



THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION

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FOR RELEASE:
March 24, 1999
11 a.m. (Central time)

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UNIVERSITY OF WISCONSIN PUBLIC INFRACTIONS REPORT

OVERLAND PARK, KANSAS---This report is organized as follows:

- I. Introduction.
- II. Findings of violations of NCAA legislation.
- III. Committee on Infractions penalties.

I. INTRODUCTION.

This case involved various programs at the University of Wisconsin, Madison, and primarily concerned violations of NCAA bylaws governing the improper administration and control of athletically related income and supplemental pay for numerous athletics department staff members.

The University of Wisconsin, Madison, is a Division I-A institution and a member of Big Ten Conference. The university has an enrollment of approximately 40,196 students and sponsors 12 men's and 11 women's intercollegiate sports.

A. CASE CHRONOLOGY.



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In April 1997, the institution's vice-chancellor for legal and executive affairs undertook a review of the institution's booster organizations' checking accounts records. The purposes of the review were to evaluate potential changes in the relationship with the institution's athletics letter-winner organization and to confirm the accuracy of policies and procedures concerning the booster account, which were developed and implemented following a previous NCAA infractions

PUBLIC INFRACTIONS REPORT

University of Wisconsin

April 25, 1999

Page No. 3

case in 1994 involving the institution's wrestling program (Case No. M77). During the review, a recurring issue was the access that coaches and other athletics department staff persons had to booster funds for reimbursement or direct payment of expenses, including supplemental pay, without the requisite advance approval of the institution's chancellor.

In response to this information, a comprehensive investigation was undertaken by the university. During the investigation, institutional representatives met with officials of the Big Ten Conference and the NCAA enforcement staff to review information and to discuss the nature of the potential violations. By letter dated April 23, 1998, the institution submitted a self-report to the NCAA enforcement staff acknowledging several violations of NCAA legislation.

On September 9, the enforcement staff forwarded the institution's self-report as a possible secondary infractions case to the designated NCAA Division I Committee on Infractions member who had the responsibility to assess the case. The committee member reviewed the case and shared the information with the entire committee during its September 1998 meeting. As a result of its review, the committee determined that the acknowledged violations could be major in nature particularly in light of the previous infractions case. Subsequently, the self-report was referred back to the enforcement staff for processing as a possible major case under the provisions of NCAA Bylaw 32.5.

On October 15, 1998, the enforcement staff issued a letter of official inquiry; and on October 28, the staff received the university's response. Also on October 28, an NCAA director of enforcement met with university officials to review matters related to this case; and on October 29, a prehearing conference was conducted with university officials on the institution's campus.

The violations in this case occurred within a five-year period following a previous major infractions case involving the university's wrestling program (Case No. M77) that was processed through the summary-disposition process. The committee considered the summary-disposition report during its September and November 1993 meetings and issued its report on January 12, 1994, placing the university's athletics program on probation for two years. The infractions report also indicated that the institution was subject to the provisions of Bylaw 19.5.2.3 concerning repeat violators for a five-year period beginning the effective date of the penalties in the wrestling case (January 12, 1994). The university satisfactorily completed its two-year probation.

On November 13, 1998, representatives of the enforcement staff and the institution appeared before the Division I Committee on Infractions. There were no remaining eligibility issues at the time of the hearing, and the enforcement

PUBLIC INFRACTIONS REPORT

University of Wisconsin

April 25, 1999

Page No. 4

staff does not believe that the involvement of any individual identified in these violations rises to the level of being an involved party for which individual liability or penalty should be assigned.

B. SUMMARY OF THE FINDINGS OF VIOLATIONS.

The violations found by the committee may be summarized as follows:

- Numerous athletics department staff members received athletically related supplemental income and benefits from sources outside the institution without obtaining prior written approval from the university's chief executive officer. In most cases this supplemental income covered normal and reasonable business expenses in excess of state reimbursement limits and would have been approved if requested.
- The institution's name was utilized in endorsements for personal gain without prior written approval.
- A university booster club made a substantial financial contribution to a local youth athletics association.
- The university failed to adequately monitor its athletics program as to various booster organization funds and other compensation to athletics department staff persons.

C. SUMMARY OF THE PENALTIES.

In determining that the violations in this case constitute a major case within the five-year repeat-violator provisions of Bylaw 19.6.2.3.1, the committee noted that: the institution self-reported the violations by virtue of an internal audit; none of the funds in question accrued to the benefit of enrolled or prospective student-athletes; virtually all the expenditures would be considered "proper" had the requisite prior written approval been obtained; and no competitive advantage was gained.

In light of these facts, the committee determined that additional repeat-violator penalties authorized by Bylaw 19.6.2.3.2 should not be applied. However, the committee imposed the following penalties:

- Two years of probation.
- Requirement that the institution continue to develop a comprehensive athletics compliance education program, with annual reports to the committee during the period of probation.

II. FINDINGS OF VIOLATIONS OF NCAA LEGISLATION.

A. SUPPLEMENTAL INCOME AND BENEFITS WITH PRIOR APPROVAL. [NCAA BYLAWS 11.2.2 AND 11.3.2.2]

During the period July 1993 to September 1997, numerous athletics department staff members received athletically related supplemental income and benefits from various sources outside the institution without obtaining the requisite annual prior written approval from the university's chief executive officer. The benefits and perquisites provided by outside sources included expenses incurred in excess of state reimbursement limits for lodging, food and beverages, car rentals, and other travel-related expenses, as well as local recruiting expenses, family travel permitted by division policy, leased cars, division-event tickets, entertainment, realtor fees, some personal expenses for the director of athletics, automobile insurance and parking payments for some members of the football coaching staff, and miscellaneous tickets.

B. COMPENSATION FOR WORK PERFORMED WITHOUT PRIOR APPROVAL. [NCAA BYLAWS 11.2.2, 11.3.2.1 AND 11.3.3.1]

During the period 1993 to 1997, the head football coach, the director of athletics, the head men's golf coach, and the sports information office administrator received compensation for work performed outside the institution that had not received prior approval in writing by the institution's chief executive officer.

1. In the spring of 1997, the head football coach was retained by a local company to do advertisements for their products. As compensation, he received company products valued at approximately \$5,000.
2. On May 29, 1996, the director of athletics was elected to membership on the board of directors of a professional football team of the National Football League. As a result of the director of athletics' service on the board of directors, although not directly compensated, he did receive a trip to the 1997 NFL Championship (Super Bowl) contest and received a Championship Super Bowl ring. The value of the expenses related to attendance at the Super Bowl and the Super Bowl ring totaled approximately \$4,150.

Further, in the spring of 1997, the director of athletics was retained by a local company to do an advertisement and received \$1,000 "in-kind" compensation for this work.

PUBLIC INFRACTIONS REPORT

University of Wisconsin

April 25, 1999

Page No. 7

3. In 1994, the head men's golf coach did not report income he received as a result of his being a principal in a golf-cart business and compensation realized through his management of a country club's golf pro shop. Both employment circumstances began before the head men's golf coach obtained employment at the university.
4. During the 1993-94 academic year, the sports information office received compensation totaling \$1,600 from the "Blue Line Club," a booster organization of the university's hockey program, to serve as the editor of a hockey program published by the group.

C. COMMERCIAL USE OF INSTITUTION'S NAME WITHOUT PRIOR APPROVAL. [NCAA BYLAWS 11.1.4 AND 11.3.2.5]

In the spring of 1997, the head football coach and the director of athletics improperly utilized the institution's name in the endorsement of commercial products for services in which they were involved for personal gain without obtaining prior written approval from the institution's chief executive officer.

1. The head football coach was retained by a local company to do an advertisement for their products. In that advertisement, he made reference to his coaching position at the university although no advance approval for use of the institution's name or logo had been obtained.
2. The director of athletics was retained by a local company to promote the business in television and radio advertisements. In the radio commercial, he specifically referred to his position as director of athletics at the university.

D. ARRANGEMENT OF FINANCIAL ASSISTANCE. [NCAA BYLAW 13.16.1]

During the summer of 1997, the men's assistant soccer coach requested a financial contribution from the university's soccer booster club through two representatives of the university's athletics interests to support the youth soccer association for the development of a soccer park. As a result, on June 24, 1997, a cashier's check for \$35,000 was drawn on a booster account payable to the area youth soccer association.

E. FAILURE TO MONITOR. [NCAA CONSTITUTION 2.8.1 AND BYLAW 30.3]

The nature and scope of the violations identified in this official inquiry indicate that the institution did not properly oversee a facet of its athletics programs in that it failed to adequately monitor the use of various booster organization funds and other compensation for athletics department staff persons that required the advance approval of the chancellor. These violations were found to be similar to the violations found in the 1994 case.

Also, the institution either did not maintain or could not locate annual certification of compliance forms (NCAA Form 9-1), for the 1996-97 academic year, which must be completed correctly and filed in the office of the director of athletics no later than September 15 of each year.

PUBLIC INFRACTIONS REPORT

University of Wisconsin

April 25, 1999

Page No. 9

III. COMMITTEE ON INFRACTIONS PENALTIES.

For the reasons set forth in Parts I and II of this report, the Committee on Infractions found that this case involved several major violations of NCAA legislation.

A. CORRECTIVE ACTIONS TAKEN BY THE UNIVERSITY.

In determining the appropriate penalties to impose, the committee considered the institution's self-imposed corrective actions. Among the actions the university has taken or will take are the following:

1. More oversight by the chancellor's office in the affairs of the athletics department.
2. A "Special Accounts Policy" was adopted on October 10, 1997, where only the chancellor's designee has the authority to approve expenses and advance approval for such expenses must be obtained.
3. All departmental forms that request a check from external funds are routed through the compliance office for review.
4. Reporting forms have been revised to make more clear that "in kind" compensation must be reported.
5. The Wisconsin Soccer Booster Club has been dissolved and the checking account closed.
6. Accepted the resignation of the former director of compliance.

B. PENALTIES IMPOSED BY THE COMMITTEE ON INFRACTIONS.

The Committee on Infractions determined that cumulatively, the violations in this case, when considered with the university's previous infractions case in 1994, (Case No. M77) involving essentially the same issues, constitute a "major" case. This determination, combined with the timing of the previous case, subjected the institution to the repeat-violator penalties of Bylaw 19.6.2.3.2. However, for the reasons set forth in Section I-C of this report, the committee determined that the repeat-violator penalties should not be imposed and that the following penalties were adequate and appropriate:

1. Two years of probation from November 13, 1998, the date of the hearing.

PUBLIC INFRACTIONS REPORT

University of Wisconsin

April 25, 1999

Page No. 11

2. During this period of probation, the institution shall:
 - a. Conduct a comprehensive internal audit with particular focus on the fund-raising activities and expenses of the university's numerous athletics booster organizations.
 - b. Provide a written analysis of the annual external financial audit required by Bylaw 6.2.3.1.

PUBLIC INFRACTIONS REPORT

University of Wisconsin

April 25, 1999

Page No. 12

- c. Establish an ongoing educational program for all athletics department personnel (administrators and coaches) involved with athletics department finances and outside income.
 - d. Require the director of athletics to attend an NCAA Compliance Seminar.
 - e. Submit a preliminary report to the director for the NCAA infractions committees by April 20, 1999, setting forth a schedule for establishing this compliance and educational program; and
 - f. File with the committee's director annual compliance reports indicating the progress made with this program by November 1 of each year during the probationary period.
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As required by NCAA legislation for any institution involved in a major infractions case, the University of Wisconsin, Madison, shall be subject to the provisions of NCAA Bylaw 19.6.2.3, concerning repeat violators, for a five-year period beginning on the effective date of the penalties in this case, November 13, 1998.

Should the University of Wisconsin, Madison, appeal either the findings of violations or penalties in this case to the NCAA Infractions Appeals Committee, the Committee on Infractions will submit a response to the members of the appeals committee. This response may include additional information in accordance with Bylaw 32.10.5. A copy of the report would be provided to the institution prior to the institution's appearance before the appeals committee.

The Committee on Infractions wishes to advise the institution that it should take every precaution to ensure that the terms of the penalties are observed. The committee will monitor the penalties during their effective periods, and any action contrary to the terms of any of the penalties or any additional violations shall be considered grounds for extending the institution's probationary period, as well as imposing more severe sanctions in this case.

Should any portion of any of the penalties in this case be set aside for any reason other than by appropriate action of the Association, the penalties shall be reconsidered by the Committee on Infractions. Should any actions by NCAA Conventions directly or indirectly modify any provision of these penalties or the effect of the penalties, the committee reserves the right to review and reconsider the penalties.

NCAA COMMITTEE ON INFRACTIONS

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David Swank (chair)
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