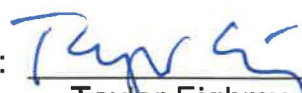


**NCAA Compliance Internal Audit Report**  
**Project # 2018-20**  
*October 11, 2018*

Reviewed by:



Taylor Eighmy, Ph.D.  
President

Executive Summary  
NCAA Compliance Internal Audit Report  
Project # 2018-20

**Objective:**

Determine if UTSA Athletics has appropriate controls in place to ensure continuous compliance with NCAA recruiting bylaws.

**Conclusion:**

UTSA has internal controls in place for student athlete recruiting; however, improvements could be made by including consistent documented evidence showing continuous compliance with NCAA recruiting bylaws.

**Management Action Plans:**

We identified 7 medium risk level observations that resulted in the following management action plans.

1. The UTSA Athletics Compliance Manual will be updated to include requirement for pre-approval of official visit itineraries. (Medium)
2. Process(s) will be developed to identify potential associations with a Prospective Student Athletes (PSAs) prior to hiring of athletics staff. (Medium)
3. The Athletics Business Office staff will be re-trained on use of ACS/Front Rush for documenting recruiting travel expenses. ACS/Front Rush is the software application used to track athletics compliance activity. (Medium)
4. A requirement will be established requiring that PSA phone numbers be added to ACS/Front Rush. (Medium)
5. Staff will be retrained emphasizing removal of social security numbers from documentation prior to uploading into ACS/Front Rush. (Medium)
6. The UTSA Athletics Compliance Manual will be updated to reflect current recruiting rules and related UTSA Athletics Compliance processes. (Medium)
7. All recruiting rules education training sessions will be documented to include sign-in sheets. (Medium)

# Audit Results

## NCAA Compliance Internal Audit Report

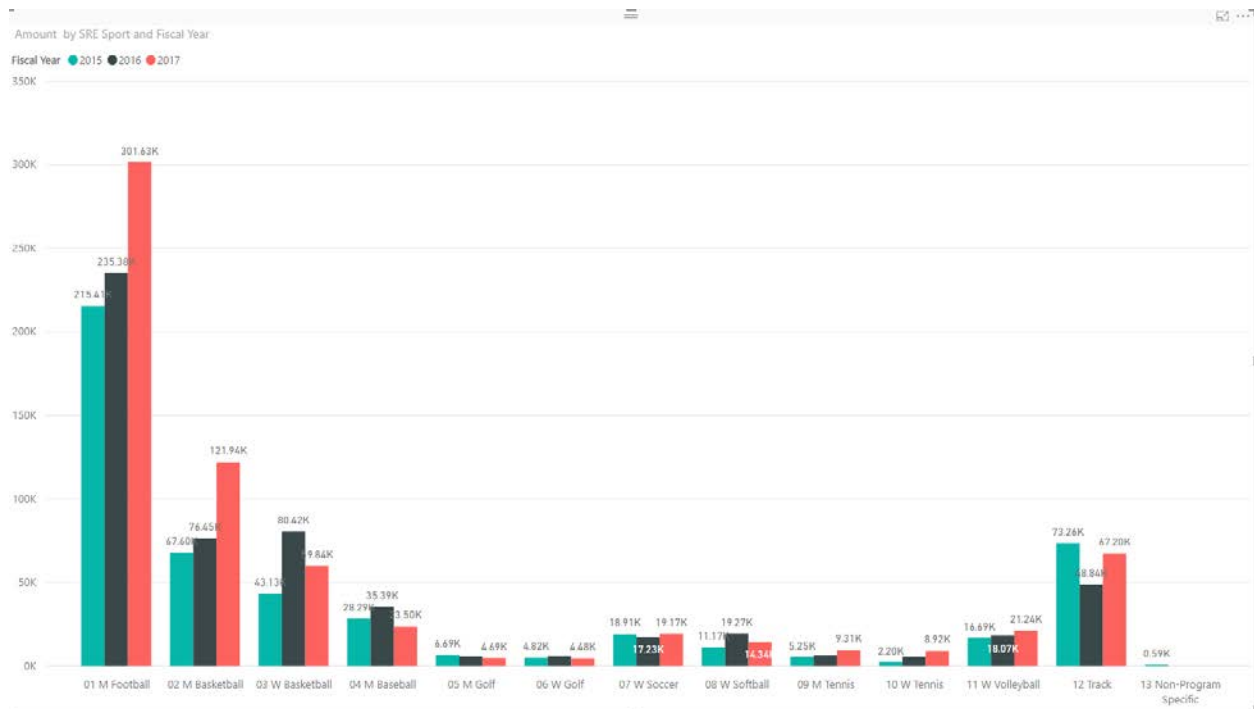
### Project # 2018-20

#### Background

UTSA is a Division I member of Conference USA and the National Collegiate Athletic Association (NCAA). As member of the NCAA, the institution, coaches and the student athlete must abide by various rules set by the NCAA administration office and provided in the NCAA manual. The NCAA Bylaw 13 on Recruiting details the rules and regulations for recruiting a student athlete in an athletics program. The purpose of NCAA recruiting legislation is to balance the interests of the prospect being recruited and the interests of the NCAA member institution that is attempting to gain the enrollment of the prospect. Under NCAA bylaw 13.02.13, generally a prospective student athlete (PSA) is a student who has started classes for the ninth grade. An individual is a prospect until the individual enrolls at the university or begins practice. Recruitment occurs when there is solicitation of any kind to the prospect or prospect's relatives by an institution's staff member and/or representative of the institution's athletics interests.

The NCAA Committee on Institutional Performance has recommended the practice of rules compliance reviews. Therefore, The Office of Auditing and Consulting Services has implemented a standard practice of conducting reviews for the high risk compliance areas of recruiting, financial aid, and eligibility on a rotational basis. This year, Auditing and Consulting Services evaluated the recruiting controls in place for ensuring continuous compliance with NCAA Recruiting Bylaws.

The average recruiting expenditures across all sports over the last 3 years was approximately \$536,941. Expenditures by sport, by year are reflected in the graph below.



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**Audit Details**

Determine if UTSA Athletics has appropriate controls in place to ensure continuous compliance with NCAA recruiting bylaws.

**1. Official Visit  
 Agenda**

Per the UTSA Athletics Compliance Manual 3.7.2 (NCAA Bylaw 13.6.1), the coach (who is a certified recruiter) must submit an Official Visit Form to UTSA Athletics Compliance and enter the Prospective Student Athlete (PSA) into ACS/Front Rush one week prior to the official visit (Bylaw 13.6.2.6.5). ACS/Front Rush is the software application used to track athletics compliance activity. As a best practice, coaches should create an official visit itinerary and submit this with the Official Visit Form to the Athletics Compliance Office. Currently, the expectation of submitting the itinerary is verbally communicated to the coaches through recruiting coordinators.

<b>Observation:</b>	The UTSA Athletics Compliance department is not provided the opportunity to review and approve all official visit itineraries for every sport prior to the PSAs visiting the campus.
<b>Risk Level:</b>	Not providing the UTSA Athletics Compliance Department the opportunity to review and approve all official visit itineraries prior to a PSA on campus visit is considered a <b>MEDIUM</b> risk as it reduces the opportunity to ensure planned visit activities conform to the NCAA bylaws.
<b>Management's Action Plan :</b>	The UTSA Athletics Compliance Manual regarding Official Visit requests will be edited to include a requirement that an itinerary be included in all Official Visit Pre-Approvals provided to the Athletics Compliance Office.
<b>Responsible Person:</b>	Associate AD/Compliance, Josh Daume
<b>Implementation Date:</b>	November 30, 2018

**2. Potential  
 Association**

The NCAA Bylaws in 13.8.3.1 & 13.8.3.2 state that an institution shall not employ (either on a salaried or a volunteer basis) an individual as a speaker or presenter at any athletically related institutional event or activity (e.g., booster club function, outside consultant) if that individual is involved in coaching prospective student-athletes or is associated with a prospective student-athlete as a result of the prospective student-athlete's participation in basketball or football, respectively.

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Additionally, NCAA Bylaws 13.8.3.3, 13.8.3.4 & 13.8.3.5 state that during a two-year period before a prospective student-athlete’s anticipated enrollment and a two year period after the prospective student-athlete’s actual enrollment, an institution shall not employ (either on a salaried or a volunteer basis) or enter into a contract for future employment with an individual associated with the prospective student-athlete in any athletics department non-coaching staff position or in a strength and conditioning staff position in men and women’s basketball and football, respectively.

These bylaws were established to prevent individuals who can influence a prospective student athlete to attend a certain university and in return receive a job from the university after the student enrolls at the university.

Consideration should be given to implementing a practice similar to the research “Conflict of Interest” self-declaration process disclosing their potential conflict or declaring no associations with PSA’s. Ideally, the university would perform a “potential association” background check on athletics personnel prior to hire.

<b>Observation:</b>	UTSA currently does not have a process in place for self-disclosure of potential conflicts or to perform a “potential association” background check prior to the hiring of athletics staff.
<b>Risk Level:</b>	Not having a process in place to validate a potential association with a PSA prior to hiring and routinely is regarded a MEDIUM risk due the increased probability of legal action and negative perception.
<b>Management’s Action Plan:</b>	The UTSA Athletics Department will include a statement specific to NCAA Bylaws 13.8.3.1 – 13.8.3.5 in the Special Notes to Applicants for all job postings related to athletics department non-coaching staff positions in the sports of Football, and Basketball. In addition, a Supplemental Question will be added for all applicants to answer on all job postings related to athletics department non-coaching staff positions in the sports of Football and Basketball. Finally, a “Potential Association” form will be developed for all new employees hired in an athletics

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	department non-coaching staff position for the sports of Football and Basketball. He/She will be required to sign the form at the same time signature is required for the acceptance letter. This form will be kept in the employee's file.
<b>Responsible Person:</b>	Associate AD/Business Operations, Sherman Corbett and Paul Aleman, Athletics Administrative Associate II
<b>Implementation Date:</b>	November 30, 2018

**3. Logging Travel In ACS/Front Rush**

The UTSA Athletics Compliance Manual section 3.7.2 states before a PSA can come on an official visit several item must be completed including entering the PSA into ACS/Front Rush.

<b>Observation:</b>	Three of eight paid recruiting trips (37.5%) reviewed, were not logged into ACS/Front Rush.
<b>Risk Level:</b>	The inconsistent logging of recruiting trips into ACS/Front Rush is considered a MEDIUM risk due to the ineffectiveness of designed controls to prevent inappropriate contact with PSA leading to NCAA sanctions and appropriate reimbursement of expenses.
<b>Management's Action Plan:</b>	The Athletics Business Office will be re-trained on the use of the Front Rush software. They will also assume the responsibility of verifying that recruiting trips have been logged in the system prior to processing any reimbursements for recruiting travel by coaches. The Athletics Compliance Office will conduct additional spot checks to verify that recruiting activities are being logged. The Athletics Compliance Manual will be updated accordingly.
<b>Responsible Person:</b>	Associate AD/Compliance, Josh Daume and Associate AD/Business Operations, Sherman Corbett
<b>Implementation Date:</b>	November 30, 2018

**4. PSA Contact Logging**

The UTSA Athletics Compliance Manual, states:

- Section 3.5.4.3 Additional Items Regarding Telephone Calls: "coaches must log all telephone calls in ACS/Front Rush. The Compliance Office will perform random monthly audits of cell phone and office telephone bills to assure that the telephone logs are accurate."
- Section 3.6.2 ACS/Front Rush InControl: "Coaches are required to enter all prospects into ACS/Front Rush."

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Additionally, coaches must record all phone calls, contacts and evaluations in ACS/Front Rush.”

These procedures facilitate compliance with NCAA Bylaws 13.1.3 Telephone Calls and subsections of NCAA Bylaws 13.1.5 Contacts, regarding telephone contact with a Prospective Student Athlete (PSA).

<b>Observation:</b>	<p>The control process for PSA “Phone Contact” logging in the Athletics Compliance Software application is not complete nor effective:</p> <ul style="list-style-type: none"> <li>a) On 8/15/18, a 2018 report for all PSAs for every UTSA intercollegiate sport was pulled from ACS/Front Rush and 848 of 1937 (43.78%) did not have a phone number listed in this compliance application which makes phone contact monitoring difficult to assess.</li> <li>b) On 8/8/18, five coaches from various sports were selected for sampling regarding their “phone contact” activity for the period 3/11/18 to 4/10/18 (Spring Signing Day was on 4/11/18). Two of the five coaches showed no phone contact activity in ACS/Front Rush and two other coaches showed light activity in comparison to all their total monthly phone call activity.</li> <li>c) In regard to PSA “Contact” testing over a one month period, sampled coaches in Football did log their activity on hard copies; however, 4 of 5 (80%) did not log all their activity in ACS/Front Rush.</li> </ul>
<b>Risk Level:</b>	The inconsistent logging of PSA contact information into ACS/Front Rush is considered a <b>MEDIUM</b> risk due to the ineffectiveness of designed controls to prevent inappropriate contact with PSA possibly to NCAA sanctions.
<b>Management’s Action Plan :</b>	The Athletics Compliance Office has already implemented a requirement that PSA Phone Numbers be included anytime a PSA is added to Front Rush. While this may not always be possible (i.e. coaches may add a PSA before they have his/her phone number,) the Athletics Compliance Office will actively look for PSA profiles that lack a phone number when monitoring other recruiting activities.
<b>Responsible Person:</b>	Associate AD/Compliance, Josh Daume
<b>Implementation Date:</b>	February 28, 2019

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**5. Social Security Numbers** | UTSA HOP 9.35,(C.),(5) Confidentiality of Social Security Numbers (Rules of Conduct) states: “Employees responsible for the maintenance of records containing social security numbers shall observe all administrative, technical, and physical safeguards established by UTSA in order to protect the confidentiality of such records.”

UTS165, Standard 13.2 (d) Use and Protection of Social Security Numbers states: “All Institutions shall eliminate the public display of social security numbers.”

<b>Observation:</b>	While reviewing transcripts for the sport of UTSA Football, documentation revealed two Prospective Student Athletes (PSAs) with social security numbers.
<b>Risk Level:</b>	The presence of PSA social security numbers within an automated system not designed to secure this information is considered a <b>MEDIUM</b> risk as it increases the risk exposure of this information to unauthorized individuals and potential for identify theft.
<b>Management’s Action Plan:</b>	Review policies regarding social security numbers with new staff members.
<b>Responsible Person:</b>	Associate AD/Compliance, Josh Daume
<b>Implementation Date:</b>	February 29, 2019

**6. UTSA Athletics Compliance Manual Update** | Maintaining an Athletics Compliance Manual to reflect current NCAA rules and institutional processes is a best business practice.

<b>Observation:</b>	The UTSA Athletics Compliance Manual lists names of people who are no longer with UTSA and summarized NCAA Recruiting Bylaws, which have undergone change.
<b>Risk Level:</b>	An outdated UTSA Athletics Compliance Manual is considered a <b>MEDIUM</b> risk as this could lead to confusion and ineffective controls for ensuring continuous NCAA compliance.
<b>Management’s Action Plan:</b>	Many of the changes were made prior to receiving these observations. Recruiting section will be updated to reflect current rules and processes.



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<b>Responsible Person:</b>	Associate AD/Athletics Compliance, Josh Daume
<b>Implementation Date:</b>	February 28, 2019

**7. Rules Education** | The UTSA Athletics Compliance Manual, sect. 1.1 “Rules Education Administration” states, “The Office of the Assistant Athletics Director-Compliance (Compliance Office) shall provide the necessary rules education programs and materials to the athletics staff, student-athletes and other university staff members, who have direct athletics responsibilities.”

<b>Observation:</b>	<p>For 51% of the coaching staff, there was no documented evidence that they attended in-house Recruiting training sessions during 2018. Although no sign in sheets were provided, Athletics Compliance stated they held separate training for the Football coaches. If evidence of all Football coaches attending recruiting training sessions were to be provided, the number of coaches not receiving training would drop significantly to 19%.</p> <p>Furthermore, coverage of recruiting bylaw sub-sectional topics could be improved. Most specifically in areas where the only control noted is rules education. Respectively, 20% (3 of 15) of the recruiting by-law sub-sectional topics were not covered in training. Additionally, rules which were covered, were not consistently included in all training sessions conducted.</p>
<b>Risk Level:</b>	Lack of coach recruiting training and maintaining evidence of attendance is a <b>MEDIUM</b> risk due to increasing risk of NCAA rules violations and UTSA support, which shows due diligence in case of litigation and NCAA investigations.
<b>Management’s Action Plan:</b>	Rules education efforts have already been enhanced for the 18-19 academic year and are occurring on a more regular basis. The Athletics Compliance Office was short-handed for most of 17-18. Sign-in sheets will be kept for all education sessions.
<b>Responsible Person:</b>	Associate AD/Compliance, Josh Daume
<b>Implementation Date:</b>	February 28, 2019

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**CONCLUSION**

UTSA has internal controls in place for student athlete recruiting; however, improvements could be made by including consistent documented evidence showing continuous compliance with NCAA recruiting bylaws.



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This engagement was conducted in accordance with The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and with Government Auditing Standards.