

University of North Carolina, Chapel Hill

WHEREAS, the NCAA Committee on Infractions has investigated alleged violations of NCAA legislation by the University of North Carolina, Chapel Hill, and reported its findings to the Council;

WHEREAS, the Council has found the University of North Carolina to have violated the provisions prohibiting excessive entertainment of prospective student-athletes (Article VI, Section 2, (c) of the Bylaws) in that the University paid the expense statements of its head basketball coach, Frank McGuire, which showed items for entertainment of prospective student-athletes which were excessive;

WHEREAS, the Council has found the University of North Carolina to have violated the provisions governing financial aid (Article III, Sections 1 and 4, (a) and (b) of the NCAA Constitution) in that it has been the practice of the University of North Carolina to provide entertainment and lodging for the parents of members of its basketball team, which in the Council's judgement, were special arrangements designed to provide and which did provide student-athletes with extra or fringe benefits which are not made available to the student body in general and which constituted improper financial assistance. In addition, it has been the practice of the University to pay the lodging and some of the food costs incurred by parents of student-athletes when they visit during the Christmas vacation to watch their sons compete in the Dixie Classic basketball tournament;

WHEREAS, the Council determined that there were violations in respect to the inadequate and ineffective accounting procedures and controls in regard to the expenditure of the University's Department of Athletics as it appears that most of the expense accounts to the University are not valid in the explanation of the expense incurred, particular in relationship to the amount of reimbursement claimed. It has proved impossible to verify with any degree of accuracy the expenditures of large sums of money on behalf of the basketball program at the University of North Carolina over an extended period of time. The Council believes that a member institution should maintain records with a reasonable degree of accuracy so that adequate and documented examinations can be made for expenditures in the areas of recruiting and financial aid to student-athletes and the Council views the failure to do so as an extremely questionable practice. The Council is advised that the Chancellor of the University has effected a reorganization of the accounting procedures and controls;

WHEREAS, the commissioner of the Atlantic Coast Conference has been kept informed of the developments in the case, has cooperated fully with the Committee and has conducted a diligent investigation of his own;

NOW, THEREFORE, BE IT RESOLVED, THAT THE University of North Carolina be placed on probation for a period of one year from this date (January 10, 1961), it being understood that

the Committee on Infractions shall review the athletic policies and procedures of the University prior to the expiration of this probation.

BE IT FURTHER RESOLVED, that during the year of this probationary period the University of North Carolina's basketball team shall be ineligible to compete in the National Collegiate Basketball Championship and those other invitational and like basketball events which cooperate with the Association and the administration of its enforcement program;

BE IT FINALLY RESOLVED, that a record be made of the cooperation extended the NCAA Committee on Infractions by the executive and athletic administrations of the University.