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**Sent via email**

August 4, 2017

Mark Emmert  
President  
NCAA

Dear Mark,

We hope you have enjoyed a nice summer. This is to follow-up on a recommendation with special relevance to the NCAA that emerged from the Knight Commission's spring meeting.

The Commission met on April 30 and May 1 to discuss a number of topics and consider additional reforms to support and strengthen the educational mission of college sports.

As you know, over the years the Commission has promoted policies to enhance accuracy and transparency in athletics financial reporting. The Commission believes such efforts are critical both to the future health of college sports and to maintaining public trust that financial resources are being used to advance the mission of higher education.

During its meeting, the Commission discussed a recent change the NCAA made to its 2016 annual financial reporting form. The change moves the reporting of bonuses paid to football coaches for their teams' participation or success in postseason football games from the compensation category (Line 23) to a new reporting category called Bowl Expenses (Line 41). The change combines the reporting of such bonuses with dissimilar postseason football bowl game expenses that are strictly operational, like travel, awards, food, and unsold ticket expenses.

This change means that bonuses paid to athletics staff, including administrators and head and assistant football coaches, for postseason football success will be reported differently than the same type of bonuses paid to administrators and coaches for postseason success in all other sports—an outcome that the Commission believes weakens the goal of achieving greater accuracy and transparency in financial reporting.

We understand the rationale to create a separate category for postseason football bowl expenses like travel, awards and tickets. But we believe that compensation paid to football coaches and other staff related to a football team's postseason success should be reported in the compensation category, similar to the way such bonuses are reported for staff for postseason success in all other sports.

The bonuses provided to football coaches for postseason success are substantial and the reporting change could mask significant trends in financial compensation. As an example, four schools alone paid \$4.3 million in bonuses to their football coaches for their teams' participation in the 2016 College Football Playoff games.

The Commission recommends that the NCAA reverse this reporting change. Alternatively, an additional reporting line for postseason football success bonuses could be created so that these expenses are delineated from other postseason football bowl expenses.

We would welcome any additional conversation you and your staff may want to have with us about this matter. Scott Cowen chairs the Knight Commission subcommittee that considered this issue and we could schedule a conference call that involves this group if needed.

Thank you for considering this concern and suggestion. We look forward to hearing from you.

Sincerely,



Carol A. Cartwright  
Co-Chair



Arne Duncan  
Co-Chair

Cc: Knight Commission members  
Eric W. Kaler, chair, NCAA Board of Directors  
Kathleen McNeely, NCAA  
G.P. "Bud" Peterson, chair, NCAA Board of Governors