



NCAA DIVISION I PRESIDENTIAL FORUM

Sustainability and the Division I Collegiate Model

Feedback Review Guide

Purpose of this Review Guide: The NCAA Division I Board of Directors and Presidential Forum identified sustainability as it relates to the Division I collegiate model of athletics as a top priority, and the Board supports the Forum taking a lead role in recommending strategies and initiatives to protect and enhance intercollegiate athletics at the Division I level. Importantly, the Board of Governors also noted sustainability as an Association-wide strategic priority for 2020-2022.

Due to the scope of this project, Forum members are asked to collaborate with their conference commissioners, presidential boards and other conference governance groups to gather input to inform future recommendations. Because the Forum represents all Division I conferences, this type of approach has been useful in past initiatives the Forum has overseen and ensures an inclusive Division I membership voice.

This Review Guide accompanies the Briefing Document and offers questions in various categories to fuel discussion over the next six months. The questions are not exhaustive, as these conversations will inherently produce topics and queries not listed here, and that is as it should be. In addition, the categories, while separate at the outset, should be viewed as concentric circles in which discussion undoubtedly will overlap. The final set of recommendations will serve collectively to guide future decision making.

The questions are meant to get at the heart of the matter when possible. The Board of Directors and the Forum already have agreed that this review is not merely a cursory glance over “the idea of sustainability,” but an imperative project that can help provide direction for the future of the collegiate model. While sustainability has been broached in various manners in the past as a way to manage the rising costs of athletics, the COVID-19 pandemic has shone a brighter spotlight on the long-standing challenges related to sustainability, not only for intercollegiate athletics but for higher education in general. Discussions among Forum members and their conference colleagues will be critical in developing short- and long-term solutions that sustain the collegiate model now and in the future.

[NOTE: FEEDBACK IS REQUESTED BY MARCH 21.]

DISCUSSION AREAS

1. MEMBERSHIP REQUIREMENTS.

The Division I membership has grown over time, not only in number but in its diversity of institutions. Such diversity is an asset in many ways, as the breadth of perspective and opinion has produced checks and balances that benefit the division as a whole. However, that diversity as it applies to mission, resources, budgets, donors and fanbase expectations at times creates tension in governance, policy development and philosophy.

On paper, the collegiate model is meant to apply uniformly to all Division I members, but the sheer range of access to resources leads to some institutions perhaps perceiving the model differently than others, or at least being able to generate more success financially and in athletics competition. While that isn't necessarily a bad thing, the financial stress the pandemic has thrust upon higher education has led leaders at all Division I institutions to re-evaluate their operations, both overall and within athletics specifically.

OVERARCHING GOAL IN THIS AREA:

- **Determine whether the existing standards for Division I membership require changes to advance practices that sustain athletics opportunities for student-athletes.**

Question 1: The NCAA Division I Manual lists a number of commitments members must make to fulfill their membership responsibilities (e.g., commitments to amateurism, institutional control, sound academic standards, student-athlete well-being, etc.). In addition, the Manual includes the Division I Philosophy Statement, which calls for members to:

- Subscribe to high standards of academic quality, as well as breadth of academic opportunity;
- Strive in their athletics programs for regional and national excellence and prominence. Accordingly, the recruitment of student-athletes and the emphasis on and support of their athletics program are, in most cases, regional and national in scope;
- Recognize the dual objective in their athletics programs of serving both the university or college community (participants, student body, faculty-staff, alumni) and the general public (community, area, state, nation);
- Believe in offering extensive opportunities for participation in varsity intercollegiate athletics for both men and women;
- Sponsor at the highest feasible level of intercollegiate competition one or both of the traditional spectator-oriented, income-producing sports of football and basketball;
- Believe in scheduling their athletics contests primarily with other members of Division I, especially in the emphasized, spectator-oriented sports, as a reflection of the goal of maintaining an appropriate competitive level in their sports programs;
- Maintain institutional control over all funds supporting athletics; and
- Understand, respect and support the programs and philosophies of the other divisions.

Is the Division I Philosophy Statement still applicable given the current stressors being placed on intercollegiate athletics and higher education? If not, what should be modified? Should the philosophy statement be strengthened to emphasize athletics' integral relationship with higher education and the benefits thereof?

Question 2: Is there merit in potentially strengthening or prescribing minimum expectations in order to sponsor a Division I sport to include, for example, more required allocation of resources and programming to support health and safety? Should there be additional requirements regarding the financial commitment and/or compliance expectations for any Division I team?

Question 3: Is continuing to subdivide Division I based on football sponsorship the best approach to sustain the collegiate model? If not, are there alternatives?

Question 4: The pandemic has caused many Division I institutions to reconsider their varsity sport offerings. Division I currently requires members in the Football Bowl Subdivision to sponsor at least 16 sports and members in the other subdivisions to sponsor 14. Are these still the right minimums under the current circumstances? If not, what should the minimums be?

Question 5: Division I also requires a substantial commitment to providing athletics scholarships, with several sports being “fully funded” and others being funded through “equivalencies.” If the collegiate model were to be “re-invented” to fit today’s circumstances, would the current scholarship approach be retained or modified? If the latter, how would you suggest it be altered?

Question 6: More than 180,000 student-athletes participate in Division I athletics, with 34% receiving full athletics scholarships and 41% receiving partial athletics scholarships. Should more or less emphasis be placed on athletics scholarship offerings to students vs. providing the opportunities to play a sport at a Division I level?

Question 7: To what extent should the DI philosophy statement and commitments reflect participation opportunities in all sports, including Olympic sports? Should this role impact decision-making at the national, conference and local levels? If so, how?

Question 8: Schools in the Football Bowl Subdivision are required to demonstrate an average attendance of 15,000 for home football contests. Does this remain as an indication of a football program in “good standing” and thus a reflection of the collegiate model? If retained, should it be altered (i.e., increased or reduced)?

2. FINANCIAL CONCERNS.

Even before the COVID-19 outbreak, the NCAA Division I Board of Directors and the NCAA Board of Governors had identified sustainability of the collegiate model as among their strategic priorities. The ramifications of the pandemic – both on intercollegiate athletics and higher education in general – have only heightened the need to address this issue with a new sense of immediacy and vigor.

As the financial pressures on the enterprise intensify because of the increasing costs related to the administration of sport programs (e.g., increasing health and safety initiatives), it is imperative that Division I chancellors and presidents engage in a comprehensive and candid examination of all aspects of the Division I collegiate model in order to enhance the stability and long-term sustainability of Division I sport offerings and services.

In light of financial challenges facing higher education, intercollegiate athletics programs, like other campus units, must examine policies, practices and approaches consistent with fiscal stewardship that lead to long-term sustainability.

OVERARCHING GOAL IN THIS AREA:

- **Determine steps that can be taken to ensure the rate of spending in athletics is appropriate within the construct of the collegiate model and aligns with the rate of spending for higher education in general.**

Question 1: Most administrators in Division I athletics agree that to operate successfully it is necessary to invest in facilities, personnel, scholarships and recruiting. At times this need to invest leads to an “arms race” that if left unchecked could affect the premise and intent of the collegiate model. If nothing else, the ensuing chase certainly challenges institutions with fewer resources to “keep up.” What can be done to ensure spending in athletics aligns more closely with overall institutional spending?

Question 2: The pandemic has caused nearly everyone in athletics and higher education to rethink operations to be more efficient. What has been learned in the last six months that could benefit the collegiate model moving forward?

Question 3: The Division I revenue distribution model was recently reviewed in incorporate an academic component. Is it time for further review of the model given the current financial circumstances? If so, what are the primary concerns about the way revenues are currently distributed?

3. GOVERNANCE.

Since the NCAA federated its governance structure in the mid-1990s to let each division govern itself as it sees fit, Division I has occasionally revised its structure (most recently in 2013) to accommodate more representation or add efficiencies to the legislative process. As the Forum reviews the collegiate model, it is appropriate to revisit key elements of the division’s governance structure.

OVERARCHING GOAL IN THIS AREA:

- **Determine whether the existing governance structure should be modified to improve its effectiveness in meeting agreed-upon goals that sustain the Division I collegiate model.**

Question 1: University presidents and chancellors are the cornerstone of the collegiate model, with rightful oversight of the entire enterprise. Is there sufficient presidential leadership in overseeing the Division I collegiate model at the national, conference and campus levels? If not, what should be done?

Question 2: Is the student-athlete voice appropriately represented in governance and decision making at the national, conference and campus levels? If not, how can student-athlete representation be enhanced?

Question 3: In light of the representative governance model employed in Division I at the Board and Council levels in particular, are conference offices appropriately positioned to contribute effectively to the governance structure and thus enhance the collegiate model? Are there additional efficiencies that can be gained by cross-conference collaboration on not only policy issues but also conference services?

Question 4: With six years of experience with the autonomy and Council governance model, are changes needed to improve the functionality and effectiveness of the collegiate model?

Question 5: How can relationships with external influencers (i.e., the federal government) be improved to benefit the collegiate model?

Question 6: The review of the collegiate model will likely identify rules and policies that drive market trends and contribute to increasing costs. What can be done to more effectively manage budgets in the following areas? Should regulations or practices that contribute to increasing expenses be modified? Some specific regulatory areas include:

- Membership requirements (i.e., sports sponsorship and scholarship requirements).
- Playing and practice seasons, including length of seasons, number of competitions, scheduling requirements.
- Recruiting.
- Personnel who support sports.
- Maximum head count vs. equivalency team limits.
- Are there areas currently not regulated that should be considered?

Question 7: In light of the immediate challenges presented by the pandemic, a number of regulatory changes were made to provide increased flexibility to the membership and student-athletes. Should any of the changes introduced this year be considered for 2021-22 and beyond?

4. LEGAL FEES.

Schools, conferences and the NCAA as an entity have seen increasing third-party legal expenses as a result of more litigation related to athletics. These lawsuits can be unexpected, and the duration and outcome of litigation can be uncertain, sometimes resulting in significant judgments and payment of plaintiff attorneys' fees.

Schools and conferences have looked to the NCAA to incur legal expenses on behalf of all of its members and make any required payments for rules-related litigation. However, some in the membership are voluntarily incurring their own significant defense costs through the retention of counsel separate from the NCAA. Others in the membership have established no legal reserve or budget in anticipation of third-party legal expenses, leaving them exposed to financial stress when litigation arises.

In addition, the NCAA has faced increasing legal challenges around the outcomes of its waiver, enforcement and infractions matters, brought by institutions, coaches and student-athletes. Institutions are spending significant resources to retain counsel to challenge within the NCAA enforcement, infractions (and independent) structures.

OVERARCHING GOAL IN THIS AREA:

- **Determine whether steps can be taken to reduce athletics-related legal fees for the Division I membership and the NCAA overall.**

Question 1: Are there modifications to NCAA policies/legislation to more clearly state the risk and legal expense allocation among the NCAA, conferences and schools in the context of litigation?

Question 2: Are there modifications to NCAA policies/legislation in the waiver and enforcement/infractions areas that would retain fair processes but streamline them to reduce legal expense and to reduce legal challenges to outcomes?

5. PROGRAMS AND SERVICES.

In addition to revenue distribution, Division I members also benefits from programs and services the NCAA national office provides, but of course these services come with a budgetary impact.

The national office is currently engaged in making sure existing services are provided to membership as a priority while the national office – and all of higher education and intercollegiate athletics – grapple with the impact of the pandemic. It is envisioned that 2021 will present the opportunity for the Division I membership to offer perspectives related to national office services.

OVERARCHING GOALS IN THIS AREA:

- Consider immediate changes to assist with sustainability (including potential of areas of relief granted in 2020-21 that could carry over);
- Conduct a six-month initial feedback phase on broader and more systemic changes to assist sustainability; and
- Complete a comprehensive review of national office services in 2021.

Specific questions regarding this area will be framed once feedback is gathered.