



NJCAA Camps & Clinics

June 23, 2022

Report No. 177-22

Office of Internal Audit & Risk Management

Missouri State University™

W E S T P L A I N S

DATE: June 23, 2022

TO: Crockett Oaks, Director of Business and Support Services & Interim Athletic Director
Dr. Angela Totty, Dean of Student Services and Former Athletic Director
Paula Wiedemann, Head Volleyball Coach and Former Athletic Director
Jared Phay, Head Basketball Coach

CC: Dr. Dennis Lancaster, Chancellor
Rachael Dockery, General Counsel
Clifton M. Smart III, University President

FROM: Natalie B. McNish, Director of Internal Audit and Risk Management

NJCAA Camps & Clinics

BACKGROUND

The Office of Internal Audit & Risk Management determined rotational audits of athletic programs were necessary to effectively monitor associated compliance and operational risks. Twelve categories were identified as potential risk areas and audits of each category will be completed for both the Springfield (NCAA) and West Plains (NJCAA) athletic programs.

As a member of the National Junior College Athletics Association (NJCAA) Division I, Missouri State University – West Plains has an obligation to ensure overall compliance with the applicable rules and regulations of the Association in the operation of its athletic programs.

The University permits the conducting of camps and clinics as a means to display the University's programs and facilities and to provide opportunities to young people to enhance and develop their skills in a specific sport or activity. Head coaches are permitted by their contract to hold sport camps and clinics with the proceeds retained for his/her own benefit, less a fee of \$1 per camp enrollee or \$100 per camp, whichever is less. Coaches are also permitted to use University facilities, permitted they schedule in advance and pay for any use of residence or dining halls.

OBJECTIVE AND SCOPE

The objectives were to review compliance with applicable NJCAA rules, employment contracts, documented policies and procedures, and widely accepted business practices. The scope of the review was limited to camps and clinics held during the year ended December 31, 2021.

SUMMARY

We identified non-compliance with NJCAA rules regarding how student-athletes can be employed as camp staff, non-compliance with some employment contract requirements related to insurance and payment of fees, and non-compliance with the Athletic Policy and Procedure Manual related to submittal of fees and

associated camp registrant roster. In addition, the audit identified a lack of institutional oversight exists in relation to athletic camps and clinics.



Natalie B. McNish, CFE, CGAP
Director of Internal Audit and Risk Management



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Internal Auditor

Audit Field Work Completed: May 23, 2022

OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

1. NJCAA Non-Compliance

Student-athletes were employed during summer and winter basketball camps held by the Head Basketball Coach without use of a formal application process as required by NJCAA rules and the Athletics Department did not have procedures in place to identify and correct the non-compliance before the camps started.

According to Article V – Scholarship & Letter of Intent, Impermissible Aid, Case number nine of the NJCAA Eligibility Casebook, the following process must be applied to employ a student-athlete at a camp:

- 1) The camp must be conducted on campus.
- 2) There must be a formal application process where anyone interested could apply.
- 3) Student-athletes must go through the formal application process.
- 4) University must be able to document that the most qualified applicants were selected.
- 5) All camp staff must be paid the going rate for similar duties and position.

This is reiterated in Article VII – Sport Policies and Guidelines, Practice – Off-Season, Case 14 of the NJCAA Eligibility Casebook which states, “if the camp is held on campus, the student-athlete must have gone through the same application process as all other candidates and must be compensated the going rate as all other counselors with similar responsibilities.”

The camps were held on campus and all camp employees with similar responsibilities were compensated a going rate; however, these employees were selected by availability and affiliation with the team and not through use of a formal application process. Further, the Athletics Department has not established procedures to monitor this area of compliance, nor is this compliance topic covered by the Athletic Department Policy and Procedure Manual.

Recommendation

The Athletic Department should self-report this NJCAA violation and develop policies and procedures to monitor future compliance with this rule.

Management’s Response

Management acknowledges the report and agrees with its findings. While the athletic department has in the past utilized the same hiring processes for student workers used by other campus departments, the processes for hiring all student workers will be formalized, to include, but not limited to, advertising through student information media on campus.

2. Contractual and Policy Non-Compliance

Non-Compliance with employment contracts and the Athletic Department Policy and Procedure Manual was noted for camps held during the year ended December 31, 2021.

The employment agreements for the two head coaches provide requirements for camps and clinics including the requirement to pay \$1 per camp enrollee or \$100 per camp, whichever is less; secure commercial general liability insurance with a minimum liability limits of \$500,000 per person and \$2,000,000 in aggregate, with the Board of Governors of Missouri State University named as an additional insured; require all camp staff to attend University-required mandated reporter and/or Title IX training prior to the date of the camps; pay daily rate for any use of residence or dining halls; and ensure University vehicles are not used to transport participants. Review of camps held during the year ended December 31, 2021 found the following non-compliance with these requirements:

- Non-University employed camp staff did not complete University-required mandated reporter and/or Title IX training prior to the start date of any of the camps held during the year ended December 31, 2021.
- Commercial general liability insurance for the two basketball camps did not list the Board of Governors of Missouri State University as an additional insured.

In addition, the Athletic Department Policy and Procedure Manual requires proof of insurance to be provided prior to the camp start date and coaches to submit a copy of the camp roster with the \$1 per camp enrollee fee at the conclusion of the camp. We noted insurance was not provided to the University prior to the start of any camp held during the year ended December 31, 2021 and a camp roster was not submitted with the camp fees paid for the Volleyball camps. Further, fees paid for the July basketball camp were not submitted until November 2021.

Recommendation

Ensure compliance with all contractual and policy requirements regarding athletic camps and clinics.

Management’s Response

Recommendation is accepted, and additional oversight will be provided to ensure compliance.

3. Institutional Oversight

Missouri State University West Plains must develop increased oversight of athletic camps and clinics to ensure compliance with NJCAA rules, employment agreements, and other policies and procedures. While the department has established an Athletic Department Policy and Procedure Manual, the document requires annual updating and was not updated or disseminated for the 2021-2022 academic year and is not held in an accessible location where it can be accessed and referenced as needed. In fact, one coach expressed no knowledge of the document existing. In addition, the University has not developed necessary training related to NJCAA rules and other compliance requirements. Compliance is often met through education and awareness. Training is the simplest way to ensure procedures to ensure compliance are effectively implemented.

During the year ended December 31, 2021, three individuals with other full-time responsibilities assumed the role as Acting Athletics Director. This volatility likely increased the risk of non-compliance. The University has already taken action to address this and in May 2022, the campus opened a permanent Athletic Director position. Adding this stability will help the institution build a system of monitoring and oversight necessary to ensure compliance.

Recommendations

Establish institutional oversight sufficient to ensure camps and clinics are conducted in compliance with all NJCAA rules, employment contract requirements, and University policies and procedures.

Management’s Response

Recommendation is accepted. The search for a full time Athletic Director is underway, with a hiring date of July 1, 2022, anticipated.