

## BENEFITS OF NCAA DIVISION II MEMBERSHIP CLASSIFICATION

1. **Background.** In June 2005, 150 chancellors and presidents of Division II member institutions came together to discuss the future for the division. During this historic meeting, the division's leaders agreed to implement a comprehensive strategic study related to the division's defining characteristics and key attributes. This data-driven process was designed to create a proactive position that clearly identified the defining characteristics and aspirations for the member institutions of Division II. Presidents and chancellors initiated this effort with the goal of enhancing the regional awareness and local engagement of Division II members and the constituencies that they serve. The result has been the development of a strategic positioning platform for Division II and subsequent creative work and regulatory/policy changes to bring this platform to life.

2. **Division II Strategic Positioning Platform.** (What is Division II and what does it stand for?)

**Life in the Balance.** Higher education has lasting importance on an individual's future success. For this reason, the emphasis for the student-athlete experience in Division II is a comprehensive program of learning and development in a personal setting. The Division II approach provides growth opportunities through academic achievement, learning in high-level athletic competition and development of positive societal attitudes in service to community. The balance and integration of these different areas of learning opportunity provide Division II student-athletes a path to graduation while cultivating a variety of skills and knowledge for life ahead.

3. **Why Choose Division II for Membership?**

- a. **Data-Driven Analysis.**

- In 2005, the study titled, "Empirical Effects of Division II Intercollegiate Athletics," by Jonathan and Peter Orszag demonstrated that a school moving from Division II to Division I experienced an average real increase in athletics spending of \$3.7 million each year. Only \$500,000—on average—was offset by new revenue (tickets, media, agreements, donors, NCAA distribution, sponsorships). Therefore, approximately \$3.2 million each year must come from other sources of funding (e.g., increased student fees, state government support, transfer of funds from other campus departments). This study has been supported by subsequent financial studies, including a reclassification study by researchers at Purdue University in 2006.

**Leaders of Division II institutions that have received pressure from local boosters to reclassify to Division I note these studies and explain, "We can compete for national championships in Division II, offer intercollegiate athletics in a fiscally responsible way and, in the**

**process, offer all of our student-athletes a positive intercollegiate athletics experience.”**

- In 2006, various membership and public focus groups were conducted throughout the country to gain an understanding of Division II perceptions. In March of that year, an online quantitative research survey was launched to test existing themes and ideas about Division II membership (e.g., balance) and to explore many new concepts about the attributes for Division II. The ultimate objective for this project was to clarify the division’s strategic position and, thus, provide Division II institutions with an opportunity to celebrate who they are, what they believe in, and the potential that they can reach together.
- In 2007, the Division II Presidents Council commissioned a new study to determine “the value” of a Division II intercollegiate athletics program. This financial study was intended to assist member schools and conferences to make informed decisions about Division II membership classification. The Presidents Council believes this study and model helps current Division II members validate their membership affiliation and assists some non-Division II members, especially some institutions in Division III, to re-evaluate what institutional value might be achieved if operations occurred in a Division II partial athletics scholarship model. The Division II Simulation Model allows institutions to enter their own information and estimate the impact of changes to the athletic scholarship program.



- In 2010, the Presidents Council and Division II chancellors and presidents who attended the 2010 Chancellors and Presidents Summit urged a study of membership matters to model Division II membership at different numbers of institutions. As part of this modeling, the value of affiliation in Division II was calculated, taking into consideration the different programs and initiatives that translate into financial benefits to the Division II membership each year. These include reimbursements for championship travel, championship per diem, enhancement fund, conference grants, strategic alliance matching grant, leadership

conferences, degree-completion award program, assistant coaches grant, television contract allocation, Conference Commissioners Association grant, Athletics Directors Association support, Faculty Athletics Representative Association grant, mentoring program and officiating fund. Division II institutions pay \$900 annually to the Association for membership dues, whereas the average amount of money distributed back to Division II institutions in 2009-10 was \$80,000 per institution. Therefore, the estimated value of being a Division II member institution is \$79,100 per year in financial benefits.

- In the first NCAA revenues and expenses report compiled since 2004, Division II athletics expenses in 2008-09 at schools with football programs represented less than 6 percent of the institutional budget and 5 percent for schools without football. Moreover, the report shows that the rate of increase in spending on Division II athletics continues to parallel that of overall institutional spending at Division II schools and is less than the inflationary effect during the past two years.

**b. Philosophical Reasons.**

- **Why Do Student-Athletes Choose Division II?**

Many Division II student-athletes had opportunities to play in NCAA Division I or Division III or the NAIA. But they chose Division II, and for almost all of them, the choice was a good one. In a recent survey, 90 percent of Division II student-athletes indicated that they would recommend a Division II experience to a prospective student-athlete. In Division II, a “balance” exists that emphasizes both academic excellence and athletics achievement, and an environment is created that leads to the student-athlete’s total personal development.

The Division II strategic positioning platform now emphasizes the integration of athletics into the learning environment in ways that allow institutional members to focus on the total and comprehensive co-curricular experience of their student-athletes.

Very few of the 90,000 student-athletes competing in Division II will receive a full athletics grant that covers all of their expenses, but most of them will receive some financial aid to help them through school. For the rest of their expenses, student-athletes are on their own—using academic scholarships, student loans and employment earnings just like most other students attending the Division II institution. This healthy partnership is the essence of Division II, where student-athletes are valued for their athletics contribution and for being an important part of the overall student body.

Division II student-athletes compete at a high level, and they most often play close to home. Division II emphasizes regional competition so that student-athletes miss less class time because of travel.

- **Why Do Institutions Choose To Be Division II?**

Division II's conservative fiscal model permits its members to conduct high-level athletics that are fully integrated into the overall institution. Rather than being financially self-sustaining, almost all Division II programs are funded through the institution itself—just like other departments of the college or university.

Division II's regionalization philosophy encourages responsible spending by limiting travel. It also creates a local student-athlete emphasis for recruiting that lowers recruiting expenses.

Does the Division II model work?

The median expense for Division II schools with football is a little less than \$4 million, while that figure is about \$8.6 million for FCS programs. The operating cost is about \$10.1 million for programs in the Division I Football Bowl Subdivision.

The division's "comprehensive program of learning and development" and research-based initial- and continuing-eligibility standards result in Division II student-athletes consistently graduating 10 to 15 percentage points higher than the total student body. Specifically, in 2010, Division II reported an academic success rate of 73 percent for scholarship and nonscholarship student-athletes who initially enrolled in the fall of 2003.

The division's budgeting philosophy to prioritize expenses that enhance the championships experience has benefited Division II student-athletes. For example, Division II has some of the Association's largest championships brackets and, as a result, Division II has the best access ratio to national championships competition among the three NCAA divisions. This fiscal philosophy also has given the division an opportunity to be innovative by hosting the Association's first National Championships Festival in 2004 and subsequent festivals in 2006, 2008, 2009 and 2010.

The division's regionalization philosophy for championships selection emphasizes local opponents for regular-season competition. The result is reduced travel expenses for regular-season competition and limited missed-class time for student-athletes.

Do fans support Division II?

In 2010, Division II football attendance climbed to a record of 2,987,493 fans. Home attendance in 2010 surpassed the previous year's attendance number by 148,934 fans. Division II men's basketball also set an all-time NCAA attendance record in 2007 with 2,892,820 fans.

Research indicates that fans appreciate the environment that exists in Division II. The division's commitments to deregulation, integration of the athletics department to the institution's oversight and control, focus on community engagement, emphasis on the development of student-athletes as leaders and the division's commitment to academic excellence all support the NCAA's mission: "*We are preparing student-athletes to be professional in something other than sports.*"

**4. Division II Membership—Exposure Opportunities.**

- a. **Division II National Championships Television Coverage.** Along with the regular season coverage given to Division II by the CBS College Sports Network (formerly CSTV) on national television, regional syndication, and via broadband, several of the Division II semifinals and championships games have been broadcast on CBS, CBS College Sports Network, ESPN, ESPNU and ESPN2. Last fall, the Division II football championship was showcased on ESPN2. This past winter, the Division II men's basketball championship game was carried live on CBS, the women's basketball semifinals were covered by ESPNU and the women's basketball championship game was shown on ESPN2. Division II is committed to increased promotion of its student-athletes competing in championships through national television. Since 2000-01, the number of national exposures for Division II championships-related events has increased from five championships broadcasts to 20 championships broadcasts annually over the past five years (through 2010-11 academic year.)
- b. **Division II Regular Season Football and Basketball Television Agreement.** In the fall of 2006, Division II entered into the first season of a multi-year television and broadband partnership that will showcase nearly 100 live Division II regular-season football and basketball games. The first games featured were broadcast during the 2006 football season. The games continue to air on the CBS College Sports Network (formerly CSTV), a national cable network of CBS dedicated to the coverage of college sports. The CBS College Sports Network reaches nearly 40 million households and, with television syndication affiliates and a simulcast of these broadcasts on www.NCAA.com, these games reach approximately 50 million homes each week. At NCAA.com, the addition of stories, scores, blogs, video and audio that are dedicated to Division II sports makes the site not only a destination for live games, but the best way for fans to follow Division II sports.

- c. **Division II Identity Activation Toolkit and Online Purchasing and Resources Store.** Key insights from the research and the platform used to construct the creative look included the six key attributes that describe Division II and the language from the research and platform such as “personal setting,” “family friendly environment,” and “comprehensive program of learning and development.” Further, it was important that the creative look and messaging be told in more than one voice (e.g., voice of the student-athlete, athletics administrator, coach, faculty member, alumni, booster). The overall creative look provides considerable emphasis on Division II, but continues to complement the NCAA parent brand.

The “I Chose Division II” theme, the hexagon images and the creative designs have received very positive feedback since the successful launches that occurred during the Fall 2006 Division II Championships Festival and at the NCAA Convention in January.



Featured in the Division II identity activation toolkit, released in the Spring of 2007, are a series of books that outline communication strategies and promotional tips for member conferences and institutions. In addition, an online purchasing store has been launched that gives Division II institutions and conferences a chance to order various signage and visuals to assist in the implementation and activation of the toolkit. Also included in the list of resources are items where a school or conference can co-brand their messaging by including their institutional or conference logo.

To provide incentive for ordering these visual resources, every Division II conference and institution received a \$1,000 credit for orders placed between January and June 2009. 238 institutions took advantage of this credit.

5. **Division II Membership—Benefiting from Innovations and Creativity.**

- a. **Division II National Championship Festivals.** The first ever Division II National Championships Festival was conducted in May 2004 in Orlando, Florida, and included men's and women's golf, women's lacrosse, softball, and men's and women's tennis. In November 2006, the second Division II Festival was held in Pensacola, Florida, and included men's and women's cross country, field hockey, men's and women's soccer and women's volleyball.

Houston, Texas was the site for both the Spring 2008 and Winter 2009 Festivals. The Winter 2009 championships marked the first time men's and women's swimming, men's and women's indoor track and field, and wrestling competed in a Division II Sports Festival.

Most recently, the Division II National Championships Festival for fall sports was conducted in Louisville November 30-December 4, 2010. The 2010 Festival was the fifth time Division II has staged the Olympic-style event and the second time for fall sports. More than 800 student-athletes from 70 teams competed in six sports—men's and women's cross country, field hockey, men's and women's soccer and women's volleyball.

A priority in Division II is to enhance the student-athlete's collegiate experience, and these Olympic-style festivals do that by allowing outstanding student-athletes to interact and celebrate their successes together. The Festivals also create more exposure for Division II sports and provide the Division II membership an event each year to celebrate the division.

- b. **Division II Regionalization Philosophy for Evaluating and Selecting Championship Participants.** Regionalization is a significant part of the Division II philosophy and is included in a championship policy that requires sport committees to select a predetermined number of teams in each of the regions of the sports involved. This policy is based on an assumption that due to the regional nature of most Division II schools, sport committees should evaluate and select championships participants based on regional results, as opposed to a national evaluation in which head-to-head and common opponents' results are less prevalent or nonexistent.

Regionalization guarantees access to national championships from every geographic area of the country. Division II is spread from Texas to Alaska and from Puerto Rico to Hawaii, so this policy is important in serving the diverse Division II membership. In addition, regionalization encourages a member school to compete against opponents within its region, instead of seeking contests against opponents outside the geographical region. This scheduling incentive is aimed at helping schools manage their regular-season travel budgets and limit missed class time for Division II student-athletes.

- c. **Division II Management Council/Student-Athlete Advisory Committee Summit.** What started out as a simple meeting in July 1997 between athletics administrators and faculty on the Division II Management Council and student-athletes on the Division II Student-Athlete Advisory Committee has grown into one of the most important events each year to foster communication within the division. Each July, members of the Management Council and SAAC gather jointly to share ideas on issues affecting Division II. This annual summit has given the student-athletes in Division II a significant voice on legislative issues that affect them, both on and off the field of play.
- d. **Division II Faculty Athletics Representatives (FAR) Fellows Institute.** A major goal of the NCAA, Division II and the Faculty Athletics Representatives Association (FARA) is to better define and enhance the role of the faculty athletics representative (FAR) at the campus, conference and national levels. The mission of the Division II FAR Fellows Institute is to provide an intense developmental opportunity for a core group of FARs to enhance their ability to perform the critical functions of a Division II faculty athletics representative. Through networking with other Division II FARs, enhancing their skills as leaders and engaging in case studies, FARs are both inspired and challenged to enrich the Division II student-athlete intercollegiate athletics experience. 2010 marked the sixth annual FAR Fellows Institute for Division II. At their December 2010 meeting, the Division II Planning and Finance Committee approved a proposal to conduct a Division II FAR Fellows Advanced Leadership Institute to expand and continue the education of Division II FAR Fellows. In 2011, the first Advanced Leadership Institute will be offered and will continue on an annual rotating basis with the FAR Fellows Institute.
- e. **Division II Community Engagement Initiative.** Research data indicates that community is a key attribute for Division II. Division II member schools have an unwavering enthusiasm about building support for athletics and other institutional programs by strengthening relationships with communities through a coordinated initiative. Division II is positioned to offer intercollegiate athletics competition as the gathering place for community on a college campus (e.g., the new “town square”). In an effort to offer key administrators from every Division II conference hands on training for this community initiative, the Presidents Council and Management Council have created an annual community engagement workshop. The first of these was held in April 2007; the most recent was held in Philadelphia in April 2009 and included over 70 directors of athletics and conference commissioners. These workshops are important meetings for Division II as the Division II strategic positioning platform to enhance the division’s identity is implemented. In addition, 19 institutions were given Community Engagement Awards of Excellence at this event. The individuals selected to participate are expected to take the information back to share with others in their conference.

Creative Street Media Group has been instrumental in this initiative. For a more in-depth look at the progress to date, please see the Division II community Web site at [www.diicommunity.org](http://www.diicommunity.org).

Additionally, the Division II community engagement initiative lends itself to another important aspect of Division II—game environment. This initiative directly ties to the strategic platform and what Division II stands for and serves as an important way to reconnect our educational mission with the environments of Division II intercollegiate athletics events.

In the summer of 2007, a hearing on game environment took place that brought representatives from key constituencies together to discuss takeaways and suggestions for the role our institutions and communities play in improving and enhancing game environments. The Division II community engagement Web site ([diicommunity.org](http://diicommunity.org)) includes a link to more information regarding game environment and the positive impact it can have for our communities to enjoy themselves at events and attend others, as well.

- f. Division II Online Network. The NCAA Division II network is an online resource that showcases the best of what is happening in Division II. The DII Network is a global network home page that allows easy access to the Community Engagement and Game Environment sites. Beginning in 2010, a new component was added to the Division II Network – [www.D2SA.org](http://www.D2SA.org) – to focus on the Division II student-athlete experience. The new site allows Division II student-athletes the opportunity to share their experience and to interact in a way that has never been done in the NCAA. The site features student-athlete blogging and facilitates discussions on important matters such as legislation and fund-raising for the Make-A-Wish Foundation. The new site is highly visual, relying extensively on photo galleries and a video player. In 2010, Division II also launched a new Facebook page. Fans of Division II can now utilize the online network to stay up to date with all of the latest news and content from Division II.

The Division II home page – accessed through the membership portal on [www.NCAA.org](http://www.NCAA.org) – includes additional resources for Division II members, including the Division II Compliance Blueprint, the Division II Membership Report and committee reports. The home page also includes access to the print version of the Division II Strategic Communications Toolkit, a resource developed in 2010 for campus and conference sports communications directors as a “one-stop shop” to help better promote the Division II strategic positioning platform.

6. **Division II Membership—Benefits to Community.**

- a. **Division II’s Lead Gift for the NCAA Partnership with Habitat for Humanity—The NCAA “Home Team” Project.** In September 2005, the Division II Presidents Council launched the “Home Team” Project for the NCAA by contributing a lead gift of \$1,000,000 to Habitat for Humanity®. This lead gift was followed by a \$500,000 matching gift from the national office. Division II has participated in several home builds since its initial gift, including builds on the University of Indianapolis campus and six homes constructed at the Fall 2006 National Championships Festival in Pensacola. The partnership lasting from 2005-2008 provided donations through additional fundraising and volunteers for the long-term rebuilding effort on the Gulf Coast following Hurricanes Katrina and Rita.
- b. **Division II SAAC Fundraising Initiative for the National Make-A-Wish® Foundation.** At the 2003 NCAA Convention, the Division II SAAC committed to raising \$5,000 for the National Make-A-Wish® Foundation. Each Division II college and university was asked to help raise funds for the project through campus, conference and community fundraising initiatives. During that first year \$45,757 was raised, and since that initial contribution in 2004, the Division II SAAC has raised an increasing amount of money each year. In 2009-10 \$407,683 was raised—by far the most money collected in a single year—bringing the grand total to \$1,535,486!
- c. **Division II Community Engagement Strategy and Tools/Resources.** The Division II Strategic Positioning Platform is an important tool that will continue to pay dividends for our member institutions for many years. The platform identifies the importance of community engagement to Division II member schools. Division II operates in a crowded marketplace for public recognition and attention. One place where ‘bridges’ do exist or can easily be built to achieve recognition is in the communities where our member institutions exist. Success at the local level through community connections that foster greater support for all campus activities, including athletics, will benefit Division II members and, in turn, help enhance the identity for the division. The ultimate goal should be to establish a “connection” between the community and the school in a manner that involves intercollegiate athletics.

7. **Division II Membership—Financial Benefits to Institutions and Conferences.**

- a. **Division II Enhancement Fund Distribution Program.** (\$5.1 million annually)  
The Division II Enhancement Fund is a membership fund that has existed for approximately 15 years. The fund is distributed to both Division II active member schools and conferences. The revised distribution model, which was effective in 2000-01, distributed one-third of the funds equally to Division II active institutions; one-third of the funds to Division II conferences based on performance in the Division II men’s and women’s basketball championships;

and one-third of the funds to Division II conferences based on the number of championships the conference sponsors.

In August 2010, the Presidents Council endorsed the decision of the Division II Planning and Finance Committee, which voted to approve a change in the enhancement fund allocation, effective May 2012. The new allocation will provide 75 percent to conference offices based on sports sponsorship and 25 percent via an equal distribution to Division II active member institutions. The new distribution model eliminates the performance in the men's and women's basketball championship as a part of the distribution and precludes independent institutions from receiving a distribution related to sports sponsorship (independent member institutions will only receive the equal distribution). The committee agreed that a distribution formula based in part on success in only two national championships (men's and women's basketball) is inconsistent with the division's comprehensive platform. The Planning and Finance Committee will implement a transition fund to offset any losses to the conferences in the first year.

- b. **Division II Conference Grant Program.** (\$2.8M annually) The allocation of conference grant funds for 2009-10 provides a base amount of \$85,000 to each active Division II conference in good standing and a premium amount based on the number of active Division II institutions in the conference during the previous academic year. The incremental increase in the grant dollars that began in 2001-02 is designed to provide conference offices with additional dollars to enhance conference operations consistent with the Division II strategic plan. At least ten percent of the grant must be directed at each of the five Division II strategic positioning outcomes (50 percent total.) These dollars are allocated through specific enhancement and strategic areas, but provide for flexibility among conferences in the allocation of the remaining 50 percent of dollars.
- c. **Division II Administrator and Coaching Enhancement Grant Programs.** (\$1M annually) The Strategic Alliance Matching Grant Enhancement Program, which was piloted in 2000-01, was created to aid Division II conferences and member institutions in enhancing gender and ethnic minority representation in intercollegiate athletics. For those selected to be part of the program, Division II funds 75 percent of the grant request in the first year, 50 percent in the second year and 25 percent in the third year. Subsequent to termination of funding after the third year, the institution and/or conference will be required to maintain the position for a minimum of two years, and preferably incorporate the position into the ongoing operations of the institution or conference office. Since its inception, Division II institutions and conferences have created approximately 60 new administrative positions as a result of this grant funding.

The Division II Coaching Enhancement Grant Program is in its fourth year of being a new DII grant program. This program was developed to address the issues of access, recruitment, selection and long-term success of women, ethnic minorities and other individuals in Division II who seek to overcome hiring

barriers by providing grant money for the creation of assistant coaching positions in Division II.

- d. **Division II Degree-Completion Scholarship Awards Program.** (\$450,000 annually) The purpose of the Division II Degree-Completion Award Program is to provide deserving student-athletes financial assistance in order for them to complete their first baccalaureate degree. Candidates are Division II student-athletes who have exhausted their athletics eligibility and who have received athletics financial aid during their collegiate career. The selection process for the national award emphasizes the academic performance of the student-athlete. Other factors considered are financial circumstances, athletics achievement and involvement in campus and community activities.
- e. **Transportation Expenses and Per Diem for Coaches and Student-Athletes Participating at all Levels of Division II National Championships.** (\$19 M Annual Budget) The Division II championships budget is set up to cover transportation expenses and provides a per diem for coaches and student-athletes participating in Division II national championships.

**8. Division II Membership—Student-Athlete Benefits.**

- a. **National Division II Student-Athlete Advisory Committee.** The mission of the NCAA Division II Student-Athlete Advisory Committee (SAAC) is to enhance the total student-athlete experience by promoting opportunity for all student-athletes; protecting student-athlete well-being; and fostering a positive student-athlete image. The Division II SAAC is comprised in the same manner as that of the Division II Management Council, with one student-athlete from each of the Division II voting conferences, as well as two at-large representatives and one independent representative.

The SAAC is a standing committee in Division II and conducts meetings on a quarterly basis. SAAC members also serve as representatives on the Division II Academic Requirements Committee, the Division II Championships Committee, the Division II Legislation Committee and the Division II Student-Athlete Reinstatement Committee. Although not given a vote at the annual Convention, the SAAC is very much a part of the proceedings and consistently participates on proposals that are important to student-athletes.

- b. **National Division II Drug-Testing Program.** The NCAA Drug-Testing Program was created to protect the health and safety of Division II student-athletes and to ensure that no one participant might have an artificially induced advantage or be pressured to use chemical substances. The Presidents Council approved the expansion of drug testing in Division II, to include all championships sports in a year-round drug-testing program, effective August 1, 2004.

- c. **NCAA Student-Athlete Leadership Forum.** In 2002, the NCAA began divisional regionally based leadership academies for Divisions I, II and III student-athletes, coaches and administrators. Beginning with the fall of 2010, the Divisions I, II and III leadership conferences will take place at one site on the same weekend. The NCAA Student-Athlete Leadership Forum is a weekend-long opportunity for student-athletes, coaches, administrators and faculty to develop their leadership skills, become more familiar with the Division II experience and develop a plan for action. In a forum intended to foster partnerships, participants are equipped to be active leaders and change agents within their campus, conference and community spheres of influence. Participants engage in sessions that promote their understanding of the NCAA, Division II governance structure and the Division II Student-Athlete Advisory Committee. Using information and knowledge gained throughout the weekend, participants representing the same institution create "action plans" for implementation on their campuses in order to influence positive change in cooperation with other campus leaders.
- d. **Most Generous National Championship Access Ratios of any Division in the NCAA.** Division II provides a uniquely outstanding experience for student-athletes in Division II championships competition. In 2008-9, the ratio of total participants to championships opportunities in Division II was 7.54:1—the most access to championships among the three divisions. Access to championship competition is an important part of Division II's 'student-athlete first' based philosophy. In addition, the division has balanced the championships opportunities provided male and female student-athletes. The 50/50 split between championships opportunities for each gender is a guiding principle for the Division II Championships Committee.