Florida State football won't be changed much by school's new athletic association, but it'll have big say over whether it works



By Tashan Reed (/author/tashan-reed/) Jul 25, 2019

TALLAHASSEE, Fla. - When the Florida State University Board of Trustees announced the formation of the Florida State University Athletics Association on June 7, many Seminoles fans had the same question: What changes about how the school's 16 scholarship sports programs operate?

The answer? Not much.

"I'm not sure that the sports will notice that much difference," Florida State athletic director David Coburn told The Athletic. "I'm hoping that this change, in terms of the coaches and the student-athletes, will be relatively seamless."

The formation of the FSUAA is much more of a political and business move. The FSUAA will be a Direct Support Organization (DSO), meaning it basically will be a subsidiary of the university that enjoys some of the privileges of a private corporation. As a DSO, under Florida law it technically is exempt from public records

Florida State football won't be changed much by school's new athletic association, but it'll have big say over whether it works – The Athletic laws. The FSUAA is a collaborative effort between the FSU athletic department and Seminoles Boosters, Inc., with the intended goal of providing "greater alignment, transparency, coordination and efficiency for athleticrelated fundraising, operations, marketing and management."

The FSUAA will have responsibility over budgets, strategic planning, developing policies regarding scheduling, financing facilities, prioritizing projects and programs and hiring, evaluating and compensating the athletic director. The changes are expected to go into effect for the 2019-20 school year.

The DSO will be governed by a five-member board: the FSU president, the chair of FSU's Board of Trustees, FSU's NCAA faculty athletics representative, the Seminoles Boosters chair and an appointed member from the faculty. The AD will preside as the CEO of the FSUAA, and the Seminoles Boosters president (currently, it's Andy Miller) will serve as an associate athletic director.

Despite the overlap, Seminoles Boosters will remain separate from the FSUAA as a private organization governed by its own board of directors. Its primary purpose of supporting the athletic department in the hiring and retaining of coaches already was there, but now it'll play a more direct role.

"I think the basic concept there is (Seminoles Boosters) will have input," Coburn said. "They've always had input, but they've kind of been on the outside looking in the door or looking in the window, whereas now they'll be inside giving input. But those basic decisions are still going to be made by the president and the athletic director."



The formation of the FSUAA happened in the first year of David Coburn's tenure as athletic director. (Safid Deen / Orlando Sentinel)

That new process may become more of a factor for Florida State football if the FSUAA ultimately decides to move on from coach Willie Taggart, but as Coburn told *The Athletic* last month, that's currently not even a topic of discussion (https://theathletic.com/1019858/2019/06/11/david-coburn-florida-state-ad-willie-taggart-

Florida State football won't be changed much by school's new athletic association, but it'll have big say over whether it works – The Athletic schedules-fundraising/). The FSUAA won't change much about what happens when the Seminoles take the field (or the court or the diamond), but the impact of the integration of FSU's booster club and athletic department remains worth exploring.

Here are some of the key areas of interest.

Significance of the integration moving forward

The largest motivator behind the transition is business-related. With the athletic department having operated at a deficit for the past few years, it no longer could afford to waste time on the confusion, tension and debating that came with having its booster club operate separately.

"It's going to improve communication," Coburn said. "It's going to improve cooperation at the more fundamental levels of both organizations. I think it's going to result, quite frankly, in some efficiencies and savings in the operations of both entities."

Although four of the five members of the FSUAA Board are employees of the university, the DSO is a separate entity from the university and will have greater freedom to make deals and decisions as a result.

University of Toledo associate dean for academic affairs Geoffrey Rapp also is a law professor (https://www.utoledo.edu/law/faculty/fulltime/rapp.html), and one of his specialties is the sports industry. He is well-versed in the matter of universities and how they run their athletic departments.

"It's a shift away from that traditional model of a university running a college sports program centrally as part of the educational process to something that is more consistent with modern college sports," Rapp told *The Athletic.* "It's big business, and this is part of the university's business interest.

"So why do we want to go through the layers of bureaucracy, board committees on finance and property acquisition, full board meetings, etc.? Every time we want to make a business move, we're constrained to operate like a slow-moving state bureaucracy, but what we are is a multi-million or -billion dollar business, and we want to be able to move at the speed that that requires. Florida State hasn't done anything wrong in making this move."

One goal of the FSUAA is to increase the flexibility of the athletic department and allow it to move much faster on various issues. Generally speaking, it can make decisions whenever and however it wants to.

"A DSO can move much more quickly and much more efficiently without being hamstrung by those requirements," Rapp said, "and that's the speed that a multimillion dollar business needs to be able to operate under."

Transparency

There's no doubt that the financial implications were a more significant factor, but the FSUAA can inherently be less transparent to the public than its predecessor. While it's not a private, for-profit, shareholder-owned corporation, it receives some similar protections.

Under Florida Statutes, as a DSO, (http://www.leg.state.fl.us/statutes/index.cfm?

App_mode=Display_Statute&Search_String=&URL=1000-1099/1004/Sections/1004.28.html) the FSUAA receives a public records exemption and public meetings exemption. FSUAA donors can retain anonymity even in the required annual financial audit of its accounts and records.

"Even though they have state-level liability protections, they're a layer removed from the public eye in terms of their obligation to produce documents, open meetings laws and things like that," Rapp said. "I think that is probably not the motivating factor, but it's certainly an added benefit for FSU in making a move like this."

As such, it'll be harder for journalists and the general public to receive information by way of public records requests. Florida State has had its share of controversies, including the 2013 sexual assault allegation involving quarterback Jameis Winston, multiple incidents involving running back Dalvin Cook in 2014 and '15 and the Title IX suspension of offensive lineman Josh Ball last year.

"We've all seen the full power of public records law in their application to college sports quite recently and regularly," Rapp said. "So, if the athletic department is able to keep some of its work out of the public eye, that may have some attractiveness to them. The purpose of an open records law isn't to create new ways to evade. It's not to have state employees stop sending emails and start sending text messages or start figuring out ways like Urban Meyer had it at Ohio State to get your text messages to automatically delete or whatever it is after a certain period of time.

"The purpose isn't to not use electronic communication tools. The purpose is you work for the public and you should be accountable to the public. But the DSOs are in a different place. They're more like charitable organizations than they are government agencies and government departments. They have a public interest and are connected to a public university, but the taxpayer isn't their boss in quite the same way anymore."

Florida (with the University Athletic Association) and UCF (with the UCF Athletics Association) have had their respective athletic departments operate as DSOs for years. Generally speaking, Florida's athletic department has operated as a public entity. That hasn't always been the case with UCF; in the early days of the UCFAA, for instance, the school wouldn't release coaches' contracts.

How the relationship works

Every year the athletic director and president of Seminoles Boosters will be required to submit joint goals for the following:

- Fundraising goals (both long- and short-term) and priorities
- Seminoles Boosters operating budget
- Strategic plan and implementation
- Facility master planning, including funding plan
- Contract management

They're also required to meet at least once a month to review progress and performance. The intention is to erase the perception that one entity holds authority over the other and create more of a unified effort.

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"I think perhaps, as much as anything, it just formalizes what already exists," Coburn said. "For example, we made a change back under (former) President (Eric) Barron early in his tenure that gave the president approval authority over nominations to the booster board. It also gave the president approval authority over the position of president of the boosters.

"That's been in place for some time. The boosters clearly recognize those facts and realize that moving toward this type of an entity was not going to be a huge sea change for them in terms of loss of control."

The desired outcomes listed in the memorandum of agreement both parties agreed to are as follows:

• Consolidated financial reporting for Seminoles Boosters and FSU athletics for monthly, quarterly and annual reporting to the FSUAA.

• Increase collaboration between Seminoles Boosters and FSU athletics employees.

• Eliminate duplicate efforts between the two organizations in the areas of marketing, communication, finance and business.

While there's some overlapping board membership, both organizations now exist in an organization that's technically separate from the university. Naturally, that raises some concern.

"To me, this is moving off-shore, so to speak, control over athletics in a real key way," Rapp said. "It's not the same to report to a board that has the long-run well-being of Florida State as its charge and to report to the actual board of Florida State. They have cumbersome processes for everything on a board like that.

"The DSO is not going to have that problem. They're going to be able to fill the positions they need and they're going to be able to sign real estate deals and investment deals quickly and efficiently. But they're really subject to less bureaucratic oversight by FSU. I think it creates some opportunities, but also some of the things people are worried about is will they at some point stop pursuing the same things as the university? Could we see these things going in two different directions?"

The presence of FSU's president and board of trustees chair and the appointed member from the faculty on the FSUAA Board should lessen the possibility of those latter two outcomes. In fact, Coburn said that the inclusion of the school president alone gets the job done.

"It is directly under the university," Coburn said. "I mean, it is directly under the president of the university."

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As school president, John Thrasher also will serve on the governing board of the FSUAA. (Glenn Beil / USA TODAY Sports)

On most levels, that's true. But if the president were to fall out of favor with the FSUAA board, for example, things could get dicey. The outcome could be a scenario whereby the FSUAA operates contrary to the university's goals, coaches can't be fired by the president and the FSUAA Board rejects the president's position on matters.

"I mean, there's nothing legally to stop that from happening," Rapp said. "I think it's unlikely because when there's so much money being made for a university, people tend to want to work together to try to avoid bogging themselves down in ways that are harmful to the educational mission and harmful to the business interests of the athletics department. But the point that I can say those two things separately is really the worry here.

"What is the value of college sports? What is the value of having there be an FSU athletics as opposed to just a minor league team in Tallahassee, Fla.? It's somehow connected to the university and how important really is that? I don't know that we know the answer to that question because we've had, really, one model of relation and this is a sign of a different model where we're really trying to move college sports governance to something different than university department governance."

This helps level the playing field among in-state competitors

In May — before the formation of the FSUAA — Florida State approved a \$108.07 million budget for the 2019-20 school year. In June, Florida announced a \$140.9 million budget for 2019-20.

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The SEC Network is one of the reasons that Florida's budget is much larger, and FSU's declining ticket sales for football haven't helped its bottom line. But FSU's model of business wasn't helping matters, either.

The advantages of the FSUAA — along with the launch of the ACC Network in August and a more successful football season — should help Florida State turn its financial situation around. It's a methodology that other elite athletic programs could adopt going forward.

Rapp notes that many athletic programs "are subsidized to tune of millions of dollars by students of the university paying general fees that are going straight to the athletic department."

"For the ones that are losing money and that are depending financially on being able to transfer resources from students and other aspects of what the colleges do to the sports programs, being a free-standing entity is not attractive I imagine," he said. "But for the ones that are lucky enough to be generating resources for the universities, then being able to move more quickly — I can't see that not being something that, if it's legally possible, universities are going to be moving toward.

"Obviously, we know it can work in Florida. I think you'll start seeing folks from other states asking their lawyers, 'Can we do something similar to what FSU and UF and UCF have done? How do we get something like this?' Because the advantages are just too obvious."

Florida State took note and jumped on board. The transition undoubtedly will have its complications, but the athletic department appears to have put itself in position to change its financial fortunes going forward.

Taggart's Seminoles may not be directly affected much, but whether they're able to put a better product on the field this fall will have a huge impact on how quickly the FSUAA's goals come to fruition.

(Top photo: Glenn Beil / USA TODAY Sports)



Tashan Reed (/author/tashan-reed/) covers Florida State football for The Athletic. He graduated from Mizzou in May 2018. Prior to joining The Athletic, he covered high school and NAIA college sports for the Columbia Missourian, Mizzou football, men's basketball and women's basketball for SBNation blog Rock M Nation, wrote stories focused on the African-American community for The St. Louis American and was a sports intern at the Commercial Appeal in Memphis through the Sports Journalism Institute. Follow Tashan on Twitter @tashanreed (https://twitter.com/tashanreed).