

DON'T BET ON IT



Don't
gamble on
your future
Put Your
Money
on a Real
Winner:
Yourself



NATIONAL ENDOWMENT FOR
FINANCIAL EDUCATION



DON'T BET ON IT

Put Your Money on a Real Winner:
Yourself

A guide for college student-athletes
and everyone involved with sports

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the National Collegiate Athletic Association

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Note: Certain content areas in this material are current as of this printing, but, over time, legislative and regulatory changes, as well as new developments, may date this material.

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CONGRATULATIONS!

Did you know that of all the high-school student-athletes in the U.S., less than 5 percent go on to become college student-athletes? Your tremendous athletics accomplishments and your desire to earn a college degree make you a real winner.

We want you to stay a winner. And that means: Don't Bet On It. After all the time and effort you've put into becoming a college student-athlete, don't gamble on your future by betting on your team or any other team. Instead, put your money on a sure thing: yourself.

In this booklet, you'll learn why sports wagering is so dangerous to your future. You'll also learn a sure way to get ahead financially, no matter where your sports career takes you. This free booklet is provided to you by the NCAA and the National Endowment for Financial Education®.



SPORTS WAGERING: Don't Risk it!

Can sports gambling really wreck a college student-athlete's career?

You bet it can!

Fact

Two former members of the Arizona State basketball team and a student bookie recently were convicted of sports bribery. The student-athletes and the student bookie received jail time. It started with one player, Stevin "Hedake" Smith, who owed more than \$10,000 to a student bookie. The student bookie was instrumental in organizing the scheme. To wash the debt, Smith agreed to shave points off a game. Smith then enlisted the help of a teammate to shave points off three more games. When more than \$1 million in bets was placed on the games in Las Vegas, the FBI became suspicious. Smith and his teammates were arrested and convicted of sports bribery.

Before he was sentenced, Smith told *Sports Illustrated*:

"Having been there, I can tell you how easily players can be drawn into fixing games. Poor, naive teenagers plus rich, greedy gamblers equal disaster...."

"No matter what happens in my sentencing, however, I pay for my crime every day. When I miss the shot at the end of a pickup game, friends joke that I was fixing. I know they're being funny, but it hurts. Where once I was the man at Arizona State, I can't even go back to campus without hiding my head. I'm ashamed."



LATEST LINE

Baseball

Today

American League

Favorite	Line	Underdog	Line
BALTIMORE	-140	Kansas City	+110
CLEVELAND	-170	Oakland	+110
TORONTO	-160	Anaheim	+110
DETROIT	-115	Seattle	+110
BOSTON	-300	Minnesota	+110
NEW YORK	-230	Texas	+110
CHICAGO	-140	Tampa Bay	+110

National League

CINCINNATI	-110	New York	+110
Atlanta	-110	HOUSTON	+110
Chicago	-140	MILWAUKEE	+110
ST. LOUIS	-140	Montreal	+110
COLORADO	-120	San Francisco	+110
Philadelphia	-115	SAN DIEGO	+110
ARIZONA	-165	Florida	+110
LOS ANGELES	-220	Pittsburgh	+110

HOW TO READ THE BASEBALL LINE

odds are based on a \$100 bet. If, for example, Kansas City is -180, you must wager \$180 to win \$100. Or if Kansas City is +170, you must wager \$100 to win \$170. There is a \$10 spread between the favorite and underdog prices. When the odds reach -200, when the spread widens

NBA finals

Wednesday

Favorite	Line	Underdog
SAN ANTONIO	9	New York

Stanley Cup finals

Today

Favorite	Line	Underdog	Line
BUFFALO	-140	Dallas	+110

HOW TO READ THE STANLEY CUP

PLAYOFF LINE: The odds are based on a \$100 bet. If, for example, St. Louis is -180, you must wager \$180 to win \$100. Or if St. Louis is +170, you must wager \$100 to win \$170.

Home teams in CAPITAL LETTERS.

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Fact

Northwestern University basketball student-athlete Dion Lee was suspended from playing basketball in college and in 1998 was sentenced to one month in federal prison for wagering illegally and participating in a point-shaving scheme. Lee's problems began when he became indebted to a student bookie. To pay off the bookie, Lee asked a school sports booster for a loan. When the booster reported Lee, he was removed from the team for several games. While he was sidelined, an individual in Chicago contacted Lee and cut a deal with him to shave points off future games and bring other teammates into the scheme. The setup was uncovered and several years later Lee pled guilty to sports bribery.

Fact

Even a "friendly" wager can have negative consequences. Several members of a women's soccer team at a Division I school participated in a sports pool to pick the winners of college sporting events. The women student-athletes won the pool, which was worth a \$50 gift certificate. When the school learned about their participation in the pool, the student-athletes were banned from two games. They were not allowed to accept the gift certificate and were required to perform 10 hours of community service.

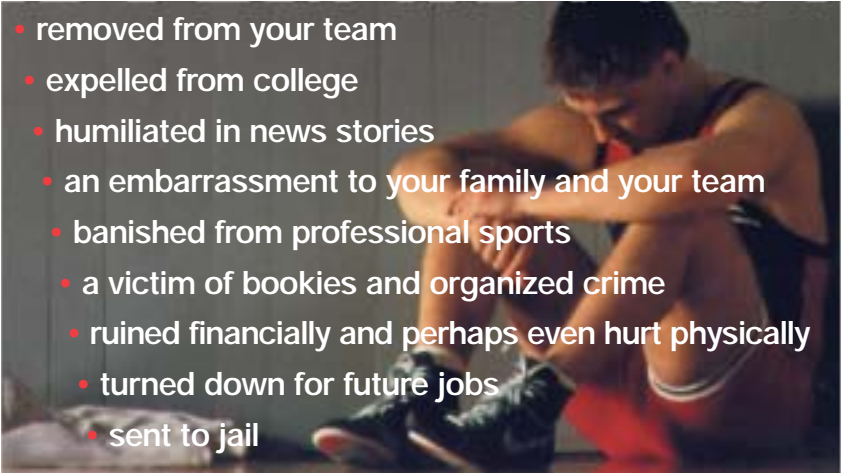
Fact

If you place bets of any kind on any college or professional sport ...

OR

If you give information to anyone who uses that information to make a bet...

YOU RISK BEING:

- removed from your team
 - expelled from college
 - humiliated in news stories
 - an embarrassment to your family and your team
 - banished from professional sports
 - a victim of bookies and organized crime
 - ruined financially and perhaps even hurt physically
 - turned down for future jobs
 - sent to jail
- 

In short, sports wagering can destroy your life. For this reason, college athletics administrators, conference staff officials, and college student-athletes may not gamble on college or professional sporting events.

NCAA RULES: No Sports Wagering Allowed

The NCAA is proud of you for becoming a college student-athlete. It is proud of our country's long tradition of college sports. It wants to protect your bright future and the integrity of sports. That's why NCAA rules prohibit sports gambling of any kind by college student-athletes, coaches, trainers, or anyone else involved with college sports.

As a college student-athlete, you must follow the rules of the NCAA. One of the rules, NCAA Bylaw 10.3, specifically prohibits sports gambling.

In clear, simple language, here's what the rule means:

You may not place any bet of any sort on any college or professional sports event.

You may not give information to anyone who does place bets on college or professional sports.

That means...

- NO wagers for any item (e.g., cash, shirt, dinner) on ANY professional or college sports event, even those that don't involve your college.
- NO sports "pools," even those run by your friends in the dorm.
- NO Internet gambling on sports events.
- NO fantasy leagues that award a prize and require a fee to participate.
- NO sports wagering using "800" numbers.
- NO exchange of information about your team with ANYONE who gambles. In other words, no information about injuries, new plays, team morale, discipline problems, or anything else.

The Consequences

NCAA rules are clear. The minute you are discovered to have made a bet of any kind on any college or professional sport ...

Or to have given information to someone who does gamble ...

You are declared ineligible to compete in college sports.

You are off the team.

If you accept or place a bet on any college or professional team other than your own, you will automatically be suspended for a minimum of one year and be charged with a season of competition.

If you accept or place a bet on any team at your school, you will be permanently ineligible.

You risk losing your sports scholarship, being expelled from the school altogether, and/or being banned from other college and professional sports.

You also run the risk of being arrested and charged with a crime. That's because **sports wagering is illegal** in every state except Nevada.

Sports bribery is illegal in every state. And even in Nevada, it is against NCAA rules for a student-athlete to make any wager on a sports event.

WHY IS THE NCAA SO TOUGH ON SPORTS WAGERING?

Sports wagering
threatens your
personal integrity
and safety.

It corrupts
sports.

It is illegal.

It attracts
organized crime.

Organized crime on
your college campus?

Unfortunately, it's
possible. Here's what
an FBI agent said
recently:

"There is no more vulnerable person in the world of sports than the college athlete. If organized crime senses an opportunity to make money on a college campus, it can be there overnight. Most student bookies, even if they don't know it, are working for organized crime. Several steps removed, out of sight, organized crime collects money from student bookies and allows them to exist. There is one thing that organized crime is interested in above all: money."

Mike Welch
FBI Organized Crime Unit

Remember, sports wagering is not a victimless crime. Regardless of whether you see it, sports wagering often is backed by organized crime. Money skimmed from sports-betting schemes is used by these criminals to fund drug sales, to keep prostitution rings going, to bribe student-athletes, and to pay for many other illegal activities. Organized crime never plays by the rules. It plays to get rich—at any cost. When you bet, you risk becoming a partner in organized crime.

A Note About Organized Crime

College student-athletes can become pawns of organized crime without even knowing it. It can start by becoming a student bookie and taking bets from other students. Or, it can happen when a student-athlete passes team information to others who gamble.

Be on guard against organized crime. Don't let criminals get their hooks into you by making "only a little bet" or giving "only a little information." Next time, they'll want more. If you don't cooperate, they will blackmail you ... or worse.

What To Do If ...

- You suspect you are being approached by gambling interests ...
 - You think someone on the team is betting on sports ...
 - You are already in trouble with gamblers or gambling debts ...

Go immediately to your coach, athletics director, NCAA official, local law enforcement, or the FBI. Tell them the whole story so they can get you or your teammates the help you need.

You will have to face the consequences, but your college, the NCAA and the law will take into consideration the fact that you came forward on your own. If you try to hide the problem, you'll be in much worse trouble. Plus, you could risk your personal safety if organized crime is involved.

The only safe way out of the gambling trap is to admit you made a mistake and have the courage to get help.



It Won't Happen TO ME

We hope it won't happen to you. But here are the facts:

There's been a huge growth in many kinds of legalized gambling (lotteries, horse and dog racing, casino gambling, Internet gambling, etc.). That can make sports gambling seem OK to many people. When you see your friends betting on a game, it looks like fun. You may be tempted to make a bet, too. **Watch out!**

Student-athletes often are "risk-takers." They push themselves harder and further than other people because they want to excel. Gamblers are risk-takers, too, which is why student-athletes often are attracted to gambling. **Watch out!**

The NCAA believes that illegal sports wagering exists on every college campus. College students and student-athletes often are looking for a little excitement and a chance to make some quick money. But organized crime sees you as nothing more than "easy marks." **Watch out!**

Signs of a Compulsive Sports Gambler

Betting on sports can become an addiction, just like alcoholism or drug use. If you or someone you know has one or more of the following characteristics, get help.

- excessive telephone bills to 900-number services
- obsession with point spreads
- unusual interest in obscure games
- association with other sports bettors
- shifting allegiances: for/against same team on different days
- frequently hitting up friends or family for loans
- extremely defensive when questioned about gambling behavior
- debts, unpaid bills, financial troubles
- going to others to get bailed out of desperate financial situations
- after losing, eager to bet again to get even or ahead

Source: Texas Council on Problem and Compulsive Gambling

Again, as with drug or alcohol addiction, it's very unlikely you can beat this problem alone. A good source of help: Gambler's Anonymous or your state's council on problem and compulsive gambling. Look in your telephone directory's business white pages or government section.

Taking CONTROL

College student-athletes sometimes are tempted to gamble because they're looking for excitement and easy money. The truth is, there are many more poor gamblers than rich gamblers.

Why not bet on a sure thing: yourself. You've already shown you're a winner on the playing field. With a little planning, you can also be a winner in the money game. If you take charge of your money now, big rewards will come your way.

As a college student-athlete, so many career possibilities are open to you. You may go on to a career in professional sports (fewer than 3 percent of college student-athletes turn pro). Or, you might get a job coaching young people, or working in sports news, sports health, or sports administration. Even if you eventually find a career totally outside of sports, the very fact that you've been a college student-athlete will make you a top candidate for many jobs. Employers know that the dedication, teamwork and decision-making skills you've learned in athletics will make you a valuable employee throughout your life.



In other words, career security followed by financial security will come your way if you stay on the right path. First, promise yourself that you'll get your degree. No matter what happens, a college degree lasts you a lifetime.

Then, get started on the road to financial independence right now. The following pages provide some ideas on how to take charge of your money today.

Save \$1 Million

Assumptions:

Future value: \$1,000,000

To age: 65

Annual return: 8 percent

Age	One-Time Investment	Monthly Investment
20	\$31,328	\$190
30	\$67,635	\$436
40	\$146,018	\$1,052
50	\$315,242	\$2,890
60	\$680,583	\$13,610

Double Your Money

There is a formula called the "Rule of 72" that can estimate the number of years it will take to double your money when you invest it in a savings account, mutual fund or other investment.

Here's how it works:

Divide 72 by the interest rate you expect to earn. This will show approximately how many years it will take to double your money.

Example:

Assume you earn 8 percent interest on your money every year.

$$72/8 = 9$$

So, if you invest \$500 at 8 percent interest, the money will double to \$1,000 in just 9 years. Not bad!

How to Become a MILLIONAIRE

People become millionaires every day without ever making a bet, and you can too. In fact, because you are so young, you have the most important ingredient to earn \$1 million: time.

The more time you have to save, the more money you'll end up with. Here's an example: Assume you are 20 years old. Look at the chart to the left and you will see that you can have \$1 million in your pocket by age 65 if you invest \$190 every month in a long-term investment (like a mutual fund or an IRA) that earns 8 percent interest per year. Or, if you happen to inherit \$31,328 and invest it at 8 percent, you'll also have \$1 million by age 65 just by letting your money grow year after year. Not bad!

You have a great advantage when you start saving while you are young, so your money can grow, or compound, over time. Take a look at what a 20-year-old needs to save compared with someone older. If your parents are 50 years old, for example, they would have to save \$2,890 a month to reach \$1 million by age 65, compared to your \$190 monthly savings. That's a big difference!



GETTING Started

Of course, \$190 a month can sound like a fortune at this point in your life. Few college student-athletes win full-paid scholarships, so you and your parents are probably scrambling to pay for tuition, room and board, books, and fees. You may think it's impossible to start saving.

But, if you are determined to do it, you can find ways to save. Maybe not \$190 a month at first, but more than you might think. And just as important, you'll start the habit of saving—a habit that will last you a lifetime.



One of the easiest ways to save is to cut back on spending and move that cash into a savings account (for money you need within the next few years) or invest in a mutual fund for the long term. Use the following chart to estimate how much you could save each month if you simply plugged some spending leaks. You don't need to give up these things altogether. Just by cutting back, you can save a bundle.

Item	Cost of Item	Cost per Month	Cost per Year
(Example) Soda	55¢	\$16.50	\$198
Video rental	_____	_____	_____
Long-distance phone calls	_____	_____	_____
Vending machine snacks	_____	_____	_____
Eating out/ordering pizza	_____	_____	_____
Going to movies	_____	_____	_____
Magazines	_____	_____	_____
CDs/tapes	_____	_____	_____
Concerts	_____	_____	_____
Game tickets	_____	_____	_____
New sports equipment	_____	_____	_____
New clothes	_____	_____	_____
Spring break trip	_____	_____	_____
Other	_____	_____	_____
Total	_____	_____	_____

PAINLESS WAYS to Save

Here are some more ideas for finding that \$190 a month that can turn you into a millionaire.

Every time your family sends you a cash gift, put 10 percent of it into your savings before you spend the money. In other words, pay yourself first Estimated \$: _____

Check out prices for sports equipment in catalogs and second-hand stores, rather than buying it new in a department store. Put the dollar difference into your savings Estimated \$: _____

Shop for your clothes at thrift stores or consignment shops. Invest what you save Estimated \$: _____

Sell items you don't use any longer. Put what you earn into your savings..... Estimated \$: _____

If you pay your own car insurance, call around to other insurance companies for prices. If you find a better deal, change insurance companies and invest what you save Estimated \$: _____

Can you get along without a car while you're in college? If you sell your car and cancel your insurance, you'll have a lot more cash to invest Estimated \$: _____

Consider finding a part-time job. Even working just a few hours a week can add up. Your coach or advisor may be able to help you find a part-time job that you can fit into your schedule. Then, pay yourself first. Put 10 percent or more of what you earn into your savings before you spend your paycheck Estimated \$: _____

Start a business. Do you have a talent or hobby you can turn into a money maker? Give it a try. You might be surprised at the results. Pay yourself first by putting 10 percent or more of your earnings into your savings .. Estimated \$: _____

Other Idea: _____ Estimated \$: _____

Tip: When money comes your way, *always pay yourself first* by putting part of it into your savings.

Few of us ever have enough money for everything we want. So we have to make choices. The first step in making smart choices is to separate our “needs” from our “wants.”



What's the difference? A “need” is associated with survival, for instance: food, clothing and shelter. “Wants” usually are items that would be nice to have but your survival won't be affected by them. Look at the list to the right and mark whether these items are needs or wants. Then list your

DO YOU
Need it
OR
Want it?

own needs and wants. When you spend money, take care of your needs first. Then, think about whether you would rather spend the money that's left on your “wants” or put the money into your savings. (Remember, \$1 million can be yours if you delay your “wants” and start investing early!)



Item	Need	Want
Coat		
Apartment		
Telephone		
Textbooks		
Car		
Cable TV		
Medicine		
Season tickets		
CDs		
Letter jacket		

	My Needs	My Wants	What I'll Put Off	\$ Saved
1.				
2.				
3.				
4.				
5.				

College students often are in debt. One of the largest debts you may have is loans to pay your college expenses. Because your college education is so important, however, most experts consider a college loan a necessary debt. You'll be able to repay it after you get started in your career. But other debt can be dangerous to your future.

Caution:
**Stay Out
of Debt**

One of the most common ways college students get into debt trouble is by using credit cards. Chances are, you've been offered a credit card, or maybe even have one or more of them.

Credit cards are convenient, and they come in handy for an emergency if you pay them off every month. Problems begin, though, when you start thinking of your credit card as extra money, instead of like the loan it really is. Or, to put it another way, you are taking out a loan to pay for that pizza long after you've eaten it!

SEVEN Ways

To Take Charge of Credit Cards

It's easy to get into debt and much harder to get out of it. Here are ways to stay in control of credit cards.

1. Pay off your credit card balance every month.
2. If you must carry a balance, shop for the best interest rate – try www.bankrate.com for lower rate cards. If you transfer a \$2,500 balance from a 16.5 percent interest card to one that charges 7.75 percent, you'll pay \$219 less interest in a year. And, make sure to pay more than the minimum each month to get out of debt quickly.
3. Think of your credit cards as loans. Before using your credit card, ask yourself, "Would I really take out a loan to do this?"
4. If your credit cards are too tempting, leave them at home. Better yet, cut them up, throw them away, and close your account.
5. To stop most credit card offers from arriving in your mail, call (888) 5OPT OUT.
6. Reward yourself for getting out of debt. Make a list of things you enjoy that don't cost money and go for it!
7. Once your debt is paid off, take the money that went to pay down your debt each month, and use it to beef up your savings or investments.

If you carry a balance on your credit cards, you are probably over-spending. Plus, the interest you pay on your credit card debt every month is money down the drain—money you could be saving toward that \$1 million. Worse, if you start missing payments, you risk getting a poor credit record. A poor credit record can hurt your chances of buying a home or a car someday. It can even hurt your chances of getting a job. If you have trouble making the credit card payments, contact Consumer Credit Counseling Service for help at www.debtadvice.org.

A SPENDING PLAN that Works

A spending plan is a great way to make sure that you are in charge of your money. It helps you decide where to spend and where to save. Use the spending plan below to estimate your income and expenses for the month ahead. Then, track your actual income and expenses for the month. Calculate the difference. Make any adjustments necessary to reach your goals.

Step 1:

Identifying Income

Sources	Per Month
your after-tax wages (do not overestimate).....	\$ _____
others in household after-tax wages	\$ _____
tips or bonuses	\$ _____
child support	\$ _____
Social Security.....	\$ _____
Supplemental Security Income	\$ _____
tax refunds.....	\$ _____
interest	\$ _____
other.....	\$ _____
Total Income \$ _____	

Step 2:

Identifying Expense

Sources	Per Month
education expenses	\$ _____
rent or mortgage	\$ _____
heating fuel, water, and electricity	\$ _____
telephone	\$ _____

other house expenses\$ _____
 groceries\$ _____
 snacks/meals eaten out\$ _____
 transportation (gas, oil, car payment)\$ _____
 auto insurance premiums\$ _____
 life or disability insurance premiums\$ _____
 doctor and dentist bills\$ _____
 child care\$ _____
 taxes.....\$ _____
 pet care\$ _____
 clothing/uniforms.....\$ _____
 loans.....\$ _____
 credit cards\$ _____
 personal (toiletries and so on)\$ _____
 savings.....\$ _____
 other (entertainment and so on).....\$ _____
 Total Expenses \$ _____

Step 3:

Comparing Income and Expenses

Write down your total monthly income

(from Step 1)\$ _____

Write down your total monthly expenses

(from Step 2)\$ _____

Subtract expenses from income and list

amount here\$ _____



READY, SET, Go!

Your future is a bright one. You can keep it that way by:

- walking away from sports wagering of all kinds
- keeping information about your team inside the locker room
- taking control of your money by planning how you will spend and save
- paying yourself first; save and invest some of your money every month
- avoiding credit cards; if you use one, pay it off every month
- getting out of debt as soon as possible
- spending less than you have and investing the difference
- rewarding yourself in ways that don't cost money
- focusing on what you have instead of what you don't have
- congratulating yourself on your achievements as an NCAA student-athlete
- using these achievements to open doors in your future career
- following your dreams

24-Hour Confidential
Nationwide Gambling Helpline
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Partnering for Financial Well-Being