



**REPORT OF THE NCAA DIVISION III
STRATEGIC PLANNING AND FINANCE COMMITTEE
MARCH 23, 2021, VIDEOCONFERENCE**

ACTION ITEMS.

1. Legislative.

- None.

2. Nonlegislative.

- None.

INFORMATIONAL ITEMS.

1. **Welcome.** The chair, President Troy Hammond, North Central College, called the videoconference to order at 12:02 p.m. Eastern time.
2. **Report from the November 19, 2020, Videoconference.** The committee reviewed and approved its report from November 2020.
3. **Winter 2021 PC/MC Summary of Actions.** The committee reviewed the recent recommendations and final actions by the Councils at the January 2021 meetings.
4. **Division III Strategic Plan.** Staff reviewed the 2020-21 Division III strategic plan that outlines the division's strategic priorities and assigns a dollar figure to each priority. During its June videoconference, the committee will review the outcomes of each priority for this year (e.g., accomplished, on-going, etc.). Since it is a budget planning year, the committee also will review, edit, and recommend the proposed 2021-24 strategic plan to the Management and Presidents Councils for final approval at their summer meetings.
5. **Division III Budget.** The committee reviewed the 2020-21 budget-to-actual summary as of February 2020. Staff anticipates the Division III revenue will be approximately \$29.8 million, 10% less than 2019-20. This reduction is due to ticket sales limited to 25% capacity for the Division I men's basketball championship. Regarding expenses, the budget forecasts \$12.5 million spent on spring championships. With the cancellation of winter championships, approximately \$8 million will move to the mandated reserve. Most Division III non-championship programs have either been delayed or moved to a virtual platform. Therefore, staff anticipates spending \$5.6 million on non-championship programs, exclusive of overhead. The bulk of the \$5.6 million supports the Strategic Initiative Conference Grant program (\$3.1 million) and the Division III diversity grants – Strategic Alliance Matching Grant, Women and Ethnic Minority Internship and Coaching Enhancement Grant (\$1.6 million).

Staff reviewed the future budget projections through 2031-32. With a recent decrease to next year's championships travel inflation rate (3.94 to 2.94 percent), the forecast is now showing an operating surplus through the final year of the next CBS/Turner contract (2031-32). For next year, \$25.7 million is allocated for championships and \$8.3 million for non-

championships in the base operating budget. The Councils have previously approved a supplemental spend of \$1.1 million.

The committee re-emphasized its priority to have a minimal surplus above and beyond the mandated reserve. It will continue its annual review of the budget and mandated reserve policy, adjusting adjust supplemental spend as dictated by favorable budget trends and forecasts.

6. Division III Proposed 2021-24 Initiatives.

- a. Non-championship budget. Staff reviewed the proposed non-championship budget recommendations for the next three years (2021-2024). The NCAA is currently negotiating an event cancellation insurance policy. The past two years, Division III has secured a \$5 million policy for \$41,000. With the impact of the COVID-19 pandemic, staff is aware that next year's event cancellation policy will be more expensive and will not include communicable disease protection. Staff anticipates providing event cancellation insurance options to the committee at the June videoconference.

Overall, the committee endorsed most non-championships budget items, including a grant proposal from the Division III Commissioners Association (DIICA) to increase its annual grant allocation to \$40,000. The increased funding will assist the DIICA in securing a partnership with the National Association of Collegiate Directors of Athletics (NACDA) to provide association management services, similar to services currently provided to the National Association of Division III Athletic Administrators (NADIIAA). Staff detailed the proposal to move 360 Proof, the division's alcohol education program to the NCAA Learning Management System and the Sport Science Institute. However, due to low usage numbers, the committee charged staff with finding additional budget savings.

- b. Championships. The committee received an update on the Division III Championships Committee's discussions and actions related to spring championships, formats, and selection criteria. It also reviewed an initial proposed championships budget for the next budget cycle (2021-24). The Championships Committee will prepare a final championships budget proposal for approval during the June videoconference.
- c. Division III Membership Dues. During the committee's November videoconference, one member requested a discussion on the need to suspend the Division III specific membership dues (\$1,100) in 2021-22 to assist institution's experiencing budget reductions due to the pandemic. The committee discussed the Division III membership dues and determined the positive financial impact (\$500 thousand) to the Division III budget, coupled with minimal requests to suspend, made it unnecessary to make any adjustments.

7. **Strategic Positioning Platform Working Group Reports.** The committee received an update from the Strategic Positioning Platform Working Group. The working group's charge is to review the current strategic positioning platform and ensure it aligns with the updated Association strategic plan. The working group noted its goal is to update the platform to better reflect Division III today and outline ways to leverage the platform for the membership. The working group anticipates updating the language and including contemporary survey data to bolster the "Reasons to Believe" statements. The committee endorsed the working group's review and noted that it will see the final recommendations during its June videoconference prior to review by the Management Council in July.
8. **Current Division III Initiatives with a Budget Impact.** Staff provided an update on the following Division III initiatives.
 - a. Student Immersion Program. The sixth annual Student Immersion Program was held virtually in conjunction with the NCAA Convention. Staff highlighted the positive feedback received from participants and mentors.
 - b. Athletics Direct Report (ADR) Institute. Staff shared the participant feedback from the virtual ADR Institute held in conjunction with the NCAA Convention.
 - c. New Commissioner Orientation. Staff noted the positive feedback from the participants of this year's orientation that was held virtually in early February.
 - d. New FAR Orientation. Staff shared the positive participant feedback from this year's virtual New FAR Orientation.
 - e. LGBTQ Recognition Award Program. The inaugural LGBTQ Recognition Award program was held virtually in conjunction with the NCAA Convention. Over 200 delegates watched the program. Staff also noted the nomination process is open for the 2021 recognition awards.
9. **Division III Strategic Initiatives Conference Grant Program.**
 - a. Conference Grant Review Subcommittee Members. Staff confirmed that Angela Baumann and Lori Mazza would continue their service on the subcommittee for another year. Adam Puckett will join the subcommittee.
 - b. Update on NCAA Audit Process. Staff updated the committee on the annually required audit process. Per the policies, the NCAA internal audit department successfully audited three conferences.
 - c. Review Grant Policies and Procedures. The committee reviewed the most up to date conference strategic grant policies and procedures.
 - d. COVID Grant Flexibility Actions. Staff highlighted the conference strategic grant

flexibility provided this year to assist conferences with the impact of the pandemic.

10. Hot Topics.

- a. Name, Image and Likeness. At the 2021 NCAA Convention, the Councils reaffirmed their commitment to providing name, image, and likeness (NIL) opportunities to Division III student-athletes at the first practicable opportunity. However, in light of input from the U.S. Department of Justice (DOJ) Antitrust Division regarding NIL legislation proposed in all three divisions, the Presidents Council withdrew Proposal No. 2021-1.

NCAA senior leadership continue to work with the current DOJ Antitrust Division to resolve any issues while it also waits for the U.S. Supreme Court ruling on amateurism that is expected in June. If there are no significant changes to the Division III proposal, staff believes that the Councils will adopt the proposal via noncontroversial legislation this summer to maintain the original effective date of August 1.

The committee also discussed the importance of the recent Virtual on the Hill initiative that requested all presidents and chancellors contact their members of the U.S. Congress to discuss NIL and the need for bipartisan federal legislation. With more states adopting NIL bills with vastly different regulations, it is important to have federal legislation that allows students to use their name, image, and likeness but simultaneously protects the amateur model. The committee noted the need for an organized advocacy campaign that includes presidents, chancellors, and student-athletes.

- b. Sexual Violence Campus Policy. In April 2020, the NCAA Board of Governors expanded the Association-wide policy on campus sexual violence to include individual accountability measures. To fully serve the membership in fulfilling this annual policy requirement, effective 2022-23, the Board of Governors directed the development of a membership task force to provide resources to assist members to establish implementation measures on campus. The task force includes members from all three divisions and shall work to develop operational guidelines, best practices and supporting documentation that campuses can use to implement the expanded policy.
Institutions are still required to attest by the May deadline in 2021 and 2022. The expanded policy will take effect with the May 2023 attestation. Staff noted that this year's Division III education session for the virtual NCAA Convention was on the campus sexual violence policy, and it is available on ncaa.org. The session shares more information about the policy and education best practices.
- c. Spring Championships. Staff noted that the Division III Championships Committee reviewed the recent spring championship declaration data. It was confirmed that all spring championships, apart from women's rowing, have enough membership

participation to conduct spring championships, per the policy adopted by the Championships Committee in 2020. The committee will revisit the rowing championship discussion during its April meeting. The Championships Committee wants to ensure every institution has a path to access this year’s spring championships. Since some of the reduced brackets (previously adjusted to 75%) only account for automatic qualifiers, the Championships Committee is considering increasing brackets to no more than 85%. The Strategic Planning and Finance Committee endorsed the bracket expansion, if appropriate, and resulting increased expenditures. The additional expenditures should not exceed \$1 million.

- 11. **Additional Business.** None.
- 12. **Future Meetings.** Staff will send an invitation to schedule the June videoconference.
- 13. **Adjournment.** The videoconference adjourned at 2:52 p.m. Eastern time.

Committee Chair: Troy Hammond, North Central College, College Conference of Illinois & Wisconsin

*Staff Liaisons: Mark Aiken, Administrative Services
 Eric Hartung, Division III Governance
 Louise McCleary, Division III Governance
 Jeff Myers, Academic and Membership Affairs
 Ali Spungen, Division III Governance*

| NCAA Division III Strategic Planning and Finance Committee March 23, 2021, videoconference |
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| Attendees: |
| Madeira Alexander, Salisbury University, Coast-To-Coast Athletic Conference. |
| Angela Baumann, Massachusetts State Collegiate Athletic Conference. |
| Chuck Brown, Pennsylvania State University Erie, the Behrend College, Allegheny Mountain Collegiate Conference. |
| Tom DiCamillo, State University of New York Athletic Conference. |
| Jason Fein, Bates College, New England Small College Athletic Conference. |
| Tiffany Franks, Averett University, USA South Athletic Conference. |
| Kiki Jacobs, Roger Williams University, Commonwealth Coast Conference. |
| Troy Hammond, North Central College, College Conference of Illinois & Wisconsin. |
| Robert Lindgren, Randolph-Macon College, Old Dominion Athletic Conference. |
| Lori Mazza, Western Connecticut State University, Little East Conference. |
| Adam Puckett, George Fox University, Northwest Conference. |

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| Dennis Shields, University of Wisconsin-Platteville, Wisconsin Intercollegiate Athletic Conference. |
| Kent Trachte, Lycoming College, Middle Atlantic Conferences. |
| Absentees: |
| None. |
| NCAA Staff Support in Attendance: |
| Mark Aiken, Eric Hartung, Louise McCleary, Jeff Myers, and Ali Spungen. |
| Other NCAA Staff Members in Attendance: |
| Marcell Diggs, Jarett Gerald, Laura Peterson, Brad Robinson, Adam Skaggs, and Jeremy Villanueva. |