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#### **Sports**

# Why students foot the bill for college sports, and how some are fighting back

By Will Hobson and Steven Rich November 30 at 3:11 PM

At Texas A&M University, the president's proposal to charge all 50,000 students \$72 a year to help pay for a \$450 million football stadium renovation brought protests.

At Clemson University, the athletic director's idea to charge all 17,000 students \$350 a year to help him keep up with competition brought pushback from student government.

At the University of Kansas, a walk-on golfer's push to eliminate a \$50 fee all 17,000 students paid the increasingly wealthy athletic department brought a strong — and to some students, vindictive — response from administrators.

And at many of America's largest public universities, athletic departments making millions more every year from surging television contracts, luxury suite sales and endorsements continue to take money from tens of thousands of students who will never set foot in stadiums or arenas.

Mandatory student fees for college athletic departments are common across the country. Often small line items of a couple hundred dollars on long, complex tuition bills, these fees make millions for athletic departments at larger colleges.

In 2014, students at 32 schools paid a combined \$125.5 million in athletic fees, according to a Washington Post examination of financial records at 52 public universities in the "Power Five," the five wealthiest conferences in college sports.

To rich athletic departments, these fees represent guaranteed revenue streams that, unlike ticket sales or booster donations, are unaffected by on-field success. To less flush departments, increasing student fees is one way to keep up.

Athletic directors defend fees as well worth what their programs give back to schools.

"Athletics is a common good, bringing people together, developing relationships, unifying the institution, bringing fantastic exposure," said Virginia Athletic Director Craig Littlepage, whose department charges undergraduates \$657 annually.

To advocates fighting to keep college affordable, however, athletic departments that continue to charge mandatory student fees as their income rises are making America's student debt problem worse.

"These students are being forced to pay for something that they may or may not take advantage of, and then they have to bundle this into student loans they'll be re-paying for 10 or 20 years," said Natalia Abrams, executive director of the nonprofit Student Debt Crisis.

"It's a huge problem in higher education," said David Catt, the former Kansas golfer. "You think you're paying for a degree and you wind up as a piggy bank for a semi-professional sports team."

#### 'They do it because they can'

For the roughly 20 million college students in America, the money they — or their lenders — pay schools every semester covers much more than professor salaries and dorm upkeep. Many colleges tack on fees to tuition bills to fund complementary aspects of college life such as libraries, computer labs and campus buses.

For hundreds of thousands of students who attend Power Five schools, one of those departments that can charge a fee is making a lot more money from other sources than it used to: athletics.

From 2004 to 2014, the combined income of 48 athletic departments in the Power Five rose from \$2.67 billion to \$4.49 billion. The median department saw earnings rise from \$52.9 million to \$93.1 million.

As more money has come in, a few schools have gotten rid of student athletic fees, including both powerhouse Alabama (\$147.2 million in 2014 athletics earnings) and middle-of-the-pack Missouri (\$82.2 million).

"We take pride in the fact that we carry our own weight and pay our own way," said Tim Hickman, Missouri athletics chief financial officer.

This fall, Kansas State athletics announced it would phase out its student fee by 2020. In 2014, Kansas State athletics made \$72.4 million and charged \$500,695 in student fees.

"If you look at the financial pressure on students, the increased cost of tuition . . . it was time to have those dollars be available for other things," Kansas State Athletic Director John Currie said.

While all Power Five schools are making more from television rights contracts — which are paid primarily to conferences, who then split up the money among member schools — only some athletic departments, usually ones with strong football teams, also have been able to get ticket sales, endorsements and royalties to surge.

At Florida State athletics — which made \$96.8 million in 2014 — officials justify a \$237 fee that generates \$8 million by pointing out students get free admittance to Seminoles football games. This is a benefit for the 16,000 students who snag student seats at Doak Campbell Stadium. There are more than 32,000 undergraduates at Florida State, though.

At some departments, athletic directors are increasingly dependent on student fees to help them keep up with bigspending rivals. At the University of Virginia, student fees for athletics generate \$13.2 million per year that Littlepage said he needs to cover his budget.

From 2004 to 2014, under Littlepage's watch, Virginia athletics spending rose from \$50.3 million to \$87.4 million, including significant increases in coaches pay (from \$8.6 million to \$18.1 million), and debt and maintenance costs on facilities (from \$2.5 million to \$15.2 million).

(All 2004 figures are adjusted for inflation.)

Littlepage has been unable to get earnings to rise enough to keep up. In 2014, Virginia athletics made \$70.5 million, \$17 million less than it spent. In a decade, Virginia has increased its student fee from \$388 to \$657.

"We're all facing a lot of the same economic pressures, but it's not an entirely level playing field," Littlepage said.

For Paige Taul, a 19-year-old Virginia student who earns \$8.25 per hour as a cashier at the campus bookstore, this means she works about 80 hours just to pay off her debt to athletics.

"Wow. That doesn't seem fair," said Taul, who expects to graduate with at least \$30,000 of debt. Taul doesn't go to football games, she said. She's usually working.

At Rutgers, students pay about \$326 each, generating \$10.3 million.

"It's crazy. It's a struggle for me, every semester, to get the money together," said Rutgers sophomore Eric Dillenberger, 20, who works summers as a short-order cook at a pizza shop. He expects to graduate with at least \$25,000 in debt.

"It should be an option, whether you want to buy tickets or not," Dillenberger said.

At many schools, fees aren't controversial. At Auburn, administrators raised the student fee more than 400 percent in 2006, from \$36 to \$192 per year, and Athletic Director Jay Jacobs said students never complained.

Auburn students also have to pay for football tickets, but an athletics spokeswoman said the fee, which generates

\$4.4 million, allows Auburn to discount student tickets.

Outside the Power Five, athletic departments lacking annual windfalls from television networks are even more reliant on student fees.

Jeff Smith, a business professor at the University of South Carolina-Upstate who has studied financial records from hundreds of schools, estimates students across the country borrow nearly \$4 billion per year to pay off athletic fees.

Some smaller schools charge more than \$2,000 per year in athletic fees, Smith found.

"They do it because they can. Most schools, it goes through the student government . . . and you're always going to have kids who like sports and don't understand the big financial picture," Smith said. "When you have a president or a dean saying 'This is good,' most students will just go along with it."

Sometimes, students don't. In the last few years, students in Texas, South Carolina and Kansas have looked at their tuition bills and the surging amount of money flowing into athletics departments and asked administrators variations of the same question: Why do you need my money?

#### Normal doesn't apply

With a devoted fan base and deep-pocketed donors, Texas A&M athletics had gotten by for years without a student fee.

But as A&M planned an ambitious \$450 million stadium renovation — which included a new 7,700-square-foot high-definition video board and a luxury suite section featuring a baby grand piano and crystal chandeliers — former university president R. Bowen Loftin decided it was time to change that.

In late 2012, Loftin's administration put together a financing plan that called for \$75 million from students over 30 years, through increased ticket prices and a new \$72 fee.

Spread across all students at Texas's largest public college, the fee would generate about \$3.6 million per year.

It's difficult to overstate the popularity of football at Texas A&M, where many traditions center around Aggies football, including midnight "yell practice" before games. But when the administration approached students about a fee to support their beloved Aggies, the students balked. A poll found 65 percent of students opposed.

Kyle Field's expanded student section would hold 30,000. A&M had 50,000 students. Some conservative students began condemning the fee as a tax.

"It's unfair to make people who will never use that stadium pay to make my football game experience better," said Scott Bowen, 25, a former member of A&M's student senate.

Cary Cheshire, 23, another former student senator and conservative activist, agreed.

"College administrations need to view students as students, rather than walking checkbooks," Cheshire said.

When Loftin took the proposal to A&M's board of regents in May 2013, a few students protested, some holdings signs that read "\$TOP WASTING MY MONEY" and "REPEAL LOFTIN'S \$LU\$H FUND."

The board approved the fee. But in two years since, A&M has not added it to tuition bills.

"As we predicted, the university had no trouble at all funding [the stadium] out of the money they already collect," said Bowen, now a chemical engineer in Houston.

Loftin, who left and took over as chancellor at the University of Missouri before resigning that post earlier this month, did not respond to multiple requests to comment.

In an interview, A&M spokesman Shane Hinckley said while the university has not needed the new fee yet, that doesn't mean it never will.

"We have not needed to impose it at this time, but that doesn't mean we won't need to impose it down the road," Hinckley said.

About 1,000 miles away in South Carolina, Clemson Athletic Director Dan Radakovich ran into trouble when he started pushing for a new \$350 student fee last year.

In a series of meetings with the Clemson student government, Radakovich failed to win over then-student president Maddy Thompson. In a telephone interview, Thompson said Clemson athletics officials were vague about why their department — which generated \$70.4 million in 2014 revenues, up from \$49 million a decade before — needed another \$6 million from students, who get into football games for free.

"All they would say was their costs had gone up," said Thompson, now a law school student at the University of North Carolina. "We just didn't think it made sense. . . . Do we really want all students paying so they can recruit better athletes?"

In an interview, athletics department spokesman Joe Galbraith noted that Clemson is the only public school in the Atlantic Coast Conference or Southeastern Conference that does not charge a student fee and also doesn't charge for

student tickets.

A few months after the last meeting between student government and athletics, Radakovich appeared before the South Carolina legislature. He needed approval to buy a new private jet for Clemson athletics. Radakovich promised legislators he wouldn't need student fees to pay for the \$4.5 million Cessna Citation CJ2, and lawmakers approved the purchase.

About 1,000 miles to the west in Lawrence, a battle to eliminate a student fee at the University of Kansas ended differently.

In two years as a walk-on golfer, Catt got an inside view of Kansas athletics and began to wonder why the department needed \$50 from each student every year in addition to ticket payments.

In two years, Kansas athletics spent \$9 million in severance on fired football coaches Mark Mangino and Turner Gill. When Catt did not notice any corresponding layoffs or cutbacks, he decided to do some research.

Catt reviewed financial statements that showed Kansas athletics income rose from \$50.8 million in 2005 to \$93.6 million in 2013. In early 2014, Catt sent a 35-page report to the student senate, arguing that the fee, which produced about \$1.1 million for athletics, should be eliminated.

"Students were seeing a rise in tuition, more student debt . . . and the athletics department was making more and more money every year. It just didn't seem like they needed it," Catt said in an interview.

Catt's report was persuasive. Students voted to kill the fee. Athletics administrators fought back, though, and eventually won a compromise from the chancellor that kept a reduced \$12 fee. Ultimately, the change cost Kansas athletics about \$350,000.

Kansas athletics administrators weren't satisfied. A few months later, they eliminated one of the best student sections at men's basketball games - 120 seats right behind the Jayhawks' bench - and gave the seats to donors who contributed at least \$25,000 per year.

"When the student government proposed [eliminating the fee] . . . it made it very clear that it wanted the athletic department to find other ways to raise revenue," Kansas athletics spokesman Jim Marchiony told a local newspaper. "That's what we did."

When Catt talks about the experience today, one comment from a deputy athletics director sticks out in his mind.

"He told me, 'We're in the business of being great, and it costs money to be great,' " Catt recalled.

A few months later, Kansas fired football coach Charlie Weis, who won just six of 28 games at the school, taking on another \$5 million in severance.

"It became clear in our meetings," Catt said, "that normal economics don't apply to anyone in Kansas athletics."

#### It all adds up

These public Power Five athletic departments took in the most money in 2014 from mandatory student fees. For poorer programs, increasing fees is one way to keep up with big-spending competition.

	Student fee income (millions)	Overall athletic revenue (millions)	Annual fee for fulltime undergrad
Virginia	\$13.2	\$70.5	\$657
Maryland	\$11.3	\$55.3	\$406
Rutgers	\$10.3	\$40.3	\$326
Florida State	\$8.0	\$96.8	\$237
Virginia Tech	\$7.8	\$65.0	\$288
North Carolina	\$7.3	\$76.5	\$279
N.C. State	\$6.7	\$63.8	\$328
Utah	\$6.1	\$46.6	\$171
Georgia Tech	\$5.1	\$61.4	\$254
Auburn	\$4.4	\$109.3	\$192

Sources: NCAA financial records, schools

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