

IMPACT OF STUDENT FEES ON WINNING IN THE NCAA

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ABSTRACT

The financial picture for most intercollegiate athletic departments involves the use of student fees to help offset the costs of running the department. Students were charged more than \$795 million to support sports programs at 222 Division I public schools during the 2008-09 school year (Berkowitz, Upton, McCarthy, & Gillum, 2010). With that level of investment it is prudent to ask what effect on winning these funds may have.

Many presidents have cited the indirect benefits athletics brings to a campus as a justification for allocating student fees to athletics. However, while much research has been done on the subject, no consensus has been formed on how much influence athletics has on two of the most prominently cited areas of indirect benefits, which are student applications and donations to the university (Frank, 2004; Getz & Siegfried, 2012). The purpose of this study was to determine if student fees were a good predictor of Directors' Cups points and subsequently whether or not the direct benefit of a winning athletic program, as judged by Directors Cup points, can be used as a justification for student fees allocation to athletics.

Data for this study were obtained from the USA Today (2014) NCAA Finances data base as well as the 2013 Learfield Directors' Cup standings. The final dataset contains 160 National Collegiate Athletic Association (NCAA) Division I schools that had received both student fees for athletics and acquired points in the Directors' Cup standings. All data analysis was conducted using IBM SPSS 22.0. A multiple linear regression model was conducted to determine if Directors' Cup points could be predicted from student fees and level of affiliation in NCAA Division I. The results of the study tells us that there is not a significant portion of the total variation in points earned in the Director's Cup standings predicted by student fees ($p = .275$).

This result leads to the conclusion that it is possible that presidents and athletic departments could find other measures of success that better explain their rationale for use of student fees towards athletics. This is paramount in order for practitioners in intercollegiate athletics to best explain the benefits of their programs to the university and its students. This is especially important now as the cost of higher education for students and their parents continues to rise, leading many to ponder how much of that cost should be dedicated to an endeavor that most college students do not participate in.