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## Memorandum

To: NCAA Division I Board of Directors

NCAA Division I Council

Mark A. Emmert, President, National Collegiate Athletic Association

From: William E. Kirwan and R. Gerald Turner, Co-Chairmen

Knight Commission on Intercollegiate Athletics

Subject: Collaborative Efforts to Strengthen Educational Opportunities through College Sports

Date: March 16, 2015

Over our more than 25-year history, the Knight Commission on Intercollegiate Athletics has worked to advance reform efforts by providing independent research, facilitating public discussions with experts and practitioners in the trenches, and successfully collaborating with leaders throughout higher education to identify solutions to athletics challenges in order to ensure athletic programs are operating within their institutions' educational missions.

As NCAA Division I implements a new governance structure while also addressing unprecedented legal challenges to the current model of intercollegiate athletics, the Commission believes it is an important time to share key principles and ideas that we continue to promote.

We look forward to engaging in more dialogue with you about our shared goals and hope that this information is useful to you in your leadership position.

### History and purpose

While many of you are familiar with the Commission's history, we believe it is valuable to provide an appropriate backdrop to our more recent work and priorities that build upon the foundation of our prior efforts.

The Knight Commission was formed by the John S. and James L. Knight Foundation in 1989 to create a reform agenda for college sports in response to high-profile athletics scandals and low graduation rates in football and men's basketball that, at the time, stained all of higher education.

Founding Co-Chairmen William Friday and Theodore Hesburgh provided leadership for the Commission's 1991 seminal report that created a roadmap for reform and was quickly embraced by higher education leaders. Since then, much has been done to raise academic expectations and strengthen accountability leading to better academic outcomes and experiences for college athletes.

More recent Knight Commission efforts and recommendations have continued to influence and contribute to positive change. Specific recommendations like establishing an academic threshold

for postseason eligibility and providing multiyear athletics scholarships have been adopted, while other efforts have helped shape public and internal debate about the principles and policies guiding college sports.

Our membership includes nearly a dozen current or former university presidents and chancellors, recently graduated college athletes, and nationally regarded thought leaders from organizations with ties to intercollegiate athletics. Many of our presidential members either are currently or have been leaders within the Division I governance structure, and they keenly understand the value of intercollegiate athletics at their own Division I institutions.

#### **Current priorities**

In developing the recommendations in the Commission's 2010 report: "Restoring the Balance: Dollars, Values and the Future of College Sports, we relied on consensus points from a 2009 survey of presidents of Football Bowl Subdivision institutions. Many of the issues explored in that study remain relevant today.

Since that time, we have conducted additional research with presidents, athletics administrators, faculty, commissioners and others and held bi-annual public meetings with the involvement of practitioners and other experts. These activities have enhanced our understanding of the perspectives of all stakeholders and allowed opportunities for us to explore solutions to seemingly intractable challenges. The Commission believes the insights we have gained and the recommendations that resulted should be considered during this critical moment for the future of college sports.

The following highlights prior recommendations that we believe should be considered in the new NCAA governance structure:

# 1. Ensuring that academic integrity and the academic experience of college athletes remain at the forefront of future decision-making.

The academic experience of college athletes and the educational mission of universities must be paramount in all decisions. The Commission commends the NCAA's continuing efforts in improving the academic success and experience of all athletes and ensuring appropriate accountability systems are in place to uphold academic integrity. Many of the recommendations below aim to strengthen the academic experience and institutional priorities on those experiences through strategies independent of the current academic regulatory structure.

### 2. Reducing athletic time demands on college athletes.

One of the major principles of the Commission's 2010 *Restoring the Balance* report was to treat college athletes as students first—not as professionals. Reducing the athletic time demands to allow athletes more time to meet their academic responsibilities was one of the specific actions recommended in this and earlier reports. The Commission supports the resolution the autonomous conferences recently adopted to address this issue.

# 3. Exploring alternative competition models for Division I that may require greater federation by sport.

Building on interest expressed in a 2013 qualitative study of college sports leaders to consider greater federation by sport, the Commission conducted <u>a study</u> this past fall to gauge openness to models that might (1) minimize time and travel burdens on athletes and (2) moderate financial costs without reducing broad-based opportunities. The study reveals significant interest among university presidents, athletics administrators, faculty athletics representatives and head coaches in such approaches.

Since then, we had additional dialogue with conference commissioners, executive directors of collegiate coaching associations, NCAA staff and athletics directors to gather more feedback on these issues.

We encourage the appropriate committee of the new Council structure to consider these issues this year. The Knight Commission is open to conducting additional research or other work that will advance study and consideration of alternatives. We believe that appropriate reconfiguration of competitive formats are better options than reducing opportunities for college athletes.

#### 4. Providing greater transparency in athletics spending to strengthen accountability.

In the Commission's 2010 *Restoring the Balance* report, the Commission recommended that all Division I institutions annually publish accurate and comparable information about revenues and expenses in athletics and how growth rates in athletic spending compare to growth in education-related spending.

The Commission subsequently created a <u>comprehensive database</u> that allows users to compare athletic and academic spending trends for NCAA Division I public institutions, conferences and subdivisions.

### 5. Realigning financial and other incentives with educational values.

Establishing the academic threshold for postseason eligibility as long recommended by the Commission was an important step towards better aligning incentives with educational values, but obviously much more can be done by an enterprise that considers education as its core mission.

The Commission has consistently called for changing the NCAA revenue distribution plan as one of the most important ways to give a greater priority to educational values and outcomes over winning. An independent look at the NCAA financial distribution system suggests that winning in the NCAA Division I Men's Basketball Championship is the NCAA's most important value.

The Commission has suggested that the percentage awarded for winning basketball teams be reduced in order to reallocate funding to support health and safety needs and provide rewards in other ways that are tied to educational values. Similar changes to more appropriately align

financial incentives with values should be considered with the College Football Playoff revenues.

Some positive change has occurred on individual campuses that comport with this broad principle as the NCAA academic reforms have taken hold. A number of Division I institutions are tying athletics personnel incentives to educational values and outcomes instead of only athletic achievements.

6. Requiring a portion of the College Football Playoff revenues to be allocated to the NCAA to reimburse for expenses associated with football's operation as an "NCAA sport" used for NCAA membership purposes.

A 2013 Knight Commission study examined the fragmented operation of FBS football in that its postseason structure and revenues are managed outside of the NCAA, while the NCAA is responsible for all of the operational support for FBS college football, such as player eligibility, rules compliance and enforcement, management of playing rules, legal services, and research related to player health and safety.

The Commission's resulting recommendation to require a portion of the CFP revenues to pay for these services was made as an initial step toward having football playoff revenues contribute in a responsible way to its operation as a collegiate sport instead of placing that primary financing responsibility on the NCAA Division I Men's Basketball Tournament revenues.

Following a <u>presentation from NCAA Chief Medical Officer Brian Hainline at the Commission's September 2014 meeting</u>, we urged that the CFP revenues contribute significantly to concussion research and other health and safety initiatives that are vital to college athletes participating in football.

The Commission recognizes FBS institutions have shown little interest thus far in changing the status quo. However, we believe the financial success of the inaugural CFP and the increasing costs of new health and safety protocols that are significantly affected by football warrant consideration of a new approach and greater openness by FBS institutions to this change.

7. Considering a new financial framework with principles akin to those previously advanced by the Commission, such as spending limits on various sport programs, incentives for maintaining spending limits or disincentives for exceeding spending limits.

While the impact of ongoing litigation at the national, conference and institutional levels has not yet become clear, what has become evident is that the current financial structure of most college sports programs may not be sustainable. In addition to calling for greater financial transparency, the Commission's 2010 *Restoring the Balance* report called for a new financial approach, such as developing incentives for demonstrating an appropriate financial balance between institutional investments in athletics and education. As noted in the <a href="Commission's August 6">Commission's August 6</a> memorandum to the Board of Directors, the Commission believes that these

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concepts and similar ideas should have the highest priority in the work of any new Division I governance system.

The priorities we have outlined above touch issues that the NCAA membership has wrestled with for many years. However, this unprecedented era in collegiate athletics calls for all stakeholders to work together in finding long-term solutions.

The Knight Commission has been a collaborative partner in ongoing reform efforts, and we look forward to continuing that relationship. We look forward to meeting with members of the NCAA national office senior staff on May 18 at the Commission's spring meeting in Washington, DC to hear about the NCAA's priorities. We welcome the opportunity to learn more and to engage in discussion about how the Commission's priorities align with those of President Emmert, the Board and Council.

If you have any questions or wish to discuss the Commission's recommendations in more detail, the Commission's executive director, Amy Perko can coordinate additional communications with us. Amy can be reached at 910.864.5782 or at <a href="mailto:perko@knightcommission.org">perko@knightcommission.org</a>.

We have appreciated past in-person discussion opportunities with the NCAA Board, and we look forward to similar constructive dialogue in the future.

Thank you for your consideration and for your leadership during this important time.

cc: Knight Commission on Intercollegiate Athletics members

Attachment: Knight Commission on Intercollegiate Athletics Roster



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