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Rising Criticism as Rutgers Invests in Athletics

By KATIETHOMAS

NEW BRUNSWICK, N.J. — Ask students like Usha Persaud about the Rutgers football team, and they do not talk about its weak offense or whether the <u>Scarlet Knights</u> have a chance against Connecticut in Saturday's homecoming game.

Instead, Persaud brings up the campus buses, on which it is harder than ever to get a seat. Or the microphones in the lecture halls, which malfunction so frequently that Persaud and her friend Sushant Bandarpalle have taken to sitting up front to hear their professors. And did she mention that tuition went up?

Fair or not, Persaud and several other students said that they could not help but link their own hardships to news that the state university planned to move ahead with \$102 million in football stadium renovations or that the athletic department received more than \$2 million in state earmarks when overall financing to Rutgers was being cut.

"I think it's ridiculous, because there are so many more things they could be spending their money on, like technology in the classroom," said Persaud, a junior majoring in biology and psychology. "Or more buses."

The mood is sour here these days, and it is not just because the football team is 1-5 this season. Reports about lax and sometimes secretive spending in the athletic department, published in The Star-Ledger of Newark and other New Jersey newspapers in recent months, have come as students are being asked to accept new sacrifices.

Tuition, room and board for undergraduates increased 6.5 percent this year, and the state legislature cut funds to the university by 10.8 percent. On Monday, the president of Rutgers, Richard L. McCormick, delivered a pessimistic assessment of the institution's financial state amid the national economic crisis and asked top administrators to draw up plans in case the state cuts its financing again in the middle of the year.

Sentiments on campus have changed dramatically since 2006, when the football team was the pride of Rutgers, attracting national attention by going 11-2 and nearly winning the Big East championship. The team's coach, Greg Schiano, was courted by Miami and Michigan, and the waiting list for season tickets grew to 12,000. University officials reported that applications and donations grew with the football team's success. For a time, it seemed, Rutgers football had outgrown its reputation as a national punch line and achieved its longtime goal of

becoming a contender in big-time college sports.

But now, even some football fans are reassessing whether university officials moved too quickly to capitalize on the team's success, including authorizing the stadium renovation plan that is now likely to be scaled back because of the economy and anemic private donations.

"They had one good year, and everybody said this is the beginning of a trend," said <u>George R. Zoffinger</u>, a member of the university's Board of Governors and the chairman of its audit committee, which completed a report in February criticizing the athletic department for poor financial oversight. "One year doesn't make a trend. That's the problem."

University officials were quick to note that athletic department spending did not come at the expense of student services, like the bus system or classroom equipment. Rutgers's \$50 million athletics budget — a mix of private and public money, and revenue from sporting events — accounted for less than 3 percent of the university's total budget. Although several students mentioned both the crowded bus system and broken classroom equipment, the university has not made cuts in either area, said Greg Trevor, a university spokesman.

And even if the football team is not doing well, Rutgers's rise in athletic prominence has had positive effects on the university.

"It's become one of the few rallying points for the people of New Jersey," said Robert E. Mulcahy III, the Rutgers athletic director. "It's something that we're very proud of."

Students and faculty expressed frustration with university officials, especially given revelations about hidden spending and a lack of financial oversight. Articles in The Star-Ledger, for example, reported that Schiano received an extra \$250,000 a year from a sports marketing firm that once employed Mulcahy's son and that the state legislature directed \$2.25 million over four years to the athletic department, even as the state cut overall financing to the university by \$16.4 million.

"Oh whoops, where did that \$2.25 million out of the last four years of the state budget go, when at the same time they're having consistent cuts to the educational program?" said Jenifer Branton-Desris, a graduate student. "When's the state going to 'oh whoops' \$2.25 million into coursework and programs?"

The athletic department's activities are the subject of an investigation by a university committee, and the state comptroller's office is also said to be looking into the matter. Earlier this month, the university announced it would conduct a legal review of all future sponsorship deals and high-level employment contracts, and it hired a supervisor to oversee finances in the athletic department.

"I recognize that as we moved from a smaller program to a larger and more nationally visible one, there are points along the way where we could have done better," McCormick said.

Officials now say the second phase of the planned renovation of Rutgers Stadium, which includes adding 13,000 seats and is scheduled for completion in 2009, will almost certainly be scaled back. Rutgers has permission to issue \$72 million in state bonds to pay for the stadium, but the rest must be raised through private donations.

Until now, the university has been relying on short-term loans to pay for the \$35 million already spent on construction, but costs have skyrocketed because of the national credit crisis.

"It's not going well," said Raymond J. Lesniak, a New Jersey state senator who is helping to raise money for the project. So far, the university has collected \$1.1 million in donations and pledges, Trevor said.

Lesniak said he hoped to raise about \$10 million in private donations, not enough to close the \$30 million financing gap, making it "certain" that the stadium renovation would be delayed.

But Mulcahy said he was determined to keep the renovations on time and under the \$102 million budget. Precisely what may have to be cut has not been decided, he said, but he said he was committed to keeping all of the planned seating because the bonds would be repaid using revenue from ticket and concession sales. In interviews this week, Mulcahy and Schiano said that in stepping up spending on football and other programs, they were carrying out the wishes of university officials to compete at a national level.

"That decision was made long before I got here," said Mulcahy, who was hired in 1998. Rutgers entered the Big East in football in 1991, but changing its schedule was not enough, Mulcahy said. "The problem was that we didn't follow that commitment with the facilities that were necessary."

Several students said they still supported the football team and understood that some level of investment was necessary to be competitive. Few, for example, questioned Schiano's \$2 million annual salary.

"They're not against the expansion, but at the same time, they're wondering, what have we gotten ourselves into?" said Ryan E. Cooke, the nonvoting student representative on the Rutgers Board of Governors. When he speaks with students, Cooke said, the biggest complaint is the lack of transparency.

"If we were a private university, business decisions like this would not be the people's concerns," he said. "Let's just be honest about what we're doing, and how we're doing it."

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