A G E N D A

National Collegiate Athletic Association

Division I Awards, Benefits, Expenses and Financial Aid Cabinet

Hyatt Regency Indianapolis
Indianapolis, Indiana

June 1-2, 2010

1. Opening remarks and review of schedule. (Grace Calhoun) [**No action anticipated**.]

2. Approval of report from February 23-24 meeting. (Calhoun) **[Action anticipated.]**

   Background: *The NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet will need to approve the report from its last meeting as distributed via e-mail following the meeting.*

3. Discussion on cabinet's priorities.

   a. Review of feedback from Discussion Document No. 2. [Supplement No. 1 to be distributed prior to the meeting.] (Kris Richardson) **[Action anticipated.]**

      Background: *The cabinet will discuss feedback received as a result of the dissemination of the cabinet's April 2010 discussion document.*

   b. Discuss whether the current definition of "recruited" is appropriate when determining whether an individual is a counter. [Supplement No. 2] (Vanessa Fuchs) **[Action anticipated.]**

      Background: *In response to feedback from the Recruiting and Athletics Personnel Issues Cabinet, the cabinet will discuss whether to propose a definition of a counter that is not tied to the definition of a recruited student-athlete set forth in NCAA Bylaw 13.*

   c. Review financial aid model. (Calhoun) **[Action anticipated.]**

      Background: *The cabinet will continue its two-year review of the current financial aid model by assessing whether to sponsor legislative proposals for the 2010-11 legislative cycle.*

   d. Outreach to financial aid community. (Richardson) **[No action anticipated.]**

Background: *The cabinet will be updated on the efforts related to this priority item.*

4. Discussion of eligibility of student-athletes for institutional financial aid and period of award legislation. [Supplement No. 3] (Elsa Cole) [**Action possible**.]

   Background: *The NCAA staff will provide an overview of the legislation and cabinet members should be prepared to discuss this legislation.*

5. Discussion of Yellow Ribbon G.I. Education Enhancement Program. [Supplement No. 4] (Shauna Cobb) **[Action anticipated]**

   Background: *During its February meeting, the cabinet members agreed to re-examine the Yellow Ribbon G.I. Education Enhancement Program and decide whether to sponsor legislation to add the program to the list of exempted government grants.*

6. Review of activity on the 2009-10 legislative proposals reviewed by the cabinet in September 2009 and February 2010. [Supplement No. 5] (Fuchs) [**No action anticipated**.**]**

   Background: *The staff will review the actions taken on proposals for which the cabinet provided comment at its September 2009 and February 2010 meetings.*

7. Report from NCAA Division I Student-Athlete Advisory Committee (SAAC). (Bob Nolte) **[No action anticipated**.**]**

   Background: *Bob will provide an update on recent and upcoming SAAC activities.*

8. Report from the April 2010 governance meetings. (Calhoun/Richardson) [**No action anticipated**.]

   Background: *NCAA staff will provide an update on the activities from the April 2010 governance meetings and Grace will discuss the latest work of the NCAA Division I Communications and Coordination Committee.*

9. Review of items submitted by cabinet members. **[Action possible.]**

   a. Eligibility for financial aid for student-athletes who have exhausted eligibility. [Supplement No. 6] (Bev Lewis)

   b. Graduate exception to Bylaw 15.3.3.1. [Supplement No. 7] (Richard Carmichael).

10. Prioritization of items for review in 2010-11. [Supplement No. 8] (Calhoun) [**Action anticipated**.]

    Background: *Cabinet members should be prepared to discuss their views on prioritizing these items and to suggest other items that may be prioritized as part of the cabinet's agenda for the next year and beyond.*

11. Summary of key items discussed and next steps. (Calhoun) [**No action anticipated**.]

12. Future meeting dates and sites.

    a. September 21-22, 2010; Indianapolis, Indiana;

    b. February 2011; Indianapolis, Indiana; and

    c. June 2011; Indianapolis, Indiana.

13. Selection of new cabinet chair. (Calhoun/Richardson)

14. Other business.

15. Adjournment.

Feedback on Financial Aid Discussion Document No. 2

Background

During its February meeting, the NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet reviewed feedback from the discussion document it distributed in December 2009. The cabinet identified seven concepts that garnered support from the cabinet and membership based on the feedback received from the December 2009 discussion document, and agreed to seek additional feedback on those concepts.

In April 2010, the cabinet distributed its second discussion document. In that document, the concepts were grouped into the following topical areas: Federal need-based aid; State-based financial aid; institutional financial aid and other financial aid. The discussion document was posted on the cabinet's page of ncaa.org; was distributed to the NCAA Division I Directors of Athletics, NCAA Division I Conference Commissioners, the chair of the NCAA Division I Student-Athlete Advisory Committee, the chair of the Conference Commissioners Association Compliance Administrators, the executive director of the National Association of Collegiate Directors of Athletics, the executive director of the National Association of Collegiate Women Athletic Administrators, the president of the National Association for Athletics Compliance, the chair of the National Association of Financial Aid Administrators and the executive directors of selected coaches associations. The concepts presented in the document also were reviewed with attendees of the two Division I Advanced Financial Aid sessions during the NCAA Regional Rules Seminar the week of May 17, and those attendees were asked to provide feedback on the concepts. This additional feedback will help the cabinet assess whether there is broad-based support for the cabinet to sponsor legislative proposals for the 2010-11 legislative cycle.

Overview of Feedback

The cabinet received a total of 115 responses. As was the case with the first discussion document, respondents ranged from individuals and institutions to conference offices and coaches associations. Each response was assigned a number ("001" through "115") to provide anonymity while maintaining the ability to identify each respondent's feedback. Overall, the respondents were supportive of all seven concepts. At least 90-percent of the respondents supported Concept Nos. 1 and 4; Concept Nos. 2, 5 and 6 were supported by at least 80-percent of the respondents; and Concept No. 3b was supported by more than 75-percent of the respondents. Even Concept No. 7, which received the least amount of support, was supported by more than 60-percent of the respondents.

Below, the content-specific feedback section includes the number of respondents who supported, opposed and took no position on each concept, as well as selected comments from respondents. Attachment A is a compilation of all responses received.

Concept-Specific Feedback

CONCEPTS INVOLVING FEDERAL FINANCIAL AID:

Concept No. 1: Exempt all federal need-based aid from counting towards a team's maximum financial aid limits (team limit) and an individual's cost of attendance limit (individual limit).

Responses: Support - 106; Oppose - 3; No Position - 6.

Support:

1. (003) The gap between COA and GIA gets smaller each year. In order to get the most money in the hands of the neediest students, the individual COA should be allowed to be exceeded.

2. (010) Should still not exceed COA.

3. (108) An issue that may arise is how these Federal need-based aids vary from school to school. Are there more opportunities at larger institutions to receive aid than at the smaller ones? If so then there exists an unfair competitive advantage to the larger institutions, and the program could be abused. However, since there is already a federal methodology to who may receive the funds this will keep the advantage to a minimum. While we support the program, there may be a cause of concern for baseball. Pursuant to Bylaw 15.5.4.1 baseball requires a 25 percent in equivalency. If federal need-based aid is exempt than more money out baseball's budget must be used to reach that 25 percent. Being a limited funded school this could create a huge burden on baseball's budget.

4. (112) The potentiality for need-based aid to be exempt from counting against a team's maximum financial aid limit is a positive development in the NCAA's financial aid legislation. As the rules currently stand, student-athletes may be forced to choose between the most advantageous aid package for financing their education and the chance to participate on athletics teams, the reason being that need-based aid packages are subject to count against the aid limitations of each team. If a team is at or near its limit, the ability of the student to put themselves in the best financial position in order to pay for their education is compromised by the restrictions of the current legislation. It most certainly was not the intent of the NCAA to force this choice, and relief in the form of this proposed exemption is an appropriate resolution.

Oppose:

1. (008) Support not applying to team limit - do not support cost of attendance unless it is constructed so the athlete award can be reduced without penalty to allow students to get max COA and still compete.

2. (095) 1. It advantages schools with large federal allocations of Title IV funding and/ or with large endowments. Consistent with the prior considerations given by the NCAA, schools have hugely unequal federal funding. 2. Opens potential for abuse as schools control who receives federal aid. 3. Team limits enacted in order to even the playing field among all participating institutions. 4. Do not want to encourage the idea of paying students to play. 5. A goal of all educational institutions is to provide access to education for all students, including athletes. Once Cost of Attendance is met, there is no justification for excessive funding. 6. Proposal has the potential to adversely impact institutional budgets as any dollar spent beyond the COA are dollars that can be used to help other needy students. 7. Conflicts with federal regulations to administer Title IV programs within the financial aid office.

No Position:

- (063) Only for team limits. The NCAA does not have the authority to allow a student with SEOG to exceed COA. This is absolutely prohibited on federal regulations, Pell is the only exception.

CONCEPTS INVOLVING STATE-BASED FINANCIAL AID:

Concept No. 2: Exempt all state need-based financial aid from counting towards team limits.

Responses: Support - 93; Oppose - 17; No Position - 5.

Support:

1. (003) Athletic ability has no bearing on need based awards therefore to include it in team limits only hurts the student.

2. (111) I agree as the premise of receiving the funding is based on demonstrated financial need which is monitored by the institution.

3. (115) Supporters agreed state grants are minimal and should be permissible. State control of need-based aid for student-athletes is a fair process to award aid. Although funding may

vary by state, the group noted a majority of recruiting occurs within the state and such distributions would be relatively consistent.

Oppose:

1. (025) Different states with more funding would have more a competitive advantage because they would be able to offer more money without it counting toward equivalencies.

2. (061) Too many differences between the states to ensure level playing field. Very confusing for families considering schools in suffering states or those looking to transfer to schools in another state.

3. (096) While we agree this exemption is probably in the best interest of the overall student-athlete population it puts private institutions at an even greater disadvantage financially and in the recruiting process. Similarly, public schools located in less populated or less wealthy states could also be negatively affected.

4. (107) This concept will create a disparity in the playing field for institutions in the recruitment process. There is not a universal system and therefore this concept will be applied differently from state to state and will therefore leave some at a disadvantage. This concept will make the explanation of aid to the SA more difficult if they are considering aid packages from institutions in different states. It is important to this institution to level the playing field and apply the rules equally from one institution to the next and one student athlete to the next.

5. (109) Because of the inconsistencies between state need-based programs, we feel that exempting state need-based financial aid from counting towards team limits would unfairly impact states with weaker programs and could lead to a recruiting advantage for institutions in states with more robust need-based aid programs. We would be more supportive of it if Point to Consider No. 7 were incorporated.

No Position:

1. (060) I think this needs to be looked at deeper as some schools may gain advantage thanks to state aid.

2. (101) State need-based financial aid programs can vary by state and institutions within the same state. Typically 'need' is determined by the FAFSA process but then who actually receives the funds (freshmen, seniors, etc.) and how much they might receive in a given year can differ. In addressing Point No. 7, we would suggest that the language specify these awards be made with current, auditable institutional awarding policies (which would be based on the EFC which was derived using a federal methodology, but "federal

methodology" is a calculation used to determine the EFC, not a prescribed aid awarding formula dictated by the Department of Education).

Concept No. 6: Exempt state merit-based aid that is administered by an institution provided the awarding criteria satisfy the academic honor award or institutional academic scholarship legislative requirements (see Bylaws 15.5.3.2.2.1, 15.5.3.2.2.2 and 15.5.3.2.2.3).

Responses: Support - 98; Oppose - 9; No Position - 8.

Support:

1. (082) Need to review further to see other states merit based aid availability.

2. (088) If criteria is merit and athletics not a criteria, it should be exempted.

3. (100) This is not an issue for our institution because our institution does not administer our state's merit-based aid; however, we are looking into state merit-based aid policies/procedures/legislation of surrounding states and states in which conference institutions are located.

4. (101) 'Merit-based' aid programs are not well-funded in the state of Colorado. This would speak to Point No. 5 regarding availability of this type of aid varying among states. However, in the interest of student-athlete well-being and the NCAA's desire to mitigate some of the bureaucracy in Bylaw 15, we do support this new concept.

5. (112) The irony of the current rules which include merit-based aid in the calculation of a student-athlete's countable aid is reason enough for this change. Fundamentally, merit awards are to be solely, or at least primarily, based on academic achievement. In the absence of direct ties to athletics participation, it is difficult to perceive why this policy should continue, as its only tangible effect is a negative one on both teams and individuals. coupled with the positive impact that it would have on student-athlete well-being, the proposed exemption makes even more sense. Additionally, the proposed changes present a welcome shift towards institutional autonomy. Concept No. 7 would allow institutional merit awards to be exempt from team limits as long as they are awarded in accordance with institutional policy; the change removes extra stipulations from the NCAA, including the 3.300 grade-point average requirement. This change would allow student-athletes to be treated similarly to the general student body when it comes to accepting aid, with a positive impact on student welfare.

Oppose:

1. (078) This will create a further gap between state schools with HOPE-like programs and those who do not.

2. (080) Allows for influence of award if there are not enough for all students meeting the criteria.

3. (109) Similar to Concept No. 2, we feel that the differences across state programs may lead to significant recruiting advantages for some institutions and are not supportive of Concept No. 6.

CONCEPTS INVOLVING INSTITUTIONAL FINANCIAL AID:

Concept No. 5: Revise NCAA legislation related to institutional academic aid /scholarships to specify a 3.000 grade-point average as opposed to a 3.300 grade-point average (see Bylaws 15.5.1.2.2 and 15.5.3.2.2.2).

Responses: Support - 92; Oppose - 17; No Position - 6.

Support:

1. (007) Most institutional academic aid has a 3.000 threshold to maintain the aid.

2. (050) A 3.000 is a B average which is good for athletes why not help them, less pressure.

3. (115) Supporters noted the concept would be more consistent with NCAA Bylaw 15.5.3.2.2.2. Opposition to competitive disadvantage. The unofficial conference majority would support the legislation.

Oppose:

1. (016) 3.000 is mediocre at best. I would be more inclined to raise the required grade-point average to 3.500. Bad idea.

2. (054) If the academic aid grade-point average is lowered it would lower the "value" of the academic award and bring the award closer to the masses.

3. (060) While it would qualify more students, I think this is something that exceptional students should earn and I don't believe we should lower the bar.

4. (069) Academic standards should be maintained, if not enhanced. Grade inflation is a nation-wide problem. A 3.300 today is not what it was 10 years ago - don't lower the legislative bar too.

5. (096) Our institution does not grant merit based aid and therefore would not benefit from the rule change. We would not support any changes that result in a weaker academic requirement.

Concept No. 7: Allow institutional standards applicable to all students to govern institutional academic aid/scholarships.

Responses: Support - 73; Oppose - 33; No Position - 9.

Support:

1. (019) Great idea but level playing field for consistency is a concern.

2. (086) This would truly make FA processes consistent and much easier to apply for our financial aid administrators.

3. (104) Student-athletes should have similar opportunities to be awarded institutional academic financial aid without it counting against their respective sports. It doesn't make a lot of sense that by increasing your grade-point average you could cost your team athletic scholarship money that could be awarded to another player.

4. (115) Supporters noted the legislation would benefit the welfare of the student-athlete and streamline institutional aid awarding policies and practices. Opposition to the legislation stated the concept could pose a competitive disadvantage for the conference given the limited academic awards and high academic standards. The unofficial conference majority would support the legislation.

Oppose:

1. (023) Each institution has different standards. Establish minimum standards.

2. (032) Would create more distrust and competitive negatives between schools.

3. (069) Fairness/equity some schools have low standards; also favors schools with huge endowments.

4. (074) Our institution's merit scholarship is renewable with a 2.000 grade-point average. If I'm reading this correctly, a 2.000 would make them not countable a 2.000 - that seems way too lenient.

5. (077) Only if they are not based on "community involvement" or "activities" because athletics is a criteria then.

6. (087) Recruiting advantage for institutions with lower renewal criteria. 3.250 at one conference school but 2.750 at another - more money for SA in w/less academic effort.

No Position:

- (089) Depends - if it was AHA to begin with and then institutional renewal.

CONCEPTS INVOLVING OTHER TYPES OF FINANCIAL AID:

Concept No. 3-b: Exempt all outside scholarships from counting towards team limits provided:

a. The choice of institutions is not restricted by the donor of the aid; and

b. There is no direct connection to institution.

Responses: Support - 88; Oppose - 21; No Position - 6.

Support:

1. (003) Most of the awarding agencies have no idea about NCAA rules and are simply trying to provide a small amount of assistance to a deserving student. The small awards are important to the student and a lot of extra work for Financial Aid administrators.

2. (026) How would you be able to monitor an outside scholarship that gives a significant amount of aid to a prospective student-athlete I would suggest to approve or a clause to a one time outside scholarship preventing a PSA from getting significant amounts over a four year period.

3. (037) Please clarify "direct connection". What if the company that gives a scholarship is a vendor to the institution?

4. (045) However direct connection could be interpreted more broadly at some institutions, need a more defined strict definition.

5. (048) Doesn't occur that much at our institution but awards are small and it is tough to tell a kid they can't get a scholarship when they "earned it" via essay, etc.

Oppose:

1. (056) Too much potential for abuse by creation of awards, and too many outside awards out there with no concept of NCAA rules.

2. (069) I worry that this would be abused - what is a direct (vs. indirect) issue. Tends to benefit the "best" players who likely attend the better programs thru providing them yet another competitive advantage - equity.

3. (078) Unless outside scholarship is 100 percent free of athletics criteria has an established set of criteria.

4. (095) 1. The proposal as is would be very difficult to administer as the financial aid office has no way of determining what “relationship” the institution has with a donor. Also, often times, donor policies are not written, accessible or clear making it difficult for the financial aid office to know for certain if the donor restricts donations to particular schools. 2. Would support a minimum tolerance. For example, students can receive up to $1000 in outside scholarships without counting toward team limits provided we are not bound by the relationship issue. 3. Otherwise it may open the door to potential abuse.

No Position:

1. (029) Cannot respond. I see value in this but also serious potential for abuse.

2. (038) Concerned about aid sources and reasons for offering aid. Would this apply to aid from an athletic related source.

3. (080) Tracking of this would be difficult allowing the aid is in good interest of student, but would be abused.

Concept No. 4: Allow student-athlete to replace his or her athletics financial aid agreement (on student-athlete's own initiative) with a nonathletics institutional financial aid package that is at least equal to the value of the athletics financial aid agreement before becoming a counter for the academic year.

Responses: Support - 103; Oppose - 7; No Position - 5.

Support:

1. (013) With written request from student-athlete with no opportunity for reversal of selecting nonathletics institutional aid (may result in state aid changes from initial notification to student-athlete to the time aid applied). (Our state made some changes last year which were problematic on our campus).

2. (017) Support, however, I'm not sure we need specific language to do this considering we have the ability to include language in the Financial Aid Agreement to allow a student to relinquish athletics aid for a more favorable institutional package.

3. (042) The current legislation is not in the best interest of the student-athlete. Essentially the money "belongs" to the student-athlete and they should be able to decide what aid package financially benefits them the most.

4. (056) Financial aid packages are created and finalized after athletic awards in most cases. SA should be able to maximize financial aid benefit whenever permissible award is made.

Oppose:

1. (029) I foresee negotiations initiated by the student and parents to get the "best deal" not something a financial aid office can or should be involved in.

2. (095) 1. Student athletes provide a service to the school and their level of assistance should remain constant over four years. 2. If students can choose financial aid award over their athletic award there is no guarantee that award will be renewed in whole in subsequent years. The student's aid eligibility may change annually based on federal, state or institutional policy changes or changes to their own family financial circumstances. 3. Introduces too much variation in policies not allowing students to adequately compare and understand all offers. 4. The goals of the athletic department in recruiting students for team sports and the enrollment goals the Office of Financial Aid and Scholarship Programs can legitimately differ and may cause the student to lose out on the better award. 5. Has the potential to create natural tensions and pressures between the financial aid office and the athletic department staff.

3. (109) We believe that the current allowance to modify the tender with a nonathletically related condition addresses the issue necessitating this change and as such the new legislation is not necessary.

NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet
Use of "Recruited Prospective Student-Athlete" When Determining Counter Status

Background:

As part of the NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet's review of the current financial aid model during its June 2009 meeting, the cabinet expressed concern that the current definition of a recruited prospective student-athlete in NCAA Bylaw 13.02.12.1 (recruited prospective student-athlete) [Attachment A] 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 involved in any other activities in Bylaw 13.02.12.1 (e.g., issued a National Letter of Intent or a written offer of financial aid or provided an official visit), is considered recruited under the current definition. Once a prospective student-athlete is considered "recruited," certain financial aid (e.g., outside aid with athletics as a major criterion) he or she is eligible to receive is countable toward team financial aid limits. Conversely, a prospective student-athlete who receives only one telephone call but has received 10 e-mails per week since September 1 of his or her junior year of high school is not recruited under the current definition, provided he or she is not involved in any other activities in Bylaw 13.02.12.1. As part of the cabinet's review of the current financial aid model, it requested feedback from the NCAA Division I Recruiting and Athletics Personnel Issues Cabinet to help determine whether the current definition of "recruited" is an appropriate standard for determining whether certain types of financial aid should be counted toward team and individual financial aid limits.

During its September 2009 and February 2010 meetings, the Recruiting and Athletics Personnel Issues Cabinet examined current legislation regarding the definition of a recruited student-athlete. The recruiting cabinet shared similar concerns as those noted by the Awards, Benefits, Expenses and Financial Aid Cabinet; however, it also noted that while the definition of a recruited student-athlete is located in Bylaw 13, the most significant impact of this definition is in Bylaw 15 and is meant to address competitive equity and financial aid parity across institutions. Therefore, consideration should be given as to whether the recruited status of an individual is appropriate when it has the potential to have such a significant impact on a student-athlete and whether it should continue to be used as a trigger for counter status. The Recruiting and Athletics Personnel Issues Cabinet acknowledged the concept that the current definition may detrimentally impact an individual's ability to accept financial aid. However, given the impact that any modifications would have on other areas of legislation (e.g., eligibility and transfer status), the recruiting cabinet believed it was more appropriate for the Awards, Benefits, Expenses and Financial Aid Cabinet to address the financial aid issues by proposing an alternative definition of a counter that is not tied to the definition of a recruited student-athlete set forth in Bylaw 13.

NOTE: Depending on the feedback received from the membership regarding Financial Aid Discussion Document No. 2, Concept No. 3-(b) (i.e., exempt all outside scholarships from counting towards team limits provided the choice of institutions is not restricted by the donor of the aid and there is no direct connection to the institution), a change to the current definition of

recruited status for financial aid purposes and/or a change to the facts that determine counter status may not be necessary.

History and Intent of the Legislation:

The current definition of a recruited student-athlete was originally adopted in 1994 with NCAA Division I Proposal No. 162 [Attachment B]. Prior to the passage of this proposal, the definition of a recruited student-athlete was split into two separate sections: Bylaw 13.02.9.1, which listed the actions that constituted recruitment, and Bylaw 13.02.9.2, which listed actions not constituting recruitment. The lists were considered "fairly extensive," and Proposal No. 162 was a deregulation effort intended to simplify the process of determining whether a prospective student-athlete had been recruited. The rationale for the proposal states:

The NCAA Division I Legislative Review and Interpretations Committee believes that the current legislation is difficult for institutions to monitor and determine whether a prospect was recruited, inasmuch as the lists of those activities that do and do not constitute recruitment are fairly extensive. Reducing the activities that constitute recruitment to three very specific circumstances and eliminating the list of situations that do not constitute recruitment will simplify the determination of whether a prospective student-athlete has been recruited.

Historically, the rationale for the use of recruited status within the counter legislation when determining if a student-athlete's financial aid should count against team limits is to address "stockpiling" concerns. Specifically, tying countable aid to recruited status helped to address instances in which a coach could use nonathletics aid to entice an unlimited number of recruited students they are not sure about to "try out" with the team and as a result, stockpile talent. The membership's concern was that institutions with more financial aid resources for all students would be able to recruit additional student-athletes to fill out their rosters using only institutional aid, leaving institutions with fewer financial aid resources unable to compete for those students. In addition, there was concern that institutions with more financial aid resources could create financial aid packages with more grants that do not require repayment, further contributing to those institutions gaining a recruiting advantage.

Application of the Legislation:

An easy way to see the effect recruited status can have on a student-athlete's ability to accept financial aid is to examine Figure 15-2 [Attachment C] from the 2009-10 NCAA Division I Manual. The first question asked when determining whether a student-athlete is a counter is whether the student-athlete was recruited. Notice, too, that once the analysis reaches the "proper certification" step, the student-athlete's recruited status (and sport) determines what the institution needs to certify in order for the student-athlete to be a noncounter.

Although the analysis in Figure 15-2 provides an overview of the effect recruited status may have on a student-athlete's ability to accept financial aid, several provisions in Bylaw 15 reference the student-athlete's recruited status. For your reference, a list of current Bylaw 15 legislation that includes the term "recruited" is provided [Attachment D].

Example:

Big Time University has invited two incoming freshmen (PSA Nos. 1 and 2) to walk on to its women's soccer team for the upcoming academic year. The team is at its equivalency limit of 14 for the upcoming academic year.

Neither PSA No. 1 nor PSA No. 2 was recruited as an underclassman. During the senior year of high school:

1. PSA No. 1 received one phone call from Big Time's coaches, and was e-mailed at least once a day throughout her entire senior year by the coaching staff.

2. PSA No. 2 received two phone calls from Big Time in the fall, and the coaches e-mailed her only four times during her senior year.

Using the current definition of "recruited," PSA No. 2 is recruited, while PSA No. 1 is not.

Each prospective student-athlete has received a $500 outside scholarship (equivalent to 0.03 of a full athletics grant-in-aid at Big Time) from an outside organization that satisfies the conditions in Bylaw 15.2.6.4. (athletics participation as a major criterion). In addition, each prospective student-athlete has been awarded a $5,000 academic scholarship from Big Time (equivalent to 0.25 of a full athletics grant-in-aid at Big Time). These institutional academic scholarships were granted without regard to athletics but do not meet the conditions to be considered academic honor awards under Bylaw 15.5.3.2.2.1 (academic honor awards).

PSA No. 1	PSA No. 2
Outside award = $500	Outside award = $500
Academic award = $5,000	Academic award = $5,000
Total Countable Aid = $0	**Total Countable Aid = $5,500**
Total Noncountable Aid = $5,500	**Total Noncountable Aid = $0**

Applying current financial aid and recruiting legislation to this example, since PSA No. 1 is not considered recruited, she is permitted to accept all $5,500 in scholarships without affecting the team's financial aid limit. PSA No. 2, however, is considered recruited. Therefore, if PSA No. 2 accepts the $500 outside award for which athletics was a major criterion, the addition of PSA No. 2 to the women's soccer team would cause the team to exceed its financial aid limit because

the receipt of an outside award for which athletics is a major criterion triggers counter status for a recruited student-athlete.

Despite a review of Big Time's recruiting activities which reveals they were "recruiting" PSA No. 1 more vigorously than PSA No. 2, PSA No. 1 is able to join the team and accept the entire $5,500 in scholarships because she is not considered to be a counter. However, because the two telephone calls PSA No. 2 received causes her to be a recruited student-athlete, she is forced to choose between: (1) Accepting the entire $5,500 in scholarships and not being on the team; or (2) Declining the $500 outside award in order to avoid being considered a counter. Note that if PSA No. 2 declines the outside award, it would be permissible for her to accept the $5,000 institutional academic award without being considered a counter.

Questions and Points to Consider:

When taking into consideration what, if any, changes should be made to the definition of a recruited student-athlete, the cabinet should examine how the definition is represented across legislation in all areas. For the cabinet's review, staff has provided a summary of where the recruited status of a prospective student-athlete is considered in Bylaw 15 [Attachment D] and outside of Bylaw 15 [Attachment E] as the definition impacts other areas of legislation. For example, in Bylaw 14, legislation governing progress toward degree and transfers generally use recruited status to provide exceptions to avoid unintended consequences. Within Bylaw 15, as illustrated in the example above, recruited status is used mainly to determine whether financial aid is counted toward individual and team financial aid limits.

Under the current definition, it is possible for coaches to actively recruit a prospective student-athlete, while avoiding the four activities that cause a prospective student-athlete to be considered recruited. Even though a coach is earnestly recruiting that prospective student-athlete, the prospective student-athlete is not considered recruited when the institution is determining which sources of the student's financial aid, if any, affect the individual and team financial aid limits.

Below are some questions that may facilitate the cabinet's discussion.

1. Should the current definition of a recruited student-athlete (per Bylaw 13.02.12.1) be modified for determining counter status based on the current model of recruitment (e.g., methods of communication, use of technology)?

    a. With the increased use of unofficial visits for recruiting purposes (e.g., Junior Days), should unofficial visits be considered as a potential trigger?

    b. Is the trigger based on the initiation or arrangement of a telephone call on more than one occasion in subpart (c) still appropriate given that prospective

student-athletes may call a coach an unlimited number of times and given the increased use of e-mail to communicate?

c. With an increasing number of prospective student-athletes receiving athletically related financial aid to attend a summer session prior to initial full-time enrollment, should the provision of this aid trigger recruitment?

d. What other actions should be considered as a trigger of recruited status?

e. Would two different definitions of recruited status (one for Bylaw 13 and one for Bylaw 15) result in additional monitoring issues for campus compliance staff?

2. Given the impact any change to the definition of recruited would have on areas outside of financial aid (e.g., eligibility), is it appropriate to eliminate the use of recruited status within the current definition of a counter so that it is not tied to recruited status? If so, are there additional factors that should be used to determine/define counter status?

Definition of Recruited Prospective Student-Athlete

13.02.12.1 - Recruited Prospective Student-Athlete.

Actions by staff members or athletics representatives that cause a prospective student-athlete to become a recruited prospective student-athlete at that institution are: *(Revised: 1/10/90, 1/11/94 effective 8/1/94 for those students entering a collegiate institution on or after 8/1/94, 1/10/05 effective 8/01/05)*

(a) Providing the prospective student-athlete with an official visit; *(Adopted: 1/11/94 effective 8/1/94 for those students entering a collegiate institution on or after 8/1/94)*

(b) Having an arranged, in-person, off-campus encounter with the prospective student-athlete or the prospective student-athlete's parents, relatives or legal guardians; *(Adopted: 1/11/94 effective 8/1/94 for those students entering a collegiate institution on or after 8/1/94)*

(c) Initiating or arranging a telephone contact with the prospective student-athlete, the prospective student-athlete's relatives or legal guardians on more than one occasion for the purpose of recruitment; or *(Revised: 1/11/94 effective 8/1/94 for those students entering a collegiate institution on or after 8/1/94)*

(d) Issuing a National Letter of Intent or the institution's written offer of athletically related financial aid to the prospective student-athlete. Issuing a written offer of athletically related financial aid to a prospective student-athlete to attend a summer session prior to full-time enrollment does not cause the prospective student-athlete to become recruited. *(Adopted: 1/10/05 effective 8/1/05, Revised: 12/13/05)*

Deregulation

The NCAA Legislative Review Committee has identified the following proposals to facilitate the deregulation of the Association's recruiting legislation. The NCAA Council has approved the submission of these proposals to the membership as a "deregulation package." While these proposals are being submitted as a package, they will be voted on separately in the appropriate business session. In addition, Proposal Nos. 40 and 41, which also are part of the "deregulation package" appear in the Presidents Commission Grouping.

NO. 162 (Dereg. 3) RECRUITMENT

Intent: To specify an all-inclusive list of activities that identify a prospective student-athlete as a recruited prospect.

Bylaws: Amend 13.02.9, page 79, as follows:

[Federated provision, all divisions, divided vote]

"13.02.9 Recruiting. Recruiting is any solicitation of the prospect or the prospect's family (or guardian) by an institutional staff member or by a representative of the institution's athletics interests for the purpose of securing the prospect's enrollment and ultimate participation in the institution's intercollegiate athletics program.

"13.02.9.1 *Activities Constituting Recruitment* **Recruited Prospective Student-Athlete.** Actions by staff members or athletics representatives that cause a prospective student-athlete to become a recruited prospective student-athlete at that institution *include, but are not limited to, the following* **are**:

"*(a) Providing transportation to the prospect to visit the institution's campus;*

"*(b) Entertaining the prospect in any way on the campus, except the institution may provide a complimentary admission to an on-campus athletics contest in which its team competes when the prospect visits the institution as a member of an athletics or nonathletics group tour unrelated to athletics recruitment;*

"(a) Providing the prospect with an official visit;

"(b) An arranged, in-person, off-campus encounter with the prospect or the prospect's parent(s) or legal guardians, or

"(c) Initiating or arranging a telephone contact with the prospect, family member or guardian **on more than one occasion** for the purpose of recruitment;.

"*(d) Visiting a prospect, family member or guardian for the purpose of recruitment;*

"*(e) Entertaining family members or guardians of a prospect on the institution's campus;*

"*(f) Forwarding of correspondence to a prospect, other than a generic letter providing or requesting general information, or*

"*(g) Arrangement (as permitted under applicable division legislation) of meals, housing, transportation and academic interviews during an unofficial visit.*

"*13.02.9.2 Activities Not Constituting Recruitment. Recruitment is not considered to have occurred if:*

"*(a) The staff member or representative comes in normal contact (without prearrangement) with the prospect or members of the prospect's family (or guardian) and exhibits normal civility, excluding any attempts to recruit the prospect;*

"*(b) The staff member requests via mail a prospect or family member (or guardian) to return a questionnaire relative to the prospect's high-school, preparatory school or two-year college record;*

"*(c) The institution provides a complimentary admission to the prospect (when the prospect visits the institution as a member of an athletics or nonathletics group tour unrelated to athletics recruitment) to attend an on-campus intercollegiate athletics event in which the institution's team competes;*

"*(d) The institution pays a fee required by the appropriate testing agency to obtain a prospect's official ACT or SAT score(s) [the institution may provide a check payable to the testing agency for this purpose];*

"*(e) A prospective student-athlete initiates a telephone conversation with a coaching staff member for the purpose of trying out for (e.g., 'walking on' to) the institution's team, with the understanding that the coach provides the prospect information regarding practice or meeting schedules (e.g., time, place, date) and does not utilize the conversation to solicit the prospect's enrollment, or*

"*(f) Forwarding of generic letters, which may be personalized only in the address and salutation.*"

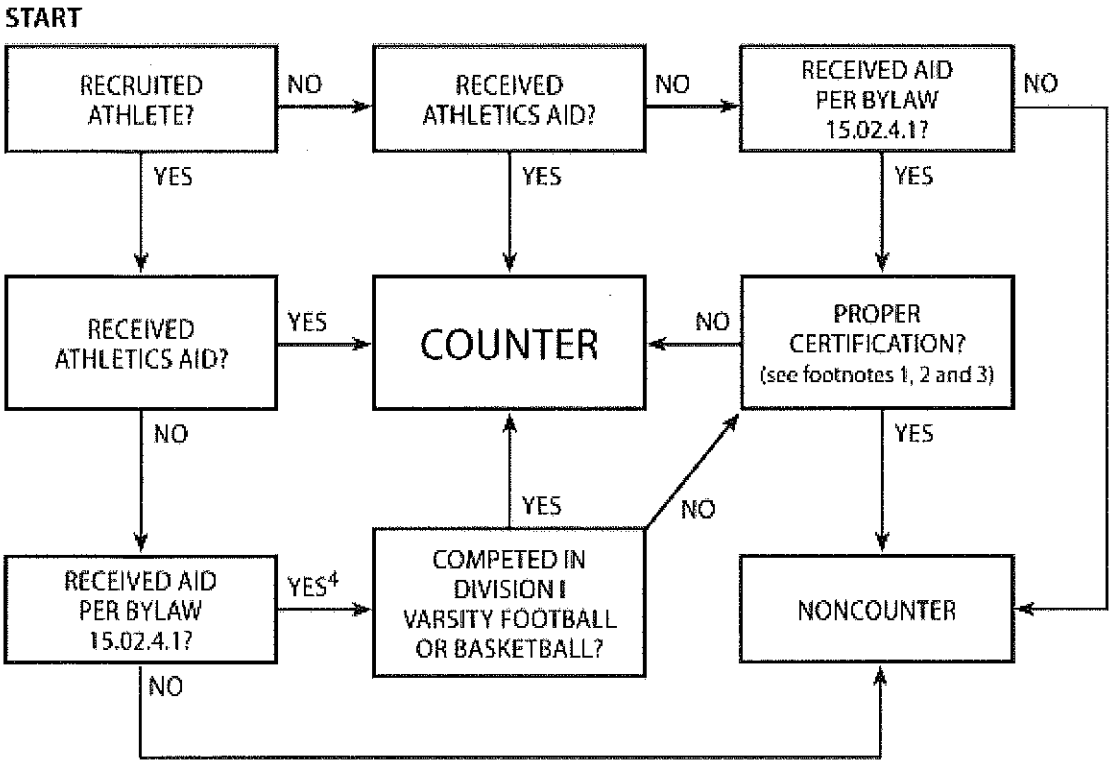
Source: NCAA Council (Legislative Review Committee).

Effective Date: August 1, 1994; for those students entering a collegiate institution on or after August 1, 1994.

Rationale: The Legislative Review Committee believes that the current legislation is difficult for institutions to monitor and determine whether a prospect was recruited, inasmuch as the lists of those activities that do and do not constitute recruitment are fairly extensive. Reducing the activities that constitute recruitment to three very specific circumstances and eliminating the list of situations that do not constitute recruitment will simplify the determination of whether a prospect has been recruited.

FIGURE 15-2

How to Determine a Counter



1. Recruited student-athlete who is a varsity football or basketball team member but does not compete: Admission and financial aid must be certified as unrelated to athletics ability (Bylaw 15.5.1.2).
2. Recruited student-athlete participating in sport other than football or basketball: Financial aid must be certified as unrelated to athletics ability (Bylaw 15.5.1.1).
3. Nonrecruited student-athlete participating in any sport: Financial aid must be certified as unrelated to athletics ability (Bylaw 15.5.1.1).
4. Recruited partial qualifier in football or basketball who receives institutional financial aid based on financial need becomes a counter when he or she participates in institutional practice sessions or represents the institution against outside competition (Bylaw 15.5.1.2.1).

ATTACHMENT D
SUPPLEMENT NO. 2

Current Financial Aid Legislation Impacted by Recruited Status

NCAA Bylaw 15.02.4.1 - Institutional Financial Aid.

The following sources of financial aid are considered to be institutional financial aid:

(a) All funds administered by the institution, which include but are not limited to the following: *(Revised: 1/11/94 effective 8/1/94, 1/14/97 effective 8/1/97)*

(1) Scholarships;

(2) Grants;

(3) Tuition waivers;

(4) Employee dependent tuition benefits, unless the parent or the legal guardian of a student-athlete has been employed as a full-time faculty/staff member for a minimum of five years; and *(Revised: 4/26/01 effective 8/1/01, 10/31/02 effective 8/1/03)*

(5) Loans. *(Revised: 10/31/02 effective 8/1/03)*

(b) Aid from government or private sources for which the institution is responsible for selecting the recipient or determining the amount of aid, or providing matching or supplementary funds for a previously determined recipient; and *(Revised: 10/31/02 effective 8/1/03)*

(c) For the student-athlete recruited by the institution, financial aid awarded through an established and continuing outside program (e.g., National Football Foundation) for the recognition of outstanding high school graduates in which athletics participation may be a major criterion, as outlined in NCAA Bylaw 15.2.6.4. This aid counts against an institution's sport-by-sport financial aid limitations and also against the individual's full-grant-in-aid limit. *(Revised: 10/31/02 effective 8/1/03)*

Bylaw 15.02.4.2 - Other Permissible Financial Aid.

The following sources of financial aid are also permitted:

(a) Financial aid received from anyone upon whom the student-athlete is naturally or legally dependent;

(b) Financial aid awarded solely on bases having no relationship to athletics ability;

(c) Financial aid awarded through an established and continuing outside program (e.g., National Merit Scholar) in which athletics participation is not the major criterion, as outlined in Bylaw

15.2.6.3, and which does not count against an institution's sport-by-sport financial aid limitations; *(Revised: 4/29/04 effective 8/1/04)*

(d) For the student-athlete not recruited by the institution, financial aid awarded through an established and continuing outside program (e.g., National Football Foundation) for the recognition of outstanding high school graduates, in which athletics participation may be a major criterion, as outlined in Bylaw 15.2.6.4. This aid does not count against an institution's sport-by-sport financial aid limitations but does count against the individual's full-grant-in-aid limit; and

(e) Educational expenses awarded by the U.S. Olympic Committee, which count against an institution's sport-by-sport financial aid limitations and against the individual's full-grant-in-aid limit. *(Adopted: 1/10/95 effective 8/1/95)*

Bylaw 15.1.3 - Recruited Student-Athlete Receiving Institutional Financial Aid.

Unearned financial aid (excluding loans) administered by an institution to an athletically recruited student is subject to the limitations set forth in Bylaw 15.1. Such aid is considered to be athletically related financial aid unless the faculty athletics representative and the director of financial aid certify that the aid was granted without regard in any degree to athletics ability (see Bylaw 15.5.1.1). *(Revised: 5/30/08, 5/28/09)*

Bylaw 15.2.6.4 - Athletics Participation as a Major Criterion.

A student-athlete may receive financial aid through an established and continuing program for the recognition of outstanding high school graduates, provided the following conditions are met: *(Revised: 4/22/98 effective 8/1/98)*

(a) The award shall be made on the basis of the recipient's past performance and overall record, as measured by established criteria of which athletics participation may be a major criterion;

(b) Disbursement of the aid may be through the awarding agency for the recipient's educational expenses, provided the aid is awarded prior to the recipient's initial enrollment at a member institution and the awarding agency provides written notification of the award to the institution. After enrollment at a member institution, disbursement of the aid shall be through the institution for the recipient's educational expenses while attending the institution. A violation of this bylaw shall be considered an institutional violation per Constitution 2.8.1; however, the violation shall not affect the student-athlete's eligibility, provided the student-athlete deposits the aid with the institution and the aid does not result in an overaward of

(c) financial aid to the student-athlete; *(Adopted: 1/10/95 effective 8/1/95, Revised: 4/20/99 effective 8/1/99)*

(d) The recipient's choice of institutions shall not be restricted by the donor of the aid;

(e) The awarding individual or organization and the donor of the aid shall not be representatives of the athletics interests or an athletics booster group of a member institution;

(f) The value of the award alone or in combination with other athletically related financial aid shall not exceed the value of a full grant-in-aid or the value of the award in combination with nonathletically related financial aid shall not exceed the value of the student-athlete's cost of attendance; *(Revised: 8/23/06)*

(g) The award may be provided to the recipient on only one occasion;

(h) If the recipient is recruited, the recipient is considered a counter per Bylaw 15.5.1, and the amount is applied to the maximum awards limitations of Bylaw 15.5 for the sport in question; and

(i) The award is not received from an outside sports team or organization that conducts a competitive sports program by a member of that team.

Bylaw 15.2.8.1.3 - Prior to Initial, Full-Time Collegiate Enrollment -- Institutional Nonathletics Aid.

The following conditions apply to the awarding of institutional nonathletics financial aid to a prospective student-athlete to attend an institution in the summer prior to the prospective student-athlete's initial, full-time collegiate enrollment: *(Revised: 1/10/90, 1/10/92, 4/29/04, 1/10/05 effective 5/1/05)*

(a) The recipient shall be admitted to the awarding member institution in accordance with regular, published entrance requirements; *(Adopted: 1/10/90)*

(b) The recipient, if recruited, is subject to NCAA transfer provisions pursuant to Bylaw 14.5.2-(h); *(Adopted: 1/10/90)*

(c) During the summer term or orientation period, the recipient shall not engage in any countable athletically related activities except for those activities specifically permitted in Bylaw 17 (see Bylaws 17.1.1 and 17.1.1.1); and *(Adopted: 1/10/90, Revised: 3/14/05)*

(d) The awarding institution certifies in writing that the student's financial aid was granted without regard in any degree to athletics ability. The written certification shall be on file in the office of

the director of athletics and shall be signed, or electronically authorized (e.g., electronic signature), by the faculty athletics representative and the director of financial aid. Violations of this bylaw do not affect a prospective student-athlete's eligibility and shall be considered institutional violations per Constitution 2.8.1. *(Adopted: 1/10/90, Revised: 4/26/01, 3/10/04)*

Bylaw 15.2.8.1.4 - Prior to Initial, Full-Time Enrollment at the Certifying Institution -- Athletics Aid.

The following conditions apply to the awarding of athletically related financial aid to a prospective student-athlete (including a prospective student-athlete not certified by the NCAA Eligibility Center as a qualifier) to attend an institution in the summer prior to the prospective student's initial, full-time enrollment at the certifying institution (see also Bylaw 13.02.11.1): *(Adopted: 4/27/00 effective 8/1/00, Revised: 4/29/04, 1/10/05 effective 5/1/05, 5/9/07)*

(a) The recipient shall be admitted to the awarding member institution in accordance with regular, published entrance requirements;

(b) The recipient is enrolled in a minimum of six hours of academic course work (other than physical education activity courses) that is acceptable degree credit toward any of the institution's degree programs. Remedial, tutorial and noncredit courses may be used to satisfy the minimum six-hour requirement, provided the courses are considered by the institution to be prerequisites for specific courses acceptable for any degree program and are given the same academic weight as other courses offered by the institution; *(Revised: 9/6/00)*

(c) The recipient, if recruited, is subject to NCAA transfer provisions pursuant to Bylaw 14.5.2-(h), unless admission to the institution as a full-time student is denied; *(Revised: 4/26/01)*

(d) During the summer term or orientation period, the recipient shall not engage in any countable athletically related activities except for those activities specifically permitted in Bylaw 17 (see Bylaws 17.1.1 and 17.1.1.1); and *(Revised: 3/1/4/05)*

(e) Summer coursework is not used for the purpose of completing initial-eligibility or continuing-eligibility (transfer eligibility, progress toward degree) requirements. However, the hours earned during the summer prior to initial full-time enrollment at the certifying institution may be used to satisfy the applicable progress-toward-degree requirements in following years (see Bylaw 14.4.3). *(Revised: 6/21/01, 3/10/04)*

Bylaw 15.5.1 - Counters.

A student-athlete shall be a counter and included in the maximum awards limitations set forth in this bylaw under the following conditions: *(Revised: 6/10/04)*

(a) **Athletics Aid.** A student-athlete who receives financial aid based in any degree on athletics ability shall become a counter for the year during which the student-athlete receives the financial aid; or

(b) **Athletics Participation as a Major Criterion.** A recruited student-athlete who receives outside financial aid for which athletics participation is a major criterion (see Bylaw 15.2.6.4) shall become a counter for the year during which the student-athlete receives the aid; or

(c) **Educational Expenses -- Olympic Committee/National Governing Body.** A student-athlete who receives educational expenses awarded by the U.S. Olympic Committee or a U.S. national governing body (or, for international student-athletes, expenses awarded by the equivalent organization of a foreign country) per Bylaw 15.2.6.5 shall become a counter for the year during which the student-athlete receives the aid.

Bylaw 15.5.1.1 - No Athletics Aid -- Certification Required.
A student-athlete (except for a recruited football or basketball student-athlete) who does not receive athletically related financial aid per Bylaw 15.5.1-(a) through Bylaw 15.5.1-(c) but receives institutional financial aid (as set forth in Bylaw 15.02.4.1) shall not be a counter if the faculty athletics representative and the director of financial aid that the student-athlete's financial aid have certified was granted without regard in any degree to athletics ability. The certification shall be kept on file in the office of the athletics director.

Bylaw 15.5.1.2 - Football or Basketball, Varsity Competition.

In football or basketball, a student-athlete who was recruited by the awarding institution and who receives institutional financial aid (as set forth in Bylaw 15.02.4.1) granted without regard in any degree to athletics ability does not have to be counted until the student-athlete engages in varsity intercollegiate competition (as opposed to freshman, B-team, subvarsity, intramural or club competition) in those sports. For this provision to be applicable, there shall be on file in the office of the athletics director certification by the faculty athletics representative, the admissions officer and the chair of the financial aid committee that the student's admission and financial aid were granted without regard in any degree to athletics ability. *(Revised: 1/16/93 effective 8/1/93, 1/11/94, 6/20/04)*

Bylaw 15.5.1.2.2 - Exception -- Receipt of Institutional Academic Aid Only.

In football or basketball, a student-athlete who was recruited by the awarding institution and whose only source of institutional financial aid is academic aid based solely on the recipient's academic record at the certifying institution, awarded independently of athletics interests and in amounts consistent with the pattern of all such awards made by the institution, may compete without counting in the institution's financial aid team limits, provided he or she has completed at least one academic year of full-time enrollment at the certifying institution and has achieved a cumulative grade-point average of at least 3.300 (on a 4.000 scale) at the certifying institution. *(Adopted: 10/27/05 effective 8/1/06)*

Bylaw 15.5.6.3.1 - Recruited Student-Athlete Entering in Fall Term, Aided in First Year.

A student-athlete recruited by the awarding institution who enters in the fall term and receives institutional financial aid (based in any degree on athletics ability) during the first academic year in residence shall be an initial counter for that year in football. Therefore, such aid shall not be awarded if the institution has reached its limit on the number of initial counters prior to the award of institutional financial aid to the student-athlete.

Bylaw 15.5.6.3.2 - Recruited Student-Athlete Entering after Fall Term, Aided in First Year.

A student-athlete recruited by the awarding institution who enters after the first term of the academic year and immediately receives institutional financial aid (based in any degree on athletics ability) shall be an initial counter for either the current academic year (if the institution's annual limit has not been reached) or the next academic year. The student-athlete shall be included in the institution's total counter limit during the academic year in which the aid was first received.

Bylaw 15.5.6.3.3 - Recruited Student-Athlete, Aid Received After First Year.

A recruited student-athlete (including a student-athlete who was not a qualifier) in football who first receives athletically related financial aid after the student-athlete's first academic year in residence shall be an initial counter for that academic year in which the aid is first received, if such aid is received during the fall term. However, such a student-athlete who first receives athletically related financial aid in the second or third term of an academic year may be considered an initial counter during the academic year in which aid was first received or the next academic year. In either case, the student-athlete shall be included in the institution's total counter limit during the academic year in which the aid was first received. *(Revised: 1/3/06)*

Bylaw 15.5.6.3.4 - Nonrecruited Student-Athlete Receiving Institutional Financial Aid.

A student-athlete not recruited by the institution who receives institutional financial aid (based in any degree on athletics ability) after beginning football practice becomes a counter but need not be counted as an initial counter until the next academic year if the institution has reached its initial limit for the year in question. However, the student-athlete shall be considered in the total counter limit for the academic year in which the aid was first received.

Bylaw 15.5.6.3.7 - Recruited Student-Athlete, Varsity Competition.

In accordance with Bylaw 15.5.1.2, a recruited student-athlete receiving institutional financial aid certified as having been granted without regard in any degree to athletics ability becomes an initial counter in the first academic year in which the student-athlete competes on the varsity level. (See Bylaw 15.5.1.2.2.) *(Revised: 10/27/05 effective 8/1/06)*

Bylaw 15.5.9.1 - Football.

In football, a counter who was recruited and/or offered financial aid to participate in football and who participates (practices or competes) in football and one or more sports (including basketball) shall be counted in football. A counter who was not recruited and/or offered financial aid to participate in football and who competes in football and one or more sports (including basketball) shall be counted in football. *(Revised: 1/10/95 effective 8/1/95, 1/9/96 effective 8/1/96)*

Bylaw 15.5.9.7.1 - Requirement to Qualify as Multiple-Sport Athlete.

To be considered a multiple-sport athlete under this section, an individual must meet all of the following requirements:

(a) The individual shall report and participate fully in regularly organized practice with each squad;

(b) The individual shall participate where qualified in actual competition in each sport;

(c) The individual shall be a member of each squad for the entire playing and practice season; and

(d) If a recruited student-athlete, the individual shall have been earnestly recruited to participate in the sport in which financial aid is counted (the institution recruiting the student-athlete

shall have a reasonable basis to believe that the student-athlete is capable of participating in the institution's varsity intercollegiate program in that sport, including documentation of a record of previous participation in organized competition in the sport that supports the student-athlete's potential to participate in that sport in varsity intercollegiate competition).

ATTACHMENT E
SUPPLEMENT NO. 2

Other Legislation Impacted By Recruited Status

NCAA Bylaw 12 – Amateurism.

NCAA Bylaw 12.1.1.1.3.1 - Temporary Certification -- Recruited Student-Athlete.

If a recruited prospective student-athlete reports for athletics participation before the student's amateur status has been certified, the student may practice, but not compete, for a maximum period of 14 days. After this period, the student shall have his or her amateur status certified to continue to practice or compete. *(Adopted: 1/9/06 effective 8/1/06, for all final certifications for student-athletes initially enrolling at a Division I or Division II institution on or after 8/1/07)*

Bylaw 12.1.1.1.3.2 - Temporary Certification -- Nonrecruited Student-Athlete.

If a nonrecruited prospective student-athlete reports for athletics participation before the student's amateur status has been certified, the student may practice, but not compete, for a maximum period of 45 days. After this period, the student shall have had his or her amateur status certified to continue to practice or to compete. *(Adopted: 1/9/06 effective 8/1/06, for all final certifications for student-athletes initially enrolling at a Division I or Division II institution on or after 8/1/07)*

Bylaw 14.3 – Freshman Academic Requirements.

Bylaw 14.3.5.1.1 - Temporary Certification, Recruited Student-Athlete.

If a recruited student-athlete reports for athletics participation before his or her qualification status has been certified, the student may practice, but not compete, during a 14-day period, provided the student meets all other requirements to be eligible to practice. An institution shall not provide athletically related financial aid to the student during this period. After the 14-day period, the student shall have established minimum requirements as a qualifier (as certified by the NCAA Eligibility Center) to continue practicing or to compete and receive athletically related financial aid. *(Revised: 1/11/89, 10/7/05, 5/9/07, 9/18/07)*

Bylaw 14.3.5.1.2 - Temporary Certification, Nonrecruited Student-Athlete.

If a nonrecruited student-athlete reports for athletics participation before his or her qualification status has been certified, the student may practice, but not compete, during a 45-day period, provided the student meets all other requirements to be eligible to practice. An institution shall not provide athletically related financial aid to the student during this period. After the 45-day period, the student shall have established minimum requirements as a qualifier (as certified by the NCAA Eligibility Center) to continue practicing or to compete and receive athletically related financial aid. *(Revised: 10/7/05, 5/9/07, 9/18/07)*

<u>Bylaw 14.4 – Progress-Toward-Degree Requirements</u>.

Bylaw 14.4.3.5 - Exceptions to Progress-Toward-Degree Rule.

(b) **Nonrecruited, Nonparticipant.** A student-athlete may qualify for an exception to the application of the progress-toward-degree regulation for the initial season of eligibility if the student was not recruited; has not received athletically related financial assistance; has never practiced or participated in intercollegiate athletics, except that a student may have participated in limited preseason tryouts; and is otherwise eligible under all institutional, conference and NCAA rules. The student-athlete's eligibility in following seasons would be governed by the provisions of the progress-toward-degree rule, which would be applied from the beginning of the first term the student began participation. This exception shall not apply to the percentage-of-degree (Bylaw 14.4.3.2) and minimum grade-point average (Bylaw 14.4.3.3) requirements. *(Revised: 1/10/90, 1/10/92, 1/9/96, 10/31/02 effective 8/1/03 for those student-athletes first entering a collegiate institution full time on or after 8/1/03, 1/9/06 effective 8/1/06)*

<u>Bylaw 14.5 – Transfer Regulations</u>.

Bylaw 14.5.2 - Conditions Affecting Transfer Status.

A transfer student is an individual who transfers from a collegiate institution after having met any one of the following conditions at that institution:

(a) The student was officially registered and enrolled in a minimum, full-time program of studies in any quarter or semester of an academic year, as certified by the registrar or admissions office, provided the student was present at the institution on the opening day of classes;

(b) The student attended a class or classes in any quarter or semester in which the student was enrolled in a minimum full-time program of studies, even if the enrollment was on a provisional basis and the student was later determined by the institution not to be admissible;

(c) The student is or was enrolled in an institution in a minimum full-time program of studies in a night school that is considered to have regular terms (semesters or quarters) the same as the institution's day school, and the student is or was considered by the institution to be a regularly matriculated student;

(d) The student attended a branch school that does not conduct an intercollegiate athletics program, but the student had been enrolled in another collegiate institution prior to attendance at the branch school;

(e) The student attended a branch school that conducted an intercollegiate athletics program and transfers to an institution other than the parent institution;

(f) The student reported for a regular squad practice (including practice or conditioning activities that occur prior to certification per Bylaws 14.3.5.1 and 14.5.4.5.5), announced by the institution through any member of its athletics department staff, prior to the beginning of any quarter or semester, as certified by the athletics director. Participation only in picture-day activities would not constitute "regular practice;"

(g) The student participated in practice or competed in a given sport even though the student was enrolled in less than a minimum full-time program of studies; or

(h) The student received institutional financial aid while attending a summer term, summer school or summer-orientation program (see Bylaws 15.2.8.1.3 and 15.2.8.1.4). A recruited student who receives institutional aid pursuant to Bylaw 15.2.8.1.4 is subject to the transfer provisions, except that a prospective student-athlete (recruited or nonrecruited) who is denied admission to the institution for full-time enrollment shall be permitted to enroll at another institution without being considered a transfer student. *(Adopted: 1/10/90, Revised: 4/26/01, 4/14/03)*

Bylaw 14.5.4 – Two-Year College Transfers.

Bylaw 14.5.4.4 - Status of Nonqualifier, Nonrecruited.

A two-year college student-athlete who transferred to a Division I institution without meeting the requirements of Bylaw 14.5.4.2 shall not be eligible for regular-season competition and practice during the first academic year in residence. However, such a student who was not recruited per Bylaw 13.02.12 and for whom admission and financial aid were granted without regard to athletics ability shall be eligible for nonathletics institutional financial aid, provided there is on file in the office of the athletics director certification by the faculty athletics representative, the admissions officer and the chair of the financial aid committee that admission and financial aid were so granted.

Bylaw 14.5.4.5.6.1 - Temporary Certification, Recruited Two-Year College Transfer.

If a recruited two-year college transfer student reports for athletics participation before the student's high school or two-year college academic record has been certified, the student may practice, but not compete, during a 14-day period, provided the student meets all other requirements to be eligible to practice. An institution shall not provide athletically related financial aid to the student during this period. After the 14-day period, the student shall have established minimum requirements as a transfer student to continue practicing or to compete and receive athletically related financial aid. *(Adopted: 1/10/90, Revised: 10/7/05, 9/18/07)*

Bylaw 14.5.4.5.6.2 - Temporary Certification, Nonrecruited Two-Year College Transfer.

If a nonrecruited two-year college transfer student reports for athletics participation before the student's high school or two-year college academic record has been certified, the student may practice, but not compete, during a 45-day period, provided the student meets all other requirements to be eligible to practice. An institution shall not provide athletically related financial aid to the student during this period. After the 45-day period, the student shall have established minimum requirements as a transfer student to continue practicing or to compete and receive athletically related financial aid. *(Adopted: 1/10/90, Revised: 9/18/07)*

Bylaw 14.5.5 – Four-Year College Transfers.

Bylaw 14.5.5.2.9 - Nonrecruited Student Exception.

The student transfers to the certifying institution, and the following conditions are met:

(a) The student-athlete was not recruited by the certifying institution (per Bylaw 13.02.12.1);

(b) No athletically related financial assistance has been received by the student-athlete; and

(c) The student-athlete has not competed for any previous institution and has not engaged in other countable athletically related activities in intercollegiate athletics beyond a 14-consecutive-day period at any previous institution. The 14-consecutive-day period begins with the date on which the student-athlete first engages in any countable athletically related activity (see Bylaw 17.02.1). *(Revised: 1/9/06)*

Bylaw 14.5.5.2.10.1 - Nonrecruited Student.

A student-athlete who does not qualify for the exception due to Bylaw 14.5.5.2.10-(a) may use the one-time transfer exception, provided he or she was not recruited by the original four-year institution and has never received institutional athletically related financial aid from any four-year institution. *(Adopted: 1/9/06 effective 8/1/06)*

Selected NCAA Divisions I and II Legislation Governing Eligibility of Student-Athletes for Institutional Financial Aid and Period of Award

Division I.

Bylaw 15.01.5 - Eligibility of Student-Athletes for Institutional Financial Aid.

A student-athlete must meet applicable NCAA (see Bylaw 14), conference and institutional regulations to be eligible for institutional financial aid. If these regulations are met, the student-athlete may be awarded institutional financial aid during any term in which a student-athlete is in regular attendance [was enrolled initially in a minimum full-time program of studies as defined by the certifying institution during that term (see Bylaw 14.1.8.2.1.3 for final term exception and Bylaw 15.2.8 for summer-term exception)] under the following circumstances: *(Revised: 6/8/99)*

(a) The student-athlete is an undergraduate with eligibility remaining under Bylaw 14.2 (five-year rule);

(b) The student-athlete is a graduate student eligible under Bylaw 14.1.9;

(c) Within six years after initial enrollment in a collegiate institution (provided the student does not receive such aid for more than five years during that period); however, after the six-year period expires, this restriction shall apply only to unearned athletics aid for which the athletics department intercedes on behalf of the student-athlete; or

(d) The student-athlete receives a degree-completion award from the NCAA. *(Adopted: 1/8/07 effective 8/1/07)*

[Note: See Bylaw 13.1.1.3 for the financial aid implications in the prohibition against contacting student-athletes of another four-year collegiate institution without permission of that institution's athletics director. See Bylaw 14.5.5.4 for financial aid implications related to the academic eligibility of four-year college transfers.] *(Revised: 1/9/06 effective 8/1/07)*

Bylaw 15.01.6 - Maximum Institutional Financial Aid to Individual.

An institution shall not award financial aid to a student-athlete that exceeds the cost of attendance that normally is incurred by students enrolled in a comparable program at that institution (see Bylaw 15.1). *(Revised: 4/29/04 effective 8/1/04)*

Bylaw 15.02.4.1 - Institutional Financial Aid.

The following sources of financial aid are considered to be institutional financial aid:

(a) All funds administered by the institution, which include but are not limited to the following: *(Revised: 1/11/94 effective 8/1/94, 1/14/97 effective 8/1/97)*

(1) Scholarships;

(2) Grants;

(3) Tuition waivers;

(4) Employee dependent tuition benefits, unless the parent or the legal guardian of a student-athlete has been employed as a full-time faculty/staff member for a minimum of five years; and *(Revised: 4/26/01 effective 8/1/01, 10/31/02 effective 8/1/03)*

(5) Loans. *(Revised: 10/31/02 effective 8/1/03)*

(b) Aid from government or private sources for which the institution is responsible for selecting the recipient or determining the amount of aid, or providing matching or supplementary funds for a previously determined recipient; and *(Revised: 10/31/02 effective 8/1/03)*

(c) For the student-athlete recruited by the institution, financial aid awarded through an established and continuing outside program (e.g., National Football Foundation) for the recognition of outstanding high school graduates in which athletics participation may be a major criterion, as outlined in Bylaw 15.2.6.4. This aid counts against an institution's sport-by-sport financial aid limitations and also against the individual's full-grant-in-aid limit. *(Revised: 10/31/02 effective 8/1/03)*

Bylaw 15.1 - Maximum Limit on Financial Aid - Individual.

A student-athlete shall not be eligible to participate in intercollegiate athletics if he or she receives financial aid that exceeds the value of the cost of attendance as defined in Bylaw 15.02.2. A student-athlete may receive institutional financial aid based on athletics ability (per Bylaw 15.02.4.1), outside financial aid for which athletics participation is a major criterion (per Bylaw 15.2.6.4) and educational expenses awarded per Bylaw 15.2.6.5 up to the value of a full grant-in-aid, plus any other financial aid unrelated to athletics ability up to the cost of attendance. (See Bylaws 15.01.6.1, 15.01.6.2, 16.3, 16.4 and 16.12.) *(Revised: 4/29/04 effective 8/1/04, 5/26/09)*

Bylaw 15.1.1 - Exception for Pell Grant.

A student-athlete who receives a Pell Grant may receive financial aid equivalent to the limitation set forth in Bylaw 15.1 or the value of a full grant-in-aid plus the Pell Grant whichever is greater. *(Adopted: 4/29/04 effective 8/1/04)*

Bylaw 15.1.2 - Types of Aid Included in Limit.

In determining whether a student-athlete's financial aid exceeds the cost of attendance, all institutional financial aid (per Bylaw 15.02.4.1) and all funds received from the following and similar sources shall be included (see Bylaws 15.02.4.3, 15.02.4.4 and 15.02.4.5 for types of financial aid that are exempt from a student-athlete's individual limit): *(Revised: 10/31/02 effective 8/1/03, 4/29/04 effective 8/1/04)*

(a) Government Grants. Government grants for educational purposes, except for those listed in Bylaw 15.2.5;

(b) Other Scholarships and Grants. Other institutional or outside scholarships or grants-in-aid; *(Revised: 1/10/95 effective 8/1/95, 4/29/04 effective 8/1/04)*

(c) Gifts. The value of gifts given to a student-athlete following completion of eligibility in appreciation for or recognition of the student-athlete's athletics accomplishments;

(d) Professional Sports Stipend. Any bonus or salary (no matter when received or contracted for) from a professional sports organization;

(e) Athletics Participation Compensation. Any other income (no matter when received or contracted for) from participation in an athletics event (except funds that are administered by the U.S. Olympic Committee pursuant to Operation Gold Grant Program) unless eligibility has been exhausted in that sport; and *(Revised: 1/11/94 effective 8/1/94)*

(f) Loans. Loans, except legitimate loans that are based upon a regular repayment schedule, available to all students and administered on the same basis for all students.

Bylaw 15.3.1 - Eligibility of Student-Athletes for Financial Aid.

Institutional financial aid may be awarded for any term during which a student-athlete is in regular attendance as an undergraduate with eligibility remaining under Bylaw 14.2, or within six years after initial enrollment in a collegiate institution (provided the student does not receive such aid for more than five years during that period), or as a graduate eligible under Bylaw 14.1.9.

Bylaw 15.3.3.1 - One-Year Period.

If a student's athletics ability is considered in any degree in awarding financial aid, such aid shall neither be awarded for a period in excess of one academic year nor for a period less than one academic year (see Bylaw 15.01.5). *(Revised: 4/27/06 effective 8/1/06)*

Bylaw 15.3.3.1.1 - Exceptions.

An institution may award athletically related financial aid to a student-athlete for a period of less than one academic year only under the following circumstances: *(Adopted: 4/27/06 effective 8/1/06)*

(a) Midyear Enrollment. A student-athlete whose first full-time attendance at the certifying institution, during a particular academic year occurs at midyear (e.g., the beginning of the second semester or second or third quarter of an academic year) may receive a financial aid award for the remainder of that academic year. *(Revised: 5/9/06)*

(b) Final Semester/Quarter. A student-athlete may receive athletically related financial aid for less than one academic year, provided the student is in the final semester or final two quarters of his or her degree program and the institution certifies that the student is carrying (for credit) the courses necessary to complete the degree requirements.

(c) One-Time Exception. One time during a student-athlete's enrollment at the certifying institution he or she may be awarded athletics aid for less than a full academic year, provided the student-athlete has been enrolled full time at the certifying institution for at least one regular academic term and has not previously received athletically related financial aid from the certifying institution. *(Revised: 5/19/09)*

(d) Eligibility Exhausted/Medical Noncounter. A student-athlete who has exhausted eligibility and is exempt from counting (per Bylaw 15.5.1.6) in the institution's financial aid limit, or a student-athlete who is exempt from counting (per Bylaw 15.5.1.3) due to an injury or illness may receive athletically related financial aid for less than one academic year. If an institution awards aid under this provision, the institutional financial aid agreement shall include specific nonathletically related conditions (e.g., academic requirements) the student-athlete must satisfy in order for the aid to be renewed for the next academic term or terms. If the student-athlete satisfies the specified conditions, the institution shall award financial aid at the same amount for the next term or terms of the academic year. If the student-athlete does not satisfy the specified conditions, he or she must be provided a hearing opportunity per Bylaw 15.3.2.4. *(Adopted: 4/24/08 effective 8/1/08)*

Bylaw 15.3.3.1.2 - Financial Aid Authority Precedent.

A staff member may inform a prospective student-athlete that the athletics department will recommend to the financial aid authority that the prospective student-athlete's financial aid be renewed each year for a period of four years and may indicate that the authority always has followed the athletics department's recommendations in the past. However, the prospective student-athlete must be informed that the renewal will not be automatic.

Bylaw 15.3.3.1.3 - Injury or Illness Policy.

It is not permissible for an institution to assure the prospective student-athlete that it automatically will continue a grant-in-aid past the one-year period if the recipient sustains an injury that prevents him or her from competing in intercollegiate athletics, but an institutional representative may inform the prospective student-athlete of the regular institutional policy related to renewal or continuation of aid past the one-year period for recipients who become ill or injured during their participation.

Division II.

Bylaw 15.01.5 - Eligibility of Student-Athletes for Institutional Financial Aid.

A student-athlete must meet applicable NCAA (see Bylaw 14), conference and institutional regulations to be eligible for institutional financial aid. If these regulations are met, the student-athlete may be granted athletically related financial aid for a maximum of 10 semesters/15 quarters. Any institutional financial aid provided after 10 semesters/15 quarters is left to the discretion of the institution consistent with institutional policies for awarding financial aid in general. A student-athlete may be awarded institutional financial aid during any term in which a student-athlete is in regular attendance (i.e., was enrolled initially in a minimum full-time program of studies as defined by the certifying institution during that term).

[Note: See Bylaw 13.1.1.2 for the financial aid implications in the prohibition against contacting student-athletes of another four-year collegiate institution without permission of that institution's athletics director.]

Bylaw 15.01.7 - Maximum Institutional Financial Aid to Individual.

An institution shall not award financial aid to a student-athlete that exceeds the cost of attendance that normally is incurred by students enrolled in a comparable program at that institution or that exceeds the limitations established by the membership division of the institution the student-athlete attends, whichever is less. Any financial aid permitted that would result in a student-athlete's total financial aid exceeding the value of tuition and fees, room and board, required course-related books and required course-related supplies shall be based on the demonstrated financial need of the individual student-athlete (see Bylaws 15.02.4, 15.2.2, 15.2.3 and 15.5.2).

Bylaw 15.02.4.1 - Institutional Financial Aid.

The following sources of financial aid are considered to be institutional financial aid: *(Revised: 1/12/04 effective 8/1/04)*

(a) All funds administered by the institution, which include but are not limited to the following: *(Revised: 1/11/94 effective 8/1/94, 1/14/97 effective 8/1/97, 1/8/01 effective 8/1/01)*

(1) Scholarships;

(2) Grants;

(3) Tuition waivers awarded based in any degree on athletics ability; and *(Revised: 1/8/01 effective 8/1/01)*

(4) Loans.

(b) Aid from government or private sources for which the institution is responsible for selecting the recipient or determining the amount of aid, or providing matching or supplementary funds for a previously determined recipient; and

(c) For the student-athlete recruited by the institution, financial aid awarded through an established and continuing outside program (e.g., National Football Foundation) for the recognition of outstanding high school graduates in which athletics participation may be a major criterion, as outlined in Bylaw 15.2.5.4. This aid counts against an institution's sport-by-sport financial aid limitations and also against the individual's full grant-in-aid limit.

Bylaw 15.1 – Maximum Limit on Financial Aid – Individual.

A student-athlete shall not be eligible to participate in intercollegiate athletics, if he or she receives financial aid that exceeds the value of a full grant-in-aid as defined in Bylaw 15.02.5. A student-athlete may receive institutional financial aid based on athletics ability (per Bylaw 15.02.4.1), outside financial aid for which athletics participation is a major criterion (per Bylaw 15.2.5.4) and educational expenses awarded per Bylaw 15.2.5.6 up to the value of a full grant-in-aid, plus any other financial aid unrelated to athletics ability up to the cost of attendance. (See Bylaws 15.01.7, 16.3, 16.4 and 16.12.) *(Revised: 4/30/10)*

Bylaw 15.1.1 - Types of Aid Included in Limit.

In determining whether a student-athlete's financial aid exceeds the value of a full grant-in-aid, all institutional financial aid (per Bylaw 15.02.4.1) and all funds received from the following and similar sources shall be included: *(Revised: 1/12/04 effective 8/1/04)*

(a) Government Grants. Government grants for educational purposes, except for those listed in Bylaw 15.2.4;

(b) Other Scholarships and Grants. Other institutional or outside scholarships or grants-in-aid, except those academic awards exempted per Bylaw 15.02.4.3-(a) and outside educational grants that may be awarded up to the cost of attendance per Bylaw 15.2.5.2.2; *(Revised: 1/10/95 effective 8/1/95)*

(c) Gifts. The value of gifts given to a student-athlete after completion of eligibility in appreciation for or recognition of the student-athlete's athletics accomplishments;

(d) Professional Sports Stipend. Any bonus or salary (no matter when received or contracted for) from a professional sports organization;

(e) Athletics Participation Compensation. Any other income (no matter when received or contracted for) from participation in an athletics event (except funds that are administered by the U.S. Olympic Committee pursuant to its Operation Gold Grant Program) unless eligibility has been exhausted in that sport; and *(Revised: 1/11/94 effective 8/1/94, 1/13/03)*

(f) Loans. Loans, except legitimate loans that are based upon a regular repayment schedule, available to all students and administered on the same basis for all students.

Bylaw 15.3.3.1 - One-Year Limit.

Where a student's athletics ability is taken into consideration in any degree in awarding financial aid, such aid shall not be awarded in excess of one academic year.

Bylaw 15.3.3.1.1 - Financial Aid Authority Precedent.

A staff member may inform a prospective student-athlete that the athletics department will recommend to the financial aid authority that the prospective student-athlete's financial aid be renewed each year for a period of four years and may indicate that the authority always has followed the athletics department's recommendations in the past. However, the prospective student-athlete must be informed that the renewal will not be automatic.

Bylaw 15.3.3.1.2 - Injury or Illness Policy.

It is not permissible for an institution to assure the prospective student-athlete that it automatically will continue a grant-in-aid past the one-year period if the recipient sustains an injury that prevents him or her from competing in intercollegiate athletics, but an institutional representative may inform the prospective student-athlete of the regular institutional policy related to renewal or continuation of aid past the one-year period for recipients who become ill or injured during their participation.

Selected Articles Related to U.S. Department of Justice Examination of NCAA Financial Aid Legislation

NCAA Statement on Department of Justice Inquiry.

http://www.ncaa.org/wps/portal/ncaahome?WCM_GLOBAL_CONTEXT=/ncaa/ncaa/media+and+events/press+room/news+release+archive/2010/official+statements/20100506+dept+of+justice+statement

NCAA News Release
Bob Williams
May 6, 2010

The NCAA has learned that the U.S. Department of Justice's Antitrust Division is interested in the reasons behind NCAA rules that state an athletics grants-in-aid should be awarded a year at a time and that total athletics grants-in-aid should be limited to five years. The NCAA is working with Justice to help it understand 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 most appropriate way to ensure that the most deserving student-athletes receive that award each year. Student-athletes must demonstrate that they deserve the merit-based award of athletics aid in two ways—by remaining academically eligible for competition and by meeting participation expectations in the sport for which aid is granted. The NCAA has also explained that the five year rule (or 10 semesters for Division II) is linked to the fact a student-athlete has only five years or 10 semesters in Division II in which to use his or her four years of eligibility to participate in NCAA sports.

Justice Department Examines NCAA Scholarship Rules.

http://chronicle.com/article/Justice-Department-Examines/65430/

Chronicle.com
By Libby Sander
May 6, 2010

In a rare show of interest in college sports, the U.S. Department of Justice is examining the rules that determine how colleges award athletics scholarships.

Lawyers from the department's antitrust division recently met with officials from the National Collegiate Athletic Association to discuss the association's rules governing athletics scholarships, according to an e-mail message from the NCAA obtained by *The Chronicle*. The department appears to be looking at the limitations the NCAA places on scholarships. Currently, an institution is allowed to give an athletics scholarship for only one year at a time—a rule that has been on the books since 1973—and the scholarship may be renewed for no more than five years in all.

The message from Elsa Cole, the NCAA's general counsel, was sent this week to Division I athletic directors and conference commissioners, among others. Lawyers from the Justice Department, Ms. Cole said in the message, are now beginning to contact the general counsels of Division I colleges, as well as conference commissioners, to discuss "the purpose and effect of those rules."

A spokeswoman for the Justice Department said she could not comment on the matter.
The precise nature of the discussion between the association and the lawyers is not clear. Bob Williams, a spokesman for the NCAA, said in an e-mail message to *The Chronicle* that the association was working with the federal agency "to help it understand that athletics financial aid is a 'merit' award." He said the NCAA would emphasize to the department that athletes must remain academically eligible and meet certain expectations to retain their scholarships, making annual reviews "appropriate."

The debate over whether financial aid for athletes should be renewable annually or represent a four-year commitment has never fully abated in the 37 years that the one-year rule has existed. Some athletes say the annual renewal leaves them vulnerable in cases of injury or misunderstandings with a coach, while many athletic directors and coaches say it is a necessary and logical practice.

Yet while the sensitivity might be familiar, the antitrust angle is not—and could have a significant impact on college sports, legal experts said.

"If the Justice Department takes the position that rules most people think are designed to protect amateurism or academics are somehow subject to antitrust risk ... that's opening the door" to legal challenges, said Gary R. Roberts, dean of the Indiana University School of Law at Indianapolis.

A Legal Precedent

College sports is no stranger to attention from Washington. In the past year, President Obama has said he would favor a college football playoff, Secretary of Education Arne Duncan has

criticized programs that fail to graduate their athletes, and last month, Vice President Joe Biden said the administration would work hard to strengthen gender-equity policies.

The NCAA has also faced its share of scrutiny. The association's rules have been the target of legal action on many occasions, and in recent years, some members of Congress have challenged its federal tax-exempt status.

In this case, it's not clear what prompted the Justice Department to take an interest in scholarship rules, or what the outcome might be. Several athletic directors and one conference commissioner confirmed on Thursday that they had received the NCAA's message but were not certain of the scope or significance of the inquiry.

"I'm not surprised by [the inquiry]," said Gregory Christopher, athletic director at Bowling Green State University. "The entire concept of grant-in-aid has been talked about before. It's a not a new conversation."

Michael McCann, a professor at Vermont Law School who specializes in sports law, said several outcomes were possible: The Department could recommend that the NCAA change its rules governing scholarships. It could sue the association, which he said is unlikely. Or it could do nothing at all.

Mr. Roberts, of Indiana, said many of the NCAA's bylaws, not just those governing scholarships, are meant to create parity among athletics programs. But they are rules that, in any other context, could be seen as overly restrictive and possibly in violation of antitrust law, he said.
Over the years, court rulings have established a legal precedent that favors the NCAA in challenges of rules meant to protect amateurism or academic requirements. But in matters that are commercial in nature—capping coaches' salaries, for instance—courts have been less sympathetic. In those antitrust cases, courts have ruled that the NCAA does not have the authority to regulate its members so strictly.

In 1991, the NCAA's member institutions, in an attempt to contain spiraling costs, adopted a rule putting strict limits on the salaries of certain assistant coaches. A group of coaches later sued the NCAA, claiming the rule violated antitrust law, and in May 1998, a federal jury awarded $22.3-million in damages to the coaches—an amount that, under antitrust principles, was tripled to $67-million.

More recently, in 2008, the NCAA settled a case brought by a group of former Division I football and basketball players who challenged the NCAA's cap on scholarships. Under the settlement, the association agreed to reallocate up to $228-million over five years to help more than 150,000 Division I athletes in all sports pay for basic expenses not covered by their athletics scholarships.

The current scrutiny of scholarship rules could blur what has become a bright line, legally speaking, between legislating the amateur side of college sports and controlling the business side of it, Mr. Roberts said.

"There's a lot of history and a lot of precedent to suggest that these kinds of rules ... that are designed to protect amateurism and academic standards are lawful," Mr. Roberts said. "But that's not carved in stone."

How NCAA Awards Scholarships Questioned.

http://nbcsports.msnbc.com/id/37003141/ns/sports-other_sports/

NBCSports.com
The Associated Press
May 6, 2010

INDIANAPOLIS - The Justice Department's antitrust division wants to know more about why the NCAA awards scholarships on a year-to-year basis and why scholarships are limited to five years.

The NCAA insists it has the answers.

Bob Williams, a spokesman for college sports' largest governing body, said Thursday that the U.S. Justice Department contacted NCAA officials last week and is now contacting member schools.

"We walked them through the why and they asked do you mind if we contact some of your schools to get their opinion and we said go ahead," Williams said. "They wanted information and we gave them information."

According to a statement on the NCAA website, scholarships are awarded annually based on merit, so annual reviews are the fairest to ensure that student-athletes are meeting the standards for a merit award.

"Student-athletes must demonstrate that they deserve the merit-based award of athletics aid in two ways - by remaining academically eligible for competition and by meeting participation expectations in the sport for which aid is granted," the statement said. "The NCAA has also explained that the five year rule (or 10 semesters for Division II) is linked to the fact a student-athlete has only five years or 10 semesters in Division II in which to use his or her four years of eligibility to participate in NCAA sports."

Justice Department spokeswoman Gina Talamona declined comment.

Justice Department Questions Awarding of Scholarships.

http://www.washingtonpost.com/wp-dyn/content/article/2010/05/06/AR2010050605212.html

Associated Press
May 6, 2010

INDIANAPOLIS — The Justice Department's antitrust division is looking into how NCAA schools award scholarships.

The NCAA confirmed the inquiry by releasing a statement on its website Thursday. It said the Justice Department wants to know why universities award scholarships on a year-to-year basics. The NCAA said it is because they are merit awards.

A spokeswoman for the Justice Department could not respond immediately to the NCAA statement.

NCAA spokesman Bob Williams said the federal agency contacted its office last week, and then asked if it could contact member schools. Williams said NCAA officials told the Justice Department to go ahead.

Justice Department Probes NCAA Scholarship Rules

http://www.insidehighered.com/news/2010/05/07/qt/justice_department_probes_ncaa_scholarship_rules

Inside Higher Ed
May 7, 2010

The U.S. Justice Department's Antitrust Division is investigating National Collegiate Athletic Association scholarship rules. While the Justice Department has not commented on the case, an NCAA statement confirmed the inquiry and said that it focused on rules requiring athletic scholarships to be awarded a year at a time and with a five-year limit. The NCAA said that it is "is working with Justice to help it understand" the rationales for the rules. Advocates for athletes' rights have pushed for multiyear scholarships as one way to bolster financial security for college athletes.

NCAA Says U.S. Antitrust Regulators Are Studying Student Grants.

http://www.businessweek.com/news/2010-05-07/ncaa-says-u-s-antitrust-regulators-are-studying-student-grants.html

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May 6, 2010

May 7 (Bloomberg) -- The National Collegiate Athletic Association said the Justice Department is looking at its rules for awarding athletic grants.

The NCAA gives grants annually for a maximum of five years or 10 semesters for Division II during which time athletes must use their four years of eligibility to participate in sports.

"The NCAA is working with Justice to help it understand 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 most appropriate way to ensure that the most deserving student-athletes receive that award each year," the organization said in a statement on its website.

NCAA spokesman Erik Christianson declined in an e-mail to elaborate.

Athletes are required to meet academic standards as well as participation expectations in their sports to receive financial aid.

--With assistance from Nancy Kercheval in Washington. Editor: Dex McLuskey.

Are Athletics Scholarships Fair?

http://www.insidehighered.com/news/2010/05/10/ncaa

Inside Higher Ed
David Moltz and Doug Lederman
May 10, 2010

Amid increasing federal scrutiny of college sports comes the latest salvo: the U.S. Department of Justice‘s inquiry into the National Collegiate Athletic Association’s scholarship rules.

The NCAA revealed the antitrust review in a brief statement on Thursday, but the Justice Department declined to confirm it, let alone offer any details about its nature. As a result, many legal experts and other potential commentators were wary of speculating too much about how the inquiry might unfold.

But the current and historical context surrounding the Justice Department review suggest that it comes at a significant moment for college sports. The antitrust inquiry comes amid more general questioning about collegiate sports by the federal government, on several fronts and from several sources. And unlike some previous antitrust challenges to NCAA policies and rules, the Justice Department's inquiry could cut right to the heart of college sports, potentially buttressing pleas from advocates for athletes' rights for better financial support for collegiate players.

The NCAA rule -- which states that athletically related financial aid should be awarded one year at a time, and limited to a total of five years -- has been around since 1973. It has long been a bone of contention for advocates for athletes' rights, who have pushed for multiyear scholarships (at the very least -- many of them would prefer outright stipends or payments) to reinforce financial security and stability for college athletes.

"The NCAA is working with Justice to help it understand 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 most appropriate way to ensure that the most deserving student-athletes receive that award each year," Bob Williams, an NCAA spokesman, said in a statement Thursday. "Student-athletes must demonstrate that they deserve the merit-based award of athletics aid in two ways -- by remaining academically eligible for competition and by meeting participation expectations in the sport for which aid is granted."

NCAA officials declined to comment further, and Justice Department officials would not even acknowledge the existence of the inquiry. Based on standard DOJ practice, an investigation like this one is likely to be conducted quietly and out of the public view, potentially for a long time.

Legal experts have relatively little to go on in interpreting what the Justice Department may be after. But to the extent they are looking at the NCAA's scholarship policies through an antitrust prism, the sorts of questions they are likely to be asking are the following: Do colleges, acting as a group, impede competition by forcing one another to offer athletic scholarships in this manner? To put it another (potentially more controversial) way, are colleges essentially fixing the price of what they give athletes for their services?

"Maybe if there was no NCAA rule for one-year scholarships, some colleges would offer four-year scholarships instead," said Michael McCann, a professor at Vermont Law School and legal analyst for *Sports Illustrated*. "If a college is competing for a player, then that could be an appealing thing. From an athletic director's point of view, a college might not have the budget to do this. But, if it were a free market, then who knows what they would do."

Advocates for athletes' rights say the Department of Justice inquiry has the potential to bring attention to an NCAA policy which they have criticized for decades, and which they say treats athletes unfairly. Legal challenges in the past have sought to force the NCAA to increase the value of athletics scholarships, and the ultimate fear of college sports officials is that a court or government would seek to declare big-time college athletes to be workers rather than students,

which could lead to a challenge of big-time sports' cherished status as an amateur, educational (and therefore non-taxable) enterprise.

“Some of the government interest in college athletes has been in issues around the periphery,” said Ramogi Huma, president of the National College Players Association. “There’s a laundry list of things that could show how the NCAA breaks antitrust laws, but this one-year scholarship rule is at the core of how players are taken advantage of. I’m pleased to see this issue be taken up by the Department of Justice.”

Most prospective athletes, Huma argues, are unaware that the athletically related scholarships being offered to them are only for one year and that renewal can be denied for any number of reasons, even if they remain in good academic standing.

“There’s no college coach telling players out on the recruiting trail that they’ll get a one-year scholarship and, with good luck, they’ll have it renewed,” Huma said. “Coaches lie to them. These kids think they’re on a four-year scholarship. You’re not supposed to be able to promise that. But where theory meets reality, there are a lot of deceptive coaches out there. It is my hope that, at the least, this inquiry would dispel the myth of the four-year scholarship and try to eliminate those deceptive recruiting practices."

The National College Players Association is sponsoring a bill in the California State Assembly to ensure that recruits know precisely what they are getting, and under what terms, before they sign with a college. “The Student-Athletes’ Right to Know Bill” is awaiting review in the Assembly Committee on Appropriations. Huma believes the bill stands a good chance at passage if it makes it out of this committee, as it has bipartisan support.

Huma said numerous players who have not had their athletic scholarships renewed contact his organization every year. Most, he added, are in good academic standing but are kicked off their teams because they have sustained injuries, or because new coaches have over-recruited. Though players have a chance to appeal the nonrenewal of their scholarship at an institutional level, Huma called these “kangaroo courts” in which committee members “know what they are going to do before the player walks into the room.”

Those representing faculty at big-time sporting institutions have similar concerns about the nature of NCAA scholarship rules and how they are portrayed to athletes.

“Most faculty also have the mis-impression that these athletic scholarships are for four years,” said Ken Struckmeyer, co-chair of the Coalition on Intercollegiate Athletics and a professor of horticulture and landscape architecture at Washington State University. “We all assume it would allow them to finish their academic degree, but that’s not always the case.”

Struckmeyer argues that any athletic scholarships should be offered consistently, especially with regard to their renewal, as is other aid provided to students.

"Any other scholarship is based on performance," Struckmeyer said. "The NCAA just has to say what those standards are. I'd probably be OK with the one-year rule if we just clarified the metrics. My only concern is who's in control of them."

Federal Government Investigates NCAA Scholarship Rules.

http://www.usatoday.com/sports/college/2010-05-06-notes-scholarships-hayward_N.htm

USA TODAY
Marlen Garcia
May 6, 2010

By, The Justice Department's Antitrust Division is looking into NCAA rules that make scholarships renewable by schools on a yearly basis, the association announced on its website Thursday.

Over the years, the NCAA has been criticized for not guaranteeing scholarships for up to five years. Now the Justice Department is wondering why scholarships are one-year renewable, said Kadie Otto, associate professor of sports management at Western Carolina and past president of reform-minded The Drake Group, which favors guaranteed scholarships.

Otto told USA TODAY she was interviewed by a Justice Department attorney who floated the concept of giving schools flexibility to offer guaranteed scholarships of four years or more. That could possibly create bidding wars.

"They threw out the idea of why couldn't it be a free market where schools compete against each other," she said. "What if universities offered whatever they wanted? It would be a free market for universities to retain their talent."

In its statement, the NCAA said scholarships were based on merit. "Student-athletes must demonstrate that they deserve the merit-based award ... by remaining academically eligible for competition and by meeting participation expectations."

But that has created an environment in which athletes are beholden to the coach, Otto said.
According to NCAA spokesman Bob Williams, "We walked (the Justice Department) through the why, and they asked, 'Do you mind if we contact some of your schools to get their opinion?' And we said, 'Go ahead.' They wanted information, and we gave them information."

Justice Department spokeswoman Gina Talamona declined to comment.

Revoked Scholarships Surprise College Athletes.

http://www.washingtonpost.com/wp-dyn/content/article/2010/05/24/AR2010052400549_pf.html

The Washington Post
Alan Scher Zagier
May 24, 2010

COLUMBIA, Mo. -- After scoring just 22 points all season in mop-up duty, Missouri freshman forward Tyler Stone has no illusions of bolting college for the NBA after a single year.

Instead, the 6-foot-7 Memphis native is a different sort of one-and-done: a college athlete leaving a school sooner than his family expected as a prized recruit takes over his scholarship.

"I can't see how a school can love him to death one year and the next year cut him loose," said his mother, Sharon Stone. "They had to get rid of somebody."

The NCAA says its rules are clear. Athletic scholarships are one-year, "merit-based" awards that require both demonstrated academic performance as well as "participation expectations" on the playing field.

College sport watchdogs - and, occasionally, athletes themselves - tell a different story. They see unkept promises and bottom-line decisions at odds with the definition of student-athlete.

Those discrepancies apparently have caught the attention of the U.S. Justice Department. Its antitrust division is investigating the one-year renewable scholarship, with agents interviewing NCAA officials and member schools. A Justice Department spokeswoman declined comment because the probe, announced on May 6, is ongoing.

"This happens a lot more than anybody even believes," said New Haven management professor Allen Sack, a former Notre Dame football player and vocal NCAA critic. "You're allowed to do it. According to the NCAA, there's nothing wrong with it.

"Coaches don't go out of their way to clarify (scholarship length). They make it as vague as they possibly can."

At Missouri, the school announced on April 12 that Stone and sophomore guard Miguel Paul were transferring to seek more playing time. Two days later, the Tigers signed a pair of the country's top-rated junior college transfers, rugged 6-foot-8 forward Ricardo Ratliffe and guard Matt Pressey, whose younger brother Phil will also join Missouri as a freshman in the fall.

Missouri coach Mike Anderson called the timing of the two announcements coincidental. Both Stone and Paul had previously expressed interest in seeking a fresh start, he said, calling their decisions to leave "mutual."

"I don't have a lot of guys go in and out of my program," he said. "My kids are like my family, and I want my family to be happy. If you're not happy, then maybe this is not the right place."
Paul told The Associated Press that "the coaches wanted me to stay but I told them this wasn't the place for me." He is transferring to East Carolina.

Stone, meanwhile, will play for mid-major Southeast Missouri of the Ohio Valley Conference after sitting out the required year for Division I transfers. He declined an interview request, but his mother spoke with the AP at length in several interviews and made it clear that her son was pushed out.

She described a celebratory spring break barbecue touting her son's first year in college. Her son went back to campus afterward and, hours later, called with unexpected news. "He came back (to Columbia) Monday and said, 'I have to transfer,'" she recalled. "I thought he was going to graduate from that school."

Exactly how often athletic scholarships are revoked to make room for better players is hard to quantify, though a pair of recent studies on turnover in college basketball offer a few clues.

The National College Players Association, an advocacy group that lobbies for athletes' rights, found an average roster turnover rate of 22 percent among the 65 schools in the 2009 NCAA tournament. That works out to 169 players out of 775 possible returners.

The group includes players who lost scholarships for academic reasons or who sought transfers, but excludes graduating seniors and those who left for the NBA.

The University of North Carolina's College Sport Research Institute found that 11 of 95 Division I schools studied had at least 20 percent roster turnover for the 2009-10 season. The UNC study also excluded injured players as well as those who turned pro or graduated.

Both studies include Kentucky, where seven players on Billy Gillespie's final squad didn't return once John Calipari took over in 2009 and brought his own recruits. Four of those former Wildcats have said publicly they were asked to leave the program.

Kentucky athletic director Mitch Barnhart said that Calipari was honest with the team he inherited.

Players were told up front whether or not they fit into Kentucky's plans. Either "we have a spot for you or we can help you go someplace else," Barnhart said.

Advocates for athletes say players who leave against their will often stay quiet, so they can save face by requesting a transfer and getting a recommendation from their now-former coach that will help them jump more easily to a new school.

The one-year renewable scholarship, with a limit of five years of athletic aid, has been in place since 1973. Kevin Lennon, the NCAA's vice president for academic and membership affairs, said the 37-year-old policy has not been a frequent topic of concern among member schools. He noted that NCAA rules require colleges to provide athletes who lose scholarships with an appeals option, typically consisting of a campus panel formed from outside the athletics department. But such arbitration is not common, he acknowledged.

Requiring Division I transfers to sit out a year before competing for a new school prevents coaches from recruiting players away from other schools, said Maryland basketball coach Gary Williams.

Coaches who routinely "run off" players risk sullying their reputation - and losing recruits to other coaches who would point out that track record, he added.

"I don't know many coaches who do that," Williams said. "If you develop a reputation for doing that, you probably won't be coaching very long."

In football, former Colorado State kicker Durrell Chamarro expected to stay at the school that recruited him for his entire college career. After a redshirt freshman year and another season as a backup, he hoped to emerge as a starter by his senior year.

Instead, former Rams coach Sonny Lubick told Chamorro in the spring of 2007 that his scholarship had been revoked. Chamorro was invited to remain with the team as a walk-on, but the only child of a retired southern California school teacher and a waitress couldn't afford out-of-state tuition of more than $17,000 a year.

"I was told that as long as I maintained at least a 2.0 GPA and didn't break any rules, I would have my scholarship for four or five years," said Chamorro, who was also offered scholarships by Arizona State, Oregon State and Washington out of high school.

Lubick retired in 2007 and now works in community outreach at Colorado State's business school. He recalled that Chamorro was put on notice after his first year on scholarship that "you've got to be better. We'll give you one more year."

The retired coach added that NCAA rules allow schools to sign up to 25 scholarship athletes each year but with a roster limit of 85 players - a system that assumes some students won't have their aid offers extended.

Chamorro, who had a 3.4 grade-point average at Colorado State eventually transferred to Cal Poly Pomona - but not before borrowing roughly $10,000 in student loans, changing his major because his new school wouldn't accept all of his transfer credits and taking a detour through junior college.

"They say whatever they think they need to get you to come to their school," he said. "But when you get there, they can do whatever they want."

NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet
Discussion of the Yellow Ribbon G.I. Education Enhancement Program

Issue:

Whether the cabinet should sponsor legislation to add the Yellow Ribbon G.I. Education Enhancement Program (Yellow Ribbon Program) to the list of exempted government grants.

Background:

During its February 2010 meeting, the cabinet agreed to sponsor legislation for the 2010-11 legislative cycle that would add Department of Veterans Affairs (VA) funds awarded through the Post-9/11 G.I. Bill to the list of exempted government grants in Bylaw 15.2.5.1. In the interim, the cabinet requested a blanket waiver of Bylaw 15.2.5 (government grants) from the Division I Legislative Council Subcommittee for Legislative Relief to exempt VA funds awarded through the Post-9/11 G.I. Bill from counting against a student-athlete's individual limit. The blanket waiver was approved March 9, 2010, and is effective through the 2010-11 academic year. The blanket waiver does not include any Yellow Ribbon Program funds (VA or institutional). Finally, the cabinet members agreed to solicit feedback from their conferences related to whether the Yellow Ribbon Program should be added to the list of exempted government grants, and to re-examine the Yellow Ribbon Program during its June meeting.

The current exempted government grants legislation (Attachment A) allows funds from several armed services related grants to be excluded when determining whether a student-athlete has exceeded the cost-of-attendance. Exempted programs include various military reserve training programs, the Montgomery G.I. Bill, the Veterans Educational Assistance Program (VEAP) and payments by the U.S. government under the terms of the Dependents Education Assistance Program (DEAP).

The Post-9/11 G.I. Bill is a new education benefit that became effective August 1, 2009, for those individuals that served in active duty on, or after, September 11, 2001. This program will pay up to the highest public in-state undergraduate tuition.

The Yellow Ribbon Program is a provision of the Post-9/11 Veterans Educational Assistance Act of 2008, and is available only to individuals entitled to the 100 percent benefit rate (based on service requirements) of the Post-9/11 G.I. Bill. The Yellow Ribbon Program is a voluntary program designed to help students avoid up to 100 percent of their out-of-pocket tuition and fees associated with education programs that exceed the Post-9/11 G.I. Bill tuition benefit (Attachment B). It allows degree-granting institutions of higher learning in the United States to enter into an agreement with the VA to fund tuition expenses that exceed the highest public in-state undergraduate tuition rate (Attachment C). Participating institutions elect to contribute up to 50 percent of those additional tuition expenses for students they decide to fund, and VA will match that amount.

Institutions that elect to participate in the Yellow Ribbon Program have some flexibility in how they participate in the program. Participating institutions are permitted to limit the number of students they will support, and to limit the support to a particular cohort on the campus. For example, an institution may agree to offer 25 Yellow Ribbon awards, valued at 50 percent of the remaining cost not covered by the Post-9/11 G.I. Bill, but only to undergraduate students. The same institution also could commit to funding 25 percent of the remaining cost not covered by the Post-9/11 G.I. Bill for all students in the school of business, but not students in the school of the performing arts. Regardless of how an institution chooses to participate, all participating institutions must agree to fund the same percentage for all students in the cohort defined by the institution and, if it chooses to limit the number of awards it will fund, to award those funds on a first come, first served basis.

Examples:

A student enrolls in 12 credit hours for the 2010 fall term. Institution A charges the student $5,000 for tuition and $1,200 in fees.

Based on the Maximum In-State Tuition and Fees information reported by the VA, the maximum charge per credit hour for Institution A's state is $250, and the maximum total fees for a single term is $1,000. These amounts will be covered by the Post-9/11 G.I. Bill.

Application of the Post-9/11 G.I. Bill.

Charge	Amount	Paid by Post-9/11 G.I. Bill	Remaining Balance
Tuition	$5,000	$250 * 12 = $3,000	$2,000
Fees	$1,200	$1,000	$200
Total	**$6,200**	**$4,000**	**$2,200**

The remaining balance for tuition and fees may be covered through the Yellow Ribbon Program.

Application of the Yellow Ribbon Program.

1. Student enrolls for the 2010-11 academic year (12 hours/semester) at an institution with tuition and fees that exceed the amount covered by the Post-9/11 G.I. Bill.

School A tuition	$35,124
Post-9/11 G.I. Bill benefit (Maximum In-State tuition)	$11,856 ($494/credit hour)
Eligible for Yellow Ribbon	$23,268

School A's Yellow Ribbon	
Contribution (50 percent)	$11,634
VA Match (50 percent)	$11,634
Balance Owed by Student	$ 0

The blanket waiver currently in effect exempts Post-9/11 G.I. Bill funds from the cost of attendance. In this scenario, $11,634 contributed by the VA will count toward the cost of attendance. $11,634 (33 percent) is treated as institutional aid and would count toward the individual and team financial aid limit if the student-athlete is a counter and cost of attendance.

2. Student enrolls for the 2010-11 academic year (12 hours/semester) at an institution with tuition and fees that exceed the amount covered by the Post-9/11 G.I. Bill.

School B tuition	$35,124
Post-9/11 G.I. Bill benefit	
(Maximum In-State tuition)	$11,856 ($494 p/h)
Eligible for Yellow Ribbon	$23,268

School B's Yellow Ribbon	
Contribution (30 percent)	$6,980.40
VA Match (30 percent)	$6,980.40
Balance Owed by Student	$9,308

The blanket waiver currently in effect exempts Post-9/11 G.I. Bill funds from the cost of attendance. In this scenario, $6,980.40 contributed by the VA will count toward the cost of attendance. $6,980.40 (20 percent) is treated as institutional aid and would count toward the individual and team financial aid limit if the student-athlete is a counter and cost of attendance.

3. Student enrolls for the 2010-11 academic year (12 hours/semester) at an institution with tuition and fees that do not exceed the amount covered by the Post-9/11 G.I. Bill.

School C tuition	$30,000
Post-9/11 G.I. Bill benefit	
(Maximum In-State tuition)	$35,304 ($1,471 p/h)
Eligible for Yellow Ribbon	$ 0

School C's Yellow Ribbon	
Contribution	$ 0
VA Match	$ 0
Balance Owed by Student	$ 0

The blanket waiver currently in effect exempts Post-9/11 G.I. Bill funds from the cost of attendance. In this scenario no additional aid and would count toward the individual, team financial aid limit or cost of attendance.

Proposed Models:

Model A: Exempt only the funds provided by the Post-9/11 G.I. Bill; entire Yellow Ribbon Program remains countable toward the individual limit and, for counters, toward the team limit.

Points to Consider:

1. Positive impact on student-athlete well-being by permitting additional sources of aid to be exempt from individual and team financial aid limits.

2. Reduce bureaucracy for NCAA compliance monitoring and financial aid offices by eliminating sources of financial aid that must currently count against individual and team limits.

3. Participation in the Yellow Ribbon Program is voluntary.

4. The VA matching amount varies from institution to institution.

5. Institutions determine which groups of students will be eligible to receive Yellow Ribbon Program funds.

Model B: Exempt the funds provided by the Post-9/11 G.I. Bill and the VA-funded portion of the Yellow Ribbon Program; institution-funded portion of the Yellow Ribbon Program remains countable toward the individual limit and, for counters, toward the team limit.

Points to Consider:

1. Positive impact on student-athlete well-being by permitting additional sources of aid to be exempt from individual and team financial aid limits.

2. Reduce bureaucracy for NCAA compliance monitoring and financial aid offices by eliminating sources of financial aid that must currently count against individual and team limits.

3. Potential to reduce the amount of financial aid that counts toward a team's maximum financial aid limit (e.g., reduce equivalencies).

4. Exempting the VA-funded portion of the Yellow Ribbon Program would treat the program in a manner similar to other funds provided by the VA.

5. Participation in the Yellow Ribbon Program is voluntary.

6. The VA matching amount varies from institution to institution.

7. Institutions determine which groups of students will be eligible to receive Yellow Ribbon Program funds.

8. A change in the VA-funded portion of the award may lead to an increase in the amount contributed by participating institutions.

Model C: Exempt the funds provided by the Post-9/11 G.I. Bill, the VA-funded portion of the Yellow Ribbon Program and the institution-funded portion of the Yellow Ribbon Program.

Points to Consider:

1. Positive impact on student-athlete well-being by permitting additional sources of aid to be exempt from individual and team financial aid limits.

2. Reduce bureaucracy for NCAA compliance monitoring and financial aid offices by eliminating sources of financial aid that must currently count against individual and team limits.

3. Potential to reduce the amount of financial aid that counts toward a team's maximum financial aid limit (e.g., reduce equivalencies).

4. Exempting the VA-funded portion of the Yellow Ribbon Program would treat the program in a manner similar to other funds provided by the VA.

5. Participation in the Yellow Ribbon Program is voluntary.

6. The VA matching amount varies from institution to institution.

7. Institutions determine which groups of students will be eligible to receive Yellow Ribbon Program funds.

8. A change in the VA-funded portion of the award may lead to an increase in the amount contributed by participating institutions.

ATTACHMENT A

NCAA Division I Bylaw 15.2.5.1 - Exempted Government Grants.

The following government grants for educational purposes shall not be included when determining the permissible amount of the cost of attendance of a student-athlete:

(a) **AmeriCorps Program.** Benefits received by student-athletes under the AmeriCorps Program;

(b) **Disabled Veterans.** State government awards to disabled veterans;

(c) **Military Reserve Training Programs.** Payments to student-athletes for participation in military reserve training programs (e.g., payments by the U.S. government for a student's participation in advanced ROTC or National Guard training shall not be construed under this principle to be "employment" during semester or term time);

(d) **Montgomery G.I. Bill.** Benefits received by student-athletes under the Montgomery Bill -- Active Duty and the Montgomery G.I. Bill -- Selected Reserve;

(e) **Special U.S. Government Entitlement Programs.** Payments by the U.S. government under the terms of the Dependents Education Assistance Program (DEAP), Social Security Insurance Program [including the Reinstated Entitlement Program for Survivors (REPS)] or Non-Service-Connected Veteran's Death Pension Program;

(f) **U.S. Military Annuitant Pay.** United States Military Annuitant Pay or other family member service-related death benefits received by student-athletes from the United States Military.

(g) **U.S. Navy Nuclear Propulsion Officer Candidate Program.** Benefits received by student-athletes under the U.S. Nuclear Propulsion Officer Candidate Program (NUPOC);

(h) **Veterans Educational Assistance Program (VEAP).** Benefits received by student-athletes under the VEAP;

(i) **Vocational Rehabilitation for Service-Disabled Veterans Program.** Benefits received by student-athletes under the Vocational Rehabilitation for Service-Disabled Veterans Program; or

(j) **Welfare Benefits.** Welfare benefits received from a state or federal government.

DEPARTMENT OF VETERANS AFFAIRS

Post-9/11 GI Bill: Yellow Ribbon Program

What is the Yellow Ribbon Program?

The Yellow Ribbon GI Education Enhancement Program (Yellow Ribbon Program) is a provision of the Post-9/11 Veterans Educational Assistance Act of 2008. This program allows institutions of higher learning (degree-granting institutions) in the United States to enter voluntarily into an agreement with VA to fund tuition and fee expenses that exceed the highest public in-state undergraduate tuition rate. The institution can contribute a specified dollar amount of those expenses and VA will match the same amount as the institution not to exceed 50% of the difference.

Participating schools agree to:

- Provide contributions to eligible individuals who apply for the Yellow Ribbon Program on a first-come, first-served basis, regardless of the rate at which the individual is pursuing training in any given academic year
- Provide contributions during the current academic year and all subsequent academic years in which the institution is participating in the Yellow Ribbon Program and the student maintains satisfactory progress, conduct, and attendance
- Make contributions toward the program on behalf of the individual in the form of a grant, scholarship, etc.
- State the dollar amount that will be contributed for each participant during the academic year
- State the maximum number of individuals for whom contributions will be made in any given academic year.

Who is eligible?

Only individuals entitled to the maximum benefit rate (based on service requirements) may receive this funding. Active duty members and spouses of active duty members eligible for Transfer of Entitlement are **not** eligible as their tuition and fees are paid in full. An individual may be eligible if s/he:

- Served an aggregate period of active duty after September 10, 2001, of at least 36 months
- Were honorably discharged from active duty for a service-connected disability and served 30 continuous days after September 10, 2001
- Is a dependent eligible for Transfer of Entitlement under the Post-9/11 GI Bill based on an individual's service under the eligibility criteria listed above

How does the Yellow Ribbon Program benefit a participant?

The Post-9/11 GI Bill pays up to the highest public, in-state undergraduate tuition and fees. A participant may have tuition and fees that exceed that amount if s/he is attending a private institution, graduate school or attending in an out-of-state status. If s/he is enrolled at a Yellow Ribbon participating institution and the tuition and fees exceed the highest public, in-state undergraduate tuition or fees, additional funds may be available for an education program without an additional charge to entitlement. Institutions that voluntarily enter into a Yellow Ribbon Agreement with VA choose the amount of tuition and fees that will be contributed. VA will match that amount and issue payment directly to the institution.

When will benefits be paid?

Benefits are payable for training pursued on or after August 1, 2009. No payments can be made under this program for training pursued before that date.

Detailed information about the Yellow Ribbon program – for individuals and participating institutions – can be found at http://www.gibill.va.gov/GI_Bill_Info/CH33/Yellow_ribbon.htm.

For more information, call toll-free 1-888-GIBILL-1 (1-888-442-4551), or visit the VA GI Bill Website at http://www.gibill.va.gov.

2009-2010 Maximum In-State Tuition & Fees

We are providing the final figures that have been confirmed by State Approving Agencies in accordance with VA's statutory requirement to determine the highest in-state, undergraduate, public tuition as specified in 38 USC 3313(c)(1)(A). This information has no relationship to, and should not be compared with, average costs of tuition and fees of public institutions within any state commonly referred to when considering educational options.

Below the chart are two examples of how to calculate benefits.

2009-2010 Maximum In-State Tuition and Fees		
State	**Maximum Charge per Credit Hour**	**Maximum Total Fees per Term**
Alabama	$291.67	$13,328.00
Alaska	$159.00	$13,429.00
Arizona	$657.00	$15,000.59
Arkansas	$200.40	$1,811.40
California	$335.75	$2,165.25
Colorado	$497.00	$45,387.50
Connecticut	$516.00	$2,508.50

Delaware	$356.00	$523.00
District of Columbia	$197.92	$620.00
Florida	$295.00	$62,000.00
Guam	$190.00	$245.00
Georgia	$433.58	$15, 215.00
Hawaii	$282.00	$1,449.40
Idaho	$259.00	$2,821.30
Illinois	$575.08	$12,836.00
Indiana	$321.75	$12,438.00
Iowa	$324.25	$11,817.00
Kansas	$393.95	$3,804.00
Kentucky	$430.30	$11,235.00
Louisiana	$430.00	$2,622.70
Maine	$329.17	$2,805.00
Maryland	$458.13	$2,380.00
Massachusetts	$330.00	$17,787.00
Michigan	$990.00	$9,792.20
Minnesota	$750.00	$4,493.86
Mississippi	$449.00	$805.00

Missouri	$269.00	$9,863.00
Montana	$205.40	$4,250.16
Nebraska	$236.75	$1,574.00
Nevada	$136.00	$2,839.00
New Hampshire	$932.54	$4,977.00
New Jersey	$450.67	$5,736.00
New Mexico	$212.58	$11,342.00
New York	$1,010.00	$12,697.00
North Carolina	$494.00	$2,163.90
North Dakota	$409.56	$25,928.00
Ohio	$477.00	$15,134.00
Oklahoma	$151.00	$11,546.30
Oregon	$438.00	$22,190.00
Pennsylvania	$886.00	$6,391.00
Puerto Rico	$90.00	$537.00
Rhode Island	$343.00	$2,020.00
South Carolina	$484.00	$4,305.50
South Dakota	$93.40	$4,748.31
Tennessee	$248.00	$13,190.00

Texas	$1,471.00	$12,130.00
Utah	$208.86	$63,576.50
Vermont	$488.00	$2,511.00
Virgin Islands	$120.00	$563.00
Virginia	$326.00	$3,840.00
Washington	$380.00	$14,444.50
West Virginia	$266.92	$4,029.67
Wisconsin	$663.00	$30,979.00
Wyoming	$94.00	$4,335.00
Overseas	$408.09	$10,502.97

Table last updated January 25, 2010

All undergraduate program costs were taken into consideration to determine the highest in-state maximum tuition per credit hour and the maximum fees per term. These figures may include program tuition for high cost programs such as flight courses taken as part of a degree requirement or undergraduate pharmacy, nursing, and engineering charges.

Examples

This information is being made available to assist veterans and schools with their planning.

Example 1: Calculate how much tuition & fees the VA will pay your school

How do I determine how much of my tuition and fees the VA will pay my school?
To answer this question, you need to know two things.

1. How much is your school charging you for tuition for a specific term?
2. How much is your school charging you in fees for the same term?
3. What percentage of the Post 9/11 GI Bill am I entitled to receive?

Assumptions:

To answer the above questions, let's assume the following:

- You are an undergraduate student attending an approved program at a public institution.
- You are enrolled in 12 credit hours for the fall term and your school has charged you $2,400 for tuition and $500 in fees.
- The GI Bill website shows that your state maximum cost per credit hour is $250 and fees is $1,000.

How much will VA pay?

If you are entitled to 100% of the Post 9/11 GI Bill benefits, VA will pay your school $2,900.

- VA will pay the $2,400 your were charged for tuition. This was the amount you were charged and does not exceed the maximum VA can pay.
    - The maximum VA could pay was determined by multiplying the number of credit hours you are enrolled in and the maximum the VA could pay (12 credit hours **X** $250 max cost per credit hour in your state = $3,000 max VA can pay.)
- VA will pay the $500 of fees you were charged. This was the amount you were charged and does not exceed the maximum $1,000 VA can pay per term.

Note: If you are entitled to less than 100% of the Post 9/11 GI Bill benefits, multiply the amount VA pays by your percentage of entitlement

Example: You're entitled to 70%, the payment to the school would be $2,030 ($2,900 X 70% = 2,030).

<u>Example 2: Calculate tuition & fee payments for a private institution</u>

What if I'm attending a private institution? How much will VA pay my school?
To answer this question, you need still need to know three things.

1. What percentage of the Post 9/11 GI Bill am I entitled to receive?
2. How much is your school charging you for tuition for a specific term?
3. How much is your school charging you in fees for the same term?

Assumptions:

To answer the above questions, let's assume the following:

- You are an undergraduate student attending an approved program at a private institution.
- You are enrolled in 12 credit hours for the fall term and your school has charged you $4,000 for tuition and $250 in fees.
- The GI Bill website shows that your state maximum cost per credit hour is $250 and fees is $1,000.

How much will VA pay?

If you are entitled to 100% of the Post 9/11 GI Bill benefits, VA will pay your school $3,250.

- VA will pay the $3,000 of your charged for tuition. The VA cannot exceed the maximum payable.
    - The maximum VA could pay was determined by multiplying the number of credit hours you are enrolled in and the maximum the VA could pay (12 credit hours **X** $250 max cost per credit hour in your state = $3,000 max VA can pay.)
- A will pay the $250 of fees you were charged. This was the amount you were charged and does not exceed the maximum $1,000 VA can pay per term.

Note: If you are entitled to less than 100% of the Post 9/11 GI Bill benefits, multiply the amount VA pays by your percentage of entitlement

Example: You're entitled to 70%, the payment to the school would be $2,275 ($3,250 X 70% = 2,275).

Yellow Ribbon Program: If you are entitled to 100% of the benefits and the private school participates in the Yellow Ribbon Program, all or a portion of the remaining balance could be paid. See the Yellow Ribbon Program information on this website for more details.

Legislative Proposals for Review by NCAA Division I Awards, Benefits, Expenses and Financial Aid Cabinet

Proposal Number	Title	Source	Effective Date	Intent	Legislative Council Action
2009-12-A	PERSONNEL -- DEFINITIONS AND APPLICATIONS -- UNDERGRADUATE STUDENT-ASSISTANT COACH	NCAA Division I Recruiting and Athletics Personnel Issues Cabinet	August 1, 2010	To permit a student-athlete to serve as an undergraduate student-assistant coach at the institution at which the student-athlete most recently participated in intercollegiate athletics, provided the student-athlete is currently enrolled at the institution as a full-time undergraduate student who has exhausted his or her eligibility in the sport or has become injured to the point that he or she is unable to practice or compete ever again; further, to specify that the limit of undergraduate student-assistant coaches in each sport shall be the same as the limit of countable coaches permitted in the sport.	**Adopted, 60-day override period.**
2009-12-B	PERSONNEL -- DEFINITIONS AND APPLICATIONS -- STUDENT-ASSISTANT COACH -- ELIMINATION OF FIVE-YEAR ELIGIBILITY PERIOD	NCAA Division I Awards, Benefits and Expenses and Financial Aid Cabinet	August 1, 2010	To eliminate the requirement that a student-athlete, who has exhausted his or her eligibility in the sport or has become injured to the point that he or she is unable to practice or compete ever again, may only participate as a student-assistant coach within his or her five-year eligibility period.	Defeated.
2009-28-A	RECRUITING -- CONTACTS AND EVALUATIONS -- TELEPHONE CALLS -- OFFICIAL AND UNOFFICIAL VISITS -- OFFERS OF FINANCIAL AID -- TRYOUTS -- WOMEN'S SOCCER	Southeastern Conference	August 1, 2010	In women's soccer, to revise or establish restrictions related to contacts, telephone calls official and unofficial visits, offers of financial aid and involvement in nonscholastic-based soccer programs, as specified.	Defeated.
2009-28-B	RECRUITING -- CONTACTS AND EVALUATIONS -- TELEPHONE CALLS -- OFFICIAL AND UNOFFICIAL VISITS -- OFFERS OF FINANCIAL AID	Ivy Group	August 1, 2010	To revise or establish restrictions related to contacts, telephone calls official and unofficial visits and offers of financial aid, as specified.	Section B FBS: Defeated. Section B FCS: Referred to the NCAA Division I Recruiting and Athletics Personnel Issues Cabinet. Remainder of proposal: Defeated.

Proposal Number	Title	Source	Effective Date	Intent	Legislative Council Action
					Note: This proposal was defeated out of deference to the current review by the NCAA Division I Recruiting and Athletics Personnel Issues Cabinet of issues related to early recruitment. The council anticipates reviewing proposals developed by the cabinet in the 2010-11 legislative cycle.
2009-29	RECRUITING AND ELIGIBILITY -- FOUR-YEAR PROSPECTIVE STUDENT-ATHLETES -- PERMISSION TO CONTACT AND TRANSFER RELEASE -- RESPONSE TO REQUEST AND HEARING OPPORTUNITY	Big South Conference	August 1, 2010	To specify that if an institution receives a written request from a student-athlete to permit another institution to contact a student-athlete about transferring or a request for a release in conjunction with the application of the one-time transfer exception, the institution shall grant or deny a request within seven business days of receipt of the request; further, to specify that if the request is denied, the institution shall conduct a hearing and provide written results within 15 business days of receipt of the student-athlete's written request and that the student-athlete shall be provided the opportunity to appear in-person or via telephone and actively participate in the hearing. To also specify that if the institution fails to respond to the student-athlete's written request or fails to conduct the hearing or provide written results within the specified time period, permission to contact or the transfer release shall be granted by default	**Adopted, 60-day override period.**

Proposal Number	Title	Source	Effective Date	Intent	Legislative Council Action
				and the institution shall provide the written permission or release to the student-athlete.	
2009-47-A	RECRUITING -- LETTER OF INTENT PROGRAMS, FINANCIAL AID AGREEMENTS -- WRITTEN OFFER OF AID BEFORE SIGNING DATE -- FOOTBALL	Big East Conference	August 1, 2010	In football, to specify that prior to August 1 of a prospective student-athlete's senior year in high school, an institution shall not provide a written offer of athletically related financial aid or indicate in writing to the prospective student-athlete that an athletically related grant-in-aid will be offered by the institution.	FBS: Defeated. FCS: **Defeated**.
2009-47-B	RECRUITING -- LETTER OF INTENT PROGRAMS, FINANCIAL AID AGREEMENTS -- WRITTEN OFFER OF AID BEFORE SIGNING DATE	Ivy Group	August 1, 2010	To specify that prior to August 1 of a prospective student-athlete's senior year in high school, an institution shall not provide a written offer of athletically related financial aid or indicate in writing to the prospective student-athlete that an athletically related grant-in-aid will be offered by the institution.	**Adopted, 60-day override period.**
2009-48	RECRUITING AND FINANCIAL AID -- LETTER-OF-INTENT PROGRAMS, FINANCIAL AID AGREEMENTS -- LETTER OF INTENT RESTRICTION -- LIMITATION ON NUMBER OF SIGNINGS -- BOWL SUBDIVISION FOOTBALL	Southeastern Conference	August 1, 2010	In bowl subdivision football, to specify that there shall be an annual limit of 28 on the number of prospective student-athletes who may sign a National Letter of Intent or an institutional offer of financial aid from the initial signing date of the regular signing period of the National Letter of Intent through May 31.	Defeated an amendment to specify that the annual limit on the number of prospective student-athletes who may sign a National Letter of Intent shall be three more than the maximum number of permissible awards (per Bylaw 15.5). Adopted.
2009-66	ELIGIBILITY -- TRANSFER REGULATIONS -- FOUR-YEAR COLLEGE TRANSFERS -- COMPETITION OR	Southeastern Conference	August 1, 2010	In tennis, to specify that a transfer student from a four-year institution who enrolls at the certifying institution as a full-time student after the conclusion of the first term of the academic year	Adopted.

Proposal Number	Title	Source	Effective Date	Intent	Legislative Council Action
	RECEIPT OF ATHLETICALLY RELATED FINANCIAL AID IN YEAR OF TRANSFER -- TENNIS			and qualifies for an exception to the one-year residence requirement shall not be eligible for competition until the following academic year if he or she has competed during the same academic year or received athletically related financial aid during the same academic year from the previous four-year institution.	
2009-68	FINANCIAL AID -- MIDYEAR REPLACEMENT -- GRADUATION DURING PREVIOUS YEAR -- WOMEN'S VOLLEYBALL	Atlantic Coast Conference	August 1, 2010	In women's volleyball, to specify that the financial aid of a counter who graduates at midyear or who graduates during the previous academic year (including summer) may be provided to another student-athlete without making the second student-athlete a counter for the remainder of that academic year.	Adopted.
2009-69	FINANCIAL AID -- MAXIMUM INSTITUTIONAL GRANT-IN-AID LIMITATIONS BY SPORT -- EQUIVALENCY COMPUTATIONS -- EXCEPTIONS -- ACADEMIC HONOR AWARDS -- TRANSFER STUDENTS	Mountain West Conference	August 1, 2010	To specify that institutional academic honor awards that are part of an institution's normal arrangements for academic scholarships, either based solely on the recipient's cumulative academic record from all collegiate institutions previously attended or based on the recipient's high school record and cumulative academic record from all collegiate institutions previously attended, awarded independently of athletics interests and in amounts consistent with the pattern of all such awards made by the institution, may be exempted from a team's equivalency computation, provided the recipient achieved a cumulative transferable grade-point average of at least 3.300 (based on a maximum of 4.000).	Adopted.

Proposal Number	Title	Source	Effective Date	Intent	Legislative Council Action
2009-72	AWARDS, BENEFITS AND EXPENSES -- EXPENSES FOR STUDENT-ATHLETE'S RELATIVES -- REASONABLE REFRESHMENTS	Big 12 Conference	Immediate	To specify that an institution may provide the family (e.g., parents or legal guardians, relatives) of a student-athlete with reasonable refreshments (e.g., soft drink, snacks) in conjunction with educational meetings or celebratory events (e.g., senior night) and on an occasional basis for other reasons.	Adopted.
2009-74	AWARDS, BENEFITS AND EXPENSES -- BENEFITS, GIFTS AND SERVICES -- OCCASIONAL MEALS -- LOCATION OF MEAL PROVIDED BY REPRESENTATIVE OF ATHLETICS INTERESTS	Horizon League	Immediate	To permit a representative of the institution's athletics interests to provide an occasional meal to a student-athlete or the entire team in a sport on campus or in a facility that is regularly used for home competition.	**Adopted, 60-day override period.**

Eligibility for Financial Aid for Student-Athletes Who Have Exhausted Eligibility

Legislation.

Note: NCAA Bylaw 15.01.5 specifies that student-athletes must enroll initially in a minimum full-time program of studies based on the philosophy of treating student-athletes similarly as students in general. Typically, students must be enrolled full time during a particular academic term to be eligible for institutional aid (e.g., need-based, academic).

Bylaw 15.01.5 - Eligibility of Student-Athletes for Institutional Financial Aid.

A student-athlete must meet applicable NCAA (see Bylaw 14), conference and institutional regulations to be eligible for institutional financial aid. If these regulations are met, the student-athlete may be awarded institutional financial aid during any term in which a student-athlete is in regular attendance [was <u>enrolled initially in a minimum full-time program of studies</u> as defined by the certifying institution during that term (see Bylaw 14.1.8.2.1.3 for final term exception and Bylaw 15.2.8 for summer term exception)] under the following circumstances:

Bylaw 15.3.3.1.1 – (b and d) – One-Year Period: Exceptions.

An institution may award athletically related financial aid to a student-athlete for a period of less than one academic year only under the following circumstances:

(b) Final Semester/Quarter. A student-athlete may receive athletically related financial aid for less than one academic year, provided the student is in the final semester or final two quarters of his or her degree program and the institution certifies that the student is carrying (for credit) the courses necessary to complete the degree requirements.

(d) Eligibility Exausted/Medical Noncounter. A student-athlete who has exhausted eligibility and is exempt from counting (per Bylaw 15.5.1.6) in the institution's financial aid limit, or a student-athlete who is exempt from counting (per Bylaw 15.5.1.3) due to an injury or illness may receive athletically related financial aid for less than one academic year. If an institution awards aid under this provision, the institutional financial aid agreement shall include specific nonathletically related conditions (e.g., academic requirements) the student-athlete must satisfy in order for the aid to be renewed for the next academic term or terms. If the student-athlete satisfies the specified conditions, the institution shall award financial aid at the same amount for the next term or terms of the academic year. If the student-athlete does not satisfy the specified conditions, he or she must be provided a hearing opportunity per Bylaw 15.3.2.4.

Bylaw 15.5.1.6 – Eligibility Exhausted.

A student-athlete receiving institutional financial aid after having exhausted his or her eligibility in a sport is not a counter in that sport in later academic years following completion of eligibility in the sport. For this provision to be applicable, the student-athlete is otherwise eligible for the aid and is not permitted to take part in organized, institutional practice sessions in that sport unless the individual has eligibility remaining under the five-year rule. (See Bylaw 15.3.1 for eligibility for financial aid).

Interpretations.

Title: Institution Providing Financial Aid to Student-Athlete Enrolled in Less Than Minimum Full-Time Program of Studies During Final Term (I).

Date Issued: November 17, 1998
Date Published: November 17, 1998
Type: Official Interpretation
Item Ref: 2

It is permissible for an institution to award financial aid to a student-athlete who has exhausted intercollegiate eligibility and is enrolled in less than a minimum full-time program of studies, provided the student-athlete is carrying for credit the courses necessary to complete degree requirements. [Reference 15.01.5 (eligibility for student-athletes for institutional financial aid)]

Legislative References

Div.	Number	Title
I	15.01.5	Eligibility of Student-Athletes for Institutional Financial Aid.

Title: Senior Student Enrolled in Less Than Full-Time Program During Final Year of College.

Date Issued: October 12, 1989
Date Published: October 12, 1989
Type: Official Interpretation
Item Ref: 2

2. Senior student enrolled in less than full-time program during final year of college. Reviewed the application of Bylaws 14.1.5.1.2 and 14.1.5.2.2.1(a) to the eligibility of a senior student-athlete who needs only six hours to graduate, but whose enrollment in the two three-hour courses required for the student-athlete's major must extend over two semesters (rather than starting and

ending in the "final" semester); determined that there is no authority to extend the application of Bylaws 14.1.5.1.2 and 14.1.5.2.2.1(a) to permit eligibility (while the student-athlete is enrolled for less than a full-time program of studies) for more than one "final" term of enrollment.

Legislative References

Div.	Number	Title
I	14.1.8.2	Requirement for Competition.
I	14.1.8.2.1	Exceptions.

Title: Equal Amounts of Aid Not Required for Academic Year that Includes Final Semester/Quarter Exception (I).

Date Issued: December 12, 2006
Date Published: December 12, 2006
Type: Official Interpretation
Item Ref: 10

The committee determined that in situations in which a student-athlete will be enrolled in less than a full-time program of studies and; thus, eligible for competition pursuant to the final semester/quarter exception during the second semester or third quarter of an academic year, the institution is not required to award the student-athlete's athletically related financial aid in equal amounts for each term of the academic year. [References: Bylaws 14.1.8.2.1.3 (final semester/quarter); 15.3.3.1 (one-year period); and 15.3.3.2 (regular academic year versus summer term); and a staff interpretation (reference: 7/19/06, Item 1c), which has been archived.]

Legislative References

Div.	Number	Title
I	15.3.3.1	One-Year Period.
I	15.3.3.2	Regular Academic Year vs. Summer Term.
I	14.1.8.2.1.3	Final Semester/Quarter.

Title: Eligibility for Athletically Related Financial Aid in Excess of Five Years.
Date Issued: April 10, 2002
Date Published: April 10, 2002
Type: Official Interpretation
Item Ref: 1

There is no authority under the current legislation to permit a student-athlete to receive in excess of five calendar years of athletically related financial aid following initial full-time collegiate enrollment. Thus, a student-athlete who exhausts his or her eligibility for athletically related financial aid during the middle of an academic year or academic term may not continue to

receive such aid. [Reference: Bylaw 15.01.5 (eligibility of student-athletes for institutional financial aid)]

Legislative References

Div.	Number	Title
I	15.01.5	Eligibility of Student-Athletes for Institutional Financial Aid.

Period of Institutional Financial Aid Award - One-Year Period
Exception for Student-Athletes Who Have Graduated

Background.

In September 2009, as part of its review of Division I Bylaws as directed by the NCAA Board of Directors, the cabinet agreed to request consideration of legislation to create an additional exception to the one-year period legislation to specify that a student-athlete who graduates during the previous academic year (including summer) may receive athletically related financial aid for less than one academic year, provided the student will exhaust his or her remaining athletics eligibility during the fall term.

The cabinet's rationale for requesting consideration of such an exception was that under current legislation, NCAA rules prohibit an institution from awarding athletics aid for less than one academic year to a student-athlete with eligibility remaining who has already graduated prior to the academic year in question. The cabinet noted that it is appropriate to allow institutional discretion to determine, on a case-by-case basis, whether to provide athletics aid for less than one year to a student-athlete with eligibility remaining who has already graduated prior to the academic year in question. Currently, an institution must provide a one-year athletics aid agreement to such a student-athlete and he or she may not genuinely be interested in attending the entire spring semester. In many cases, a student-athlete may attend classes at the beginning of the spring or winter term in order to obtain their scholarship and then focus on training for their professional career. Permitting an institution to review the appropriateness of a second term of athletics aid in these situations could save the institution money if it decides a student-athlete is not engaged enough academically to provide them athletics aid for the second semester.

At its March meeting, the Division I Leadership Council reviewed a list of possible cost savings measures recommended by the Division I cabinets, as well as a number of financial recommendations discussed by the IA Athletics Directors Association. The council noted that many of the recommendations appeared to address "low-hanging fruit" and that it may be wiser to take a more global approach when attempting to address spending in intercollegiate athletics. The Council recommended that staff collect additional data regarding actual spending areas and, with the possible help of consultants, develop a set of principles that could guide a review of spending.

At its April meeting, the Division I Board of Directors received a report from the chair of the council regarding the council's discussion of those cost savings recommendations. Several members of the Board of Directors suggested that identification of a set of guiding principles was central to values-based decision making.

Although the council and Board of Directors have not yet taken action on the cabinet's suggestion, the cabinet could decide to sponsor legislation for the 2010-11 legislative cycle to create an exception to the one-year period legislation to permit a student-athlete who graduates during the previous academic year (including summer) to receive athletically related financial aid for less than one academic year, provided the student will exhaust his or her remaining athletics eligibility during the fall term.

Legislation.

Bylaw 15.3.3.1 - One-Year Period.
If a student's athletics ability is considered in any degree in awarding financial aid, such aid shall neither be awarded for a period in excess of one academic year nor for a period less than one academic year (see Bylaw 15.01.5). *(Revised: 4/27/06 effective 8/1/06)*

Bylaw 15.3.3.1.1 - Exceptions.
An institution may award athletically related financial aid to a student-athlete for a period of less than one academic year only under the following circumstances: *(Adopted: 4/27/06 effective 8/1/06)*

(a) Midyear Enrollment. A student-athlete whose first full-time attendance at the certifying institution, during a particular academic year occurs at midyear (e.g., the beginning of the second semester or second or third quarter of an academic year) may receive a financial aid award for the remainder of that academic year. *(Revised: 5/9/06)*

(b) Final Semester/Quarter. A student-athlete may receive athletically related financial aid for less than one academic year, provided the student is in the final semester or final two quarters of his or her degree program and the institution certifies that the student is carrying (for credit) the courses necessary to complete the degree requirements.

(c) One-Time Exception. One time during a student-athlete's enrollment at the certifying institution he or she may be awarded athletics aid for less than a full academic year, provided the student-athlete has been enrolled full time at the certifying institution for at least one regular academic term and has not previously received athletically related financial aid from the certifying institution. *(Revised: 5/19/09)*

(d) Eligibility Exhausted/Medical Noncounter. A student-athlete who has exhausted eligibility and is exempt from counting (per Bylaw 15.5.1.6) in the institution's financial aid limit, or a student-athlete who is exempt from counting (per Bylaw 15.5.1.3) due to an injury or illness may receive athletically related financial aid for less than one academic year. If an institution awards aid under this provision, the institutional financial aid agreement shall include specific nonathletically related conditions (e.g., academic requirements) the student-athlete must satisfy in order for the aid to be renewed for the next academic term or terms. If the student-athlete satisfies the specified conditions, the institution shall award financial aid at the same amount for the next term or terms of the academic year. If the student-athlete does not satisfy the specified conditions, he or she must be provided a hearing opportunity per Bylaw 15.3.2.4. *(Adopted: 4/24/08 effective 8/1/08)*

Division I Awards, Benefits, Expenses and Financial Aid Cabinet Items Reviewed and Prioritized in September 2008

Background: During its first meeting, as part of the transition to the current governance structure, the Division I Awards, Benefits, Expenses and Financial Aid Cabinet reviewed items in order to determine which topics to prioritize for review. The cabinet prioritized four items, instructed the staff to explore two items and chose not to prioritize two items. As the cabinet completes its review of the current financial aid model, a review of the items examined in September 2008 will assist the cabinet in determining what topic(s) to prioritize for review in 2010-11 and future years.

Priority Items. The cabinet identified the following priority topics to address and noted that data collection would be necessary to fully examine each of these issues:

(a) Examination of maximum grant-in-aid limitations. [Reference Awards, Benefits, Expenses and Financial Aid Cabinet September 2008 Supplement Nos. 6, 9 and 11]

  (i) Individual (including examination of countable aid);

  (ii) Team (including examination of countable aid); and

  (iii) Equivalency versus head count designations.

(b) Athletics aid hearing opportunities. [Reference Awards, Benefits, Expenses and Financial Aid Cabinet September 2008 Supplement No. 10]

(c) Multiyear scholarships/presumption of renewal concept. [Reference Awards, Benefits, Expenses and Financial Aid Cabinet September 2008 Supplement No. 9]

(d) Educational outreach to financial aid administrators. [Reference Awards, Benefits, Expenses and Financial Aid Cabinet September 2008 Supplement No. 7]

Items Identified for Staff to Explore for Future Meetings. During this discussion, the cabinet directed the staff to explore the following two items and report on its progress at future meetings:

(a) <u>Improvements to the NCAA Compliance Assistant Software Program</u>. The cabinet recommended that the CA team undertake a review of the program's financial aid module to determine if it can be used to help the membership better understand and apply financial aid legislation.

(b) Incorporation of Financial Aid Information in the NCAA Guide for the College Bound Student-Athlete. The cabinet directed the staff to include information related to NCAA financial aid regulations, including period of award information and information related to individual and team financial aid limits, in the 2009-10 NCAA Guide for the College-Bound Student-Athlete.

Items Discussed, but Not Prioritized. The cabinet discussed but declined to prioritize discussion on the following topics:

(a) Athletics aid to nonqualifiers. [Reference Awards, Benefits, Expenses and Financial Aid Cabinet September 2008 Supplement No. 12] The cabinet expressed concern that permitting athletics aid during the initial year in residence may take away an incentive for prospective student-athletes to become qualifiers. For this reason, the cabinet did not prioritize the issue but is willing to discuss it at a later date if the Academic Cabinet determines it to be a priority; and

(b) Participation awards limitations. [Reference Awards, Benefits, Expenses and Financial Aid Cabinet September 2008 Supplement No. 13]