

Context and Rationale of Intercollegiate Athletics at IUE

Context

The reason Faculty Senate is having a special session to consider moving from club sports to the Kentucky Intercollegiate Athletic Conference (KIAC). Under Section B, article 5 it states, *”Major restructuring of programs, revision of facilities, and other significant budgetary matters are both the responsibility of faculty and administration. In this case, the committee recommends to both the Administration and the Faculty Senate, and approval by both bodies is required.”*

The Athletics Committee has interpreted the move from club sports to conference play a *“major restructuring of programs”*. We are proposing that our current clubs sports of men’s basketball, women’s volleyball, and men’s golf join the National Association of Intercollegiate Athletics (NAIA) and compete within the KIAC.

The committee believes that Senate discussion should focus on this proposed move. Revision of facilities has no relevance because none are being considered. Whether this move involves, *“other significant budgetary matters”* depends on how significant is interpreted. The committee believes this will resolve this issue by using the Executive Summary of Athletics.

There has been some discussion among faculty about dropping athletics and using this money to shore up our current financial crisis. This is supported to some degree by Robert Sandy’s confidential executive summary. We believe our proposal’s budget summary addresses his concerns. Regardless the committee interprets the proposal to drop athletics as a *“major restructuring of programs”* and this would have to be approved by Faculty Senate and Administration.

Lastly, the committee sees little financial merit in continuing club sports as they are currently configured. There are legitimate reasons for running athletic programs as a loss but this would require broad support in light of our current financial situation. The key issue before the Senate is how athletics supports our mission. The rationale that follows makes several points worth considering.

Rationale

Athletics for men and women support and advance the IUE mission by “*challenging students to grow intellectually and interpersonally in a supportive and scholarly environment*”. The five core values of the NAIA are respect, responsibility, integrity, servant leadership, and sportsmanship and have direct relationships to IUE’s mission. Athletics at IUE conform to the highest principles of integrity, fairness, and competitiveness. The NAIA supports this view in its constitution by saying, “*The member institution shall evaluate the athletics program in terms of the educational purpose of the institution.*” (Article III, Sec. B, 2e)

The foremost criterion of success at IUE is student success. Athletics creates an environment where students develop skills and values that increase the likelihood of being successful in their academic work as well as in their athletic competition. Our athletic program is serving the mission of IUE by helping student-athletes meet or exceed the academic standards as they move toward graduation.

Joining the NAIA will help our athletic programs to more effectively insure the academic success of our student athletes. The NAIA has much stronger policies on the academic performance of student-athletes and their progress toward graduation than our current policies of club sports. Club sports allow part-time students to participate and do not require any evidence of advancing toward graduation. The NAIA requires full-time enrollment and evidence of advancing toward graduation. Evidence of the success of intercollegiate sports within the IU system is that student-athletes generally have higher graduation rates than the general student body.

Average (4yr) Graduation Rates of Students Graduating Within 6 Years

	<u>All Students</u>	<u>Student-athletes</u>
IU Southeast	29.1%	50.9%
IU South Bend	24.0%	30.8%
IU Bloomington	71.0%	62.7%
IU Indianapolis	23.1%	56.3%

An important aspect of success of an institution is the well-being of students. Conference play at IUE would strengthen our ability to provide student-athletes with the proper direction and motivation to help them grow academically, athletically, morally, and socially. This reflects our commitment to develop the whole person during their educational experience at IUE. The NAIA states that, “*The member institution shall ensure that intercollegiate athletics is an integral part of the total educational offering under the control of those responsible for the administration of the institution.*” Article III, Sec. B, 2a)

Striving for excellence in our athletic programs also reinforces our commitment to provide excellent academic programs. High levels of achievement are expected of student-athletes during

competition and in their academic and personal pursuits. The basic values and skills used to excel on the playing field can be used to excel in the classroom.

Intercollegiate athletics can also enhance the college experience of all students by creating a sense of community and by having students identify more strongly with IUE. Traditionally, club athletics have had little support by students, faculty, and staff and it is unlikely this will change in the future. A shift to conference play may change the way students, faculty, and staff relate to our sports teams. We could find no surveys that asked students about their perceptions of athletics at IUE. An informal survey of around 50 students during the past week found that all students felt that athletics to be a positive characteristic of IUE. Three of these students (all non-athletes) said they wouldn't have come to IUE if athletics were not here. Conference play could be seen as an indication of progress by many constituents interested in IUE and would help to promote an optimistic vision of our future. Additionally, conference play helps distinguish IUE from Ivy Tech and aids in broadening the perception that IUE has many of the characteristics of traditional 4-year institutions.

Student-athletes are full-time students that generate revenue for the institution. It is also important to recognize that student-athletes often bring other new students when they enroll at an institution. Rob Miller, the NAIA Director of Champions of Character Initiatives, reported at a recent KIAC conference that a joint study by the NCAA and NAIA found that over 2 additional students base their decision to enroll at an institution on that of the student-athlete. IUE's move to conference play will recruit new students. Effects on enrollment are likely to extend beyond the addition of student-athletes.

Lastly, athletics provides opportunities for community outreach. Athletics fosters interaction between citizens and IUE and could be used to promote public identity with and pride in IUE and its many programs. In much the same way, it could engage the loyalty of alumni. An athletics program helps to build the goodwill and public support that any university needs in order to serve its community effectively.

Explanation of Some of the Line Items in the Executive Budget Summary

As requested at the April Senate meeting, the Athletics Committee has compiled an Executive Budget Summary that compares the worst and best cases for joining the KIAC with our current sports. Explanations of some line items and the rationale for their projections are included below to help faculty interpret the comparisons made.

As a frame of reference, the committee feels that the most likely case for the initial year of conference play is to incur a deficit of between \$15,000 and \$25,000. The worst case appears to be overly pessimistic regarding the initial recruitment of student athletes and travel. The best case appears to be overly optimistic regarding the initial recruitment of student athletes, travel, and ticket sales. Both cases may be overly pessimistic regarding facility rental. We believe recruitment of student-athletes will increase after our initial year of conference play.

1. Tuition and Fees (student-athletes)

- a) Student-athletes are defined as students that attend IUE to participate in conference athletics and would not attend otherwise.
- b) Under the worst case scenario, only 3 student-athletes were recruited in each sport. We were conservative in assuming all student-athletes took the minimum of 12 credit hours. The cost of tuition and fees (not including books) for each student was \$2,074, a value supplied to us by the Bursar's Office.
- c) Under the best case scenario, the minimum number of players on a team (basketball 12, volleyball 12, and golf 10) was considered to be all student-athletes.

2. Contracts

- a) Contracts are limited to basketball and are all non-conference games played at the host institution. These include exhibition and season games.
- b) Contracts represent a commitment by IUE to play these games. Under the terms of each contract, IUE is paid a fee by the host institution for playing.
- c) We have limited the money reported in this category to the money paid for playing game. Some contracts give additional money for travel, overnight accommodations, and a meal. We considered these additional monies neither as revenue nor as an expense.
- d) Under the worst case scenario, the total of the contracts we currently hold if we join the KIAC is listed.
- e) Under the best case scenario, a conservative estimate of the total number of contracts we could hold after joining the KIAC is given.

3. Uniforms

- a) The expense of uniforms is based on the minimum team size for all sports.
- b) Under club sports in basketball there is no expense listed for uniforms because this year players purchased their uniforms. This is not considered standard practice.
- c) Uniforms are purchased for the other two sports. In volleyball, new home and away uniforms would be purchased for conference play. Golf uniforms must be purchased each year.

4. Travel and Meals

- a) Under the worst case scenario, the assumption is that the IUE minibus is never used for travel and minivans are rented instead. Under the best case scenario, the IUE minibus is always used for travel.

5. Recruiting
 - a) A liberal estimate of recruitment costs is listed under this category. It is not uncommon for institutions of our size to offer no money for recruitment.

6. Facility Rental
 - a) Club basketball has paid no facility fee to date.
 - b) One game this past year was played at the Tiernan Center in the Richmond High School and there is a commitment to play IUE basketball games in Richmond in the future.
 - c) Richmond High School’s athletic director has agreed to schedule as many games as possible at the Tiernan Center in the upcoming academic year. If this facility is not available, he is helping IUE find other acceptable sites to play in Richmond.
 - c) We have made liberal estimates for facility rental in our worst and best cases for conference play. We have more than doubled the rental cost of the Tiernan Center for all home games.

7. Cheerleading
 - a) Cheerleading is currently not considered a sport and is viewed as a form of student support for home basketball games.

Executive Budget Summary Comparing Current Club Sports and Membership in the Kentucky Intercollegiate Athletic Conference

Basketball (BB)

		Worst Case	Best Case
Revenue	Club Sports	Conference	Conference
Tuition and Fees (student athletes)	\$0.00	\$6,222.00	\$24,890.40
Game Contracts	\$2,000.00	\$9,500.00	\$15,000.00
Ticket Sales	\$0.00	\$0.00	\$5,000.00
Sub-total BB Revenue and Support	\$2,000.00	\$15,722.00	\$44,890.40
Expenses			
Salaries and Wages			
Head Coach	\$3,500.00	\$5,000.00	\$5,000.00
Assistant Coach	\$2,000.00	\$2,750.00	\$2,750.00
Tuition Remission	\$5,947.00	\$5,947.00	\$5,947.00
Game Officials	\$1,260.00	\$3,250.00	\$3,250.00
Equipment	\$600.00	\$600.00	\$600.00
Uniforms	\$0.00	\$2,500.00	\$2,500.00
Travel			
Team and Meals	\$3,721.00	\$7,475.00	\$4,000.00
Recruiting	\$0.00	\$800.00	\$800.00
Facility Rental	\$0.00	\$2,400.00	\$2,400.00
Sub-Total BB Expenses	\$17,028.00	\$30,722.00	\$27,247.00
BB Revenue - Expenses	(\$15,028.00)	(\$15,000.00)	\$17,643.40

Volleyball (VB)

		Worst Case	Best Case
Revenue and Support	Club Sports	Conference	Conference
Tuition and Fees (student athletes)	\$0.00	\$6,222.00	\$24,890.40
Game Contracts	\$0.00	\$0.00	\$0.00
Ticket Sales	\$0.00	\$0.00	\$1,000.00
Sub-total VB Revenue and Support	\$0.00	\$6,222.00	\$25,890.40
Expenses			
Salaries and Wages			
Head Coach	\$2,500.00	\$3,000.00	\$3,000.00
Assistant Coach	\$1,500.00	\$2,000.00	\$2,000.00
Tuition Remission	\$5,947.00	\$5,947.00	\$5,947.00
Game Officials	\$960.00	\$1,200.00	\$1,200.00
Equipment	\$750.00	\$900.00	\$750.00
Uniforms	\$500.00	\$500.00	\$500.00
VB Expenses (continued)			
Travel			
Team and Meals	\$840.00	\$2,600.00	\$1,500.00
Recruiting	\$0.00	\$300.00	\$300.00
Facility Rental	\$1,000.00	\$1,000.00	\$1,000.00
Sub-Total VB Expenses	\$13,997.00	\$17,447.00	\$16,197.00
VB Revenue - Expenses	(\$13,997.00)	(\$11,225.00)	\$9,693.40

Golf

		Worst Case	Best Case
Revenue and Support	Club Sports	Conference	Conference
Tuition and Fees (student athletes)	\$0.00	\$6,222.00	\$20,742.00
Game Contracts	\$0.00	\$0.00	\$0.00
Sub-total Golf Revenue and Support	\$0.00	\$6,222.00	\$20,742.00
Expenses			
Salaries and Wages			
Head Coach	\$2,000.00	\$3,500.00	\$3,500.00
Tuition Remission	\$5,947.00	\$5,947.00	\$5,947.00
Game Officials	\$0.00	\$0.00	\$0.00
Equipment	\$800.00	\$800.00	\$800.00
Uniforms	\$500.00	\$500.00	\$500.00
Travel			
Team and Meals	\$1,026.00	\$2,000.00	\$1,000.00
Recruiting	\$0.00	\$150.00	\$150.00
Facility Rental	\$1,500.00	\$2,300.00	\$2,300.00
Sub-Total Golf Expenses	\$11,773.00	\$15,197.00	\$14,197.00
Golf Revenue - Expenses	(\$11,773.00)	(\$8,975.00)	\$6,545.00
Additional Expenses			
	Club Sports	Worst Case	Best Case
		Conference	Conference
Cheerleading	\$1,800.00	\$1,800.00	\$1,800.00
NAIA Annual Dues	\$0.00	\$5,000.00	\$5,000.00
KIAC Annual Dues	\$0.00	\$1,700.00	\$1,700.00
Insurance Annual Fee	\$0.00	\$1,000.00	\$1,000.00
NAIA Committee Review (initial year)	\$0.00	\$1,500.00	\$1,500.00
Total Sports Revenue and Support	\$2,000.00	\$28,166.00	\$91,522.80
Total Sports Expenses	\$44,598.00	\$74,366.00	\$68,641.00
Total Sports Revenue - Expenses	(\$42,598.00)	(\$46,200.00)	\$22,881.80

Answers to Some Questions Regarding the Athletics Proposal

Q: Does the program make financial sense if new students are not recruited?

A: No, from a financial perspective, the athletic program is predicated on adding new students who would otherwise not choose Indiana University East. It has been our experience that there are prospective students out there who are looking to play athletics and we are currently “turning away” because we are at a club sport level. It may make sense for other reasons to pursue athletics, but the financial model is built on attracting new students who would otherwise not be here.

Q: Why would a student athlete want to come to somewhere like IU East, particularly if we have losing teams?

A: First, we think that becoming a conference sport will increase our competitiveness. Second, generally, there are more interested athletes than there are opportunities to play at this level. Third, our tuition rate and ability to offer an IU degree make us very competitive in recruiting student-athletes. So we believe that IU East can attract enough student athletes for our sports.

Q: Would IU East students, not recruited to play, be able to participate on these teams?

A: Yes, if they possess the necessary talent. We do not believe there will likely be many who qualify. Initially, the thought was not to entertain “walk-ons.” We have since re-visited our decision on this. However, the evaluation of talent will continue to remain at the discretion of the coach. If the minimum number of student-athletes has been recruited for a team, walk-ons making the team will simply be added to the team. For example, 12 is the minimum number of players for the women’s volleyball team. If 12 student-athletes were recruited for women’s volleyball and 3 walk-ons made the team then the volleyball team would have 15 players.

Q: Why are we showing the ability to break even when many NAIA schools are showing much larger budgets and much larger expenses?

A: We are smaller program than many of the schools surveyed and have focused on only a few sports. The program will only grow as the resources are available.

Q: Do we have to worry about Title IX compliance?

A. No with the transfer of current sports to NAIA. Yes with all sports added to our athletic program in the future. As a member of the NAIA, the next sport added at IUE would have to be for women. Any odd number of sports thereafter will have to favor women’s athletics.

Q: What happens if the projections aren’t right?

A: As can be seen, there is very little risk that even under the worst case scenario that our proposal would cost much more than our current club sports program. It is reasonable to project that we will do at least better than the worst case scenario. The athletic committee suggests that the proposal be provisionally accepted for two (2007-8 and 2008-2009) academic years. If revenues are not exceeding expenses at the end of these two years, memberships in the NAIA and KIAC can be cancelled. Faculty would be justified in taking this action under the “significant budgetary matters” clause of Section B, article 5 of the Campus Athletics Policy.

