

DI Exploratory Committee Survey – Frequently Asked Questions

As of December 6, 2021

Frequently Asked Questions and Answers:

Q1: Why is USI considering DI athletics now?

A1: The University has been a strong competitor across a number of sports and has a winning history. There have been 10 individual and four team national championships. In addition, the institution has a proud tradition of scholarship among our student-athletes with Academic All-American status across all sports. These factors have caught the attention of officials in Division I who have sought us out and invited us to consider a move. Finally, the University's current strategic plan has a stated goal of elevating visibility and reputation. This is one way that may help us to make progress in that stated goal.

Q2: A campus exploratory committee was formed. What is its task?

A2: A group of 25 individuals representing the USI governance bodies, faculty, staff, students, coaches and community members have been meeting regularly to research, develop and make a report available to the USI Board of Trustees. The report will be based upon criteria in a checklist set forth by the NCAA (National Collegiate Athletic Association) about college readiness for Division I athletics. For each area of the checklist, subcommittees are asked to assess if the University is at 1, 2 or 3.

- 1 – ready to make the transition now
- 2 – ready to make the transition with minor adjustments
- 3 – more than minor adjustments needed (moderate to major)

It is not the committee's role to make a final recommendation to the Board or President, but rather to gather information for their consideration.

At the same time, an outside consulting firm that specializes in these types of assessments has been providing information to the group and is developing its own report for senior leadership review.

Q3: Who will make the ultimate decision to stay in Division II play or move to Division I?

A3: Ultimately, the USI Board of Trustees will consider all the information provided (including feedback from this survey, financial modeling, and reports from the consultant and USI DI Exploratory Committee) and render a decision about what path to take. That decision is likely to come early in 2022, although it may be later than the regular Board meeting on Thursday,

January 13. A special session of the Board is possible.

Q4: What will it cost the University to compete at the DI level?

A4: The University currently spends approximately \$6.6 million on athletics annually to compete at the Division II level. To move to Division I, there are enhanced expectations for primarily two areas—additional scholarships/grants-in-aid for student-athletes and added staff to support a Division I athletics program.

Although the level of expenses varies by conference, based on the range of expenditures of a possible conference partner, financial modeling puts additional annual costs at approximately \$5.4 million, for a total budget of \$12 million (\$6.6 million current spend + DI additional spend \$5.4 = \$12 million).

Twelve million is approximately 10% of the overall \$121 million University spend for fiscal year 2021.

Q5: Where would that additional funding come from if the decision is to move forward?

A5: There are a variety of funding sources, for example, ticket sales, advertising, conference revenue share and others, but these are likely ancillary sources. The two primary funding sources would be new private gifts/donations and student fees.

Q6: Is there an estimate of how much a student fee might be if the decision is to move toward Division I athletics?

A6: Yes, financial modeling has been done to consider a range of options. A proposed four-year financial model would increase student fees by \$475 per year at the end of four years.

To achieve this, semester fees would be:

Fall 2022 academic year \$60 per semester

Fall 2023 academic year \$120 per semester

Fall 2024 academic year \$180 per semester

Fall 2025 academic year \$238 per semester

This model may be adjusted at the discretion of the USI Board of Trustees. The Board must approve all student fees.

Q7: How much private giving would be needed to support DI under this model?

A7: It is estimated that donor support would be needed at an additional \$2.4 million in new monies. Much like the estimated student fees, this could be funded over several years to achieve the \$2.4 million but then would need to be sustained at that level annually.

Q8. How would moving to Division I affect us academically?

A8: The University continues to invest in academic programs and implement new programs to meet student needs and internal competencies, for example, the Doctor of Occupational Therapy program. Additional funding for athletics will need to be generated from new monies, primarily from private donations and student fees, not repurposed existing funding. Our student-athletes historically both perform at a highly competitive level and have among the highest retention rates, grade point averages and graduation rates of the student body.

In regard to possible additional student enrollment, some institutions new to Division I have seen increased enrollment, and some have not.

Q9: What is going on with the NCAA? I've heard about an upcoming Constitutional Convention.

A9: Yes, this situation is being monitored as the NCAA is considering several changes. A Constitutional Convention and vote is scheduled to take place on January 20, 2022. We believe that the vote will likely decentralize a number of programs and services and allow each of the three NCAA Divisions (I, II and III) more autonomy to make decisions for themselves. It seems likely that Division I will consider significant changes that could alter how Division I operates and manages their affairs. Any legislated changes from the Constitutional Convention would most likely not become effective until late summer 2022. However, changes may occur in the nearer term, including the possibility the NCAA may not accept new applications for any prospective Division I member.

Q10: What conference(s) are we considering?

A10: There are three Division I regional conferences the consultants have reviewed and will provide information about in their report to the Board. One of these three has approached USI with interest in us. However, at this time, it would be premature to disclose the names of those

conferences. It is worth noting that there have been numerous membership changes in and out of several Division I conferences in recent months.

Q11: If we did move forward, what is the process?

A11: The NCAA lays out a four-year transition process. There are three NCAA criteria that USI must address to be considered for reclassification from DII to DI:

1. Activate Division II membership for the preceding five years
2. Compliance with sport sponsorship and financial aid membership requirements
3. A membership offer from an active Division I multi-sport conference

Right now, USI meets 2 of the 3 criteria. Currently, the University does not have a formal membership offer from an active Division I multi-sport conference but would anticipate receiving an offer should USI decide to move forward and apply for Division I membership. If a decision is reached to move forward, the University must submit an application and fee to the NCAA not later than June 1, 2022. If the application is accepted, we then proceed to a four-year timeline based around a submitted strategic plan. The plan is evaluated for progress toward stated goals and meeting NCAA criteria.

If USI moves forward, the 2022-23 school year would be when athletics begins participating/competing as a member of the Division I conference. We would leave the Division II conference at the end of this academic year.

Although athletic teams may be eligible for conference champions during the four-year transition, they would not be eligible for NCAA championships. Future NCAA legislation may shorten the time frame for NCAA championship eligibility.

Q12: Is there a fee to apply for Division I?

A12: Yes, along with the application, a fee would need to be submitted to the NCAA for reclassification. The fee is approximately \$1.6 to 1.7 million, based off the existing revenue distribution program that is in place at the Division I level. USI would be vested, that is, eligible for distributions after our fourth year of the Division I reclassification process. If our application is denied, the application fee would be refunded.

Q13: If the answer is to stay at the DII level, then what?

A13: If we decide to stay at the Division II level, we continue to compete in the GLVC (Great Lakes Valley Conference). This does not mean we can never consider DI again. The information gleaned from the process will be useful in future decision making about the most appropriate level of athletic play for USI.