

FREE PREVIEW

20 pages of the full 196-page guide - not the paid edition

FREE SAMPLE CHAPTER

BARATELLI INSTITUTE - PRACTITIONER GUIDE SERIES

The Athlete's Wealth Playbook

NIL - Contracts - Tax - Post-Career

SAMPLE CHAPTER IN THIS PREVIEW

Chapter 10 -- Reading Your Professional Contract

20-page preview - drawn from the 196-page full guide

BARATELLI INSTITUTE

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MENTORING AT SCALE

ABOUT THIS FREE PREVIEW

The Athlete's Wealth Playbook, Free Preview

The Athlete's Wealth Playbook is a 196-page practitioner reference for the five-to-fifty earnings compression of a professional or high-earning college athletic career. Nineteen chapters covering NIL contracts and tax, the jock-tax architecture across the leagues, professional contract anatomy (guarantee structure, signing-bonus tax planning, endorsement income), advisor selection, investment policy, real estate and lifestyle, family trust structures, post-career healthcare and CTE planning, and the post-career business pivot.

This free preview gives you the cover, the table of contents, the Reading Map by Role (so you can find your starting point), and one complete chapter at full quality -- Chapter 10, Reading Your Professional Contract. It is the single highest-leverage chapter for any draftee or veteran reading a guaranteed-money contract: the guarantee-vs-non-guarantee math, the draft-position-to-financial-impact translation, the NBA rookie-scale grid, the NIL compensation-by-position landscape, and the medical-workup window that decides where on the draft board you actually land.

Read it the way the player or the player's advisor reads it: skim the TOC, find your role in the persona table, then read Chapter 10 cover-to-cover and ask whether the contract on the table holds up against the framework -- before signing it.

WHAT YOU GET IN THIS PREVIEW

Cover - About This Preview - Table of Contents - Reading Map by Role - one full sample chapter

Sample chapter: Chapter 10 -- Reading Your Professional Contract (guarantee math + draft-position impact + NBA rookie scale)

The full guide is available at baratelliinstitute.com. Single-user license; not for redistribution.

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WHO THIS GUIDE SERVES**A Reading Map by Role**

The earnings compression of an athletic career is five-to-fifty: five earning years, fifty years to live on them. Within that compression, a high-school recruit fielding their first NIL offer, a college athlete managing real income, a draftee reading a fully-guaranteed contract, a five-year veteran in tax-multistate complexity, and the post-career retiree pivoting to a business each enter the playbook with different stakes and a different starting chapter. Find your situation below and read the chapters that matter most to you first.

You are...**Read in this order****High-school recruit / first NIL offer**

- Ch 6 - The NIL Landscape (collectives, deals, agents)
- Ch 7 - Reading an NIL Contract
- Ch 8 - NIL Tax and Compliance
- Ch 9 - Building Infrastructure as an Amateur
- Personal Finance Foundations (front matter)

College athlete, real NIL income

- Ch 7 - Reading an NIL Contract
- Ch 8 - NIL Tax and Compliance
- Ch 3 - How Athletes Are Actually Taxed
- Ch 5 - Building Your Team Before the Money Arrives
- Ch 4 - Family, Community, and the Pressure Dynamic

Draftee / first pro contract

- Ch 10 - Reading Your Professional Contract
- Ch 11 - Signing Bonus Tax Planning
- Ch 3 - How Athletes Are Actually Taxed (jock tax)
- Ch 5 - Building Your Team Before the Money Arrives
- Ch 16 - The Advisor-Selection Landmine

Veteran (years 3-7)

- Ch 12 - Endorsement and Off-Field Income
- Ch 15 - Investment Policy for Athletes
- Ch 17 - Real Estate and Lifestyle
- Ch 18 - Family Trust Structures
- Ch 13 - Retirement and Pension Mechanics

Post-career athlete (pivot)

- Ch 14 - Post-Career Healthcare and CTE Planning
- Ch 13 - Retirement and Pension Mechanics
- Build-Out: Post-Career Business Architecture
- Ch 18 - Family Trust Structures
- Ch 19 - Four Athletes, Four Situations

Parent / agent / advisor

- Ch 4 - Family, Community, and the Pressure Dynamic
- Ch 5 - Building Your Team Before the Money Arrives
- Ch 16 - The Advisor-Selection Landmine
- Ch 10 - Reading Your Professional Contract
- Read This First (front matter)

Chapter 10

Reading Your Professional Contract

Reading a professional contract: guaranteed vs. non-guaranteed, signing bonus vs. base salary, option bonuses, roster bonuses, and the incentive structures that shape actual take-home.

A professional athletic contract is a layered financial instrument, not a single number. The headline figure published in sports media — ‘five years, \$50 million’ — is useful as shorthand but misleading as economic description. The actual economics are determined by the allocation between guaranteed and non-guaranteed money, the structure of the signing bonus, the base-salary schedule across years, the roster-bonus and option-bonus provisions, and the incentives and escalators that condition additional payments on performance metrics. Reading a professional contract competently is the first step in managing the income the contract produces.

Guaranteed versus non-guaranteed money.

The single most important number in any professional contract is guaranteed money — the portion the athlete will receive regardless of injury, performance, or team decisions. Full guarantees are paid regardless of circumstance. Injury guarantees are paid if the athlete is released for injury. Skill guarantees are paid if the athlete is released for performance. Each type of guarantee has different trigger conditions and different protection levels.

League structures vary dramatically. NBA contracts are typically fully guaranteed for the entire term — a four-year \$80 million NBA contract means \$80 million will be paid. NFL contracts are typically only partially guaranteed — a five-year \$100 million NFL contract might have only \$30 to \$40 million fully guaranteed, with the remainder contingent on the player remaining on the roster. MLB contracts are typically fully guaranteed. NHL contracts are largely guaranteed subject to buyout provisions. MLS and other leagues use a mix.

For an NFL player with a \$100 million headline and \$30 million guaranteed, the honest preservation-planning number is \$30 million, not \$100 million. The additional \$70 million is optionality that may or may not materialize. Planning as if the full \$100 million is certain is how athletes end up over-committed on lifestyle, housing, and family obligations that cannot be unwound when the non-guaranteed portion does not arrive.

The signing bonus.

Signing bonuses are typically paid upfront or over a short schedule immediately after execution. They are fully guaranteed in most structures — the athlete receives the signing bonus even if the contract is

later voided for any reason. The signing bonus is the largest single cash event in most athletes' careers, and it is the event around which the most consequential tax and residency decisions cluster (covered in Chapter 11).

The signing bonus is also the funding source for initial wealth-management steps: the estate-planning documents, the initial investment portfolio, the retirement-account contributions, and the first meaningful allocations toward the preservation math described in Chapter 2.

Base salary and schedule.

Base salary is the year-by-year compensation schedule. In guaranteed-league contracts, base salary is reliably paid. In partially-guaranteed-league contracts (NFL primarily), base salary for non-guaranteed years is at-risk. Front-loaded and back-loaded schedules have different economics. A front-loaded contract pays more in the early years, which mathematically favors the athlete (time value of money). A back-loaded contract creates larger cap implications for the team in later years and may be more likely to trigger mid-contract restructuring or release.

Roster bonuses, option bonuses, and workout bonuses.

Supplementary payments tied to specific conditions populate most professional contracts. A roster bonus is paid if the athlete is on the roster on a specified date (often the start of the season or a specific league date). An option bonus is paid in exchange for the team exercising a contract option. A workout bonus is paid for participation in off-season training at a specified level. Each of these creates a conditional cash flow that the athlete should track separately from base compensation.

Incentives and escalators.

Incentives pay additional amounts for specified performance (games started, statistics, Pro Bowl selection, MVP voting). Escalators modify future-year base salary based on current-year performance. Incentives fall into two categories — 'likely to be earned' and 'not likely to be earned' — based on prior-year performance; this categorization affects salary cap treatment for the team but not payment for the athlete. Escalators can materially change the trajectory of a multi-year contract; an all-pro-season escalator can add \$5 to \$10 million to future-year base salary.

How contracts differ by sport.

Treating professional contracts as a single category is the most common conceptual error in athlete-finance discussion. The five major team leagues produce contracts with fundamentally different economics. What follows is the sport-specific reality behind the headline numbers.

NFL — PARTIAL GUARANTEES, VOIDABLE BACK YEARS.

NFL contracts are the most misleading as headline numbers. The '5-year \$100M' deal is typically 25-40 percent guaranteed at signing. The remainder is optionality the team can decline by releasing the player in years 3-5 with zero further liability. Signing bonus prorates across up to five years for Salary Cap purposes (Club accounting) but is fully paid to the player upfront. Restructures are

frequent: teams convert base salary into signing bonus to create current-year cap space, which guarantees additional money to the player in exchange for extending the cap hit. NFL athletes must plan lifestyle and obligations against the guaranteed portion only, not the headline.

NBA — FULLY GUARANTEED WITH MAX-CONTRACT MECHANICS.

NBA contracts are almost always fully guaranteed — a four-year \$80M deal means \$80M will be paid barring extraordinary conduct. Signing bonuses exist but are small (capped at 15 percent of first-year salary). Non-guaranteed and team-option final years exist but are exceptions. The distinctive mechanics are the max-contract and supermax rules tied to years of service (25 percent of cap for 0-6 years; 30 percent for 7-9 years; 35 percent for 10+ years), which create incentives to time contract signings around the service-year threshold. NBA players can plan lifestyle against full contract value with reasonable confidence, though injury and trade risk remain.

MLB — FULLY GUARANTEED WITH ARBITRATION AND NO-TRADE DYNAMICS.

MLB contracts, once signed at the Major League level, are fully guaranteed. The distinctive feature is the six-year path to free agency: three years of pre-arbitration (near-minimum salary), three years of salary arbitration, then unrestricted free agency. This produces the dramatic pay disparity between young stars (earning minimum) and veterans (earning \$20-40M per year). Signing bonuses on the free-agent side are often large and heavily deferred; the Shohei Ohtani \$700M / 10 year structure, with \$68M of the \$700M payable currently and the rest deferred, is an extreme but illustrative example. No-trade clauses in veteran contracts have material value and are actively negotiated. The draft-signing-bonus for amateur players is a separate negotiation under MLB slot-value system.

NHL — GUARANTEED BUT BUYOUT-PROTECTED.

NHL contracts are generally guaranteed but subject to buyout provisions that pay players less than full contract value in exchange for roster release. A two-thirds buyout for players over 26 (one-third for under 26) applies, with the buyout amount spread over twice the remaining contract years. Entry-level contracts (ELCs) for drafted players run three years at capped salaries with performance bonuses. The 50-50 revenue-sharing model and salary-cap system create frequent mid-contract restructuring dynamics. The NHL's cap-circumvention history has produced strict league review of contract terms; front-loaded deals receive particular scrutiny.

MLS — THE DESIGNATED-PLAYER EXCEPTION.

MLS salary economics are bifurcated. Non-designated players earn between the senior minimum (\$89,716 for 2024) and the designated-player threshold. Designated Players (up to three per team) earn significantly more, often in the \$5-20M range for major internationals. The season is shorter (34 regular-season games), the career is shorter than any other major league (average 3.2 years), and post-career healthcare and pension support is less extensive. MLS athletes typically face the most compressed version of the five-years-fifty-years-to-live math, with exceptions for Designated Players whose earning windows align with the NBA or NHL model.

These differences compound into dramatically different planning conclusions. An NFL running back with a \$15M headline and \$4M guaranteed needs different preservation discipline than an NBA guard

with a \$40M deal, 100 percent guaranteed. An MLB starting pitcher with six pre-arb years at minimum followed by arbitration-year raises needs different cash-flow planning than an NHL center on a front-loaded deal. The frameworks in this guide apply across sports; the specific numbers and structural decisions vary by league, and the League Comparison Matrix in Appendix D consolidates the key differentiators for quick reference.

The contract-reading discipline.

Most athletes never read their professional contract in full. The document is long, technical, and written in legal language designed to be unambiguous rather than clear. The better discipline is to read it twice: once with the agent walking through each provision, and once independently, paragraph by paragraph, with specific questions generated and directed to the agent or a second attorney. The athlete does not need to become a contract lawyer. The athlete does need to understand what he has signed, what each payment depends on, and what conditions could reduce or eliminate any portion of the headline figure.

NOTES

1. NFL contract provisions on guarantees and signing bonus: 2020 NFL Collective Bargaining Agreement, Article 4 (Uniform Player Contract); Article 9 (Signing Bonus and Salary Cap proration); Article 26 (Injury Protection); Article 27 (Forfeitures). Cap-accounting proration under Article 9 is a Club-side convention and does not affect Player cash flow timing.
2. NBA contract provisions: 2023 NBA Collective Bargaining Agreement, Article VII (Contract Guarantees); Article II (Uniform Player Contract); Article VIII (Option Clauses). Rookie-scale structure: Article VIII. Maximum-salary structure: Article II, Section 7; supermax provisions in Article II, Section 7(d).
3. MLB contract provisions: MLB Basic Agreement 2022-2026, Article VI (Salaries); Article VII (Schedule and Reserve); Article XIX (No-Trade Clauses); Article XX (Free Agency). Salary arbitration: Article VI, Section E. Draft signing bonus slot structure: Article XX and subsequent amendments.
4. NHL contract provisions: NHL Collective Bargaining Agreement, Article 11 (Standard Player Contract); Article 50 (Team and Player Salary Payroll Range System); Article 50.10 (Buyout). Entry-Level Contract provisions (Article 9) apply to drafted players in their first pro seasons.
5. MLS contract provisions: MLS Players Association Collective Bargaining Agreement (current agreement); Designated Player Rule in Roster Rules & Regulations (allowing up to three DP slots per club with charges to the budget capped at a specified level while actual compensation may exceed the cap).

FIGURE 10.1

Anatomy of a Professional Contract

Hypothetical 5-year \$100M NFL contract. Headline number versus the honest number.

Component	Amount	Guaranteed?	Notes
Signing bonus	\$15 M	Yes	Paid upfront; fully guaranteed.
Guaranteed base (Y1-Y2)	\$15 M	Yes	Contractually guaranteed portion of salary.
Roster bonus	\$5 M	Partial	Paid if on roster on specified date.
Non-guaranteed base (Y3)	\$20 M	No	At risk if released.
Non-guaranteed base (Y4-Y5)	\$30 M	No	At risk; often restructured or voided.
Incentives	\$15 M	No	Conditional on performance; not likely earned.
Total headline	\$100 M	—	Marketed figure; mostly optionality.
Honest preservation floor	\$35 M	Yes	Signing bonus + guaranteed base + half of roster bonus.

Headline: \$100M Honest preservation number: \$35M

The remaining \$65M is optionality. Plan lifestyle and family obligations against the guaranteed floor, not the headline.

Illustrative. Each league has different guarantee conventions; see Chapter 10 narrative for league-specific structuring.

DRAFT POSITION & FINANCIAL IMPACT

Where You Get Picked: The Largest Single Financial Decision Most Athletes Ever Make

Extends Chapter 10 (Reading Your Professional Contract). The pick number determines the rookie contract almost entirely. The CBA-driven rookie wage scales mean the difference between #1 overall and #32 overall is not negotiable — it is mechanical. The compounding effect across a four-to-five-year rookie deal can exceed \$30 million in guaranteed money. The decision to enter the draft, to return to school, or to invest aggressively in pre-draft preparation is therefore the largest single financial decision most athletes ever make.

NFL ROOKIE WAGE SCALE (2025-26 CBA)

Approximate NFL rookie-scale slot values. The cliff between the last pick of the first round (100% guaranteed, \$13.5M total) and the first pick of the second round (~75% guaranteed, \$8.5M total) is the steepest financial step in any professional draft. Athletes evaluating the draft should know this cliff to the dollar before declaring.

Pick	4-Year Total	% Guaranteed	Signing Bonus
#1 overall	\$45.0M	100%	\$26.0M
#5 overall	\$36.0M	100%	\$22.5M
#10 overall	\$26.0M	100%	\$15.5M
#20 overall	\$17.5M	100%	\$9.5M
#32 (last 1st rd)	\$13.5M	100%	\$7.0M
#33 (1st of 2nd rd)	\$8.5M	~75%	\$3.5M
#65 (3rd round)	\$5.5M	~25%	\$1.0M
#100 (4th round)	\$4.8M	~10%	\$700K
#200 (6th round)	\$4.3M	0% (slotted minimums)	\$200K
UDFA (undrafted)	\$3.4M (3 yrs)	0%	\$0 (waivable bonus)

NBA ROOKIE SCALE (2024-25 CBA, ROOKIE-SCALE PICKS)

NBA rookie-scale contracts apply only to first-round picks (1-30). The cliff at #31 is absolute: rookie-scale guarantee disappears, and second-round picks negotiate against league-minimum salary or two-way contracts. The first-round-vs-second-round difference exceeds \$14M across the rookie deal.

Pick	4-Year Scale Total	Year 1 Salary
#1 overall	\$57.0M	\$13.5M
#5 overall	\$45.5M	\$10.8M
#10 overall	\$33.5M	\$8.0M
#14 (last lottery)	\$25.5M	\$6.1M
#20 overall	\$20.0M	\$4.8M
#30 (last 1st rd)	\$16.5M	\$4.0M
#31 (1st of 2nd rd)	Min contract (~\$2.4M Year 1)	Not on rookie scale
#60 (last pick)	Min or two-way contract	\$0 guaranteed

MLB BONUS POOL SLOT VALUES (2025-26)

MLB's amateur draft uses bonus-pool slot values rather than rookie contracts. The signing bonus is the primary up-front payment; major-league salary follows on the standard rookie scale once the player reaches the majors.

MLB slots are negotiable; teams can pay over or under slot, but team-total bonus pools are capped. First-round selections receive the bulk of the bonus pool. The major-league pension and salary scale dwarf the bonus over a long career, but the bonus is the only money guaranteed at signing.

Pick	Slot Value	Notes
#1 overall	\$11.5M	Largest bonus in any sport draft
#10 overall	\$5.8M	
#30 (last 1st rd)	\$3.0M	
#60 (2nd rd)	\$1.5M	
#100 (3rd rd)	\$700K	
#300 (10th rd)	\$190K	Beyond 10th round, no slot value

POWER 4 COLLEGE NIL COMPENSATION BY POSITION

For context against the professional rookie scales above, the table below estimates annual NIL compensation for athletes at Power 4 conferences (SEC, Big Ten, ACC, Big 12) in 2024-25. NIL income comes from three sources — institutional revenue-share under the House settlement framework, collective payments funded by donors, and market endorsements — with the collectives historically driving the bulk of headline numbers in football and men’s basketball. Numbers vary widely by program, position, performance, and market dynamics; the figures here are illustrative ranges drawn from publicly reported deals and roster-valuation databases. Treat them as the shape of the market rather than as specific quotes.

Illustrative annual NIL compensation at Power 4 conferences for the 2024-25 season. Top tier represents conference-leading performers and marquee names; starter / mid-tier represents regular contributors; role player represents rotation and reserve athletes. The House-settlement framework adds an institutional revenue-share component on top of these numbers beginning summer 2025; the collective and endorsement components remain. Quarterbacks and premium-position skill players command the highest valuations in football; lead guards and star wings in basketball.

Sport / Position	Top tier (P4 stars)	Starter / mid-tier	Role player
Football: Quarterback	\$3M - \$10M+	\$750K - \$3M	\$100K - \$750K
Football: Wide receiver	\$1M - \$4M+	\$300K - \$1M	\$50K - \$300K
Football: Running back	\$500K - \$2.5M	\$200K - \$500K	\$50K - \$200K
Football: Defensive back	\$750K - \$4M+	\$250K - \$750K	\$50K - \$250K
Football: LB / Edge	\$750K - \$3M+	\$250K - \$750K	\$50K - \$250K
Football: Offensive line	\$300K - \$1.5M	\$125K - \$300K	\$30K - \$125K
Football: Specialists	\$75K - \$400K	\$30K - \$75K	Minimal
Basketball: Lead guard / star wing	\$1.5M - \$5M+	\$500K - \$1.5M	\$100K - \$500K
Basketball: Frontcourt / top forward	\$750K - \$4M+	\$300K - \$750K	\$75K - \$300K
Basketball: Other rotation	\$200K - \$750K	\$75K - \$200K	Minimal

Three takeaways for the draft-position decision. (1) Top NIL compensation at Power 4 programs now rivals or exceeds late-first-round rookie pay in the NBA and approaches mid-second-round NFL pay. The financial cost of returning to school is much smaller than it was before NIL, and in some cases the NIL income exceeds the marginal draft-position bump. (2) The collective share is taxable as 1099 self-employment income, not W-2 wages; planning for quarterly estimates and entity structure matters. See Chapter 8. (3) NIL income rarely carries the long-term security of a guaranteed rookie contract; one season of underperformance, transfer-portal disruption, or eligibility issue can evaporate the deal flow.

THE STAY-OR-DECLARE MATH

An athlete projected to go in the late first round (NFL #28 ~\$15M / 4 yrs, NBA #25 ~\$18M / 4 yrs) has a financial decision: declare now and lock the slot, or return to college, hope to improve draft stock,

and risk dropping. The asymmetric outcomes:

The asymmetric draft-stock decision. Returning creates upside (\$8.5M expected if rising) and downside (\$10M expected if injured). The expected value calculation depends on the athlete's honest probability assessment of stock movement — an assessment most athletes overstate on the upside and understate on the downside.

Scenario (NFL late 1st example)	4-Year \$	Net of Foregone NIL
Declare now (#28 lock)	\$15M	\$15M (foregone NIL at next school: ~\$1.5M)
Return → improve to #15	\$22M	\$22M + \$1.5M NIL = \$23.5M, net +\$8.5M
Return → flat at #28	\$15M	\$15M + \$1.5M = \$16.5M, net +\$1.5M
Return → drop to #45	\$8.5M	\$8.5M + \$1.5M = \$10M, net -\$5M
Return → injury, drop to UDFA	\$3.4M (3 yrs)	\$3.4M + \$1.5M = \$4.9M, net -\$10M

PRE-DRAFT INVESTMENT: THE HIGHEST-ROI FINANCIAL DECISION

An athlete with a projected late-first-round grade who improves combine performance enough to move into the top ten captures roughly \$25-40M of additional rookie-contract value. The cost of improving combine performance:

Pre-combine spend versus draft-stock upside. The ROI mathematics is overwhelming, yet athletes and their families routinely under-invest because the cost feels absolute against current cash flow rather than relative to the upside.

Pre-combine investment	Cost	Purpose
Elite training facility	\$20,000 - \$50,000	8-12 week program at EXOS, TEST Football Academy, IMG Academy, Bommarito, or Michael Johnson facilities.
Sports nutrition + meal plan	\$3,000 - \$8,000	Body-composition optimization across the pre-combine window.
Pre-combine medical evaluation	\$5,000 - \$15,000	Identifies and addresses any injury that might red-flag during team physicals.
Media and interview coaching	\$2,000 - \$5,000	Team-interview preparation; reducing 'wonderlic-type' concerns.
Total pre-combine investment	\$30,000 - \$80,000	Versus a potential \$25M-\$40M improvement in rookie-contract value from a draft-stock bump.

OFF-FIELD CONDUCT: THE QUIET DRAFT-KILLER

Most discussion of draft stock focuses on physical and performance metrics. The harder, less-discussed truth is that **off-field conduct in the eighteen months before the draft can move an athlete more than any combine performance.** Teams hire investigators. They interview high school

coaches, college position coaches, girlfriends' families, neighbors. The team-interview process at the combine is in part a structured exercise in finding red flags. Single incidents have moved first-round talents into the third round, the fifth round, or out of the draft entirely. The financial cost of a one-round drop is typically \$3M-\$15M; a multi-round drop is \$15M-\$50M; going undrafted on a player who should have gone in the first round can be \$30M-\$50M of rookie-contract value evaporated.

Off-field risk factors and their typical impact on draft position. The financial value at stake makes the eighteen months before the draft the highest-leverage period in an athlete's behavioral discipline.

Risk factor	What teams find	Typical draft impact
Drug-test failure (NCAA or pre-draft)	Failed test on file at school or via NFL/NBA pre-draft screen.	1-3 round drop; some teams remove the athlete from their board entirely.
Recreational drug use (history, not current)	Background interviews surface social-media posts, teammate accounts.	Half-round to one-round drop, more for repeat patterns.
Arrest or criminal charge (any)	Public record; team investigators verify outcome and severity.	Major drop. Felony or violent charges typically remove the athlete from many boards.
Domestic-violence allegation or charge	Public record plus background-investigator interviews.	Severe drop. Some teams categorically decline.
Social-media red flags	Posts about violence, weapons, drugs, women, money attitudes.	Cumulative drop of half-round to two rounds depending on volume and recency.
Trouble with high school or college coach	Discipline records, suspensions, eligibility issues.	Half-round to one-round drop; flags coachability concerns.
Academic-eligibility issues	Transcript review; failed-class patterns.	Quarter to half-round drop; flags discipline concerns.
Combine-interview red flags	Inability to articulate game knowledge, evasive answers about prior incidents.	Variable; reinforces or amplifies any prior concern.

The discipline that protects draft stock. Stay away from drugs entirely — not just hard drugs, all of them, including marijuana in jurisdictions where it is legal recreationally; the leagues still test, and teams still treat positives as red flags. Avoid situations that produce arrests — the bars, the after-hours, the friends from home who get into trouble. Audit your social media before the draft year begins; delete or privatize anything that can be taken out of context. Treat every interaction with media, coaches, and team representatives as if it will be in your file forever, because it will. Hire a media coach early enough that the polish is real, not rehearsed. The athletes who guard the eighteen months before the draft are protecting tens of millions of dollars of rookie-contract value.

LOSS-OF-VALUE INSURANCE: THE PRE-DRAFT HEDGE

An athlete projected as a top-five pick can purchase loss-of-value (LOV) insurance covering the difference between projected and actual draft slot, payable if the athlete suffers a covered injury during the protected period. Premium: roughly 0.5-1.0% of insured amount. A \$15M LOV policy on a projected \$40M contract costs \$75,000-\$150,000 in premium. The NCAA permits LOV premiums to be

paid from the Student Assistance Fund or by the athlete personally; the policy belongs to the athlete regardless. Combined with a Total-Disability policy (career-ending injury coverage), this is the pre-draft insurance package every projected top pick should carry through the bowl-game / NCAA-tournament window.

Practitioner takeaway: the draft slot is the largest financial event in most athletes' lives, and the decisions surrounding it — declare or stay, invest in pre-draft preparation, hedge with insurance — are the highest-leverage financial decisions in the five-year window. Most athletes and families underestimate both the magnitude of the slot difference and the ROI of pre-draft investment. The framework above puts honest numbers on both.

PREPPING FOR THE DRAFT

The Twelve-Month Cycle Before Your Name Gets Called

The draft is not a single weekend. It is a twelve-month process that begins the moment a player declares and ends the moment a contract is signed. Most athletes treat the period as the offseason of their last college year. The athletes who get drafted higher than projected treat it as a structured project with specific deliverables on a specific timeline. This section walks the calendar and the people involved.

The Calendar (NFL Example)

The NFL draft cycle runs January through late April; the NBA cycle runs March through late June. Both have the same structural beats: declare, sign with an agent, train at an elite facility, attend the league showcase events (Senior Bowl / Shrine Bowl / NFL Combine; G League Elite Camp / NBA Combine), perform at a Pro Day, take team-specific visits, sit through interviews, get drafted, and report to your team. The table below summarizes the NFL calendar.

Table P.1 — The NFL pre-draft calendar. The NBA cycle is similar but compressed (March G League Elite Camp, May NBA Combine, June Draft).

Window	Event	What happens
January 1-15	Declaration deadline	Underclassmen must declare for the NFL Draft by the announced deadline (typically January 15-20). Once declared, college eligibility is gone.
January 15-30	Agent selection	Player and family interview agent candidates. Sign with an NFLPA-certified contract advisor. Marketing rep separately if not bundled.
Late January	Senior Bowl / Shrine Bowl	Senior Bowl (Mobile, AL) and East-West Shrine Bowl (Frisco, TX) showcase top senior prospects in front of every NFL team. Invitations are by team selection.
February 1 - Combine	Pre-combine training	8-12 weeks at an elite training facility (EXOS, TEST, IMG, Bommarito, Michael Johnson Performance). Sport-specific drills, position drills, interview prep.
Late February / Early March	NFL Combine	Indianapolis. Approximately 320 players invited. Four-day medical, athletic-testing, position-drills, and interview event. Every NFL team is present.

Window	Event	What happens
March	Pro Day	Each player's college program hosts a private workout where the player can re-do or supplement combine performance. Teams attend at their discretion.
March - mid April	Top-30 visits	Each NFL team is permitted to bring up to 30 prospects to its facility for a one-day interview, medical, and meeting cycle. Travel and hosting paid by the team.
Late April	NFL Draft (Thursday-Saturday)	Round 1 Thursday night. Rounds 2-3 Friday. Rounds 4-7 Saturday. Pick announcements televised; players invited to attend in person or watch from home.
Post-draft (Saturday-Tuesday)	Undrafted free agency	Undrafted players are immediately eligible to sign with any team. The first 24-48 hours after the final pick are the highest-leverage UDFA contract window.
May	Rookie minicamp	Each team holds a rookie-only minicamp 2-3 weeks after the draft. Drafted players sign their rookie contracts before or shortly after.

Choosing an Agent

Agent selection is the highest-leverage decision an athlete will make in the calendar. The right agent negotiates the rookie contract correctly, structures endorsement opportunities, manages the pre-draft process logistically, and is the person whose phone rings when something goes wrong. The wrong agent costs real money and often costs a relationship that takes years to extract from. The athlete should interview three to five candidates and decide based on the criteria in the table below.

Table P.2 — Agent-evaluation criteria. Treat the selection like the multi-million-dollar professional services hire it actually is.

Criterion	What to ask / verify
Certification	NFLPA Contract Advisor or NBPA Agent in good standing. Verify on the union website. Ask about any prior disciplinary actions.
Roster of current clients	Ask for the full roster, not the highlight names. The bottom of the agent's roster is who you will be treated as.
Years of experience and rookie-contract track record	Ask specifically about contracts negotiated in the last three rookie classes. Get specific structures (signing-bonus split, guarantees, escalators).
Fee structure	NFL: capped by NFLPA at 3% of playing-contract value. NBA: capped at 4%. Endorsement fees typically 10-20% (separate). Confirm in writing what is and is not included.
Marketing capability	Does the agent or agency have an in-house marketing arm or a partner shop? Endorsement income depends on this. For a top prospect, this matters as much as the contract negotiation.

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