



Sports Camps and Clinics
NCAA and University Policy Compliance

March 16, 2017

Office of Internal Audit and Compliance



Missouri State[™]

U N I V E R S I T Y

DATE: March 16, 2017

TO: Shamika Kentish, Assistant Athletic Director for Compliance
Casey Hunt, Senior Associate Director of Athletics

CC: Kyle Moats, Director of Athletics
Clifton M. Smart III, University President

FROM: Donna Christian, Director of Internal Audit and Compliance
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SPORTS CAMPS and CLINICS NCAA and UNIVERSITY POLICY COMPLIANCE

BACKGROUND

As a member of the National Collegiate Athletic Association (NCAA) Division I, Missouri State University has an obligation to ensure overall compliance with the applicable rules and regulations of the Association in the conduct of its intercollegiate athletic programs.

NCAA Bylaw 13.12.1.1 defines an institution's sports camp or clinic as, "any camp or clinic that is owned or operated by a member institution or an employee of the member institution's athletics department, either on or off its campus, and in which prospective student-athletes participate." Detailed requirements governing Sports Camps and Clinics are addressed throughout Bylaw 13.12 of the NCAA Division I Manual. The NCAA imposes restrictions on camp timing, advertisements, permissible expenses, employment situations, camp fees, and more. For a complete listing of all NCAA Division I requirements, the official NCAA Division I 2016 – 2017 Manual may be found at the following link: <http://www.ncaapublications.com/productdownloads/D117.pdf>

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 sports camps and clinics with the proceeds retained for his /her own benefit. Specific terms regarding sports camps vary among employment contracts (primarily related to University facilities rentals and fees); however, NCAA by-laws apply to all camps or clubs.

OBJECTIVE AND SCOPE

The objectives were to determine that the Athletics Department maintains adequate documentation to establish compliance with NCAA bylaws governing sports camps and clinics, evaluate whether current University policy is followed, and to confirm that adequate controls over risks and resources are in place. The scope includes the 2016 athletic camps and clinics.

SUMMARY

This review made recommendations to:

- Ensure athletic manuals are up to date, complete and consistent.
- Ensure all camps/clinics information is prepared with appropriate detail and submitted to the Office of Athletic Compliance and/or the Director of Athletics as required.
- Conduct required reviews of camps and clinics information to ensure NCAA compliance.
- Ensure liability insurance coverage is proper.
- Collect the camp fee for men's basketball.

No NCAA violations were observed.



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Director of Internal Audit and Compliance



Renee Fogle, Internal Audit Project Coordinator
Audit Field Work Completed: March 1, 2017

OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

1. Camps and Clinics Policy Manuals

One purpose of athletic policy manuals is to outline procedures used by the Athletic Department to ensure compliance with NCAA regulations. Both the *Coaches Compliance Manual* and the *Sports Camps/Clinics Policy Manual* address requirements for sports camps and clinics, but do not provide complete and consistent guidance.

- The *Coaches Compliance Manual* dated 2014-2015, used to govern 2016 Camps and Clinics, states that coaches are to receive a copy of a Sport Camp/Clinic NCAA Compliance Packet. According to athletic personnel the “packet” is the *Sports Camps/Clinics Policy Manual*. It is not clear if coaches received a copy of a *Sports Camps/Clinic Policy Manual*, or which version of the manual was used to administer the 2016 camp season. Athletic personnel stated that the version dated June 2008 was used; however, a different version was provided to Internal Audit in 2010.
- The most recent *Coaches Compliance Manual*, dated 2016-2017 does not include complete guidance regarding the requirements for athletic camps and clinics. Athletic personnel indicated that information on camps and clinics was inadvertently omitted when the manual was updated.

Recommendation:

Ensure all manuals are up to date, complete, and consistent with other governing documents.

Management Response:

We accept the recommendation to update the Sports Camps/Clinics Policy Manual and ensure consistency with NCAA requirements.

2. Submission of Camp Information

Certain monitoring controls established in the athletic manuals are not being enforced:

- The 2014-2015 *Coaches Compliance Manual* requires coaches to submit completed camps/clinics information forms to the Office of Athletic Compliance for approval prior to conducting the camps/clinics. Information forms were not completed and submitted to the Office of Athletic Compliance for approval.
- When requested specifically for this audit, the Assistant Athletic Director of Compliance obtained camp financial reports for 2016 from four coaches (Football, Men’s Basketball, Women’s Basketball and Soccer). Financial reports are required to include detailed information for player registrations, fee payments, payroll expenses and other expenses. Although the financial reports included much of the required information, some information such as player registration and fees, was not sufficiently detailed to allow for adequate NCAA compliance monitoring.
- The *Sports Camps/Clinics Policy Manual* instructs coaches to send a financial report for each camp to the Director of Athletics within 30 days of the camp’s conclusion, or in the event of multiple camps, no later than 30 days following the completion of the final session; however, no reports were submitted for the 2016 camps.

Similar comments were included in a 2010 audit.

Recommendation:

Ensure all camps/clinics information is prepared with appropriate detail and submitted to the Office of Athletic Compliance and/or the Director of Athletics as required.

Management Response:

We agree and will comply with this recommendation.

3. NCAA Compliance

The *Sports Camps/Clinics Policy Manual* provides oversight responsibility for camps and clinics to the Director of Athletics and the Assistant Athletics Director for Compliance.

The following required reviews are not being performed and documented:

- a. The Assistant Athletics Director for Compliance will review and approve all camp and clinic brochures, advertising and literature used to market the camps and clinics. (NCAA Bylaw 12.5.1.6 and 13.12.1.6)
- b. The Assistant Athletics Director for Compliance will review all free – and reduced admission waivers. (NCAA Bylaw 13.12.1.7)
- c. The Assistant Athletics Director for Compliance will review the registration information. (NCAA Bylaw 13.12.1.3)
- d. The Assistant Athletics Director for Compliance will review the student-athlete and coaches employment salaries and duties. (NCAA Bylaw 13.12.2.1 and 13.12.1.7)
- e. The Director of Athletics will approve the conduct of all camps, clinics, and private lessons, as well as review all financial reports submitted at the conclusion of each camp.

Although the Assistant Athletics Director for Compliance indicated she answers questions regarding the above when asked, the reviews required by policy are not consistently being performed and documentation of the reviews is not maintained.

Similar comments were included in a 2010 audit.

Recommendation:

Conduct required reviews of camps and clinics information to ensure NCAA compliance.

Management Response:

We agree and will comply with this recommendation.

4. Liability Insurance

Some improvements are needed to ensure all coaches obtain the proper liability insurance coverage. The University currently requires all head coaches authorized to hold camps for their own benefit to have a specified level and type of liability insurance in place. The policies are also required to name the Board of Governors as additional insured. The amount of insurance required is specified in each coaches' contract and may differ by sport. Our review noted:

- Not all insurance certificates were immediately available from the athletic department. To ensure all coaches obtain liability insurance coverage, the insurance certificates should be submitted and on file with the Assistant Athletic Director for Compliance prior to the start of each camp.

- At our request, insurance certificates were obtained and provided to us for the 2016 camps and clinics. Our review noted that 6 of the 9 sports who held camps and clinics in 2016 had insurance certificates that did not specify the Board of Governors as an additional insured as required.
- Some of the liability limits on the insurance policies did not agree with requirements in the coach's contract. The contract language states the minimum policy requirements in an amount per person, but the Certificates of Insurance defines limits on a per occurrence basis.

Similar comments were included in a 2010 audit.

Recommendation

Obtain the Certificate of Liability Insurance prior to the camp event to ensure required insurance has been obtained, and the Board of Governors is listed as an additional insured. In the case where a certificate is not submitted prior to the camp, the coach should not be allowed to host the camp. Additionally, athletic administrators should work with the University Office of General Counsel to determine if the difference in liability limits between the coaching contracts and the certificates of insurance needs to be addressed.

Management Response:

We agree and will require all insurance policies for camps and clinics to name the Board of Governors as insured. We will further ensure coaches contracts and insurance policies are consistent.

5. Facility Fees

Out of the four sports whose financial statements were reviewed (Football, Men's Basketball, Women's Basketball, and Soccer), only the basketball coaches are required to pay a facility usage fee of \$5 for each camp enroll.

Records for the men's basketball camps show no evidence that the \$5 per camp enrollee facility fee was paid to the University for the 2016 camps. Records provided by the men's basketball coach show that 143 individual campers enrolled in the individual camps and 31 teams participated in the team camps. Records did not provide adequate detail to determine how many individual players enrolled with each team. As a result, it appears that at a minimum \$1,490 is due in facility fees for the 2016 men's basketball camps. (Calculations are as follows: 143 individual campers + 155 individual team campers (31 teams x 5 players per team) = 298 total campers at \$5 each.)

The facility usage fee for women's basketball was properly paid after the conclusion of the camps.

Recommendation:

The men's basketball coach should pay \$5 per enrollee for the 2016 camps and clinics as required by contract. At a minimum \$1,490 is due.

Management Response:

This recommendation was immediately addressed. The men's basketball coach has now paid \$1,490 in facility fees.