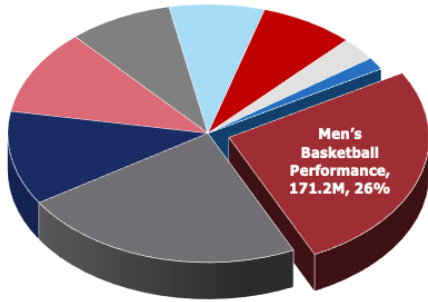


KNIGHT COMMISSION INITIATIVES

Fixing NCAA Revenue Distribution and Settlement Payment Plan

Leaders must address the NCAA revenue distribution formula, which does not reflect NCAA constitutional principles and was designed under a different financial landscape more than 30 years ago. There are ways to correct the formula while still addressing the House settlement payments.

1. CORRECT GENDER INEQUITY IN REVENUE DISTRIBUTION



Background

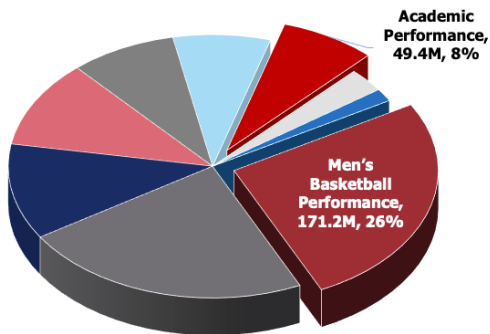
- NCAA distributes **\$650 million** to 364 Division I schools
- 26%** based on Men's Basketball Tournament Success
- 0%** based on postseason success of any **Women's** Sport

Action Needed

Eliminate the gender discrimination in the incentives to meet the NCAA's constitutional principle of gender equity. Distribute a performance incentive for women's teams that is **EQUAL** to men's teams and not dictated by the media contract.

2. PROTECT THE ACADEMIC PERFORMANCE INCENTIVES

The Knight Commission recommends eliminating the NCAA's proposed cuts to the Academic Performance incentives by funding the House damages in other ways.



Background

- Incentives adopted in 2016 as historic move to reward graduation success of athletes.
- Phased-in beginning in 2019 to achieve incentives that ultimately equal Men's Basketball Performance incentives.

Action Needed

Eliminate the proposed 20% cut for Academic Performance Incentives.

WAYS TO FREE UP MONEY TO ACCOMPLISH 1 & 2

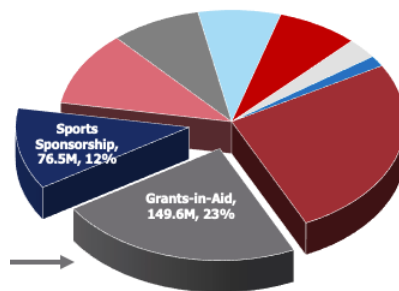
3. CHARGE THE CFP FOR FBS FOOTBALL NATIONAL EXPENSES ABSORBED BY NCAA REVENUES

4. CORRECT THE SKEWED 30-YEAR-OLD FORMULA FOR REWARDING SCHOLARSHIPS

(explanation below)

Grants-in-Aid (Scholarships) Incentives

- There is an escalating multiplier on scholarship incentives.
- For every scholarship **over 150** = **20 times** the distribution rate per scholarship.
- Formula created in 1990 prior to separate and exclusive CFP revenue distribution is skewed towards FBS Football.**



Background

NCAA counts the sport of FBS Football in calculations even though the sport does not have an NCAA Championship and the NCAA receives \$0 from the CFP.

Action Needed

- Count only NCAA championship sports in the NCAA Revenue Distribution formula.
- Exclude FBS Football factors** since the CFP is not an NCAA championship.

\$61-\$66M impact