

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

ACTION ITEMS.

1. Legislative Items.

None.

2. Nonlegislative Items.

a. Division III Reserve Policy.

- (1) Recommendation. Establish a Division III budget reserve policy that mandates the division to maintain in reserve an amount equal to 80% of the division's projected revenue for that budget year. The division may credit its financial recovery insurance towards the mandated minimum. This policy currently includes \$10,000,000 in coverage. See below for sample reserve minimums resulting from this recommendation.

Year	Annual Revenue Allocation	80% of Annual Revenue Allocation	Funds Required to Meet Proposed Reserve Balance After \$10 million Financial Recovery Insurance	Current Projected Reserve	Difference in Funds Required and Current Projected Reserve
2010-11	\$23,914,000	\$19,131,200	\$9,131,200	\$17,461,946	-\$8,330,746
2011-12	\$24,358,000	\$19,486,400	\$9,486,400	\$16,965,256	-\$7,478,856
2012-13	\$24,915,000	\$19,932,000	\$9,932,000	\$16,171,570	-\$6,239,570
2013-14	\$25,462,000	\$20,369,600	\$10,369,600	\$15,521,967	-\$5,152,367
2014-15	\$26,173,000	\$20,938,400	\$10,938,400	\$15,044,087	-\$4,105,687
2015-16	\$26,886,000	\$21,508,800	\$11,508,800	\$14,848,426	-\$3,339,626

*Difference column could represent the opportunity for new or enhanced spending.

- (2) Effective date. August 1, 2012.
- (3) Rationale. The division is currently required to hold in reserve an amount equal to 10 percent of its annual revenue allocation. However, the NCAA recently examined its Association-wide reserve policy, which resulted in an enhanced Association-wide reserve policy. National office leadership requested that the division consider establishing an enhanced reserve policy to protect services in the event of an unexpected loss in revenue.

- (4) Estimated Financial Impact. See recommendation.
- (5) Student-Athlete Impact. Student-athlete programming would be provided some protection if the Association faces a loss in revenues.

b. Division III Identity Initiative.

- (1) Recommendation. Charge the staff with developing the following activation resources for use of the previously approved \$600,500 2011-12 Identity Initiative budget:
 - Continue the \$1,000 institutional and conference identity credit.
 - Develop additional educational resource materials to share with prospective student-athletes, their parents and high school coaches. This could include print, video, or other electronic media, and should be made available to admissions offices to support overall institutional recruiting efforts.
 - Conduct a national Division III week.
 - Produce a customizable video for institutions to embed local content.
 - Create additional PowerPoint templates for athletics administrators.
 - Enhance Strategic Alliance Matching grants and Internship grants to include athletics communication as an approved duty for the approved positions.
 - Pursue development of a grant program to support the submission of stories highlighting the Division III platform by sport information directors (SIDs) or student reporters.
 - Produce Division III microphone stands, note cards and apparel, including the option for institutions and conferences to co-brand the items.
 - Produce apparel for use during Special Olympics activities.
- (2) Effective date. August 1, 2011.
- (3) Rationale. The committee determined that these activation resources present an appropriate balance between tangible items and meaningful communications pieces, and focus on current institutional and prospective student audiences.
- (4) Estimated Financial Impact. The Identity Initiative carries a previously approved 2010-12 budget of \$600,500.
- (5) Student-Athlete Impact. Enrolled and prospective student-athletes will receive messages highlighting the meaning of the Division III experience.

c. Drug Education and Testing.

- (1) Recommendation. Establish a Division III drug education and testing strategy that retains the status quo championships testing program and makes funds available for campuses to conduct enhanced education and/or testing at the institution's discretion. The educational program shall focus on effectively partnering with the student-affairs and coaches communities, and shall prioritize alcohol abuse as the most significant substance issue in the division.

To support this recommended strategy, the committee has charged the staff with developing a specific implementation strategy for consideration on its July teleconference. The plan should include educational modules, a framework for campus-based drug testing, and options for fund distribution.

- (2) Effective date. August 1, 2012.
- (3) Rationale. During the 2011 Convention, the membership had the opportunity to discuss four questions related to its drug education and testing pilot: 1) Retain status quo championships testing program; 2) Enhance educational programming; 3) Establish an academic year, division-wide mandatory drug testing program; and 4) Allocate funds for institutions or conferences to implement their own testing program as part of a more comprehensive deterrence program (e.g., Conference Grant Program). The membership endorsed all but the establishment of a mandatory drug testing program.

The recommended drug education and testing strategy is sensitive to the needs of local campuses and the Division III philosophy—specifically of treating student-athletes the same as the general student body, and integrating athletics into general campus operations. The resulting implementation strategy must be sensitive to the staffing constraints that exist on Division III campuses, and emphasize programming with a proven record of success.

- (4) Estimated Financial Impact. 2012-14 budget should include a specific allocation to support an enhanced drug education and testing program.
- (5) Student-Athlete Impact. Student-athletes will continue to be subject to drug testing at NCAA championships, while also receiving education and potential additional testing tailored to local campus needs.

d. Academic Reporting Pilot.

- (1) Recommendation. Maintain the pilot's original timeline, completing the pilot in summer 2011; conducting division-wide discussion at the 2012 Convention; and considering legislation, if warranted, at the 2013 Convention.
- (2) Effective date. Immediate.
- (3) Rationale. The division has completed the first year of a two year academic reporting pilot and a status report was presented to the membership at the 2011 Convention. Based on the year-one pilot experience, the committee did not see any compelling reason to amend the program's original timeline.
- (4) Estimated Financial Impact. None.
- (5) Student-Athlete Impact. None.

e. Division III Expense Pilot ("Dashboard Indicators").

- (1) Recommendation. Develop a financial dashboard indicator pilot program according to the proposal in Attachment A.
- (2) Effective Date. Launch the pilot in fall 2011 and present a preliminary report of findings at the 2012 Convention.
- (3) Rationale. A dashboard indicator system uses athletics financial data to provide presidents with accurate, timely and relevant information to benchmark an institution's athletics financial situation with a self-defined set of peer institutions as well as national and conference groups of schools. It is a research-based approach to financial reporting that provides graphic comparisons of the annual financial picture of an institution's athletics program, highlighting trends over time. It can also serve as an early warning system to indicate emerging issues in an athletics program. It can serve as a catalyst for communication and education among presidents, chief financial officers and athletics departments. It also has the potential to promote the Division III attributes of proportion, comprehensive learning and responsibility.

Division I currently requires all institutions to submit data for inclusion in the dashboard system, and DII offers optional reporting, which yields near 100 percent participation. Proposed indicators in the Division III pilot include non-financial (number of sponsored sports, proportion of student-athletes to undergraduate enrollees and the student-body federal graduation rate), and financial (total and itemized expenditures) indicators.

(4) Estimated Financial Impact. None.

(5) Student-Athlete Impact. None.

f. NCAA GOALS Report.

(1) Recommendation. Refer to the Playing and Practice Seasons Subcommittee any GOALS findings related to time pressures (e.g., missed class time, contest limits and etc.), including issues specific to baseball.

(2) Effective date. Immediate.

(3) Rationale. GOALS is a study of approximately 20,000 current student-athletes that was conducted during spring 2010 and focused on recruitment and college choice, ethical leadership issues, and student-athlete time demands. Preliminary results appear to be very supportive of the Division III athletics model. While the committee will continue to consider implications of the survey results, its preliminary analysis indicates that the academic and well-being issues found in baseball warrant immediate consideration by the governance structure.

(4) Estimated Financial Impact. None.

(5) Student-Athlete Impact. None.

g. NCAA Performance Management Scorecard.

(1) Recommendation. Endorse the following components for inclusion in a 2011-12 Division III performance management scorecard:

(a) Division III Identity Initiative: What programs and resources should be implemented during 2011-12 to support the division's identity initiative, consistent with the division's Strategic Positioning Platform?

Key metrics:

- Purchase or procurement of activation resources by institutions and conferences during 2010-11, including percent of participation and percent of budget spent.
- Percent of schools and conferences displaying Division III "lockup logo" on their athletics websites as direct link to Division III public webpage.
- Percent of schools and conferences with formal activation of Special Olympics partnership.

- Number of articles submitted by membership for posting on Division III public website. Track monthly.
- Number of media articles focusing on the Division III identity and story in markets where Division III “media tours” have occurred.

Drill down data should include the 2011 Faculty Athletics Representative Survey, relevant GOALS/SCORE data, and a possible survey regarding utility of toolkits and other supporting resources (e.g., constituent Power Points).

- (b) Presidential Leadership: Does a sufficient amount of presidential leadership exist within each Division III voting conference?

Key metrics:

- 2010 informal survey of conference commissioners.
- 2011 formal “audit” regarding conference presidential leadership.
- Presidents Advisory Group (PAG) appointments.
- PAG and Convention attendance.

Drill down data should include input from informal follow-up discussions with PAG members and selected presidents and commissioners.

- (c) Academic Reporting: Should the Presidents Council sponsor legislation to establish an annual, division-wide academic reporting process focusing on graduation rates [e.g., federal rate and Academic Success Rate (ASR)]?

Key Metrics:

- Existing Division III data from annual federal reports (i.e., general student body).
- General student body and student-athlete data from Division III Academic Reporting Pilot.
- Relevant data from Divisions I and II.

Drill down data should include rates by sport, rate distribution curve, institutional variance distribution curve, GOALS/SCORE data.

- (d) Alcohol and Drug Education and Testing: Should the Division III governance structure develop and fund significant, multi-level and multi-platform educational resources and programming to enhance the knowledge and behavior of student-athletes and other key constituents related to alcohol and other drugs?

Key Metrics:

- 2007-09 DIII Drug Education and Testing Pilot results.
- Results of periodic NCAA study on substance use.
- Round table feedback from 2011 Division Convention Issues Forum.

Drill down data should include data from non-NCAA programs and studies (e.g., NASPA).

- (2) Effective Date. Immediate.
- (3) Rationale. The staff has developed and the NCAA Executive Committee has endorsed a performance management scorecard to enhance accountability, improve results, and demonstrate the value of national office programs and services to the membership. The scorecard is designed to help the Association focus on its priorities by providing information that is helpful in decision-making and broad oversight of each division. The identified Division III metrics cover the four priority areas facing the division in 2011-12, consistent with the division's strategic plan.
- (4) Estimated Financial Impact. None.
- (5) Student-Athlete Impact. None.

INFORMATIONAL ITEMS.

- 2010-11 Division III Budget-to-Actual.** The committee reviewed the budget-to-actual schedule as of February 18, 2011. The results included \$23,914,000, in revenue and \$10,126,193 in expenses, which reflects a majority of the fall championship expenses. An updated schedule has been produced since the committee's teleconference. See Attachment B for the March 18 budget to actual.
- Eight-Year Revenue and Expense Projections.** [Attachment C] This schedule includes the actual results and budget projections from 2008 through 2016. No new initiatives are included for 2011-12 or beyond. As it stands, the reserve balance will be approximately \$15.5 million in 2012-13. However, any future new initiatives added will reduce this amount.

3. **Division III Sports Wagering.** The committee reviewed an update on Division III Sports Wagering. The issue was brought to the committee's attention based on the results of the 2008 Study on Collegiate Wagering. The committee has already updated its Conference Grant Program policy to highlight sports wagering education as a best practice for Tier Two student-athlete well-being programming, and created a specific line for this topic in Tier Three. Also, the division conducted a sports wagering presentation at the 2011 Convention, which received positive feedback. Sports wagering is an area for potential enhanced divisional support or programming for the next biennium.

Committee Chair: Jim Schmutter, Western Connecticut State University

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A PROPOSAL FOR THE DEVELOPMENT AND IMPLEMENTATION OF THE DIVISION III FINANCIAL DASHBOARD INDICATOR SYSTEM

Introduction

In 1986 the NCAA published the first report of revenues and expenses of intercollegiate athletics programs. This report included findings on all NCAA member institutions, including those we consider today as NCAA Division III schools. This report and the ones that followed were based on athletics finance data collected by the NCAA paralleling federal reporting requirements connected with the Equity in Athletics Disclosure Act. To date, the NCAA continues to solicit data from all member schools in conjunction with the federal reporting efforts, but with greater detail.

In 2008, Division I launched the first dashboard indicator system using this athletics finance information. The system provides presidents with accurate, timely and relevant information to benchmark their athletics financial situation with a self-defined set of peer institutions as well as national and conference groups of schools. It's a research-based approach to financial reporting that provides graphic comparisons of the annual financial picture of an institution's athletics program, highlighting trends over time. It can also serve as an early warning system to indicate emerging issues in an athletics program.

Division II adopted a similar system in 2010. Division III has the opportunity to launch its own dashboard indicator system. This system can be a valuable tool for Division III presidents. It can serve as a catalyst for communication and education among presidents, chief financial officers and athletics departments. It also has the potential to promote the Division III attributes of proportion, comprehensive learning and responsibility.

Methods

Athletics finance information is gathered by the NCAA through an online survey distributed to all active and provisional members each fall for intercollegiate athletics programs only. Intramural and club programs are excluded. The data is solicited in conjunction with the annual Equity in Athletics Disclosure Act (EADA) data collection. There is significant overlap with the EADA collection, but the NCAA request contains greater detail. Confidentiality is assured throughout the collection process and any subsequent reporting. Data collection is voluntary for all Division III schools. In the most recent collection efforts, approximately 80 percent of Division III members provided usable data. NCAA Division I require participation in the program while NCAA Division II does not. That said, nearly 100 percent of Division II schools participate in the program.

Each proposed financial indicator is presented as a trend line for the previous five financial years. The program user has the option to self-select a minimum number of peer institutions or to compare their institution to a pre-selected group. The proposed pre-selected comparison groups include institutions that sponsor football to those that do not, public and private designations, quartiles of proportion of student-athletes to undergraduate enrollment, quartiles of the number of sports sponsored and conference affiliations. The development of other comparisons is possible. The proposed financial indicators are focused in the area of expenditures as opposed to revenues. Three non-financial indicators are proposed as well. This is not an exhaustive list.

1. Sponsored sports: Total number of sports sponsored by the institution as reported in the annual NCAA survey.
2. Proportion student-athletes of student-body: Proportion of unduplicated student-athletes of the total undergraduate enrollees reported as a percentage.
3. Student-Body Graduation Rate: The four-year federal graduation rate for the student-body overall reported as a percentage.
4. Total expenditures: Total athletics expenditures in dollars.
5. Proportion athletics expenditures of institutional expenditures: Athletics expenditures as a proportion of total institutional expenditures reported as a percentage.
6. Increase Gap: A comparison of the athletics expenditures rate of change with the university expenditures rate of change reported as a percentage. A positive value means the athletics expenditures rate of change outpaced the university expenditures rate of change. A negative value means the university expenditures rate of change outpaced the athletics expenditures rate of change. Calculation: $(\text{Current Year Total Athletics Expenses} / \text{Prior Year Total Athletics Expenses}) - (\text{Current Year Total Institutional Expenses} / \text{Prior Year Total Institutional Expenses})$.
7. Expense per Student-Athlete: Total operating expenses divided by the total unduplicated student-athletes reported in dollars.
8. Proportion athletics department staff compensation of total athletics operating expenses: Proportion salaries, benefits and bonuses for coaches and administrative staff of the total athletics operating expenses reported as a percentage.
9. Proportion coaches' compensation of total athletics operating expenses: Proportion salaries, benefits and bonuses for coaches of the total athletics operating expenses reported as a percentage.
10. Proportion administrative staff compensation of total athletics operating expenses: Proportion salaries, benefits and bonuses for administrative staff of the total athletics operating expenses reported as a percentage.
11. Proportion participation and game expenses of total athletics operating expenses: Proportion equipment, uniforms, supplies and game-day expenses other than travel that is necessary for intercollegiate athletics competition of total athletics operating expenses reported as a percentage. Examples of game-day expenses include security, event staff and ambulances.

12. Proportion team travel of total athletics operating expenses reported as a percentage: Proportion travel expenses including air and ground travel, meals and incidentals of total athletics operating expenses reported as a percentage.
13. Proportion facilities maintenance and administrative support expenses of total athletics operating expenses: Proportion expenses related to building and grounds maintenance, utilities, rental fees, operating leases and equipment repair and maintenance of total athletics operating expenses reported as a percentage.

Oversight of data collection and the online system is provided by the NCAA Business Administration Office. The preparation of the data is managed by the NCAA Research department. The Division III Strategic Planning and Finance Committee will serve in an oversight capacity to the overall project for the division.

Pilot Program.

A pilot program is proposed for the fall of 2011 to test the functionality of the system with Division III presidents and their appointees. This will provide the opportunity to seek feedback from the participating campuses related to the functionality, presentation, communication, utility and relevance of the system. The feedback will be collected throughout the pilot phase and incorporated into a report of findings that will be presented to the Division III Presidents Council at their January, 2012 meeting.

Timeline.

- March 3, 2011 – Review of draft proposal by the Strategic Planning and Finance Committee.
- April 27, 2011 – Proposal presented to the Division III Presidents Council seeking approval
- Fall 2011 – Launch of the Division III Dashboard Indicator Pilot Program.
- January 12, 2012 – Report of findings from the pilot program presented to the Division III Presidents Council.
- January 13, 2012 – Report of findings from the pilot program and presentation of the system to the Division III membership.
- Spring 2012 – Launch of the Division III Dashboard Indicator System.

DIVISION III REVENUES & EXPENSES: Possible Next Steps

Division III Presidents Luncheon

January 14, 2010

San Antonio, Texas

Introduction

- Selected findings from the 2010 Division III Revenues and Expenses Report were shared with the Division III Presidents Council at their October, 2010 meeting.
- Included conceptual discussions of the development of Division III Dashboard Indicators.
 - Focus on athletics expenditures as opposed to revenues.
 - Identified as a valuable tool for presidents.
 - Modeled on the existing Division I and II systems.

Introduction

- A dashboard indicator system can provide presidents of Division III member schools the ability to benchmark their athletics financial indicators with median indicators from a self-defined set of peer institutions as well as national and conference medians.
- This system has the potential to promote the Division III attributes of proportion, comprehensive learning and responsibility.

Introduction

- Today's session is designed to:
 - Introduce the concept of dashboard indicators.
 - Present proposed indicators.
 - Seek feedback.

Methods

- Information is gathered through a survey distributed to all active and provisional members each Fall.
- Intercollegiate athletics programs only, excluding intramural and club programs.
- Data solicited in conjunction with the annual Equity in Athletics Disclosure Act (EADA) data collection but with greater detail.
- Confidentiality is assured.
- Approximately 80% usable participation 2004 to 2009.

Methods

- Each proposed indicator will be presented as trend lines for FY 2004-05 to 2008-09.
- Trend lines are presented in this presentation comparing institutions that sponsor football to those that do not where appropriate.
- Other proposed comparisons include:
 - Public and Private
 - Proportion of student-athletes to undergraduate enrollment. Institutions have been divided into quartiles based on this proportion.
 - Year-end institutional endowment value.

Proposed Indicators Non-Financial

1. Number sponsored sports (#).
2. Proportion student-athletes of undergraduate enrollees (%).
3. Student-Body Federal Graduation Rate (%).

Proposed Indicators

Total Expenditures

4. Total athletics expenditures (\$).
5. Proportion athletics expenditures of institutional expenditures (%).
6. Increase Gap: Athletics expenditures rate of change versus institutional expenses rate of change (%).
7. Athletics expense per student-athlete (\$).

Proposed Indicators Itemized Expenditures

8. Proportion athletics department staff compensation of total athletics operating expenses (%).
9. Proportion coaches' compensation of total athletics operating expenses (%).
10. Proportion athletics administrative compensation of total athletics operating expenses (%).

Proposed Indicators

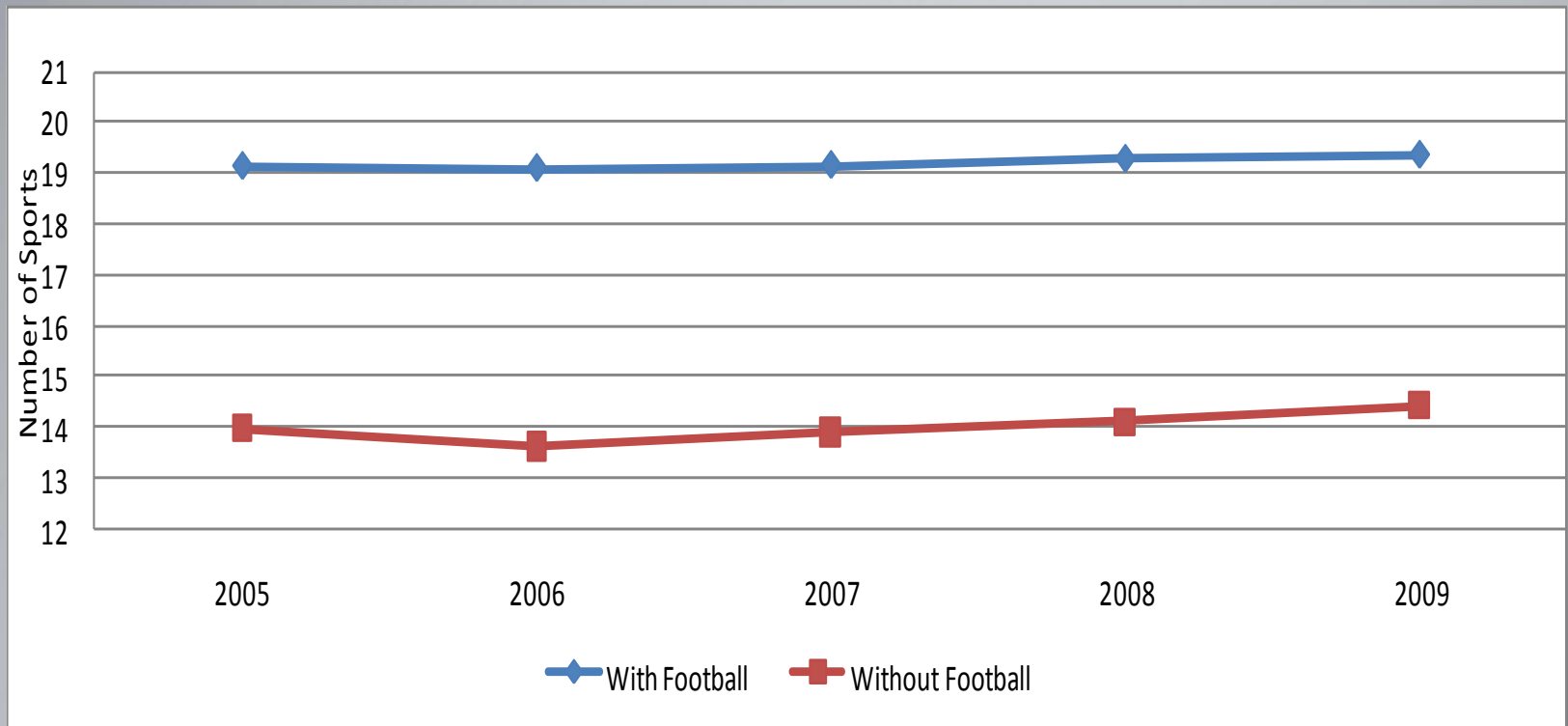
Itemized Expenditures

11. Proportion participation and game expenses of total athletics operating expenses (%).
12. Proportion team travel of total athletics operating expenses (%).
13. Proportion facilities maintenance and administrative support expenses of total athletics operating expenses (%).

NON-FINANCIAL INDICATORS

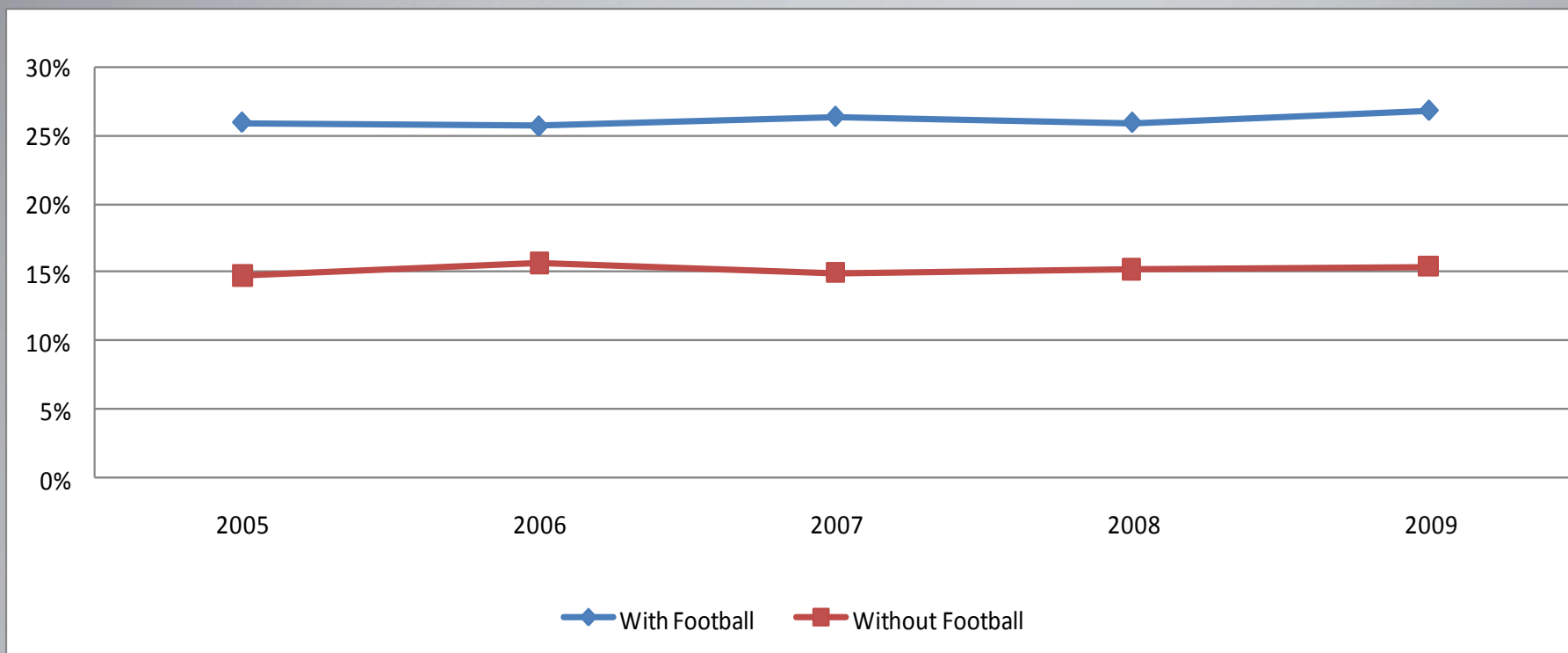
Indicator 1

Average Sports Sponsorship (2005 – 2009)



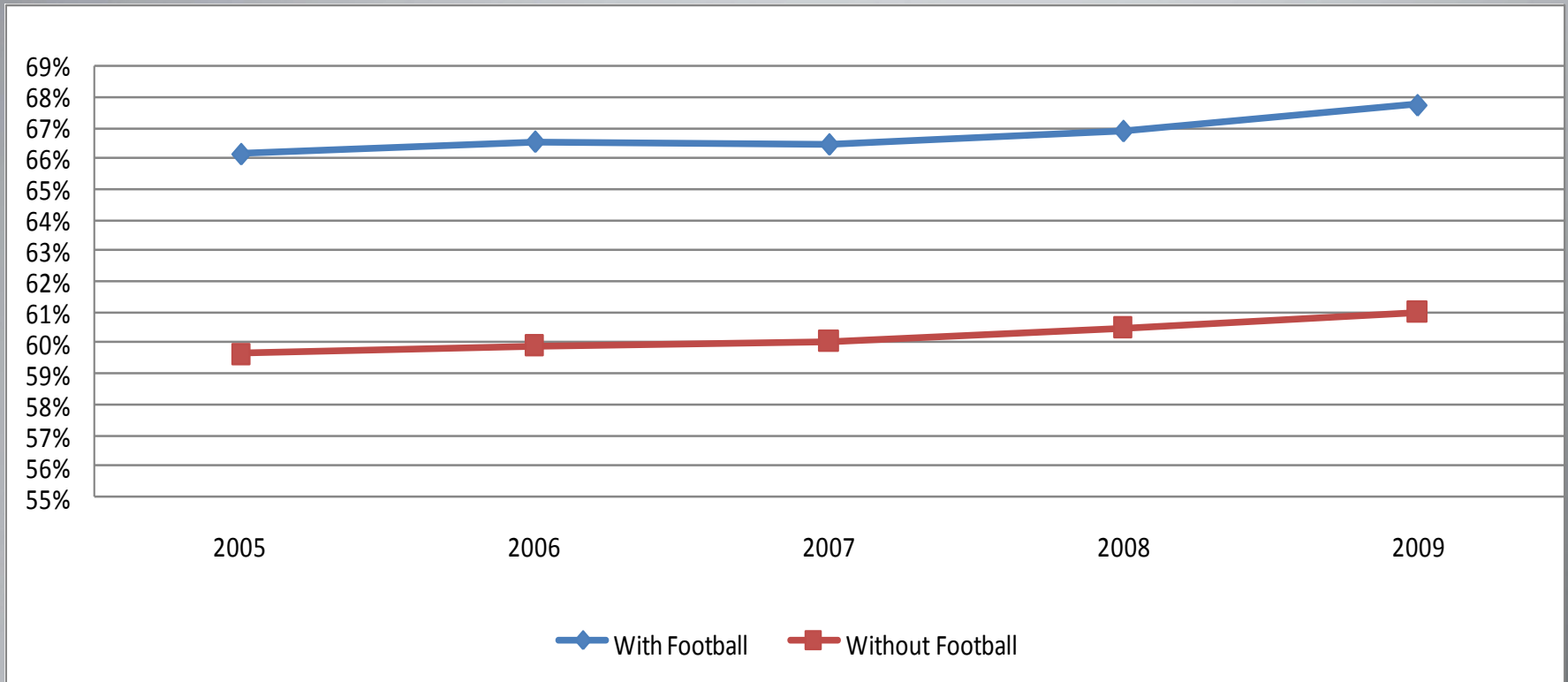
Indicator 2

Proportion of Student-Athletes to Student-Body (2005 – 2009)



Indicator 3

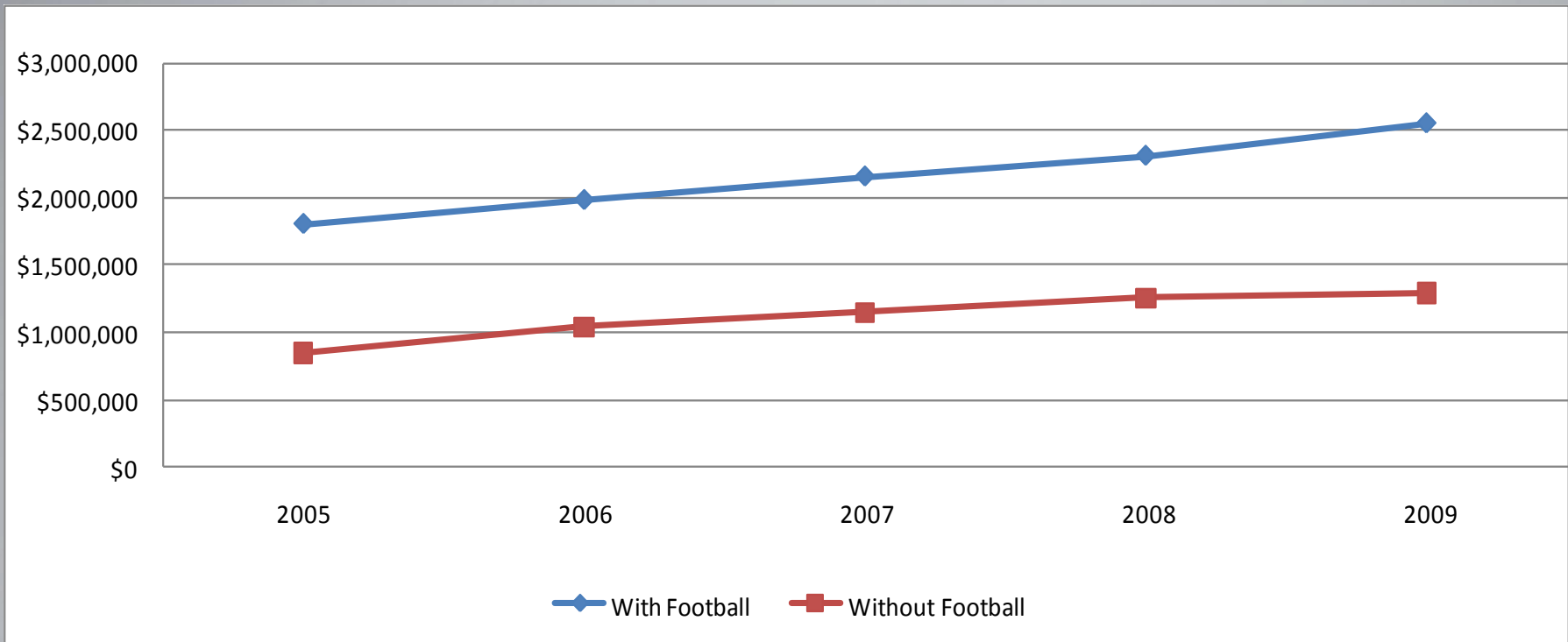
Federal Student-Body Graduation Rate (2005 – 2009)



TOTAL EXPENDITURES

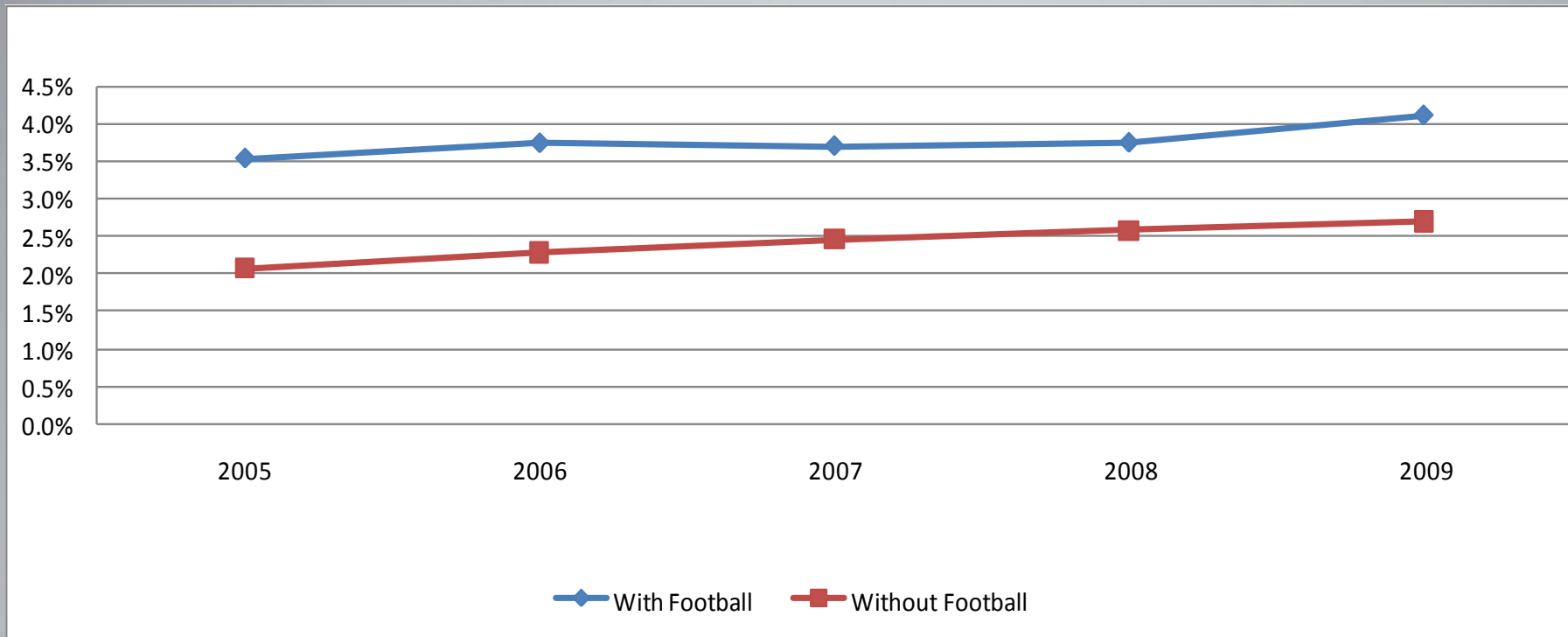
Indicator 4

Median Total Athletics Expenditures (2005 – 2009)



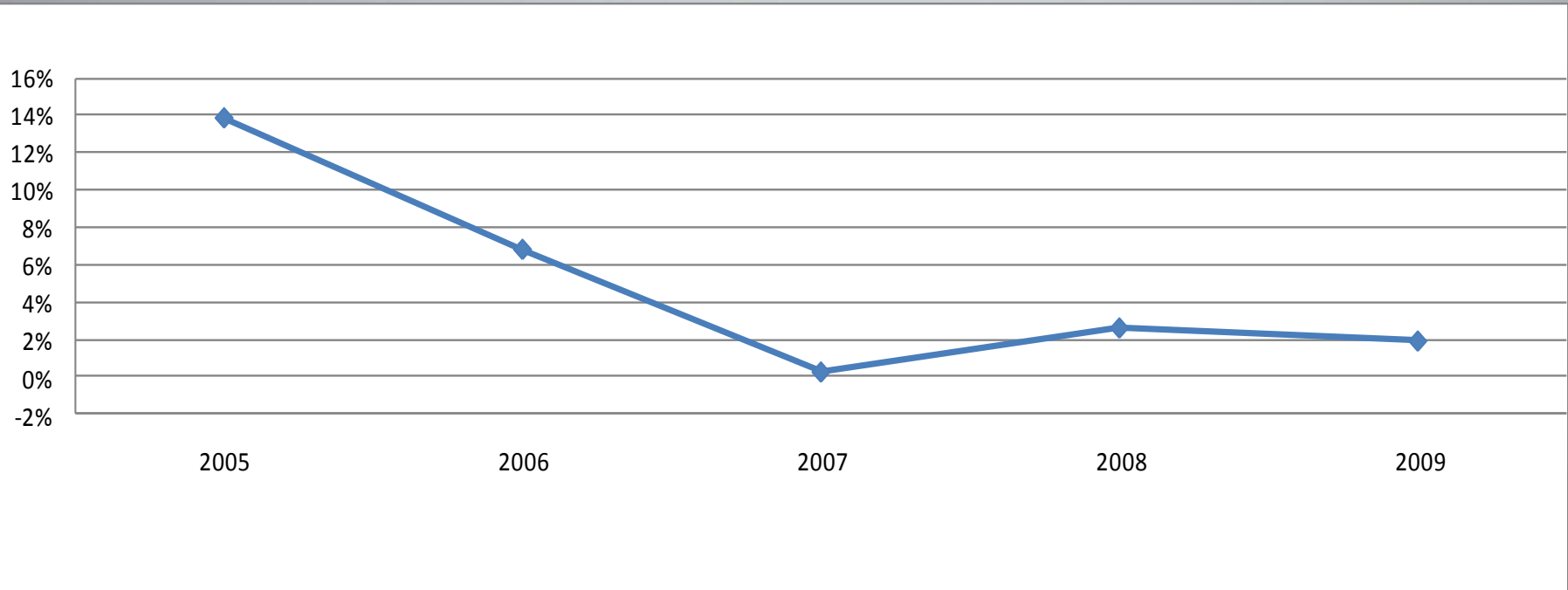
Indicator 5

Median Ratio of Athletics Expenses to Institutional Expenses (2005 – 2009)



Indicator 6

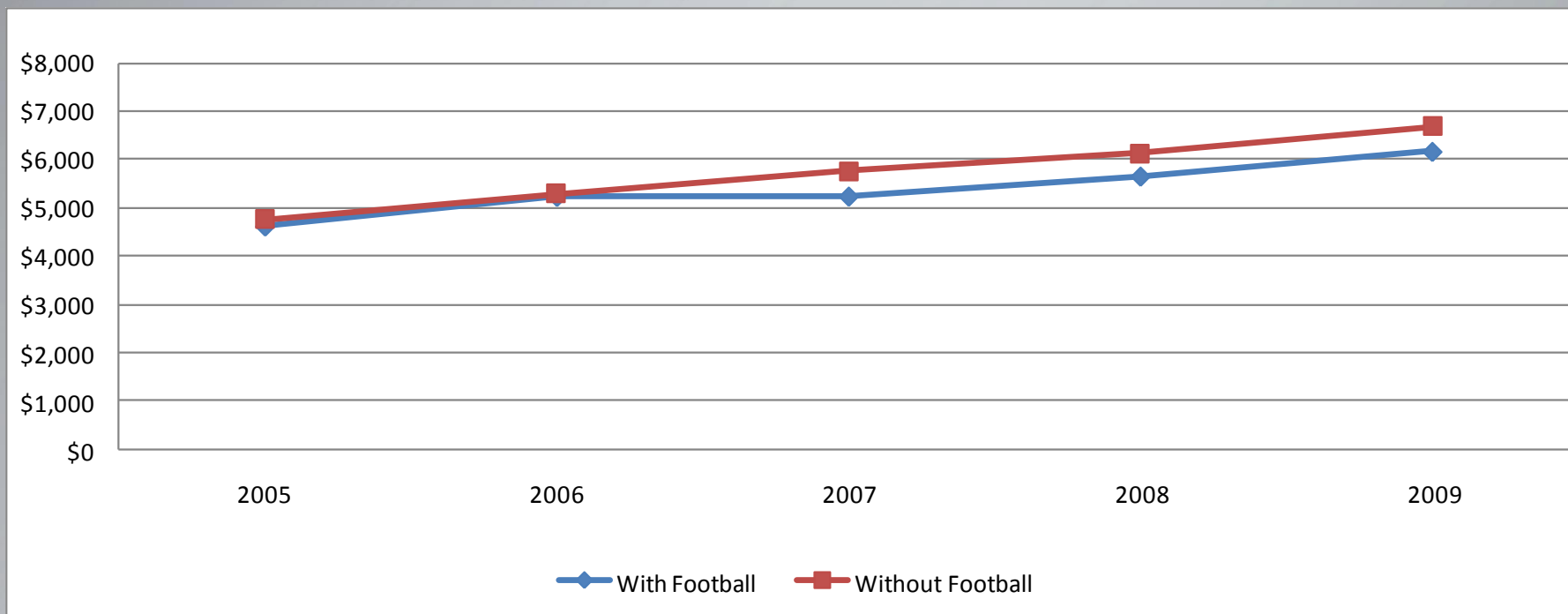
Median Increase Gap* Between Athletics Expenses and Institutional Expenses (2005 – 2009)



*Compares the athletics expenditures rate of change with the institutions expenditure rate of change. Increase Gap is calculated by subtracting annual percentage increase in institutional expenses from annual percentage increase in athletics expenses.

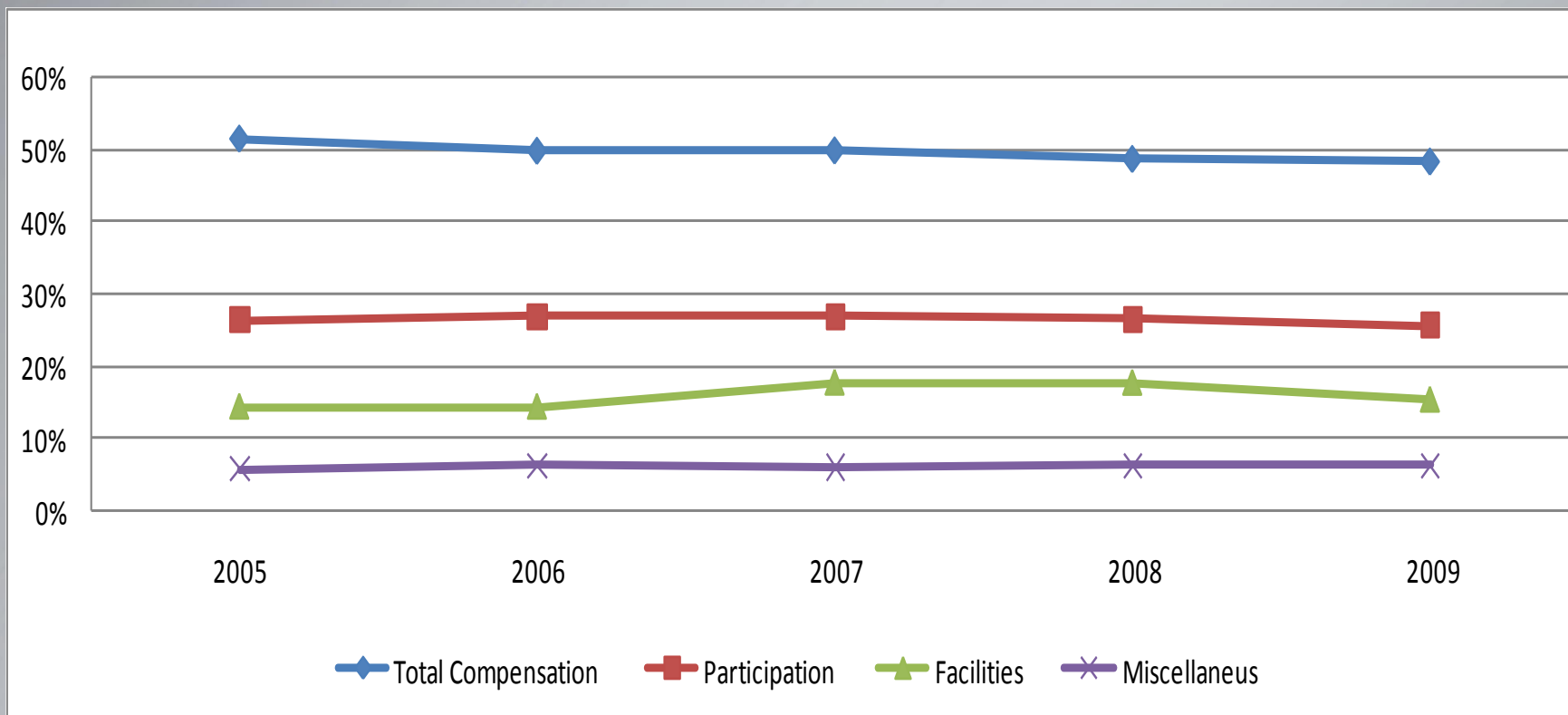
Indicator 7

Median Athletic Expense Per Student-Athlete (2005 – 2009)



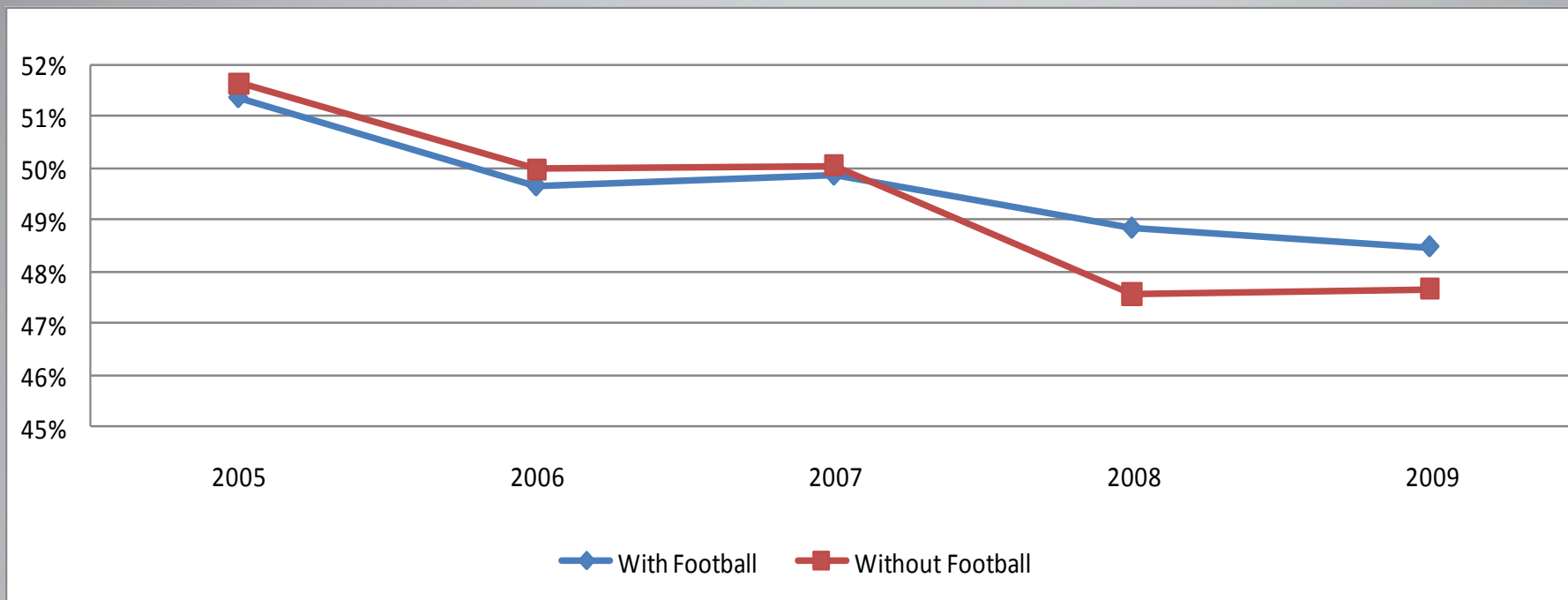
ITEMIZED EXPENDITURES

Median Ratio of Expense Categories to Total Athletics Expenses (2005 – 2009)



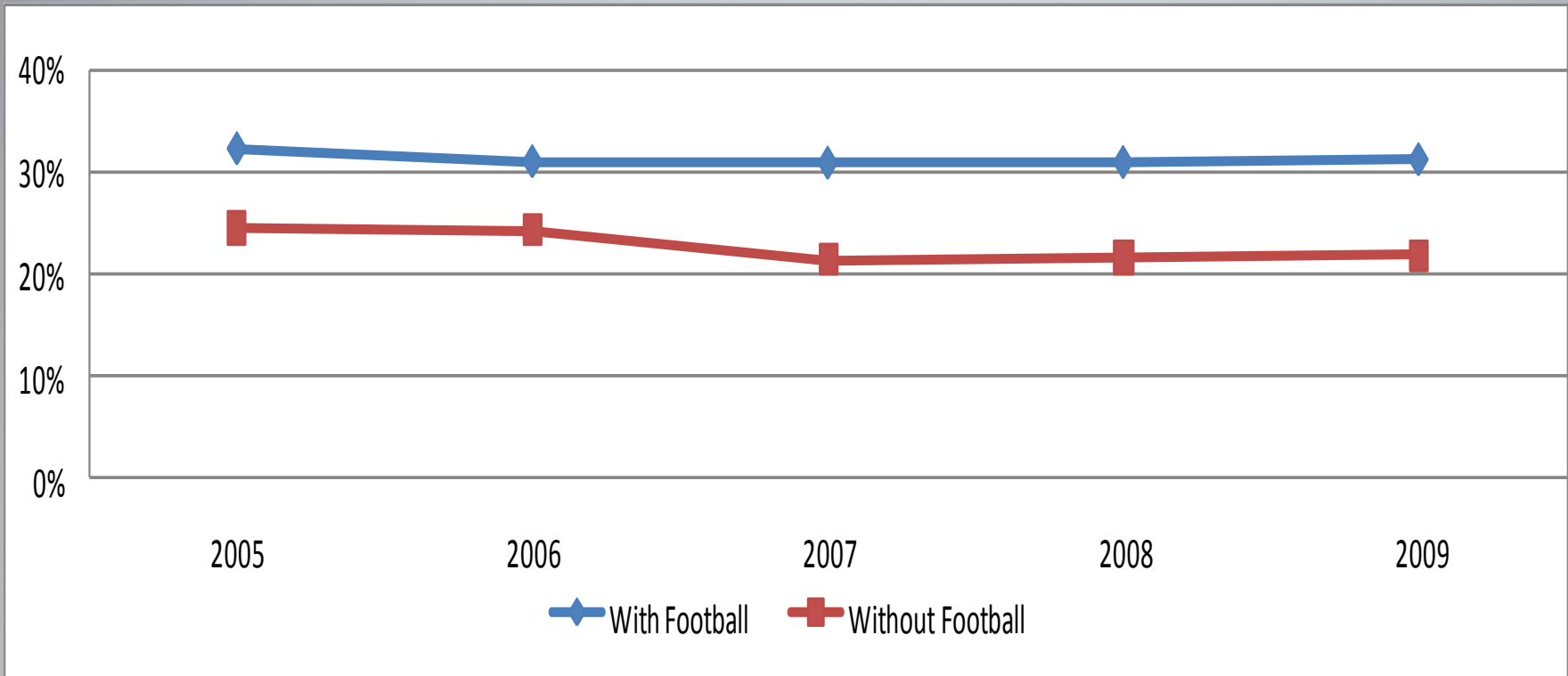
Indicator 8

Median Ratio of Overall Athletics Staff Compensation to Total Athletics Expenses (2005 – 2009)



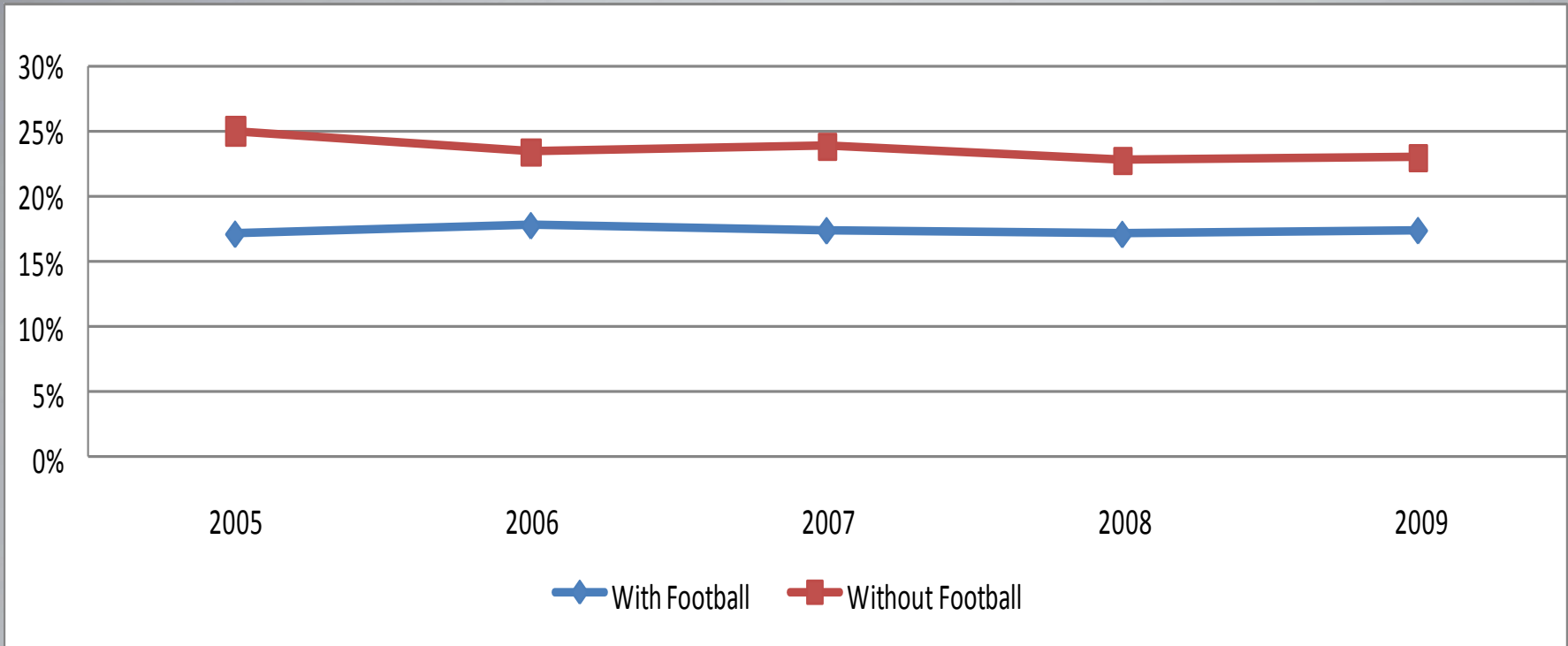
Indicator 9

Median Ratio of Coaches Compensation to Total Athletics Expenses (2005 – 2009)



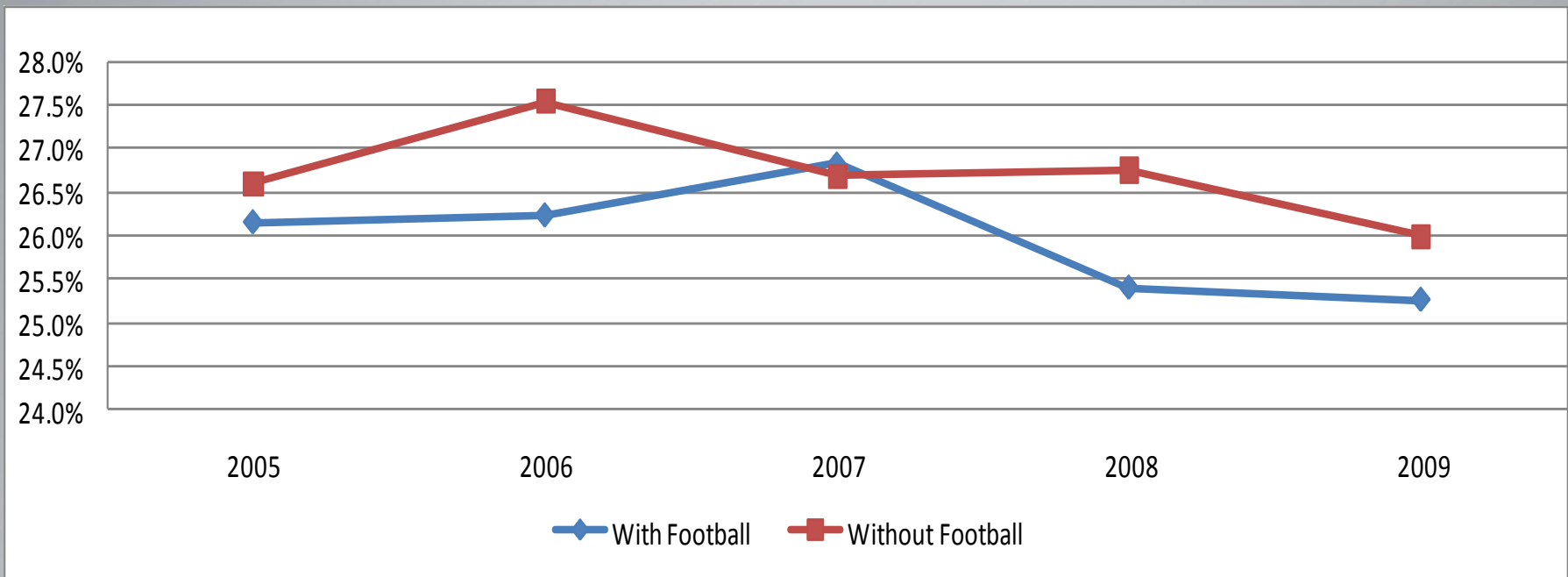
Indicator 10

Median Ratio of Administrative Compensation to Total Athletics Expenses (2005 – 2009)



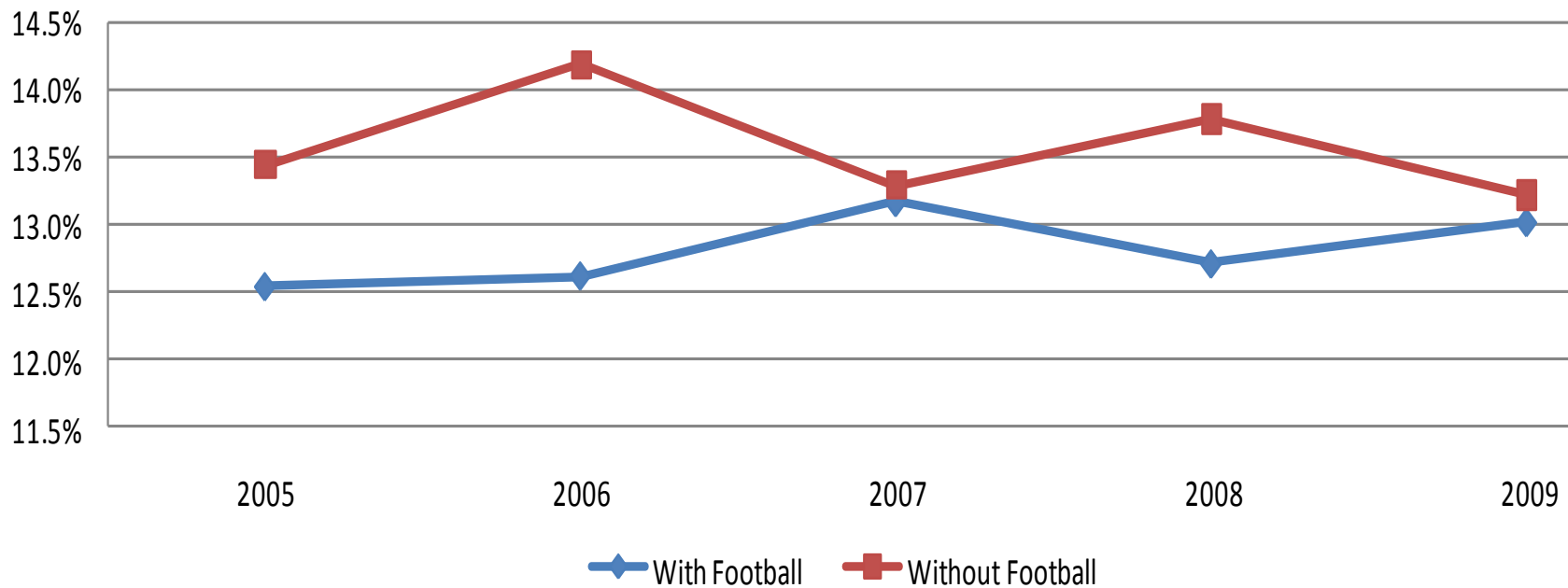
Indicator 11

Median Ratio of Participation and Game Day Expenses to Total Athletics Expenses (2005 – 2009)



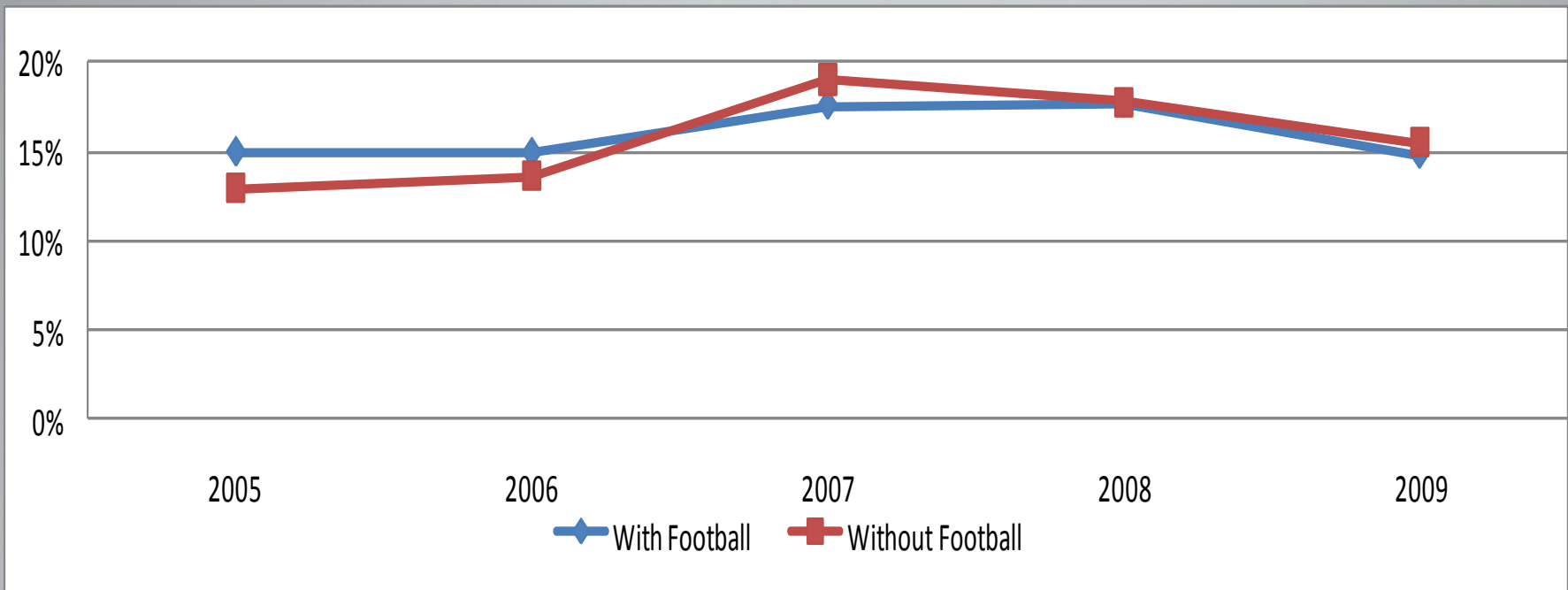
Indicator 12

Median Ratio of Team Travel Expenses to Total Athletics Expenses (2005 – 2009)



Indicator 13

Median Ratio of Facilities, Maintenance and Administrative Support Expenses to Total Athletics Expenses (2005 – 2009)



Next Steps

- Division III Strategic Planning and Finance Committee (SPFC) would serve as oversight group for the development of Dashboard Indicators.
- The SPFC would forward a comprehensive proposal to the Presidents Council seeking approval at its April meeting.

Next Steps

- The proposal would include a pilot program to be distributed for presidential comment during Fall 2011.
- Proposed launch of Division III Dashboard Indicators (if approved) is Spring 2012.
- Participation in program will remain voluntary.

The National Collegiate Athletic Association2010-11 Division III Budget-to-Actual (as of February 18, 2011)

	2009-10	2010-11		
	Year-to-date Actual	Budget	Year-to-date Actual	Difference
Revenue:				
Division III 3.18% Revenue Allocation	24,220,734	23,914,000	23,914,000	-
Total Revenue	24,220,734	23,914,000	23,914,000	-
Expenses:				
Championship Expenses				
Men's Championships				
Baseball	1,451,017	1,692,740	968	1,691,772
Basketball	735,473	805,050	(3,129)	808,179
Cross Country	419,662	499,060	535,071	(36,011)
Football	1,296,360	1,366,150	1,214,638	151,512
Golf	400,673	498,890	8,612	490,278
Ice Hockey	246,042	314,180	450	313,730
Lacrosse	325,801	365,720	1,311	364,409
Soccer	861,497	1,001,740	899,153	102,587
Swimming & Diving	408,265	522,680	7,755	514,925
Tennis	464,179	498,360	(491)	498,851
Indoor Track	360,752	385,820	9,174	376,646
Outdoor Track	518,071	647,970	2,533	645,437
Wrestling	227,423	287,780	3,049	284,731
Championship Webcasting	15,000	15,000		15,000
Total Men's Championships	7,730,215	8,901,140	2,679,094	6,222,046
Women's Championships				
Basketball	817,341	928,860	2,206	926,654
Cross Country	418,053	507,820	511,315	(3,495)
Field Hockey	341,845	381,850	349,831	32,019
Golf	241,560	275,010	14,497	260,513
Ice Hockey	286,524	229,830	592	229,238
Lacrosse	452,249	591,180	691	590,490
Rowing	372,747	417,570	534	417,036
Soccer	963,440	976,050	1,001,354	(25,304)
Softball	1,278,421	1,292,700	(749)	1,293,449
Swimming & Diving	386,893	530,220	7,589	522,631
Tennis	495,459	577,320	3,006	574,314
Indoor Track	372,621	400,360	2,854	397,506
Outdoor Track	529,067	660,160	(1,081)	661,241
Volleyball	778,644	969,720	805,247	164,473
Championship Webcasting	15,000	15,000	-	15,000
Total Women's Championships	7,749,865	8,753,650	2,697,884	6,055,766
Championships Expense	15,480,080	17,654,790	5,376,978	12,277,812
Overhead	247,400	289,100	72,275	216,825
Total Championships Expense	15,727,480	17,943,890	5,449,253	12,494,637

Strategic Initiative Conference Grants	1,845,850	2,234,300	2,224,254	10,046
Other Division III Strategic Initiatives				
NAD3AA Partnership	61,698	51,000	-	51,000
SWA Enhancement Grant Program (NACWAA)	17,049	20,000	-	20,000
Division-wide Sportsmanship Initiative	11,000	15,000	10,250	4,750
Strategic Alliance Matching Grant	472,673	670,000	609,192	60,808
Women & Minority Intern Program	814,623	820,000	668,587	151,413
Regional Seminar Planning	15,000	15,000	-	15,000
S-A Leadership Conference	676,208	400,000	300,884	99,116
Campus-based Student-Athlete Leadership Programming	-	80,000	-	80,000
Drug and Alcohol Education	14,000	-	-	-
Drug Education and Testing Pilot	-	125,000	-	125,000
FAR Institute	-	75,000	68,005	6,995
Conference Commissioners Meeting	7,157	15,000	-	15,000
Academic Reporting Stipend	-	50,000	26,800	23,200
Division III Identity Program	129,357	600,500	253,805	346,695
Officiating	52,950	150,000	149,984	16
Haiti/UNICEF Division III Contribution	100,000	-	-	-
Division III Financial Recovery Insurance	200,000	200,000	150,000	50,000
Other Division III Initiatives		90,000	1,180	88,820
Overhead Allocation	786,500	856,000	214,000	642,000
Total Program Expenses	5,204,065	6,466,800	4,676,940	1,789,860
Total Division III Expenses	20,931,545	24,410,690	10,126,193	14,284,497
Excess Revenue over Expense	3,289,189	(496,690)	13,787,807	
Add: Previous Year's Unallocated (Unused) Funds	14,172,756	17,461,945	17,461,945	
Total Division III Funds Available for Reserve/Future Use	17,461,945	16,965,255	31,249,752	
Less: Mandated Reserve (Note 1)	2,422,073	2,391,400	2,391,400	
Total Division III Funds Available for Contingency/Future Use	15,039,871	14,573,855	28,858,352	
Less: Encumbered for future year programs (Note 2)	970,250	-	-	
Total Division III Projected Unallocated Funds	14,069,621	14,573,855	28,858,352	
Division III Reserve Cumulative Balance (Actual)	17,461,945		31,249,752	
Division III Reserve Cumulative Balance (Projected)		16,965,255		
<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>				

<u>The National Collegiate Athletic Association</u>								
<u>Division III Budget Projections</u>								
	2008-2009	2009-2010	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue:								
Division III 3.18% Revenue Allocation	21,791,000	24,220,734	23,914,000	24,358,000	24,915,000	25,462,000	26,173,000	26,886,000
Projected Revenue Increase	6.8%	11.2%	-1.3%	1.9%	2.3%	2.2%	2.8%	2.7%
Expenses:								
Championships Base Budget (Note 1)	14,628,733	15,727,480	17,943,890	18,296,886	19,052,804	19,428,080	19,810,861	20,201,298
Championships Initiatives	-	-	-	388,000	-	-	-	-
Division III Insurance	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Programs Base Budget	5,252,302	5,004,065	5,682,800	6,266,800	6,311,800	6,311,800	6,357,800	6,357,800
Programs Initiatives	-	-	584,000	-	-	-	-	-
Total Division III Expenses	<u>20,081,035</u>	<u>20,931,545</u>	<u>24,410,690</u>	<u>25,151,686</u>	<u>25,564,604</u>	<u>25,939,880</u>	<u>26,368,661</u>	<u>26,759,098</u>
Net Change in Fund Balance	1,709,965	3,289,189	(496,690)	(793,686)	(649,604)	(477,880)	(195,661)	126,902
Projected Expense Increase	1.0%	4.2%	16.6%	3.0%	1.6%	1.5%	1.7%	1.5%
Beginning Fund Balance (Projected Reserve and Unallocated Funds)	\$ 12,462,792	\$ 14,172,757	\$ 17,461,946	\$ 16,965,256	\$ 16,171,570	\$ 15,521,967	\$ 15,044,087	\$ 14,848,426
Less:								
Net Change in Fund Balance	1,709,965	3,289,189	(496,690)	(793,686)	(649,604)	(477,880)	(195,661)	126,902
Ending Fund Balance (Projected Reserve and Unallocated Funds)	<u>\$ 14,172,757</u>	<u>\$ 17,461,946</u>	<u>\$ 16,965,256</u>	<u>\$ 16,171,570</u>	<u>\$ 15,521,967</u>	<u>\$ 15,044,087</u>	<u>\$ 14,848,426</u>	<u>\$ 14,975,327</u>
Mandated Reserve (Note 3)	\$2,179,100	\$2,422,073	\$2,391,400	\$2,435,800	\$2,491,500	\$2,546,200	\$2,617,300	\$2,688,600
Including the following contingencies:								
Championship Contingency (Note 4)	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funds Available Less Mandated Reserve (Note 5)	\$27,033,530		\$28,309,626		\$25,528,354		\$24,517,853	
<p><u>Note 1:</u> Beginning with 2011-12, the championships budget increases each year based on 2% inflation. The conference grant program within the non-championship initiative budget would increase by 2% every two years.</p> <p><u>Note 2:</u> The 2008-09 and 2009-10 amounts reflect actual revenue and expenses.</p> <p><u>Note 3:</u> Beginning with 2006-07, the reserve shall not fall below 10% of the Division III revenue allocation.</p> <p><u>Note 4:</u> 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.</p> <p><u>Note 5:</u> 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.</p>								

Future Budget Initiatives (new funding only since inflationary amounts have already been factored in):

2010-11 \$22,000 - Strategic Initiative Conference Grant Ethnic Minority Professional	2011-12 \$388,000 - Division III Men's Volleyball (includes overhead)
\$22,000 - Strategic Initiative Conference Grant SID Professional	
\$258,000 - Strategic Initiative Conference Grant - Tier III Additional Flex	
\$188,000 - Division III Identity additional dollars (includes 25% overhead)	
\$94,000 - FAR Institute (includes 25% overhead)	