

**REPORT OF THE
NCAA DIVISION III FINANCIAL AID COMMITTEE
NOVEMBER 11-12, 2019 MEETING**

ACTION ITEMS.

1. **Legislative items.**
 - None.
2. **Non-legislative items.**
 - None.

INFORMATIONAL ITEMS.

1. **Welcome and Introduction.** Outgoing members Stephanie Alford (Goucher College), Angel Mason (Berry College), Todd Moravec (Plattsburgh State University of New York), Charlie Robert (Nichols College) and James Schmidt (University of Wisconsin - Eau Claire) were recognized for their service.
2. **Review February 2019 report.** The committee reviewed and approved the report from its February 11-12, 2019 meeting.
3. **Appointment of committee chair.** Marybeth Lamb, Director of Athletics at Bridgewater State University, was appointed chair.
4. **Level I reviews.** The committee reviewed 30 cases. During the deliberations, members of the committee recused themselves as necessary in accordance with the committee's conflict of interest policy. On review, the committee took the following actions:
 - a. **Voted to take no action on the following 12 cases:**

- (1) 2007-2-02;
- (2) 2008-1-04;
- (3) 2010-2-03;
- (4) 2011-1-07;
- (5) 2013-4-01;
- (6) 2014-2-02;
- (7) 2018-1-02;
- (8) 2018-1-04;
- (9) 2018-4-01;
- (10) 2019-1-04;
- (11) 2019-1-05; and
- (12) 2019-1-06.

- b. Voted to take no action on case 2007-1-16 with the condition of an automatic Level I Review in the 2020-21 reporting cycle.**
 - c. Voted to refer the following 17 cases to a Level II review:**
 - (1) 2005-1-01;
 - (2) 2005-1-04;
 - (3) 2005-1-13;
 - (4) 2005-3-07;
 - (5) 2005-3-19;
 - (6) 2005-4-03;
 - (7) 2005-4-06;
 - (8) 2006-1-09;
 - (9) 2008-1-06;
 - (10) 2009-1-08;
 - (11) 2009-3-03;
 - (12) 2013-2-02;
 - (13) 2019-1-01;
 - (14) 2019-1-02;
 - (15) 2019-1-03;
 - (16) 2019-4-01; and
 - (17) 2019-4-02.
- 5. Graduate/Post-Baccalaureate transfer student-athlete cohort analysis.** The 2019-20 cycle of the Division III Financial Aid Reporting Program marks the first-time data on Graduate/Post-Baccalaureate transfer student-athletes was collected. See Attachment for the full report.

The committee reviewed the report and determined the following next steps:

- Staff will ensure the 2020-21 reporting cycle launch memorandum includes notice and instructions on the requirement to report the Graduate/Post-Baccalaureate transfer student-athlete cohort.
- In the 2020-21 review cycle, an institution that triggers a review based on their undergraduate cohort and has submitted a Graduate/Post-Baccalaureate transfer student-athlete cohort will have that information assessed along with the undergraduate cohort data.
- The committee will receive a report on the 2020-21 Graduate/Post-Baccalaureate transfer student-athlete cohort at their November 2020 meeting and consider implementing a review trigger related directly to the cohort.

- The committee suggested staff communicate directly with the 26 institutions that submitted the data in this reporting cycle with the reminder that compliance with Bylaw 15 (Financial Aid) is imperative as it relates to this group of student-athletes.
- The committee charged staff to develop additional educational materials to promote compliance practices related to Graduate/Post-Baccalaureate transfer student-athletes and Bylaw 15. The committee suggested revising the Division III Consistent Financial Aid Package Resource and to consider revisions to the Institutional Self-Study Guide. Further, the committee recommended potential educational programming at the Regional Rules Seminars.

6. Review of financial aid interpretive requests. Staff reported on the Bylaw 15 interpretive requests submitted with this calendar year. The two cases appealed to the Division III Interpretations and Legislation Committee were highlighted.

- a. Case 1048741 pertained to Bylaw 15.4.5 (Athletics Staff Involvement) where an athletics staff member was involved in organizing an applicant pool and determining program eligibility for a fellowship program, even though this individual was not involved in determining the recipients of the fellowship. The Division III Interpretations and Legislation Committee upheld the staff interpretation. This case originated with the Division III Financial Aid Committee's review of the institution and subsequent request for the institution to self-report the violation.
- b. Case 1067630 pertained to Bylaw 15.01.5 (Student-Athlete Financial Aid Endowments or Funds) where the institution uses endowments to fund the institutional grant program. The endowed scholarships, which may contain consideration of athletics participation, ability, performance or leadership, are used to fund institutional grants after those grants have been awarded to the student. The institution maintains this practice is not a violation since the criteria of the endowed scholarship is not matched to the student until after they have already been awarded the institutional grant. The Division III Interpretations and Legislation Committee upheld the staff interpretation.

Additionally, the Financial Aid Committee noted they have frequently reviewed Level II justifications where endowed scholarships are part of an institution's student financial aid program and in some cases, they found violations. The committee reaffirmed their position that regardless of how endowed scholarships are incorporated into the student financial aid program, they cannot consider athletics participation, ability, performance or leadership.

7. **Governance Update.** Louise McCleary, Managing Director of Division III, provided an update to the committee on a wide range of Division III and NCAA topics.
8. **Review of the National Association for College Admission Counseling (NACAC) Code of Ethics.** The committee discussed the recent changes to the NACAC Code of Ethics and the potential impact on compliance with Bylaw 15 for Division III institutions. NACAC is a member association for college admissions counselors of which many NCAA institutions are members. In September, NACAC voted to remove the following provisions from their Code of Ethics:
 - Colleges must not offer incentives exclusive to students applying or admitted under an early decision application plan. Examples of incentives include the promise of special housing, enhanced financial aid packages, and special scholarships for early decision admits. Colleges may, however, disclose how admission rates for early decision differ from those for other admission plans.
 - College choice should be informed, well-considered, and free from coercion. Students require a reasonable amount of time to identify their college choices; complete applications for admission, financial aid, and scholarships; and decide which offer of admission to accept. Once students have committed themselves to a college, other colleges must respect that choice and cease recruiting them.
 - Colleges will not knowingly recruit or offer enrollment incentives to students who are already enrolled, registered, have declared their intent, or submitted contractual deposits to other institutions. May 1 is the point at which commitments to enroll become final, and colleges must respect that. The recognized exceptions are when students are admitted from a wait list, students initiate inquiries themselves, or cooperation is sought by institutions that provide transfer programs.
 - Colleges must not solicit transfer applications from a previous year's applicant or prospect pool unless the students have themselves initiated a transfer inquiry or the college has verified prior to contacting the students that they are either enrolled at a college that allows transfer recruitment from other colleges or are not currently enrolled in college.

The committee identified three potential areas of concern:

- The committee noted that the early decision application plan is widely used by Division III institutions and is frequently used as a recruiting tool by coaches to leverage enrollment. Prior to the change in the code, institutions did not offer financial aid incentives for early decision applicants. With this provision removed, institutions may begin to introduce incentives such as enhanced financial aid packages or special scholarships to induce enrollment via the early decision plan.

The committee noted the potential of violations to Bylaw 15.4.1-(c), related to a distinguishable pattern of awarding that benefits student-athletes, Bylaw 15.4.1-(d), related to a significant differential between the proportion of student-athletes in the enrolling class and the proportion of institutional gift aid they receive, and Bylaw 15.4.5, related to inappropriate athletics staff influence in the financial aid process. The committee noted the current financial aid reporting program could detect these potential issues and stressed the importance of the obligation Division III institutions have to self-assess compliance with Bylaw 15.

- Prior to the change to the code, once students had committed to an institution, typically in the form of a deposit, other institutions would cease recruiting them. With this provision removed, the committee voiced concern that active recruitment by admissions departments, and potentially coaches, could continue into the summer months. They believe the post-May 1 recruitment could be accompanied by revisions to the original financial aid packaged offered by the institution. Whether this is initiated by the prospective student or by the institution, there is potential of violations to Bylaw 15.4.1-(c), related to a distinguishable pattern of awarding that benefits student-athletes, Bylaw 15.4.1-(d), related to a significant differential between the proportion of student-athletes in the enrolling class and the proportion of institutional gift aid they receive, and Bylaw 15.4.5, related to inappropriate athletics staff influence in the financial aid process. The committee noted that coaches' associations have their own code of ethics that would deter coaches from initiating these contacts, directing their concern more pointedly to admissions staff under pressure to meet enrollment goals. The committee voiced belief in the current financial aid reporting program to detect potential issues but again stressed the importance of self-assessment by the institution.
- Open recruitment of students currently enrolled at another institution was prohibited prior to the change to the code in September. The committee saw two possible ways this could lead to compliance issues with Bylaw 15. First, the institution actively recruiting the student enrolled at another institution could offer enhanced financial aid or special scholarships to induce their transfer. On the other hand, the institution where that student is enrolled could do the same to entice the student to remain. Either way, there is potential for the consideration of athletics participation in the determination of that financial aid or scholarship which is a violation of Bylaw 15. Further, there is the potential for a violation of Bylaw 15.4.5, related to inappropriate athletics staff influence in the financial aid process. The committee recognized the current Division III bylaws regulating transfer between NCAA institutions and, as in the issue identified above, directed their concern to admission staff under pressure to meet enrollment goals. They noted the importance of self-assessment on the part of both institutions involved.

The committee instructed staff to do the following:

- Discuss the potential impact of these changes to the NACAC Code of Ethics with Division I and Division II staff and consider correspondence to NACAC and, in turn, the NACAC membership. That correspondence would serve as a reminder to ensure compliance with NCAA Bylaws regardless of the policy decisions institutions may make in light of the changes to the code.
- Discuss the potential impact of these changes with other Division III Academic and Membership Affairs staff to ensure there is recognition that the change to the Code of Ethics could have impact on compliance to bylaws other than Bylaw 15.
- Develop and send correspondence on behalf of the Division III Financial Aid Committee to Division III member institutions reminding them of their obligation to compliance with Bylaw 15 regardless of the policy decisions they may make in light of the changes to the code.

9. Adjournment. The committee adjourned 11:05 a.m. Eastern time, November 12, 2019.

Committee Chair: Angel Mason, Berry College; Southern Athletic Association

Staff Liaisons: Eric Hartung, Research
Tiffany Alford, Academic and Membership Affairs

NCAA Division III Financial Aid Committee November 11-12, 2019 Meeting	
Attendees:	
Stephanie Alford, Goucher College; Landmark Conference.	
Marybeth Lamb, Bridgewater State University; Massachusetts State Collegiate Athletic Conference	
Paula Lehrberger, Widener University, Middle Atlantic Conferences	
Angel Mason, Berry College; Southern Athletic Association.	
Todd Moravec, Plattsburgh State University of New York; State University of New York Athletic Conference.	
Ron Noborikawa, Pacific Lutheran University; Northwest Conference.	
Charlyn Robert, Nichols College; Commonwealth Coast Conference.	
Larry Scheiderer, Denison University; North Coast Conference.	
James Schmidt, University of Wisconsin – Eau Claire; Wisconsin Intercollegiate Athletic Conference	
Kandis Schram, Maryville College; USA South.	
Jeffrey Stoudt, Franklin & Marshall College; Centennial Conference.	

Steve Taylor, Concordia University (WI); Northern Athletics Conference.
NCAA Staff Support in Attendance:
Eric Hartung and Tiffany Alford.
Other NCAA Staff Members in Attendance:
Louise McCleary.

Summary of the Division III Graduate/Post-Baccalaureate Transfer Student-Athlete Cohort from the 2019-20 Division III Financial Aid Reporting Program

Introduction

Division III rules, effective with the 2018-19 academic year, allow students who enrolled in a different Division III institution from where they completed their undergraduate degree to complete their available years of athletics eligibility at the new school while enrolled full-time in a graduate/post-baccalaureate studies program. Since these student-athletes are full-time, first-time enrollees at a Division III institution, they meet the definition for inclusion in the Division III Financial Aid Reporting Program. For the 2019-20 reporting cycle, a system was implemented to capture this information.

Definition of the Cohort

The final submission file for the Graduate/Post-Baccalaureate Transfer Student-Athlete Cohort will contain final financial aid package data on all full-time, first-time student-athletes entering the institution as graduate/post-baccalaureate students in the academic year requested. For example, the data file submitted for the 2019-20 reporting cycle included all full-time, first-time student-athletes that enrolled in a graduate/post-baccalaureate studies program at the institution in the 2018-2019 academic year.

Findings

Institutions	
Number Institutions Reporting Overall	442
Number Institutions Reporting Graduate/Post-Baccalaureate Transfer Student-Athlete Data	26
Public/Private Designation	5/21
Carnegie Classifications Represented	
Baccalaureate Colleges	6
Masters Colleges and Universities	15
Doctoral Universities	5
Number of Athletic Conferences Represented	20

Student-Athletes	
Number Graduate/Post-Baccalaureate Transfer Student-Athletes in Cohort	36
Range per Institution	1 to 3
Institutions per Frequency	
1 student-athlete	19
2 student-athletes	4
3 student-athletes	3

Number Student-Athletes by Sport	
Baseball	4
Men's Basketball	3
Men's Cross Country/Track	4
Men's Golf	1
Football	5
Men's Lacrosse	1
Men's Soccer	2
Men's Swimming	2
Men's Multi-Sport	1
Women's Basketball	3
Women's Cross Country/Track	3
Field Hockey	1
Women's Golf	1
Women's Lacrosse	1
Softball	1
Women's Soccer	1
Women's Swimming	2
Women's Tennis	1
Women's Volleyball	1

Financial Aid	
Number Graduate/Post-Baccalaureate Transfer Student-Athletes in Cohort	36
Number Received Institutional Gift Aid	12
Average Institutional Gift Aid	\$14,995
Range of Institutional Gift Aid	\$1,000 to \$34,000
Number Received Any Form of Gift Aid	16
Average Total Gift Aid	\$19,036
Range of Total Gift Aid	\$1,000 to \$86,233