

# Mountain West Update

July 2024

New World, New Revenue



# House Settlement

Key Points gleaned from Media Reports



# Overview

- Appx \$2.8 billion total
  - *House, Carter & Hubbard*
- Payable over a 10-year period, beginning in FY 2025
- Payments will be spread across NCAA and all DI conferences in the form of distribution reductions



# Tentative Timing (all dates approximate estimates)

- Finalize Long-Form Agreement: ≤45 days from now
- Preliminary Approval: 30-60 days later
- Class Notice: 90-120 days later
- Final Approval: Likely sometime in early 2025

# Scope of Resolution

- Resolution would encompass multiple cases
  - *House (NIL), Hubbard (Alston back-pay), and Carter (pay-for-play/revenue sharing, broadened to cover all sports and all DI institutions)*
- Settlement would encompass all forward-looking antitrust claims re: compensation for at least 10 years, and extinguish significant backwards-looking damages liability



# Releases

- All forward-looking claims for at least 10 years against the NCAA, all DI Conferences, and all DI institutions
- For all claims regarding:
  - (1) Monies and benefits that may be provided to student-athletes (by NCAA, Conferences, or DI institutions), and
  - (2) NCAA roster and scholarship limits



# Direct Institutional Payments

- NCAA rules will permit direct payments to student-athletes up to aggregate amounts set by injunctive settlement (“the Pool”)
- Institutions will have discretion on whether and how much to spend up to the Pool amounts, and how to label and disburse payments.



# Third-Party Payments

- Settlement precludes NCAA rules restricting third-party NIL (e.g., brand endorsements)
- Boosters may not enter into NIL licenses with student-athletes unless booster can show:
  - Valid business purpose
  - Compensation similar to that for non-athletes



# Mandatory Student-Athlete Reporting

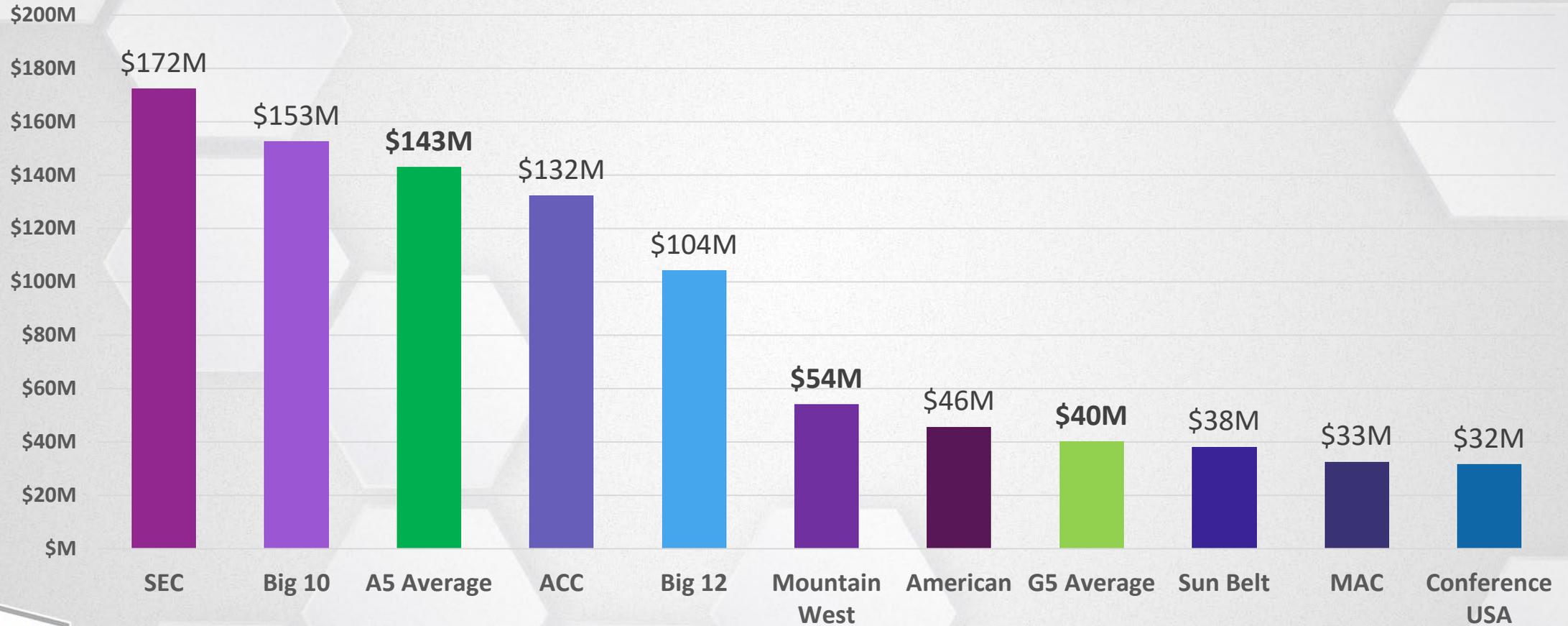
- All student-athletes must report to their school any third-party NIL deal over a pre-determined amount
- Member institutions must then report those deals to person/entity TBD by NCAA and conferences
- Timing of reporting TBD



# Finance Overview



# Average Revenue Per Public Institution FY23 Average



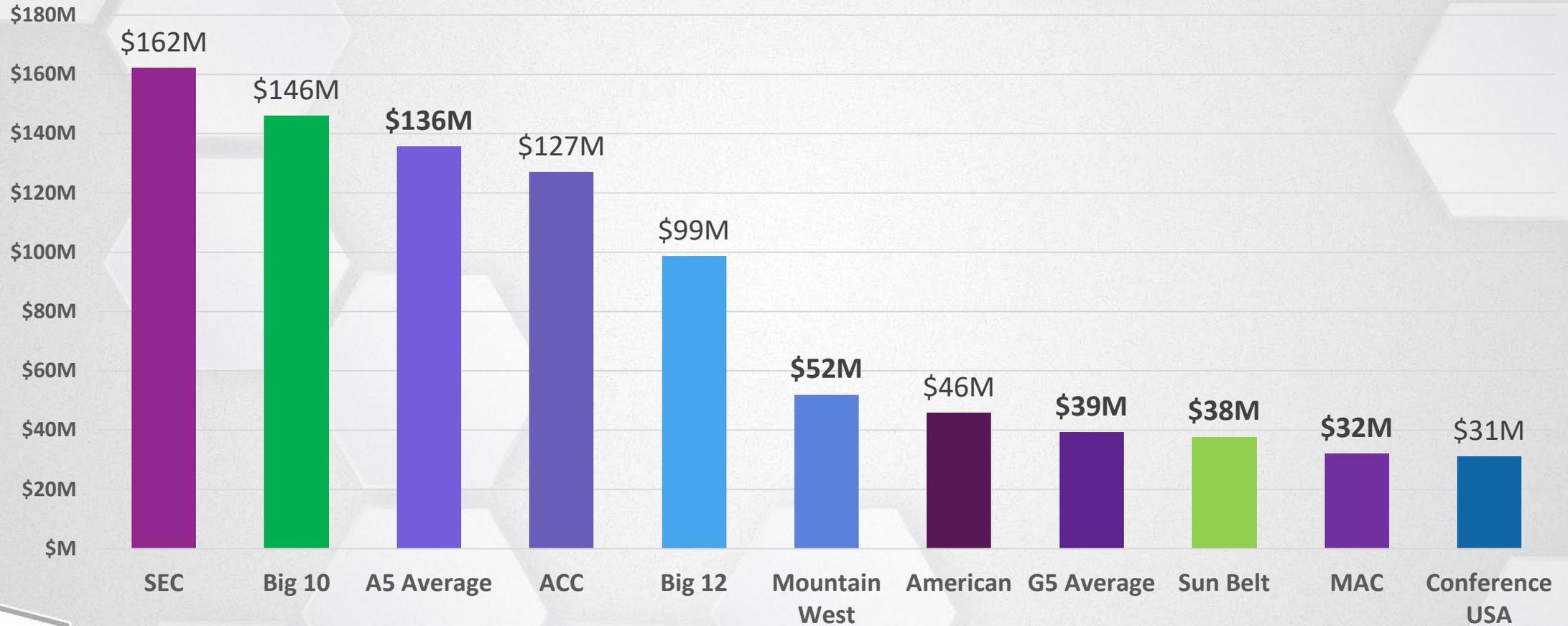
## Notes:

- Calculations based on future conference membership
- MW average includes all institutions

Source: USA Today



# Average Expense Per Public Institution FY23 Average



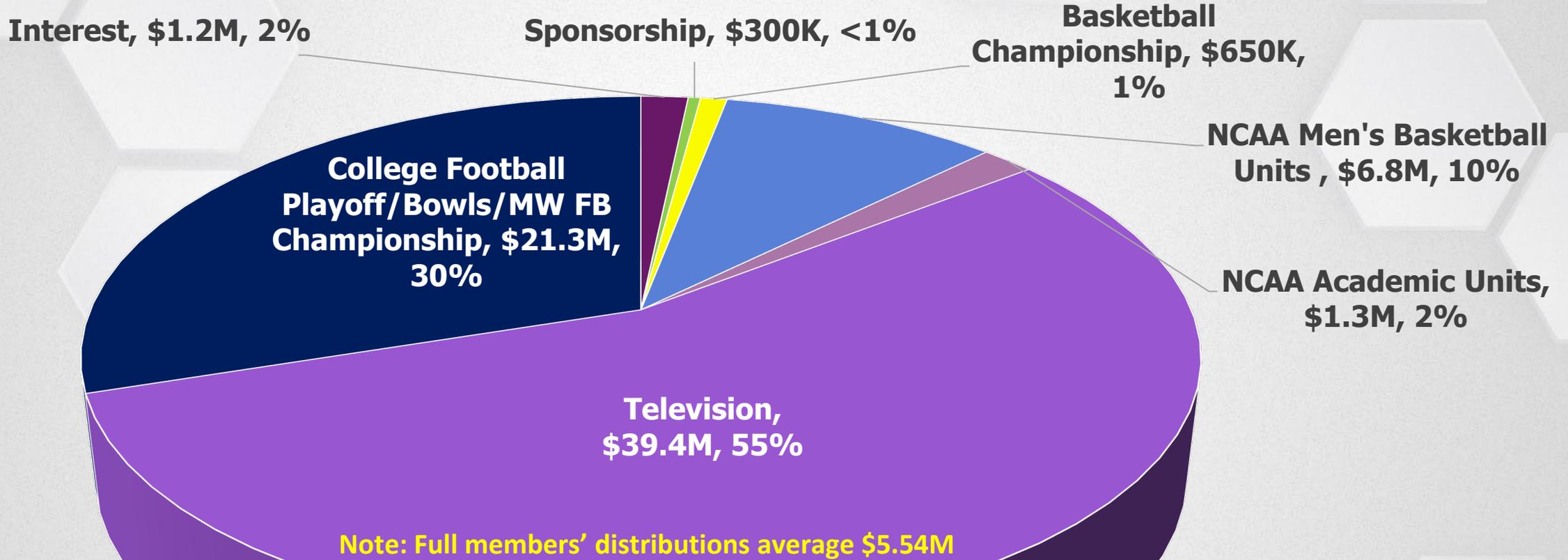
## Notes:

- Calculations based on future conference membership
- MW average includes all institutions

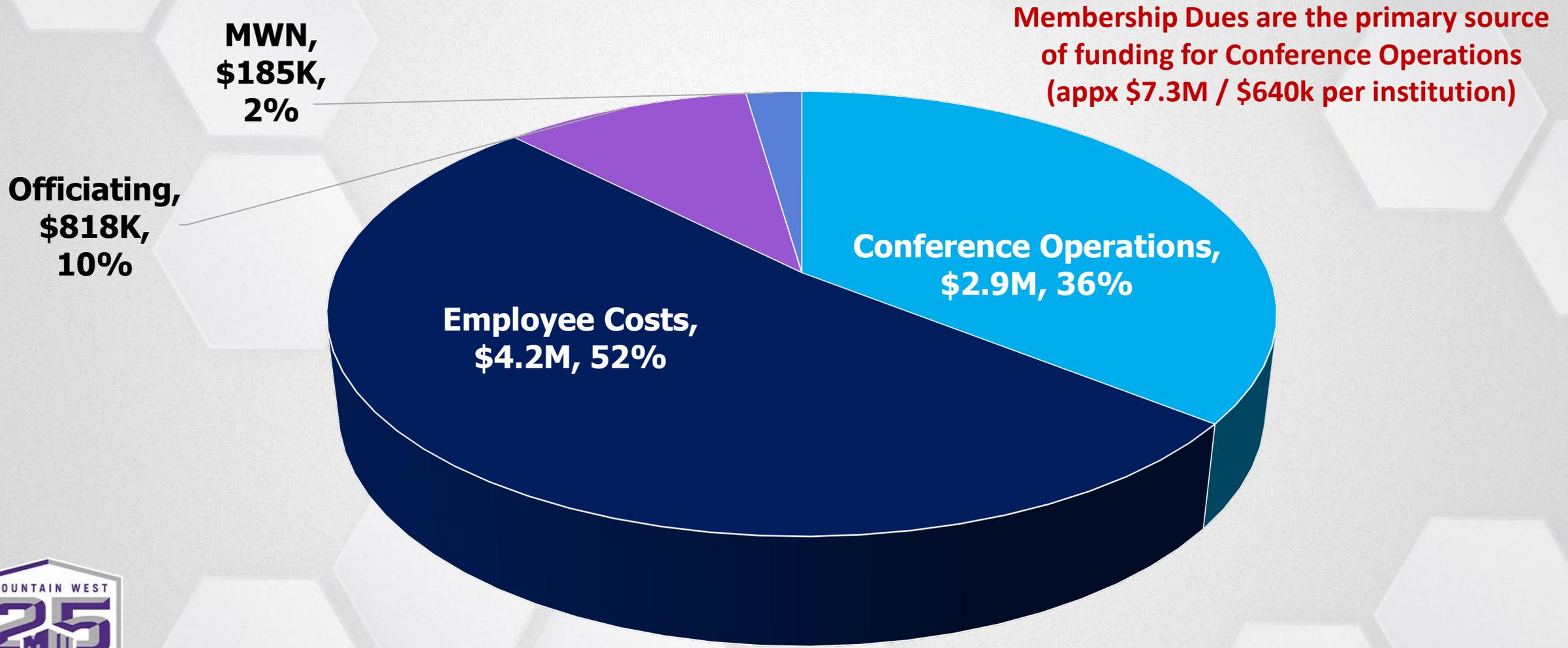
Source: USA Today



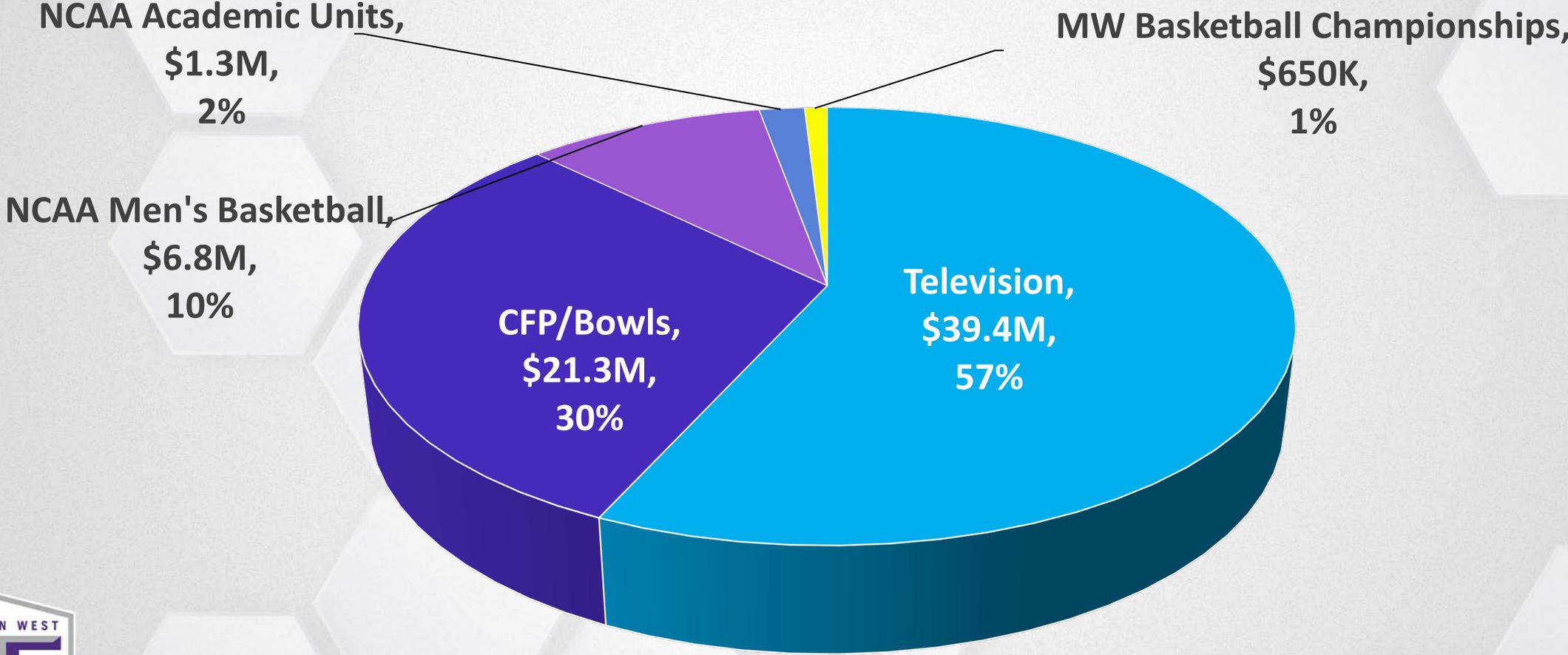
# MW Revenue FY24 (appx \$69M)



# MW Expenses FY24



# Six Sources of Distributable Revenue (FY24)



# Revenue Distribution

Current & Potential Future Model



# Distributable Revenue (appx \$69m)

## Equally (90%)

- ~\$62M.

## Performance-Based (10%)

- ~\$7.5M.
  - 1.CFP/Bowl.
  - 2.Media Rights.
  - 3.CFP Participant Bonus.
  - 4.NCAA Men's Basketball.
  - 5.NCAA Academic Units.
  - 6.Bonuses for MW FB & BKB Championships.



# Current Performance-Based Distributions

## CFP/Bowl

- **\$24M**
- Expense Reimbursement for participating teams (~\$4M for FY24).
- **Remainder split equally among football institutions.**

## Media Rights

- **\$39M**
- BSU - \$1.8M per membership contract.
- Hawaii - 80% of difference between a full membership share & local media rights agreement (\$400-500K).
- **Remainder (\$36m) split equally among football institutions.**

## CFP Participant Bonus

- **\$6M**
- If MW team qualifies.
- \$2M to team for expenses.
- \$2M to team as bonus.
- **Remaining \$2M split equally among football institutions.**

## NCAA Men's Basketball

- **\$6.8M**
- Bonus to participating team.
- \$50K First Four.
- \$100K 1/2 round.
- \$150K Regional.
- \$250K Final Four.
- **Remainder Split Equally among 11 full.**

## NCAA Academic Units

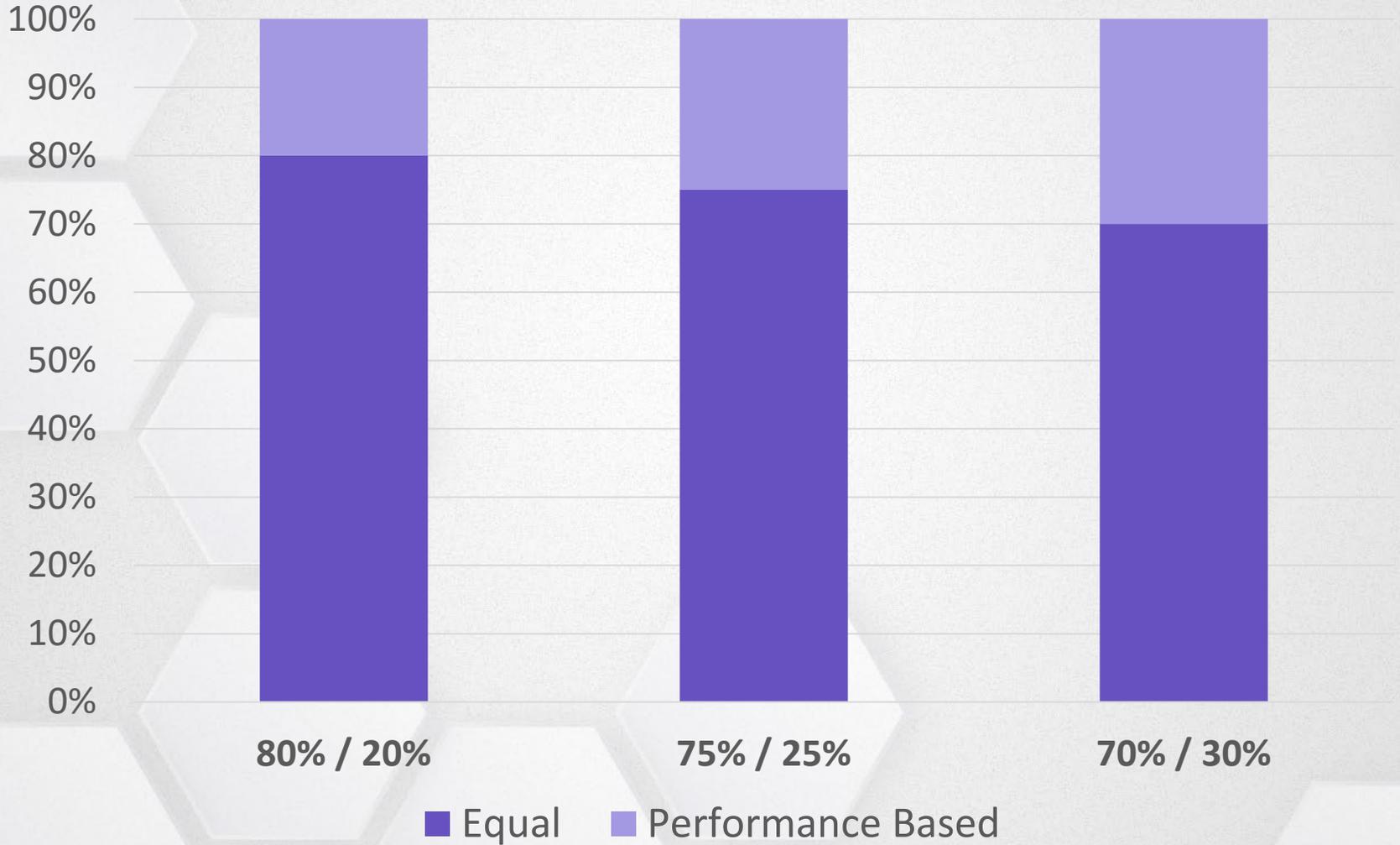
- **\$1.2M**
- 50% equally among schools that earned the units.
- **50% equally among 11 full members.**

## MW FB & BKB Champions

- **\$1M**
- Honorariums of 10% to host and 5% to visitor in football.
- \$50K bonus to winners in football and basketball.
- **Remaining net revenue split equally.**



# Alternate Revenue Models Exploration



# Factors in Determination of: Equal vs. Performance Based

- Guarantee no MW institution experiences reduced revenue in FY27 (2026-27)
- Appropriately reward high performing teams
- Satisfy Knight Commission Grant requirements - \$100K
- House Settlement - need to know how MW will be impacted



# Media Rights

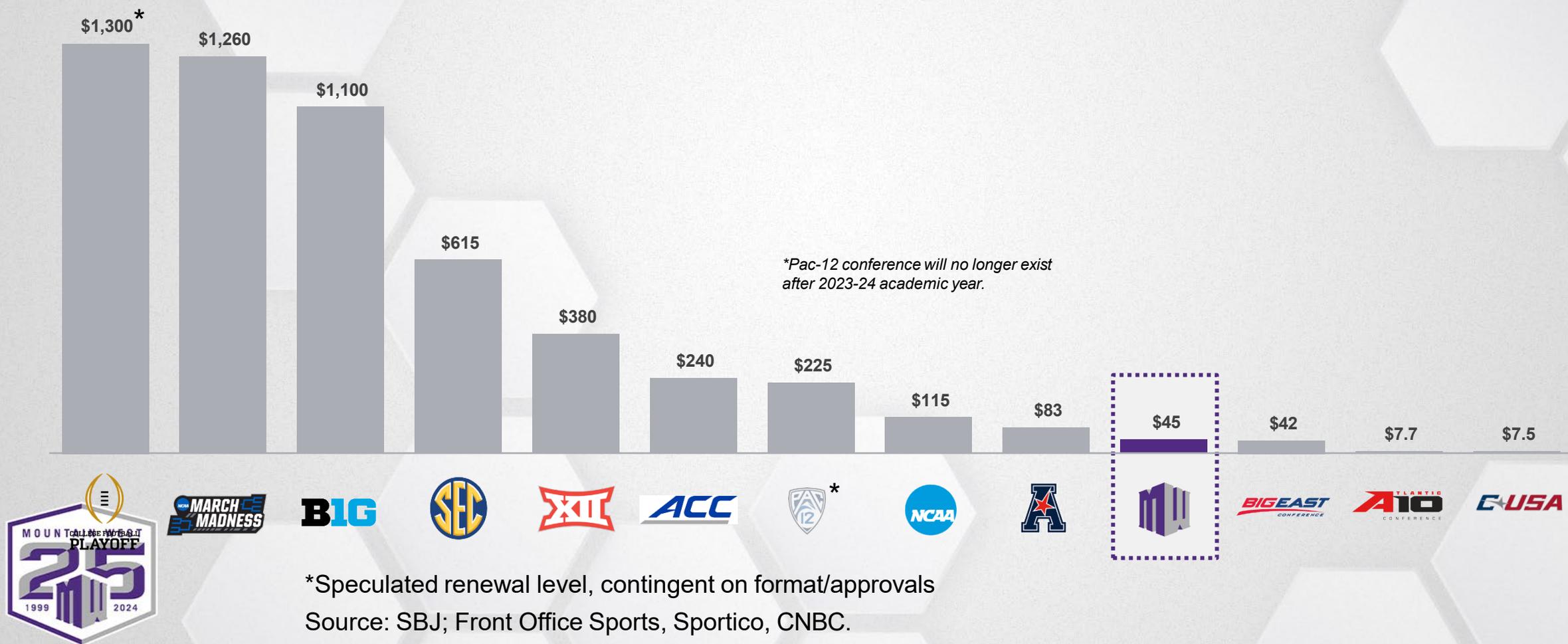
Current Agreements expire June 30, 2026



# Current collegiate sports media rights

U.S. collegiate rights landscape | AAV (millions)

*Note: not fully inclusive.*



# New World / New Revenue



Collectives



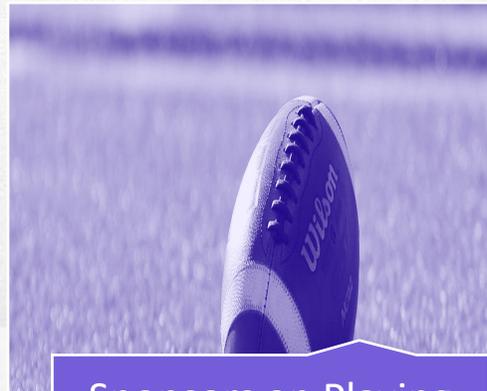
Conference Naming Rights



Private Equity



Sponsors on Uniforms (teams & officials)



Sponsors on Playing Fields