



William & Mary Athletics
P.O. Box 399
Williamsburg, VA 23187

TribeAthletics.com

Open Letter to the William & Mary Community and to All Who Support William & Mary Athletics

President Katherine Rowe
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Universities across the country are engaged in difficult assessments of how to adjust to current operating and financial challenges. In a prudent and forward-looking way, William & Mary is pursuing a comprehensive review across the institution to see how we can best meet those challenges and sustain the level of excellence we are committed to. William & Mary has taken measured actions in response. These include a mission-critical review of all academic and non-academic budgets, suspension of discretionary spending, hiring freezes, executive pay reductions and more.

As part of William & Mary's comprehensive review, the Department of Intercollegiate Athletics has completed its own assessment of the path forward, building on a series of prior studies. Our goal is to provide excellent support and a world-class experience for our student-athletes in the sports that we offer. However, the costs associated with operating a department that sponsors 23 varsity teams – and what is now required for them to excel at a high level – have grown dramatically over time. These have become unsustainable. The pandemic has made these budget constraints acute and has brought us to a point of reckoning.

Knowing the important role that athletics plays in the lives of many students, their families and friends, and the value of athletics in advancing William & Mary's mission, makes sharing the following news very difficult. With the full support of the William & Mary Board of Visitors, we have come to the decision that William & Mary will discontinue seven of our 23 sports programs at the varsity level. At the conclusion of the 20-21 Academic Year, the following will no longer be sponsored as Division I sports: Men's and Women's Gymnastics; Men's and Women's Swimming; Men's Indoor and Outdoor Track & Field; and Women's Volleyball.

This is a wrenching decision. It will impact 118 student-athletes and 13 coaches. Altered, too, will be the lives of thousands of family members, former varsity letter award winners, alumni, fans, donors and supporters of these seven sport programs. We recognize that the decision has impacts far beyond the student-athletes. These seven programs were built by more than 5,000 alumni whose contributions led to 22 Colonial Athletic Association championships, 36 All-Americans, two national champions, one Olympian, three Rhodes Scholars, 29 Phi Beta Kappas and many professional achievements. We honor their accomplishments and feel deep gratitude for all that they have done to elevate William & Mary.

William & Mary remains committed to our vision of student-athletes who pursue excellence in many different domains of their lives. This vision has stood the test of time for decades. We will continue to take a disciplined, mission-focused approach to weathering the current financial conditions with a focus on the



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future. William & Mary Athletics will emerge with a sustainable, nationally competitive program for our student athletes. Without this decision, we would not be in a position to achieve those goals moving forward.

The Student-Athletes and Coaches

Our student-athletes and coaches were informed of the decisions earlier today. Unfortunately, videoconference was the medium we had to use, so as to ensure safe physical distancing under current state of Virginia pandemic guidelines in our region. In addition to the Director of Athletics, each team's sports administrator, head and assistant coaches and members of our sports psychologist teams were also on hand. As you may imagine, this was difficult news for our students to receive.

We made clear the following to the impacted student-athletes:

- It is our hope and intention that all of the impacted varsity sports programs will compete in the spring of 2021, should the pandemic allow sports to do so safely. We recognize how important it is to the affected student-athletes to have a final season of competition together. The programs will be discontinued at the varsity level in June of 2021.
- For all impacted students on scholarship, William & Mary will honor those commitments to enable them to graduate as scheduled.
- All student-athletes who elect to remain on their team's roster for the upcoming 2020-21 campaign will continue to have access to the full complement of academic, medical, performance and coaching services, provided that they remain in good standing under NCAA, CAA and William & Mary rules and that circumstances related to COVID-19 allow.
- For those who wish to transfer to other institutions to complete their college athletics eligibility, we will fully support them in that transition. We will work to avoid associated costs for any student-athlete who chooses to withdraw from the university this semester.
- For those who wish to transition to sport clubs, William & Mary currently sponsors club programs for Women's Volleyball, Swimming and Co-Ed Gymnastics. While there is currently no club track program, members of the Men's Indoor and Outdoor Track teams are able to compete unattached in open meets, should they elect to do so.

There is no good time to deliver such devastating news. We decided to move forward with the announcement now to provide our student-athletes and coaches with as much time as possible to explore options in the coming months, should they elect to continue their collegiate athletics careers elsewhere. We are committed to a final season for these programs (pandemic permitting), as we believe that our student-athletes deserve it.



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Our students are the foundation of our success at William & Mary and we will support them in every possible way in the days, weeks and months ahead. It is our sincere wish that the 118 impacted student-athletes elect to remain a part of our community and earn their William & Mary degree. Yet we will actively support whatever path they choose.

We recognize as well the incredible men and women charged with coaching these teams with such dedication. Impacted coaches will be able to complete their current appointments and William & Mary will help them continue in their careers after the conclusion of the academic year in June 2021.

The Context

Over the past two decades, there have been several athletics program reviews conducted by groups both within – and external – to athletics. Each of these reviews reached the same conclusion: William & Mary's model of sponsoring 23 varsity sports is unsustainable without a significant increase in funding through private philanthropy and revenue generation. In recent years, university leaders engaged in detailed discussions about how to best support a nationally competitive athletics program in a financially sustainable manner.

Last year, William & Mary Athletics launched a strategic plan that elevated its vision: to *boldly pursue excellence*. As part of that plan, we established a timeline and steps for closing growing structural financial deficits, while also increasing scholarship and operational investments in order to provide the level of support that our student-athletes require for success. Our goal is competitive excellence that matches William & Mary's world-class educational experience.

Unfortunately, with the onset of the pandemic, time is no longer on our side. The financial challenges have become too acute to continue on the path we charted. Although the Department of Intercollegiate Athletics just concluded one of its strongest fundraising years in history, the harsh financial realities of COVID-19 on the entire university, as well as on athletics, have led us to conclude that sustaining our current offering of 23 varsity programs is no longer possible.

Underlying and Acute Financial Constraints

William & Mary Athletics sponsors 23 varsity sports, more than any conference peer and more than the average Division I institution despite our relatively small size. Due to the escalating costs of operating 23 programs, a structural deficit of over \$1 million emerged several years prior to the COVID-19 pandemic. The pandemic and associated financial climate exacerbated this situation.

As a state institution, William & Mary is required by law to fund the Athletics program only through athletics revenues. Those sources include: student fees, endowment funding, philanthropy and the modest revenue we receive from ticket sales and sponsorships. In the economic environment that we now find



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ourselves in, and expect to remain in for quite some time, every source of athletics revenue has significantly decreased.

Before these sport reductions, our revised forecasts indicated a best-case scenario of a \$3.2 million deficit in FY21, and a cumulative shortfall of nearly \$10 million over the next three years (\$3.29M in FY21, \$3.22M in FY22, and \$3.20M in FY23). The Department of Intercollegiate Athletics implemented several difficult cost-saving measures beginning in March including limiting travel, reducing the number of competitions, instituting a hiring freeze of non-essential positions and a reduction in operating budgets across the entire department. In addition, the Director of Athletics and head coaches of football, men's basketball and women's basketball, as well as members of the Athletics senior leadership team, have taken voluntary salary reductions. While these changes significantly reduced the projected deficit for FY21 by \$1.4M, a gap of \$1.89M remains.

Senior leadership in William & Mary Athletics, members of the President's Executive Leadership Team, members of the Board of Visitors and the William & Mary Foundation have been closely engaged in charting the financial and competitive future of William & Mary Athletics over the past two years. A key part of that planning process involved systematic analysis of revenue-generating possibilities, cost savings and cost avoidance. Throughout that process, we viewed reclassification of some number of varsity sports as a step we would undertake only if other strategies had been exhausted. In the pre-pandemic world of 2019, we had confidence in our game plan to improve both our financial sustainability and competitive excellence.

We have searched for alternatives to discontinuing varsity sports, without success. A concerted effort was made to increase private funding in recent years. Although William & Mary Athletics has seen very strong support, it is not sufficient to address the underlying challenges of our current model. While some may point to our endowment as a solution, endowment funds are generally restricted to a specific philanthropic purpose or effort. As such, Athletics is unable to use these funds for anything other than what is designated by the endowment agreement. What remains are unrestricted endowment dollars that are generally unavailable to Athletics or which are used for student scholarships. Similarly, generous gifts to improve our facilities cannot be shifted to cover operating expenses.

Taking these actions today will create a path for William & Mary Athletics to achieve fiscal stability while maintaining competitiveness and supporting our student-athletes at the level we are committed to. The full savings from the discontinuation of these seven sports will eventually be \$3.66 million annually, after all of the impacted student-athletes' scholarships conclude upon graduation. While \$3.66 million may not seem like a great amount to some, it accounts for 12% of William & Mary Athletics' annual budget.

Ultimately, this is a decision about rebalancing the varsity and club offerings at William & Mary. These changes will allow William & Mary Athletics to reach its goal of fielding nationally competitive programs across our entire department with sustainable success. As of now, these are the only permanent changes we expect to make to our varsity sport offerings.



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The decision to reduce our varsity sports offerings is final. William & Mary Athletics has calculated the annual budget to support these seven sports at a nationally competitive varsity level would be \$5.84 million annually. The endowment immediately needed to fund these programs at this level would be approximately \$150 million. That sum would endow only annual operating costs, including the full allotment of athletics scholarships as Division I programs, but does not reflect the substantial investments in facilities and additional departmental resources necessary to succeed in these sports. Other major fundraising initiatives are priorities within Athletics and for the university. In fact, even after recognizing the full expense savings resulting from this decision, closing the remaining Athletics structural deficit and ensuring the continued success of our remaining 16 varsity sports programs will itself require greater philanthropic investments and new streams of revenue. We are fully committed to that endeavor.

The Process

The decision to rebalance holistically William & Mary's varsity offerings was made after an intensive and deliberative analysis this summer. That analysis was conducted by members of the senior Athletics department team, in consultation with university leaders and members of the Board of Visitors.

The analysis looked at dozens of data inputs, including, but not limited to:

- Potential to further the goals of the Athletics strategic plan
- Ability to build community
- Proven and/or potential for competitive success
- Viability as an NCAA sport
- Number of competing programs in the mid-Atlantic region
- Dedicated NCAA Division I-caliber facilities
- Operating costs
- Diversity and gender equity
- Compliance with Title IX
- Alumni and donor financial support
- Ability to generate revenue

Ultimately, these seven sports were identified for discontinuation at the varsity level: Men's and Women's Gymnastics; Men's and Women's Swimming; Men's Indoor and Outdoor Track & Field; and Women's Volleyball. Many of these teams currently compete without a full and maximum-allowable complement of scholarships, coaches and resources, and there is no longer a clear pathway forward to reach such goals in the current climate. The discontinuation of these seven sports and other associated actions assures Title IX compliance.



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Conclusion

Since the beginning of William & Mary's athletics program in 1893, intercollegiate athletics has been integral to our mission. Over 125-plus years, our campus has welcomed tens of thousands of talented scholar-athletes who strive for excellence in all they do with equal dedication and passion. Young men and women wearing Tribe green and gold have taught us invaluable lessons about resiliency and teamwork – on the fields, courts, tracks, gyms and pools of competition. Our student-athletes graduate William & Mary “equipped for lives of meaning and distinction.” Our fans, donors and alumni, who cheer on our student-athletes from near and far, are deeply invested in the success of our students.

We want to once again acknowledge the incredible students, coaches and staff – past and present – who dedicated themselves to excellence in these sports. Their passion helped steer our student-athletes to success over many years. We also understand how profoundly disappointing this will be for so many in our community. This is an incredibly difficult time – where such decisions add to the sense of uncertainty and sadness many already feel. Please support our student-athletes, staff and coaches through this transition. We commit to doing the same.

More information is shared in our FAQs. We wish you continued health and safety in the days ahead, and thank you for being a part of the William & Mary community.