



Ball Park Figures

Matthew Watkins

0:00:00 Good morning, everyone. Can y'all hear me okay? Very good. Okay. Welcome to Day Two of the Texas Tribune Festival. Thank you guys for showing up here this morning. My name is Matthew Watkins. I'm the Higher Education Reporter for the *Tribune*. And the panel you are at right now is called Ball Park Figures: Inside College Sports. We're going to be talking about the money in college sports in Texas and across the country.

Housekeeping items before we start this morning, I wanted to just let you know right now, you're in the Texas Tribune Presents Track. So in this room, throughout the day, you're going to be seeing different panels about projects; areas of focus that the *Tribune* has worked on in the last year. If you're in here because you're interested in higher ed, we also have an education panel elsewhere in this room. And an interview with Ken Star coming up here after this panel, at the AT&T Conference Room.

We are in a few different venues across the campus today. And if you're trying to get between venues, especially if it's raining, be aware that there's a shuttle that you can jump on and ride between areas. We'll be doing lunch at the main mall under the tower. There's going to be some food trucks there where you can grab lunch. And at the end of the day, at the AT&T Center, where you likely picked up your badge, we will be having a reception before the night's events, which we have a trivia event at Schultz Garden, if you're interested in showing up for that too.

For this panel, we're going to do about forty minutes of discussion up here among us and then I'll give a little bit of a warning and if you want to come up and ask a question, we've got these two microphones here and we'll leave a few minutes for that as well. And let me go ahead and just introduce the panel here. We've got Sanya Richards-Ross, an Olympic Gold Medalist and former NCAA champion, who ran track at UT. She's the founder of the Sanya Richards Fast Track Program, which benefits children in her native Jamaica. Joe Nocera is a columnist for the *New York Times*. He's written extensively about the business of college sports in the NCAA. He's the author of this book, *Indentured: Inside the Rebellion Against the NCAA*. And let's see here. We've got Renu Khator, who is President and Chancellor of the University of Houston and its governing system. Her tenure began in 2008 and she has overseen record-breaking enrollment and research funding of the university. Lately, as she pointed out to us this morning, she is the—she now also oversees—what she said was the clear number one football team in the State of Texas. So, yeah, maybe a controversial opinion here.

Renu Khator

0:02:57.7 Why debate that? There's so many other topics we can debate.

Joe Nocera

I'm just going to leave.

Renu Khator

I mean right now, you can look any polls, of course. I mean I don't have to say anything. I don't want to say—

Matthew Watkins

The polls do back that up.

Renu Khator

Yes. But this week, right now—I'm sitting right now.

Matthew Watkins

And we've got Daron K. Roberts, Founding Director for the Center for Sports Leadership and Innovation at UT. He's a former college and NFL coach and lectures in the Humanities at UT. I understand you teach a lot of UT athletes.

Daron K. Roberts

Yes, every freshman athlete.

Matthew Watkins

That's right. So, thank all of you for being here. We really appreciate it. Chancellor Khator, I want to start with you, because as we discussed, your football team is hot right now. And in the discussion of the business of college sports, University of Houston is a big newsmaker these days. You guys have made no secret about interest of joining the Big Twelve, a process that is still ongoing. I wonder if you could tell me why that is something you're pursuing and kind of what your pitch is to the conference as you go through this process.

Renu Khator

Okay. So, let me just give a disclaimer that I am under confidentiality statement that I have signed, so I can't tell about any of those things, but whatever I can tell you is this. So, I joined in 2008, so it's almost completing my nine years. And from that point onwards, we have just stayed on one single path, one destination, and that is building a nationally competitive university. To me, it doesn't mean in one area or the other. It means all across. If we're going to have an athletics program, it's not going to be a mediocre program. So, we have been really focusing on that as one of my big rocks as well, just like as energy and health and arts, athletics has been important, just like other students' success. And we made the investments we needed to do and I just want my student athletes to have the same opportunity to be shown on the national landscape, national platform. I see in their eyes—the talent I see and I just think they deserve that. And therefore, our path has remained the same. It remains still the same and none of those

things you can say we did it because of any talk of Big Twelve expansion. All of these things have been going on for eight years of track record on that. So, at the end of the day, of course, a decision is made by the university presidents from the Big Twelve and I'm just—I'm very passionate about the university. I'm ready to talk about it. I'm ready to brag about it, even in my sleep. And I would do that. Best I leave it to everybody else.

Matthew Watkins

0:05:37.5 Sure. You know, as you mentioned, there's been a big investment—financial investment in kind of building of these programs, whether it's new stadiums—you know—you guys have one of the most sought after, hottest coaches in college football right now, who demands a hefty salary. Obviously, we know a lot about the kind of differences between the Big Five—the Power Five Conferences and whatever you call that second group, the group of five—whatever it is. Do you think, if an invitation to the Big Twelve or another conference of its stature doesn't come, can you guys sustain the spending that you guys have been doing lately?

Renu Khator

Well, you got to think about what does it do, in terms of revenues; in terms of ticket sales; in terms of merchandise sales. Because I don't think we are at the capacity where we can be. We've seen all of that growth, even in the last two years. And I just want to give one correction to something you said. You said, "You have a hotshot coach," which is true, "who demands a high salary." I don't think he demands a high salary. I think it's our alumnae, our board—us who feel that he deserves a competitive salary. We're just very happy to have him. I always want to have people who have fire in their belly; who have dreams in their eyes; who are willing to go and do whatever it takes. And he is that kind of coach, where if you look at all my team, generally you will find that they have a little more fire in their bellies than I do. Those are the kind of people I look for.

So, can we sustain it? Yeah. I mean right now, our department—our Athletics Department budget is about in the short side of the forties, okay. If you look at the projections and if I can look back at some of the schools who joined—so let's say even if I look back at TCU, which is a much smaller school than what University of Houston is and the alumnae base that we have right there in Houston, if you can just take and look at just that growth rate, you can see easily in all of those things, all of those revenue sources are just doubling in that sense. We have seen—our season ticket sales have just skyrocketed now. We can see our fundraising has gone up. But that's not it. To me, what is most important is the way it connects with academics. I mean if you look at those students—the rest of the student body, the pride that they have; the engagement that they have with the university. They want to come and be part of the University of Houston and they want to stay there. I mean if we can get them to retain there, to graduate on time, the investment is worth it in some ways.

Joe Nocera

Ball Park Figures

0:08:22.4 But, if you stay in your current conference, your television revenues are \$2 million a year.

Renu Khator

Right.

Joe Nocera

If you move to the Big Twelve, your television revenues are \$24 million a year—somewhere around there.

Renu Khator

Hypothetical.

Joe Nocera

Your competitors—your teams in the Power Five—you say you have a \$40 million athletic budget. They have an \$80 million athletic budget; they have \$100 million; they have \$120 million budget. Presumably, student fees are subsidizing some of your athletics. So then the question—I mean I think it's—you've got Cincinnati; you've got Memphis; you've got Connecticut; you've got you guys all yearning to be in a Power Five for one reason: because they can get television money that they wouldn't otherwise be able to get in the sad conference that they're in now. So, you say you can sustain it and you can right now. Houston is hot. But if you don't get into a Power Five conference, you will be always financially behind the eight ball.

Renu Khator

See, I don't agree with that. And first of all, I'm not in a sad conference, okay. I'm proud to be going to all these major cities. So, I mean I want to defend the conference where we are playing. I'm a very loyal person that way. Now, let's talk about it—is that the only reason? That's not. If you look at the University of Houston and Oklahoma game, I mean that packed the stadium of 70,000. So, to say that if I'm playing here or our team is playing a team that people aren't necessarily familiar with, it's not getting the same kind of crowd that if you bring in Texas Tech. When we brought in Texas Tech—I mean I guarantee you, if we play any of these teams, a UT that's traditional rivalries, every single time we can pack the stadium here. So, I don't think it's a right thing to say that the conference revenue is the only thing. Even in TCU's case, you can remove the conference revenue and you can still see rise in everything else that adds to the athletics budget. So, our projects are we'll have probably athletics budget that will touch about \$80 million very quickly. It could go farther, because are in Houston. I mean they are our alumnae base—huge alumnae base and over 150,000 alumnae right there. So, I think there's a lot of potential we have to look at holistically on what it can mean for the university.

Matthew Watkins

0:10:45.5 Daron, I want to ask you since—at the *Tribune*, we've looked at some of the finances

of the programs in Texas, the FBS programs, the Division One programs. Since 2008, which coincidentally is when Dr. Khator took over, the amount of student fees among all those schools that were going towards athletics has doubled to \$57 million per year. The amount of money—what some would call subsidies—what the NCAA calls *institutional transfers*—money kind of from the university side to the Athletics Department is now \$40 million a year in these schools. You know, it's less UT; it's less here, because as we've discussed, they make a ton of money from TV, from ticket sales, and things like that. Do you have any concern about those level of dollars going from students, from tuition revenue, from state revenue into athletics?

Daron K. Roberts

So nationally, you're looking at about \$120 million going in mandatory student fees. I coached at West Virginia. The first year we were there, we were in the Big East and then we transitioned to the Big Twelve. I think what is somewhat problematic is that we are supporting a system in which there is a real separation between athlete and non-athlete.

So like you mentioned, I teach a class to every freshman athlete. And the experience of a freshman football player at the University of Texas versus a freshman Anthropology major is very different. And I say when a football player wakes up in a dorm, he lives on a floor with only other football players; he goes to class; he goes to workouts; he eats at a separate facility, right. He goes back to practice; watches some tape; he goes back to the dorm where he lives with other football players. I think that's troubling. And I think what we've seen is from the classes is that there are many students who feel that there is—they are somewhat resentful of the separation between athlete and non-athlete. I'm a supporter of athletics in theory, but I do think in practice, especially at some of the major institutions, there tends to be this almost quasi-segregated system in which you have athletes and non-athletes on two very different tracks. And I'm not sure that is extremely beneficial to the athlete or the non-athlete.

Matthew Watkins

Well, I want to ask our athlete about this. You know, I was reading in the *Daily Texan*, when you spoke earlier this week to a student group, and you described your husband, who was on the football team, right. You said your time at UT was the best time of your life. Is this an issue where the discussion among journalists like us and administrators is separate from what's being actually experienced by the athletes?

Sanya Richards-Ross

0:13:51.1 I think a little bit, you know. Because to be honest, for so long I've just been an athlete and now I'm kind of—my eyes have been opened to a lot of the issues around what it means to be a student athlete. But if I can speak solely to the experience that I had and my husband had, I thought—attended the University of Texas and the support I had from the athletics program helped me to be the best in the world. And you know, when you think about all the responsibilities that you have after school and how all those things were taken care of while I

was here, it kind of was one of the best times of my life. But I do think that there are lots of issues and I do think that there are times when there are—there’s a disservice to the student athlete when it comes to what we’re guaranteed, as far as our education and the fulfillment of that guarantee. So, that’s one of the things that I’m passionate about, when I think about the other side of the track. But I definitely will stand by that statement, that it was for sure one of the best times in my life to be a student athlete at the University of Texas.

Matthew Watkins

You know, one of the most interesting things that I learned from your book was a lot of the discussion about how the NCAA governs the tutoring, the academic process for the universities. And I can’t recall the exact—who this was, but there was an athlete, I believe, who received some edits from a tutor on one of his papers and the NCAA considered that an improper benefit for the university, because that kind of tutoring isn’t available to other students on campus. Even though, another student could go to a university writing center and get that same kind of advice.

Joe Nocera

It—it—it—

(Laughter)

Joe Nocera

The NCAA lacks compassion and common sense. It’s a rules-based organization that really doesn’t care that the people that they’re punishing are eighteen years old. And most—many of the rules are designed for the benefit of coaches and teams and universities, rather than the students themselves. The classic example, which I think will change because it’s so offensive, is the transfer room. If you’re a music student at the University of Texas and you decide that you want to go to Stanford instead for your piano, because there’s a better piano teacher there, nobody says, “Well, the piano teacher at UT taught you so much, so you can’t go. You have to sit out a year.” But a football player is—has to sit out a year, unless the coach gives him a waiver. And not only that, the coach can say, “Well, you can go to this school, but not that school.” Now, how is that right?

0:16:55.2 My whole thing—I believe football and basketball players should be paid. And that comes out of my core view, which is that athletes are deprived rights that every other student and every other American has; and that their actions are unfairly and inappropriately controlled by the NCAA and by the universities; and that they’re deprived their economic rights as well. That a lot of these players will never be pros. They have a tiny window to make money from their athletics and they’re deprived of that. On the other hand, if you’re Katie Ledecky and you’re in the Olympics and you take home \$325,000—that’s how much she took home from the USOC—the NCAA rules, “Well, she’s still an amateur.” How does that work? But if you took \$10.00

from a booster at the University of Houston, you'll be punished by the NCAA. It makes no sense.

Matthew Watkins

Chancellor Khator, I actually don't know where you stand on this issue. What are your—what do you think—

Joe Nocera

She's not going to say. Never.

Renu Khator

Maybe you and I should have lunch.

Joe Nocera

In a quarantined room.

Renu Khator

You know, I mean of course every viewpoint is a valid viewpoint, so I'm not dismissing that. But I think on the issue of whether a student athlete should be paid or not, I think right now that discussion is going on. I mean there are certain benefits that come with that. But I think if you want to have that conversation, there should be some other university president here, because we just now discussed how much subsidy the institution is giving. So, you don't make really any money, so we're in a different boat. But I think there's an argument—justifiable arguments on both sides.

Matthew Watkins

Well, let me ask you about the situation you're in and going back a little bit to kind of the money that's going into the university or coming from the university into the program. When I go to Higher Education Committee meetings in the capitol and I hear the governor speak; when I hear other higher education leaders in the state speak, one of the big concerns that is raised is that we're losing a ton of students—high school students who are graduating from high school and going to other schools out of state. They're going to the University of Oklahoma or the SEC schools and things like that. And you know, this is just personally a theory. But I would bet that one of the reasons that is is because they want to go to that kind of—that jock school atmosphere. They want to be able to tailgate outside the football games and go to big primetime games and things like that. So, when people question that amount of money, I mean I guess the thing everyone says is that athletics are the front porch of the university. Is it worth it to be spending that kind of money? Could that be going to better uses? What do you think?

Renu Khator

0:20:06.1 Of course. I mean there are—we can debate about that. But here's the thing—we

already determined that our athletics budget is still very small. So, there is no correlation between having a nationally relevant team and sort of having a huge, big budget. I mean it helps—budget helps, but it's not necessary.

Okay, does it help? So, after winning Peach Bowl last year, when we started our admission process, we had thirty percent increase in applications. Does it help? Yeah, it makes things easier for us, but that's not everything. I still keep coming back. Part of that engagement is student pride. That was part of my nine-point plan eight years ago, when we didn't have a good athletics team, as to what it would take to really build a campus that becomes a destination campus, that engages the students, that gives pride to students. And two things were very clear at that time also, which was we're going to have an athletics program and we're going to be having pride in our color. So I mean, you can come to University of Houston campus every Friday—Red Fridays—and you will find the whole campus red, which wasn't the case. All I'm saying is these are—somebody can argue these are symbolic things, trivial things, but they do make a difference.

So last year, University of Houston received Phi Beta Kappa. Now, that is for a school that historically was known as a commuter school; a school that's in a metropolitan area; that is the second most diverse research university. I mean for us to get Phi Beta Kappa is a big academic achievement. So, what I'm saying is all of these things go together and there is a connectivity. And I understand the connectivity between athletics and academics. I want to find the right balance, want to do right for our student athletes, but also the rest of the students.

Matthew Watkins

I guess, though, you could argue—and I'm sure at least one person on this stage would argue that just because the athletics are creating value for the university—not just in terms of monetary value, but in terms of how the school is perceived and things like that—it doesn't necessarily mean that—it might even be an argument for why the students should be compensated more or in a different way.

Daron, you meet—like you said, you teach all the freshmen athletes at UT. Do they talk about this? Do they feel like they're being exploited in any way?

Daron K. Roberts

0:22:36.8 You know, I can't speak for them. And think it's interesting, right. I think we tend to oftentimes to kind of look at this group—the student athlete pool as this monolithic group. But the rowing experience is very different from the women's basketball experience than it is from the men's football experience. And so, one of the first things that I do in my class, I'll put a slide up that shows at the University of Texas the only three sports that generate more revenue than they pay out, in terms of expenses, is football, basketball, and baseball. And then I ask a very hard question. I said, "So, why do we have other sports?" And you'll hear these—and as you can

imagine, I have to end up refereeing some of the comments. I do think there is this—kind of wrapped up in this notion of the college experience. There is this affinity for athletics. I think, though, that the lines between amateurism and professionalism have become very blurry. And I think that’s troubling, because there are several students who will say to me, “Listen. I am here to play Sport X. And I’d rather here just to play that sport and not have to worry about school.” Others want the experience of a degree. But I do think it’s worth having a discussion of whether or not there should be two tracks, because I think that there are some who want to self-select into a system where they just play. And we have a de facto minor league system now, as it is, in college football.

Matthew Watkins

Go ahead.

Joe Nocera

I have allies. Oh, yeah. I don’t really think—I think the fans wouldn’t care, one way or the other, if the players were paid. But I do think the fans would care if they weren’t real students, one way, shape, or form. I also though think that you ought to be able to get course credit, as you can get in dance. You know, why can you major in dance, but you can’t major in football. And I know that sounds silly, but when you do a dance performance, you get course credit for that. But you also—you know—Theory of Dance, Ethics of Dance—I don’t know—Dance Moves 101. I don’t know. But there’s no reason you couldn’t do the same thing in sports. You know, Race in Football, How to be a Coach. There’s a whole range of things you could do.

Sanya Richards-Ross

How to Handle Your Money.

Joe Nocera

How to Handle Your Money.

Sanya Richards-Ross

0:25:18.5 Yeah.

Joe Nocera

Right. Yeah, because you’re not allowed to have an agent, so you’re naked until you graduate.

Sanya Richards-Ross

Right, yeah.

Joe Nocera

And nobody’s helping you—nobody. And you’re making decisions by yourself or maybe with your cousin, who doesn’t know anything more than you do.

Daron K. Roberts

You know, to that point, I do think we have to recognize—I think we have to appreciate the intelligence of sport.

Joe Nocera

Absolutely.

Daron K. Roberts

And I have—the first day of class, I’ll bring up a football player and then I’ll find a computer engineer, because our class is comprised half athlete, half non-athlete; so fifty and fifty. I teach at three times. I will have the football player install a typical play. Then I will have the Computer Science major just teach Coding 101. Then I ask the non-athletes, non-computer coders, which one is more difficult and it’s always a push.

Joe Nocera

Right.

Daron K. Roberts

Because I ask a player, “How many plays are you taking into the game this weekend?” “Eighty.” “Okay, wow. How many defenses are you going to see?” “Maybe fifteen.” And you think about the real-time calculations that have to occur. This is a very intelligent—there is a rich intelligence around athletics that I think it’s very unhealthy in our society for us to sort of subjugate that intelligence to a lower level. I think we need to start to appreciate it more and treat it with the respect that it deserves.

Matthew Watkins

Sure. Yeah.

Sanya Richards-Ross

0:26:40.9 And I also wanted to add, because you asked if there was sometimes some resentment in athletes, as to do they feel exploited. And I think that having had a husband who played collegiately and we’ve been around the sport for so long, I do think that there are times where that’s level of—where athletes—because many athletes who play on the collegiate level, who make huge contributes to the team, do not get that eventual payoff of making it to the NFL. And when you think of the demographics of most of those players and where they’re from, if they were being rewarded financially, it would make a big difference in their lives and in the lives of their families. And so, I do think on some levels athletes do. Whether they express it or not. And the one thing I have a heavy heart about is that when athletes speak up about it, they’re somehow seemed like they’re greedy or evil or there’s some negative connotation for someone who is entertaining a large group of people and doing something at a very high level. And I think, just

like anything else, people want to be rewarded for their work. And so, I hate the fact that if an athlete speaks up and—you know—this is very similar to the Olympic model, where we go to the Olympics and everyone else who's there is making tons of money and the athletes who are the ones that the whole sport sits on our back, we don't get paid either. So, I have a lot of empathy for athletes on the collegiate level. And like you said, the amateur and professional line are very blurry. Because what makes someone who dedicates their whole life to something an amateur? And that's what it is at the Olympics as well.

Joe Nocera

College sports is as commercialized as professional sports. I mean you can see it. You can see it. You go to the Final Four or you just even go to a Saturday afternoon football game. There's logos everywhere. Everything's sponsored. And the NCAA exalts this as the collegiate model. Which basically says you can maximize revenue in every area of college sports except the labor force doesn't get paid. That's what they are. They're the labor force. The NCAA is a cartel that exists, in no small part, to ensure that the labor force gets no money. That's how it works. That's why her coach can make \$3 or \$4 million or whatever he makes. That's why. That's why the coach here makes \$5 million. They say they don't have any money and yet they can pay the coaches \$6 and \$7 million. How does that work exactly? They all said they didn't have any money. But when the NCAA ruled that they could all get *cost of attendance money*, which is somewhere between \$2,000 and \$6,000, depending on the school, somehow everybody found it. Somehow everybody found it. How did that happen?

I want to say one thing also to your point. The number of athletes who turn pro—everybody knows this—is minimal. So, the real crime is not that more players don't get to the NFL or the NBA. The real crime is that so many of them don't get decent educations. You know, they major in eligibility. They just take courses that are designed to make sure they get just enough Bs and Cs to stay on the field. And then they either don't graduate or they graduate with a degree that's meaningless. That's a terrible thing. And you know, that's the core problem, to me, of Division One football and basketball.

Matthew Watkins

0:29:59.6 I want to ask about that experience. You, I would imagine, were spending a lot of your time training at UT.

Sanya Richards-Ross

Yes, uh-huh.

Matthew Watkins

You still had to balance your academic requirements.

Sanya Richards-Ross

Right, uh-huh.

Matthew Watkins

You know and then there's also the financial side.

Sanya Richards-Ross

Right.

Matthew Watkins

With all that stuff, I would imagine you probably didn't have time to get a job at the library or anything like that.

Sanya Richards-Ross

Right.

Matthew Watkins

And at that time, when you were in school, the scholarships did not cover full cost of attendance. They just covered your tuition, I believe, right?

Sanya Richards-Ross

Right. Tuition and books, uh-huh.

Matthew Watkins

Yeah. So, can you give us kind of an idea of like what the day-to-day life is like for an athlete?

Sanya Richards-Ross

0:30:39.9 Yeah. So, it is very challenging. And I remember when I came into UT, because you talk about that kind of—you said you love people who have that fire in their stomach, right? And that was me when I came in. So, I was very ambitious. So, I wanted to be a MIS major, because no track and field athlete had ever got an MIS degree. And boy, did I take on a lot. You know, I would be up at six in the morning. We had weights at six in the morning. I had classes from eight to two; training from three to five; and then I did 1000 sit-ups every night. And so, by the time I get to my schoolwork, I'm up until like one in the morning and back up at six o'clock for training.

You know, as I reflect on that time, I almost think it would have been amazing to be able to focus all my energy while I was in school on track and then—because now I'm coming back to school to finish my degree. You know, I gave it the best that I could, but it was hard to give it 100 percent, when I was giving so much of my time to track and field. And I have a lot of regrets about not taking more advantage of opportunities while I was in school to really get the most

from my education. I did maintain a 3.5 GPA while I was in school, but it was really, really hard. I had a lot of great support.

But it definitely is challenging to be a student athlete. And when I think about even some of the people that were in my classes while I was majoring in MIS, some of those guys were already in the workforce and had experience doing what they were learning. It made it easier for them, but much harder for me to try to keep up with it, along with my training. So, it's definitely tough to balance both. And if you don't have great people around you—not just in the university, but for me, I had great—my parents were amazing and stayed on me and helped me a lot. But it can be tough for student athletes.

Joe Nocera

But this is an easy problem to solve, by the way.

Matthew Watkins

Okay.

Joe Nocera

College athletes should be allowed to take fewer courses during their four years of eligibility and they should have lifetime scholarships. It's really—

Sanya Richards-Ross

I completely agree with that.

Joe Nocera

0:32:35.7 It's super simple, super simple. Instead of having to take five courses, take two. And you're going towards graduation and then—and a lot of players are going to drop out and say, "I don't want college," and then ten years later they're going to realize what they missed. But they have done a lot for the university and they're owed something by the university. And a lifetime scholarship, I think, would really help this issue of getting up at six and going to bed at one and having no free time in between.

Sanya Richards-Ross

Uh-huh. And I kind of did that with my Nike contract, when I extended—

Joe Nocera

0:33:05.1 Ask her what she thinks of that. I want to hear.

Renu Khator

I mean we are in the business of education. I mean that's the bottom line. There is a reason why these are called student athletes and not athlete student, because being a student comes first. And I know, at least on our campus, I mean the entire academic advising staff in Athletics, they report directly to the Provost. And when I was Provost, I made sure they reported to me, because none of that—if students want to do that—and we have many who are doing accounting and financing and biology degrees. I mean you know, we provide the support that is necessary.

And I really do—I understand, because I had a daughter who went to—she played sports. Didn't go—in college she didn't play, because she went for a six-year BSMB program. Now I can tell you, she slept probably two hours every night, right. It's what you commit for. I know my architectural students, they are there day and night; in the evenings; in the late nights; all the time. I guess what you commit for, how we can balance it for you better—I think that's the right conversation to have, because we are, again, foundation.

The core mission for us is really education. The sports is nice. It's great. It gives them leadership opportunity, like it gives them so many other areas—other different kinds of opportunities to people. So, I'm always willing to listen to say, “Okay, how can we do better for you,” so that the balance is right, where you're getting some real education and not some lollipop education, right. And you are getting all the opportunities of leadership, of building teamwork, so that you can be successful in life. You can be champions in life. Because it's not about just those four years, five years, or six years. It's really for life.

Matthew Watkins

Do you think that college sports would be corrupted or damaged in any way if athletes were paid in some kind of manner?

Renu Khator

Well, I think that's a larger debate and discussion. Because I can tell you right now, people say, “Look, you got \$15 million worth of publicity out of what your football team is doing.” And my marketing people bring me all the time, “Look how much it is.” I say, “Can I take your budget and reduce it by \$100,000, because you're getting all this \$15 million?” Well, no. You can't pay tangible with intangible. So the thing is, you just have to figure it out. What's your return on investment; how does it fit with the rest of the university; and how do you best leverage what you have. So, would it get corrupted? I don't know. This is a whole national conversation. It's not just one piece. As I think Joe pointed out too, there are several pieces to that big puzzle that needs to be discussed?

Matthew Watkins

0:35:50.8 Is there a model that you think could work?

Joe Nocera

Me?

Matthew Watkins

Yes.

Joe Nocera

Is there a model? I used to have a salary cap idea, which I actually think still could work. That would allow—this is going to sound really radical—that would give every player a minimum base salary—\$30,000, \$35,000, something like that—and have enough left over so that you could compete for top players on the basis of money. That you could say, “I’ll pay you \$60,000 a year, if you sign a three-year contract, so you can’t leave till you’re a junior.” Now you say, “Oh my God, how could you do that? Oh, this is the worst thing I ever heard.” There’s a lot of money in college sports now, under the table. Put it on the table. It’s fairer.

And the idea that an athlete—a student doesn’t choose a school on the basis of money is absurd. Students choose on the basis of money all the time. “Oh, I can’t go to this school because it’s \$40,000. But I can go to this school, because it’s \$11,000.” What’s the difference? What’s the difference?

And the idea that they can’t handle the money—well, LeBron did okay as an eighteen-year-old handling money. Kobe Bryant did okay handling money at eighteen years old. I mean the other thing I think—I mean I truly believe you’d have to regulate this. I realize it’s very seamy right now, but I really, really believe that kids coming out of high school should have agents. The fact of the matter is baseball players and hockey players already do have agents. Nobody says anything about it. Everybody looks the other way. But they need that guidance to make these important life decisions. And if you got into a situation where you’re paying athletes, they would have to have regulated agents to help them make these decisions.

Matthew Watkins

Okay, we’ve got some time for questions. I’ll ask one question right now, while we give the opportunity. But if anyone has anything they’d like to ask from the audience, please step up to the microphone and we’ll do that as well. But Daron, in the meantime, you—again, you spend a lot of time around young athletes. Would you be worried at all, in terms of changes in priorities or—

Daron K. Roberts

0:38:08.4 You know, the NCAA did an interesting study in ’15. They asked coaches and players—right now there’s a twenty-hour time limit rule. So, if you’re in season, you can only

devote twenty hours to your particular sport. I coached at the collegiate level. It's farcical, right. And every team will submit this timesheet to the NCAA doesn't happen. So, athletes—current athletes—sixty-three percent of them said that they think that travel time should be included—right now it's not—that travel time should be included in that twenty-hour limit. Only seven percent of coaches said that travel time should be included. And I always say this. I think our interests are a little misaligned. As a coach—as a defensive backs coach, if one of my players became a first team, all Big Twelve academic student athlete, I didn't get a bonus. If one of my players made the first team, all Big Twelve defensive squad, I got a bonus, right. So, although it seems—I think there is this blurry line between eligibility and development and I consider myself to be progressive, but as a coach, I know it's very difficult when you need to beat Texas on Saturday, right—to balance that with Jimmy has a big chemistry test coming up on Friday, so I don't need to weigh him down with this cut up of 100 plays to watch for third down, right. So, it's tough. Because as a coach, I'm going to get the next job based on the win-loss and the way that my players play. And my players will play for four years, but that post world, their status changes once their eligibility is exhausted, so.

Renu Khator

Yeah. With travel these days, we should have conferences that are closer.

Joe Nocera

I knew you were going to—

Renu Khator

I mean I'm just letting you make the case. I mean you don't have to travel.

Joe Nocera

She's completely right about this, even though—

Renu Khator

Well, thank you, Joe.

Joe Nocera

Even though she has a certain interest. When West Virginia tennis team—West Virginia tennis team has to play conference games, they have to go to Texas. It's the most ridiculous thing. The only sport that does this right is hockey. In hockey, there's a league in the Midwest and there's a league in the East. Providence and all those teams and Michigan and the Midwest and they do it regionally, until they get to tournament time. And there's no reason, aside from football and basketball, that you couldn't do the exact same thing for tennis, for track, for all the other sports that are soaking up all this travel money and consuming so much time on the part of the players, that they could otherwise be spending doing—you know—studying.

Renu Khator

0:41:07.4 I just want it to be noted that Joe and I agreed on something. Thank you, Joe, for making our case.

Matthew Watkins

Well, okay, so we keep hearing about—you already mentioned that you guys have a \$40 million athletic budget. You don't have—\$142—

Renu Khator

Forty-two.

Matthew Watkins

Yeah. You don't have a \$100 million athletics budget. I mean what would even happen at U of H if the NCAA passed—you know—if Joe became the commissioner of the NCAA and passed these ideas that he's raised?

Renu Khator

I mean it's not just us.

Matthew Watkins

Of course not.

Renu Khator

If you think about it, fifteen percent of this school—of the schools really make revenue, as you call it—if at all you can call it—eighty-five percent just don't. I mean it's a very radical change and people will have to think very carefully about it, but it's the same thing. Suppose tomorrow something passed that colleges will be completely free with education—I mean why just stay with athletics? There's a radical idea right there, that there should be absolutely no tuition. I mean as an educator, I would love that, right. But as an administrator, where will the finances come from?

Joe Nocera

Well, the History Department doesn't subsidize the English Department. So, why does the football team have to subsidize the tennis team?

Renu Khator

Wait a minute. But History Department does subsidize Engineering.

Joe Nocera

0:42:31.2 Okay.

Renu Khator

Do you not want Engineering?

Joe Nocera

I do want engineering.

Renu Khator

And I have my husband here who's a Professor of Engineering and you know, I just want to make sure. You know, the subsidies and all—I mean that's just a part of the university. And we wouldn't do it until it's kind of the consensus in that sense. But see, right now—at least right now, we can show you that with a \$42 million budget, you can build a nationally relevant, a nationally ranked team. This is—last year we finished eighth and now we rank sixth. But the thing is, if we were playing together closely and the rivals, that's the important thing. You have to play your rivalries and that's what generates interest. Our alumnae, I mean they are just so close-biased. I mean they fill that stadium. And I've said it from the beginning. If we played with any of these teams that our fans want to see, that half NRG will always be Cougar Red and it surely was at Oklahoma. So, you cannot say that things—all other things will stay at the same capacity. I mean it's hard to get teams here to play. The people—you know—fans don't care.

Joe Nocera

I just want to say quickly on the money issue, the thing you could do now that wouldn't affect your budget at all is go to the Olympic model. So the Olympic model basically says you don't get paid for playing, but any money you get from sponsorship or endorsements or signing cards or whatever, you can keep. And the NCAA has ruled, of course, that any Olympic athlete who gets paid by the USOC can keep the money. So, it doesn't seem to me—it seems to me that as an easy step that would give players some of the economic rights that any other athlete and any other American has, the least you could do is go to the Olympic model and say, "Whatever money you can make on the side, go for it."

Matthew Watkins

We've got a question. Go ahead.

Question

(Inaudible) 0:44:33.5 concrete reforms happen when athletes themselves speak up, especially when they "unionize." Thinking back to when you were a student, if something like that was kind of started on the UT campus, would you feel comfortable getting involved in something like that?

Sanya Richards-Ross

0:44:50.3 That's a really good question. Right before 2012, we started a campaign and we hashtagged it "We demand change." And I actually got the entire track and field team to come to

a room much like this and discuss this idea that Rule 40 was making it very difficult for athletes to make money. So unless you were able to partner with a sponsor who was IOC or USATF—not USATF—but the USOC would work with, then you couldn't—during that time of the Olympics, you couldn't tweet; you couldn't have any kind of advertisement. And the numbers were that ninety—I guess ninety-seven percent of athletes were working with sponsors who weren't IWF- or IOC-ratified. So, most of those athletes were not able to monetize around the time when they were most popular. Hopefully that made sense to you.

So anyway, so I did. So, I led that campaign with the “We demand change.” And it's really why there was a shift, where the IOC has allowed for athletes to be able to have sponsors that aren't on the IOC level, as long as they're turned in in a certain time. So, it's not all the way there yet, but it's almost there. So absolutely. I think I would have been one of those athletes who would have been happy to speak up and be a part of that.

But the thing is—like Joe said—you're so young when these tough decisions need to be made and when you need to have that awareness around the opportunity that's in front of you, that most of the time it's not until you're way beyond that that you realize, “Man, when I was at my best is when I wasn't able to monetize that.” So, I think that's the difficult is that we need people who have experienced it and who are older to stand up and speak up for those athletes who just don't know any better and are so excited about the opportunity at the time. But yeah, had it been—had that been an opportunity, I think I for sure would have taken advantage of it then.

Daron K. Roberts

Just real quickly to that point. I want to bring up the Missouri situation. You know, I know there's—the fact pattern is very fuzzy in terms of what actually happened there with the Chancellor and the President. But I applauded the football players for leveraging their influence in saying, “We are taking this position and we want to see change.” And within forty-eight hours of a tweet, you saw the Chancellor and President have resigned.

Now, I'm apolitical on whether or not they should have. But I think oftentimes we want to say athletes should be more involved, but we kind of want it a certain way. We want it to look a certain way. And so, I think it's a part of—it really speaks to athletes taking advantage of the college experience when they become a part of efforts like Sanya led and I think we should support them in doing so.

Matthew Watkins

Thanks for the question.

Question

0:47:34.2 Good morning. I have a little bit of a different question. I'd like to understand your view on the impact on local cities; economic development; use of fire and police on how to support the university programs.

Joe Nocera

Who are you asking?

Question

You is fine or—

Joe Nocera

I have no idea. I have never thought about this. I know what it does for local communities, like—you know—College Station and any—you know—I was at Clemson last week and pretty much the whole city comes out. But in terms of—I really have no idea about fire and police and things like that. She might.

Renu Khator

Impact on a city—you know—of course, we are now—being in Houston, I just say always that Houston is not even a city. It's a state, because now the population of Houston is larger than thirty-five states in the United States of America. It has definitely galvanized the city. The city has taken a lot of pride, has come out. And all of those notions that Houston really is already captured by this or that just doesn't even show up, because I mean our rating when we played the Oklahoma game was 12.8—you know—way higher than the ratings of any of the previous you can see there. I mean seventy-eight percent increase when Big Twelve played their game. And even for that week, it was higher than any other Texas schools for Houston population. So, does it give pride to city? Does it have economic development? It does, because our Greater Houston Partnership, they've been very excited and very supportive. So, I think it definitely does have connection.

And you know, it's very interesting to me—I mean I don't think you'll think about that. But I mean I did my Bachelor's Degree from India. India doesn't cultural sports in universities, right. So, I grew up without any of that. And here I am supporting and just saying how it is the connectivity here. And that's because my fundamental belief, if you're going to have a program, don't drive for it to be a mediocre program. You just got to build a culture of excellence.

Matthew Watkins

I think going to that question, obviously Houston is a great big city. I used to work at the newspaper in College Station and Texas A&M did a \$450 million of their stadium and obviously, that kind of money—either local contractors or contractors coming into the city to do work on that stadium had a huge effect. But also, they talked about possibly playing their games in Houston for two years and the amount of panic in the local community that created—you

know—the restaurants that basically rely on those six to eight home games every year to move from the red to the black, it would have been incredibly—

Renu Khator

0:50:30.2 But you know, it is true. But universities bring a lot of economic development anyway too. I mean we talk about \$275 million in athletics and that's why we have been talking about it. But the fact is, for the university as a whole, we have built the facilities of \$1.5 billion. So, \$275 out of a budget of \$1.5 billion of this—either built or finance approved, this is still a small portion for athletics. I mean we're just transforming the entire institution. And if you asked me what I'm most proud of in my eight years—you know—everything else is very good. I'm most proud of that Phi Beta Kappa. Because you don't get Phi Beta Kappa, unless you change your undergraduate education and experience for the students.

Matthew Watkins

Okay, great. Well, I think that's—one more question. Go ahead.

Question

I guess we couldn't leave this room without talking about the cultural issues that we see up the road at Baylor or at Stanford or other issues like that. Big time sports, big time money, big time leadership. For the panel, I'd like to ask for your opinion about what can we do better, as all of us, to address, prevent, talk about, deal with, assess these types of issues that we see on campus?

Daron K. Roberts

So, I think I'm biased. So, here at the University of Texas, our Center for Sports Leadership and Innovation is housed in the President's office. That was an intentional move, in that I do think that there need to be initiatives that are spearheaded by the center of campus. And in a part of our training, we cover Brene Brown and vulnerability and empathy and fostering healthy relationships with our student athletes. I think that as we increase money to build dorms and protein bar—you know—shake counters and all of the amenities that we want to show recruits when they come on the campus, I think we need to also increase the spending for the developmental programs. And I mean something more consistent than the typical training camp, "Don't do drugs," talk—you know—the litany of speakers we bring in. It needs to be built into the annual programming in a very intentional way.

Joe Nocera

I think it is changing, actually, slowly. You know, would Ken Star have gotten fired ten years ago or fifteen years ago for looking the other way as the football—with the series of sexual assaults on campus? I suspect the answer is no. And now, there's a lot more attention brought. I mean Jameis Winston didn't—obviously wasn't prosecuted and maybe should have been; maybe shouldn't have been. But it became a big deal the fact that the police had basically looked the other way. It became a really big deal. And I think, as these things continue to be a big deal or as

universities start to take this more seriously and players get booted off campus or get arrested even, I think it's in the process of changing.

Renu Khator

The two institutions mentioned today, at least by name—more than two—Missouri and Baylor—both it wasn't really just the athletics issue. The boundaries didn't end there. It was really an institutional issue. So as University President, I know anything can come and hit you from any side. I mean you can never be absolutely sure that things are good. But every opportunity that I get, I try to set that tone that the expectations are these and I'm not tolerating any kind of behavior of this type from here or there. You put all kinds of programs, trainings—you put all kinds of institutional control. But at the end of the day, it's the people. A lot of time people would not seek the help that they should; would not report that they should; or when they do that, the people who are responsible would just not respond to it. So, you have to set that tone, that cultural expectations. And I think Joe is right that I can see definitely in my eight years the attention that's being paid to that particular part of the culture is just very strong. And the investments that we have made, in terms of people, in terms of the programming and training has just really grown substantially. So, I hope—I pray every day that none of that happens. Because even one incident is one too many. And on that individual it's life devastating pain. You just never want any of that experience on your campus.

Matthew Watkins

Well, we've gone past our time. So, thank all of y'all. That was a great discussion.

(Applause)

0:55:16.7 (end of audio)