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UNIVERSITY OF VIRGINIA INFRACTIONS REPORT

By the NCAA Committee on Infractions

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

I. Introduction.

II. Violations of NCAA legislation, as determined by the Committee on Infractions.

III. Committee on Infractions penalties.

I. Introduction.

In May 1991, the University of Virginia discovered possible violations of NCAA legislation within the operation of its athletics department and informed the NCAA enforcement staff that it was reviewing the possible violations. The institution conducted an internal investigation and communicated with the enforcement staff throughout its inquiry. In April 1992, the institution submitted its findings in a report to the NCAA enforcement staff. The violations listed in Parts II-A through II-H of this report were reported by the institution as a part of its investigation.

Under NCAA enforcement procedures, it is the responsibility of the enforcement department to review any internal report that an institution may submit, evaluate that information and report its conclusions to the NCAA Committee on Infractions. In this case, the institution's report contained information about possible violations that may have occurred during the tenure of a former director of athletics who currently is the NCAA executive director. Because the executive director's name was included in the institution's report, the NCAA enforcement staff did not believe it would be appropriate for it to investigate his involvement in this case. The conflict-of-interest policy adopted by the Committee on Infractions would prohibit such action on the staff's part. The policy provides that "any enforcement staff member with a personal relationship or institutional affiliation that reasonably would result in the appearance of prejudice should refrain from participating in any manner in the processing of the involved institution's or individual's infractions case." Because the [Page 2] members of the enforcement staff are under the general supervision of the executive director through appropriate staff officers, it is apparent that the enforcement staff's decision was correct.

Since the enforcement staff was not available to conduct the investigation, James Park Jr. (a partner in the law firm of Brown, Todd and Heyburn in Lexington, Kentucky) was contacted to determine if he would act as an independent fact-finder to review those portions of the university's report that pertain to the NCAA executive director. On August 7, 1992, the terms of

the employment agreement were decided upon and, during its August 10-11, 1992, meeting, the Committee on Infractions concluded that the action to employ Park as an independent fact-finder was consistent with NCAA enforcement procedures. A public announcement of the enforcement staff's decision to employ Park was made in August 1992. Park was charged with independently reviewing issues raised in the institution's report that directly related to the NCAA executive director. He was given the authority to pursue any relevant information and interview any individual necessary to completely develop facts and reach appropriate conclusions. As part of this employment agreement, it was determined that, regardless of the results of the inquiry, Park would present his findings and conclusions directly to the Committee on Infractions.

An NCAA enforcement representative was assigned to review other issues in the institution's report. Several on-campus interviews with members of the institution's investigative team and individuals named in the institution's report were evaluated. Park conducted his own separate investigation during this same time period, and submitted his findings in a report to the Committee on Infractions dated December 31, 1992, and in a supplemental report dated January 7, 1993. The NCAA's letter of official inquiry was sent to the university's president on January 11, 1993. The university responded on January 20, 1993.

The enforcement staff, the institution and Park believe that May 17, 1991, the date the institution informed the NCAA about possible violations and initiated its internal investigation, should be the determining date for the NCAA's four-year statute of limitations (NCAA Bylaw 32.5.2). As a result, although the institution's report contained information regarding a series of violations that occurred between 1982 and 1991, the official inquiry alleged as violations only those events from May 17, 1987, to May 17, 1991. The enforcement staff, the institution and Park did not believe that the exceptions to the four-year statute of limitations contained in Bylaws 32.5.2-(a) through (c) were applicable to the violations that occurred outside the statute-of-limitations period.

A prehearing conference was held with institutional representatives on February 5, 1993. The university's president, other representatives of the university, the executive director of the NCAA, the special investigator for the NCAA (Park) and members of the NCAA enforcement staff met with the NCAA Committee on Infractions at a hearing on February 8, 1993, in San Antonio, Texas. Additional hearings were scheduled on March 9, 1993, in Chicago and April 15, 1993, in Baltimore, but were canceled because of conflicts in the schedules of the participants. A final hearing before the Committee on Infractions was held on May 1, 1993, in Chicago. At that hearing were representatives of the university, the executive director of the NCAA and his legal counsel, the special investigator for the NCAA, and members of the NCAA enforcement staff. [Page 3] The Committee on Infractions reviewed all of the facts in this case and the applicable NCAA legislation. The committee agrees with the enforcement staff, the institution and Park and finds that May 17, 1987, was the appropriate date to stop the running of the statute-of-limitations. The committee also determined that there is no basis for finding that any one of the exceptions to the statute of limitations is applicable. As a result, no acts that occurred prior to May 17, 1987, were considered, except as they indicate that the problems existing at the University of Virginia began before May 17, 1987, as set out in the finding on institutional control in Part II-I of this report.

The Committee on Infractions found that several major violations had occurred involving the university's athletics department. Several of these would have been classified as secondary violations if they been reported promptly. Had they been reported, it is unlikely that they would have been repeated, as they were in this case. The violations were as follows:

- Providing extra benefits by making interest-free loans to student-athletes receiving full grants-in-aid.
- Providing extra compensation in excess of the value of a full grant-in-aid by making interest-free loans to graduate assistant football coaches for their personal use.
- Providing extra compensation in excess of the value of a full grant-in-aid by failing properly to administer what were, in effect, interest-free loans to graduate assistant coaches.
- Paying graduate assistant coaches for their services in amounts in excess of the value of a full grant-in-aid.
- Paying graduate assistant football coaches monthly stipends when they were not enrolled in at least 50 percent of the institution's minimum regular program of graduate studies.
- Making errors in the awarding and canceling of grants-in-aid to numerous student-athletes.
- Failing to require coaching staff members properly to report income and benefits from outside sources.
- Permitting coaching staff members to receive improper compensation and supplemental income from outside sources.
- Providing extra benefits to student-athletes by making housing available to those who were not receiving grants-in-aid or whose grants did not include housing.
- Providing extra benefits to student-athletes by providing housing during the summer when they were not receiving their grants, and by failing to collect for damages done to apartments, which were paid by the institution.
- Improperly providing tickets to prospects for postseason events. [Page 4]
- Permitting the use of funds to recruit prospective student-athletes that were not deposited with and in the control of the institution.
- Failing to exercise proper institutional control over the athletics department and the Virginia Student Aid Foundation (VSAF).

A majority of these violations occurred because the university did not have or maintain adequate control over the VSAF. When athletics department staff members attempted to impose control mechanisms to supervise adequately the activities of the VSAF, they were not supported by the

university. Eventually, the institution gained control over the VSAF and terminated the employment of the VSAF senior staff members. It was only at that time that the violations of NCAA rules ceased. The activities involving the VSAF had existed for a number of years prior to May 17, 1987. The finding of the violation involving a lack of institutional control was based on actions of the university and the VSAF occurring after May 17, 1987; however, evidence presented at the hearings indicated that the violations of NCAA rules had preceded that date.

In assessing the penalties as required by Bylaw 19.5.2 in cases involving major violations, the committee considered the nature of the violations, the university's thorough and complete investigation, the full cooperation of the university, the termination of employment of those involved in major violations, and the establishment of administrative procedures to ensure that the institution will be in compliance with NCAA rules in the future. As a result, the penalties assessed by the Committee on Infractions include:

- Reprimand and censure.
- A two-year probationary period.
- Reducing grants-in-aid in football.
- Reducing the number of graduate assistant football coaches.
- Requiring the development of a comprehensive educational program.
- Recertifying all of its current athletics policies.
- Reporting on the activities of the VSAF.

It was reported to the committee that all eligibility issues relating to student-athletes named in the violations have been resolved.

II. Violations of NCAA legislation, as determined by the Committee on Infractions.

A. [NCAA Bylaws 16.12.2 and 16.12.2.3]

During the period from September 1, 1987, through August 30, 1990, the Virginia Student Aid Foundation (VSAF), a privately incorporated [Page 5] foundation representing the university's athletics interests, provided extra benefits to student-athletes by providing nine no-interest loans totaling \$3,058.65 to six student-athletes for their personal use. Each of these student-athletes was a full grant-in-aid football student-athlete. One was also a member of the men's basketball team at the time a loan was made to him. Seven of the loans have been repaid, one was "written off" and one is still outstanding. Specifically:

1. On September 1, 1987, a VSAF check for \$183 was issued to an insurance agent on behalf of a football student-athlete to enable him to purchase health insurance. The young man signed a no-interest promissory note to repay the money "when I receive my Pell grant money later this

semester." The loan was approved by the VSAF executive director and was arranged for by an assistant director of athletics for football administration at the direction of the senior associate director of athletics. The loan was repaid by a \$178 money order to VSAF on February 25, 1988, and \$5 in cash paid to VSAF on March 2, 1988.

On August 12, 1988, a VSAF check for \$201 was issued to an insurance agent on behalf of the student-athlete to enable him to purchase health insurance. The young man signed a no-interest promissory note to repay the money "when I receive my Pell grant money later this semester." The loan was approved by the VSAF executive director and was arranged for by the assistant director of athletics for football administration at the direction of the senior associate director of athletics. The loan was repaid in cash on January 24, 1989.

On October 5, 1989, a VSAF check for \$220 was issued to an insurance company on behalf of the student-athlete to enable him to purchase health insurance. The young man signed a no-interest promissory note to repay the money "Feb. 90 - (Second semester when he receives his Pell grant money)." The loan was approved by the VSAF executive director and was arranged by the assistant director of athletics for football administration at the direction of the senior associate director of athletics. The loan was repaid in cash on October 19, 1989, two weeks after it was made.

On September 1, 1987, a VSAF check for \$183 was issued to an insurance agent on behalf of another football student-athlete to enable him to purchase health insurance. The young man signed a no-interest promissory note to repay the money "when I receive my Pell grant money later in the semester." The loan was approved by the VSAF executive director and was arranged by an assistant director of athletics for football administration at the direction of the senior associate director of athletics. The loan was repaid by money order on November 24, 1987.

On August 30, 1990, a VSAF check for \$288 was issued to an insurance company on behalf of a third football student-athlete to enable him to purchase health insurance. The young man signed a no-interest promissory note to repay the money "When Pell Grant Money is Received." The loan was approved by the VSAF executive director and was arranged by the assistant director of athletics for football administration at the direction of the senior associate [Page 6] director of athletics. The loan was repaid in cash on August 22, 1991.

2. On September 29, 1988, a VSAF check for \$1,000 was issued to a football and basketball student-athlete in order to make up for what the young man perceived as a shortfall in summer earnings. The student-athlete signed a no-interest promissory note to repay the money "by July 20, 1989." The loan was approved by the VSAF executive director. The young man acted on his own in contacting the VSAF. He said that he needed the money, and that he asked the VSAF because it said "Student Aid" on the door. The loan was repaid by cashier's check on August 10, 1989.

On August 10, 1989, a VSAF check for \$800 was issued to the student-athlete in order to make up for what the young man perceived as a shortfall in summer earnings. The student-athlete signed a no-interest promissory note to repay the money "by July 20, 1990." The loan was approved by the VSAF executive director. The loan was obtained by the young man on the same

day that he repaid his previous loan for \$1,000. He had earned enough money over the summer to repay the previous loan but thought he then would experience a shortfall for the coming year. He repaid his old loan and obtained a new one. The student-athlete graduated in the spring of 1990. This loan has not been repaid and remains an outstanding obligation. The young man, who had been on both the football and men's basketball teams the previous year, was on only the football team during the 1989-90 academic year.

3. On May 15, 1989, a VSAF check for \$100 was issued to another football student-athlete because he was "strapped for money." The young man signed a no-interest promissory note to repay the money "by 5/22/89." The loan was approved by The VSAF executive director. The student-athlete was referred to the VSAF by an unidentified teammate. The loan was not repaid when promised and was "written off" or forgiven on January 31, 1991.

4. On August 24, 1989, a VSAF check for \$83.65 was issued to another football student-athlete in order to pay for eyeglasses he needed for his school work. No loan document was signed, but a "check request" was signed by the VSAF executive director, indicating that the money was "[f]or loan to be repaid 8/31/89." The young man was referred to the VSAF by an unidentified teammate. The loan was repaid in cash on October 13, 1989.

B. [NCAA Bylaws 11.02.4 and 11.02.4-(a)]

Compensation in excess of the value of a full grant-in-aid was provided when the Virginia Student Aid Foundation (VSAF) made an individual no-interest loan of \$700 to a graduate assistant football coach who already was receiving the maximum compensation allowed by NCAA rules. This loan was for his personal use. The \$700 loan has not been repaid and is still outstanding.

Specifically: on August 1, 1989, a VSAF check for \$700 was issued to a graduate assistant coach for personal use and to enable him to pay rent [Page 7] for his wife and child, who had not accompanied the graduate assistant coach to Charlottesville. The graduate assistant coach signed a no-interest promissory note to repay the money "as I receive salary from UVA - Possibly monthly - will make payments." The loan was approved by the VSAF executive director. The graduate assistant coach learned about the availability of a VSAF loan from another football graduate assistant coach.

C. [NCAA Bylaw 11.02.4-(a)]

During the 1989-90 and 1990-91 academic years and at the request of the athletics department, the Virginia Student Aid Foundation (VSAF) made six payments to the university on behalf of five graduate assistant football coaches for the purpose of discharging their university bills for tuition and fees. In three of these cases, the VSAF also advanced funds for graduate assistant coaches to purchase student council-sponsored health insurance. The graduate assistant coaches were to repay VSAF from their monthly stipend checks. However, because of an administrative failure by the athletics department to monitor these loan repayments and, further, because of miscalculations on the part of the athletics department staff, the amount repaid to the VSAF by the end of the respective academic year was insufficient to cover the advances by a total of

\$7,095.83. This resulted in the graduate assistant coaches receiving compensation in excess of the value of a full grant-in-aid. The shortfalls were not considered receivable by the VSAF, were never collected from the graduate assistant coaches and were charged by the VSAF against budgeted support for graduate assistant coaches. These violations arose because of a significant lack of attention to financial management by the athletics department and the VSAF. Specifically:

1. On behalf of a graduate assistant coach, the VSAF made payments to the university for university charges of \$4,383.50 on September 5, 1989, and of \$4,408.50 on December 14, 1989. The VSAF also advanced \$240 to the graduate assistant coach on September 29, 1989, to enable him to purchase student council-sponsored health insurance. These payments totaled \$9,032. In a series of transactions that were designed to reduce the coach's balance to zero by the end of the academic year, the graduate assistant coach endorsed his monthly stipend checks to the VSAF and received a smaller VSAF check each month in return. Because of miscalculations, however, an unpaid debit of \$2,541.43 remained in the coach's account at the end of the year. This sum was charged against budgeted support for graduate assistant coaches and was never collected from the graduate assistant coach.

2. On behalf of a second graduate assistant coach, the VSAF made payments to the university for university charges of \$2,181 on September 7, 1989, and of \$2,156 on January 4, 1990. The VSAF also advanced \$240 to the coach on September 29, 1989, to enable him to purchase student council-sponsored health insurance. These payments totaled \$4,577. In a series of transactions that were designed to reduce the graduate assistant coach's balance to zero by the end of the academic year, the coach endorsed his monthly stipend checks to the VSAF and received a smaller VSAF check each [Page 8] month in return. Because of miscalculations, however, an unpaid debit of \$1,072.18 remained in the graduate assistant coach's account at the end of the year. This sum was charged against budgeted support for graduate assistant coaches and was never collected from the graduate assistant coach.

3. On behalf of the second graduate assistant coach, the VSAF made payments to the university for university charges of \$2,372 on August 31, 1990, and of \$1,982 on December 20, 1990. These payments totaled \$4,354. In a series of transactions that were designed to reduce the graduate assistant coach's balance to zero by the end of the academic year, the graduate assistant coach endorsed his monthly stipend checks to the VSAF and received a smaller VSAF check each month in return. Because of miscalculations, however, an unpaid debit of \$918.05 remained in the coach's account at the end of the year. This sum was charged against budgeted support for graduate assistant coaches and was never collected from the graduate assistant coach.

4. On behalf of a third graduate assistant coach, the VSAF made payments to the university for university charges of \$4,408.50 on September 26, 1989. The VSAF also advanced \$240 to the graduate assistant coach on September 18, 1989, to enable him to purchase student council-sponsored health insurance. These payments totaled \$4,648.50. In a series of transactions that were designed to reduce the graduate assistant coach's balance to zero by the end of the academic year, the graduate assistant coach endorsed his monthly stipend checks to the VSAF and received a smaller VSAF check each month in return. Because of miscalculations, however, an unpaid debit of \$592.95 remained in the graduate assistant coach's account at the end of the year. This

sum was charged against budgeted support for graduate assistant coaches and was never collected from the graduate assistant coach.

5. On behalf of a fourth graduate assistant coach, the VSAF made payments to the university for university charges of \$1,236 on September 29, 1989, and of \$996 on April 10, 1990. These payments totaled \$2,232. In a series of transactions that were designed to reduce the graduate assistant coach's balance to zero by the end of the academic year, the graduate assistant coach endorsed his monthly stipend checks to the VSAF and received a smaller VSAF check each month in return. Because of miscalculations, however, an unpaid debit of \$743.63 remained in the coach's account at the end of the year. This sum was charged against budgeted support for graduate assistant coaches and was never collected from the graduate assistant.

6. On behalf of a fifth graduate assistant coach, the VSAF made payments to the university for university charges of \$2,412 on January 28, 1991. In a series of transactions that were designed to reduce the graduate assistant coach's balance to zero by the end of the academic year, the graduate assistant coach endorsed his monthly stipend checks to the VSAF and received a smaller VSAF check each month in return. Because of miscalculations, however, an unpaid debit of \$1,227.59 remained in the coach's account at the end of the year. This sum was charged against budgeted support for [Page 9] graduate assistant coaches and was never collected from the graduate assistant coach.

D. [NCAA Bylaw 11.02.4]

During the 1989-90 academic year, a calculation error led to the overpayment of the monthly stipend payments by the University of Virginia to three graduate assistant football coaches by a total of \$372.74. Specifically:

1. One graduate assistant coach received monthly stipend payments that totaled \$6,375 by the end of the 1989 fall semester. His maximum allowable compensation for that period was \$6,248.75, resulting in an overpayment of \$126.25.
2. A second graduate assistant coach received monthly stipend payments that totaled \$6,652.08 by the end of the 1989-90 academic year. His maximum allowable compensation for that period was \$6,509.71, resulting in an overpayment of \$142.37.
3. A third graduate assistant coach received monthly stipend payments that totaled \$6,652.08 by the end of the 1989-90 academic year. His maximum allowable compensation for that period was \$6,547.96, resulting in an overpayment of \$104.12.

E. [NCAA Bylaw 11.02.4]

During the 1988-89 and 1991-92 academic years, two graduate assistant football coaches enrolled in an insufficient number of hours during one semester to satisfy the requirement that they be "enrolled in at least 50 percent of the institution's minimum regular graduate program of studies." For this purpose, at the University of Virginia, one-half of the minimum enrollment for a regular graduate program of studies is nine hours for one year, or 4.5 hours (rounded up to five

hours) for a semester. Both graduate assistant football coaches were paid stipends for and engaged in coaching activities during the semesters in which they were not enrolled in 50 percent of the minimum number of hours required to qualify as regularly enrolled graduate students. Specifically:

1. A graduate assistant coach was enrolled in only three hours during the 1989 spring semester.
2. Another graduate assistant coach was enrolled in only four hours during the 1991 fall semester.

F. [NCAA Bylaws 14.1.6, 15.01.5-(a), 15.3.1.3, 15.3.2.3, 15.3.4.2, 15.3.5.1 and 15.3.5.1.1]

During the period from May 1987 through May 1991, a number of errors occurred in the awarding of athletics grants-in-aid to student-athletes. Specifically: [Page 10]

1. Some grants-in-aid were awarded out of the normal cycle of renewals. For these grants-in-aid, the athletics department, rather than the agency responsible for the awarding of financial aid to students, made such awards. In other instances, even when the athletics department decision was made before a semester began, the necessary paperwork was not completed until the semester was under way. Additional awards were made after the beginning of the school year and were made retroactive to the beginning of the term.
2. Upward gradations in previously awarded grants-in-aid were made by the athletics department and not by the agency responsible for the awarding of financial aid to students generally. These awards were not made under the provisions set forth in Bylaw 15.3.4.2.
3. Grants-in-aid were canceled by the athletics department and not by the regular disciplinary or financial aid authorities of the institution. The student-athletes were not notified at the time of cancellation by the regular disciplinary or financial aid authorities of the institution of the opportunity for a hearing. However, prior written notice of the opportunity for a hearing in the event of cancellation of a grant-in-aid had been afforded in most cases at the time of the initial award and, in some cases, by the coach prior to the cancellation of aid.
4. Nonrenewal letters were not mailed to fourth-year student-athletes with eligibility remaining whose grants-in-aid were not renewed for their fifth year.
5. In at least one instance involving football, a grant-in-aid recipient, who in this instance was not a member of the team at the time, was allowed to receive financial aid when he was not initially enrolled in a full-time course of study as required by Bylaw 15.01.5-(a). No certification was obtained by the athletics department from the institution that the student-athlete was carrying for credit the courses necessary to complete degree requirements, as required by NCAA legislation. In fact, the student-athlete was not carrying sufficient courses to graduate. While definite information could not be developed, the university reported that there were indications that other similar violations occurred involving student-athletes in football and other sports.

G. [NCAA Bylaws 11.2.2, 11.3.1, 11.3.2.2 and 11.3.2.6]

From 1988 through 1990, several coaching staff members did not report annually all athletically related income and benefits from sources outside the institution. In addition, during the period from 1987 through 1990, funds were improperly provided to an assistant men's basketball coach from outside sources. The coach was involved in the distribution or sale of items bearing names or pictures of current student-athletes. On several other occasions, coaching staff members also received funds that were improper supplemental income due to the manner in which the funds were provided.

1. For the period from 1988 through 1990, several full-time and part-time coaches in the university's athletics program did not report [Page 11] all athletically related income and benefits from sources outside the institution through the director of athletics to the university's president.

2. During the summers of 1987, 1988, 1989 and 1990, a part-time assistant men's basketball coach worked for and received compensation from a private company not affiliated with the athletics department or the university. The company, with the cooperation and guidance of the athletics department, produced and sold posters to promote the football and men's basketball programs. These posters typically contained pictures of student-athletes and coaches, a schedule for the respective sport, and a place where a purchasing business could place a logo.

3. Between June 19, 1987, and September 14, 1988, four interest-free loans in amounts of \$421, \$310, \$344 and \$370, for a total of \$1,445, were made by the Virginia Student Aid Foundation (VSAF) to a coach for the purpose of helping the coach with tuition payments towards an advanced degree. On March 15, 1992, there was a balance of \$507 owed to the VSAF. Beginning on that date, the coach agreed to a series of \$100 monthly payments to retire the loans, and the loans have been paid in full.

4. Between December 31, 1987, and May 9, 1990, four payments were made by the VSAF to coaches that were improper salary supplements. Specifically: (a) \$25,000 was paid to the head basketball coach on December 31, 1988. This payment was to have been a loan but it was improperly charged to another account. As a result, it was not recorded as a loan and was never repaid. This resulted in the payment becoming an improper salary supplement from an outside source. (b) Three payments were made to an assistant basketball coach. A December 31, 1987, payment was for \$2,320.63. An April 6, 1989, payment was for \$1,851.72. A May 9, 1990, payment was for \$1,900. These latter payments constituted the balance in an expense account set up by the head basketball coach with the permission of the director of athletics for use by the assistant basketball coach. These four payments are violations of Bylaw 11.3.2.2 since the payments were not loans to the coaching staff members and were improper salary supplements.

H. [NCAA Bylaws 13.7.5.2.2, 13.15.1 and 16.12.2]

During the period from May 1987 through May 1991, funds from various accounts of the Virginia Student Aid Foundation (VSAF) were utilized contrary to NCAA legislation. Specifically:

1. During the years from 1983 through 1989, a privately owned group of apartments was, in effect, leased by the VSAF. Student-athletes whose grants-in-aid included board were permitted

to live there, and their grants-in-aid were charged for their board. Walk-on student-athletes and student-athletes whose grants-in-aid did not include board also were permitted to live there on the condition that they pay appropriate rent to the VSAF. In addition, student-athletes were permitted to live there for short periods during the summer at times when no grants-in-aid were in effect. They were [Page 12] charged rent payable to the VSAF on a per diem basis on these occasions. Some of the rent payments owed to the VSAF were not collected, although it cannot be determined whether this occurred within the past four years. In addition, the VSAF made damage payments to the apartment owner, some for restoration of the units at the conclusion of the lease arrangement and some for individually caused damage. The arrangement with the apartment owner was concluded in 1989. Because the university was involved in financial arrangements with a private entity on behalf of several student-athletes, this special arrangement violated the provisions of the NCAA extra-benefit legislation. This violation is another indication of the lack of administrative supervision by the athletics department over its financial operations. From the record, it appears that there were a substantial number of apartments rented under this arrangement before May 1987. After that date, there were only a limited number of rentals.

2. On 12 different occasions from March 24, 1989, through May 3, 1990, a total of \$1,962.73 was expended for recruiting expenses from the VSAF accounts that were outside the normal university audit trail and were not on deposit with the institution. These expenses were approved by the director of athletics and the senior associate director of athletics. Except for the fact that the funds were not on deposit with the institution, the manner in which the funds were used was permissible under applicable NCAA legislation. Eight of the occasions involved the men's and women's track programs, two involved men's tennis, and two involved women's soccer.

On April 13, 1989, a total of \$181.48 was expended for recruiting expenses from another VSAF account available only to the men's basketball program. This VSAF account also was outside the normal university audit trail, and the funds were not on deposit with the institution.

3. On March 17, 1990, five tickets to an NCAA playoff game in women's basketball held in Charlottesville, Virginia, were purchased through a VSAF account at \$5 each that were utilized by prospects during official paid visits to campus. None of the prospects enrolled at the university.

4. On June 27, 1987, the VSAF executive director arranged for two football student-athletes and two other persons to play golf at a private country club in Charlottesville and charged the cost of \$141.74 to his membership account, which then was paid by the VSAF. This resulted in a short-term loan contrary to the provisions of NCAA extra-benefit legislation. The VSAF billed the student-athletes on July 17, 1987. One of the student-athletes paid the entire bill on August 28, 1987.

I. [NCAA Constitution 2.1]

During the period from May 1987 through May 1991, the scope and nature of the information reported by the institution in this report demonstrates a substantial lack of appropriate institutional control. This [Page 13] was due primarily to the failure of the university and the

athletics department to establish and maintain control and supervision over the Virginia Student Aid Foundation (VSAF). The record provided by the university indicated that the lack of institutional control started long before May 1987. Specifically:

1. Improper loans were made to student-athletes by the VSAF. There were no adequate educational programs in place to inform the VSAF staff of the requirements of NCAA rules, and there was inadequate monitoring by the director of athletics and the university to ensure there was compliance with the rules. The improper loan program, which had commenced prior to May 1987, remained in effect through 1991.

2. The athletics department also utilized the VSAF to provide quick solutions to particular situations involving the institution's intercollegiate athletics programs over which the VSAF had little relationship and no responsibility. The VSAF provided financial aid to graduate assistant coaches and assisted in renting apartments for student-athletes. In many of these financial aid transactions, formal procedures for handling the specific arrangements were not established by either the VSAF or the athletics department. This resulted in inadequate documentation and little or no monitoring of these activities. The VSAF undertook financial transactions on behalf of the athletics department and often at the request of the athletics department when it was neither trained nor staffed to handle such transactions in compliance with applicable NCAA legislation.

III. Committee on Infractions penalties.

For the reasons set forth in Part I of this report, the Committee on Infractions found that this case involved several major violations of NCAA legislation that occurred after September 1, 1985. NCAA Bylaw 19.5.2.2, as adopted by the Association's membership, requires prescribed minimum penalties, "subject to exceptions authorized by the Committee on Infractions in unique cases on the basis of specifically stated reasons."

The Committee on Infractions determined that this case was a unique case in which the institution should receive less than the full set of minimum penalties otherwise required by NCAA legislation. Those minimum penalties include: (a) a two-year probationary period (including a periodic, in-person monitoring system and written institutional reports); (b) the elimination of all expense-paid recruiting visits to the institution in the involved sport for one recruiting year; (c) a requirement that all coaching staff members in the sport be prohibited from engaging in any off-campus recruiting activities for one recruiting year; (d) a requirement that all institutional staff members determined by the Committee on Infractions knowingly to have engaged in or condoned a major violation be subject either to termination of employment, suspension without pay for at least one year or reassignment of duties within the institution to a position that does not include contact with prospective or enrolled student-athletes or [Page 14] representatives of the institution's athletics interests for at least one year; (e) one year of sanctions precluding postseason competition in the sport; (f) one year of sanctions precluding television appearances in the sport, and (g) institutional recertification that the current athletics policies and practices conform to all requirements of NCAA regulations.

The factors that made this a unique case included: the nature of the violations, the thorough investigation and reporting of violations to the NCAA by the university, the university's

cooperation in the processing of the case, the termination of the employment of some of those involved in the violations, and initiation of other corrective actions, including the establishment of administrative procedures designed to ensure that the institution will comply with the principles of institutional control and rules compliance in the future.

A. The university shall be publicly reprimanded and censured, and placed on probation for a period of two years from the date these penalties are imposed, which shall be the date the 15-day appeal period expires or the date the institution notifies the executive director that it will not appeal, whichever is earlier, or the date established by NCAA Infractions Appeals Committee action in the event of an appeal by the university to the Infractions Appeals Committee.

B. The University of Virginia shall be subject to the provisions of NCAA Bylaw 19.5.2.3 concerning repeat violators for a five-year period beginning on the effective date of the penalties in this case.

C. During one of the two years of probation, the university shall be limited to no more than one graduate assistant coach in football. (Because of possible existing commitments, the calendar year for which this action shall be imposed will be determined by the university.)

D. The university shall award no more than a total of 86 football grants-in-aid during the 1993-94 academic year and a total of 83 football grants-in-aid during the 1994-95 academic year.

[NOTE: NCAA legislation limits total awards during the 1993-94 and 1994-95 academic years to 88 and 85, respectively.]

E. During the period of probation, the institution shall: develop and implement a comprehensive educational program (e.g., seminars and testing) to instruct coaches, athletics department personnel and the staff of the Virginia Student Aid Foundation (VSAF) on NCAA legislation; submit a written preliminary report to the NCAA enforcement staff by September 1, 1993, setting forth a schedule for establishing this compliance and educational program, and file annual written progress reports with the NCAA enforcement staff by July 1 of each year thereafter during the probationary period, with a particular emphasis on training the athletics department and VSAF staffs in proper accounting and financial management procedures to ensure compliance with appropriate NCAA regulations. In addition, these reports shall contain detailed information regarding the university's current control over and the operation of the VSAF. [Page 15]

F. The institution shall recertify that all of its current athletics policies and practices conform to all requirements of NCAA regulations.

Should the University of Virginia appeal either the findings of violations or proposed penalties in this case to the NCAA Infractions Appeals Committee, the Committee on Infractions will submit an expanded infractions report to the Infractions Appeals Committee. This expanded report will include additional information in accordance with Bylaw 32.9.5. A copy of the committee's report would be provided to the university prior to the institution's appearance before the Infractions Appeals Committee and, as required by Bylaw 32.9.6, would be released to the public.

The Committee on Infractions wishes to advise the institution that when the penalties in this case become effective, the institution should take every precaution to ensure that their terms are observed. The committee intends to monitor the penalties during their effective periods, and any action contrary to the terms of any of the penalties shall be considered grounds for extending the institution's probationary period, as well as to consider 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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