

October 2, 1940

Chancellor Deane W. Malott
University of Kansas
Lawrence, Kansas

Dear Chancellor Malott:

I am writing you a progress report concerning the disposition of funds of the National Collegiate Athletic Association Western and National Basketball Tournament, which was played in Kansas City last March 22, 23 and March 30. There were total cash receipts of \$22,829.55, and a net profit of nearly \$10,000 accruing from these games.

In some quarters there has been a misunderstanding that perhaps I, as managing director of the tournament and also as coach of the Kansas team, had not prosecuted the interests of our own University Athletic Association as vigorously as I might have in keeping with my position here at the University.

I am sending you the correspondence between the different officers and the chairman of the committee to show you that the "big wigs" are the boys who want to keep the money. You can see by the enclosed leaflets the names of the officers and perhaps get well enough acquainted with the general set-up to learn their identity. Upon every occasion I have prosecuted the case quite vigorously. It looks as if we may get \$500.00 as our share, but that is still undetermined at present.

Our tournament committee, composed of Mr. Harold Olson, Chairman, Ohio State University; Mr. J.W. St. Clair, Southern Methodist University and myself, met with the Executive Committee in Chicago on September 6 and 7. You will see by our communication dated September 6 that we proposed the participants get some of the money. The Executive Committee did not agree with our committee, contending that the schools had no right to any of the money; that the money should be expended by the officers of the Executive Committee who handled all sports. Thereupon I offered my resignation as manager of the tournament, and also as an officer of the National Collegiate Athletic Association. I stated that I did not care to be associated any further with the enterprise because I had made certain commitments predicated upon past practices and that I found myself of no further service. My action was supported by the other two members of the committee.

The Executive Committee asked us to withdraw and await their action. We did so. Upon our return to their quarters they read an action by their group to which our committee was willing to acquiesce. On September 10 Major Griffith sent communication to Harold Olson setting out the National Collegiate Athletic Association findings. On September 16 Mr. Olson replied for the

committee. My letter to Mr. Olsen dated September 27 and Mr. J.W. St. Clair's letter dated September 30 will restate our position.

You will recall that Missouri, Oklahoma and Kansas made \$1,000 net after our expenses were paid in Wichita at the Big Six play-off. The Fifth District play-off between the Oklahoma Aggies and Kansas at Oklahoma City netted an additional \$1,000 to Oklahoma and Kansas each, after expenses were paid. The crux of the whole thing is that the N.C.A.A. Executive Committee is taking the financial plum from the gate receipts when the great crowds assembled in Kansas City for the Western and the National play-offs.

This report is merely for your information and your office records. The early material enclosed is to show you the metamorphosis of the tournament.

Sincerely yours,

Director of Physical Education and Recreation
Varsity Basketball Coach

- FGA:lg
- cc: Gwinn Henry
- W.W. Davis
- Karl Kloos
- Dean Stockton
- Guy Smith

FINANCIAL REPORT

Meet: Western and National NCAA Tournament

Place: Municipal Auditorium, Kansas City, Mo.

Date: March 22, 23, 30, 1940

INCOME

| | Number | Amount | Total |
|--|---------------|--------------------|--------------------|
| <u>Ticket Sales (less Federal & State Tax)</u> | <u>23,303</u> | <u>\$22,228.65</u> | |
| <u>Federal Tax collected</u> | | | |
| <u>Entry Fees</u> | | | |
| <u>Program Receipts (including advertising)</u> | | <u>840.90</u> | |
| <u>Other Income (specify)</u> | | | |
| <u>Totals</u> | | | <u>\$23,069.55</u> |

EXPENDITURES

| | Total |
|---|-----------------|
| <u>I. Promotion Expense</u> | |
| 1. Entry blanks & preliminary announcements | |
| 2. Publicity folders and posters | <u>\$279.91</u> |
| 3. Other advertising | <u>623.90</u> |
| 4. Postage | <u>12.80</u> |
| 5. Clerical expense | <u>326.97</u> |
| 6. Committee Meetings | <u>105.75</u> |
| (a) Expenses of speakers on radio, luncheons, etc. | <u>82.35</u> |
| 7. Bands | <u>196.79</u> |
| <u>II. Ticket and Administrative Expense</u> | |
| 1. Printing Tickets | |
| 2. Commission to ticket agencies | |
| 3. Ticket sellers & clerical help | <u>241.00</u> |
| 4. Bank charges (exchange, etc.) | |

Financial Report

| | <u>Total</u> |
|---|--------------------|
| <u>III. Games Committee and Officials Expense</u> | |
| 1. Officials fees and expenses (specify names, duties & amounts) | \$1190.41 |
| 2. Travel expense of games committee members | 129.65 |
| <u>IV. Games expense</u> | |
| 1. Guarantees and travel expense to competitors | 5366.07 |
| 2. Equipment | |
| (a) Implements | 111.07 |
| (b) Numbers | |
| 3. Motion pictures and permanent records | 248.59 |
| 4. Training Room | |
| (a) Salaries | |
| (b) Laundry and supplies | |
| 5. Police and ushers | |
| 6. Buildings and grounds expense (including rentals, if any) | 2976.57 |
| 7. Program expense | |
| (a) Printing | 727.52 |
| (b) Sellers' Commissions | |
| 7a. Trophies | 827.59 |
| 8. Federal and state taxes | |
| 9. Tickets for Committeemen | 38.64 |
| | <u>\$13,440.85</u> |
| Net Profit | <u>\$9628.70</u> |

Submitted by Chairman in charge of the meet

Approved by Chairman of the Rules Committee

December 12, 1940

Chancellor Deane W. Malott
1 Frank Strong Hall
University of Kansas

Dear Chancellor Malott:

I am sending you the final progress report on the National Basketball Championship finances. In my letter to Mr. Olsen, who is chairman of the Tournament Committee, dated November 18, I endeavored to get him and Major Griffith together on a settlement. I have been the mediator in all of these things and I believe finally we are getting somewhere.

Finding that it was impossible for me to get back to Chicago again for a conference I wrote Major Griffith on November 30 setting forth the things that I had endeavored to get Mr. Olsen to work out for me. On the same date I wrote Mr. Olsen, sending him and Mr. St. Clair, the other member of our Committee, a copy of my correspondence with Major Griffith. On December 5 I received a copy of a letter that Mr. Olsen wrote Major Griffith. All these letters are enclosed for your inspection.

If Major Griffith follows Mr. Olsen's and my suggestions, Kansas and Indiana will receive $\frac{3}{14}$ of \$3,511.27 or \$752.40. This makes a net income to Kansas from our three tournaments at Wichita, Oklahoma City and Kansas City of approximately \$2,700.

I am also sending you a financial report which was sent to Mr. Olsen. This shows that the tournaments in Kansas City, the Western and the National, which we supervised, made a net profit of \$9,628.70.

Very cordially yours,

FCA:lg
Encs.

cc: Gwinn Henry
W.W. Davis
Karl Klooz
Dean Stockton
Guy Smith

Director of Physical Education and Recreation
Varsity Basketball Coach

November 18, 1940

Mr. Harold G. Olsen
Department of Physical Education
Ohio State University
Columbus, Ohio

Dear Ole:

I had hoped that you and I could get together between now and one of the Thanksgivings, but I believe that is impossible so I will endeavor to put on paper what I discussed with you over the phone when I was in Chicago.

I dropped into Major Griffith's office and he asked me to the Wailing Wall Luncheon, which was Monday noon. He also asked me to come in and spend some time with him. Then he got out his papers and showed me he had money to the amount of \$8,269.11, and he wanted to know if I would tell him how the money should be distributed; that they were quite anxious that the money be sent to the colleges. He said if I would give his secretary the method of distribution, he would see that the money was sent out. He asked, "Or do you want to send it out?" I insisted that the checks should be written and disbursed by him. I suggested that they all be made out to the Athletic Association of the various schools and universities interested.

Then we tried to arrive at the amount. We deducted \$2500 from the \$8269.11, which left \$5769.11. Then we divided this \$5769.11 in half, giving the NCAA 50%; which left \$2884.56 for distribution in 14 parts. Indiana and Kansas to receive 3/14, Southern California and Duquesne to receive 2/14, and Colorado, Springfield, Massachusetts College, Rice Institute and Kentucky Teachers to receive 1/14.

Then I tried to figure out where the remaining money was and I figured that if you had \$9512.12 as shown on your report, that you had perhaps taken 10% of \$9512.12 and withheld that, which would be \$951.21. Deducting the 10% from \$9512.12 would leave a balance of \$8560.91. There would still be a discrepancy of \$291.80.

Your telephone message explained the situation to me. I went back to Major Griffith's secretary and stated that I thought it would be better if they could get the definite report from you, and of course, I realize that I was the very individual holding it up, but I was holding it up because I could not find this fellow Smith in his office. Tomorrow, Tuesday, I am going to go down to the City and make this settlement, then on Wednesday I will send you what remaining money there is with a check and a report.

Ole, here is what I frankly think. I believe if you and I could sit down with Major Griffith and tell him that the 10% cut and the 5 0% cut is too much, he made me definitely understand that they would make the adjustment in the way we feel would be just and honest. There are just a few men running the NCAA and I know the rest of them would go along. After our "Custer's Last Stand" in the

room with those NCAA people I was not going to rise and bicker over the 10%, but I know that we can get a fair settlement and it certainly is not right for them to take 10% first and then take 50%. I will not quarrel and it would have been out of place for any voice to have been raised at that meeting. But the fact that Major Griffith wrote you and stated that the findings were as those set forth in the letter; namely, that no hotel and traveling expenses would be allowed them, showed me conclusively that they were all mixed up.

Therefore, I think very definitely, before this money is distributed that we should have a meeting and I am sure Major Griffith will go along with us because we have a set-up wherein we will make the NCAA a lot of money, if they do not "kill the goose that lays the golden egg."

Major Griffith said to me, "Phog, do you think the boys will be satisfied with such a settlement as this?" And the interesting part of it was, Ole, that he was not clear on the settlement and he continued, "Well, Phog, if they are not, you and Ole and Saint and some of us will get together and we will make it right." He stated that the difficulty with a lot of these fellows is that when they make money they want to spend it all. He spoke about Butch Cowell, who passed away last year. He stated that Butch was a good fellow but he was Chairman of the NCAA Boxing Committee and these members would want to have about three meetings a year and spend a lot of money while they were in session, but the meetings were too often and too expensive. I said, "Well, Major Griffith, that is not true in regard to our meetings," and he hastily agreed.

I told Major Griffith that we had been as conservative on our expenditures as if we had been handling University money, I told him of some of the expenses that were too large and that we refused to approve them, and we made nobody angry. I mentioned the fact that I got letters from you and we presented them in such a way, without using the officers names, and we told them the Committee would not approve such expense accounts. I stated the business manager had perfect confidence in what we had done, and further that President Owens had attended the finals and complimented the Committee most highly in the collegiate atmosphere which the Tournament seemed to possess.

I just know, Ole, that inasmuch as the NCAA Executive Committee set-up is not clear and inasmuch as we are making an agreement to last for NCAA Basketball teams to follow, I still believe that we could benefit by meeting with Major Griffith and getting an agreement; namely, 50% of their net with the NCAA without this first 10% out.

Kansas is to play Loyola in Chicago on January 2. I am wondering if there is any way that we could meet with you and Major Griffith that date, or will he be back from the New York Meeting? Will you please find out and let me know? I imagine you will be busy but thought perhaps I would take a fling

at this. The only other alternative is a meeting before Christmas. Our Christmas recess begins on December 20, Would it be possible to meet you in Chicago and discuss with Major Griffith this problem about that time. I think it is very worthwhile, Ole, because what little we spend on a trip like that will be made back many fold to the teams in the prorations.

Please let me hear from you at your early convenience.

Sincerely yours,

Director of Physical Education and Recreation
Varsity Basketball Coach

FCA:lg

November 18, 1940

Mr. H.G. Olsen
Basketball Coach
Ohio State University
Columbus, Ohio

Dear Ole:

I beg to accept receipt of your wire of the 18th instant reading as follows: "Please hurry final report if at all possible."

Ole, I want to assure you that I am even more anxious than you are to get this thing cleared up. I have called and endeavored to make appointments with Smith, the printer who printed our programs, and he has either been out of town or something has thwarted my move every time I have made an attempt to settle the bill. Frankly, I feel as if we are going to have bad luck on the proposition, but last week I got hold of his secretary and she stated he would be in town Tuesday morning, November 19. Therefore, as soon as my 10:30 class is over, I am leaving for Kansas City to keep this appointment.

We are not having any luck in our collections, so I am going to put in these bills as uncollectable, so far as my report is concerned. And tomorrow when I pay this fellow I will follow with a report on Wednesday and send you what money we have on hand and call the matter closed up.

If it had not been for this hang-nail, we would have closed the tournament business a long time ago and been rid of the very difficult situation. However, had we closed earlier than a month ago, we would have an old bill to settle to the Kansas City Journal. This is one of the newspapers that Bowles gave the advertising to and they charged it to him instead of to us. And then, not being able to collect from him, they sent us the statement and wanted to know if there was any way they could collect the bill. This being the first that I had heard of it, I asked them to mail me the bill and I sent them a check. So I am sure now there are no outstanding bills. I believe if I were you I would try to hold back this whole amount for emergencies, but that is up to you.

I am so sorry, Ole, that my teaching schedule and my basketball practice have been such that it has ham-stringed me and prevented me from getting away any one full day in any week. I had October basketball practice due to the fact that I lost most of my regulars and I thought that I would start out on fundamentals and try to develop a bunch of youngsters into a

group of ball handlers. On Mondays, Wednesdays, and Fridays I have classes at 9:30 and 11:30. On Tuesdays and Thursdays I have a class at 9:30. Therefore, it made it very difficult for me to drive to Kansas City and get back in time for 3:30 basketball practice. Then, too, I had complete charge of the Community Chest drive of Lawrence so far as the entire University was concerned, and then we had a Y.M.C.A. drive on here and I was stuck with that. So I have been busier than the proverbial "one-armed paper hanger with the itch."

I guarantee that there will be no such hang-nails attached to the next tournament that I have anything to do with.

With all good wishes, I am,

Very truly yours,

Director of Physical Education and Recreation
Varsity Basketball Coach

FCA:lg:mln

November 30, 1940

Major John L. Griffith
Commissioner of Athletics
Hotel Sherman
Chicago, Illinois

Dear Major Griffith:

I have been doing a great deal of thinking since I have returned from Chicago where you were very kind to me in having me as your guest at the Wailing Wall dinner, and also giving me audience which took from your busy administrative life many valuable moments.

When we had our conference regarding the income and disbursement of the National Collegiate Athletic Association basketball fund, you asked me this question: "Do you think all the boys will be satisfied with this distribution?" It would have been a long story and your time was too valuable at that moment for the explanation. However, I am writing you this letter in the hope that you can take it home where you can prop your feet up, rest in an easy chair, and read it, or part of it, and if it becomes too fatiguing or uninteresting, just drop it in the waste basket to your right.

May I give you a little history. In the beginning Harold Olsen and John Bunn and I had many conferences. First, we were desirous of seeing that the N. C. A. A. had the finest and the best basketball teams under the finest, cleanest and most efficient auspices that would be possible. Frankly, the money consideration was not the primal consideration. Of course, we wanted to make money, but we did not want the promoters to take the ball away from us regarding our own collegiate attraction. We felt as if the colleges were the ones making the money and the control naturally should be under college administration. Knowing that the N. C. A. A. had always stood for this sort of administration, we were happy indeed to work definitely upon these lines.

After the first N. C. A. A. basketball tournament had lost \$2500 at San Francisco, Philadelphia and Chicago and your executive committee underwrote the loss, we felt responsibilities. It was up to all of us to not only replace that money, but to return a sizable sum in order to show the committee that we were appreciative as well as determined to reciprocate the confidence of the executive committee.

I said, "You give me this tournament in Kansas City and I will not only pay back the deficit, but we will make you some money." We then started definitely upon an aggressive program of retrenchment. First, we worked with the National Coaches Association to the point that one dollar out of each membership should go for a ticket at the final tournament. Inasmuch as each coach paid \$5.00, it was our feeling that \$1.00 going toward a \$1.60 ticket of admission would be a gesture that the coaches also wanted this thing to succeed. Secondly, I made a deal with the Municipal

Auditorium whereby we could not fail. I had a minimal charge of \$300 placed on the hall which was ridiculously low. If we made money, of course rental would increase with the size of the income. We arranged then to take 20% net of the gate from the play-off of the district to go to the N. C. A. A. Although the N. C. A. A. was not guaranteeing any of the expenses, we were arranging to take 20% of the earnings. And in the Big Six play-off at Wichita we held out \$564 as 20% of this earning. In the Fifth District play-off between Oklahoma Aggies and Kansas at Oklahoma City we held out \$398 or 20%. That made \$662 which we had intentionally with-held so that this could be applied toward decreasing the \$2500 deficit.

I am showing you, Major Griffith, that every account of ours was bent toward insuring the return of the money to the N. C. A. A., and further than that we desired to show to our competing coaches who entered the tournament that we desired also to make a profit for their schools by their activities. Just off the record, I wish to tell you that for several years we played Oklahoma A. and M. and that they have never been able to pay the full guarantee until long late in August, due to the fact that they always borrow money to balance their budget each year. This is true of almost every one of the schools in our district with the exception of Nebraska. Just as you stated in your editorials and your comments that there are about 640 colleges in America playing football, but only about 80 are making any money out of athletics. My motive has been to sweeten the pot enough for these teams to keep them interested and make them feel that through their activity not only are they enjoying the pleasure of competition, but that they are getting a small remuneration which will help just a little toward reducing a budget that does not balance. Certainly our National Administration faces about the same problem that almost all of our athletic administrations experience, that of a badly impaired budget.

I remember distinctly John Bunn, Ole and I several years ago discussed that if and when we made money that we should recommend to the N. C. A. A. directors that we give 20% of the earnings to the N. C. A. A. It was at that time that Ole thought that this basketball money could be earmarked "basketball" and that it could be used for expenses to send an American college team to the Olympic game.

It was always my idea and I also thought that it was the thought of our committee that these findings should be transmitted to the N. C. A. A. executive committee and some action taken. The fact that this was not done by your directors naturally left us in a very bad position because we could not go to our coaches with any definite information. Frankly, there was great dissatisfaction from the coaches because they said "We want to know what we are going to get." And I wasn't in a position to tell them; this created misunderstanding.

Major Griffith, these coaches are not chizzlers. It is much easier for these fellows to close their season and quit worrying about basketball than for them to keep the team in training and face the criticism of certain faculty members who say that the season is already too long and through this

November 30, 1940

activity it is being prolonged unnecessarily. And, too, the professional promoters always offer such more in the way of lucrative expense accounts than our N. C. A. A. committee offers. The professional promoters offer to pay expenses for 15 men and they will guarantee you a purse in addition to the guarantee. Very enticing. Therefore, I believe that if we are going to continue this tournament that we should not have to compete in dollars and cents with these fellows, but we must follow along the line of giving our teams enough money that it will be at least a friendly gesture in meeting the competition that the professionals are consistently offering.

In Chicago when our committee met with your group I was pained exceedingly to see your group ask for a 10% cut before all expenses were paid, and then ^{and} a 50% cut of the total. When track receives but 10% it seemed to me that if we could pay all expenses and then have the N. C. A. A. take 50% of the total profits and distribute 50% fourteen ways that this would be more than fair. I believe that everybody would be happy with such an arrangement. But the 50% was certainly more than any member of the Regional Basketball Committee ever thought of.

I was not the one to say that the arrangement which your executive committee proposed was wrong because I did not want to argue any further. I wanted to counsel and mediate but we were in no position to do that because you had bigger business at hand. Then when you wrote Ole setting forth the findings of your committee, we found that that was not what was agreed upon in our meeting--some confusion somewhere. Therefore it seems to me that your group and our committee should mediate, because what was written to Ole was not what was agreed upon as it was read to St. Clair, Olsen and me. Ole sent me a carbon copy of your letter to him. I presume that he also sent St. Clair one.

In closing let me make myself plain. I will agree to do most anything for the good of the order. I also pledge my loyalty to the N. C. A. A.; however I can see no reason why we cannot continue with a fine tournament in which the N. C. A. A. can immediately count on a fine income and where the fourteen colleges participating will have at best a very small sum, but at least enough to make them happy. Therefore, I beg of you to see if it is not possible with some mediation to forget the original 10% discussed and to pay the railroad, pullman, hotel and meal expenses of all fourteen teams competing in their respective Eastern, Western and National play-offs and then to divide a very handsome profit, 40% of the N. C. A. A., and 50% of the net to the fourteen teams split in the way that the committee suggests.

Wishing you and your family a very happy and prosperous Yuletide,
I remain

Very sincerely yours,

Director of Physical Education and Recreation
Varsity Basketball Coach

December 5, 1940

Major John L. Griffith
Hotel Sherman
Chicago, Illinois

Dear Major:

I have just sent on to Jim St. Clair, Chairman of the National Collegiate Basketball Rules Committee, the final report for the 1940 N.C.A.A. Basketball Tournament. Jim will sign this report in accordance with N.C.A.A. regulations and will forward it on to you immediately, I am sure.

This report shows a net profit for the whole tournament business, i.e. Western and Eastern play-offs and Final Game, of \$9,522.55. I have already sent you \$8,000. Accordingly, I am sending you herewith another check for \$1,222.55. I feel that I should retain here in the Tournament checking account \$300 for the 1941 tournament promotion.

Now with respect to the division of this money. I gathered from "Phog" Allen's letter, after his conversation with you, that you had agreed that our method of procedure this season should be as follows: From the total net profit of the 1940 tournament should be deducted the 1939 deficit which the N.C.A.A. made good, i.e. \$9,522.55 minus \$2500 which leaves \$7,022.55. This amount should be divided in two parts- one half, \$3,511.27 to go to the N.C.A.A.; the other half to be divided in accordance with the plan agreed upon among the competing teams of the 1940 tournament and to be handled as follows: \$3,511.27 divided into fourteen equal parts; Indiana and Kansas to receive three-fourteenths each, \$752.40; Southern California and Duquesne to receive two-fourteenths each, \$501.60; Colorado, Springfield (Mass.) College, Rice Institute and Kentucky (Western) State Teachers College one-fourteenth each, or \$250.80.

I am sure everybody on the committee is agreed that you as secretary and treasurer of the N.C.A.A. should write these checks and explain that this is their "cut" in the 1940 tournament in accordance with the action of the N.C.A.A. Executive Committee. I have no doubt that such a distribution to the competing schools will be very well received by them and that this action on the part of the N.C.A.A. will go a long way toward solidifying good feeling in respect to future tournaments.

Dr. Allen will forward direct to you all the data, cancelled checks, receipts, etc., supporting the report of the Western play-off and the Final Game, and I will send on to you shortly the data which I have as a basis for this final report.

Sometime ago you mentioned that you would like to have a statement of the results of the 1940 Tournament. There is a complete record of the Tournament in the 1940-41 edition of the Official Basketball Guide. It seems

J.L.G.

December 5, 1940

that a copy of that on file would give you all the information you want in this connection.

I hope to see you even before you get this letter, but at any rate I am happy to be able to get the final report out of the way and into your hands.

Very sincerely yours,

H. G. Olsen
Chairman, N.C.A.A. Basketball
Tournament Committee

HGO:M
Enc. (check)

Copies to: J. W. St. Clair
Dr. F. C. Allen
W. B. Owens

December 7, 1940

Mr. Harold G. Olsen
Chairman, N.C.A.A. Basketball
Tournament Committee
Ohio State University
Columbus, Ohio

Dear Ole:

I acknowledge receipt of the carbon copy of your letter to Major Griffith. I think your letter was very good.

Of course, Major Griffith did not say that he would agree to what I set out, but he did say that if the agreement is not satisfactory that we would all get together and make it so. I am hoping that he will agree.

I will be glad to send Major Griffith the rest of the supporting data and I imagine that you will send him the checks and other material that I sent you.

Sincerely yours,

Director of Physical Education and Recreation
Varsity Basketball Coach

FCA:lg

October 2, 1940

Chancellor Deane W. Malott
University of Kansas
Lawrence, Kansas

Dear Chancellor Malott:

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In some quarters there has been a misunderstanding that perhaps I, as managing director of the tournament and also as coach of the Kansas team, had not prosecuted the interests of our own University Athletic Association as vigorously as I might have in keeping with my position here at the University.

I am sending you the correspondence between the different officers and the chairmen of the committee to show you that the "big wigs" are the boys who want to keep the money. You can see by the enclosed leaflets the names of the officers and perhaps get well enough acquainted with the general set-up to learn their identity. Upon every occasion I have prosecuted the case quite vigorously. It looks as if we may get \$500.00 as our share, but that is still undetermined at present.

Our tournament committee, composed of Mr. Harold Olsen, Chairman, Ohio State University; Mr. J.W. St. Clair, Southern Methodist University and myself, met with the Executive Committee in Chicago on September 6 and 7. You will see by our communication dated September 6 that we proposed the participants get some of the money. The Executive Committee did not agree with our committee, contending that the schools had no right to any of the money; that the money should be expended by the officers of the Executive Committee who handled all sports. Thereupon I offered my resignation as manager of the tournament, and also as an officer of the National Collegiate Athletic Association. I stated that I did not care to be associated any further with the enterprise because I had made certain commitments predicated upon past practices and that I found myself of no further service. My action was supported by the other two members of the committee.

The Executive Committee asked us to withdraw and await their action. We did so. Upon our return to their quarters they read an action by their group to which our committee was willing to acquiesce. On September 10 Major Griffith sent communication to Harold Olsen setting out the National Collegiate Athletic Association findings. On September 16 Mr. Olsen replied for the

committee. My letter to Mr. Olsen dated September 27 and Mr. J.W. St. Clair's letter dated September 30 will restate our position.

You will recall that Missouri, Oklahoma and Kansas made \$1,000 net after our expenses were paid in Wichita at the Big Six play-off. The Fifth District play-off between the Oklahoma Aggies and Kansas at Oklahoma City netted an additional \$1,000 to Oklahoma and Kansas each, after expenses were paid. The crux of the whole thing is that the N.C.A.A. Executive Committee is taking the financial plum from the gate receipts when the great crowds assembled in Kansas City for the Western and the National play-offs.

This report is merely for your information and your office records. The early material enclosed is to show you the metamorphosis of the tournament.

Sincerely yours,

Director of Physical Education and Recreation
Varsity Basketball Coach

FCA:lg

cc: Gwinn Henry
W.W. Davis
Karl Klooz
Dean Stockton
Guy Smith

P.S. The N.C.A.A. track meet held at Minneapolis last June lost \$6,000. They are using a part of this \$10,000 to pay that deficit.

F.C.A.

NATIONAL BASKETBALL COMMITTEE OF THE UNITED STATES
AND CANADA

Chairmen of Sub-Committees - Executive: Floyd Rowe
Publication: Oswald Tower
Research : Forrest C. Allen
Questionnaire: H. V. Porter
Game Administration: Sumner A. Dole

Chairman: - Floyd Rowe, Board of Education, Cleveland, Ohio

Secretary - H. V. Porter, 11 S. LaSalle St., Chicago

Vice Chairman - F. C. Allen, Univ. of Kansas, Lawrence

Treasurer - H. Jamison Swarts, Univ. of Pa., Philadelphia

Editor - Oswald Tower, Andover, Massachusetts

Committee Members: F. C. Allen, Univ. of Kansas, Lawrence
John Brown, Jr., 347 Madison Ave., New York
Forrest Cox, Colorado University, Boulder
J. H. Crocker, Univ. of Western Ontario
Sumner A. Dole, Connecticut State College, Storrs, Conn.
C. S. Edmondson, Univ. of Washington, Seattle
J. Mark Good, Sun-Gazette Co., Williamsport, Pa.
E. J. Hickox, Springfield College, Springfield, Mass.
A. H. Jefferess, 174 Carrick Ave., Hamilton, Ont., Canada
Frank P. Maguire, 46 N. Cameron St., Harrisburg, Pa.
H. G. Olsen, Ohio State University, Columbus
Curtis Parker, Centenary College, Shreveport, La.
G. Warren Phillips, High School, Hebron, Ind.
H. V. Porter, 11 S. LaSalle St., Chicago
Floyd A. Rowe, Board of Education, Cleveland, Ohio
J. W. St. Clair, Southern Methodist Univ, Dallas
H. Jamison Swarts, Univ. of Pennsylvania, Philadelphia, Pa.
Oswald Tower, Andover, Mass.

THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION

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Honorary Presidents - Brigadier-General Palmer E. Pierce
Professor Charles W. Kennedy
Major John L. Griffith

Secretary-Treasurer - John L. Griffith, Hotel Sherman, Chicago, Ill.

Honorary Secretary-Treasurer - Dean Frank W. Nicolson

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Professor S. C. Palmer, Swarthmore College
Professor H. C. Willett, University of Southern California

Executive Committee - The President and Secretary
Professor P. O. Badger
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President T. J. Davies
Director R. A. Fetzer
Dean L. K. Neidlinger
Professor L. W. St. John
Professor C. C. May

N.C.A.A. BASKETBALL TOURNAMENT

1940

Financial Statement

CASH RECEIPTS

| | | |
|-------------------------------------|--------------|----------------|
| Mar. 22 | Ticket Sales | \$7845.29 |
| Mar. 23 | Ticket Sales | 5874.33 |
| Mar. 30 | Ticket Sales | <u>8509.03</u> |
| Total receipts from sale of tickets | | \$22,228.65 |
| Program Sales | | <u>600.90</u> |
| Total Cash Receipts | | \$22,829.55 |

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WESTERN UNION TELEGRAM

February 23, 1940

JOHN BUNN
STANFORD UNIVERSITY
CALIFORNIA

SUGGEST FOR YOUR APPROVAL THAT NCAA GUARANTEE COMPLETE EXPENSES OF
COMPETING TEAM LIMITED TO TOTAL PARTY OF 12 IN PLAYOFF AT PHILADELPHIA
AND SAN FRANCISCO ALSO IN FINAL GAME AT CHICAGO. IF DISTRICT TOURNAMENTS
SEEM ADVISABLE AM SUGGESTING NCAA CANNOT GUARANTEE TOTAL EXPENSES BUT
THAT THEY BE RUN ON PRO RATA BASIS WHICH MAY VERY WELL RESULT IN ALL
EXPENSES BEING PAID DEPENDING ON POPULARITY OF PLAYOFF IN THAT DISTRICT.
PLEASE INDICATE IMMEDIATELY IF THIS MEETS WITH YOUR APPROVAL PLEASE
CHECK THIS WITH PRESIDENT OWENS

H. G. OLSEN
COLUMBUS, OHIO

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February 28, 1939

Mr. H. G. Olsen
Basketball Coach
Ohio State University
Columbus, Ohio

Dear Ole:

Since receiving your wire I have gone over the whole matter with Bill Owens. The conditions which you present are not exactly in accordance with the arrangements which you and I made with the fair officials when you were on the coast. Neither do they exactly agree with Bill Owens' desires.

In the first place our agreement with the fair officials was to the effect that a party of 15 would receive expenses on a second class train with an allowance of \$5.00 per day while en route and an allowance of \$5.00 per day during the time of the tournament. Bill Owens insists that a limit be placed on the amount of the expenses that will be allowed. We have done this already for the western play-off as I have just indicated. He feels that a similar arrangement should be made for the eastern play-off and for the finals in Chicago in order to prevent an exorbitant and uncalled for expense account. Since second class transportation is not available in the East you will, of course, be forced to make other arrangements in this connection. It may be that you will desire to provide the same kind of transportation for the two teams which come to Chicago in order not to discriminate between them.

I thought it best to write these points to you even though some delay was necessary. Please let me know if there are any further points in connection with this arrangement which are not now clear.

With best wishes, I am,

Very cordially yours,

John Burn
Dean of Men

JB:B

N.B. .: It was later agreed that full expenses for 15 men for all teams be allowed.

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Sept. 6, 1940

Executive Committee
National Collegiate Athletic Association

Gentlemen;

The N.C.A.A. Basketball Rules Committee and the N.C.A.A. Tournament Committee, desire to make the following report on the 1940 N.C.A.A. Basketball Tournament, together with some recommendations as to the conduct of future tournaments.

Item 1 - The financial report of the 1940 Tournament (see attached report)

" 2 - Recommendations:

1. That the 1941 Tournament be conducted as follows:
An eastern play-off between teams representing Districts 1, 2, 3 and 4, and a western play-off between teams representing Districts 5, 6, 7 and 8 be held on March . That the Western play-off be held at Kansas City and the eastern play-off at a place to be designated by the Tournament committee. That a final game between the winners of the eastern and western play-offs be held at Kansas City on March to determine the N.C.A.A. Basketball Championship.
2. That teams to represent each district be selected by Selection Committees. Selection to be made whenever possible on the basis of the season's record rather than by play-offs. Whenever play-offs within a district become necessary to determine district representative the N.C.A.A. assumes no financial responsibility, and receives no share of the receipts from such a play-off.
3. That competing teams be allowed expenses for a total party of 15 men, to eastern and Western play-offs and to the final game.
4. That net proceeds of N.C.A.A. Tournaments after all expenses (including team expenses) are paid, be divided as follows: 25% to the N.C.A.A., 75% to the competing teams on the following basis: Such amount as constitutes the 75% shall be divided into fourteen equal parts, one part going to each of the eight competing teams and an additional one part to each of the four semi-finalists and an additional one part to each of the finalists.
5. That the net proceeds of the 1940 tournament be distributed as follows: 25% to the N.C.A.A., \$2500.00 to the N.C.A.A. to repay deficit of the 1939 tournament. Remainder to be distributed among competing teams in accordance with the method of distribution outlined above in recommendation number four.
6. That the N.C.A.A. encourage and subsidize out of basketball receipts worthwhile basketball research problems worked out by the National Association of Basketball Coaches.

The committee feels that the Tournament set-up as above outlined provides the following benefits:

1. Will create a greater interest in collegiate basketball by enlisting more representative teams from all the districts.
2. Will make for greater cohesion of the eight collegiate districts.
3. Will serve as a definite source of financial income to the N.C.A.A.
4. Offers the means by which this tournament can be developed into the outstanding basketball event in the nation.

Respectfully submitted,

J.W. St. Clair
Chairman N.C.A.A.
Basketball Rules Committee

Dr. F. C. Allen, Manager
Western Play-off & Final Game

H. G. Olsen, Chairman
N.C.A.A. Basketball Tournament
Committee

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September 4, 1940

REPORT OF N.C.A.A. BASKETBALL TOURNAMENT 1940

The Eastern play-off was held at the Butler Field House, Indianapolis, Indiana on March 22 and 23; the Western play-off at the Municipal Auditorium at Kansas City, Mo., March 22 and 23 and the final game was played at Kansas City on March 30.

The following summary gives the picture of the Tournament:

Western play-off and final game, Kansas City

| | | |
|--------------|------------------|------------|
| Receipts | \$22,829.55 | |
| Expenditures | <u>13,665.67</u> | |
| Net | | \$9,163.88 |

Eastern play-off, Butler Field House

| | | |
|--|-----------------|-----------------|
| Receipts | \$6,405.75 | |
| Federal Tax on Comps from Indiana U. | <u>19.00</u> | 6,424.75 |
| Expenditures | <u>5,224.44</u> | |
| Net | | <u>1,200.31</u> |

| | | |
|--------------------|--|-------------|
| Total Net Receipts | | \$10,364.19 |
|--------------------|--|-------------|

General Administrative Expense - for trophies,
telegrams, postage, printing, travel,
stenographic, etc.

852.07

Net profit on N.C.A.A. Basketball Tournament

\$9,512.12