



**REPORT OF THE NCAA DIVISION III STRATEGIC
PLANNING AND FINANCE COMMITTEE
NOVEMBER 19, 2020, TELECONFERENCE**

ACTION ITEMS.

1. Legislative Items.

- **None.**

2. Nonlegislative.

- **Division III Budget Cycle (2021-24).**
 - (1) Recommendation. Approve a one-time, three-year budget cycle for Division III (2021-24).
 - (2) Effective date. September 1, 2021.
 - (3) Rationale. With the impact of the pandemic, a flat revenue the next three years and the end of the current CBS/Turner broadcast agreement in 2023-24, the committee recommends a one-time, three year budget cycle (2021-2024) to best manage the division's budget.
 - (4) Estimated budget impact. None.
 - (5) Estimated student-athlete impact. None.

INFORMATIONAL ITEMS

- 1. Welcome.** The chair, President Fayneese Miller, Hamline University, called the teleconference to order at 10:32 a.m. Eastern time.
- 2. Report from the June 11, 2020, Teleconference.** The committee reviewed and approved its report from June 2020.
- 3. Spring 2020 PC/MC Summary of Actions.** The committee reviewed the recent recommendations and final actions by the Councils at the October 2020 meetings.
- 4. Division III Budget**
 - a. 2020-21 Budget Fact Sheet. Staff reviewed the 2020-21 budget fact sheet, located on ncaa.org, that details the division's annual revenue allocations for championships and nonchampionship initiatives and programs.

- b. Final 2019-20 and 2020-21 Budget-to-Actuals. The committee reviewed the 2019-20 final budget-to-actual summary. The division's revenue was reduced due to the cancellation of the Division I men's basketball championship. However, the division did receive its catastrophic insurance payout of \$5 million, so the final revenue was \$12.4 million. Championship expenses totaled \$12.5 million, with \$7.1 million total expenses for non-championships. Overall expenses for the year were \$19.6 million, less \$12.4 million in revenue, which equals a \$7.2 million deficit.

For 2020-21, staff anticipates the division's revenue will be 10% less due to the expectation that there will be no ticket sales for the Division I men's basketball championship. Many of the Division III nonchampionship programs have either been delayed or moved to a virtual platform, and consequently, staff anticipates spending \$6 million on non-championship programs, exclusive of overhead. The bulk of the \$6 million supports the conference grant program (\$3.1 million) and the Division III diversity grants (\$1.6 million).

With the cancellation of fall championships and the revised estimates for COVID-19 testing, staff anticipates spending \$21.1 million this year on winter and spring championships.

- c. 2020-21 Budget Cuts due to COVID-19. Staff highlighted two supplements that detailed the specific budget reductions in championships and nonchampionships.
- d. Future Budget Projections. The future budget projections through 2031-32 is showing a slight operating overage in the final year of the next CBS/Turner contract (2031-32). The committee's recommendations to reduce championship supplemental spend until 2023-24 and change the mandated reserve policy in 2024-25 to a flat \$15 million have positioned the division well to absorb the losses due to COVID-19 and manage the next three years, when the annual revenue is essentially flat.
- e. 2021-24 budget cycle. The committee discussed the pros and cons of moving to a three-year budget cycle. See Action Item.

5. **Championships Updates.** The Championships Committee chair provided an update on the committee's recent work. The committee affirmed that as long as conferences declare their intent to conduct winter sports with at least four core members and demonstrate a schedule that allows the automatic qualifier to meet minimum contest requirements, no waiver will be required if COVID-related issues either cause the conference to fall below the four-core-member threshold or prevent the automatic qualifier from meeting the minimum contest requirements.

The committee reviewed winter and spring sport sponsorship declarations going into the 2020-21 academic year as they are known to date and agreed to continue monitoring these numbers in order to base future bracket/field size decisions on the most accurate data possible. The mental health of student-athletes is at the forefront of the committee's decisions.

6. **Division III Nonchampionship Initiatives with a Budget Impact.** Staff provided an update on the following Division III initiatives.
 - a. 2020 New Athletics Director Orientation. The 2020 New AD Orientation was held virtually over two consecutive Wednesdays in June. The committee reviewed the participant's feedback, which was overwhelmingly positive.
 - b. 2021 Athletics Direct Report (ADR) Institute. The committee noted that approximately 21 ADRs will attend the virtual institute in conjunction with the 2021 NCAA Convention.
 - c. 2021 Student Immersion Program. The sixth annual Student Immersion Program will be held virtually in conjunction with the NCAA Convention. Forty-five students of color were nominated and selected by a subgroup of the Diversity and Inclusion Working Group.
7. **Conference Grant Updates.** Staff provided updates regarding changes to the conference strategic grant to address the impact of the pandemic. Changes were made to the rollover fund policy and staff has allowed greater spending flexibility between Tiers. Per policy, three conferences were randomly selected for a Level II audit.
8. **Association-wide Strategic Plan.** Staff detailed the Association-wide strategic plan released by the NCAA Board of Governors this fall. The committee also received an update on the creation of a Division III working group that will conduct a comprehensive review of the Division III Strategic Positioning Platform.
9. **Association-wide Updates.**
 - a. Name, Image and Likeness. At the 2021 NCAA Convention, the division will vote on NIL legislation to allow Division III student-athletes to use their status as student-athletes in the following settings:
 - (1) The promotion of their own work product or service (e.g., creative and academic endeavors, private athletic lessons, monetize social media platform(s), autographs, own business).
 - (2) The promotion of third-party products or services (e.g., brand ambassador, commercials, appearances, modeling).

Staff provided an update on the concept of third party administrators and how they could benefit institutions and assist with providing the market value for agreements. The NCAA has a working group overseeing the process to select a third party vendor. Staff also noted that federal and state legislatures are still discussing and introducing NIL legislation.

- b. COVID-19 resources. Resources are located on ncaa.org. The NCAA has released the Resocialization of Collegiate Sport: Developing Standards for Practice and Competition, Second Edition to update and extend previous guidance considering new and emerging information surrounding the COVID-19 pandemic. The document includes considerations specific to the prevention of community spread of COVID-19, reclassification of transmission risk of sport based on emerging information, and COVID-19 testing and masking for athletes, officials and other Tier 1 personnel.
 - c. Transgender student-athlete participation summit. The committee received an update on the recent Transgender Student-Athlete Summit co-hosted by SSI and the Office of Inclusion in early October. The summit, which included medical experts and divisional representation, looked at healthcare (physical/mental) for student-athletes who are gender transitioning, competitive equity, and inclusion. The summit didn't recommend a new testing paradigm (e.g. establishment of testosterone levels), but instead the NCAA will conduct additional research, collect data and develop core principles to share with the Board of Governors. The BOG is closely tracking on this issue as states are adopting laws that prohibit participation by transgender student-athletes.
 - d. Sexual violence prevention attestation requirements. The BOG has reaffirmed its expanded association-wide campus sexual violence policy and set the 2022-23 academic year as the new effective date for institutions to confirm they are following the expanded policy. According to the expanded policy, all incoming, current and transfer college athletes must disclose annually to their institution whether their conduct has resulted in discipline through a Title IX proceeding or a criminal conviction for sexual, interpersonal or other acts of violence. The policy also seeks their disclosure for any proceedings that are pending or were not completed. A failure by the athlete to accurately and fully disclose pending or incomplete hearings, a disciplinary action or criminal conviction may result in penalties, including a loss of athletics eligibility as determined by the institution.
10. **Additional Business.** The chair thanked the committee's outgoing members for their service.
11. **Future Meetings.** Staff will send an invitation to schedule the March and June teleconferences.
12. **Adjournment.** The teleconference adjourned at noon Eastern time.

Committee Chair: Fayneese Miller, Hamline University, Minnesota Intercollegiate Athletic Conference

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

NCAA Division III Strategic Planning and Finance Committee November 19, 2020, teleconference	
Attendees:	
Angela Baumann, Massachusetts State Collegiate Athletic Conference.	
Heather Benning, Midwest Conference.	
Chuck Brown, Pennsylvania State University Erie, the Behrend College.	
Tiffany Franks, Averett University.	
Kiki Jacobs, Roger Williams University.	
Robert Lindgren, Randolph-Macon College.	
Fayneese Miller, Hamline University, chair.	
Colby Pepper, Covenant College, SAAC.	
Dennis Shields, University of Wisconsin, Platteville.	
Kent Trachte, Lycoming College.	
Joseph Walsh, Great Northeast Athletic Conference.	
Absentees:	
David Ellis, Becker College.	
Lori Mazza, Western Connecticut State University.	
NCAA Staff Support in Attendance:	
Dan Dutcher, Mark Aiken, Eric Hartung, Louise McCleary, Jeff Myers and Ali Spungen.	
Other NCAA Staff Members in Attendance:	
Jarett Gerald, Liz Suscha and Jeremy Villanueva.	