University	Eastern Connecticut	Keene State	UMass Boston	UMass Dartmouth	Plymouth State	Rhode Island College	Southern Maine	Western Connecticut	#of Prog
1 Basketball	1,097,953	161,245	286,103	175,304	150,365	94,527	74,713	145,665	121,212	257,509	9
2 Cross Country	24,699	17,991	34,107	19,788	15,362	59,990	23,496	40,244	27,167	9,904	9
3 Field Hockey		98,084	122,851	100,943		41,485	76,660		160,828	166,866	7
4 Lacrosse	249,627	79,841	143,036	106,231		64,535	131,708	97,899	78,704	175,164	8
5 Soccer	249,917	141,311	255,590	219,347	171,560	56,965	70,723	127,184	113,951	192,127	9
6 Softball	213,087	119,469	288,945	104,819	144,816	142,791	99,540	138,124	131,534	291,404	9
7 Swimming / Diving			102,314	73,555		62,934	84,058	44,963		92,740	6
8 Tennis		11,548			56,563	31,952	42,762	77,336	19,589	21,632	7
9 Track - Indoor	37,795	12,783	50,023	20,448	24,579	35,631	44,657	62,461	94,180		8
10 Track - Outdoor	37,795	14,783	50,023	20,448	24,579	33,155	25,933	69,805	94,180		8
11 Volleyball	194,111	74,985	168,399	87,804	149,042	53,955	107,887	73,738	94,017	204,579	9
WOMEN' LEC TOTALS	2,104,984	732,040	1,501,391	928,687	736,867	677,920	782,137	877,419	935,362	1,411,925	
Ranking	1st	8	1	4	7	9	6	5	3	2	
WOMEN'S Non Little East Sports Offered											
Ice Hockey		128,459			182,704		166,406		113,386		4
Skiing		90,587					57,155				2
Gymnastics								83,584			1
Golf	106,672							44,599			1
Equestrian						48,134					1
Sailing						19,450					1
OTHER		46,482									1
SUB-TOTALS	106,672	265,528	-	-	182,704	67,584	223,561	128,183	113,386	-	
WOMEN'S ALL SPORTS TOTALS	2,211,655	997,568	1,501,391	928,687	919,571	745,504	1,005,698	1,005,602	1,048,748	1,411,925	
Ranking	1st	6	1	7	8	9	4	5	3	2	



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS



LITTLE EAST CONFERENCE

Little East Conference (LEC) - FY 2019 Sports Budget (ALL Expenses)										
	Hartford (Less Aid)	Castleton University	Eastern Connecticut	Keene State	UMass Boston	UMass Dartmouth	Plymouth State	Rhode Island College	Southern Maine	Western Connecticut
M & W LEC TOTALS	5,265,943	1,304,785	2,643,900	1,789,583	1,549,996	1,313,381	1,334,076	1,730,570	1,729,794	2,486,943
Ranking	1st	9	1	3	6	7	8	4	5	2
M & W ALL SPORTS TOTALS	5,372,615	2,377,467	2,643,900	1,789,583	1,936,966	1,764,874	2,256,300	1,965,738	2,096,939	3,045,505
M&W ALL SPORTS Ranking	1st	3	2	8	7	9	4	6	5	1
Expenses Not Allocated by Sport	3,695,586	832,770	1,632,160	1,078,165	2,350,316	1,431,488	1,015,732	752,266	2,132,697	1,374,266
Expenses Grand Total	9,068,201	3,210,237	4,276,060	2,867,748	4,287,282	3,196,362	3,272,032	2,718,004	4,229,636	4,419,771
Ranking	1st	7	3	8	2	6	5	9	4	1



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS



LITTLE EAST CONFERENCE

Little East Conference (LEC) - FY 2019 Sports Sponsored											
	LEC	Hartford	Castleton University	Eastern Connecticut	Keene State	UMass Boston	UMass Dartmouth	Plymouth State	Rhode Island College	Southern Maine	Western Connecticut
MEN'S LEC SPONSORED SPORTS	10	8	9	7	8	8	10	7	8	9	8
MEN'S ALL SPORTS		8	14	7	8	9	12	11	9	11	9
WOMEN'S LEC SPONSORED SPORTS	11	8	10	10	10	8	11	11	10	10	9
WOMEN'S ALL SPORTS		9	13	10	10	9	13	13	12	11	9
M & W LEC SPONSORED SPORTS	21	16	19	17	18	16	21	18	18	19	17
M & W ALL SPORTS		17	27	17	18	18	25	24	21	22	18

Source of Data - FY 2019 EADA



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND
CONFERENCE OPTIONS

LITTLE EAST CONFERENCE

Little East Conference (LEC) - FY 2019 Student-Athlete Participation #'S										
	Hartford	Castleton University	Eastern Connecticut	Keene State	UMass Boston	UMass Dartmouth	Plymouth State	Rhode Island College	Southern Maine	Western Connecticut
MEN'S LEC SPONSORED SPORTS	195	196	174	208	206	219	207	126	221	169
Ranking	7th	6	7	3	5	2	4	9	1	8
MEN'S ALL SPORTS	195	417	174	208	234	334	374	142	274	294
Ranking	8th	1	8	7	6	3	2	9	5	4
WOMEN'S LEC SPONSORED SPORTS	158	159	200	190	160	212	207	147	265	149
Ranking	8th	7	4	5	6	2	3	9	1	8
WOMEN'S ALL SPORTS	165	210	200	190	184	235	240	167	288	149
Ranking	9th	4	5	6	7	3	2	8	1	9
M & W LEC SPONSORED SPORTS	353	355	374	398	366	431	414	273	486	318
Ranking	8th	7	5	4	6	2	3	9	1	8
M & W ALL SPORTS	360	627	374	398	418	569	614	309	562	443
Ranking	9th	1	8	7	6	3	2	9	4	5

Source of Data - EADA



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE



New England Men's & Women's Athletic Conference (NEWMAC) - FY 2019 Sports Budgets ALL Expenses										
Men's Sports		Hartford (Less Aid)	Babson College	Clark University	Emerson College	Massachusetts Institute of Technology MIT	Springfield College	Wheaton College	Worcester Polytechnic Institute	Tot
1	Baseball	567,815	282,070	167,857	222,744	148,869	213,998	299,584	248,036	7
2	Basketball	1,594,089	241,637	173,114	181,559	134,961	243,703	153,230	320,265	7
3	Cross Country	38,759	29,736	13,193	14,512	37,375	52,573	30,035	28,714	7
4	Football					213,327	791,482		418,480	3
5	Lacrosse	387,004	225,537	146,982	180,680	132,745	295,612	135,080		6
6	Soccer	270,886	258,905	106,783	158,888	54,924	162,444	189,835	125,122	7
7	Swimming / Diving		126,038	76,235		106,293	150,895	100,463	287,186	6
8	Tennis		76,579	50,799	80,277	72,863	72,489	62,946		6
9	Track - Indoor	47,168	35,683			72,305	86,745	51,488	63,170	5
10	Track - Outdoor	47,168	35,683			87,814	86,745	51,488	63,170	5
MEN'S NEWMAC TOTALS		2,952,888	1,311,868	734,963	838,660	1,061,476	2,156,687	1,074,148	1,554,142	
Ranking		1st	3	7	6	5	1	4	2	
MEN'S Non Conference Sports Offered										
	Ice Hockey		291,270							1
	Fencing					69,078				1
	Golf	208,071	62,792				36,818			2
	Gymnastics						188,364			1
	Rowing					823,389			289,316	2
	Skiing		35,203							1
	Squash					80,439				1
	Tennis Co-Ed									1
	Volleyball				79,298	74,602	190,826			3
	Water Polo					96,691				1
	Wrestling						212,216		170,993	2
	Other Men's					39,974				1
SUB-TOTALS		208,071	389,265	-	79,298	1,184,173	628,224	-	460,309	
MEN'S ALL SPORTS TOTALS		3,160,959	1,701,133	734,963	917,958	2,245,649	2,784,911	1,074,148	2,014,451	
Ranking		1st	6	11	10	2	1	8	4	



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE



New England Men's & Women's Athletic Conference (NEWMAC) - FY 2019 Sports Budgets ALL Expenses: Page 2

Women's Sports		Hartford (Less Aid)	Babson College	Clark University	Emerson College	Massachusetts Institute of Technology MIT	Springfield College	Wheaton College	Worcester Polytechnic Institute	Tot
1	Basketball	1,097,953	253,716	174,828	154,725	116,979	208,783	147,074	269,119	7
2	Cross Country	24,699	31,787	10,605	15,427	37,163	33,895	34,325	33,400	7
3	Field Hockey		177,717	79,574		106,637	208,281	91,252	99,700	6
4	Lacrosse	249,627	176,450		129,659	74,986	208,515	141,500		5
5	Rowing			120,058		792,342			290,609	3
6	Soccer	249,917	211,299	101,682	169,328	88,076	177,706	142,020	124,596	7
7	Softball	213,087	219,357	117,997	161,856	96,580	157,316	130,671	172,688	7
8	Swimming / Diving		126,038	76,325		104,698	160,460	155,718	277,803	6
9	Tennis		74,459	22,907	85,719	116,531	71,464	60,893		6
10	Track - Indoor	37,795	37,085			67,693	88,974	64,359	60,306	5
11	Track - Outdoor	37,795	37,085			83,709	88,974	64,359	60,306	5
12	Volleyball	194,111	169,059	56,430	89,852	92,343	188,129	157,586	102,849	7
WOMEN'S NEWMAC TOTALS		2,104,984	1,514,051	760,406	806,566	1,777,737	1,592,497	1,189,758	1,491,375	
Ranking		1st	3	7	6	1	2	5	4	
WOMEN'S Non Conference Sports Offered										
	Tennis Co-Ed									1
	Fencing					67,246				1
	Gymnastics						163,474			1
	Ice Hockey									1
	Sailing					83,016				1
	Skiing		35,203							1
	Synchronized Swim							113,580		1
	Golf	106,672								1
	Other Women's					109,358				2
SUB-TOTALS		106,672	35,203	-	-	259,620	163,474	113,580	-	
WOMEN'S ALL SPORTS TOTALS		2,211,655	1,549,254	760,406	806,566	2,037,357	1,755,971	1,303,338	1,491,375	
Ranking		1st	3	7	6	1	2	5	4	



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE



New England Men's & Women's Athletic Conference (NEWMAC) - FY 2019 Sports Budgets ALL Expenses

Women's Sports	Hartford (Less Aid)	Babson College	Clark University	Emerson College	Massachusetts Institute of Technology MIT	Springfield College	Wheaton College	Worcester Polytechnic Institute
M & W NEWMAC TOTALS	5,057,872	2,825,919	1,495,369	1,645,226	2,839,213	3,749,184	2,263,906	3,045,517
Ranking	1st	4	7	6	3	1	5	2

M & W ALL SPORTS TOTALS	5,372,615	3,250,387	1,495,369	1,724,524	4,283,006	4,540,882	2,377,486	3,505,826
Ranking	1st	4	7	6	2	1	5	3

Expenses Not Allocated by Sport	3,695,586	1,615,112	711,288	1,188,271	2,576,604	1,596,901	1,088,375	1,040,509
TOTAL ATHLETIC DEPT BUDGET	9,068,201	4,865,499	2,206,657	2,912,795	6,859,610	6,137,783	3,465,861	4,546,335

Note: The FY 2019 NEWMAC information presented is for 7 members and does not include 4 members that do not have data on the EADA. They are: U.S. Coast Guard Academy, Mount Holyoke College, Smith College and Wellesley College.



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE



New England Men's & Women's Athletic Conference (NEWMAC) - FY 2019 Sports Sponsored

	NEWMAC	Hartford	Babson College	Clark University	Emerson College	Massachusetts Institute of Technology MIT	Springfield College	Wheaton College	Worcester Polytechnic Institute
MEN'S NEWMAC SPONSORED SPORTS	10	7	9	7	6	10	10	9	8
MEN'S ALL SPORTS		8	12	7	7	15	14	9	10
WOMEN'S NEWMAC SPONSORED SPORTS	12	8	11	9	7	12	11	11	10
WOMEN'S ALL SPORTS		9	12	9	7	15	12	12	10
M & W NEWMAC SPONSORED SPORTS	22	15	20	16	13	22	21	20	18
M & W ALL SPORTS		17	24	16	14	30	26	21	20

Source of Data - FY 2019 EADA

Note: The FY 2019 NEWMAC information presented is for 7 members and does not include 4 members that do not have data on the EADA. They are: U.S. Coast Guard Academy, Mount Holyoke College, Smith College and Wellesley College.



ATTACHMENT 3

MODEL III – EXAMINE NCAA DIVISION III MEMBERSHIP AND CONFERENCE OPTIONS

NEW ENGLAND WOMEN'S AND MEN'S ATHLETIC CONFERENCE



New England Men's & Women's Athletic Conference (NEWMAC) - FY 2019 Student-Athlete Participation

	Hartford	Babson College	Clark University	Emerson College	Massachusetts Institute of Technology MIT	Springfield College	Wheaton College	Worcester Polytechnic Institute
MEN'S NEWMAC SPONSORED SPORTS	187	187	163	116	324	372	211	348
Ranking	5th	5	6	7	3	1	4	2
MEN'S ALL SPORTS	195	231	163	126	436	460	211	421
Ranking	6th	4	6	7	2	1	5	3
WOMEN'S NEWMAC SPONSORED SPORTS	158	199	166	98	313	287	232	275
Ranking	7th	5	6	7	1	2	4	3
WOMEN'S ALL SPORTS	165	204	166	98	358	309	240	275
Ranking	7th	5	6	7	1	2	4	3
M & W NEWMAC SPONSORED SPORTS	345	386	329	214	637	659	443	623
Ranking	6th	5	6	7	2	1	4	3
M & W ALL SPORTS	360	435	329	224	794	769	451	696
Ranking	6th	5	6	7	1	2	4	3

Source of Data - FY 2019 EADA

Note: The FY 2019 NEWMAC information presented is for 7 members and does not include 4 members that do not have data on the EADA. They are: U.S. Coast Guard Academy, Mount Holyoke College, Smith College and Wellesley College.



IV. Comprehensive Conclusions and Recommendations

This Feasibility Study presents CarrSports' objective analysis and recommendations, based on the University's prevailing parameters for determining the best Athletics model for UHart. Additionally, the EADA benchmarking data used by this Study sometimes differs by respective reporting institutions. Financial projections should be viewed as estimates and intended as a tool for preliminary decision-making.

CONCLUSIONS

1. Given the financial reality of this Study, coupled with parameters outlined in the assumptions on the previous page, Athletics' current Division I-funding model is not viable and cannot achieve the goal of becoming more self-sustaining.
2. It will take a sizable infusion of additional revenues to effectively support UHart's continued membership in Division I (Models I and II).
3. Adding student-athletes by increasing team rosters or through the expansion of sports offerings would increase net tuition revenues for the University.
4. Therefore, continued Division I membership (Models I and II) are not realistic or sustainable options for UHart. Membership in Division III should be explored.

RECOMMENDATIONS

1. UHart should explore viable membership options in NCAA Division III that will align with the University's Mission.
2. UHart should examine the AEC Constitution and Bylaws to determine financial and timing implications for exiting the AEC.
3. Considerations should be given to financial impact of AEC Exit Fees (see AEC Principals for Resignation).¹⁷
4. UHart should engage the Board of Regents, campus leadership, and select external constituents in the communication and decision-making process relative to changes in the Athletics' model.
5. Secure membership in a Division III conference before departing the AEC.
6. After exploring Division III, develop a detailed transition plan before departing the AEC for Division III. Essential components include:
 - Follow Division III transition guidelines
 - Examine impact on Title IX equity compliance
 - Develop process and timeline for complying with Division III guidelines
 - Create appropriate financial pro forma(s)

¹⁷ Excerpt from *2019-20 America East Constitution*, (2020): p. 4-5

Article 3.4 Resignation. The principals for resignation from the Conference are:

- d) A member institution wishing to resign from the Conference shall notify the Commissioner in writing of its intention at least two years prior to the date of resignation from the Conference. The two-year period shall commence on the June 30 following the notification, with the effective date of the resignation being two years subsequent to said June 30;
- e) Upon notice of an institution's intention to withdraw from America East; the institution's teams become ineligible, on a date to be determined by the remaining members of the Board of Presidents, to compete for Conference championships;
- f) Exit Payments. {Revised: November 2013}
(5) Resignation. A member institution that resigns from the Conference will required to remain in the AEC for an additional two years and shall make a payment of \$1,000,000 to the Conference. This payment shall be due 30 days after the effective date of the resignation.



- Continue facilities planning to accommodate the integration of campus wellness, health, recreation, intramurals, and club sports; the possible increase in student-athlete enrollment and sports offerings should also be considered in campus planning
- Incorporate transition planning into a three-to five-year strategic plan for Athletics and campus wellness, health, recreation, intramurals, and club sports



Exhibits

University of Hartford - Athletics Comparative Data Analysis
NCAA Division I Conferences

TOTAL ATHLETIC DEPT BUDGETS					
	Low	Median	High	UHart	UH-Rank
America East	14,604,969	20,509,064	32,206,155	15,413,249	8 of 9
MAAC	7,588,471	18,793,576	28,680,434	15,413,249	7 of 11
Northeast Conference	8,289,239	16,524,184	26,326,420	15,413,249	7 of 9

TOTAL SPORTS BUDGETS					
	Low	Median	High	UHart	UH-Rank
America East	9,236,690	15,160,477	22,053,987	11,717,663	7 of 9
MAAC	5,428,015	12,857,264	24,267,718	11,717,663	7 of 11
Northeast Conference	5,711,295	13,089,085	19,756,621	11,717,663	7 of 9

TOTAL STUDENT-ATHLETE PARTICIPATION #'S					
	Low	Median	High	UHart	UH-Rank
America East	360	576	717	360	9 of 9
MAAC	298	485	723	360	10 of 11
Northeast Conference	314	564	940	360	8 of 9

TOTAL SPORTS PROGRAMS SPONSORED				
	Low	Median	High	UHart
America East	17	18	21	17
MAAC	16	19	23	17
Northeast Conference	16	22	32	17

University of Hartford - Athletics Comparative Data Analysis
NCAA Division III Conferences

TOTAL ATHLETIC DEPT BUDGETS					
	Low	Median	High	UHart	UH-Rank
Commonwealth Coast	1,983,056	2,807,421	4,297,919	9,068,201	1 of 9
Little East Conference	2,718,004	3,272,032	4,419,771	9,068,201	1 of 9
NEWMAC	2,206,657	4,546,335	6,859,610	9,068,201	1 of 7

Note: UHart total does not include Athletic Aid.

TOTAL SPORTS BUDGETS					
	Low	Median	High	UHart	UH-Rank
Commonwealth Coast	1,229,084	1,992,400	2,814,418	5,372,615	1 of 9
Little East Conference	1,789,583	2,096,939	3,045,505	5,372,615	1 of 9
NEWMAC	1,495,369	3,250,387	4,540,882	5,372,615	1 of 7

Note: UHart total does not include Athletic Aid.

TOTAL STUDENT-ATHLETE PARTICIPATION #'S					
	Low	Median	High	UHart	UH-Rank
Commonwealth Coast	308	499	581	360	9 of 9
Little East Conference	309	443	627	360	9 of 9
NEWMAC	224	451	794	360	6 of 7

Note: Select schools sponsor football.

TOTAL SPORTS PROGRAMS SPONSORED				
	Low	Median	High	UHart
Commonwealth Coast	14	19	25	18
Little East Conference	17	21	27	17
NEWMAC	14	21	30	17

Note: Select schools sponsor more non-conference affiliated sports.

Note: The FY 2019 NEWMAC information presented is for 7 members and does not include 4 members that do not have data on the EADA. They are: U.S. Coast Guard Academy, Mount Holyoke College, Smith College and Wellesley College.



Comparison of Sports Programs Offered Among Div. I Conferences - U. of Hartford is a Member of America East

University of Hartford	
Men's Conference Sports	
1	Baseball
2	Basketball
3	Cross Country
4	Lacrosse
5	Soccer
6	Swimming / Diving
7	Track - Indoor
8	Track - Outdoor
Men's Non Conference Sports	
1	Golf
Women's Conference Sports	
1	Basketball
2	Cross Country
3	Field Hockey
4	Lacrosse
5	Soccer
6	Softball
7	Swimming / Diving
8	Track - Indoor
9	Track - Outdoor
10	Volleyball
WOMEN'S Non Conference Sports	
1	Golf

America East	
Men's Conference Sports	
1	Baseball
2	Basketball
3	Cross Country
4	Lacrosse
5	Soccer
6	Swimming / Diving
7	Track - Indoor
8	Track - Outdoor
MEN'S Non Conference Sports	
1	Ice Hockey
2	Football
3	Golf
4	Skiing
5	Tennis
6	Wrestling
Women's Conference Sports	
1	Basketball
2	Cross Country
3	Field Hockey
4	Lacrosse
5	Soccer
6	Softball
7	Swimming / Diving
8	Track - Indoor
9	Track - Outdoor
10	Volleyball
WOMEN'S Non Conference Sports	
1	Tennis
2	Gymnastics
3	Ice Hockey
4	Skiing
5	Golf

MAAC	
Men's Conference Sports	
1	Baseball
2	Basketball
3	Cross Country
4	Golf
5	Lacrosse
6	Soccer
7	Swimming / Diving
8	Tennis
9	Track - Indoor
10	Track - Outdoor
MEN'S Non Conference Sports	
1	Ice Hockey
2	Football
3	Rowing
4	Water Polo
5	Wrestling
Women's Conference Sports	
1	Basketball
2	Cross Country
3	Golf
4	Lacrosse
5	Rowing
6	Soccer
7	Softball
8	Swimming / Diving
9	Tennis
10	Track - Indoor
11	Track - Outdoor
12	Volleyball
13	Water Polo
WOMEN'S Non Conference Sports	
1	Field Hockey
2	Ice Hockey
3	Bowling

Northeast Conference	
Men's Conference Sports	
1	Baseball
2	Basketball
3	Cross Country
4	Football
5	Golf
6	Lacrosse
7	Soccer
8	Swimming / Diving
9	Tennis
10	Track - Indoor
11	Track - Outdoor
Men's Non Conference Sports	
1	Fencing
2	Ice Hockey
3	Volleyball
4	Water Polo
5	Wrestling
Women's Conference Sports	
1	Basketball
2	Bowling
3	Cross Country
4	Field Hockey
5	Golf
6	Lacrosse
7	Soccer
8	Softball
9	Swimming / Diving
10	Tennis
11	Track - Indoor
12	Track - Outdoor
13	Volleyball
WOMEN'S Non Conference Sports	
1	Equestrian
2	Fencing
3	Ice Hockey
4	Rowing
5	Water Polo



Comparison of Sports Programs Offered Among Div. III Conferences - U. of Hartford is a Member of America East

University of Hartford		Little East Conference		Commonwealth Coast		NEWMAC	
Men's Conference Sports		Men's Conference Sports		Men's Conference Sports		Men's Conference Sports	
1	Baseball	1	Baseball	1	Baseball	1	Baseball
2	Basketball	2	Basketball	2	Basketball	2	Basketball
3	Cross Country	3	Cross Country	3	Cross Country	3	Cross Country
4	Lacrosse	4	Golf	4	Football	4	Football
5	Soccer	5	Lacrosse	5	Golf	5	Lacrosse
6	Swimming / Diving	6	Soccer	6	Ice Hockey	6	Soccer
7	Track - Indoor	7	Swimming / Diving	7	Lacrosse	7	Swimming / Diving
8	Track - Outdoor	8	Tennis	8	Soccer	8	Tennis
Men's Non Conference Sports		9	Track - Indoor	9	Tennis	9	Track - Indoor
1	Golf	10	Track - Outdoor	Men's Non Conference Sports		10	Track - Outdoor
Women's Conference Sports		Men's Non Conference Sports		1	Equestrian Coed	Men's Non Conference Sports	
1	Basketball	1	Ice Hockey	2	Indoor Track	1	Ice Hockey
2	Cross Country	2	Football	3	Outdoor Track	2	Fencing
3	Field Hockey	3	Skiing	4	Rowing	3	Golf
4	Lacrosse	4	Wrestling	5	Sailing Coed	4	Gymnastics
5	Soccer	Women's Conference Sports		6	Swimming / Diving	5	Rowing
6	Softball	1	Basketball	7	Volleyball	6	Skiing
7	Swimming / Diving	2	Cross Country	8	Wrestling	7	Squash
8	Track - Indoor	3	Field Hockey	Women's Conference Sports		8	Tennis Co-Ed
9	Track - Outdoor	4	Lacrosse	1	Basketball	9	Volleyball
10	Volleyball	5	Soccer	2	Cross Country	10	Water Polo
WOMEN'S Non Conference Sports		6	Softball	3	Field Hockey	11	Wrestling
1	Golf	7	Swimming / Diving	4	Ice Hockey	Women's Conference Sports	
		8	Tennis	5	Lacrosse	1	Basketball
		9	Track - Indoor	6	Soccer	2	Cross Country
		10	Track - Outdoor	7	Softball	3	Field Hockey
		11	Volleyball	8	Tennis	4	Lacrosse
		WOMEN'S Non Conference Sports		9	Track - Indoor	5	Rowing
		1	Ice Hockey	10	Track - Outdoor	6	Soccer
		2	Skiing	11	Volleyball	7	Softball
		3	Gymnastics	WOMEN'S Non Conference Sports		8	Swimming / Diving
		4	Golf	1	Swimming / Diving	9	Tennis
		5	Equestrian	2	Equestrian	10	Track - Indoor
		6	Sailing	3	Equestrian Coed	11	Track - Outdoor
				4	Golf	12	Volleyball
				5	Sailing Coed	WOMEN'S Non Conference Sports	
						1	Tennis Co-Ed
						2	Fencing
						3	Gymnastics
						4	Ice Hockey
						5	Sailing
						6	Skiing
						7	Synchronized Swim
						8	Golf

Analysis and Suggested Revisions to the University of Hartford Athletics Feasibility Study

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EXECUTIVE SUMMARY

This report assesses and critiques the “University of Hartford Athletics Feasibility Study,” (February 12, 2021) produced by CarrSports Executive Search & Consulting. Carr’s report purports to assess the net financial¹ impact of its Athletics program by itself and also by Athletics’ impact on the tuition revenue the school receives from athletes. It projects these values to 2022 (for Athletics) and 2023 (for Central Admin), and compares them to hypothetical scenarios for 2023 in which Hartford exits Division I (D1) and transitions to Division III (D3).

The report starts by assuming what the problem is, and is not: “Most revenue and expenses have remained fairly flat over the past five years, with only student-athlete financial aid showing a significant increase over the period”² Although the report obliquely provides a window into the cause of this sharp rise – it’s driven primarily by *non-athletic aid* given to students who play sports for Hartford – instead of researching what caused this rise, the report simply asserts that Hartford’s “current Division I funding model is not sustainable,”³ and takes as a given that Hartford “will implement a substantial reduction in institutional funding for Athletics seeking a more financially self-sustainable Athletics model.” That is, it sees where the problem is, but it looks elsewhere for solutions.

The report instead identifies eliminating *athletic aid* – via a move to Division 3 – as the best means to lower Athletics’ costs. The bottom line of the Carr study is that:

“By contrast [with the DI scenarios], Division III benchmark data estimates Athletics’ net revenue versus expenses decrease from an approximately \$13M in FY 2021-22 to around \$3.8M as a Division III member. Additionally, using FY 2022-23 as a hypothetical year for Division III membership along with a 57% Discount Rate, student-athlete payments and net University revenue would both increase to approximately \$5.1M.”⁴

¹ The Carr analysis is focused on direct revenues and costs; it does not perform any analysis of the comparable value of D1 relative to D3 in terms of less tangible benefits such as marketing.

² CarrSports Feasibility Study, p. 3.

³ CarrSports Feasibility Study, p. 2.

⁴ CarrSports Feasibility Study, p. 4.

While Carr never reports these two numbers together, the implication is that if Hartford moved to D3, it would save \$9.3 million on Athletics spending and would “additionally” earn \$5.1 million more from revenues earned from charges to students for tuition, room and board, etc.

My report reaches a very different conclusion. I find that the actual cost of a D3 program will be higher than Carr estimates, and the forgone revenues will also be much larger. I do this by identifying a major double-count in the Carr report which artificially inflates the stated benefits (to Hartford as a whole) of the move to D3 by \$6.2 million. I also identify over \$1 million in supposed savings that come from the assumption that Hartford will change how non-scholarship athletes are provided with academic aid, a policy change that can happen whether or not the school reclassifies to D3. And I adopt a different assumption than Carr as to how quickly Carr’s D3 program will reach steady state; where Carr assumes an entire D3 program, complete with new coaches and potentially different teams, will emerge fully formed in the blink of an eye after exiting D1, I instead assume the transition will take five years.

From these three big picture points, as well as a series of smaller changes in the six- and low seven-figure range, my revisions show that, on average, the move would reduce annual costs by less than \$1 million dollars per year until the new D3 program reaches its steady state. Moreover, the move brings with it over \$20 million in one-time costs, from a mix of transition expenses, forgone revenue, and reductions in existing bequests from wealthy donors. (I also calculate a steady state estimate after the five-year ramp up, detailed below.)

Carr's Stated Cumulative D1-to-D3 Δ	\$14.4 million
<i>less Double-counted Savings</i>	<i>\$-6.2 million</i>
<i>less unrelated savings from changes academic aid policy</i>	<i>\$-1.3 million</i>
<i>less benefits of assumed instant D3 ramp-up</i>	<i>\$-3.3 million</i>
<i>less other adjustments</i>	<i>\$-2.6 million</i>
Revised Cumulative D1-to-D3 Δ (during ramp-up)	\$0.9 million

Estimated One-Time Switching Costs \$-20.2 million

Ultimately the decision of whether Hartford should have a D1 or a D3 athletics program is a policy decision, not a financial decision. But it is informed by financial considerations;

having an accurate sense of the current net cost of the D1 program is vital for that decision, as is a realistic estimate of the hypothetical costs of switching to, and running, a D3 program.

Where Carr implies that D1 currently costs Hartford \$9.3 million after including payments Hartford receives from athletes, I find that the net cost to Hartford of its D1 program will be approximately \$3.6 million in FY23. Where Carr hypothesizes that on day one, the D3 version of Hartford would show net positive revenues of about \$4.5 million, I conclude there is likely to be an average net expenditure of \$2.6 million until year six, when I assume the program finally catches up with the current levels of D1 athlete enrollment.

In terms of the policy question, it is clear that Hartford can afford to run a D1 program if it wishes. Spending \$3.6 million per year to generate all of the benefits, tangible and intangible, that a D1 program brings would not seem to be imprudent. But that is an answer only Hartford can assess. What is important is that the decision be made with an accurate sense of what the department costs, and with a clearer sense of the real costs of making the transition. It is the intent of this report to aid the policy decision, rather than dictate it.

Finally, I provide three examples of ways Hartford might improve the performance of its D1 program if it does choose to stay in D1. The first is the easiest because it returns to the initial problem Carr identified: athletes are receiving more non-athletic aid than they used to. The sharp increase in aid provided to athletes is not driven by athletic aid, but instead appears to be related to a policy change made in 2018 to start granting athletes in equivalency sports much larger *academic* grants than previously. Reverting to the school's prior policy on academic aid is a more direct way to revert this adverse trend. I also suggest that adding a few new D1 sports, if done judiciously, could improve Hartford net revenue from athletics. And finally, I suggest the obvious, which is if the Hartford community as a whole decides D1 athletics is important, then the school should focus on increasing its fundraising efforts, to allow the community to support the program more fully, as has been successful at other schools.

ABOUT THE AUTHOR



My name is Andy Schwarz and I am one of the four founding partners of OSKR and served as President/Managing Partner for the firm's first three years. I am also the co-founder and Chief Innovation Officer of the Professional Collegiate League. I hold an M.B.A. from the Anderson School of Management at UCLA as well as an A.B. in history from Stanford University, and an M.A. in history from Johns Hopkins.

I have been practicing for 24 years as an economist specializing in antitrust, class actions, and damages analysis, and I have served as an economic expert in a variety of state and federal litigation. While my primary practice is as a consulting expert, providing privileged advice to counsel and working with experts in very large, complex litigation matters in antitrust, intellectual property, sports and entertainment, and banking and insurance (especially complex class action litigation), through my work and through my own research in the subject, I have developed a subspecialty in sports economics, targeted at the economics of college athletics programs. In the late 1990s and early 2000s, I was the case manager for the NFL's economic expert in *L.A. Raiders v. NFL* and since the mid-2000s I have worked on cases involving the NCAA's rules on athletic aid including *O'Bannon v. NCAA* and *Alston v. NCAA*. I have testified on issues of college sports to the U.S. House of Representatives' Committee on Education and the Workforce, and to committees in the California, Washington, and North Carolina state legislatures. I also was one of the sponsors of California SB206, which helped restore college athletes' name, image, and likeness rights in the state of California.

I have consulted, formally or informally, for several athletic departments faced with questions of determining the true financial costs and benefits of their athletic programs. While some of these engagements remain confidential, public engagements include a formal analysis of the University of Alabama-Birmingham's football, bowling, and riflery programs and informal, *pro bono* consulting for Farleigh Dickenson University. Earlier this month at MIT's Sloan Analytics conference, I presented some of my conclusions about the ways in which college athletic departments' accounting can understate university-wide revenue.

My work has been featured on ESPN, in the New York Times, the Wall Street Journal, Sports Illustrated, Bloomberg News, Sports on Earth, and USA Today. I have been a frequent contributor to Vice Sports and Deadspin and have also written for Slate, Forbes.com, 538.com, and ESPN.com. My work in the college athlete rights' space was featured in *Indentured: The Inside Story of the Rebellion Against the NCAA* by Joe Nocera and Ben Strauss. My academic papers have analyzed secondary ticket markets, law and economics topics, the antitrust questions inherent in NCAA bylaws, as well as the economics of virtual goods. I have co-authored a chapter in the *Oxford Handbook of Sports Economics* and in *College Athletes' Rights and Well-Being: Critical Perspectives on Policy and Practice*. I have participated in debates with thought leaders sponsored by Intelligence Squared and the Aspen Institute and a several major universities. My latest project is helping to launch the Professional Collegiate League (PCL), the first professional college basketball league.

In my work in this matter, I was assisted by staff at my consulting firm, OSKR, in particular by David Sanders, who did yeoman work on a very tight time frame. David graduated from Middlebury College with a BA in International Politics and Economics. During college, David completed an internship with the Inter-American Development Bank, where he used survey data to monitor chronic health conditions in elderly populations in Latin America. Since joining OSKR, he has worked on analyses in the sports, finance, and high tech industries.

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1. SUMMARY OF THE CARR REPORT

1. The “University of Hartford Athletics Feasibility Study” (February 12, 2021) conducted by CarrSports (“Carr Feasibility Study” or “Carr” or “the report”) purports to assess the net financial impact of two aspects of the University of Hartford’s (“Hartford”) athletic program: Hartford’s Athletics Department (“Athletics”) and Hartford’s central account (“Central Admin”⁵). It then projects these values to 2022 (for Athletics) and 2023 (for Central Admin), and compares them to hypothetical scenarios for 2023 in which Hartford exits D1 and transitions to D3 in 2023. These three D3 scenarios include a baseline where the number of athletes in the program is unchanged, and two where the number of athletes increases substantially. No forecast of a reduction in athletes in D3 is included.

2. The Carr analysis is focused on direct revenues and costs; it does not perform any analysis of the comparable value of Division I (D1) relative to Division III (D3) in terms of less tangible benefits such as marketing. The report simply provides a single conclusory statement that D1 has no non-financial benefits to the school. (“Athletics has had marginal success in common Division I areas such as ... institutional brand enhancement.”⁶)

3. The impetus for the Carr report having been commissioned appears to be a concern by Hartford that the school has to “implement a substantial reduction in institutional funding for Athletics seeking a more financially self-sustainable Athletics model”; Carr states that it takes this premise as a given.⁷ The report claims, without analysis, that “The current

⁵ A note on terminology. At every university there is some department responsible for the allocation of budgets and is the ultimate recipient of each department’s surpluses, if any. Schools give a different name to this department, such as general operations, finance, central administration, etc. In this report I adopt the term Central Admin, as my own term of art. I mean this to correspond to the entity depicted in the CarrSports Feasibility Study exhibit on page 11.

⁶ CarrSports Feasibility Study, p. 3. Notably, this claim is not sourced to any analysis, nor to an assessment by any specific Hartford personnel.

⁷ CarrSports Feasibility Study, p. 2.

Division I funding model is not sustainable.”⁸ It should not come as a surprise that, having assumed D1 is not a sustainable plan, the report concludes the solution is to leave D1.

4. Interestingly, however, Carr identifies the perceived source of the problem as relating to financial aid: “Most revenue and expenses have remained fairly flat over the past five years, with only student-athlete financial aid showing a significant increase over the period”⁹ However, as I will show below, a sizable portion of the financial aid benefits that Carr projects from a move to D3 are not related to reducing *athletic* aid, but rather comes from reduction to academic aid, both given to scholarship athletes (known as “combo aid”) and to walk-ons. Oddly, the Carr report does not explore whether simply reversing the policies that led to this “significant increase” while staying in D1 would be viable. As will be discussed below, it is my recommendation that staying in Division 1 can be “sustainable” and one element of this plan might simply involve reversing the policy on “combo aid.”

5. Instead, Carr focuses on moving to Division 3 as the best means to lower athletic costs, especially by eliminating athletic aid. The bottom line of the Carr report appears on p.4 of the report (PDF page 16):

“By contrast [with the DI scenarios], Division III benchmark data estimates Athletics’ net revenue versus expenses decrease from an approximately \$13M in FY 2021-22 to around \$3.8M as a Division III member. Additionally, using FY 2022-23 as a hypothetical year for Division III membership along with a 57% Discount Rate, student-athlete payments and net University revenue would both increase to approximately \$5.1M.”¹⁰

6. As will be discussed below, this conclusion is highly flawed and is driven in large part by one simple error of accounting – the savings from reducing Athletic Aid are double counted – and by misidentifying a change in school policy on academic aid to non-scholarship athletes, not directly related to the move from D1 to D3, as being driven by the change to D3

⁸ CarrSports Feasibility Study, p. 2.

⁹ CarrSports Feasibility Study, p. 3.

¹⁰ CarrSports Feasibility Study, p. 4.

when it likely is not. The report also assumes Hartford can transition from D1 in 2022 to D3 in 2023 without any decrease in the number of enrolled athletes, all while firing the existing coaches and replacing them with lower paid replacements, and while offering substantially reduced aid to the athletes it is recruiting in competition against a very different set of competitive schools. When these three items are corrected/revised, \$10.8 million of Carr's claimed \$14.4 million in savings from the move to D3 disappears.

7. After correcting several other errors and revising questionable assumptions from the Carr report, it is clear that D1 is much less expensive to Hartford than Carr forecasts and D3 will be more expensive than Carr projects. In either scenario, Hartford will spend millions on athletics, but nowhere near the \$10.1 million (net) that Carr's analysis shows the school spending on D1 athletics in FY22. Instead, I find the likely annual cost of D1 athletics is approximately \$3.6 million per year, while the likely annual cost of D3 athletics will average \$2.6 million over the first five years of the transition to D3. That is, while the move to D3 will likely lead to a moderate reduction in net spending on athletics – on the order of \$0.9 million per year in the first five years¹¹ – the net cost to the school of D3 Athletics will average more than \$2 million per year well past FY23. Moreover, Carr did not undertake any study of possible revenue boosts within D1. When these are taken into account, the gap between the two divisions is likely to narrow or potentially even disappear.

8. On top of this, D3 has very high switching costs, such that the forecasted savings will take about a decade to offset the one-time costs, costs which Carr declined to forecast. Importantly, Carr did not assess the risk that certain bequests, totaling more than \$15 million, will be lost if the school exits D1. On an undiscounted basis, the break-even point is in Year 9. On a discounted basis the NPV is barely positive in Year 10.¹²

¹¹ The exact number is \$946,650, which appears in Table 1 as "Revised Cumulative D1-to-D3 Δ (Average over first 5 Years)." The value increases to \$4.2 million in year six.

¹² As an illustrative example, and assuming a very conservative discount rate of 5%, over the first five year in my revisions, the NPV of the switch to D3 is negative (-\$14.9mm). Even after ten

9. In the end, either a D1 or a D3 program are affordable depending on what Hartford wants from its Athletics. In my view, the D1 scenario is the superior financial choice, at least over the next five years, and is likely the better overall choice in the long-run as well. What matters most is what Hartford sees as the value of its Athletics program, above and beyond the cost. If the current D1 configuration is valued by the wider campus (and city) community, then the level of spending needed to support it can be managed to ensure the benefits outweigh the costs.

10. An important final note is that Hartford, as a university, is chronically under-enrolled relative to its capacity, to the point that there are empty dorm rooms. The changes the cost calculus of providing athletic aid a great deal, because there is no assumption that athletes are displacing otherwise higher-paying students. This fact underpins my whole analysis; if Hartford were at capacity and had a waiting list of would-be attendees, much of this analysis would need to change.

11. Table 1 below summarizes the corrections and revisions I make to the Carr report's analysis. As can be seen from the table, the Carr report overstates the benefit of D3 over D1 by just over \$13 million.

years, the NPV is less than \$200,000, which essentially means the entire decade is break-even in real dollar terms.

TABLE 1 Summary of Revisions to Carr Report

	Adjustment	Total After Adjustment
Carr's Stated D1-to-D3 Athletics Revenue Δ		\$9,281,000
Removing Double Count of Athletic Aid	-\$6,189,000	\$3,092,000
Reversion to FY18 Ticket Sales and Sponsorship Revenues	-\$180,800	\$2,911,200
Accounting for Potential Lost Contributions	-\$200,000	\$2,711,200
Accounting for Impact on Student Fees	-\$200,000	\$2,511,200
Loss of Trainer/Strength Coach subsidy from Hartford Healthcare	-\$550,000	\$1,961,200
Revised D1-to-D3 Athletics Δ	-\$7,319,800	\$1,961,200
Carr's Stated D1-to-D3 Central Admin Δ		\$5,100,000
Adjustment for Inconsistent treatment of non-scholarship aid	-\$1,349,358	\$3,750,642
Loss of e-Sports program	-\$1,094,061	\$2,656,581
Revision for impact of Graduate Assistant Program	-\$368,765	\$2,287,815
Revised D1-to-D3 Central Admin Δ	-\$2,812,185	\$2,287,815
Adopting a More Reasonable 5-Year Attendance Path	-\$3,302,366	-\$3,302,366
Carr's Stated Cumulative D1-to-D3 Δ		\$14,381,000
Adjustments from Athletics	-\$7,319,800	\$7,061,200
Adjustments from Central Administration	-\$2,812,185	\$4,249,015
Adjustments for a 5-Year D3 Ramp up	-\$3,302,366	\$946,650
Revised Cumulative D1-to-D3 Δ (Average over first 5 Years)	-\$13,434,350	\$946,650
Revised Cumulative D1-to-D3 Δ (Steady State after 5 Years)	-\$10,131,985	\$4,249,015
One-Time Costs		
America East Fees	\$ (1,000,000)	
Coaches' Contractual Obligations	\$ (2,250,000)	
D3 Entry Fees	\$ (100,000)	
Refund of Naming Rights	\$ (1,300,000)	
Plant/Facilities Losses	\$ (550,000)	
Lost Bequests from identified donors	\$ (15,000,000)	
Average Estimate for One-time Costs (incl. Bequest)	\$ (20,200,000)	
Years To Break Even (Undiscounted)		9
NPV after 10 years	\$	184,504

2. CONCEPTUAL ERRORS IN CARR'S ANALYSIS

2.1 DOUBLE COUNTING \$6.2MM

12. It appears Carr is identifying two purported loci of savings: (1) Reduction in expenses incurred by Hartford Athletics related to reduced scholarship aid, reduced salaries, and reduced expenses (partially offset by reductions in revenue from moving to D3) and (2) increases in revenue to the Hartford's Central Admin related to an increase in net tuition received (i.e., from reduced provision of financial aid). I say "appears" because there is no single presentation of total savings; rather Carr provides two separate tallies. Nonetheless, Carr uses the word "Additionally"; from this I assume they intend for these two elements to be added (i.e., by using "addition") or at least to be considered as two halves of the same benefit from moving to D3.

13. This is an egregious error because the two analyses contain contradictory assumptions about whether athletic aid is real money or not. Because of the substantial related-party transactions between these two divisions within the university structure, adding these two sources of savings together under contradictory assumptions results in a substantial double count -- over \$6 million prior to other corrections to the Carr report.

14. The idea of this double count can be confusing to a layperson, but think of it like this: By including the Academic Aid line item as an expense for Athletics, Carr indicates that the Athletics Department is responsible for covering the cost of such aid – that is, it treats it like real money. Carr estimates that in FY22 Athletics will "pay" the Central Admin \$6.2 million, and treats that like a real expense – it drives two-thirds of the purported savings to Athletics from the switch to D3. But when Carr looks at the Central Admin's books, it ignores this "payment" from Athletics, that is, it treats it like the transfer never occurs. While it credits Central Admin with the portion of tuition paid by students and their families (net of the discounts received), it assumes Athletics cover \$0 of the discount (when on the other hand

it is definitely assuming Athletics spends that money). Carr thus overstates the net cost of D1 athletics by \$6.2 million, essentially counting scholarship costs twice.

15. In reality, if Athletics is saving \$6.2 million per year by not paying Central Admin, then by definition Central Admin is losing \$6.2 million from not being paid. The \$6.2 million in Athletics Expenses should be matched by \$6.2 million in revenue to Central Admin. By failing to include both halves of this transaction, when Carr assesses D3, it assumes that the athletic aid expense goes away for Athletics, but because it lost track of the revenue benefit to Central Admin from the payment from Athletics, it doesn't also reduce Central Admin revenue when these payments go away. Voila, \$6.2 million of savings are fabricated out of thin air.

16. As a way to conceptualize this, think of the payments that Athletics makes to Central Admin as being paid in company scrip. You can think of the \$6.2 million that Athletics provides for athletic aid as giving students \$6.2 million in scrip that they can spend at the bursar. Athletes then pay \$4.5 million of real money and \$6.2 million of scrip in the D1 world. In the hypothetical D3 world, athletes instead pay \$10.7 million, entirely in of real money. Assuming \$3 million in other expenses, in this example the system is now \$1.5 million better off with these student than without.

17. Looking at the two departments separately, Central Admin gains \$4.5 million in real money, but loses \$6.2 million in scrip, while Athletics saves \$6.2 million in scrip expenses. The system then incurs \$3 million in costs. If we assume the scrip is not real money, then Central Admin has received only \$4.5 million in real money but Athletics is unaffected (since all it lost was worthless scrip). After other costs, the net benefit is \$1.5 million. (In the discussion below, I refer to this as the economic approach.)

18. On the other hand, if we assume the scrip is just as good as real money, then Athletics is now worse off because it is expending \$6.2 million in "real" money, but Central Admin is better off: it is receiving a total of \$10.7 million (\$4.5 million real plus \$6.2 in "real" scrip). After expenses, this means Central Admin profits by \$7.7 million. Combined the two

departments net a \$1.5 million gain, just as when we assume the scrip was worthless. (In the discussion below, I call this the departmental approach)

19. What Carr has done is essentially to assume the scrip has value when Athletics spends it, but not when Central Admin receives it. Thus in Carr's analysis, Central Admin gains \$4.5 million in real money and \$0 from worthless scrip, but Athletics losses \$6.2 million from the loss of very valuable "real" scrip. After \$3 million in other expenses, this makes the combined departments look like they lose \$4.7 million loss instead of the \$1.5 million gain.

20. Figure 1 shows the Carr approach and makes clear that Carr assumes Athletics pays \$6.2 million to the Central Admin but fails to credit the Central Admin for the same payment. By failing to capture the \$6.2 million payment Carr's approach makes a \$1.5 million gain look like \$4.7 million in losses when two departments are consolidated.

Figure 1: Carr's Incorrect Double Count

Incorrect Approach	Carr Approach Central Admin	Athletics	Carr Approach Consolidation
	[A]	[B]	[A]+[B]
Tuition and Student Support Fees	\$12,000,000		\$12,000,000
Less: Athletic Aid Discount	-\$6,200,000		-\$6,200,000
Less: Combo Aid Discount	-\$800,000		-\$800,000
Less: Academic-Only Aid Discount	-\$3,500,000		-\$3,500,000
Net Outside Revenue from Athletes for Tuition and Fees	\$1,500,000		\$1,500,000
Room and Board (Net) & Other Charges	\$3,000,000		\$3,000,000
Total Net Outside Revenue from Athletes	\$4,500,000		\$4,500,000
Payments from Athletics to Central Admin for Athletic Aid	\$0	-\$6,200,000	-\$6,200,000
Less: Educational Cost Estimate	-\$3,000,000		-\$3,000,000
Net Revenue from Athletes	\$1,500,000		-\$4,700,000

(All Values are Illustrative)

As a result, departmental consolidation is understated by \$6.2 million

21. There are two ways to fix this mistake. One approach, which I call the departmental accounting approach, treats all intra-university cash flows (also known as “RPTs” – related-party transfers) as real, but tracks them carefully, being sure to recognize that when one arm of the university pays another arm, that transaction creates an expense for one, but revenue for the other.

22. This method can require a complex analysis of the impact of changes in an RPT, because by definition *every single RPT expense to one department is always, without fail, also RPT revenue for some other department*. It is an ironclad law: one department stops “paying” some RPT expense, some other department *must* stop receiving an identical amount of RPT revenue. When done right, as in the example below, the total comes out correct, \$1.5mm.

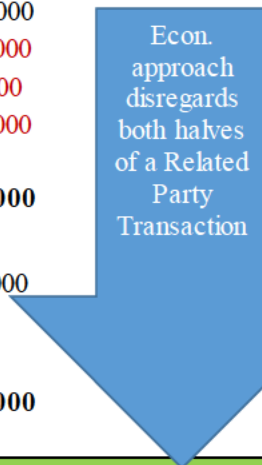
Figure 2: Resolving Carr’s Double Count (Departmental Approach)

Departmental Approach	Dept. Approach Central Admin	Athletics	Dept. Approach Consolidation
	[A]	[B]	[A]+[B]
Tuition and Student Support Fees	\$12,000,000		\$12,000,000
Less: Athletic Aid Discount	-\$6,200,000		-\$6,200,000
Less: Combo Aid Discount	-\$800,000		-\$800,000
Less: Academic-Only Aid Discount	-\$3,500,000		-\$3,500,000
Net Outside Revenue from Athletes for Tuition and Fees	\$1,500,000		\$1,500,000
Room and Board (Net) & Other Charges	\$3,000,000		\$3,000,000
Total Net Outside Revenue from Athletes	\$4,500,000		\$4,500,000
Payments from Athletics to Central Admin for Athletic Aid	\$6,200,000	-\$6,200,000	\$0
Less: Educational Cost Estimate	-\$3,000,000		-\$3,000,000
Net Revenue from Athletes	\$7,700,000		\$1,500,000
(All Values are Illustrative)			
As a result, departmental consolidation is correct			

23. Any analysis that applies the departmental account approach but *fails to carefully match changes* to both sides of the ledger risks making serious errors, one of which can be double-counting of benefits or costs. That is what Carr has done here, applying the departmental accounting approach, but in a faulty way, and has thus failed to connect the positive impact of changes in RPT expenses to Athletics, to the corresponding negative impact to RPT revenues received by Central Admin. The severity of this error cannot be over-emphasized.

24. A second approach to solve this problem is to simply ignore RPTs, since RPTs in and of themselves have no impact of the financial health of an organization as a whole. Payments between departments merely transfer funds within the university and any such expenditure on the books of one department is perfectly matched by the receipt of an identical amount of funds by another department, with a net impact to the entire university of \$0. For example, if a husband gives his wife \$100, he is \$100 poorer, she is \$100 richer, but as a family, their financial outlook is unchanged. Economically, the important point is to focus on external cash flow in, or out, of the system, and to ignore RPTs. I call this the economic approach: simply zeroing out the RPT expense on the Athletics side of the ledger, where it appears as a single item, so that it does not appear as a revenue or an expense. As seen in Figure 3, adopting this approach still gets to the correct value: in this example, \$1.5mm.

Figure 3: Resolving Carr's Double Count (Economic Approach)

Economic Approach	Econ. Approach Central Admin	Athletics	Econ. Approach Consolidation
	[A]	[B]	[A]+[B]
Tuition and Student Support Fees	\$12,000,000	Econ. approach disregards both halves of a Related Party Transaction 	\$12,000,000
Less: Athletic Aid Discount	-\$6,200,000		-\$6,200,000
Less: Combo Aid Discount	-\$800,000		-\$800,000
Less: Academic-Only Aid Discount	-\$3,500,000		-\$3,500,000
Net Outside Revenue from Athletes for Tuition and Fees	\$1,500,000		\$1,500,000
Room and Board (Net)	\$3,000,000		\$3,000,000
Total Net Outside Revenue from Athletes	\$4,500,000		\$4,500,000
Payments from Athletics to Central Admin for Athletic Aid	\$0	\$0	\$0
Less: Educational Cost Estimate	-\$3,000,000		-\$3,000,000
Net Revenue from Athletes	\$1,500,000		\$1,500,000
(All Values are Illustrative)  As a result, departmental consolidation is correct			

25. In this report, I take the economic approach, removing these intraparty payments before consolidating the numbers. That is, for the purposes of the rest of this report, I first reduce the supposed savings to Athletics by the full \$6.2 million RPT, which Athletics pays to the Central Admin. Economically, this is identical to continuing to assume that Athletics will pay the Central Admin, and then adding that revenue to Central Admin. As with any RPT, it represents an expense to one and revenue to the other. Because it always cancels out, simply ignoring it and focusing on the other impacts of adding or removing a student to the campus is the more focused, productive approach. It allows this analysis to address Athletics in a vacuum, and then address the impact on the Central Admin in a way that can be added

together *without a double count*. Shifting to the real figures in the Carr report (rather than the illustrative examples above), with just this change, the delta between the D1 and D3 scenarios for Athletics is not \$9.3 million but rather \$3.1 million, **prior to other corrections**.

Table 2: Impact of Correcting the Carr Double Count

	Carr's Projected D1 [A]	DI Without Double Count [B]	Carr's Estimated D3 [C]	Carr's D1/D3 Difference [D]=[C]-[A]	Revised D1/D3 Difference [E]=[C]-[B]
Student Fees	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -
Department Operating Revenue	\$ 1,800,000	\$ 1,800,000	\$ 600,000	\$ (1,200,000)	\$ (1,200,000)
Total Revenue	\$ 2,300,000	\$ 2,300,000	\$ 1,100,000	\$ (1,200,000)	\$ (1,200,000)
Athletic Aid	\$ 6,189,000	\$ -	\$ -	\$ (6,189,000)	\$ -
Compensation	\$ 5,550,000	\$ 5,550,000	\$ 3,623,000	\$ (1,927,000)	\$ (1,927,000)
Operating Expenses	\$ 3,625,000	\$ 3,625,000	\$ 1,260,000	\$ (2,365,000)	\$ (2,365,000)
Total Expenses	\$ 15,364,000	\$ 9,175,000	\$ 4,883,000	\$ (10,481,000)	\$ (4,292,000)
Net Revenue vs Expense	\$ (13,064,000)	\$ (6,875,000)	\$ (3,783,000)	\$ 9,281,000	\$ 3,092,000

26. With this conceptual error removed, it is now possible to assess, item by item, the analysis performed by Carr and, where necessary, modify it to correct for errors or erroneous assumptions. In what follows, first I address changes that would affect Athletics' financials and then follow with changes that would affect the Central Admin's numbers.

2.2 CONFUSING SAVINGS FROM MOVING TO D3 WITH SAVINGS DRIVEN BY CHANGING HARTFORD'S TARGET FOR NON-ATHLETIC AID

27. The Carr report states that in its D3 scenario for FY23 (in which no athletes receive athletic scholarships – also known as “Grants-in-Aid” or GIAs), the average level of academic aid will be 57% of the base tuition price. In reality, currently athletes at Hartford who get zero athletic aid (i.e., walk-ons) receive 67% of the base tuition price in the form of academic aid. This has nothing to do with athletics. Hartford is making the decision that these students are worthy of academic aid, which is unrelated to the fact that they have walked on to a sports team. They are presumably smart, deserving students and the school's aid policy says they merit a 67% reduction (on average) in the price of tuition.

28. Carr assumes that Hartford will simply change this policy and start giving academically meritorious athletes only 57% discounts (on average) if the school moves to D3. This may be true, but if the school can unilaterally choose to give athletes less academic aid whenever it wishes, it could make this identical change in academic aid policy as a D1 school. Attributing this savings to switching divisions is an error.

29. I discuss the details of this error and account for its impact on the D3 scenario in my analysis of overstated revenues in the D3 scenario. However, I call attention to it here because, like the double-count above, this is essentially a conceptual error rather than an omission of a revenue or expense item. These academic-aid savings can be had in either scenario. As a result, when I discuss these below, I remove about \$1.35 million from the claimed benefits of a move to D3, because these savings are not caused by the proposed move to D3.

3. REVISIONS TO CARR'S ANALYSIS OF ATHLETICS

3.1 ATHLETICS REVENUE ANALYSIS

30. Carr presents, without any support, the claim (a) that “Department Operating Revenue”: would decline by only \$1.2 million and (b) that “Student Fees” would remain unchanged if Hartford were to move to D3. Both of these are suspect conclusions, and analysis of the report is made more difficult by its opacity on this point.

31. Carr makes no statement as to which Athletics revenues it has assumed will be reduced under the category of “Operating Revenue.” Typically, D1 universities consider “Contributions,” i.e., donations to the program, to be part of its operating revenues. Based on discussions with Hartford personnel, I understand that Carr’s estimate of a decrease in operating revenues would be a low but still reasonable estimate of the decrease in FY19 operating revenues if Hartford were to move to D3 *if one assumes that Contributions would be unaffected*. Alternatively, if Contributions are assumed to decrease – as they surely would – then this figure far understates the impact on other revenues. For ease of analysis, I assume

that Carr has taken the former assumption, i.e., that the reported Contribution levels will remain unchanged if the school moves to D3, and I assess that assumption after a review of the portion of operating revenues other than Contributions.¹³ I then address questions related to the likelihood that Hartford's student fees will remain just as high in a D3 scenario as they are with the school in D1.

3.1.1 Claimed operating revenue savings

3.1.1.1 Questionable assumption that FY19 performance represents a good estimate for FY22 and beyond.

32. The Carr report assumes that if Hartford were to exit D1 in 2022 and begin play in D3 in 2023, the net reduction in Athletics of operating revenue would be \$1.2 million. As stated above, Carr's estimate of a decrease in operating revenues appears to be a reasonable estimate of the FY19 operating revenues that would likely disappear going forward if Hartford were to move to D3, *excluding the impact on Contributions*. However, I understand that FY19 was an unusually low year for corporate sponsorship revenue and ticket revenues, relative to the prior years, in ways that are not expected to continue, certainly not to FY23 when the potential switch is being evaluated.

33. Hartford athletics personnel inform me that FY19, Hartford's first year under a new contract with Learfield Sports, performed at least \$100,000 below Hartford's prior two years. As I understand it, Hartford personnel believe the transition to Learfield was responsible, in part, for this decline, and steps are being taken to either improve this performance or consider other options. It may simply be a case of a transitional effect as Learfield may have needed some time to get its efforts up to Hartford's traditional par.

34. Similarly, I understand that ticket revenues dropped substantially in FY19 under a new contractual arrangement with a third-party, which was so disastrous that Hartford has terminated this relationship going forward. As I understand it, the outside vendor ended

¹³ The dollar impact of my analysis is identical if I adopt the alternative assumption.

Hartford's practice of informal dynamic pricing, which allowed tickets to be purchased at a discount when demand was lower.¹⁴ As with dorm rooms on campus (discussed below), when a seat in an arena for a basketball game sits vacant, there is no reduction in costs, and so even if that seat is sold for \$1, it represents an additional dollar of not just revenue, but profit.¹⁵ However, the outside vendor required all tickets to be sold at face value, with the result being a dramatic drop in total tickets sold, but without any improvement in gross revenues received. Essentially, fewer, more expensive tickets were sold, with the net result of the no-discount policy being a dramatically weakened game atmosphere and home court advantage. This arrangement also appears to have cost Hartford substantially more than the school spent when it managed ticket sales in house. My review of the results indicate that this cost likely increased Hartford's cost of sales on these tickets by more than \$80,800. The Carr report provides no insight into whether this likely improvement in operations was factored in, but it does not appear that it has.

35. Because the school has terminated its relationship with the outside vendor, and because it plans to re-implement the older dynamic pricing policy, a much more reasonable assumption is that ticket revenues will rebound to (at least) their FY18 levels once COVID restrictions come to an end. For the purposes of my estimate of FY23 revenues and expenses, I estimate this increase to the D1 scenarios at \$80,800.¹⁶

¹⁴ For a fuller discussion of ticket pricing strategies, including dynamic pricing, see my co-authored chapter "Illustrations of Price Discrimination in Baseball," in *Oxford Handbook of Sports Economics* (Vol. 2: Economics Through Sports, pp. 380-399), eds. Stephen Shmanske and Leo H. Kahane, Oxford University Press, 2012, written with Daniel A. Rascher.

¹⁵ Of course, dynamic pricing mechanisms need to avoid giving discounts to customers who would otherwise pay a higher price.

¹⁶ Note that technically this is more of a reduction of Athletics cost of sales, rather than an increase in Athletics revenues. I assess this piece as a revenue impact simply for ease of exposition since the layman's explanation of this assumption is something like "Hartford will get more net ticket revenue in FY23 than they got in FY19."

Table 3: Upward Revisions to Carr’s D1 Athletics Operating Revenue

Category	Amount
Sponsorships	\$100,000
Ticket Sales	\$80,800
Total Underestimated D1-driven Revenues	\$180,800

36. Finally, of course, Hartford’s Men’s Basketball is coming off of its most successful season in the program’s D1 history. While I include no estimate of the likely increase in sponsorship or ticket sales from the impact of this success in this analysis, directionally it is clear it is more likely that future revenues will increase rather than stay flat at FY19 levels. If Hartford recommits to D1 after this review, it is obviously a ripe time to focus on growing these revenues, building off of the momentum and excitement of the on-court success of men’s basketball in 2020-21.

3.1.1.2 Failure to account for lost contributions tied to being in D1

37. As stated above, I have interpreted the Carr report’s ambiguous use of the term “Operating Revenue” to exclude Contributions, and that I assume the Carr report has concluded that there will be zero change in Athletics’ revenue received from Hartford’s donor community.¹⁷ Based on my discussions with Hartford Athletics personnel and members of the donor community, this is a very inaccurate assumption.

38. As I understand, in FY20, Hartford Athletics received approximately \$470,000 in contributions.¹⁸ My discussions with Hartford Athletics personnel indicated that some believe that essentially all of these donations are at risk in a D3 scenario, but they were specifically able identify over \$200,000 in donations from donors who they are certain will stop donating

¹⁷ Alternatively, if Carr included these in the analysis, then they understated the other likely loss of operating revenues by an equivalent amount.

¹⁸ I also understand this number was impacted by COVID, due to a cancellation of a fundraising event. In FY19, the total was approximately \$575,000.

to a D3 Hartford. In my analysis, I adopt the more conservative assumption that only these confirmed donors' contributions will be lost, which reduces the revenue of any D3 scenario by \$200,000.

39. Based on this review, I identify \$200,000 additional dollars that will be forgone in a D3 scenario than Carr assumes, even while making the conservative assumptions listed above, such as making no adjustment for the future impact of Hartford men's basketball's success in the 2020-21 season.

40. There is another (and far more substantive) issue with respect to future donations to Hartford Athletics which is worthy of mention here, though I defer analysis until later in this report. This relates to bequests. As I understand, at least two major donors, as part of their estate planning, have made provisions for large contributions to Hartford Athletics at the time of their deaths. In one case, the amount is in the 7-figures (i.e., at least \$1 million). In another it is in the 8-figures (i.e., at least \$10 million). My understanding is that both of these estates plans would be amended to remove Hartford Athletics as a beneficiary if the program left D1.

41. I take this up below in my assessment of the one-time costs of a switch to D3 but it is important to realize that as with ongoing, annual contributions, one-time bequests can be a major source of Athletics funding – I know from other schools that development officers can spend a good deal of time courting wealthy donors for just this purpose. It appears Carr has not included this risk in its assessment of the move to D3, and as shown below, it is a major element of the costs of a transition to D3 that must be considered before making such a move.

3.1.1.3 Claimed lack of impact on Student Fees

42. Student Fees are an often-misunderstood portion of a private university's revenue. Economically, charging a family mandatory tuition and mandatory fees for attending a university is identical to charging no fees and increasing the tuition price by an equal amount. Unless a school is somehow bound by law or its governing covenants to hold student fees

separate from other revenue sources, student fees are simply annual charges to attend Hartford, no different from tuition payments from the perspective of university cash flow. Money is fungible. However, it is true that Student Fees may have a different *marketing* flavor than tuition when being sold to families who must bear the cost of attending Hartford. Typically, Student Fees are marketed as being payments for specific services provided (e.g., an on-campus concert series, intramural sports, Athletics) and because of this, families expect the services provided to be commensurate with the price charged as fees (or better put, “portion of total price labelled as fees”). If the Athletics offering is diminished from an exciting D1 program with a chance to make March Madness to a more modest D3 program, it is not at all clear that Hartford will be able to maintain the same nominal price for Student Fees under the D3 scenario.

43. Hartford Athletics personnel have indicated to me that they believe the University would only be able to raise \$300,000 rather than \$500,000 in student fees in a D3 scenario. They base this on the fact that just a little less than \$200,000 of these fees are explicitly charged for men’s and women’s basketball, and the likelihood that Hartford can market a D3 fee at the same price as they get for a D1 program is low. Hartford Athletics personnel also informed me they believe it is more likely the school could charge additional D1 fees for the other sports than they could charge for fees in any D3 sport, but I have not included any new fees in my D1 scenarios. I simply reduce the D3 level by \$200,000.

44. This assumption – that fees will decrease by about \$200,000 – is much more credible than Carr’s assumption of no reduction at all. I have adopted this assumption, but short of a serious focus-group project to determine whether Hartford can actually charge D1 Student Fees for D3 entertainment services, or whether D1 can raise fees to reflect the full value to the student community of the D1 program, this report cannot assess the competing claims. In my calculations, I have thus assumed a loss of \$200,000 in the D3 Scenario.

Table 4: Estimated Lost Revenue from Contributions and Student Fees	
Minimum Expected Lost Contributions	\$ 200,000
Carr's Stated Student Fees for Athletics	\$ 500,000
Expected Student Fees Per Athletics Personnel	\$ 300,000
Expected Lost Student Fees	\$ 200,000
Expected Lost Revenue from Contributions and Student Fees	\$ 400,000

3.2 ERRORS IN CARR'S ATHLETICS EXPENSE ANALYSIS

45. As discussed in Section 2 above, the Athletic Aid expense has been double-counted in the Carr report, and while there are two ways to fix this error, I have chosen the economic approach, zeroing out the D1 athletic aid expense (but continuing to include the cost of providing services to athletes, such as the cost of education in the analysis in my Central Admin analysis). Hence, for the purposes of this section of the analysis, I assume no savings related to reduced Athletic Aid from a move to D1 to D3. The benefits of the move to D3 show up just once – in the Central Admin analysis – rather than twice.

46. Putting Athletic Aid to the side, the Carr report estimates that the move from D1 to D3 will result in a reduction of *other* Athletic Department expenses totaling \$4.3 million. \$1.9 million of this relates to the reduction of Athletics compensation expense – it appears Carr assumes a wholesale replacement of the current D1 coaching staff¹⁹ with less experienced and less expensive D3 coaches – but no detail is provided on how Carr believes the rest of these savings from the non-compensation portion of Athletics operations will be

¹⁹ My understanding from Hartford Athletics Personnel is that total coaching expense in FY19 and FY20 was approximately \$2.7 million and did not reflect any material growth year-to-year. From this I assume Carr has estimated these coaches will be replaced with D3 staff with total compensation and benefits of about \$800,000, a reduction of about 70%. It seems unlikely the current staff would accept 30% of their current salaries to coach at a lower level of competition, hence my assumption of a wholesale replacement of the staff.

achieved. Given the lack of detail provided, I have taken as given the ability of a hypothetical D3 athletics department to reduce its expenses along the lines Carr has assumed. This should not be read as an endorsement of Carr's conclusions, but rather simply as my accepting it for the purposes of analysis.

3.2.1 Increased cost of athletic trainers and strength coaches

47. While I have no specific critique of the assumption of reduced expenses, it does appear that the Carr analysis has failed to recognize one important source of *increased expenses* in the D3 scenario, which is that a move to D3 will end the current partnership that Hartford has with Hartford Healthcare (HH). As I understand it, in 2019, HH entered into a sponsorship agreement with the university in which HH takes over the salaries and benefits costs of nine athletic trainers and strength coaches, making them employees of HH rather than Hartford itself. I have been informed by Hartford Athletics personnel that on average these HH employees earn around \$62,000 each, including the cost of benefits, and thus the HH deal represents a form of sponsorship revenue that is held off the books. With the caveat that Carr's expense analysis is perfectly opaque, the fact that these savings only can be inferred on the Hartford books by their absence leads to me to believe they are not included in Carr's analysis.

48. Most importantly, as I understand it, HH has entered into this sponsorship arrangement primarily because of the relationship that HH's CEO has with Hartford Athletic personnel. I also understand this deal is currently up for renewal, and Hartford Athletics personnel believe this portion of the deal will not be renewed if Hartford were to move to D3; hence the likely cost impact of the move to D3 would be to increase athletics expenses related to athletic trainers and strength coaches.²⁰ This translates into an expense increase for the D3 scenarios of roughly \$550,000.

²⁰ It is possible that in a D3 scenario, Hartford would seek to find inferior, less costly athletic trainers and strength coaches, but I have assumed the same quality of care would be

3.3 BOTTOM LINE FOR ATHLETICS

49. In total, Carr estimates that the impact of a move from D1 in FY22 to D3 in FY23 on Athletics as a stand-alone entity is a net savings of \$9,281,000. The combined changes in Section 2 (related to the double count of athletics aid expense) and Section 3 (related to errors in Athletic department revenues and expenses) total \$7,319,000, meaning that my estimated value for the cost savings to Athletics from a move to D3 are not \$9.28 million, but rather \$1.96 million, which represents only 21% of the benefit estimated by Carr.

Table 5 Summary of Revisions to Athletics Revenues & Expenses

	Adjustment	Total After Adjustment
Carr's Stated D1-to-D3 Athletics Revenue Δ		\$9,281,000
Removing Double Count of Athletic Aid	-\$6,189,000	\$3,092,000
Reversion to FY18 Ticket Sales and Sponsorship Revenues	-\$180,800	\$2,911,200
Accounting for Potential Lost Contributions	-\$200,000	\$2,711,200
Accounting for Impact on Student Fees	-\$200,000	\$2,511,200
Loss of Trainer/Strength Coach subsidy from Hartford Healthcare	-\$550,000	\$1,961,200
Revised D1-to-D3 Athletics Δ	-\$7,319,800	\$1,961,200

50. I now turn to the assessment of the net changes in revenues and expenses related to Hartford's Central Admin.

4. REVISIONS TO CARR'S CENTRAL ADMIN ANALYSIS

51. As discussed above, the fundamental error Carr commits is to double count the savings from reduced athletic aid. Because my analysis has fixed this error via the economic approach (i.e., I remove this line item from the Athletics analysis), I have already counted the correction of that error in my Athletics assessment above. Therefore, it is appropriate to begin assessment of Carr's analysis of Central Admin finances *without any modification for the*

provided, and thus this expense item would remain unchanged, other than the fact that Hartford, rather than HH, would now foot the bill.

double-count. If I were to remove it twice, I would be committing a double count in the other direction. Thus the starting point for this section is the Carr report's table on page 11, unadjusted with respect to how athletic aid is treated (i.e., I adopt Carr's approach of treating each dollar of athletic aid as discount on tuition charged to athletes).

52. Once that double-count is removed (from Athletics), it appears that Carr set up a more-or-less appropriate framework for assessing the impact to the Central Admin budget from tuition payments from athletes. This does not mean the analysis is without error, but the structure for thinking about the impact to the Central Admin is essentially correct: Carr first attempts to assess what portion of the total list price of attending Hartford,²¹ is borne by the athletes themselves to determine how much revenue Hartford receives from its D1 athletes (in addition to revenue from other student payments such as fees, room & board charges, etc.). Carr then calculates the same values (under different assumptions about aid) for a hypothetical D3 scenario. Carr then attempts to offset this revenue with an estimate of the per-student cost impact of having those athletes on campus, comparing and contrasting the differences between D1 and D3. This framework is correct but the implementation is flawed in several respects, as laid out below.

4.1 INCONSISTENT ASSUMPTIONS ABOUT ACADEMIC AID TO NON-SCHOLARSHIP ATHLETES.

53. As discussed in Section 2 on conceptual errors, Carr has misidentified proposed changes in Hartford academic aid policy with benefits related to moving to D3. Carr appears to assume that in a D3 scenario, Hartford can reduce the "discount rate" of academic aid it

²¹ A note on terminology. As I understand from Hartford personnel, the university typically calculates a "Discount Rate" as a comparison of total aid, whether for tuition, fees, room & board, books, or even in the form of cash stipends, against the list price of *tuition only*. There's nothing mathematically wrong with this ratio, but it has the curious effect that as a percentage, the "discount rate" it is not restricted to be between 0% and 100%. Full GIA athletes receive 100% reductions in their tuition as part of their total compensation package, but they also receive 100% discounts on other times like room & board. The result is that a Full GIA athlete at Hartford has a discount rate around 140% under current pricing.

gives to its D3 students by about ten percentage points relative to what it currently gives to D1 walk-ons. This may be true, but then it would seem that this policy change is also available for those D1 walk-ons if the school chose to do so now. As one of the first principles of economic analysis of a proposed project (such as the potential move to D3), any cost items that can be changed without undertaking the project should *not* be attributed as a cost or benefit of the project under consideration. This change clearly fits into that category – a change that can be accomplished whether or not the school moves to D3 – and as a result in my analysis I remove the benefits of this academic aid policy change.

54. The Discount Rate Carr assumes that Carr assumes for non-GIA athletes in FY23 is lower than it actually was for non-GIA athletes in FY19, as I lay out here. I understand from Hartford Athletics personnel that in FY19, Hartford provided \$3.3 million in academic aid to athletes who received no athletic aid, i.e., walk-ons. I also have calculated that there were 134 walk-ons in FY 2019.

Table 6: Breakdown of FY19 athletes by level of GIA²²

	Number of Athletes
Total	304
GIA Athletes	170
Basketball Full GIAs	28
Other Full GIAs	24
Partial GIAs	118
No GIA (Walk-ons)	134

55. Across those 134 walk-ons, academic aid in FY19 thus averaged \$24,638. This is the numerator in Carr’s Discount Rate calculation. For that same year, Carr’s denominator

²² Note, in Carr’s work, the report states that there were 305 total athletes in FY19. I understand the actual total is 304. In general I have adopted Carr’s values, but for this calculation, I use the more precise 304.

is calculated as total “Tuition Billed” divided by 305 athletes, which is \$36,790.²³ The result is an average 67% Discount Rate for non-GIA athletes in FY19.

56. Thus, buried within Carr’s analysis of the move from D1 to D3 is an unrelated academic-aid policy change, where it is assumed Hartford will lower the academic aid it provides to non-GIA athletes. That change does not belong in an assessment of the costs and benefits of reclassification to D3 unless it can be shown the school cannot make this non-athletic change otherwise, and I see no evidence for why that would be the case. I therefore remove this piece from Carr’s estimate of D3 benefits, since it is not a benefit of a move to D3, but instead a benefit of an unrelated academic aid policy change.

57. Taking out that unrelated benefit reduces the estimated revenue benefits to the Central Admin by \$1,349,358, as shown below in Table 7. This substantially lowers the estimated benefits of the move to D3, and makes clear that much of these savings are *not* coming from a change in division but rather from proposed changes in Hartford’s policy with respect to academic aid.

Table 7: Estimate of “Discount Rate” for non-GIA athletes in FY19		
Total Aid to Walk-On Athletes	\$	3,301,428
Number of Walk-On Athletes		134
Average Aid Per Walk-On Athlete	\$	24,638
Average Tuition Price Per Athlete	\$	36,790
Discount Rate for Walk-On Athletes		67%
Carr's Assumed Discount Rate		57%
Total Aid Distributed FY2023 with Revised (Actual) Discount Rate	\$	9,349,358
Carr's Assumed FY2023 Total Aid Distributed	\$	8,000,000
Carr's Underestimate of FY2023 Total Aid Distributed	\$	1,349,358

²³ Carr’s work is a little inconsistent in this regard because it presents an average tuition of \$38,000 but then claims that 305 students are billed this amount and the total is \$11,221,000. $38,000 \times 305 = 11,590,000$, which is off by about \$369,000 or almost 10 students. In the analysis above, I use the \$11,221,000 figure because that is what Carr uses on p. 11. That figure results in the \$36,790 estimate per athlete.

58. In my analysis, I reduced the value of Carr’s D3 scenarios by this amount, and in my recommendations, below in Section 8, I discuss a plan for changing how academic aid is awarded in a D1 scenario that provides a more reasonable (albeit more modest) benefit to the Central Admin that can be adopted without moving to D3.

4.2 MISAPPLYING THE UNIVERSITY’S “EDUCATIONAL COST ESTIMATE”

59. The report appears to estimate that the per-student cost to educate (but not house or feed) one additional athlete is about \$9,100²⁴ (at least in its D1 scenarios²⁵). It refers to this figure as an “Educational Cost Estimate.” This can be thought of, in some sense, as the cost of goods sold (a.k.a. “COGS”) that relates to the revenue line item of tuition. The report does not explicitly state its source for the “Educational Cost Estimate” but I understand that this is a number that the university itself calculates and that it is based on an average-total-cost methodology; i.e., the university²⁶ calculates its total costs of operations and divides by the number of students enrolled.

60. This figure is very useful in some situations, where understanding the average total cost of each student on campus is relevant. But “Educational Cost Estimate” as calculated is not appropriate for assessing the marginal (or incremental) impact of a change in the number of students at a school that is well over some minimum base level of capacity

²⁴ The report provides 5 data points across time. I performed an extremely simple regression analysis, regressing Carr’s figure for total cost on the number of athletes and a time trend, and determined with a 99.7% R² that per-student costs were \$9,107 and increased \$30 per year over the period 2019-2023. For my analysis here, I will use \$9,100, as neither the precise annual value nor the time trend is material to my overall results.

²⁵ As will be discussed below, Carr assumes the incremental cost (above 325 athletes) is \$0 for its 400- and 500-athlete D3 scenarios.

²⁶ As I understand how Universities use this figure, an “Educational Cost Estimate” is often calculated at a whole-university level, but also for individual schools within the university (e.g., the school of business, the school of art).

usage, say 50-75%. A university requires a huge fixed-cost investment merely to open for business each year. As attendance grows, so do expenses, but the marginal impact of adding 1 or even 100 new students is not equal to the total average cost per student of the existing base of students, because once the school reaches its desired size, fixed costs do not continue to grow. Because the “Educational Cost Estimate” reflects an average of both fixed and marginal costs, it overstates the true incremental cost of adding or removing a small number (relative to total undergraduate population) of athletes on the margin, and it is that marginal value that is needed to assess the impact of adding or removing a few hundred athletes from campus.

61. It is beyond the scope of this study to determine a precise estimate for the marginal impact, but from my past work, I believe it is fair to assume the true cost is likely at least one-third smaller, or \$6,000.²⁷

62. That said, under the Carr report’s primary D1 and D3 scenarios, there is no change in the number of athletes who attend Hartford and under that specific assumption – that the switch from D1 to D3 has no impact whatsoever on the number of athletes attending Hartford, then identifying the correct marginal value for the “Educational Cost Estimate” is not important because the charge, whatever it is, is identical in both scenarios (and thus cannot be a source of additional savings or costs). But because I also think it is useful to see what the D1 or D3 program will cost, on net, separate from the comparison of the delta between the two, I adopt this more accurate estimate of the marginal cost in my calculations.

63. This more accurate number is also needed when assessing certain programs that Hartford Athletic personnel believe may need to be terminated in the school leaves D1. As discussed below, there is the potential of losing Hartford’s E-Sports program or its Graduate

²⁷ Developing the true value would require in-depth analysis in close coordination with Hartford and would take far longer than the two weeks in which this report was developed. One professor I spoke with who runs a department at a west coast school indicated that his sense was that this estimate was quite high, that is, very conservative.

Assistant program, which on net might reduce the campus population by 90 students. When I assess the revenue and cost impacts of those sorts of changes, I use rough estimate of an educational incremental cost of \$6,000 per student, rather than Carr's \$9,100.

64. Generally this is a good thing for Hartford, whether in D1 or D3, to know that it costs less than they currently estimate to educate incremental students added to campus. However, the next item I assess, cuts the other way, because it appears that Carr has not included the costs associated with providing the other elements of attending Hartford, such as the marginal cost of room and board.

4.2.1 Side Note: Hartford may be double charging its departments for the cost of education

65. As a separate matter, I understand that for internal purposes, Hartford sometimes requires that two different departments each pay the "Educational Cost Estimate" to the Central Admin. One such situation is when the student is a scholarship athlete, so that both Athletics and the student's academic school within the university (e.g., the school of business) are asked to make a \$9,100 payment to the Central Admin. As these are RPTs, the net impact on the school of this double charge is nil. However, this practice does make it look (internally) like the cost of adding an athlete to campus is double the true cost (and the problem is then compounded by the issue of marginal versus average cost discussed above). It creates the illusion that Hartford's individual departments are less profitable than they really are and that Central Admin is more profitable than it is. I would recommend Hartford reassess this policy and assign all of this cost, once not twice, to one department, or if it wishes to spread the cost across the two programs, to allocate one unit of cost, not two.

4.3 CARR'S FAILURE TO DEDUCT AN APPROPRIATE ESTIMATE FOR ROOM & BOARD EXPENSES

66. Missing from Carr's assessment of whether adding additional athletes to campus is a source of profit or loss to the Central Admin is an accounting for the cost of the other

services, besides education, that are included in the list price a Hartford student pays, i.e., there is no deduction for the marginal cost of providing Room and Board to athletes. Because Carr includes the revenue for these services (net of the discounts provided to athletes in the form of GIAs for the D1 scenario), to see the full picture one must also include the marginal costs of providing these services.²⁸ As with the discussion of the cost of education, in comparisons where the number of students is held constant, failure to include this expense is innocuous, but because many of the scenarios assessed do (or should) reflect differences in the quantity of athletes enrolled, it is important to assess these cost changes.²⁹

67. This analysis requires a separate assessment of the cost of room on the one hand, and board on the other. I begin with the cost of providing housing, and then turn to food.

4.3.1 The marginal cost of Room

68. Based on my discussions with Hartford Athletics personnel, I understand that the university is chronically unable to fill all of its dorm rooms.³⁰ On the other hand, as I understand it, any undergraduate athlete on scholarship who is enrolled as an undergraduate receives their housing allowance in kind (for a full GIA athlete) or as a discount off of the cost of on-campus housing (for partial GIA recipients) rather than in cash that can be used to live off campus.³¹ This is a wise financial decision for a university with excess on-campus

²⁸ Note: it is possible that Carr is working with net revenues for room and board, which already have these costs deducted. If that is the case, an entirely different analysis would be needed to back-out overstated fixed costs, rather than to add in understated marginal costs. This would improve the financial outlook in both the D1 and D3 scenarios, but would improve D1 by a larger dollar amount.

²⁹ I note that in general, my inclusion of this element of expense generally makes the D1 scenarios look more expensive, relative to Carr's baseline D3 scenario. To be clear, my assignment was not to find ways to make D1 look better, but rather to correct all material errors (and to identify all dubious assumptions) in Carr, regardless of the direction of those errors. The goal is to get the right number, not the number most favorable to D1.

³⁰ My understanding is that the dorms are typically (COVID times excepted!) around 80-90% full.

³¹ As I understand it, there have been five graduate students over the past three years who were given housing allowances in cash rather than in kind.

housing. Just as with a hotel or cruise ship, an unused room in a dorm that is mostly occupied provides no real cost savings versus having someone in that room. In the language of economics, the marginal cost of filling an empty room in these situations is effectively zero. That means that if you can find a way to target discounts just to the incremental occupants of these rooms, whether they be last-minute vacationers or GIA athletes, virtually *any* price you charge for the room will be profitable, and even providing the room for free will be a wash.

69. Thus, when a full-GIA athlete is given a space in double room on campus as part of their athletic aid package, if that space would otherwise lay empty, the school neither makes nor loses any money. In contrast, if a full GIA athlete is given a housing allowance in cash, that is a pure cost to the school.

70. Because of this, however, there is no need to add in any marginal costs of housing to the Carr estimate. As long as Hartford has more dorm space available, it can add athletes in either a D1 or a D3 scenario, and see no material increase in its total cost of providing housing to all students. The same, however, is not true for the food component of Room & Board.

4.3.2 The marginal cost of Board

71. As the saying goes, there is no such thing as a free lunch. The same holds for breakfast and dinner. Whenever Hartford provides a student with a meal, whether that student is on a scholarship or not, there is a marginal cost associated with providing that food. From the perspective of the university, that marginal cost is equal to the wholesale price of food it provides, which as I understand it, would be equal to whatever Hartford's food service vendor (which I understand is Aramark) charges Hartford for each additional meal plan it provides, *after accounting for whatever revenue split Hartford receives*. This last point is important. If, for example, Hartford's arrangement with Aramark provides for 90% of the price to remain with Aramark and 10% to flow to Hartford, then the true cost of Hartford of providing a meal plan as part of a full GIA is not the full price of that meal plan, but instead only 90% of that price, since 10% of a payment by Hartford will flow from Hartford Athletics to Aramark and

then from Aramark to Hartford's Central Admin. The 10% is essentially just a complex RPT with no net impact on the school.

72. I have not been provided with the details of Hartford's contract with Aramark. In my analysis, I have chosen to assume this 90/10 split. In my experience, most schools receive a split of this kind, though I am aware that in some cases, schools opt for a flat payment (and in return receive 0% of each meal plan purchased), or for a mix of a flat fee and a small percentage (in one case that I am aware of, this percentage is 3%). To the extent I am able to learn the details of the Aramark contract, I can update this report to reflect the actual revenue share, but in the interim it is my opinion that assuming a 90/10 split is a reasonable, conservative estimate.

73. It then remains to estimate the price of the meal plan a typical athlete receives, in order to determine the school's estimated cost of providing one additional meal plan. Based on discussions with Hartford Athletics personnel, it is my understanding that athletes on full scholarship are typically given a choice among plans that provide a mix of meals and "dining dollars" which are essentially a form of scrip that students can spend on food service items as they wish, and that the school generally encourages its athletes to take the plan with the largest number of guaranteed meals. Without specific student-by-student information on these choices, I have made the assumption that the school provides its scholarship athletes with a 50/50 mix of the two "7 Day All-Access" plans listed on the school's website. The average price of these two plans is \$5,129, and under my assumption of a 10% profit margin for Hartford, my estimate of the cost (to Hartford) of providing a meal plan as part of a GIA is therefore \$4,616.

74. In an arrangement like Hartford appears to have with Aramark, Aramark bears all the fixed costs, so average total cost and marginal cost are the same to Hartford. Thus for the FY23 scenarios, in which Carr estimated Hartford will have 325 athletes, I estimate the total marginal cost of Board (which needs to be added to both the D1 and D3 scenarios) is

\$1,500,086.³² While this does not change the relative cost, it is necessary to include this to assess the specific level of spending of the school’s current athletics programs.

Table 8: Estimate of Marginal Costs associated with “Board”		
Annual Price of Premium 7 Day All-Access Dining Plan	\$	5,402
Annual Price of Unlimited 7 Day All-Access Dining Plan	\$	4,855
<i>Average Price of Dining Plans</i>	\$	5,129
Average Cost of Dining Plans to Hartford	\$	4,616
Number of Student Athletes		325
<u>Total Cost to Hartford of providing "Board" to Athletes</u>	\$	1,500,086

4.3.3 Side note: Hartford’s Central Admin makes money from its athletes

75. It is worth noting that under the D1 scenario as modeled by Carr, prior to my revisions, Carr shows Hartford is “making money” from the tuition payments of its D1 athletes, at least prior to the pandemic. Carr shows that across 305 D1 athletes in FY19, Hartford received \$4.6 million and expended only \$3.0 million to educate these students (even prior to my adjustment to this educational cost figure), despite the fact that, according to Carr, Hartford is only charging these athletes, on average 7% of the list price of tuition. With my corrections (which add some costs and reduce others), I conclude that these students generated \$1 million in net revenue in FY19.³³ This is worthy of a brief pause for emphasis: **even when offering a supposed 93% discount, having 305 athletes on Hartford’s campus in FY19 was profitable to the school’s Central Admin**, even after a net increase in costs from my revisions. This makes it clear that *adding* sports within D1 is a viable path for Hartford to

³² Note that this cost is not an additional expense, but rather it is simply an attempt to estimate the existing expenses, listed elsewhere, and then tie them to the drivers of those expenses.

³³ The precise figure is \$1,149,620.

potentially increase total revenue to the university as a whole from sports. I discuss this in more detail in my forward-looking recommendations, below.

76. Careful readers may question whether it is possible for a school to receive only 7% of its total price and still make profit. This is an artifact of the specific definition of Hartford's "discount rate," which represents the ratio of all aid (whether for tuition, fees, room and board, books and supplies, or cash stipends for living and travel expenses) relative to the total list price of *just tuition*. The 7% figure above is based on the specific ratio that Hartford calculates, which underestimates the true gross profit margin from adding a student to campus.³⁴ To see this, consider Hartford's revenues and costs from athletes in FY19. As I understand it, Hartford Athletics provided \$6,357,406 in athletic aid to 170 athletes, along with an additional \$793,000 of non-athletic aid (i.e., "combo aid"). For the approximately 134 walk-ons, who received no athletic aid at all, the school provided \$3,301,428 in non-athletic aid. Thus, in FY19, all financial aid of any type which any athlete (even a walk-on) received totaled \$10,451,834. This corresponds to the figure that Carr reports on p. 11, of \$10,452,000.

77. The Discount Rate ratio compares that figure to the total list price of tuition alone, which it estimates at \$11,221,000. Numerically, the ratio of \$10,452,000 to \$11,221,000 is, in fact, 93%. But this ignores the school's revenues from all other student payments. When I add my best information on those sources of revenue (some of which I have at the gross level, some of which I only have net of costs), I estimate a lower bound on total revenue (prior to aid discounts) attributable to Athletes in FY19 is \$15,083,407. And thus, Hartford's total discounts of \$10,452,000 represents 69.3% of the total list price, rather than the more eye-catching 93%.

³⁴ Calculating this ratio is fine as long as it's recognized for what it is, but as I show in this section, the claim that Hartford athletes only pay 7% of their price is wrong as a result. In that framework, they pay 7% of tuition and 100% of the other items, for an average of somewhere over 30%.

4.4 REVISIONS TO CARR'S CENTRAL ADMIN REVENUE ANALYSIS

78. Based on my discussions with Hartford Athletics personnel, I also understand that the FY19 data on which Carr based its baseline for analysis omits two new programs that (a) generate revenue for the Central Admin (via tuition, fees, room, and board payments) and (b) are contingent on Hartford's remaining in D1 school (and thus which would dry up if Hartford were to move to D3). These are Hartford's relatively new E-Sports program and the soon-to-be launched Graduate Assistant program.

4.4.1 No analysis of the impact on E-Sports of leaving D1

79. Hartford Athletics personnel have informed me that the Athletic Department added an E-Sports team in October of 2020 as a sanctioned D1 intercollegiate program, though outside of NCAA auspices. While the current roster includes 46 e-athletes on this newly created team, the department's stated goal is to reach 60 E-sport athletes per year. Preliminary estimates, which I was not able to independently assess, claim that the E-Sports students will pay at least \$1.2 million annually in net payments to Hartford (after any institutional aid and the school's "estimated educational cost" figure). As discussed above, the program is anticipated to have very few operating costs, though to account for some level of operating expense, I assume this \$1.2 million revenue benefit will be offset by approximately \$15,000 of operating expense, an estimate I confirmed with Hartford Athletics personnel.

80. Against this revenue, the Central Administration can expect to incur my estimates of the marginal cost of educating and feeding these athletes, but also to benefit from my estimate of a reduced marginal cost of education, so that adding 60 students to the campus generates approximately \$90,000 in additional expenses. Thus, the current program appears to generate a net benefit to Hartford's Central Admin of approximately \$1.1 million.

81. As I understand it, if Hartford were to leave D1, there are options such that the school could participate in D3 E-Sports, but that none of the three conferences that Carr has assessed in its D3 analysis offer this sport. Thus, for the purposes of the Carr D3 scenarios, there is no obvious path to keep this program. I therefore have revised Carr's estimated D3 revenue down by the full (net) amount of this current source of D1 revenue.

4.4.2 No analysis of the impact on Hartford's new graduate assistant program

82. According to Hartford Athletics personnel, the school plans to start a graduate program in applied sports management in the coming fall semester, with 30 (paying) graduate students being given hands-on experience with various D1 teams and elements of the administration, such as Athletic Communications, Facilities, and Athletic Business. These will be paying graduate students who, as estimated by Hartford Athletics personnel, will bring in projected net revenue of \$345,000 annually.

83. Because these are graduate students, as I understand it, this net revenue figure assumes a lower level of residency in dorm and lower levels of purchase of meal plans. I do not have any solid information on how much lower, though, so in my analysis, I have assumed that half of the students' revenue includes meal plans,³⁵ and thus an estimate of the cost of 15 meal plans needs to be deducted to determine the net benefit. After my costs adjustments, I estimate the benefit of this program to the D1 scenario at approximately \$370,000.

84. According to the athletics staff, the appeal of this program to students is the promise of direct involvement in a *Division 1* sports program, and as a D3 school, Hartford will not be able to maintain this new program. To the extent that is true, then these are \$370,000 in Central Admin revenues that will be added to the Central Admin by FY23 for D1,

³⁵ I spoke with a west coast program administrator who told me this was also likely a very conservative assumption.

but not for any D3 scenario. I adjust Central revenue upwards in my assessment of the move from D1 to D3, which, on net, lowers the relative value of D3 by just under \$370,000.

Table 9: Net Impact of Loss of Hartford's new Athletics Innovations

		E-Sports	Graduate Assistant Program	Total From Lost Programs
Estimated Tuition and Fees	\$	1,200,000	\$ 345,000	\$ 1,545,000
Estimated Operating Expenses	\$	15,000	\$ -	\$ 15,000
Net Revenue prior to Cost Adjustments	\$	1,185,000	\$ 345,000	\$ 1,530,000
List Cost of Education	\$	9,100	\$ 9,100	\$ 9,100
Marginal Cost of Education	\$	6,000	\$ 6,000	\$ 6,000
Average Reduction in Estimated Cost	\$	3,100	\$ 3,100	\$ 3,100
Estimated Reduction in Students in D3		60	30	90
Reduced Estimate of Cost to Educate	\$	186,000	\$ 93,000	\$ 279,000
Marginal Cost of Board	\$	4,616	\$ 4,616	\$ 4,616
Estimated Reduction in Students in D3		60	15	75
Estimate of Increased Cost of Board	\$	(276,939)	\$ (69,235)	\$ (346,174)
Net Impact on Estimated Expenses	\$	(90,939)	\$ 23,765	\$ (67,174)
Net Revenue from Programs Under D1				
Scenario	\$	1,094,061	\$ 368,765	\$ 1,462,826

85. Note that in the table above, I have combined these two items to show that the net benefit totals over \$1.4 million. However, in my individual break-down of the D1 and D3 scenarios, I treat the E-Sports values as a reduction to D3 revenues (because I believe it is already in the numbers Carr used) while I treat the impact of the Graduate Assistant program as an increase to D1. The net impact, of course, is as shown in Table 9 above, and would be the same if treated as a reduction to D3 rather than a gain to D1.

5. REVISIONS RELATED TO CARR’S ATTENDANCE ASSUMPTIONS

5.1 QUESTIONABLE ASSUMPTIONS IN NUMBER OF STUDENTS (ATHLETES AND NON-ATHLETES) ATTENDING HARTFORD UNDER THE BASELINE D3 SCENARIO

86. Carr assumes the move from D1 to D3 will have zero impact on the number of non-athletes who attend Hartford. This is equivalent to assuming that not a single person currently chooses Hartford as their academic choice (over their next closest alternative) based in part on the presence of D1 athletics as an element of the campus environment. The economic literature does not support this assumption – D1 Athletics (as a form of entertainment) are definitely more likely to attract non-athletes to a university than D3 Athletics. This is fairly obvious, and as a thought experiment, one can compare the buzz surround Hartford first round game against Baylor to what a typical game is like in the first round of the D3 men’s basketball tournament.³⁶

87. To this point, I was provided the following quote from an employee of Hartford Athletics:

“I think hundreds of students on this campus came to Hartford in large part because we have Division I athletics. They want to be a part of great atmospheres and excitement. I think many non-athletes would leave if Hartford went Division III.”

88. The Carr report does not appear to have performed an assessment of whether Hartford’s appeal to non-athletes will decline in a D3 scenario. To the extent it will, Carr has overstated revenues in its D3 scenarios. This is the so-called “front porch effect” in the academic literature. I have not quantified this, but it should be recognized that this is one of the intangible benefits that comes along with a D1 program.

³⁶ For this literature in general, “The Incremental Benefits and Costs of Football, Bowling, and Rifle at the University of Alabama at Birmingham (A Primary and Secondary Study)” (2015) by Daniel A. Rascher, and Andrew D. Schwarz, available at https://a4f2ab21-6c12-408b-b66e-f3e2f4614c34.usrfiles.com/ugd/a4f2ab_1983a7a4aeeb437e9e375e33ae5069c2.pdf. As one example Humphreys & Mondello, 2007, found that an appearance in the NCAA men’s basketball tournament raises restricted gifts by about \$825,000 or 8%.

89. Carr also assumes that Hartford will be instantly and completely successful at replacing 325 D1 athletes (in FY22) with 325 D3 athletes in FY23. This is Carr's worst-case scenario, as the report also models D3 scenarios where the athletic population instantly jumps to 400 or 500 athletes. Notably, Carr does not look at less optimistic scenarios, such as a reduction in the total athlete population in the years following the move to D3.

90. This assumption that the school will be immediately successful in replacing 325 D1 athletes with 325 D3 athletes is not supported in the report with any analysis – it is simply asserted that the school would lose no students (on net) because of the move.

91. As a first matter, it's clear these 325 new D3 athletes would not be the same people as the D1 athletes who would be losing their scholarship. Hartford Athletics personnel inform me that the school's SAAC (an organization designed to give voice to athletes within the NCAA structure) surveyed 308 current athletes and 94% of them stated that they would likely leave if Hartford switched to D3. And so the assumption that over 300 brand new recruits, along with brand new coaches and possibly different sports, will all be available on Day 1 of the D3 scenario is highly unrealistic.

92. As a side note, as I understand it, many of the sports in the D3 conference that Carr identifies will require facilities that Hartford currently does not possess. In discussions with personnel knowledgeable about the capital expenditures involved with construction needed to participate in these conference's sports, such as upgrading Hartford's pool to meet the requirements of NCAA swimming, would require be several million dollars' worth of facilities upgrade. Carr has not estimated a figure for these upgrades, and given the scope of my report, I have not undertaken this analysis either, but it should be noted (and as I note again under my analysis of one-time costs) that these are potential costs of making the transition to D3 that are very expensive relative to the envisioned annual benefits of moving to D3.

93. In Section 4.1, I have already discussed that Carr misattributed a change in academic aid policy as a benefit of a change in athletic policy, but it should be noted that

under Carr's assumptions, in D3, Hartford will be able to recruit the same number of athletes while offering substantially lower aid. It is not common for prices to rise substantially without some reduction in demand.

94. The assumption that Hartford will be able to continue to recruit 325 athletes per year as a D3 school is questionable for reasons other than the law of supply and demand. Hartford Athletics personnel have informed me that there are 29 mid-major D1 institutions in New England and in nearby portions of New York and New Jersey. Of these, five are in Connecticut. In contrast, there are 75 D3 schools in New England, and 36 or more within 150 miles of Hartford in New York and New Jersey. It appears the competition for the D3 athlete demographic will be stiffer than Hartford currently faces for D1 athletes.

95. As I understand it, Hartford is in an advantageous position relative to these D1 peers in recruiting and often wins these recruiting battles, and did so even before the move to "combo aid" discussed above, but it is not nearly as well situated to compete against this larger pool of D3 schools. For D1, Hartford personnel inform me they consider their closest competitors for athletes to include in-state schools like Quinnipiac, Sacred Heart, Central Connecticut State, and Fairfield and out of state schools like UMass-Lowell, Marist, Rider, and NJIT. These schools are somewhat comparable academically to Hartford, though Hartford may punch a bit above its "weight class" against these rivals. It appears the decision of a D1 athlete to choose Hartford over its D1 rivals is at least partially an athletics-driven one, although benefits such as Hartford's location close to state's second largest city may also weigh in Hartford's favor relative to in-state rivals.

96. In contrast, in the D3 scenario, as I understand it, Hartford would instead be competing against more rigorous (and more highly ranked) academic institutions. For example, Carr suggests the NEWMAC conference is a potential D3 alternative for Hartford. The NEWMAC includes MIT (Carr says it is ranked 4th in national universities), WPI (ranked 66th in national universities per Carr), and Emerson, (ranked 9th in "Regional Universities

North” per Carr). From my outsider’s perspective, this do not appear to be Hartford’s closest comparables.

97. As one example, I asked Hartford personnel how Hartford stacks up against Emerson academically, and they pointed to the fact that Emerson has a very celebrated performing arts programs, which includes a graduate program, that typically outranks what they described as the very good offerings of the Hartt School at the University of Hartford. Emerson is also in Boston, which has a high appeal to many college students. For a D3 student interested in the arts, this might loom large over where to bring his/her athletic talents.

98. Other D3 schools Carr suggests would become peers include Mount Holyoke, Smith, and Wellesley. Hartford athletic personnel have also informed me that the recruiting battles for these students also likely will be less advantageous to Hartford.

99. Obviously, it is speculative of Carr to simply assume the school will do no worse than currently, i.e., they will find 325 athletes willing to come to Hartford to play D3 athletics and at the same time, no non-athletes will choose to attend D1 schools rather than D3 Hartford. Moreover, Carr assumes the school will launch a complete D3 program of 325 athletes from scratch immediately upon leaving D1, which is a very unlikely proposition.

100. Determining the FY23 level of attendance, as well as the length of time needed for Hartford to grow a brand-new D3 program to 325 athletes is vital to accurately assessing the benefit, if any from the move to D3 because, Carr is estimating a \$25,618 dollar per athlete financial gain from each athlete,³⁷ and with my revision, the estimated per-athlete benefit in a D3 scenario is slightly lower, at \$25,403. If the number of D3 athletes is substantially overstated, the benefits of D3 will be highly inflated.

³⁷ Per Carr’s table on page 11, 325 students generate \$8.3 million.

Table 10: Net Revenue from Marginal D3 Student

Payments Per Student	\$	36,018
Marginal Cost of Education	\$	6,000
Boarding Costs Per Student	\$	4,616
<u>Net Revenue from Marginal D3 Student</u>	\$	<u>25,403</u>

101. So, for example, even under the assumption that Hartford will eventually reach a full 325 athletes, if it were to take 5 years to do so, then on average, Hartford would only receive 195 such payments per year, rather than 325. The same would apply for any decline in non-athlete enrollment. Under the assumption of a loss of some mix of 130 athletes or non-athletes (on average) per year,³⁸ the D3 scenario's value would be reduced by \$3.3 million. This is a risk factor that should be assessed before making any decisions, and I have included it as a distinct line item in my calculations, essentially modeling the average for the first five years of the D3 program (i.e., FY23-FY27) as a ramp up that averages 195 D3 athletes and then modeling FY28 onward as a steady state with the full benefit of 325 D3 athletes.

Table 11: Revision of D3 Central Admin Revenue based on 5-year "Ramp-up" period

Expected Number of Students (5-year average)	195
Year 1	65
Year 2	130
Year 3	195
Year 4	260
Year 5	325
Expected Number of Students Lost (5-year average)	130
Annual Average Revenue during Ramp-up	\$ 4,953,548
Annual Average Revenue at Steady State	\$ 8,255,914
<u>Net Revenue from Expected Lost Students</u>	\$ (3,302,366)

³⁸ E.g., if Athletics were only able to land 195 D3 athletes instead of the envisioned 325, or if Athletics lost, say 65 student and 65 non-athletes also went elsewhere, or any other mix of 130 students.

102. While Carr more or less assumes it will be child's play to attract 325 D3 students overnight, it undertakes no estimate of potential growth in a D1 scenario; this is equivalent for analytical purposes of assuming it will be impossible to do so. In reality, Hartford currently has 348 athletes enrolled for FY21, so Carr is actually assuming Hartford will lose students in its D1 scenario. Those are not compatible assumptions. It certainly will be easier for Hartford to grow its D1 program above 325 athletes, especially since it is starting from a base of 348 this year, than for a brand new group of coaches to land 325 athletes for a brand new D3 program in one fell swoop.

103. I believe there are cost-effective opportunities for Hartford to add sports within the D1 context. I understand from Hartford Athletics personnel that recruiting an additional team's worth of D1 athletes (using athletic aid but not "combo aid") will likely be easier than recruiting an additional team's worth of D3 athletes, given Hartford's relative strengths among its D1 peers versus where it would sit in the pecking order among D3 schools. Thus, to the extent the school seeks to take the approach of growing athletics to increase tuition revenues, remaining in D1 may prove the more viable means of achieving this.³⁹ I discuss this concept below in my alternative recommendations in Section 8.

5.2 REVISIONS TO ERRORS IN CALCULATING COST FOR THE MORE AGGRESSIVE D3 SCENARIOS

104. Carr compounds this questionable assumption that Hartford will be able to continue to recruit 325 athletes despite the drop from D1 with very dubious assumptions and errors in its other two D3 scenarios. These scenarios do not factor into the baseline work Carr

³⁹ I was an informal advisor to the athletic department at Farleigh Dickenson, which recently has implemented a plan to do just this – add several sports with good amounts of net tuition revenue associated with its students. For more on this decision, see https://www.espn.com/college-sports/story/_/id/31038654/could-adding-athletic-programs-decrease-financial-woes-some-schools.

presents, but they are included in the Carr report and they present the impression that the 325 estimate is conservative, when in fact the assumption that the school can hit 400 or 500 athletes in the first year of being a D3 program seems impossibly optimistic.

105. First, if it is unlikely Hartford will be able to match its current 325 athletes on day 1, it is even more unlikely it will hit 400 or 500, as envisioned in these two alternative D3 scenarios. In these scenarios, Carr assumes D3 athletics will be more attractive to students than D1 is now, all while asking those D3 students to pay more to Hartford (and in competition against potentially more enticing competitive options) than the D1 students do now. There is no specific reason given by Carr why Hartford can expect to be more successful working with less to spend.

106. But more importantly, Carr has another serious error, in that the report lists the same Educational Cost Estimate for its scenarios with 400 and 500 athletes as it does in the scenario with 325 athletes. This is to say that Carr assumes the incremental cost to educate these additional 75 or 175 athletes is **exactly zero**. As discussed above, it is likely that in any of these scenarios, the marginal cost of adding athletes is lower than the average total cost because of the high fixed costs associated with running a university. But even if the \$9,100 Carr assumes as the cost per student is properly focused on marginal costs, the 400 and 500 athlete D3 scenarios are wrong because Carr assumes the 325th student will cost \$9,100 per year to educate, but that the 326th (and beyond) will cost zero. This is clearly false.⁴⁰

107. As discussed above, my best estimate of the true marginal educational cost is closer to \$6,000 than the \$9,100 implicit in the Carr report. The combined impact of these changes actually lowers the total baseline D3 cost (and of course lowers the baseline D1 cost by the same amount), so that the net effect is to lower costs in the 400- and 500-athlete scenario, but to raise them relative to the D1 scenario with 325. On that latter basis, the Carr

⁴⁰ It is possible that this is simply an error by Carr rather than such an untenable assumption. Either way, though it grossly misrepresents the benefits to Carr's alternative D3 scenarios.

400-athlete scenario for D3 understates costs by \$450,000 and the Carr 500-athlete scenario for D3 understates them by just over \$1 million.

Table 12 Correcting Educational Cost Errors in Carr's Alternative D3 scenarios

Number of Athletes	Carr's Stated Educational Cost Estimate	Revised Cost of Education	Equivalent Cost of Education in D1 Scenario	Difference
325	\$ 3,380,000	\$ 1,950,000	\$ 1,950,000	\$ -
400	\$ 3,380,000	\$ 2,400,000		\$ 450,000
500	\$ 3,380,000	\$ 3,000,000		\$ 1,050,000

6. SUMMARY OF ANALYSIS OF ANNUAL REVENUES AND EXPENSES

108. In total, I estimate the following errors in the Carr report, which I report below in terms of their impact on the “Delta” between D1 and D3 under the “325” scenario for D3.

Table 13: Complete Summary of Revisions to Carr Analysis		
	Adjustment	Total After Adjustment
Carr's Stated D1-to-D3 Athletics Revenue Δ		\$9,281,000
Removing Double Count of Athletic Aid	-\$6,189,000	\$3,092,000
Reversion to FY18 Ticket Sales and Sponsorship Revenues	-\$180,800	\$2,911,200
Accounting for Potential Lost Contributions	-\$200,000	\$2,711,200
Accounting for Impact on Student Fees	-\$200,000	\$2,511,200
Loss of Trainer/Strength Coach subsidy from Hartford Healthcare	-\$550,000	\$1,961,200
Revised D1-to-D3 Athletics Δ	-\$7,319,800	\$1,961,200
Carr's Stated D1-to-D3 Central Admin Δ		\$5,100,000
Adjustment for Inconsistent treatment of non-scholarship aid	-\$1,349,358	\$3,750,642
Loss of e-Sports program	-\$1,094,061	\$2,656,581
Revision for impact of Graduate Assistant Program	-\$368,765	\$2,287,815
Revised D1-to-D3 Central Admin Δ	-\$2,812,185	\$2,287,815
Adopting a More Reasonable 5-Year Attendance Path	-\$3,302,366	-\$3,302,366
Carr's Stated Cumulative D1-to-D3 Δ		\$14,381,000
Adjustments from Athletics	-\$7,319,800	\$7,061,200
Adjustments from Central Administration	-\$2,812,185	\$4,249,015
Adjustments for a 5-Year D3 Ramp up	-\$3,302,366	\$946,650
Revised Cumulative D1-to-D3 Δ (Average over first 5 Years)	-\$13,434,350	\$946,650
Revised Cumulative D1-to-D3 Δ (Steady State after 5 Years)	-\$10,131,985	\$4,249,015

109. That is, my estimate for the first five years after a move to D3 is that it will cost Hartford less than \$1 million more per year, on net, to run its existing D1 program than to trade down to a D3 program. The savings as modelled will be less in the first year and more in the fifth year, but on average will hit \$946,650.⁴¹

⁴¹ In this model, from year six on, the estimated steady state savings are greater, at \$4.2 million.

110. It can also be useful to consider what my revised version of Carr's numbers says about the current net spending by Hartford on its D1 program and what it can expect to spend on a D3 program. Focusing only on the changes in the table above that relate to the D1 side of the ledger, the Carr estimate for Athletics for FY22⁴² gives the following perspective

Table 14: Revised Estimate for D1 Revenues and Expenses		
	Adjustment	Total After Adjustment
Carr's Stated D1 Athletics Net Revenue		\$ (13,064,000)
Removing Double Count of Athletic Aid	\$ 6,189,000	\$ (6,875,000)
Reversion to FY18 Ticket Sales and Sponsorship Revenues	\$ 180,800	\$ (6,694,200)
Revised D1 Athletics Net Revenue	\$ 6,369,800	\$ (6,694,200)
 Carr's Stated D1 Central Admin Net Revenue		 \$ 3,226,000
Adjustment for the Educational Cost Estimate	\$ 1,007,500	\$ 4,233,500
Adjustment to Account for Marginal Cost of Room and Board	\$ (1,500,086)	\$ 2,733,414
Revision for impact of Graduate Assistant Program	\$ 368,765	\$ 3,102,179
Revised D1 Central Admin Net Revenue	\$ (123,821)	\$ 3,102,179
 Carr's Stated Total D1 Net Revenue		 \$ (9,838,000)
Athletics Subtotal	\$ 6,369,800	\$ (3,468,200)
Central Admin Subtotal	\$ (123,821)	\$ (3,592,021)
Revised Total D1 Net Revenue	\$ 6,245,979	\$ (3,592,021)

111. That is, as Hartford athletics is currently configured – it seems based on Carr's baseline and my revisions laid out above – that Hartford can be expected to spend about \$3.6 million (net of revenues) per year to support an entire D1 program.

112. In contrast, after a move to D3, the average FY23-FY27 numbers would look like this.

⁴² Carr never presents a D1 scenario for Athletics in FY23, but I will use FY22 as a proxy for FY23 in this section.

Table 15: Revised Estimate for D3 Revenues and Expenses

	Adjustment	Total After Adjustment
Carr's Stated D3 Athletics Net Revenue		\$ (3,783,000)
Accounting for Potential Lost Contributions	\$ (200,000)	\$ (3,983,000)
Accounting for Impact on Student Fees	\$ (200,000)	\$ (4,183,000)
Loss of Trainer/Strength Coach subsidy from Hartford Healthcare	\$ (550,000)	\$ (4,733,000)
Revised D3 Athletics Net Revenue	\$ (950,000)	\$ (4,733,000)
 Carr's Stated D3 Central Admin Net Revenue		 \$ 8,326,000
Adjustment for Inconsistent treatment of non-scholarship aid	\$ (1,349,358)	\$ 6,976,642
Adjustment for the Educational Cost Estimate	\$ 1,007,500	\$ 7,984,142
Adjustment to Account for Marginal Cost of Room and Board	\$ (1,500,086)	\$ 6,484,055
Loss of e-Sports program	\$ (1,094,061)	\$ 5,389,994
Revised D3 Central Admin Net Revenue	\$ (2,936,006)	\$ 5,389,994
 Adjustments for a 5-Year D3 Ramp up	 \$ (3,302,366)	 \$ (3,302,366)
 Carr's Stated Total D3 Net Revenue		 \$ 4,543,000
Athletics Subtotal	\$ (950,000)	\$ 3,593,000
Central Admin Subtotal	\$ (2,936,006)	\$ 656,994
Questionable Attendance Subtotal	\$ (3,302,366)	\$ (2,645,371)
Revised Total D3 Net Revenue (during D3 ramp up)	\$ (7,188,371)	\$ (2,645,371)

113. That is, D3 is also forecast to cost the school money, on net, averaging around \$2.6 million per year during the ramp up period, as shown on the last line of Table 15 above.

114. With this perspective, it is now clear that Hartford spends nowhere near the \$9.8 million per year, on net, on a D1 athletic department that Carr has estimated, and that under any scenario, Hartford can expect that it will continue to pay a moderate amount for its Athletics, whether in D1 or D3. The choice is not to hemorrhage money in D1 and to swim in profits in D3. Rather, the gains from D3 are small savings, that will come in over a period of years and only if the school is able to execute on what amounts to building an entirely new athletic department from, if not scratch, at least from a new nadir. On top of this, of course, there will be substantial one-time costs that Hartford would incur to make this switch, and I

discuss these in the follow section, but even prior to consideration of these costs, the potential revenue gains from moving to D3 appears to be modest.

7. ASSESSMENT OF ONE-TIME EXPENSES

115. The Carr report acknowledges it has not attempted to quantify the many sources of expenditure that will be required to make the move to D3.⁴³ These include

- AEC exit fees, which Carr indicates will be \$1 million.⁴⁴
- Coaches' contract obligations, estimated at around \$2.25 million over the next 2-4 years.
- Division III conference entry fees, which I understand will be \$50,000 - \$150,000.
- Other third-party contract obligations (concessions, multimedia, apparel, etc.), which could cost the school \$500,000 - \$600,000.

116. Some of these items are self-explanatory. Carr states that the AEC requires a \$1 million exit fee. Hartford Athletics personnel indicated this may understate the full fee by 50%. There will be some equivalent cost to enter one of Carr's proposed D3 conferences.

117. Several coaches have long-term contracts, and I understand that Hartford would need to fulfill the payment terms on these contracts even if their services were no longer used in a D3 scenario.⁴⁵

118. With respect to third-parties, I understand Hartford has a long-term arrangement with ESPN+ to broadcast a variety of sports from campus, under which Hartford has already

⁴³ CarrSports Feasibility Study, p. 8. "Additional financial considerations do not include: 1) AEC Conference exit fees, ..." etc.

⁴⁴ CarrSports Feasibility Study, p. 6, FN 8.

⁴⁵ MBB Head Coach, \$245,000 for 2 years. Other head coaches and staff at around \$2 million in aggregate spread over the next three to four years. I estimate these as a range from \$2.0 to \$2.5 million. I had originally included a WBB Head Coach, \$220,000 for 3 years, but I understand that this week the coach took a job elsewhere and will not need to be bought out of her contract, lowering the cost of switching divisions.

incurred substantial upfront costs, but where the revenue benefits will only come in over time. These are not listed in the analysis of revenues above, because as I understand it, the school accounts for this deal in such a way that inflow of revenue does not flow to Athletics' bottom line; instead the revenue ends up with a department responsible for Plant & Facilities.

119. As I understand it, if the deal is maintained through completion, Hartford stands to profit by about \$300,000 in total, but that if the deal is cancelled now, the school will end up losing about \$200,000-\$300,000, because most of the costs have already been incurred and the revenue is back-loaded. On net, this is at least a \$500,000 increase in expenses that would be caused by the move. I include this impact among the one-time charges.

120. One line item of note not included in the Carr report is that the university basketball arena includes a naming rights arrangement that is contingent on Hartford remaining in Division 1. As I understand it, if the school joins Division 3, an estimated \$1.3 million would need to be returned.

121. Finally, as mentioned above in Section 3.1.1.2 on Contributions, my understanding is that two committed Hartford donors have arranged in their estate planning for sizable bequests to Hartford. Across academia, including D1 athletics, this is a common way for wealthy individuals to donate to a non-profit in a tax-advantaged way. I understand that one family has made a mid-seven-figure bequest, and that a second individual has included an eight-figure bequest. According to Hartford Athletics personnel, both donors plan to revise their Estate Plan to remove Hartford Athletics if the school exists D1. Obviously, I have no independent means to confirm these claims, but if these are credible claims, then almost no level of D3 savings is worth the likely loss of future one-time contributions. I interpret mid-seven-figure donation as \$5 million and I use the lowest possible eight-figure donation (\$10 million), thus I use \$15 million as my estimate for these two one-time expense items, as they represent a loss in D3 that would not be experienced in D1.

122. In total, these one-time charges sum to a number between \$4.9 and \$5.6 million, excluding the Estate Plan component, and then sum to \$20 million once these bequests are

considered. This far exceeds even the long-term annual expected benefit and likely means it would be nine years or more before Hartford would like actual experience a net savings from the move

Table 16: Estimated One-time Costs and Forgone Revenues from Move to D3

	Low Estimate	High Estimate
America East Fees	\$ 1,000,000	\$ 1,000,000
Coaches' Contractual Obligations	\$ 2,000,000	\$ 2,500,000
D3 Entry Fees	\$ 50,000	\$ 150,000
Plant/Facilities Losses	\$ 500,000	\$ 600,000
Refund of Naming Rights	\$ 1,300,000	\$ 1,300,000
Estimate Range of One-time Costs (excl. bequests)	\$ 4,850,000	\$ 5,550,000
Average Estimate of One-time Costs (excl. bequests)	\$5,200,000	
Lost Bequests from identified donors	\$15,000,000	
Average Estimate for One-time Costs (incl. Bequest)	\$20,200,000	

123. While these would all be one-time impacts (incurred over a period of several years), they should be estimated before weighing the decision. As the delta between D1 and D3 shrinks, the impact of these upfront costs looms larger and could easily tip the scales against a change. The large magnitude of the switching costs – some of which will be irrevocably lost once the decision is made – argues for delaying the decision until less dramatic strategies exist with fewer transactions costs, since the costs of a mistake are high relative to the cost of delaying the move by one or two years.

124. To this end, as I discuss below, many of the goals Hartford purportedly seeks from a D3 scenario may be possible from adopting some of the academic aid policies Carr misattributed as D3 changes but which could be undertaken under D1 as well, by looking for cost-effective ways to add more D1 equivalency sports, and/or from increased fundraising. It seems prudent to explore those options before incurring millions of certain expenses just for the hope of saving, on average, less than \$1 million per year for the next five years.

8. CONCLUSION AND SUGGESTIONS FOR D1 SUCCESS

125. As shown in the analysis above, I demonstrate that the Carr report has greatly overestimated the benefits of a switch to D3, to the point that the one-time expenses, which Carr declined to tally, likely exceed multiple years' estimate benefits from switching. As I estimate, rather than an annual savings of \$14.4 million, a move to D3 will reduce Hartford's average annual athletics spending (net of revenue) over the FY23-FY27 period by a little under one million per year, with switching costs of up to around \$20 million to make the jump. After this ramp up, the steady state savings increase, though under other assumptions regarding attendance, the D3 program may be more expensive.

126. Given that all scenarios will cost Hartford some amount of money, the upfront switching costs are very material to making a wise financial decisions. The question may be easier to address if the decision makers imagine Hartford were starting from scratch. Would the school choose to incur one-time start-up costs for a D3 program that will cost \$1 million less for the first five years and then save \$4.2 million less thereafter, or would the school instead prefer no upfront payment for a D1 program with the mirror-image additional annual costs as above. On a financial basis, one can calculate the net present value (NPV) of these two scenarios to see the true dollar impact, taking into account the school's correct cost of capital (though a thorough analysis of that sort is beyond the scope of this study and would require financial input from Hartford).⁴⁶ However, financial analysis alone cannot take the next step in the process, which is to ask whether the tenuous long-run *financial* benefit of a move to D3 comes at too great of a non-financial cost to the mission of Hartford as a university.

127. The real question that needs to be answered before Hartford can decide if this financial plan is worth is what Hartford wants for the money it plans to spend, whether in D1

⁴⁶ As calculated above in FN 12, the ten-year present value of the move to D3 is \$184,000, essentially break-even.

or D3, and whether the short-run cost of D3, and the longer-run savings, come at the expense of D1 benefits the school would prefer not to forgo.

128. That is a policy question for the university to decide. As with any spending decision, it should not simply focus on which choice is cheaper, because looking only at cost without assessing benefit is like looking at half a car and trying to decide how fast it can drive.

129. The sports economics literature provides fairly strong evidence that D1 programs are more beneficial to universities' overall goals than are D3 programs. A full review of the relevant research is beyond the scope of this report, but a prior analysis undertaken for University of Alabama-Birmingham (of which I was a co-author) can be referenced for a fairly recent summary of the academic scholarship which estimates substantial benefits to participation in D1.⁴⁷ In summary, Hartford is clearly getting some net benefit from D1 over what it will get from D3. It is a question for the campus community to decide whether the benefit is worth the cost I lay out in this report.

130. Why might a school think it wise to spend a million more per year to have a D1 program relative to spending less for a D3 program (after covering the switching costs)? With any on-campus activity, a university must always ask the question of "why are we spending this money?" When a university decides to offer the services of a particular department, whether that is an academic department or athletics, it chooses to incur some cost, in anticipation of some benefit. The benefit may be directly financial, it may be entirely intangible (such as improving the reputation of the school by offering a prestigious new major), or it may be a mix of both. In any event, the mere fact that the department's financial cost exceeds its financial benefit is not an indication that the school is *losing* money, but

⁴⁷ See "The Incremental Benefits and Costs of Football, Bowling, and Rifle at the University of Alabama at Birmingham (A Primary and Secondary Study", pp. 9-22, for a summary of the academic literature. This report is available at https://a4f2ab21-6c12-408b-b66e-f3e2f4614c34.usrfiles.com/ugd/a4f2ab_1983a7a4aeeb437e9e375e33ae5069c2.pdf

rather that it is *spending* money to get a net benefit. Money is not lost simply because it is spent, if it brings it commensurate or higher value.

131. This is true any time benefits received exceed cost in a non-profit environment. Spending on services that are perceived as providing a net benefit (after costs), even if that benefit is non-financial is a wise use of funds.⁴⁸ And so the real question for Hartford is not why it is “losing” so much money on sports, but rather, what is the right amount to “spend” to achieve the maximum net benefit to the school. If D3 is less expensive than D1 (though from the analysis above, it is clear that delta is much smaller than Carr has claimed and comes with a hefty upfront cost), the analysis is not complete until one asks whether the additional expense of D1 is “worth it” in some holistic fashion. Are the incremental benefits of D1 worth whatever incremental cost being in D1 imposes on Hartford? Carr’s report is silent on this issue, but it is actually the most important question involved whenever a university is assessing changes to athletics (or any other department).

132. Once that decision is made, if the school decides that a D1 scenario is a better fit for the school’s overall goals, there do seem to be some ways that the D1 program could be strengthened financially so that the estimated gap between D1 and D3 might be erased or even reversed. In the remainder of the report I informally explore some of these options, fully aware that my two-week excursion into Hartford’s numbers in no way qualifies me to make definitive pronouncements on the viability of any of these suggestions. They are merely food for thought as Hartford explores its options beyond the binary of staying exactly as is, or switching to D3.

⁴⁸ Of course, to the extent resources are constrained, it should be verified that there are not even more beneficial uses of the same money that are being crowded out.

8.1 CONSIDER CHANGING THE WAY HARTFORD PROVIDES NON-ATHLETIC AID (“COMBO AID”) TO GIA ATHLETES.

133. Based on discussions with Hartford Athletics personnel, I understand that when President Woodward began his tenure in office, he changed school policy with respect to how athletes who received GIAs were granted other forms of institutional aid (e.g., academic merit scholarships). Hartford personnel refer to this as “combo aid,” because it represents academic scholarships that were newly combined with athletic aid. Prior to 2018, this had not been the case – athletes who received athletic aid were rarely given “combo aid,” and certainly not as a matter of course.

134. As discussed above, when assessing Carr’s Discount Rate for D3 scenarios, the question of how much *academic aid* to give to students is really not related to whether to be in D1 or D3. If Hartford can simply decide to hold academic aid given to non-GIA athletes to 57% in a D3 world, there seems little reason to think it could not do the same in a D1 world. This would apply to current walk-ons, who under the Carr “Discount Rate” ratio are receiving 67% discounts,⁴⁹ or for the portion of total aid given to GIA athletes for non-athletic reasons. This later concept is the so-called “Combo Aid.” My recommendation here is to try this first with “combo aid” recipients.

135. As I understand it, 170 athletes received some athletic aid in FY19, and across those athletes, the aggregate non-athletic aid (i.e., “combo aid”) aid awarded on top of their athletic aid totaled an additional \$793,000. Thus, in FY19, “Combo aid” created a 13% discount against tuition, which brought the total to 93% for the year. (i.e., Total Athletic Aid was 80% of tuition and the Combo Aid added an additional 13% of tuition).

136. Thus, one feasible way for the school to reduce the recent trend in increasing aid to athletes is to change the “combo aid” policy, which Hartford Athletics personnel have

⁴⁹ See Section 4.1 above.

identified as the primary cause of this increase. On a per-athlete basis, reducing aid by an amount equal to 13% of tuition will save just over \$1 million.

Table 17: Savings from Ending Combo Aid

Total Aid to Combo Aid (FY19)	\$	793,000
Number of GIA Athletes (FY19)		170
Average Combo Aid Per GIA Athlete	\$	4,665
Average Tuition Price Per Athlete	\$	36,790
Discount Rate for Combo Aid		13%
Carr Forecast of Average Tuition (FY23)	\$	43,000
Discount Rate for Combo Aid		13%
Combo Aid Per GIA Athlete	\$	5,452
Estimated GIA Athletes in FY23 (D1 scenario)		190
Estimated Total Savings from Ending Combo Aid	\$	1,035,892

137. The question would then remain whether Hartford would be able to continue to recruit 325 D1 athletes in FY23 if its scholarship offers to 120+ equivalency sport athletes were reduced by about \$5,500. From an outside perspective this seems much more manageable of a change compared to the Carr proposal, i.e. cutting all athletic aid by going to D3. But it would require further study, in consultation with the coaching staffs, to see whether these savings are feasible. That said, I suspect if given the choice of recruiting in D1 without “combo aid” or instead attempting to recruit in D3 using no athletic aid at all, the Hartford coaching staff would prefer to end the “combo aid” policy. Thus, I have included this \$1,035,892⁵⁰ proposal as a possible revenue enhancement to D1.

8.2 CONSIDER ADDING D1 SPORTS

138. As shown above, adding athletes on low-levels of partial scholarship is profitable to D1 Hartford. The same can be true even if the school adds a new team with operating and compensation expense, as long as the schools manages the ratio of aid to student payments so as to ensure a net profit. If Hartford were to add one or more D1 sports every few years,

⁵⁰ Note that I base this calculation, in part, on an estimate that of the 325 athletes Carr forecasts for FY23, 190 would be on some form of GIA in the D1 scenarios.

judiciously focusing on those with large rosters relative to their levels of athletic aid, and where capital investment in new facilities was kept low, it is possible that this might be a more viable way to attract more athletes to campus than Carr's suggestion of moving to D3. Importantly, as long as Hartford remains in a situation where dorm space lies vacant, the school can focus athletic aid on housing which brings with it little or no incremental costs.

139. To see how the tuition-boosting benefits that Carr envisions from a move from D3 are also available within D1, consider what adding a new equivalency sport might look like. As an example, men's volleyball⁵¹ rosters can be as large as 20 athletes, but NCAA rules prohibit a school from giving out more than 4.5 GIAs across all athletes on the team. With a projected FY23 price of \$61,000 per student, and an average athletic discount of only 22.5% (and per student educational and food costs of \$6,000 and \$4,616, the net benefit to the Central Administration of adding a men's volleyball team would be approximately \$730,000.

140. If such a program could be operated with operating expenses comparable to women's volleyball,⁵² the net benefit to Hartford as a whole could exceed \$500,000. While this is just an example, with a little creativity, and a focus on programs with larger rosters relative to the total GIA equivalencies allowed, it seems quite possible to raise enrollment profitably through D1 sports, perhaps more successfully than in D3, to further completely the gap between the two scenarios. There are women's sports that also can fit this profile and generate net benefits as well, so to the extent that Hartford finds itself in need of improving

⁵¹ I use men's volleyball as an example because Hartford already has volleyball infrastructure on campus. But the example could cover any equivalency sport, men's or women's, as long as the aid to payments ratio is similar. Indeed, ideally, both genders could be added in a way that enhances the school's commitment to compliance with Title IX. For a discussion of how this can be done, see "Maybe Colleges Should Be Adding Sports, Not Dropping Them," Eben Novy-Williams, Sportico July 2, 2020, available at <https://www.sportico.com/leagues/college-sports/2020/maybe-colleges-should-be-adding-sports-not-dropping-them-1234608297/>

⁵² In FY20, Women's Volleyball was listed with total operating expenses of \$728,035, of which scholarship expense was \$498,182, for a net expense of \$229,853

female participation rates for Title IX purposes, the fact that I used a men's sport as an example should not be seen as fatal to the concept in general.

Table 18: Example of the Benefits of Adding an Equivalency Sport

Men's Volleyball	
List Price of Attendance	\$ 61,000
Less: 22.5% Discount	\$ 13,725
Less: Marginal Cost of Education	\$ 6,000
Less: Cost of Board	\$ 4,616
Net Admin Surplus Per Athlete	\$ 36,659
Number of Athletes	20
Net Surplus to Administration	\$ 733,187
Women's VB Total Operating Expense (FY2020)	\$ 728,035
Less: Women's VB GIA Expense (FY2020)	\$ 498,182
Estimated Men's VB Operating Expense (Net of GIA)	\$ 229,853
Estimated Net Revenue from Adding a Men's Volleyball Team	\$ 503,334

8.3 FUNDRAISE ON THE BASIS OF A SOLID ANALYSIS OF THE SCHOOL'S REAL NEED

141. A third way to close the estimated gap between the two scenarios is with increased fundraising. This would seem to be a ripe moment for additional fundraising. The fear of losing something valuable can prove an important stimulant to donations to the program. As shown at UAB, allowing the alumni and regional friends of the school to increase their commitment to the school's athletics can generate win-win outcomes where the community keeps their sports program and the Central Admin increases its net revenue. To cover the entire gap for the first five years of these projections would require less than \$5,000,000, or \$1 million per year.

142. This amount needed –\$5,000,000 to cover 5 years of operations – does not seem particularly daunting for a dedicated fundraising campaign. And it would allow the school to take advantage of the momentum of the success it experienced in 2021.

143. This strategy is especially wise given that in the short run, Hartford will lose money from the switch to D3, given the upfront switching costs that are likely to reach about \$5 million. If Donors can be encouraged to close some, or all, of the gap to get D1 to break-even (relative to D3), the school can reach its goal of a D3-level of net cost without incurring any of the switching costs needed to get there, and all while maintaining the various intangible benefits of D1 membership.

144. Thus at least three paths are open to ensure that D1 remains the more cost-effective approach. Two of these plans, each by itself, more than closes the estimated gap, and all three together do so substantially.

Table 19: Cumulative benefit of Recommended Alternatives

	Adjustment	Total After Adjustment
Estimated Shortfall vs D3 (same attendance)		\$ (946,650)
Changing Policy to end “Combo Aid”	\$ 1,035,892	\$ 89,243
Adding Men's Volleyball (as an example)	\$ 503,334	\$ 592,577
Annual Fundraising to reach \$5 million	\$ 1,000,000	\$ 1,592,577
All of the Above	\$ 2,539,226	\$ 1,592,577

8.4 CAVEATS AND CONSIDERATIONS

145. This report was commissioned on April 14 by an organization named “Friends of the Neighborhood” (FOTN) led by Bill Hardy. When I was commissioned it was clear that FOTN needed the best work I could do with limited access to Hartford’s full financial data and in less than two weeks, as the analysis needed to be presented by the last week of April. The shortness of the assignment and the incomplete access to the data are both challenges to the best possible analysis.

146. The heart of any quantitative analysis is the data available to analyze. Carr indicates at certain points in its analysis that all financial data reported in this project are derived from the EADA data base for FY 2019.”⁵³ That cannot be true because the EADA are inadequate for the tasks Carr undertook. The answer to this dilemma appears to be found later into the report, where Carr acknowledges it relied on “FY19 & FY20 REVENUE and EXPENSES” data. I obviously did not have the same level of access to Hartford data, but I was able to learn a great deal for through informal conversations with Hartford Athletics personnel.⁵⁴ As a result, while I believe my numbers and the resulting analysis are reasonably accurate, they may not be as precise as they would be if I’d had full access to the data available to Carr. To the extent any specific estimate on which my analysis is based is determined to be substantially inaccurate, the best approach would be to revise this analysis accordingly, rather than simply discard the methodology because of a poorly estimated input. Obviously, these are rough estimates and a margin of error should be placed around my revised estimates, though of course the same should be done for Carr’s work.

147. Secondly, this report reflects a lot of hard work, both by me and my staff, in a very short period of time. Under normal conditions we would likely have spent at least two months working in a more deliberate fashion on a report of this scope, not less than two very

⁵³ CarrSports Feasibility Study, p. 8. (emphasis added)

⁵⁴ For what should be obvious reasons, these personnel prefer I not name them.

intense weeks. By working more intensely, we were able to assess the broad contours of the program, but the speed of work has meant that in some cases, a quick estimate was a better choice than a rigorous pursuit of the exact number down to the penny. At times, I simply accepted a Carr number when a more thorough, more deliberate analysis might have uncovered additional issues. To the extent Hartford decides to act on any of my recommendations, I would strongly recommend the estimates and assumptions on which I based my analysis be cross-checked against the most reliable number available to Hartford itself. And finally, to the extent that the rapid pace of work led to a calculation error on my part, despite the valiant efforts of my staff to check and double check my work, I ask the readers' forgiveness and clearly hope the chance to revise and improve my analysis will be granted. I have aimed for everything in this report to be 100% accurate, but almost surely the report would be better and even more accurate if we'd had another day, week, etc. Even small matters like the alignment of charts likely could be improved with a little more time (and sleep).

House Settlement—Detailed Breakdown

Introduction

The settlement in *House v. NCAA* (“**House Settlement**”) was formally approved by Judge Claudia Wilken on June 6, 2025. The House Settlement is poised to bring significant changes to the landscape of college athletics, with schools now permitted to make direct payments to student-athletes. This shift introduces a host of legal and operational challenges that increasingly mirror the compensation structures of professional sports. Issues related to contract enforceability, salary caps, and marketing rights will become central to how athletic programs operate and make strategic decisions. These concepts extend beyond compliance and will play an integral role in roster building, financial planning, and long-term program sustainability and success.

This article provides an analysis of the key legal principles underpinning the House Settlement and explores their implications for college athletics, including: (1) an overview of “NIL” and athlete compensation basics; (2) how professional leagues structure and manage player contracts and compensation; and (3) analysis of the House Settlement, including direct student-athlete payments, the Pool Cap, and the compliance framework surrounding marketing rights.

NIL and Athlete Compensation Basics

The legal principle known as the “right of publicity” prohibits the use of an individual’s name, image, likeness, and/or other recognizable characteristics (“**NIL**”) for commercial purposes (i.e., advertising, marketing, or promoting goods and services) *without consent from the individual*. Consent to use an athlete’s NIL for commercial purposes (“**Marketing Rights**”) is generally granted by athletes in two contexts: (1) to a third-party sponsor or company to endorse products or services (“**Third-Party Marketing Rights**”); and (2) to the athlete’s team and league for the purpose of promoting the team, league, or sport itself (“**Team Marketing Rights**”), such as in official broadcasts, ticket sales campaigns, and team-branded digital content.

Marketing Rights are separate and distinct from athletic performance and duties related to the sport (“**Athletic Services**”), which generally include participation in games, practices, team-related appearances, performance bonuses (e.g., bonuses tied to statistical achievements), and other responsibilities directly tied to athletic performance and team membership. Athletic Services are typically conferred through a binding, written player contract, in exchange for the player’s services as an athlete. For example, the NBA Uniform Player Contract states that the team employs the player as a “skilled basketball player” and requires the player to provide Athletic Services on behalf of the team and the NBA that include (i) playing in exhibition, regular season, and playoff games; and (ii) attending team practices, meetings, and workouts.

In addition, the NBA Uniform Player Contract, the NBA Collective Bargaining Agreement (“**NBA CBA**”), and NBA Group License Agreement provide a comprehensive framework for the NBA and the teams’ use of the player’s NIL: (1) the player grants Team Marketing Rights to the NBA and the team, including granting the NBA and team the right to use the player’s NIL to broadcast and promote NBA games and promote the game of basketball in general; (2) players may, upon request, be required to make promotional appearances on behalf of commercial sponsors of the NBA or team; and (3) the player’s NIL is permitted to be used in collective marketing and promotional efforts involving multiple players, including merchandise, video games, and other licensed products.

Third-Party Marketing Rights, Team Marketing Rights, and Athletic Services are distinct concepts that reflect different forms of value. The NBA salary cap, a collectively bargained limit on the aggregate compensation a team may allocate to player salaries, distinguishes among these forms of compensation. Generally, compensation set forth in a player’s contract in exchange for Athletic Services and Team Marketing Rights is included in team salary and counts toward the salary cap. In contrast, bona fide compensation paid by third-party sponsors for Third-Party Marketing Rights is typically excluded from the salary cap, subject to the anti-circumvention provisions discussed below.

House Settlement

The House Settlement represents a significant shift in collegiate athletics, introducing several pivotal changes:

1. **Direct Payments; Pool Cap.** Schools are permitted to directly pay student-athletes, with the total compensation limited by a cap (“**Pool Cap**”). The Pool Cap is calculated as a percentage of designated athletics-related revenue from the Power 5 conferences, including media rights, ticket sales, and sponsorships. Initially, the Pool Cap is set at 22% of the specified revenue, increasing by 4% in the second and third years, and being recalculated every three years. The initial projected Pool Cap is roughly \$20.5 million per school.
2. **Roster Limits.** NCAA Division I scholarship limits are eliminated and replaced with roster limits adopted by the NCAA.

3. **NIL/Marketing Rights.** Athletes will continue to be permitted to grant Third-Party Marketing Rights to third parties not affiliated with the school, and these payments will not count toward the Pool Cap, subject to certain restrictions described below including heightened scrutiny for boosters and “NIL collectives” affiliated with a school.

While the granular details are still being finalized, schools and athletic departments will need to quickly develop internal frameworks to operationalize models that are compliant, competitive, and sustainable. Among the most immediate considerations are: (1) the structure and classification of direct player agreements, including the enforceability of such contracts under state law; and (2) compliance with the new Pool Cap and the restrictions imposed on Third-Party Marketing Rights.

House Settlement—Nature of Direct Athlete Payment

The House Settlement expressly permits (but does not require) schools to directly pay student-athletes, subject to the Pool Cap, however, it appears that these direct payments are intended to reflect compensation for Team Marketing Rights. The House Settlement describes these payments as “additional payments and/or benefits to student-athletes over and above annual existing scholarships and all other benefits currently permitted by NCAA rules as of the date of the filing of the motion for final approval...”

Compensation in exchange for Athletic Services is not directly addressed by the House Settlement. While compensation for Athletic Services is technically in addition to “all other benefits currently permitted by NCAA rules”, the House Settlement also states that existing NCAA rules limiting compensation to student-athletes, except as modified by the House Settlement, may remain in effect. It is likely that NCAA rules will continue to prohibit compensation for Athletic Services (i.e., pay to play) in the post-House Settlement era.

Conversely, the House Settlement expressly permits Team Marketing Rights and the ability for a school and student-athlete to enter “exclusive or non-exclusive license and/or endorsement agreement for that student-athlete’s NIL, institutional brand promotion, or other rights. . .” and agreements where the school or a designee/subcontractor of the school (e.g., a local rights holder) “may act as the marketing agent for the student-athlete with respect to third-party NIL contracts.”

The distinction between an exclusive contract for Athletic Services and an exclusive contract solely for Marketing Rights is critical because the legal enforcement and contractual remedies available in the event of a breach may differ significantly, including the non-breaching school’s ability to obtain injunctive relief. Injunctive relief is an equitable remedy ordered by a court requiring a party to either refrain from or perform a specific act; it is sought when a party breaches or threatens to breach a contract and generally requires the non-breaching party to show that money damages alone would be an inadequate remedy.

In the case of player contracts for Athletic Services, the unique and irreplaceable nature of the player’s contribution to the team provides a compelling argument for the necessity of an injunction, and there is legal precedent that has supported the enforcement of such contracts through injunctions (i.e., a court order preventing the player from playing for the separate team). The potential damage to team performance and competitive balance is often considered irreparable, justifying the need for immediate court intervention.

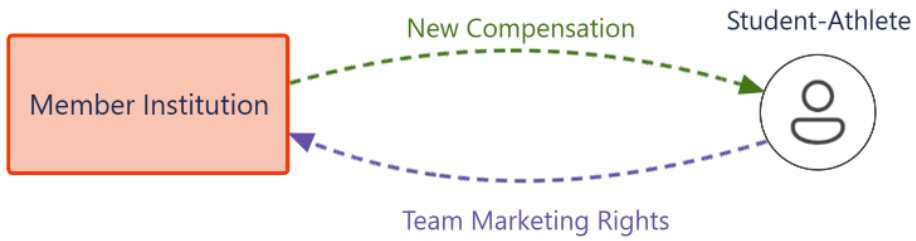
In contrast, attempting to obtain injunctive relief to enforce an exclusive marketing agreement may face the hurdle of proving that financial compensation is inadequate. The commercial nature of these agreements means that courts are more inclined to view monetary damages, including any liquidated damages included in the contract, as an appropriate remedy, reducing the likelihood of an injunction being granted. The ability to enforce contracts with student-athletes under state contract law will likely become a key consideration for schools in the post-House Settlement landscape.

House Settlement: Compliance with the Pool Cap and Restrictions on Third-Party Marketing Rights

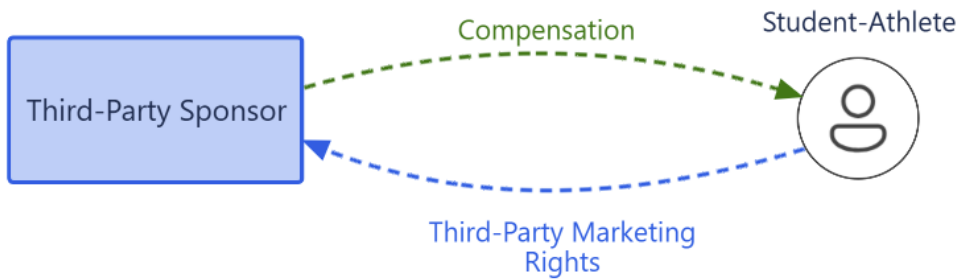
The House Settlement imposes restrictions on Third-Party Marketing Rights that, if implemented with a viable enforcement mechanism, will significantly change the current “NIL” landscape. First, the House Settlement expressly protects a student-athlete’s ability to monetize their Marketing Rights, including permitting compensation in exchange for Third-Party Marketing Rights and Team Marketing Rights. However, compensation for Marketing Rights now requires two additional considerations: (1) compliance with the Pool Cap; and (2) certain reporting requirements and fair market value analysis.

Pursuant to the House Settlement, compensation directly from a school (e.g., consideration for Team Marketing Rights) are subject to and count toward the Pool Cap. However, payments from third parties (i.e., entities not owned or operated by the school) for Third-Party Marketing Rights are not counted toward the Pool Cap. Interestingly, if a school enters into an agreement to act as the marketing agent for the student-athlete with respect to third-party NIL contracts, then any player compensation procured by the school but paid for by third party do not count toward the Pool Cap. Additionally, compensation received by the school in exchange for sublicensed student-athlete Marketing Rights do not count toward the Pool Cap.

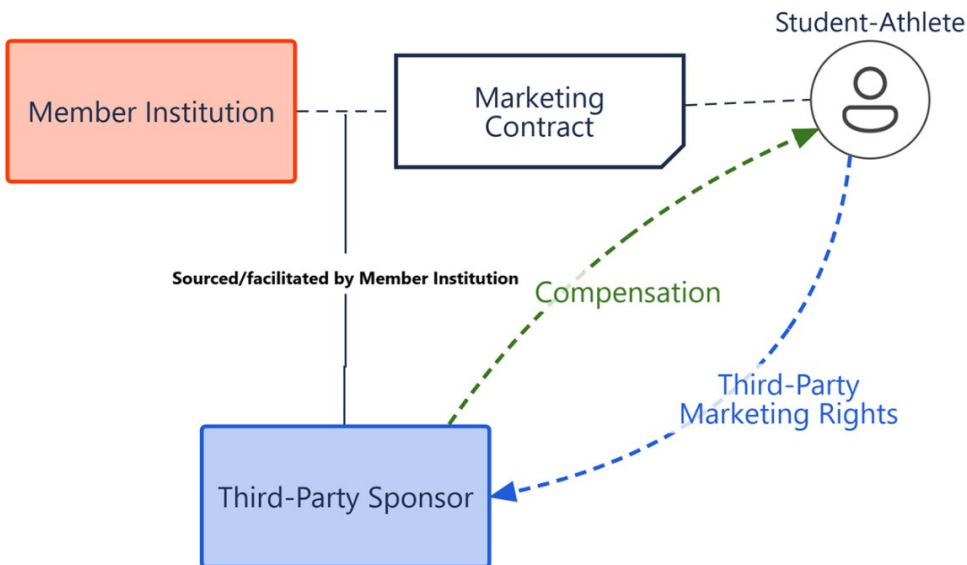
Counted Toward the Pool Cap



Not Counted Toward the Pool Cap

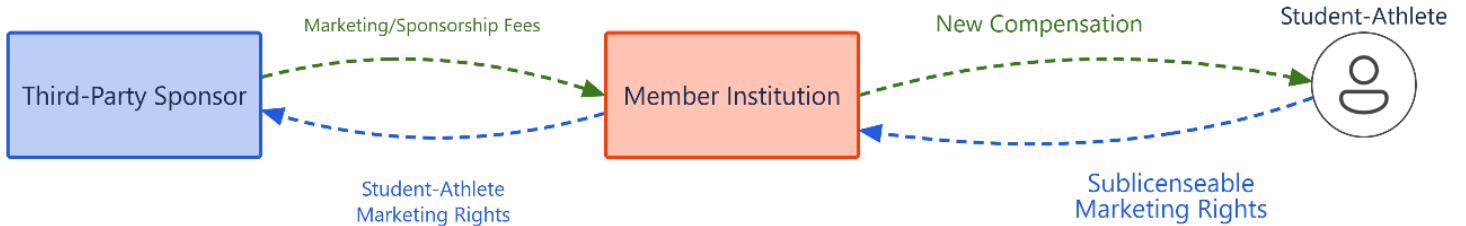


Not Counted Toward the Pool Cap



Not Counted Toward the Pool Cap

Counted Toward the Pool Cap



Since payments from third parties for Third-Party Marketing Rights are not subject to the Pool Cap, the House Settlement introduces safeguards aimed at preventing circumvention. First, the House Settlement clarifies that entities or organizations that are owned, controlled, or operated by schools and/or conferences are not third parties, meaning, payments from these entities would count toward the Pool Cap. Additionally, all Division I student-athletes must report any third-party NIL contracts or payments with a total value of \$600 or more to their school and/or the NCAA's designated reporting entity (discussed below).

Boosters and "NIL collectives" affiliated with a school (defined as "Associated Entities and Individuals" in the House Settlement) will be subject to heightened scrutiny. Currently, boosters and NIL collectives operate with minimal oversight, resulting in the widespread distribution of substantial financial compensation to student-athletes. These payments often exceed the fair market value of the student-athletes' Third-Party Marketing Rights, and many commentators argue that the current system effectively functions as a pay-for-play system where compensation for Athletic Services and attendance at a particular school are disguised as agreements for Third-Party Marketing Rights.

To address these issues, the House Settlement expressly permits the NCAA and conferences to adopt or affirm rules prohibiting NIL payments by boosters and NIL collectives unless the payments are: (1) for a valid business purpose related to the promotion or endorsement of goods or services offered to the general public for profit; and (2) made at fair market value, consistent with rates and terms paid to similarly situated individuals with comparable NIL value who are not student-athletes at the same institution. These restrictions represent a large shift from the current system, where boosters and NIL collectives operate with significant discretion in defining the value of a student-athlete's marketing rights.

The NCAA has partnered with Deloitte to launch "NIL Go", a centralized platform for reviewing marketing deals valued at \$600 or more. The system uses a three-stage review process:

1. *Payor Association Verification*: Determination of whether the entity funding the marketing deal involves a booster or NIL collective affiliated with the school that would trigger heightened scrutiny.
2. *Valid Business Purpose Verification*: Determination of whether the marketing deal serves a legitimate commercial purpose, such as endorsing a product, appearing in advertisements, or creating promotional content.
3. *Fair Market Value Analysis*: A 12-point analysis assessing if compensation aligns with similarly situated individuals in comparable deals.

If a marketing deal is not cleared by the NIL Go process, the student-athlete may (1) revise the deal and resubmit; (2) cancel the deal; (3) appeal through a neutral arbitration process; or (4) proceed with the deal at risk of eligibility consequences. It is expected that no penalties can be imposed on a student-athlete while arbitration is pending, absent the arbitrator's finding of good cause.

Note, most professional athletes generally earn more compensation from Athletic Services and Team Marketing Rights than Third-Party Marketing Rights. *Sportico's* 2024 list of the 100 Highest-Paid Athletes in the World included 33 NBA players, 92% of whom earn more from Athletic Services and Team Marketing Rights than Third-Party Marketing Rights, with the three exceptions being LeBron James, Steph Curry, and Giannis Antetokounmpo.

Enforcement; Additional Considerations

If the Pool Cap and additional restrictions set forth in the House Settlement are implemented with a viable enforcement mechanism, the current landscape of student-athlete compensation will change significantly, and student-athletes will have the ability to earn: (1) compensation directly from the school (and school affiliated entities), subject to the Pool Cap; (2) compensation for Third-Party Marketing Rights from true third-party entities that are unrelated to the school; and (3) compensation from school-affiliated boosters and NIL collectives so long as such compensation is for Third-Party Marketing Rights at a fair market value (and not disguised compensation for attendance at a particular institution).

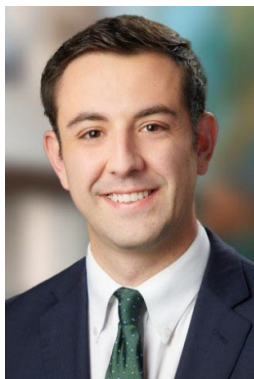
In connection with the House Settlement, the NCAA Division I Board of Directors have begun to approve new rules and enforcement mechanisms intended to "bring clarity and stability to the NIL environment for all Division I schools", including an enforcement entity that will be created and operated by the conferences to "provide oversight for rules relating to the terms of the settlement, including third-party NIL and the annual benefits cap", according to the NCAA.

How these rules will be interpreted and enforced in practice remains to be seen. The legal and regulatory framework is still evolving, and much of the operational detail will likely be clarified and tested over time. However, the core legal concepts at play, including, salary cap compliance, player contracts, and player Marketing Rights, are foundational to the compensation models used across professional sports. For example, in professional leagues like the NBA, salary caps and anti-circumvention provisions are tightly defined and contractually enforceable. Pursuant to the NBA CBA, teams are expressly prohibited from (i) entering agreements or taking actions designed to defeat or circumvent the intention of the salary cap provisions, including undisclosed promises for future contracts or

compensation, arrangements where sponsors or business partners pay players compensation that is *substantially in excess of the fair market value for services rendered* (especially if the player's team salary is below market value); and (ii) providing players with investment or business opportunities not permitted by the NBA CBA. The NBA league office and Commissioner have investigative and enforcement authority, and violations can result in significant fines, voided contracts, and the loss of draft picks.

Conclusion

While college athletics operate under a fundamentally different governance structure, the similarities between college athletics and professional sports are increasingly overlapping, and the core concepts approved by the House Settlement, including Marketing Rights, player contracts, and salary cap compliance are foundational concepts that underpin compensation models across professional sports. Given the short runway before the new academic year and seismic shifts (and uncertainty) to the rules and legal considerations governing college athletics, legal advisors, athletic departments, compliance departments, coaches, agents, athletes, and fans can look to existing professional league models to understand the structural components and core principles that underpin player contracts and salary caps that may apply in the post-House Settlement collegiate athletic landscape. This is sports law at its most complex, making legal and financial advisors with professional sports experience important and valuable.



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Preserving a Tradition or Creating a New One? The Legal Benefits of an Enhanced Educational Model for College Sports

Gabriel A. Feldman* and Eric J. Blevins**

ABSTRACT

This Article examines the seismic shift underway in intercollegiate athletics, focusing on the growing disconnect between college sports and education. The Article explains how this disconnect has diminished the longstanding judicial deference afforded to college athletics, and increased vulnerability to labor and anti-trust scrutiny. The Article proposes a new Enhanced Educational Model for college athletics to recenter the inherent value and experience of a rigorous education and mitigate legal risk to college athletics programs.

INTRODUCTION

We are in the midst of a seismic shift in intercollegiate athletics. The relationship between the National Collegiate Athletic Association (“NCAA”), colleges, and college athletes is likely to undergo a more significant transformation in this decade than at any other point in the NCAA’s history. Although critics have long contended that the very existence of college athletics is under threat from commercial interests, frustration over unchecked

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spending and diminished emphasis on education has reached a new zenith.¹ “Complaints about big-time college sports interfering with the academic integrity of universities” are louder than ever.²

Many of the recent changes have provided significant—and long overdue—benefits for college athletes, including stipends to cover their “full cost of attendance,” access to multi-year scholarships, and the ability to receive compensation for the use of their name, image, and likeness (“NIL”). Meanwhile, the influx of money into big-time college sports shines an ever-brighter spotlight on skepticism about commercial interests in college sports and the disregard for the universities’ educational missions.³

The disconnect between college *athletics* and college *education* not only presents an existential question about the future of college sports, but also is one of the primary issues raised in the antitrust and labor attacks against the NCAA. Over the last century, the operative test under antitrust law is whether NCAA rules are reasonably necessary to maintain college sports as distinct from professional sports. Recently, federal courts (including the Supreme Court) have noted that college sports have become less distinct from professional sports and are, therefore, entitled to less deference under the law than they have received in the past.⁴

Complaints about the disconnect between college athletics and education will likely only accelerate. Consider the Football Bowl Subdivision (“FBS”), one of two football classifications within Division I college athletics and the one containing the highest-profile and highest-revenue-earning

¹ See GABE FELDMAN, REIMAGINING THE ROLE OF INTERCOLLEGIATE SPORTS IN HIGHER EDUCATION 3 (Arnold Ventures), http://craftmediabucket.s3.amazonaws.com/uploads/AVCollegeSportWhitePaper_HigherEd-v4b-1.pdf [https://perma.cc/V9FZ-JYNT] (last visited Dec. 8, 2025).

² *Id.*; see, e.g., Jon Solomon, *The History Behind the Debate Over Paying NCAA Athletes*, ASPEN INSTITUTE (Apr. 23, 2018), <https://www.aspeninstitute.org/blog-posts/history-behind-debate-paying-ncaa-athletes/> [https://perma.cc/46MH-4DQW].

³ FELDMAN, *supra* note 1, at 3; see, e.g., KNIGHT COMM’N ON INTERCOLLEGIATE ATHLETICS, CONNECTING ATHLETICS REVENUE WITH THE EDUCATIONAL MODEL OF COLLEGE SPORTS 2 (5th ed. 2025) (orig. pub. 2021), <https://www.knightcommission.org/wp-content/uploads/2021/09/CAREModel.pdf> [https://perma.cc/Y3FV-V3VH] (“College sports in Division I, most notably in Football Bowl Subdivision (FBS) football, are in the midst of a runaway financial race that threatens to upend and undermine the educational model of college athletics.”).

⁴ See, e.g., NCAA v. Alston, 594 U.S. 69, 82–83 (2021) (finding that the NCAA failed to set forth “any coherent definition” of amateurism); Johnson v. NCAA, 108 F.4th 163 (3d Cir. 2024).

programs.⁵ The total annual athletics revenue generated by FBS public institutions is projected to increase to \$20.9 billion by 2032.⁶ Additionally, the proposed *House* class action settlement opens the door for colleges and universities to directly pay their athletes up to \$20.5 million each year.⁷ As the gap continues to widen between college athletics and education, the NCAA and its institutions will remain vulnerable to antitrust and labor lawsuits and invite broader attacks on the collegiate model, creating a vicious cycle that deepens the athletics-vs-education divide, which in turn might continue to decrease the legal deference afforded to college athletics. This might continue until college athletics is completely severed from the academy.

Although several high-profile athletic departments are embracing this brave new world, many schools are struggling to reconcile “[t]he seemingly paradoxical coexistence of academics and sports-as-entertainment” and are seeking a different path.⁸ This Article proposes a new college sports model—the Enhanced Educational Model (“EEM”)—which can help harmonize collegiate sports and a university’s academic mission and, in turn, minimize some of the legal risk that the existing runaway-spending model has created.

The EEM does not preclude ‘big-time college sports’ under a revenue-centric model in which athletes are paid. Nor does this Article presume that big-time college sports will or even should abandon a revenue-centric model. Rather, both models can operate in parallel—perhaps even within the same institution, with major sports like football and basketball operating under a revenue-centric model, and other sports following the EEM.

However, the EEM also does not offer a solution to the legal issues facing the revenue-centric model. Big-time college sports are a valuable part of the college athletics fabric, but treating them differently from non-revenue

⁵ See *Football Bowl Subdivision*, KNIGHT-NEWHOUSE COLL. ATHLETICS DATABASE, <https://knightnewhousedata.org/fbs> [<https://perma.cc/4GWY-JKYX>] (last visited Dec. 8, 2025) (containing revenue breakdowns).

⁶ See KNIGHT COMM’N ON INTERCOLLEGIATE ATHLETICS, FINANCIAL PROJECTIONS THROUGH 2032 FOR DIVISION I FBS PROGRAM 22 (2023), https://www.knightcommission.org/wp-content/uploads/2023/09/cia_financial_projections_report_2023.pdf [<https://perma.cc/RF33-HXFU>].

⁷ Dan Murphy, *Judge OK’s \$2.8B Settlement, Paving Way for Colleges to Pay Athletes*, ESPN (June 6, 2025, 21:28 ET), https://www.espn.com/college-sports/story/_/id/45467505/judge-grants-final-approval-house-v-ncaa-settlement [<https://perma.cc/XF62-SP2L>] (“The annual cap is expected to start at roughly \$20.5 million per school in 2025-26 and increase every year during the decade-long deal. These new payments are in addition to scholarships and other benefits the athletes already receive.”).

⁸ FELDMAN, *supra* note 1, at 3.

sports can prevent the non-revenue sports from being engulfed by the legal issues facing revenue-centric sports, primarily football and basketball.⁹

Thus, the EEM offers a potential path to alleviate withering legal attacks on the majority of college athletics programs (those outside the realm of big-time college sports). The EEM accomplishes this by removing the economic engine—which is the chief source of antitrust and labor law scrutiny—from a school's athletics program and replacing it with a rigorous academic experience that captures the inherent educational value of sports.

Part I of this Article provides an overview of the history and early criticisms of the connection between college athletics and education. Part II examines the history of judicial deference afforded to college athletics. Part III explores the growing divide between college athletics and education and the consequent diminished judicial deference. Finally, Part IV discusses the proposed EEM and how it could lead to renewed legal protection for college athletics.

I. EARLY HISTORY AND CRITICISMS OF THE RELATIONSHIP BETWEEN COLLEGE ATHLETICS AND EDUCATION

The NCAA was formed in 1905 in response to a series of fatalities that occurred during college football games and initially positioned itself as “an advisory body that promoted amateurism and discouraged commercialism.”¹⁰ This new governing body articulated standards for intercollegiate athletics,

⁹ The idea of separating the top football programs into a new league has been raised widely. See, e.g., Paolo Uggetti, *UCLA's Chip Kelly Advocates for Single Power 5 Conference*, ESPN, (Dec. 17, 2023, 01:57 ET), https://www.espn.com/college-football/story/_/id/39130831/ucla-chip-kelly-advocates-single-power-five-conference [https://perma.cc/F992-FS78]; Brandon Marcello, *After the House v. NCAA Settlement: Is a 'Super League' College Football Realignment's Inevitable Final Form?*, CBS SPORTS (Aug. 6, 2025, 11:50 ET), <https://www.cbssports.com/college-football/news/after-the-house-v-ncaa-settlement-is-a-super-league-college-football-realalignments-inevitable-final-form/> [https://perma.cc/NT85-QT69]. One proposal, dubbed “Project Rudy,” could create an approximately seventy-team league with a new scheduling system, television broadcast deal, and expanded postseason. See Ross Dellenger, *While SEC and Big Ten Leaders Mull Major Changes, a New Super League Concept Could Radically Alter College Sports*, YAHOO! SPORTS (Oct. 8, 2024), <https://sports.yahoo.com/while-sec-and-big-ten-leaders-mull-major-changes-a-new-super-league-concept-could-radically-alter-college-sports-130031473.html> [https://perma.cc/VD33-SYVU].

¹⁰ BRIAN M. INGRASSIA, *THE RISE OF GRIDIRON UNIVERSITY: HIGHER EDUCATION'S UNEASY ALLIANCE WITH BIG-TIME FOOTBALL* 58–59 (Univ. Press of Kan. ed.,

including a prohibition on “promised pay in any form” in return for athletic performance.¹¹ Over time, however, the NCAA loosened its restrictions and expanded the scope of permissible benefits to include athletic scholarships and, eventually, room, board, books, fees, and the athlete’s “full cost of attendance,”¹² as well as certain payments incidental to athletic performance and education-related benefits.¹³

Today, the NCAA’s membership includes approximately 1,100 colleges and universities, organized into three competitive divisions.¹⁴ Division I, the highest level of intercollegiate competition, encompasses approximately 350 schools.¹⁵ Division I football programs are further subdivided into the FBS and the Football Championship Subdivision (“FCS”).¹⁶ FBS football and men’s basketball generate the vast majority of collegiate athletic revenue and media attention.¹⁷

Throughout its history, the NCAA has long stated that its mission is to “maintain intercollegiate athletics as an integral part of the educational program and the athlete as an integral part of the student body” thereby preserving “a clear line of demarcation between intercollegiate athletics and professional sports.”¹⁸ Until 2022, the NCAA Constitution also stated that “[s]tudent-athletes shall be amateurs,” that “their participation should be

2012) (discussing creation of the Intercollegiate Athletic Association of the United States, later renamed the National Collegiate Athletic Association).

¹¹ NCAA v. Alston, 594 U.S. 69, 77 (2021).

¹² See O’Bannon v. NCAA, 802 F.3d 1049, 1053 (9th Cir. 2015) (affirming that NCAA rule prohibiting athletes from receiving their “full cost of attendance” was illegal under antitrust law).

¹³ Alston, 594 U.S. at 77–78.

¹⁴ See Overview, NCAA, <https://www.ncaa.org/sports/2021/2/16/overview.aspx> [<https://perma.cc/HUT6-WL7R>] (last visited Dec. 8, 2025).

¹⁵ See Our Division I Members, NCAA, <https://www.ncaa.org/sports/2021/5/11/our-division-i-members.aspx> [<https://perma.cc/2UUW-N6FW>] (last visited Dec. 8, 2025) (displaying data from the 2025–26 academic year).

¹⁶ Football Bowl Subdivision, *supra* note 5.

¹⁷ See Andrew Zimbalist, *Analysis: Who Is Winning in the High-Revenue World of College Sports?*, PBS NEWS (Mar. 18, 2023, 19:14 ET), <https://www.pbs.org/news-hour/economy/analysis-who-is-winning-in-the-high-revenue-world-of-college-sports> [<https://perma.cc/QGF8-LSS4>].

¹⁸ See NCAA, 2024–2025 NCAA DIVISION I MANUAL 1 (2024) (“The National Collegiate Athletic Association is . . . committed to the well-being and development of student-athletes, to sound academic standards and the academic success of student-athletes Member institutions and conferences believe that intercollegiate athletics programs provide student-athletes with the opportunity to participate in sports and compete as a vital, co-curricular part of their educational experience.”).

motivated primarily by education,” and that they “should be protected from exploitation by professional and commercial enterprises.”¹⁹

Despite these lofty goals, the tension between college athletics and education emerged well before the NCAA’s formation and has persisted ever since.²⁰ An 1852 boating contest between Harvard and Yale is widely considered the first collegiate athletic competition, and the first intercollegiate football game was held in 1869 between Princeton and Rutgers.²¹ Football in particular grew quickly in popularity. By the 1890s, Thanksgiving Day championship games in New York City routinely drew crowds exceeding 40,000 fans.²² By the early 1900s, college sports had become a commercial enterprise “attract[ing] hundreds of thousands of paying spectators and millions of dollars to arenas throughout the nation.”²³

Even this earliest commercialization of college sports was accompanied by violations of amateur ideals. Although institutional bylaws adopted in 1906 declared that “no student shall represent a college or university in any intercollegiate game or contest who is paid or receives, directly or indirectly, any money or financial assistance,”²⁴ schools had begun using “paid ringers” by the 1880s.²⁵ The “absence of academic residency requirements gave rise to ‘tramp athletes,’” who traveled between institutions in pursuit of better financial opportunities, often with little connection to the educational mission of the schools they represented.²⁶

Some schools made efforts to keep athletics within the university’s academic units.²⁷ In 1907, a future University of Michigan regent predicted he’d “live to see the day when the athletic department w[ould] be conducted the same as the department of Greek, the department of Physics, or any other

¹⁹ NCAA CONST. art. 2, § 9 (1997). As part of a comprehensive rewrite, the NCAA removed this article in 2022. See *New NCAA Constitution, Division I Proposal - BOG-2022-1*, NCAA, <https://web3.ncaa.org/lstdbi/search/proposalView?id=106135> [<https://perma.cc/ST2F-UKCT>] (last visited Dec. 8, 2025).

²⁰ See FELDMAN, *supra* note 1, at 2.

²¹ Guy Lewis, *The Beginning of Organized Collegiate Sport*, 22 AM. Q. 222, 224–29 (1970).

²² JAMES L. SHULMAN & WILLIAM G. BOWEN, *THE GAME OF LIFE: COLLEGE SPORTS AND EDUCATIONAL VALUES* 6 (2001).

²³ INGRASSIA, *supra* note 10, at 115.

²⁴ Robert J. Romano, *The Concept of Amateurism: How the Term Became Part of the College Sport Vernacular*, 1 UNH SPORTS L. REV. 29, 36 (2022) (quoting INTERCOLLEGIATE ATHLETIC ASS’N U.S. CONST. BY-LAWS art. VII, § 3 (1906)).

²⁵ NCAA v. Alston, 594 U.S. 69, 75 (2021).

²⁶ *Id.*

²⁷ INGRASSIA, *supra* note 10, at 137–38.

department on campus.”²⁸ From the 1910s into the 1930s, Ohio State placed its athletic department under faculty control; Iowa made its coaches tenured faculty members within the physical education department; and Illinois housed athletics within its “School of Physical Education.”²⁹ These experiments, however, proved short-lived as commercial pressures and institutional incentives increasingly separated athletics from academic governance.

Criticism of this divergence was both immediate and sustained.³⁰ In 1893, Harvard University’s president observed:

With athletics considered as an end in themselves, pursued either for pecuniary profit or popular applause, a college or university has nothing to do. Neither is it an appropriate function for a college or university to provide periodical entertainment during term-time for multitudes of people who are not students.³¹

A decade later, in 1903, Stanford University’s president stated that “he would prefer that college football be banished for a decade and ‘athletic fields closed . . . for fumigation than to see our colleges helpless in the hands of athletic professionalism.”³² By the 1920s, commentators framed the issue in even starker terms. Upton Sinclair famously proclaimed that “[c]ollege athletics, under the spur of commercialism, has become a monstrous cancer, which is rapidly eating out the moral and intellectual life of our educational institutions.”³³ The 1929 Carnegie Foundation echoed these concerns, concluding that “[t]he admission to the university of students who are financed because of their athletic prowess and because of their ability to round out winning athletics teams, cannot do otherwise than result in disaster to our educational program and to its standards of scholarship.”³⁴

²⁸ *Id.* at 137.

²⁹ *Id.* at 136.

³⁰ See FELDMAN, *supra* note 1, at 2.

³¹ See *id.* at 2 (quoting CHARLES T. CLOTFELTER, *BIG-TIME SPORTS IN AMERICAN UNIVERSITIES* 10 (2011)).

³² See *id.* at 3 (alteration in original) (quoting INGRASSIA, *supra* note 10 at 53).

³³ See FELDMAN, *supra* note 1, at 3 (quoting Steven Mintz, *The Uncertain Future of College Sports*, *INSIDE HIGHER ED* (Apr. 16, 2021), <https://www.insidehighered.com/blogs/higher-ed-gamma/uncertain-future-college-sports> [<https://perma.cc/G955-77RM>]).

³⁴ See Howard J. Savage et al., *American College Athletics*, CARNEGIE FOUND. FOR THE ADVANCEMENT OF TEACHING, 1929, at 32, <http://www.thecoia.org/wp-content/uploads/2014/09/Carnegie-Commission-1929-excerpts-1.pdf> [<https://perma.cc/F78C-VH6Q>]; KNIGHT COMM’N ON INTERCOLLEGIATE ATHLETICS, *supra* note 3, at 2 (“College sports in Division I, most notably FBS football, are in the midst of

Indeed, most of the problems raised nearly a century ago “are still with us, and in barely altered forms,” including whether athletic scholarships are appropriate, the purported character education of college sports, how to fund college sports, and the role of third-party boosters.³⁵

II. ANTITRUST AND LABOR JUDICIAL DEFERENCE TO THE EDUCATIONAL MODEL OF COLLEGE SPORTS

A. Antitrust Background and Judicial Deference

Federal antitrust law, principally the Sherman Act,³⁶ prevents business competitors with market power from entering agreements, creating rules, or otherwise acting to restrain economic competition.³⁷ In the context of sports, courts most commonly apply the Rule of Reason, an analysis that balances the procompetitive benefits of the challenged conduct with its anticompetitive effects and whether those justifications could be achieved through less restrictive means.³⁸ Despite the early criticisms and repeated antitrust legal attacks, the NCAA’s athletic/academic model received broad and virtually unwavering support from the courts for nearly a century.

Judicial deference to this model reached a peak in *NCAA v. Board of Regents of the University of Oklahoma*, where the Supreme Court declared that the “academic tradition differentiates college football from and makes it more popular than professional sports to which it might otherwise be comparable.”³⁹ The Court added that “the NCAA plays a vital role” in

a runaway financial race that threatens to upend and undermine the educational model of college athletics.”); see also CHARLES T. CLOTFELTER, *BIG-TIME SPORTS IN AMERICAN UNIVERSITIES* 26 (2011) (“Big-time college athletics has little to do with the nature or objectives of the contemporary university. Instead, it is a commercial venture, aimed primarily at providing a entertainment for those beyond the campus and at generating rewards for those who stage it.”). Further along these lines, in some cases, athletes are higher paid in college than professional sport. See, e.g., *NCAA v. Alston*, 594 U.S. 69, 77 (2021) (noting that Hugh McElhenny, a halfback at the University of Washington in the 1940s, “became known as the first college player ever to take a cut in salary to play pro football” and that he reportedly said: “A wealthy guy puts big bucks under my pillow every time I score a touchdown. Hell, I can’t afford to graduate.”).

³⁵ SHULMAN & BOWEN, *supra* note 22, at 8.

³⁶ 15 U.S.C. § 1, *et seq.*

³⁷ *Alston*, 594 U.S. at 96.

³⁸ *Id.* at 96–97.

³⁹ 468 U.S. 85, 101–02 (1984).

preserving this tradition, that its rules “widen consumer choice—not only the choices available to sports fans but also those available to athletes.”⁴⁰ In perhaps its most enduring—and consequential—dictum, the Court also stated:

The NCAA plays a critical role in the maintenance of a revered tradition of amateurism in college sports. There can be no question but that it needs ample latitude to play that role, or that the preservation of the student-athlete in higher education adds richness and diversity to intercollegiate athletics and is entirely consistent with the goals of the Sherman Act.⁴¹

The Court further framed the NCAA’s role as safeguarding “a tradition that might otherwise die.”⁴²

For nearly four subsequent decades, lower courts consistently invoked this language to justify great deference to NCAA regulations, particularly those limiting athlete compensation, because of the educational value of college athletics to college athletes.⁴³ Courts reasoned that such restrictions were procompetitive because they preserved the “unique atmosphere” of intercollegiate sports and promoted the educational welfare of student-athletes.⁴⁴ As one court observed in 1990, there remained “validity to the Athenian concept of a complete education derived from fostering full growth of both mind and

⁴⁰ *Id.* at 102.

⁴¹ *Id.* at 120.

⁴² *Id.*

⁴³ See, e.g., *McCormack v. NCAA*, 845 F.2d 1338, 1345 (5th Cir. 1988) (“The goal of the NCAA is to integrate athletics with academics.”); *In re NCAA Grant-in-Aid Cap Antitrust Litig.*, 375 F. Supp. 3d 1058, 1083 (N.D. Cal. 2019) (“[T]he evidence shows that student-athletes benefit from receiving a college education.”); cf. *Albach v. Odle*, 531 F.2d 983, 985 (10th Cir. 1976) (“The educational process is a broad and comprehensive concept with a variable and indefinite meaning. It is not limited to classroom attendance but includes innumerable separate components, such as participation in athletic activity.”); *Pocono Invitational Sports Camp, Inc. v. NCAA*, 317 F. Supp. 2d 569, 584 (E.D. Pa. 2004) (“The evidence further shows that these justifications are in keeping with the NCAA principles of amateurism and recruiting that aim to promote education and keep student athletics separate from professional sports.”); *Colo. Seminary (Univ. of Denver) v. NCAA*, 417 F. Supp. 885, 898 (D. Colo. 1976) (“The objectives of the NCAA have been previously stated. They include maintaining intercollegiate athletics as an integral part of the educational program and the athlete as an integral part of the student body.”); *Ass’n for Intercollegiate Athletics for Women v. NCAA*, 558 F. Supp. 487, 494 (D.D.C. 1983) (“[The NCAA] exist[s] primarily to enhance the contribution made by amateur athletic competition to the process of higher education as distinguished from realizing maximum return on it as an entertainment commodity.”).

⁴⁴ *Gaines v. NCAA*, 746 F. Supp. 738, 744 (M.D. Tenn. 1990).

body,” and the NCAA rules were therefore justified by their role in maintaining “competition between ‘student-athletes,’” rather than professional laborers.⁴⁵

B. Labor & Employment Law Deference

Labor and employment law poses two related inquiries for collegiate athletics: (1) whether college athletes qualify as “employees” entitled to minimum wage and other benefits under the Fair Labor Standards Act (“FLSA”);⁴⁶ and (2) whether college athletes are entitled to organize unions and collectively bargain under the National Labor Relations Act (“NLRA”).⁴⁷ The benefits offered by each law apply only to workers who meet the legal definition of an “employee.”

The NCAA’s judicial deference also extended to labor and employment cases, where courts consistently held that college athletes were not employees, citing in part the academic foundation of college athletics. In FLSA cases, courts often emphasized the amateur and extracurricular nature of collegiate sports. In *Berger v. NCAA*, for example, the United States Court of Appeals for the Seventh Circuit applied an “economic reality” test and leaned on what it described as the NCAA’s “revered tradition of amateurism.”⁴⁸ The court concluded that, as a matter of law, college athletes were not FLSA employees because they did not perform “work” for their schools.⁴⁹

The *Berger* Court relied heavily on the Department of Labor’s Field Operations Handbook, which excludes extracurricular activities like college sports from FLSA coverage when they are “conducted primarily for the benefit of the participants as a part of the educational opportunities provided to the students by the school or institution.”⁵⁰ The court reasoned that “the long tradition of amateurism in college sports, by definition, shows that student athletes—like all amateur athletes—participate in their sports for reasons

⁴⁵ *Id.*

⁴⁶ 29 U.S.C. §§ 201–19.

⁴⁷ 29 U.S.C. §§ 151–69.

⁴⁸ 843 F.3d 285, 290 (7th Cir. 2016).

⁴⁹ *Id.* (“[T]o qualify as an employee for purposes of the FLSA, one must perform ‘work’ for an ‘employer.’” (quoting *NCAA v. Bd. of Regents Univ. Okla.*, 468 U.S. 85, 120 (1984))).

⁵⁰ *Id.* at 292–93 (citing WAGE & HOUR DIV., U.S. DEP’T OF LAB., FIELD OPERATIONS HANDBOOK § 10b03(e) (2016) [hereinafter “FIELD OPERATIONS HANDBOOK”]).

wholly unrelated to immediate compensation. . . . Simply put, student-athletic ‘play’ is not ‘work,’ at least as the term is used in the FLSA.”⁵¹

Treatment of college athletes under the NLRA is procedurally distinct from the FLSA. The NLRA protects and governs employees’ right to organize and collectively bargain with their employers, i.e., to unionize; it also establishes the National Labor Relations Board (NLRB), the body charged with overseeing collective bargaining procedures and hearing grievances.⁵² Challenges under the NLRA must proceed first through the NLRB, beginning with a regional director’s decision and potentially culminating in review by the full Board.⁵³ Only after the Board issues a final ruling may the dispute reach the federal courts.

To date, the full Board has never squarely resolved the issue of whether college athletes qualify as “employees” under the Act—although it has gotten close, as discussed below.

The first serious attempt to gain NLRA “employee” status for college athletes came from Northwestern University football players in 2014. Applying the common-law agency test, the NLRB regional director concluded that the players were employees because they (1) performed services for the university’s benefit (including generating significant football revenue and reputational benefits); (2) received compensation for that work in the form of athletic scholarships and other benefits; and (3) were subject to extensive control over their daily schedules.⁵⁴ On appeal, however, the full Board declined to assert jurisdiction and expressly did not decide whether college athletes qualify as employees; it did notably observe that the Northwestern players “receive no academic credit for their football endeavors.”⁵⁵

⁵¹ *Id.*

⁵² See 29 U.S.C. §§ 153, 157; *National Labor Relations Act*, NAT’L LAB. RELS. BD., <https://www.nlr.gov/guidance/key-reference-materials/national-labor-relations-act> [<https://perma.cc/7H8B-3XVC>] (last visited Dec. 12, 2025).

⁵³ See 29 U.S.C. §§ 153, 157; *National Labor Relations Act*, *supra* note 52.

⁵⁴ See *Nw. Univ.*, No. 13-RC-121359, 2014 WL 1246914, at *12–14 (N.L.R.B., Region 13 Mar. 26, 2014).

⁵⁵ *Nw. Univ.*, 362 N.L.R.B. 1350, 1351 (2015). In 2021, then-NLRB General Counsel Jennifer Abruzzo issued a formal memorandum taking the position that “scholarship football players at Division I FBS private colleges and universities, and other similarly situated Players at Academic Institutions, are employees under the NLRA.” Off. of Pub. Affs., *NLRB General Counsel Jennifer Abruzzo Issues Memo on Employee Status of Players at Academic Institutions*, NAT’L LAB. RELS. BD. (Sep. 29, 2021), <https://www.nlr.gov/news-outreach/news-story/nlr-general-counsel-jennifer-abruzzo-issues-memo-on-employee-status-of> [<https://perma.cc/53AZ-6GPQ>]. On February 14, 2025, the new Acting NLRB General Counsel,

Taken together, antitrust and labor jurisprudence long reflected a broad judicial willingness to accept the NCAA's assertion that college athletics are meaningfully distinct from professional sports because of their educational foundation. That deference persisted despite decades of criticism regarding commercialization, athlete exploitation, and the growing economic stakes of Division I athletics.

In recent years, however, courts have increasingly questioned the factual and legal premises underlying that deference, discussed further in section III(B).

The next Part of this Article highlights the forces driving the increasingly blurred distinctions between college and professional sports and analyzes how those developments are reshaping judicial treatment of the NCAA's regulatory authority.

III. DIMINISHED JUDICIAL DEFERENCE TO THE NCAA

A. *The Explosion of Athletic Spending and Further Professionalization of College Sports*

Although intercollegiate athletics has been heavily influenced by commercial interests since its inception, the Supreme Court's 1984 decision in *NCAA v. Board of Regents of the University of Oklahoma*, which opened the door to market-based revenue from television broadcasting rights, can be seen as a fountainhead for the revenue that has dramatically altered college athletics in the decades since. Especially in recent years, growth in media revenue—particularly at the top tier of Division I football—has accelerated to a level that increasingly resembles professional sports.

The most striking example is the College Football Playoff ("CFP"). Its initial television agreement generated approximately \$5.64 billion over twelve years; in March 2024, that agreement was replaced with a new six-year deal valued at roughly \$7.8 billion.⁵⁶ Conference-level media contracts also reached new heights, with the Big Ten and Southeastern Conference ("SEC")

William Cowen, formally rescinded Abruzzo's 2021 memorandum. See Off. of Pub. Affs., *GC 25-05 Rescission of Certain General Counsel Memoranda*, NAT'L LAB. RELS. BD. (Feb. 14, 2021), <https://www.nlr.gov/news-outreach/news-story/gc-25-05-rescission-of-certain-general-counsel-memoranda> [<https://perma.cc/7X3R-WJTB>].

⁵⁶ See Kristi Dosh, *Current College Sports Television Contracts*, BUS. OF COL. SPORTS, (Mar. 19, 2024), <https://businessofcollegesports.com/current-college-sports-television-contracts/> [<https://perma.cc/ELR2-MHAE>].

deals far eclipsing those of other conferences. For example, each school in the Big 12 Conference will receive approximately \$31.7 million per year through the 2030–31 season, while schools in the Big Ten and SEC are expected to receive annual distributions approaching—or exceeding—\$70 million per school over comparable periods.⁵⁷

Division I men's college basketball has also seen explosive growth. From 1982 to 1984, CBS paid approximately \$16 million per year to televise the NCAA men's basketball tournament.⁵⁸ Twenty years later, the rights fees were over \$1 billion per year.⁵⁹ In 2024, the NCAA signed an eight-year television deal totaling \$115 million per year for forty NCAA championships (twenty-one women's events and nineteen men's events), which tripled the value of the prior contract.⁶⁰

The revenue disparity in the conference television deals has spurred massive conference realignment, especially in recent years, with several schools leaving their traditional, regional-based rivals to chase more lucrative football media contracts. As one example, in 2023, most of the schools in the Pac-12 Conference—a group of elite athletic universities founded in 1915 and located on the West Coast—exited to join the ACC, Big 12, or Big Ten, conferences of elite athletic universities primarily located in the East Coast and Midwest.⁶¹ The moves were inarguably driven by a desire to increase their revenue from the more lucrative conference football television deals, not a desire to improve the educational experience of their athletes.

Of the many deleterious impacts these conference realignments had on college athletes, perhaps none is more striking and illustrative than the University of Oregon men's basketball team. For the 2024–25 season, the

⁵⁷ *Id.*

⁵⁸ Gordon S. White, *N.C.A.A. Title Basketball Sold to CBS for \$48 Million* (Mar. 5, 1981), <https://www.nytimes.com/1981/03/05/sports/ncaa-title-basketball-sold-to-cbs-for-48-million.html> [<https://perma.cc/9JN4-Y4PQ>].

⁵⁹ See *NCAA v. Alston*, 594 U.S. 69, 93 (2021).

⁶⁰ Dosh, *supra* note 56.

⁶¹ See Jacob Lev & Homero De la Fuente, *5 Universities Announce Departure from Pac-12 Conference on Friday, Leaving its Future in Question*, CNN (Aug. 4, 2023, 23:32 PM ET), <https://www.cnn.com/2023/08/04/sport/oregon-washington-big-ten> [<https://perma.cc/X6JY-7D7Y>]; Pete Thamel, *ACC adding Stanford, Cal, SMU as New Members in 2024*, ESPN (Sept. 1, 2023, 8:04 AM ET), https://www.espn.com/college-sports/story/_/id/38304694/sources-acc-votes-invite-stanford-cal-smu [<https://perma.cc/9TTY-LEBA>]; see also PETER A. FRENCH, *ETHICS AND COLLEGE SPORTS* 105–06 (2004) (discussing restructuring of the Big East and dissolution of the Southwest Conference, driven primarily by member institutions pursuing more lucrative television contracts).

team traveled nearly 27,000 miles to compete in eighteen out-of-state games, including five trips exceeding 1,500 miles.⁶² As a result of extensive travel demands, every player on the team was required to enroll exclusively in online-only courses, raising questions about whether the structure of major college sports remains meaningfully tethered to the academic mission of universities or more closely resembles professional sports.⁶³

During this same period, state legislators took notice of the enormous and growing economic realities of college sports and opened the door for college athletes to receive compensation for their NIL. California enacted the first such law in September 2019.⁶⁴ More than thirty states have followed suit, and in 2021 the NCAA abandoned its long-standing prohibition on college athletes receiving NIL compensation from third parties.⁶⁵ Since then, college athletes have reportedly received hundreds of millions of dollars from third parties under this new compensation regime.⁶⁶

Recently, NCAA rule changes have gone even further, permitting “levels and types of student-athlete compensation that have never been permitted in the history of college sports, while also very generously compensating

⁶² The prior year, the team traveled 7,327 miles. See Laine Higgins, *They’re Going to March Madness—but Only After Circumnavigating the Planet*, WALL ST. J. (Mar. 14, 2025, 07:00 ET), <https://www.wsj.com/sports/basketball/oregon-ducks-big-ten-travel-march-madness-8ead1b8d> [<https://perma.cc/ZKL3-GH3Z>].

⁶³ *Id.*

⁶⁴ Dan Murphy, *California Defies NCAA as Gov. Gavin Newsom Signs into Law Fair Pay to Play Act*, ESPN (Sep. 30, 2019, 10:31 ET), https://www.espn.com/college-sports/story/_/id/27735933/california-defies-ncaa-gov-gavin-newsom-signs-law-fair-pay-play-act [<https://perma.cc/HD86-T55A>].

⁶⁵ Elizabeth Frost Hemann & Mark R. Butscha, Jr., *Trouble in the Huddle – Uncertainty and Opportunity with the NCAA’S NIL Rules*, THOMPSON HINE (Mar. 28, 2024), <https://www.thompsonhine.com/insights/trouble-in-the-huddle-uncertainty-and-opportunity-with-the-ncaas-nil-rules/> [<https://perma.cc/G6J9-QPKF>].

⁶⁶ For example, Duke University men’s basketball star Cooper Flagg garnered NIL deals worth a reported \$2.6 million in his first year. Ryan Haley, *Cooper Flagg becomes first men’s college basketball player with Gatorade endorsement deal*, USA TODAY SPORTS (Oct. 29, 2024 13:49 ET), <https://dukewire.usatoday.com/story/sports/college/duke/mens-basketball/2024/10/29/cooper-flagg-gatorade-nil-endorsement-deal/75918107007/> [<https://perma.cc/C5J6-GQQB>]. Also, Louisiana State University women’s basketball Star Flau’jae Johnson has a reported \$1.5 million NIL valuation. Lindsey Darvin, *Women Athletes Are Reshaping College Sports’ Financial Landscape Through NIL Success*, FORBES, (Oct. 29, 2024 11:42 ET), <https://www.forbes.com/sites/lindseyedarvin/2024/10/28/women-athletes-are-reshaping-college-sports-financial-landscape-through-nil-success/> [<https://perma.cc/55RP-CCTN>].

Division I student-athletes who suffered past harms.”⁶⁷ There is no indication that the nation’s desire for big-time college sports is waning, and it would be no surprise if other, new developments continue to increase the revenue in the college sports ecosystem in the ensuing years and decades.

B. Commercialization and Diminished Antitrust Deference

Given the changes summarized above, it is perhaps unsurprising that courts have begun to view the collegiate athletic experience, particularly in football and basketball, as increasingly indistinct from professional sports. The diminished distinction has led to the rapid erosion of judicial deference to the NCAA over the last two decades in both antitrust and labor disputes.

The modern turning point came in 2014 in *O’Bannon v. NCAA*.⁶⁸ In an opinion written by Judge Wilken (the same judge who presided over the *House* settlement and the *Alston* trial), the district court struck down NCAA rules that barred schools from compensating FBS and Division I men’s basketball players for their “full cost of attendance,” or from paying them up to \$5,000 per year in deferred compensation for the use of their NIL.⁶⁹ Judge Wilken’s decision was “the first by any federal court to hold that any aspect of the NCAA’s amateurism rules violate the antitrust laws, let alone to mandate by injunction that the NCAA change its practices.”⁷⁰

On appeal, the Ninth Circuit affirmed the portion of the injunction that permitted full cost-of-attendance scholarships but reversed the portion permitting additional NIL compensation.⁷¹ Despite the narrow ruling, the Ninth Circuit made clear that the NCAA athlete restrictions at issue could not be deemed legal as a matter of law under *Board of Regents* and “reaffirm[ed] that NCAA regulations are subject to antitrust scrutiny and must be tested in the crucible of the Rule of Reason.”⁷²

The Supreme Court’s 2021 decision in *NCAA v. Alston* marked an even more significant turning point. There, the Court described modern college sports as a “sprawling enterprise” and a “massive business,” explicitly rejecting the NCAA’s argument that its rules warranted abbreviated or special antitrust

⁶⁷ *In re Coll. Athlete NIL Litig.*, No. 20-CV-03919 CW, 2025 WL 1675820, at *2 (N.D. Cal. June 6, 2025).

⁶⁸ 802 F.3d 1049 (9th Cir. 2015).

⁶⁹ *Id.* at 1053.

⁷⁰ *Id.*

⁷¹ *Id.* at 1075–76.

⁷² *Id.* at 1079.

scrutiny by virtue of “amateurism.”⁷³ In doing so, the Court disavowed prior dicta suggesting that NCAA compensation restraints were presumptively lawful and made clear that the NCAA’s rules are instead subject to ordinary Rule of Reason analysis.⁷⁴

Specifically, the Court characterized prior references to amateurism in *Board of Regents* as “stray comments” that “do not suggest that courts must reflexively reject *all* challenges to the NCAA’s compensation restrictions.”⁷⁵ Although the *Alston* Court affirmed the district court’s narrow injunction of certain NCAA restraints “on education-related benefits—such as those limiting scholarships for graduate school, payments for tutoring, and the like,” it underscored that industry-specific exemptions from antitrust law are matters for Congress, not the judiciary.⁷⁶

Despite the narrow ruling, Justice Kavanaugh added a scathing concurrence to “underscore that the NCAA’s remaining compensation rules also raise serious questions under the antitrust laws.”⁷⁷ Further, Justice Kavanaugh noted that “[t]he NCAA’s business model . . . of using unpaid student athletes to generate billions of dollars in revenue for the colleges . . . would be flatly illegal in almost any other industry in America” and succinctly asserted that “[t]he NCAA is not above the law.”⁷⁸

Following *Alston*, a wave of antitrust litigation has attacked virtually every type of NCAA restriction, including athlete eligibility rules,⁷⁹ limits on

⁷³ NCAA v *Alston*, 594 U.S. 69, 79, 108 (2021).

⁷⁴ *Id.* at 92–93.

⁷⁵ *Id.* at 92–93. As Justice Kavanaugh explained, “[t]he Court makes clear that the decades-old ‘stray comments’ about college sports and amateurism made in [*Board of Regents*] were dicta and have no bearing on whether the NCAA’s current compensation rules are lawful.” *Id.* at 108 (Kavanaugh, J., concurring). The Court added that the NCAA’s unique nature does not “categorically exempt its restraints from ordinary rule of reason review.” *Id.* at 90 (majority opinion).

⁷⁶ *Id.* at 96, 103 (internal quotation marks omitted).

⁷⁷ *Id.* at 108 (Kavanaugh, J., concurring).

⁷⁸ *Id.* at 109–10, 112. Although this quote received much attention, others had previously reached the same conclusion. *See, e.g.*, NCAA v. Bd. of Regents Univ. Okla., 468 U.S. 85, 120 (1984); O’Bannon v. NCAA, 802 F.3d 1079, 1063–64 (9th Cir. 2015) (“The amateurism rules’ validity must be proved, not presumed. . . . The NCAA is not above the antitrust laws, and courts cannot and must not shy away from requiring the NCAA to play by the Sherman Act’s rules.”); Hennessey v. NCAA, 564 F.2d 1136, 1149 (5th Cir. 1977) (“The court holds that the NCAA is not entitled to a total exclusion from anti-trust regulations on this ground.”).

⁷⁹ *See, e.g.*, Fourqurean v. NCAA, 143 F.4th 859, 868–71 (7th Cir. 2025) (reversing lower court’s grant of plaintiff motion for temporary restraining order); Pavia v. NCAA, 760 F. Supp. 3d 527, 535–45 (M.D. Tenn. Dec. 18, 2024) (enjoining NCAA

scholarships,⁸⁰ amateurism rules,⁸¹ restrictions on NIL compensation,⁸² athlete transfer rules,⁸³ and prohibitions on athletes accepting prize money in non-NCAA competitions.⁸⁴

In some of these cases, the courts enjoined the NCAA from enforcing long-standing “amateurism” rules in light of the increasing professionalization of college sports.⁸⁵ For example, in *Ohio v. NCAA*, multiple state attorneys general challenged the NCAA’s transfer eligibility rule, which required athletes transferring schools to sit out a season before competing at their new school.⁸⁶ The district court began by outlining the substantial revenues generated by the NCAA and Division I conferences and held that the rule unlawfully limited athletes’ ability to choose a school “that provides the best environment for their academic, mental, and economic well-being.”⁸⁷ The court’s analysis reflected a broader judicial shift away from categorical deference and toward a more skeptical examination of NCAA rules that constrain athlete mobility and economic opportunity.

from restricting duration of athlete’s eligibility based on time spent at junior college), *dismissed as moot by* Pavia v. NCAA, 154 F.4th 407 (6th Cir. 2025).

⁸⁰ Cornelio v. NCAA, No. 24-cv-02178 (D. Colo. filed Aug. 6, 2024).

⁸¹ See *Tennessee v. NCAA*, 718 F. Supp. 3d 756, 761–66 (E.D. Tenn. 2024) (granting preliminary injunction preventing NCAA from enforcing rules restricting booster involvement in NIL negotiations; enjoining NCAA from enforcing its “NIL recruiting ban”); *Tennessee Attorney General Announces Settlement in Principle with NCAA to Protect Student-Athletes’ Rights*, ATT’Y GEN. & REP. (Jan. 31, 2025 15:19 CT), <https://www.tn.gov/attorneygeneral/news/2025/1/31/pr25-6.html> [<https://perma.cc/RV2S-TH6P>] (announcing settlement that maintains injunction in *Tennessee v. NCAA*).

⁸² See *In re Coll. Athlete NIL Litig.*, No. 20-cv-03919 CW, 2023 WL 8372787 (N.D. Cal. Nov. 3, 2023); see also *Fontenot v. NCAA*, No. 23-cv-03076 (D. Col. filed Nov. 20, 2023) (not part of the *House* settlement).

⁸³ *Ohio v. NCAA*, 706 F. Supp. 3d 583, 594 (N.D. W.Va. 2023) (enjoining NCAA “one-year-in-residence” requirement for transfer students). The NCAA reached a settlement with the U.S. Department of Justice that eliminated the rule at issue. See Mike Scarcella, *NCAA Settles US, States’ Antitrust Lawsuit over Athlete Transfer Rules* (May 30, 2024, 16:57 CDT), <https://www.reuters.com/legal/government/ncaa-settles-us-states-antitrust-lawsuit-over-athlete-transfer-rules-2024-05-30/> [<https://perma.cc/2M4L-N2J5>].

⁸⁴ See *Brantmeier v. NCAA*, No. 24-cv-00238, 2024 WL 4433307, at *2–6 (M.D. N.C. Oct. 7, 2024) (denying plaintiff’s motion for preliminary injunction).

⁸⁵ See Pavia, 760 F. Supp. 3d at 535–45; *Tennessee v. NCAA*, 718 F. Supp. 3d at 759; *Ohio v. NCAA*, 706 F. Supp. 3d at 594.

⁸⁶ 706 F. Supp. 3d 583, 588–90 (N.D.W. Va. 2023).

⁸⁷ *Id.* at 588–89, 592 (emphasis added).

The most consequential among these challenges was the consolidated NIL antitrust litigation, commonly known as the “*House* case.”⁸⁸ In 2020, a class of college athletes challenged NCAA rules that had restricted them from earning money for their NIL.⁸⁹ In June 2025, the Northern District of California approved a settlement to resolve *House*,⁹⁰ which provided over \$2.5 billion in retroactive NIL compensation for former athlete class members and created a future compensation model governing schools’ sharing of revenue directly with their athletes over the succeeding ten years.⁹¹ Over 100,000 athletes submitted claims for past damages payments, with approximately ninety-five percent of retroactive compensation allocated to football and men’s and women’s basketball players from Power Five schools.⁹² The combined value of existing benefits (e.g., athletic scholarships) to Division I athletes and future athlete payments over the ten-year period are estimated to total \$19 billion, which represents approximately half of Division I athletic revenues, “similar to the share of professional sports revenue that is shared with professional athletes.”⁹³

The *House* settlement represents only the beginning of a major shift in the legal and economic structure of college sports, and a significant amount of further litigation is certain to follow. As the court noted in approving the settlement, “Because this action is being settled instead of being litigated through trial, the question[] of whether the . . . conduct permitted under the terms of the [settlement agreement] violate[s] the Sherman Act will remain unresolved and unadjudicated.”⁹⁴ It is clear that the *House* settlement, while an enormous undertaking and an impressive step in many regards, is only the beginning of a long road of legal uncertainty in collegiate athletics.

C. *Diminished Labor & Employment Deference to the Collegiate Athletics Model*

The erosion of judicial deference to the NCAA is also evident in the labor and employment law context. Recent challenges to athlete employment

⁸⁸ See *In re Coll. Athlete NIL Litig.*, No. 20-cv-03919 CW, 2025 WL 1675820, at *1 (N.D. Cal. June 6, 2025).

⁸⁹ See *id.*

⁹⁰ *Id.*

⁹¹ *Id.* at *5–6 (detailing specific types and amounts of past damages claims).

⁹² *Id.* at *22 (detailing how total payment to each athlete ranges from \$80–\$91,000 depending on sport played and other factors).

⁹³ *Id.* at *18.

⁹⁴ *Id.* at *37.

status under the FLSA and efforts to unionize college athletes under the NLRA reflect growing skepticism toward the assumption that Division I college athletics are primarily educational rather than economic by nature.

In *Johnson v. NCAA*, college athletes—including FCS football players and athletes participating in Division I baseball, soccer, swimming, diving, and tennis—filed suit seeking FLSA benefits such as minimum wage.⁹⁵ The NCAA moved to dismiss, arguing that it is settled law that college athletics are “conducted primarily for the benefit of the educational opportunities provided to the students by the school or institution and are not work of the kind contemplated by the FLSA.”⁹⁶

The district court denied the motion to dismiss, holding that the complaint plausibly alleges that Division I athletics are “not conducted primarily for the benefit of the student athletes who participate in them, but for the monetary benefit of the NCAA and the colleges and universities that those student athletes attend.”⁹⁷ The court further emphasized allegations that the demands of college sports “interfere with the student athletes’ abilities to participate in and get the maximum benefit from the academic opportunities offered by their colleges and universities.”⁹⁸

In July 2024, the Third Circuit affirmed this ruling in part, issuing an opinion that significantly narrowed the NCAA’s long-standing reliance on amateurism in employment litigation. The court held “that college athletes cannot be barred as a matter of law from asserting FLSA claims simply by virtue of a ‘revered tradition of amateurism’ in [Division I] athletics.”⁹⁹ The Third Circuit rejected the *Berger* analysis, refusing to “use a ‘frayed tradition’ of amateurism with such dubious history to define the economic reality of

⁹⁵ *Johnson v. NCAA*, 108 F.4th 163, 185 (3d Cir. 2024).

⁹⁶ *Johnson v. NCAA*, 556 F. Supp. 3d 491, 502 (E.D. Pa. 2021) (quoting FIELD OPERATIONS HANDBOOK, *supra* note 50, § 10b03(e)).

⁹⁷ *Id.* at 506.

⁹⁸ *Id.* The court also noted that *Alston* undercuts NCAA’s reliance on “amateurism” and rejected NCAA’s “argument that Plaintiffs are not employees entitled to minimum wages pursuant to the FLSA because there is a long-standing tradition of amateurism in NCAA interscholastic athletics that defines the economic reality of the relationship between Plaintiffs and [NCAA/schools].” *Id.* at 501.

⁹⁹ *Johnson*, 108 F.4th at 182 (rejecting employment test applied by district court, announcing new test to determine employment status of college athletes, and remanding case back to district court to apply new test; under new *Johnson* test, college athletes may be employees under FLSA when they “perform services for another party;” “necessarily and primarily for the [other party’s] benefit;” “under that party’s control or right of control;” “in return for ‘express’ or ‘implied’ compensation or ‘in-kind benefits’”).

athletes' relationships to their schools."¹⁰⁰ While the court agreed with *Berger* to the extent that it considered "the economic realities of the relationship' between college athletes and their schools or the NCAA,"¹⁰¹ it clarified that the relevant inquiry is whether an athlete's participation crosses the legal line from recreational play into compensable work.¹⁰² In other words, the *Johnson* test is designed "to identify athletes whose play is *also* work."¹⁰³

The Third Circuit remanded and called into question the academic value of the existing college sports model.¹⁰⁴ The court observed that "inter-scholastic athletics are not part of any academic curriculum"¹⁰⁵ and credited allegations that "the sports played are actually *detrimental* to [the athletes'] academic performance because athletic performance provides no academic benefits, they are frequently precluded from enrolling in hundreds of courses that conflict with their athletic obligations, and they are unable to declare their preferred majors."¹⁰⁶

On the NLRA front, NLRB regional directors have twice ruled that college athletes qualify as "employees" entitled to form a union, although the full Board has never addressed that question.¹⁰⁷ The first arose in the 2014 *Northwestern* case discussed above. A decade later, in 2024, an NLRB regional director concluded that Dartmouth men's basketball players qualified as employees under the NLRA despite the absence of athletic scholarships because the school received benefits from the players' work and the players were compensated in other ways.¹⁰⁸ Although the Dartmouth players withdrew their unionization petition before an appeal reached the full Board, the decision further signaled diminishing institutional confidence in the categorical non-employee status of college athletes.¹⁰⁹

¹⁰⁰ *Id.*

¹⁰¹ *Id.* at 177 (quoting *Martin v. Selker Bros.*, 949 F.2d 1286, 1293 (3d. Cir. 1991)).

¹⁰² *Id.*

¹⁰³ *Id.* at 178.

¹⁰⁴ *Johnson*, 108 F.4th at 182.

¹⁰⁵ *Id.* (contrasting college athletics with "properly designed unpaid internships," where work "can greatly benefit interns, as the intern enters into the relationship with the expectation of receiving educational or vocational benefits that are not necessarily expected with all forms of employment.").

¹⁰⁶ *Id.*

¹⁰⁷ See *Nw. Univ.*, No. 13-RC-121359, 2014 WL 1246914, at *12–14 (N.L.R.B., Region 13 Mar. 26, 2014); *Trs. of Dartmouth Coll.*, No. 01-RC-325633, slip op. 18–21 (N.L.R.B. Feb. 5, 2024).

¹⁰⁸ See *Dartmouth Coll.*, No. 01-RC-325633, at 18–20.

¹⁰⁹ Associated Press, *Dartmouth Men's Basketball Players End Attempt to Unionize*, ESPN (Dec. 31, 2024, 13:10 ET), <https://www.espn.com/mens-college-basketball/>

The recent message from the courts and the NLRB is clear: college sports have become less distinct from professional sports and are thus entitled to less deference under the law than they have received in the past. Rather than preserving an education-centered “tradition that might otherwise die,”¹¹⁰ the perception is that significant commercialization has hollowed out the very rationale on which judicial deference once rested. The courtroom defeats may continue to grow as more money pours into collegiate athletics and the demarcation between professional and college sports continues to blur.¹¹¹

In response, many schools are seeking an alternative path to athletics that is sustainable, legally defensible, and more consistent with their educational mission. “College sports can provide a vehicle for individualized, innovative, experiential and traditional classroom learning. Recognizing, extracting, and enhancing the educational value of sports can be an important step toward transforming college sports into a key pillar—rather than an obstacle—of higher education.”¹¹² This transformational approach can strengthen college athletics, solidify its role on college campuses, and restore some of the judicial deference previously afforded to college sports. The next Part provides a brief description of this approach—the proposed EEM—and highlights some of its key legal benefits.

IV. A NEW ENHANCED EDUCATIONAL MODEL FOR COLLEGE SPORTS

A. *Overview of the Enhanced Educational Model*

The concept of integrating athletics and education is not new. The ancient Greeks recognized that athletic participation was a key component of education.¹¹³ In the American context, similar ideas emerged as early as the

story/_/id/43237303/dartmouth-men-basketball-players-end-attempt-unionize [https://perma.cc/C3SD-HQ6S].

¹¹⁰ See *NCAA v. Bd. of Regents Univ. Okla.*, 468 U.S. 85, 120 (1984).

¹¹¹ One notable example: the University of North Carolina leadership recently proclaimed their football program the “33rd Team” of the NFL, which has thirty-two teams. See Blake Silverman, *UNC Football GM Drops Bold NFL’s ‘33rd Team’ Moniker for Bill Belichick-Led Program*, SPORTS ILLUSTRATED (Feb. 12, 2025), <https://www.si.com/college-football/unc-football-gm-bold-33rd-nfl-team-moniker-bill-belichick-program> [https://perma.cc/F26U-WXB6].

¹¹² FELDMAN, *supra* note 1, at 7.

¹¹³ See *id.* at 2. Isocrates argued that physical training and rhetoric (training of the mind) are one and convergent, rejecting a separate education of mind and body. DEBRA HAWHEE, *BODILY ARTS: RHETORICS AND ATHLETICS IN ANCIENT GREECE* 5

nineteenth century. In 1869, a representative of Amherst College observed that the school “intended physical culture to become part of the curriculum, just like Latin, Greek, or mathematics,” recognizing the belief that physical activity was akin to other traditional academic subjects.¹¹⁴ Early football coaches “often employed the rhetoric of science and pedagogy”¹¹⁵ and published manuals and articles emphasizing the pedagogical value of football.¹¹⁶ Coaches used these writings “to claim a quasi-disciplinary university space by arguing that they were athletic experts and educators, not agents of popular culture or mere entertainers.”¹¹⁷

More recently, former NCAA President Myles Brand published a highly influential article, *The Role and Value of Intercollegiate Athletics in Universities*, in which he articulated “an ‘Integrated View’ of college athletics,” proposing that athletic participation could merit academic credit, “just [like] students who participate in music, dance, or dramatic arts.”¹¹⁸ Brand’s approach “spurred a wave of . . . research exploring the legitimacy of his conceptual framework and its practical implementation. . . .”¹¹⁹ Professors Weight and Harry—two of the pioneers in this growing field—cite numerous studies demonstrating that college athletics “align closely with the broader missions of higher education to foster intellectual growth, instill personal and social

(quoting *Antidosis* 180–83). Later, Socrates likewise rejected the idea that the arts develop the mind while athletics developed the body. See Drew Hyland, *The Sweatiest of the Liberal Arts*, POINT MAG. (Apr. 30, 2011), <https://thepointmag.com/examined-life/sweatiest-liberal-arts/> [<https://perma.cc/435X-GMF4>]. In fact, to the Greeks, “the real point of education in athletics is less to develop the body than to develop the soul,” and virtues like courage and self-discipline are best, or perhaps only, learned in athletics. *Id.* at 4.

¹¹⁴ See FELDMAN, *supra* note 1, at 2 (quoting INGRASSIA, *supra* note 10, at 21).

¹¹⁵ See *id.* (quoting INGRASSIA, *supra* note 10, at 118).

¹¹⁶ See *id.* (citing INGRASSIA, *supra* note 10, at 115). For example, Amos Alonzo Stagg, then-football coach at the University of Chicago, published the “Scientific and Practical Treatise on American Football for Schools and Colleges.” *Id.* (quoting INGRASSIA, *supra* note 10, at 124).

¹¹⁷ See *id.* (quoting INGRASSIA, *supra* note 10, at 115).

¹¹⁸ See *id.* at 2, n.24 (citing Myles Brand, *The Role and Value of Intercollegiate Athletics in Universities*, 33 J. PHIL. SPORT 9 (2006)).

¹¹⁹ ERIANNE A. WEIGHT & MOLLY HARRY, REIMAGINING COLLEGE SPORT IN AN ERA OF TRANSFORMATION: A NARRATIVE REVIEW OF SCHOLARSHIP & EXAMPLES OF SPORT-CENTRIC CURRICULA WITHIN HIGHER EDUCATION 2 (rev. 2025), https://www.knightcommission.org/wp-content/uploads/KCIA_Narrative-Literature_Review_of_Integrating_Athletics_into_Higher_Education.pdf [<https://perma.cc/NBK7-P5QV>].

responsibility, and prepare students for lifelong learning.”¹²⁰ As they explain, Brand’s Integrated View “positioned athletics as essential to the mission of universities, emphasizing its role in holistically developing students and aligning with broader educational goals.”¹²¹

Building on these concepts, Weight, Harry, and other scholars have proposed various paths to further integrate athletics within the academy, including awarding academic credit for athletic participation;¹²² athletics-centric course design;¹²³ recognizing sports as both an art and a science;¹²⁴ and the establishment of a sports major.¹²⁵ For example, a school may pair its athletics program with “courses in sport psychology, coaching principles, exercise physiology, community service, sport analytics, group dynamics, and biomechanics, among others.”¹²⁶ Or a school may create a liberal arts-oriented athletics major, like the performing arts, requiring three years of varsity athletics participation paired with courses in “natural sciences, social sciences, and humanities.”¹²⁷ These examples are merely illustrative, and other permutations are also possible. Such programs would be faculty-led, subject

¹²⁰ *Id.* Two such modern areas of research include embodied cognition and Experiential Learning Theory (“ELT”), which reveal a striking similarity to the Greek mind-body concepts in describing the relationship between physical activity and learning. See, e.g., FELDMAN, *supra* note 1, at 5–6; Andrea Schiavio et al., *Optimizing Performative Skills in Social Interaction: Insights from Embodied Cognition, Music Education, and Sport Psychology*, 10 *FRONT. PSYCHOL.* 6 (2019); MICHAEL RIFENBURG, Chapter 1: Introduction, in *THE EMBODIED PLAYBOOK: WRITING PRACTICES OF STUDENT-ATHLETES* (2018).

¹²¹ WEIGHT & HARRY, *supra* note 119, at 1.

¹²² See *id.* at 7; Erianne A. Weight & Matt R. Huml, *Education Through Athletics: An Examination of Academic Courses Designed for NCAA Athletes*, J. INTERCOLLEGIATE SPORT 372–73 (2016); see generally Lou Matz, *Turning Intercollegiate Athletics into a Performance Major Like Music*, 42 J. PHIL. SPORT 283 (2020).

¹²³ WEIGHT & HARRY, *supra* note 119, at 3; Weight & Huml, *supra* note 122, at 372.

¹²⁴ WEIGHT & HARRY, *supra* note 119, at 5; Erianne Weight, *Time to Embrace the Art and Science of College Sports*, *CHRON. HIGHER EDUC.* (Mar. 23, 2015), <https://www.chronicle.com/article/time-to-embrace-the-art-and-science-of-college-sports/?sra=trueat> [<https://perma.cc/Rf9Z-BEZ4>].

¹²⁵ WEIGHT & HARRY, *supra* note 119, at 4; Matz, *supra* note 122, at 9–13; Lou Matz, *How to Better Justify Intercollegiate Athletics*, *INSIDE HIGHER ED* (Aug. 1, 2024), <https://www.insidehighered.com/opinion/views/2024/08/01/how-better-justify-intercollegiate-athletics-opinion> [<https://perma.cc/73L5-NLJ4>]; Weight & Huml, *supra* note 122, at 373.

¹²⁶ WEIGHT & HARRY, *supra* note 119, at 4.

¹²⁷ Matz, *supra* note 122, at 11; see WEIGHT & HARRY, *supra* note 119, at 5–6.

to standard curricular approval processes, and periodically reviewed under ordinary academic governance structures.¹²⁸

The specific contours of any such program are beyond the scope of this article and may vary between schools, but the core of the EEM is its treatment of college athletics as a rigorous academic discipline, enhancing the legitimacy of athletics as an educational endeavor. This approach would require a fundamental shift in how universities view the educational value of athletic performance, but such shifts are not unprecedented, “as the breadth of serious academic disciplines has expanded exponentially from traditional subjects to performative, professional, and technical fields.”¹²⁹

The integration of athletics into the academy is not without its critics. Some believe that athletics is simply incompatible with a university’s mission to “transmit and add to the sum of human knowledge.”¹³⁰ However, much of this criticism is directed not at athletics per se, but at the economic machinery driving big-time college athletics.¹³¹ There is far less criticism of the non-revenue-generating athletics programs in, for example, Division III. The EEM responds directly to these concerns by decoupling athletics from professional-style revenue streams and re-centering them within a rigorous pedagogical experience. In practice, the EEM will likely create a division between commercially-driven college athletics programs and those that adopt an education-centered model. Accordingly, the most lucrative television contracts, athlete NIL deals, and the like would remain concentrated in major Division I sports and outside the EEM. Implementing the EEM, therefore, removes much of the professional-type revenue streams and alleviates most of these concerns over commercial influences.

¹²⁸ Matz, *supra* note 122, at 10; see FELDMAN, *supra* note 1, at 7.

¹²⁹ FELDMAN, *supra* note 1, at 4.

¹³⁰ FRENCH, *supra* note 61, at 5 (quoting Robert L. Simon, *Intercollegiate Athletics: Do They Belong on Campus*, in *RETHINKING COLLEGE ATHLETICS* 46 (1991)); see *id.* at 5–7; Randolph Feezell, *Branding the Role and Value of Intercollegiate Athletics*, 42 J. PHIL. SPORT 185, 192–94 (2014); ROBERT L. SIMON, CESAR R. TORRES & PETER F. HAGER, *Sports on Campus: Intercollegiate Sports and Their Critics*, in *FAIR PLAY: THE ETHICS OF SPORT* 75 (4th ed. 2014) (Simon is not himself a proponent of what he terms the Incompatibility Thesis, but he summarizes and addresses it aptly).

¹³¹ See FRENCH, *supra* note 61, at 80–81, 105 (“Clearly, and without apology, the elite sports . . . are in partnerships with major commercial companies because those sports provide an audience, an exposure, to sell their products. . . . Television . . . contracts drive intercollegiate athletics at the Division I level.”); Feezell, *supra* note 130, at 185–87, 204–05.

Others remain skeptical of integrating athletics into academics on a practical level given the lengthy history of academic scandals in college athletics.¹³² These concerns are well-founded, as “[b]ig-time college sports are uniquely vulnerable to academic integrity issues because of the pressure to keep athletes academically eligible”¹³³ However, these issues may be addressed through prophylactic measures such as “specialized accreditation for sports-performance based courses, faculty, curricula, and programs”; placement of such programs under traditional administrative and faculty oversight separate from athletic departments; and “[instruction] by trained academicians.”¹³⁴ Properly designed, these measures would align athletics with existing academic standards rather than exempting them from scrutiny.

As Professors Weight and Harry explain, “[b]y adopting innovative approaches such as creating athlete-focused courses and developing minors and majors in sport, colleges and universities can reposition competitive athletics to be part of the academic curriculum and narrow the growing academic-athletic divide by formally integrating athletics within the academy.”¹³⁵ While academics and athletics have long had a strained relationship, integrating them further will help solve these issues, rather than exacerbate them, by replacing the existing economic-related incentives with a genuine academic structure, like music or performing arts academic programs.¹³⁶

B. Legal Benefits of an Enhanced Academic Model of College Sports

In addition to reorienting college athletics squarely within the academic mission of universities, the EEM could offer meaningful legal advantages. It strengthens the doctrinal distinction between college and professional

¹³² See FELDMAN, *supra* note 1, at 6–7. For example, one high-profile case is the “paper classes” academic fraud scandal at the University of North Carolina in the 2010s. See Sara Ganim & Devon Sayers, *UNC Report Finds 18 Years of Academic Fraud to Keep Athletes Playing*, CNN (Oct. 23, 2014, 10:28 ET), <https://www.cnn.com/2014/10/22/us/unc-report-academic-fraud/index.html> [<https://perma.cc/V5FT-4633>]. And in 2015, NPR reported that the NCAA disclosed that it was investigating twenty schools for academic misconduct. See NPR staff, *Academic Foul: Some Colleges Accused of Helping Athletes Cheat*, NPR (June 13, 2015, 17:07 ET), <https://www.npr.org/2015/06/13/414188857/academic-foul-some-colleges-accused-of-helping-athletes-cheat> [<https://perma.cc/CP7V-4B7Z>].

¹³³ FELDMAN, *supra* note 1, at 6.

¹³⁴ *Id.* at 6–7.

¹³⁵ WEIGHT & HARRY, *supra* note 119, at 1.

¹³⁶ See FELDMAN, *supra* note 1, at 6–7.

sports—a distinction courts have repeatedly emphasized as foundational to judicial deference in both antitrust and labor contexts. By embedding athletics within a bona fide academic curriculum, the EEM not only “preserve[s] a tradition that might otherwise die,”¹³⁷ but also offers a principled framework for restoring the dwindling judicial deference to the NCAA’s legacy model.

1. Legal Benefits under Antitrust Law

Even during the NCAA’s recent judicial losing streak, courts have continued to recognize the value of an educational model of college sports and charted a course for renewed deference. The EEM reinvigorates this value into athletic programs that adopt it by reshaping those programs into an educational department, like a performing arts department. The specific contours of such an academic-athletic program are up to the discretion of individual schools, as discussed above. Nevertheless, any formulation that implements genuine, rigorous academic study of athletics in conjunction with academic credit for on-field play should shift the legal analysis in favor of the schools. By making athletic participation part of a credit-bearing curriculum overseen by faculty, the EEM strengthens the argument that athletics advance educational objectives rather than merely serving commercial ends. In doing so, it aligns with courts’ prior analysis of the procompetitive benefits of college athletics that justify judicial deference—much like requirements for students in performing arts departments.

The historic antitrust analysis has long permitted the NCAA to regulate college sports to the extent necessary “to preserve the unique atmosphere of competition between ‘student-athletes.’”¹³⁸ Even recent judicial decisions that have been hypercritical of the NCAA have not rejected this core principle. Instead, they have rejected the particular methods by which the NCAA has sought to achieve its purported educational goals, finding that NCAA restrictions are either overly restrictive or pretextual.¹³⁹ The problem, in other words, lies less with the educational justification itself than with its increasingly tenuous connection to the NCAA’s commercial reality.

Maintaining a model of college sports distinct from professional sports still constitutes a legitimate defense to antitrust challenges.¹⁴⁰ For example,

¹³⁷ *NCAA v. Bd. of Regents Univ. Okla.*, 468 U.S. 85, 120 (1984).

¹³⁸ *Gaines v. NCAA*, 746 F. Supp. 738, 744 (M.D. Tenn. 1990).

¹³⁹ *See NCAA v. Alston*, 594 U.S. 69, 82–84 (2021).

¹⁴⁰ *See id.* (“The NCAA’s only remaining defense was that its rules preserve amateurism, which in turn widens consumer choice by providing a unique product—amateur

in *Alston*, the Supreme Court noted that the “status of the NCAA’s members as schools and the status of student-athletes as students may be relevant in” determining the legality of restraints on athletes.¹⁴¹ Even Justice Kavanaugh, in his sharply critical concurrence, acknowledged that “[e]veryone agrees that the NCAA can require student athletes to be enrolled students in good standing.”¹⁴² And, in *O’Bannon*, the Ninth Circuit held that, “to borrow the Supreme Court’s analogy, the market for college football is distinct from other sports markets and must be ‘differentiate[d]’ from professional sports lest it become ‘minor league [football].’”¹⁴³

The EEM not only deepens the distinction between college and professional sports but is further distinct from the NCAA’s legacy conception of “amateurism.” In the EEM, athletes enter a robust academic curriculum that incorporates on-field play with traditional classroom experience—an innovation never adopted in the legacy NCAA model. The emphasis on the professionalization of the athletics program is replaced by the focus on faculty instruction of the athletes (who still play for traditional coaches on the field) within a credit-bearing curriculum. The obligations applied to athletes under the EEM are similar to those imposed on performing arts students in terms of academic, practice, and performance requirements.¹⁴⁴ As a result, the EEM

college sports as distinct from professional sports.”); *Id.* at 87–88 (“The NCAA . . . argues that it is a joint venture and that collaboration among its members is necessary if they are to offer consumers the benefit of intercollegiate athletic competition. We doubt little of this.”).

¹⁴¹ *Id.* at 94. The Court also noted that judges “should take care when assessing the NCAA’s restraints on student-athlete compensation, sensitive to their procompetitive possibilities.” *Id.* at 92; *see, e.g.*, *O’Bannon v. NCAA*, 802 F.3d 1049, 1053 (9th Cir. 2015) (“[W]e agree with the Supreme Court and our sister circuits that many of the NCAA’s amateurism rules are likely to be procompetitive.”); *In re NCAA Grant-in-Aid Cap Antitrust Litig.*, 375 F. Supp. 3d 1058, 1102–03 (N.D. Cal. 2019) (“Most of the benefits that student-athletes can gain from attending college are caused . . . by the education itself and by other rules and policies, such as those relating to academic eligibility requirements, tutoring, academic support, living conditions, and the scheduling of athletic practice and events.”).

¹⁴² *Alston*, 594 U.S. at 110 (Kavanaugh, J., concurring).

¹⁴³ 802 F.3d at 1049 (quoting *NCAA v. Bd. of Regents Univ. Okla.*, 468 U.S. 85, 102 (1984)).

¹⁴⁴ *See generally* Erianne A. Weight, Molly Harry, Kristina Navarro & Megan Lewis, *Integrating Athletics Within the Academy: Educational Experiences of Athletes, Musicians, and Traditional Students*, 13 J. ISSUES INTERCOLLEGIATE ATHLETICS 143 (2020). In fact, studies show that music students on average spend *more* time on music than their athlete classmates spend on athletics. *Id.* at 160.

offers an even stronger case for judicial deference than the NCAA's legacy model.

The EEM also addresses a structural weakness in the NCAA's legacy antitrust defense: its reliance on procompetitive benefits only in one market (the "seller-side consumer market") to justify anticompetitive harms in another (the "buyer-side labor market").¹⁴⁵ In other words, under the legacy NCAA model, consumers benefit from a differentiated college sports product at the expense of the athletes, whose compensation is restricted. Amici in *Alston* and the Court highlighted this concern, noting "that a court should not 'trade off' sacrificing a legally cognizable interest in competition in one market to better promote competition in a different one." Although the Court declined to resolve that issue,¹⁴⁶ it underscores a growing discomfort with a system in which athletes disproportionately shoulder the burdens of preserving college sports' distinctiveness. At the heart of ongoing debates over whether athletes should be paid are questions of fairness, particularly when the system generates billions of dollars in revenue and athletes, until recently, received no share of it.

The EEM also alleviates this significant issue because the procompetitive benefits of college athletics in the EEM are enjoyed not only by consumers (who get an additional product), but also by the athletes, who gain an additional choice in pursuing their college athletic career. College athletes may choose between pursuing their sport within the EEM or competing in the big-time, revenue-sharing, commercialized model of college sports. Within the EEM, athletes receive academic credit tied to their athletic participation and, because EEM programs are unlikely to generate significant revenue, questions about revenue sharing and athlete compensation become less significant. This more balanced allocation of benefits further strengthens the EEM's position under antitrust scrutiny.

2. Legal Benefits under Labor & Employment Law

The EEM also alters the labor and employment analysis of college athletes, potentially giving schools further support for the position that athletes in the EEM do not qualify as "employees" under either the FLSA or the NLRA. Although these statutes employ different doctrinal tests, both ultimately seek to determine whether an athlete's "play" constitutes "work" that benefits the school or whether it benefits athletes "as part of the [school's]

¹⁴⁵ *Alston*, 594 U.S. at 82.

¹⁴⁶ *Id.* at 87.

educational opportunities” and is primarily pursued for noncommercial reasons.¹⁴⁷ The former facts lend themselves to employment status; the latter disfavor it. In other words, employment status turns on the “economic reality” of the relationship.¹⁴⁸

The EEM completely alters the nature of college athletes’ practices, games, and other on-field pursuits by integrating them into a rigorous, credit-bearing academic program. In the EEM, the “economic reality” is drastically different than the current college athletics model—under which athletes receive no academic credit for their athletic performance and, instead, participate in a multi-billion-dollar market. Although the EEM does not prevent athletes from monetizing their NIL, the most significant financial opportunities will likely be at the major programs under the revenue-sharing model. As a result, the overall flow of money through the EEM ecosystem will be drastically lower, creating a vastly different “economic reality” than for athletic programs in a revenue-centric, big-time college sports model.

Admittedly, the NLRB regional director’s recent *Dartmouth* decision complicates this analysis. As discussed above, the regional director concluded that Dartmouth’s men’s basketball players were employees despite the absence of athletic scholarships and the fact that Dartmouth made little or no profit from the team.¹⁴⁹ *Dartmouth* relied in part on a prior NLRB opinion regarding graduate teaching assistants at Columbia University, which ruled that the key inquiry is whether an employment relationship exists, “rather [than] on whether some other relationship [*i.e.*, as a student] between the employee and employer is the primary one.”¹⁵⁰ “In other words, a graduate student may be both a student *and* an employee; a university may be both the student’s educator *and* employer.”¹⁵¹ Applying this reasoning could possibly render college athletes statutory employees, even in the EEM.

However, the *Dartmouth and Northwestern* NLRB regional director decisions that found college athletes to be employees relied, at least in part,

¹⁴⁷ *Johnson v. NCAA*, 108 F.4th 163, 177 n.58 (3d Cir. 2024) (“[T]he NLRA and FLSA have distinct policy goals, but their shared history often inspires courts to draw interchangeably from each statute’s caselaw to answer fundamental questions related to the equitable regulation of the American workplace.”).

¹⁴⁸ See *id.* at 180 (“Ultimately, the touchstone remains whether the cumulative circumstances of the relationship between the athlete and college or NCAA reveal an economic reality that is that of an employee-employer.”).

¹⁴⁹ *Trs. of Dartmouth Coll.*, No. 01-RC-325633, slip op. 18–21 (N.L.R.B. Feb. 5, 2024).

¹⁵⁰ *Trs. of Columbia Univ.*, 364 N.L.R.B. 1080, 1084 (2016).

¹⁵¹ *Id.* at 1086.

on the fact that college athletes' participation in sports simply was not academic in nature. This is an important distinction from the EEM, where time spent on the field or court *is* "indistinguishable from academic work"¹⁵² because the athletes receive course credit for it, especially when paired with traditional classroom instruction. Thus, athletes in the EEM receive "academic direction" in a program overseen by legitimate faculty and are pursuing athletics to "further their own academic purposes."¹⁵³ This makes athletes in the EEM distinguishable from, and less likely to be employees than, the athletes in *Dartmouth*, *Northwestern*, or *Johnson*.

In the EEM, a primary purpose of the athletes' work on the field is to receive an education and earn an academic degree, like theater and music students. Contrast the EEM with the facts of *Northwestern*, *Dartmouth* and *Johnson*, where the athletes "receive[d] no academic credit for their football endeavors;"¹⁵⁴ the athletics programs were not designed to "further their own academic purposes;"¹⁵⁵ and were "not part of any academic curriculum."¹⁵⁶ Although still an open question, this distinction at least improves the argument that college athletes in the EEM are not "employees" of their school. In a *Johnson* concurrence, Judge Porter of the Third Circuit indicated that some athletes in certain sports (e.g., football) may qualify as employees while others may not.¹⁵⁷ The EEM leverages that doctrinal flexibility by offering a model in which athletic participation is primarily educational rather than commercial.

Importantly, adoption of the EEM need not be uniform across all sports or institutions. Some schools may adopt the EEM entirely, while others forgo it for a revenue-centric model, while still others may operate a hybrid model with some sports in the EEM and other sports (such as football and basketball) in a revenue-sharing model. Properly implemented, the EEM offers a means of protecting "the rest" of college sports and preventing the whole

¹⁵² *Dartmouth Coll.*, No. 01-RC-325633, at 21.

¹⁵³ *Mass. Inst. of Tech.*, Case 01-RC-304042, slip op. 2, 10 (N.L.R.B. March 13, 2023) (finding that MIT graduate fellows were not employees of the university where "the work performed is indistinguishable from academic work and the direction is indistinguishable from academic direction").

¹⁵⁴ *Nw. Univ.*, 362 N.L.R.B. 1350, 1351 (2015).

¹⁵⁵ *Mass. Inst. of Tech.*, Case 01-RC-304042, at 2.

¹⁵⁶ *Johnson v. NCAA*, 108 F.4th 163, 180 (3d Cir. 2024).

¹⁵⁷ *See id.* at 192 ("I tend to agree with Judge Hamilton's intuition that the economic-reality question probably shakes out differently for FBS football players and March Madness-level men's basketball players than it does for other student-athletes"); *Berger v. NCAA*, 843 F.3d 285, 294 (7th Cir. 2016) (Hamilton, J., concurring).

college sports enterprise from being swallowed up by the legal issues plaguing the heavily commercialized, big-time college sports.

CONCLUSION

Intercollegiate athletics are in the midst of the most dramatic transformation in their history. As college sports have grown increasingly commercialized, courts have become correspondingly skeptical of the NCAA's claims that its regulatory regime meaningfully advances educational objectives. That skepticism has driven court rulings adverse to the NCAA in both antitrust and labor contexts and has placed the traditional model of college athletics under enormous legal pressure.

Colleges and universities have an opportunity to reaffirm the distinction between college and professional sports by refocusing on education and, in the process, mitigating substantial legal risks.¹⁵⁸ An EEM for college athletics can accomplish those goals. By embedding athletics within a rigorous academic curriculum, the EEM deepens the distinction between college and professional sports, strengthens procompetitive justifications under antitrust law, and improves the argument that athletes are students first, pursuing their sport within a rigorous academic curriculum and apart from the heavily commercial elements that courts have questioned under labor and employment law. Accordingly, the EEM could help revive the lingering vestiges of judicial deference and provide renewed justification for protecting college athletics programs from the most destabilizing legal challenges facing college athletics today.

¹⁵⁸ See FELDMAN, *supra* note 1, at 1.



COMMENTARY

Time to Embrace the Art and Science of College Sports

By Erianne Weight

March 23, 2015



MICHAEL MORGENSTERN FOR THE CHRONICLE

This month the NCAA penalized Syracuse University for a number of violations within its athletic department, including academic improprieties. The developments are just the

The latest in a line of athletics-related scandals that have plagued several institutions in recent times, including one at my own institution. The underlying contention in discussions of all of these misconduct cases is that athletics is “other,” “extracurricular,” or even a “detractor” from the educational mission of the academy.

Remnants of the pre-Civil War academic view that team sports are “low and unbecoming of gentlemen and scholars” remain. Coaches are generally not viewed as faculty. The expertise they hold and impart is not viewed as academic, and varsity athletes (unlike dancers, musicians, or thespians, who have similar educational structures) rarely receive academic credit for studying and perfecting their art, for athletics is not viewed as art, nor is it perceived as science.

At odds with this reality, the educational value of athletics participation has been clearly documented. For example, in a study by two researchers at Indiana State University designed to measure growth in seven areas thought to be indicative of future success, athletes performed at a higher level than nonathletes in almost every area. Probably for this reason, businesses such as Athlete Network and Game Theory Group have been formed to help make connections between former collegiate athletes and employers who actively seek to hire them, as many companies value the traits collegiate athletes embody, including competitiveness, ability to handle pressure, strong work ethic, team mentality, coachability, and confidence.

Yet despite the clear, quantifiable educational value inherent in sports as a stand-alone academic endeavor, it is probably too far a leap to expect this legitimacy to be accepted prior to building understanding. The idea of “majoring in sports” is considered preposterous by many, viewed as a way to help underprepared athletes remain eligible. A logical path to avoid this pitfall and bridge the divide between athletics and the academy is to provide traditional educational opportunities that build upon the once-in-a-lifetime experiences that can come through participation in sports.

For example, athletes who enroll in applied exercise-conditioning classes that complement their training can learn about the science underlying their experiences. Athletes who take such courses can learn about the rationale for training methodologies, the physiology of muscle soreness, the metabolic systems that fuel different types of physiological demands, etc. The classes can be taught by current exercise physiology faculty members or by strength coaches who would be hired, evaluated, and valued as faculty members.

In either case, a clear curriculum with educational measures of learning would guide such academic courses. This slight enhancement to the current education athletes receive as they learn by doing could greatly enhance their educational experience. Courses such as exercise physiology exist “across campus,” and athletes can choose to pursue related majors, but it is a tremendous missed opportunity not to pair the educational experiences they are having with related curriculum. It is also a missed opportunity not to encourage collaboration, understanding, and integration among academic units, campus recreation (perhaps recreational- or club-sports participants could also register for the courses), and the athletics educators.

The example of strength and conditioning is just one in a host of opportunities for education drawing on the experiences athletics involvement can bring. Similar pairings could be made with elements of the science of elite performance (e.g. sport psychology, nutrition, athletic training, and biomechanics), the business of sports (e.g. event operations, licensing, journalism, marketing, economics, or finance), leadership, philosophy, sociology, history, or literature. A cross-disciplinary minor for those with interest might involve faculty from disciplines throughout the university.

Taken a step further, we could build upon the unique travel experiences our varsity athletes embark upon. Perhaps a U.S. history course could have a special section for those able to travel. Part of the course could include having athletes visit historical sites when their teams travel. The athletes fortunate enough to have this opportunity might see more than the court, airport, and hotel on their trips, and time away from campus could become time filled with rich educational experiences.

A few examples already exist of athletics integration throughout the university. Drake University, for example, under the direction of its visionary athletics director, Sandy Hatfield Clubb, has embraced sports as a platform for experiential leadership training. Leadership experts from across campus have come together to develop an effective curriculum with an experiential education requirement.

One such opportunity was undertaken by the football team in 2011. When the team traveled to Tanzania for a bowl game, the players built classrooms and orphanages with their on-field competitors from Mexico and climbed Mount Kilimanjaro. That semester they also took an academic course taught by a member of the faculty titled “Leading With Emotional Intelligence.” About a third of NCAA Division I institutions offer some type of academic credit for participation in intercollegiate athletics, and another third offer courses designed specifically for athletes (most often freshman-geared life-skills courses).

NEWSLETTERS

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Other institutions offer leadership training, seminars, or supplemental education without extensive “across campus” collaboration or academic credit for the athlete participants. The Richard A. Baddour Carolina Leadership Academy at the University of North Carolina at Chapel Hill is one such program. Established in 2004, the academy guides a four-year progression of leadership development through interactive workshops, peer mentorship, and assignments.

As we grapple with the sobering realities that have undermined institutions as a result of athletics scandals, it is an appropriate time for us all to take a moment to examine our own perceptions. Rather than throwing stones at the convenient target as another athletics scandal is uncovered, let's first take a look at ourselves and our biases about what fields are worthy of academic study. How different might many of our previous athletics-academic scandals have been had we valued athletics like we do the arts? How might a structure to encourage the academic study of athletics have affected our history?

Perhaps when we embrace athletics as a true part of the academy and build an academic culture and organizational structure that values education through athletics, we can foster the collaboration and transparency that have never fully existed between athletics and the academy. When we can assist our students in the pursuit of their passion through legitimate academic structures, as we do in every other discipline, the shame in college sports will subside. By embracing the art and science of athletics, we may have no more athletic-academic scandals because athletics and academics will be one and the same. Let's take a first step by bridging the divide.

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