



**REPORT OF THE NCAA
DIVISION II STRATEGIC PLANNING AND FINANCE COMMITTEE
MARCH 21, 2024, VIDEOCONFERENCE**

ACTION ITEMS.

1. Legislative Items.

- None.

2. Nonlegislative Items.

- **Division II Budget Requests for Fiscal Year 2024-25.**

(1) Recommendation. Approve the budget requests for the 2024-25 fiscal year (FY25), as noted below. The rationale for each request is listed alongside the amount requested.

Category	Budget Request	Amount	Description
Championships			
	Committee Expenses	\$3,366	One percent increase every three years per the Division II long-range budget.
	Game Operations	\$206,991	Three percent increase every three years per long-range budget.
	Per Diem	\$1,600,000	\$10 increase in per diem every three years per long-range budget, plus a \$10 increase recommended to match Division III (see Informational Item No. 4-c.)
	Travel	\$695,710	Each year, NCAA accounting provides an estimate on expected travel inflation for Division II championships travel. This amount reflects 5% increase, per long-range budget (conservative estimate), but will be

Category	Budget Request	Amount	Description
			updated once information from accounting is received.
	Triennial Enhancements	\$1,292,831	\$1,050,000 every three years per long-range budget. In addition, the Division II Presidents Council approved increasing this amount to \$1,500,000 for FY25. [See Attachment for breakdown of enhancements approved by sport.]
	Track and Field Assistant Clerk Officiating Fees	\$200	Part of the triennial enhancements that was missed when submitting budget information.
	Unused Triennial Allocation	\$207,169	The Division II Championships Committee requested leaving this amount (unused from the \$1.5M above) in reserves earmarked to championships for future championships initiatives.
Revenue Distribution			
	Conference Sports Sponsorship Fund	\$178,426	Three percent increase per long-range budget
	Institutional Equal Distribution Fund	\$59,475	Three percent increase per long-range budget
Initiatives			

Category	Budget Request	Amount	Description
	APPLE Training Institute and NCAA Inclusion Forum	\$10,500	Three percent increase every three years for travel and operational increases per long-range budget.
	Coaching Enhancement Grant	\$48,000	Increase to the Division II Diversity Grants, per long-range budget.
	Conference Strategic Priorities Fund	\$278,000	To increase the premium amount from \$4,000 to \$6,000 for each institution in a conference, per long-range budget.
	Drug Testing Enhancement	\$5,744	Two percent inflationary increase to pay for Division II's portion of the Drug Free Sport contract, per long-range budget.
	Identity Initiatives, Communications and Marketing	\$430,000	\$50,000 increase every three years, per long-range budget. \$50,000 for signage with new championships branding. A \$1,000 purchasing credit for each institution and conference every three years, per long-range budget.
	Identity Workshop	\$4,950	Three percent increase every three years for travel and operational increases per long-range budget.
	Leadership Conference	\$10,740	Three percent increase every three years for travel and operational

Category	Budget Request	Amount	Description
			increases per long-range budget.
	Mentor Program	\$5,000	Include expenses for one member of NCAA Division II staff to be selected per year as a mentee.
	Regular Season and Championships Media	\$165,000	Additional costs to produce Women's Volleyball semifinal and championship matches per the new ESPN agreement.
	SAAC Super Region Convention	\$25,000	Three percent increase every three years for travel and operational increases per long-range budget, in addition to an increase in fee for speakers.
	Strategic Alliance Matching Grant	\$127,000	Increases to the Division II Diversity Grants, per long-range budget.
	Additional Expenses to Division II	\$19,944	Per new NCAA constitution, starting in FY23, an annual review is conducted to validate additional Association service expenses that Division II pays for directly out of its 4.37 percent allocation. Three percent inflationary increase to this budget line item, per the long-range budget, in addition to \$15,000 added in FY24 with surplus.

Category	Budget Request	Amount	Description
	Fees for Management of Independent Contractors	\$41,194	Independent contractor fees to Knowledge Services
TOTAL		\$5,415,240	

- (2) Effective date. September 1, 2024.
- (3) Rationale. See explanation next to each category. Additionally, the recommendations must receive final approval by the NCAA Board of Governors at its August 2024 meeting. Division II's 4.37 percent allocation of new Association revenue for FY25 has not yet been determined by the NCAA finance staff.

The staff has used the increase projected in the Division II long-range budget that was approved in October 2023. While this increase is conservative, it will help with discussions regarding budget allocation until the final amount of the projected increase is communicated.

In addition, in August of 2023 [after submitting Fiscal Year 2023-24 (FY24) budget requests], Division II governance received information that the FY24 budget increase was \$1,336,270 more than originally noted (\$2,535,488 total new revenue for FY24 vs. \$1,199,218 known in March 2023). The additional dollars were added to the Division II reserve. Since the dollars remain unallocated, these dollars were added to the projected revenue so that the Strategic Planning and Finance Committee can discuss how to allocate these unallocated funds.

- (4) Estimated budget impact. \$5,415,240.
- (5) Student-athlete impact. None.

INFORMATIONAL ITEMS.

1. **Welcome and Announcements.** Strategic Planning and Finance Committee chair Julie Ruppert welcomed the committee and previewed the meeting agenda.
2. **Approval of December 2023 Division II Planning and Finance Committee Report.** The committee approved the December 2023 Planning and Finance Committee report, as presented.
3. **General Division II Budget.**

- a. **Division II Budget Guidelines and Principles.** The committee was provided with an overview of the Division II Budget Guidelines and Principles.
 - b. **Division II Budget-to-Actual as of February 29, 2024.** The committee reviewed the budget-to-actual report for the period ending February 29, 2024.
 - c. **Division II Long-Range Budget.** The committee was provided an overview of the Division II Long-Range Budget Assumptions document, which is intended to provide detail of each revenue and expense line item in the long-range budget, and any key assumptions used to create the projections within the long-range budget. This document is reviewed annually by the Strategic Planning and Finance Committee, Management Council and Executive Board. The committee is expected to have conversations in June regarding potential changes to the long-range budget, pending detail on additional revenue from the new media agreement with ESPN, as well as potential uses of the Division II reserves.
4. **Division II Championships Budget.**
- a. **Championships Budget Principles.** The committee was provided with an overview of Championships Budget Principles.
 - b. **2027-30 Championships Budgeting Timeline.** The committee received an overview of the 2027-30 championships budget timeline as approved by the Division II Championships Committee.
 - c. **Per Diem Increases.** The committee discussed a request from the Championships Committee to consider adjusting the current allocations to the long-range budget and increase per diem prior to the next scheduled increase.

The division had approved an increase to the Division II per diem to \$125 for FY25, in accordance with the Division II long-range budget. The next scheduled per diem increase for Division II (to \$135) would take place in the next triennial (2027-28 fiscal year).

However, the Championships Committee was informed during its February meeting that Division III agreed this past year to increase its per diem for the FY24 to \$125 (a year earlier than planned to intentionally spend down the Division III reserve), which is \$10 more than the Division II per diem in FY24. However, the committee was reminded that this past February, Division II sent a \$13,510 supplemental distribution to Division II schools, which Division III did not do.

Additionally, during its February meeting the Division III Championships Committee recommended additional increases over the next several academic years

(\$135 in FY25 and an additional \$5 every year after that through fiscal year 2027-28).

The committee agreed that the Division II per diem should not be lower than the Division III per diem. Accordingly, the committee recommended increasing the Division II per diem to \$135 in FY25 (the increase is noted in the fiscal year 2024-25 budget requests in the Nonlegislative Action Item). Further, the committee agreed to move to an annual review of per diem increases for purposes of the long-range budget, similar to the annual review of travel expenses.

- d. **Process to Add a New Division II Championship Once it Meets Minimum Sponsorship Requirements.** The committee was provided with an overview of a process approved by the Championships Committee to add a new Division II championship following the adoption of Proposal 2024-3, which reduced the minimum sponsorship numbers for Division II to offer a national championship. The committee agreed to review at a future meeting a potential update to the Budget Guidelines and Principles that would allow adding a new Division II championship once a sport meets the minimum sponsorship of 35 institutions outside the championships triennial budget process.
- e. **Discussion Regarding Division II Football Bracket Expansion.** The committee discussed a request from the Championships Committee to consider adjusting the championships triennial budget process to allow for expanding the Division II Football Championship bracket before the next triennium.

The committee noted that the triennial budget timeline for the championships budget has been in place for almost 10 years (since August of 2014) and has assisted the division in making strategic decisions that benefit all championships. This triennial cycle is intended to ensure a manageable approach to proposed championships adjustments. The triennial budget process does allow for certain exceptions. For example, it allows for budget requests with a gender equity or health and safety impact to be considered outside of the triennium. In addition, the committee is considering an additional exception to add a new Division II championship once a sport meets the minimum sponsorship of 35 institutions.

The committee reviewed the request from the Championships Committee and noted that the rationale for considering the bracket expansion outside of the triennial budget cycle did not meet the current exceptions of health and safety or gender equity. In addition, the committee did not believe there was strong or sufficient rationale to support an exception to the triennial budget process to allow the Division II Football Committee to recommend a bracket expansion outside the triennial budget cycle without creating precedent for other sports to bring similar requests outside of the cycle and diminishing the benefits of reviewing all sports within the same time frame. The committee also noted that the Football Committee

is discussing priorities for bracketing principles to provide for a more competitive bracket as part of a larger discussion regarding regionalization, and that there may not be enough funding for both options. The committee encouraged the Football Committee to continue its discussions on how to enhance the football championship in preparation for the next triennial cycle.

5. Division II Revenue Distribution.

- a. **Policies and Procedures.** The committee was provided with an overview of the Revenue Distribution policies and procedures, which include policies for the Conference Sports Sponsorship Fund, the Institutional Equal Distribution Fund, and the Supplemental Distribution.
- b. **February 2024 Supplemental Distribution.** The committee reviewed the most recent Division II supplemental distribution, which was sent to eligible Division II institutions on February 14.
- c. **April 2024 Conference Sports Sponsorship Fund and Institutional Equal Distribution Fund.** The committee previewed the allocations that will be sent to conference offices in the amount of \$5.94 million for the conference sports sponsorship fund. The committee also reviewed the equal distribution to active and eligible Division II institutions (278 total) in the amount of \$7,131 per institution. These funds are scheduled to be disbursed April 17.
- d. **Request From the Division II Conference Commissioners Association to Consider a One-Year Waiver Process for the Conference Sports Sponsorship Fund.** The committee received a request from the Division II Conference Commissioners Association to consider a one-year waiver process for the Conference Sports Sponsorship Fund when a conference falls below the minimum number of six institutions sponsoring a specific sport when the reason(s) for the conference falling below this minimum is based on unforeseen circumstances that are no fault of the conference office itself. The committee noted that this request had been reviewed and discussed by the previous Planning and Finance Committee, and the Planning and Finance Committee decided to make no change during its meeting in April of 2023. The committee does not believe that a waiver process would be a good change for this distribution as it would require implementation of a waiver process, policies and procedures, and subjective consideration of mitigating circumstances that are not ideal for a financial distribution.

The committee also noted that the Planning and Finance Committee had recommended a potential change in the distribution that would avoid manipulation of data or subjectivity of mitigating circumstances. According to this potential change, the distribution would be paid based on sports sponsorship two years prior to the distribution. The committee noted that this recommendation would create

a two-year delay in receiving funds for conferences that are working towards adding sports, so it was not supported by the conference commissioners.

The committee also noted that the Planning and Finance Committee had considered a one-year grace period to address concerns expressed by conference commissioners. The Planning and Finance Committee did not support this one-year grace period as it would require manipulation of financial distributions that were not supported by auditors. The committee directed the staff to ask the auditors what impact a grace period would have on the automated process. The staff will also ask if the auditors have any recommendations on a solution from their perspective. The committee will revisit the issue at a future meeting, following feedback from the auditors.

6. Division II Conference Strategic Priorities Fund.

- a. **Guidelines and Principles.** The committee received an overview of the guidelines and principles for the Conference Strategic Priorities Fund that were updated in December 2023. The document oversees the Conference Strategic Priorities Fund and provides the direction for how staff is to evaluate each conference's report.
- b. **Discussion Regarding Exemplary Enhancements.** The committee discussed whether the current Division II Conference Strategic Priorities Fund exemplary enhancements are still necessary and appropriate and was provided feedback based on discussion within the CCA. The committee agreed that based on the feedback received, there should be no changes to the Division II Conference Strategic Priorities Fund exemplary enhancements at this time.

7. **Division II Operating Plan.** The committee was provided with an overview of the draft Division II Operating Plan, as well as the feedback received from the governance structure on how these priorities can be implemented as part of the division's next strategic plan to be launched in January 2026. The committee noted that the focus of its September 2024 in-person meeting will be to review the feedback from the governance structure, which will continue through the summer.

8. **Review of the Division I Transformation Committee Final Status Report of Recommendations.** The committee reviewed items outlined in the Division I Transformation Committee report that affect Division II.

9. **Future Meetings.** The chair highlighted the future meetings of the committee:

- a. June 20 (1:30 to 3 p.m. Eastern time); videoconference.
- b. August 12 (1 to 4 p.m. Eastern time), videoconference.

- c. September 18, 2024, in person meeting, Indianapolis, Indiana.
- d. December 11 (2:30 to 4 p.m. Eastern time), videoconference.

Committee Chair: Julie Ruppert, Northeast-10 Conference
Staff Liaisons: Terri Steeb Gronau, Division II Governance
 Cara Hubert, Administrative Services
 Maritza Jones, Division II Governance
 Ryan Jones, Division II Governance
 Andrea Worlock, Administrative Services

Division II Strategic Planning and Finance Committee March 21, 2024, Videoconference
Attendees:
Joseph Arnold, Clark Atlanta University.
Peter Crabb, Northwest Nazarene University.
Alexis Devlin, Catawba College.
Curtis Janz, University of Arkansas, Fort Smith.
Colleen Perry Keith, Goldey-Beacom College
Brandi Laurita, University of Findlay.
Erin Lind, Northern Sun Intercollegiate Conference.
Robert Page, Slippery Rock University of Pennsylvania.
Pennie Parker, Rollins College.
Julie Ruppert, Northeast-10 Conference.
David Wilmes, Slippery Rock University of Pennsylvania.
Sandra Woodley, University of Texas Permian Basin.
Frank Wu, Queens College (New York).
Absentees:
None.
Guests in Attendance:
None.
NCAA Staff Support in Attendance:
Terri Steeb Gronau, Cara Hubert, Maritza Jones and Andrea Worlock.
Other NCAA Staff Members in Attendance:
Karen Kirsch, Angela Red and Jill Waddell.

**Division II Championships Committee
2024-27 Triennial Budget Recommendations**

ATTACHMENT

Sport	New Initiatives (Sport Committee Requests)	Amount
All	General championship enhancements	\$25,000
All	Preliminary round signage (25% increase)	\$18,690
All	Officiating fee increase (DIII + \$10)	\$26,040
All	Banquets (\$30 to \$50)	\$114,280
Baseball	Finals site format change to best of three series	\$44,330
Baseball	Super regional format change to three days	\$58,810
Baseball	Increase squad size (25 to 26) and travel party (29 to 30) by one	\$75,000
Basketball - M/W	Regional evaluator stipend (\$6,000 per gender)	\$12,000
Field Hockey	Increase bracket to eight teams (from six to eight)	\$85,000
Football	Increase officiating fees (from \$270 to \$325)	\$10,395
Football	Increase video evaluator fee (from \$110 to \$150)	\$1,080
Football	Increase alternate fees (from \$120 to \$200) and pay travel	\$28,000
Golf - M/W	Live scoring leaderboard at final site (\$10,000 per gender)	\$20,000
Golf - W	Increase regionals field size to 72 teams (from 48 to 72)	\$135,494
Lacrosse - M	Increase bracket to 16 teams (from 12 to 16)	\$135,000
Lacrosse - W	Increase bracket to 24 teams (from 16 to 24)	\$191,000
Soccer - M/W	Staggered start at final site	\$7,500
Soccer - M/W	Separation of third and quarterfinal rounds (Men's - \$35,028, Women's - \$25,244)	\$60,272
Softball	Additional cameras for video replay at final site	\$3,850
Swimming/Diving - M/W	Gifts for relay-only swimmers	\$6,200
Track - Indoor M/W	Set field sizes - updated request	\$29,000
Track - Outdoor M/W	Set field sizes	\$136,000
Volleyball	National coordinator of officials	\$17,500
Volleyball	Travel expenses for line judges	\$36,000
Volleyball	Increase game fee for line judges at final site	\$240
Wrestling	Independent video review	\$12,500
Wrestling	Increase officials fees by \$25 per session	\$3,650
	Allocated	\$1,292,831
	Remaining	\$207,169

Sport Committee Requests Not Recommended

All	Honorariums (20%)	\$42,420
All	Mementos (\$75 to \$100)	\$142,850
Basketball - M/W	DV Sport at regional sites (\$85,604 per gender)	\$171,208
Golf - W	Increase final site field size to 20 teams (from 18 to 20)	\$25,506
Softball	Increase squad size to 24, travel party to 30	\$306,000
Softball	Increase squad size to 22, travel party to 28	\$154,000
Swimming/Diving - M	Increase field size by 30	\$72,000
Track - Outdoor M/W	Four day outdoor championship; no increase to field size	\$187,590
Wrestling	Expenses for athletic trainer at final site	\$86,000

Division II Championships Committee
2024-27 Triennial Budget Recommendations

Items Rendered Moot by Recommendations Above

Field Hockey	Increase bracket to seven teams (from six to seven)	\$42,000
Football	Increase alternate fees (from \$120 to \$200)	\$2,160
Golf - W	Increase regionals field size to 80 teams (from 48 to 80)	\$178,494
Lacrosse - M	Increase bracket to 14 teams (from 12 to 14)	\$68,000
Lacrosse - W	Increase bracket to 20 teams (16 to 20)	\$95,500
Track - Indoor M/W	Set field sizes	\$46,000
Track - Outdoor M/W	Set field sizes - updated request option 1	\$96,000
Track - Outdoor M/W	Set field sizes - updated request option 2	\$85,000