# THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION
## PROPOSED BUDGET FOR FISCAL YEAR ENDED AUGUST 31, 2003

<table>
<thead>
<tr>
<th>REVENUE:</th>
<th>Proposed 2002-03</th>
<th>Percentage of Total Operating Revenue/Exp.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Television</td>
<td>370,000,000</td>
<td>87.63%</td>
</tr>
<tr>
<td>Championships Revenue:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Division I men's basketball</td>
<td>25,400,000</td>
<td>6.02%</td>
</tr>
<tr>
<td>Other Division I championships</td>
<td>12,128,000</td>
<td>2.87%</td>
</tr>
<tr>
<td>Division II championships</td>
<td>440,000</td>
<td>0.10%</td>
</tr>
<tr>
<td>Division III championships</td>
<td>265,000</td>
<td>0.06%</td>
</tr>
<tr>
<td>Total Championships Revenue</td>
<td>38,233,000</td>
<td>9.05%</td>
</tr>
<tr>
<td>Licensing and Royalties</td>
<td>3,300,000</td>
<td>0.78%</td>
</tr>
<tr>
<td>Investments</td>
<td>7,240,000</td>
<td>1.71%</td>
</tr>
<tr>
<td>Sales, Fees, and Services</td>
<td>3,460,000</td>
<td>0.82%</td>
</tr>
<tr>
<td><strong>TOTAL NCAA OPERATING REVENUE</strong></td>
<td><strong>422,233,000</strong></td>
<td><strong>100.00%</strong></td>
</tr>
<tr>
<td>Division Specific Expenses</td>
<td>Proposed 2002-03</td>
<td>Percentage of Total Operating Revenue/Exp.</td>
</tr>
<tr>
<td>----------------------------</td>
<td>------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Division I Expense &amp; Allocation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution to Division I members:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dist. to institutions' athletic programs (Note 1)</td>
<td>195,000,000</td>
<td>46.18%</td>
</tr>
<tr>
<td>Dist. to student-athlete programs (Note 2)</td>
<td>44,209,000</td>
<td>10.47%</td>
</tr>
<tr>
<td>Distribution to conference programs</td>
<td>5,817,000</td>
<td>1.38%</td>
</tr>
<tr>
<td>Total Distribution to Division I members</td>
<td>245,026,000</td>
<td>58.03%</td>
</tr>
<tr>
<td>Championships:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Men's basketball:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Game Expense</td>
<td>5,460,000</td>
<td>1.29%</td>
</tr>
<tr>
<td>Travel</td>
<td>10,411,000</td>
<td>2.47%</td>
</tr>
<tr>
<td>Other Division I championships:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Game Expense</td>
<td>8,160,500</td>
<td>1.93%</td>
</tr>
<tr>
<td>Travel</td>
<td>26,860,500</td>
<td>6.36%</td>
</tr>
<tr>
<td>Total Division I championships</td>
<td>50,892,000</td>
<td>12.05%</td>
</tr>
<tr>
<td>Other Division I Programs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basketball mentoring</td>
<td>550,000</td>
<td>0.13%</td>
</tr>
<tr>
<td>Championships promotions</td>
<td>910,000</td>
<td>0.22%</td>
</tr>
<tr>
<td>Total Other Division I Programs</td>
<td>1,460,000</td>
<td>0.35%</td>
</tr>
<tr>
<td>TOTAL DIVISION I EXP. &amp; ALLOCATION</td>
<td>297,378,000</td>
<td>70.43%</td>
</tr>
</tbody>
</table>
### THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION

#### PROPOSED BUDGET FOR FISCAL YEAR ENDED AUGUST 31, 2003

<table>
<thead>
<tr>
<th>Division</th>
<th>Proposed Budget</th>
<th>Percentage of Total Operating Revenue/Exp.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DIVISION II EXP. &amp; ALLOCATION (NOTE 4):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Championship Game Expense</td>
<td>2,232,000</td>
<td>0.53%</td>
</tr>
<tr>
<td>Championship Travel</td>
<td>9,925,000</td>
<td>2.35%</td>
</tr>
<tr>
<td>Distribution of Enhancement Fund</td>
<td>3,900,000</td>
<td>0.92%</td>
</tr>
<tr>
<td>Programs and Other Expenses</td>
<td>2,407,000</td>
<td>0.57%</td>
</tr>
<tr>
<td>Championships and Program Support</td>
<td>214,200</td>
<td>0.05%</td>
</tr>
<tr>
<td>Funding from D II reserves</td>
<td>(226,200)</td>
<td>-0.05%</td>
</tr>
<tr>
<td><strong>TOTAL DIVISION II EXP. &amp; ALLOCATION</strong></td>
<td>18,452,000</td>
<td>4.37%</td>
</tr>
<tr>
<td><strong>DIVISION III EXPENSE &amp; ALLOCATION (NOTE 4):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Championship Game Expense</td>
<td>2,365,000</td>
<td>0.56%</td>
</tr>
<tr>
<td>Championship Travel</td>
<td>8,215,000</td>
<td>1.95%</td>
</tr>
<tr>
<td>Programs and Other Expenses</td>
<td>3,019,000</td>
<td>0.72%</td>
</tr>
<tr>
<td>Championships and Program Support</td>
<td>563,530</td>
<td>0.13%</td>
</tr>
<tr>
<td>Funding from D III reserves</td>
<td>(735,530)</td>
<td>-0.17%</td>
</tr>
<tr>
<td><strong>TOTAL DIVISION III EXPENSE &amp; ALLOCATION</strong></td>
<td>13,427,000</td>
<td>3.18%</td>
</tr>
<tr>
<td><strong>ASSOCIATION-WIDE EXPENSE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PROGRAM AND SERVICES EXPENSE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student-Athlete Welfare and Youth Programs and Services (Note 5):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catastrophic insurance</td>
<td>10,000,000</td>
<td>2.37%</td>
</tr>
<tr>
<td>Sports sciences</td>
<td>3,969,000</td>
<td>0.94%</td>
</tr>
<tr>
<td>Initial eligibility</td>
<td>965,000</td>
<td>0.23%</td>
</tr>
<tr>
<td>Youth programs</td>
<td>2,308,000</td>
<td>0.55%</td>
</tr>
<tr>
<td>Award ceremonies</td>
<td>486,000</td>
<td>0.12%</td>
</tr>
<tr>
<td>Scholarships</td>
<td>362,000</td>
<td>0.09%</td>
</tr>
<tr>
<td>NCAA Foundation - Student-Athlete programs</td>
<td>386,000</td>
<td>0.09%</td>
</tr>
<tr>
<td>Sports agents/gambling and basketball certification</td>
<td>263,000</td>
<td>0.06%</td>
</tr>
<tr>
<td><strong>Total Student-Athlete Welfare and Youth Programs and Services</strong></td>
<td>18,739,000</td>
<td>4.44%</td>
</tr>
<tr>
<td>Membership Programs and Services:</td>
<td>Proposed 2002-03 Budget</td>
<td>Percentage of Total Operating Revenue/Exp.</td>
</tr>
<tr>
<td>----------------------------------------------------------------</td>
<td>-------------------------</td>
<td>-------------------------------------------</td>
</tr>
<tr>
<td>Public Affairs</td>
<td>1,859,000</td>
<td>0.44%</td>
</tr>
<tr>
<td>Branding, Broadcasting and Promotions</td>
<td>8,900,000</td>
<td>2.11%</td>
</tr>
<tr>
<td>Convention and seminars</td>
<td>975,000</td>
<td>0.23%</td>
</tr>
<tr>
<td>Education Outreach and Professional Development</td>
<td>2,784,000</td>
<td>0.66%</td>
</tr>
<tr>
<td>Liability insurance</td>
<td>3,110,000</td>
<td>0.74%</td>
</tr>
<tr>
<td>Officiating improvement programs</td>
<td>785,000</td>
<td>0.19%</td>
</tr>
<tr>
<td>Research</td>
<td>941,000</td>
<td>0.22%</td>
</tr>
<tr>
<td>Athletics certification and education</td>
<td>759,000</td>
<td>0.18%</td>
</tr>
<tr>
<td>Grants and other services</td>
<td>151,000</td>
<td>0.04%</td>
</tr>
<tr>
<td>Other Program Services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership services (Note 7)</td>
<td>4,181,000</td>
<td>0.99%</td>
</tr>
<tr>
<td>Enforcement Services and Basketball Certification (Note 7)</td>
<td>3,852,000</td>
<td>0.91%</td>
</tr>
<tr>
<td>Championships (Note 7)</td>
<td>4,349,500</td>
<td>1.03%</td>
</tr>
<tr>
<td>Education services (Note 7)</td>
<td>3,559,000</td>
<td>0.84%</td>
</tr>
</tbody>
</table>

Total Membership Programs and Services                         36,205,500       8.57%

TOTAL PROGRAM AND SERVICES                                      54,944,500       13.01%

LEGAL SERVICE AND CONTINGENCIES                                 7,000,000         1.66%

GOVERNANCE/COMMITTEES                                           4,032,000         0.95%
## The National Collegiate Athletic Association

### Proposed Budget for Fiscal Year Ended August 31, 2003

<table>
<thead>
<tr>
<th>Proposed 2002-03 Budget</th>
<th>Percentage of Total Operating Revenue/Exp.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSOCIATION-WIDE EXPENSES</strong></td>
<td></td>
</tr>
<tr>
<td><strong>ADMINISTRATIVE SERVICES:</strong></td>
<td></td>
</tr>
<tr>
<td>General and Administrative Expenses (Note 6)</td>
<td>11,016,000</td>
</tr>
<tr>
<td>Executive and governance staff (Note 7)</td>
<td>5,438,000</td>
</tr>
<tr>
<td>Public affairs (Note 7)</td>
<td>3,588,500</td>
</tr>
<tr>
<td>Finance and information services (Note 7)</td>
<td>4,135,000</td>
</tr>
<tr>
<td>Contingency-Administrative Services</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>TOTAL ADMINISTRATIVE SERVICES</strong></td>
<td>24,577,500</td>
</tr>
<tr>
<td>Division II and III Championships and Program Support</td>
<td>(778,000)</td>
</tr>
<tr>
<td><strong>TOTAL ASSOCIATION-WIDE EXPENSES</strong></td>
<td>89,776,000</td>
</tr>
<tr>
<td>Unallocated Funds</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL NCAA OPERATING EXPENSES</strong></td>
<td>419,033,000</td>
</tr>
<tr>
<td>NCAA Presidential Transition Reserve</td>
<td>600,000</td>
</tr>
<tr>
<td>Association-Wide Reserve (Note 3)</td>
<td>2,300,000</td>
</tr>
<tr>
<td>Repair and replacement reserve</td>
<td>300,000</td>
</tr>
<tr>
<td>Funded Operating/Furniture and Equipment Reserve</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>422,233,000</td>
</tr>
</tbody>
</table>

**Note 1:** Amount sent to institutions and conferences to subsidize student-athlete's grants-in-aid and sports programs.

**Note 2:** Distribution to student-athlete programs includes the academic enhancement fund, special assistance fund and student-athlete opportunity fund.

**Note 3:** The membership trust/association-wide reserve is money allocated by each respective Division for future use for that respective Division.

**Note 4:** Division II and III allocations are calculated at 4.37% and 3.18%, respectively, of NCAA operating revenue.

**Note 5:** 'Student-Athlete Welfare and Youth Programs and Services' does not include the distribution to student-athlete programs.

**Note 6:** General and administrative expenses include facilities costs, employee procurement, computer services, furniture and equipment, depreciation, and other general office expenses.

**Note 7:** Includes salaries, payroll taxes, pension contributions, insurance, travel & entertainment expenses, postage, telephone, printing and duplicating for each functional area.

LRM:ndw:7/30/02