



MEMORANDUM

July 26, 2013

P.O. Box 6222

Indianapolis, Indiana 46206

Telephone: 317/917-6222

Shipping/Overnight Address:

1802 Alonzo Watford Sr. Drive

Indianapolis, Indiana 46202

www.ncaa.org

TO: NCAA Executive Committee.

FROM: Donald M. Remy  
Executive Vice President of Law, Policy and Governance/  
Chief Legal Officer/Liaison to the Executive Committee

Delise S. O'Meally  
Director of Governance and International Affairs.

SUBJECT: August 7 NCAA Executive Committee Meeting.

This message is to notify you that the agenda and supplements for the August 7 meeting of the NCAA Executive Committee are ready for your review.

**The meeting will be held from approximately 3 to 8 p.m. at the NCAA national office [Grant Ballroom], 700 West Washington Street, Indianapolis, Indiana 46204.**

You will receive your August 7 meeting materials electronically. The NCAA uses SharePoint Zones for the work of committees, task forces and special projects. Please access the NCAA Sharepoint committee zone site (<http://committeezone.ncaa.org/default.aspx>) to log on and review the meeting materials, which can be found in the document library section of the Executive Committee.

If you have any questions or need assistance, please do not hesitate to contact us or Janice Whitehead ([jwhitehead@ncaa.org](mailto:jwhitehead@ncaa.org)). We look forward to seeing you in Indianapolis.

DMR/DOM:jw

cc: Selected NCAA Staff Members

National Collegiate Athletic Association

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# A G E N D A

## National Collegiate Athletic Association

### Executive Committee

NCAA National Office  
Indianapolis, Indiana

August 7, 2013  
3 p.m.  
Includes working dinner

1. Welcome and announcements. (5 min.)
2. Approval of January 18, February 7 and February 22 meeting reports. (Action) [Supplement Nos. 1, 2 and 3] (5 min.)  
***Anticipated Action. Approve the February 7, February 22 and July 18, 2013, meeting reports.***
3. Discussion with student-athlete advisory committee leadership. (Information) (15 min.)
4. NCAA Executive Committee Finance and Audit Committee report. (Action) (20 min.)  
***Anticipated Action. Review and approve financial statements and related reports.***
  - a. Official name change of finance committee and frequency of meetings. (Information)
  - b. Third quarter fiscal year 2012-13 budget-to-actual. (Information) [Supplement No. 4]
  - c. FY 2012-13 and FY 2013-14 Revenue and Expense Budget Adjustments. (Action) [Supplement No. 5]
  - d. FY 2013-14 budget requests and recommendations. (Action) [Supplement No. 6]

5. International membership pilot program. (Action) [Supplement No. 7] (15 min.)

***Anticipated Action. Approve policy regarding international members hosting championships.***

6. For-profit institutions. (Action) (15 min.)

***Anticipated Action. Assign direction and further review.***

- a. Executive Summary. [Supplement No. 8-a]
- b. Letter from the PAC-12 Conference. [Supplement No. 8-b]
- c. Letter from the Western Athletic Conference. [Supplement No. 8-c]
- d. Grand Canyon University Reclassification Application. [Supplement No. 8-d]
- e. NCAA Constitution 3.1.1. [Supplement No. 8-e]
- f. NCAA Bylaw 20.5. [Supplement No. 8-f]
- g. For-Profit Institutions Opinion Letter. [Supplement No. 8-g]
- h. List of For-Profit Institutions. [Supplement No. 8-h]
- i. Draft Subcommittee Charge. [Supplement No. 8-i]

7. Legal report. (Information) [Supplement No. 9] (15 min.)

***Informational. Receive oral report from legal counsel***

8. External review reports and NCAA Executive Committee Administrative Subcommittee. (Action) [Supplement No. 10 (3.5 hours, part executive session without staff)]

***Anticipated Action. Approve presidential rating and assessment criteria.***

- a. Administrative Subcommittee report. (Action) (20 min.)
  - (1) President's report on goals and objectives.
  - (2) Future rating and assessment criteria.

- b. Executive session. (20 min.)
  - c. Role and function of Executive Committee. (20 min.)
  - d. External regulatory review update. (Information) (30 min.) [Supplement No. 12]
  - e. External governance review report. (Information) [Supplement No. 10] (1 hour)
  - f. External focus group report. (Information) [Supplement 11 will be distributed at the meeting.] (1 hour)
9. NCAA Division I Board of Directors and Divisions II and III Presidents Councils reports. (Action may be necessary from the reports.) (20 min.)

***Informational. Receive oral reports from the chairs of the Division I Board of Directors and the Divisions II and III Presidents Councils regarding divisional issues that have Association-wide impact.***

10. Future meetings. (Action) (5 min.)

***Anticipated Action. Review and approve dates of future Executive Committee meetings.***

- a. Wednesday, October 30, 2013, Indianapolis, Indiana. (Action – added date)
  - b. Friday, January 17, 2014, San Diego, California (In conjunction with the 2014 NCAA Convention.)
  - c. Wednesday, April 23, 2014, Indianapolis, Indiana. (Action – added date)
  - d. Wednesday, August 6, 2014, Indianapolis, Indiana.
  - e. Friday, January 16, 2015, Washington, D.C. (In conjunction with the 2015 NCAA Convention.)
11. Adjournment.



# 2013 NCAA EXECUTIVE COMMITTEE

## Division I

### **Gene Block**

Chancellor  
University of California, Los Angeles  
2147 Murphy Hall, Box 951405  
Los Angeles, California 90095-1405  
Phone: 310/825-2151  
Fax: 310/206-6030  
E-mail: [chancellor@conet.ucla.edu](mailto:chancellor@conet.ucla.edu)  
Term Expiration: August 2016  
Assistant: Dawn Scherer  
Assistant email: [dscherer@conet.ucla.edu](mailto:dscherer@conet.ucla.edu)

### **Ms. Rita Cheng**

Chancellor  
Southern Illinois University at Carbondale  
1265 Lincoln Drive  
Anthony Hall, Room 116  
Carbondale, Illinois 62901-4304  
Phone: 618/453-2341  
Fax: 618/453-4235  
E-mail: [rcheng@siu.edu](mailto:rcheng@siu.edu)  
Term Expiration: August 2016  
Assistant: Julie McDannel  
Assistant email: [jmcdann@siu.edu](mailto:jmcdann@siu.edu)

### **Judy Genshaft**

President  
University of South Florida  
4202 East Fowler Ave., ATH100  
Tampa, Florida 33620  
Phone: 813/974-2791  
Fax: 813/974-5530  
Email: [jgensha@admin.usf.edu](mailto:jgensha@admin.usf.edu)  
Term Expiration: August 2013  
Assistant: Robin Wright  
Assistant email: [rwright@admin.usf.edu](mailto:rwright@admin.usf.edu)

### **William R. Harvey**

President  
Hampton University  
121 Holland Hall  
Hampton, Virginia 23668  
Phone: 757/727-5231  
Fax: 757/727-5746  
Email: [carolyn.acklin@hamptonu.edu](mailto:carolyn.acklin@hamptonu.edu)  
Term Expiration: August 2013  
Assistant: Carolyn Acklin  
Assistant email: [carolyn.acklin@hamptonu.edu](mailto:carolyn.acklin@hamptonu.edu)

### **Nathan Hatch**

President  
Wake Forest University  
1834 Wake Forest Road  
Winston Salem, North Carolina 27106  
Phone: 336/758-5211  
Fax: 336-/758-5212  
Email: [hatch@wfu.edu](mailto:hatch@wfu.edu)  
Term Expiration: August 2014  
Assistant: Donna Gung  
Assistant email: [gungd@wfu.edu](mailto:gungd@wfu.edu)

### **David Hopkins**

President  
Wright State University  
3640 Colonial Glenn Highway  
Dayton, Ohio 45435  
Phone: 937/775-2323  
Fax: 937/775-2421  
Email: [david.hopkins@wright.edu](mailto:david.hopkins@wright.edu)  
Term Expiration: August 2015  
Assistant: Teresa Bedwell  
Assistant email: [teresa.bedwell@wright.edu](mailto:teresa.bedwell@wright.edu)

### **David Leebron**

President  
Rice University  
President's Office MS-1, P.O. Box 1892  
Houston, Texas 77251  
Phone: 713/348-5050  
Fax: 713/348-5010  
E-mail: [president@rice.edu](mailto:president@rice.edu)  
Term Expiration: August 2016  
Assistant: Hope Gatliff  
Assistant email: [HG4@rice.edu](mailto:HG4@rice.edu)

### **William (Bill) Meehan**

President  
Jacksonville State University  
700 Pelham Road North  
Jacksonville, Alabama 36265  
Phone: 256/782-5881  
Fax: 256/782-5888  
Email: [pres@jsu.edu](mailto:pres@jsu.edu)  
Term Expiration: August 2013  
Assistant: Pam Stinson  
Assistant email: [pstinson@jsu.edu](mailto:pstinson@jsu.edu)

**Harris Pastides**

President  
University of South Carolina, Columbia  
206 Osborne Administration Building  
915 Bull Street  
Columbia, South Carolina 29208  
Phone: 803-576-6017  
Fax: 803/777-3264  
Email: [pastides@sc.edu](mailto:pastides@sc.edu)  
Term Expiration: August 2015  
Assistant: Pam Pope  
Assistant email: [ppope@mailbox.sc.edu](mailto:ppope@mailbox.sc.edu)

**Joseph Savoie**

President  
University of Louisiana, Lafayette  
P. O. Drawer 41008  
Lafayette, Louisiana 70506  
Phone: 337/482-6203  
Fax: 337/482-5194  
E-mail: [president@louisiana.edu](mailto:president@louisiana.edu)  
Term Expiration: August 2017  
Assistant: Liz B. Landry  
Assistant email: [lizland@louisiana.edu](mailto:lizland@louisiana.edu)

**Thomas J. Haas**

President  
Grand Valley State University  
One Campus Drive  
Allendale, Michigan 49401  
Telephone: 616/331-2100  
Fax: 616/331-3503  
Email: [haastj@gvsu.edu](mailto:haastj@gvsu.edu)  
Term Expiration: September 2013  
Assistant: Rachel Siglow  
Assistant email: [siglowr@gvsu.edu](mailto:siglowr@gvsu.edu)

**Sharon Herzberger**

President  
Whittier College  
13406 East Philadelphia  
Whittier, California 90608-0634  
Phone: 562/907-4201  
FAX: 562/907-4242  
E-Mail: [sherzberger@whittier.edu](mailto:sherzberger@whittier.edu)  
Term Expiration: January 2015  
Assistant: Irene Gallardo  
E-Mail: [igallardo@whittier.edu](mailto:igallardo@whittier.edu)

**Kirk Schulz**

President  
Kansas State University  
110 Anderson Hall  
Manhattan, Kansas 66506  
Phone: 785/532-6221  
Fax: 785/532-7639  
E-mail: [kirks@k-state.edu](mailto:kirks@k-state.edu)  
Term Expiration: August 2016  
Assistant: Dana Hasting  
Assistant email: [dhasting@k-state.edu](mailto:dhasting@k-state.edu)

**Lou Anna Simon {Chair}**

President  
Office of the President  
Michigan State University  
Hannah Administration Building  
Auditorium Road, Room 450  
East Lansing, Michigan 48824  
Phone: 517/355-6560  
Fax: 517/432-0200  
Email: [laksimon@msu.edu](mailto:laksimon@msu.edu)  
Term expiration: August 2014  
Assistant: Marti Howe  
Assistant email: [howem@pres.msu.edu](mailto:howem@pres.msu.edu)/  
[marti221@msu.edu](mailto:marti221@msu.edu)

**DIVISION II****J. Patrick O'Brien**

President  
West Texas A&M University  
WTAMU Box 60997  
Canyon, Texas 79016  
Phone: 806/651-2103  
Fax: 806/651-2126  
Email: [pobrien@mail.wtamu.edu](mailto:pobrien@mail.wtamu.edu)  
Term Expiration: January 2014  
Assistant: Tracee Post  
Assistant email: [tpost@mail.wtamu.edu](mailto:tpost@mail.wtamu.edu)

**DIVISION III****Jack Ohle**

President  
Gustavus Adolphus College  
800 West College Avenue  
Saint Peter, Minnesota 56082  
Phone: 507/933-7538  
Fax: 507/933-7081  
Cell: 507/469-5541  
Email: [president@gustavus.edu](mailto:president@gustavus.edu)  
Term Expiration: January 2014  
Assistant: Jolene Christensen  
Assistant email: [jolene@gustavus.edu](mailto:jolene@gustavus.edu)

## LEADERSHIP/MANAGEMENT COUNCIL CHAIRS

### Division I

#### Noreen Morris

Commissioner  
Northeast Conference  
399 Campus Drive, Vantage Court North  
Somerset, New Jersey 08873  
Phone: 732/469/0440  
Fax: 732/469-0744  
Email: nmorris@northeastconference.org  
Term Expiration: June 2015

### Division II

#### Robert Boerigter

Commissioner  
Mid-America Intercollegiate Athletics  
Association  
114 West 11th Street, Suite 105  
Kansas City, Missouri 64105  
Telephone: 816/421-6422  
Fax Number: 816/421-6423  
Email: bboer@themiaa.com  
Term Expiration: January 2014

### Division III

#### Terry Rupert

Director of Athletics  
Wilmington College (Ohio)  
251 Ludovic Street  
Wilmington, Ohio 45177  
Phone: 937/382-6661  
Fax: 937/383-8566  
Term Expiration: January 2014  
E-Mail: terry\_rupert@wilmington.edu  
Assistant: Judy Doyle  
E-Mail: judy\_doyle@wilmington.edu

### Executive Committee Staff:

#### Donald Remy

Executive Vice President of Law, Policy and  
Governance/Chief Legal Officer  
Email: dremy@ncaa.org

#### Delise S. O'Meally

Director of Governance and International  
Affairs  
Email: domeally@ncaa.org

### US MAIL ADDRESS

NCAA  
P.O. Box 6222  
Indianapolis, IN 46206-6222

### SHIPPING ADDRESS

NCAA Distribution Center  
1802 Alonzo Watford Sr. Drive  
Indianapolis, IN 46202

**Telephone:** 317/917-NCAA (6222)

**Fax:** 317/917-6071

**REPORT OF THE  
NCAA EXECUTIVE COMMITTEE  
JANUARY 18, 2013**

**KEY ITEMS.**

None.

**ACTION ITEMS.**

None.

**INFORMATIONAL ITEMS.**

1. **Welcome and announcements.** President Simon welcomed Rita Cheng, chancellor of Southern Illinois University at Carbondale, who was attending her first Executive Committee meeting. She also thanked Jim Schmotter, Ann Martin and Jeff Martinez, all of whom were attending their last Executive Committee meeting, and presented them with service awards.
2. **Approval of August 1, 2012, meeting report.** The report of the August 1, 2012, Executive Committee meeting was approved as distributed.
3. **Discussion with student-athlete advisory committee leadership.** The leadership of the national student-athlete advisory committees (SAACs) provided updates to the Committee on issues and initiatives within each division.
  - a. **Division I.** Eugene Daniels updated the Committee on Division I SAAC priorities, including efforts to enhance awareness of opportunities for student-athletes on campuses to voice their opinions through the governance structure, continued involvement and opportunities for feedback in the reform efforts, and the development of a community relations partnership. Daniels noted that, during the 75th Anniversary NCAA Men's Final Four, SAAC will be working with Samaritan's Feet to provide shoes for youth with need.
  - b. **Division II.** Hilary Cox provided an update on main areas being addressed by the Division II National SAAC, including the Make-A-Wish Foundation, a model campus and conference SAAC document, SAAC collaboration efforts with the Faculty Athletic Representatives Association, and the development of a faculty mentor award for student-athletes to recognize supportive faculty on campus.
  - c. **Division III.** Wes Lambert updated the Committee on the Division III Special Olympics partnership, noting several initiatives over the past six months. SAAC recently made a presentation at the International Law Enforcement Torch Run Convention (LETR) and shared ideas on ways to incorporate local Division III



SAACs in LETR endeavors. Additionally, the SAAC conducted a tennis clinic at the NCAA Convention for 100 Special Olympic athletes from the Dallas area.

5. **Update on Child Sexual Abuse Endowment Task Force.** Chancellor Tim White provided an update on the work of the Child Sexual Abuse Endowment Task Force and sought committee feedback on a variety of topics, including endowment structure as well as objectives and allocations. The Committee will receive additional updates during its August meeting.
  
6. **NCAA Executive Committee Finance Committee report.**
  - a. Fiscal year 2011-12 audited financial statements. The Finance Committee met with the audit firm of Deloitte and staff to review fiscal year 2011-12 financial statements and conducted the required audit communications and review. Deloitte issued an unqualified opinion for the fiscal year statements ending August 31, 2012. Highlights of the Consolidated Statement of Financial Position are:
    - (1) The Association's total net assets increased by approximately \$70 million, which was \$15 million more than the prior year. This increase was a combination of increases in revenue from television and marketing rights and championships.
    - (2) Accounts receivable decreased from \$29.3 million to \$14 million. This decrease was a result of payments from the State of Texas and Reliant Park related to the Final Four event in Houston.
    - (3) The irrevocable trust amount of \$16 million represents the remaining proceeds from the 2012 bonds that were in advance refunded in 2011-12. These funds are exclusively restricted for future obligations and semi-annual payments. The corresponding liability is reflected in bonds payable.
    - (4) The contributions receivable amount of \$40.2 million represents the value of the 50-year lease on the existing building and the additional land for the new office facility. This is a valuation of the state's contribution to the NCAA office facilities and land for \$1 a year rent over the 50-year time period.
    - (5) The increase in NCAA properties reflects the final result of the new construction related to the new office expansion.
    - (6) Deferred revenue increased at \$9.5 million, which represents \$2.5 million in advance ticket sales for several championships and \$7 million in a timing

difference as refunds on tickets were issued after year end. All allocations to the respective reserves, per Executive Committee policy, have been made.

- (7) The Association had an overall increase in revenue of \$25 million this past year, primarily related to the increases in television and marketing rights fees of \$18.5 million as well as an increase of \$8 million in championship revenues.
- (8) Investment income of \$29.5 million decreased by \$3 million over the prior year. This was a combination of a decrease of \$3 million in realized gains, and a decrease of \$2 million in unrealized gains, which were offset by a \$2 million increase in investment earnings.
- (9) On the expense side, the distribution to Division I represents a five percent increase over prior year, or a total increase of \$23.8 million.
- (10) The Division I championships increase of \$11 million is the result several factors. There was a \$3 million increase in team travel costs, primary due to increase in charter flights. In addition, increased ticket sales had some offsetting expenditures.
- (11) Championship expenditures for Divisions II and III also showed increases. Both divisions also experienced increases in team travel costs, primarily due to increase in volume and prices for charter flights.
- (12) Association-wide programs reflected an increase of \$9 million. Current year expenses include expenses related to two significant legal cases totaling \$4 million dollars.
- (13) The increase in management and general is the result of the new building project noncapitalized expenses and bond interest expenses.
- (14) Excess revenues over expenses for the year were approximately \$70 million.

It was VOTED

“To approve the fiscal year 2011-12 audited financial statements.”

- b. Recommended uses of unallocated net assets. Fiscal year 2011-12 year ended with the Association having \$68 million in unrestricted net assets available for allocation. The Finance Committee recommends the approval of the uses of unallocated net assets as follows:

- (1) A \$42 million supplemental distribution is recommended for Division I. This is \$6 million higher than the supplemental distribution that occurred last January, and, if approved, will be distributed in early February.
- (2) \$13.8 million is recommended for health and safety initiatives. \$10.3 million will be used towards a one-time cash payment to expand catastrophic insurance coverage for the 32 student athletes who currently receive home care. This policy will take all 32 to a \$100,000 a year limit and provide for annual inflationary increases of two percent. The remaining amount will be used for health and safety initiatives.
- (3) A \$2 million allocation is recommended to fund initiatives related to transforming intercollegiate athletics. These initiatives, combined with the change in athletics certification, will require extensive system development hours and contractual engagements for the rewriting of the bylaws.
- (4) A \$5.8 million fund for student initiatives that include expanding the current limited resource institutions grant through 2016, inflationary set back money for championship travel, and an initiative to provide TV exposure through the golf channel for Division I men's and women's golf championship.
- (5) A \$2 million legal fee contingency is recommended.
- (6) A \$100,000 donation to the Red Cross for Hurricane Sandy from Division I. Division II and III have already approved \$100,000 donations from each division.

It was VOTED

“To approve the proposed unallocated net assets allocations.”

c. First quarter fiscal year 2012-13 budget to actual.

- (1) The Association has limited financial activity in the first quarter, with the majority of revenues and expenditures occurring in the second half of the year related to championship activity and revenue distributions.
- (2) Television and marketing rights revenue received is 15 percent of the budget and is consistent with the prior year. Championships revenue is 3.4 percent of plan, or \$2.4 million, which is slightly lower compared to prior year. Most of this is attributed to timing differences.
- (3) The Association's total operating expenses are approximately 7.6 percent of the total budget for the first quarter, which is higher than prior year. The

increase is related to travel costs that are trending higher, office expansion expenses that were not capitalized, some additional marketing expenses related to men's basketball and staffing expenses, which were the result of positions being filled in championships that were vacant a year ago.

**7. Report from December 11, 2012, Executive Committee Administrative Subcommittee teleconference.** Bearby reported that the subcommittee, pursuant to its authority under the NCAA Constitution and Bylaw Provision 4.1.2(f), authorized the NCAA legal counsel to initiate litigation against NCAA insurers that have defense obligations underlying the Arrington concussion matter pending in Illinois.

**8. Reports from Association-wide committees.**

a. NCAA Committee on Women's Athletics. The committee reviewed a request from the Committee on Women's Athletics to endorse the principles of equal opportunity as embodied in the Brighton Declaration on Women and Sport. This declaration was initially reviewed during the August 2012 meeting and supported pending review by NCAA legal counsel and the divisional presidential bodies. The committee noted that legal counsel recommended specific language supporting the principles of equal opportunity, and all three divisional presidential bodies have reviewed and are supportive of this action.

It was VOTED

“To support the concept of equal opportunity for the participation of girls and women in sport at all levels as embodied in the Brighton Declaration.”

b. NCAA Committee on Competitive Safeguards and Medical Aspects of Sports (CSMAS). The Committee received an update from Dr. Brian Hainline, NCAA chief medical officer, on current health and safety issues. The Committee expressed support for the creation of this position and the outline of the work plan presented by Dr. Hainline.

**9. Litigation update.** The Committee received a report from the NCAA general counsel regarding litigation and settlement actions.

**10. NCAA Division I Board of Directors and Divisions II and III Presidents Councils reports.**

- a. Division I Board of Directors. The Committee received an update on the actions of the Division I Board of Directors that included the following:
- (1) Enforcement working group. Approved the recommendations of the enforcement working group with an effective date of August 1, 2013. The recommendations included a new violations structure, a new process structure, an increased penalty structure and greater accountability for those who oversee the athletics program and specific sport programs.
  - (2) Moratorium. Suspended legislative cycle except issues that relate to the ongoing reform agenda or issues that are considered emergency or otherwise essential in nature.
  - (3) Brighton Declaration. Supported the principles of the Brighton Declaration on Women and Sport.
  - (4) Upcoming agenda. The Board will be asked to approve phase 1 recommendations of the Rules Working Group, which will include 26 legislative proposals that will begin to change the regulatory culture in Division I. In addition, the Board will be asked to approve a women's basketball recruiting model being recommended by the Division I Leadership Council.
- b. Division II Presidents Council. The Committee received an update on the actions of the Division II Presidents Council that included the following:
- (1) Division II emergency legislation. Voted to adopt emergency legislation to deregulate NCAA Bylaw 16.4 related to medical expenses to permit an institution, conference, or the NCAA to provide medical and related expenses and services to a student-athlete, effective immediately. Deregulating this legislation will provide institutions the flexibility to identify the most cost-effective approach to addressing the healthcare needs of student-athletes, in light of the Patient Protection and Affordable Care Act.
  - (2) 2013 Division II Chancellors and Presidents Summit. Hosted its fourth Chancellors and Presidents Summit Thursday in conjunction with the 2013 NCAA Convention. There were approximately 180 Division II chancellors and presidents in attendance to discuss four topics of ongoing importance to the division: the "Path to Graduation" – Academic Success in Division II; Enforcement for the Division II Membership; Health and Safety of

Division II Student-Athletes; and Enhancing the Division II Student-Athlete Experience through a Diverse and Inclusive Campus Environment.

- (3) Division II chancellors and presidents survey. This fall, the division conducted a survey of all Division II chancellors and presidents to obtain feedback with regard to the relevance of the Division II Strategic Positioning Platform on campuses and to ascertain whether the Presidents Council is pursuing the most appropriate priorities at this time. The division received 183 responses, for a response rate of 63 percent. The responding institutions were generally representative of the division as a whole. Results of the survey:
  - (a) The Division II Strategic Positioning Platform received strong support from the chancellors and presidents. More than 90 percent agreed or strongly agreed that the platform is relevant and provides value to their institution and that the platform accurately describes the student-athlete experience on their campus.
  - (b) The survey asked chancellors and presidents to rate the importance of five key issues to Division II athletics as a whole. The issue identified as most important was the current academic review related to initial eligibility, progress toward degree and two-year college transfer requirements; 76 percent of chancellors and presidents said this was “important” or “very important” to the division. Three issues were rated as slightly less important, but roughly equivalent to one another: evaluating the effectiveness of the Life in the Balance initiative, easing the administrative burden on athletics administrators, and expanding diversity and inclusion in athletics. Less than one-half of the chancellors and presidents surveyed said that strategically increasing division membership is important or very important.
- (4) 2013 NCAA Convention. Division II will vote on 13 proposals during its Convention business session. Convention Proposal No. 2013-9 specifies that an institution located in Mexico may join the Division II membership. This proposal, if adopted, will not create a new international pilot program exclusively for institutions located in Mexico; rather, it will add language to the current international pilot program allowing institutions in Mexico to apply for Division II membership within the timeline of the current program that permits institutions in Canada to become members of Division II.
- (5) Division II officers on Executive Committee. Re-elected Pat O’Brien, president, West Texas A&M University, for a second term as chair of the

Presidents Council for 2013; Tom Haas, president, Grand Valley State University, as vice-chair of the Presidents Council for 2013; and Bob Boerigter, commissioner, Mid-America Intercollegiate Athletics Association, as chair of the Management Council for 2013. All three of these Division II officers will attend Executive Committee meetings during 2013.

c. Division III Presidents Council. The Committee received an update on the actions of the Division III Presidents Council. These included:

- (1) Recruiting working group. The Division III recruiting working group is exploring whether the current year-round recruiting environment is aligned with the division's philosophy. At the Division III forum, round table discussions and held straw votes were conducted to get more direction from the membership on possible ways to improve the recruiting process, in light of the evolving youth sport culture and related work/life balance issues.
- (2) Conference Grant Program -- best business practices. Approved the Management Council's recommendation to establish "better business practices" associated with the administration of the Division III Conference Grant Program, including an annual third-party review of expenditures and related documentation.
- (3) Ethnic Minority and Women's Enhancement Postgraduate Scholarship for Careers in Athletics. Approved the Management Council's recommendation to endorse, in concept, the increase of the ethnic minority and women's enhancement postgraduate scholarship from \$6,000 to \$7,500 for a total annual increase of \$39,000 per year (26 scholarships at an increase of \$1,500 each). The \$7,500 award would be consistent with the amount of the current Post Graduate Scholarship.
- (4) Membership survey. The division will be sending a comprehensive survey to all institutions and conferences. The last membership-wide survey was conducted in 2008. The survey will help Division III shape future policy discussions, as well as the allocation of resources for the 2015-18 budget. The Councils also discussed the current economic climate and how it could affect Division III athletics departments in the short and long term (e.g. dropped sports and/or dropped programs). The Councils noted this topic will be included in the survey and suggested it be discussed with a broader membership audience.
- (5) Special Olympics update. The Division III partnership with Special Olympics remains a focal point. During the Convention, the Division III SAAC coordinated a Special Olympics tennis clinic at the Gaylord. The clinic

included 100 Special Olympics athletes, the Management Council, and more than 50 volunteer delegates. Plans are underway to promote the partnership at the Division III Men's Basketball Championship final to be played as part of the 75th Celebration of March Madness in Atlanta. Another opportunity for engagement is the Special Olympics National Games being held in New Jersey in June 2014. Special Olympics North America has asked the SAAC to identify ways that institutions can assist with the Games.

- (6) CSMAS update. Discussed CSMAS' proposed legislation for a Sports Safety Package that would require every institution in the Association to have a designated team physician, catastrophic sport injury reporting, coach sport safety training and certification for strength coaches. The Council also discussed the concept that CSMAS is considering in regard to reducing the penalty (365 days to 50 percent of the season) for a positive street drug test at championships

**11. Future meetings.** The Committee reviewed its future meetings schedule.

**12. Executive session.** An executive session was held to provide an attorney client privileged briefing regarding enforcement department.

*Committee Chair: Lou Anna Simon, Michigan State University.*

*Staff Liaisons: Bernard W. Franklin, MSAA*

*Delise O'Meally, MSAA.*



January 18, 2013	
Attendees	Absentees
Stan Albrecht, Utah State University Gene Block, University of California, Los Angeles Rita Cheng, Southern Illinois University at Carbondale Mark Emmert, NCAA President Judy Genshaft, University of South Florida Thomas Haas, Grand Valley State University William Harvey, Hampton University Nathan Hatch, Wake Forest University David Hopkins, Wright State University Ann Martin, Regis University Jeff Martinez, University of Redlands William Meehan, Jacksonville State University Noreen Morris, Northeast Conference J. Patrick O'Brien, West Texas A&M University Jack Ohle, Gustavus Adolphus College Harris Pastides, University of South Carolina, Columbia John Peters, Northern Illinois University James Schmotter, Western Connecticut State University Lou Anna Simon, Michigan State University	
<u>Other Participants</u>  Scott Bearby, managing director of legal affairs David Berst, vice president of Division I Gary Brown, director of NCAA News Jackie Campbell, director of Division I governance Daniel Dutcher, vice president of Division III Brian Hainline, NCAA chief medical officer Jim Isch, chief operating officer Kevin Lennon, vice president of academic and membership affairs Louise McCleary, director of Division III governance Kathleen McNeely, vice president of administration and chief financial officer Mike Racy, vice president of Division II Donald Remy, executive vice president of legal affairs/general counsel Terri Steeb-Gronau, director of Division II governance Bob Williams, vice president of communications Tim White, chancellor, University of California	

**REPORT OF THE  
NCAA EXECUTIVE COMMITTEE  
FEBRUARY 7, 2013**

**ACTION ITEMS.**

- None.

**INFORMATIONAL ITEMS.**

1. **External review of enforcement.** President Emmert provided an update on the progress of the external review on enforcement actions in the University of Miami infractions case. He noted that the field work was complete and that a preliminary oral report had been received. The full written report will be available within the next two weeks. If determined appropriate by the enforcement staff, a Notice of Allegations would be sent out after the report has been received, and any and all evidence collected through inappropriate means will be removed before the case can proceed.
  
2. **Update on Pennsylvania lawsuits.** Remy provided an update on the cases brought by Pennsylvania Governor Tom Corbett and State Senator Jake Corman. Remy noted that motions were being filed to dismiss both cases. Remy also informed the Committee that the Pennsylvania General Assembly has moved to enact a law that requires that the fine levied against the Pennsylvania State University remain within the state of Pennsylvania rather than go into the endowment as required by the consent decree. The bill already has passed in one chamber of the Pennsylvania legislature, and it is expected to pass easily through the other this week. It is anticipated that the governor will sign the bill into law early next week.

With privileged advice from Remy, the Committee discussed several options for addressing this issue.

It was VOTED (17-0-0)

“To grant authority to pursue affirmative litigation against the Commonwealth of Pennsylvania or appropriate officials regarding legislation impacting the implementation of the consent decree agreed to between Pennsylvania State University and the NCAA.”

NCAA Executive Committee Report

February 7, 2013

Page No. 2

Committee Chair: Lou Anna Simon, Michigan State University, Big 10 Conference

Staff Liaisons: Donald Remy, Law, Policy and Governance

Delise O'Meally, Law, Policy and Governance

February 7, 2013	
Attendees	Absentees
Stan L. Albrecht, Utah State University Gene D. Block, University of California, Los Angeles Bob Boerigter, Mid-America Intercollegiate Athletics Association Rita Hartung Cheng, Southern Illinois University at Carbondale Mark Emmert, NCAA William R. Harvey, Hampton University Thomas Haas, Grand Valley State University Nathan O. Hatch, Wake Forest University Sharon Herzberger, Whittier College William A. Meehan, Jacksonville State University Noreen Morris, Northeast Conference J. Patrick O'Brien, West Texas A&M University Jack R. Ohle, Gustavus Adolphus College Harris Pastides, University of South Carolina, Columbia John G. Peters, Northern Illinois University Terry A. Rupert, Wilmington College (Ohio) Kirk Schulz, Kansas State University Lou Anna Simon, Michigan State University	Judy Genshaft, University of South Florida David R. Hopkins, Wright State University
<u>Other Participants</u> Cari Klecka, director of executive affairs	

**REPORT OF THE  
NCAA EXECUTIVE COMMITTEE  
FEBRUARY 22, 2013**

**ACTION ITEMS.**

- None.

**INFORMATIONAL ITEMS.**

1. **External Review of Enforcement.** The Committee received an attorney-client privileged briefing from outside counsel – Kenneth Wainstein, of Cadwalader, Wickersham & Taft – regarding that firm’s review of portions of the enforcement staff investigation of the University of Miami. The Committee also engaged in a discussion with NCAA President Mark Emmert and developed a charge to commence an overall regulatory review to examine all of NCAA regulatory activities in all divisions.

2. **Executive session.** The chair of the Committee convened an executive session and issued the following statement on behalf of the Committee:

“The NCAA Executive Committee continues to support the Association’s broad-based reform agenda. This reform agenda must include meaningful change in the regulatory process beyond the changes in enforcement that have already been enacted. We, as the Executive Committee, affirm our expectation that the Association move forward with the next phase of its regulatory review. A thorough examination and subsequent improvement of processes, policies, procedures and investigative tools is necessary. Developing a mechanism for monitoring adherence with policies, while also reviewing the interaction between the legal and regulatory staffs, is key to moving forward. In short, we demand the highest level of integrity and accountability not only from our peers but also from the national office. While progress has been made, additional important work remains. Mark Emmert was hired to lead a major transformation of the NCAA. Much has been accomplished without fanfare, such as academic reforms, enhanced fiscal accountability and organizational transparency. The Executive Committee and President Emmert recognize there is much yet to do and that the road to transformational change is often bumpy and occasionally controversial. Therefore, the Executive Committee unanimously affirms its confidence in Mark’s leadership as president and its support for his ongoing efforts to implement these essential and historic reforms.”

NCAA Executive Committee Report

February 22, 2013

Page No. 2

Committee Chair: Lou Anna Simon, Michigan State University, Big 10 Conference

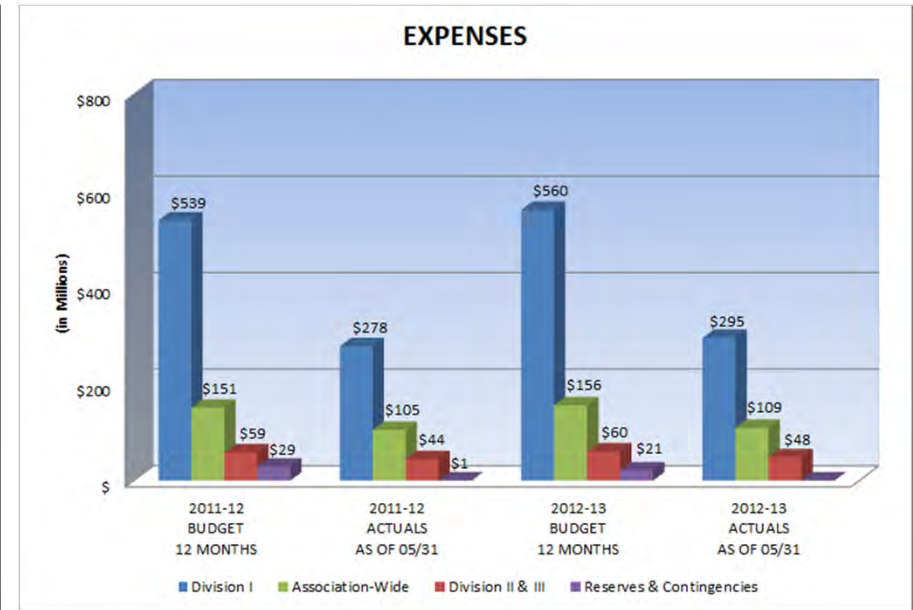
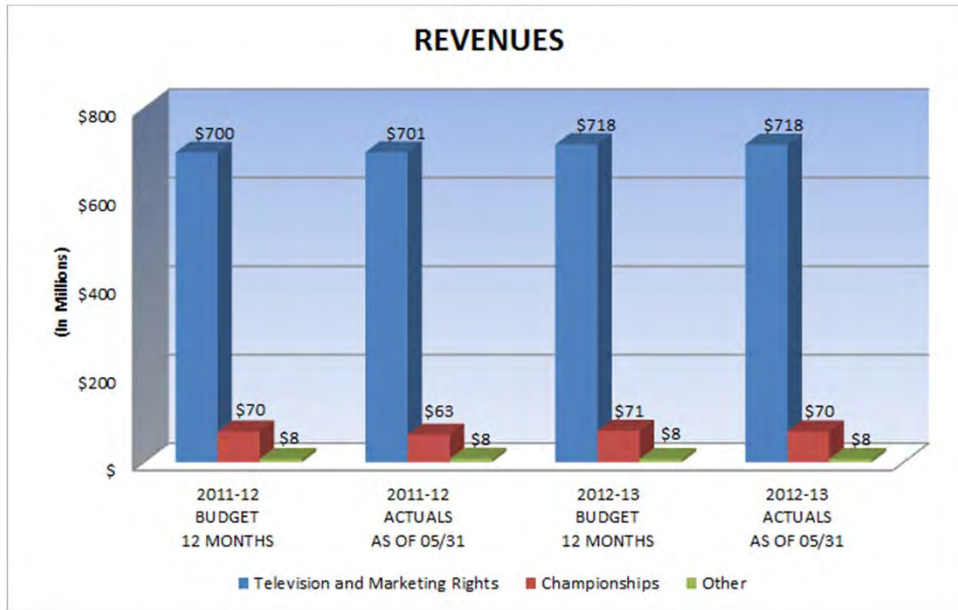
Staff Liaisons: Donald Remy, Law, Policy and Governance

Delise O'Meally, Law, Policy and Governance

February 22, 2013	
Attendees	Absentees
Stan L. Albrecht, Utah State University Rita Hartung Cheng, Southern Illinois University at Carbondale Mark Emmert, NCAA (not present during executive session) William R. Harvey, Hampton University Thomas Haas, Grand Valley State University Nathan O. Hatch, Wake Forest University Sharon Herzberger, Whittier College William A. Meehan, Jacksonville State University Noreen Morris, Northeast Conference J. Patrick O'Brien, West Texas A&M University Jack R. Ohle, Gustavus Adolphus College Harris Pastides, University of South Carolina, Columbia John G. Peters, Northern Illinois University Kirk Schulz, Kansas State University Lou Anna Simon, Michigan State University	Gene D. Block, University of California, Los Angeles Bob Boerigter, Mid-America Intercollegiate Athletics Association Judy Genshaft, University of South Florida David R. Hopkins, Wright State University Terry A. Rupert, Wilmington College (Ohio)
<u>Other Participants (prior to or subsequent to executive session)</u> Donald Remy, executive vice president of law, policy and governance/chief legal officer Ken Wainstein, Cadwalader, Wickersham & Taft	



NATIONAL COLLEGIATE ATHLETIC ASSOCIATION  
COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENSES  
THIRD QUARTER OF FY 2011-12 AND FY 2012-13



- The Association has received nearly 100% of planned revenue in the first three quarters of the year which is comparable with prior year. Approximately 70% of the media rights fees were received in the third quarter of the year.
- Championships revenue is approximately 98% of the plan, which compares to 90% in the prior year. This increase from prior year is related to Division I ticket revenues primarily in the men’s basketball championship. The remaining winter and spring championships will be received in the fourth quarter.
- Other Revenue is comparable to prior year. Note that investment income or losses are not planned revenue for budget purposes and are therefore excluded from this analysis. Investment earnings are allocated to the quasi-endowment per an Executive Committee policy. Excluded investments earnings to date for the fiscal year 2012-13 are \$47.5 million.

- The Associations’ total expenses of approximately 57% of budget through the first nine months is consistent with prior year.
- Division I expenses at the end of the third quarter are approximately 53% of plan. The expenses for FY 2012-13 include the \$42 million supplemental distribution, which is a six million dollar increase from the prior year. The remaining Division I distributions will occur in the fourth quarter. Division I championship, tournament, and program expenses have increased approximately 4% from prior year as a result of increases in the travel costs including charter airfare and per diems.
- Division II and III expenses are within budget parameters. However, travel cost increases continue to provide budgetary pressures within the championship budget.
- Association-wide expenses are 70% of plan for the first three quarters. Additional expenses incurred this year include expenses related to Transforming Intercollegiate Athletics, the NCAA office expansion, and increased staffing expenses due to positions vacant a year ago that have now been filled.



ACCOUNTING

## NCAA Revenues and Expenses

YTD Budget to Actual | For Fiscal Year Ending May 31, 2013

<i>\$ in Thousands</i>	2011-12 BUDGET	2011-12 ACTUAL AS OF 05/31/2012	% BUDGET	2012-13 BUDGET	2012-13 ACTUAL AS OF 05/31/2013	% BUDGET
<b>REVENUES</b>						
Television and Marketing Rights Fees	\$ 700,000	\$ 700,537	100.1%	\$ 718,419	\$ 718,330	100.0%
Championships	69,500	62,829	90.4%	71,429	69,848	97.8%
Other	7,500	8,230	109.7%	7,750	7,896	101.9%
<b>TOTAL NCAA OPERATING REVENUE</b>	<b>777,000</b>	<b>771,597</b>	<b>99.3%</b>	<b>797,598</b>	<b>796,073</b>	<b>99.8%</b>
<b>EXPENSES</b>						
Division I Revenue Distribution	467,068	220,198	47.1%	484,046	230,299	47.6%
Division I Championship, Tournaments, and Programs	71,817	58,079	80.9%	76,317	65,105	85.3%
<b>Total Division I Expenses</b>	<b>538,885</b>	<b>278,277</b>	<b>51.6%</b>	<b>560,363</b>	<b>295,404</b>	<b>52.7%</b>
Division II Allocation	33,955	25,328	74.6%	34,855	28,001	80.3%
Division III Allocation	24,709	19,099	77.3%	25,364	20,124	79.3%
<b>Total Division-Specific Expenses</b>	<b>597,549</b>	<b>322,704</b>	<b>54.0%</b>	<b>620,582</b>	<b>343,530</b>	<b>55.4%</b>
<b>Association-Wide Expenses</b>						
Student Athlete Services	54,414	41,359	76.0%	55,415	41,882	75.6%
Educational Services	4,821	2,786	57.8%	4,706	3,263	69.3%
Communications Support Services	7,381	4,858	65.8%	8,081	5,765	71.3%
Membership Support Services	29,257	19,557	66.8%	30,245	21,409	70.8%
Legal and Insurance	22,941	15,081	65.7%	22,781	14,599	64.1%
General and Administrative	32,068	22,661	70.7%	34,562	22,869	66.2%
<b>Total Association-Wide Expenses</b>	<b>150,882</b>	<b>105,028</b>	<b>69.6%</b>	<b>155,790</b>	<b>109,061</b>	<b>70.0%</b>
Reserves and Contingencies	28,569	528	1.8%	21,226	476	2.2%
<b>TOTAL NCAA OPERATING EXPENSES</b>	<b>\$ 777,000</b>	<b>\$ 428,261</b>	<b>55.1%</b>	<b>\$ 797,598</b>	<b>\$ 453,067</b>	<b>56.8%</b>

The annual budget reflects the approved budget as of the beginning of each fiscal year. These amounts do not include amounts approved during the year.

Does not include year to date investment earnings or losses as they are allocated to the Quasi Endowment, and not reflected in the general operating budget.

**Fiscal Years 2012-13 and 2013-14**  
**REVENUE AND EXPENSE BUDGET**

	Approved Budget 2012-2013	% of Total Revenue	Previously Approved Increases for 2013-2014	Adjustments	Adjustment Notes	Restated Budget for 2013-2014	% of Total Revenue
<b>REVENUES</b>							
DII/DIII Allocation-Based Revenue	\$789,848,000	99.0%	\$29,184,000	\$9,343,750	1	\$828,375,750	96.8%
Non-DII/DIII Revenue	\$7,750,000	1.0%	\$150,000	\$19,889,900	2, 3	\$27,789,900	3.2%
<b>TOTAL REVENUES</b>	<b>\$797,598,000</b>	<b>100.0%</b>	<b>\$29,334,000</b>	<b>\$29,233,650</b>		<b>\$856,165,650</b>	<b>100.0%</b>

**EXPENSES AND RESERVES**

<b>Division I Distributions &amp; Expenses</b>	\$484,046,000	60.7%	\$13,554,000	\$1,925,000	1	\$499,525,000	58.3%
<b>Division I Championships and Other Division I Programs</b>	\$76,317,000	9.6%	\$2,290,000	\$13,781,366	1, 4	\$92,388,366	10.8%
<b>Total Division I Expenses</b>	<b>\$560,363,000</b>	<b>70.3%</b>	<b>\$15,844,000</b>	<b>\$15,706,366</b>		<b>\$591,913,366</b>	<b>69.1%</b>
<b>Division II Allocation Guarantee</b>	\$34,855,000	4.41% *	\$1,282,000	\$63,012	5	\$36,200,012	4.37% *
<b>Division III Allocation Guarantee</b>	\$25,364,000	3.21% *	\$932,000	\$46,000	5	\$26,342,000	3.18% *
<b>Total Association-Wide Expenses</b>	\$155,790,000	19.5%	\$5,424,000	\$13,323,761	3, 6	\$174,537,761	20.4%
<b>Reserves, Allocations and Contingencies</b>	\$21,226,000	2.7%	\$5,852,000	\$94,511	6	\$27,172,511	3.2%
<b>TOTAL EXPENSES AND RESERVES</b>	<b>\$797,598,000</b>	<b>100.0%</b>	<b>\$29,334,000</b>	<b>\$29,233,650</b>		<b>\$856,165,650</b>	<b>100.0%</b>

\* Represents percent of total on DII/DIII Allocation-Based Revenue

- 1: Adding NIT activities included in the financial statements but not previously included in the budget presentation.
- 2: Showing more realistic expectation of investment income using to offset additional Championships expenses.
- 3: Eligibility Center fees revenue and expenses previously shown as a net revenue amount (revenue less expenses) are now represented in the budget at their actual amounts.
- 4: Championships and Alliances expenses increase previously approved during this fiscal year.
- 5: Amount to balance to prescribed allocation percentages based on DII/DIII Allocation-Based Revenue sub-total.
- 6: Correct previous rounding errors associated with classifying Presidential Initiatives as Reserves rather than Association-Wide expenses.



**NCAA Budget Requests  
FY 2013-14**

**SUPPLEMENT NO. 6  
Executive Comm. 8/13**

**Division I Association-wide**

**Inflationary Requests**

1	Division I Revenue Distribution	\$	13,550,000
2	Championships Programming		2,290,000
3	Compensation Increases (3% merit increases, .50% equity adjustments)		2,017,000
4	Increase in Reserves and Contingencies		5,850,000
		<u>\$</u>	<u>23,707,000</u>

**New Initiatives**

5	Transforming Intercollegiate Athletics	\$	239,000
6	Strategic Reserve		842,000
		<u>\$</u>	<u>1,081,000</u>

**Total Division I and Association Requests/President's Recommendation** \$ 24,788,000

**Division II | Funded from \$1,280,000 of Additional Allocation Funds**

**New Initiatives**

7	Shared administrative assistant position with DIII	\$	28,500
8	Accommodation of membership growth, enhanced education and accountability initiatives.		404,600
9	Increase in championship per diem		300,000
10	Funding for additional SAAC in-person meeting		35,000
			<u>35,000</u>

**Total Division II Requests/President's Recommendation** \$ 768,100

**Division III | Funded from \$932,000 of Additional Allocation Funds**

**New Initiatives**

11	Shared administrative assistant position with DII	\$	28,500
12	Increase the allocation to conferences		17,600
13	Funding for additional SAAC in-person meeting		35,000
			<u>35,000</u>

**Total Division III Requests/President's Recommendation** \$ 81,100

**Grand Total for all Requests** \$ 25,637,200

**Executive Summary of Funding Sources**

Inflationary		\$	23,707,000
New Initiatives			1,930,200
		<u>\$</u>	<u>25,637,200</u>

Line Number	Description of Request	Amount Recommended
1	Revenue Distribution total increase is 3% over prior year. Compared to prior year this is an actual decrease of \$3.4 million due to the end of the requirements stipulated in the White Case.	\$ 13,550,000
2	Championships Division I programming is increasing by 3% per approval of the Executive Committee during the triennium budget approval.	\$ 2,290,000
3	National compensation planning survey data was collected for 2012-13 fiscal years from four sources, looking at categories of all organizations, nonprofit, education and north central/Midwest region. This data showed ranges from 2.5 - 3.0% increases with the vast majority showing 3.0%. The total spend of \$2 million also includes .50% for equity adjustments and position reclassifications, and 8% for health insurance.	\$ 2,017,000
4	In the prior year approximately \$6 million of the Student Assistance and Academic Enhancement Fund allocated in the Division I revenue distribution was funded from the reserves and contingencies in order to meet the obligations of the legal settlement in the White Case. This increase in the reserve and contingency line reflects the end of this commitment.	\$ 5,850,000
5	This increase represents changes in operational expenses in Academic and Membership Affairs (AMA) for higher costs associated with regional rules, in Committee on Infractions due to structural changes, and in Research due to new work related to the Institutional Performance Program (IPP).	\$ 239,000
6	During the Triennium process in 2011, the Executive Committee approved an Association-wide increase. This \$842,000 represents dollars that have been set aside for initiatives that are currently under consideration such as the regulatory and governance reviews, sports science institute programming, and analysis of current scholarship programs.	\$ 842,000
7	DII and DIII have partnered in requesting a new administrative assistant position.	\$ 28,500
8	This increase for Division II represents an enhancement fund for membership growth and additional membership education, including a membership education and accountability initiative.	\$ 404,600
9	Division II increase in per diem for men's and women's championships to \$95.	\$ 300,000
10	Division II would like to move to an additional SAAC in person meeting which will allow for more participation from student-athletes and provide for greater leadership opportunities.	\$ 35,000
11	DII and DIII have partnered in requesting a new administrative assistant position.	\$ 28,500

NCAA Budget Requests  
 FY 2013-14

Line Number	Description of Request	Amount Recommended
12	Increase by \$400 the conference allocation to support administration and implementation of conference grant programs. This assists in funding new DIII requirements that each conference have an annual review of some conference financial transactions.	\$ 17,600
13	Division III would like to move to an additional SAAC in person meeting which will allow for more participation from student-athletes and provide for greater leadership opportunities.	\$ 35,000
<b>Grand Total</b>		<b>\$ 25,637,200</b>

**DIVISION II CHAMPIONSHIPS COMMITTEE  
REVIEW OF INTERNATIONAL POSTSEASON HOSTING**

**ACTION ITEMS.**

• **Nonlegislative Item.**

**a. Annual review of international NCAA postseason hosting.**

1. Recommendation. That the Association and the involved division annually review the eligibility of international member institutions to host NCAA postseason competition in their respective countries. Additionally, if it is determined that an international institution is not eligible to host NCAA postseason competition in its country that the institution be provided with the opportunity to host in the United States.
2. Effective Date. Immediate.
3. Rationale. In 2007, the NCAA Executive Committee established a 10-year pilot program for international membership in the Association. The Division II membership adopted legislation to establish a pilot program that allowed Canadian institutions to join the Division II membership at the 2008 NCAA Convention. Effective September 1, 2012, the first Canadian institution was granted conditional active status as a Division II member. During the 2012-13 academic year, it became evident that challenges, including legal, logistical and operational existed related to international institutions hosting NCAA postseason competition in venues outside of the United States. Presently, significant challenges continue to exist, including the issuance of international visas, which impacts the ability of student- athletes to be able to equally compete in NCAA postseason competition.

In light of this, it is important to reserve the right to annually review the eligibility of international member institutions to host NCAA postseason competition. Per Constitution 2.10 (The Principle of Competitive Equity), the annual review is essential to ensure that the Association and the activities of its members promote the opportunity for equity in competition. It is critically important that individual student-athletes and institutions will not be prevented unfairly from achieving the benefits inherent in participation in intercollegiate athletics.

4. Estimated Budget Impact. None.
5. Student-Athlete Impact. This recommendation provides inclusion for NCAA student-athletes to have equal opportunity to participate in NCAA postseason competition.

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# NCAA Governance Review Progress Report August 2013

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Jean S Frankel, President  
Ideas for Action, LLC  
Boca Raton, FL 33498  
<http://ideasforactionllc.com>



# Topics...

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- Project Overview and Update
- Web Survey Results
- Current Observations
- Ideas for Action: Components of Change
- Recommended Process and Timeline
- Actions and Next Steps

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# Project Update

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# Project Milestones Thus Far...

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- Initiated in January 2013 and Chartered by Division I Board and NCAA Executive Committee
- Stakeholder Outreach – January-June 2013
  - NCAA January 2013 Convention - Leadership Council, Legislative Council, SAAC, MBB and WBB Committees
  - Cabinets, Councils and Working Groups during February 2013 meetings cycle.
  - Senior NCAA staff focus groups and interviews – February-March 2013.
  - Meetings with CCA, NACDA, FARA, Conference Councils, Committees and Presidential/CEO Groups.
  - Individual telephone interviews with a wide variety of stakeholders, including Division I Board.
  - Web survey to engage all – not just those currently active in governance.
- Continuing to gather input from Conferences at all subdivision levels – goal is to connect with all conferences and all Commissioners..
- Continuing to conduct individual telephone interviews with Division I Presidents, ADs, FARs, SWAs and other stakeholders.



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# Web Survey Results

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# Survey Purpose

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- Web survey was launched in mid-April. The goal was to obtain input from the full Division I membership, including those not currently involved in governance.
- The process tested observations, themes and ideas about governance among key stakeholders, building consensus for focused direction and action in the next stages of the project.
- Detailed report available on request.

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# Current Observations

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# Where We Are Today

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- Throughout the first half of 2013, as part of this review, many meaningful dialogues have begun across Division I, in all stakeholder groups.
- There was an immediate need to diffuse anger, resentment, disenfranchisement and distrust before attempting major structural change. Dialogues and conversations have improved this somewhat, allowing stakeholders to reflect, vent, etc. and envision change.
- An underlying strategy in these first six months has been to try to maximize existing structures and processes that can still provide functional value and provide leadership in moving forward, but with an open mind that the ultimate solutions and structures are yet to be determined.
- Consensus is emerging around issues to be addressed, and a sentiment is growing that the organization is ready to move forward in the process of identifying, evaluating and implementing solutions.
- The current Division I Board desires to lead the formal process of Division I governance change, and the membership is supportive of this approach.
- The NCAA Executive Committee desires to play a more formal role in guiding change at the association-wide level.
- The NCAA National Office will partner with these governance bodies in planning for and implementing change.

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# Governance Review: Next Phase - Planning for Change

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# Planning for Change: Key Focus Areas

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1. Division I Membership Structure (Federation)
2. Governance Entity Structural Change– Board Structure, Leadership and Other Councils, Cabinets, Committees and Working Structures
3. Membership Enfranchisement and Involvement
4. Division I Board Engagement and Leadership
5. NCAA Executive Committee Corporate Role Definition and Engagement
6. NCAA Staff Leadership Strategy- Structure, Processes, Culture

# Key Focus Area 1: Division I Membership Structure (Federation)

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## Challenge:

- Determine whether the “big tent” can continue to exist, or whether further federation or confederation within Division I needs to occur.

## Issues:

- Need the right structure in order to set direction, priorities, deliver value to membership in all sub-segments.
- Need the right balance that serves unique needs but unites around shared values and vision.
- Design criteria and variables that may need to be considered include financial-resource ratios, conference interests, values-based, etc.

## Key Focus Area 2: Governance Entity Structural Change– Board, Leadership and Other Councils, Cabinets, Committees and Bodies

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### **Challenge:**

- Division I Board: Redesigned Board size, structure, function, role and representation.
- PAG, councils, cabinets, committees, working groups, other structures will also need to be created, refined or redefined.

### **Issues:**

- Design criteria may include: shared principles, values, etc., role and responsibility, size/composition, representation criteria (selection by conference structure or at-large elections), meeting frequency and focus, terms and limitations, accountability, resources, oversight, membership enfranchisement, involvement and connection.



# Key Focus Area 3: Membership Enfranchisement and Involvement

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## **Challenge:**

- Build an effective, member-driven governance culture with full membership engagement, input, enfranchisement and trust.

## **Issues:**

- In what ways can members provide input to the policy and decision-making processes of the governance system?
- How can the governance system ensure that member needs are recognized and addressed?
- How can members actively participate in the work of the governance system?
- How can members be effectively informed about the work of the governance system?

# Key Focus Area 4:

## Division I Board Engagement and Leadership

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### Challenge:

- Further define specifics of what being an engaged board means.
- Create new meeting and connection experiences for Board and Board members.
- Expand agenda items to include generative conversations on substantive issues facing Division I.
- Define what the leadership partnership between the Board, membership, and NCAA staff leadership should look like in practice.
- Determine how the existing Board wishes to organize, including establishment of committees or other changes its structure and processes to improve engagement.
- Determine who needs to do what differently and how new commitments will be measured.

### Issues:

- How will the Division I Board function as the working group for governance change? Might they function as a convener, creating design principles and parameters for stakeholder groups to respond to? How should they organize to do so?
- Incoming Board members will need a more robust process of orientation, and may benefit from the establishment of an NCAA “Leadership Boot Camp.”

# Key Focus Area 5: NCAA Executive Committee Corporate Role Definition and Engagement

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## **Challenge:**

- Define function, scope, commitments; determine in what ways the Executive Committee could function in more of an association-wide governance and corporate oversight role. Define specifics of what greater levels of engagement would mean for this body.
- Ensure a greater focus on shared vision and values that unite the NCAA as a whole. Lead a review and update of the NCAA 2004 Strategic Plan and promote ongoing dialogue on association-wide issues affecting intercollegiate athletics.

## **Issues:**

- Executive Committee members will need to determine their role and function and will consider a series of questions in the process of development:
  - What will constitute success for the NCAA as an organization?
  - What are the NCAA's shared principles under which we can unite?
  - How can the Executive Committee best add value in the association-wide “corporate” governance role?
  - What generative questions should be addressed in Executive Committee meetings?
- All three Divisions will be fully engaged in the conversations. Members of Divisions I, II and III will have multiple opportunities to provide input about future Executive Committee size, structure, function, scope and role.

# Key Focus Area 6: NCAA Staff Leadership Strategy

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## Challenge:

- Ensure that the NCAA membership is well-served by an outstanding staff organization, demonstrating leadership and functional competencies, skills and culture essential to ensure effective member and stakeholder engagement, enfranchisement, partnership and trust, and possessing the systems, structures and processes necessary to deliver outstanding member value.

## Issues:

- Improve leadership capabilities and design targeted leadership strategies intended to institutionalize skills, functions and culture essential to Member, Staff and stakeholder engagement, enfranchisement and trust.
- Ensure leadership accountability and evaluation of learning and progress.
- Ensure that perspectives of the full spectrum of the membership are brought forward into policy and other decisions in the staff organization.
- Ensure that the full range of National Office functions deliver member value (will include in-process activities such as the regulatory review, metrics development and strategic and operational planning).

# Defining Success...

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1. What outcomes, at the macro-level, will define success for Division I governance in this effort?
2. What outcomes should we seek from the Division I governance process in the future?
3. How will we balance the broad and diverse set of Division I member needs to deliver value and benefit to all in the future governance system?
4. Can there can be a common definition of success? What elements could we agree on immediately? Which issues will be the most challenging?

# Possible Design Principles?

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- What principles should guide the process of governance review and the creation of possible solutions? For example:
  - Maximize the value of existing structures and processes wherever possible.
  - Ensure all voices are able to hear each other – building community and consensus.
  - Seek the right balance of unique needs and common self-interest.
  - Engage in generative strategic dialogue – focus on root causes rather than symptoms.
  - Others?

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# Process and Timeline

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# Process for Focus Areas 1-3

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- **Current Division I Board serves as the working group to guide overall efforts.** (Sub-committees of the Board may be formed).
- **NCAA Division I Membership Engages on Focus Areas 1, 2, and 3**
  1. Divisional I Membership Structure (Federation)
  2. Governance Entity Structural Change—  
Leadership and Other Councils, Cabinets,  
Committees and Working Structures
  3. Membership Enfranchisement and Involvement.



# Process for Focus Areas 1-3

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- ***Ideas and Input*** will be solicited from the membership in a coordinated process of idea submission. Guidelines and design criteria will be available.
- ***Community Dialogues*** will allow consensus building around key ideas and approaches.
- ***Formal Proposals*** will be developed for submission to the Board and membership approval.
- ***Comment and voting periods*** will be posted and occur.

# Detailed Timeline for Focus Areas 1-3

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- ***Ideas and Input - August- November 2013.*** This time period will include submission of recommended Division I governance structure changes and models and opportunities for groups to informally visit with the Division I Board at the October Board meeting.
- ***Community Dialogues - January 2014 Convention.*** This major event will allow the Board to hear discussion, debate and participate in consensus building among all stakeholder groups around key ideas and approaches.
- ***Formal Proposals - February – April 2014.*** During this time period, formal proposals will be developed and sponsored by the Board, and multisport conferences if necessary, to address structural and process changes in legislation through a membership voting process.
- ***Comment , Voting and Approval – TBD - April – August (or special July convention)*** During this time, formal proposals will either go through the normal process of comment and voting by the Legislative Council and Board, or if a one vote per member institution and conference is necessary the appropriate proposals will be circulated to the Division I membership for consideration at a Special Division I Business Session during the summer. Proposals not requiring membership vote will be considered by the Division I Board in April or August 2014.

# Process and Timeline for Focus Areas 4-6

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4. Division I Board Engagement and Leadership – *Ongoing Development*
5. NCAA Executive Committee Corporate Role Definition and Engagement – *October 2013- January 2014 Work Plan*
6. NCAA Staff Leadership Strategy- Structure, Processes, Culture - *Ongoing Development*

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# Immediate Next Steps

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# Immediate Next Steps...

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- Board approves process and organizes sub-committees to begin work to guide effort. Criteria and desired approach developed and communicated to the membership in early September.
- Membership stakeholders begin organizing around the process of idea submission as desired.
- NCAA governance consultant and NCAA staff leaders continue membership stakeholder outreach and offer assistance to membership groups and coalitions wishing to submit ideas and input.
- Division I Board continues its work on engagement.
- NCAA Executive Committee begins its work on corporate role definition and development.
- NCAA Staff continues work on Leadership Strategy designed to improve capabilities and institutionalize skills, functions and culture essential to member and stakeholder engagement, enfranchisement and trust.

**SPENCER FANE**  
BRITT & BROWNE LLP

**CADWALADER**

# NCAA National Office Operational Assessment: August 7, 2013 Update

William C. Odle  
Corby Jones  
Denise Portnoy  
*Spencer Fane*

Kenneth L. Wainstein  
A. Joseph Jay III  
*Cadwalader*

# Overview of Methodology



# Phase I: Staff Inventories and Interviews--Completed

- **Interview staff and analyze internal inventories**
  - **Kick-off meetings with Vice Presidents & Senior Staff in each Regulatory Area**
  - **Individual interviews with relevant Staff members**
- **Review existing polling and survey data**
  - **Conferences with Research Staff**
- **Identify key issues in each regulatory area**



# Phase II: Gather initial feedback through Focus Groups--Completed

- **Conduct focus groups and individual interviews at Regional Rules Seminar and NACDA**
- **Analyze feedback and emerging themes; refine interview topics and question outlines**
- **Identify member institutions and conference officials for in-person interviews or potential video/teleconferences**
- **Division II and III Management Council focus groups at July 22 and 23, 2013 meetings**

# Some initial takeaways from Phase II

- National office staff does not have (recent) on-campus experience
- Level of turnover among the staff is frustrating and is believed to contribute to inconsistent outcomes in all three areas
- The process on the whole has become too depersonalized and barriers to “relationship building” with NCAA staff seem to be growing
- Lack of transparency: no organizational chart—“we often don’t know who does what and why.”
- Enforcement culture too adversarial and staff appear to have prosecutorial mentality to “win” cases
- There is a perception there is low morale among staff
- Some staff fail to appreciate their purpose is to provide customer service
- Outcomes and quality of process depends on the staff member assigned

# Additional Focus Group comments and suggestions

- Allocate resources necessary to hire experienced, respected athletics professionals from the membership—a few “headline splashing” hires could help inspire confidence more quickly
- The majority of schools so far support the idea of embedding NCAA staff within their athletic departments for a period of time as part of their training
- Many perceive the NCAA tries to do “too much” and should not take on more regulatory responsibility without good reason, e.g., drug testing, increasing role in matters of academic fraud, etc.
- Continue outreach efforts and identify other ways to help build personal relationships
- Find ways to make staff more accessible—e.g., if a phone directory is impractical, consider adding pictures and bios to existing email directory

# Phase III: Campus Visits & Meetings – In Process

- **Schedule interviews on campuses with high population density of stakeholders with most anticipated feedback**
  - **Focus on institutions with significant contact with one or more of the three regulatory areas**
  - **Avoid institutions with active infractions cases**
- **Continue focus groups and interviews at meetings of governance committees, membership associations, and conferences**
- **Coordinate with Jean Frankel—at the presidential and similar levels there will be some overlapping feedback**

# Phase III progress from July 15 through September 2013

- **Five on-campus interviews completed to date (four DI; one DIII)**
- **Twelve DI schools are scheduled for completion in September and three more are determining availability**
- **DII and DIII interviews have started and will continue through September concurrently**
- **Remaining DI schools on initial list will be contacted**
- **Meet with COI and IAC committee members and practitioners**

# Variables impacting completion of Phase III and start of Phase IV

- It may not be possible to reach all stakeholder groups and/or gather sufficient feedback by October to support more than an anecdotal report
- Interview dates are still TBD for majority of DI schools
- Campus availability is limited in August-September, particularly for athletics department personnel involved with men's football and basketball
- Certain stakeholder groups will not be meeting until mid-September
- Sharing relevant information with Jean Frankel helps enhance both projects and is a resource that should be exploited to full extent, warranting some coordination of time-tables

# Phase IV: Analysis & Report

- **Assessment of variables impacting time-table for Phase IV strongly favors extending time-table**
- **Prepare Final Report to Executive Committee**
  - **Summarize member expectations, for NCAA Regulatory Functions**
  - **Summarize comments , recommendations, and input from membership on effectiveness of regulatory functions**
  - **Convey recommendations for how the National Office can better meet member needs and expectations and how regulatory functions' effectiveness can be improved**