

A G E N D A

The National Collegiate Athletic Association

Division III Strategic Planning and Finance Committee

Teleconference

November 18, 2008
1 to 2 p.m. Eastern time

1. Welcome and review roster. [Supplement No. 1]
2. Budget.
 - a. 2007-08 budget – final. [Supplement No. 2]
 - b. 2008-09 – budget-to-actual. [Supplement No. 3]
 - c. Six-year projection. [Supplement No. 4]
3. Review proposed championships travel expense policies. [Supplement No. 5]
4. Division III strategic plan.
 - a. Final document. [Supplement No. 6]
 - b. Draft of first Division III Annual Report. [Supplement No. 7]
5. Consider strategic goals for 2008-10 biennium. [Supplement No. 8]
6. Strategic Initiative Conference Grant Program.
 - a. Penalty scale. [Supplement No. 9a]
 - b. Auditing. [Supplement No. 9b]
 - c. Approved Tier I events for senior woman administrators. [Supplement No. 9c]
 - d. Review of Tier II. [Supplement No. 9d]

7. Conduct foul program. [Supplement No. 10]
 - a. Spring executive summary.
 - b. Conference participation.
8. Possible creation of Division III fellow position in membership services.
9. Other business.
10. Adjournment.

**REPORT OF THE
NCAA DIVISION III STRATEGIC PLANNING AND FINANCE COMMITTEE**

INFORMATIONAL ITEMS.

1. **2007-08 Budget – Final.** [Attachment A] The final 2007-08 results include \$20,404,000 in revenue and \$19,883,783 in expenses, resulting in a net surplus of \$520,217.
2. **2008-09 Budget-to-Actual.** [Attachment B] Budget-to-actual as of November 4, 2008, includes \$21,019,800 in revenue and \$3,536,613 in expenses.
3. **Six-year Revenue and Expense Projections.** [Attachment C] This schedule includes the results and projections from 2006 to 2012. With the inclusion of budget requests for 2008-09, the projected reserve balance in 2011 is \$12,791,578. In 2008-2010, there are no new initiatives included in the budget figures, so any approved future initiatives will further reduce the reserve balance.
4. **Proposed Championships Travel Expense Policies.** The cost of travel has continued to increase and has particularly impacted budget forecasts for championships travel for the upcoming academic year. In Division III these costs have increased almost 7.5 percent in the last year with dramatic increases in charter flight costs. The committee reviewed the work of a staff led effort to manage travel costs, noting that the Championships Committee, Management and Presidents Councils will review progress of related recommendations for the January governance meetings.
5. **Division III Strategic Plan and Annual Report.** The committee approved the reviewed Division III Strategic Plan and the 2007-08 Division III Annual Report. A link to access the Annual Report will be revealed at the 2009 NCAA Convention and a hard copy will be provided to each conference.
6. **Strategic Goals for 2008-10 Biennium.** The committee reviewed specific initiatives and measurable outcomes for inclusion into the 2008-10 strategic plan.
 - a. Women and Minority Internship Program and the Strategic Alliance Matching Grant. The committee approved the following initiative/outcome to state in the 2008-10 strategic plan:

Assess the original goals of each program to understand its legacy and to formulate future, long term goals related to diversity of the athletics administrative and governance structures.

A comprehensive measurement tool should include both a quantitative and qualitative component that tracks and surveys both the grant recipients (i.e., athletics directors and conference commissioners) and the individuals who have held a funded position. The surveys and interview scripts should be developed to collect information related to experiences, perceptions and attitudes. Specific examples of information that could be gathered include:

- Did the individuals remain in Division III? If not, why not?
- Did the individual remain in athletics administration? If not, why not?
- How did the experience impact the individual or institution/conference?

- b. Racial and Ethnic Diversity of the Division III Student-Athlete Population. The committee approved the following initiative and measurable outcome for the 2008-10 strategic plan:

Initiative. Examine demographic trends and consider whether Division III or Association-wide programming is appropriate to effect change in the division's student-athlete demographic profile.

Measurable Outcome. The percentage of minority individuals in the student-athlete population should be consistent with the percentage of minority individuals in the general student body.

The Association currently has tools to track these trends nationally and within the division, but without any NCAA programming in place to specifically effect change in this area, assigning resources to assess progress does not seem appropriate. If programming in this area is created, its effects should be specifically measured, noting that many factors (including institutional mission, geographic location, financial resources and recruitment and other local campus factors) may make such a program difficult to quantify and assess.

Before the division determines if it should add programming to effect change in student-athlete demographics, it should seek to better understand the current landscape; specifically, the gap between minority student-athletes and minority students in the general student body including whether (and why) that gap is growing, how Division III compares to the other divisions demographically, and whether management of this subject should be done on a divisional or Association-wide basis.

- c. Senior Administrator with Athletics Oversight – Programming at the NCAA Convention. The committee approved the establishment of a goal that at least one senior administrator with athletics oversight from each Division III conference attend the NCAA Convention.

The Division III Strategic Plan already included a goal that at least three presidents per conference attend the NCAA Convention. 2008 membership survey results indicate that 80% of Division III athletics departments report to a senior administrator other than the president, yet the strategic plan did not previously include a goal regarding this group's Convention attendance.

7. Strategic Initiative Conference Grant Program.

- a. Penalty Scale. The committee approved a penalty scale so that conferences are held accountable to both grant deadlines and Tier One requirements without adversely impacting the institutions that benefit from conference grant funds. Conferences will be provided a two day grace period, to submit grant forms before being penalized \$500 per week until the form is submitted, up to \$2,500. These funds will be removed from the administrative grant.

If a conference does not satisfy the requirement to support an FAR or SWA's professional development program for two consecutive years, it shall be penalized \$500 from its administrative grant. A conference may opt out of a required category where it will lose funding for the category but not be subject to an administrative fee and the funds will be redistributed to conferences that historically satisfied all required categories and have unmet demand in Tier One.

- b. Auditing. The committee tabled discussion until its next conference call.
- c. Approved Tier One events for Senior Woman Administrators. The committee tabled discussion until its next conference call.
- d. Review of Tier II. The committee tabled its full review of Tier Two until its next conference call. Currently suggested modifications include:
- Change the three areas of focus and keep the existing four-year rotational format (examples: Green Initiatives, Leadership and Life skills). Depending on the areas chosen, this may require changing the name and focus of Tier Two.
 - Require that one of the three current themes be addressed in a specific year. (Example: 2010-11 is Diversity/Gender Equity for all conferences; 2011-12 is Student-Athlete Well Being, etc.)

- Name a new theme (not necessarily related to any of the current themes) to be addressed each year. (Example: 2010-11 is integration institutes; 2011-12 is community service to support a specific charitable organization or theme.)
- Remove all formal structure and allow the conference to propose any idea that it can justify under the Tier Two theme of Social Responsibility and Integration.

The staff will alert those conferences that are not on track to meet current funding requirements of the first quadrennium (concluding with the 2009-10 year).

8. **Conduct Foul Program.** The committee reviewed the spring 2008 results of the Conduct Foul Program and noted the conferences that do not participate.

Committee Chair: Paul Tribble, Christopher Newport University

Staff Liaison: Beth Barnett, Finance

Dan Dutcher, Division III Governance

Jay Jones, Membership Services

Leah Nilsson, Division III Governance

Andrea Worlock, Finance

The National Collegiate Athletic Association2007-08 Division III Budget-to-Actual (FINAL)

	2006-07	2007-08		
	Year-to-date Actual	Budget	Year-to-date Actual	Difference
Revenue:				
Division III 3.18% Revenue Allocation	19,052,000	19,207,200	20,404,000	(1,196,800)
Total Revenue	19,052,000	19,207,200	20,404,000	(1,196,800)
Expenses:				
Championship Expenses				
Men's Championships				
Baseball	1,294,262	1,366,978	1,575,611	(208,633)
Basketball	573,823	643,194	686,217	(43,023)
Cross Country	362,931	446,756	377,086	69,670
Football	1,130,150	1,411,098	1,185,772	225,326
Golf	357,696	409,352	357,456	51,896
Ice Hockey	237,084	272,578	238,740	33,838
Lacrosse	260,682	340,330	263,121	77,209
Soccer	923,704	951,900	857,567	94,333
Swimming & Diving	359,564	406,024	345,978	60,046
Tennis	392,270	436,056	408,127	27,929
Indoor Track	291,516	320,300	303,406	16,894
Outdoor Track	437,795	618,816	448,298	170,518
Wrestling	203,443	281,544	212,150	69,394
Championship Webcasting	-	15,000	10,519	4,481
Total Men's Championships	6,824,921	7,919,926	7,270,047	649,879
Women's Championships				
Basketball	794,490	834,494	908,902	(74,408)
Cross Country	366,301	414,568	393,730	20,838
Field Hockey	304,897	336,370	325,738	10,632
Golf	236,274	243,542	241,219	2,323
Ice Hockey	192,629	263,396	193,757	69,639
Lacrosse	405,358	460,810	470,239	(9,429)
Rowing	269,499	526,732	342,035	184,697
Soccer	901,534	918,556	864,529	54,027
Softball	1,092,317	1,125,975	1,117,600	8,375
Swimming & Diving	368,984	393,032	371,527	21,505
Tennis	424,889	501,654	450,101	51,553
Indoor Track	285,282	334,192	320,505	13,687
Outdoor Track	436,306	573,812	458,366	115,446
Volleyball	734,800	819,462	769,895	49,567
Championship Webcasting	-	15,000	13,000	2,000
Total Women's Championships	6,813,560	7,761,595	7,241,142	520,453
Championships Expense	13,638,481	15,681,521	14,511,189	1,170,332
Overhead	293,980	247,400	247,400	-
Total Championships Expense	13,932,461	15,928,921	14,758,589	1,170,332

Strategic Initiative Conference Grants	1,533,520	1,762,250	1,746,960	15,290
Other Division III Strategic Initiatives				
NAD3AA Partnership (Note 3)	70,433	49,500	47,827	1,673
SWA Enhancement Grant Program (NACWAA)	41,613	45,000	38,222	6,778
Division-wide Sportsmanship Initiative	11,000	25,000	11,000	14,000
Strategic Alliance Matching Grant	593,815	670,000	610,994	59,006
Women & Minority Intern Program	657,635	720,000	725,878	(5,878)
Regional Seminar Planning	15,000	15,000	15,000	-
Financial Aid Education/Enforcement		10,000		10,000
S-A Leadership Conference	501,374	680,000	643,307	36,693
Future of Division III			(2,100)	2,100
Student-Athlete Reinstatement CD Rom		6,000		6,000
Drug and Alcohol Education	171,524	125,000	84,000	41,000
Drug Education and Testing Pilot		350,000	250,086	99,914
Championship Webcasting	29,999			-
Conference Commissioners Meeting	13,225		5,398	(5,398)
Town Hall Meetings			13,622	(13,622)
Division III Financial Recovery Insurance	200,000	200,000	200,000	-
Overhead Allocation	687,550	735,000	735,000	-
Total Program Expenses	4,526,689	5,392,750	5,125,193	267,557
Total Division III Expenses	18,459,149	21,321,671	19,883,783	1,437,888
Excess Revenue over Expense	592,851	(2,114,471)	520,217	
Add: Previous Year's Unallocated (Unused) Funds	11,349,723	11,942,574	11,942,574	
Total Division III Funds Available for Reserve/Future Use	11,942,574	9,828,103	12,462,791	
Less: Mandated Reserve (Note 1)	1,905,200	1,920,720	2,040,400	
Total Division III Funds Available for Contingency/Future Use	10,037,374	7,907,383	10,422,391	
Less: Encumbered for future year programs (Note 2)	973,000	-	165,000	
Total Division III Projected Unallocated Funds	9,064,374	7,907,383	10,257,391	
Division III Reserve Cumulative Balance (Actual)	11,942,574		12,462,791	
Division III Reserve Cumulative Balance (Projected)		9,828,103		
<p><u>Note 1:</u> In any two-year budget cycles, the reserve shall not fall below 10% of the Division III revenue allocation.</p> <p><u>Note 2:</u> Amount of encumbered for future year programs is based on proposed budget initiatives/increases for the next biennial budget cycle.</p> <p><u>Note 3:</u> Management Council approved an additional reallocation of \$20,000 for 2006-07 only for NAD3AA Partnership to support registration fees associated with the NACDA convention.</p> <p><u>Note 4:</u> Beginning with 2006-07, the Executive Committee approved a 25 percent budget reduction for all NCAA committees. The reduction from the championship committees has been added back into the Division III reserve total.</p>				

The National Collegiate Athletic Association2008-09 Division III Budget-to-Actual (as of December 11, 2008)

	2007-08	2008-09		
	Year-to-date Actual	Budget	Year-to-date Actual	Difference
Revenue:				
Division III 3.18% Revenue Allocation	20,404,000	21,019,800	21,019,800	-
Total Revenue	20,404,000	21,019,800	21,019,800	-
Expenses:				
Championship Expenses				
Men's Championships				
Baseball	1,575,611	1,696,100	(706)	1,696,806
Basketball	686,217	756,800	10,159	746,641
Cross Country	377,086	439,200	123,148	316,052
Football	1,185,772	1,326,300	423,249	903,051
Golf	357,456	404,400	6,731	397,669
Ice Hockey	238,740	297,100	219	296,881
Lacrosse	263,121	309,700	729	308,971
Soccer	857,567	963,500	390,147	573,353
Swimming & Diving	345,978	380,200	889	379,311
Tennis	408,127	456,600	893	455,707
Indoor Track	303,406	365,800	5,165	360,635
Outdoor Track	448,298	492,100	87	492,013
Wrestling	212,150	259,400	1,574	257,826
Championship Webcasting	10,519	30,000	-	30,000
Total Men's Championships	7,270,047	8,177,200	962,284	7,214,916
Women's Championships				
Basketball	908,902	981,000	3,875	977,125
Cross Country	393,730	457,500	115,926	341,574
Field Hockey	325,738	359,300	162,161	197,139
Golf	241,219	253,700	8,812	244,888
Ice Hockey	193,757	225,700	209	225,491
Lacrosse	470,239	517,400	1,816	515,584
Rowing	342,035	444,400	1,820	442,580
Soccer	864,529	952,200	467,057	485,143
Softball	1,117,600	1,203,200	2,885	1,200,315
Swimming & Diving	371,527	400,500	735	391,688
Tennis	450,101	518,200	2,747	515,453
Indoor Track	320,505	372,500	1,370	371,130
Outdoor Track	458,366	500,400	412	499,988
Volleyball	769,895	945,600	395,855	549,745
Championship Webcasting	13,000	30,000	-	30,000
Total Women's Championships	7,241,142	8,161,600	1,165,680	6,995,920
Championships Expense	14,511,189	16,338,800	2,127,964	14,210,836
Overhead	247,400	247,400	61,850	185,550
Total Championships Expense	14,758,589	16,586,200	2,189,814	14,396,386

Strategic Initiative Conference Grants	1,746,960	1,852,250	1,847,111	5,139
Other Division III Strategic Initiatives				
NAD3AA Partnership	47,827	51,000	-	51,000
SWA Enhancement Grant Program (NACWAA)	38,222	48,000	-	48,000
Division-wide Sportsmanship Initiative	11,000	15,000	5,000	10,000
Strategic Alliance Matching Grant	610,994	670,000	576,495	93,505
Women & Minority Intern Program	725,878	820,000	707,866	112,134
Regional Seminar Planning	15,000	15,000	-	15,000
Financial Aid Education/Enforcement		10,000	-	10,000
S-A Leadership Conference	643,307	680,000	136,688	543,312
Future of Division III	(2,100)	-	-	-
Drug and Alcohol Education	84,000	125,000	-	125,000
Drug Education and Testing Pilot	250,086	350,000	-	350,000
Conference Commissioners Meeting	5,398	15,000	-	15,000
Town Hall Meetings (Note 3)	13,622	-	7,401	(7,401)
Division III Financial Recovery Insurance	200,000	200,000	100,000	100,000
Overhead Allocation	735,000	786,500	196,625	589,875
Total Program Expenses	5,125,193	5,637,750	3,577,186	2,060,564
Total Division III Expenses	19,883,783	22,223,950	5,767,000	16,456,950
Excess Revenue over Expense	520,217	(1,204,150)	15,252,800	
Add: Previous Year's Unallocated (Unused) Funds	11,942,574	12,462,791	12,462,791	
Total Division III Funds Available for Reserve/Future Use	12,462,791	11,258,641	27,715,591	
Less: Mandated Reserve (Note 1)	2,040,400	2,101,980	2,101,980	
Total Division III Funds Available for Contingency/Future Use	10,422,391	9,156,661	25,613,611	
Less: Encumbered for future year programs (Note 2)	165,000	-	-	
Total Division III Projected Unallocated Funds	10,257,391	9,156,661	25,613,611	
Division III Reserve Cumulative Balance (Actual)	12,462,791		27,715,591	
Division III Reserve Cumulative Balance (Projected)		11,258,641		
<p>Note 1: In any two-year budget cycles, the reserve shall not fall below 10% of the Division III revenue allocation.</p> <p>Note 2: Amount of encumbered for future year programs is based on proposed budget initiatives/increases for the next biennial budget cycle.</p> <p>Note 3: The Town Hall meeting program was established mid-year in 2007-08, thus there was no budget monies allocated for this purpose. The expenses are being covered through the Division III Reserve balance.</p> <p>Note 4: Beginning with 2006-07, the Executive Committee approved a 25 percent budget reduction for all NCAA committees. The reduction from the championship committees has been added back into the Division III reserve total.</p>				

The National Collegiate Athletic Association

Division III 6-Year Projection

	2006-2007	2007-2008	2008-2009	2009-2010	2010-11	2011-12
Revenue:						
Division III 3.18% Revenue Allocation	19,052,000	20,404,000	21,019,800	22,578,000	23,957,675	25,746,584
Expenses:						
Championships Base Budget (Note 1)	13,932,461	14,758,589	16,586,200	17,208,533	17,886,978	18,592,561
Championships Initiatives	-	-	-	-	-	-
Division III Insurance	200,000	200,000	200,000	200,000	200,000	200,000
Programs Base Budget	4,326,689	4,925,193	5,272,750	5,437,750	5,511,750	5,511,750
Programs Initiatives	-	-	165,000	-	-	-
Total Division III Expenses	18,459,150	19,883,782	22,223,950	22,846,283	23,598,728	24,304,311
Net Change in Fund Balance	592,850	520,218	(1,204,150)	(268,283)	358,946	1,442,273
Beginning Fund Balance (Projected Reserve and Unallocated Funds)	\$ 11,349,724	\$ 11,942,574	\$ 12,462,792	\$ 11,258,642	\$ 10,990,359	\$ 11,349,305
Less:						
Net Change in Fund Balance	592,850	520,218	(1,204,150)	(268,283)	358,946	1,442,273
Ending Fund Balance (Projected Reserve and Unallocated Funds)	\$ 11,942,574	\$ 12,462,792	\$ 11,258,642	\$ 10,990,359	\$ 11,349,305	\$ 12,791,578
Mandated Reserve (Note 3)						
Including the following contingencies:						
Championship Contingency (Note 4)	\$1,905,200	\$2,040,400	\$2,101,980	\$2,257,800	\$2,395,767	\$2,574,658
Funds Available Less Mandated Reserve (Note 6)	500,000	500,000	500,000	500,000	500,000	500,000
	\$20,459,766		\$17,889,221		\$19,170,458	

Note 1: The championships budget increases each year based on 4% inflation. The conference grant program within the non-championship initiative budget would increase by 4% every two years.

Note 2: The 2006-07 and 2007-08 amounts listed are actual revenues and expenses. The budgets for 2009-2012 do not contain any new initiatives at this time.

Note 3: Beginning with 2006-07, the reserve shall not fall below 10% of the Division III revenue allocation.

Note 4: The Championships Contingency fund was created to support year-end championships budget shortfalls. It is not included in the championships base budget or the total Division III budget, but is a portion of the overall Mandated Reserve that has been allocated to championships. Only the unused portions of this contingency will roll over into the next year.

Note 5: Beginning with 2006-07, the Executive Committee approved a 25 percent budget reduction for all NCAA committees. The reduction from the championship committees has been added back into the Division III reserve total.

Note 6: The Funds Available balance is figured on the ending fund balance for both years in the two-year budget cycle less the mandated reserve for those same two years.

Future Budget Inclusions:

2008-09	\$110,000 Women and Minority Intern Program (increase by 4%)
	\$99,000 Strategic Initiative Conference Grant program increase (covered by inflationary increase and reallocations)
	\$15,000 Conference Commissioners Meetings
	\$32,500 Research Staff position (cost split between Div. II and Research)
	\$1500 NADIIAA Partnership Grant increase
	\$3000 SWA Enhancement Grant increase
	\$180,000 Championships Per Diem Increase of \$3 (covered by Champs inflationary increase)
	\$45,000 Championships Officials Per Diem & Fee Increase of \$5 (covered by Champs inflationary increase)
	\$81,000 Championships - Track & Field Squad Size Increase (covered by Champs inflationary increase)
	\$60,000 Championships - Other Maintenance Items (covered by Champs inflationary increase)
2009-10	\$120,000 Championships Per Diem Increase of \$2 (covered by Champs inflationary increase)