

## **SPECIAL COMMITTEE ON ATHLETICS**

### **Interim Report**

To: Academic Senate, Santa Cruz Division

#### **Executive Summary**

As we submit this interim report, UCSC students will be polled to assess their support for a steep rise in student fees to nearly fund the entire operating budget of UCSC's student athletics program. By all appearances, this program has been successful, both in competition and in the classroom; for instance, the current student athletes boast over a 3.3 GPA and the program has retained and graduated 100% of its students for 5 years running. Nonetheless, the administration has stated its intent to terminate student athletics if the unprecedented mechanism of an administration-mandated opinion poll fails.

We believe any such action would be premature, for numerous reasons. First, in our limited time as a committee, we have already identified many potential co-benefits to the university and affected constituencies that seem to have been underappreciated or ignored in the decision-making process. Second, the athletics budget is more complex than has been previously represented and requires further examination in light of current funding constraints. Third, we are concerned that the university has failed to engage properly and fully the key stakeholders of the student-athletics program in this process: the full student body, faculty, alumni, and the surrounding community. This is especially problematic given that the likely low rate of student participation in the voting process may not fairly represent the student body as a whole, and that this one cohort of undergraduates is assigned to make a decision that impacts a much greater constituency. Fourth, abruptly eliminating a successful program that serves and promotes UCSC would publicly signal a university in decline. We therefore recommend that the administration, in partnership with these stakeholders (including our committee), work together in 2016-2017 to foster a comprehensive investigation and campus-wide conversation about the value and costs of athletics to UCSC.

#### **Introduction**

At the winter 2016 meeting, the Senate approved the creation of a special committee on student athletics to examine the value and costs of NCAA athletics at UCSC. Because the committee membership was not determined until late April, we are not prepared to issue a complete report. However, intervening events compel us to bring this matter to the Senate's immediate attention. Specifically, the campus administration has declared that they will end NCAA athletics unless students express significant support to raise substantial new fees for student athletics. As this report is being submitted, students are voting on an unprecedented opinion poll as part of the spring student elections process. The question is as follows:

“Would you support a new student fee of approximately \$90 per quarter (\$270 per year) to retain the current NCAA Athletics program at UC Santa Cruz?”

According to the university campus elections website:

“If a simple majority of students who vote in the 2016 election vote YES, the question will be placed on the 2017 ballot as a student fee referendum. If the simple majority threshold is not met, the NCAA Athletics Program will be eliminated by June 2017 when the temporary funding expires.”

Yet as we quickly discovered during our preliminary research, the issue is far more complex than has been presented to the students in the opinion poll. Specifically, we have uncovered a number of important factors that warrant additional investigation and discussion before implementation of such a drastic decision as termination.

Such an outcome would make UCSC the only UC or CSU without either NCAA or NAIA athletics. Nationwide, Spelman College is the only other university or college to have eliminated NCAA athletics. We feel strongly that such an action has the potential for long-term consequences that affect the campus along the many dimensions of recruitment, retention and community relations, as well as student life, and we are alarmed that the process has proceeded without extensive consultation with the Academic Senate.

### **Brief Background**

Since 1981, the University of California, Santa Cruz has participated in intercollegiate athletics as a member of the NCAA Division III. Over 5,000 student athletes have participated in UCSC athletics, distinguishing themselves in the classroom and in competition. MIT, Emory, NYU, and the University of Chicago are examples of other institutions that support Division III athletic programs -- an academically selective and rigorous cohort. Division III athletics do not allow athletic scholarships for student athletes. All other UC campuses (save Merced) are members of the NCAA at Divisions I or II. Their athletics budgets and programs dwarf those of UCSC.

At UCSC, the athletic program (currently consisting of 15 teams, men and women) has been supported by a combination of campus funds and student fees. Our student athletes regularly pay for their own equipment and travel for athletic events. The UCSC funding level is below even that of the smallest Division III schools, which are often 1/10 the size of the UCSC undergraduate population (e.g. Mills, Cal Tech, Scripps, Pomona, University of LaVerne).

In 2014 the University announced its intent to suspend campus funding of UCSC athletics following a three year period when they would provide increased support (~\$1M per year) to cover wage and benefits increases for coaches on contract agreements and several other new expenses. After this period, funding would need to be derived from student fees. Last year Athletics staff developed a referendum to fund student athletics with a \$117 per quarter fee. The proposed athletics fee received 40% approval in the spring 2015 vote. It should be noted that starting in 2014 student referenda have required a supermajority of 66% approval from at least 25% of the student body. Even when the

threshold for approval was a simple majority almost no fees over \$10 a quarter, for any purpose, had passed in recent years.

### **UCSC Athletic Budget and Comparison to Other UCs**

UCSC is noteworthy for its lean athletics budget. Athletics has been funded by a \$5 per quarter student fee, which raised \$162,263 in 2015, and by some limited central funds, which were recently enhanced for the three-year period. Prior to 2014, the central contribution was about \$225,000 per year. As noted, for two years the central contribution has been temporarily raised to \$1 million.

Other UCs, most of which are either Division I or II, typically have much higher student fees designated for NCAA athletics. For example, Riverside has a \$105 per year fee and Merced \$150 per year. Merced, it should be noted, is currently a member of NAIA but plans a transition to NCAA. UCSD funds its annual ~\$7M budget for student athletics primarily from fees. We are soliciting more information because some UC fees for athletics are consolidated into omnibus categories, such as Davis' \$549 per year campus expansion fee.

At several UC campuses at least, the central administration makes a substantial contribution toward athletics. As an example, the Irvine athletic budget includes “institutional support” (tuition, state) of \$9.5 million while student fees provide \$3.8 million. Riverside is another example with about \$8 million in direct institutional support and \$2 million in student fees.

In sum, other UC campuses use a range of funding models. A successful and sustainable program at UCSC may require a combination of central funding and significant student fees.

### **Future Budget**

The present opinion poll specifies a \$270 yearly fee which, if eventually funded, would yield ~\$2.9 million for the athletics program ( $\$270 \times \sim 16,000$  undergraduates, less 33% redirected to student aid funds). Given sufficient time, the Special Committee on Athletics is prepared to bring to the Academic Senate an analysis of how this figure relates to the current and future funding requirements of UCSC athletics. Among relevant considerations are: careful examination of the current athletics budget, possible increases in salary levels as mandated by the Department of Labor, and the potential loss of significant gifts and donations to the campus.

The Special Committee on Athletics is sensitive to the competing fiscal needs of our students and of our campus. However the significant consequences of the loss of intercollegiate athletics compel us to request sufficient time to provide a careful budget analysis, one that is essential both to justifying the level of any proposed student fee increase and to communicating to students and faculty how these funds would be utilized.

### **Our Student Athletes**

Approximately 300 undergraduates participate on the NCAA teams at UCSC (52% are women). The program has recently added a men's track and field team and is expanding the women's track and field squad. This will increase participation significantly.

The UCSC athletes are talented students who have performed significantly above campus averages in the classroom. According to OPERS, NCAA student-athletes at UCSC have a 3.3+ average GPA (versus a 3.08 campus average). 71% of the student athletes have a GPA of 3.0 or better, and 31% have 3.5 or better. Regarding retention, athletics reports a 100% graduation rate for five years in a row. This greatly exceeds the campus average of 58%.

### **Admissions and Retention**

Athletics can be viewed, in part, as a recruitment and retention program. Through athletics we attract a talented and diverse cohort of students who wish to compete at the NCAA level. If the administration terminates athletics, that source of applicants will be eliminated. And, most of the current student athletes have expressed their intent to transfer from UCSC if the program is terminated.

The absence of athletics at UCSC could well have a broader and ongoing effect on admissions. It is not simply the scholar-athletes who will enroll elsewhere. We must consider the potential impact on many applicants who are not athletes. Upon learning UCSC has no intercollegiate athletics program, their first – and quite rational – reaction might be to wonder what else is lacking at our university.

As noted above, the retention rate for student athletes at UCSC has been 100% for 5 years running. Student retention is now a priority for this administration. Over the past several years, it has developed several recruitment and retention programs at substantial administrative cost. Many of these resources are rightly aimed at students whose preparation puts them at risk of not succeeding. NCAA athletics at UCSC has a record of attracting and retaining students who, as a cohort, are well above average and who graduate on time. Our committee wishes to examine the success of these new retention programs relative to their cost and relative to the record of athletics in recruiting and retaining successful students.

### **Alumni**

At most universities, student athletics offers a sustained connection between the university and its alumni. This holds true even for smaller, Division III programs (e.g., Amherst, Pomona). Overall, our student athlete alumni have a favorable impression of their experience at UCSC, and University Relations reports alumni interest in providing support. For instance, when revered men's tennis coach Bob Hansen retired, tennis alumni raised an endowment in his honor that generated several five-figure gifts. The men's tennis endowed fund has a market value in the \$25-30K range. Given that our student athlete alumni are typically in their 20s, 30s, and 40s, and have not yet reached maximum earning potential, this kind of support is remarkable for demonstrating their commitment and appreciation to the university and the athletics program. At the same

time, our research has revealed that alumni appreciation of athletics has been severely tempered by the administration's handling of the athletics program and the proposal to terminate the program. It has been reported to us that major gifts to the university have been rescinded or postponed specifically because alumni are dismayed by the prospect of termination. As our research uncovered, when alumni feel that their university is not even covering the basics of a program for which they care deeply, there is a limit to what those alumni are willing to contribute, even if they have significant funds to offer.

### **Fundraising and University Relations**

The concerns of alumni are shared among a wider group of supporters, including parents of current and former students and members of the local community. Parents are often shocked by the very lean budgets for athletics programs. In response, parents often support their children's athletics experiences, on top of paying tuition, simply so that their children have a good experience. As noted, we have reports that several very large planned gifts to upgrade university athletics facilities and programs have been withdrawn. These programs and facilities would not be exclusive to the athletics program but shared by and benefit the larger university community, comprised of students, faculty, staff, and Santa Cruz residents. Hence, this potential loss would not only damage the public image of the university, but also would also reflect poorly on the university's efforts to engage meaningfully with supporters in ways that benefit the entire university community on and off campus.

### **Community**

UCSC's athletics program is deeply invested in the larger community beyond campus. The majority of the 300 student athletes at UCSC engage and promote a range of outreach activities within Santa Cruz County. These include youth clinics, summer camps, volunteer coaching (over 100) in youth programs, and in-school K-12 programs. With the termination of Santa Cruz Shakespeare, athletics is one of the few UCSC programs that consistently engages our university with the surrounding community. Additionally, the program provides the community one of the few opportunities to attend high-level sporting events in the county.

### **UCSC's Broader Image**

The UCSC Slug mascot was conceived by athletics and stands as the most recognizable image of our campus. While student athletics may never be, and perhaps should never be, a focal point of our campus, intercollegiate sport is widely viewed as a fundamental component of higher education. Intercollegiate activities such as athletics, among others, greatly enhance the university and our students' experiences by taking our campus to other campuses and bringing other campuses to ours. Our student-athletes are among the best public representatives of our campus.

Perhaps more importantly, as faculty, we have great concern that the termination of UCSC student athletics, a program that distinguishes itself in the classroom and in competition, would signal to the world that we cannot maintain a first-class university. At the least, it may contribute to our reputation as a lower-tier campus in the UC system.

Despite the capital campaign, higher tuition, and deals with the governor and legislature, UCSC seems stuck in a perpetual budget crisis. In such an environment, nearly any expenditure not related to the classroom is up for grabs. And each individual cut or program termination seems justifiable and free of notable negative consequences. The university is nearly unique in not having an Arts and Lectures program, which it dropped in 2009. Likewise the university ended a 30-plus year relationship with Shakespeare Santa Cruz by withdrawing funding in 2013 and then removing them from the glen in 2015. None of these things by itself has been a true catastrophe. At some point, however, we will have no relationship to the Santa Cruz community, no campus life beyond what students can manage to create for themselves, and few of the extra-curricular attributes that characterize a top-notch institution.

### **Concluding Remarks**

With student athletics at this critical juncture, the administration has failed to properly engage its stakeholders – students, faculty, alumni, and the community – in the matter. Nor has the administration successfully informed students on the critical role student fees play in supporting campus activities more generally. The administration’s neutrality and passivity can be viewed as an abdication of leadership on issues vital to the campus: let the students decide, even when few students fully understand the context and implications of the choices they confront.

Irrespective of the outcome of the ongoing opinion poll, we recommend that Academic Senate advise the administration to take the next year to further consider how the campus can develop a sustainable model for student athletics that incorporates the needs and wishes of all its stakeholders: foremost students, but also faculty, alumni and the community. This committee offers to extend its activities through the 2016-2017 academic year to work with the administration and other constituencies to achieve this goal.

Respectfully Submitted;  
SPECIAL COMMITTEE ON ATHLETICS  
Lissa Caldwell  
Matt O’Hara  
Greg O’Malley  
Gene Switkes  
Dan Wirls  
Cliff Dochterman, *Ex Officio*  
Jason X. Prochaska, Chair

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