

SOUTH DAKOTA BOARD OF REGENTS

Policy Manual

SUBJECT: Athletics

NUMBER: 5:15

Subject to the requirements of state and federal law and Board policy, institutions which participate in intercollegiate athletic competition shall abide by the rules and regulations promulgated by the appropriate national governing association and all regional subdivisions or conferences of which the institutions are members.

1. Financial and policy requirements for institutions that participate at National Collegiate Athletic Association Division I.

A. Institutions may participate in NCAA Division I intercollegiate athletic competition, with the prior consent of the Board, if they comply with each of the following board financial and policy requirements:

1. All costs for intercollegiate athletics shall be met from the following fund sources:
 - a. Student general activity fee revenue;
 - b. State general fund resources;
 - c. Funds generated directly by athletic programs, including, without limitation, gate receipts, guarantees, concessions, advertising, institutional fundraising, product endorsements, broadcast licenses, athletic mark royalties;
 - d. Funds transferred from the institutional foundation to support athletic programs.
2. Student general activity fee support as it exists on the date of approval may only be increased at the rate of inflation for the general activity fee as determined by the Board of Regents annually. Revenue tied to growth in credit hours may also be allocated to athletics in the same proportion as the share of GAF allocated to athletics for a given year. The changes in GAF support tied to credit hours should be reduced when credit hours decline.
3. General fund support as it exists on the date of approval for salary, benefits or operational expenses may only be increased at rates equivalent to appropriated increases to base budgets.

4. Institutions may not use other revenue sources to support intercollegiate athletes.
 5. The proportion of general activity fee proceeds allocated to athletic facilities as it exists on the date of approval may not be increased to fund new or expanded athletic or athletic support facilities.
 6. Higher Education Facilities Fund monies may not be used to fund or to maintain new or expanded athletic or athletic support facilities.
 7. Athletic scholarships may be funded from athletic gate receipts, athletic sponsorships and advertising revenues, athletic facility rentals, athletic guarantees, net athletic concession revenues, athletic broadcasting agreements, vending income, trademark royalties, net athletic camp income and athletic donations.
 8. Athletic scholarships may not be funded by reducing, either the number of academic scholarships or amounts (such as the continuing four-year commitment to the Jackrabbit Guarantee), or the inflation adjusted gross sum provided by the institution's foundation for academic scholarships, below the levels in effect at the time the institution applies for admission to Division I.
 9. Should a deficit occur in the intercollegiate athletic budget there should be a reduction from coaches salaries or per diem, travel, equipment, athlete program closure or scholarships, or through a formal agreement between the institution and the institution's foundation that provides for the necessary resources to meet any deficit. A copy of this formal agreement shall be delivered to the system office.
 10. Athletic scholarships will be not be awarded to any student who does not meet the standard admission requirements of the institution—scholarships may not be awarded to a student admitted by the institution under an exception policy.
- 2. Institutions will provide annually to the Board of Regents information on their athletic programs that will include:**
- A. Comparisons by sports of participating athletes, scholarship athletes, and the student population on admissions by exception, ACT sub-test scores in math and English for entering students, proficiency exam passage on initial attempt, GPA, and graduation rates.
 - B. A financial report of the intercollegiate athletic budget for the fiscal year.

SOURCE: BOR, April 1992; BOR, December 2002; BOR, June 2004, BOR March 2006.