

SARA Alumni Dinner 2014

April 5, 2014



Overview

- Pursuit of Excellence
- The Current Rowing Landscape
- Funding Models
- Student Experience, Team Size & Our Success
- Who Donates
- SARA Finances

Why Are We Here?

The Pursuit of Excellence

What is rewarded on race day is power, VO2 max and athletic skill.

MIT rowers devote a substantial part of their lives to a pursuit in which their intelligence is not much help.

When they succeed, as they increasingly do, they are among the most impressive scholar athletes.

A person who can succeed at MIT and in college rowing is formidable.

Tony Kilbridge
Director of Rowing, MIT
Winter 2014 Newsletter

The Current Rowing Landscape

- DI women's rowing is funded as a tax on men's football to ensure Title IX compliance
- All other rowing programs rely on a mixed funding model
 - **Varsity:** Alumni & Athletic Department
 - **Clubs:** Dues, Fundraising, Alumni and Athletic Dept.

About Successful Programs



URA Peer Survey Details (2010)

Annual Operating Budget

- Rochester \$190k
- Carnegie-Mellon \$166k
- WashU >\$150k
- Chicago \$63k
- CWRU \$20k
- NYU No Set Budget
- Brandeis ???

Annual Coaching Budget

- Rochester \$90k
- WashU[§] \$75k
- Carnegie-Mellon[§] \$42.5k
- NYU \$21k
- Brandeis \$16-18k
- Chicago \$10k
- CWRU* \$0



Microsoft Office
Excel Worksheet

§ Includes benefits

* In 2012/2013 the budget is now ~\$10k/year thanks to Paul's donation

Club Program Comparisons:

The Only Two Teams to Win ACRA

Michigan

Income Highlights (2011)

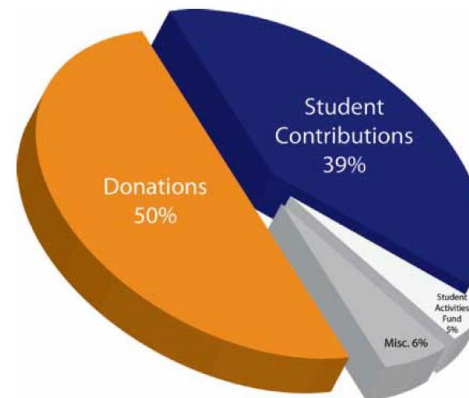
- \$275,000 operating budget
- \$135,000 from athlete dues
- \$18,000 from athletic dept.
- 115 donors; \$67,000

Expense Highlights (2011)

- \$85,000 for coach salaries
- \$15-20k for gas
- \$35k for spring break
- \$40k for race expenses

Virginia

VIRGINIA ROWING
2012-13 OPERATING BUDGET



Three Items of Interest About the Budget:

1. Each VRA athlete is responsible for paying/raising \$2,000 a year to row (\$8,000 over four years).
2. Donations make up half of the budget.
3. The University makes NO contribution to this budget.

Total Budget is ~\$300,000

Only \$4,000 provided by school!

Student Dues are the main driver of success at these programs

Varsity Program Comparisons: Alumni Contributions are Significant

MIT

- FY12 Operating Budget \$795K
- FY12 Alumni Donations
 - 700 donors
 - \$891,249
 - \$250,781 expendable
 - \$640,468 endowments
- \$10+ million total endowments providing ~\$470k per annum
 - Implies \$325k needed in donations each year to fill gap
 - Long term target \$35 million endowment
 - Relatively „small“ outlay required from Athletic Department

Cal Berkeley

- Endowment provides ~\$440,000 per annum
- FY07 Operating (Game Day Expenses) were \$385k

Washington

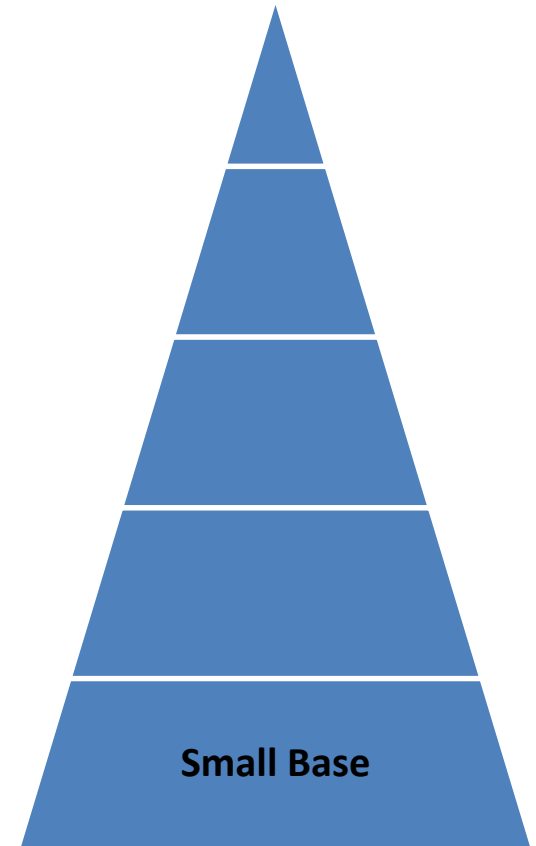
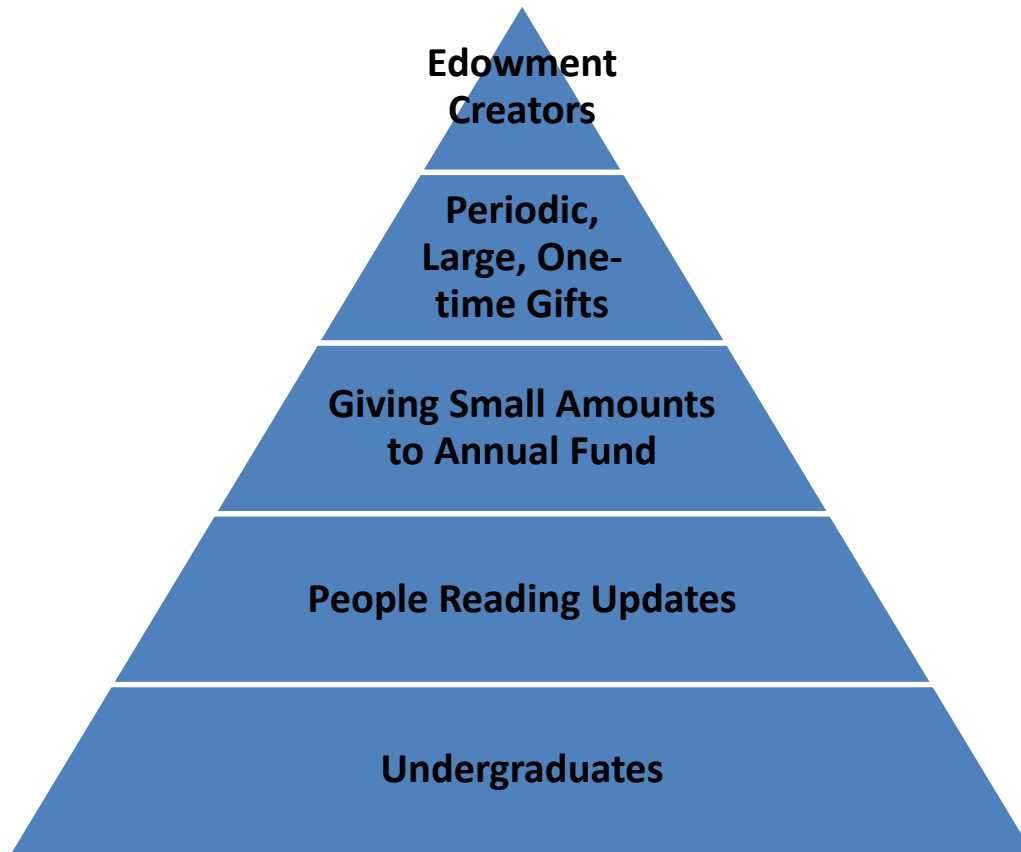
- Alumni pay for all equipment, some travel, and all men's scholarship costs
- Increased endowments from \$2M to \$6.5M before crash
- Endowment decreased to \$4.1 M after crash
- Pre-crash challenge to increase annual fund giving to \$150,000/yr
- Crash put double the burden (\$350k/yr) on alumni from athletic department to keep program going

Funding, Team Size & Student Experience

Building Championship Teams &
Connecting Alumni



The Funding Challenge



How Do We Get Money?

- Provide an excellent student experience
 - Attract athletes to the program
 - Retain those athletes through multiple years
 - Develop champion calibre rowers
- Maintain connection to those student athletes as they become alums
- Involve parents in their child's success

Student Experience and the Challenge of Boating 8's

- To boat 8's in the Spring we will need:
 - Spring rosters of 12-16 varsity men and women each
 - Boathouse Space
 - Winter Training – indoor facilities & spring break
 - Adequate fleet of shells, e.g.
 - 6 eights
 - 4 fours
 - 4 pairs
 - Dedicated Full Time Coaching!

RESOURCES

Coaching Makes the Difference

- Michigan vs. Ohio State (*WolverBuck: 19-2*)
- UVa
- Bucknell
- Purdue
- GVSU

Who Donates?

- Large gifts
 - Very successful people in their 50s, 60s and 70s that have maintained a connection to the team
 - Leave a legacy
 - Estate and tax planning
 - People experiencing a windfall event
 - Now able to give
 - Tax planning
- Annual giving
 - Anyone connected to the team – Alumni, Parents and Friends
 - Unrestricted annual gifts
 - Responding to a special appeal (right place, right time)
 - Possibly support many causes
 - Those who itemize taxes

How Endowments Work



- Funds reside within larger endowment fund – like owning a portion of a large mutual fund
- Goal is to provide steady distributions and principal growth
- Minimum gifts required - \$25k
- Way to leave a permanent legacy – restricted, named funds
- Those with means generally have to give something...

Role of Parents

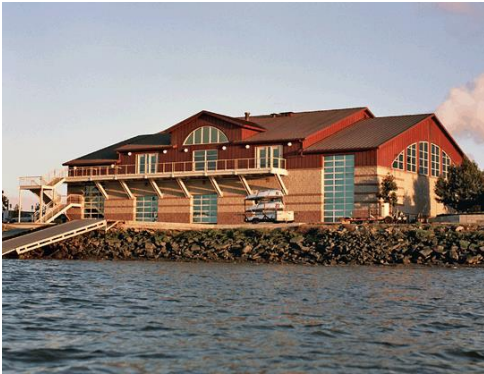


Miles D. White, CEO Abbott



Son is 2004 Dad Vail Champ for WashU

Rowed at Stanford



Rowed at Culver Academy



Completed in 2013



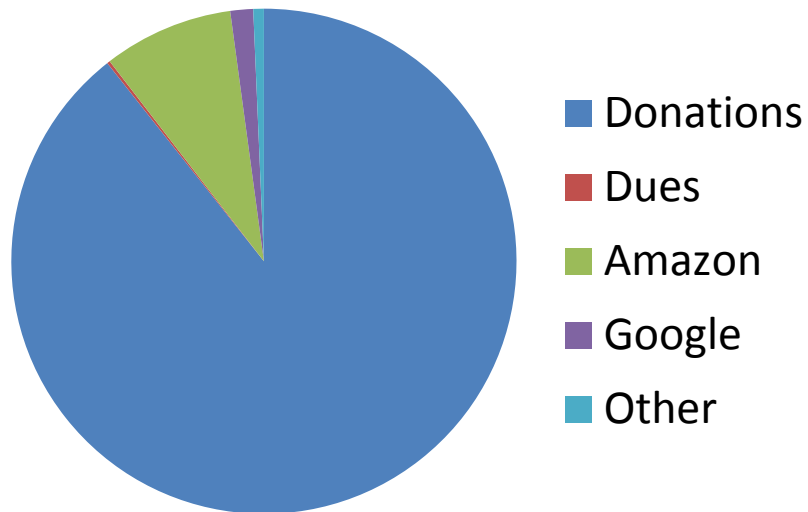
Completed in 2004

How Are We Doing?



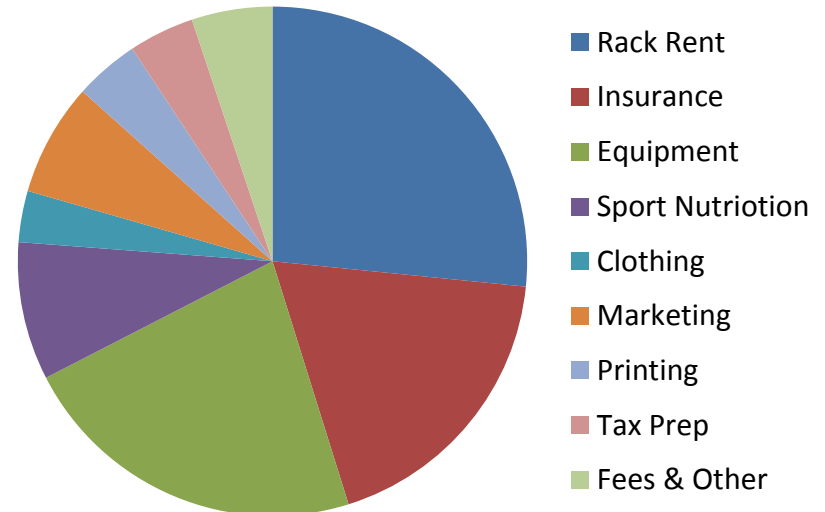
SARA Sources & Uses of Funds 2013

Total Income



Total: \$23,707

Total Expenses



Total: \$9,869

SARA Income & Expense Trends

	2014	2013	2012	2011	2010	2009	2008	2007
Donations & Fundraising		\$23,707	\$67,813*	\$35,460	\$133,265†	\$24,345	\$31,711	\$13,164
Rack Rent ⁱ	\$4,110	\$3,680	\$3,152	\$1,445	\$1,100	\$900	\$325	\$0
Insurance	\$2,571	\$2,571	\$2,553	\$2,207	\$1,592	\$1,212	\$367	\$0
Coaching			\$50,000					
Equipment‡		~\$12,000	\$10,051	\$44,486	\$19,794	\$25,928	\$20,516	\$14,444

* Includes \$50,000 transfer to CWRU for Coaching

† Includes \$100,000 transfer to CWRU for CRF Boathouse

i Only include rack rent for SARA shells

‡ Includes Repair, Purchases & Depreciation

Does not include CWRU funds: Sports Club Budget and SARA Endowment



List of Donors 2013

- Olympian (>\$2,500)
 - Doug & Erynn Rathburn
- Champion (\$1000-2499)
 - Dan Bachmann
- Gold Medal (\$500-999)
 - Alan Valenti
 - Caitlin Bowerman
 - Carol Brubaker
 - eleven inc.
- Silver Medal (\$200-499)
 - Cindy Ching
 - Kate English
 - Evan & Brandy Halprin
 - Greet Hershey
 - Harlan Juengling
 - Mike & Trisha Krofcheck
 - Carol Sevier
 - Nathan Uber
 - Boston Scientific
 - RegattaCentral LLC
- Bronze Medal (\$1-199)
 - Charles Anderson
 - Christopher Bennett
 - Jennifer Christofferson
 - William Giles
 - Tim Marcovy
 - Edward McCormick
 - Jessica Murray
 - Sarah Rubin
 - Katharine Sawyer
 - Mark Schoenenberger
 - St. Charles Rowing Club

THANK YOU!

