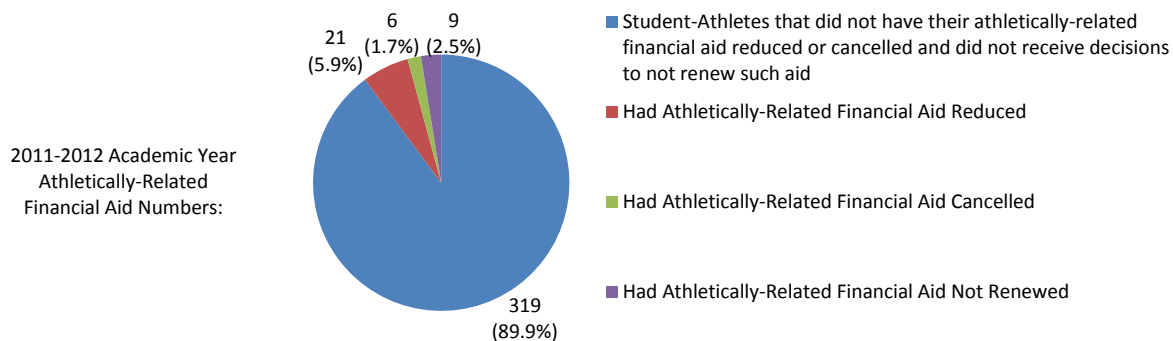


MEMORANDUM

To: Brian McWhorter, chair of the Intercollegiate Athletics Committee, on behalf of The University of Oregon Senate
From: Gary Gray, Senior Associate Athletic Director, Compliance and Academic Services
Bill Clever, Executive Assistant Athletic Director, Compliance
Tyler Hinton, Grant-In-Aid Coordinator
Date: December 3, 2012
Re: Questions on the revocation of scholarships awarded to student-athletes

As introduction to the information and answers provided below, the “revoking of scholarships awarded to student-athletes” implicates two different NCAA processes with terminology specific to each: 1) the reduction or cancellation of athletically-related financial aid (also known as athletic scholarships) and 2) the nonrenewal of such aid. The distinguishing characteristic between the two processes is reduction or cancellation of athletically-related financial aid may permissively occur during the period of the award (i.e., during the academic year), whereas athletically-related financial aid is not renewed from the conclusion of the period of the award (i.e., at the end of the academic year). Notwithstanding this distinction, the majority of reductions take place in the same time periods as decisions not to renew. Also, until a recent enactment allowing for multi-year periods of award, the NCAA only permitted one-year periods. Since that enactment, one student-athlete has received a multi-year offer of athletically-related financial aid at our institution; all other student-athletes received athletically-related financial aid under agreements with a one-year period for the award. Regardless, all agreements contain language explaining that renewal of the period of the award once it concludes is merely a possibility, rather than a certainty.

As context to the information and answers provided below, three-hundred-fifty-five (355) student-athletes received athletically-related financial aid last academic year (2011-2012). Of those student-athletes, three-hundred-nineteen (319) did not have their athletically-related financial aid reduced or cancelled and did not receive decisions to not renew such aid, twenty-one (21) had their athletically-related financial aid renewed but reduced, six (6) had their athletically-related financial aid cancelled during the period of the award,¹ and nine (9) had such aid not renewed.² The following pie chart illustrates these numbers:



¹ Three of these six student-athletes received other NCAA-countable aid that increased the value of their initially awarded athletic scholarship beyond NCAA team financial aid limits and, as a result, their athletically-related financial aid was cancelled to stay within these limits and maintain compliance with applicable NCAA regulations. These actions were per language in their written offer of athletics aid (an example of which is attached to this memorandum as Exhibit A).

² Four of these nine student-athletes remain on their respective squads.

a) Are there policies in force that are related to the revoking of scholarships awarded to student-athletes?

Yes, the policies in force that relate to the revocation of scholarships awarded to student-athletes are those for the following two processes: 1) reducing or cancelling athletically-related financial aid and 2) the nonrenewal of such aid.

If so, what are they?

The following language – included in all offers³ of athletically-related financial aid – relates to both reducing or cancelling athletically-related financial aid and the nonrenewal of such aid:

[...]

If you receive other countable aid that increases the value of the equivalency (listed above) counting toward NCAA team financial aid limitations, your athletics scholarship or other countable aid may be reduced or cancelled to maintain compliance with applicable NCAA regulations. If your athletics aid is less than the amount of your other countable aid, you may decline your athletics aid. Failure to adhere to University of Oregon, Athletic Department or team rules may result in immediate termination of athletics aid.

This assistance will be considered for renewal during subsequent periods of attendance as long as you are a student in good standing, maintain normal progress toward graduation and are in compliance with all eligibility requirements of this institution, the Pac-12 Conference and the NCAA. This assistance may be changed or terminated only in accordance with the legislation of the NCAA, principal details of which appear on the back of this statement.

[...]

The following language – linked on the University of Oregon Athletics website⁴ – relates to both reducing or cancelling athletically-related financial aid and the nonrenewal of such aid:

[...]

Reduction or Non-renewal of athletically-related financial aid. Student-athletes who have changes in their athletically-related financial aid are so notified in writing by a letter from the Athletic Director and Director of Financial Aid prior to July 1 following the academic year in which the aid was received. The student is informed of the appeals procedure and guided through the process on a step-by-step basis. The letters of notification of reduction and/or non-renewal include a description of first step of the appeal process: the aggrieved student-athlete must appeal directly to the Director of Financial Aid within seven (7) days of receipt of the notice letter. Both parties receive written notice of the Director of Financial Aid's decision. This notice contains the next step of the appeals process: If either party is not satisfied with the Director of Financial Aid's decision, either has seven (7) days to request an appeal to the Financial Aid Appeals Board. This committee consisting of members of the university

³ See Exhibit A.

⁴ The linked pdf is attached to this memorandum as Exhibit B. The following is the url to the link:
<http://www.goducks.com/fls/500/pages/compliance/AppealsGrievanceProcess.pdf>

committee makes its decision based upon the merits of each case. The committee's procedures are governed by Oregon Administrative Regulations (OAR) on contested cases, OAR 571-003-0125, which can be found on the institution's web site. The Board will issue a written decision to both parties. This written decision will also include the final step of the appeals process. The aggrieved party may make a final appeal to the University President within seven (7) days of receipt of the Board's decision. The President's decision is final. As a practical matter, upon receipt of the notice of reduction or non-renewal, the student visits with the athletic department financial aid coordinator who verbally describes the entire process and answers any questions related to it. [Emphasis in original]

[...]

The following language is included in all letters⁵ notifying student-athletes of the reduction of their athletically-related financial aid:

[...]

This letter is to officially notify you that your athletic scholarship has been renewed but reduced for the 2012-2013 academic year. The aid will be as follows:

[Language defining the amount and/or type of aid]

If you do not agree that all regulations were followed in effecting this reduction, please contact the Director of Financial Aid, in writing, within seven (7) calendar days of receipt of this letter to have a hearing scheduled with the appropriate personnel in the Financial Aid Office.

If you receive other countable aid that increases the value of the equivalency (listed above) counting toward NCAA team financial aid limitations, your athletics scholarship or other countable aid may be reduced or cancelled to maintain compliance with applicable NCAA regulations. If your athletics aid is less than the amount of your other countable aid, you may decline your athletics aid.

Failure to adhere to University of Oregon, Athletic Department or team rules may result in immediate termination of athletics aid.

NCAA Bylaw provisions applicable to your acceptance of financial assistance are cited on the reverse side of this letter.

[...]

The following language is included in all letters⁶ notifying student-athletes of the nonrenewal of their athletically-related financial aid:

[...]

⁵ An example of a reduction letter is attached to this memorandum as Exhibit C.

⁶ An example of a nonrenewal letter is attached to this document is an Exhibit D.

This letter is to officially notify you that your athletic scholarship will not be renewed for the 2013-2014 academic year.

This non-renewal is in accordance with NCAA Bylaws 15.3.5 - 15.3.5.1 and applicable conference and institutional regulations. If you believe your scholarship has not been renewed for questionable reasons, please contact the Director of Financial Aid, in writing, within seven (7) calendar days of receipt of this letter to have a hearing scheduled with the appropriate personnel in the Financial Aid office.

Provisions applicable to your non-renewal are cited in the 2012-2013 NCAA Manual Bylaw 15.3.5.

[...]

The following is NCAA legislation on reducing or cancelling athletically-related financial aid:

Bylaw 15.3.4.2 - Reduction or Cancellation Permitted.

Institutional financial aid based in any degree on athletics ability may be reduced or canceled during the period of the award if the recipient: *(Revised: 1/11/94, 1/10/95)*

- (a) Renders himself or herself ineligible for intercollegiate competition;
- (b) Fraudulently misrepresents any information on an application, letter of intent or financial aid agreement (see Bylaw 15.3.4.2.3);
- (c) Engages in serious misconduct warranting substantial disciplinary penalty (see Bylaw 15.3.4.2.4); or
- (d) Voluntarily (on his or her own initiative) withdraws from a sport at any time for personal reasons; however, the recipient's financial aid may not be awarded to another student-athlete in the academic term in which the aid was reduced or canceled. A student-athlete's request for written permission to contact another four-year collegiate institution regarding a possible transfer does not constitute a voluntary withdrawal. *(Revised: 1/10/92, 1/11/94, 1/10/95, 1/9/96, 12/13/05, 9/11/07)*

Bylaw 15.3.4.2.1 - Timing of Reduction or Cancellation.

Any reduction or cancellation of aid during the period of the award may occur only after the student-athlete has been provided an opportunity for a hearing per Bylaw 15.3.2.4. *(Adopted: 5/15/07, Revised: 4/23/08)*

Bylaw 15.3.4.2.2 - Nonathletically Related Conditions.

An institutional financial aid agreement may include nonathletically related conditions (e.g., compliance with academics policies or standards, compliance with athletics department rules or policies) by which the aid may be reduced or canceled during the period of the award. *(Adopted: 4/23/08)*

Bylaw 15.3.4.2.3 - Fraudulent Misrepresentation.

If a student-athlete is awarded institutional financial aid on the basis of declaring intention to participate in a particular sport by signing a letter of intent, application or tender, action on the part of the grantee not to participate (either by not reporting for practice or after making only token appearances as determined by the institution) would constitute fraudulent misrepresentation of information on the grantee's application, letter of intent or financial aid agreement and would permit the institution to cancel or reduce the financial aid. (Revised: 1/11/94)

Bylaw 15.3.4.2.4 - Misconduct.

An institution may cancel or reduce the financial aid of a student-athlete who is found to have engaged in misconduct by the university's regular student disciplinary authority, even if the loss-of-aid requirement does not apply to the student body in general. (Revised: 1/11/94)

Bylaw 15.3.4.2.5 - Release of Obligation to Provide Athletically Related Financial Aid -
- One Year Award.

Before becoming a counter for an academic year pursuant to a one-year grant-in-aid, if a prospective student-athlete or student-athlete is awarded institutional financial aid unrelated to athletics that is of equal or greater value than his or her signed award of athletically related financial aid, the prospective student-athlete or student-athlete may, on his or her initiative, release the institution of its obligation to provide the athletically related financial aid. (Adopted: 1/15/11 effective 8/1/11, Revised: 10/27/11 effective 8/1/12; awards may be executed before 8/1/12)

Bylaw 15.3.4.3 - Reduction or Cancellation Not Permitted.

Institutional financial aid based in any degree on athletics ability may not be reduced or canceled during the period of its award: (Adopted: 1/16/93, Revised: 1/11/94, 12/11/07)

- (a) On the basis of a student-athlete's athletics ability, performance or contribution to a team's success;
- (b) Because of an injury, illness, or physical or mental medical condition (except as permitted pursuant to Bylaw 15.3.4.2); or (Revised: 1/14/08)
- (c) For any other athletics reason.

Bylaw 15.3.4.3.1 - Athletically Related Condition Prohibition.

An institution may not set forth an athletically related condition (e.g., financial aid contingent upon specified performance or playing a specific position) that would permit the institution to reduce or cancel the student-athlete's financial aid during the period of the award if the conditions are not satisfied. (Adopted: 1/16/93, Revised: 1/11/94)

Bylaw 15.3.4.3.2 - Decrease Not Permitted.

An institution may not decrease a prospective student-athlete's or a student-athlete's financial aid from the time the prospective student-athlete or student-athlete signs the financial aid award letter until the conclusion of the period set forth in the financial aid agreement, except under the conditions set forth in Bylaw 15.3.4.2. (Adopted: 1/11/94, Revised: 4/2/03 effective 8/1/03)

The following is NCAA legislation on the renewal or nonrenewal of athletically-related financial aid:

Bylaw 15.3.5.1 - Institutional Obligation.

The renewal of institutional financial aid based in any degree on athletics ability shall be made on or before July 1 prior to the academic year in which it is to be effective. The institution shall promptly notify in writing each student-athlete who received an award the previous academic year and who has eligibility remaining in the sport in which financial aid was awarded the previous academic year (under Bylaw 14.2) whether the grant has been renewed or not renewed for the ensuing academic year. Notification of financial aid renewals and nonrenewals must come from the institution's regular financial aid authority and not from the institution's athletics department. (Revised: 1/10/95)

Bylaw 15.3.5.2 - Reconsideration of Nonrenewal.

It is permissible for an institution that has notified a student-athlete that he or she will not be provided institutional financial aid for the next academic year subsequently to award financial aid to that student-athlete.

The following is NCAA legislation on student-athletes' opportunity for a hearing, which is available when a student-athlete's athletically-related financial aid is reduced, cancelled, or not renewed.

Bylaw 15.3.2.4 - Hearing Opportunity.

The institution's regular financial aid authority shall notify the student-athlete in writing of the opportunity for a hearing when institutional financial aid based in any degree on athletics ability is to be reduced or canceled during the period of the award, or is reduced or not renewed for the following academic year. The institution shall have established reasonable procedures for promptly hearing such a request and shall not delegate the responsibility for conducting the hearing to the university's athletics department or its faculty athletics committee. The written notification of the opportunity for a hearing shall include a copy of the institution's established policies and procedures for conducting the required hearing, including the deadline by which a student-athlete must request such a hearing. (Revised: 1/9/06 effective 8/1/06, 4/3/07, 4/23/08)

Bylaw 15.3.2.4.1 - Reduction of a Multiyear Award.

A reduction of a multiyear award shall occur if the renewal period is for fewer years than the original agreement, unless the renewal includes the remaining years of the student-athlete's eligibility in all sports (e.g., five-year period of eligibility) or if the average amount of aid provided per year in the renewal is less than the average amount of aid provided per year in the original agreement, including any increases during the

period of the original award. (Adopted: 10/27/11 effective 8/1/12; awards may be executed before 8/1/12)

Bylaw 15.3.2.4.2 - Athletics Department Staff as Member of Committee.

An institution's athletics department staff member may be a member of a committee (other than an athletics department or faculty athletics committee) that conducts hearings related to the nonrenewal or reduction of a student-athlete's financial aid. Under such circumstances, the athletics department staff member must be a standing member of the committee and may not serve as a member of a committee only for a specific student-athlete's hearing. (Adopted: 4/3/07)

b) If there are such policies, are scholarships revoked because of athletic performance (or a breaking of rules related to athletics) or because of academic performance, or for other reasons?

In general, scholarships that are athletically-related financial aid may be reduced, cancelled, or not renewed according to the institutional policies and NCAA bylaws stated previously in this memorandum. Specific to your questions, and looking at and applying the policies and bylaws stated previously in this memorandum:

Athletic performance may not be a reason for reducing or cancelling athletically-related financial aid during the period of the award. Athletic performance may be a reason to not renew athletically-related financial aid following the conclusion of the period of the award.

Breaking institutional policies, NCAA bylaws, and/or respective team rules may be reasons for reducing or cancelling athletically-related financial aid if a student-athlete does the following, inasmuch as these actions may be considered a breaking of such policies, bylaws, and/or respective team rules: rendering himself or herself ineligible for intercollegiate competition; fraudulently misrepresenting any information on an application, letter of intent, or financial aid agreement; engaging in serious misconduct warranting substantial disciplinary penalty; or failing to adhere to University of Oregon, Athletic Department, or team rules. Breaking institutional policies, NCAA bylaws, and/or respective team rules may be reasons to not renew athletically-related financial aid.

Academic performance may be a reason for reducing or cancelling athletically-related financial aid inasmuch as Bylaw 15.3.4.2 permits such actions if a student-athlete "renders himself or herself ineligible for intercollegiate competition" (of which failure to meet certain academically-related NCAA bylaws may be a cause). NCAA Bylaw 15.3.4.2.2 also permits athletically-related financial aid agreements to include nonathletically related conditions (e.g., compliance with academic policies or standards) by which such aid may be reduced or cancelled if the conditions are not met. Academic performance may be a reason to not renew athletically-related financial aid.

c) If the scholarship of a student-athlete is revoked, does a process for appeal exist and what is it?

Yes, processes for appeal exist if athletically-related financial aid of a student-athlete is reduced, cancelled, or not renewed. These processes are stated previously in this memorandum.