

The Organization and Structure of Intercollegiate Sports Finance



As everyone who has an interest in college sports knows, **money is the key enabler** of the sports enterprise created in the early 20th century to sustain football and capture the enthusiasm for college sports into a manageable structure.

Some imagine that college sports is done to make money, but that misses the primary drivers of the activity. Money is the critical element required to build highly competitive intercollegiate athletic programs. The purpose of generating sports money is to spend that money on whatever it takes to recruit the best student-athletic talent possible and bring that talent into the competition to win.

This helps explain some of the peculiarities of the college sports system. Out of the **1,098 college athletic programs** in the country, maybe **20 break even** on their financial operations (and if we fully accounted for all their costs that number would be smaller). If college sports were a money-making business, all but 20 would be out of business. Instead, college sports is, in retail market terms, a **loss leader** that draws customers to other revenue generating activities of the university that among other things, subsidizes sports.

Financing College Athletics

What's the Point?



What Does It Take?

Exceptional Student-Athlete Talent

How Do We Get the Talent?

We Buy It with Scholarships, Facilities, Training, Coaching, High Visibility Games, and Other Student-Athlete Benefits

What Does It Take?

\$\$ MONEY

In the Beginning

- Expenses of competition were paid by fans, by participants, by institutions, by sponsors
- Finances were informal, casual, temporary, and followed the norms of other student and extracurricular activities

BUT football quickly became too big an activity to finance informally

The **Stadium** represents the changed financial requirements, creating a permanent expense, a continuing commitment, and a major capital asset and liability for the institution.

- Temporary one-time payments for the cost of a season can be stopped and started, increased or decreased.
- A stadium requires a major capital investment with a constant obligation to keep it up, operate it, and pay the debt for it.
- The stadium and other physical facilities, often built with debt financing, represent the institutional commitment to college sports beyond a single year and make the institution responsible for athletic expenses.

The Importance of the College Football Stadium

We sometimes imagine that the issue of large investments in facilities is a relatively new development in college sports, but from the earliest days, stadiums were a key element in the development of the importance of college sports, especially focused on football

The table in the following slide illustrates this process. Of particular note here are the size of the largest crowds accommodated in these stadiums in the early days between 1895 and 1927. These are very large facilities, and they represent the exceptional popularity of college football in these early years. As the following slides show, the financing of these venues presented a major challenge. The sources of funding then have continued in one form or another into the present day..

Major College Football Stadiums Prior to 1930

School	Year Built	Capacity in 1920s*	Stadium Name	Notes and sources: * In some cases, these capacity totals represent the largest over-capacity crowds in the 1920s.
U Penn.	1895	78,205	Franklin Field	Once the nation's premier football facility, hosting the Army-Navy game for multiple years beginning in 1899. [http://pennathletics.ocsn.com/sports/m-footbl/spec-rel/franklinfield1.html]
Harvard	1903	57,166	Harvard	Harvard is the nation's oldest stadium according to Harvard's athletic department. True capacity of stadium is slightly more than 30,000. But construction of steel stands increased capacity to 57,166 until their removal in 1951. [http://gocrimson.ocsn.com/facilities/stadium.html]
Yale	1914	80,000	The Yale Bowl	Despite later being the home of the NFL's New York Giants in 1973-1974, the Giants never matched the 80,000 attendance for the Yale vs. Army game on November 3, 1923. [http://www.sfo.com/~csuppes/NCAA/Ivy/index.htm?Yale/index.htm]
Ohio State	1922	71,835	Ohio Stadium	Built at a cost of \$1.34 million. Capacity has increased over the years to more than 100,000. [http://www.sfo.com/~csuppes/NCAA/Big10/OhioState/index.htm]
Illinois	1923	50,000+	Memorial Stadium	Financed by \$1.7 million in donations from more than 200,000 students, alumni, and others. Capacity has increased to more than 70,904. [http://fightingillini.ocsn.com/trads/ill-trads-memorial.htm]
Minnesota	1924	60,000	Memorial Stadium	The second game against Michigan in 1926 drew 60,000 fans, even though various sources list capacity as being in the low 50 thousands. [http://www.msfc.com/ann_before_memorial_stadium.cfm http://www.sfo.com/~csuppes/NCAA/Big10/Minnesota/index.htm]
Pittsburgh	1925	50,000+	Pitt Stadium	Stadium cost \$2.1 million to build. Capacity increased as high as 56,150 before stadium's demolition in 1999. [http://www.sfo.com/~csuppes/NCAA/BigEast/Pittsburgh/index.htm]
Northwestern	1926	45,000	Dyche Stadium	Built at a cost of \$1.425 million. [http://www.sfo.com/~csuppes/NCAA/Big10/Northwestern/index.htm]
Michigan	1927	84,401	Michigan Stadium	Stadium was financed with an issue of 3,000 bonds at a par value of \$500 at 3-percent interest. These bonds guaranteed the right to purchase a ticket between the 30-yard lines for 10 years. Capacity has increased over the years to more than 100,000. [http://www.umich.edu/~bhl/stadium/stadtext/bonds.htm]

The Harvard Stadium

1903

By George P. Morris

HARVARD'S spacious athletic field, given to the University by Major H. L. Higginson as a memorial of his Harvard comrades in the Civil War, and known as Soldiers' Field, now has standing upon it, on a site harmonizing with the scheme for its development outlined by Frederick Law Olmsted, a vast structure of steel-concrete known as the Stadium. In it football and lacrosse are to be played, and track sports carried on. While not entirely finished, it is nearly so. **It is usable and already has been the resort of nearly forty thousand spectators at a single game.** When completed it may have within its walls dressing-rooms for players, handball courts, a rifle range, and other accessories of sport. Besides furnishing a vast, imposing, fire-proof, durable structure suitable for watching rivalry in sport, this edifice bids fair to be the scene of other academic functions of a less strenuous sort. Class Day exercises were held on the sward near the upper end this year.

40 Thousand
seats (1903)

Greek in its design, more than any other building in the country it suggests and rivals those stadia built by men in classic times for vast crowds to sit in and watch tests of the strength, speed, and agility of Greeks and Romans. It is a U-shaped structure with a single curved end and two straight sides, and includes within its outer walls an area of 537 x 420 feet. Tier upon tier of concrete seats resting on steel girders and beams of concrete rise to a height of fifty feet, the seats by three variant angles or are thirty-seven section thirty-one rows in a seating from fourteen to twenty, according to the section. At the first played in the Stadium, the fall of 1903, 23,400 persons saw the game, ants being seated on the standing on the sward. The mainspring and

of the corps of Harvard men responsible for this striking structure has been Professor I. N. Hollis, head of the Department of Engineering of the Lawrence Scientific School. With him have been associated very closely Professor L. J. Johnson, of the same department of the University, and Mr. Joseph R. Worcester, '82, consulting engineer, who are responsible for the work on its engineering and constructive side, and Messrs. C. F. McKim, the well-known architect, and Mr. George B. de Gershoff, '88, who are responsible for the general appearance of the structure and for converting a design guaranteed by engineers into one pleasing to the eye of the critic of architecture and to the average man. Construction was not begun until in Harvard's physical laboratories there had been thorough tests of the concrete-steel type of building, which, because of its first low cost, durability, non-inflammability, and other advantages, is likely to be used more and more.

The Stadium is a memorial of the generosity of the class of '79 and of the thrift of the management of the Athletic Association. The class of '79 gave \$100,000 outright, the Athletic Association added \$50,000 from an accumulated

Total cost in 1903 of \$375K or \$10.9M in 2019 dollars after gifts and saved revenue
Required 100K of debt in 1903 or \$2.6M in 2019 dollars

George P. Morris. "The Harvard Stadium," *The Overland Monthly*, May 1903, pp. 344-345

surplus set aside for this specific purpose, and the balance of the estimated cost (\$225,000 to \$250,000) will come from money borrowed, to be repaid from future profits of the Association.

Forty thousand people intensely interested in a contest of such importance and such fierce rivalry as a Yale-Harvard football match furnish a spectacle rarely surpassed and very informing for the student of humanity *en masse*. It is a rare place to study the psychology of the mob. The scene visible when this building is crowded with people is unsurpassed for its brilliancy of coloring, intensity of human feeling kept within bounds, and the evidence it furnishes of the hold which intercollegiate sport has on the well-to-do classes of American society. Along with fine sport and exceptional opportunity to witness it with unimpeded view, there now goes assurance of personal safety for the spectators, which was not the case when the former wooden grand stands were in use. Moreover, the structure itself serves as a model, educationally and aesthetically considered; and it doubtless is but a forerunner of many structures of the kind on academic athletic fields.

The enthusiasm and commitment of the university and its people are clearly reflected in this article extolling the remarkable construction of this facility and linking it to the major arenas of classical times.

Harvard Stadium: 1903



Funding the Cost of College Athletic Facilities

As the slide above on Harvard's stadium shows, the system for financing college athletic facilities appeared very early in the organization of intercollegiate athletics. The costs of these facilities fell to the university, whether through an athletic department or organization or directly from the university's budget. The university and its athletic programs have used the same mechanisms since the beginning with some significant expansion over the years.

- Gifts from donors
- Intercollegiate competition revenues (tickets, etc.)
- Borrowing with its attendant debt service

In addition, as the intercollegiate competitions became more and more significant as major cultural phenomena, the range of competition revenue greatly expanded to include: fees from radio, television, Internet; ticket premiums for desirable seats; endorsement revenue for advertising placements; and on occasion, special financing from public funds for construction.

The relationship between elaborate and elegant venues and the ability of institutions to recruit the highest level of student-athlete talent became fundamental to the competitive success of college athletic programs.

Palmer Stadium

Then the second-oldest football stadium in the nation, the 45,725-seat Palmer Memorial Stadium officially opened on Oct. 24, 1914, when Princeton hosted Dartmouth before an estimated crowd of 7,000. Knowlton Ames Jr., the son of the legendary Knowlton "Snake" Ames, scored the first touchdown in Palmer as the Tigers defeated Dartmouth 16-12 to make the stadium's opening a success.

Dedication Ceremony

Edgar Palmer '03, the donor of the stadium, was on hand for the opening of this memorial to his father. The stadium officially was dedicated to Stephen S. Palmer Nov. 13, 1914, when Princeton played Yale. In a ceremony on the Friday before the Yale game, Edgar Palmer said that in turning over the stadium to the Trustees of Princeton University in memory of his father, his one wish was that the Princeton teams that play there may play fair and straight and preserve the honor and glory of their alma mater.

Palmer Stadium in 1914 Princeton as described in prior slide



When the **University of California** launched a state-wide campaign in **October 1921** to build a football stadium on campus in honor of the World War I participants who lost their lives on the battlefields abroad, the response and results were staggering.

In only one month, more than \$1 million was pledged by generous supporters of the University and, just two years later, one of the most beautiful athletic stadiums in the world was completed in picturesque Strawberry Canyon.

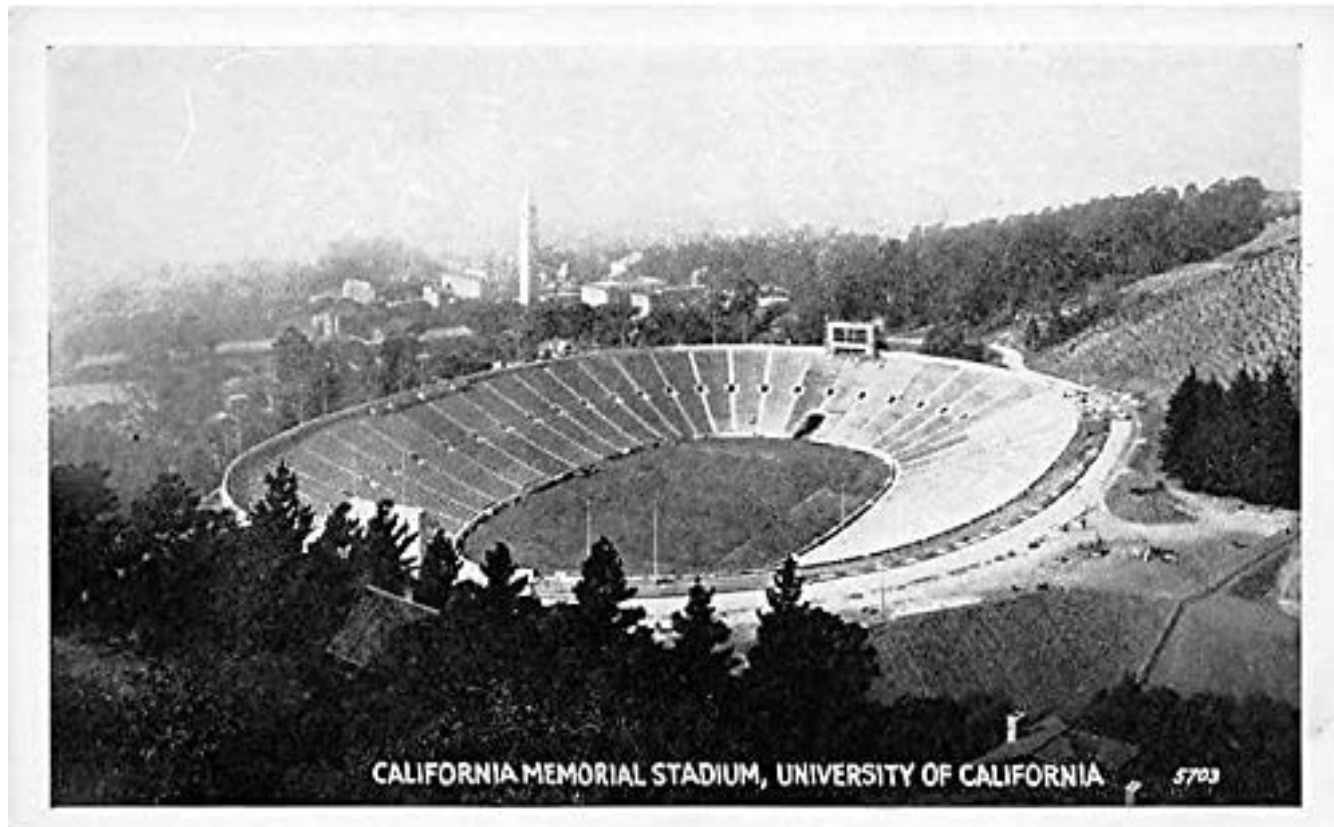
Now, 72 seasons after its 1923 opening, the setting of Memorial Stadium remains one of the most breathtaking sights in all of college athletics. The plush wall of pine trees in the Berkeley Hills to the east is contrasted by a panoramic view of the San Francisco Bay and three bridges to the west.

\$21.6M+ in 2019 dollars

The stadium was completed in time for the Big Game of 1923 at a total cost of **\$1,437,982**. It was constructed in sections with expansion joints to withstand earth movement. Included in the initial construction were 12,000 barrels of cement, 1.1 million feet of lumber for concrete forms, 8,000 cubic yards of rock, 4,000 cubic yards of sand, 600 tons of steel, 800,000 feet of premium lumber which was used for seating and 2,500 pine trees which today serve as the backdrop for the stadium.

Original plans for the stadium called for a capacity of 60,000, but they were altered in favor of a capacity closer to 80,000. The seating capacity has fluctuated due to renovation and other changes, but in 1947, a crowd of 83,000 watched Cal defeat Navy, 14-7 - a feat which may have prompted Cal officials to establish an official capacity for the stadium. In the 1960s, temporary bleachers on the east side were removed and with the added wheelchair seating and aluminum bleachers which followed in the 1980s, the stadium capacity is now officially listed as 75,662.

Vintage Postcard of California Memorial Stadium in 1920s



Money, Regulation, and Payments for College Athletic Competition

One of the difficulties in understanding the financing of intercollegiate athletics is the complexity introduced by the relationship of university financing systems and the regulated expense requirements introduced over the years by the NCAA as it sought to create fairness in the competitive context of college sports.

The simple relationships between income, expenditures, and the production of a college athletic program become significantly distorted by a wide range of regulations that obscure the way money has sustained athletic competition and has been required for success.

In the effort to ensure that college athletes would be managed and treated as if they were regular students who played sports as an extracurricular activity, much of the investment in college sports became disguised through indirect payments or in-kind subsidies, confused by disingenuous labeling.

Eventually, these distortions, greatly exaggerated by the flood of money from the popularity of men's basketball and especially football, produced strains on the regulatory system that are likely to force some significant changes in the regulatory arrangements surrounding the payments required to sustain top level intercollegiate competition.

Recruiting Student-Athletes: Institutional Expenses

Because student athletic talent is the most important element in creating a successful college sports program, it is useful to look at how the university spends money to attract the best players. Because of regulation and the effort to disguise the commercial nature of college sports, many of the institution's expenses for sports are not immediately visible as costs of attracting and retaining the student-athletes. The following slide offer some illustrations of institutional costs associated with attracting and retaining the most athletically talented students to compete in the sports programs.

In most discussions of the costs of college sports, little attention is focused on these issues as student-athlete related expenses, as people see these expenses as institutional expenses for the purpose of satisfying fans or other university constituencies.

But because the critical strategic resource for sports success is student athletic talent, it is more useful to understand these expenses as costs to buy and retain student sports talent. Without the talent, the sports program's teams cannot win, and winning is, after all, the point of the enterprise.

Direct Payments for student-athletes

Tuition and fees+room and board, and other costs such as books and required fees included in a full athletic scholarship are a direct payments on behalf of student-athletes. These are disguised without a price tag to pretend that a scholarship has the same cash value to every student-athlete at every university.

This is deceptive because the total cost of attendance for regular students varies greatly depending on what college they attend.

At Stanford the total cost of attendance is estimated at **\$78,000** per year, so for four years, an athletic scholarship is worth **\$312,000**. At the University of Massachusetts Amherst, the total cost of attendance is estimated at **\$33,190** (in state) or **\$132,760** for four years. Stanford pays a student-athlete over twice as much as UMass Amherst pays. Student-athlete price competition is significant.

Universities compete with each other on the different amounts they pay to directly buy the services of student-athletes, even if the NCAA rules imply that a scholarship has the same value at every institution. This preserves the illusion of fairness in the competition for student-athletes, assuming that the student-athlete does not know the different cash value of a scholarship at UMass Amherst or Stanford.

This conclusion does not remove the arguments around pay-for-play, but clarifies that the student-athletes are indeed paid to play, but perhaps not paid enough.

Cash Value of Payments for Student-Athletes on Full Scholarship

Stanford Student Budget	
Tuition	55,473
Room and Board	17,255
Student Fees Allowance	1,995
Books and Supplies Allowance	1,290
Personal Expenses Allowance	2,205
Total	\$78,218
4-year Total	\$312,872

In-State University of Florida	
Tuition / Fees	6,380
Books and Supplies	890
Computer/Cell Phone	1,170
Housing	5,990
Food	4,600
Transportation	1,120
Clothing Maintenance	860
Personal	420
Total	\$21,430
4-year Total	\$85,720

Direct University Expenses to Recruit the Best Student-Athletes

Universities also spend significant funds on other purposes that are directly related to the recruitment of student-athletes. These are expenses that would be significantly less or not exist at all but for the value they provide to prospective and active student athletes. Two of the more important and expensive are coaching and facilities.

Coaching

All student-athletes want to be part of a winning team, and the quality of the coaches is regarded as an essential element. Consistently winning coaches are expensive to acquire. Student-athletes of talent will sign to play with a college whose coach is seen as one most likely to produce a winning team. The price of coaches is set in the open marketplace and is unregulated because to do so would be an illegal constraint of trade. The high prices for coaches is a reflection of their ability to recruit, train, and deliver winning student athlete talent. The student-athlete is attracted by the quality of the coach, reflected in the coach's price.

Facilities

Universities use the quality and extravagance of their athletic facilities to attract the best student-athletes, and the cost of these facilities are an important cost of buying talent. In the recruitment of student-athletes, colleges and universities show off the quality of their facilities as a token of how much the university will spend to promote the success of a recruited student-athlete. These facilities include stadiums, practice facilities, locker rooms, specialized weight and training rooms, and special recreation facilities,

Ranking College Football's Top 10 Coaches for 2019

“Ed Orgeron was by no means a one-man band, with an elite staff that included Broyles Award-winning passing game coordinator and wide receivers coach Joe Brady, but Orgeron retooled his cabinet where he saw fit and **has proven to be a top recruiter. Orgeron's vision came full circle in 2019, pulling together one of college football's greatest all-time teams.**”



From: Ranking college football's top 10 coaches for 2019
By [GARRETT STEPIEN](#) Feb 12, 2020, 247Sports (emphasis added)

Basketball Practice Facility Design Addresses Athlete Needs

"In both basketball and football, college has really driven the training facility landscape... The thought at the college level has been that **recruiting is such a big part of it that you have to have a bit more opulence, something that will catch the attention of a 16- or 17-year-old kid in order for them to come to your school.** In the professional ranks, it was about contracts, so the facilities could be a bit more utilitarian. Now, what you're seeing with free agency is that there has become a bit of a recruiting cycle even within professional sports. ...Particularly in the basketball world, **there's not a lot of difference between today's NBA teams and today's collegiate teams.** They're generally the same age. The NBA is becoming more of a young man's game, with the whole notion of the one-and-done rule."

"Title IX is a driver in facilities like this. **What you do for the men's program you have to unequivocally do for the women's program,** so a lot of the time you see these facilities having a mirror image — one side for the men, one side for the women," ... "Generally, the basic program consists of a court or a court and a half or two courts that are dedicated to each of the teams, and then each team will have their own locker room, their own film room, lounge, coaches' offices and meeting rooms. "

Indirect benefits provided student-athletes to recruit them to the university. These benefits are also used to recruit regular students, but are of considerable value to student-athletes as well. These do not increase the cost of intercollegiate athletes significantly.

Visibility and Prestige

Student-athletes often are recruited with the expectation that their value will be increased as possible professional athletes by the visibility and prestige of the sports program. This is expressed through elaborate television, radio, internet, special promotions, large audiences in fancy stadiums, and endless publicity opportunities. Visibility translates directly for the pro-bound athlete and some of these prestige elements are highly valued by all students.

Preferential Admission

This is a high value to the student-athlete in many cases and is paid by admitting student-athletes to the university to participate in intercollegiate sports whose academic preparation in high school was significantly below the level required of regular students. This is an important value at selective colleges and universities.

Other **Indirect Benefits** that serve to attract talented student-athletes to a university's program. These are not costs specific to the athletic program, although often student-athletes receive preferential admission to enrollment limited programs.

Specialized Majors

Many student-athletes recognize the unlikely transition to professional sports and are recruited to play with the promise of participation in a desirable academic major such as sports management or in some cases medical or business or finance fields. Valuable for all selective institutions, this is often an effective competitive advantage for Division III highly selective institutions.

Post Graduation Support

Many student-athletes want to see active and engaged alumni groups, a tradition of helping student-athletes get jobs after graduation, a high level of internship activity, and other networking opportunities. This is especially important for student-athletes who do not anticipate a professional sports career, but it also matters to many pro-oriented student-athletes because even if they go pro, their sports careers tend to be short and networking helps after sports is over.

Recruiting and Student-Athlete Special Benefits

The multiplicity of inducements used to recruit desirable student athletes to the universities and the indirect nature of many benefits they receive that are not available to regular students, make it difficult to see the significance of the total package of special treatment provided to superior sports talent. The indirect nature of many benefits seeks to evade the NCAA rules about the fair nature of sports competition between individual institutions, but they have the effect of leaving the impression that student athletes are poorly treated by their colleges and universities.

The benefits student athletes receive are far superior to what normal or even superlative non-student athletes receive. These benefits may not be sufficient to compensate college athletes for the true cash value of their services to the institution, but at the same time, it is inaccurate to say they are not paid.

The NCAA's rules are always designed around the notion of competitive fairness: the expectation that teams that meet on the field are constructed and supported in mostly the same way by every institution.

The cases listed below and available on the NCAA infractions website make clear the complexity of the rules and the willingness of coaches, boosters, and prospective student athletes to violate them.

Managing the Benefits Used to Recruit Student-Athlete Talent

Controlled

- By NCAA and Conferences
- Competition is based on ability to deliver better within the rules

Cheating

Exceeds the limits imposed by the rules or engages in activities prohibited by the rules

- Penalties make this less effective for all programs but some believe it is worth the risk.
- All programs subject to cheating because cheating helps teams win.
- Incidence of cheating function of effectiveness of enforcement.
- Goal of enforcement is to minimize value of cheating not necessarily to eliminate it.

For those items not significantly regulated by NCAA or Conferences

- Amount institutions do is a function of financial capacity
- Most competition beyond the controlled items takes place here
- The levels of expenditure for this competition are mostly unregulated.
- The competition is available to all institutions in all divisions.
- When competition appears destructive, NCAA often regulates and moves item from unregulated to regulated activity.

Paying Student-Athletes to Play:

Some Considerations for a Future Commercial System

How might we begin to monetize benefits to a student-athlete as part of a pay-for-play system?

Current Benefits to the Student

- Cash value of tuition and fees/room and board/books as illustrated in a prior slide
- Calculated Cash value of intangible benefits such as visibility and brand, facilities, coaching, specific to student-athletes but not available to other students

Current Cash value of athletic enterprise and quality of athletic performance to the University:

- Differential value to the university of an athlete depending on sport, position, and quality
 - Quarterback worth more than kicker or defensive lineman
 - Potential value based on measurable quantities such as time on field, sacks
 - Endless performance data available which could be used.

Differential value of various sports to the university:

- Football, Basketball (men vs women),
- soccer (men vs women),
- track and field

Probably need to follow professional model where player compensation managed through a complex, negotiated and unionized contract process with salary caps and other similar regulations

Difficulty with university is that pros have different unions and compensation rules for each sport
Colleges make an effort to treat all full scholarship athletes the same, whatever the sport
This would likely not be sustainable in a market based system and would require new legislation much as exists for professional sports

What Are Some Current Professional Compensation Levels

The minor leagues all contain many players who expect or hope to improve their skills and be invited to play in the major leagues. This, of course, is what is the case for some college student-athletes who participation in intercollegiate sports is seen by them as preparation for a possible professional career.

So perhaps one way to index the compensation of college players, is to look at the compensation of minor league professionals. The payments vary widely depending on the skill and promise of the minor league participant but here are some reference points:

In the NBA minor league, the G league, the average salary is low, at about \$35K per year. A superstar basketball player out of college, however, could possibly earn something in the \$500K range. More likely median range in the NBA might be \$200-300K with various bonuses possible. Superstars are, of course, in the millions.

There is no football minor league. So college serves as the NFL minor league.

In baseball, minor league AAA players earn perhaps \$80K .

NBA salaries range from \$50K to about \$40M. A median NBA salary might be \$2M.

The following slide shows the complexity and levels of starting NFL salaries.

2019 NFL Draft Analysis -

Average Guaranteed Dollars by Draft Round

1st Round – \$16,939,370

2nd Round – \$3,786,853

3rd Round – \$946,211

4th Round – \$692,925

5th Round – \$301,369

6th Round – \$161,745

7th Round – \$88,795

(These numbers include base salary, signing, roster and option bonuses that are guaranteed)

Undrafted Free Agents

\$5,000 (Average Signing Bonus)

Players that are drafted sign 4 year contracts

Players that are not drafted sign 3 year contracts

So an undrafted contact done in 2020 would be 3 years with no signing bonus or \$2,285,000 (nothing guaranteed)

2020 Rookie Minimum Salary:

\$610,000

Weekly pay if on 53 man roster:

\$35,882

2020 Practice Squad

Weekly Pay: \$8,400

(\$142,800 if on all 17 weeks)

Base Salaries:

2020: \$610,000

2021: \$660,000

2022: \$705,000

Training Camp/ Pre-Season

Pay: \$1,150.00

Off-Season Pay

(OTA's/Mini

Camp): \$235 per

workout – 3 to 4 per

week depending

Post Season Pay:

Division Winner:

\$33,000

Wild Card:

\$30,000

Division Playoff:

\$33,000

Conference

Championship:

\$59,000

Super Bowl Winner:

\$130,000

Super Bowl Loser:

\$65,000

Performance Based

Pool: If a player plays one down in a regular season game he is eligible. This is a lump sum of money paid out after the season based on each player playtime percentage.

Other Considerations for a Pay-for-Play System

College players will negotiate for **compensation for advertising and appearance fees**, as the current the first opening expected for college players to commercialized their celebrity. This would require players to have **agents and other representatives**, and the university would need rules to prevent **conflicts of commitment or interest**.

These payments would be specific to an **individual athlete's market value**, not determined by the university but only requiring institutional approval to avoid conflicts of interest and commitment. The university would have no involvement in setting amounts or negotiating contracts. A model, similar to what exists today for coach compensation for shoe contracts, endorsements, appearance fees, and the like, could be developed.

The system of college intercollegiate sports would be significantly different with these payment models or others like them, and the pressure to create them is substantial.

No one knows how to deal with the **current issue of gender equity in college sports** in a world in which there is big money to pay male basketball and football stars, but less money for sports with women competitors.

Why Not Encourage College Athletes to Go Pro?

Another solution to this compensation, pay-to-play, issue would remove restrictions on college athletes seeking to go pro. Universities could allow any student-athlete to hire an agent and try out for a professional minor or major league team. If hired, the student-athlete would lose eligibility for college and become a full professional. If not hired, the student-athlete could return to college and continue to play for the duration of their college eligibility.

Some professional leagues such as the NFL and the NBA would need to remove the restrictions that prevent individuals below a certain age or a certain number of years out of high school to try out for their teams and compete if selected. This is especially true in basketball where top college talent is easily within the range of NBA professionals. The current One-and-Done pattern is eloquent testimony to the artificial restriction that prevents young talented basketball players from trying out for professional teams.

Similar arrangements could be developed for other sports such as tennis, or lacrosse, or golf for examples.

What are some examples of NCAA regulations to deal with the issues of financial competition for student-athletes?

Why does the NCAA have to continuously revise their financial rules?

Does the NCAA's regulation of financial competition work as well as other governmental or non-profit regulators?

How would you design a Pay-for-Play system for college athletes?