



Knight Commission **On Intercollegiate Athletics**

A PROJECT OF THE JOHN S. AND JAMES L. KNIGHT FOUNDATION

New CFP Revenues: A billion-dollar opportunity to reset priorities and build a better model

**Public Session, Marriott Marquis, Washington, D.C.
November 17, 2023**

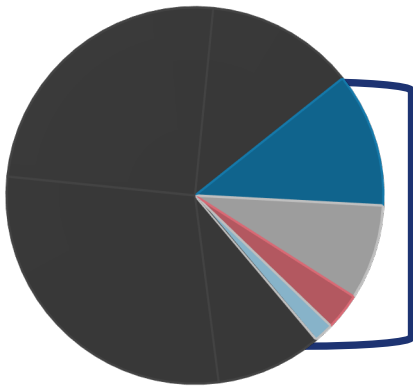


Projected 2027 Revenue Distribution



\$737 million distributed to **358** Division I Schools

\$560 million (76%) is unrestricted

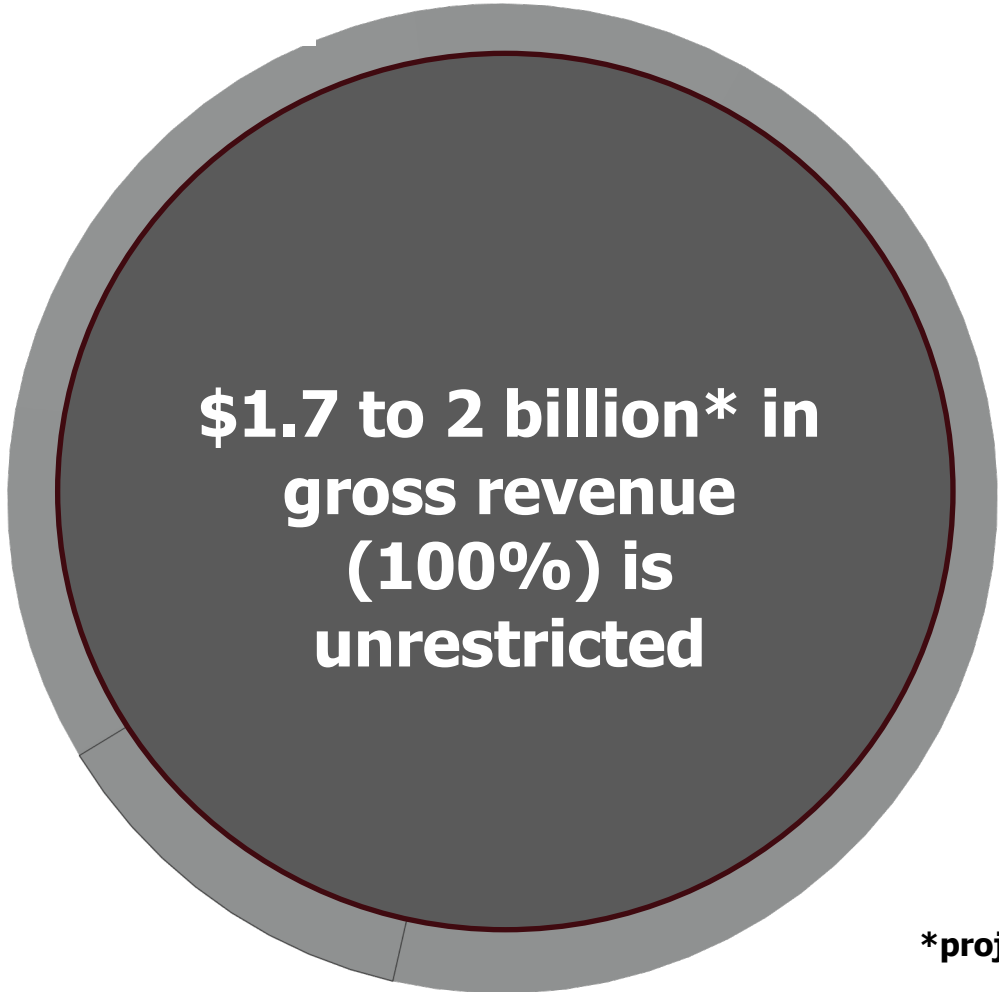


\$177 million (24%) is restricted for designated purposes (athlete education and support)



COLLEGE FOOTBALL
PLAYOFF

\$1.7 to 2 billion* distributed to **133** Division I FBS Schools



***projected with expansion**



NEW REPORT: “Financial Projections through 2032 for Division I FBS Programs”

Based on

CLA (CliftonLarsonAllen) Financial Analysis

- Historical data for FBS public institutions
- Projections include CFP revenue increase of more than \$1 Billion and increases in conference revenues, especially Big Ten and SEC
- If spending patterns continue, cost spiral with football coaching compensation and severance buyouts will accelerate
- CLA analysis discovered a problematic crossover point



Expense Projections in Two Categories



College Athlete Expenses

(all athletes, all sports)

- Athletic Scholarships
 - Tuition
 - Housing
 - Meal Plans
 - Fees
 - Books
- Cost of attendance stipends
- Medical expenses
- Medical insurance



Football Coaching Expenses

(11 countable coaches per school)

- Compensation
- Bonuses
- Benefits

Note: CLA used growth trends of expenses at public FBS institutions based on 2015 to 2022 fiscal years.



2032 Projections for 54 Autonomy 5 Public Institutions

COMPENSATION
& BENEFITS FOR



594 Football Coaches
\$1.363 Billion

ATHLETE SCHOLARSHIPS &
MEDICAL EXPENSES FOR



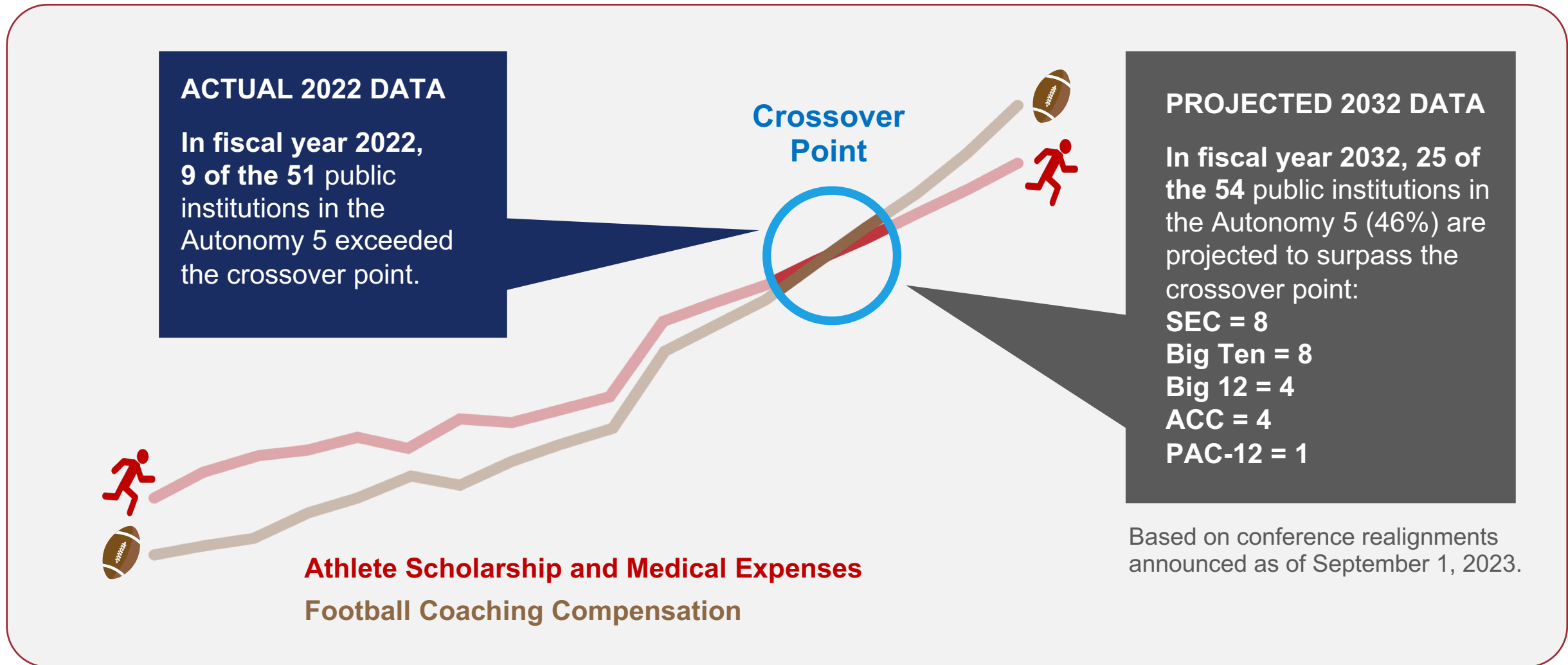
30,000+ Athletes
\$1.372 Billion

VS.

Football Coaching Salaries Only \$9 Million Less



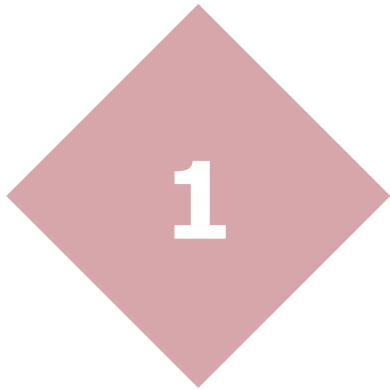
Crossover Data for 54 Autonomy 5 Public Institutions



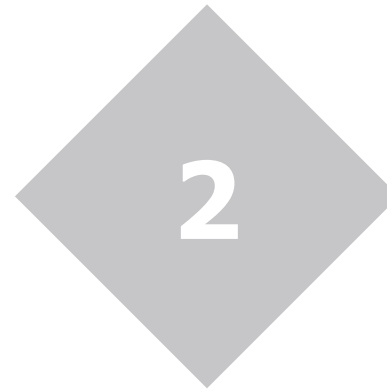


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Knight Commission Solutions to “Reset Priorities and Build a Better Model”



**Alignment
&
Accountability**



Use of Money



Incentives



1

Alignment & Accountability: Governance, Oversight, and Finances



Proposed New Governance Model

Alignment





Alignment

Financial Accountability within Current Governance

Align CFP revenues with football national expenses

CFP revenues would fund all national FBS football expenses (e.g., enforcement, legal services, insurance) currently covered by the NCAA.

An estimated \$60M*



COLLEGE FOOTBALL
PLAYOFF



Align revenue distribution with championships structure

Count only NCAA championship sports in NCAA Revenue Distribution formula, excluding FBS Football since the CFP is not an NCAA championship.

An estimated \$61-66M

*LEAD1, September 2022



2

Use of Money

Aligning Spending with Core Values



Principles to Impact Financial Framework Distribution Criteria and Spending for Shared Revenues

A NEW REPORT IN THE SERIES: TRANSFORMING THE D-I MODEL

Connecting Athletics Revenues with the Educational Model of College Sports

C.A.R.E. Model of College Sports



Principles to modify existing system:

- 1. Transparency**
- 2. Independent Oversight**
- 3. Gender Equity**
- 4. Broad-based Sports Opportunities**
- 5. Financial Responsibility for Education, Health, and Safety**



Financial Responsibility

Division I Conference Shared Revenue

An amount equal to at least 50% of “shared athletics revenue distributions” must support athlete education, health, safety, and well-being and university academics.



Financial Responsibility

College Football Playoff Shared Revenue



Earmark shared new and uncommitted revenue to directly benefit college athletes' education, health, safety, and well-being.



3

Incentives for Existing Principles



Incentives

Incentivize Existing NCAA Principles by Changing the NCAA Distribution Formula

Gender Equity

Require that any financial distributions based on athletics success provide **rewards for performance of women's and men's teams**

Racial Equity

Create a new **Racial Equity Standard as a filter to achieve academic units** utilizing a maximum percentage gap between Black and White college athlete Graduation Success Rates

Sports Opportunity

Create a new reward to incentivize athlete opportunities and provide **significantly more money for schools with more than 17 sports**



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Press release and meeting materials will be available at:

knightcommission.org

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