



Independent Commission on College Basketball Presents Formal Recommendations

Remarks (As Prepared) by Dr. Condoleezza Rice

INDIANAPOLIS – April 25, 2018 – This morning, the independent Commission on College Basketball led by Dr. Condoleezza Rice presented its recommendations to address the issues facing men’s collegiate basketball. Dr. Rice and members of the Commission presented their findings to the NCAA’s Board of Governors, Division I Board and Presidential Forum, and Division II and III Presidents’ Councils of the NCAA.

Established by the NCAA Board of Governors, the Division I Board of Directors, and the NCAA President in October 2017, the Commission was tasked with assessing the state of the enterprise and recommending transformational changes to address multiple issues and challenges facing men’s college basketball. Commission members include the following individuals:

- Dr. Condoleezza Rice, Chair, Former Provost, Stanford University; 66th U.S. Secretary of State
- Mary Sue Coleman, President, Association of American Universities
- Gen. Martin E. Dempsey, U.S. Army, Retired; Chairman, USA Basketball
- Mark Emmert (ex officio), president, National College Athletic Association
- Jeremy Foley, Athletics Director Emeritus, University of Florida Athletic Association
- Jeffrey Hathaway, Vice President/Director of Athletics, Hofstra University
- Grant Hill, Owner/Vice Chairman, Atlanta Hawks
- Rev. John I. Jenkins, C.S.C., President, University of Notre Dame
- Mike Montgomery, Retired Basketball Coach, Analyst Pac-12 Networks and Westwood One Sports
- G.P. “Bud” Peterson (ex officio), President, Georgia Institute of Technology, Chair of NCAA Board of Governors
- David Robinson, Founder, Admiral Capital Group
- Kathryn Ruemmler, Former White House Counsel, Partner at Latham & Watkins LLP
- Gene Smith, Sr. Vice President and Wolfe Foundation Endowed Athletics Director, The Ohio State University
- John Thompson III, Board of Directors, National Association of Basketball Coaches

More information about the Commission and the full report can be found at www.basketballcommission.org.

Remarks by Dr. Condoleezza Rice (As Prepared)

The crisis in college basketball is first and foremost a problem of failed accountability and lax responsibility.

The Commission found that talking to the stakeholders was, at times, like watching a circular firing squad – the problem, the issue, and ultimately the fault was always that of someone else.

It is time for coaches, athletic directors, University Presidents, Boards of Trustees, the NCAA leadership and staff, apparel companies, agents, pre-collegiate coaches – and yes – parents and athletes -- to accept their culpability in getting us to where we are today.

The Commission has made a number of recommendations that are intended to revive and strengthen the collegiate model and give young men the opportunity to pursue both athletic and academic success. We are also recommending several steps to address the actual root cause of the problem – governance and leadership lapses among many who were charged with protecting the best interests of collegiate athletes. These are the people who are most responsible for giving them a chance to achieve a college education and a college degree – and have instead given in to the incentives to “win at all cost.”

That behavior has too often been ignored and inadequately punished. Throughout our work as a commission we heard too many times: “Everyone knew what was going on.”

The vast majority of people in college basketball – athletes, coaches, administrators and others - play fair and do the right thing. We applaud them and hope that our recommendations can help to level the playing field for those who do observe the rules.

It has been a pleasure to work with the members of this Commission, and I want to thank each of you for your fine service. I can tell you that the hours and hours of work and travel have been, for all of us, a labor of love. Each and every one of us loves the game. We love the dedication and the effort of the young men who play it. We marvel at their talents and skill – their perseverance and their commitment. We believe in the educational value of college sports.

The members of this commission come from a wide variety of backgrounds. Some among us played the game at the highest levels; others coached or led programs; others come from the realm of public service; and some of us are educators --- dedicated to teaching and learning as a way of life. That is why it has been painful for us to hear the testimony from multiple constituencies stating that the trust that is intercollegiate athletics in general – and college basketball in particular – has often been violated.

We thus offer these recommendations to try and get back on course. Some may disagree with the recommendations made here. Our focus has been to strengthen the collegiate model – not to move toward one that brings aspects of professionalism into the game.

We start from the belief that a young man whose talents allow him to play college basketball can benefit greatly from the experience. He has a chance to receive that prized possession in our economy and our society – a college degree. He will meet influential people who can mentor him throughout his life and who can help him to establish a career after graduation. His earning power over a lifetime could be as much

as \$1 million greater than a non-college graduate. Given that only 1.2% of college basketball players go on to play in the NBA and that the average NBA career is 4.5 years – the college degree is the real ticket to financial security for most student-athletes. For the exceptionally talented – a professional track may be the best choice – and the choice is always there for those who are fortunate enough to succeed in the NBA.

But the uniqueness of the opportunity that college basketball offers should not be underestimated or undervalued. One only has to think of the non-athlete whose family made tremendous sacrifices to send him to college and who works 20 hours a week and takes on loans that will need to be repaid over years and even decades in order to earn a college degree. The student athlete who fully takes advantage of this privilege will get a head start in life. And the college or university that truly provides that opportunity will fulfill its mission and its charge to educate and empower.

Our recommendations are detailed because the problems in college basketball are complex and the resolution of them requires precise remedies. This Commission has worked hard to devise these recommendations. You can be sure that we will continue to be involved as key regulatory bodies undertake their work to implement these changes.

The current sad state of college basketball did not appear overnight and it will not be repaired quickly. We know that there are many who argue that the problems facing college basketball are just too hard to solve. We strongly disagree. College basketball is too precious – and the fate of the young men who play it is too important --to **not** get it right.

This work will not be easy, but we need to make a start – and a bold one -- to turn the ship in the right direction. For the good of all involved, we need to put the “college” back in college basketball.

Now, to the recommendations, which come in four strategic areas.

Our first group of recommendations focus on creating realistic pathways for student-athlete success.

First, we must separate the collegiate track from the professional track by ending one-and-done. We call on the NBA and the NBPA, who exclusively have the power here, to once again make 18-year-olds eligible for the NBA draft so that high school players who are drafted may proceed directly to the NBA. Should the NBA and NBPA decide not to do so – the Commission will reconvene and consider other measures, including freshman ineligibility and/or the “lock-up” of scholarships for a specified period of time.

Elite high school players with NBA prospects and no interest in a college degree should not be “forced” to attend college, often for less than a year. The one-and-done regime may have provided some benefits for the NBA and NCAA in the past, but the downsides now outweigh the benefits. These uniquely talented elite players are the focus of agents, apparel companies, investment advisors, college coaches and others seeking to profit

from their skills. If these players are allowed to turn professional, some of the pressure on the collegiate model will be reduced.

The Commission also recommends that student-athletes be able to test their professional prospects and maintain eligibility if they do not sign a professional contract. We believe high school and college players who declare for the draft and are not drafted should remain eligible for college basketball unless and until they sign a professional contract.

Elite high school and college basketball players tend to misjudge their professional prospects. Erroneously entering the NBA draft is not the kind of misjudgment that should deprive student-athletes of the valuable opportunity to enter college or to continue in college while playing basketball.

We can't, however, do this alone. The NBA and NBPA must act in order to make this recommendation work. Players today who enter the draft and are not drafted are free agents under the NBA's current rules and can sign with an NBA team at any time. The Commission is now requesting that the NBA and NBPA agree that players who are not drafted, and then return to school, lose their eligibility to play in the NBA until they re-enter through the next draft.

I want to note that the Commission seriously considered, but is not recommending, the NBA's and NBPA's adoption of a version of the "baseball rule" which would make student-athletes who attend college ineligible for the draft or the G League for two or three years. By requiring students who choose the collegiate path to make a long-term commitment to their education, the baseball rule increases the number of student-athletes who ultimately earn degrees. However, it would also keep collegiate players ready for the NBA in school against their will, where they will be potentially disgruntled magnets for corrupt money and the undermining of the collegiate model. Players with professional earning power should be able to choose a professional path. The Commission's additional recommendations will make it easier for them to return and complete their degrees.

The Commission believes student-athletes must have the information they need to understand their real choices and be better positioned to take advantage of either the collegiate or professional path they choose. Players should be able to receive meaningful assessment of professional prospects earlier with assistance from certified agents. If NCAA rules do not allow them to receive that advice openly, they will often seek it illicitly.

We recommend that the NCAA and its member institutions develop strict standards for certifying agents and allow only those NCAA-certified agents to engage with student-athletes at an appropriate point in their high school careers as determined by the NCAA. The NCAA should appoint a Vice-President level executive who, among other responsibilities, would develop these standards and administer this program.

We further recommend that the NCAA incentivize better behavior from agents by decertifying any agent who participates in an NCAA rules violation and also deeming any student-athlete who enters into an agreement with a non-certified agent ineligible. We

again call on the NBPA to work with the NCAA to report to each other agents' violations of their respective rules.

The Commission also believes in the provision of resources to make the promise of a college education real. We recommend that the NCAA immediately establish a substantial fund and commit to paying for the degree completion of student-athletes with athletic scholarships who leave member institutions after progress of at least two years towards a degree. Many member institutions already provide degree completion programs, but the NCAA rules should standardize this offering, and the NCAA must provide the necessary funds to schools that cannot afford this. This will be expensive, but it is necessary to restore credibility to the phrase student-athlete.

I want to take a moment to address the issue of allowing student athletes to earn some financial benefit from the marketing of their name, image, and likeness. I know this is an issue on the minds of many, and the Commission thought long and hard about this. In the end, we respected the fact that the legal ramifications of NCAA action on name, image, and likeness are currently before the courts. We don't believe that the NCAA can legislate in this area until the legal parameters become clearer. That said, most Commissioners believe that the rules on name, image, and likeness should be taken up as soon as the legal framework is established. It is hard for the public, and frankly for me, to understand what can be allowed within the college model – for the life of me I don't understand the difference between Olympic payments and participation in Dancing with the Stars – and what can't be allowed without opening the door to professionalizing college basketball. Personally, I hope that there will be more room in the college model today for this kind of benefit to students without endangering the college model itself. And let me just say that I hope Arike wins Dancing with the Stars.

The Commission's second strategic area of recommendations focuses on establishing professional and neutral investigation and adjudication of serious infractions, and holding institutions and individuals accountable.

First, the NCAA should create independent investigative and adjudicative arms to address and resolve complex and serious cases involving violation of NCAA rules. As of now, volunteers who are members of fellow NCAA member institutions resolve these cases, and during our Commission testimony not a single stakeholder supported the current system for handling high-stakes infractions. Today's current state where an entire community knows of significant rule breaking and yet the governance body lacks the power or will to investigate and act breeds cynicism and contempt.

To restore credibility to this process, the investigation, enforcement and resolution of high stakes cases must be placed in the hands of independent professionals. A panel of professional adjudicators, appointed for a term of years, must make final and binding decisions and must have the authority to impose substantial punishments, including the loss of post-season play and the revenues from post-season play.

The Commission further recommends a number of changes in the NCAA's penalty structure.

Currently, the rewards for violating the rules far outweigh the risks, and we recommend significant increases in the penalties imposed on institutions and individuals for violations of NCAA rules to reverse this calculation.

We recommend the following increases in the core penalty structure:

1. Increase the competition penalties for Level I violations to allow a five-year post-season ban, including the NCAA tournament.
2. Increase the financial penalties for Level I violations to allow loss of all revenue sharing in post-season play, including revenue from the NCAA tournament.
3. Increase the penalties for a show-cause order to allow bans of more than one season
4. Increase the restrictions on head coaches to allow bans of more than one season; and
5. Increase the penalties for recruiting visit violations to allow full-year visit bans

Today, there is simply no significant risk to a member institution if they choose to employ an individual who is under a show cause order.

To address this weakness, the Commission recommends that member institutions that employ a coach or athletic director under a show cause order for a previous violation of NCAA rules be subject to significantly increased penalties if that individual's program re-offends, up to and including a ban of up to five years from post-season tournaments, including the NCAA tournament.

Relatedly, the Commission recommends a significant expansion in individual accountability for rules violations for coaches, athletic directors, and college presidents. We recommend that the NCAA amend its rules to require colleges to include in the employment contracts of administrators and coaches' individual contractual obligations to cooperate with NCAA investigations, including financial disclosure, and individual agreement to submission to NCAA enforcement proceedings, decisions and discipline – up to and including discharge. A failure to cooperate should trigger penalties – up to and including a five-year ban on participation in the tournament and loss of revenue.

Moreover, the Commission recommends that the NCAA enact a rule requiring college and university presidents, coaches, and athletic directors to certify annually that they have conducted due diligence and that their athletic programs comply with NCAA rules.

Finally, the Commission recommends that the NCAA revise and clarify its role in addressing academic fraud or misconduct by member institutions and make application of those rules consistent.

The NCAA must have jurisdiction to address academic fraud and misconduct to the extent that it affects student-athletes' eligibility. Member institutions can no longer be permitted to defend a fraud or misconduct case on the ground that all students, not just athletes, were permitted to "benefit" from that fraud or misconduct.

The Commission's third strategic area of focus relates to mitigating non-scholastic basketball's sometimes harmful influence on college basketball.

The corruption we observed in college basketball has its roots in youth basketball. Put frankly, youth basketball in this country is ungoverned space. There are good programs – but there are too many that condone illicit behavior.

The Commission recommends the NCAA take short and long-term actions to reform non-scholastic basketball and disassociate itself and its member institutions from the aspects of non-scholastic basketball where transparency and ethical behavior cannot be assured. We believe non-scholastic basketball must be reformed by making its finances transparent.

In the short term, we recommend the NCAA promptly adopt and enforce rigorous criteria for certifying the non-scholastic basketball events that its coaches attend. To certify a non-scholastic basketball event, the owners, event operators, sponsors and coaches for the event must agree to financial transparency.

Turning to the apparel companies, it is time that the money flowing from apparel companies and other third parties into non-scholastic basketball be disclosed and accounted for in order to address the corruption we see in the sport.

The Commission today calls on the apparel companies to significantly increase their transparency and accountability efforts. These are public companies. It appears to us, however, that apparel companies may not have effective controls in place for their spending in non-scholastic basketball. These public companies should be concerned about how their money is being used. I have served on quite a few public boards, and I can tell you, this should be an area of concern.

Today the Commission is sending letters to the boards of directors of the major apparel companies calling on their boards to publicly support and implement financial transparency and accountability for all of their employees – and those who seek to act on behalf of the apparel companies in non-scholastic basketball.

With respect to the longer term, the Commission recommends that, with a goal of 2019, the NCAA work with USA Basketball, the NBA, the NBPA and others to establish and administer new youth basketball programs.

That development would include not only basketball, but also academic and life skills, health and collegiate eligibility. One centerpiece of this program would be NCAA-administered regional non-scholastic basketball events in July that would be the only ones that NCAA coaches attend in that crucial recruiting month.

But the NCAA and NCAA coaches should no longer associate with non-scholastic basketball events that are not financially transparent and otherwise compliant with NCAA requirements regardless of when they are held. The Commission also endorses and recommends adoption of a number of rule changes recommended by the National Association of Basketball Coaches and other organizations to reduce the influence of third parties and increase the ability of college coaches to interact with recruits and current players. These rule changes can be found in the full report we are releasing today.

The Commission's final area of strategic focus centered around the governance structure of the NCAA.

It is clear for all to see that current structure and system simply isn't working. The Commission recommends that the NCAA restructure its highest governance body, the Board of Governors, to include at least five independent public members with voting rights, and who have the experience, stature and objectivity to assist the NCAA in re-establishing itself as an effective leader and regulator of college sports. One of these public members should also serve on the NCAA's Executive Board.

Like public companies, major non-profit associations, indeed universities themselves, usually include outside board members to provide objectivity, relevant experience, perspective and wisdom. The Commission will make independent board member recommendations to the NCAA to assist in its assembling a first-rate list of candidates.

I've just summarized our recommendations, but the full report can be found on the Commission's website.

In closing, we must remember why we are all here. It is clear the NCAA has often failed to carry out its responsibility to maintain intercollegiate athletics as an integral part of the educational program and the athlete as an integral part of the student body. But the NCAA is not really Indianapolis. It is the sum total of its member institutions.

When those institutions and those responsible for leading them short-circuit rules, ethics and norms in order to achieve on-court success, they alone are responsible. Too often, these individuals hide behind "Indianapolis" when they are the ones most responsible for the degraded state of intercollegiate athletics, in general, and college basketball in particular.

When we assembled as a Commission, we knew our work would not be easy. But we also knew this work was too important **not** to get it right. The problems facing college basketball can't and won't be solved overnight. But future generations of student-athletes are counting on us all.

The people who can truly solve these problems are right here in this room. And we, as a Commission, call upon you to do so.

On behalf of the Commission, let us all remember why we became educators. Let us all remember why we became coaches and administrators. And let us never forget our duty to the students we are here to serve.

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