

REPORT OF THE
NCAA DIVISION III FINANCIAL AID COMMITTEE

INFORMATIONAL ITEMS.

1. **Financial Aid Reporting Process – Level I Reviews.** The committee reviewed 91 institutional financial aid reports based on the four percent variance threshold and three new filters. NCAA staff originally identified 118 institutions for Level I reviews but 27 Level I review cases that were solely triggered by the new sport-group filter were removed from a Level I review based on recommendation from an NCAA research consultant and NCAA research staff to further refine this filter before implementing it in future reporting years.

The committee forwarded 30 institutions to a Level II review, which must respond with written justifications to the committee. The committee accepted 38 institutional financial aid reports with conditions and 23 financial aid reports with no conditions.

2. **2006-07 Division III Financial Aid Reporting Process.** The committee reviewed the reporting process timeline and noted upcoming educational outreach sessions, including the Faculty Athletics Representatives Fall Forum in November 2006, the NCAA Regional Rules Seminars in May and June 2007, the National Association of Collegiate Directors of Athletics Convention in June 2007, the National Association of Student Financial Aid Administrators Convention in July 2007 and the National Association of College Admissions Counselors Convention in September 2007. The committee identified future points of emphasis for educating the Division III membership on financial aid including further explanation of the four-percent variance threshold and the new Level I review filters, the impact and role of NCAA enforcement services in the reporting process and the legislative prohibition against the consideration of athletics ability, participation or performance in leadership or extracurricular activities when determining financial aid packages.
3. **Update on 2005-06 Case Reviews and Role of Enforcement.** The committee determined that seven of the 25 institutions originally forwarded to enforcement were in compliance with Division III financial aid legislation on receipt of additional clarifying institutional-packaging policy information. The committee requested that any institution required by NCAA enforcement services to revise its institutional financial aid packaging policy provide a copy of the revised policy to NCAA enforcement services and for the Financial Aid Committee's review, on request. The committee also recommended that the NCAA enforcement services establish a deadline prior to the start of the subsequent reporting-process cycle for institutions to satisfy all enforcement penalties and corrective actions for financial aid violations originating from the previous reporting-process cycle.

4. **Guidance to Institutions Submitting Level II Written Justifications.** The committee discussed how to better articulate expectations for Level II review responses. The committee noted that a Level II review template is being provided to all institutions under a Level II review. The template outlines several standard questions for institutions to answer as it produces its Level II review written justification for financial aid variance. In addition to the questions in the template, the NCAA staff will also forward specific questions identified by the committee for institutional response. Finally, the committee recommended that the NCAA staff continue to consult institutional staff members working on its institution's Level II written justification by providing, as necessary, sample written justifications that clearly and thoroughly articulate answers to committee questions from the 2005-06 Level II review as an additional reference for institutions producing their Level II written justification for the 2006-07 Level II review.

5. **Committee Communication to Division III Membership.** The committee reviewed a draft memorandum outlining the confidentiality policies in place for the reporting process and the implications for institutions of sharing their financial aid variance and final detailed report with other institutions. The committee recommended that communication be made in spring 2007. The committee also recommended that a communication be made before January 2007 to Division III admissions directors and financial aid directors to ensure institutional representatives overseeing admission and financial aid packaging decisions are reminded that athletics ability, participation or performance may be considered in admission decisions but may not be considered for financial aid packaging decisions.

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