




A Review of the NCAA's Business Model, Amateurism, and Paying the Players

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ABSTRACT

This paper presents an overview of five topics related to the NCAA as a sport governing body. These topics include (a) the NCAA as an organization, (b) NCAA revenue generation and distribution, (c) amateurism, (d) policy formation and adoption, (e) and key issues with pay-for-play. For each topic, this paper presents an overview as well as a reason for selecting the topic. Further, this paper presents information about the importance of each topic related to the NCAA as a sport governing body, plus any relevant social, ethical, or legal concerns.

Keywords: NCAA, amateurism, NCAA revenue distribution, pay-for-play, NCAA Revenue

INTRODUCTION

It's no secret that the National Collegiate Athletic Association (NCAA) has always been under fire for the way that it governs the institutions and players that participate in its events. Many would argue that the NCAA exploits the student-athletes through stringent rules and regulations that only allow the athlete to receive a certain, limited financial benefit in the form of scholarships, prevents the ability to play professional sports, except in under very specific conditions, and also doesn't allow the institution to give the athletes any additional funding. Also, the student is not allowed to earn money as an athlete while a player under the NCAA's governing structure. The NCAA would argue the need for amateurism and the importance of stressing the educational focus on the way in which it governs the participating institutions, but there is big money in college sports, and very little actually goes to the ones responsible for generating that revenue, the student athletes.

There is the point of view that the institutions are making big money within the NCAA, but realistically, most of them are at a loss of revenue. The Division I level institutions that win the big tournaments and games are the ones who reap the most benefit, and are most likely to have a positive net profit at the end of the fiscal year. It's also not easy to reform the NCAA's regulations without running into some legal issues. This paper presents an overview of the following topics: (1) the NCAA as an organization and its purpose, (2) how the NCAA generates revenue and distributes this revenue to participating institutions, (3) the amateurism model of the NCAA and its reason for existing, (4) policy formation and adoption in relation to pay-for-play, and (5) key issues and problems that result from the current amateurism regulations, in addition to the problem with considering any proposal allowing for athletes to receive remuneration.

REVIEW OF THE LITERATURE

NCAA as an Organization

The NCAA is a member-led organization dedicated to the well-being and lifelong success of college athletes (18). Further, it is a non-profit association, which regulates athletes of 1,281 institutions, conferences, organizations, and individuals, and it also organizes the athletic programs of many colleges and universities in the United States and Canada, and helps over 450,000 student-athletes who compete annually in college sports (11, 1). The organization itself is located in Indianapolis, Indiana. The NCAA is considered to be the dominant organization governing college sports today in the United States, and while there are other organizations like the National Association of Intercollegiate Athletics (NAIA), the NCAA has been the most prominent (15).

One of the key distinctions between the collegiate athletics and professional athletics is the role of profit, and college sports are focused on more than just profit. Collegiate athletics focuses on interests such as student morale, campus public relations, institutional profile, fundraising, and student physical fitness (15). A misconception many often have about the NCAA when thinking about collegiate sports, is the governing structure of the organization. Essentially, it is not a large organization that dictates what occurs in the governance of collegiate sports, but rather the NCAA is governed by its over 1,200 member institutions.

The NCAA is divided into three divisions, which consist of Division I, II, and III. In 2008-2009,

330 institutions were competing in the Division I subdivisions: 119 in the Football Bowl Subdivision, 118 in the Football Championship Subdivision, and 93 in the Division I without Football Subdivision (15). The Division II level had 282 institutions, and Division III had 422 institutions. It is these institutions that decide how collegiate sports will operate via the numerous representative paths in the NCAA. Further, governing rules range from eligibility to the operation of championships, and the rules and regulations of the NCAA are set forth in the organization's constitution and bylaws, which are available in the NCAA Manual (15).

NCAA Revenue Generation and Distribution

As previously stated, the NCAA divides colleges and universities into three divisions according to the depth of their financial commitment. The top group is Division I, which is subdivided into I-A and II-A for football, and then there is Division II and III, which are low-cost activities (13). The primary asset of the NCAA is the Division I men's basketball tournament, with a budget of \$661 million in the 2008-2009 season, and nearly 90% of this was generated by the NCAA's previous 11-year, \$6.2 billion-dollar contract with CBS to broadcast what has become widely known as "March Madness" (15). The NCAA replaced the last 3 years of this deal with a 14-year, \$10.8 billion contract with CBS and Turner through 2024, which will provide the NCAA with an average of \$771 million per year (15).

The NCAA cedes its marketing rights to CBS, which sells the sponsorships, and top-level NCAA sponsors pay a reported \$35 million annually, with second-tier sponsors paying \$10-12 million annually. Further, another 6% was earned in ticket sales for the tournament (15). The NCAA does not control the revenues associated with the Division I-A football post-season, even though the revenue potential seems to be much greater than that of basketball.

Individual conferences and schools negotiate separate broadcast agreements for regular-season football; a separate coalition of top conferences and Notre Dame control the post-season through the Bowl Championship Series (BCS), and all other post-season games are controlled by the promoters of the various independent bowl games that have entered into individual agreements with broadcast networks and cable channels (15). The NCAA distributes the majority of its revenues to the members of Division I through various mechanisms, with these distributions totaling \$387.2 million of the NCAA's expenses in 2008-2009. Further, another \$49.9 million of the NCAA's revenues were distributed to the members of Divisions II and III as mandated by the NCAA constitution (15).

Bergman (2) would argue that the revenues received by colleges and universities seldom generate a profit, and often drains the institution of profits because of the amount of money being spent to build the best teams and win tournaments. Further, she argues that the need to win these NCAA tournaments puts a drain on non-athletic resources to support the athletic department's goals, and also that when the athletic department is profitable, it doesn't seem to support the academic side of the institution. There are many arguments that can be made towards the NCAA, but it would seem that the NCAA benefits the most by exploiting college institutions and athletes. Institutions can be profitable under the NCAA, but only when they are a winning team, and even then, depending on what division they are in and the expenditures by the athletic department, it may not be profitable (8).

For the NCAA, institutions are capable of making profits from participating in the NCAA, but this is mostly if they are a winning team in the Division I area because this is where a lot of the revenue distribution is concerned. Also, institutions can make money by getting money from students through fees, athletic shops, and gate sales. The question for an institution is really about how much the school is spending on upgrading the athletic program, and whether or not profits from the athletic program outweigh expenditures.

Amateurism

According to Shropshire (16), there is a common misperception that the foundation of collegiate amateurism had its origination in the Olympic model of the ancient Greeks. The “myth” of ancient amateurism held that there was some society, presumably the Greeks, that took part in a sport solely for the associated glory while receiving no compensation for either participating or winning (16). However, it is argued that there is no mention of amateurism in Greek sources, and no reference to amateur athletes, and no reference that the term even existed in antiquity (16). Further, it would appear that the myth was perpetuated by scholars who would apparently have a direct benefit from the implementation of such a system.

In 1866, the Amateur Athletic Club of England published a definition of the term “amateur”, and although the term had been in use for many years, this may have potentially been the first official definition of the word (16). Further, at this time, the idea of amateurism was that people who competed for money were of questionable character, and that those of the working class were not allowed to compete in amateur sports because the workers had an unfair advantage in that working helped them to develop muscles, giving them an unfair advantage. Further, it was idealized that if an amateur athlete were to lose to a laborer, he would lose his status in society. This led to the development of the “mechanics clause”, which is the belief that the use of muscles as part of one’s employment offered an unfair competitive advantage (16). The NCAA essentially evolved from these antiquated rules of keeping amateur sports based on the ability and social position of an athlete, and not on money.

The issue, which confronts amateurism in the U.S. today, is based on the presumption that a college competes purely at an amateur level and will lose prestige and revenue as it loses contests (16). Further, open acknowledgment of the adoption of professionalism would result in a loss of respectability for the university as a bastion for academia (16). Therefore, the resolution to this dilemma has been for institutions to claim amateurism, but operate under a professional mode of operation. Initially, many institutions ignored the first eligibility code by the NCAA, which stated that students only need to be full-time and not paid for play. This caused the NCAA to further define its views of amateurism and implement the formal adoption of the Amateur Code in the NCAA constitution, which is to incorporate the definition and principles of the amateur spirit, and to “widen the scope of government” (16).

It can be stated that the NCAA sought to strengthen its governing power over amateurism by the slow integration and adoption of more rules and regulations. This has always been an issue within the NCAA, wherein people have sought to advocate change within in the Constitution and Bylaws, wherein athletes receive compensation beyond the weak

scholarships they are given, in the form of stipends or pay-for-play (15). Some would argue that most of the regulatory activity in the NCAA engages in is illegal (6). For example, actions such as the establishment of limits on the type and amount of financial aid appear to be price-fixing. However, the Supreme Court has recognized that under certain circumstance, the NCAA is allowed to take such actions (6).

So what is the reason for not paying the athletes? Wouldn't it make sense to pay them what they are worth, or even to the level of their marginal revenue product (MRP) within a similar model of the professional leagues? Well, the NCAA believes that amateur athletics are an integral part of the educational experience, and that professionalizing the programs would destroy this concept of the student-athlete (6). Further, while some coaches would support the notion of paying their athletes, they state that they already struggle to profit from their current athletic programs under the current amateurism model, so paying the athletes would potentially further strain the athletics budget, especially if it's not profitable (6). One could argue that many Division I schools can absorb the costs of paying athletes if it cut certain unnecessary costs on existing programs and on extravagance.

Policy Formation and Adoption

In the NCAA, the amateurism policy is Article 12 of the NCAA Division I Manual, and under Article 12 in Sub-article 12.2.5 Contracts and Compensation (See Appendix A), it states that any individual is ineligible for participation in intercollegiate athletics if he or she has entered into an agreement to compete in professional sports either in writing or orally (10). The exception to this rule is sub sub-article 12.2.5.1 Exception – Before Initial Fulltime Collegiate Enrollment – Sports Other Than Men's Ice Hockey and Skiing (See Appendix A), which states that an individual may participate in professional sports other than men's ice hockey or skiing as long as the agreement was made before full-time collegiate enrollment and the individual is not paid for participation in excess of the cost to participate (10).

Further, in sub sub-article 12.2.5.2 Nonbinding Agreement (See Appendix A), if an individual signs a contract of commitment to a professional team that is not binding until a rep from the professional team signs it or an agent signs is also ineligible, even if they never sign the contract (10). This policy of contracts and compensation under the amateurism policy can be considered a conditional form of policy because for an individual to be eligible, he or she must follow the conditions set forth by this policy on amateurism, which states that individuals may not participate in intercollegiate athletics unless certain conditions are met and followed. In this case, the condition is that an individual has not made any agreements to compete in professional athletics, and assuming that the exceptions stated are not relevant to the particular case.

The systems model of policy-making, developed by Easton, consists of 4 components, which take place in a structural, social, political, and economic environment. This environment affects all parts of the system. The first part of the system is the input, and the inputs to the policy-making system are the demands placed on the system to do something about a problem. With the inputs, the political system translates them into outputs, and the structural, social, political, and economic environments influence political and policy-making activities. The results of

translating the inputs are the outputs, which consist of laws, regulations, and decisions. Key to the common definition of public policy as being what the government chooses to do or not to do is the idea of a decision. In policy making, someone or some institution in the policy process has to make a decision. The decisions are what laws to enact and regulations to apply to public and private programs. Based on the feedback received from these outputs, there will either be new inputs to translate, or the policy makers will choose to evaluate the program after overseeing it to make sure it is reaching its goals, and if it isn't, policy makers will make changes and make new outputs.

The stages model of policy making is very similar to the systems model, except that it is broken down into more parts. The Stages Model of policy-making is a step-by-step process of policy making, which starts at the beginning and ends at the end, unlike the systems model, which goes make to inputs or policy makers. The stages of the stage model begin with issues emergence, then agenda setting, then alternative selection, enactment, implementation, and then evaluation. After evaluation, the process of the stages model loops back to the beginning to issue emergence. Like the systems model, there is an issue or input, which is translated (agenda setting and alternative selection, then outputted (enactment, implementation), and then evaluated (feedback). The difference is that instead of going back to the policy makers, it goes back to issue emergence.

Decision-making consists of a judgment, which is a choice between alternatives. Sport managers use their judgment to make a decision about whether to hire or fire employees, to add new programs, to sell off a division that is losing money, or trade a player. Decisions a manager makes can be divided into two categories, programmed and non-programmed decisions. Programmed decisions are repetitive and routine, and are made on the basis of clearly defined policies and procedures and a manager's past experience. Non-programmed decisions are new and unique, which have no established guidelines or procedures as to the way these decisions should be made.

One model of decision-making, which will be used to compare to policy-making models is the rational model. The Rational Model is a linear step-by-step analysis of the problem situation and the identification of solutions. This is a model of the way decisions should be made and not necessarily the way they are made. The first stage of the rational model consists of monitoring the decision environment, which is when the sport manager is scanning an organization for deviations from the expected norm. Next, the problem is defined about which a decision is needed to be made, the problem is diagnosed, alternatives are identified, the alternatives are analyzed, the best alternatives are selected, then implemented, and then the decisions are evaluated.

The difference between decision-making and policy making are that in decision-making the sport manager looks for problems with which to identify and then addresses the problem according through a process much like the stages model of policy making. Also, much like the stages model of policy making, the decisions are implemented, then evaluated. Another difference between policy-making and rational decision-making process is that in the rational model, managers are likely to neglect the outcome of decisions because they don't like to find

that they made a wrong decision (3).

An example of policy-making in sport management is when UCONN's Shabazz Napier recently told reporters he sometimes goes to bed "starving" because he can't afford food, despite that UCONN's student-athlete guidelines include provisions for meal plans (5). After this incident, Rep. Matthew Lesser said he and other state lawmakers are considering legislation (5). Further, Napier added said that he's going to bed hungry when millions of dollars are being made off of him (5). Lesser stated that it was a problem with the NCAA because he wanted to make sure he was putting pressure on them (5). Due to the pressure the NCAA was receiving because of the statements made by Napier, the NCAA legislative council wasted no time in changing the meal plan policy from 3 meals a day to unlimited (17). This is an example of policy making in sports management in which there was an input, which was translated, and then an output. The input was the issue of athletes starving, the translation was the NCAA Legislative Council's probing of the issue, and the output was their decision to change the then current policy.

Key Issues with Pay-for-Play

For quite a while, there has been an issue with the NCAA and the perception that it is making a lot of money off of student-athletes, but only giving out nominal distributions in return for the profits made off of them. Further, the symptoms of the issue seem to be exacerbated by the fact that the NCAA creates strict guidelines in regards to the way the student-athlete is governed while on an amateur sports team within the NCAA. The pay-for-play advocates in collegiate sports seem to be under the impression that athletes who demonstrate success to an institution are entitled to revenue for their efforts (4). The understanding of the NCAA and other adversaries of the pay-for-play realized this notion would restructure the mission statement of the student-athlete and threaten what college athletics is all about, education (4).

According to Forik (4), a common misconception found in research was that athletic departments generate a substantial amount of money as departments were often times operating at a loss, and educating advocates would ultimately help them comprehend that this was an inadequate, unattainable proposal and would eradicate the majority, if not all, collegiate sports (4). Essentially, to move forward with this concept would bring liability issues and contribute further to the already decreasing economic concerns of athletic departments (4). There have been proposals presented by different scholars and sport management professionals to the NCAA, which offer some different perspectives and ideas for giving college athletes some sort of remuneration for their services as an athlete.

Goplerud (6) presents one such proposal wherein he states the NCAA should develop legislation providing for stipends for athletes in major revenue-producing sports at the Division I level, and the stipends should be made available to men in football and basketball and women in basketball, volleyball, and other sports in sufficient numbers to satisfy gender requirements. The exact amount of the stipend to the individual athlete would be within the discretion of the individual school, and the student-athletes would have a salary cap of \$300 a month per scholarship athlete, with half of the money going into a trust fund to be paid to those athletes receiving degrees within five years of matriculation. Some other aspects of this

proposal would be that student-athletes could work during the semester and would not have a cap on their earnings. Also, the school could decide to pay less than the cap or not pay a stipend at all to the student-athletes.

Some issues with accepting a proposal such as the one aforementioned, are worker's compensation, gender equity, labor law, and taxation issues. If a proposal like this were to be adopted, then it is probable that in most jurisdictions the athletes receiving stipends would then be covered by the workers compensation laws of those states, and coverage brings with it legal and financial considerations for the athletic departments impacted (6,4). Further, when considering gender equity, schools providing stipends under the proposal would have to provide the stipends for a proportionate number of women athletes, and any disparities would cause legal issues and subject the school to sanctions under law (6).

Another issue arising from a stipend proposal is the question of whether the athletes would be considered employees of the National Labor Relations Act, and if the court were to approve this notion, then a whole host of major problems could face the NCAA's amateurism model. Lastly, there is the issue of taxation in relation to a proposal to allow for student-athletes to receive stipends. Currently, athletic scholarships are not taxable to the athlete, and if the stipend were added, then it is probable that at least a portion of the scholarship would constitute taxable income to the student-athlete (5). This would further add the burden of withholding for income tax as well as social security and Medicare, and it might further provide fuel for those who advocate the general removal of tax-exempt status of collegiate athletics.

As one can see, allowing for student athletes to get pay-for-play would threaten the amateurism model of the NCAA, but also create a whole host of other legal issues for the NCAA as well as the institution. Some would argue that the loss of collegiate sports in relation to amateurism wouldn't matter because of the money generated to the institutions and the effects of paying the players would outweigh the "benefits" given by the NCAA. In other words, if an athlete is being paid what they are worth, does it really matter if the institution is considered a supporter of amateurism? Goplerud (6) suggests that amateurism is not the reason most fans watch collegiate sports, but that loyalties to educational institutions and to tradition are very important.

With all of the aforementioned data, one could presumably argue the NCAA acts as nothing more than an intermediary between institutions, wherein it controls the distribution of funds to institutions and also to the athletes, while restricting the athlete's ability to make money from outside sources (9, 14, 7). This is arguably exploitation of student-athletes, where in previously mentioned instances, student athletes are not even able to feed themselves at night due to the lack of financial support from institutions due to NCAA restrictions. Further, if a coach attempts to pay the athletes by some other means, he or she can be fined (12).

Essentially, one could argue that the NCAA should not have the power to influence the governance of collegiate athletics, and especially the athletes' ability to make money from outside sources during their tenure as student-athlete. This is exploitation and unethical, and while the notion of given importance to the value of education is a good gesture and also the

mission and meaning of the NCAA, it would appear that it is worried a lot more about keeping the student athlete focused on “school”, but more importantly, on playing college sports, so that it has a profitable player to make money off of through broadcast rights.

SUMMARY

It was discussed how the NCAA is a non-profit governing body of collegiate athletics throughout the United States and Canada. Its primary focus is to maintain the focus of collegiate athletics on giving student athletes an opportunity to receive an education while also developing as an athlete. The NCAA is considered to be the dominant collegiate sports governing body, and it is divided into three divisions which consist of Divisions I, II, and III. Many believe that the NCAA governs what happens within collegiate sports, but the truth is the member institutions deliberate on how collegiate sports will operate, and this is done through various representative paths. Lastly, the scope of the NCAA range from regulating rules of eligibility to the operation of championships, and these rules and regulations can be found with the NCAA Manual.

While the NCAA is a non-profit organization, it generates quite a substantial revenue through contracts with CBS in the millions of dollars annually to cede its marketing rights. These revenues are split between institutions in scholarships and revenue distribution, but the revenue distribution is greater for those institutions that are in the top level of Division I athletics. It is mainly the winning teams that truly benefit from the revenue distribution of the NCAA because these winning teams receive a greater piece of the pie. Many think that institutions generate a lot of profit through collegiate athletics, but the truth is that many institutions athletics departments fail to generate a profit, and this is because so much money goes towards developing a winning team. That being said, one has to wonder how that affects the focus of education when educational funding suffers from athletic spending in many cases.

It seems as though the NCAA is exploiting its players through the notion of amateurism. While amateurism has been around for quite a long time, the notion that amateurism maintains the educational foundation within college athletics seems to be losing ground. The NCAA is focused on education as it states, but when athletes are struggling to survive, and in some cases, going to bed starving, one has to wonder how focused the NCAA truly is on the student and his or her education. With all of the money generated through the college athletes in the performance of their respective sport, it would make sense that these athletes would receive all necessary funding for attending college, not just college tuition. Further, to restrict the rights of athletes to play professional sports (except under certain conditions) or to profit from their athletic position seems rather unethical, especially since the NCAA and the institution stand to benefit from the performance of the college athlete.

The pay-for-subject is not likely to ever go away in regards to the NCAA and how it supports its student athletes. It is likely that amateurism would either disappear altogether, or funding for the athletes would have to be pulled from somewhere else, and with a lot of athletic programs at institutions operating at a loss due to the overwhelming financial strain of trying to win tournaments, it is not likely to come from the institution. Further, the NCAA claims that the majority of its revenue generated is given back to schools in the form of scholarships, other

programs, and also through revenue distribution to participating institutions that win games. That being said, if an institution isn't in the Division I level, and also doesn't win, the benefit of being a part of the NCAA is very little if any. Realistically, the NCAA stands to profit more from the control and oppression of its student athletes through stringent regulations and rules. If the NCAA doesn't find a way to deliver a better benefit to the student athlete while also incorporating the importance of education, it is likely to continue facing ethical, moral, and legal issues.

RECOMMENDATION

A great deal of research has been conducted and review articles have been written to investigate the pay-for-play topic, and also to investigate the perceived benefits of being a student athlete at an institution that participates within the NCAA governing structure. Further research could look into the more detailed financial breakdown of the benefit of participating in the NCAA as an institution versus the cost of trying to win games as a member institution in the NCAA. One may find that it is not so profitable to participate in the NCAA and actually causes an institution to lose money. There are certain review articles that mention this topic, but no research in a detailed financial breakdown amongst institutions to evaluate the benefit versus the cost in a quantitative and qualitative fashion.

Recommendations for the NCAA are to seriously consider either allowing institutions to pay the players at least as far as living expenses and perhaps spending money is concerned, and also it should look at increasing the scholarship benefit to student athletes so that the institutions do not have to bear the financial burden. The NCAA is seen as a cartel and that is not the public image one wants to portray to the public when the public is one's greatest revenue generator, but it can be seriously argued that the NCAA has been around for so long and has such a stronghold on collegiate athletics, it is not likely that anyone could strongly influence or cause a major change in the amateurism structure of the NCAA. Furthermore, the NCAA needs to seriously consider allowing students to receive product or brand sponsorships much in the same way as professional athletes. The NCAA doesn't stand to lose any money from this, and as long as the student athlete is doing well in school, he or she should be allowed to grow his or her career and benefit from the success resulting from being a stellar student-athlete.

CONCLUSION

From the discussion, one can see there are quite a few dilemmas present within the NCAA and how it exploits the student athlete, but on the other hand, one could argue that the NCAA provides a situation wherein the student-athlete is able to participate in a higher level of sports while also receiving an education. The weakness in the latter argument is the fact that student athletes are generally trained strenuously 12 months out of the year, generate revenue for not only the NCAA, but also the institution for which they are playing. That being said, one has to wonder of the pressure put on athletes to perform and the long training schedules are worth the little financial benefit (scholarships). The institution itself stands to do quite well if it can get a strong team on the court or in the field.

There are also other issues within the NCAA in regards to proposals for stipends or pay-for-

play. That is the issue of worker's compensation, labor laws, gender equity, and also taxation. When one starts paying the players based on their success, they potentially become an employee, unless of course the money is given in the form of a scholarship, but if they are paid a salary, then one could successfully argue that the player becomes an employee. This would open up a whole host of other issues for the NCAA, and so it is quite reasonable for the NCAA to consider reforming the way it distributes funds, but also allows the player to reap the benefits of their own success. One such way is to allow players to be paid for sponsoring products or brands, and another way is through better scholarships for student-athletes, but especially student-athletes in top performing institutions. As long as the student-athlete is maintaining the grade, he or she should be allowed to have more benefits like those in the professional league, just without the salary from the school or NCAA.

APPLICATIONS IN SPORT

The NCAA has received a lot of criticism for its role as a governing body of amateur athletics due to its policies and procedures, and the effects they can have on the student athlete's well-being. However, it is important for the public to be aware of the true mechanics of how the NCAA functions so they can have an accurate picture. This can only be done if the NCAA is transparent about revenue generation and distribution. If the NCAA shows institutions, athletes, and the public alike where the money is going, how could one truly argue that the NCAA is responsible for the accusations made against them? It's important for anyone who is for or against amateurism to have a firm grasp on what it is and how it functions. Once one is fully aware, then one can make an informed decision on whether to advocate for or against amateurism and pay-for-play.

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Appendix A – Article 12, Sub-article 12.2.5

12.2.5 Contracts and Compensation. An individual shall be ineligible for participation in an intercollegiate sport if he or she has entered into any kind of agreement to compete in professional athletics, either orally or in writing, regardless of the legal enforceability of that agreement. (Revised: 1/10/92)

12.2.5.1 Exception—Before Initial Full-Time Collegiate Enrollment—Sports Other Than Men’s Ice Hockey and Skiing. In sports other than men’s ice hockey and skiing, before initial full-time collegiate enrollment, an individual may enter into an agreement to compete on a professional team (per Bylaw 12.02.8), provided the agreement does not guarantee or promise payment (at any time) in excess of actual and necessary expenses to participate on the team. (Adopted: 4/29/10 effective 8/1/10; applicable to student-athletes who initially enroll full time in a collegiate institution on or after 8/1/10)

12.2.5.2 Nonbinding Agreement. An individual who signs a contract or commitment that does not become binding until the professional organization’s representative or agent also signs the document is ineligible, even if the contract remains unsigned by the other parties until after the student-athlete’s eligibility is exhausted.