



**REPORT OF THE
NCAA BOARD OF GOVERNORS
JANUARY 17, 2018
MEETING**

ACTION ITEMS.

- None.

INFORMATIONAL ITEMS.

- 1. Welcome and announcements.** NCAA Board of Governors chair President Bud Peterson convened the meeting at approximately 1:30 p.m. and welcomed the Governors to Indianapolis. NCAA staff confirmed that a quorum was present. Because they were participating in their last meeting, President Peterson recognized the following members with gifts of appreciation: President Alan Cureton, Dr. Gary Gray and Dr. Brit Katz. President Peterson also congratulated Dr. Gray on his appointment as the new director of athletics at East Stroudsburg University.
- 2. Consent agenda.** By way of a consent agenda, the Board of Governors approved the report of its October 24, 2017, meeting, and the appointment of Lindsay Reeves, director of athletics at the University of North Georgia, as the Division II Management Council representative on the NCAA Board of Governors Student-Athlete Engagement Committee.
- 3. NCAA president's report.** President Mark Emmert provided a summary of his views on the current work of the Commission on Men's Basketball. The Governors discussed a tentative evaluation and implementation process to carry out the recommendations of the Commission. The Governors expressed a commitment to moving swiftly to address the Commission's recommendations.
- 4. NCAA Student-Athlete and Engagement Committee.** Alaina Woo, committee chair, reported to the Board of Governors on the work of the committee to date. Woo noted that the committee discussed the referral from the Board of Governors and the consensus was that student-athletes have become leaders and are very much engaged in the issue of sexual violence awareness and prevention on their campuses. The committee agreed that recognizing excellence in programs and student-athlete leadership in this area is important and could be significant in continuing to raise awareness. The committee will continue to explore possible options for recognition. Woo also informed the Governors that mental health and social justice/activism are two topics in which the committee would like to engage.
- 5. NCAA Board of Governors Finance and Audit Committee report.** In the absence of the chair, NCAA Senior Vice President of Administration and Chief Financial Officer Kathleen McNeely provided a report of the Finance and Audit Committee's December 18, 2017, video conference.

- a. **First quarter fiscal year 2017-18 budget-to-actual.** McNeely briefly reviewed the budget-to-actual report of revenues and expenses included in the meeting materials and noted that there are no major variances from the prior year, and the NCAA is on target to meet the 2017-18 budget.
- b. **Long-term plan on CARE Long testing and follow-up.** McNeely reminded the Governors that during its October 2017 meeting, NCAA Chief Medical Officer Brian Hainline reported on CARE Long, which is the continuation of the NCAA's partnership with the Department of Defense on concussion research and funding. McNeely noted that the overall annual funding for the continued research is \$4.5 million starting in fiscal year 2019-20, with the NCAA's share being \$2 million. The request for this funding is included in the 10-year financial plan in Agenda Item No. 5-e.
- c. **Fiscal year 2016-17 audited financial statements.** McNeely briefly reviewed the 2016-17 audited financial statements, noting that Deloitte, the Association's external auditors, indicated no major audit issues. McNeely reported that the NCAA had a strong financial year with a significant increase in overall net assets, which assisted in the full recovery of the deficit reserve position from a year ago. McNeely also highlighted other items that drove the positive outcomes.

It was VOTED

“That the Board of Governors approve the 2016-17 Financial Report.” (Unanimous voice vote.)

- d. **Unreserved net assets.** McNeely reported that fiscal year 2016-17 year ended with the Association having \$41.5 million in unreserved net assets available for allocation. It was noted that the Commission on College Basketball could, and likely will, have recommendations that lead to the implementation of new practices in the NCAA national office. Therefore, President Emmert requested that \$10 million of the available \$41.5 million be set aside in a reserve dedicated to new practices in basketball. The Finance and Audit Committee agreed and recommended that the remaining \$31.5 million of unreserved net assets be a supplemental distribution to Division I to be distributed in February 2018.

It was VOTED

“That the Board of Governors approve the Finance and Audit Committee's recommended allocation of the \$41.5 million in unreserved assets.” (Unanimous voice vote.)

- e. **NCAA 10-year financial plan.** The Finance and Audit Committee conducted its annual review of the 10-year financial plan, which includes the incorporation of changes based on new information. The committee recommended that the following significant assumptions be added or cause revisions to the plan:

- (1) A one-half percent annual increase to ticket sales.

- (2) A placeholder of \$2.5 million added in fiscal year 2019-20 to be used for implementation of accepted Basketball Commission recommendations.
- (3) Annual compensation increases of three percent, plus one-half percent set aside for equity.
- (4) An expectation that only one new employee position will be created annually.
- (5) The addition in 2019-20 of \$2 million in base budget funding for CARE Long.
- (6) A 10 percent annual increase in third party legal fees.
- (7) A change from applying the same annual inflationary increase in the CBS/Turner contract to Division I revenue distribution to one that balances fluctuations.

It was VOTED

“That the Board of Governors approve the revised 10-year financial plan.” (Unanimous voice vote.)

6. Law, Policy and Governance Strategic Discussion.

- a. **Sport Science Institute/Committee on Competitive Safeguards and Medical Aspects of Sports.** The Board of Governors were informed of the SSI report included in their meeting materials. The report provided an update on the status and activities related to several of the nine health and safety strategic priorities.
- b. **Government relations.** NCAA Executive Vice President and Chief Legal Officer Donald Remy updated the Governors on the *Christie vs. NCAA* case pending before the United States Supreme Court. Remy noted that the case challenges the constitutionality of a federal law that bans most states from sports betting. The Governors discussed possible implications for the Association if the federal law were overturned, but reaffirmed its opposition to legalized sports wagering.

7. NCAA Board of Governors’ Executive Committee report. President Peterson reported on matters considered during the Board’s Executive Committee meeting earlier that day.

8. Executive Session. The governors concluded the meeting in executive session to discuss various administrative matters.

9. Adjournment. The meeting was adjourned at approximately 4:28 p.m.

10. Future Meetings.

- a. April 24, 2018, Indianapolis.
- b. October 23, 2018, Rollins College, Winter Park, Florida.
- c. January 23, 2019, Orlando, Florida (in conjunction with the 2019 NCAA Convention).
- d. April 30, 2019, Indianapolis.
- e. August 6, 2019, Indianapolis.
- f. October 29, 2019, Emory University, Atlanta.

Board of Governors chair: G.P. "Bud" Peterson, Georgia Institute of Technology

Staff liaisons: Jacqueline Campbell, Law, Policy and Governance

Donald M. Remy, Law, Policy and Governance

NCAA Board of Governors January 17, 2018, Meeting	
Attendees	
Eli Capilouto, University of Kentucky.	
LTG. Robert Caslen, Jr., United States Military Academy.	
Alan Cureton, University of Northwestern-St. Paul.	
Jeffrey Docking, Adrian College.	
Mark Emmert, NCAA.	
Gary Gray, University of Alaska, Fairbanks.	
Burns Hargis, Oklahoma State University.	
Dianne Harrison, California State University, Northridge.	
Blake James, University of Miami.	
Glendell Jones, Jr., Henderson State University.	
Eric Kaler, University of Minnesota, Twin Cities.	
Ronald K. Machtley, Bryant University.	
Gary Olson, Daemen College.	
Bud Peterson, Georgia Institute of Technology.	
Samuel Stanley, Stony Brook University.	
Satish Tripathi, University of Buffalo, the State University of New York.	

Absentees
Philip DiStefano, University of Colorado, Boulder.
Susan Herbst, University of Connecticut.
Britt Katz, Millsaps College.
Denise Trauth, Texas State University.
Guests
Lynn Durham, Georgia Institute of Technology.
Jon Steadland, University of Minnesota, Twin Cities.
Alaina Woo, NCAA Student-Athlete Engagement Committee chair.
NCAA staff liaisons in attendance
Jacqueline Campbell and Donald Remy.
Other NCAA staff in attendance
Katrice Albert, Scott Bearby, Joni Comstock, Diane Dickman, Dan Dutcher, Kimberly Fort, Terri Steeb Gronau, Brian Hainline, Oliver Luck, Kathleen McNeely, Stacey Osburn, Naima Stevenson, Cari Van Senus and Bob Williams.

Report is not final until approval of the Board of Governors.