

The University of Texas
Rio Grande ValleyTM

NCAA Financial Aid Compliance Audit

Report No. 26-ASCF-1540

January 14, 2026

Office of Audits & Consulting Services

EXECUTIVE SUMMARY

Overall Assessment:

The Athletics Department has policies and procedures in place to govern and monitor financial aid determinations for awarding student-athletes in compliance with NCAA Bylaws.

Management is effectively monitoring financial aid activities to mitigate the risk of any NCAA violations.

Risk Levels Appendix I

Priority
High
Medium
Low

We appreciate the courtesy and cooperation from the Athletics Department throughout this audit.

Background: The UTRGV Athletics Department oversees the Men’s and Women’s Intercollegiate Athletics Program, which comprises eighteen sports competing at the NCAA Division I level. UTRGV joined the Southland Conference on July 1, 2024, and recently expanded its Athletics Program to include women’s swimming and diving (fall 2024) and football (fall 2025).

NCAA Bylaw, Article 15.01.1 states that a student athlete may receive scholarships or educational grants-in-aid administered by an educational institution that do not conflict with the governing legislation of this Association. *NCAA Bylaw, Article 15.01.5* states that a student-athlete must meet applicable NCAA conference and institutional regulations to be eligible for institutional financial aid. If these regulations are met, the student-athlete may be awarded institutional financial aid during any term in which a student-athlete is in regular attendance initially in a minimum full-time program of studies as defined by the certifying institution during that term.

Objective: To determine whether policies and procedures are in place to administer and monitor the awarding of financial aid to student-athletes in accordance with NCAA legislation.

Scope/Period: Financial aid awards, terms and conditions of awards, and maximum limitations by sports for fiscal year 2024.

Results Detail

Financial Aid Administration

Financial Aid awards for student athletes are administered by the Scholarships and Enrollment Communications Office (SECO), independently of the Athletics Department. The associate director of scholarships within SECO is responsible for determining these awards. Oversight of NCAA compliance falls under the purview of the senior associate athletic director for compliance and administration as well as the athletics compliance coordinator. These responsibilities are explicitly outlined in their respective job descriptions. We have confirmed that the appropriate personnel are assigned to ensure adherence to NCAA regulations, with clearly defined roles supporting this compliance structure.

Policies and Procedures:

Effective policies and procedures are critical for maintaining compliance with the NCAA financial aid regulations. To ensure alignment with the NCAA Division I Manual, we reviewed the financial aid policies and procedures of both the Athletics Department and the Scholarships and Enrollment Communication Office. Our review confirmed that both offices have established and implemented procedures that adhere to NCAA student athlete financial aid bylaws. These procedures serve as a valuable resource to help staff uphold NCAA compliance. Furthermore, the policies and procedures are routinely reviewed and updated to maintain conformity with current NCAA standards.

Educational Efforts:

The NCAA Division I Manual serves as the primary reference for legislation governing NCAA Financial Aid. Both Athletics staff members and institutional staff with compliance duties receive a copy of this manual. Additionally, the associate director of scholarships, the assistant senior scholarship coordinator, the assistant registrar for NCAA certification, the senior associate athletic director for compliance, and the athletics compliance coordinator participate in NCAA Rules Seminars. These individuals attended seminars in June 2024, with some attending the seminars in May 2025.

Squad List Completeness:

In fiscal year 2024, UTRGV supported a total of 18 sports teams. We obtained and reviewed squad lists for each team to verify the completeness of financial aid. This review included confirming the financial aid amounts awarded, the duration of aid received by each student-athlete, and whether the aid qualified as countable or non-countable. No exceptions were identified during our review.

Results Detail

General Financial Aid Testing:

To assess the Athletics Department's compliance with general financial aid requirements, we selected a sample of 30 student-athletes from 12 different sports teams who received financial aid. We compared the financial aid amount listed on the squad lists with corresponding data from the student financial system. We also verified that the student athletes were eligible to receive institutional financial aid based on their eligibility status (e.g., a qualifier or non-qualifier) and that the student athletes received financial aid for undergraduate education, graduate school, or summer school/orientation programs under NCAA permitted circumstances. Based on the test performed, the financial aid listed on the squad list was appropriate, the athletes were eligible to receive aid, and all athletes tested received aid for their undergraduate education.

Terms and Conditions

Athletics financial aid is granted for a duration of one year. Athletes must receive a written agreement detailing the amount, duration, and conditions of the award. The award cannot be revoked during the specified period unless specific circumstances arise. If the Athletics Department decides not to renew the aid after one year, the athlete must be informed in writing by the institution's financial aid authority by July 1, prior to the start of the academic year to allow for an appeals process.

To assess the Athletics Department's compliance with financial aid award requirements, we selected a sample of 30 student-athletes from 12 sports: Men's Baseball, Women's Basketball, Women's Golf, Women's Volleyball, Men's and Women's Tennis, Men's and Women's Soccer, Men's Track and Field (Indoor), Women's Indoor Track. We focused on the terms and conditions of the awards, and we confirmed the following:

- Each student-athlete received a written financial aid award statement detailing the amount, duration, and terms of the award.
- The statements were signed by the individual responsible for awarding financial aid to the general student population.
- The amounts specified in the statements did not exceed a full grant-in-aid.
- The awards were granted for no more and no less than one academic year, with summer aid awarded separately.
- Financial aid award letters for student-athletes who received athletics aid in the previous academic year and remained eligible were dated on or before July 1, prior to the effective academic year.
- Each student-athlete signed their award letter.

Observation Detail

Room and Board Payments:

We reviewed the procedure for processing and distributing room and board payments to student athletes who residing and dining in non-institutional facilities. UTRGV determines the scholarship amount based on its standard meal plan and on-campus housing rates. A formal system is in place to ensure proper distribution of room and board aid to the student athletes. This aid is processed through the student's Banner account and payments are made via direct deposit to the student athletes bank account. For testing purposes, we selected a sample of 10 student athletes, all payments reviewed were accurate and in compliance with established procedures.

Summer Financial Aid:

We tested a sample of 10 student athletes who attended the summer terms and confirmed compliance with the following requirements:

- ◆ That the aid was used to attend the awarding institution's summer term, summer school or summer orientation.
- ◆ That the student athlete has been in residence a minimum of one term during the academic year.
- ◆ That the aid was awarded in accordance with NCAA legislation regarding residency, continuing or first-time enrollment, initial-eligibility status, and transfer status.
- ◆ That during the regular academic year the student athletes received athletically related aid from the certifying institution prior to receiving summer athletically related financial aid.
- ◆ That the student athlete did not receive educational expenses that exceeded the cost of a full grant-in-aid for attendance in that summer term.
- ◆ That a separate award was made for the summer term.

Maximum Limitations

NCAA rules set limits on the amount of institutionally administered financial aid that can be awarded for each sport. In equivalency sports, these institutional financial aid award limits are calculated by totaling the value of all grants-in-aid awarded to student athletes in that sport. Other sports are classified as "head count" sports, where any athlete receiving institutional financial aid, regardless of the amount, counts as a full scholarship recipient ("counter").

Maximum Limitations Testing:

We selected a sample of eight teams to test maximum limitations by sport: We tested Men's Basketball, Golf, Tennis and Soccer and Women's Basketball, Volleyball, Tennis, Cross Country, and Soccer. For each team, we reviewed whether all student athletes were correctly classified as counters or non-counters based on recruitment status, type of aid, and sports played. In addition, we verified that the calculated

Observation Detail

amounts did not exceed the grant-in-aid limits for each sport. We confirmed that the calculated amounts for student athletes classified as counters were within the grant-in-aid limitations for all sampled teams. No exceptions were noted.

Head Count Sports:

We tested a sample of four head count sports to determine the number of counters and verify that the respective sports' limits were not exceeded. We reviewed Men's Basketball and Women's Basketball, Volleyball, and Tennis and confirmed all head count limits were in compliance. No exceptions were noted.

Equivalency Sports:

To identify student athletes who are counters in equivalency sports, we selected a sample of six sports: Men's Golf, Tennis, and Soccer and Women's Golf, Cross Country, and Soccer. We calculated the equivalency values for all counters and verified that all countable aid was included in the calculations and totals were updated for any adjustments occurring during the year. We verified that the correct full grant-in-aid value was used in the calculations of the equivalency values. Additionally, we verified the sum of the equivalency values did not exceed the maximum limit for each respective sport. We confirmed the equivalency values were calculated accurately and the numbers of equivalency athletes on each selected team complied with NCAA bylaws limits. No exceptions were noted.

APPENDIX I

Risk Classifications and Definitions

Priority	High probability of occurrence that would significantly impact UT System and/or UT Rio Grande Valley. Reported to UT System Audit, Compliance, and Risk Management Committee (ACRMC). Priority findings reported to the ACRMC are defined as <i>“an issue identified by an internal audit that, if not addressed timely, could directly impact achievement of a strategic or important operational objective of a UT institution or the UT System as a whole.”</i>
High	Risks are considered substantially undesirable and pose a significant level of exposure to UT Rio Grande Valley operations. Without appropriate controls, the risk will happen on a consistent basis. Immediate action is required by management in order to address the noted concern and reduce exposure to the organization.
Medium	Risks are considered undesirable and could moderately expose UT Rio Grande Valley. Without appropriate controls, the risk will occur some of the time. Action is needed by management in order to address the noted concern and reduce the risk exposure to a more desirable level.
Low	Low probability of various risk factors occurring. Even with no controls, the exposure to UT Rio Grande Valley will be minimal. Action should be taken by management to address the noted concern and reduce risk exposure to the organization.

APPENDIX II

Criteria & Methodology

Criteria

- NCAA Division I - 2023-2024 Manual
- UTRGV Department of Intercollegiate Athletics Policies and Procedures Manual
- UTRGV Athletics Coaches' Compliance Manual

Methodology

We conducted this audit in conformance with the Institute of Internal Auditor's International Standards for the Professional Practice of Internal Auditing. Additionally, we conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for findings and conclusions based on our audit objectives. The Office of Audits and Consulting Services is independent per both standards for internal auditors. These standards are also required by the Texas Internal Auditing Act.

To achieve our objective, we performed the following:

1. Reviewed policies, procedures, and other supporting documentation.
2. Interviewed personnel from the Athletics Department and the Student Financial Aid Office to gain an understanding of the financial aid process.
3. Conducted testing of the Head Count and Equivalency Sports for maximum limitations.

APPENDIX III

Report Distribution & Audit Team

Report Distribution

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UT System Audit Office
Governor's Office - Budget and Policy
State Auditor's Office
Legislative Budget Board

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