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**THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY
OFFICE OF AUDITS & CONSULTING SERVICES**

NCAA Rules Compliance – Part 1 of 2

Report No. 16-03

June 27, 2016

Dr. Guy Bailey, President
The University of Texas Rio Grande Valley
2102 Treasure Hills Blvd., Suite 3.115
Harlingen, TX 78550

Dear Dr. Bailey,

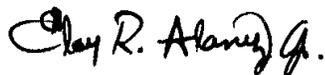
As part of our fiscal year 2016 Audit Plan, we have completed a compliance audit of the National Collegiate Athletic Association (NCAA) Rules Compliance – Part 1 of 2 for The University of Texas Rio Grande Valley (UTRGV). The objective of the audit was to evaluate Athletics compliance with NCAA Bylaws in specific areas. The scope of the audit included current forms, policies and procedures and activity during FY 2015 related to the following areas:

- ◆ Academic Performance Program
- ◆ Investigations & Self-Reporting Rules Violations
- ◆ Governance & Organization
- ◆ Commitment of Personnel to Rules Compliance

Based on the work performed, we are reasonably certain, that Athletics and the Office of the Registrar complied with NCAA Bylaws and its compliance practices were functioning as intended for the four areas evaluated. The detailed report is attached for your review.

We appreciate the courtesy and cooperation received from management and staff during our audit.

Sincerely,



Eloy R. Alaniz, Jr., CPA, CIA, CISA
Chief Audit Executive

cc: Chris King, Athletics Director
UTRGV Internal Audit Committee
UT System Audit Office
Governor's Office of Budget, Planning and Policy
Sunset Advisory Commission
State Auditor's Office
Legislative Budget Board

Office of Audits and Consulting Services

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EXECUTIVE SUMMARY

The National Collegiate Athletic Association (NCAA) compliance philosophy is based upon the principles of institutional control, presidential authority, and shared responsibility. An effective compliance program should have sufficient administrative procedures, educational programs, and monitoring, in order to maintain institutional control. NCAA Bylaw, *Article 20.4.4 Compliance Review Requirement* states that “at least once every four years, an active multidivisional institution must engage in a compliance review conducted by an authority outside the athletics department.” The Office of Audits and Consulting Services provides this evaluation for The University of Texas Rio Grande Valley (UTRGV).

The objective of the audit was to evaluate Athletics compliance with NCAA Bylaws in specific areas. The scope of the audit included current forms, policies and procedures and activity during FY 2015 related to the following areas:

- ◆ Academic Performance Program
- ◆ Investigations & Self-Reporting Rules Violations
- ◆ Governance & Organization
- ◆ Commitment of Personnel to Rules Compliance

Our procedures included interviews of Athletics and Office of the Registrar personnel. The Association of College and University Auditor’s *NCAA Division I Compliance Audit Guide* was used in performing the audit. Compliance references included the *NCAA Division I Manual*, the *Compliance Policies and Procedures Manual*, the *Department of Intercollegiate Athletics Policy and Procedures Manual* and the *Student-Athlete Handbook & Planner*.

Based on the work we performed, we are reasonably certain, that Athletics and the Office of the Registrar complied with NCAA Bylaws and its compliance practices were functioning as intended for the four areas evaluated. Athletics maintains written manuals that provide policies and procedures governing NCAA rules compliance. The *NCAA Division I Manual*, the *Compliance Policies and Procedures Manual*, the *Department of Intercollegiate Athletics Policy and Procedures Manual* are readily available and essential tools contributing to NCAA rules compliance. To ensure compliance in all areas, the Athletics Compliance Office conducts monthly rules education meetings, provides tips and updates on NCAA legislation via emails for coaches and other key personnel. Additionally, a monitoring program is in place and working as intended. However, we observed the following:

Office of the Registrar

The new NCAA Compliance roles for individuals within the Office of the Registrar were not reflected in their job descriptions.

The Office of the Registrar has documented NCAA Certification procedures. However, these procedures do not include set dates in which processes need to be completed.

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Athletics

UTRGV Athletics did not have an oversight body to provide direction and guidance to its Academic Performance Program.

The annual *Certification of Compliance for Staff Members of Athletics Departments* form due by September 15th was not completed by all employees.

The Athletics *Academic and NCAA Certification Policies & Procedures Manual* did not include current Office of the Registrar's procedures.

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BACKGROUND

The University of Texas Rio Grande Valley (UTRGV) was created by the Texas Legislature on December 7, 2012, and it combined the resources and assets of The University of Texas-Pan American (UTPA) and the University of Texas-Brownsville (UTB) effective September 1, 2015.

Athletics supports and complements the educational mission of the institution by providing student-athletes the academic resources to obtain their baccalaureate degree while participating in athletics competition as a Division I member of the NCAA. Athletics is responsible for the operation of the Men’s and Women’s Intercollegiate Athletics Program, which includes sixteen sports that compete at the NCAA Division I level, as a member of the Western Athletic Conference.

Athletics supports and enhances the visibility of the institution by serving as a means to broaden and strengthen the Rio Grande Valley community’s interest and involvement with the institution. Athletics promotes a sense of institutional identity, unity, and pride within the University and surrounding communities.

NCAA Bylaw, *Article 20.4.4 Compliance Review Requirement*, states that “at least once every four years, an active multidivisional institution must engage in a compliance review conducted by an authority outside the athletics department.” The University’s Office of Audits and Consulting Services provides this evaluation. The rules compliance program evaluation includes the following areas:

1. Governance & Organization.
2. Initial-eligibility Certification.
3. Continuing-eligibility Certification.
4. Transfer-eligibility Certification.
5. Academic Performance Program.
6. Financial Aid Administration, including individual and team limits.
7. Recruiting (e.g., contacts and evaluations, official and unofficial visits).
8. Camps & Clinics.
9. Investigations & Self-Reporting of Rules Violations.
10. Rules Education.
11. Extra Benefits.
12. Playing and Practice Seasons.
13. Student-Athlete Employment.
14. Amateurism.
15. Commitment of Personnel to Rules Compliance.

AUDIT OBJECTIVE

The objective of the audit was to evaluate Athletics compliance with NCAA Bylaws in specific areas.

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AUDIT SCOPE & METHODOLOGY

The Office of Audits and Consulting Services conducts audits of one area of the rules compliance program each year; therefore, not all areas have been audited within the past four years. To satisfy the NCAA Bylaw on rules compliance, the scope of the audit included current forms, policies and procedures and activity during FY 2015 related to the following areas:

- ◆ Academic Performance Program
- ◆ Investigations & Self-Reporting Rules Violation
- ◆ Governance & Organization
- ◆ Commitment of Personnel to Rules Compliance

Our procedures included interviews of Athletics and Office of the Registrar personnel. The Association of College and University Auditor's *NCAA Division I Compliance Audit Guide* was used in performing the audit. Compliance references included the *NCAA Division I Manual*, the *Compliance Policies and Procedures Manual*, the *Department of Intercollegiate Athletics Policies and Procedures Manual* and the *Student-Athlete Handbook & Planner*.

The audit was conducted in accordance with the guidelines set forth in The University of Texas System's Policy 129 and the *Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing*.

AUDIT RESULTS

Academic Performance Program

The Academic Performance Program (APP) was established by the NCAA to ensure that the Division I membership maintains focus on the educational experience of student-athletes in an environment that supports their intercollegiate-athletics experience, while enhancing the ability of student-athletes to earn a degree. The Academic Performance Program consists of the Academic Performance Census (APC), the Academic Progress Rate (APR), and the Graduation Success Rate (GSR). The APC data is collected as part of the APR data submission process. APC is an annual compilation of academic performance variables (e.g., credit hours and grade-point average). This data must be submitted annually by each institution by the applicable deadline. The APR was established to track the success of student-athletes academically prior to, and in their progress towards, graduation. The APR is a term-by-term measure of eligibility, retention and graduation for student-athletes who have received institutional financial aid based in any degree on athletics ability during the academic terms in question. There are three unique variables required for calculation and submission of the APR: academic eligibility, retention, and graduation. Teams that earn an APR score lower than 930 may be subject to penalties such as loss of scholarships.

The NCAA Certification Coordinator, in the Office of the Registrar is responsible for completing and submitting the APR data, with support from the Athletics Compliance office. Data is

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submitted through the NCAA APP membership portal. Data submission for the APR is due every year six weeks from the first day of classes for the fall term.

We obtained copies of the most recent Academic Progress Rate Institutional Report, *NCAA Division I 2013-2014 Academic Progress Rate Institutional Report*. The Men's Cross Country team had a score of 899, and they are under a Level I APR penalty, which means the team received a reduction in practice time from 20 hours to 16 hours per week with 2 required days off per week. The team has an APR Improvement plan that is being monitored by the Senior Associate Athletic Director for Student Services.

The Graduation Success Rate (GSR) was developed to examine historical academic success at each institution by measuring graduation of all student-athletes, including transfer students and students who leave campus in good academic standing. The NCAA Certification Coordinator uploads student-athlete data from the APP system into the GSR portal.

The NCAA Certification Coordinator responsibilities are generally stated in the employee's job description. The Office of the Registrar is currently training other individuals to help the NCAA Certification Coordinator; however, their new NCAA duties were not listed in their job descriptions. The NCAA Certification Coordinator collaborates with Athletics and the Student-Athlete Advisor to review and compare the APP data to ensure reporting accuracy and compliance with the NCAA Academic Performance Program requirements.

Recommendation:

1. The Office of the Registrar should revise the job descriptions for the individuals whom now have new NCAA Compliance roles so that these new duties are reflected in their job descriptions.

Management's Response:

1. The Office of the Registrar updated the job description of the NCAA Certification Coordinator to include NCAA Compliance roles and duties. The position of Assistant Registrar – NCAA Compliance was created and filled by the Office of the Registrar, to assist and oversee the responsibilities of the NCAA Certification Coordinator.

Implementation Date:

Implemented

We obtained the Office of the Registrar's NCAA Certification procedures and determined that they were well documented. However, we noted that these procedures did not include set dates in which processes need to be completed.

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Recommendation:

2. The Office of the Registrar should include a timeline for the NCAA Certification process and include set completion dates for processes such as:
 - Athletics receiving the Academic Progress Rate (APR) Report for review prior to its submission to the NCAA.
 - Receipt of scholarship information from the Financial Aid Office and its review in preparation for the APR.
 - Review of eligibility points earned and lost with the Athletics Compliance Office.
 - Review and validation of student athlete eligibility reports with the Athletics Compliance Office.
 - Comparison and validation of athletes GPA's among the Office of the Registrar and the Student Athlete Academic Advisors.

Additionally, documentation should be obtained by the Office of the Registrar to substantiate the review and approval on these set dates.

Management's Response:

2. Set completion dates will be included in an updated Office of the Registrar's NCAA Certification procedures document.
 - Office of Registrar compliance team will submit copy of APR report for review to Athletics Compliance Office approximately two weeks before submitting to NCAA every summer.
 - Verification of student athletes receiving athletic aid will be completed prior to census date every semester.
 - Office of Registrar compliance team and Athletics Compliance Office will meet two weeks prior to start of semester to review eligibility points for each team sport.
 - Office of the Registrar compliance team and Athletics Compliance Office will meet two weeks prior to start of semester to review student athlete eligibility reports.
 - Office of the Registrar compliance team and student athlete advisement team has agreed to meet the day after grades are posted every semester to compare and validate student athlete report data that includes GPA, PTD, eligibility, etc.

Implementation Date:

May 31, 2016

The NCAA Division I Committee on Academics Subcommittee on Data performed a review of the University of Texas-Pan American's NCAA Division I Academic Performance Program

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(APP) data. There was only one item in which action was required and it was addressed by the Office of the Registrar and Athletics.

The University of Texas Pan American created a NCAA Certification Council in the fall of 2014 to provide direction and guidance to the NCAA certification and Academic Performance Program process. The council was to have oversight of all APR implementation and APR improvement plans. Roles and responsibilities for this Council are outlined in the *Athletics' Academic and NCAA Certification Policies and Procedures Manual*. Currently, this Council has not been created for UTRGV.

Recommendation:

3. The Athletics Director should ensure the NCAA Certification Council is created for UTRGV to provide oversight to the Academic Performance Program. The scope and responsibilities of the Council should be defined in a charter.

Management's Response:

3. The NCAA Certification Council was created by UTRGV President, Dr. Guy Bailey.

Implementation Date:

Implemented

We obtained the *Athletics Academic and NCAA Certification Policies & Procedures Manual* and determined that this manual had not been reviewed or updated by the Office of the Registrar who has an integral role in the certification process.

Recommendation:

4. Athletics should have the Office of the Registrar update its *Academic and NCAA Certification Policies & Procedures Manual* to include current procedures.

Management's Response:

4. Athletics will request that the Office of the Registrar update the manual.

Implementation Date:

May 31, 2016

Investigations & Self-Reporting Rules Violations

In accordance with NCAA Article 2.8.1 *Responsibility of Institution*, "each institution shall comply with all applicable rules and regulations of the Association in the conduct of its

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intercollegiate athletics program. It shall monitor its programs to assure compliance and to identify and report to the Association instances in which compliance has not been achieved”. The institution must report instances of noncompliance in a timely manner.

The *Athletics Compliance Policies and Procedures Manual Section 13 Procedures for The Reporting and Investigation of Possible Violations; Head Coach Control Policy* contains written procedures concerning the receipt and review of information concerning possible violations of NCAA legislation and is provided to coaching and administrative staff and is readily available on the Athletics website under the compliance link. The section contains information and actions that are necessary in order to constitute the beginning of an inquiry, individuals responsible for review, procedures to address the investigation of possible rules violations and its disposition.

Athletics has established written procedures, with specific individuals responsible for investigating and reporting possible violations of NCAA legislation in accordance with legislation enacted by NCAA, *Article 2.8.1 Responsibility of Institution*.

Governance & Organization

Good governance includes institutional control, presidential authority and shared responsibilities. The athletics director reports directly to the president, giving the president direct oversight and more visible institutional control. While the president is responsible for all aspects of the athletics program, the president has assigned final authority for rules compliance to the athletics director. The athletics director is responsible for NCAA compliance and has delegated the day-to-day compliance activities to the compliance staff. The compliance staff consists of the senior associate athletic director for student services, the assistant athletic director for compliance, and the athletics compliance coordinator. The compliance staff is able to communicate any compliance matters to the University Compliance Office.

Administrative procedures are in effect and operational. We obtained a copy of the *Compliance Policies and Procedures Manual* which includes NCAA compliance rules. The *Department of*

Intercollegiate Athletics Policies and Procedures Manual contains department procedures and forms. The student-athletes have a *Student-Athlete Handbook & Planner* that is distributed at the beginning of the fall semester. It contains guidance for several areas and the athletes sign a form attesting to receiving and reviewing the information.

Monitoring programs are in place, including the use of the JumpForward software, to assist the compliance staff as well as coaches in monitoring recruiting activities. JumpForward, as well as access to the NCAA Eligibility Center allows the compliance staff to effectively monitor NCAA rules compliance. NCAA required forms are also completed by administrators, coaches and student-athletes further providing support of compliance. The compliance office maintains a *Compliance Office Who To Call Guide* which lists the names of individuals that are responsible for various compliance areas and is provided to coaches and key personnel. On September 17, 2015 the UTRGV Faculty Athletic Representative (FAR) was appointed by the president. The FAR is the chair of the UTRGV Athletics Council, and a liaison between the university and

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Athletics. Additionally, he is a representative in the Western Athletic Conference and NCAA affairs.

UTRGV has an appropriate governance and organization structure in place as it pertains to the Athletics Program.

Commitment of Personnel to Rules Compliance

The purpose of this legislation is to ensure that all athletics personnel understand the role that they play in ensuring compliance with NCAA legislation. It also provides an opportunity for staff members to provide their knowledge of violations concerning NCAA legislation. Several compliance forms are required to be completed annually; three of those forms include the *Certification of Compliance for Institutions* form, the *Certification of Compliance for Staff Members of Athletics Departments* and the *Men's Basketball Coaching Staff Disclosure* form. All three of these forms must be completed annually no later than September 15th.

NCAA Article 18.4.2 indicates that a member institution is not eligible for team or individual competition unless its chief executive officer certifies that the institution is in compliance with NCAA legislation. This form must be signed by September 15th and retained by the institution. We obtained the most recent *Certification of Compliance for Institutions* form from the President's Office; it was signed by the president as the chief executive officer on September 15, 2015.

The *Men's Basketball Coaching Staff Disclosure Form*, requires all Division I men's basketball coaching staff members to complete this form. This form was implemented based upon legislation by the NCAA Division I Board of Directors regarding an emphasis to focus on issues surrounding the recruitment of elite prospects in men's basketball. We obtained and reviewed the most recent forms and no exceptions were noted.

The *Certification of Compliance for Staff Members of Athletics Departments* is required for all individuals employed in FY15 and returning in FY16. All individuals who are considered full or part-time employees must sign attesting that they have reported their knowledge of or involvement in any violations of NCAA legislation to the university. We obtained the most recent form but it was missing 8 out of 59, 14%, of the required signatures.

Recommendation:

5. The Athletic Compliance Office should ensure that the *Certification of Compliance for Staff Members of Athletics Departments* form is completed by September 15th.

Management's Response:

5. Athletics will ensure that the *Certification of Compliance for Staff Members of Athletics Departments* form is completed by all staff.
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Implementation Date:

9/15/2016

NCAA bylaw 11 requires that coaches who violate NCAA legislation be subject to disciplinary or corrective action. Additionally, an outside source is prohibited from paying or supplementing an Athletics staff member's salary, including benefits.

We reviewed a sample of coaches' contracts and verified that they included the appropriate language related to disciplinary or corrective actions for violating NCAA legislation. Additionally, the coaches' contracts specifically state that coaches shall not engage in or receive any athletically related income or benefit from outside sources. Every year Athletics requires that all full and part-time employees disclose athletically-related income and benefits from sources outside the University through the completion of the *Outside Income Agreement for Athletics Department Staff Members*. We obtained and reviewed 40 forms all of which were completed as required by NCAA. Individuals who had outside income, obtained the required approvals from the Chief Executive Officer, UTRGV's President.

Overall, Athletics complied with this Bylaw and demonstrated the commitment that its personnel have towards rules compliance.

CONCLUSION

Based on the work we performed, we are reasonably certain, that Athletics and the Office of the Registrar complied with NCAA Bylaws and its compliance practices were functioning as intended for the four areas evaluated. Athletics maintains written manuals that provide policies and procedures governing NCAA rules compliance. The *NCAA Division I Manual*, the *Compliance Policies and Procedures Manual*, the *Department of Intercollegiate Athletics Policy and Procedures Manual*, the *Student-Athlete Handbook & Planner* are readily available and essential tools contributing to NCAA rules compliance. To ensure compliance in all areas the Athletics Compliance Office conducts monthly rules education meetings and provides tips and updates on NCAA legislation via emails for coaches and other key personnel. Additionally, a monitoring program is in place and working as intended. The Athletics Compliance Office monitors rules compliance and any violations identified are self-reported to the NCAA and corrective action is taken. However, the recommendations listed above should be made to enhance compliance.



Isabel Benavides CIA, CGAP, CFE
Assistant Director



Norma Ramos, CIA, CGAP
Director