Knight Commission On Intercollegiate Athletics
A PROJECT OF THE JOHN S. AND JAMES L. KNIGHT FOUNDATION

Connecting Athletics Revenues with the Educational Model of College Sports

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

DI Conferences that Distribute MORE THAN $100 Million Annually
Implementation Resource
(revised April 2024)

Purpose: The C.A.R.E. Model restructures the way Division I distributes and spends more than $3.5 billion in annual shared revenues with athletes' education, health, safety, well-being, and gender equity at its heart. By 2032, annual shared athletics revenues are projected to be more than $7 billion annually.

The C.A.R.E. Model is described in detail in the Knight Commission's report Connecting Athletics Revenues with the Educational Model of College Sports.

This implementation resource shows how each DI conference that distributes more than $100 million annually can use its authority to comply with the C.A.R.E. Model. The model is based on four principles grouped into the following main categories:

A. **Overarching principles** to guide distribution criteria and spending of shared athletics revenue

B. Principles to define criteria for **values-based incentives** (required **only if** your conference incentivizes athletics performance)

C. Principles to direct **spending** of shared athletics revenue

The sections below define each of the four principles and recommend actions for Conferences to be compliant with the C.A.R.E. Model and ultimately to be identified as a C.A.R.E. Champion.

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A. Overarching principles to guide distribution criteria and spending of shared athletics revenues

C.A.R.E. MODEL PRINCIPLE #1: TRANSPARENCY

Requires public disclosure of:

- Conference revenue distribution policy, including:
  - Whether the use of funds by recipients is discretionary or has a restricted use
  - If there is a restricted use, the percentage for such restricted use

  Because your Conference distributes more than $100 million annually, you are required to disclose the amount of revenue distributed.
- Gender and ethnicity demographics of athletics program athletes and staff for institutions receiving distributions as well as their college athlete NCAA Graduation Success Rates

RECOMMENDED ACTIONS

Your conference must complete **all** of the following:

- ☐ Publish your Conference's revenue distribution **plan, distribution categories** and **amount** of revenue distributed in a public manner (e.g., web site, annual report, release).
- ☐ Publicly disclose, **in the aggregate only**, gender and ethnicity demographics of athletics administrators, coaches, and student-athletes as well as NCAA Graduation Success Rates of conference member institutions.
  - Sport and position specific data are not expected.
  - Your Conference office may include this information for each member institution on a Conference webpage that displays C.A.R.E. Model information, or each member institution may publicly disclose this information independently.
  - The aggregate data for the required gender and ethnicity demographics can be found on the NCAA Institutional Performance Program platform as this data is already reported by each member institution through NCAA data collection.

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A. Overarching principles to guide distribution criteria and spending of shared athletics revenues (continued)

C.A.R.E. MODEL PRINCIPLE #2: INDEPENDENT OVERSIGHT

Division I conferences that distribute more than $100 million in shared athletics revenues annually, should establish an oversight entity to approve revenue distribution plans and their compliance with these principles. This entity should be led by a board with a majority of independent directors, who are not employed by the conferences or national organizations or by those institutions that receive distributions from these organizations and are not representatives of any related corporate or media partners. In addition, at least one-third of the board should be current and former college athletes.

RECOMMENDED ACTIONS

☐ Establish an independent entity to review its revenue distribution plan and compliance with the C.A.R.E. Model as described below:

- For an oversight entity to be considered "independent," it must be led by a board with a majority of its directors who are not employed by or otherwise affiliated in any capacity with the conference or national organization or any of its members.
- The independent members cannot be representatives of any related corporate or media partners **and** a minimum of one third of its members should be current or former college athletes.

B. Principles to define criteria for values-based incentives

Required only if athletics performance incentives are provided to members by the DI conference

IF YOUR CONFERENCE DOES NOT DISTRIBUTE ATHLETICS PERFORMANCE INCENTIVES, THERE ARE NO FURTHER REQUIREMENTS IN THIS CATEGORY. **CLICK HERE TO SKIP TO THE NEXT SECTION.**

C.A.R.E. MODEL PRINCIPLE #3:

INCENTIVES FOR EDUCATION, GENDER EQUITY AND BROAD-BASED SPORTS OPPORTUNITIES

If your Conference distributes an athletics performance incentive, you should also incentivize the core values of a) education, b) gender equity, and c) broad-based sports opportunities.

a) Values-Based Incentives for Education

IF YOUR CONFERENCE DOES NOT DISTRIBUTE ATHLETICS PERFORMANCE-BASED INCENTIVEs, THERE ARE NO FURTHER REQUIREMENTS IN THIS CATEGORY. **CLICK HERE TO SKIP TO THE NEXT SECTION.**

Revenue distribution policies should reward the value of education if the value of winning is rewarded through athletics performance incentives.

If a DI conference distributes an athletics performance incentive and collects national incentives for academic performance earned by its member institutions, the conference must either share in part or whole those academic performance incentives directly with the institutions that earned them and/or restrict the use of those incentives for academic/education purposes for the institutions that did not earn them.

RECOMMENDED ACTIONS

Select only one of the following options to comply:

☐ Share the academic performance incentives in whole or in part **only** with the institutions that earned them (institutions that did not earn the incentive do not receive any distribution for academic incentives).

OR

☐ Share the academic performance incentives in whole or in part with **BOTH** the institutions that earned them as well as those that did not earn the incentives **AND** for those institutions that did NOT earn the incentive, the use of the funds is restricted for academic/education purposes only.

Example: If a DI conference collects the NCAA academic incentives, it may provide all or part the funding directly to the schools that earned the incentives to use at their discretion. If only part of the funds is distributed to the earning schools, the conference may distribute the remainder of the funds to the schools that did not earn an incentive but in this case, must require the funds to be used for academic or education purposes like remediation and academic support.

b) Values-Based Incentives for Gender Equity

IF YOUR CONFERENCE DOES NOT DISTRIBUTE AN ATHLETICS PERFORMANCE-BASED INCENTIVE, THERE ARE NO FUTHER REQUIREMENTS IN THIS SECTION. FOR EXAMPLE, IF YOUR CONFERENCE DISTRIBUTES NCAA BASKETBALL SUCCESS FUNDS EQUALLY TO ALL OF YOUR MEMBERS, THEN YOU ARE NOT PROVIDING ATHLETICS PERFORMANCE-BASED INCENTIVES SINCE YOU ARE NOT PROVIDING MORE TO THE PROGRAM THAT EARNED THE INCENTIVE. **CLICK HERE TO SKIP TO THE NEXT SECTION**.

Revenue distribution policies should be equitable with regard to gender.

Incentives provided by a DI conference for athletics success must be equitable in rewarding the performance of women's and men's teams, regardless of how the revenue is generated since conferences are non-profit organizations with educationally related missions.

Each conference has the authority to use NCAA financial incentives in any manner it chooses. The Knight Commission's position is that performance incentives provided by conferences should be **equal** and not tied to media values or net tournament proceeds to be considered gender equitable.

NOTE: The Knight Commission has authorized an exception for conference-based incentives: "Any athletics performance-based incentives that were earned before July 1, 2024, and are being paid out over a future multi-year period are **'grandfathered' and not considered in the requirement for equal performance-based incentives**."

RECOMMENDED ACTIONS

If your Conference governs men's and women's sports:

- ☐ Provide athletic performance incentives that are equal for men's and women's teams.

Example 1: A DI conference policy would meet the criteria if the policy were to award equal financial incentives for any men's and women's basketball teams that advance beyond the first round of tournament play in the NCAA basketball tournaments. If a men's team is the only team that advances beyond the first round, it would be permissible to provide the incentive to the institution for the success of the men's team only in this case. In years where both a men's and women's teams advance, equal success incentives must be awarded.

Example 2: A DI conference policy would meet the criteria if the policy were to provide an equal post-season expense reimbursement to each men's and women's teams that participate and/or advance in their respective NCAA tournaments.

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c) Values-Based Incentives for Broad-Based Opportunities

IF YOUR CONFERENCE DOES NOT DISTRIBUTE ATHLETICS PERFORMANCE INCENTIVES, THERE ARE NO FURTHER REQUIREMENTS IN THIS CATEGORY. **CLICK HERE TO SKIP TO THE NEXT SECTION.**

Shared athletics revenues should be utilized to benefit all sports. The core benefits of intercollegiate athletic activities are universal and maintaining athletic opportunities is educationally valuable for colleges, universities, and athletes alike.

If a conference distributes an athletics performance incentive, the conference is not required to provide incentives for broad-based sports opportunities at an equal level, provided any national incentives for broad-based opportunities (e.g., sports sponsorship) are passed through or shared directly by the national entity or entities with the member institutions earning such incentives.

Additionally, for any conference that distributes athletics performance incentives awarded by a national distribution entity that does not comply with this requirement (e.g., CFP distribution that rewards football performance but not broad-based sport opportunities), the conference must implement incentives for broad-based sports opportunities to match any performance incentives the conference decides to distribute from the non-compliant National Revenue Distribution Entity.

RECOMMENDED ACTIONS

Select only one of the following options to comply:

☐ National incentives for broad-based opportunities (e.g., NCAA sports sponsorship and grant-in-aid incentives) are passed through in full to earning institutions or shared directly by the National Revenue Distribution Entity with the institutions in the conference earning the opportunity incentives.

OR

☐ If your conference is collecting the national incentives and not passing them directly through to earning institutions, then distribute an amount equal to your athletics performance incentive pool to reward institutions for offering more teams than the minimum number that are required for the Division I membership classification of the institution.

C. Principles to direct spending of shared athletics revenues.

A conference-based approach is recommended for this principle because conferences have the authority to set policy on how member institutions use shared revenues, even national revenues that flow to the conferences, and conference-level action is more likely to withstand antitrust scrutiny than collective national action.

C.A.R.E. MODEL PRINCIPLE #4:

FINANCIAL RESPONSIBILITY FOR ATHLETE EDUCATION, HEALTH, SAFETY, AND WELL- BEING.

Division I conferences that distribute shared athletics revenues should implement a system that measures how the spending of such revenues are used to support athlete education, health, safety, and well-being, university academic programs, and athletics programs that provide broad-based opportunities and achieve racial and gender equity.

RECOMMENDED ACTIONS

May select one or more of the following options to comply:

- ☐ Require each member institution to spend an amount equal to at least 50 percent of "shared athletics revenue distributions" on the education, health, safety, and well-being of college athletes and/or university academics. If each institution meets the C.A.R.E. 50% Benchmark, then the conference has reached full compliance with this principle and does not need to advance to the second option below. Public institutions may review their C.A.R.E. 50% Benchmark data here.

AND/OR

- ☐ Implement a comprehensive financial responsibility plan to achieve the stated principle. Such a plan might provide meaningful spending targets, incentives, and/or penalties to encourage spending consistent with the broad educational mission of college sports. Specific examples are provided beginning on page 7 in the full C.A.R.E. Model Report.