

# W&M Athletics: Framing the Problem to Pursue Solutions

October 8, 2020



WILLIAM & MARY

CHARTERED 1693

“If I had an hour to solve a problem and my life depended on the solution, I would spend the first 55 minutes determining the proper question to ask ... for once I know the proper question, I could solve the problem in less than five minutes.”

- Albert Einstein

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# Elevating to the Institutional View

- Institutional Identity
- Budget Stability
- Legal Requirements

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# INSTITUTIONAL IDENTITY



# Potential Institutional Athletics Identities

## NCAA Division I

- Scholarship athletics
- Competitive opportunities at the highest collegiate level
- Operational investment expected to yield institutional benefit
  - drives branding, visibility, etc.
- Club offerings provide broad participation

357 institutions  
44% enroll > 10,000 students

## NCAA Division III

- Non-scholarship athletics
- Broad participation for individuals wanting to compete
- Financial aid investment expected to yield recruitment
  - drives enrollment, tuition revenue, class composition, etc.
- Club offerings in small sports

442 institutions  
77% enroll < 3,000 students

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# W&M's Athletics Identity

- William & Mary is a highly selective, public institution
- Our outstanding academics benefit the people of the Commonwealth of Virginia and the nation
- NCAA Division I athletics is our niche: congruent with W&M's vision and mission

*A Strategic Review: Securing the Future (2018), p. 3*

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# Question #1

What solutions align with  
W&M's institutional identity as an  
NCAA Division I institution?

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# BUDGET STABILITY



# Longstanding Issues

## The Game Reclaimed

The year-long study affirmed William & Mary's balanced emphasis on excellence in academics and athletics. Recognizing the importance of intercollegiate athletics to the overall academic mission, **the report called for increased revenue to the program through annual giving and endowment income.**

## Securing the Future

Led by athletics experts the PICTOR Group and W&M's Strategic Review Working Group, this study established a bold vision, strong mission, and ambitious goals for W&M Athletics. It renewed W&M's commitment to the CAA and **recommended aligning resources with strategic priorities to accelerate excellence.**

1975

## Decision: To Excel

After a major examination of the Athletics program, William & Mary recommitted to Division I athletics, providing students the opportunity to compete at the highest levels on the field and the court, and **launched an aggressive fundraising campaign.**

2006

## A Championship Experience for Every Student-Athlete and Every Fan

This report, released months before the launch of the university-wide *For the Bold* campaign, **highlighted the need for significant philanthropic support to provide W&M Athletics with resources commensurate with its CAA peers**, allowing the program to enhance its competitive profile.

2015

2018

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## 2015: "Competitive Excellence" Report

In short, Tribe Athletics is under-resourced to compete in this environment. At the same time, the shifting landscape of intercollegiate athletics presents opportunities for even greater success – if we are bold enough and if the alumni and friends of Tribe Athletics are committed to bringing such a vision to fruition (p. 1).

*A Championship Experience for Every Student-Athlete and Every Fan (2015)*

## 2018: The PICTOR Report

W&M Athletics' current organizational structure of 23 varsity sports and its financial model are not sustainable within its current or foreseeable resources (p. 2).

W&M Athletics has been uneven recently in competitive success and has a significant opportunity to improve on the lack of sustained competitive success (p. 2).

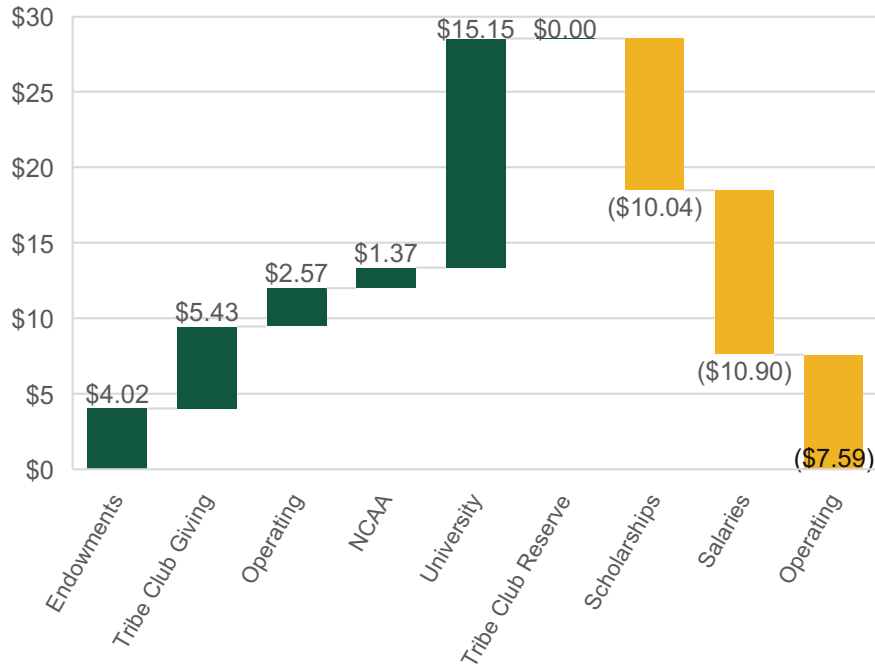
William & Mary must make decisions on the size and scope of its athletics program (p. 2).

# Financial Resources Remain Low

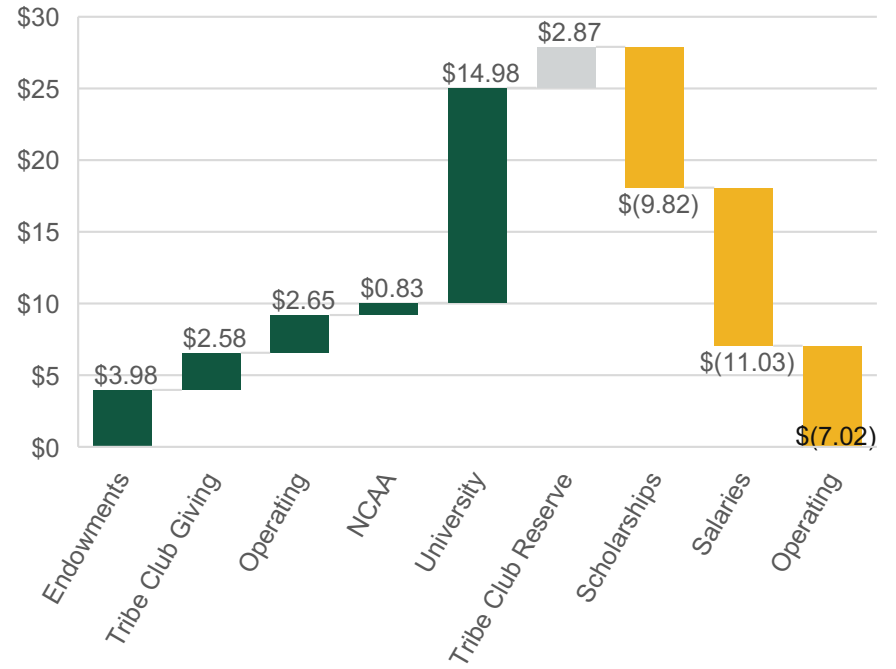
Institution	UG Students	Number of Participants	Spending Per Participant
James Madison	29,895	546	\$84,137
Hofstra	6,498	382	\$59,940
Elon	6,277	482	\$55,471
Northeastern	14,202	586	\$54,065
Delaware	19,678	708	\$51,641
UNCW	17,499	369	\$50,427
Drexel	15,414	486	\$49,336
William & Mary	6,256	640	\$45,791
Charleston	9,600	499	\$39,874
Towson	19,619	594	\$38,588

- W&M Athletics has the second-most student-athletes in the CAA as of 2018 – after two years of roster size management (W&M had the most in 2016 and 2017)
- Even with effective roster management, W&M Athletics still has the third-lowest resources per student-athlete of any university in the CAA

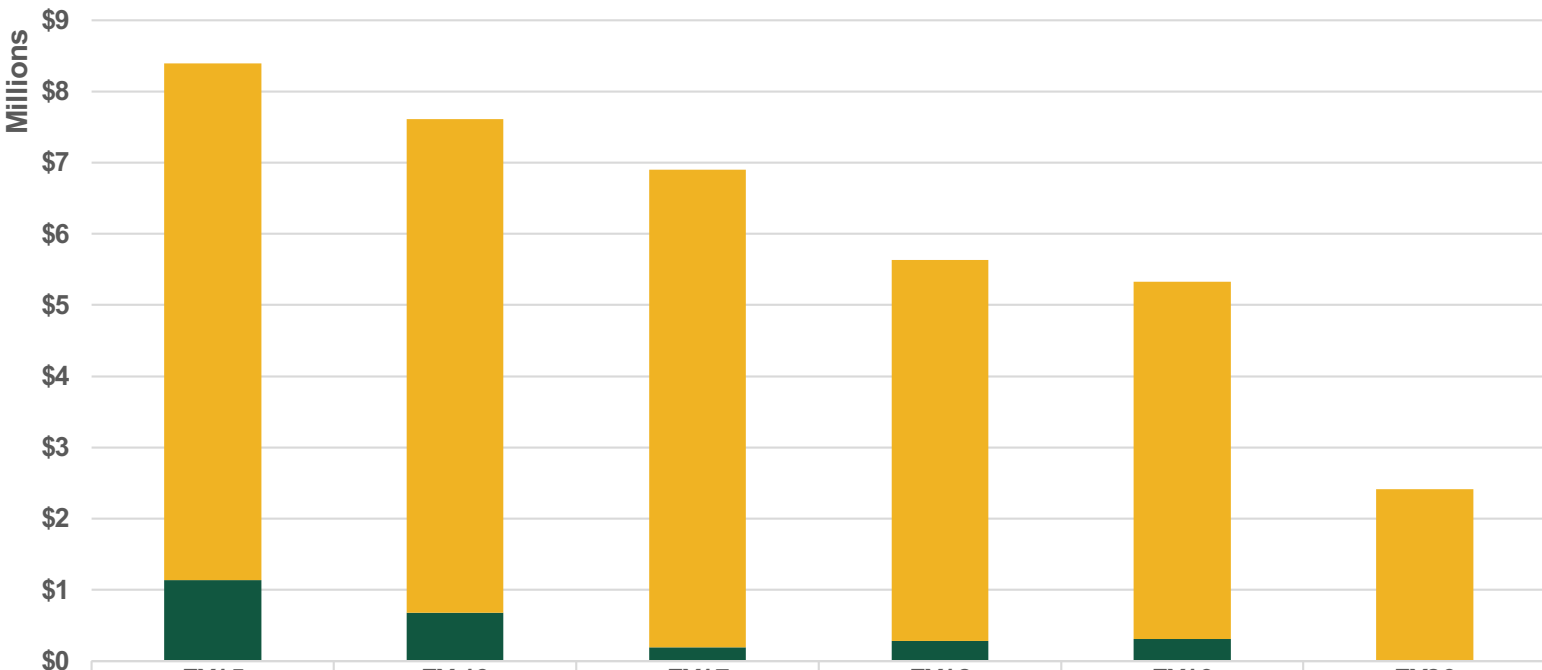
FY20 Budget (in \$ millions)



FY20 Actual (in \$ millions)



### Tribe Club Reserve Balance



	FY15	FY 16	FY17	FY18	FY19	FY20
Restricted Balance	\$7,260,880.37	\$6,936,517.67	\$6,711,257.14	\$5,352,681.81	\$5,014,880.82	\$2,406,291.98
Unrestricted Balance	\$1,137,904.97	\$677,319.41	\$194,138.64	\$279,993.15	\$313,004.33	\$7,389.83

■ Unrestricted Balance    ■ Restricted Balance

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## Question #2

How can W&M Athletics achieve budget stability, addressing the structural deficits exacerbated by COVID-19?

# Levers to Address the Structural Deficit

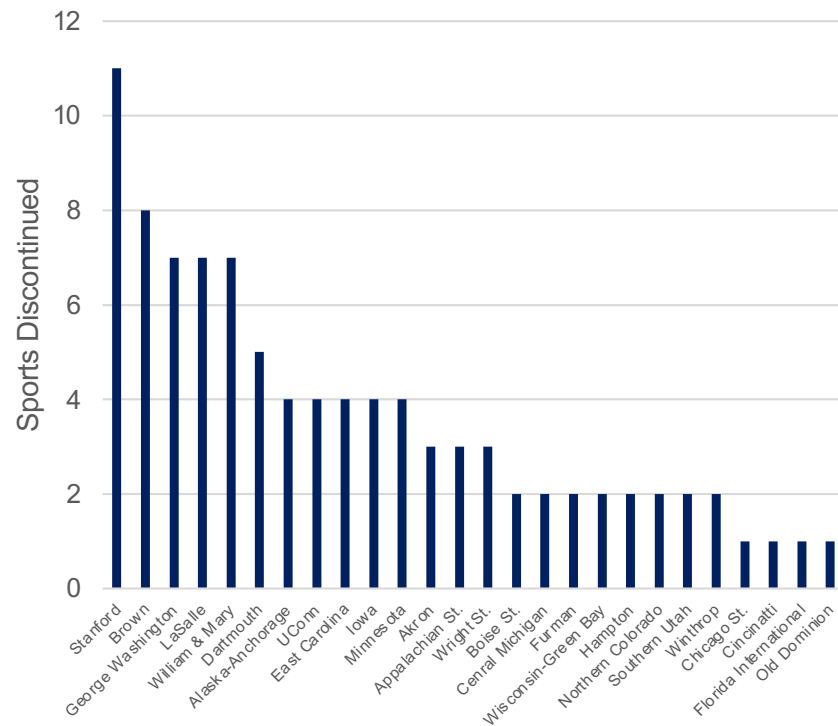
## Available Budget Levers

- ✓ Reduce number of games
- ✓ Reduce travel (i.e., road games)
- ✓ Personnel actions (support staff)
- ✓ Fundraising initiatives
- ✓ Debt restructuring
- ✓ Sponsorship
- X Cut all sports' budgets – less savings, diminished competitiveness
- Reduce sports offerings
  - Temporarily suspend sports – less savings, requires suspending more sports
  - Discontinue sports – more savings, affects fewer sports, reclassification possible as club sports

## Unavailable Budget Levers

- By state law, Athletics must be self-sustaining
  - W&M cannot shift funds from other sources to subsidize Athletics
- Student fees
  - W&M has among the highest student athletic fees in VA. Significant growth is not viable.
- Unrestricted private funds
  - Already designated for other mission-essential needs
  - The pandemic increases demand for these funds everywhere

# Sport Sponsorship Reductions

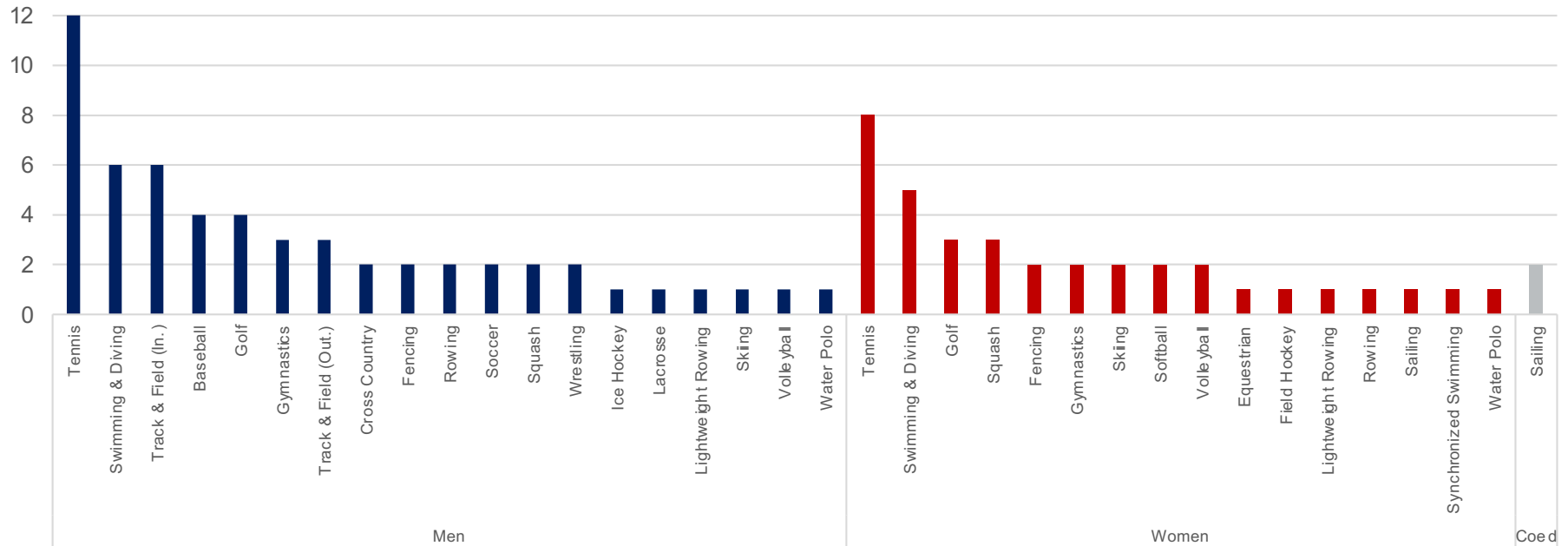


As of September 29, 2020:

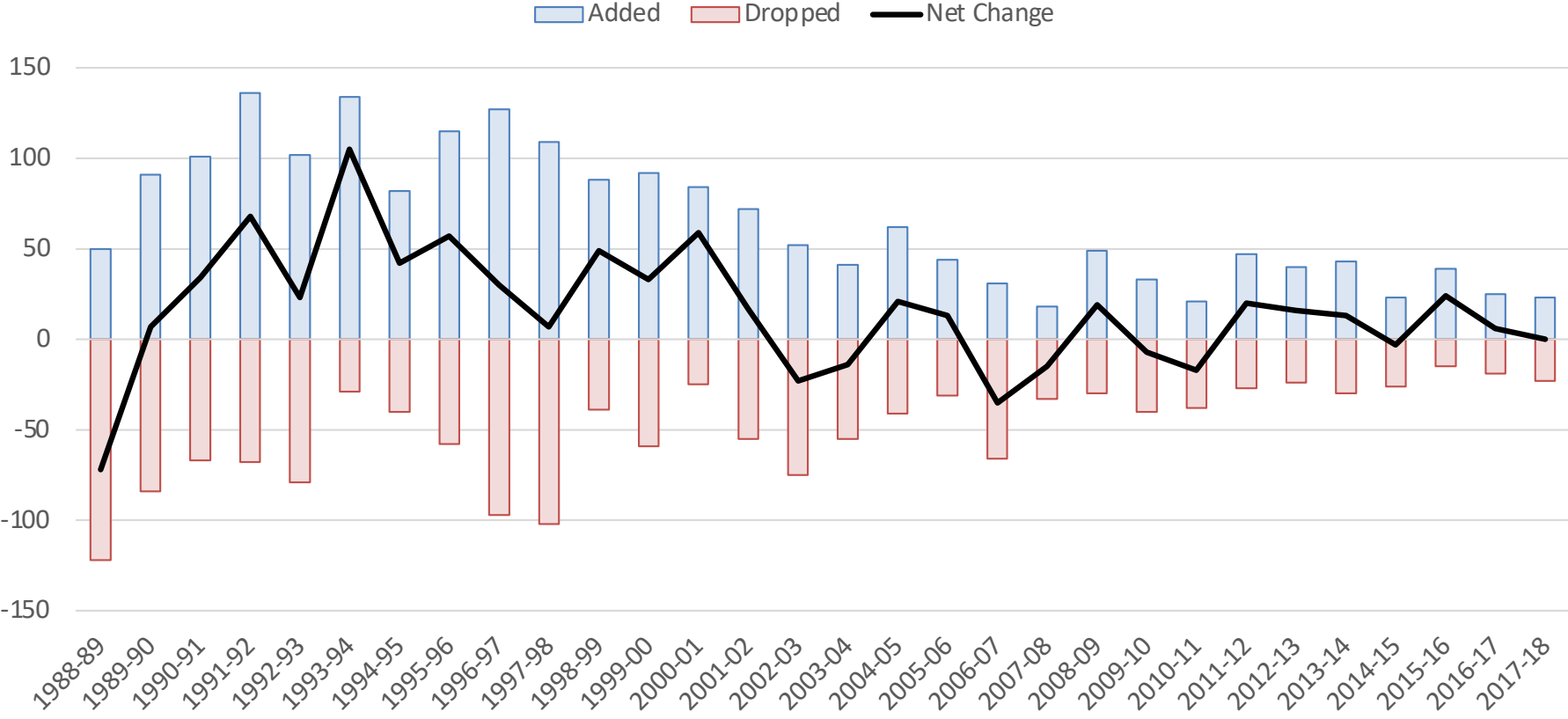
- 26 NCAA Division I institutions have discontinued sports
- In total, 94 NCAA Division I teams have been discontinued
- Big Ten, Pac-12, Ivy League and more

# Program Eliminations by Sport

Discontinued NCAA Division I Teams as of Sep 29, 2020

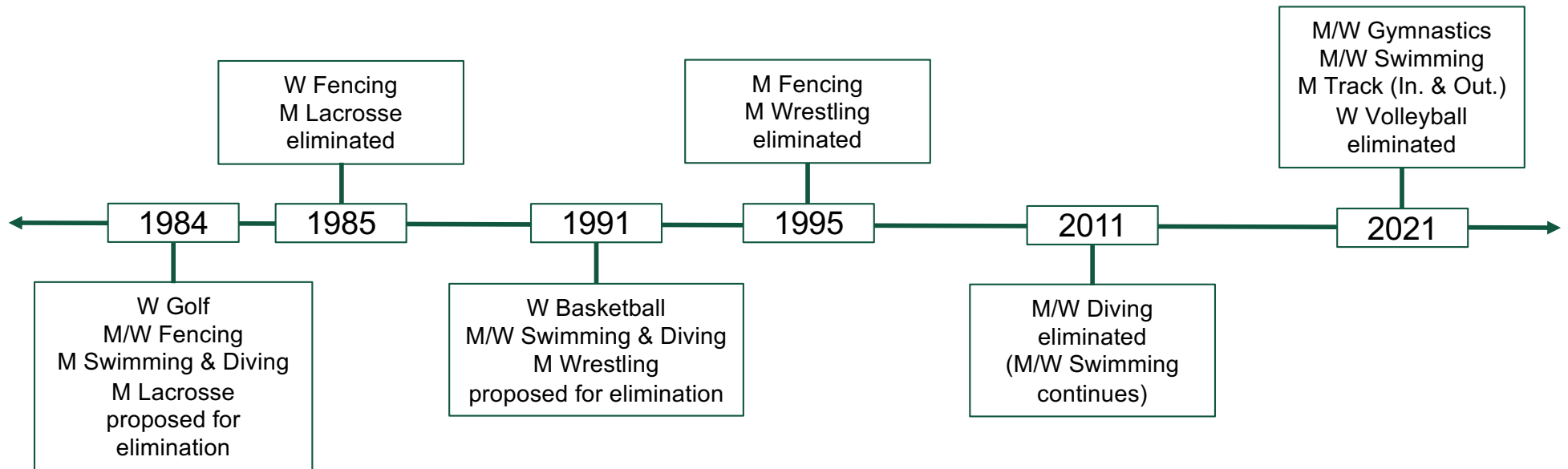


## Total NCAA Div. I Sports Added and Dropped by Year



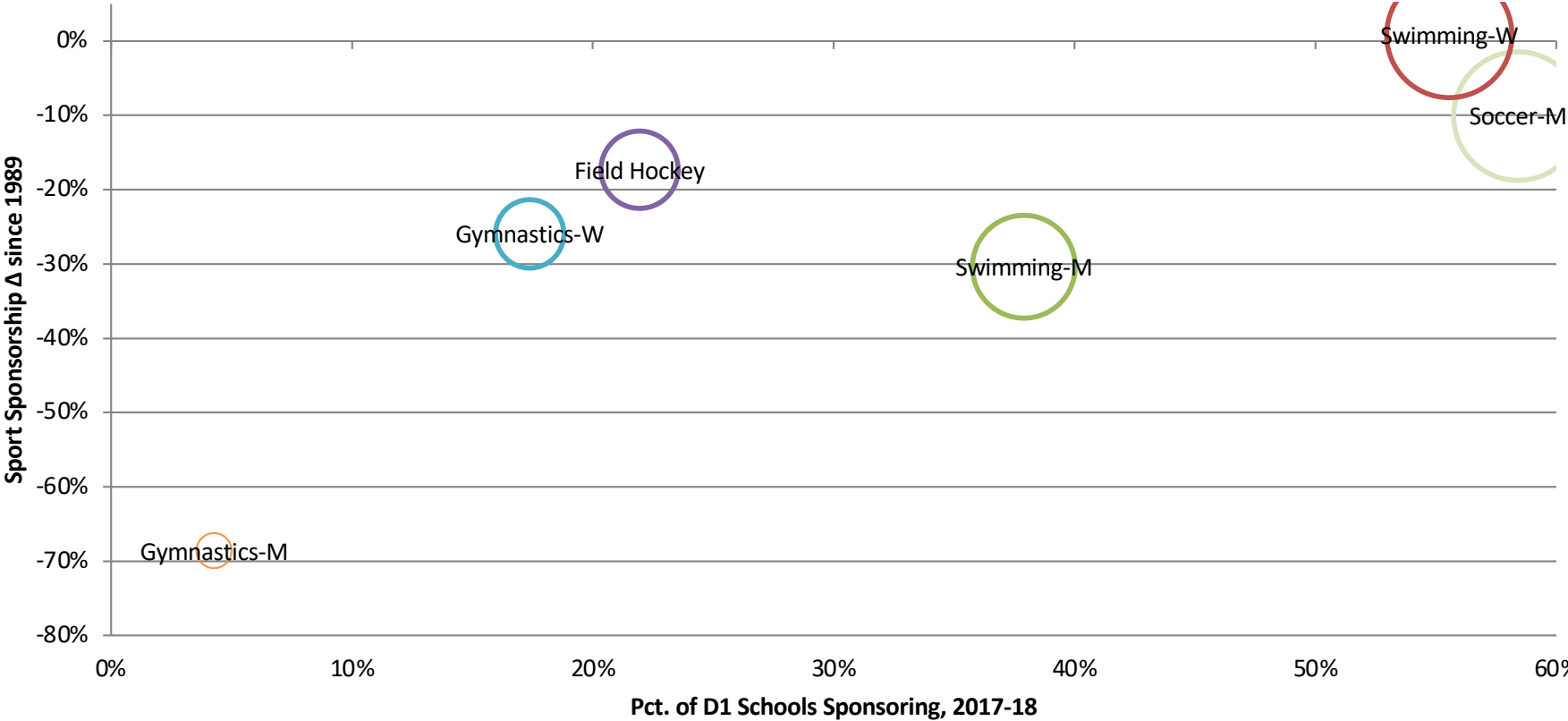
\* Provisional members are included in these numbers. Note: These data do not include schools that dropped membership in each year.

# W&M Sport Sponsorship Over Time



# Declining NCAA D1 Sport Sponsorship, 1989-2018

(bubble size reflect number of D1 programs)



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# LEGAL REQUIREMENTS



# Case Study: Eastern Michigan

- March 2018: citing budget deficits, EMU discontinued wrestling, men's swimming & diving, softball and women's tennis
- September 2018: A preliminary injunction stopped the discontinuation of women's sports, finding Title IX requirements are not affected by financial hardship
- November 2018: EMU announced plans to reinstate women's tennis
- February 2019: EMU loses in federal court, must reinstate softball as well

# Case Study: Eastern Michigan

- January 2020: EMU settles the case by paying the two plaintiffs' (a women's tennis and a women's softball player) attorney fees as well as \$125,000 each. In addition, EMU agreed to:
  - Achieve proportionality by 2022-23 with no more than 1.8 percentage points difference between athletics participation by gender and EMU's student body composition
  - Manage men's and women's team rosters to achieve substantial proportionality
  - Sponsor women's tennis and add women's lacrosse
  - \$2 million more in total investment in women's sports over the next three years

# Title IX Requirements

- “No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal Financial assistance.”
- For college athletics, compliance includes
  - Gender equity (not parity) in athletics scholarships, equipment, facilities and scheduling
  - Meeting a student body’s interest and abilities
- Compliance is determined by any of three prongs
  - Substantial proportionality
  - A responsive history of adding programs for the underrepresented sex
  - Demonstrated accommodation of the underrepresented abilities of the underrepresented sex

# Substantial Proportionality

- “A safe harbor for those institutions that have distributed athletic opportunities in numbers ‘substantially proportionate’ to the gender composition of their student bodies” (Cohen v. Brown Univ., 1993, p. 897)
- In sport reductions, a university must ensure the “safe harbor” of substantial proportionality or incur significant legal risk (e.g., EMU)
- W&M’s student body is now ~60% women, mirroring national trends

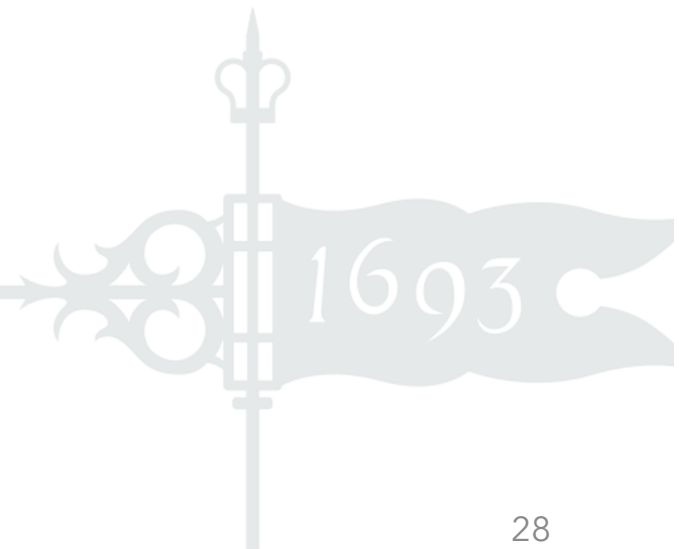
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## Question #3

Does the solution meet the legal requirements of Title IX?

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# FRAMING POTENTIAL SOLUTIONS

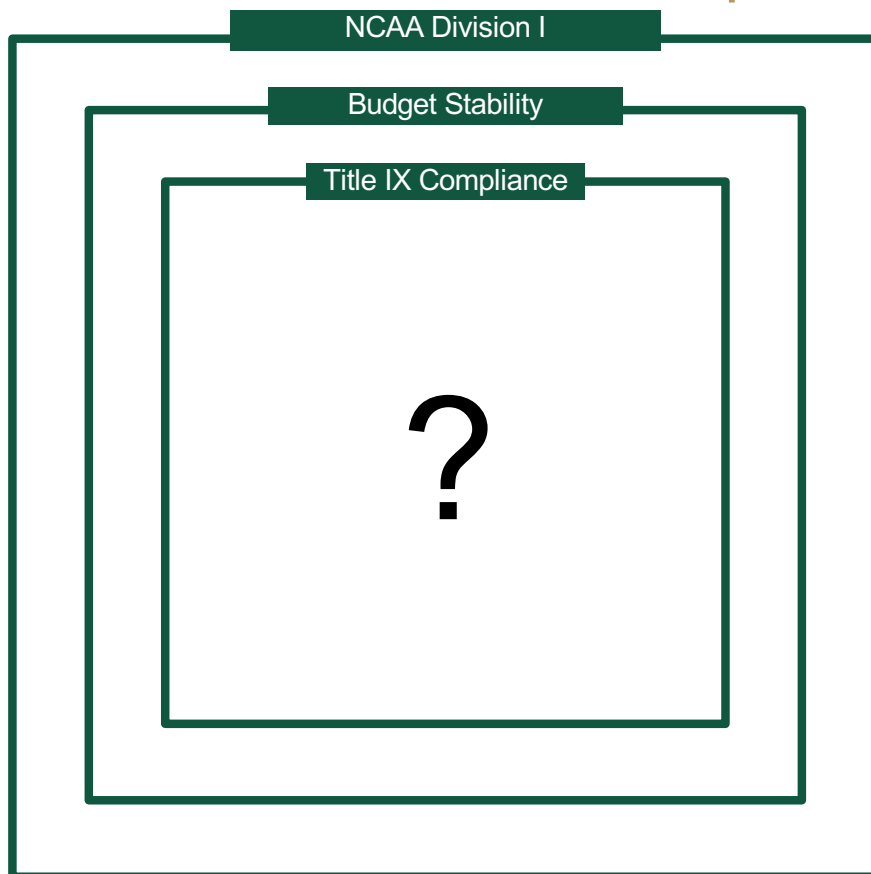


# W&M Athletics 2021 and Beyond



- In September 2020, W&M Athletics announced sport sponsorship in 2021 that:
  - Aligns with NCAA Division I identity
  - Assures Title IX compliance
  - Achieves budget stability
- This comprehensive package is required to successfully address the three questions

## Any Proposed Solutions to W&M Athletics in 2021 Must Also Independently Fit All Three Frames



- In order to be viable, potential solutions for any sport must:
  - Align with NCAA Division I identity
  - Provide necessary resources for budget stability (endowment, etc.)
  - Assure overall Title IX compliance for gender equity, independent of sports already sponsored by W&M Athletics in 2021
- And: ensure that W&M Athletics achieves all three goals comprehensively, for 2021 and future years