

## References

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**CONCLUSION:**

1. ICA is an expensive luxury in a comprehensive university.
2. The ICA program, regardless of competitive level, cannot exist without university subsidy.
3. UCA excesses and the exclusive emphasis on entertainment do not characterize the SJSU program.
4. SJSU student athlete graduation rates exceed those of the general student body.
5. The current SJSU ICA subsidy is comparable to several other CSU campuses, large and small.
6. Donors to SJSU programs other than ICA are different from those who support ICA.

**RECOMMENDATION:**

The Academic Senate support the goals of the President's Task Force on Intercollegiate Athletics (February 27, 1992) regarding the augmentation of current external funding sources for intercollegiate athletics, and recommends reducing the general fund support to a level not to exceed one percent (1%) of the total university budget (general fund + fees, less benefits) by 1995-96.

AYES: 3/NAYS: 2.

The minority vote of the committee endorsed the general premise of the majority regarding support for ICA, but believes that two percent (2%) of the total university budget is the minimum necessary for a successful ICA program.

Report submitted to the Academic Senate April 19, 1993 by

Peter Buzanski  
Tim Hegstrom  
John Latimer  
Joan Merdinger  
Serena Stanford, Chairperson

6. Can SJSU athletics support community-university partnership activities?

ICA and the San Jose Unified School District have won a \$120,000 grant for Project Teamwork, designed to work with at-risk kids, primarily on San Jose's east side.

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WHAT WOULD THE ICA SUPPORT FROM THE GENERAL FUND BUY?

- Figures from AAVP Robinson indicate that \$1mil would provide

20 FTEF  
60 Part-Time appointments  
82 course sections  
2,300 course enrollments  
388 FTES

- Estimates from the library indicate that \$1mil could replace

25 staff positions  
7,000 volumes purchased  
1,300 subscriptions  
16 hours/week of service

## QUESTIONS SPECIFIC TO THE ROLE OF INTERCOLLEGIATE ATHLETICS AT SJSU:

1. Are college sports profitable at SJSU?

Football tends to pay its way, largely because major donors are intensely dedicated to the sport. Meeting the ICA overall budget is a continuing battle that requires great effort and ingenuity on the part of the AD. Nonetheless, when asked specifically whether ICA could ever be entirely self-supporting, without any subsidy from the university general fund, AD Brennan answered NO. That assessment was confirmed by AEVP Sauer and is generally true even for universities nationally known for their football and/or basketball successes.

2. If SJSU dropped athletics, would other university giving decline?

Here, as elsewhere, athletic boosters generally are not the same people who provide money for the academic or research programs. As in the case throughout most of the nation, athletic successes create controversial openings that may lead other university giving, but a bad season does not have a negative effect of giving. However, if SJSU dropped football, the remaining ICA program would very likely require more support from the university because major football donors would no longer contribute to the ICA program. AD Brennan's analysis demonstrates the increasing obligation of the university as the programs either retain 1A status without football or move to a lesser status with or without football (See Appendix re ICA goals and cost analyses of alternatives).

3. Can intercollegiate athletics help build the image of the university in the SJSU service area?

Among our SJSU alumni celebrities, we find "Crazy George" alongside the likes of Luis Valdez, Amy Tan, and Peter Ueberroth. Although the idea may be offensive to the academic purist, university "name identification" often follows from information about the sports program. Even those most critical of the role sports play in the American culture point out that more newspaper reporters write about college sports than follow all the rest of university activities. The degree of regional identity, with the potential of some national recognition, could follow if SJSU is successful in its goals to be accepted as a member of the Western Athletic Conference (WAC) two years from now.

4. Can intercollegiate athletics build a sense of community among students, staff, and alumni?

SJSU athletics has helped provide university educational opportunities for members of minority groups while building a strong sense of cooperation and cooperative spirit (See Appendix re letter from Steven Millner). In addition, a not to be overlooked cultural phenomenon is the tendency to root for your local team and the team of your alma mater. Even otherwise rational faculty members have been known to buy season's passes to university athletics events. The social bonding value of the sports program could grow in importance if the WAC bid is accepted.

5. Can SJSU athletics provide a focus for other SJSU curricular and co-curricular activities?

Thirty undergraduate trainers from the Human Performance Department work with the student athletes. The marching band performs at games. The "Homecoming Game" is the focus of student homecoming activities. KSJS covers SJSU sports; the Spartan Daily typically devotes a page or more to SJSU athletics.

2. If you drop athletic programs, do overall donations decline?

The evidence regarding the question is mixed. Most alumni contribute to their degree programs. Donors to athletics tend not to be the same people who support the educational programs of the university. There are instances where athletic programs have been terminated and the overall giving to the university has actually increased because the “image” of the university as a serious educational institution has been enhanced by dropping an emphasis on intercollegiate athletics.

At the same time, there are cases in which the decision to drop intercollegiate athletics has been followed by a decline in university giving, at least on the short term. The negative publicity that can follow such a decision can be damaging to the advancement effort.

The conclusion endorsed by fund-raising professionals is that there seems to be little relationship between fund-raising for athletics and fund-raising for educational programs. Success in athletics tends to open the door to potential donors and/or to provide a venue in which a donor can be courted, thereby making the task of fund-raising a little bit easier. In the long term, whether there is an athletics program or not, the amount of money raising for educational purposes is likely to be the same.

3. Can intercollegiate athletics success boost enrollments and/or build school spirit.

No hard evidence regarding this claim exists in the literature, but anecdotal evidence and TV coverage of events like basketballs’ Final Four would lead the casual observer to believe that these events energize the student body in positive ways. However, no systematic study has pursued the delayed impact of athletic championship on the term’s application rate (N.B. Such a study would be extremely difficult to do)

## DIFFERENCES

Athlete graduation rate (33%) are slightly above the university average (30%) according to the 1992-93 NCAA statistic.

Most student athletes at SJSU are interested in attaining their academic, as well as their athletic goals. There is a center to help student athletes succeed in academic work.

Money for books and fees is often extended to athletes beyond their eligibility if the student requires the additional time to graduate.

Basketball players (men and women) practice 8 hrs/wk in off-season, 20 hrs/wk in season [information supplied by coaches].

SJSU athletes eat in the same cafeteria, use the same dormitories as other resident students. Training table for athletes is available in the dorms, but it is not exclusively for athletes and not any more costly than the Dining Commons.

The average Division 1A athletic program spent over \$9 million (5 years ago) compared to SJSU annual expenses near \$6 million.

In the judgment of the relevant administrative sources consulted by the committee, SJSU athletics “has its fiscal house in order.” In the last two years, ICA has sustained a reduction of \$1 million in support from the general fund and has not cut additional sports. During this same period, SDSU, Fresno State, CSU/Fullerton, and Santa Clara University have all been forced to cut the number of sports in their athletic program. Sonoma State has plans to cut athletic programs if additional funds are not forthcoming.

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## QUESTIONS REGARDING GENERAL BENEFITS FROM ICA TO THE UNIVERSITY:

1. Can college sports be profitable?

Most intercollegiate athletics programs lose money, require subsidy. Athletics administrators overestimate revenue, spend against optimistic estimates; bills must be paid from other university sources. If athletics makes money, the programs are allowed to retain all funds, but expenses are absorbed by other units in the university.

## MAJOR CONCERNS RE INTERCOLLEGIATE ATHLETICS:

The literature review (Bailey & Littleton, 1991; Bergmann, 1991; Goodman, 1991; Hochfield, 1987; Lederman, 1988, 1991; Sperber, 1991) indicates the concerns listed below, but these may not be applicable to SJSU.

- At many universities, intercollegiate athletics (ICA) exist solely for commercial entertainment, not education.
- Athletics are recruited for athletic ability; grants are based on potential as commercial entertainers, not education aptitude.
- Athletes are given grants-in-aid for participation in a sport; the money stops without participation.
- Athletes are more interested in developing potential for professional sports than in educational opportunities
- Athletes are often willing to spend up to 60 hours/wk in sport participation while federal guidelines for work study and CSU student assistant policy limit student work to 20 hours/wk.
- Athlete benefits include better lodging/food, academic support than other students.

“Only in the United States, of course, have athletics assumed such a close and representational identity with higher education. But almost from the time that intercollegiate sports first appeared, they have never escaped the charges that their self-fulfilling character, their inherent professionalism, and their primary purpose of providing entertainment have made their presence contradictory to the educational goals of the university.” (Bailey & Littleton, ATHLETICS AND ACADEME, p. 6)

At SJSU, there are both similarities and differences.

## SIMILARITIES

- The SJSU statement of mission and goals does not include ICA.
- AD Brennan includes among other ICA goals the promotion of their entertainment values.
- Funds generated by ICA are returned exclusively to ICA, whereas the subsidy from the general fund comes from the instructional program and student fees.
- Department of Human Performance is obligated to provide ICA coaches with 1.5 FTEF per academic year, as of 1992-93, reducing their freedom to appoint faculty.

Comments:

While we have endeavored to address the fiscal items requested in SM-S93-1, we feel these data must be placed in an appropriate context for complete understanding.

1. ICA received budget reductions from the general fund equal to those absorbed by other academic units. ICA has made an effort to compensate for these reductions by seeking alternative sources of revenue.
2. General fund support is at least 41% of the ICA revenue (52% in 1990-91). Associated Students/IRA share has grown from 5% to 12% of ICA revenue, due to student referendum that provides IRA money to ICA in exchange for free admission to selected athletic events. Major donors, annual drive, and corporate sponsors share of revenue has grown from 4% to 17% expected in 1992-93 (\$500,000 pledged from major donors); special events, game guarantees, season tickets account for approximately 16% of ICA revenue.
3. Athletic Director Brennan is working on the elimination of the anticipated revenue shortfall in 1992-93; agreement with the Student Union Board of Directors has been reached to waive the Student Union Rec Center charges over a two-year period in the amount of \$40,000, and a special golf tournament is planned to address the remaining debt.
4. The percentage of general fund subsidy for ICA at Fresno and San Diego (members of the Western Athletic Conference [WAC], to which SJSU aspires) is approximately the same as SJSU. At Sonoma State, ICA will be cut unless there is a 20% fee increase; 20% fee increase; 2% of the Sonoma State general fund budget has been applied to ICA, similar to the SJSU, Fresno, and SDSU figures.
5. Football generates the majority of Spartan foundation donations (70%); elimination of football would eliminate these donations. Expenditures by sport, therefore, are not very illuminating by contrast to this single datum.
6. SJSU Foundation operates the stadium like a separate corporation. Funds are generated to pay various stadium operating expenses, such as salaries and benefits, insurance, interest on the debt, and debt payments. The majority of funds are generated from non-university events, such as concerts, international soccer matches, motorcross, etc. Foundation receives a percentage of the gate from ICA events, along with concession income.
7. SJSU Foundation holds only the athletic endowments, in the approximate amount of \$1mil. The interest from these endowments has varied with the market; \$55,000 is expected in 1992-93, and these funds are part of the ICA revenue stream. Foundation also acts as a "bank" from summer camps, workshops, special events planned by coaches; these funds are used for assistant coaches and other related personnel, mainly in gymnastics.
8. Our inquiry revealed no Spartan Shops "off-the-books" funding for ICA.
9. Our inquiry found Affirmative Action/Equal Employment Opportunity compliance in the recruitment of Coach John Ralston.



Audit Fees	6,800	7,300	8,500
Health & Safety Fees	0	3,410	7,869
Special Events	18,129	3,122	7,000
Promotion	21,266	18,735	5,000
Endowment Board	0	1,587	2,500
Donor Gifts	0	1,205	1,264
Visa Charges	393	40	500
Return of Prior Year Subsidy	12,791	0	0
FUND BALANCE	48,826	68,161	(73,679)

March 1993

**DIVISION OF INTERCOLLEGIATE ATHLETICS  
RESOURCE & EXPENSES SUMMARY**

	Actual 1990/91	Actual 1991/92	Projected 1992/93
<b>EXPENDITURES</b>			
Salaried Positions & Benefits	2,840,611	2,603,914	2,360,570
Grants-in-Aid	966,657	1,086,459	1,254,923
Team Travel	397,921	471,950	517,720
Temporary Help	168,904	140,381	40,950
Student Assistants	47,583	48,630	44,400
Non-Team Travel	22,282	20,137	38,613
Post-Season Travel	10,869	13,636	15,000
Overtime	19,517	14,714	10,169
Entry Fees	6,055	945	0
Home Game Expenses:			
Game Guarantees	275,235	179,000	199,200
Event Center Fees & Charges	0	98,165	90,171
Officials	73,674	83,810	78,572
Facility/Space Rental	145,003	61,486	65,985
Game Personnel	75,075	44,684	41,870
Plant Ops. Charges	39,172	35,254	38,811
Foundation Facility Rental	0	51,407	31,250
Pre-Game Meals	15,634	19,356	24,008
Photography/Filming	5,472	5,438	6,000
Ticket Sales Commission	22,590	0	0
Total, Home Games Expenses	651,855	578,600	75,867
Supplies & Services	256,801	176,341	160,666
Printing	24,751	34,349	70,740
Telephone	73,068	66,527	65,000
Off-Campus Recruit	98,191	55,076	59,518
Pre-Season Camp	32,904	34,156	39,807
Insurance Deductible	10,783	20,100	50,000
On-Campus Recruit	39,981	25,929	42,436
Equipment	37,289	34,951	39,807
Big West Conference	0	12,121	38,429
Trust Interest Penalty	11,864	25,043	35,000
Postage	32,207	34,850	35,000
Tournaments	0	16,142	33,500
Insurance Premium	69,550	35,822	32,708
Intermission	12,311	51,286	31,190
Dues/Memberships	31,259	30,675	30,550
Equipment Maintenance	13,298	25,707	20,862
Radio/TV	0	14,334	18,950
Fund-Raiser	0	0	15,069
Annual Drive	0	0	13,000
Athletics Awards	0	0	12,200
College Study Work	5,298	10,625	10,000

March 1993

**DIVISION OF INTERCOLLEGIATE ATHLETICS  
RESOURCES & EXPENSES SUMMARY**

	Actual 1990/91	Actual 1991/92	Projected 1992/93
<b>RESOURCES</b>			
University Support:			
General Fund Positions	2,647,282	2,759,143	2,620,639
General Fund Reductions	(59,463)	(272,000)	(228,555)
General Fund Others	514,156	289,266	0
General Fund SUREC Rental	53,645	61,486	65,985
College Work Study	5,298	10,626	10,000
Revenue Subsidy	429,603	0	0
Sub-total University Support	3,590,521	2,848,521	2,468,069
IRA	206,962	712,238	715,000
Associated Students	92,919	0	0
Major Donors	0	220,000	500,000
Annual Drive	211,365	332,321	400,000
Corp./Aux. Sponsors	24,516	68,000	100,000
Endowment Interest	51,919	42,987	55,000
Licensing/Advertising	14,032	18,002	10,000
Special Events:			
Walk for Women	115,000	93,500	0
Auction	34,997	30,677	40,000
Fund Raiser	0	0	35,000
President's Cup (Golf)	30,000	28,600	32,000
Sport Special Events	54,687	52,246	14,000
Camps/Clinics	19,850	0	3,070
Car Raffle/Tasting	12,238	0	0
Total, Special Events	226,772	205,023	206,000
Road Guarantees	504,331	549,195	686,140
NCAA Income	0	234,426	206,000
Home Contest	407,029	205,023	124,070
*Season Ticket Sales	214,479	187,722	152,000
Tournaments	0	28,327	37,500
Big West Income	0	31,456	20,600
Concession/Parking	28,230	17,944	14,716
Foundation Transfers	0	21,935	12,275
Program Sales	16,131	9,665	6,916
Special Events: Spartan	0	0	4,800
Radio/TV Revenue	50,224	0	0
Post Season	190,503	0	0
Interest	0	71	0
Misc. Income	83,990	13,225	31,000
PY Bal Forward	36,091	48,829	68,158
<b>TOTAL RESOURCES</b>	<b>5,990,014</b>	<b>5,795,105</b>	<b>5,782,217</b>

\*Includes Fac/Staff Tickets

**REPORT FROM THE SENATE SPECIAL COMMITTEE  
ON INTERCOLLEGIATE ATHLETICS (ICA)**

The Academic Senate asked this committee to consult widely and address a range of issues. The committee has met with AD Brennan, AEVP Sauer, AAVP Robinson, NCAA Rep Whitcomb, AA/EEO Officers Rios, Advancement Director Redding, and HUP Chair Bryant. In addition, the committee has conducted a literature review on the general topic of ICA and has reviewed financial data provided by both AD Brennan and AEVP Sauer from the last three years [reliable data from the last seven years are not available]. Below, we respond to the specific issues in SM-S93-1, provide information regarding the role of ICA gleaned from the literature, conclusions and recommendation that seems to be supported by the available data.

1. Dollars from the General Fund of ICA

	1990-91	1991-92	1992-93
Actual dollars	\$3,101,975	\$2,776,409	\$2,392,084
General Fund as percent of ICA Revenue	52%	48%	41%
ICA support from General Fund as percent of Instruction budget*	4.1%	3.4%	3.4%
ICA support from General Fund as percent of University budget*	2.5%	2.2%	2.1%

2. Dollars from Associated Students (AS), Instructionally Related Activities (IRA)

Associated Students	\$92,919	0	0
IRA	206,962	712,238	715,000
AS/IRA funds as percent Of ICA revenue	5%	12%	12%

3. Dollars from Spartan Fdn

Major Donors	\$0	\$220,000	\$500,000
Annual Drive	211,365	332,321	400,000
Spartan Fdn funds as Percent of ICA revenue	3.5%	9.5%	15%

4. Fdn revenue/expenses

Fdn share of ftbl/soccer revenue	\$117,551	\$66,511	\$53,838
Share of Stadium debt paid from ICA revenue	32.7%	11.4%	9%

OVERALL BUDGET FIGURES

Total revenue	\$5,990,014	\$5,795,105	\$5,782,217
Total expenses	5,941,188	5,726,944	5,855,896
Balance	48,826	68,171	73,679
Participants	356	336	310
Expenses/participant	16,689	17,044	18,890

NOTE: All 1992-93 figures are estimates



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**SS-S93-12**

At its meeting of May 10, 1993, the Academic Senate approved the following Sense of the Senate Resolution presented by Serena Stanford for the Senate Special Committee on Intercollegiate Athletics.

Whereas, The Academic Senate established the Senate Special Committee on Intercollegiate Athletics, and

Whereas, That committee has completed the tasks assigned by the Senate Management Resolution SM-S93-1, be it

Resolved, That the Academic Senate accepts the report presented by the committee and asks that the President implement the report's recommendation according to the timeline specified.