

- [Home](#)
- [About](#)
- [Resources](#)
- [Media Center](#)
- [News](#)

## DI to distribute revenue based on academics

### New model to allow schools with higher graduation rates, academic success to qualify for more funds

October 27, 2016 12:36pmMichelle Brutlag Hosick

For the first time, a portion of Division I revenue will be distributed to member schools based on the academic achievement of student-athletes. The change, approved by both the Division I Board of Directors and the NCAA Board of Governors, will begin with the 2019-20 academic year.

The Division I Board of Directors approved five recommendations, including the academic distribution.

1. Revenue is shared equitably, rooted in the core values of the Association, to ensure the broadest segment of the membership will benefit.
2. Consolidate the number of distribution funds to ensure efficiency across the membership.
3. Establish an understanding that the 32 automatic qualification units in men's basketball are distributed evenly.
4. Distribute a portion of the revenue based on academics.
5. Explain how the distribution aligns with NCAA core values.

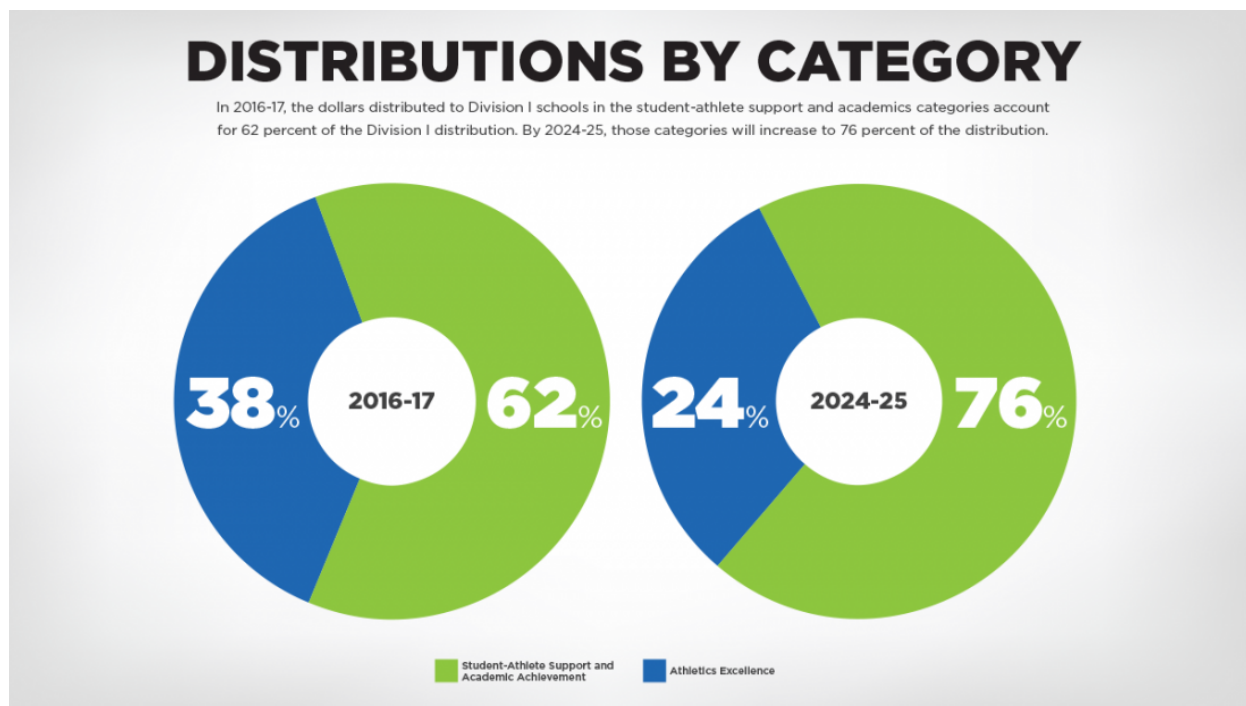
The initiative was made possible through the NCAA's new [multimedia rights contract with CBS/Turner](#).

For the first six years of the new distribution that starts in the 2019-20 academic year, 75 percent of the annual increase in the broadcast rights contract will be used to create an academic distribution unit, similar to the units now associated with the Division I Men's Basketball Championship. Currently, conferences earn units for each game that member schools participate in during the championship. After the first six years, the percentage of growth allocated to the academic unit will equal the percentage applied to all other distributions.

"This landmark change benefits schools at which student-athletes succeed academically and graduate," NCAA President Mark Emmert said. "The creation of an academic distribution unit underscores the NCAA's commitment to putting its money where its mission is – with students. We've distributed funds to assist schools whose students need help in the classroom, but this is the first time revenue distribution will be determined by a school's academic achievement. It's an important moment for us as an Association."

The idea was first voiced one year ago at the NCAA Division I Summit, where selected Division I leaders — among them, presidents and chancellors, athletics directors and conference commissioners — discussed Division I priorities.

In the current distribution model, the majority of funds are distributed for student-athlete support and opportunities. The NCAA provides funding directly to conferences based on measurable commitments such as the number of sponsored sports and athletics scholarships given and also provides support to students via the student assistance fund. A little more than a third is distributed based on participation and performance in the Division I Men's Basketball Championship.



“Today’s historic change helps balance two of the NCAA’s primary values – higher education and the academic value of athletics competition. The new revenue distribution plan continues the Association’s tradition of devoting resources to its principles, including promoting student-athlete well-being and now, academic achievement. This decision emphasizes our commitment to college sports as an important part of higher education.”

*Eric Kaler, president; University of Minnesota, Twin Cities, and chair of the Division I Board of Directors*

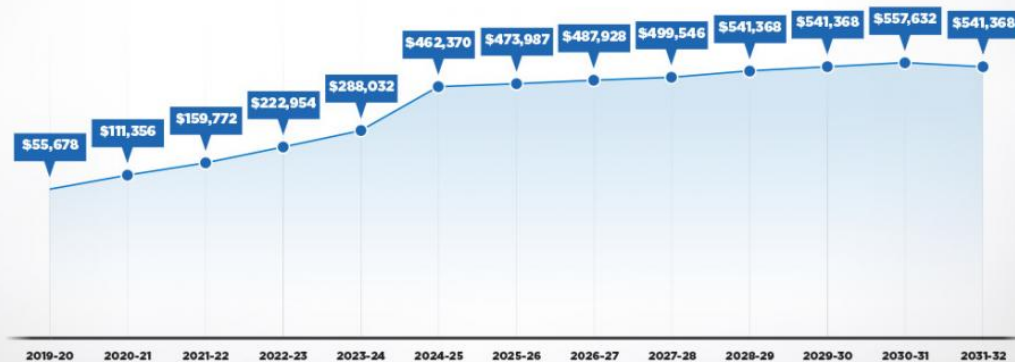
Each school can earn one academic achievement unit per year if its student-athletes meet at least one of the following requirements:

- Earn an overall, single-year, all-sport Academic Progress Rate of 985 or higher.
- Earn an overall all-sport Graduation Success Rate of 90 percent or higher.
- Earn a federal graduation rate that is at least 13 percentage points higher than the federal graduation rate of the student body at that school.

Money will be distributed to the conferences with no restriction on how it is spent.

## GROWTH IN THE NEW ACADEMIC DISTRIBUTION PER SCHOOL

The size of the academic distribution could grow as projected below. The graph is based on approximately 228 schools per year qualifying for the academic distribution. The size of the unit would vary depending on how many schools qualify in a given year, projected to be about 66.3 percent of all Division I schools per year.



The points illustrate the payouts that year per qualifying school.

“The change to the revenue distribution model clearly demonstrates that Division I institutions value academic achievement and this new model incentivizes all Division I institutions to keep the focus on academics. I’m proud to have been a part of such a significant and important initiative.”

*Blake James, athletics director; University of Miami and member of the Values-Based Revenue Distribution Working Group*

“Changing the revenue distribution model to incentivize academic success emphasizes the ‘student’ in student-athlete. The opportunity for individual schools to earn an academic performance unit highlights the ongoing priority of academics and further strengthens the integration of intercollegiate athletics into higher education.”

*Sandra Hatfield Clubb, athletics director; Drake University, and member of the Values-Based Revenue Distribution Working Group*

"I'm proud to support today's decision to emphasize academics through a revenue distribution model. Providing financial incentives for academic achievement further aligns our funding with our values. The decision underscores our commitment to helping student-athletes be successful in all facets of life."

*G.P. "Bud" Peterson, president, Georgia Institute of Technology and chair, NCAA Board of Governors*

“We believe that using these three well-known and accepted metrics to identify academic achievement is the simplest and most appropriate way to recognize schools for the academic performance of student-athletes,” said Philip DiStefano, chancellor of the University of Colorado, Boulder. DiStefano co-chaired the working group that conceived the academic unit.

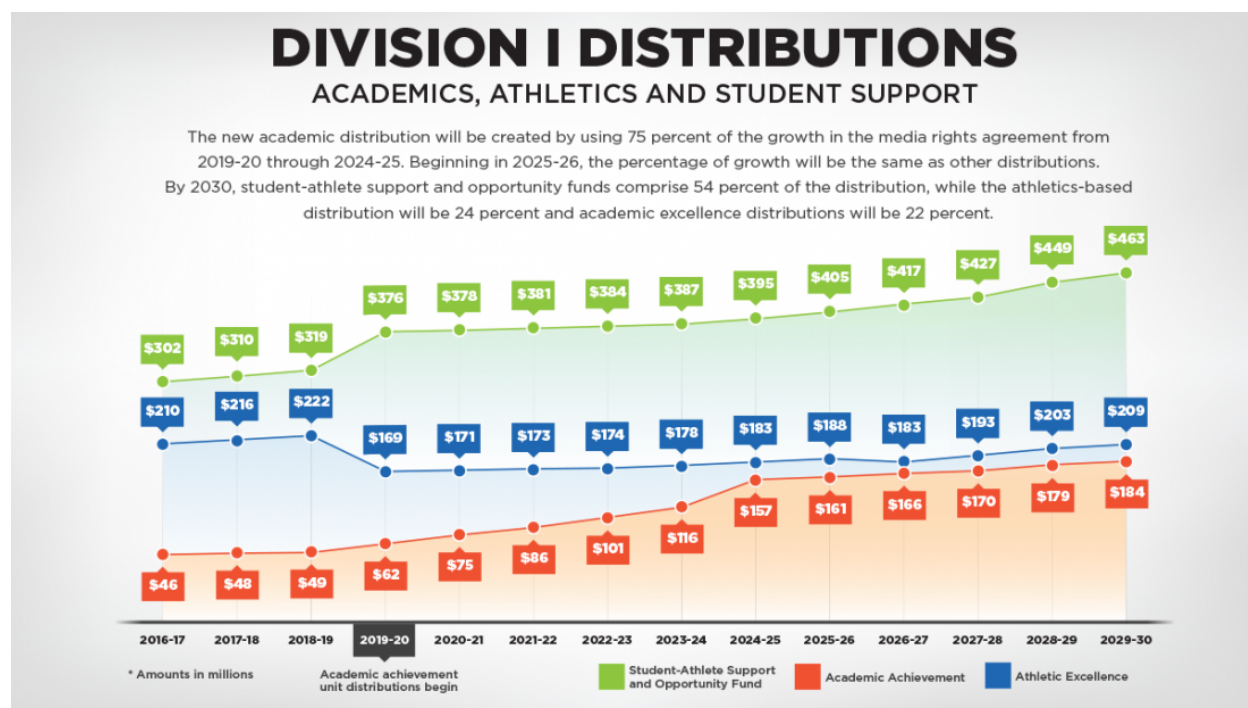
“This formula includes enough schools that everyone has a realistic chance of earning the distribution at some point,” he said. “That was part of our goal — to encourage academic improvement without hurting schools with limited resources or those with broad-based admissions standards.”

The Committee on Academics will monitor metrics and benchmarks upon which the distribution is based and will work with the Division I Board of Directors to propose modifications if needed.

The group's work enhanced a revenue distribution and expenses model that already was rooted in the Association's core values of academic achievement, athletics excellence, diversity and inclusion, fairness and integrity, health and safety, student-athlete support and broad-based opportunities.

"These recommendations build on the NCAA's record of tying its financial distribution to its values," said Christine Copper, faculty athletics representative at the U.S. Naval Academy and co-chair of the Values-Based Revenue Distribution Working Group. "This change creates balance in the revenue distribution between two of the NCAA's most important values — education measured through graduation and the educational value of athletics participation."

The creation of the academic distribution continues a long tradition of dedicating resources to student needs. Within a year of the first CBS agreement in 1989, the Association created distributions based on the number of sports a school sponsored and the number of scholarships given. Those distributions, which promote opportunities for students, exist today.



"I am pleased that the Board has taken yet another step towards linking the critical alliance of academics and athletics. This plan strengthens the importance we place on the academic achievement of our student athletes and sends a strong message to our member programs that student success in the classroom must be a priority."

*Eli Capilouto, president, University of Kentucky and member of both the Division I Board of Directors and the Values-Based Revenue Distribution Working Group*

"I applaud the Board of Directors for this action. To me, this is a landmark decision by the NCAA. This is the core of what we do."

*Roderick J. McDavis, president, Miami University (Ohio), chair, Division I Committee on Academics and member of both the Division I Board of Directors and the Values-Based Revenue Distribution Working Group*

That same contract also saw the expansion of the Catastrophic Injury Insurance Program and the establishment of a Special Assistance Fund for student needs like travel for family events, clothing and educational needs. Additionally, academics were emphasized with the creation of an academic enhancement fund, intended to be used on campus to support academic programs for students.

All these programs have either expanded (such as when the Student Assistance Fund was created in 1999 to benefit more students than the Special Assistance Fund helped), evolved to benefit more student-athletes or received additional resources with each new contract.

The concepts approved by NCAA leadership were supported widely in a survey of members conducted earlier this year. Leaders throughout the membership support the move.

## Media Contact

Michelle  
Brutlag Hosick  
Associate Director of Public and Media Relations  
NCAA  
[mhosick@ncaa.org](mailto:mhosick@ncaa.org)

---

- [News](#)
- [Division I](#)
- [Board of Governors](#)
- [Academics](#)
- [financial allocation](#)

Philip DiStefano, chancellor , University of Colorado, Boulder

## NCAA Value-based Revenue Distribution



[Privacy/Legal Statement](#)

[Terms of Use](#)

[Contact Us](#)

[NCAA Employment](#)

[FAQs](#)