



May 20, 2010

The Honorable Orrin G. Hatch  
United States Senate  
104 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Max Baucus  
United States Senate  
511 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senators Hatch and Baucus:

I am writing in response to your March 9 letter about the Bowl Championship Series ("BCS") arrangement. While I appreciate your interest, I believe that decisions about college football should be made by university presidents, athletics directors, coaches and conference commissioners rather than by members of Congress. Of course, as you can imagine, we are always happy to talk about the benefits that the BCS has brought to this vibrant game, and we welcome this opportunity to provide additional information to you. Please note that much of the information that you have requested is available at [www.BCSfootball.org](http://www.BCSfootball.org) and was provided to members of Congress during hearings last spring and summer.

As you are aware, the BCS is a five-game arrangement that is designed to match the two top-rated teams in a national championship game and to create exciting and competitive match-ups among eight other highly regarded teams in four other bowl games. In so doing, it has been successful in balancing the interests of student-athletes and is consistent with the educational mission of colleges and universities. In addition, it has created the most exciting regular season of any sport in America (college or professional), and preserves the nature of the bowl games, which give greater access to post-season play for more schools and more student-athletes than ever before. It is for these reasons that the vast majority of university presidents, college football coaches, athletics directors and faculty members support the BCS.

## **1. Revenue Distribution Under the Agreement for the 2011-14 BCS Games**

All 11 Football Bowl Subdivision conferences compete for annual automatic-qualifying status, and six currently have earned that status. A seventh conference could be added in 2012 if it meets the criteria for qualification.

If it qualifies automatically for a BCS game, a team from a conference without annual automatic-qualifying status will bring approximately \$24.7 million (18% of net revenue) to its conference next season. A team from an automatic-qualifying conference will bring approximately \$21.2 million net to its conference. The funds are distributed to the conferences, which then allocate their shares of the revenue according to their own revenue-sharing agreements.

Further, each university that is selected at-large will receive \$6 million for its conference. Likewise, the conferences are free to distribute that revenue as they see fit.

The Sun Belt Conference, Conference USA, Mid-American Conference, Mountain West Conference and Western Athletic Conference (the “non-AQ conferences”) have elected to pool their revenue and distribute it under a formula that they have developed. That is solely their decision. The non-AQ conferences have the details of this arrangement.

For example, if the University of Utah qualifies for a BCS game in the 2010-11 season, it will earn for its conference approximately \$24.7 million which, under the agreement among the Mountain West and the other four non-AQ conferences, would then be divided among the five conferences. The Mountain West certainly could keep all \$24.7 million within the conference, or Utah could keep it all. The decision to share the revenue—and how to allocate it—was made, not by the full group of 11 BCS conferences, or by the six conferences that have earned annual automatic qualification, but by the five non-AQ conferences.

An example worth noting is that, if the BCS had not existed, Utah probably would have played in the Las Vegas Bowl in the 2008-09 season. Because of the BCS, the Utes played in the Allstate Sugar Bowl instead. The payment from the Las Vegas Bowl was approximately \$900,000; for participating in the Sugar Bowl, the Mountain West’s share—after the five conferences divided the revenue—was \$9 million. Obviously, the difference is significant.

If a team from the non-automatic qualifying conferences participates in a BCS game, that group will continue to receive 18 percent of the net revenue under the agreement for the bowl games of 2011-14. If a team from those conferences does not participate, the group will receive nine percent of the net revenue to divide as it chooses.

Your made reference to discrepancies in news accounts; those probably are related to the revenue-distribution plan that the five non-automatic qualifying conferences have adopted.

Attached is a copy of our news release concerning the 2009-10 revenue distribution from the BCS bowl games, which delivered a record \$24 million to the non-AQ conferences.

## **2. Automatic Qualification Formula and Process**

The standards for annual automatic qualification were developed by the 11 conference commissioners and the Notre Dame athletics director in 2004-05. The attached document includes details of the formula, as well as the criteria for earning BCS berths in any given season.

As you are aware, last season was the second year of a four-year evaluation period. If another conference meets the threshold, its champion will earn an automatic berth in a BCS bowl game in 2012-13 and 2013-14 and it will receive the same revenue share as the other automatic-qualifying conferences.

The standards contemplate that only one non-AQ conference may earn annual automatic qualification for the last two years of the current BCS agreement. This is simply because of the numbers. There are only five BCS bowl games and thus only 10 slots. Seven slots could be guaranteed. Three slots must be left open to account for the possibility that two teams that are not conference champions qualify to play in the BCS National Championship Game and to assure there is a slot for a guaranteed berth that may be earned by either Notre Dame or a team from the remaining non-AQ conferences. (Note that if the Mountain West, for example, were to earn an annual automatic berth during the final two seasons of the current BCS contract, that would not eliminate the guaranteed participation provision available to the other non-AQ conferences.)

In addition, it is important to note that none of the current AQ conferences will lose its annual automatic berth in the BCS games over the next four years. The bowl games have contracted with five of the six AQ conferences to host those games. Those are the Rose Bowl: Big Ten and Pac-10; Orange Bowl: Atlantic Coast; Sugar Bowl: Southeastern; Fiesta Bowl: Big 12. The Big East champion will also be guaranteed an annual berth through the January 2014 games. ESPN and the bowls have contracted for the participation of all six conferences.

## **3. BCS Structure**

Because college football developed as numerous conferences rather than as a single unified league and has had a successful broad-based bowl system, the presidents of the universities along with the conferences and the bowls chose to create what is now called the BCS to match the top two teams in the post-season national championship game.

The BCS is a voluntary contractual arrangement, not a legal entity, that recognizes college football's unique structure and the long-standing relationships between conferences and bowl games. Specifically, the BCS is a contractual relationship among the 11 NCAA Football Bowl Subdivision (FBS) conferences (Atlantic Coast, Big East, Big Ten, Big 12, Conference USA, Mid-American, Mountain West, Sun Belt, Pacific-10, Southeastern and Western Athletic), the University of Notre Dame, five bowl games that are operated by four bowl organizations (the Fiesta Bowl, the Orange Bowl, the Rose Bowl, the Sugar Bowl, and the BCS National Championship Game that is played at one of the bowl sites) and a broadcast entity. This structure reflects the inherent need for flexibility to meet the needs of so many existing parties. When the

conferences and Notre Dame need services in connection with the BCS, they contract with service providers as independent contractors, including myself and Ari Fleischer Communications.

Because of the success of the BCS, overall post-season revenues to all 11 FBS conferences are at record levels. Each year the conferences and Notre Dame approve a budget of expected expenses. Of course, it will come as no surprise that, as expenses related to the BCS are minimized through its limited structure, each conference and Notre Dame gets a greater return. That is our consistent aim.

#### **4. Organization and Administration of the BCS**

Each conference and Notre Dame is represented in all three BCS administrative groups. These are (i) the BCS Presidential Oversight Committee, (ii) the group of conference commissioners and the Notre Dame athletics director, and (iii) an athletics directors advisory committee that counsels the other two groups. The BCS is voluntary; any of the 11 conferences can choose whether or not to participate.

Many organizations are affiliated with the conferences and Notre Dame relative to the BCS, including the bowls, the television rights-holder and the entities that provide rankings and polls (listed below)—all of which interact with the conferences and Notre Dame to deliver the national championship game and the other four matchups that comprise the BCS.

#### **5. Computer Rankings**

The Harris Interactive College Football Poll, USA Today Coaches Poll and the computer rankings each constitute one-third of the BCS Standings. To derive the three percentages, each team is assigned an inverse point total (25 for No. 1, 24 for No. 2, etc.). The two poll percentages are calculated by dividing each team's point total by the maximum possible points (25 times the number of panelists). The computer rankings percentage is calculated by dropping the highest and the lowest ranking for each team and then dividing the remaining total by 100 (the maximum possible points). The BCS average is calculated by averaging the percentage totals of the Harris Interactive poll, USA Today poll and the computer rankings. The teams' BCS averages are ranked to produce the BCS Standings.

The six computer ranking providers are Jeff Anderson and Chris Hester, Richard Billingsley, Wes Colley, Kenneth Massey, Jeff Sagarin, and Peter Wolfe. Each computer ranking provider accounts for schedule strength within its formula. The formulas used in the computer rankings are proprietary to the contractors that provide the data; the theories are provided on the providers' websites. The BCS group requires that each formula include basic facts, such as results, the sites of games and schedule strength.

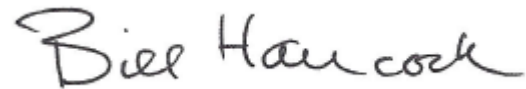
In conclusion, the BCS has enhanced the importance of college football's regular season while preserving the bowl system that provides opportunities for more than 60 groups of students and fans each year. It has greatly increased the access for the non-AQ conferences into the major bowl games and has created a vast new pool of revenue for those non-AQ conferences. The BCS

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has the strong consensus support of university presidents, athletics directors, coaches and college faculty. It has been tremendously successful and we are proud of the benefits that it has brought to this great game.

We are pleased to provide this information, and we appreciate your interest in college football.

Yours truly,

A handwritten signature in black ink that reads "Bill Hancock". The signature is written in a cursive, slightly slanted style.

Bill Hancock  
Executive Director  
Bowl Championship Series

Enclosures

# **Bowl Championship Series**

## **Automatic Qualification, At-Large Eligibility and Team Selection**

### **Automatic Qualification**

1. The top two teams in the final BCS Standings (see below) shall play in the National Championship Game.
  2. The champions of the Atlantic Coast, Big East, Big Ten, Big 12, Pac-10, and Southeastern Conferences will have automatic berths in one of the participating bowls through the 2013 regular season.
  3. The champion of Conference USA, the Mid-American Conference, the Mountain West Conference, the Sun Belt Conference, or the Western Athletic Conference (hereinafter "non-AQ group") will earn an automatic berth in a BCS bowl game if either:
    - A. Such team is ranked in the top 12 of the final BCS Standings, or
    - B. Such team is ranked in the top 16 of the final BCS Standings *and* its ranking in the final BCS Standings is higher than that of a champion of a conference that has an annual automatic berth in one of the BCS bowls.
- No more than one such team from the non-AQ group shall earn an automatic berth in any year. (Note: A second team may be eligible for at-large eligibility as noted below.) If two or more teams from those conferences satisfy the provisions for an automatic berth, then the team with the highest finish in the final BCS Standings will receive the automatic berth, and the remaining team or teams will be considered for at-large selection if it meets the criteria.
4. Notre Dame will have an automatic berth if it is in the top eight of the final BCS Standings.
  5. If any of the 10 slots remain open after application of provisions 1 through 4, and an at-large team from a conference with an annual automatic berth for its champion is ranked No. 3 in the final BCS Standings, that team will become an automatic qualifier, provided that no at-large team from the same conference qualifies for the national championship game.
  6. If any of the 10 slots remain open after application of provisions 1 through 5, and if no team qualifies under paragraph No. 5 and an at-large team from a conference with an annual automatic berth for its champion is ranked No. 4 in the final BCS Standings, that team will become an automatic qualifier provided that no at-large team from the same conference qualifies for the national championship game.

# # #

### **At-Large Eligibility**

If there are fewer than 10 automatic qualifiers, then the bowls will select at-large participants to fill the remaining berths. An at-large team is any Football Bowl Subdivision team that is bowl-eligible and meets the following requirements:

- A. Has won at least nine regular-season games, and
- B. Is among the top 14 teams in the final BCS Standings.

No more than two teams from a conference may be selected, regardless of whether they are automatic qualifiers or at-large selections, unless two non-champions from the same conference are ranked No. 1 and No. 2 in the final BCS Standings.

If fewer than 10 teams are eligible for selection, then the Bowls can select as an at-large team any Football Bowl Subdivision team that is bowl-eligible, has won at least nine regular-season games and is among the top 18 teams in the final BCS Standings, subject to the two-team limit noted above and also subject to the following: (1) If any conference has two or more teams in the top 14, then two of those teams must be selected, and (2) from the teams ranked 15-18, a bowl can select only a team from a conference that has fewer than two teams in the top 14.

If expansion of the pool to 18 teams does not result in 10 teams eligible for selection, then the pool shall be expanded by blocks of 4 teams until 10 eligible teams are available, subject to the two-teams-per-conference limit noted above and also subject to the following: (1) If any conference has two or more teams in the top 14, then two of those teams must be selected, and (2) from the teams ranked 15 or lower, a bowl can select only a team from a conference that has fewer than two teams in the top 14.

Relative to the two preceding paragraphs, all teams ranked in the top 14, other than those from conferences that already have had two teams selected, must be included in the bowl selections.

Note: In order to participate in a BCS Bowl game, a team (1) must be eligible for post-season play under the rules of the NCAA and, if it not an independent, under the rules of its conference, and (2) must not have imposed sanctions upon itself prohibiting participation in a post-season game for infractions of the rules of the NCAA or the rules of its conference.

# # #

### Team-Selection Procedures

The bowls will select their participants from two pools: (1) automatic qualifiers, all of which must be selected, and (2) at-large teams, if fewer than 10 teams qualify automatically. The following sequence will be used when establishing pairings:

1. The top two teams in the final BCS Standings will be placed in the National Championship Game (hereinafter "NCG").
2. Unless they qualify to play in the NCG, the champions of selected conferences are contractually committed to host selected games:

Atlantic Coast Conference—Orange Bowl  
Big Ten Conference—Rose Bowl  
Big 12 Conference—Fiesta Bowl  
Pac-10 Conference—Rose Bowl  
Southeastern Conference—Sugar Bowl

3. If a bowl loses a host team to the NCG, then such bowl shall select a replacement team from among the automatic-qualifying teams and the at-large teams before any other selections are made. If two bowls lose host teams to the NCG, each bowl will get a replacement pick before any other selections are made. In such case, the bowl losing the No. 1 team gets the first replacement pick, and the bowl losing the No. 2 team gets the second replacement pick. If the Rose Bowl loses both the Big Ten and Pac-10 champions to the NCG, it will receive two replacement picks.

For the games in January 2011 through 2014, the first year the Rose Bowl loses a team to the NCG and a team from the non-AQ group is an automatic qualifier, that non-AQ team will play in the Rose Bowl.

A bowl choosing a replacement team may not select:

- A. A team in the NCG, or
- B. The host team for another BCS Bowl;

Further, when two bowls lose host teams, the bowl losing the No. 1 team may not select a replacement team from the same conference as the No. 2 team, unless the bowl losing the No. 2 team consents.

4. After steps No. 1, 2, and 3 have been completed, any bowl with an unfilled slot shall select a team from the automatic qualifiers and/or at-large teams in the following order:

January 2011 games – Sugar, Orange, Fiesta  
January 2012 games – Fiesta, Sugar, Orange  
January 2013 games – Fiesta, Sugar, Orange  
January 2014 games – Orange, Sugar, Fiesta

All teams earning automatic berths must be selected.

5. After completion of the selection process as described in Paragraph Nos. 1-4, the conferences and Notre Dame may, but are not required to, adjust the pairings, taking into consideration the following:

- A. Whether the same team will be playing in the same bowl game for two consecutive years; and/or
- B. Whether two teams that played against one another in the regular season will be paired against one another in a bowl game; and/or
- C. Whether the same two teams will play against each other in a bowl game for two consecutive years; and/or
- D. Whether alternative pairings may have greater or lesser appeal to college football fans as measured by expected ticket sales for the bowls and by expected television interest, and the consequent financial impact on ESPN and the bowls.

The pairings may not be altered by removing the Big 10 champion or Pac-10 champion from the Rose Bowl.

# # #

### **BCS Standings**

The Harris Interactive College Football Poll, USA Today Coaches Poll and computer rankings each constitute one-third of the BCS Standings. To derive the three percentages, each team is assigned an inverse point total (25 for No. 1, 24 for No. 2, etc.)

The two poll percentages are calculated by dividing each team's point total by the maximum possible points, which is the number of panelists times 25. The computer rankings percentage is calculated by dropping the highest and lowest ranking for each team and then dividing the remaining total by 100 (the maximum possible points).

The percentage totals of the Harris Interactive Poll, USA Today Poll, and the computer rankings are then averaged. The teams' averages are ranked to produce the BCS Standings.

The six computer ranking providers are Anderson & Hester, Richard Billingsley, Colley Matrix, Kenneth Massey, Jeff Sagarin, and Peter Wolfe. Each computer ranking provider accounts for schedule strength, won-loss record and home-and-away records within its formula.

The BCS Standings are used to:

- \* Determine the two teams that qualify to play in the BCS National Championship Game;
- \* Determine any other automatic qualifiers; and,

- \* Establish the pool of eligible teams for at-large selection.

The BCS Standings are released for eight consecutive weeks each season, including the final Standings on selection Sunday. The National Football Foundation compiles and releases the Standings each week.

#### **Harris Interactive College Football Poll**

The Harris poll was first used during the 2005 regular season. To provide the initial pool of potential panelists, each conference submitted the names of 30 qualified individuals; Harris Interactive randomly selected 10 panelists from among the names submitted by each conference. Notre Dame submitted a list of six qualified individuals, from which Harris randomly selected three. Army and Navy together submitted a list of three qualified individuals, from which Harris selected one.

When a person leaves the panel, the conference that originally nominated the individual nominates three others to take the spot. Harris Interactive then randomly selects the replacement.

The Harris Poll is released for nine consecutive weeks each season, including the final poll on selection Sunday.

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#### **Tie-Breaking Procedure**

The following steps will be used to resolve any ties in the BCS Standings after the computation is carried out to full decimal points:

1. Look to head-to-head result;
2. If the tie is not resolved by No. 1, evaluate results against the highest-ranked common opponent in the BCS Standings;
3. If the tie is not resolved by No. 1 or No. 2, calculate tied teams' place in BCS Standings using all six computer providers (i.e., do not throw out the high and low computer rankings) and the Harris and Coaches polls;
4. If the tie is not resolved by paragraph No. 1, No. 2, or No. 3, then conduct a drawing.

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#### **Standards for Future BCS Automatic Qualification**

Under the terms of the agreements with the bowls and television rights-holder, the ACC, Big East, Big 10, Big 12, Pac-10 and SEC will have annual automatic qualification for their champions for the 2010-11, 2011-12, 2012-13 and 2013-14 seasons.

Results from the 2008, 2009, 2010 and 2011 regular seasons will be evaluated to determine whether a

seventh conference earns automatic qualification for the 2012-13 and 2013-14 bowl games.

The process is as follows:

- \* The evaluation includes the following for each conference

(1) Average Ranking of Highest-Ranked Team, the ranking of the highest-ranked team in the final BCS Standings each year (if a conference does not place a team in the final BCS Standings, then its highest-ranked team is determined by the conference member that has the highest average ranking in the computer rankings used in the BCS Standings),

(2) Average Conference Ranking, the final regular-season rankings of all conference teams in the computer rankings used in compiling the BCS Standings each year, and

(3) Top 25 Performance Ranking, the number of teams in the top 25 of the final BCS Standings each year, with adjustments to account for differences in the number of members of each conference.

A conference will become the seventh automatic qualifier if it finishes among the top six conferences in both No. 1 and No. 2 and if its ranking in No. 3 is equal to or greater than 50 percent of the conference with the highest ranking in No. 3.

- \* Further, a conference will be eligible to apply to the Presidential Oversight Committee for an exemption if it finishes among the top six in both No. 1 and No. 2 and if its ranking in No. 3 is equal to or greater than 33.3 percent of the conference with the highest ranking in No. 3, OR

If it finishes among the top seven in either No. 1 or No. 2 and among the top five in the other and if its ranking in No. 3 is equal to or greater than 33.3 percent of the conference with the highest ranking in No. 3.

No. 3 above, the "Top 25 Performance Rating," will be calculated as follows: Points will be awarded to the conferences based on their teams' finishes in the top 25 of the final BCS Standings each year. Points will be awarded as follows:

Teams finishing 1-6: 4 points for each team  
Teams finishing 7-12: 3 points for each team  
Teams finishing 13-18: 2 points for each team  
Teams finishing 19-25: 1 point for each team

The point totals will be adjusted to account for the size of the conference, as follows:

<b>Conf. membership</b>	<b>Adjustment</b>
12 or more members	no adjustment



10 or 11 members  
points increased by 12.5 percent

9 or fewer members  
points increased by 25 percent

\* The computations will be made according to the conference's membership on December 4, 2011.

If the BCS continues under the same or a similar format, conferences will be evaluated on their performances during the 2010 to 2013 regular

seasons to determine which conferences without bowl contracts will have automatic qualification for the bowls that will conclude the 2014-2017 regular seasons.

BH/WLM: 4-25-10

# NEWS



## **Bowl Championship Series**

*Every Game Counts*

Bill Hancock, Executive Director

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FOR IMMEDIATE RELEASE

January 25, 2010

### **BCS GROUP RELEASES 2009-10 REVENUE DISTRIBUTION DATA**

#### *Non-AQ Conferences Earn Record Share*

The conferences and institutions participating in the Bowl Championship Series (BCS) today released unofficial and estimated data of the net revenue from the 2010 games. For the first time, two conferences that have not earned annual automatic qualification for their champions (the Mountain West and the Western Athletic) played in the BCS games in the same year, which will lead to a record-breaking distribution to non-AQ conferences, estimated to be \$24 million.

As a result of a decision made by the five non-AQ conferences in 2004, that estimated \$24 million will be allocated among those conferences, instead of remaining within the two conferences whose teams played in BCS bowl games.

The five non-AQ conferences decided to distribute the \$24 million as follows:

Mountain West	\$9.8 million
Western Athletic	\$7.8million
Conference USA	\$2.8 million
Mid-American	\$2.1 million
Sun Belt	\$1.5 million

In addition to the estimated \$24 million that these conferences are expected to receive from the appearances of TCU of the Mountain West and Boise State of the WAC in the BCS games, the following distributions are expected to be made to the six AQ conferences:

Atlantic Coast, Big East, Big 12, Pac-10 -- \$17.7 million each  
Big Ten, Southeastern -- \$22.2 million each (Note: These two conferences each had two teams in the BCS bowls, which is why their expected distributions are higher than those of the other AQ conferences.)

“Because of the BCS, all 11 conferences have more access, more revenue and more opportunity from post-season football than before the creation of the BCS, and we’re very proud of that record,” said Bill Hancock, BCS Executive Director. “In addition, the non-AQ conferences decide what to do with the money earned by their teams that qualify for the BCS bowl games. It’s theirs to keep or divide as they see fit. The expected allocation is a result of their decision.”

*Contact: Tracie Dittmore 913-341-8151*