

## Executive Summary

In January 2005 NCAA President Myles Brand called for a 50-member task force composed primarily of Division I college and university presidents and chancellors to shepherd college sports into its second century. Prompting the presidential review in particular were data indicating that the rate of growth in spending in Division I intercollegiate athletics has significantly outpaced the rate of growth for higher education in general in recent years. That trend has led to an increasing number of institutions having to balance their athletics budgets with allocations from the university's general funds. While no immediate crisis exists, most presidents and chancellors see the current fiscal state of college sports as under significant stress. They also believe that left unchecked, these fiscal pressures might lead to athletics further separating itself from the campus community in order to generate revenues and thus straying from the values of higher education. Knowing that presidents and chancellors have answered previous calls to athletics reform, this current generation of higher-education leaders considered it prudent to act again.

The first meeting of the Presidential Task Force on the Future of Division I Intercollegiate Athletics was held in June 2005. The group's 18-month deliberations led to a final report entitled *The Second-Century Imperatives: Presidential Leadership—Institutional Accountability*. In their discussions, Task Force members quickly recognized a common theme: If intercollegiate athletics is to continue as a fixture of higher education that is fully integrated into the mission of the academy—there are two important imperatives for its second century. There must be presidential leadership that begins at the campus level, and there must be institutional accountability for the conduct of the enterprise.

Unlike athletics-reform initiatives that were directed by national policy, the Task Force realized that this current iteration of athletics reform must reside—both in scale and consequence—at the local campus level. There will always be a need for national leadership in the forming and reforming of athletics within higher education, but it must be complemented by taking athletics reform home. Thus the Task Force's recommendations are designed to provide presidents and chancellors with the tools they need to make informed local decisions that will in turn collectively—and positively—affect the enterprise.

Following are the Task Force's most significant recommendations:

### FISCAL RESPONSIBILITY

- Require Division I institutions to submit operating and capital financial data annually as a condition of NCAA membership. Reporting includes salary and benefits data for all athletics positions. Capital expenditures will be reported in the aggregate for athletics facilities. The value of endowments at fiscal year-end, dedicated to the sole support of athletics, will be reported along with the present value of all pledges that support athletics. An independent third party will use "agreed-upon procedures" to verify the accuracy and completeness of the data before submission to the university president or chancellor and the NCAA.
- Create "dashboard indicators" that enable presidents and chancellors to track financial trends and aid in decision-making. Comparative institutional data will be made available.
- Reinstate the fiscal-integrity review, including operating and capital-expenditure data, into a fiscal-integrity section of the NCAA athletics certification process.
- Require a fiscal-impact statement detailing the cost incurred by institutions to comply with any proposed NCAA legislation as a way to prevent unintended budget consequences (similar to statements already required that address impact on playing and practice seasons and student-athlete well-being).
- Require the Division I Board of Directors to monitor and conduct a regular analysis of trends in intercollegiate athletics financing and provide those data to the appropriate constituencies.
- Solicit recommendations from appropriate higher education associations on best practices. In addition, the NCAA and other appropriate associations should monitor continuously and periodically refine the financial reporting definitions to adhere to current practices.
- Establish an educational training program in collaboration with the College Athletics Business Managers Association and the National Association of College and University Business Officers for athletics administrators to strengthen their professional development and financial management skills and to enhance the overall financial management of the athletics program.

- Eliminate the clause in the Division I philosophy statement that encourages athletics to be self-sustaining.

#### INTEGRATION OF ATHLETICS INTO THE UNIVERSITY MISSION

- Include faculty members, particularly the faculty athletics representative, as an essential checkpoint in athletics policy and oversight of student-athlete academic success. Faculty members must be fully engaged in providing advice on planning and financial issues, and that advice should be weighed carefully by the athletics leadership and the president or chancellor.
- Institutions should ensure that their academic advising unit for student-athletes be connected to, and part of, the university academic unit. Academic advisors should report directly to the university office of academic affairs.
- Compliance directors should report directly to the president or an administrative officer who reports to the president. Compliance personnel outside of athletics, such as the registrar, admissions officers and financial aid administrators, should maintain their autonomy from athletics. Individuals in those positions often have major job responsibilities related to athletics, but they should never view themselves as working for athletics.
- Institutions should strengthen their admissions procedures by establishing a maximum number of “special admissions” for athletes, either for all sports programs or for individual teams.
- Institutions should establish a performance-based system of accountability with measures for diversity that permeate all areas within the athletics department and others to which athletics reports. Recruiters are accountable for soliciting diverse and well-balanced talent pools, and hiring decision-makers are accountable for open and fair hiring processes.
- Intercollegiate athletics, like the university as a whole, is obligated to conduct its revenue-generating activities in a productive and sound business manner. Rules relating to commercialism should be consistent, and institutions should clearly articulate those rules.

#### RELATIONSHIPS WITH INTERNAL AND EXTERNAL CONSTITUENCIES

- Programming about the proper oversight role of governing board members with regard to athletics should be presented to all new governing board members as an integral part of their overall orientation.
- The Task Force recommends a re-commitment to the March 2004 report from the Association of Governing Boards titled, “Statement on Board Responsibilities for

Intercollegiate Athletics”—by circulating for sign-off a form attesting that all governing board members received and reviewed the AGB document and that the responsibility for the administration of the athletics program has been delegated to the president or chancellor of the institution.

- Fortify the first operating principle of the NCAA athletics certification program (institutional control and presidential authority) by requiring the Committee on Athletics Certification’s final decision to be “with conditions,” at best, if there are instances of a lack of presidential authority, including board-member interference.
- Expand the pool of presidents (either sitting or retired) who serve as peer reviewers in the athletics certification process and increase peer-reviewer interaction with the university’s governing board.

#### STUDENT-ATHLETE WELL-BEING

- Establish a data-based definition of “at risk” when comparing prospective student-athletes’ academic records that allows for local differences among the diverse Division I membership. The goal is for each institution to analyze the academic success of its student-athlete population and identify the profile of incoming prospects who appear to be “at risk” of not progressing toward and obtaining a degree from that institution. Once that profile is established, the institution can evaluate the level of academic and life-skills support provided to these student-athletes and determine if changes or enhancements are necessary.
- Assess whether student-athletes have appropriate opportunities to receive non-athletics-based financial aid.
- Amend existing financial aid legislation to require a hearing for canceled or reduced athletics aid, and adjust the timing of the athletics-aid renewal process.
- Have the Division I governance structure consider whether athletics aid should be awarded for more than one year or automatically renewed from year to year, based on established criteria.
- Review whether current time limits (the “20-hour rule”) allow student-athletes to be integrated into the general student body.
- Consider legislation that provides for a fifth season of eligibility. Also consider whether five years should be the standard eligibility term, or whether student-athletes would only be able to “earn” the fifth year based on meeting certain academic criteria.
- Consider whether student-athletes should be permitted to transfer after their first academic year and be immediately eligible, but require a year in residence for transfers after the beginning of their second year of enrollment and thereafter.