

DAILY-NEWS RECORD ONLINE

Commentary: No Smart \$\$\$Posted April 11, 2011
12:00 AM EDT**JMU Can't Afford Mega Contract**By [Chris Simmons](#)

Charlie King needed, oh, about a nanosecond to answer the question.

Would it be remotely possible for James Madison University to pay its basketball coach a million dollars as a reward for an NCAA Tournament run?

"No."

Well, that's that. With a single word, JMU's influential vice president did one of three things, depending on your point of view: 1) took a stand for fiscal sanity in college sports (without even threatening to shut down the government), 2) erected a speed-bump in the arms race that has corrupted America's universities, or 3) thrown in the towel and conceded that Madison will be a bit player even in the Colonial Athletic Association.

That's the macro picture. The micro picture is clearer: King, the university's vice president for finance, no doubt looked at all those zeroes in Virginia Commonwealth coach Shaka Smart's new \$1,200,000 annual salary and realized Madison simply doesn't have the cash to match it.

"They are in a different situation than we are," King, who oversees JMU's athletic department, said of VCU.

In more ways than one.

The state's biggest university is now routinely referred to in Associated Press stories as "VCU" rather than "Virginia Commonwealth," just like BYU or UCLA or (more to the point) TCU, a nouveau football power that shed its backwoods "Texas Christian" for the more urban, ecumenical "TCU."

America, for the first time ever, has heard of Virginia Commonwealth. Not because of its arts programs. Not because of its medical center. But because its basketball team beat Southern Cal, Georgetown, Purdue, Florida State and Kansas in the NCAA Tournament before losing to fellow mid-major Butler in the national semifinals on April 2.

That's why VCU gave Smart a gigantic pay raise just days after his Final Four appearance. Until the contract becomes public, we won't know for certain how much more money Smart will receive. But if, as the Richmond Times-Dispatch reported, the \$1.2 million is a base salary, Smart's raise will be roughly \$900,000 more than the \$325,000 minimum he previously earned (though the Associated Press reported that his overall income, including incentives, was closer to \$640,000 this season).

Never mind that Smart has been at VCU just two seasons or that he won with previous coach Anthony Grant's recruits. Smart is an immensely attractive public face for the 32,000-student urban university - young, dynamic, multicultural in appearance and sharp enough to have received Ivy League offers out of high school.

"Coach Smart's contributions to the university are unquantifiable," VCU President Michael Rao said in a press release. "His character, intelligence and pursuit of excellence embody VCU's core values."

Importantly, the press release also said Rao believed Smart's "leadership has forever raised awareness of VCU as the major public research university that it is."

He's also forever raised the bar in the Colonial. According to the Virginian-Pilot, Old Dominion coach Blaine Taylor made about \$750,000 last year. The state's other big-name CAA coach, George Mason's Jim Larranaga, reportedly received about \$715,000. Both of those figures were eye-popping enough for the Colonial.

But a million dollars? JMU athletic director Jeff Bourne's reaction when he heard about Smart's raise probably sums up the entire league.

"I was amazed," he said.

Not that Madison has to worry about paying big money anytime soon. JMU coach Matt Brady makes a guaranteed \$290,000 a year, and Bourne said the Dukes' third-year coach earned no performance bonuses this season, which ended with 21 wins but losses in the first rounds of the Colonial and CBI tournaments.

Even if Brady had won the NCAA championship, though, King said Madison could not have afforded to pay Smart-like money for four reasons:

n Football. Like Mason, VCU does not have a dollars-absorbing football program. JMU does. Its facilities are among the best in I-AA, and the program has reached its pinnacle by winning a national championship. All of which costs money, and all of which nets nearly zero national attention. (ODU now has a I-AA football program, too, which might also someday put a strain on the Norfolk school's budget.)

n Success. The Rams have been good since the turn of the century, first under Woodstock's Mack McCarthy, then Jeff Capel (off to Oklahoma), Grant (off to Alabama) and now Smart. That translates into ticket sales (VCU averaged about 3,000 more fans per game than JMU) and more NCAA money.

"Winning solves a lot of problems," King said.

Although the Dukes are on the upswing, they spent most of the past decade losing and haven't sniffed the NCAA Tournament since 1994.

n Location. Richmond, as you might have noticed, is bigger than Harrisonburg, which King said gives VCU "lots of different corporations and businesses" to hit up for money.

n Size. James Madison has only 19,000 students, about 13,000 fewer than Virginia Commonwealth, meaning VCU has more people to turn into debit cards, though it should be noted that a USA Today database indicates that VCU students pay about half as much per person in mandatory fees for sports as do their JMU counterparts.

At any rate, King said Smart's \$1.2M is "unbelievable," and he acknowledged it will have an effect on the conference, even if salaries don't escalate to seven figures everywhere.

"Obviously, it sets a new bar. And I think it will have a ripple effect to those schools that typically win the CAA conference and are in the NAAs..." he said. "I'm not sure how much of an impact it's going to have anytime soon for us, because, obviously, we have a contract with Coach Brady and it's for another two years. ... We think it's a very fair salary."

You can argue all you want that college athletics is inherently corrupting and out of control. I agree. The ACC's raid on the Big East several years ago was Exhibit A of greedy university presidents trading ethics for bucks. But if you decide to play the game, you'd better play to win - or drop into a non-scholarship league.

Sadly, that means paying your basketball coach 10 times the \$115,000 a full professor at VCU averages. (And roughly 1.2 million times the amount earned by the labor force - the basketball players who actually did the work - but that's another story.)

It's all Econ 101, of course: The market determines our worth, as a business professor at Seton Hall suggested in an email interview. I asked Kurt W. Rotthoff, whose specialties include sports finance, whether it is proper - from a mission standpoint - for universities to pay their basketball coaches so much more than faculty and administrators.

"I'm not sure what you mean by proper," he wrote. "I, like all individuals who work, would like to get paid more for what they do. I think the VCU coach is the same as all of us in this aspect. I am a professor and I do my best in the classroom to give the students knowledge they can use throughout their lives. However, there is nothing I can do in the classroom that will compare to the amount of exposure that the basketball coach has generated for the school on the whole. I cannot accomplish that publicity. If I ever figure out a way to accomplish that, at that point (and only at that point), would I think my wages should be the same as his."

Valid point. Check out these figures from a study conducted by Robert Baker, director of the Center for Sport Management at George Mason, on the impact of the Patriots' Final Four appearance in 2006:

n Out-of-state applications to Mason skyrocketed 40 percent.

n Admissions inquiries went up 350 percent.

n Freshman applications increased 22 percent from the 2005-06 academic year.

n The university's athletic club's fundraising soared 52 percent over the previous year.

n And, finally, the study estimated that Mason generated \$677,474,659 (quite a precise estimate) in free media exposure during the 2006 NCAA Tournament.

If there's an argument for paying a coach outrageous sums, that's it.

Which brings us back to whether JMU will be a bit player in the CAA. Not necessarily. Brady has injected life into the program, and - as King said - winning solves lots of problems. If JMU captures the Colonial next season and reaches the NCAA playoffs, maybe that would boost attendance the next season, and maybe that would lead to a new Convo the next season, and maybe that would generate enough money for Madison to pay big-time salaries.

But what if Brady takes the Dukes to the Final Four and JMU tells him he isn't getting Smart money? Goodbye Brady, I suspect. Or what if JMU decides it can't afford to replace the dustbin Convocation Center - the worst CAA arena in Virginia - for another decade and tries to sell the place to a recruit? Goodbye JMU, hello VCU, I suspect.

It's a difficult problem for a university on a budget, but King remains optimistic.

"I think we can still be competitive and I still think we can recruit good coaches without paying them a million dollars," he said.

We'll see.

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