



TOPIC: Revision to Board of Regents Policy V-2.10 – Policy On Intercollegiate Athletics

COMMITTEE: Committee of the Whole

DATE OF COMMITTEE MEETING: September 28, 2012

SUMMARY: In the ten year period since the current Board Policy on Intercollegiate Athletics was last revised, the NCAA has adopted the Annual Progress Rate (APR) and Graduation Success Rate (GSR) statistics as important measures of student-athlete academic performance, and in recent years imposing sanctions of loss of scholarships and post-season eligibility for institutions that fail to meet minimum APR standards. Scandals within intercollegiate athletics programs nationwide have highlighted the need for diligent Board of Regents oversight and institutional accountability. Instances of less-than-complete financial transparency in institutional intercollegiate athletics reports in the past have also contributed to highly public situations where institutions have had to make significant changes in the number and types of sports within the intercollegiate athletics program due to financial issues and constraints that had not previously been shared with the Board of Regents.

The proposed Policy improves financial transparency by requiring disclosure of finances held by affiliated foundations on behalf of intercollegiate athletics, information on debt and commitments of intercollegiate athletics programs, and the nature and composition of bonus incentives afforded coaches and athletic directors. The proposed Policy also improves and updates academic performance information reported to the Board of Regents for institutions' student-athletes.

Review of intercollegiate athletics will be the focus of the new Board of Regents Intercollegiate Athletics workgroup, which will meet 3-4 times annually. Feedback to institutions will be formalized through the Chancellor and the Board of Regents Organization and Compensation committee.

ALTERNATIVE(S): The Board of Regents could decide to continue using existing policy for guiding oversight of Intercollegiate Athletics.

FISCAL IMPACT: There is no known fiscal impact associated with this policy revision.

CHANCELLOR'S RECOMMENDATION: That the Committee of the Whole recommend approval of the revised Board of Regents Policy V-2.10 – Policy on Intercollegiate Athletics.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923

V-2.10 – UNIVERSITY SYSTEM OF MARYLAND POLICY ON INTERCOLLEGIATE ATHLETICS

(Approved by the Board of Regents, April 25, 1991; amended June 19, 1991; amended December 7, 2001; amended)

General

A well-managed and successful intercollegiate athletic program enhances the educational goals of a college or university regardless of the particular mix of teaching, research and service activities inherent in its approved mission. Athletic competition under the fundamental principles of fair play and amateurism can be of value to individual students, to members of the immediate collegiate community, and to the larger institutional constituency.

The institutions of the University System of Maryland subscribe to a philosophy of athletics that reflects a clear understanding of the role the athletics program is expected to play in furthering the broader institutional mission. Fundamental to the effective management of the intercollegiate athletic program is the commitment of the president of the institution to maintain regular oversight of the enterprise. All institutions within the System, whether they have intercollegiate athletic programs or not, are affected by public perceptions of the athletic programs or teams at particular System campuses and the attendant publicity the programs receive.

Each institution that has an intercollegiate athletics program must have in place procedures, internal and external, which provide careful and thorough scrutiny of the sports program and deliver required information to the president and, as appropriate, to the Chancellor and the Board of Regents.

Student-athletes are first and foremost students, and it is the expectation of the Board of Regents that their academic performance and progress will be comparable to that of non-athletes. Contracts for coaches and other athletic department staff will include objectives and minimum expectations for academic as well as athletic success.

Management of the athletics program, both along financial expectations as well as with respect to academic goals and expectations, are among those elements to be considered in the annual evaluations of presidential performance.

Reporting and accountability requirements

Institutions that participate in Division I (UMCP, Towson University, Coppin State University, UMES and UMBC) athletics are to comply with all reporting requirements detailed in Appendix A, as well as satisfying the reporting and communication expectations detailed in the Ongoing Reporting Obligations section below. All other institutions that have intercollegiate athletics programs are expected to satisfy all ongoing reporting obligations and provide the annual presidents' and athletic directors' affirmations detailed in Appendix A, Paragraph H; the Board of Regents may request that those institutions provide additional information on particular aspects of their intercollegiate athletics programs as follow-up.

In order to ensure that the Board of Regents is informed and knowledgeable about intercollegiate athletics and the role it plays at each of the institutions, each president whose institution fields competitive intercollegiate sports teams shall furnish to the Board of Regents, on an annual basis, reports that address academic issues, fiscal issues, and compliance issues within intercollegiate athletics, which include the information called for in Appendix A of this policy.

Academic Issues

The annual report on academic issues related to intercollegiate athletics will be presented to the appropriate Board of Regents committee in March and June of each year, as data are available, and will provide data on the preceding fiscal year and on the fall semester of the current year as outlined in Appendix A. In addition to institutional data, the report should include the prior year's NCAA Academic Program Rates (APR) and, if institutions had unsatisfactory scores, a report on corrective actions the institution has taken to prevent future problems.

Institutions should adopt minimum standards for academic progress and consequences for failure to meet those standards on a continuing basis that include suspension from participation in athletic activities.

Fiscal Issues

While each president is responsible for the operations of the intercollegiate athletic program on his/her campus, it is mandatory that there be transparency in fiscal reporting. The annual report on fiscal issues related to intercollegiate athletics will be presented to the appropriate Board of Regents committee in November of each year and will include the current year's budget as well as actual revenues and expenses from the prior fiscal year. The Board of Regents is to be kept informed of any long-term financial commitments that may affect the budget in future years. In addition to required annual reporting, institutions shall report to the Chancellor's Office and the Director of Internal Audit all developing or anticipated fiscal shortfalls that may result in financial deficits both short and long term as they become known.

To the extent allowable under NCAA regulations, institutions may agree to waive the difference between non-resident and resident tuition rates for student-athletes without charge or impact on the intercollegiate athletics program operating budget or the assessment of whether the program is operated on a self-supporting basis. Note that the NCAA recognizes such waivers as a charge to the ICA program, so that the revenue and expenditure reports for the NCAA will not be directly comparable to those required by this Board of Regents policy.

Intercollegiate athletics programs are to be managed on a self-supporting basis, meaning that all spending and expenses are to be paid for by revenues and resources generated by the intercollegiate athletic program within the institution. Any institution that seeks to use other self-support activity revenues or resources to support Intercollegiate Athletics must seek approval by the Board of Regents in advance of the beginning of the fiscal year. Intercollegiate athletics programs that end a fiscal year with an operating deficit after taking into account approved use of other self-support activity revenues or resources, or have an accumulated deficit, are to record and reflect these amounts as liabilities back to the self-support activity that funded

the deficit, and are to develop and adopt an operating plan to eliminate the accumulated deficit and return the program to a self-supporting operating basis.

Institutions seeking to ‘forgive’ deficits of intercollegiate athletics programs must be approved by the Board of Regents.

Compliance Issues

It is expected that institutions will immediately notify the Chancellor and the Director of Internal Audit of all NCAA major infractions, NCAA investigations, and conference (ACC, MEAC, etc.) investigations. In addition, it is understood that institutions are to submit to the NCAA in a timely manner all NCAA Reports and Agreed-Upon Procedure Reports as may be required as well as periodic conference review reports.

In particular the President should inform the Chancellor, who will inform the Board of Regents in a timely manner, regarding any events or situations which might spark unusual public interest in the athletic program, particular team(s), or individual student athlete(s) at that institution and should provide sufficient detail concerning these events or situations to permit the Chancellor and the Board of Regents to respond appropriately to inquiries.

Distribution and use of sensitive information

In order to ensure that the Board of Regents is fully informed but that the privacy of individuals is protected, reporting on the academic performance of student athletes and the terms, commitments and incentives reported for coaches’ and athletic directors’ contracts will be done in closed session as permitted in special circumstances outlined in Subtitle 5, section §10-508(a) of the Open Meetings Act.

Ongoing Reporting Obligations

1. Institutions are to immediately notify the Chancellor’s Office and the Director of Internal Audit of all NCAA major infractions, NCAA investigations and conference investigations.
2. Institutions are to submit all required annual NCAA Reports, annual Agreed-Upon Procedure Reports and periodic conference (eg. ACC) review reports to the appropriate governing bodies.
3. Compliance with Board of Regents Policy VII-10.0 Policy on Board of Regents Review of Contracts for Highly-Compensated Personnel requires institutions to provide proposed employment contracts to the Office of the Attorney General prior to execution. The contracts for highly-compensated personnel in intercollegiate athletics programs are to be provided to the Chancellor concurrently with the Office of the Attorney General. The policy provides that ‘Before a contract is executed, it must be submitted to the Office of the Attorney General for review and approval for legal form and sufficiency. The Office of the Attorney General may communicate any significant legal concerns with the draft contract to

the institution's president and the Chancellor. It should be understood that proposed contracts provided to the Office of the Attorney General and Chancellor are to include all relevant provisions and terms of the proposed contract including detailed notes concerning provisions remaining to be negotiated. The Chancellor will notify the Board of Regents of any contract provisions of an unusual or sensitive nature or those that conflict with expectations and values of the Board of Regents.

4. Institutions will report to the Chancellor's Office and the Director of Internal Audit all fiscal shortfalls that may result in financial deficits both short and long term as they become known.

APPENDIX A

OUTLINE FOR ANNUAL REPORTING TO THE BOARD OF REGENTS ON INTERCOLLEGIATE ATHLETICS

By May 1

- A. Statement from the Institutional President. Please prepare a statement that responds to the following questions:**
1. NCAA Classification.
 2. What is the role of intercollegiate athletics at your institution?
 3. How do you assess the success of your ICA program in fulfilling its role?
 4. To whom does the director of intercollegiate athletics report?
 5. What are your current expectations for the director of intercollegiate athletics and the coaching staff? How well are those expectations being fulfilled?
 6. Who has voting authority at NCAA meetings? If the president is not present and does not vote in person, what safeguards exist to assure that the president's views are accurately represented?
 7. Please describe any special concerns, issues or problems related to your institution's intercollegiate athletics program over the reporting period and include all issues reported to the audit committee. Please include special actions taken. Additions or deletions of particular sports, changes in conference or division, NCAA investigations, and NCAA infractions must be included in this section.

Also, please feel free to provide editorial comments on the data submitted in this report as you deem appropriate.

ACADEMIC PERFORMANCE INDICATORS

By May 1

- B. Admissions (Fall Cohort) (Please complete Table B.)**

Please provide the following information:

1. Admission guidelines for student athletes, both regular admits and "special admits."
2. Number of special admit athletes by sport and by gender.
3. High school GPA and SAT scores of admitted student athletes by sport and by gender, broken down by regular and special admits.
4. High school GPA and SAT scores of first-time full-time freshmen by gender, broken down by regular and special admits.

By May 1

- C. Graduation Rates (Fall Cohorts) (Please complete Tables C1, C2, and C3.)**

Please provide the following information for both regular and special admits.

Regular Admits

1. Number of regular-admit student athletes in each cohort, broken down by sport and gender.
2. Number who graduated after four, five and six years, broken down by sport and gender.
3. Number who left in good academic standing prior to graduation, broken down by sport and gender.

4. Four-, five- and six-year graduation rates for this entire cohort of first-time, full-time, regular admit freshmen, for comparison purposes.

Special Admits

5. Number of special-admit student athletes in each cohort, broken down by sport and gender.
6. Number who graduated after four, five and six years, broken down by sport and gender.
7. Number who left in good academic standing prior to graduation, broken down by sport and gender.
8. Four-, five- and six-year graduation rates for this entire cohort of first-time, full-time, special admit freshmen, for comparison purposes.

In addition to institutional reports outlined above that relate to all student-athletes (both scholarship and non-scholarship), please provide the most recent published NCAA GSR.

By March 1

D. Academic Progress Benchmarks for Current Academic Year (All athletes on rosters on or before March 1)

1. Average cumulative GPA by sport compared to average cumulative GPA for the student body as a whole.
2. Number of athletes by sport with GPAs under 2.0.
3. The average fall credit hours completed (end of term) and the average fall credit hours attempted (beginning of term) by sport compared to student body averages.
4. Current number of athletes by sport with fewer than six and with fewer than 12 credit hours completed in the most recent fall term.
5. Most recent published NCAA APR scores.

By June 1

E. Projected NCAA APR scores and potential impact for current year by sport. The projected APR score should be calculated with the known fall and spring eligibility of each rosters scholarship student-athletes for the current fiscal year.

FISCAL MATTERS

By November 1

F. Please provide the following information relating to intercollegiate athletics for the institution, and, where applicable, activity and balances for amounts held, collected, expended or owed by affiliated foundations.

1. What was the athletic fee at your institution for most recent two fiscal years?
2. What is the institution's policy and practice concerning the athletic fee? How is the fee set? To whom does it apply? Who is consulted in the setting of the fee? What benefits does the student get in return for paying the athletic fee?
3. What percentage of the mandatory fee total does the athletic fee represent for a full-time undergraduate student?
4. What percentage of the intercollegiate athletics budget is funded by the student athletic fee?

5. Statement of Activity for the most recent fiscal year for the ICA program operations within the institution, activity associated with ICA accounts and resources held by affiliated foundations (detailed by foundation), and a total.
6. Balance sheet information as of the end of the most recent fiscal year for the ICA program, both for amounts reflected or obligated within the institution, as well as those reflected within affiliated foundations (detailed), and a total, consisting of:
 - Cash, investments, accounts receivable and other assets (not including fixed assets) of the ICA program,
 - External obligations and debt balances,
 - Amounts owed to the institution including terms, and
 - Other liabilities and commitments of the ICA program to others
 - Commitments for athletic directors and coaches contracts, detailed by sport, with the remaining term of guaranteed contract, buyout and ‘no-cut’ provisions, and nature and amount of incentive compensation arrangements – these items are to be detailed on a separate and distinct report from the other fiscal information in such a fashion as to clearly present the detail, and aggregation, of commitments and claims for athletic director and coaches contracts.
7. Operating budget projections for the coming five fiscal years detailing expected revenues and funding sources and spending.
8. For the current fiscal year, a comparison of actual, year-to-date amounts realized or spent, as compared with the ICA program operating budget.
9. Capital ‘Master Plan’ for facilities and financed activities.

G. Submit to USM Office concurrent with transmittal to Department of Education the EADA report.

Please provide copies of tables submitted to comply with the reporting requirements of the Equity in Athletics Disclosure Act (EADA) provisions under the Higher Education Act.

By November 1

- H.** Annual affirmations required of presidents and athletic directors of all institutions with intercollegiate athletics programs, regardless of NCAA division. While Division II and Division III institutions are not required to submit detailed data in conjunction with the athletic report to the Board of Regents, the affirmations should be based upon data and other information comparable to that required of Division I institutions in this report outline. Any exceptions to the affirmations should be detailed and noted.

1. All instances of non-compliance with federal and NCAA laws, regulations or rules have been communicated to the Chancellor's Office and Director of Internal Audit as required in the Ongoing Reporting Obligations section of this policy.
2. The academic performance of the student-athletes participating in each individual sport is equal to or exceeds that of the student body for the institution at large.
3. All instances of athletic director, coaches or intercollegiate athletics impropriety have been communicated to the Director of Internal Audit.
4. There are no financial, contractual, or other commitments of intercollegiate athletics that could impact future fiscal results which have not been reflected in the operating budget projections.
5. The institution has a code of conduct for faculty, staff and students that applies to and has been communicated to employees and student-athletes in the intercollegiate athletics program; and the institution has reviewed its code of conduct and determined that it continues to be in place and use.