

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 8 – G (4)

DATE: June 26-27, 2019

SUBJECT

Revision to BOR Policy 5:15 – Athletics (First Reading)

CONTROLLING STATUTE, RULE, OR POLICY

[BOR POLICY 5:15 - ATHLETICS](#)

BACKGROUND / DISCUSSION

The Board’s Athletic Committee met in February 2018 and discussed the desire review the Board policy on athletics. The NCAA recommends that athletics policies should address four key components, 1) Fiscal Responsibility, 2) Academic Integrity, 3) Student Athlete Welfare, and 4) Rules compliance. In addition, it is imperative that the Board adopts an athletic philosophy statement to establish institutional control, and vest the responsibility of athletic program oversight in the institutional President. In the event an institution is found to have a violation from their division (NCAA/NAIA), it is imperative that the institution and Board can show that there is a presidential control statement.

Following the athletic committee meeting, former Executive Director Dr. Rush, Regents Morgan and Schaefer, and Presidents Dunn and Abbott met with the commissioner of the summit league, Tom Douple and an NCAA representative, David Schnase, to discuss the role of the Board’s athletic committee. Mr. Schnase provided the Board office with a policy from the University of Wisconsin Board of Regents, stating that it was one of the best models for the statement of principles in a system athletic policy.

Attachment I is BOR Policy 5:15 with the proposed statement of principles to be discussed today. The additions to this policy largely follow the model of the University of Wisconsin policy. The policy changes clearly identify that the Board vests the responsibility and authority over university athletic programs in the President, including budget oversight of athletics. In addition, the changes emphasize the importance of student athlete well-being, promotes fair and equitable treatment, and underscores the importance of academics for student athletes.

The proposed changes to Section C(2) remove the requirement for an annual report comparing student athlete academic success to that of the general student population. This report has historically shown that student athletes are high performing students, and there have been no issues identified in academic performance. This change still allows information to be brought forward to the board as needed, but eliminates the annual

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DRAFT MOTION 20190626_8-G(4):

I move to approve the first reading of revisions to BOR Policy 5:15.

requirement for the twenty-five page report. BAC created a subcommittee to review the financial requirements in this policy and determined no changes were needed in Section 2. This has been reviewed by BAC and COPS.

IMPACT AND RECOMMENDATIONS

This is a first reading of the proposed changes to BOR Policy 5:15. The board staff recommendation is to approve the first reading of BOR Policy 5:15, the second reading will occur at the August meeting.

ATTACHMENTS

Attachment I – BOR Policy 5:15 Proposed Revisions

SOUTH DAKOTA BOARD OF REGENTS

Policy Manual

SUBJECT: Athletics

NUMBER: 5:15

A. PURPOSE

To establish the principles and philosophies of the SD Board of Regents (the Board) on intercollegiate athletics, including fiscal responsibility, academic integrity, student athlete well-being and compliance with Board policies, conference and division rules.

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.

B. DEFINITIONS

1. **Institution:** Black Hills State University, Dakota State University, Northern State University, South Dakota School of Mines & Technology, South Dakota State University, and the University of South Dakota.
2. **Annual Athletic Report:** An annual statement of income and expenses for athletics at each University.

C. POLICY

The Board is committed to the philosophy of firm institutional control of athletics, to the academic and financial integrity of athletic programs, and to the accountability of athletic departments to the mission, values and goals of the SD Board of Regents and its institutions.

1. Board Statement of Athletic Principles

- 1.1. The educational values, practices and mission of the SD Board of Regents and its individual Institutions determine the standards by which intercollegiate athletics programs are conducted.
- 1.2. The responsibility and authority for the administration of the athletics department, including policies, personnel, and financial management are vested in the President of the Institution.
- 1.3. The student athlete's well-being, health, and safety are the top priority of the athletic administration.
- 1.4. The Board regards the student athlete primarily as a student, with academic qualifications, individual rights, personal interests, and aspirations similar to those of all

students. Student athletes shall be provided with the same academic experience as their classmates.

- 1.5. The Board is committed to providing every student athlete with fair and equitable treatment.
- 1.6. The admission of student athletes will be based on their demonstration of promise to be successful in a course of study leading to an academic degree, and that judgment will be made by individuals in the institutional admissions department. The student athlete must meet the Board's admissions criteria, in addition to the eligibility requirements set by the appropriate athletic division.
- 1.7. Continuing eligibility to compete in intercollegiate athletics will be based on the student's ability to meet the academic standards as established by the Board, and set forth by the appropriate athletic division.
- 1.8. All funds raised and spent in connection with intercollegiate athletics programs will be reported through the Annual Athletic Report; the athletics department budget will be developed and monitored in accordance with the Institution's budgeting procedures.
- 1.9. All athletics-related income from non-university sources for coaches and athletics administrators will be reviewed and approved by the President of the Institution. In cases where the income involves the university's functions, facilities or name, contracts will be negotiated with the Institution.
- 1.10. As required by the appropriate athletic division's compliance rules, the Institution will complete academic and fiscal audits. The Institution will correct any deficiencies and will manage athletic programs in a manner worthy of this distinction.

2. Athletic Program Requirements

- 2.1. Institutions must have approval of the Board before changing athletic conferences or divisions.
- 2.2. 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.~~ Commissions and other athletic business related income;
 - ~~E.~~ Funds transferred from the institutional foundation to support athletic programs;
 - Institutional overhead charged back to campus operations.
 - ~~F.~~ _____
- 2.3. Athletic scholarships may be funded from athletic gate receipts, athletic sponsorships, athletic broadcasting agreements, athletic guarantees, athletic commissions, advertising revenue, facility rentals, extra-curricular concession profits, vending

profits, business related profits with the exception of the Auxiliary System, trademark royalties, camp profits, ticket sales and donations.

~~2.3.~~

2.4. Athletic scholarships may not be funded by reducing either the number of academic scholarships or amounts, or the inflation adjusted gross sum provided by the Institution's foundation for academic scholarships, below the levels in effect at the time an ~~institution~~Institution changes divisions or conferences.

2.5. Athletic scholarships will not be awarded to any student who does not meet the standard admission requirements of the ~~I~~Institution; scholarships may not be awarded to a student admitted by the ~~I~~Institution under an exception policy.

2.6. At the end of each fiscal year, the Annual Athletic Report shall be provided to the Executive Director/CEO.

~~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. At the end of each fiscal year an income and expense statement for athletics shall be provided to the Executive Director.~~

FORMS / APPENDICES:

None

SOURCE:

BOR, April 1992; December 2002; June 2004, March 2006; March/April 2010; December 2012; August 2019.