



MEMORANDUM

May 24, 2019

TO: Chancellors, Presidents and Commissioners | Division I Institutions and Conferences.
Directors of Athletics
Chief Financial Officer
Senior Compliance Administrators
Senior Woman Administrators
Selected NCAA Staff Members

FROM: Kathleen T. McNeely
Senior Vice President of Administration and Chief Financial Officer

SUBJECT: FY2019-20 NCAA Division I Revenue Distribution Information.

This memorandum provides an overview of the financial impacts to the FY2019-20 NCAA Division I Revenue Distributions, as a result of recent actions taken by the NCAA Board of Governors and the Division I Board of Directors. Please consider the following three factors, listed below, as your institution or conference prepares for the upcoming 2019-20 academic year. For additional information and resources, please visit the [NCAA Division I Finance webpage](#) located on [ncaa.org](#).

Factor 1:

On January 8, the NCAA Board of Governors Finance and Audit Committee and the Division I Board of Directors Finance Committee approved funding recommendations for the Commission on College Basketball reforms which totals \$16.2 million. The national office will access \$11.2 million of funding through increased revenue, as well as national office expense reductions. Five million dollars will come from the reduction of the DI Revenue Distributions.

On May 1, the Division I Board of Directors approved the recommendation from the Division I Finance Committee for a pro rata \$5 million base budget reduction of the Division I revenue distribution. This reduction will affect all funds, except for the academic performance fund, student-athlete opportunity fund and special assistance fund.

Factor 2:

In October 2016, the NCAA Division I Board of Directors and the NCAA Board of Governors approved an initiative to distribute a portion of Division I revenue to member schools based on the academic performance of student-athletes. The first distribution from the Academic Performance Fund will begin with the 2020 NCAA Division I Revenue Distributions. Funding is made possible by reallocating a portion of the total revenue distribution budgeted annual increases over a six-year period, beginning in 2020. Seventy-five percent of the annual increase will be used to build the academic performance fund.

Please reference the [NCAA Division I Revenue Distribution Budget for 2019-2032](#), located on [ncaa.org](#), for more information. For a budget breakdown by revenue distribution and conference, logon to [Single Source Sign-on](#) (NCAA My Apps) to access the report within the [Revenue Distribution system](#). From the homepage, click on the Revenue Distribution Resources link.

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Factor 3:

Four institutions were awarded Division I membership in FY2017-18. Per Bylaw 20.5.3, these four institutions will begin to receive sports sponsorship and grants-in-aid revenue distributions in the 2020 NCAA Division I Revenue Distributions cycle. This will reduce the unit value for sports sponsorship and grants-in-aid revenue distributions. However, please note the main variability is in the number of sports sponsored and grant scholarships awarded by each institution. The four institutions will also affect the unit values of the sports sponsorship and grants-in-aid portions of the student assistance funds (SAF/SAOF). Please reference the [2019 NCAA Division I Revenue Distribution Plan](#), located on ncaa.org, for more information on the revenue distribution calculation methodology.

Questions regarding the NCAA Division I Revenue Distributions should be directed to Andrea Worlock, assistant director of finance, at the NCAA national office at aworlock@ncaa.org or 317/917-6253.

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