Assessing the Impact of NCAA Scandals: An Exploratory Analysis

Stephanie Hughes  
Assistant Professor of Management  
Northern Kentucky University  
Department of Management & Marketing  
Highland Heights, KY 41099  
Tel: 859-572-1389  
Fax: 859-572-5150  
e-mail: hughesst@nku.edu

and

Matt Shank  
Professor of Marketing and Chair, Management and Marketing Department  
Northern Kentucky University  
Department of Management & Marketing  
Highland Heights, KY 41099  
Tel: 859-572-6642  
Fax: 859-572-5150  
e-mail: shank@nku.edu
Abstract: This article studies the impact of athletic scandals in higher education by examining changes in key variables including overall enrollment, number of freshman applications, overall charitable contributions, alumni charitable athletic contributions and corporate charitable athletic contributions. This exploratory study involved a case analysis of fifteen universities covering an eight-year period that had been placed on NCAA probation for infractions involving their men’s basketball and football programs during the 1998-2005 academic calendar years. Preliminary results indicate that athletic scandal does negatively impact overall charitable giving and overall enrollment and that the impact is long-term in nature. However, contrary to our expectations, we found that scandal had a positive impact on alumni athletic contributions, corporate athletic contributions, and total freshman applications. A set of managerial implications for colleges and university administrators as well as future research is discussed.

Introduction

It is difficult to open up the daily newspaper without finding mention of some type of scandalous behavior being exhibited by individuals associated with athletic departments on college campuses. Scandal has occurred across all types of sport including men and women and implicated individual athletes all the way to entire teams. One of the more egregious examples of this type of behavior occurred with the University of Colorado’s football program. Since December 2001, the university has endured numerous allegations of sexual misconduct on the part of some members of the football team. These allegations have resulted in substantial real losses for the university including the loss of the Chancellor, the Athletic Director, the football coach and the university President. The financial losses associated with the investigation exceeding over $1 million (Curtin, 2004; Brooks, 2005). These costs do not take into account other real and perceived costs such as recruitment and replacement of university personnel, loss of voluntary financial support including alumni support, loss of incoming enrollment, and the loss of university reputation (Hughes and Shank, 2005). While anecdotal accounts of these types of incidents have been well publicized in many media outlets, there are few
accounts that estimate or attempt to understand the aggregate cost of these scandals to universities.

Past studies have focused on quantifying the magnitude of the impact that winning college athletic programs have had on a variety of operational activities within universities including donors’ generosity (Grimes and Chressanthis, 1994; McCormick and Tinsley, 1990; Coughlin and Erekson, 1984), improved student enrollment (Borland et al. 1992), increased state funding (Allen, 1999) and increased student quality (Mixon, 1995; Mixon et al, 2004). While the vast majority of these studies contend that there is a positive correlation between athletic success and many of these variables, there are some who argue that athletic success is harmful to the educational mission of the university by lowering graduation rates (Tucker, 1992) and incoming student quality (Tucker and Amato, 1993; Bremmer and Kesselring, 1993). Despite this lack of consensus among researchers on the existence of a positive correlation between athletic success and institutional characteristics, the majority of studies do suggest that individual institutional characteristics such as size and the private versus public aspect play a big role in the strength of this association (Covell, 2005).

While the number of studies that have explored the positive association between winning and institutional characteristics continues to grow, there have been surprisingly few studies that examine what happens to universities that have been involved in scandal (Grimes and Chressanthis, 1994; Goff, 2000; Rhoads and Gerking, 2000). Evidence from these analyses suggests that negative exposure due to NCAA sanctions may lead to lower levels of voluntary financial contributions as well as lower levels of student enrollment. The limited number of studies investigating the impact of negative publicity
on universities resulting from athletic scandals suggests that additional studies are warranted to validate existing findings and to include a broader number of potential operational variables in the analysis. This article extends these prior efforts by investigating the impact of an athletic scandal on a broader range of institutional characteristics including the impact on student enrollment, freshman student applications, overall charitable contributions and charitable athletic contributions from both alumni and corporations. This analysis will assess changes in these variables both for a pre-scandal versus a post-scandal timeframe.

**Relationship between Athletic Success and Donor Contributions**

Despite facing significant budget constraints throughout university environments, many college administrators continue to spend increasingly greater amounts on their athletic programs in a race to build or maintain winning athletic programs. A recent *USA Today* article highlighted that spending on Division I intercollegiate athletic programs has increased an average of 25% while overall university spending has increased an average of only 10% (Sylwester and Witosky, 2004). As the pressure to win in college athletics continues to grow, the debate on whether collegiate athletic programs are net generators of revenue intensifies. Coughlin and Erekson (1984) empirically tested a model that investigated the relationships between various athletic department characteristics and athletic contributions by donors. Their study found that increased contributions by athletic donors were a function of season football attendance, affiliation with a top conference, participation in a football bowl game, state population, the basketball team’s winning percentage and the lack of existence of a professional football team in the state. McCormick and Tinsley (1990) investigated the impact of the football’s team success on
both athletic and academic contributions by alumni. Their findings, covering a four-year, one-team analysis, suggest that increased athletic success was responsible for a 10 percent increase to the athletic fund and a concurrent 5 percent increase in contributions to the general academic fund.

In an effort to extend the prior study, Baade and Sundberg (1996) looked at the relationship between alumni giving and institutional measures of intercollegiate athletic success to assess the potential magnitude of the financial reward for fielding winning sports teams on college campuses. Their findings, analyzing eighteen-years and 309 universities, suggest a much more complex relationship between winning programs, types of universities and alumni contributions than had previously been discussed. In particular, they found that winning percentages were not a significant determinant of alumni giving but bowl appearances and basketball tournament appearances were significant in generating increased financial support from alumni in public universities. However, liberal arts colleges shared a statistically significant, but small correlation between winning percentages and increased giving among alumni. Goff (2000) provided both a review and an extension of the existing research on the relationship between athletic success and financial reward and found that even participation alone in college athletics can have measureable financial rewards for universities of both a direct and indirect nature. In particular, his findings on the relationship between athletic success and donor contributions, suggest that in at least 70% of the Division I institutions analyzed, direct revenue from football and basketball are greater than direct expenses, athletic success increases national exposure regardless of the school’s academic reputation and postseason appearances appear to increase general giving to universities.
Turner et al. (2001) investigated how changes in a school’s athletic success influenced giving among alumni of 15 academically selective college and universities. In particular, they found that among schools that compete at the Division IA level, there appears to be a negative effect of winning percentages on alumni giving while alumni donations at the Division III liberal arts colleges actually increases when the school’s athletic success increases. Finally, Covell (2005) applied the concept of Stakeholder Theory to explain the relationship between alumni giving and athletic success and found that alumni did not alter their contributions to a university based on on-the-field performance. Instead, these alumni were motivated more by affiliation and allegiance to the university based on the total value of the athletic experience such as pep bands and cheering students rather than a more narrowly defined on-the-field performance metric.

**Relationship between Athletic Success and Academic Success**

While the relationship between college athletic success and donor contributions appears to be quite variable, there are more consistent findings regarding the relationship between college athletic success and academic success. McCormick and Tinsley (1987) found that there is evidence of a significant relationship between athletic success and academic success due to the advertising effects that participation in college athletics brings to institutions. In particular, athletic success increases the visibility of the school among potential students and this increased visibility leads to a larger pool of potential students interested in enrolling in the institution. Therefore, given constant admission standards, the larger the pool of potential students; the higher the likelihood that the average quality of students will also be higher. Bremmer and Kesslring (1993) replicated McCormick and Tinsley’s study and found that athletic success had no significant impact
on the quality of incoming students as measured by SAT scores. Mixon (1995) extended this analysis by arguing that Bremmer and Kesslring’s model of athletic success did not differentiate between superficial success and deep-seated athletic tradition. As such, results from Mixon’s study suggest that SAT scores are positively correlated with athletic success suggesting a complementary association between athletics and academics. Goff (2000) investigated the impact on enrollment when three universities either dropped football entirely or initiated a new football program altogether. His results indicated that the effect of “no football” years resulted in an average of 550 less student enrollments relative to the years “with football” at the three institutions covered in the analysis. Finally, Mixon et al. (2004) reexamined the relationship between athletic success and SAT scores for incoming students using updated data to define athletic success and found that a positive and significant relationship exists between athletic success and the school’s ability to attract high caliber students.

**Relationship between Athletic Scandal and Donor Contributions**

While debate continues among researchers on the significance of the relationship between college athletic success and the impact on financial and academic variables in higher education, there have been relatively fewer studies assessing the impact of negative information or scandal on some of these same financial and academic variables. Grimes and Chressanthis (1994), using data from Mississippi State University covering thirty years (1962-1991), investigated the effect of athletics on alumni contributions to the university’s development foundation. As part of this investigation, the analysis also assessed the impact of NCAA probation and the subsequent forfeiture of games that resulted on alumni donations to academics. Their findings suggest that NCAA sanctions
for rules violations do negatively influence alumni donations to the entire university by a
total of $1.6 million per year. Rhoads and Gerking (2000) investigated donor activity for
87 universities over a 10 year period in an effort to understand the role that successful
Division I football and basketball programs play in motivating alumni and other donors
to make contributions to the institution. Their study also assessed the impact NCAA
probation on donor activity and found that when a university’s basketball team is placed
on probation, alumni contributions are reduced by an average of 13.6% per student or
$487 per student using the mean of alumni contributions for all universities. By
comparison, overall contributions were unaffected when the football team was placed on
probation. Overall, contributions from donors of all types, including charitable
foundations, corporations, individuals and government grants, are not affected by the
stigma of NCAA probation. The findings, particularly with respect to football, run
contrary to the authors’ expectations and they suggest that additional studies that
specifically investigate the relationship between probation and donor activity are
necessary to better understand this dynamic. Goff (2000) examined the impact on
alumni contributions and student applications from an NCAA-imposed “death penalty”
sanction on the Southern Methodist University’s football program. His findings indicate
that the imposition of the “death penalty” did not result in decreases in the school’s
endowment fund but that the increases fell back in line with increases enjoyed by the
school before its emergence as a national football power in the mid-1980s. Additionally,
the analysis indicated that the school did suffer a 12% drop in the total number of
applications for the time the school was on probation.
Each of these analyses suggests that the negative information surrounding an institution’s athletic teams can have a real, measureable impact on the university’s ability to carry out its mission effectively. This study is intended to further the analysis of the impact of scandalous activities on donor giving and academic success in universities in three ways. First, this study will include only an analysis of institutions that have been placed on NCAA probation. Second, since not all scandals are created equal, the study utilizes a new methodology for framing scandals developed in previous research (Hughes and Shank, 2005). This is necessary because schools can receive NCAA probation for a variety of activities not all of which are perceived as extremely negative by supporters of the university. For example, probation for improper use of a university calling card by athletes is not viewed in the same light as grade fixing for athletes. This framework will allow us to focus on those scandals that are most egregious and therefore, have the most potentially significant impact, in the eyes of the university supporters and potential students. Lastly, this study will advance the current literature in this area by including an analysis of the impact of scandal on both academic variables, including freshman student applications, overall enrollment, as well as, donor activity separated by total donations for athletics (by alumni and corporations) and the university endowment fund.

Method

Data for this study were collected from fifteen universities included by the NCAA on its probation list for the academic calendar years 2000-2003. These schools all committed acts that resulted in penalties ranging from loss of scholarships to limitations on bowl or post season tournament appearances. The list of schools initially included (25) but was reduced to fifteen (15) based on recently published criteria for identifying
scandalous behavior in athletics (Hughes and Shank, 2005). Prior to the development of these criteria, there had been no general consensus in the literature on parameters for defining a scandal. The criteria for assessing whether an event is a scandal was developed based on feedback generated from ten in-depth interviews of sports sponsors and sports media representatives. The representatives, including print, TV and radio personalities, and well-known corporate sponsors of both amateur and professional sporting events and their participants, were chosen for their media coverage or sponsorship of both nationally-known amateur and professional sports teams and their athletes. Each participant was asked to respond to a series of ten questions covering their perception of current negative events in sports in an attempt to identify the underlying foundations of what constitutes a scandal. The respondents consistently identified four characteristics contributing to whether an athletic event is scandalous or not. These characteristics included an action that was either illegal or unethical, involved multiple parties over a sustained period of time and whose impact affected the integrity of the sport with which they are associated (Hughes and Shank, 2005). The outcome of this effort produced the framework employed in this research to define whether the activities associated with each school’s infraction could be characterized as a scandal.

A number of variables were included in the study to gain a better understanding of key issues surrounding the impact of scandal. These variables included overall enrollment, number of freshman applications, overall charitable contributions, alumni charitable athletic contributions and corporate charitable athletic contributions. The data for voluntary overall charitable contributions and charitable athletic contributions (alumni and corporations) were obtained from *Voluntary Support for Education* (1998-2005), an
annual online database produced by the Council for Aid to Education. The data for freshman student applications and student enrollment was obtained by *Peterson’s Guide to Four Year Colleges* (1999-2006).

**Results and Discussion**

Although a variety of data was collected from secondary sources for the purposes of examining the impact of scandal, several key variables were chosen for this exploratory study. More specifically, three factors related to giving were used in the initial analysis. These factors were overall charitable giving, athletic giving from alumni, and athletic giving from corporations. In addition, several key “academic” variables were chosen for the study and included overall student enrollment and number of freshmen applicants.

Before examining the impact of scandal on the aforementioned key variables, one significant research issue needed to be addressed. The authors struggled with how to best represent and analyze the data given the following; (1) the magnitude of each scandal (although meeting the four criteria set forth by Hughes and Shank, 2005) would vary from university to university; and (2) the date of each scandal occurring varies across the fifteen universities. Given these constraints and the exploratory nature of the study, it was determined the best approach for data analysis was to perform a trend analysis examining data for each individual university across key variables. In order to compare the various “trend lines” across universities in a more meaningful fashion, each data point was normalized by creating a ratio of the pre-scandal or post-scandal year data to the scandal year data. For example, total charitable support for Cal State Fresno was $23,072,734 in 1998, but then declined to $22,426,465 in 2003, the year of the scandal.
As such, the total charitable support ratio equaled 1.03 in 2002 indicating no impact on the pre-scandal year. However, in 2004, one year post scandal, the ratio dropped to .64 based on only $14,341,686 of total charitable support. The raw data and corresponding ratios are presented in Tables 1-5.

**Insert Tables 1-5 about here.**

In addition to the raw data and ratios, a summary table was created to illustrate what percentage of the fifteen universities experienced an increase or decrease in each of the relevant variables (see Table 6). For example, for what percentage of the universities did total charitable giving decrease following the scandal year or what percentage of universities saw a decrease in number of freshmen applicants? It is extremely important to note that the percentage of universities experiencing a decrease or increase in any given variable is based on the examining the ratio *only in the year* following the scandal. This does not illustrate whether a one year decrease was followed by a quick recovery or whether or not a university ever recovered from a scandal in subsequent year.

**Insert Table 6 about here.**

When examining trends in each of the key variables, total charitable support pre and post scandal was first examined. Two elements of total charitable support were investigated in the present study. The first element was whether or not universities would see a decrease in giving post-scandal and, if so, what was the magnitude of that impact on giving. Interestingly, 10 schools saw the expected decrease in total charitable support while 5 others showed increases in giving post-scandal. These results seem to suggest that scandal does have a significant negative impact on a school’s ability to generate
charitable giving among all of its constituents. A visual representation of this decline is included in Graph 1.

**Insert Graph 1 about here.**

Of the 5 that saw increases in their total charitable support, the violations of all involved unethical conduct on the part of the athletic department staff. While USC was in the midst of a national title run, there is no obvious explanation for the increases in the post-scandal year for the other institutions. There is the possibility that one or more of these schools were in the midst of a campus-wide annual giving campaign that may have negated the effect of the scandal on total charitable giving. Unfortunately, we did not cover this variable in our study due to data collection issues related to the actual start date for many of these campus campaigns. Given the lack of a definitive timeframe, we found it impossible to rely on this data for any possible interpretive capability.

The second element examined was the recovery period or whether or not universities rebounded from an initial drop in giving. In exploring the trends, 5 of the 10 universities showed no recovery in giving rates during the timeframe covered in this research. 2 of the 10 universities showed slow recovery (at least two years or longer to recover) and 3 showed recovery (within 1-2 years of scandal). Additionally, one of the schools that had shown an increase demonstrated a significant, steady decline two years out from the scandal. These results seem to suggest that schools tainted by scandal find it difficult to recover their fund-raising capabilities in the timeframe immediately following the scandal. The fact that 5 schools never recover in the timeframe covered by this analysis suggests that the costs associated with scandal are much greater than originally believed and that there may be intangible costs, such as the public’s perception, that are
even harder to quantify in a study like this but are just as, if not more, significant. An additional possible explanation for the lack of recovery in giving involves the school’s post-scandal behavior. In 2 of the 5 cases where schools did not recover, the school was involved in post-scandal activity that included additional NCAA penalties. In a third case involving the University of Colorado, even though they were not placed on the NCAA’s infraction list during their post-scandal years, they have had substantial negative reports regarding activities associated with their athletic department. In each of the three previously referenced cases, the continuing negative reports may have had a significant negative impact on charitable giving levels.

The second key “giving’-related variable considered in the trend analysis was athletic giving from alumni. Although data was not available from several of the schools, the overall trend in terms of giving was positive. Surprisingly, there were four universities that had slight-to-large increases in athletic giving following the scandals; three felt no impact and only 3 universities had decreases. Of the universities that experienced decreases, 2 had an immediate recovery and the other had a slower recovery, but still rebounded to pre-scandal totals of athletic giving from alumni. These results suggest that alumni athletic supporters of universities hit by scandal are unfazed by negative publicity surrounding their institution and intend to continue to support their regardless of the circumstances.

In 3 of the 4 cases where athletic giving was substantially increased in the immediate aftermath of the scandal, the violations involved unethical conduct including academic fraud. One explanation for these findings may be that in many cases these alumni have formed personal relationships with athletic administrators, coaches and
athletes and may feel that withdrawing their financial support would have unintended harmful consequences for these groups. It may also be possible that the individuals responsible for the scandal were removed from their positions and alumni felt that the problems had been addressed. We did not investigate the universities’ post scandal activities so we have no idea of the impact that this might have had on our results.

Finally, alumni may also feel that the penalties assigned by the NCAA to their institution are too harsh and that their contribution demonstrates more of their anger at the NCAA governing body than their support of a particular program or coach.

Corporate giving was the third key variable explored in the present analysis. Four of the 15 universities were excluded from the data analysis based on missing corporate giving numbers. Somewhat remarkably, of the 11 universities included in the scandal, 7 saw increases in corporate giving following the scandal. Only 4 universities followed the expected pattern of decreased corporate giving after the date of the scandal. Surprisingly, these results seem to suggest that corporations are not impacted by scandal when it comes to their corporate branding activities. The corporate partners may also be influenced by the personal relationships they have formed with athletic administrators, coaches and athletes and may believe that the negative impact on their brands from these types of scandals is short-term in nature. The fact that seven schools increased corporate sponsorship after the scandal may also be evidence that schools need to make up for the decline in overall contributions and work harder to secure long-term corporate commitments during this time frame. Finally, corporations may also recognize that increasing their financial commitment during these times also represents smart business because they should obtain more sponsorship for fewer dollars over the long run.
The fourth and fifth key variables explored in the study were related to the impact of scandal on enrollment. Two unique pieces of enrollment data, total enrollment and incoming freshmen applicants, were captured and analyzed. With respect to total enrollment, a surprising pattern emerged again. Six universities felt no impact on total enrollment following scandal and four other universities actually increased enrollments, while a total of 5 universities experienced the expected decreases. Interestingly, none of the 5 universities showing decreases in enrollment following scandalous events ever recovered to pre-scandal enrollment numbers. Additionally, 3 of the 4 that saw increases initially actually lost significant enrollment in the years after the initial jump. In total, 8 universities experienced significant enrollment losses. These results suggest that a scandal’s impact is felt more substantially at the level of enrollment than giving. Several factors may influence this scenario. First, individuals and corporations are motivated by other factors such as tax consequences when making donations to education institutions. These factors may override initial negative reports coming out of these NCAA investigations. Second, students may be more motivated initially by negative reports surrounding their college affiliations than alumni or corporations, and may be more inclined to reconsider their school choice. To an extent, students may be less committed to these institutions and that may be influencing the significance of the impact of the scandal on this variable. This may be where the financial cost is felt the greatest by schools since lost enrollment directly impacts the quantity and quality of student programs going forward.

As mentioned, the other enrollment-related issue explored was number of incoming freshman applicants. It was thought that freshman application numbers would
drop following a scandal, but to the contrary 10 schools had increases in freshman applications with one university feeling no impact. Of the two schools showing the expected decline, only one never fully recovered. Interestingly, both of these schools are generally considered “mid-major” Division I institutions and it could be that scandals significantly impact freshman applications at mid-major schools more than larger, more well-known institutions. Additionally, these results seem to support the perspective that any publicity, even negative publicity, is considered worthwhile especially if it contributes to increased numbers of freshman applicants. These results also seem to indicate that the vast majority of freshman applicants base their enrollment decisions on things other than the state of the university’s men’s football or men’s basketball teams.

**Limitations and Future Research**

This article has analyzed the impact of athletic scandals in men’s football and basketball programs in fifteen universities on charitable giving, athletic giving, the number of freshman applications and overall enrollment. Results from the 1998-1999 season to 2005-2006 indicate that athletic scandal does negatively impact overall charitable giving and overall enrollment and that the impact is long-term in nature. However, contrary to our expectations, we found that scandal had a positive impact on alumni athletic contributions, corporate athletic contributions, and total freshman applications.

There are several limitations with this study that should be noted. First, we struggled with determining what would be the appropriate/best operational date of the scandal. The secondary data collected reports the data of the NCAA infraction on each of the schools in the sample. However, there was some discussion that using the date the
year prior to the scandal would be more representative of when the various “publics” first learned of the problems facing the athletic departments. Due to concerns about the legitimacy of using the NCAA date minus one year, we chose to keep the date used in the NCAA report as the operational date of the scandal, for purposes of exploring pre-scandal and post scandal influences. Future research should focus on identifying a more systematic way for identifying the true date when a scandal becomes “public”.

Additionally, this study has focused on fifteen institutions that have earned major infraction penalties from the NCAA’s Division One (I) athletic governing body. While each school received a “major” infraction resulting in penalties of at least two years in length, each school’s situation represents dramatically different degrees of scandalous behavior. Despite improved efforts incorporated within this paper to discern the degree of scandal involved, the variability in the perception of individuals to the degree of scandal may be responsible for the varying degrees of impact on the assessed variables. For example, the financial contributors to an institution may reason that providing well paying jobs to a school’s athletes may not be considered scandalous even though this situation violates the NCAA governing body’s rules. In this situation, we might assume that financial contributions to the school would be minimally impacted if at all. By comparison, the financial supporters of a school accused of grade fixing may stop giving altogether or, at a minimum, contribute substantially less for the foreseeable future. In this study, these two situations were ranked equally in terms of the degree of scandal involved. This may be one of the major reasons for the lack of negative impact on three out of the five variables assessed in the study. Future research that focused on assessing the magnitude of the scandal, based on more objective measures than used in this study
would help address this variability and make comparisons across schools involved in scandalous situations more relevant.

The results of this study also indicate that corporations appear to be less sensitive to negative publicity generated by the existence of a scandal than overall university contributors. This study looked at one type of financial support provided by corporations. The study did not take into account other types of corporate support, such as board membership commitments, internships and other types of employment opportunities that might dissolve in the wake of a scandal. Future studies that investigate the full range of corporate support for a university’s mission would represent a real significant contribution to understanding the nature of the corporate donor and education institution.

The results of this study indicate that some schools appear to recover slowly, if at all, from the negative impact of scandal. For example, of the fifteen schools in this analysis ten of the fifteen appeared to show immediate declines in the charitable giving amount and only two demonstrated a full recovery to pre-scandal level giving. Investigating the internal characteristics or processes of schools, such as the existence of public relations personnel, might help future scandal-ridden schools deal more effectively with the fallout from negative publicity. Along a similar line, research which looked at what tools and techniques schools that have experienced few athletic scandals utilize to minimize scandal in their institutional environment would represent an interesting extension to the current research.

The location of the school’s athletic department within a university’s infrastructure may have an impact on both the likelihood and magnitude of the scandal.
This study did not assess differences in the organizational structure of the institutions involved in scandal and these characteristics may have on impact on both the likelihood of a scandal occurring as well as the recovery of the school from negative events. For example, Vanderbilt University, under the leadership of the Chancellor, Gordon Gee, restructured the university’s athletic department in 2003 by eliminating the position of Athletics Director and positioning the Athletics department under the Division of Student Life. The purpose behind the restructuring was to better reconcile big time college athletics with the school’s educational mission and make the athletic department more accountable for the all of the outcomes of their efforts including both athletic and academic success (Gee, 2005).

This study investigated the impact of athletic scandals exclusively despite the ubiquitous existence of academic scandals in college environments. Future research which looked at whether academic scandals have a similar impact on an expanded set of both financial and academic variables would also be of value. Additionally, a study which assessed whether scandal costs professional sports organizations in the same manner and at the same level as their collegiate counterparts would be of great interest to athletic administrators at all levels. Recent professional scandals include the Detroit Pistons and Indiana Pacers brawl in 2005 that cost the Indiana Pacers team to lose two players for a total of 75 games between them and ultimately led to the trade of one of these players, Ron Artest, early in 2006. The Indiana Pacers were expected to contest for the NBA championship before this infamous incident left them depleted both in numbers and overall talent. Finally, future research should make an effort to control for other possible influences on contribution data by comparing data from “scandal” schools with
comparable peer institutions that are scandal-free to assess the real magnitude of the scandal’s impact on the assessed variables.

**Managerial Implications**

The implications for college administrators are significant and suggest that institutions must do a better job of managing and mitigating risk in their environment. In all fifteen cases, unethical conduct was at the root of the scandal. It is likely the behavior that resulted in the scandal was likely not the first occurrence for the individuals involved. Implementation of proper risk mitigation techniques, such as background checks, by college administrators may have negated the occurrence of some of those scandals altogether. Despite the fact that the use of risk mitigation techniques in higher education is still very controversial, many higher education association groups, such as the National Association of Collegiate Directors of Athletics (NACDA), are encouraging their member schools to consider adopting these practices as a way to deal with the increased risk in their environments (Gardiner, 2005).

Administrators might also consider hiring a media savvy public relations director devoted towards managing the interaction between the athletic department and the larger university constituency. We know from the literature on framing that the news media frame a story by organizing coverage of a story around shared sets of normative grounded news values (Shah et al., 1999). Universities can assist in how the media frame a negative event by eliciting and encouraging close relationships with the sports media that cover their team. These close relationships could motivate the members of the sports media that cover the teams and players involved to limit the release of certain informational aspects of the negative event. Additionally, the media can also impact how
the general public perceives the negative information by contextualizing the frame(s) with which people view the event (Joslyn, 2003). While this study did not attempt to assess the existence of this position in the fifteen universities evaluated in this study, the importance of maintaining a positive outlook throughout the life of a crisis should play a critical role in reducing the overall magnitude of the negative impact.

Finally, college administrators must reconsider the adoption of a “win at all cost” mentality which encourages member NCAA schools to recycle athletically successful coaches and administrators who have previously been associated with inappropriate or unethical behavior at other institutions. If there was a zero tolerance policy for these activities, there would be far fewer lapses in judgment and far fewer institutions whose reputations are sullied by the actions of a few unworthy individuals. The real costs, in the long run, to the organization may be the loss of reputation which may far exceed the collective cost of the variables studied in this analysis.
References


Appendix A

Summaries of the Major Infraction Cases in Study

1. University of Maryland, College Park

Date: 11-AUG-03

Facts Summary: Case centered on recruiting inducements, including the provision of cash, improper in-person contacts and unethical conduct involving an assistant football coach.

Violation Summary: Violations of recruiting inducements, unethical conduct and one secondary violation.

Sport: Football

2. Rutgers, State University of New Jersey, New Brunswick

Date: 17-JUN-03

Facts Summary: Summary Disposition case regarding student-athlete eligibility certification process.

Violation Summary: Improper certification for financial aid, practice and competition; ineligible competition resulting from failure to fulfill credit requirements; ineligible competition resulting from failure to earn minimum percentage of credits for satisfactory progress during academic year; ineligible competition resulting from errors in designation of degree program; improper certification of transfer student-athletes; exceeding grant-in-aid limits (football) and a lack of institutional control.

Sport: Football, Men’s Basketball

3. University of California, Berkeley

Date: 26-JUN-02

Facts Summary: Violations of NCAA bylaws governing ethical conduct (academic fraud), academic eligibility, the obligation to withhold ineligible student-athletes from competition, extra benefits, improper recruiting inducements and lack of institutional control. [APPEALED CASE]

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Violation Summary: Unethical conduct; academic fraud; academic ineligibility; failure to withhold ineligible student-athletes from competition; impermissible extra benefits; recruiting inducements and lack of institutional control.

Sport: Football

4. California State University, Fresno

Date: 10-SEP-03

Facts Summary: Major violations in the men's basketball program and limited violations in men's and women's soccer and women's basketball to include: academic fraud, recruiting, eligibility, financial aid (including awards and benefits), extra benefits, amateurism, coaching limitations, playing and practice season restrictions and lack of institutional control. Secondary violations

Violation Summary: Improper certification of eligibility; unethical conduct - academic fraud; impermissible extra benefits; impermissible awarding of athletically related financial aid; impermissible competition and receipt of financial aid while ineligible; impermissible provision of complimentary meals; impermissible provision of complimentary tickets; violations of playing and practice season; impermissible recruiting practices; lack of institutional control; amateurism violations.

Sport: Men’s Basketball, Men’s Soccer, Women’s Basketball and Women’s Soccer

5. University of Kentucky

Date: 31-JAN-02

Facts Summary: Violations of NCAA Bylaws governing recruiting, extra benefits, falsification of recruiting records, failure to control salary of an employee, failure in fiscal control of an outside organization, unethical conduct (including academic fraud), failure to monitor and a lack of institutional control.

Violation Summary: Recruiting inducements for prospective student-athletes and high-school coaches; impermissible tryout; unethical conduct; academic fraud; falsification of recruiting records; institutional control of recruiting funds; failure to control salary of employee; violation of supplemental pay provision; failure in fiscal control of outside agency; failure to monitor and a lack of institutional control. Also, numerous secondary violations.

Sport: Football
6. Marshall University

Date: 21-DEC-01

Facts Summary: Impermissible employment of academic non-qualifiers; unethical conduct; academic fraud; impermissible extra benefit; lack of institutional control.

Violation Summary: This case involved impermissible employment of academic non-qualifiers at rates four times the prevailing wage, academic fraud and a lack of institutional control.

Sport: Men’s Basketball and Football

7. University of Southern California

Date: 23-AUG-01

Facts Summary: Unethical conduct; academic fraud; provision of false and misleading information; violation of academic eligibility requirements; extra benefits and lack of monitoring.

Violation Summary: Individuals employed in the office of Student Athlete Academic Services (SAAS) engaged in academic fraud by substantially composing academic papers for three student-athletes. Further, one of the individuals provided false and misleading information when questioned by university representatives about his involvement in the academic fraud. The student-athletes involved in this case violated the principles of ethical conduct by knowingly submitting papers for academic credit that were substantially completed by other individuals.

Sport: Football and Women’s Swimming

8. Southern Methodist University

Date: 13-DEC-00

Facts Summary: Violations of ethical conduct legislation; academic fraud; provision of false and misleading information; impermissible recruiting contacts; recruiting inducement; impermissible tryouts; impermissible extra benefits for enrolled student-athletes; excessive cash for student hosting prospective student-athlete; impermissible recruitment activities by an enrolled student-athlete; violation of official paid visit limitations; violation of amateurism provisions; receipt of pay for performance; unethical conduct.

Violation Summary: Violations of NCAA bylaws governing recruiting, extra benefits, academic fraud and unethical conduct.
Sport: Football

9. California State University, Northridge

Date: 01-JUN-00

Facts Summary: Recruiting, Extra Benefits, Ethical Conduct, Financial Aid and Lack of Institutional Control.

Violation Summary: Impermissible recruiting; failure to conduct financial audit of athletic support organization; impermissible compensation for demonstration of athletic skills by student-athletes; impermissible recruiting contact with student-athletes; excessive football grants-in-aid; impermissible delivery of letters of intent; impermissible provision of meals; improper off-campus recruiting contact; exceeding the permissible number of football coaches; lack of institutional control; unethical conduct.

Sport: Football

10. University of Minnesota, Twin Cities

Date: 24-OCT-00

Facts Summary: Violations of NCAA legislation regarding academic fraud, unethical conduct, extra benefits, failure to comply, recruiting inducement and lack of institutional control.

Violation Summary: Academic Fraud; Unethical Conduct; Provision of Extra Benefits; Failure to Comply with Eligibility Requirements; Impermissible Special Arrangement; Recruiting Inducement; Violation of Eligibility/Transfer Requirements; Violation of Supplemental Pay Provisions; Violation of Rules Compliance Principal; Lack of Institutional Control.

Sport: Men’s Basketball

11. University of Utah

Date: 30-JUL-03

Facts Summary: Violations of NCAA legislation involving the men's basketball program.

Violation Summary: Extra benefits, recruiting, including impermissible observation of recruits in athletically related activities; continuing eligibility; playing and practice season limits; unethical conduct (academic fraud) and a lack of institutional control.

Sport: Men’s Basketball
12. University of Washington

Date: 17-JUL-03

Facts Summary: This case was handled through the summary disposition process and involved the men's basketball program.

Violation Summary: Findings of violations included: impermissible recruiting contacts; impermissible telephone contacts for recruiting purposes; impermissible evaluation; impermissible attendance at a non-certified event and unethical conduct. [Numerous secondary violations]

Sport: Men’s Basketball

13. University of Nevada, Las Vegas

Date: 12-DEC-00

Facts Summary: Impermissible recruiting contacts; provision of inducements by a representative of the institution's athletics interest; provision of cash to prospective and enrolled student-athletes; recruiting inducements; unethical conduct; failure to monitor and secondary violations.

Violation Summary: A representative of the university's athletics interests made impermissible in-person and telephone recruiting contacts with a prospective student-athlete. Further, the representative provided cash to the prospect on numerous occasions totaling approximately $5,600. A representative of the university's athletics interests provided cash payments to a prospective student-athlete and an enrolled men's basketball student-athlete. An assistant men's basketball coach and a men's basketball manager provided improper recruiting inducements to a prospective student-athlete. The assistant coach also provided the use of rented moving truck free of cost to two prospective student-athletes. Unethical conduct found against a student-athlete. Failure to monitor concerning a representative of the university's athletics interests.

Sport: Men’s Basketball

14. University of Colorado, Boulder

Date: 08-OCT-02

Facts Summary: Extra benefits, excessive reimbursement of travel expenses and failure to adequately monitor the recruiting practices of the former football staff.

Violation Summary: NCAA violations involving the provision of clothing items to recruits during official paid visits, contacts with an athletics representative, publicity involving a prospective student-athlete, excessive reimbursement of travel expenses for
recruits and improprieties involving recruiting entertainment expenses. The institution was also found to have failed to adequately monitor the recruiting practices of its former football staff. Also secondary violations.

**Sport:** Football

15. **New Mexico State University**

**Date:** 20-JUN-01

**Facts Summary:** Improper arrangements for future employment of a junior college coach as an assistant men's basketball coach; academic fraud; unethical conduct; extra benefits and violations of recruiting and transfer eligibility legislation. [ASSISTANT MEN'S BASKETBALL COACH'S SHOW-CAUSE VACATED BY APPEAL]

**Violation Summary:** Violations of impermissible contract for future employment; unethical conduct; academic fraud; recruiting inducements; violations of two-year college transfer regulations; violation of financial aid eligibility regulations; impermissible recruiter; recruiting inducements; violation of student-athlete and coach relationship; lack of fairness, openness and honesty; violation of the principles governing recruiting, impermissible tryout. Secondary Violations: Extra benefit and recruiting legislation.

**Sport:** Men’s Basketball
### Table 1 (Charitable Giving Ratio)

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<th>Institution</th>
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Table 5 (Corporate Charitable Athletic Contributions Ratio)

<table>
<thead>
<tr>
<th>Institution</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSU, Northridge</td>
<td>1.254</td>
<td>1.202</td>
<td>1</td>
<td>1.558</td>
<td>1.103</td>
<td>0.856</td>
<td>1.421</td>
<td>1.658</td>
</tr>
<tr>
<td>CSU, Fresno</td>
<td>4.839</td>
<td>2.964</td>
<td>0</td>
<td>3.029</td>
<td>3.692</td>
<td>1</td>
<td>3.839</td>
<td>3.809</td>
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<td>Marshall</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>NMSU</td>
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<td>0</td>
<td>1</td>
<td>0.538</td>
<td>0.038</td>
<td>1.532</td>
<td>2.126</td>
</tr>
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<td>Rutgers</td>
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<td>0.72</td>
<td>0.723</td>
<td>0.759</td>
<td>0.825</td>
<td>1</td>
<td>1.044</td>
<td>0.913</td>
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<tr>
<td>So. Methodist</td>
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<td>0</td>
<td>0</td>
<td>1</td>
<td>1.422</td>
<td>2.079</td>
<td>1.432</td>
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</tr>
<tr>
<td>UC, Berkeley</td>
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<td>1.324</td>
<td>1.265</td>
<td>1.414</td>
<td>1</td>
<td>1.158</td>
<td>1.309</td>
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<td>Univ. Col.</td>
<td>1.978</td>
<td>1.328</td>
<td>0.829</td>
<td>2.545</td>
<td>1</td>
<td>1.428</td>
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<td>1.525</td>
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<td>62.335</td>
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<td>0</td>
<td>0.719</td>
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<tr>
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<td>0.075</td>
<td>0.281</td>
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<td>0.571</td>
<td>0.737</td>
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<tr>
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<td>1</td>
<td>2.006</td>
<td>2.466</td>
<td>1.809</td>
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</tr>
<tr>
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<td>0.85</td>
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<td>Vegas</td>
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<td>0</td>
<td>0</td>
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<tr>
<td>USC</td>
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<td>113.903</td>
<td>105.164</td>
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<td>Univ, UT</td>
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<td>0.963</td>
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<td>0.896</td>
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</tbody>
</table>

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Table 6 (Impact on Key Variables Following Scandal Year)

<table>
<thead>
<tr>
<th></th>
<th>% Increase</th>
<th>% Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Charitable Contribution</td>
<td>25%</td>
<td>75%</td>
</tr>
<tr>
<td>Corporate Athletic Charitable Contribution</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>Number of Freshmen Applicants</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>Overall Enrollment</td>
<td>69%</td>
<td>31%</td>
</tr>
<tr>
<td>Alumni Athletic Charitable Contribution</td>
<td>73%</td>
<td>27%</td>
</tr>
</tbody>
</table>
Graph 1 (Decline in Overall Contributions)
Graph 2 (No Recovery/Slow Recovery)