



**Internal Audit Department**

## **NCAA Compliance**

**April 2016  
Report Number FY 16-08**

Northern Arizona University  
NCAA Compliance Audit  
Audit Report  
April 18, 2016

## Summary

Our audit of compliance with NCAA regulations by Athletics is in our Annual Audit Plan for FY 2016, as approved by the Audit Committee of the Arizona Board of Regents. This audit links to Northern Arizona University's goal of having efficient, effective, and accountable practices and is part of an ongoing cycle of periodic compliance audits performed on selected areas within Athletics. Previously, the NCAA required every Division I institution to have its athletics rules-compliance program evaluated at least every four years by an authority outside of the athletics department. That requirement was discontinued when the Athletics Certification Program was replaced with the Institutional Performance Program (IPP). To fill the gap not currently served by IPP the Committee on Institutional Performance determined a regular review of rules compliance designed to help schools improve is essential to the success of athletics departments.

**Background:** Athletics is comprised of approximately 337 student-athletes, 67 full-time employees and 71 part-time and student personnel. NAU sponsors 15 NCAA Division I athletic programs which compete as members of the Big Sky Conference and Western Athletic Conference. NAU is one of 125 members of the Football Championship Subdivision of Division I and participates in fifteen Division I sports:

### Men's Teams

- Basketball
- Cross Country
- Football
- Tennis
- Indoor Track and Field
- Outdoor Track and Field

### Women's Teams

- Basketball
- Cross Country
- Golf
- Soccer
- Swimming and Diving
- Tennis
- Indoor Track and Field
- Outdoor Track and Field
- Volleyball

Athletic facilities used for practice and competition include J. Lawrence Walkup Skydome (Football, Men's and Women's Basketball, Men's and Women's Indoor Track and Field), Aquatic and Tennis Center (Swimming and Diving, Men's and Women's Tennis), J.C. Rolle Activity Center (Volleyball, Men's and Women's Basketball), Max Spilsbury Field at Lumberjack Stadium (Soccer, Men's and Women's Outdoor Track and Field), several golf courses in Northern Arizona and the Track and Field Throws Facility. The most recent addition to Athletics' facilities is the Aquatic and Tennis Center, which opened in February 2016. This state-of-the art facility accommodates NCAA swimming and diving and tennis

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programs. The facility includes an Olympic-size swimming pool, diving platforms, dryland training areas, spa, six indoor tennis courts and viewing areas for spectators. This facility replaces the existing Wall Aquatic Center, which will be demolished and replaced with an outdoor tennis facility and field complex. The anticipated completion date for this outdoor project is September 2016.

The Lumberjacks earned back-to-back Big Sky Presidents' Cups in 2012-13 and 2013-14. The Presidents' Cup is awarded based on academic achievement of student-athletes at Big Sky institutions as well as performance on the athletic field of play. NAU also claimed the 2013-14 Men's and Women's All-Sports Trophy with the men repeating as all-sports winners for the 2014-15 academic year. The All-Sports Trophy is designed to award schools for overall athletic excellence. During the 2014-15 school year, men's and women's cross country, men's indoor and outdoor track and field, women's soccer and women's golf all captured Big Sky Regular Season or Tournament Championships while women's swimming and diving won back-to-back Western Athletic Conference Championships. During the 2015-16 school year, the Women's Volleyball team captured the 2015 Big Sky Volleyball Championship, Swimming and Diving clinched their third-straight Western Athletic Conference championship and Men's Track and Field secured its fifth consecutive indoor Big Sky Conference title.

NAU finished with a department-wide 3.13 cumulative GPA for the 2014-15 academic year. Ten of thirteen teams finished with a GPA of at least 3.00, led by the swimming and diving team, who recorded a 3.53 GPA, followed by women's tennis and soccer. Four student-athletes received College Sports Information Directors of America (CoSIDA)/Capital One Academic All-District honors, two of whom were named CoSIDA/Capital One Academic All-American First Team honorees. NAU had 139 total student-athletes earn All-Academic honors by the Big Sky and WAC. A total of 85 student-athletes received their degrees for academic year 2014-15, 14 student-athletes received their degrees in Fall 2015 and 45 student-athletes are expected to receive their degrees in Spring 2016.

Each Lumberjack Student-Athlete is committed to completing a minimum of 10 hours of community service each academic year, with the departmental goal of contributing 4,500 hours of service in and around Northern Arizona. During the 2014-15 academic year Northern Arizona University student-athletes exceeded their goal by providing 5,327 community services hours through the following events:

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- Welcome Back Jacks
- MLK Jr. Day of Service
- Red Ribbon Week
- Make a Difference Day
- Special Olympics
- National Girls & Women's Sports Day
- Student-Athlete for a Day
- Operation Christmas Child

The NCAA governs all aspects of intercollegiate sports, and participating institutions must comply with its bylaws and legislation. In FY 2013, Internal Audit reviewed the Academic Performance Program, Amateurism, Camps and Clinics, Extra Benefits and Recruiting. In FY 2015, Internal Audit reviewed Financial Aid, Governance and Organization, Student-Athlete Employment and Playing and Practice Seasons.

The Athletics Compliance Office, with a staff of one and one vacancy, is responsible for ensuring compliance with NCAA and Big Sky rules and regulations. To help in this endeavor, Athletics utilizes Compliance Assistant (CA) and JumpForward software. As part of their NCAA membership, the NCAA provides the Compliance Assistant to help the Compliance Office ensure that the athletics department and student-athletes are in compliance with NCAA legislation. CA enables monitoring of financial aid, eligibility, recruiting, athletics personnel and playing and practice seasons. Athletics primarily uses it to monitor financial aid, maintain squad lists and to calculate equivalency percentages. The equivalency percentage is calculated by dividing the amount received by the student-athlete (up to the value of a full grant-in-aid) by the full grant-in-aid value for that student-athlete based on the actual cost or average cost of a full grant for all students at NAU.

JumpForward is a web-based tool that offers convenient paperless reporting to facilitate NCAA compliance. Athletics uses JumpForward to monitor practice, phone and recruiting logs, track complimentary admissions, approve and monitor official visits, maintain team rosters, track communication with prospects and current student-athletes, monitor camps, create and customize forms, monitor student-athlete employment, track coach roster designations, monitor eligibility and to store documents.

**Audit Objectives:** The objectives of the compliance audit are to:

- establish whether the athletics department has policies and procedures in place to determine and monitor student-athlete eligibility based on NCAA legislation;
- ensure that a policy exists concerning the review of information about potential violations of NCAA legislation and that this policy is in writing and that specific individuals/titles are identified to undertake these responsibilities;

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- ensure that the basic components of an effective rules education program are being undertaken;
- determine whether the institution has completed the necessary forms and that all applicable individuals have signed the form; and
- determine whether NCAA legislation was met concerning the employment of the appropriate number of athletics coaching staff personnel.

**Scope:** The scope of our audit included a review of documents and system reports supporting transactions that occurred from Fall 2014 to Spring 2015, as well as current practices and procedures.

**Methodology:** Our audit procedures were based on audit programs in the Association of College and University Auditor's NCAA Division I Compliance Audit Guide, dated October 7, 2015. The guide contains a basic audit program and a comprehensive audit program for each possible area of review. We chose to use the comprehensive audit program for eligibility, a critical area of compliance for Athletics, and to use the basic audit programs for investigations and self-reporting of rules violations, rules education and commitment of personnel to rules-compliance activities.

**Conclusion:** Athletics complies with NCAA Bylaws governing Eligibility, Investigations and Self-Reporting of Rules Violations, Rules Education, and Commitment of Personnel to Rules-Compliance Activities.

The audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

**Observations:** We noted:

- As of February 2016, an individual dedicated to the eligibility process was hired in the Office of the Registrar.
- Athletics is currently determining if PeopleSoft can be linked to Athletics processes to improve efficiency and reduce potential manual errors as it relates to financial aid calculations and eligibility certification.
- Athletics has proposed including questions related to extra benefits as part of NAU's Conduct, Ethics, Reporting, and Transparency Program (CERT).

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The control standards we considered during this audit and the status of the related control environment are provided in the following table.

<b>General Control Standard</b> (The bulleted items are internal control objectives that apply to the general control standards, and will differ for each audit.)	Control Environment	Recommendation No.	Page No.
<b>Eligibility Certification</b>			
<ul style="list-style-type: none"> <li>• Adequate controls and policies exist to ensure only NCAA competition eligible student-athletes are recruited and included on athletic teams</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>• Adequate controls and policies exist to ensure only competition eligible continuing student-athletes are retained by athletic teams</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>• Adequate controls and policies exist to ensure that transfer student-athletes are properly released from their prior institution and eligible for athletic competition</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>• Adequate documentation of required NCAA student-athlete paperwork and retention policies exist</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>• Student-athlete admissions are processed outside of Athletics and use the same admissions criteria as non-athletes</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>• Eligibility determinations are made by university personnel outside of Athletics</li> </ul>	Reasonable to Strong Controls in Place		
<b>Investigations and Self-Reporting of Rules Violations</b>			
<ul style="list-style-type: none"> <li>• Adequate controls and policies exist to ensure appropriate review of potential violations of NCAA legislation</li> </ul>	Reasonable to Strong Controls in Place		

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<b>General Control Standard</b> (The bulleted items are internal control objectives that apply to the general control standards, and will differ for each audit.)	Control Environment	Recommen- dation No.	Page No.
<b>Rules Education</b>			
<ul style="list-style-type: none"> <li>Compliance Office has policies and procedures in place to facilitate ongoing rules education</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>Compliance Office has an active rules education program with regular training events and materials available</li> </ul>	Reasonable to Strong Controls in Place		
<b>Commitment of Personnel to Rules-Compliance Activities</b>			
<ul style="list-style-type: none"> <li>Required Compliance Forms are timely completed</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>Coaches' contracts and appointments contain appropriate verbiage consistent with NCAA legislation</li> </ul>	Reasonable to Strong Controls in Place		
<ul style="list-style-type: none"> <li>Adequate controls and policies exist to require full/part-time athletics personnel to provide details of athletically related income and benefits from sources outside the institution</li> </ul>	Reasonable to Strong Controls in Place		

We appreciate the assistance of the staff of the Athletics Compliance Office.

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This report is intended for the information and use of the Arizona Board of Regents, NAU administration, the Arizona Office of the Auditor General, and federal awarding agencies and sub-recipients.