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ANALYSIS OF THE FINANCIAL IMPACTS OF COVID-19 ON ATHLETIC DEPARTMENT FORECASTING FOR ANNUAL GIVING AND MAJOR GIFTS AT NCAA DIVISION I UNIVERSITIES

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ANALYSIS OF THE FINANCIAL IMPACTS OF COVID-19 ON ATHLETIC DEPARTMENT FORECASTING FOR ANNUAL GIVING AND MAJOR GIFTS AT NCAA DIVISION I UNIVERSITIES

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TABLE OF CONTENTS

Abstract

There currently are no studies out there looking at financial forecasting for division I NCAA athletic department, in particular studies that look at the impact of a natural disaster and or "black swan" event that disrupts entire seasons overnight. The last dated disaster to affect college sports with similar impact was the Spanish Flu Pandemic in 1918. **Purpose**: The main purpose of this study is to report and note which financial processes were being used when generating revenue based on philanthropy and donation sector during COVID-19, with the hopes of helping future directors and practitioners make better planning decisions moving forward. **Methods**: 254 athletic programs were contacted between Division I – A and Division I – AA, and 41 completed surveys were collected, with at least one team from each conference represented. The survey allowed data collection on practices employed, from pre-COVID revenue generated and average gift sizes, to what actions were put in place during COVID, how they plan to change moving forward, and what might they think will happen for the 2021-2022 academic period. **Results**: When managing and forecasting for the future, no particular group or division had statistically significant evidence to prove that one particular strategy was going to produce revenue generating concepts during a pandemic. With the addition of a natural disaster forecasting predictive element, schools that incorporated this within there forward thinking had a higher change of seeing either no change or an increase in revenue based on a philanthropic gift that is tax deductible. **Conclusion**: The findings to the study are limited in generalizability based on those programs that participated, but no two schools have similar strategies even coming from like backgrounds and conferences. Each school made decisions that best fit their needs, and donor/fan demographic & engagement. Based on preliminary pre-COVID results there are more commonly used strategies then others, but no one strategy emerged to be better than another.

After descriptive analyses on grouped institution types (Power 5 v. Group of 5), no clear statistical evidence was found.

Chapter 1: Introduction

In 2019 the NCAA celebrated over 150 years of football and over that span of time the number of programs have only expanded (Parlier, 2020). Over 1,200 colleges and universities across the United States have sports teams that compete through the National College Athletic Association (NCAA) organization that has three divisions of level of competition (ncaa.org). Sixty-five universities have programs that are part of the most competitive conferences, also known as the "Power 5".

Gifts to college athletic departments from donors have long been a major financial contributor to running a top program, with these gifts making up on average around twenty-four percent of the revenue an athletic department might make in one year (Powell, 2019). With the recent COVID-19 global pandemic, the relative importance of this revenue stream has arguably only increased. For example, the Big 12 lost $12 million dollars just due to the cancelation of March Madness (Forde, 2020). Since they are facing roughly the same amount of fixed and yearly expenses, it has become more prominent for revenue streams from other sources such as the donations sector to cover the yearly expensive after the loss of revenue (Forde, 2020). Observing how programs planned for (if at all), and coped with, this massive unexpected shock offers insight into the financial risk management practices related to such rare circumstances.

To have sports teams compete at a high level is an expensive endeavor and it was reported in the 2018 NCAA Division I Revenues and Expense findings that the mean expenses generally outweigh the revenue generated (Powell, 2019). Most athletic departments, even at the highest level of competition are running a deficit, which is then accounted for via University level of support, very often through increased student fees and drawing from general revenues.

Only a handful of top-ranked athletic programs from the major five conferences are running on a surplus of revenue (Thomas, 2013).

Athletic departments in the NCAA with Division 1 football programs rack up an enormous amount of expenses to recruit and retain high status student athletes each year. Unlike in the professional sports organization where players are secured with employment contracts, five- or four-star athlete recruiting in college is based off what you can provide to the student that another university may not. Just in recruiting alone, the University of Georgia spent $2,626,622 in recruiting in 2018 to recruit the top class in the country (Wittry, 2019). This never-ending game of one-upmanship for better facilities, locker-room, trips and gear can be the difference between signing a kid and losing him to your rival. This has been dubbed the college athletics "arms race" (Hoffer & Pincin, 2016). Major gifts and annual donations play a large part in athletic revenue sources and streams respectively in order to maintain operational stability.

Athletic departments on all levels across the country are now dealing with the impacts and implications of the 2020 worldwide COVID-19 pandemic. The virus has canceled some sports mid-season, prohibited winter sports playoffs, halted spring sports in the first couple weeks of exhibition games and has even limited and impacted the fall sports for the 2020-2021 academic school year. The two biggest revenue drivers for the athletic departments, football and basketball, were severely affected. Impacts included the cancelation of the NCAA Men's and Women's basketball tournament "March Madness", along with limited total stadium capacities for football (e.g. 20% seating), if the athletic departments conference made the decision to compete at all. Many programs have taken a significant financial beating and consequently this may change their forecasting and revenue planning behaviors moving forward.

Major college sports revenue generated generally comes from ticket sales, marketing, broadcasting rights, and a small proportion from conference distribution (Thomas, 2013). Most revenue that is obtained comes from large spectator sports such as football, men's and women's basketball, and in some cases men's ice hockey (Parlier, 2020). The NCAA breaks down division I football into two categories, those that compete for either a bowl game at the end of the season a Football Bowl Subdivision (FBS) or a school that enters the Football Championship Subdivision (FCS). Large schools that compete at the FBS can even be broken down further by the NCAA as to if the athletic department runs autonomously from the University. This would identify programs do not take any student fees from the student body or allocated transfers from the host institution, and potentially even give back to the overall institution's budget. These financially autonomous programs will almost exclusively reside in the Power 5 conferences. Those programs in the Power 5 may aspire to remain autonomous and financially stable, giving them a motivation to exercise more complete financial planning in order to better weather acute economic shocks.

Having a football team competing in the FBS is an expensive proposition, the University of Oklahoma a member in the Big Twelve spends over $13.8 million dollars a year on the football team alone (*Equity in Athletics*, n.d.). Many Universities across the country are contributing up to five percent of the total athletics expenses and often push to take less of the burden off the university by asking alumni and donor to help contribute with major gifts and annual giving (Powell, 2019). Many universities also rely on supplementary revenue generators such as donors and alumni to give gifts back to the university, in a philanthropic way to help their student-athletes succeed on the field and in the classroom, with many programs having separate funds designated to the success of the student-athlete (Ko et al., n.d.). Increases in

donations creates more flexibility within the budget, which can allow the department to allocate more resources towards recruiting, athletic housing and supplementary benefits.

Fundraising is therefore key to keeping athletic departments successful and afloat financially. In recent years, many universities across the country are charging a mandatory seat donation in addition to the ticket price for season. At Penn State University for example, this amount is determined by seat location and the typical price per seat (*Giving Benefits*, n.d.). The amount is also often modified based on how many years donors have been season ticket holders. By giving this minimum "seat donation", numerous Universities allow donors to join this exclusive club, often advertised as the "inner circle" of college athletics for that University (*Gameday Events*, n.d.). Through this club they offer incentives to pledge larger gifts to their programs with extra benefits to seating priority, Game Day tailgates, priority to away game tickets and excusive content of the program's teams (*Your Membership*, n.d.). It was noted in one study that the second largest reason why donors donated back to the athletic program was ticketing and seat location (Gladden et al., 2005). As a result, the athletic department is tasked with not only getting members to renew their season tickets yearly and continuing to pledge, but to increase pledges by enticing them with upgraded seats and special member privileges. The limited (if existing) seat availability due to COVID-19 impacts therefore has significant impacts on the annual giving revenue model overall.

In a non-academic survey done at the start of the pandemic in spring 2020, sent out to every director within the FBS, over 100 directors contributed and reported anonymously that over 75% of those directors were worried about donors and the donation sector of revenue specifically in the 2020-2021 fiscal year (Caron, 2020). Responses looking at just schools in the Power 5, there was noticeable difference in responses from directors, with their biggest concern

being loss of revenue from events such as allowing tailgating on campus, and not having a full stadium, loss of March Madness and possibly bowl game revenue or playoffs (Caron, 2020).

As one might expect, there is no apparent peer-reviewed literature relating college athletics giving to the conditions of a disruptive public health crisis. Furthermore, there is no apparent peer-reviewed research on the planning and risk management or donor revenue sources in general. This is all despite historical experiences with the Spanish flu in 1918 as well as advances in modern financial planning and risk management theory.

Purpose of the Study

The purpose of this study is to analyze the financial impacts of the COVID-19 pandemic on university athletic department annual giving and major gifts for NCAA Division I programs. The financial planning practices will also be evaluated relative to historical experiences and modern best practices.

Research Questions

1. What were the acute observed impacts of the COVID-19 pandemic on college athletics giving?
2. How financially prepared were college athletic development departments for the cancelation of the Spring and winter sports and modification of Fall 2020 football season due to the COVID-19 pandemic?
3. What types of planned or ad hoc financial actions were put into place to help offset the revenue short-fall during the COVID-19 giving season?
4. Based on the actions and results of the COVID-19 impacted giving period, what actions do practitioners identify as things that should have done differently as a development office to offset losses within the period?

5. Do development practitioners plan to adopt any different financial management practices as a result of their COVID-19 experience?
6. Were there differences between conferences in terms of the adoption of financial planning best practices?

Significance of the Study

Funding a college athletic program can be challenging, with ever growing expenses which have outpaced revenue growth (Brown, 2016). In the last five years, teams have reported an increase in spending to upwards of 300% as teams try to compete in season and for star high-school recruits (Bergman & Logan, 2020). Athletic development revenue generation is a cornerstone of maintaining high-end facilities, hiring top level coaching, supporting, and securing top students, winning more games, and playing in bigger bowl games and championships. This study will not only identify previous development practices preformed prior to a massive global pandemic; it will also analyze the consequences of the global pandemic on college athletics from a giving standpoint. This study notes how athletic departments can better prepare, and how financial forecasting and planning may have changed practices due to the nature of events and cancelations.

This study will be an initial analysis of how athletic departments might be more financially prepared for unforeseen natural disaster events, creating a steppingstone for future studies of best practices for financial planning in college development offices. The collection and sharing of development data might even allow for athletic departments to grow toward better allocation of resources and knowledge to improve the collection of annual giving and mandatory seat donations. The loss of revenue through donations may spark more interest in improved

forecasting to help allocate funds for similar events that may happen in the future.

Delimitations

The delimitations of this study include:

1. This study uses data from NCAA Division I-A and Division I-AA athletic donor organizations that have both Football and Men's basketball teams competing at the Division I level
2. Data collected from NCAA FBS & FCS schools

Limitations

The limitations of this study include:

1. Data were only collected and analyzed from Division I Athletic Departments
2. This was a convenience sample looking at programs that had Football and Men's basketball team competing at the Division I level.

Assumptions

Assumptions of this study include:

1. Data was collected from numerous athletic departments and was accurately reported
2. Non reporting programs were not systematically different from those that provided data

Operational Definitions

Annual Giving – Also known as the annual fund is the sum amount of money the off branch or development office tries to raise through donors, alumni, athletic alumni and sponsors to subset the financial cost of running a program to help there student athletes succeed on the field and in the classroom, the annual giving is the dollar amount they strive to get each donor to donate each year to the program.

Bowl Championship Series (BCS) – the selection of the top 10 FBS teams to compete for the top 5 bowls and the top four teams will compete for the chance to win the National Championship. Top 10 teams come from the top five power conferences: Atlantic Coast Conference (ACC), Big 10, Big 12, Pacific-12 Conference (PAC-12) and Southeastern Conference (SEC).

Development – A fundraising arms whose job is to support student-athletes during their time at the university financially and academically giving the proper resources to succeed and have the best experience possible, and most likely has financial sustainability from the athletic department, these funds allow the athletic program to be self-sustaining if enough funds are gained (*What Is Athletics Development*, n.d.).

Football Bowl Subdivision (FBS) – a ranking of Division I football teams are ranked based of their season performance, and with that ranking, they are selected to play in a bowl game, the top four teams ranked will compete for the National Title (Parlier, 2020)

Football Championship Subdivision (FCS) – A sub-division of 125 Division I school with a football team competing for the National Title, set up in a bracket-style with single-game elimination compared to a bowl game appearance at the end of the season, this division is also known as the Division I – AA division (*FCS Championship*, n.d.)

Major Gifts – Depending on the University a major gift is considered upwards of around $10,000 given to the athletic department, this can be either one large sum or broken up into smaller gifts over the period of one year (*Major Giving*, n.d.).

Power 5 Conferences – Is considered the best athletic programs in the country made up of 5 programs, Big10, Big-12, PAC-12, ACC and SEC in these conferences you see athletic programs that are some of the elite teams in the NCAA Division I standing.

Group of 5 Conferences – Is the conferences apart of NCAA Division I -A standing that is not a part of power 5 which includes American, Conference USA, MAC, Mountain West and Sun Belt.

Chapter 2: Literature Review

Athletic programs that compete in the NCAA Division I and those that have football teams that are a part of one of the top five conferences must generate a lot of revenue to be able to keep up and compete with other teams in their conference. Revenue is a large contributing factor to a successful program and success on the field during conferences and post-season bowl games. Athletic programs generate a substantial proportion through donations from either alumni or non-alumni. These major gifts not only impact the program and the team but have a contribution to academic success and graduation rates in the classroom setting. Being able to break down major attributes to donor patterns and motivation for the athletic department is key in helping forecast revenue to creating a successful program and not go overbudget.

The literature review search was conducted using the Google Scholar Database to identify related peer-reviewed papers and research that were published on the topic of financial planning in college sports development. Some of the key words and phrases that were used in the search included items and variations of, “FBS Division I”, “annual giving in Division I programs”, “donations patterns in athletic giving”, “motivation for donations in athletic giving” and the “effects of financial impacts on athletic organizations”. A better description of the search term results can be found in Table 1. In addition to the peer-reviewed material, this review also includes some non-peer-reviewed sources related to the framework of the college sports, general financial planning and risk management principles, and sources of information related to the COVID-19 pandemic in order to provide sufficient and timely context. For example, a few items came from a standard Google search such as information about the NCAA, and key terms more related to “COVID-19” as it was more recent and was not yet published.

This literature review will be organized by first outlining the background and previous knowledge of athletic giving. The second section will break down donations patterns in giving along with what motivates donations. Section three it will discuss financial planning within a college athletic program, specifically the development office, and the overall planning aspect on different fiscal time periods. This will highlight past trends, potential current activities, and future planning for the impacts of the current COVID-19 pandemic. Section four will discuss the financial and risk management planning during uncertainty and events such as "black swan". Finally, the last section will be an overview of the global 2020 pandemic of COVID-19 in comparison to other events in history that has impacted sports such as the Spanish Flu and the impact of natural disasters, terrorism, and other weather disruptions.

Background on Athletics Giving

Types of Annual Giving and Major Gifts

Within philanthropy in athletic departments, there are two main types of giving, annual giving and major gifts. Annual giving can be attributed to the input to increase section of seat tickets or the point scale that attributes to game day parking, away tickets and access to special events with athletic staff and coaching. Major gifts look more specifically at a project the athletic department is campaigning for such as new facilities, weight rooms, housing for athletics, projects, stadiums and a larger sum of giving then the annual amount to keep the donor status at the university (Masteralexis et al., 2012).

Annual Giving in the last few decades has dramatically changed with development programs. Many programs acquire a mass majority of their annual giving through mandatory seat donations and the loyalty point system (Saunders & Bachman, 2018). With larger annual donation, the more points a member can gain. This allows them earlier access to season tickets in

prime locations along with a chance to purchase away game tickets before the public. On top of high priced tickets many athletic department include a mandatory seat donation that can range from "$50 to $4,000" based off the location of the seat and the program (Saunders & Bachman, 2018). Prior to 2017, donors were able to write off on their federal tax 80% of the total annual donation along with the seat donation that corresponds to their season tickets (Saunders & Bachman, 2018). These seat donations make up at least fifty percent of the total revenue from donation at many universities. For example, Ole Miss raised $20 million out of $31 million total giving from seat donations alone in their 2018 fiscal year (Saunders & Bachman, 2018). In more recent years, the change in the tax law donors were notified that they could no longer write off their annual seat donation (Saunders & Bachman, 2018). The impacts of this recent change should therefore be accounted for in describing financial planning activities of development departments.

This has changed the approach for the development offices, to push a more philanthropy focused funds that support the student part of the athlete covering tuition and academic expenses (Saunders & Bachman, 2018). There is less incentive to donate towards priority points without receiving a tax deduction (Saunders & Bachman, 2018). Many programs are trying to find ways to incentivize donors that give major gift donations and funds that are not labeled for season tickets with something to continue to get donation revenue. Programs such as Ole Miss are incentivizing point donations with priority to parking and away games, while donations elsewhere will still secure season tickets and location (Saunders & Bachman, 2018).

Overall Budget

Breaking down what motivates donors from a philanthropic standpoint will help understand decision making for an athletic development office. Characteristics such as knowing

what intrigues and motivates donors will help increase donations to the athletic department. Gladden, Mahony, and Apostolopoulou (2005) randomly selected three different universities from the West, Midwest, and Southeast United States to survey donors. With each athletic organization having different characteristics such as what their primary sports are, and where they were located (urban, rural or suburb) and conference membership. A total of 61.8% of respondents said they donated to support and improve athletic programs (Gladden et al., 2005). With the second most common response being ticket orientations such as seat donations for season ticket holders or higher level of donation gets you higher on the list for bigger games, away games, and post-season games such as conferences and bowl games (Gladden et al., 2005). This has been quickly changing however, as the ticket-linked donation schemes have proliferated across athletics programs. With the study not having a strong focus on major bowl game programs it is hard to relate this to power five or even group of five conference programs, as it is a generalized wide perspective of athletic donor for what motives them. Due to the fact that giving is linked to donor characteristics and traits through observation in the data that was collected through this study. You can see that annual giving changed and the adoption of "deferred benefits" at many athletic departments might captured have been able to implement and capture due to COVID.

Donation Patterns & Motivation

Impact of Winning Programs

It is not a myth that having a winning FBS football program as part of your athletic department can change a University. For a university as a whole, having a successful football program is associated with to higher enrollment and applicants the following school year (Baumer & Zimbalist, 2019). Higher numbers of applicants to a University allow for larger

enrollment of the incoming freshman class and an overall increase in the revenues for the institution. Having a football team with an increase in win percentage (from one season to the next) will result in an increase in applicants by 1.1%, while having a basketball team at the division one level win the National title two years prior will result in a 10% increase in applicants to the University (Baumer & Zimbalist, 2019). Baumer & Zumbalist (2019) collected data from all 65 schools that compete in Division I football and are a part of the top five conferences, from 2015-2016 including three years in lag. This study was looking at the success of both football and men's basketball and their impact on the institution on the academic and enrollment side.

Looking at historical athletic success can also be important when looking at revenue and the path in which donors and fans have been following the program. In a study done by Walker (2015), programs that have won multiple championships in basketball and those that attended the final-four more than once within a ten-year period, along with having successful football program that attended more than one bowl game historically report a higher amount of annual giving the following season. From the period 2002 to 2011 the study was conducted which included 129 universities (Walker, 2015). Walker (2015) was able to conclude that it was statistically significant that an overall increase in private donations increases due performance. The results were athletic programs found almost double the increase in revenue percentage from donations compared to those who did not see success on the field or the court (Walker, 2015). Institution that found success over a two year period saw an average increase of 12.5% in donation and gifts compared to those who did not see success 5.35% (Walker, 2015). This study is a great benchmark to work from in result that donations does increase based on performance, and there is a different between region the school is located and average annual amount.

In a study looking at charitable giving on-field performance has a direct correlation to an increase in alumni and non-alumni donation patterns (Stinson & Howard, 2007). Stinson and Howard (2007) looked at charitable private giving to over 1,000 institutions, all available NCAA schools competing in Division I-A football comparing alumni vs non-alumni in both academic and athletic gifts. The study also investigated if the impact of winning influences overall donation patterns. The average size of these gifts for both alumni and non-alumni is not increasing but as a result, this increase in the donation is coming from new donors who have not donated before giving donations directly to the athletic department and not donating academically (Stinson & Howard, 2007).

Investing in college football is crucial for not only an increase in winning percentage but for the student body, campus life and impact on the overall university. From these studies, there is evidence that in investing in college football not only to create the college experience but also increases application rates and overall student body enrollment. Impacts of having a college football team range from having an increased number of applicants to also keeping a large population of students on campus on the weekends. Having students stay on campus and partake in extracurricular activities such as support the basketball and football team. The more successful teams are there is a higher chance for the student population to support and as a result, to graduate. Becoming this correlation to increase graduation rates to due to staying on campus and possibly getting more studying done then going home for the weekend.

There is, however, little evidence about what partial and/or missing seasons of play would do to these impacts, nor is there clarity for financial forecasting post-pandemic. While this study will not address university level applicant pool concerns, it will seek to identify direct impacts on financial planning within athletics giving.

Other Factors

With donation contributing to a hefty chunk of incoming revenue and a correlation between winning percentage and annual revenue, the need for more annual donations is present to create a winning team and successful program (Cohen et al., 2011). A study investigating donors' patterns and motivations, specifically patterns of donations back to a university's athletic department. Cohen, Whisenant, and Walsh (2011) from the University of Miami (FL) was looking at success on the field and the correlation of donation patterns to the athletic department. Based on their data collection and analysis they found a negative correlation between winning percentage and total dollar amount donated the following season (Cohen et al., 2011). This study was done with only one university through ten-year period, where the team played in two national championship games. The data was looking at total donations and not just allocated funds to the football program. The athletic department was also in the middle of a fund-raising campaign for a new basketball arena within these ten years (Cohen et al., 2011), therefore the study context is relevant but appears to be an outlier due to confounding factors.

A doctoral dissertation Holquist (2011) from the University of Minnesota, Duluth, a Division II athletic institution, looked at why athletic alumni donated back to their alma mater. This study breaks down donor motivations into six different categories, organizational identification, social identification, economic or utility satisfaction, receiving services, and relationship-marketing (Holquist, 2011). After surveying the total population, the sum results came out very close but with having one characteristic be slightly higher response rate than the others. Athletic alumni donors donated in hopes to directly impact current athletes. Alumni were more likely to donate after having a direct impact and influence on another student-athlete and their experience at the University (Holquist, 2011). The takeaway could be that having alumni

more present with current team activities and campus along with the athletic department can impact the student-athlete but attract more donations. This study was limited to one Division II school and was not done with a major FBS or BSC and is only surveying a small portion of the overall donor population in college sports. On the one hand COVID restrictions may remove the possibility of personal interactions with student athletes. On the other hand, the motivation to provide support to the student athletes through a tough time may remain. Based off this, this study aims to examine what types of things development offices did in order to incentivize donors during the pandemic to maintain their donations or continue interest in a time that their seating opportunities were limited, along with limited interaction opportunities on campus.

Looking at all donations, academic and athletic, of alumni graduating from one university Meer and Rosen (2009) pulled data from alumni accounts dated in the system from 1983 through 2006. Looking at an analysis toward athletic and non-athletic alumni if an individual donor's donation increase due to athletic performance on either the football or men's basketball team, along with their own team's record (Meer & Rosen, 2009). They found no correlation between non-athletic alumni and the performance of the team, while the data was statistically significant towards athletic-alumni and sports such as football and basketball, where the latter had less of an effect (Meer & Rosen, 2009). This study was done by only one university and only depicts the performance and feelings of one group of alumni, as a result a more in-depth and micro level analysis was performed on all alumni and based on specific sports he or she partook in as undergrad students, without stating what level the school is competing at (Meer & Rosen, 2009). Knowing this and having the loss of the spring 2020 season, did this impact the forecasting of donations for the 2020-2021 school year, especially in the loss of many programs spring football games for many athletic departments?

Knowing key donor characteristics and patterns is crucial for athletic departments in securing donations to help support their athletic programs and teams. Characteristics like knowing that athletic alumni are more likely to donate if they are more involved with the current teams within the athletic department (Holquist, 2011). Based on characteristics and patterns development offices can put into place better strategic plans to increase annual giving. What development strategies were used to increase annual giving for the 2020-2021 fiscal year to motivate donors during this offset of revenue due to the pandemic.

Financial and Risk Management Planning

Due to the global pandemic of COVID-19 the cancelation of major revenue driving sports events such as men's and women's basketball post-season tournaments and the implication to stadium capacities in the fall of 2020, created a financial impact on revenue drivers. Athletic departments across the country as a result were affected differently by the pandemic, leading to this idea of financially planning and the overall impact on the program. With the alumni supporting a large chunk as a revenue driver and not being allowed to sports events or only a small portion the important of giving has changed in the uncertainty. Leading to this idea of development forecasting.

Financial Planning

Looking at how financial planning is put into place is an important key in forecasting revenue generated. All types of risk should be identified and evaluated to allow firms to be risk adverse (Review et al., 2020). They divide risks into three categories: preventable, categorical and external risk (Review et al., 2020). The first type of risk mentioned is preventable risk within the workplace such as employee risk and firm risk, things that can be prevented through contracts, rules and regulations and insurance (Review et al., 2020). The second piece of risk is

looking at categorical or strategy risk which is such as taking on loans or investing money that might not have different levels of risk (Review et al., 2020). The third piece of risk is external which is outside the companies control such as financial economic risk, natural disasters and global pandemics (Review et al., 2020). All three of these pieces of risk should be evaluated and included within financial forecasting.

Planning in Uncertainty

In a study conducted in 1982 using the Wet's algorithm they try to add uncertainty for a short period of time similar to the issue athletic department development offices are struggling with during the 2020 school year (Kallberg et al., 1982). Kallberg looks at the short term fall cash problem and creates a model that will forecast for a firm, allowing for the weighted and distribution of different outlets along with the penalty costs (Kallberg et al., 1982). The model creates is based off a short fall of cash similar to what the athletic department as a whole is struggling with which is the cut of season tickets to only 25%, the decrease in mandatory seat donation and the pulling of the 2020 Spring donations for smaller non-revenue driven sports. Though this model was created for basic businesses structure, the off branch of the development office might be a perfect fit into the formula as it does also have many characteristics of a normal business. Using this model set it would help forecast a change with minimal data collection just the change and addition of variables (Kallberg et al., 1982).

In 2012 a study looking at different organizations such an non-profit which hold different characteristics, led to the changing of the model for planning during uncertain times (Mosley et al., 2012). Using financial data from 667 different non-profit organizations during the 2002-2003 economic downturn, helped to shed light on what this type of organization did differently than a regular for-profit business (Mosley et al., 2012). The development office is similar in that is a

mix between a regular functioning business with expenses and revenues but not directly a non-profit organization but has similar qualities since it is dealing with philanthropy for student-athletics. In the athletic departments' standpoint is modeled with both the changes off the consumer and the product in this economic model.

Planning for "Black Swan" Events

Due to the nature of the events and the outcome of the global pandemic the events could be labeled as part of the "black swan" theory which was formed by Nassim Taleb, who categorized the need for explanation for unforeseen, unpredicted and rare events that happen in life (Taleb, 2007). These unknown and low probability events that were never foreshadowed or predicted emerged and created this risk financially on the athletic department university and development office (Aven, 2013). In this study done by Aven in 2013, it breaks down exactly what a Black Swan event is and the unknowns along with the possible risks that occur with the labeling of an event. Such as extreme events with low probability which is the mass pandemic would be a description of the COVID outcomes (Aven, 2013). What was described in this study fits well with what was experienced during the global pandemic and the results of the actions of the country shutting down for a vast period. Due to the events that happened the rarity of the events it becomes hard to predict and forecast or even foreshadow the results of the outcome. Perhaps not black?

Based on the book *The Black Swan* by Taleb, there these 3 pieces of criteria that must be true for this to be categorized as part of the theory. The first being the event needs to be a shock or surprise to the observer such as the impact and shock of the pandemic (Taleb, 2007). The second is the effect of the event has have a major impact, this virus created such an impact it created a global pandemic closing down society and part of the country for weeks and months

(Taleb, 2007). The Third is the first recording of the event which was the publication of the events that were happening in China within the news. Knowing these three pieces, the realization that there was relevant data available that might conclude that similar actions might happen in the United States. Under these theory Taleb would characterize the global pandemic and corona virus as a white swan (Taleb, 2007). Knowing that even though this is a major event, there is data to prove that these similar events might and did occur in the United States based off outside data, and it would result in the need for more specific planning within the athletic department and globally to deal with the virus and crisis.

Financial & Risk Management Planning Impacts of COVID-19

Overall Impact of the Pandemic on the Sports Industry

The pandemic of 2020 hit the United States but did not truly make an impact the sports industry until Utah Jazz player was found to have tested positive. Within the hour of the news the game was cancel and soon the NBA was canceling and postponing its season (Pedersen et al., 2020). Within the week professional, amateur, college and high school level sports was shut down until further notice which would end up being months. Leaving the sports industry on all levels in the dark, and the financial revenue allocations on stand-still waiting for the sports to resume. Several scholars from many different institutions came together to publish a book that would depict how each of the different industries have been impacts by this sudden halt and the possible downsides to the current situation, doing into detail on several topics (Pedersen et al., 2020).

Financially the impact of the COVID-19 pandemic has brought athletic directors and programs to make rash decisions based on the current situation and outcomes. Swanson and Smith go into detail about the financial impacts of cutting sports has done within the last 30

years (2020). Due to the cancelation of the Men's and Women's annual basketball tournament leading to the National Championship, which caused a loss of $375 million dollars which would have been sent to athletic programs as part of their annual revenue was lost (Swanson & Smith, 2020). This revenue cut spiraled into the conversation forcing the National College Athletic Association (NCAA) to lower the number of mandatory sports a university must support to compete at a Division I level (Swanson & Smith, 2020). Sports with minimal to low revenue in low conferences that competed at the FBS level were cutting programs to make ends meet after the cancelation of the winter and spring 2020 sports (Swanson & Smith, 2020). For the first time in 30 years did the NCAA see the largest cut in athletic programs results in the impact of 2470 athletes on the Division I, II and III level (Swanson & Smith, 2020).

The sudden announcement and impact of the global pandemic has not only caused financial implications with the cutting of sports but has forced athletic directors to already made hard decisions by cutting programs, with long lasting effects on the financial allocations moving forward for the athletic departments and programs. Knowing this information and the outcome of the season, how this overall will affect donors, donations, and financial income? How will allocations moving forward when recruiting during this period, which included the excessive amount of debt that might have been collected do to the implications.

Spanish Flu History

The global pandemic that is often known to similar global outbreaks is compared to the Spanish flu that is formally known as the 1918 influenza pandemic, which killed millions of people and halted the world. The idea of masking the community to help decrease the spread of the disease was similar to approach on the 2020 global pandemic (Negley, 2020). As for sports in America, a similar approach was taken with players wearing masks and mandating stadiums to

limit the number of fans to help slow down the spread of the disease (Negley, 2020). Just like the baseball season that happened during the Spanish flu, football in America was played with a season like the 2020 season (Negley, 2020). Many teams experienced a shorten season or pulled out due to the spread of the disease (Negley, 2020). Many fans wore masks in hopes to stop the spread of the disease and support their college team (Negley, 2020). With fans opting to wearing masks to sporting events, large gathering such as the World Series parades were not impacted by the pandemic. Besides several teams opting out of playing and several teams shortening the season, such as the University of Oklahoma that opted to a shorter season and limited the number of attendance to contain the spread of the disease (Levy, 2015). The world continued to move forward during such uncertain times and relied upon the sports to continue to move forward.

Summary

Based on a deeper understanding of the main revenue streams coming into the development office through donations. Development branches within athletic offices along with athletic programs should have in place risk management within their forecast to allow for unforeseen events. After doing a deep literature review of the material looking at the financial and donor aspect of annual giving within college athletics allows for better understanding of the development side of annual and major giving. This becomes a key to help to forecast donation patterns for future giving periods. Knowing donation patterns have a similar trend base on team performance along with several other factors helps create a more solid forecast. Looking at financial planning allows you to know that many institutions recommend the addition of a piece that will help diversify the planning for risk. Specifically looking at risk during unforeseen events such as natural disasters and “black swan” events. And finally, analyzing and the impact

of similar diseases such as the Spanish flu would allow for a deeper understanding of possible reasoning and motivation for certain choices within the development office.

Chapter 3: Methodology

Introduction

Due to the impact of the 2020 pandemic caused by the virus COVID-19 the financial revenue streams for the 2019-2020 fiscal year were disrupted including those leading into the 2020-2021 period. Division I athletic departments across the country rely on alumni donations to help fund programs, which contributes to a large share of the revenue driven into the athletic department (Powell, 2019). This will be a descriptive, correlational, cross-sectional study design. Data was collected from athletic department development staff from a questionnaire-based survey. This survey included sections of financial practices and solicitation for annual giving, pre, post and during the 2020 COVID-19 global pandemic. This main section will include a description of the sample, organization of the questionnaire, and the proposed data analysis.

Sample

A questionnaire-based survey was sent to all 254 Division I development office directors that have a football program. The data collected included current information on overall development revenues, pre-COVID giving levels, as well as activities during the 2020 football season. This period covers spring through fall of 2020. The survey was sent out to athletic department directors that work within the department booster's association within D1-A and DI-AA schools.

This study type and procedures looked similar to a study of the financial impact on non-profit organizations (Mosley et al., 2012). The data collection was similar as it surveyed mass amounts of development offices and seeing how each program dealt with COVID-19 separately. Looking at data from Bergman and Logan (2020), that focused on revenue generating, it has

summarized the FBS but also break down the Power Five conference teams separately as they can become outliers to the entire lot of 254 schools. The sample looks similar to what was done within the Bergman and Logan (2020) study but represent a more defined impact on COVID-19 to the allocations on development department revenue generation. This was a convenience sample based on which athletic directors respond and choose to complete the questionnaire. Using multiple programs allows for better external validity, as the data is better able to represent average schools, conferences, or divisional impacts.

The approach to the study will differentiate giving into major gifts and annual giving, as there will be considerable heterogeneity in the timing of major gifts campaigns. For example, stadium and facility construction is a once every 20+ year proposition. This creates possibly a better picture of the overall effect it might or might not have had and how it differed based on the program and school.

Data Collection Procedures

For this study data was collected by sending out a survey to directors that worked specifically within the donor association of the athletic departments that competed in the FBS or FCS level. Contact information for these development directors was found from the department websites, the author's industry contacts, and the survey was sent out by via email. Every effort was made to contact the top-level administrator with direct access to the financial information requested. Surveys were sent out in the beginning of February and directors had four weeks to complete the survey with a reminder email being sent out ten workdays into the period post initial email and sent to a secondary level director within the athletic development and annual giving sector. Data collection lasted a total of 4 weeks, before the collection period was over and the data was analyzed.

The sample size was based on convenient sampling, being sent out to 254 athletic departments and several directors from each department was based on willingness to contribute to the dataset. Data that was collected included annual giving pre, post and during COVID, and how annual giving, major gifts and mandatory seat donation and ticket donations might have been affected during the 2020-2021 fiscal period. Once the data was pulled from the system, it was imported and cleaned using RStudio.

Survey Instrument

As part of the data collection, a survey was created to distribute to development offices within athletic departments that have football teams that compete at the FBS and FCS level. The survey asked questions about financial planning practices pre-COVID, the overall responses, and aftereffects that have taken place and affected each department. Sections included giving revenue history pre-COVID, forecasting, and financial practices in place before the global pandemic, and athletic department characteristics.

The questionnaire consisted of 7 questions pertaining to the institution and background information, such as fiscal period and start date, if they had a mandatory seat donation for football and men's basketball. Leading into the second block that had 3 questions pertaining to annual giving revenue, forecasted revenue and average major gift size. Section three included 8 questions about general financial practices such as pre-COVID conditions, including elements within their forecasting and how they forecasted within the development office. The survey also contained the impact of COVID, financial management adjustment and future financial planning which each had 7 questions. The impacts of COVID included questions about how it impacted their athletic department including cancelation of games or season. The financial management sector included more open response questions dealing with revenue mitigation strategies for fans

and season tickets holders. The last section delt with future financial planning practices moving forward which included major of the questions being open response.

The categorizing of departments will also include what kind of restrictions COVID played on their departments' football team to better indicate what kind of COVID changes took place. Restrictions on the department might look like a shortened season, was not allowed any fans, was seated at a restricted capacity, or season was canceled. This leads to questions about what kind of changes they made to the stadium configurations, annual giving, and seat donations as well as whether those ticket-linked donations rolled over to the next season.

Specifically based on COVID, did athletic development offices forecast and include variables that offset any type of risk and based on COVID will departments be including variables moving forward in their five-year plan. If athletic department development offices experience more or less then what they predicted based on the COVID restrictions, and what type of implementations if any were put into place based on the 2020 results.

The survey was reviewed by three different experts in the field of sport business, college athletics, and survey development to help ensure content validity and to check for face validity of the survey to make sure questions were accurately interpreted and answered. Note that questions were largely supported by logical validity or were open response in nature, so there wasn't a need to evaluate the questionnaire items using psychometric factor analysis.

Data Management

Using RStudio all the data was imported and analyzed using an optimization program in R. With imported data tables, cleaning of data points that were extreme outliers specific to one university that might not apply to the rest of them. The cleaning of the data and double checking

for outliers in annual gift giving and season tickets will allow for the external validity as each department might categorize things differently based on donation. Surveys that where not completed to their entirety were discarded. Due to the nature of the data set and small response rate no outliers were eliminated. Open response data was noted and analyzed based on number of appearances of frequency of key terms.

Analytical Approach

Means, standard deviations, and frequencies was reported for all variables collected. Chi-square analysis was used to compare department types (e.g., Power 5 v. other, D1-A v. DI-AA) in terms of financial best practice adoption. Independent t-tests and ANOVA mean comparisons was used to compare department types on continuous measures (e.g. overall budget, student population, athlete population, percent of overall budget).

Open response data will aim to capture strategies that did not cover the other closed response items. It will be used to identify the variety of ways many departments across the country were prepared for, and dealt with, this type of immediate economic shock. Open responses will be analyzed qualitatively for dominant themes and/or commonality of experiences. Representative quotations will be reported. To analyze the open response data, words and phrases will be counted to see if there are any trends within the responses using Excel and then coded as additional numerical values in R. Similar analysis will be done with categorial response questions.

Chapter 4: Results

This section will discuss the overall results of the study. It will begin with discussion of the sample, present the descriptive analysis of the variables, continue with the results of the two-sample t-test and ANOVA testing, and conclude with a brief qualitative analysis of the open response data collected. Based on the six research questions, the results are largely descriptive and exploratory, with some comparative testing based on FBS, FCS, Power 5, Group of 5 and D1-AA classifications.

Sample Data

Out of 254 athletic programs there were 106 responses, which included 41 filled out to their entirety, making the response rate for the study 15.7%. The 65 surveys not included were abandoned in the middle and completed less than 32% of the questionnaire. The response group is made up of 26 D1-A schools with 15 of the respondents from D1-AA schools or non-bowl football programs. From that group of D1-A schools 15 respondents came from Power Five Conferences with 11 of them coming from Group of Five.

Descriptive Data

The descriptive statistics shown in Table 1 include the mean, standard deviation along with minimum and maximum, and Sharpio-Wilk's test for normality for both FBS and FCS divisions of the data, for the numerical continuous data for the study.

Table 1: Descriptive Statistics

Descriptive Statistics

Statistic	N	Mean	St. Dev.	Min	Max	Shapiro-Wilk P-Value D1-A	Shapiro-Wilk P-Value D1-AA
Enrollment	41	13,830	9,151	1,726	35,591	0.370	0.038
Athletes	40	527	177	286	1,071	0.127	0.051
Football Home Games Cancelled	41	0.7	1.2	0	4	0.034	
Men's Basketball Home Games Cancelled	39	3	3	0	12	0.031	0.071
Football Stadium - Min	41	$53	$161	$0	$1,000	> .001	> .001
Football Stadium - Max	41	$1,921	$3,485	$0	$20,000	> .001	> .001
Basketball Stadium - Min	41	$155	$518	$0	$3,000	> .001	> .001
Basketball Stadium - Max	41	$2,585	$4,924	$0	$26,000	> .001	> .001
Total Giving in 2019-2020 (in mil)	37	$15.617	$20.532	$0.414	$80.293	0.001	0.002
Forecasted 2020-2021 (in mil)	37	$12.564	$16.958	$0.200	$78	0.001	0.003
Average major gift prior to COVID	36	$130,502	$319,743	$500	$1,600,000	> .001	> .001
Change in philanthropic giving based on COVID	29	$201,279	$2,717,775	$-5,000,000	$12,000,000	> .001	> .001

Figure 1: What were your revenue loss mitigation strategies when facing COVID?

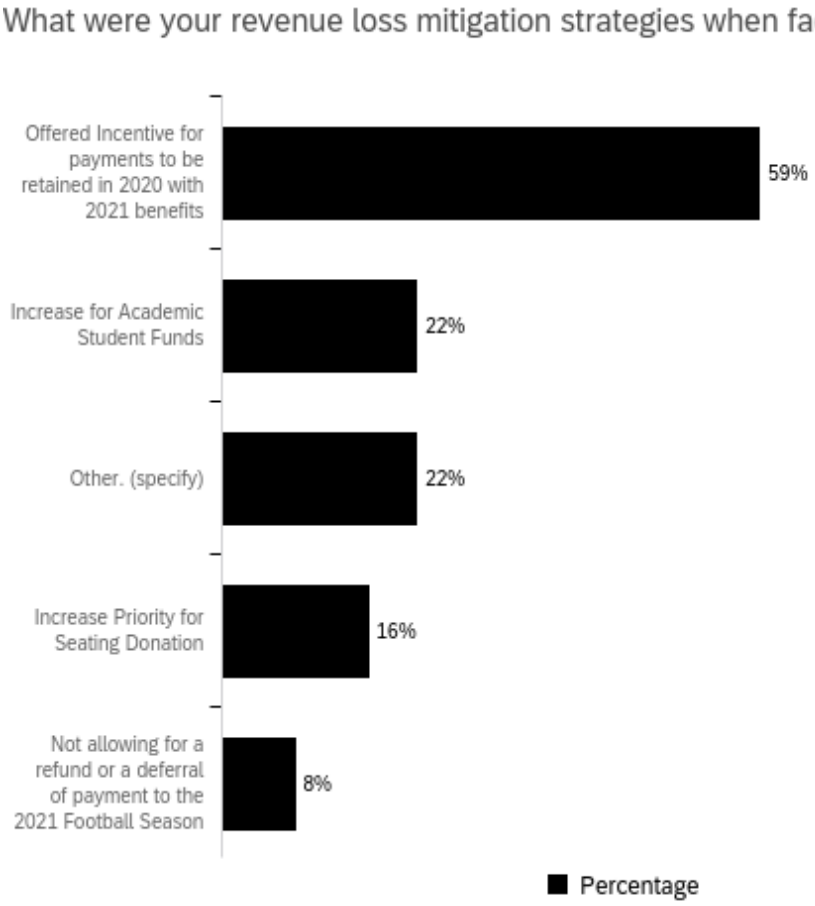


Table 2: Categorial Questions Results

Descriptive Statistics

Item	N	% of Respondents
Has your athletic department seen a change in donations after the 2017 tax change?		
No.	14	40%
Increase.	10	28.57%
Decrease.	11	31.43%
Did you have any kind of disaster/season disruptions included in your past planning/forecasting models?		
No.	24	58.54%
Yes.	10	24.39%
Not Sure.	7	17.07%
How would you summarize your financial planning process pre-COVID for:		
Overall Forecasting	31	63.27%
Annual Giving Forecasting	12	24.49%
Major Gift Forecasting	5	10.20%
None of the Above	1	2.04%
What factors lead to your financial projections?		
Economy	2	5.13%
Team Performance	3	7.69%
Head Coaches Fired	0	0.00%
Previous Year's Donations /Giving Pyramid	30	76.92%
Other.	4	10.26%
Does your development office work with any of the following?		
Five-Year Forecasting Plan	8	9.88%
Incremental Budgeting	25	30.86%
Ticket Demand Projections	18	22.22%
Analyses on multiple scenarios to determine overall financial outcome	18	22.22%
Multiple variable models with possible scenarios and those probabilities	10	12.35%
Other.	2	2.47%
If multiple scenarios, did your projections in the multiple scenario analyses contain the lower revenue levels experienced in 2020?		
Yes.	3	37.50%
No.	5	62.50%

What kind of COVID impacts hit your campus pertaining to football 2020 seating:		
Limited Fan Attendance (Specify % Capacity)	20	36.36%
No Fan Attendance	12	21.82%
Family/ Staff Only	6	10.91%
Loss of Fall Schedule (Canceled or moved to Spring)	15	27.27%
Other.	2	3.64%
In regard to addressing donations made for priority seating gifts, what options did you offer your fans for 2020 Football Season?		
No Refunds or Option to Defer Payment to 2021	2	5.71%
Option to Defer Payments to 2021 but No Refunds	1	2.86%
Option to Defer Payments and/or Receive a Refund	23	65.71%
Other.	9	25.71%
What kind of COVID impacts hit your campus pertaining to Men's basketball 2020-2021 seating:		
Limited Fan Attendance	21	42%
No Fan Attendance	17	34%
Family/ Staff Only	**6**	12%
Loss of Schedule (Canceled)	5	10%
Other.	1	2%
What were your revenue loss mitigation strategies when facing COVID?		
Increase Priority for Seating Donation	6	12.77%
Increase for Academic Student Funds	8	17.02%
Offered Incentive for payments to be retained in 2020 with 2021 benefits	22	46.81%
Not allowing for a refund or a deferral of payment to the 2021 Football Season	3	6.38%
Other.	8	17.02%
Did your athletic department implement across-the-board budget reductions for programs?		
No.	2	5.13%
Yes, by a standard % across programs	10	25.64%
Yes, varied by program from _____ % to _____%	5	12.82%
Yes, but unsure of the exact amounts.	21	53.85%
Don't know.	1	2.56%
Did your athletic department cut any athletics programs due to the financial impacts of COVID?		
No.	33	84.62%
Yes, some eliminated.	5	12.82%
Yes, some temporarily suspended.	1	2.56%
Will you include any kind of disaster/disruptions in your five-year forecasting models after the impact of COVID-19?		
No.	14	40%

Yes.	21	60%

When directors were asked the question, “What were your revenue loss mitigation strategies when facing COVID?”, many did not have just one answer but have several strategies for obtaining the loss from COVID-19. The results from the survey for this question can be viewed in Figure 1 along with Table 2. As noted, the most commonly adopted strategy was directors reported to have offered incentive for payment to be retained in 2020 with 2021 benefits. These benefits would be something other than an incentive for priority seating points for the 2021 season. Six of the seven athletic programs that reported an increase in philanthropic giving were using these loss mitigation strategies. When ask about what new initiatives they implemented for the past season several alluded to, incentives were also noted by athletic programs, with some offering benefits such as “price savings on in-game hospitality items”.

A two-sample T-test was conducted to determine if there was a significant difference between what proportion donations represent in the overall revenues for the Division I-A and Division 1-AA athletic programs. The p-value for the test was 0.265, with the t value being 1.136. Between Bowl and Non-bowl competing teams both have a similar percent of donations toward there revenue. Based on showing no statistical evidence that donation sector of revenue was different based on revenue generated and total donation generated.

A Shapiro Wilk test for normality was taken on the data for division, the athletic department was placed in and how much revenue was generated, for both FBS and FCS the p-values were below 0.05. For division I-A the p-value is less than 0.005 along with D1-AA having a p-value of 0.002. A t-test was run looking at total revenue generating from giving from the 2019-2020 fiscal period, based on FCS and FBS, this time the data was statistically significant between the groups. The p-value was 0.001, with a t-value of 3.593. This can be

viewed in the boxplot in Figure 2. In the chart it is noted that in D1-A has several more data points since it incorporated the group of Power 5 v. Group of 5 then D1-AA.

As noted, you see a much farther spread-out box plot compared to D1-AA that has similar number of data points. An ANOVA test was run to see if there was a statistically significant correlation between the three groups. The p-value for the test was <.05 with a F-value of 27.11. Based on these p-value there is a statistically significance between a group. As a result, a pairwise comparison test was run, for this the test reported that the p-value for Power 5 v. Group of 5 and Power 5 v. D1-AA were both p-value < .05 making Power 5 statistically significant between the two groups. D1-AA and Group of five did not having statistically significant data as the p-value was greater than .05.

Figure 2: Box Plot Total Giving per Division

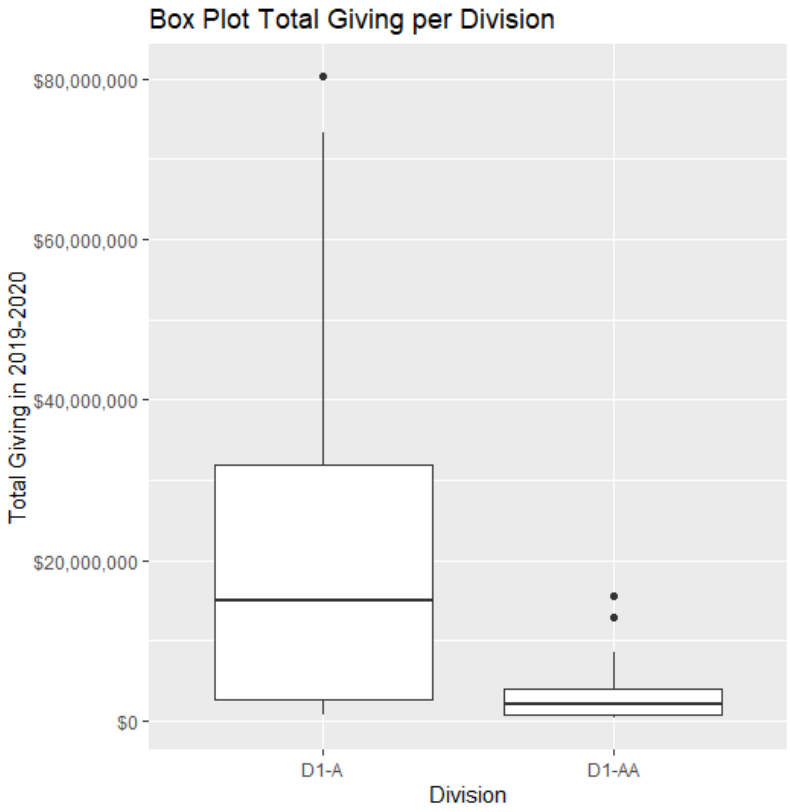
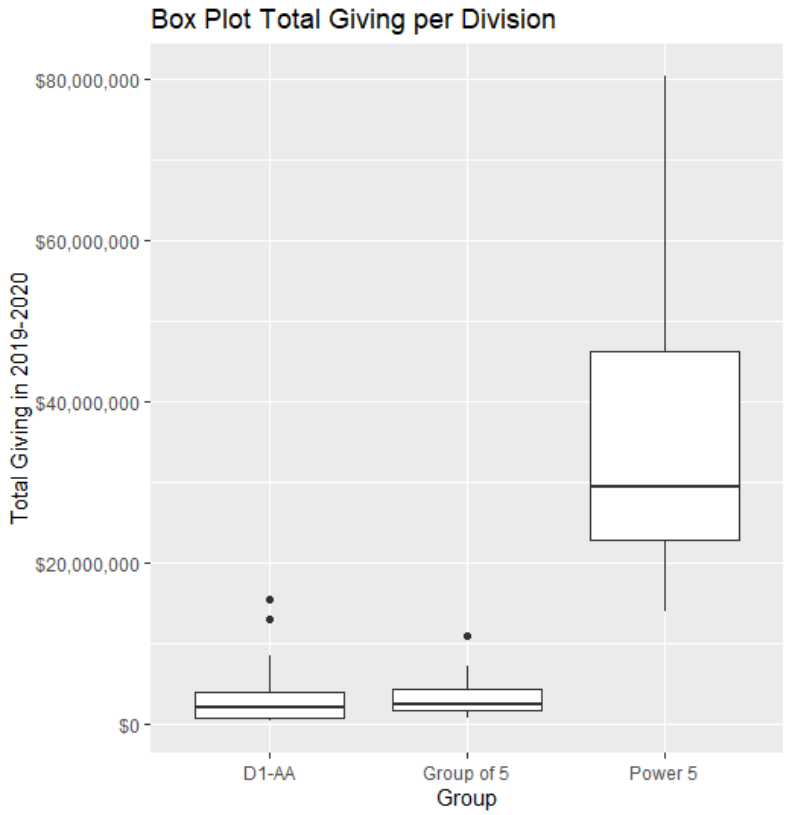


Figure 3: Box Plot Total Giving per Group



The factors which are incorporated within forecasting models will better understand how athletic departments plan, even prior to unforeseen natural disaster events. The response rate can be view in table 2. Based on a descriptive analysis, 77% of respondents reported using, “Previous Year's Donations /Giving Pyramid”, with 2 school reporting to have using an economic variable, and 3 schools (7.69%) reporting to have a figure that incorporates team performance.

For the questions “Did you have any kind of disaster/season disruptions included in your past planning/forecasting models?”, due to the unforeseen future 59% of the total directors reported to not having a variable that included any kind of season or natural disaster. With 24% reporting yes and 17% responding not sure.

When looking at the elimination of teams as a strategy for reducing costs, the breakout of the results can be viewed in Table 4. 85% of the athletic programs reported that no teams were affect apart of there program while, 6 schools reported eliminations and temporarily suspended until they could find funds to support those teams. If the director had selected yes, they were prompted with which teams were affected. Leading to a total of 17 teams affected.

Table 4: Eliminated or Temporarily Suspended Teams.

Eliminated or Temporarily Suspended Teams

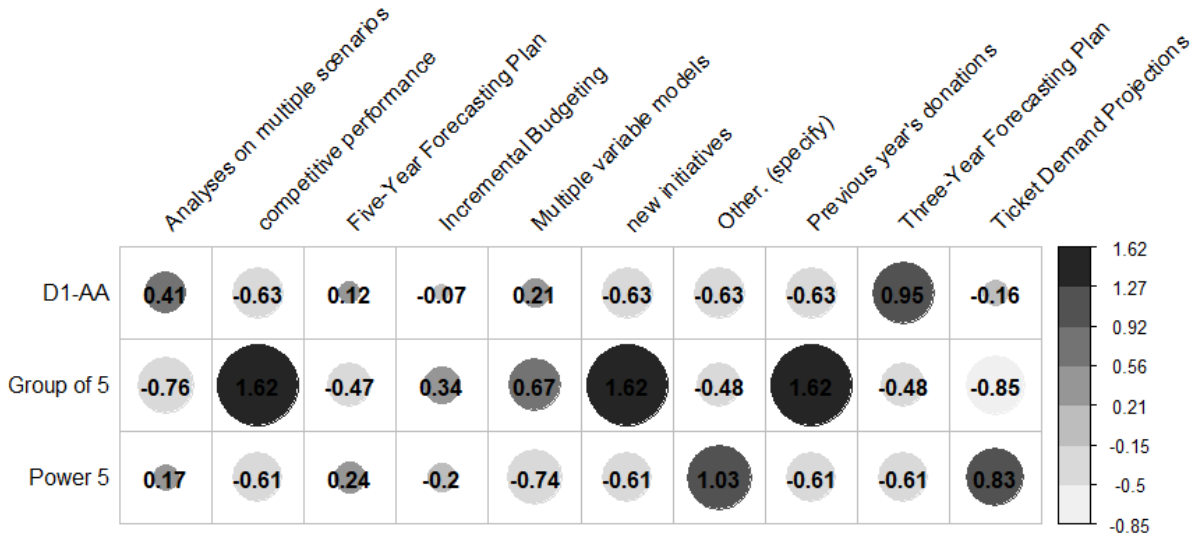
Statistic	N	Mean	St. Dev.	Min	Max
Yes, some Temporarily Suspended	1	5	0	5	5
Yes, some Eliminated	5	4	3.6	1	11

In response to the question about summarizing your financial planning process prior to experiencing COVID, 61% of the development directors reported to have used overall budget forecasting, compared to annual and major gift forecasting. Based on these answers, further analysis broken down into the group between the division was used to see if there was a statistically significant between the group types and the planning process. A Chi-Square test was done to show that there was no statistically significant difference between planning processes and what group the athletic institution fell into. The p-value for the chi square test was 0.7789, with the X^2 value = 3.2342. The same test was conducted just looking at division such as FBS and

FCS to see if that would be statistically significant and again, there was no difference between the groups as the p-value for this test came out to be 0.7145.

When exploring the question, “Does your development office work with any of the following?”, the breakout for the response rate can be view in Table 2. The answer with the most responses was incremental budgeting at 32%. The responses showed institutions used a wide variety of tools. Based on this data, a further analysis by group was used. This can be seen in Figure 3: Chi-Square, a chi-square test was run looking at the grouping between conferences such as group of five, power five and division I – AA, and which type of modeling they use to forecast for future seasons prior to COVID. When running the chi-square test the Chi-squared statistic was 17.126, with the p-value was 0.5145, and degrees of freedom at 18. The same data was run with the Fisher test and the p-value was 0.7136. This further indicates that there were no statistically significant differences in the implemented strategies based on institution type.

Figure 3: Chi-Square



Open Response Data

Open response data for the survey allowed for participants to voice any other concerns and data that might not be predicted.

In particular with the question, “As you look ahead to 2021, what new initiatives is your department exploring to increase revenue and/or retain donors moving forward?”, which asks directors what kind of initiatives they plan to put into place for the 2021 football season., one of the bigger initiatives was including and incorporating more different types of events, which was noted by five directors moving forward. Three athletic programs noted a change to a priority point system for tailgates and parking, along with two development offices adding a per seat donation into the 2021-2022 academic calendar.

When asked “What is your future goals/plans with data, analytics, or software (i.e. CRM, Digital tools / Insights, etc.)”, 12% of responses noted moving towards either a CRM system or noted Salesforce, a CRM software, to furthering there development and knowledge within it to be recruit and tag leads. It was noted by a director that, “We utilize our campus CRM as our donor database and have now started using SalesForce Marketing cloud as our marketing tool for email engagement and ticketing CRM system.” Another commonly observed open response was subjected towards looking into consumer and donor analytics and lead acquisition based on the analytics and to improve strategy based on those that are found.

Other Findings

A small linear relationship was apparent between total revenue and total giving amount for the 2019-2020 academic period. Based on looking at these two variables the p-value is below 0.05 tells you that with only 41 data points it is statistically significant that total revenue plotted

with total giving amount raised in the same fiscal period. The R^2 value for this bivariate linear regression was 0.5139.

Chapter 5: Discussion and Conclusion

Chapter 5 notes the overall effects of COVID-19 and the global pandemic for not only the 2019-2020 school year and fiscal period had overall effects but continued into the 2020-2021 seasons and school year. This chapter will also be discussing the implications of the survey and results of the data collection analysis. The overall financial and decision-making effects COVID had within athletic departments across the country was unpredictable and volatile. This chapter also contains study limitations, recommendations and for future research, and implications for future development office practitioners.

The purpose of this study was to identify and describe the effects of a global pandemic within college athletic departments giving office, looking at the overall effect of COVID upon philanthropic giving. This included annual giving and major gifts to athletic departments that compete within the NCAA Division I level that have a football team.

Research Questions and Results

For Research Questions 1, "What were the acute observed impacts of the COVID-19 pandemic on college athletics giving?". Due to COVID-19 and its impact on philanthropic giving, 11 schools reported a loss with an average loss of -$2,302,000. Of the 41 schools, 17 of the schools reported no change, along with 6 of them leaving the question blank. Seven of the athletic programs saw an increase in philanthropic giving, seeing an average increase of $2,478,156 due to the impact of COVID. This increase in revenue could possibly be due to the change in marketing and a further push for more philanthropic gifts to help students. Several institutions commented about putting funds in place this past giving season to support the student's athletes outside of the field and a focus more on the classroom. These philanthropic gifts also allowed donors to report a tax deduction at the end of the fiscal year. Other acute

observations were that five schools reported to have eliminated programs, while one school reported to have suspended some of their teams until replacement funding was found.

For Research Question 2, “How financially prepared were college athletic development departments for the cancelation of the Spring and winter sports and modification of Fall 2020 football season due to the COVID-19 pandemic?”. When looking at if athletic departments were prepared for an unforeseen outcome such as COVID, whether a variable was included within their forecasting for natural disaster or disruption was examined. Twenty-three of the 41 schools (56%) reported they did not include this forecasting factor, with 9 (22%) saying yes and 6 of them reported not sure or not responding. To determine if an athletic department was “prepared” v. “unprepared” can be based off short term planning model created within the study done by Kallberg (1982). Kallberg investigated different revenue generating variables to help predict to the unforeseen future. Based on these recommendations, these athletic departments were generally not “prepared” but due to the nature of a nonprofit collegiate organizations, the same traits do not necessarily align to the study that is already published. The only recent guide to helping determine preparedness is looking at how recent the last short fall in cash took place. Looking at the hit to possible athletic fundraising due to the 2017 tax changes that affected college seating donations was informative. Of the 41, 10 of them claimed to have seen a decrease in donation due to the tax change, and of the 10, only 3 include a natural disaster or disruption within their forecasting prior to COVID.

Based on the level preparedness due to forecasting, very few schools were financially prepared. This leads into if the type of planning and financial forecasting had any impact on how ready the program was for the loss of revenue drivers to due the cancelation of seasons and football seating. A Chi-Square test noted no particular division between Division I-A and

Division I – AA, as there were no statistically significant group differences. The most popular model was incremental budgeting which 23 schools reported to be using prior to COVID. This was varyingly popular across the board for all conferences at the Division I level.

For Research Question 3, "What types of planned or ad hoc financial actions were put into place to help offset the revenue short-fall during the COVID-19 giving season?", based on the study done my Mosley, Maronick and Katz (2012), they list five different tactics that nonprofit organizations should implement during financial uncertainty. The tactics used during this revenue shortfall is either adding or getting rid of existing programs or staff (Mosley et al., 2012). Ad hoc financial decision that was put into place include budget cuts and program suspending or eliminating. Budget cut looked a little different around the country for athletic departments, as seen in the limitations below, many of the staff contacted were actually being cut due to cost. Eighty percent of the respondents undertook a budget cut, including either by standard or varied amounts, and was executed on a case-by-case basis. Of the reported schools, the average cut was 14% while the minimum fell around 5% and the maximum of 25% of the budget cut for this academic period. This could be due to loss of major revenue generators outside of giving such as loss of "Final Four" and revenue drivers such as home football games, and full attendance and having full capacity and fans on campus. When considering how to solve budgets and revenue issues on a different front, five schools reported to have eliminated athletic teams within their program ranging from one to as many as eleven while one school reported to have suspended 5 teams within their program. That one athletic program stating they are suspended teams until the funding came through.

The last two tactics suggested within the study was pursue additional income or revenue, and start advocacy within your organization to make other aware (Mosley et al., 2012). When it

came to revenue short-fall due to the cancelation or limited capacity for the fall, 60% of the athletic institutions said that they offered season ticket holders the “Option to Defer Payments and/or Receive a Refund” for the following 2021 season. Only 1 school gave the option to defer payment and two schools giving no option at all to season ticket holders. In addition to that 60%, four of the schools said they also offered an incentive for donating to a particular relief fund instead of a refund or a rollover to the following season. This relief fund was advertised as a way to meet the immediate needs of the student-athlete during these hard times due to the destruction of season from the global pandemic.

For Research Question 4, “Based on the actions and results of the COVID-19 impacted giving period, what actions do practitioners identify as things that should have done differently as a development office to offset losses within the period?” based on the study looking at nonprofit organizations during financial uncertainty, majority of the programs noted at least one if not several of the five strategies noted within the study. These results are noted in the list above.

As the unforeseen return to full attendance might happen within the next academic period the future is unknown, and this year’s gains might not have been the correct path moving forward over a longer period then predicted. Due to the recency this could create a bias towards if anything was done differently. Such as using reflecting upon the Spanish Flu the last pandemic that created a cancellation and disruption of sports on a nation-wide level, which is reflected through the fading memory of its severity.

For Research Question 5, “Do development practitioners plan to adopt any different financial management practices as a result of their COVID-19 experience?”, a question was asked in the survey, is development directors planned to add any type of natural disaster type

planning moving forward. Forty-six percent of the schools said yes, and of those 19 schools, 15 of them reported that they will be adding a type of natural disaster for the future forecasts and academic seasons. If they noted yes, they will be including this as part of their future forecasts, directors were asked how they would assign probabilities to outcomes, with several not knowing. A common answer was "Utilization of pre-COVID and post-COVID revenue comparisons for gifts, tickets, and other revenues will help provide a guide to how we assign probabilities of outcomes". Many of the programs commented about adding relief funds and campaigns to engage more fans and allow for better interaction between programs and donors, such as moving forward with more Zoom events, coaches' lives, and premium tailgates and seating if not already applicable. Both the addition to relief funds and the addition to advertising tailgates, and more premier seating to fans was apart of the last two strategies within the Mosley (2012) study dealing with nonprofit organizations.

For Research Question 6, "Were there differences between conferences in terms of the adoption of financial planning best practices?" using the two-sample t-test and the chi-square neither had statistically significant data between FBS and FCS football organizations and the percentage that donations made up for their revenue. The chi-square test was also not statistically significant between power five, group of five and FCS when it comes to which forecasting strategy the development office uses. It was statistically significant that FBS and FCS schools brought in a different amount of annual donations based on major gifts and annual giving, but FBS school's data was too skewed to be normalized. Many of the descriptive variables, have no statistical evidence to prove that one revenue loss mitigation strategy was better than another or a forecasting strategy used outside and pre-COVID. This could be based on the self-reporting within the office, along with the director filling out the survey might not have known or recorded

the correct approach. Other planning practices that were not noted in the survey was the loss of personnel within the development office and stuff, due to the severity of bounce back or automatic reply emails across the divisions and groups two to three staff members per conference had an auto reply message, noting an out of office, I do not work here anymore or leave of absence due to maturity.

For open response data we see that many of the items noted that development directors have written they are moving towards have been found a common partner in responses to improving philanthropy and giving. Due to many schools not allowing visitors or fans on campus, many university and athletic programs went virtual allowing fans and donor to attend Zoom events via web. In the study done by Holquist (2011) looking at what motivates donors, the biggest factor within his defense was the impact on the athlete. Having live Zoom calls with teams to show support and get a different inside look, might be a great incentive to keep donors and to continue, as five of the 41 directors said they will be either starting to do this in the next academic calendar or continuing.

Limitations

One of the biggest limitations when it came to this study, was the total number of responses. While the researcher conducted numerous pilot interviews and meetings with potential participants to gauge the level of interest in the study results, which was generally high and optimistic, the final sample failed to meet the expectations of those industry contacts. Based on several factors, the response rate was not very large compared to the total number of those not appearing in the study. Some of the factors included not having up to date contact information, as several schools did not post email addresses on staff directories, along with many which did not have staff listed that dealt specifically with philanthropy, development, or giving. Many contacts

may not have responded to emails for several reason such as possibly too many emails, perceived unimportance, inability to fill out the survey based on lack of direct knowledge, loss of job within the organization, or they were out of office due to traveling with teams or even on maternity leave. Due to the nature of the pandemic, one revenue loss mitigation strategy used within the development off was cutting staff from these programs, the bounce backs or automatic replies of this types were at a rate of 2 or 3 directors per conference. The timing in the season and within the organizations period of busy season of renewals for the 2021 football season also may have contributed to the turnout rate, which was not as high as predicted, as many schools are now in the phases of trying to renew for a full stadium for the fall 2021 season.

Another limitation within the study was pertaining to the building of a linear regression. When looking at the data point pertaining to annual giving predictions prior to COVID, this data point might not have been accurately reported as they were already within COVID implications when the question was asked. Based on the confusion of this question the reported amount might be bias towards the effects of COVID. Without having any two amounts prior and post COVID, it was hard to make a linear regression to reflect this based on financial decision making within the development office.

Recommendations for Future Research

This study was on the exploratory side of research as there is not much information about development office best practices, and there is very little research published on the effects of the global pandemic COVID-19 within athletics, let alone college athletics. Through this study a few suggestions may be made to development office partitioners to better allocate resources and funds to help bring in additional income to their institution. As we create this steppingstone for future research in the field of athletic development, future studies can use the impact of COVID

to base revenue loss mitigation strategies with the first sight of cancellation. Hopefully, this study can provide a guide and reference to those who participated and those that did not to help guide decisions making moving forward. This study can hopefully help guide a conclusion post pandemic, such as created a follow up of the effects of the COVID-19 pandemic. As the 2020-2021 academic school period is still being affected by the restrictions that were put into place, the total impacts of the pandemic have by no means concluded.

Another recommendation for future research might be to design the data collection differently to help increase the population size of the study, as very few directors responded and fully completed the survey. This might include collecting data at a different period within their fiscal period, as renewal season was more crucial than previous season as many programs moved from limited capacity to full stadium for the fall of 2021. Another recommendation might be to shape the survey differently as to be more inclusive of other strategies when recruiting donors. For example, not all Power Five schools have a seat donations or priority seating points, and some were even in the midst of transitioning into or out of that type of giving program.

Conclusion

The purpose of this study was to collect and report on the impacts and effects of COVID-19 and a global pandemic on how this effect annual giving along with major gifts for division I institutions. Based on previous research there is research and data reported based on impacts to donors, but this study looks at an impact to the institution and athletic playing field, to see how development directors and athletic staff handled and solved the revenue short-fall problem. Of the 41 organizations that participated and contributed data to the study, not one organization was identical to another in any two or more characteristics. With each conference within the division

I represented, and schools located across the country, this truly was a full wide range of levels of mitigation from schools that supported as few as 286 to as many as 1,071 student athletes. With that, each institution brought in a wide range of revenue and with association to giving to represent that number. Those that brough in more money by donation had a small correlation to the school that generated revenue at the end of the day.

The conclusion to this study is each school has different characteristics and needs, as some schools rely heavier on revenue generating from giving within the same group and conference then others, as a result further action will and need to be taken and as reported in the survey, they do take more action than schools that do not rely as heavy on this revenue generator. Schools that can mitigate losses through there institutions budget were able to and did do so for this loss of revenue due to COVID. Each scenario is case by case basis and while a few actions might have been better choices moving forward, no direct right answer to solving forecasting and revenue generating moving forward.

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Appendix

A: Literature Review Search Results

Search Engine	Search Term	Number Retried	Number that Met Criteria
Google Scholar	annual giving in athletics	101,000	5
Google Scholar	annual giving in Division I athletics	41,600	4
Google Scholar	donations patterns in athletic giving	29,300	4
Google Scholar	motivation for donations in athletic giving	27,100	6
Google Scholar	financial impacts on athletic organizations	64,000	2
Google Scholar	financial planning during uncertainty	2,020,000	3
Google Scholar	COVID impact on college football	4,010	1
Google	DI FBS Financial	4,800,000	5
Google	Spanish Flu impact on College Football	5,070,000	3
Google	9/11 impact on college football	9,720,000	2

B: IRB Approval Letter

The UNIVERSITY of OKLAHOMA

Institutional Review Board for the Protection of Human Subjects

Approval of Initial Submission – Exempt from IRB Review – AP01

Date: February 16, 2021 **IRB#:** 13044

Principal Investigator: Megan N Yarberry **Approval Date:** 02/16/2021

Exempt Category: 2

Study Title: Analysis of The Financial Impacts of COVID-19 on Athletic Department Forecasting for Annual Giving and Major Gifts at NCAA Division I Universities

On behalf of the Institutional Review Board (IRB), I have reviewed the above-referenced research study and determined that it meets the criteria for exemption from IRB review. To view the documents approved for this submission, open this study from the *My Studies* option, go to *Submission History*, go to *Completed Submissions* tab and then click the *Details* icon.

As principal investigator of this research study, you are responsible to:

- Conduct the research study in a manner consistent with the requirements of the IRB and federal regulations 45 CFR 46.
- Request approval from the IRB prior to implementing any/all modifications as changes could affect the exempt status determination.
- Maintain accurate and complete study records for evaluation by the HRPP Quality Improvement Program and, if applicable, inspection by regulatory agencies and/or the study sponsor.
- Notify the IRB at the completion of the project.

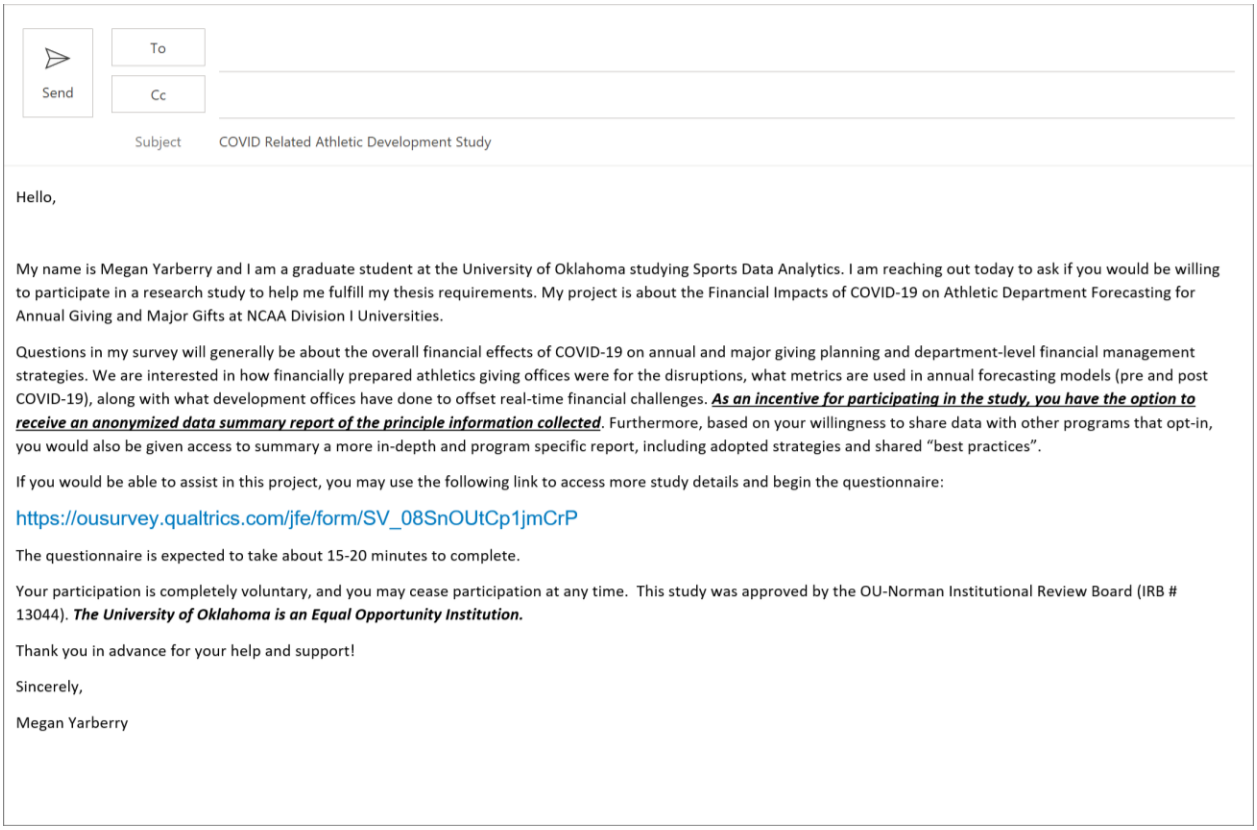
If you have questions about this notification or using iRIS, contact the IRB @ 405-325-8110 or irb@ou.edu.

Cordially,

Lara Mayeux

Lara Mayeux, Ph.D.
Chair, Institutional Review Board

C: Recruiting Email



Send

To

Cc

Subject COVID Related Athletic Development Study

Hello,

My name is Megan Yarberry and I am a graduate student at the University of Oklahoma studying Sports Data Analytics. I am reaching out today to ask if you would be willing to participate in a research study to help me fulfill my thesis requirements. My project is about the Financial Impacts of COVID-19 on Athletic Department Forecasting for Annual Giving and Major Gifts at NCAA Division I Universities.

Questions in my survey will generally be about the overall financial effects of COVID-19 on annual and major giving planning and department-level financial management strategies. We are interested in how financially prepared athletics giving offices were for the disruptions, what metrics are used in annual forecasting models (pre and post COVID-19), along with what development offices have done to offset real-time financial challenges. ***As an incentive for participating in the study, you have the option to receive an anonymized data summary report of the principle information collected***. Furthermore, based on your willingness to share data with other programs that opt-in, you would also be given access to summary a more in-depth and program specific report, including adopted strategies and shared "best practices".

If you would be able to assist in this project, you may use the following link to access more study details and begin the questionnaire:

https://ousurvey.qualtrics.com/jfe/form/SV_08SnOUtCp1jmCrP

The questionnaire is expected to take about 15-20 minutes to complete.

Your participation is completely voluntary, and you may cease participation at any time. This study was approved by the OU-Norman Institutional Review Board (IRB # 13044). ***The University of Oklahoma is an Equal Opportunity Institution.***

Thank you in advance for your help and support!

Sincerely,

Megan Yarberry

D: Consent Form

Online Consent to Participate in Research

Development Survey

for

Analyzing the Financial Impact of COVID-10 on Major Gifts and Annual Giving

Would you like to be involved in research at the University of Oklahoma?

I am Megan Yarberry from the Health & Exercise Science Department and I invite you to participate in my research project entitled Analysis of the Financial Impacts of COVID-19 on Athletic Department Forecasting for Annual Giving and Major Gifts at NCAA Division I Universities. This research is being conducted at the University of Oklahoma. You were selected as a possible participant because you are a current director working in development at a NCAA Division I university athletic department. You must be at least 18 years of age to participate in this study.

Please read this document and contact me to ask any questions that you may have BEFORE agreeing to take part in my research.

What is the purpose of this research? The purpose of this research is to determine what factors that are involved in forecasting annual and major gifts and the impacts and limitations to forecasting due to major events.
How many participants will be in this research? About 300 people will take part in this research.

What will I be asked to do? If you agree to be in this research, you will fill out an online survey, containing questions about data from your development office and athletic department.

How long will this take? Your participation will take the time it takes to complete this form and survey which approximately 15 – 20 minutes.

What are the risks and/or benefits if I participate? There are no risks or benefits to participation.

Will I be compensated for participating? You will not be reimbursed for your time and participation in this research.

Who will see my information? In research reports, there will be no information that will make it possible to identify you. Research records will be stored securely and only approved researchers and the OU Institutional Review Board will have access to the records.

As part of the research process, we offer several options for data sharing, if you choose to participate. You may opt-in to receive a summary report of the data collected during this study. First, if you are willing to share the data you provide **along with your institution's**

name with the other participants in this study, you will receive a report that summarizes the information we received from all other institutions who also consented to share their identifiable information. Second, you may opt-in to share your data without identifying your institution. If you choose this option, you will receive a summary report of the data from other institutions who have also chosen this option (i.e., de-identified data that is not tied to specific institutions). Third, you may choose to opt-out of sharing data, in which case you will not receive a report.

Data are collected via an online platform not hosted by OU that has its own privacy and security policies for keeping your information confidential. Please note no assurance can be made as to the use of the data you provide for purposes other than this research.

What will happen to my data in the future? After removing all identifiers, we might share your data with other researchers or use it in future research without obtaining additional consent from you.

Do I have to participate? No. If you do not participate, you will not be penalized or lose benefits or services unrelated to the research. If you decide to participate, you don't have to answer any question and can stop participating at any time.

Who do I contact with questions, concerns or complaints? If you have questions, concerns or complaints about the research or have experienced a research-related injury, contact me by email at megan.n.yarberry@ou.edu.

You can also contact the University of Oklahoma – Norman Campus Institutional Review Board (OU-NC IRB) at 405-325-8110 or irb@ou.edu if you have questions about your rights as a research participant, concerns, or complaints about the research and wish to talk to someone other than the researcher(s) or if you cannot reach the researcher(s).

Please print this document for your records. By providing information to the researcher(s), I am agreeing to participate in this research*.*

- ⭘ I agree to participate
- ⭘ I do not want to participate

This research has been approved by the University of Oklahoma, Norman Campus IRB.

IRB Number: 13044 **Approval date:** 2/16/2021

E: Survey

Development Survey

Development Survey for Analyzing the Financial Impact of COVID-10 on Major Gifts and Annual Giving

Would you like to be involved in research at the University of Oklahoma? I am Megan Yarberry from the Health & Exercise Science Department and I invite you to participate in my research project entitled Analysis of the Financial Impacts of COVID-19 on Athletic Department Forecasting for Annual Giving and Major Gifts at NCAA Division I Universities. This research is being conducted at the University of Oklahoma. You were selected as a possible participant because you are a current director working in development at a NCAA Division I university athletic department. You must be at least 18 years of age to participate in this study.

Please read this document and contact me to ask any questions that you may have BEFORE agreeing to take part in my research.

What is the purpose of this research? The purpose of this research is to determine what factors that are involved in forecasting annual and major gifts and the impacts and limitations to forecasting due to major events.

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What will I be asked to do? If you agree to be in this research, you will fill out an online survey, containing questions about data from your development office and athletic department.

How long will this take? Your participation will take the time it takes to complete this form and survey which approximately 15 – 20 minutes.

What are the risks and/or benefits if I participate? There are no risks or benefits to participation.

Will I be compensated for participating? You will not be reimbursed for your time and participation in this research.

Who will see my information? In research reports, there will be no information that will make it possible to identify you. Research records will be stored securely and only approved researchers and the OU Institutional Review Board will have access to the records.

As part of the research process, we offer several options for data sharing, if you choose to participate. You may opt-in to receive a summary report of the data collected during this study. First, if you are willing to share the data you provide **along with your institution's name** with the other participants in this study, you will receive a report that summarizes the information we received from all other institutions who also consented to share their identifiable information. Second, you may opt-in to share your data without identifying your institution. If you choose this option, you will receive a summary

report of the data from other institutions who have also chosen this option (i.e., de-identified data that is not tied to specific institutions). Third, you may choose to opt-out of sharing data, in which case you will not receive a report.

Data are collected via an online platform not hosted by OU that has its own privacy and security policies for keeping your information confidential. Please note no assurance can be made as to the use of the data you provide for purposes other than this research.

What will happen to my data in the future? After removing all identifiers, we might share your data with other researchers or use it in future research without obtaining additional consent from you.

Do I have to participate? No. If you do not participate, you will not be penalized or lose benefits or services unrelated to the research. If you decide to participate, you don't have to answer any question and can stop participating at any time.

Who do I contact with questions, concerns or complaints? If you have questions, concerns or complaints about the research or have experienced a research-related injury, contact me by email at megan.n.yarberry@ou.edu. You can also contact the University of Oklahoma – Norman Campus Institutional Review Board (OU-NC IRB) at 405-325-8110 or irb@ou.edu if you have questions about your rights as a research participant, concerns, or complaints about the research and wish to talk to someone other than the researcher(s) or if you cannot reach the researcher(s).

Please print this document for your records. **This research has been approved by the University of Oklahoma, Norman Campus IRB. IRB Number: __13044___ Approval date: __2/16/2021__**

Q40 *By providing information to the researcher(s), I am agreeing to participate in this* research*.*

- ○ I agree to participate (1)
- ○ I do not want to participate (2)

Q44 Institution Name

▼ Abilene Christian University (1) ... other. (289)

Q39 What are the start and end dates for your University's fiscal year?

- ○ Start: (1) _____
- ○ End: (2) _____

Q6 What is the range for seat donations within your football stadium (per seat)?

_____ Min $ (1)
_____ Max $ (2)

Q7 What is the range for seat donations within your Men's Basketball arena (per seat)?

_____ Min $ (1)
_____ Max $ (2)

Q9 How many major gift / giving initiatives are there in a typical accounting period?

_____

End of Block: Institution

Start of Block: Pre-COVID Conditions

Q11 What was the amount your athletics development department raised in total giving in 2019-2020?

_____

Q13 What was your forecasted 2020-2021 total annual giving (seating + philanthropy) projected to be prior to COVID?

_____

Q14 What was your average major gift prior to COVID?

_____

End of Block: Pre-COVID Conditions

Start of Block: General Financial Planning Practices

Q15 Has your athletic department seen a change in donations after the 2017 tax change?

- ○ No. (1)
- ○ Increase. (2)
- ○ Decrease. (3)
- ○ Don't Know. (4)

Q16 If so, what changes did you put into place related to those donation changes?

_____

Q17 Did you have any kind of disaster/season disruptions included in your past planning/forecasting models?

- ○ No. (1)
- ○ Yes. (2)
- ○ Not Sure. (3)

Q19 If so, what changes did you put into place to relative to the recent disruptions?

_____

Q20 How would you summarize your **financial planning process** pre-COVID for:

- ☐ Overall forecasting (1)
- ☐ Annual Giving Forecasting (2)
- ☐ Major Gift Forecasting (3)
- ☐ None of the Above (4)

Q36 What factors lead to your financial projections?

- ○ Economy (1)
- ○ Team Performance (2)
- ○ Head Coaches Fired (3)
- ○ Previous Year's Donations /Giving Pyramid (4)
- ○ Other. (specify) (5) _____

Q21 Does your development office work with any of the following? (select all that apply):

- ☐ Five-Year Forecasting Plan (1)
- ☐ Incremental Budgeting (ex. using expected annual percentage growth rates.) (2)
- ☐ Ticket Demand Projections (That originate from within, or outside of, the Development Offices) (3)
- ☐ Analyses on multiple scenarios to determine overall financial outcome (e.g. low, medium, and high case projections) (4)
- ☐ Multiple variable models with possible scenarios and those probabilities (5)
- ☐ Other. (specify) (6) _____
- ☐ None of the Above (7)

Q16 If yes, did your projections in the multiple scenario analyses contain the lower revenue levels experienced in 2020?

- ○ Yes (4)
- ○ No (5)
- ○ Don't know (6)

End of Block: General Financial Planning Practices

Start of Block: COVID Impacts

Q17 What kind of COVID impacts hit your campus pertaining to <u>football</u> 2020 seating (select all that apply):

- ☐ Limited Fan Attendance (Specify % Capacity) (1) _____
- ☐ No Fan Attendance (2)
- ☐ Family/ Staff Only (3)
- ☐ Loss of Fall Schedule (Canceled or moved to Spring) (4)
- ☐ Other. (specify) (5) _____

Q18 How many of your scheduled 2020 football home games were cancelled due to COVID?

	0	1	2	4	5	6	7	8	10	11	12
Home Games ()											

Q21 In regard to addressing donations made for priority seating gifts, what options did you offer your fans for 2020 Football Season?

- ○ No Refunds or Option to Defer Payment to 2021 (1)
- ○ Option to Defer Payments to 2021 but No Refunds (2)
- ○ Option to Defer Payments and/or Receive a Refund (3)
- ○ Other (specify) (4) _____

Q37 Did demand outweighed capacity for home or postseason events?

- ○ Yes (1)
- ○ No (2)

Q38 Did you do anything to monetize the *excess demand?*

Q22 What kind of COVID impacts hit your campus pertaining to Men's basketball 2020-2021 seating (select all that apply):

☐ Limited Fan Attendance (Specify % Capacity) (1)
_____

☐ No Fan Attendance (2)

☐ Family/ Staff Only (3)

☐ Loss of Schedule (Canceled) (4)

☐ Other. (specify) (5) _____

Q23 How many scheduled Men's basketball 2020 home games were cancelled so far due to COVID?

	0 4 7 11 14 18 21 25 28 32 35
# of Home Games ()	

End of Block: COVID Impacts

Start of Block: Financial Management Adjustment

Q24 What were your revenue loss mitigation strategies when facing COVID? (select all that apply):

- ☐ Increase Priority for Seating Donation (1)
- ☐ Increase for Academic Student Funds (2)
- ☐ Offered Incentive for payments to be retained in 2020 with 2021 benefits (3)
- ☐ Not allowing for a refund or a deferral of payment to the 2021 Football Season (4)
- ☐ Other. (specify) (5) _____

Q25 Did your athletic department implement across-the-board budget reductions for programs?

- ○ No. (1)
- ○ Yes, by a standard % across programs (specify): (2) _____
- ○ Yes, varied by program from _____ % to _____% (3) _____
- ○ Yes, but unsure of the exact amounts. (4)
- ○ Don't know. (5)

Q26 Did your athletic department cut any athletics programs due to the financial impacts of COVID?

- ○ No. (1)
- ○ Yes, some temporarily suspended. How many? (2) _____
- ○ Yes, some eliminated. How many? (3) _____

Q39 Which ones were suspended or eliminated? (select all that apply):

- ☐ Baseball (1)
- ☐ Basketball (2)
- ☐ Bowling (3)
- ☐ Cross country (4)
- ☐ Fencing (5)
- ☐ Field hockey (6)
- ☐ Football (7)
- ☐ Golf (8)
- ☐ Gymnastics (9)
- ☐ Ice hockey (10)
- ☐ Lacrosse (11)
- ☐ Rifle (12)

- [ ] Rowing (13)
- [ ] Skiing (14)
- [ ] Soccer (15)
- [ ] Softball (16)
- [ ] Swimming & Diving (17)
- [ ] Tennis (18)
- [ ] Track & field (indoor) (19)
- [ ] Track & field (outdoor) (20)
- [ ] Volleyball (indoor) (21)
- [ ] Volleyball (beach) (22)
- [ ] Water polo (23)
- [ ] Wrestling (24)
- [ ] Other (25)

Q27 Did you see a change in philanthropic giving (Tax deductible, non-seat related, athlete endowment funds etc.) as a result of the pandemic and/or reduced seating capacities?

- ○ No. (1)
- ○ Increase, by how much (Dollar Value) (2)
  _____
- ○ Decrease, by how much (Dollar Value) (3)
  _____

Q29 How did you promote philanthropic giving? (if any)

_____

Q30 Could you summarize any other unusual and/or reward as additional actions you took in order to deal with the COVID disruptions?

_____

End of Block: Financial Management Adjustment

Start of Block: Future Financial Planning

Q31 How has COVID changed your financial planning practices moving forward?

_____

Q32 Will you include any kind of disaster/disruptions in your five-year forecasting models after the impact of COVID-19?

- ○ No. (1)
- ○ Yes. (2)

Q33 How will you assign probabilities to outcomes and quantify likely impacts to revenues? Please provide some examples.

_____

Q36 As you look ahead to 2021, what new initiatives is your department exploring to increase revenue and/or retain donors moving forward?

_____

Q39 At this time, how are you approaching sporting events & seat related contributions for the 2021-22 season?

- ○ Proceeding as normal with Full Capacity (1)
- ○ Proceeding with similar restrictions to the past 2020 Season (2)
- ○ Waiting to onsale tickets of seating gifts until decisions is made on capacity (3)

Q40 What is your future goals/plans with data, analytics, or software (i.e. CRM, Digital tools / Insights, etc.)

_____

Q43 As part of participating in this study a dashboard will be created and given out to participants: *I the participant authorize to release the information to others, and understand that releasing this data means that development officials at other institutions will receive the data that I have provided.*

- ○ I do not consent to release Data to the Dashboard. (1)
- ○ I consent to Release to others Without Identifying Information. (3)
- ○ I consent to Release to others With Organization Identified. (4)

End of Block: Future Financial Planning