

## College athletes worth six figures, live below federal poverty line

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Perhaps the upcoming football game between Ohio State and Miami is the most fitting backdrop to the results of a National College Players Association (NCPA) and Drexel University Department of Sport Management joint study, which blames colleges sports scandals on a black market created by unethical and unpractical NCAA restrictions on college athletes. Examining football and basketball teams from Football Bowl Subdivision (FBS) colleges, the study calculates athletes' out-of-pocket educational related expenses associated with a "full" scholarship, compares the room and board portion of players' scholarships to the federal poverty line and coaches' and athletic administrators' salaries, and uses NFL and NBA collective bargaining agreements to estimate the fair market value of FBS football and basketball players.

The study, entitled "The Price of Poverty in Big Time College Sport," shows that the average scholarship shortfall (out-of-pocket expenses) for each "full" scholarship athlete was approximately \$3,222 per player during the 2010-11 school year. The report also found that the room and board provisions in a full scholarship leave 85% of players living on campus and 86% of players living off campus living below the federal poverty line. The study estimates the fair market value of the average FBS football and basketball player to be \$120,048 and \$265,027, respectively.

"We all know that big time football and basketball players receive much less than they are worth, but the disparity between players' fair market value, what they receive, and the money that others receive is shocking,"



stated NCPA President and study co-author Ramogi Huma.

The top paid 60 FBS football coaches averaged more than \$2 million in total compensation with Alabama's Nick Saban and Texas' Mack Brown earning approximately \$6 million and \$5.1 million, respectively. The top 25 highest paid basketball coaches whose team played in the 2011 NCAA tournament averaged about \$2.4 million with Louisville's Rick Pitino earning \$7.5 million in total compensation.

According to the study, University of Texas football players' fair market value was \$513,922 in 2010 but they lived \$778 below the federal poverty line and had a \$3,624 scholarship shortfall. Duke basketball players were valued at \$1,025,656 while living just \$732 above the poverty line and a scholarship shortfall of \$1,995. The University of Florida had the highest combined football and basketball revenues while its football and basketball players' scholarships left them living \$2,250 below the federal poverty line and a \$3,190 scholarship shortfall.

In former Florida football star Tim Tebow's recently released autobiography entitled "Through My Eyes," Tebow reveals his frustration with the NCAA. He writes, "The NCAA's stance on paying players – or not paying them – seems unfair to me, with the preposterous amounts of money being made by the schools, television, coaches, and the like. And the players?"

According to Drexel University professor Dr. Ellen J. Staurowsky, coauthor of the study, "Our findings continue to unmask the pretense that big-time college sport is about 'kids' playing 'games.' Big-time college sport is about big business. The mythology of the 'student-athlete' as promoted by the NCAA is revealed to cover up a system of inequities in compensation and treatment for the athletes who make the most sacrifices and contribute the most to the enterprise. Public policy makers, higher education officials, and athletes themselves have an



opportunity in light of recent events to call for and implement reforms that will eliminate the exploitative college sport practices that bring no credit to higher education and have caused considerable pain and hardship to athletes over the years."

Backed by the findings in the study and an Inside Higher Education report showing that almost half of FBS colleges were caught violating NCAA rules between 2001-10, the report implicates the NCAA as the entity primarily responsible for the scandals that have plagued college sports. The report says, "Through the NCAA, college presidents mandate impoverished conditions for young, valuable players and throw money around to all other college sports stakeholders when those players perform well, a formula that drives the powerful black market that thrives at so many universities nationwide."

The report also points out that, despite athletic programs' record revenues, salaries, and capital expenditures as well as prohibitions on countless sources of income for athletes, the NCAA explicitly allows taxpayers to fund food stamps and welfare benefits for college athletes. Huma stated, "The NCAA is forcing taxpayers to pay for expenses that players would be able to pay themselves if not for NCAA rules. I guess the NCAA expects both college athletes and taxpayers to finance its greed and lavish salaries."

The report also examines options to bring forth reform and points out that college presidents, the group of individuals that control the NCAA, have admitted that while they want to reform college sports, they lack the power to do so. After interviewing 95 of the 120 FBS college presidents in 2009, The Knight Commission reported, "In sum, presidents would like serious change but don't see themselves as the force for the changes needed, nor have they identified an alternative force they believe could be effective."



Huma stated, "With FBS college presidents admitting failure and their lack of ability to initiate comprehensive reform, only the federal government has the power to reform big time college sports."

The joint report recommends that the U.S. Department of Justice and Congress act to bring forth comprehensive reform through NCAA deregulation and more educational support for college athletes including:

- Alleviating some of the athletes' financial desperation by using new TV revenues to provide athletic scholarships that fully cover each school's cost of attendance.
- Adopt the Olympic amateur model by lifting restrictions on college athletes' commercial opportunities such as endorsements and autograph signings. A portion of the funds could be placed in an educational lockbox (described below) to help increase graduation rates and decrease NCAA violations.
- Allow revenue-producing athletes to receive a portion of new revenues that can be placed in an educational lockbox, a trust fund to be accessed to assist in or upon the completion of their college degree. Players who violate <a href="NCAA">NCAA</a> rules could lose some or all of their portion from this fund.

"The NCAA's version of amateurism is not only unjust, it is impossible to maintain without guaranteeing more embarrassing and costly scandals. We need a new model and it should incorporate our recommendations," stated Huma.

The NCPA plans to take its efforts to reform college <u>sports</u> to Washington, D.C. It is launching a Twitter account today to keep the public informed of its efforts with the federal government as well as other issues involving college athletes' rights: <u>twitter.com/NCPANOW</u>.



## Provided by Drexel University

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