

17 September 2024 – Athletics Committee Meeting Minutes

Attendees

Jamaal Walton '07 (VMI Director of Intercollegiate Athletics)

Andrew Deal '12 (VMI Keydet Club COO)

Lenny Brown (VMI Deputy Director of Athletics)

Damon Williams '90 (BOV Member – Athletics Committee Chair)

Emily Fulton '18 (VMI Associate Athletic Director for Operations and Finance/SWA)

Thomas Gottwald '83 (BOV Vice President)

Nancy Phillips (BOV Member)

Rear Adm. Terence McKnight '78 (BOV Member)

Clifford Foster '93 (BOV Member)

Maj. Gen. Cedric Wins '85 (VMI Superintendent)

Bridget Shanks (Assistant Athletic Director for Cadet-Athlete Success)

Jeffrey Lawhorne (Director of Finance and Budget)

Minutes

- Mr. Jamaal Walton provided the Athletics Committee with an overview of the Athletics budget – including revenue and expenditures, highlighting the increased football and basketball gate receipts, increased track and field entry fees, and the NCAA Academic Assistance funds.
 - NCAA Academic Assistance funds are received for meeting GSR threshold. GSR reflects a six-year average, while APR is annually reported.
 - Improved oversight and modification of notification of expenditures for football and basketball programs (including monthly meetings)
- Athletic Department Staffing – total head count of employees sits at about 58, only one new position was added with support from private funds. There are a few positions supported by private funds, Andrew Deal expanded on the process by which the Keydet Club seeks to support these positions via private donations vs. endowment dollars.
- VMI subsidy to operational budget of athletic department nears \$1mil – cost cutting measures have been put into place, but there is still a shortfall. This can be contributed to lower admissions numbers (cadet fees) and to the state salary increases.
- Facility Use Fees – potential to host VHSL (high school) championships and competitions at CPTF (indoor track), Aquatic Center, and Gray-Minor Stadium

(baseball). Revenue increase would not be contributed directly to athletics, but instead the Institute. Hosting championships (conference) serves as a cost cutting measure for individual VMI athletic programs and gives opportunities to showcase VMI/ facilities

- Corps growth would provide a dip in subsidy (increased cadet fees)
- Legislative updates – House vs NCAA, settlement could total \$2.9 billion, impact to VMI could total between \$250,000 - \$290,000 annual loss of revenue over 10 year span (this would avg. income of \$600,000 from both NCAA and conference would decrease). More information to come as case continues, Jamaal Walton to meet with Southern Conference on October 1.
- Academic Report for Spring 2024
 - Cadet-athletes term GPA equaled 2.99; Corps of Cadets term GPA equaled 2.09
 - 12 teams improved term GPA from spring to fall
 - Incoming rats – core GPA higher than conference peers
 - Plan to recognize cadet-athletes achieving 3.5 term GPA or above at football game on September 21.
 - Bridget Shanks, assistant athletic director for cadet-athlete success, provided overview for NCAA study hall improvements for Cadet-Athlete Academic Support and Enrichment programs
- Cadet-athlete conduct, increased demerit counts including conduct probation, suspension, etc. 143 cadet-athletes finished spring 2024 with 0 or negative demerits. Jamaal Walton and Emily Fulton work to communicate with coaching staff, Commandant Staff, and cadet-athletes to improve demerit numbers and work to address behavior issues. Maj. Gen. Wins addressed that this issue is Corps wide and faculty & staff must be held accountable to hold cadets to a standard.
- Overview of new Athletic Department Hires – Paul Harrison (Basketball), Ryan Smoot '19 (Baseball), Kyle Friesenhahn (Diving).
- Athletic Facilities Updates – Football film room project is underway and nearing completion, field sodding (Foster Stadium and Patchin Field) completed, Cameron Hall videoboards to be completed at the conclusion of the 2024-25 basketball season.
- Season ticket holder number (of accounts) is higher than previous years and gate receipts are expected to be higher. Corporate sponsorships have exceeded three times the amount of dollars generated in previous years, potential revenue sources include neutral sight baseball games.
- Establishment of Athletics Senior Leadership Team and continued work of the Athletics Task Force lead to the continue prioritization of the categories identified to enhance the cadet-athlete experience.

Meeting Minutes

1:19 pm – Mr. Damon Williams calls meeting to order

1:20 pm – May 2024 Meeting Minutes approved

1:20 pm – Mr. Damon Williams turns meeting over to Mr. Jamaal Walton, Athletic Director. Mr. Walton provides overview of meeting agenda. Mr. Walton provides explanation of Revenue and Support areas of budget diagram included in read ahead. Revenue increases from football and basketball gate receipts reflect an increase and total \$633,511. Track and Field revenue also increased from previous year. NCAA Athletic Assistance delayed funds received for GSR and conference shared revenue for FY24.

1:23 pm – Mr. Lenny Brown explains the process for becoming an earner for NCAA Academic Assistance Funds. This earning doubled YTD revenue.

1:24 pm – MG Wins asks for clarification on Academic Achievement dollars. Mr. Lenny Brown explains GSR thresholds clarifying achievement. To be an earner an institution must have a GSR of around 90%, VMI earned dollars with achievement of about 92%. Mr. Brown further explained that it is not expected for VMI to be an earner for 2024-25 as the dollars are achieved by the cohort who began at the Institution six years prior. Mr. Brown continues to explain APR threshold that makes an institution an earner (970). SoCon partnership for APR consultation explained and partnering organization confirmed the concerns (retention) that VMI has concerning APR. APR earnings are received by the Conference and then split among members in two pots – 1) all conference members 2) conference earners only.

1:28 pm – MG Wins asks what is believed to be the biggest threat to VMI's APR – retention or academic success. Mr. Lenny Brown speaks of retention vs academic transfer adaptation; stating that the combined threats of eligibility and retention are VMI's biggest concerns. Mr. Jamaal Walton explains his continued conversations with the Dean (BG Moreschi) in regards to the findings of the APR consulting group. GSR (graduation success rate) is operated in six year cohorts and APR (academic progress rate) is reported annually.

1:31 pm – Mr. Clifford Foster inquired as to why Keydet Club special project line number is lower in expenditure. Mr. Andrew Deal clarifies that these are based on individual projects and needs designated by individual coaches. Mr. Thomas Gottwald asks if this means that projects were not completed. Ms. Emily Fulton mentions that Compete to Win dollars will be a special project line in budgets for FY25.

1:32 pm – Mr. Walton asks if there are any final questions on the revenue side of the budget and moves the discussion onto budget expenditures. It is estimated that expenditures will pan out to be approximately \$199,186 under budget for FY25. He speaks of new process of budgetary oversight with basketball and football programs – monthly meetings with both head coaches are held to provide overview of expenditures.

1:34 pm – Mr. Foster confirms the meaning of amended budget. Mr. Gottwald explains that the amended budget (actual budget) is made from midyear adjustments made in January that are generally relatively small.

1:35 pm – Mr. Gottwald asks if the Rifle and Lacrosse budgets are over budget because of special project budgeting. Confirmation is received that Lacrosse's budget is accrued dollars.

1:36 pm – Ms. Fulton explains that due to position vacancy, the athletic training budget has seen cost savings. Mr. Walton explains that emphasis is being placed on the cost area in an attempt to hire qualified individuals for open positions. Mr. Walton tells the group that ESPN College Wrestling will be highlighting VMI Wrestling at their pre-season tour. Football is budgeting for new uniform jerseys.

1:40 pm – Mr. Walton and Ms. Fulton go more into depth about how budgets for specifically basketball and football are given oversight. Weekly meetings are held between Mr. Walton and the respective head coach. Once monthly Ms. Fulton joins these meetings to provide overview of current stance of the budget. There was previously no budget oversight given to these coaches. Mr. Deal is involved in budget development as programs provide their needs to Mr. Walton and in areas of Compete to Win and special projects.

1:43 pm – Mr. Deal asks if there is a way to make the addition of special project line to make dollars more obvious. Ms. Fulton notes that the adjustment has been made to the current working budget.

1:45 pm – Mr. Foster clarifies that budget previously was \$9.4 million and has reduced to \$9.2 million; this is confirmed by Mr. Brown to be because projected revenue is not included added NCAA dollars. Expenses are down from to \$10.2mil from \$10.6mil, Ms. Fulton confirms that this is from special project subsidy. Ms. Fulton continues to confirm that this is also due to cost cutting measures. Mr. Brown notes that one time purchasing has decreased.

1:48 pm – Mr. Foster asks of the physical location of the Athletic Executive Leadership team. Mr. Walton and Ms. Fulton are located in Cameron Hall. Mr. Brown is located in Corps Physical Training Facility.

1:48 pm – Mr. Gottwald follows up on staffing and income expenditures. Ms. Fulton adds that there was only one additional staff position created (Assistant Dive Coach) and that the position was funded by private dollars. Mr. Foster asks how it is tracked that a position is state or privately funded – Mr. Deal adds that he works with Mr. Lawhorne and that he seeks a five-year commitment from donor to help build the endowment.

1:50 pm – Mr. Gottwald asks for a total headcount of athletic department employees. Ms. Fulton adds that it sits at approximately 58 individuals. When asked on total number of endowed positions – Mr. Deal adds that Football, basketball, and swim & dive receive privately funded dollars for positions.

1:52 pm – Mr. Gottwald notes that athletic department positions are funded through operational funding with AP classifications. The funding shortfall is funded by the Institute’s budget.

1:53 pm – Mr. Walton asks if there are any questions in regards to projected expenditures. Mr. Gottwald notes that the \$1million budgetary shortfall is the largest in the last 10 years and asks Mr. Walton to look for the story hidden in the numbers.

1:54 pm – It is suggested that the Admissions shortfall is not completely to blame for the increase budget shortfall. Mr. Gottwald adds that half the extra cost can be contributed to unnecessary staff salary increases.

1:57 pm – Mr. Foster adds that the Division I vs Division III argument continues to be mentioned among alumni community and urges group to work to decrease the conversation. He asks for clarification of the track entry fee and revenue increases that come from those receipts. It is asked if this could also be something to be considered with swim meets. Mr. Brown adds that entry fees is not typically something that is considered to be the nature of the sport of Swim vs. how it is commonplace in track and field.

1:59 pm – It is asked where the facility rental fee goes for use of the CPTF and the Aquatic Center. It is confirmed that these rental fees go to the general fund. MG Wins speaks of the project done to confirm that these rental fees help VMI to break even on cost associated with running the facility during these rental opportunities. Fees have been adjusted to meet these numbers.

2:01 pm – Mr. Gottwald asks if it has been considered to bring camps, tournaments, etc to the baseball stadium during the summer months to increase revenue from the facility. Mr. Brown adds that being able to host camps, tournaments, championships (both conference and HS) would lead to significant cost cutting measures for our programs (championship travel) and would also showcase facilities and VMI.

2:02 pm – Mr. Walton speaks of facility rentals as a revenue generation technique and speaks of the shared facility set up of VMI. In previous places of employment, Mr. Walton experience the addition of a facility/event management team that was funded by the facility rental fees. This position oversaw the day to day running of the facility and worked to coordinate all rental opportunities.

2:03 pm – Mr. Deal addresses the switch from Keydet Club support just being scholarship dollars (since 2016) to the second FY of operational budget dollars. He speaks of hopeful positive budget affect from the increased focus of fundraising on operational budget dollars.

2:05 – MG Wins notes that Corps growth would provide a dip in the subsidy needed for the athletic budget as growth of the corps equals more dollars in athletic fees. MG Wins notes that appropriate funding helps lead to positive results and improved cadet-athlete experience.

2:06 pm – Mr. Walton provides NCAA legislative updates surrounding the House vs. NCAA case. Settlement is expected to be \$2.7 billion and focused on \$22 million payout over 10 years per institution. The case and official ruling has been pushed back in the courts and the impact to VMI could be up to \$250,000 of decreased revenue. The settlement would require schools to “opt-in” to scholarship equivalencies across all sport offerings. The Southern Conference is monitoring and communicating with member schools as updates are available. Currently, the SoCon is operating under current policy regarding scholarship limits. Guidance is being provided from the Conference and Commissioner via Athletic Directors.

2:10 pm – MG Wins updates with his understanding of the NCAA settlement based on briefing to SoCon Presidents from Commissioner. The NCAA could be responsible for as much of \$2.9 billion in settlement dollars. The judge could decide to allocate nearly \$250,000-290,000 in lost revenue to each member institution OR just allocate revenue loss to Power 5 and Group of 5 members – allocating across larger institutions.

2:14 pm – Mr. Foster confirms that this revenue loss would be contributed to the dollars that the institution receives from the NCAA (ex – Academic Assistance funds). Ms. Fulton confirms that to date nearly \$650,000 is received in direct support from the NCAA and the Southern Conference. It would be these dollars that would be negatively affected by the settlement. The current delay in the court decision leads to questionable timeline for all institutions. Mr. Foster notes that it is important to plan for the worst and hope for the better. Mr. Walton lets the group know of conference meetings on 1 OCT and hopes that update will be received by then.

2:18 pm – Mr. Walton reviews the Cadet-Athlete Academic Performance report. In the SP24, the cadet-athletes received a 2.99 term GPA, while the Corps recorded a 2.09 term GPA. 12 athletic teams improved their term GPA from fall to spring.

2:20 pm – It is asked if there are any teams to worry about in terms of APR – Mr. Brown confirms that APR is not solely based on GPA but retention as well. Noting that women’s track and field is being closely monitored.

2:21 pm – Mr. Foster notes that the VMI schedule does not allow for cadets (athlete or non athlete) to take “fluff” courses. Mr. Brown notes that our coaches see an above average core high school GPA in our incoming rat masses vs. a below average cumulative GPA in first year of enrollment compared to the rest of the Southern Conference. The APR report will be available for review in the January meeting.

2:24 pm – Mr. Foster speaks of the necessity of opportunities to recognize cadet-athletes (and the corps of cadets) for good grades and GPA. Mr. Walton speaks of halftime recognition for 3.5 term GPA holders in Spring 2024 planned at VMI Football vs Norfolk State.

2:28 pm – Ms. Bridget Shanks provides overview of NCAA Cadet Athlete Academic Support and Enrichment (CASE) program study hall. All rats are participants in first semester at VMI with opportunity to “GPA out” with a 2.25 cumulative GPA. Study Hall is held in Scott Shipp

Hall (first floor) Monday, Tuesday, and Thursday evenings. Approximately 200 athletes are organized by major.

2:28 pm – Mr. Gottwald brings up athlete conduct and issue of high demerit counts on athletic programs.

2:31 pm – Ms. Fulton notes that 143 cadet-athletes finished the spring 2024 term with 0 or negative demerits. Ms. Fulton notes that coaches receive daily reports of demerits received by individuals on their rosters. Mr. Walton notes that he has been pulling cadets with high demerits into his office to speak about conduct.

2:34 pm – Mr. Gottwald speaks of the importance of head coach accountability when involved in conduct issues. Mr. Brown speaks of the delicacy of college athletics and athlete relations in regards to the transfer portal (direct affect on retention).

2:38 pm – MG Wins notes that the entire Corps remains a discipline issue and adds that he has asked all faculty and staff to hold cadets accountable for their behavior. MG Wins adds the Corps needs to discipline themselves, stressing confinement checks and lateness to class and formation lead to increased demerits. The Rat – Dyke relationship is stressed as an important factor to Corps behavior. MG Wins also adds that the VMI system self corrects in a number of ways as bad behavior generally includes poor academic performance and poor athletic performance.

2:43 pm – Mr. Williams notes that the overwhelming majority of cadet-athletes are doing well. Ms. Fulton adds that the average number of demerits per cadet-athletes sits around 18. Mr. Gottwald requests for demerit data to be provided for the fall semester at the January BOV meeting.

2:44 pm – Ms. Nancy Phillips speaks of the increased revenue and publicity that could come from holding Virginia High School League Championships at VMI (track and field/baseball). Ms. Phillips also brings up concerns about the work of Assistant Athletic Director for Corporate Partnerships, asking if each pitch is tailored to each corporation or if there is a menu of offerings. Mr. Walton responds letting the group know that Mr. Blake Brinkley is being aggressive in his pursuits and is working with a combination of a menu and a tailored pitch.

2:50 pm – Mr. Walton introduces new hires – spotlighting Paul Harrison (basketball), Ryan Smoot '19 (baseball), and Kyle Friesenhahn (swim & dive). Facilities projects are also highlighted including the football film room project, field sodding for both Foster Stadium and Patchin Field, and the Cameron Hall video boards (to be completed Spring 2025).

2:52 pm – Mr. Walton provides overview of season ticket numbers for football, stating that the number of season ticket holder accounts has increased and the department is working to find ways to increase individual touchpoints with these individuals. Corporate sponsorship dollars currently are projected to be triple the amount brought in last year. Potential revenue

opportunities include neutral sight baseball games at the Peninsula Pilots and Salem Red Sox. Mr. Gottwald and Mr. Foster highlight the VMI connection with the Richmond Flying Squirrels.

2:55 pm – Ms. Phillips highlights licensing as an area for potential growth and Mr. Walton highlights recent White Out partnership with the bookstore.

2:57 pm – Mr. Walton provides overview of Athletics Senior Leadership team and the Positive Coaching Alliance helping to provide opportunities for deep dive into department culture. Overview of Athletics Task Force and seven categories of prioritization are overviewed.

2:59 pm – Mr. Williams adjourns meeting.