

FISCAL INTEGRITY

PREVIOUS CERTIFICATION SELF-STUDY

- 1. List all the “corrective actions,” “conditions for certification” or “strategies for improvement” imposed by the NCAA Division I Committee on Athletics Certification (if any) as they relate to fiscal integrity issues. In each case, provide: (a) the original “corrective action,” “condition,” or “strategy” imposed; (b) the action(s) taken by the institution and the date(s) of those action(s); and (c) an explanation for any partial or non-completion of such required actions. Please note, the institution is not required to respond to recommendations for required actions developed by the peer-review team unless those same recommendations were adopted by the Committee on Athletics Certification.**

Original Corrective Action Required:

Clarify whether the university, prior to 1997 certification self-study, required athletics staff members to receive annual prior approval from the university’s chief executive officer for all athletically related income and benefits from sources outside the institution, as set forth in NCAA Bylaw 11.2.2 (athletically related income).

Actions taken by the Institution and the Dates:

Responded on December 14, 1998 in writing to James E. Walker, Chair of the NCAA Committee on Athletic Certification. Information provided stated that prior to 1997 staff members were required to receive prior written approval for all athletically related income and benefits from sources outside the university. Sample forms were included in the correspondence.

Explanation for any Partial or Non-completion of Such Required Actions:

None.

- 2. List all actions the institution has completed or progress it has made regarding all plans for improvement/recommendations developed by the institution during its first-cycle certification process in the fiscal integrity area. Specifically include: (a) the original plan; (b) the action(s) taken by the institution; (c) the date(s) of the action(s); (d) actions not taken or not completed; and (e) explanations for partial completion. Please note, the institution will not be required to fulfill an element of a first-cycle plan if the element does not affect conformity with an operating principle.**

Original Plan	Actions Taken By the Institution and the Dates	Actions not Taken or not Completed	Explanations for Partial Completion
<p>Recommendation #1: Budget Development-Sports Information: To account for direct athletic costs, Sports Information expenditures through Public Relations should be recorded in a separate account where feasible. The Director of Intercollegiate Athletics should be included in all discussions and decisions relative to sports information activities through Public Relations.</p>	<p>The budget for Sports Information was transferred from Public Relations, a division of University Advancement, to the Department of Intercollegiate Athletics July, 1998. The transfer of budget responsibilities also included the transfer of half a position.</p>	<p>None</p>	<p>None</p>
<p>Recommendation #2: Staff expansion: Procedures for approval of new positions be formally documented in writing and approved by the Intercollegiate Athletics Committee.</p>	<p>This action was implemented during the course of the previous certification self-study process, 1997. The action can be found in the <i>Intercollegiate Athletics Operations Manual</i>.</p>	<p>None</p>	<p>None</p>
<p>Recommendation #3: Compliance with NCAA Bylaw 11.2.2: The Declaration of Outside Income for Intercollegiate Athletics Staff should be formally documented in writing and approved by the Intercollegiate Athletics Committee.</p>	<p>This action was implemented during the course of the previous certification self-study process, 1997. The action can be found in the <i>Intercollegiate Athletics Compliance Manual</i>.</p>	<p>None</p>	<p>None</p>
<p>Recommendation #4: The standard operating procedures section of the <i>Intercollegiate Athletics Operations Manual</i> should be updated. Updating these procedures will provide athletics personnel access to the most current information available to ensure NCAA rules are followed.</p>	<p>The Standard Operating Procedures section of the <i>Intercollegiate Athletics Operations Manual</i> was updated in 1999 and is being updated again in 2003. The review and updating of this section of the <i>Intercollegiate Athletics Operations Manual</i> was the responsibility of the Director of Intercollegiate Athletics and the Compliance Coordinator.</p>	<p>None</p>	<p>None</p>

3. Describe any additional plans for improvement/recommendations in the area of fiscal integrity developed by the institution since the first-cycle certification decision was rendered by the Committee on Athletics Certification.

None

4. List all actions the institution has completed or progress it has made regarding required actions identified by the NCAA Division I Committee on Athletics Certification during the institution's interim report process (if applicable) as they relate to fiscal integrity issues.

Not applicable.

Operating Principle

3.1.Financial Practices. The Association's principles include the responsibility of the institution's chief executive officer for approval of the athletics budget and audit of all athletics expenditures. In fulfilling this principle, the institution shall demonstrate that:

- a. All funds raised for and expended on athletics are subject to institutionally defined practices of documentation, review, and oversight.
- b. All expenditures from any source for athletics are approved by the institution.
- c. Budget and audit procedures for athletics are consistent with those followed by the institution generally and with the provisions of NCAA Constitution 6.2:
 1. The institutions annual budget for athletics is approved by the institution's chief executive officer or designee from outside the athletics department.
 2. An annual financial audit is performed by a qualified auditor who is not a staff member of the institution and who is selected by the chief executive officer or designee from outside the athletics department.

Self-Study Items:

1. Prepare a list of all revenue sources for intercollegiate athletics that are under the clear accounting and financial control of the institution. Also, prepare a list of all other sources (i.e., those not under the accounting and financial control of the institution) generating revenue on behalf of the institution's intercollegiate athletics program, including outside foundations.

Under the control of the institution:

- Student fees
- Ticket sales
- Entry fees
- Game guarantees
- NCAA revenues
- Conference revenues
- Commissions (vending)
- Local fund gifts

Not under the control of the institution:

- Radford University Foundation, Inc.

2. Describe the step-by-step process for budget development and approval, and highlight any areas that may differ from the institution's standard or normal budgeting procedures. Prepare a separate description for those sources of revenue under the institution's direct control and another for revenue sources not under the institution's direct control.

Budget Development and Approval-Institution:

Radford University's Department of Intercollegiate Athletics (DIA) reports directly to the Vice President for Student Affairs. Steps in budget development for athletics include:

- The Director of Intercollegiate Athletics (AD) meets with the Assistant Vice President for Finance/Controller in early Spring each fiscal year to begin the budget development process. The development process includes projecting revenues and anticipated expenditures for the subsequent year. Major issues influencing the budgeting process are discussed to determine the impact on athletic activities (e.g., enrollment, athletic fee, equipment replacement, etc.).
- Projected revenues are determined by multiplying the projected full-time equivalency (FTE) enrollment by the annual athletic fee. Additional revenues (ticket sales, game guarantees, NCAA/conference distributions, etc.) are combined to determine the total estimated revenues for the new fiscal year.
- At approximately the same time, the Athletics Business Manager distributes to each head coach a budget packet which includes the information needed to develop a zero-based budget for each sport. The zero-based budget includes equipment and supplies; meals, travel, and lodging; and contractual services. Athletic scholarship allotments and salary totals are provided by the AD to each coach in advance of this process.
- The Athletics Business Manager formulates a projected budget for the athletic office. Budget packets are also provided to other athletic operations (e.g., training room and academic support) for completion by the respective budget account manager.
- Upon completion and return of the budget packets, the Athletics Business Manager and AD compare the total projected expenditures with total projected revenues. The Senior Women's Administrator also reviews projected expenditures from a gender equity perspective.
- Budget meetings are scheduled with each coach/budget account manager to review proposed budgets. If total requested expenditures exceed projected revenues, each coach/budget account manager is provided an amount by which their budget must be reduced. The coach/budget account manager, AD, and Athletics Business Manager will determine where reductions will be made. If total requested expenditures are equal to, or below projected revenues, the proposed budget is reviewed to verify that it is thorough, complete, and that it will meet the needs of the program for the subsequent year.
- Once all proposed expenditure budgets are equal to or below total projected revenues, the budgets are approved by the AD and forwarded to the Vice President for Student Affairs (the President's designee) for executive approval.

The Vice President for Student Affairs, after approval, forwards the proposed budget to the Vice President for Business and Governmental Affairs. The Vice President for Business and Governmental Affairs and the Assistant Vice President for Finance/Controller review DIA budget allocations to ensure the requests are within the total allocation. After this review, the budget allocations are entered into the university's accounting system. Once entered, these budgets are available to DIA for expenditure.

Budget Development and Approval-Radford University Foundation:

The Radford University Foundation, Inc. develops a yearly master plan time-line; this master plan includes the Highlander Club and associated fund raising initiatives.

Attach documentation (e.g., management letters, executive summaries) from the institution's three most recent external audits that verifies the institution is in compliance with Constitution 6.2.3 (annual independent financial audit requirement). Also describe the process used in selecting the independent auditor for the institution's external financial audit for intercollegiate athletics, including any methods used to ensure the independent nature of the auditor, as well as a description of the institution's efforts to ensure the audit meets the standards of the NCAA Financial Audit Guidelines.

3.

•Auditor-Institution:

- As a state-supported institution of higher education in the Commonwealth of Virginia, Radford University's financial statements are audited on an annual basis by the Auditor of Public Accounts. The Auditor of Public Accounts is a division of the legislative branch of Virginia government, reporting through the Joint Legislative Audit and Review Commission of the Virginia General Assembly. This structure provides the requisite independence from the executive and judicial branches of state government and the agencies they review.
- The Auditor of Public Accounts performs, as part of the annual financial statement review, the minimum agreed-upon procedures required for DIA to comply with NCAA Constitution 6.2.3.

•Auditor-Radford University Foundation:

- The Radford University Foundation has a three year agreement with Foti, Flynn Lowen and Company. The firm was selected by the Foundation Finance Committee and approved by the full Foundation Board. A recommendation has been made to the Foundation Board to extend the agreement for three more years.

Management letters from three most recent external audits: See Attachment 1

4. Describe relevant corrective actions planned or implemented from the three most recent external financial audits.

The Auditor of Public Accounts audit reports ended June 30, 2000 and June 30, 2001 did not include any internal control or compliance issues requiring corrective action.

The June 30, 2002 audit includes two findings for the DIA. These internal control and compliance findings are:

- Athletic Department deposits are not made in a timely manner.
- Athletic Department payments to vendors are not made in a timely manner.

The DIA initiated corrective actions during the fourth quarter of the fiscal year 2002-03 to respond to these two issues. See the Plan for Improvement for detailed explanation of the corrective actions initiated. In addition, during fiscal year 2003-04 a new Fiscal Technician position will be requested to assist the Athletics Business Manager in completing DIA responsibilities with regard to deposits and vendor payments.

5. Describe the ways in which your institution approves expenditures for intercollegiate athletics including a description of different procedures based on various sources of funding (e.g., booster and support group funds, state funds vs. restricted/foundation funds).

State funds:

- Expenditures made from DIA funds follow the same approval process and procurement requirements as other university expenses and are recorded in the university's financial accounting system (IFAS). Purchase requests are entered into IFAS (Integrated Finance & Administrative Solution). IFAS has an approval hierarchy established by the AD. This approval hierarchy guides the request through the system to all appropriate reviewers. If any reviewer does not approve the purchase request, the request is not processed. IFAS also has a budget checking process which blocks purchase requests from proceeding if sufficient budget is not available. At payment time, IFAS again checks for sufficient budget. The Budget Office also monitors DIA expenditure activity on a regular basis. If problems are detected, the Budget Office works with the Athletics Business Manager to resolve them. Total DIA expenditures are also reported to the Virginia State Comptroller.

Foundation funds:

- Expenditures from restricted/foundation funds are controlled through the *Fiscal Policies and Procedures Manual* of the Radford University Foundation, Inc. All requests for athletic expenditure of funds through the Foundation are routed to the Athletics Business Manager, Associate Athletic Director-Executive Director of the Highlander Club, and AD. The Athletic Director's signature is required before the Foundation will execute payment.

- Foundation checks for athletic expenditures of \$1,000 or more require review by the Vice President for University Advancement and the hand signature of two Foundation employees. The employees can be any two of the following: ~~either two of~~ the Vice President for University Advancement, Director-Planned Giving, or Coordinator-Foundation Research & Property Management. All invoices and vouchers for Foundation expenses are maintained in a separate file.

Booster and support group funds:

- Booster and support groups are as follows:
 - **The Highlander Club** (formerly the RU Athletic Association): In 1976, a small group of dedicated supporters and members of the Development and Intercollegiate Athletics staff formed the Athletic Association under the auspices of the Radford University Foundation, Inc. The primary mission of the organization continues to be raising funds for athletic scholarships and program support. See Attachment 2 for Highlander Club Bylaws.

Highlander Club members receive special benefits from their membership, determined by the gift level selected. Benefits include priority purchase of reserved seat basketball tickets and post-season tickets; opportunities for special trips; invitations to annual events and socials; VIP parking at games; and use of the Dedmon Center's outstanding recreational and fitness facilities.
 - **The Varsity Club**: The Varsity Club is open to all former participants of intercollegiate athletics at Radford, including players, coaches, administrators, cheerleaders, and managers.
 - **The Advisory Council**: The Highlander Club is governed by an Advisory Council composed of alumni, faculty, staff, and community leaders dedicated to Radford's success in athletics, both in competition and in the classroom. The council actively recruits new members and promotes the university, the fellowship of fans, and the fun of college sports.
- Booster and support group funds are managed exactly the same as all other RU Foundation funds.
- Contributions may be made to the athletics program or to an individual sport.

Operating Principle

- 3.2. Fiscal Management and Stability.** The Association's principles require each institution to administer its intercollegiate athletics program in keeping with prudent management and fiscal practices. To demonstrate fulfillment of this requirement, the institution shall provide evidence that the management and fiscal practices of the institution assure the financial stability necessary for providing all student-athletes with relatively full and stable opportunities for athletics participation.

Self-Study Items:

- 1. Explain the institution's philosophy with respect to the funding of the athletics program.**

Radford University's DIA is operated as a local auxiliary enterprise and, as such, must be self-supporting with regard to its revenue and expenditures. The university is committed to providing sufficient support, both public and private, for the DIA's sports program to compete on a Division I level. The DIA's sports program meets the financial aid requirements, per NCAA Bylaw 20.9.1.2.(c), by offering ~~a just minimum of 50~~ over 66 full-time equivalent scholarships (2001-2002) with at least ~~25~~ 40 full-time equivalent scholarships in women's sports, exclusive of the scholarships awarded in men's and women's basketball which account for an additional 26 full-time equivalent scholarships.

As with many Division I athletic programs, comprehensive student athletic fees comprise the majority of available revenues. Over the last ten years and including the current fiscal year, RU has made a concerted effort to grow financial support for the DIA through increasing the comprehensive student athletic fee. Since fiscal year 1993, the comprehensive student athletic fee has increased from \$254 to \$494, an increase of 94.5 percent. This fee increase has resulted in an approximate 70 percent rate of growth in revenues available for athletic expenditures for the same period.

The Radford University Highlander Club, which serves as a fund-raising arm of the Radford University Foundation, Inc., assists the DIA by providing private support for scholarships and to supplement the operational expenditure budget. However, the annual budget for the DIA does not require a contribution from the Foundation for operational expenses. The DIA budget is primarily supported by the comprehensive student athletic fee.

- 2. Using the institution's established budgetary format, prepare a list of both projected and actual athletics revenues (by source) and expenditures (by budget category) for the three most recently completed fiscal years. In doing so, make sure that all athletics administrative costs are included. Provide any revenues and expenditures on a sport-by-sport basis.**

Reports of revenues and expenditures for the DIA are included in **Appendix X**. These reports are presented on a cash basis.

Note: Since the comprehensive student athletic fee comprises 85 to 90 percent of all athletic revenues, all revenues are accounted for as benefiting the intercollegiate athletics program as whole, rather than allocating the revenues to the individual sports. As such, a sport-by-sport breakdown of all athletic revenues is not available.

3. Describe the institutional procedures that are in place to address any deficit in the intercollegiate athletics budget incurred during any fiscal year(s).

As noted early, the DIA is operated as a local auxiliary enterprise activity. Auxiliary enterprise activities are entities that furnish goods or services to the university community and charge a fee which is directly related to the cost of the service. Examples of other auxiliary enterprise activities include food services, residence halls, vending, parking services, bookstore, and student health services.

Commonwealth of Virginia policy requires auxiliary enterprise activities to operate on a “self-supporting” basis. Should expenditures exceed revenues in a given year, the deficit is covered by the accumulated fund balance of the DIA. If the DIA’s fund balance is insufficient to cover such a deficit, the overall auxiliary enterprise fund balance would be used to cover the deficit. The fund balances consist of unexpended funds (excess revenues over expenditures) accumulated from prior years.

Commonwealth of Virginia policy also requires auxiliary enterprise activities at state institutions of higher education to maintain a specified level of operating reserves (i.e., fund balance). State institutions of higher education must maintain auxiliary operating reserves at a **minimum of 6 percent** and a **maximum of 18 percent** of total auxiliary expenditures. Using the projected auxiliary expenditure budget for FY2003, the minimum and maximum amounts would be \$2.0 million and \$6.0 million, respectively. The university typically plans to maintain an auxiliary operating reserve of 12%, which is projected to be \$4.0 million for FY2003.

4. Outline the sources, uses and amounts of funds received by the intercollegiate athletics program from nonathletics departments and/or noninstitutional sources.

All nonathletics and noninstitutional sources of funds are provided by the Radford University Highlander Club. The funds provided by the Highlander Club are used for scholarships and to supplement the operational expenditure budget. The total funds generated by the Highlander Club over the past three years are as follows:

FY2000	\$340,217
FY2001	\$256,284
<u> </u> FY2002	\$337,404

5. Identify the sources, uses and amounts of athletics department surplus and/or reserve funds.

As noted earlier, the fund balance (i.e., reserve funds) for the DIA is the unexpended funds (excess revenues over expenditures) accumulated from prior years. These funds are typically held in reserve and are not budgeted to cover normal operating expenses. The funds are occasionally used for supplementing scholarships, fund-raising expenses, special projects, and/or unanticipated expenditures. Examples of expenditures using the fund balance over the past three years include purchase of vehicles, and expenses for the NCAA [Big South Conference](#) tournament.

The fund balance (on a cash basis) for the DIA for each of the past three years has been as follows:

FY2000	\$368,210
FY2001	\$ 57,296
FY2002	\$316,859

There were several budget factors unknown to the DIA during the budget planning process that contributed to the substantial reduction in the fund balance from FY2000 to FY2001. These included the following:

· Assessment for RU Dean Scholarship program	\$100,000
· Increase in indirect costs (recoveries)	\$131,000
· Shortfall in revenue due to enrollment	\$ 46,000
· NCAA Restricted Earnings Litigation payment	\$ 57,319
· Annual Leave payoff	\$ 23,000
Total	\$357,319

During FY2002, a significant cost reduction strategy was employed to restore the fund balance to an acceptable level.

6. Describe how the university will accommodate future financing needs of the intercollegiate athletics program or plans to respond to changing conditions based upon the institution’s future financing projections.

The DIA is funded primarily through the university's comprehensive fee. The comprehensive fee also funds Student Activities, Student Center, Student Health, Recreation Facility, bond payments, and building/maintenance of university auxiliary property. The Radford University Board of Visitors has the authority to set the comprehensive fee. As a state agency of the Commonwealth of Virginia, however, the Board of Visitors also must react to guidance from the Governor and the Virginia General Assembly. Currently, Virginia state government has placed a five percent cap

on comprehensive fee increases. Continued mandated caps on comprehensive fee increases could result in fewer dollars being available to fund the services supported by the fee. If fewer dollars are available for distribution, the Vice President for Business and Governmental Affairs will prepare recommendations for submission to the President's Cabinet for possible reallocation of financial resources.

- 7. Using the institution's Equity in Athletics Disclosure Act survey forms, athletics department budget reports, and other appropriate documentation for the three most recent years for which the information is available, evaluate each of the following areas for every sport sponsored by the institution. On the basis of this review, state the institution's determination of its ability to provide relatively full and stable opportunities to student-athletics in each sport in the specific areas of:**
- (a) Coaching;**
 - (b) Scholarships;**
 - (c) Recruiting;**
 - (d) Operating expenses (i.e., travel, facilities, equipment); and**
 - (e) Percentage of the sport budget that has to be obtained via fund-raising (i.e., by institutional entities, department, team and individual student-athletes).**

Based on an analysis of the specific areas listed above and the following facts, it is the institution's determination that full and stable opportunities are being provided to student-athletes:

- The DIA has a long history of participation in NCAA Division I sports. Since 1984, opportunities for participation in a NCAA Division I sport have been offered to university student-athletes (see Appendix ___).
- DIA Division I sports now number 19; 5 teams more than the NCAA requirement (11 women's sports and 8 men's sports).
- Student-athlete participation in a Division I sports is approximately 300.
- RU has increased the level of financial support for the DIA. Since 1993, the comprehensive student athletic fee has increased from \$254 to \$494, an increase of 94.5 percent.
- The DIA provides slightly more than the equivalent of 66 full grants, exclusive of grants awarded in men's and women's basketball.

The following tables display data for the last three years for each of the areas specified above.

(a) Full-Time Equivalent (FTE) Coaches, by Sport

Sport	FTE Coaches		
	1999 - 2000	2000 - 2001	2001 - 2002
Men's Basketball	3.5	3.5	3.5
Women's Basketball	3	3	3
Baseball	1.75	1.75	1.75
Women's Softball	1.25	1.4	1.25
Men's Soccer	1.5	1.5	1.5
Women's Soccer	1.5	1.5	1.5
Men's Track/Cross Country	2.5	2.5	2.5
Women's Track/Cross Country	2.5	2.5	2.5
Field Hockey	1.1	1.1	1.1
Volleyball	1.25	1.25	1.5
Swimming and Diving	NA	NA	1
Women's Gymnastics	0.75	0.85	NA
Men's Tennis	0.5	0.5	0.5
Women's Tennis	0.5	0.5	0.7
Men's Golf	0.5	0.5	0.5
Women's Golf	0.5	0.5	0.5
Men's Lacrosse	0.75	0.75	NA
Totals	23.35	23.60	23.30

As can be seen, the number of full-time coaches has remained very constant over the last three years.

(b) Number of Full Equivalent Scholarships, by Sport

Sport	Number of Scholarships (Full Equivalent)		
	1999 - 2000	2000 - 2001	2001 - 2002
Men's Basketball	12.98	12.28	10.95
Women's Basketball	12.00	14.52	14.96
Baseball	8.02	6.68	7.29
Women's Softball	6.57	5.55	6.10
Men's Soccer	7.63	8.44	7.10
Women's Soccer	8.07	8.66	8.01
Men's Track/Cross Country	6.15	4.26	3.10
Women's Track/Cross Country	4.46	9.54	6.07
Field Hockey	5.46	5.24	5.81
Volleyball	6.37	7.99	8.95
Women's Swimming and Diving	NA	NA	0
Women's Gymnastics	2.44	1.86	NA
Men's Tennis	3.99	4.10	3.57
Women's Tennis	3.83	3.12	2.10
Men's Golf	3.20	3.52	3.13
Women's Golf	1.55	3.17	3.05

Sport	Number of Scholarships (Full Equivalent)		
	1999 – 2000	2000 – 2001	2001 - 2002
Men's Lacrosse	2.55	1.47	NA
Totals	95.27	100.67	92.19

The increase in scholarships for 2000-01 was primarily the result of additional scholarship awards for Women's Track/Cross Country.

(c) Recruiting Funds and Number of Participants, by Sport

Sport	Recruiting Funds			Number of Participants
	1999 - 2000	2000 - 2001	2001 – 2002	
Men's Basketball	17,414	25,731	23,482	15
Women's Basketball	28,598	21,556	27,106	16
Baseball	3,174	1,598	701	32
Women's Softball	2,000	2,500	2,500	19
Men's Soccer	2,550	3,000	3,000	28
Women's Soccer	2,500	3,000	3,000	25
Men's Track/Cross Country	2,500	2,500	3,000	23
Women's Track/Cross Country	2,500	2,500	3,500	18
Field Hockey	1,000	1,000	1,200	18
Volleyball	2,000	2,500	3,000	14
Women's Swimming and Diving	NA	NA	500	25
Women's Gymnastics	750	-	NA	0
Men's Tennis	250	250	500	8
Women's Tennis	250	250	500	9
Men's Golf	500	250	500	11
Women's Golf	250	250	500	7
Men's Lacrosse	1000	1,000	NA	0
Totals	67,236	67,885	72,989	268

Total funds available for recruiting purposes have increased each year over the last three years.

(d) Operating Expenses

Sport	Total Expenditures		
	1999 - 2000	2000 – 2001	2001 - 2002
Men's Basketball	141,314	153,712	144,360
Women's Basketball	99,255	123,669	103,011
Baseball	59,289	61,565	54,873
Women's Softball	48,038	48,920	51,285
Men's Soccer	35,610	42,900	35,830
Women's Soccer	23,253	30,083	31,570

Sport	Total Expenditures		
	1999 - 2000	2000 - 2001	2001 - 2002
Men's Track	24,407	33,253	25,299
Men's Cross Country	10,900	9,704	4,826
Women's Track	24,222	29,757	25,121
Women's Cross Country	8,389	7,021	3,413
Field Hockey	28,778	32,508	41,014
Volleyball	27,977	31,722	31,946
Swimming and Diving	29,959	33,645	26,543
Women's Gymnastics	21,546	14,456	-
Men's Tennis	16,040	16,080	18,862
Women's Tennis	12,932	11,013	13,955
Men's Golf	12,540	13,772	17,144
Women's Golf	10,367	12,613	15,298
Totals	634,816	706,393	644,350

Operating expenses for 1999-2000 and 2001-2002 are fairly stable. The spike in operating expenses for 2000-01 is attributed to the early purchase of recreational supplies and an increase in athletic scholarships during that fiscal year.

(e) Percentage of the sport budget that has to be obtained via fund raising (i.e., by institutional entities, department, team and individual student-athletes).

The sport budgets are funded through the Radford University Comprehensive Fee structure. No percentage of the sport budgets have to be obtained via fund raising. Fund raising that occurs only supplements the revenues generated by the comprehensive fee.

- 8. Please attach a copy of the institution's NCAA Sports Sponsorship Report for the three most recent academic years.**

See Attachment 3.

Operating Principle

- 3.3. Established Fiscal Policies and Procedures. Membership in the Association places responsibility on each institution to monitor its programs to assure compliance with all applicable rules and regulations of the Association. Consistent with this responsibility, the institution shall demonstrate that it has in place fiscal policies and standard operating procedures to ensure that:**
- Prospective student-athletes are not provided with impermissible recruiting inducements.**
 - Enrolled student-athletes are not provided with benefits that are expressly prohibited by NCAA legislation.**
 - All expenditures for athletics are handled consistently in accordance with NCAA conference and institutional rules.**

Self-Study Items:

- 1. Describe the policies and standard operating procedures that help to ensure that all expenditures for athletics are handled in accordance with NCAA, conference and institutional rules including:**
 - (a) Identification of person(s) responsible for these areas.**
 - (b) Means of monitoring compliance with these rules.**

Department of Intercollegiate Athletic (DIA) expenditures made from university funds follow the same procurement requirements and approval processes as other university expenditures. These expenditures are controlled by the *Commonwealth Accounting Policies and Procedures Manual* and the *Agency Procurement and Surplus Property Manual*.

DIA expenditures made from restricted/foundation funds are controlled by the *Fiscal Policies and Procedures Manual* of the Radford University Foundation, Inc.

In addition to these manuals, the DIA also has an *Intercollegiate Athletics Operations Manual*, which is divided into two sections – compliance and standard operating procedures. Major portions of the compliance section have recently been updated; the remainder of the Manual is in the process of being updated.

Every staff member and coach has access to the Manual for reference to ensure NCAA rules are upheld. The Athletics Business Manager also has a copy of the Manual to guarantee that all expenditures are in accordance with NCAA rules.

The Compliance Coordinator and the Athletics Business Manager are responsible for monitoring compliance with NCAA, conference, and university rules on a day-to-day basis. The university's Materiel Management and Accounts Payable departments also monitor compliance with university rules as transactions are processed. Compliance is monitored by ensuring that procurements and expenditures follow the manuals noted above. To provide additional means of monitoring compliance, the Big South Conference Office performs a compliance review every other year.

- 2. Describe or attach a copy of the university's policies and standard operating procedures for ensuring that prospects do not receive recruiting inducements (e.g., official visit procedures, policies regarding staff travel advances for recruiting trips/expenses, etc.) and enrolled student-athletes do not receive extra benefits (e.g., per diem policies, student-host reimbursement procedures, financial aid review policies, equipment checkout/retrieval procedures, etc.) contrary to NCAA, conference and institutional rules, including:**
 - (a) identification of person(s) responsible for these areas;**
 - (b) means of monitoring compliance with these rules; and**
 - (c) means of ensuring that only institutional or athletics department funds are expended in these areas.**

Prospects

- The recruiting philosophy of the university and the NCAA prohibit any involvement of athletic program boosters or any other representative of their athletic interests in the off-campus recruitment of prospects.
- Policies and procedures for recruiting expenditures are detailed in the compliance section of the *Intercollegiate Athletics Operations Manual*. Before potential recruits officially visit campus, each coach is required to submit an official visit recruiting form. This form must be approved by the Compliance Coordinator and Athletics Business Manager to ensure NCAA policies and operational procedures are met.
- Detailed policies and procedures covering travel expenditures incurred by coaches for recruiting purposes are found in the standard operating procedures section of the Manual. Financial records and vouchers are reviewed and maintained by the Athletics Business Manager to ensure that recruiting expenditures are in accordance with NCAA, conference, and university policies.
- Staff may request travel advances for recruiting trips. The traveler must complete a travel advance form two weeks prior to the date needed. The form must be approved by the AD as well as the Assistant Vice President for Finance and Controller. If the advance is not repaid within 60 days of the issuance date, the advance amount is deducted from the traveler's payroll check. The Assistant Vice President for Finance and Controller monitors these advances on a quarterly basis to ensure they have been handled in compliance with established procedures.

Enrolled Student-Athletes

- Travel policies, including per diem policies, for enrolled student-athletes are outlined in the standard operating procedures section of the Manual. All student-athletes are required to sign a meal allowance form verifying receipt of the meal money. Any per diem not used must be returned to the Athletics Business Manager immediately upon return from travel. The Athletics Business Manager reviews and maintains these records to ensure compliance with NCAA, conference, and university rules.
- Student-host reimbursement procedures are contained in the compliance section of the Manual. Procedures in accordance with institutional and NCAA regulations are outlined on a student host receipt form. Each student host is required to sign this form, agreeing to abide by the regulations. The Athletics Business Manager ensures these forms have been completed prior to reimbursing the coach for the expenses.
- Financial aid review policies and procedures are contained in the compliance section of the Manual. The Compliance Coordinator handles matters regarding student athletic scholarship awards, grants-in-aid, and other financial aid matters. The Compliance Coordinator reviews scholarship information provided by head coaches

in conjunction with student records and then makes recommendations in accordance with NCAA, conference, and university policies. Scholarship award recommendations are then forwarded to the Office of Financial Aid where they are approved by the Director of Financial Aid.

- Student-athletes who wish to check out equipment must do so from the Dedmon Center's equipment room, which is available to all students at the university. The equipment room staff ensures that each student checking out equipment has a valid university ID and records the information on a sign-out sheet. The equipment room staff monitors the list of equipment checked out to ensure its return.

To ensure that only institutional or athletics department funds are expended in these areas, the following measures are in place:

University

DIA expenditures made from university funds follow the same procurement requirements and approval processes as other university expenditures. Therefore, all these expenditures are required to be entered as purchase requests in the university's accounting system, Integrated Financial and Administrative Solution (IFAS). Each request must specify a numerical budget code. An approval hierarchy established within IFAS guides the request through the system until it obtains all of the required approvals. If the budget code specified does not have sufficient budget to cover the expenditure, IFAS' budget-checking process would block the request from proceeding through the hierarchy as well as block payment of the request.

Foundation

All requests for DIA expenditures from foundation funds must be requested on the foundation's payment request form. The form must indicate the foundation account name and number to be charged and must also be signed by the Athletic Director. The foundation accounting staff ensures that the applicable account has adequate funds prior to payment of the expenditure.

**Evaluation & Plan for Improvement
Fiscal Integrity**

3.1 Financial Practices

Does the institution demonstrate that:	Currently YES	Found on Page(s)	Currently NO	If currently no, if deficiencies exist, or if an enhancement has been identified, indicate plan for improvement number
a. All funds raised for and expended on athletics are subject to institutionally defined practices of documentation, review and oversight.		3, 6-7		Plan for Improvement #1 and #2
b. All expenditures from any source for athletics are approved by the institution.		6-7		
c. Budget and audit procedures for athletics are consistent with those followed by the institution generally and with the provisions of NCAA Constitution 6.2.		5-6		
1. The institution's annual budget for athletics is approved by the institution's chief executive officer or designee from outside the athletics department.		3-5		
2. An annual financial audit is performed by a qualified auditor who is not a staff member of the institution and who is selected by the chief executive officer or designee from outside the athletics department.		5-6		
	Yes	No		
On the basis of the yes/no answers above, is the institution in substantial conformity with Operating Principle 3.1 (Financial Practices)?				

3.2. Fiscal Management and Stability

	Currently YES	Found on Page(s)	Currently NO	If currently no, if deficiencies exist, or if an enhancement has been identified, indicate plan for improvement number
Does the institution provide evidence that the management and fiscal practices of the institution assure the financial stability necessary for providing all student-athletes with relatively full and stable opportunities for athletics participation?		7-13		
	Yes	No		
On the basis of the yes/no answers above, is the institution in substantial conformity with Operating Principle 3.2 (Fiscal Management and Stability)?				

3.3 Established Fiscal Policies and Procedures

	Currently YES	Found on Page(s)	Currently NO	If currently no, if deficiencies exist, or if an enhancement has been identified, indicate plan for improvement number
Does the institution demonstrate that it has in place fiscal policies and standard operating procedures to ensure that:				
a. Prospective student-athletes are not provided with impermissible recruiting inducements.		14-15		
b. Enrolled student-athletes are not provided with benefits that are expressly prohibited by NCAA legislation.		15-16		
c. All expenditures for athletics are handled consistently in accordance with NCAA, conference and institutional rules.		16		Plan for Improvement #3
	Yes	No		
On the basis of the yes/no answers above, is the institution in substantial conformity with Operating Principle 3.3 (Established Fiscal Policies and Procedures)?				

Plan for Improvement – Fiscal Integrity

	Issues in the Self-Study	Measurable Goals	Steps to Achieve Goals	Individuals/Officers Responsible for Implementation	Specific Timetable for Completing the Work
1	The Auditor of Public Accounts (APA) has issued an internal control and compliance issue for the audit period ending June 30, 2002 pertaining to athletic deposits not being made in a timely manner.	All deposits will be made within the 24 hour time frame as established by the Commonwealth of Virginia and the university	<p>Daily review for deposits, deposit form is completed and forwarded to the Athletic Director for review</p> <p>After review deposit is forwarded to the university cashier</p> <p>A designated third party in the DIA matches the deposit transmittal to the supporting documentation</p> <p>The Athletic Business Manager will match the deposits to the actual postings in IFAS on a periodic basis</p> <p>An additional position will be requested to support the Athletics Business Manager</p>	<p>Vice President for Student Affairs</p> <p>Athletic Director</p>	May 1, 2003
2	The Auditor of Public Accounts (APA) has issued an internal control and compliance issue for the audit period ending June 30, 2002 pertaining to vendor payments not being made in a timely manner	All vendor payments will be made within the 30 day prompt payment period as established by the Commonwealth of Virginia and the university	<p>Include procedures for payment to vendors in the <i>Intercollegiate Athletics Operations Manual</i></p> <p>Instruct vendors to forward all invoices to the university Accounts Payable office</p> <p>Enforce with DIA staff members that the Athletic Business Manager is the only individual authorized to make purchases on behalf of the department</p> <p>An additional position will be requested to support the Athletic Business Manager</p>	<p>Vice President for Student Affairs</p> <p>Athletic Director</p>	May 1, 2003
3	The <i>Intercollegiate Athletics Operations Manual</i> is not updated on a timely basis	The <i>Intercollegiate Athletics Operations Manual</i> will be reviewed and updated by August 15 each year	<p>The Compliance Coordinator will review the <i>Intercollegiate Athletics Operations Manual</i> on an annual basis</p> <p>If NCAA compliance issues have been revised, the <i>Intercollegiate Athletics Operations Manual</i> will be updated to reflect the revisions</p> <p>If standard operating procedures have been revised, the <i>Intercollegiate Athletics Operations Manual</i> will be updated to reflect the revisions</p>	<p>Athletic Director</p> <p>Compliance Coordinator</p>	August 15, annually