NCAA Division I Proposal No. 2024-53
Division Membership – Revenue Guarantee – Revenue Distribution Formula – Women's Basketball Funds
Question and Answer Document
Last Updated: August 21, 2024

The NCAA Division I Board of Directors' decision to pursue implementation of a women's basketball performance fund – following the announcement of the new media rights agreement with ESPN – was an important step in the Association's ongoing work to support gender equity. The specific valuation of women's basketball within the new agreement positioned the NCAA Division I Board of Directors Finance Committee to recommend and the Board of Directors to sponsor NCAA Proposal No. 2024-53 for membership consideration at the January 2025 NCAA Convention. If adopted, the performance funds will reward conferences and team performance in the NCAA Division I Women's Basketball Championship in the same way Division I has been rewarded for participation and performance in the NCAA Division I Men's Basketball Championship for many years.

The following question and answer document is intended to assist Division I institutions and conferences with questions related to the development of the women's basketball distribution funds and the application of the legislation and distribution formula in preparation for the Division I membership vote.

Question No. 1: Why is a vote of the Division I membership required to establish the women's basketball distribution funds?

Answer: NCAA Division I legislation regarding the revenue guarantee and distribution formula are division dominant provisions. Any changes to division dominant legislation requires a two-thirds majority vote of all delegates present and voting at an annual or special Convention. The Division I membership will vote on the proposal on the afternoon of January 15, 2025, at the Division I business session at the NCAA Convention in Nashville. No virtual or proxy voting will be permitted.

Question No. 2: Will the women's basketball distribution include both an equal conference fund and a performance fund, like the men's basketball distribution?

Answer: Yes.

Question No. 3: When would the women's basketball distribution funds begin?

Answer: If adopted, teams would begin earning units for participation and performance in the 2025 NCAA Division I Women's Basketball Championship. The first payout (based on the 2025 championship) would occur the following year in 2025-26.

Question No. 4: How much money will be available for distribution in the women's basketball funds?

Answer: The available funds would begin at $15 million in fiscal year 2025-26 and increase to $20 million in fiscal year 2026-27 and $25 million in fiscal year 2027-28.

Question No. 5: How do the fund totals for women's basketball compare to the fund total for men's basketball?

Answer: The $15 million dollars that would be awarded in the first year of the fund will be 26% of women's basketball media revenue, which aligns with the percentage of media revenue awarded through the men's basketball funds when they were initially established.

Once fully funded at $25 million in 2028, the fund would represent 41% of the media revenue for women's basketball, while the men's fund in 2028 will represent 24% of the media rights revenue included in the men's basketball distribution funds.

Question No. 6: At what rate would the funds grow after the 2027-28 fiscal year?

Answer: The women's basketball distribution funds would grow at the same rate as all other Division I revenue distribution funds (currently about 2.9%).

Question No. 7: Can the fund totals and growth rate be revisited if future media contracts involving women's basketball are signed and/or significant revenues are realized?

Answer: Yes.

Question No. 8: Over what period would women's basketball units accumulate?

Answer: Three years.

Question No. 9: How many units are included in the funds?

Answer: The two funds include 132 total units. Each eligible conference receives one unit through the equal conference distribution fund and the remaining units are awarded through the performance fund.

Question No. 10: Does the adoption of the proposal to establish the women's basketball distribution funds impact the distribution formula for any other funds?

Answer: No.

Question No. 11: Would the women's basketball distribution funds be subject to reductions like other funds because of the proposed settlement of student-athlete compensation cases?

Answer: The Division I Board Finance Committee has not yet determined whether the women's basketball distribution funds would be subject to reduction. The committee will consider that question during its upcoming meetings.

Question No. 12: What is the estimated unit value for the women's basketball distribution funds?

Answer: See the chart on the following page for additional information regarding the estimated unit value through fiscal year 2031.

WBB Revenue Distribution Structure

Approved by BOGFAC & DIBODFC

Institutions will begin earning units in 2025 with the first distribution beginning in 2026.

The distribution will have two funds similar:

- Women's Basketball Performance Fund
- Women's Basketball Equal Conference Fund

Phased Approach to begin payout in 2026:

- **$15M 2026** (aligned with the MBB initial fund value as 26% of media revenue)
- **$20M 2027** (34% of the 2027 media revenue compared to MBB ECF + BPF of 24% in 2027)
- **$25M 2028** (41% of the 2028 media revenue compared to MBB ECF + BPF of 24% in 2028)

Fund to grow at the same rate as all other DI revenue distribution funds after 2028, roughly 2.9% annually.

Accumulate units over 3 years.

Description	FY26	FY27	FY28	FY29	FY30	FY31
WBB Distribution	$15,000,000	$20,000,000	$25,000,000	$25,725,000	$26,471,025	$27,238,685
WBB Units (BPF/ECF)	132	264	396	396	396	396
WBB Unit Value	$ 113,636	$ 75,758	$ 63,131	$ 64,962	$ 66,846	$ 68,785

Question No. 13: How will the unit values be calculated during the three-year ramp up period?

Answer: The chart below provides an example of how the unit values will be calculated and what the total payouts would be both during the three-year ramp up period and once the fund reaches full value in fiscal year 2028.

EXAMPLE ONLY

How the WBB DI Revenue Distribution Funds Will Work

Fully Funded in 2028 at $25M
Grows annually after 2028 at the same rate as all other DI Revenue distribution funds
Accumulates units over a 3-year period beginning with units earned in 2025
Units are earned in one year, and paid out the following year.

Description	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget	FY31 Budget	FY32 Budget
WBB DI Distribution Fund Value (ECF + BPF)	$15,000,000	$20,000,000	$25,000,000	$25,725,000	$26,471,025	$27,238,685	$28,028,607
WBB Units (BPF + ECF)	132	264	396	396	396	396	396
WBB Unit Value (Total)	$ 113,636	$ 75,758	$ 63,131	$ 64,962	$ 66,846	$ 68,785	$ 70,779

Payout Year

	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Earned in 2025	1	1	1	Rolls off after 3 years			
Earned in 2026	Earned	1	1	1			
Earned in 2027		Earned	2	2	2		
Earned in 2028			Earned	1	1	1	
Earned in 2029				Earned	3	3	3
TOTAL UNITS	1	2	4	4	6	4	3

	FY26	FY27	FY28	FY29	FY30	FY31	FY32
Unit Value (Total Funds Value ÷ Total Available Units)	$ 113,636	$ 75,758	$ 63,131	$ 64,962	$ 66,846	$ 68,785	$ 70,779
Total Earned Units (From Above)	1	2	4	4	6	4	3
Total Payout (Unit Value x Units Earned)	$ 113,636	$ 151,515	$ 252,525	$ 259,848	$ 401,076	$ 275,138	$ 212,338

Please note: Distributions will be calculated separately for ECF and BPF. Above is for illustrative purposes only, combining both funds into one value.