



# NORTHWEST FLORIDA STATE COLLEGE

## Memo

To: Board of Trustees  
 From: Dr. Cristie Kedroski, Interim President  
 Date: August 20, 2024  
 Re: Athletic Scholarships and Sound the Siren Campaign

As the 2024-2025 academic year begins, this memorandum provides a thorough update on the status of funding Raider Athletics scholarships in the short-term through College funds and in the long-term through the Sound the Siren Campaign.

### Raider Athletic Scholarships

The Raider Athletics program has had a successful 30-year history at NWFSC, consistently competing for conference, regional, and national titles. To date, the Raiders have won six national NJCAA Division I championships, seventeen regional championships, and forty-two conference championships. To offer competitive programs, Raider Athletics annually provides scholarships to athletes in each sport. Scholarships may include a mix of tuition, books, meals, and/or housing. This year, each sport is offering scholarships as shown in Table 1 below; this mix of scholarships is also a fair representation of the average number and type of scholarships offered over the past five years. Please note, the total at the bottom-right does not include housing scholarships.

**Table 1**

EXPENDITURES							
SCHOLARSHIP	Number of Scholarships	Tuition and Fees (total cost covered by scholarship and waivers)	Books	Housing (Paid on Fund 2)	Meals	Scholarship Expenditures (Excludes Housing)	Extended Total (Includes Housing)
<b>Men's Basketball</b>	12	\$ 60,000	\$ 7,200	\$ 111,754	\$ 76,080	\$ 143,280	
Total Fall, Spring, and Summer							
<b>Women's Basketball; 14 awards maximum</b>	14	\$ 75,000	\$ 8,400	\$ 130,380	\$ 88,760	\$ 172,160	
Total Fall, Spring, and Summer							
<b>Softball: 20 awards maximum</b>	20	\$ 45,000	\$ 12,000	\$ 186,257	\$ 108,800	\$ 165,800	
Total Fall, Spring, and Summer							
<b>Baseball: 24 awards maximum</b>	24	\$ 135,000	\$ 14,400	\$ 223,509	\$ 130,560	\$ 279,960	
Total Fall, Spring, and Summer							
<b>Esports:</b>	2	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000	
2 scholarships for \$1500 per year							
<b>Athletic Team Manager</b>	4	\$ 8,321	\$ -	\$ -	\$ -	\$ 8,321	
4 scholarships for 20 credits per year							
<b>Cheerleader</b>	12	\$ 14,978	\$ -	\$ -	\$ -	\$ 14,978	
12 Scholarship for 12 credits per year							
<b>Subtotal:</b>	<b>88</b>	<b>\$ 341,299</b>	<b>\$ 42,000</b>	<b>\$ 651,900</b>	<b>\$ 404,200</b>	<b>\$ 787,499</b>	
<b>Total All Athletic Scholarships</b>							<b>\$ 1,439,399</b>

As shown in the College's annual budget book, athletic scholarships are funded through financial aid fees (a mandatory fee attached to students' tuition) or other auxiliary sources of revenue (i.e., donations, foundation funds, sponsorships, profits

generated from athletic or fine arts events, fundraisers, etc.). The College may not pay scholarships with general Fund 1 dollars (generally, the money appropriated to the College annually by the Legislature as well as revenue from tuition and other student fees). Table 2 shows this years’ scholarship budget, excerpted from the FY2025 Budget Book.

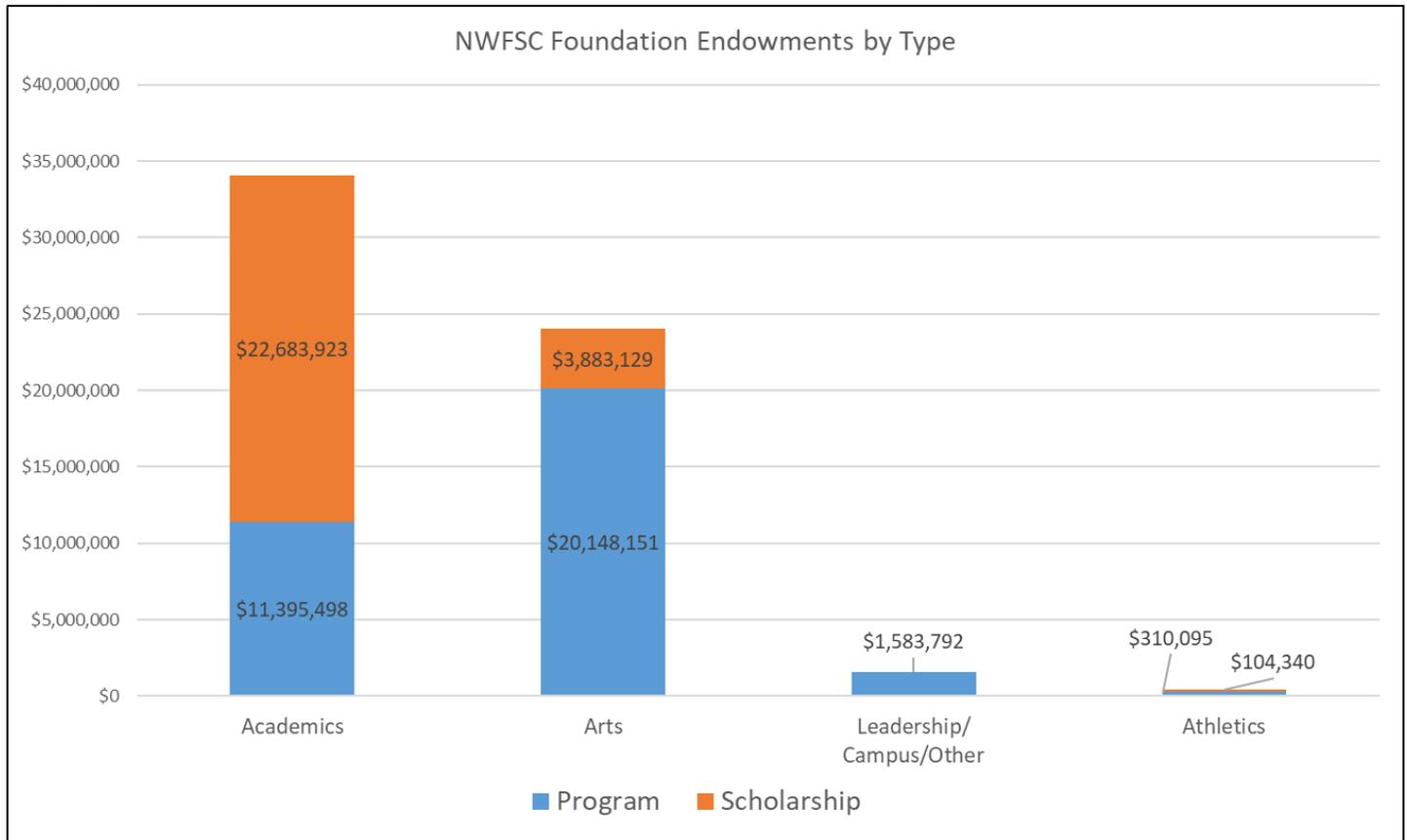
**Table 2**

Financial Aid Fees	\$344,019
Auxiliary Fund Revenue	\$693,474
<b>Total Projected Revenue</b>	<b>\$1,037,493</b>

Alongside the success of Raider Athletics competitively, the College has experienced a squeeze on available scholarship revenues. Eighty-five percent of the College’s overall institutional scholarship budget is allocated to Raider Athletics. Within that budget, the College has experienced an annual decrease in the fees and auxiliary sources of revenue available to fund scholarships. One contributing factor to that decline has been that auxiliary revenues have been needed in past years for operational purposes as well as scholarship funding. Additionally, financial aid fees have not been increasing at a rate able to cover the decrease in auxiliary funds.

Recall that, unlike the Mattie Kelly Arts Center, Raider Athletics does not have an annual guaranteed source of funding from a Foundation endowment at this time, leaving the brunt of athletic scholarships to be paid by the College budget. This distinction is shown in Table 3. The \$104,340 athletic scholarship endowment funds represented in Table 3 are the result of previously endowed athletic scholarships, of which only 4% is available for annual athletic scholarship support.

**Table 3**



**Student Housing**

During this same period, the College and Foundation faced the challenge of the Foundation-owned off-campus student housing for Raider Athletics needing significant, costly renovations around 2020-2021. The College and Foundation ultimately determined to sell the off-campus property and turn to a long-term solution for on-campus housing that would offer Raider Athletics a further competitive edge along with having modern, safe, on-property units for both athletes and

other College students. The sale of the off-campus apartments resulted in a profit of approximately \$3 million in 2021 that provided a needed boost to the scholarship budget and has carried the College through to the present on paying for athletic housing scholarships through a lease for off-campus units while on-campus housing is constructed. During this period, the annual cost of housing has been approximately \$565,000 (including the base lease, utilities, annual professional cleaning required at the end of each academic year, and any incidental expenses), which has been offset by the sale proceeds held in reserves. Those proceeds will be completely expended before the 2025-2026 Academic Year, placing the full burden of paying for all scholarships back on the institutional scholarship budget.

Raider Village is due to open in January 2025. The rate for a room in a 4-bed, 4-bath unit in Raider Village is \$895 per month for 12 months, totaling \$10,740 per year per athlete on a housing scholarship. For seventy scholarship athletes to live in Raider Village, the total scholarship expense for housing is \$751,800. The additional athletic scholarship expense beyond housing is \$787,499. For academic year 2024-2025, the College has sufficient funding to cover these expenses. For academic year 2025-2026, however, the College projects an \$800,000 shortfall in immediate need for funds.

#### Short-Term Solutions

In the short term, the College intends to use the following auxiliary revenue sources to help fund athletic scholarships: \$275,000 of revenue generated annually from athletic sponsorships, Arena venue rentals, ticket sales, and fundraisers; \$275,000 of auxiliary revenue generated from Workforce Development programs (e.g., planned work for the Florida Department of Corrections or other contracts); \$275,000 of revenue generated from a new CHS marketing and athletic campaign, which will offer CHS more visibility through athletics-related marketing and advertising, plus provide all 485 CHS students and their families with more access to Raider Athletics through free family passes to all Raider Athletics games. This solution will solve the shortfall for the upcoming year, but it does not create a sustainable source of funding for Raider Athletics.

#### Sound the Siren Campaign

In the long term, however, the real solution will be an endowment for Raider Athletics to pay ongoing scholarship expenses. The Foundation launched *Sound the Siren: The Campaign for Raider Athletics*, with a goal of raising \$10,000,000 in endowed funds to provide Raider Athletics with an ongoing source of revenue to fund scholarships. Once the funds are raised and given time to achieve sufficient earnings, this endowment can generate \$400,000 of support annually.

Through the sale of the EBS licenses, the Foundation's retained lease revenue prior to the sale, and fundraising to date, approximately \$2,600,000 has already been endowed.

The campaign activities to date include the development of campaign materials (the Case for Support is included in your materials), recruiting and organizing a Steering Committee of community leaders, the development of a broad donor prospect list, identifying the top 50 donor prospects, and plans for cultivation events to share the message of the campaign. Also included in your materials is the Gift Range Chart to raise the \$7,500,000 needed to reach the endowment goal. The next several months will be focused on the cultivation and solicitation of the lead gifts (\$1,000,000 to \$100,000) that will move us significantly towards the goal. Parallel to these efforts will be the identification and cultivation of the next level of gifts (\$25,000 - \$99,999). The campaign plan is for active solicitations of lead, advance, and major gifts followed by a community support phase to last into the first quarter of 2026.

#### Athletic Facilities Naming Opportunities

Relatedly, per BOT Policy FG 5.00, the Board of Trustees reserves the right to name, rename, or remove the name from College facilities, locations, and grounds. In addition, Foundation Board Policy GP #15 – Facility Naming states that the Foundation will be responsible for setting and recommending minimum gift amounts required for naming of each type of asset subject to approval by the President and final ratification by the Board of Trustees. As the Sound the Siren campaign seeks to solicit gifts to build the new endowment, the Foundation and Athletics Department have worked together to develop a comprehensive list of potential naming opportunities to recognize significant contributions.

The President and the Foundation Board have approved the below list of minimum gift amounts required for each naming. This information is being provided to the Board of Trustees for informational purposes with the understanding that the Foundation staff will begin to solicit naming gifts in support of the athletic campaign. Donor agreements will be presented to the Board of Trustees for final review and approval at the appropriate time.

Athletic Named Gift Opportunities		
<b>Naming Opportunity</b>	<b>Category</b>	<b>Gift Amount</b>
Arena	Building	\$5,000,000
Baseball Stadium	Outdoor Facility	\$1,500,000
Softball Stadium	Outdoor Facility	\$1,500,000
Arena Concourse	Indoor Structure	\$750,000
Raider Room	Multipurpose room	\$500,000
Indoor Batting Facility	Building	\$500,000
Baseball Field	Outdoor Space	\$500,000
Softball Field	Outdoor Space	\$500,000
Athletic Offices	Indoor Structure	\$250,000
Weight Room	Building	\$200,000
Baseball Press Box	Outdoor Structure	\$150,000
Softball Press Box	Outdoor Structure	\$150,000
Fitness Center	Indoor Structure	\$150,000
Baseball Locker Room	Indoor Structure	\$100,000
Softball Locker Room	Indoor Structure	\$100,000

Summary

In sum, every department at the College is working diligently to reallocate funding and think creatively about Raider Athletic partnerships to support athletic scholarships through academic year 2025-2026, and the Foundation is likewise working to secure a sustainable source of long-term funding for scholarships through an endowment.