REPORT OF THE
NCAA DIVISION I AWARDS, BENEFITS, EXPENSES AND FINANCIAL AID CABINET
JUNE 10-11, 2009, MEETING

***ACTION ITEMS*.**

1. Legislative Items.

- None.

2. Nonlegislative Items.

- None.

***KEY ITEMS*.**

1. Review of Current Financial Aid Model. The NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet continued its review of the financial aid items prioritized during its February 2009 meeting. Specifically, the following topics were prioritized for further study: (1) countable aid versus noncountable aid (e.g., government grants, institutional merit aid, state grants); (2) examination of issues related to determining counter status; (3) head count versus equivalency designations; and (4) team financial aid limits. During its June meeting, videoconferences with financial aid officers from nine Division I institutions representing all three subdivisions were conducted to obtain additional feedback related to the financial aid items prioritized by the cabinet. Based on this feedback, the cabinet identified two themes to help guide the cabinet in its review and formulation of recommendations:

a. Legislative recommendations resulting from the cabinet's review should prioritize the well-being of student-athletes over other factors (e.g., competitive equity); and

b. The current financial aid legislation is perceived as unduly burdensome and at times prevents financial aid administrators from exercising professional judgment as would be done for non-student-athletes.

In addition, the cabinet directed the staff to develop a spectrum of models demonstrating how potential changes to NCAA rules would impact team limitations if specific types of financial aid (e.g., Supplemental Educational Opportunity Grant, institutional merit and need-based aid, state grants, outside aid) were exempted. The staff will prepare the models for review by the cabinet during its September 2009 meeting.

2. Maximum Equivalency Limits – Sand Volleyball. The cabinet sponsored legislation for the 2009-10 legislative cycle related to team financial aid limits in the sport of sand volleyball. [See Informational Item No. 1-a below.]

***INFORMATIONAL ITEMS*.**

1. Legislative Informational Items.

a. NCAA Bylaw 15.5.3.1.2 (Maximum Equivalency Limits – Women's Sports – Sand Volleyball).

(1) Recommendation. The cabinet agreed to sponsor legislation for the 2009-10 legislative cycle to specify team limits in the sport of sand volleyball as follows:

(a) For institutions that sponsor both sand and indoor volleyball teams, there shall be an annual limit of six equivalencies and an annual limit of 14 on the total number of counters in the sport of sand volleyball. The implementation of the equivalencies will occur as follows:

Effective 2010-11.....three equivalencies
Effective 2011-12.....four equivalencies
Effective 2012-13.....five equivalencies
Effective 2013-14 and thereafter .....six equivalencies; and

(b) For institutions that sponsor sand volleyball only, there shall be an annual limit of eight equivalencies and an annual limit of 14 on the total number of counters in the sport of sand volleyball.

(2) Effective Date. August 1, 2010.

(3) Rationale. Limiting the equivalencies to six among 14 total counters is appropriate based on the anticipated playing rules, which would permit five two-person sand volleyball units to compete as a team in competition. It is anticipated that during the sport's emergence, there will be a high number of cross-over student-athletes who participate in both indoor and sand volleyball and limiting the total number of counters will assist in maintaining competitive balance. Based on the information provided to the NCAA Committee on Women's Athletics related to the current sand

volleyball participation numbers, these financial aid limits provide appropriate financial aid opportunities as the sport develops as an NCAA sport. Further, eight equivalencies for sand volleyball is appropriate for institutions that do not sponsor indoor volleyball because the same concerns regarding the number of student-athletes who participate in both sports do not exist at those institutions. Finally, it should be noted that the current application of multisport participant legislation would remain. In other words, any counter in the sport of sand volleyball who also practices or competes in indoor volleyball shall be a counter in indoor volleyball.

(4) Estimated Budget Impact. Dependent on institutional decisions whether to sponsor an identified emerging sport for women. Emerging sports for women may be used to meet sports sponsorship requirements; in Divisions I and II, the minimum membership financial aid requirements; and in Division I, for revenue distribution purposes.

(5) Student-Athlete Impact. Dependent on institutional sponsorship.

b. Review Definition of Recruited Prospective Student-Athlete (Bylaw 13.02.12.1). The cabinet expressed concerns that the current definition of a recruited prospective student-athlete may detrimentally impact an individual's ability to accept financial aid. For example, a prospective student-athlete who receives as few as two telephone calls from institutional coaches but is not issued a National Letter of Intent (NLI) or a written offer of financial aid (and does not participate in any other activities in Bylaw 13.02.12.1) is considered recruited based on the NCAA definition. Thus, certain financial aid (e.g., outside aid with athletics as a major criterion) the prospective student-athlete is eligible to receive may become countable toward team financial aid limits. Conversely, a prospective student-athlete who receives only one phone call but receives 10 e-mails per week is not recruited, by definition, provided the prospective student-athlete is not issued an NLI or written offer of financial aid or participate in any other activities in Bylaw 13.02.12.1. Given the current recruiting culture and methods, the cabinet requested feedback from the NCAA Division I Recruiting and Athletics Personnel Issues Cabinet to determine whether the current definition remains appropriate as this cabinet continues its review of rules related to determining counter status.

c. Referral from the NCAA Division I Legislative Review and Interpretations Committee – Calculation of Equivalencies for Lump Sum Financial Aid Awards. During its January 28 and February 18, 2009, teleconferences, the NCAA Division I Legislative Review and Interpretations Committee requested

feedback from the cabinet on a January 21, 2009, staff interpretation related to lump sum awards. Some members of the cabinet expressed a concern that an institution that does not have institutional policies that require awards to be paid in a specific order may gain an advantage based on the flexibility provided in the staff's interpretation; however, the cabinet voted to support the staff's interpretation.

d. **Policies and Practices Task Force – One-Year Period of Award Legislation (Bylaw 15.3.3.1).** The cabinet discussed the merits of current NCAA legislation limiting athletically related financial aid to a maximum of one year. During the discussion the cabinet noted its initial desire to maintain the one-year limit because this allows institutional autonomy to provide the most deserving student-athletes athletics financial aid and ensures the best product available to the general public. Further, members of the cabinet believe that athletics financial aid is a "merit" award and an annual review of whether an individual meets the standards of a merit award is the appropriate way to ensure that the most deserving student-athletes receive that award each year. The cabinet also discussed the option of moving to multiyear athletically related financial aid agreements in exchange for a commitment from the student-athlete to participate at the institution for the same number of years. The cabinet agreed to continue its discussion during its September 2009 meeting.

e. **Additional Financial Aid Items Submitted by Cabinet Members.** The cabinet discussed three items submitted by one of its members related to three different financial aid legislative issues. The cabinet member requested individual cabinet members e-mail feedback on the legislative concepts to him no later than June 20.

f. **Directive to Review Division I Bylaws.** Due to time constraints, the cabinet did not engage in a full discussion of this item; however, each cabinet member received information highlighting potential areas for review, and will engage in a full discussion at its September 2009 meeting.

2. **Nonlegislative Informational Items.**

a. **Outreach to Financial Aid Community.** During its February 2009 meeting, the cabinet directed the staff to draft a plan for outreach (e.g., communication, education) to the financial aid community. The cabinet reviewed and approved the plan drafted by the staff and agreed to update the plan as necessary in the future. The cabinet will continue to receive updates on the staff's progress with these initiatives during future meetings. [Attachment]

b. Best Practices for Conducting Financial Aid Hearing Opportunities. During its February 2009 meeting, the cabinet requested that the staff finalize a comprehensive best practices document related to the application of the financial aid hearing opportunity legislation and renewal/nonrenewal process. The cabinet reviewed and approved the best practices document drafted by the staff. This resource will be made available to the Division I membership on the NCAA Web site.

Committee Chair: M. Grace Calhoun, Indiana University, Bloomington, Big Ten Conference
Staff Liaisons: Brad Hostetter, Academic and Membership Affairs
Vanessa Fuchs, Academic and Membership Affairs
Kris Richardson, Academic and Membership Affairs

ATTACHMENT

Plan for Outreach to Financial Aid Community

	Issue	Outreach Opportunities	Measureable Goals	Steps to Achieve Goal	Individuals Responsible for Implementation	Specific Timetable for Completing the Work
1.	Education for financial aid officers who interact with athletics aid.	Provide educational materials covering day-to-day responsibilities and best practices for dealing with student-athletes and athletics aid that can be accessed by financial aid officers. Use technology (e.g., Webinars, Internet meetings) to establish a periodic training session for the financial aid community, focusing on newer financial aid officers. Provide information on the rationale behind financial aid legislation to the financial aid community to help them better understand it.	Information related to day-to-day responsibilities and best practices for dealing with student-athletes and athletics aid will be included in Division I financial aid-related NCAA Regional Rules Seminar sessions. Determine what communication methods are feasible for educating the financial aid community	Include information related to day-to-day responsibilities and best practices for dealing with student-athletes and athletics aid in Regional Rules Seminar presentations and on ncaa.org. Work with National Association of Student Financial Aid Administrators (NASFAA) to identify optimal education opportunities.	NCAA staff.	**Ongoing**. **2007 RRS**: Best practices for certifying outside awards was a focus of Division I Advanced Financial Aid Regional Rules Seminar session. **2008 RRS**: Best practices for hearing opportunities and renewals/nonrenewals was a focus of Division I Advanced Financial Aid session. **2007-08**: Big East Conference created the Guide to Financial Aid. **Spring 2009**: Best practices document for conducting hearing opportunities was developed by staff and approved by NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet.

	Issue	Outreach Opportunities	Measureable Goals	Steps to Achieve Goal	Individuals Responsible for Implementation	Specific Timetable for Completing the Work
2.	Involvement of financial aid officers in Regional Rules Seminars.	Provide opportunities for financial aid officers to participate in Regional Rules Seminar.	Financial aid officers will be co-presenters for Division I financial aid-related Regional Rules Seminar sessions.	Engage financial aid officers as co-presenters for Division I financial aid-related Regional Rules Seminar sessions.	NCAA staff.	**Ongoing**. Since 2007, financial aid officers have served as co-presenters during the Division I Advanced Financial Aid Regional Rules Seminar session.
3.	Communication of NCAA financial aid issues to the financial aid community.	Work with NASFAA, regional and state financial aid organizations to communicate NCAA financial aid-related issues and events to financial aid officers.	Explore the possibility of presenting Division I financial aid issues at NASFAA national convention; regional conventions; and in those organizations' newsletters.	Work with NASFAA, regional and state financial aid organizations to identify areas of interest and develop presentation materials.	NCAA staff and financial aid organizations' leadership.	**Spring 2009**: Talk with organizational leadership about goals and timing of conventions and newsletters. **Summer 2009**: Begin development of presentation materials. **Fall 2009**: Provide a presentation or newsletter article to these various organizations.

	Issue	Outreach Opportunities	Measureable Goals	Steps to Achieve Goal	Individuals Responsible for Implementation	Specific Timetable for Completing the Work
4.	Enhancing existing resources for applying NCAA financial aid legislation.	Educate financial aid community on the availability of existing resources provided by the NCAA.	Promote the availability of NCAA resources (Regional Rules Seminar presentations, online educational videos, NCAA Compliance Assistant program) to financial aid administrators.	Devote upcoming NASFAA presentation or newsletter submission to promotion of existing NCAA resources.	NCAA staff.	See response to Item No. 3.