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What Implications Can Be Made From the Interactions Between Finances and Violations for Division 1 Men's Basketball Schools?

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What Implications Can Be Made From the Interactions Between Finances and Violations for Division 1 Men's Basketball Schools?

Abstract

The purpose of this study was to find out what types of schools violated as well as the implications these violations had on internal finances. This research was practical and important because of it suggested possible motive for schools that want to increase revenue or win percentage. The NCAA could use this information to narrow their efforts on possible violators through the use of trends. Athletic departments could use this information to anticipate future violations and stop them before they occur.

What was already known was that schools that win, generate a larger profit than those who don't. The method used for the conclusions that were drawn was recording the means, number, and standard deviation of the total violations and win percentage while violating. This same procedure was done for the total violations and net profit during violations. The means were compared between the win percentages before violating and during violation. The means were also recorded for net profit while violating.

Although it was impossible to say what motivates schools to violate, the study was still able to run reports on the variables. Teams with lower win percentages committed more violations. Similarly, teams with lower profits commit more violations. Another important conclusion that was made was that teams that commit violations improve their win percentage. The final conclusion made was that while some of the schools were losing money before or after violating, no schools on average lost money in the years they were violating.

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What Implications Can Be Made From the Interactions Between Finances and Violations for
Division 1 Men's Basketball Schools?

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What Implications Can Be Made From the Interactions Between Revenues and Violations for Division 1 Men's Basketball Schools?

Executive Summary

The purpose of this study was to find out what types of schools violated as well as the implications these violations had on internal finances. This research was practical and important because of it suggested possible motive for schools that want to increase revenue or win percentage. The NCAA could use this information to narrow their efforts on possible violators through the use of trends. Athletic departments could use this information to anticipate future violations and stop them before they occur.

What was already known was that schools that win, generate a larger profit than those who don't. The method used for the conclusions that were drawn was recording the means, number, and standard deviation of the total violations and win percentage while violating. This same procedure was done for the total violations and net profit during violations. The means were compared between the win percentages before violating and during violation. The means were also recorded for net profit while violating.

Although it was impossible to say what motivates schools to violate, the study was still able to run reports on the variables. Teams with lower win percentages committed more violations. Similarly, teams with lower profits commit more violations. Another important conclusion that was made was that teams that commit violations improve their win percentage. The final conclusion made was that while some of the schools were losing money before or after violating, no schools on average lost money in the years they were violating.

Introduction

The NCAA has experienced a growth in revenue over the past few decades (Cheslock and David B. Knight, 2016). The growth in revenue has come from a variety of generators including donations, tickets, parking, concessions, and broadcasting rights (Humphreys & Mondello, 2007).

Due to the relationship with spending and winning, many schools increased their spending (Caro and Elder, 2017, p. 383). As a result of increased spending, an arms race was started. Hutton, (2003) explained that some schools did not have the budgets to increase their spending. These schools increased their spending anyways which made many schools operate at a loss.

The reason that schools were willing to spend so much money is because of the importance of winning. Humphreys & Mondello (2007) wrote that winning brought on higher attendance, ticket value, parking revenues, concession revenues, and broadcast revenues. There is also values of winning that couldn't be expressed in dollar amounts. Non-financial benefits of winning consisted of increased applications and enrollment, attraction to higher quality students, and increased school image.

As the rewards for winning increased, schools were more likely to break the rules in order to get their share of the revenue (Harris, 2016). The schools that were breaking the rules the most were the schools in the power conferences (NCAA, 2018). The top six conferences in total major infractions were all power six schools. To further specify, John Adamek (2017) held an investigation of the 24 academic fraud cases. He found that men's basketball and football made up 71% of the total cases.

Quantitative secondary data was used in the study. The schools needed to violate in the years 2006-2014 and violate at least one major bylaws of the following, #12 amateurism and athletics eligibility, #13 recruiting, #14 academic eligibility, #15 financial aid, or # 16 awards, benefits, and expenses for enrollment student-athlete. Data was collected using the Eada website for NCAA finances and the NCAA LSDBi website for the violators. It was concluded that teams had better winning percentages and net profits during the violation years compared to before.

Three teams had a win percentage of 20% - 39% (17%). These schools committed an average of ten violations (SD = 2.6). Eleven teams had win percentages of 40% - 59% (61%). These schools committed an average of 8.27 violations (SD = 5.8) Four teams had a win percentage of 60% - 79% (22%). These schools committed an average of 7.5 violations (SD = 2.1). Therefore, teams who had worse records committed more violations. Five schools broke even during their violation period (28%). These schools committed an average of ten violations (SD = 5.4). Eight schools made less than \$1,000,000 (44%). These schools averaged 9.13 violations (SD = 5.2). Five schools made over \$1,000,000 (28%). These schools averaged 5.6 violations (SD = 1.8). Therefore, schools who generating less money committed more violations.

The study conducted showed that 72% of the sample was generating revenue while violating and 0% were losing money. Of the 18 schools that committed a violation, thirteen made a profit and five broke even. Not one school was operating at a loss when they violated. 39% of the sample was in the power 6 conferences.

The purpose of this research was to find out what types of schools violated as well as determined the implications. The research question was:
What implications can be made from the interactions between finances and violators for Division I men's basketball schools?

The aim of this research was to get a better understanding if win percentage and net profit improved as a result of violating.

Background Information

Growth in Revenue

Despite the amateurism rules and NCAA design, the amount of money involved and the observed behaviors of schools implied that college athletics were more of a business. John J. Cheslock and David B. Knight (2016) discussed the growth in revenue from 1984 to 2011. The growth was due to the Supreme Court allowing schools to negotiate TV deals individually or by conference. Since that court case in 1984, teams shared over 1 billion dollars compared to the 50 million dollars from before (Cheslock & Knight, 2016). Wilson and Burke (2013), gave more recent data and stated that in 2012, the power conference schools (ACC, Big East, Big Ten, Big 12, Pac-12 and SEC) made \$1.14 billion dollars in broadcast fees.

Although the growth in revenue for TV deals, Hutton (2003) claimed the biggest revenue generator was ticket sales and as a result, power 6 schools are the ones that generally profited. The growth in revenue was in all phases of college athletics (Humphreys & Mondello, 2007). These two discussed how the growth revenue was traced from donations, tickets, parking, concessions, and broadcasting rights. This section shows the growth of money that was available for schools to receive. This growth could potentially lead schools to tactics that will allow them to receive the most revenue possible.

Arms Race

Perhaps one of the major tactics that schools took part in to maximize its revenue, was increased spending. This increased spending can lead to an arms race as Caro and Elder (2017, p. 383) define an arms race as "As one school makes an investment, other programs were be forced to do the same." Cheslock & Knight (2015) discuss how non-elite schools were struggling by

stating that "increased spending at non-elite athletic programs occurs without growth in external revenues, which leads to increased institutional subsidies or student fees for athletics" (p. 418). It was easy to see evidence of the arms race because the media reported spending patterns to the public (Wright & Cooper, 2015). Wright and Cooper collected front page coverage from many different media sources and financial spending was by far the most common theme in front page coverage with 41% of the word count and 14/45 total articles (Wright & Cooper, 2015).

Many schools were spending large amounts of money into their programs and this was something that helped some institutions thrive and others struggle (Cheslock & Knight, 2015). This was due to that fact that some schools were not generating nearly the same revenue as others. Cheslock and Knight (2015) discovered that some athletic programs acquired revenue of over \$100 million dollars and their competitors acquired less than \$10 million dollars. They continued their arms race discussion from a developed example of a chain effect. The chain effect was that elite programs increased their expenditures and caused other programs to also increase. Hutton (2003) discussed how the arms race caused many institutions to go in the red. He said that more schools had lost money and the losses are of higher amounts (Hutton, 2003). Some school's poor budgets were leading to excess spending that is not sustainable and is generally hurting the non-elite schools (Cheslock & Knight, 2015).

The unsustainable nature of spending without the revenue is why credit agencies predict rough times in the future for most institutions (Cheslock & Knight, 2015). The rise in athletic budgets can lead to problems that negatively impact anything tied to the institutions. For this reason, Cheslock and Knight (2015) predict that growing budgets challenges within the state are likely to lower government support for higher education. Due to this, change is something that might need to occur in order for a tragic downfall to get avoided. This was supported by Myles

Brand when he was hired as president of the NCAA in 2003, saying "...it was time to scale back football and basketball because the arms race was hurting the academic integrity of many schools" (Walker, Seifried, & Soebbing, 2018, p. 64).

The excess spending that created an arms race was generally at the expense of the revenue sports at institutions (Magner, 2014). In a dissertation by Amber Magner (2014), she wrote that 76% percent of an athletic department's budget was for the football and men's basketball team alone. It seems as no coincidence that 76% of the budget was for only two sports and that these two sports were also the two that were classified as revenue sports (Magner, 2014). As a result, it can be interpreted that many of the elite programs in college athletics had tendencies to invest in the sports that turned a profit (Magner, 2014).

The spending that occurred in NCAA Division I athletics was predicated on an implied "the more you spend the better you perform" (Manger, 2014, p. 11). Manger explored this question by looking at the top 100 standings of the Directors Cup from 2008-2012. She separated the top 100 into quartiles and compared operating expenses for the schools in each quartile. The group in the first quartile spent the most at \$12,078,681.40. The next three groups continued to gradually decrease at \$8,783,623.40, then \$6,483,528.60, and finally the last grouping of \$4,086,675.30. This information showed the positive relationship between spending and performance. The reason for why elite programs spent so much in the first place was supported in Shulman and Bowen's book *Game of Life*. In the book, they began to predict the future landscape of Division I athletics as they wrote, "A school with big-time aspirations and a real chance to reach national championship status in one of the high-profile sports had to be ready to spend money to make money" (Caro & Elder, 2017, p. 381).

Good of Winning

The evidence for the relationship between spending and winning was above, but in this section, the reason why schools wanted to win in the first place was looked at further.

Humphreys and Mondello (2007) investigated the NCAA Division I Football and Men's Basketball athletic success and its impact on donations. Their results indicated that public institutions were able to capitalize on winning for both football and basketball. The private schools only were able to capitalize on basketball success. They discussed more than just donations for financial benefits by writing that winning increases "higher attendance, ticket value, parking revenues, concession revenues, and broadcast revenues" (Humphreys & Mondello, 2007, p. 66). They next discussed the non-financial benefits of increased applications and enrollment, attraction to higher quality students, and increased school image.

Due to the statements from Humphreys and Mondello (2007), it's fair to assume that the rewards for winning went far beyond bragging rights. Harris (2016) understood schools to be cheaters by saying that the willingness to break rules was influenced by the costs and benefits of cheating. Therefore, if in Division I Men's Basketball you make millions of extra dollars by winning, then people will cheat. Harris (2016) continues to say that "as the benefits of higher winning percentages rise, the willingness to cheat will also increase" (p. 418).

Violations

The NCAA Legislative Services Database (LSDBi), is a database that records all of the major violations for all NCAA athletics. Ridpath, Gurney, and Snyder (2015) reviewed the database and found that of all the cases, football and men's basketball violations occurred within 158 of the 368 cases of the infraction investigations. This meant that almost half of the violations have been committed by the two revenue sports. The database organizes the violators by

conference affiliates in which the SEC has the most violations with 64, Pac-12 with 54, Big 10 with 53, Big 12 with 50, and ACC with 46 (NCAA, 2018). All of the top 5 conferences in total major violations were in the BCS division and usually generate a profit (NCAA, 2018; Hutton, 2003). It is fair to say that the institutions that were generating the most revenue will oftentimes be the ones that violated.

It can be assumed that academic fraud happened throughout the whole landscape of college athletics and that teachers and coaches did just about anything to keep the athletes eligible. John Adamek (2017) researched the difference between academic frauds in revenue sports vs non-revenue sports and found there was a great difference. His investigation of the 24 academic fraud cases found that men's basketball and football made up 71% of the total cases. It is likely that the schools that committed fraud were doing it in order to keep players eligible. When good basketball players were eligible, they were able to play, and when good players played, teams were more likely to win. Then, if team teams were winning, they were more likely to increase revenue. The devaluing of academics was built into Division I basketball coaches contracts (Wilson & Burke, 2013). Wilson and Burke (2013) discuss how coaches in the 2012 NCAA tournament received athletic incentives of \$13,174,858.00 but only potential academic incentives of \$1,230,328.00. This was a clear indication of how the athletic department and the institution as a whole were more concerned with the players on court success than in the classroom.

Schools were not only trying to keep players eligible, but they were also often paying them to ensure that they can land the best players in the recruiting class (Forde & Thamel, 2018). This statement was supported by a list of current players in the NCAA that the FBI found guilty of being paid athletes, which made them not amateur (Forde & Thamel, 2018). The FBI

conducted a yearlong investigation in which they monitored some players and intercepted over 4,000 calls (Forde & Thamel, 2018). According to Forbes, nine of the schools that the FBI said violated the NCAA were in the top 20 for revenue generated in 2016 (Smith, 2016). The list of schools and their ranking was as followed: Louisville #1, North Carolina, #2, Kansas #3, Kentucky #5, Arizona #8, Maryland #12, Texas #14, Michigan State #15, and Xavier #17. The illegal payment of these players is something that is not new in the NCAA but is something that has become more popular in recent years.

Struggle with Amateurism

NCAA athletics were not considered professional and instead were labeled as “amateur”. Smith did not agree with this label and said "...claiming that American intercollegiate athletics are amateur at the end of the 20th century is an anachronism" (1993, p. 430). Kaburakis, Pierce, Cianfrone, and Paule (2012) said that “collegiate athletics have grown from a cottage industry in which local clubs competed against each other to a global industry" (p. 295). A loose interpretation of amateurism was not new, however. In, fact, the Harvard crew team accepted \$500 as a prize in the Boston crew meet in 1850 (Smith, 1993). After 1850, accepting cash prizes for participation were violations of amateur codes. This rule has been upheld to modern times as Santesteban and Leffler (2017) write how "The NCAA limits the compensation to athletes to cover, at most, the cost of attending the college..." (p. 91). Smith (1993) labeled amateurism as a hypocrisy as soon as colleges began accepting professional practices of hiring professional coaches and paying athletes through grants-in-aid. Smith (1993) goes on to say that this happened because the appeal of winning with a professional model was stronger than the upper-class appeal of English amateurism. Amateurism began to become outdated by 1990, when coaches were being paid million-dollar salaries, schools were constantly expanding and

upgrading facilities, and schools started receiving revenue from licensing products (Porto, 2016, p. 303). At this point in history the emphasis on winning could have reshaped the priorities of Division I athletes.

Student Athlete Subculture

It is unclear where schools were placing their focus, were they focusing on educating the student athletes and not breaking the rules or were they focusing on winning and doing whatever they can to get there? This section investigated how the emphasis on winning changed the mission of many teams and institutions. Student athletes differed from the rest of the student body because of one characteristic. This characteristic was that these students not only attended school but did this while playing a sport. In this section, the environment of student athletes were looked at closely to see exactly how different student athletes were from the standard college student. Lanter and Hawkins (2013), looked into the differences between the two groups and found that for student athletes educational opportunities were limited because of an all-encompassing athletic life on campus. This is supported by Rubins and Moses as they say that athlete's subculture provided distractions that made it harder for them to study. Due to this subculture, students were often put in situations where they need to choose between school and athletics. In fact, Lanter and Hawkins (2013) found that "94% of athletes reported forgoing a class or laboratory due to their constraints of practice or travel" (p. 89). This is supported by Walker, Seifried, and Soebbing (2018), in which they wrote that integrity is questioned publicly because many believed that the football and men's basketball players were athlete-students not student-athletes. If 94% of athletes were skipping classes for their sport, then it fair to say that many of them favored their sport more than academics in terms of priorities. This alone could be the reason that Lanter and Hawkins (2013) discussed research that athletes are less stressed about

major academic decisions than non-athletes. This priority ranking may not be the athletes fault because Lanter and Hawkins (2013), said that "...college athletes live in a world that emphasizes athletic success over academic success" (p. 89).

Student athletes often times had a lot more on their plate than the average student and this resulted in less time to work on academics. Rubins and Moses (2017) completed a four year observation on a men's basketball team in order to look into the subculture within student athletes. They found that due to time limitations, student-athletes felt it was imperative to have access to separate academic resources and facilities. The full schedule goes much farther than the time available to complete assignments or study. The time limitation is a hardship in other ways because the athletic practice and travel schedules restricted their available times for course selection (Lanter & Hawkins, 2013). Their available times for course selections were limited but so were their majors. Often times over 25% of a team's roster shared the same major. Lanter and Hawkins (2013) continued to say that athletes were choosing majors that do not even align with their academic interests or career goals. This could be because many of the players shared the same interest, but some believe that this was simply for the over achieving academic goal of staying eligible. This belief of the athletes simply tried to stay eligible was found in Rubins and Moses's (2017) study in which they found that teammates encouraged each other to stay eligible but didn't take interest in their grades unless they shared the same major.

Wilson and Burke wrote how from 2009-2012, BCS schools experienced a reduction in academic incentives, where the non-BCS coaches received an increase of 1074%. This showed how in recent years the BCS schools were valuing academics much less than the other schools. This over emphasis on athletics was studied and found to be more prevalent in revenue sports (Cooper & Weight, 2011). They found this relationship by surveying administrators at 155

NCAA Division 1 programs. The survey found that the average administrator believed that sport programs in revenue-producing sport programs valued athletic success at 5.67 over academic achievement 5.66. Non-revenue sport programs in the same survey ranked athletic success at 5.3 and academic achievement at 5.73. With this information, one could suggest that revenue sport programs are more focused on athletics rather than academics.

Method

What implications can be made from the interactions between finances and violations for Division I men's basketball schools?

Desired Sample

The desired sample for this research is all NCAA Division I men's basketball schools that have violated major infraction bylaws #12, #13, #14, #15, or #16. The sample will not be geared specifically towards power 6 schools or mid-major schools. In order to be accurate no schools that violated could have been left out or the results prove less meaningful.

Sampling Method

NCAA Division 1 Men's Basketball programs that violated NCAA bylaws #13,#14,#15, or #16. The LSDBi database was used to gather all infractions reported by the NCAA (Adamek, 2017). Subjects had to violate one of the following bylaws; #12 amateurism and athletics eligibility, #13 recruiting, #14 academic eligibility, #15 financial aid, or # 16 awards, benefits, and expenses for enrollment student-athlete. The schools would need to have violated during the span of years 2006-2014 due to the EADA website financial records limitations.

Procedure

An excel sheet was created in order to separate all the schools from the variables. The schools were represented in the row sections of the sheet and the variables expressed in columns. Each major violation received a tally of the total number of violations the school received. The finances were listed in three categories, before, during violation, and after violation. This procedure was done for both revenue and expenses. A formula was in place in order to total all expenses and revenues, as well as calculate the net profit. The same procedure was done for wins and losses for the teams for the respected teams. A formula was in place in order to total wins and losses and, as well as calculate the win percentage.

Data Collection

The variables that were collected were the total years of violation, total violations #12, total violations #13, total violations #14, total violations #15, total violations #16, and the total violations #. The variables collected to continue the study were revenue and expenses from all of the schools. The variables for this section consisted of program average revenue before, program average revenue during violation, program average revenue after, program average expenses before, program average expenses during violation, program after expenses after, net profit before, net profit after, change in net profit, net profit during violation. The next set of variables were resolved around wins and loss. These variables consisted of total wins before, total losses before, win percentage before, total wins after, total losses after, win percentage after, change in win percentage, total wins while violating, total losses while violating, and win percentage while violating. The next section of variables would revolve around penalties that the school received. These variables consisted of public reprimand, fine, postseason ban, reduction of scholarships, probation, coaching restriction, vacation of wins, and total penalties. Finally, the last section of

variables that were used in order to categorize the schools. They consisted of NCAA without football, NCAA FCS, NCAA FBS, conference, and power 6.

Data Analysis

From the collected data descriptive statistics were run and reported. The reported data allowed for deeper analysis of the variables means, mode, minimum, maximum, and standard deviation.

Description of Sample

There were 27 total schools that fit the parameters set by the method. Nine responses were not useable because their file could not be properly identified. Schools that had a file where all of the sports teams were not separated had to be eliminated. This is because if all of the sports team's violations were combined then there was no way of knowing what sport committed what violation. This would have given certain teams violations that they did not commit and ultimately make the results less accurate.

By calculating the average, eight schools were not a part of the NCAA FBS (44%). Ten schools were a part of the FBS (56%). Eleven schools were not power 6 schools (61%). Eight schools were in the power 6 (39%).

Testing the means of total violations and win percentage while violating recoded allowed for further analysis. Three teams had a win percentage of 20% - 39% (17%). These schools committed an average of ten violations (SD = 2.6). Eleven teams had win percentages of 40% - 59% (61%). These schools committed an average of 8.27 violations (SD = 5.8) Four teams had a win percentage of 60% - 79% (22%). These schools committed an average of 7.5 violations (SD = 2.1).

Testing the means of total violations and net profit during violations recoded allowed for further analysis. Five schools broke even during their violation period (28%). These schools committed an average of ten violations (SD = 5.4). Eight schools made less than \$1,000,000 (44%). These schools averaged 9.13 violations (SD = 5.2). Five schools made over \$1,000,000 (28%). These schools averaged 5.6 violations (SD = 1.8).

Testing the means of win percentage while violating and net profit during violation recoded allowed for further analysis. Five schools broke even during their violation period (28%). These schools had an average win percentage of 55% (SD = .12). Eight schools made less than \$1,000,000 (44%). These schools had an average win percentage of 48% (SD = .15). Five schools made over \$1,000,000 (28%). These schools had an average win percentage of 61% (SD = .10).

Testing the means of total violations # and the power 6 allowed for further analysis. Eleven schools of the data were not in the Power 6 (61%). These schools committed an average of 10.27 violations (SD = 5.0). There were seven schools that were in the power 6 (39%). These schools committed an average of 5.43 violations (SD = 1.9).

To look further into the relationship total penalties has with schools, total penalty's and the power 6's means were compared. Eleven schools were not in the power 6 (61%). Out of these 11, seven of them committed less than three penalties (64%), while four committed more than three (36%). Seven schools were in the power 6 and four of them committed less than three violations (57%), while three committed less than them (43%).

When taking a look at the amount of time schools committed violations over, the mean was 3.56 (SD = 1.5). The minimum number of years a school committed violations was 1 year with the maximum being 7 years. The most common violation was #14 where the schools on

average committed 2.72 violations (SD = 3.3). The second most common violation was #13 where the average school committed 2.39 violations (SD = 2.4). The thirteenth most common violation was #15 where 1.72 violations were committed (SD = 3.1). The fourth most common violation was #16 where the school committed an average of 1.06 violations (SD = 1.0). The least common violation was #15 where the school committed an average of .56 violations (SD = 1.0). The total number of violations that a school committed was 8.39 (SD = 4.705). The maximum number of violations committed was 20 and the minimum was 3.

An average test was used to compare schools net profit before violations and after violations. The change in net profit after violating was \$-229,799.55 (SD = \$3,182,868.969). However, the net profit during the school's violation years was on average higher than that of the years before and after (SD = \$2,686,672).

By testing the averages further analysis was allowed. The schools won 66.39 games, with a median of 61 (SD = 38). The maximum wins that a school had while violating was 187. The minimum number of wins that a school recorded while violating was 21. The win percentage while violating was 53.4 % compared to the win percentage before violating of 51.4% (SD = 13% and 17%) respectively. The schools that violated received an average of 3.28 penalty's (SD = 1.1)

Discussion

The sample that was desired for this research was all of the schools that committed violations over the years being tested. This goal was not quite met as some of the schools had to get eliminated because their violation file could not be examined in full. Further, the exact representation of schools that violated was not captured as schools have cheated and not been caught.

There are a few answers to the research question. No school's lost money while violating. Teams improved their net profit while violating. Teams improved their win percentage while violating. Teams that with lower win percentages were more likely to violate. Teams with lower net profits were more likely to violate. Less teams committed violations in the power 6 than in the mid-majors.

Earlier it was mentioned that in general, power conference schools were the ones that profit (Humphreys & Mondello, 2007). This was looked into through a study in which schools in the power 6 and schools that are not will be compared through average net profit. The average net profit of schools in the power 6 was \$3,745,765.25 and the average net profit of schools not in the power 6 was \$118,611.06. Therefore the net profit of schools in the power 6 was significantly larger than those who were not.

Many schools were spending large amounts of money into their programs and this is something that was helping some institutions thrive and others struggle (Cheslock & Knight, 2015). This was due to that fact that some schools were not generating nearly the same revenue as others. In order to look into the disparity of revenue of all of the schools, their revenue was averaged, and the standard deviation was noted. The average revenue of all of the schools was \$4,658,307.69. However, the disparity was shown through the standard deviation where the standard deviation was higher than the revenue at \$4,782,354.51. Cheslock and Knight (2015) made the statement that everyone is spending money in the arms race. This was looked into and noted that the average spending for schools was \$3,129,136.67 but the standard deviation was \$2,466,750.63. Therefore, it was safe to say that not all schools were spending a lot of money. They continued to say that some school's poor budgets were leading to excess spending that was not sustainable and was generally hurting the non-elite. Also, Hutton (2003) discussed how the

arms race was causing many institutions to go in the red. However, in the 18 schools that committed a violation, thirteen made profit and five broke even. Not one school in this sample was operating at a loss when they violated.

Ridpath, Gurney, and Snyder (2015) reviewed the database and found that of all the cases, football and men's basketball violations occurred within 158 of the 368 cases of the infraction investigations. They believed that schools or sports generating a profit were more likely to be the ones that violated. The study conducted showed that 72% of the sample was generating revenue while violating and 0% were losing money.

The major delimitation that was in place during this study was the removal of 33% of the sample for an unclear file. It was decided that these schools be left out because they would skew the data too much if their unclear file gave them more violations than were true. If this decision were to get made again then they would have been kept in the data for certain portions. For example, if seven of the nine schools that were removed were a part of the power 6, then this information could have been used to make the sample more accurate. Another delimitation was the decision to not use schools that did not violate in the study. This comparison would have been helpful in certain tests but all together this portion was eliminated because the schools that were labeled as "did not violate" could have actually been schools that did in fact violate but simply did not get caught.

One of the major limitations is that the NCAA chooses who they investigate. This is a major limitation because if all schools were deeply investigated then similar results may have arose. Perhaps the whole sample was based on who the NCAA chose to investigate rather than those who were raising red flags and indeed violated. Another limitation was that many of the mid-major schools reported breaking even in their financials. It is unlikely that the schools

actually broke even but this was the information given so that was the information that was reported. If this were to be handled again differently, an attempt to access more financials to discover the truth could be helpful. However, this is information that would be most likely not available.

With a completed understanding of the value of winning, it can be understood that schools may break the rules in order to win more. With proof that breaking the rules improved the schools win percentage and net profit, more incentives to break the rules occurred. In order to establish an athletic system that is fair and ethical, the risk reward needs to be revised. Schools need to be punished in harsher penalties as well as be investigated regularly. It is recommended that every athletic department obtain a position for a NCAA member on their staff to keep them informed of rules as well as offer a more transparent system of actions. If schools are regularly being worked with by a non-affiliate supervisor, then secrets, rule breaking, and scandals can be slowed down or stopped all together.

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