



Category:  
Athletics  
Financial  
Student Affairs

Responsible Office:  
[University Controller](#)

**Procedure Title:**

Intercollegiate Athletics, Fiscal & Accounting Procedures

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7008

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This procedure item applies to:  
State-Operated Campuses

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**Summary**

The State University of New York Board of Trustees has demonstrated a long standing commitment to intercollegiate athletics as an integral component of the University's educational experience. These procedures provide greater flexibility in the operation of intercollegiate athletics programs in recognition of upgraded campus athletics programs and associated National Collegiate Athletic Association (NCAA) policies. These procedures apply to all levels of intercollegiate athletic competition (i.e., NCAA Division I, II, III, or other authoritative body). Institutional control requirements are governed by the prescribed mandates contained in the [NCAA constitution](#) - Article 6 of the annual NCAA Manual for each of the three membership divisions. For intercollegiate athletics programs not associated with the NCAA, institutional control requirements will be governed by those applicable to NCAA Division III institutions (excluding section 6.3 Self-Study and Evaluation).

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**Process**

I. General

In accordance with State University Board of Trustees policy, the campus Intercollegiate Athletics (IA) Board shall formulate the annual intercollegiate athletics budget and recommend it to the campus president for approval. The annual budget shall include all available and expected funds for intercollegiate athletics from any and all sources and shall set forth total expected expenses for intercollegiate athletics.

II. Fiscal and Accounting Procedures

A. Preparation of the IA Budget

In accordance with State University Board of Trustees policy, the IA Board shall formulate an annual intercollegiate athletics budget based upon the preceding year's final budget adjusted by anticipated changes in enrollment, fee increases, inflation and changes in the intercollegiate athletics program.

The budget shall be prepared in a format similar to the NCAA Athletics Department Statement of Revenues and

Expenses). Revenues and expenses shall be categorized by major IA sports programs and non-program specific activities by source of revenue/object of expense. A sample Statement of Revenues and Expenses and Classifications of Revenues and Expenses is located within Appendix B of the NCAA Agreed Upon Procedures.

The annual budget shall be approved by the campus president or administrative designee (from outside of the athletic department).

## B. Revenues

Revenues in support of the intercollegiate athletics program may include but are not limited to: general fund/state operations support; season ticket sales; an allocation from the student activity fee as approved by the student government association; intercollegiate athletic fees; gate receipts; guarantees; camps and clinics; radio and television broadcast revenue; gifts and grants and concession and program sales.

The campus president will make the final determination of the amount of any general fund/state operations appropriations to be allocated to the intercollegiate athletics program.

Restricted gifts and grants made to a campus foundation and income from endowment/quasi endowment funds specifically for intercollegiate athletics shall be retained and administered by the foundation. Expenses incurred on behalf of the intercollegiate athletics program by outside organizations such as booster clubs shall be included in the Statement of Revenues and Expenses as gifts or contributions. This also may include financial support from affiliated foundations and alumni associations.

## C. Expenses

Typical expenses for intercollegiate athletics may include but are not limited to: salaries, wages, and employee benefits; grants-in-aid; equipment purchases; officiating expenses; team travel and sustenance; association and conference dues and expenses; guarantees; social functions; pre- and post-season competition; award ceremonies; travel and expenses (including recruitment); insurance, equipment and maintenance; supplies and materials; other related expenses; and direct administrative, maintenance and operating expenses.

### 1. Coaching Staff Salaries and Employee Benefits

The appointment of coaches and their staffs must be consistent with currently established University policy and appropriate union contracts. Current employees can be assigned responsibilities relative to the intercollegiate athletics program either as a part of their basic duties, on released time, or on an extra-service basis. Campuses should allocate budgets and record the salary expenses separately between the intercollegiate athletics accounts and other accounts, in proportion to the division of an individual's effort. Credit-generating instructional activities should normally be budgeted and their expenses recorded in the appropriate state-operating instructional and departmental account.

### 2. Other Than Personal Service (OTPS) Purchases

Intercollegiate athletics program purchases shall be made in a manner that ensures that materials, supplies, equipment and services are secured at the lowest available price, and are consistent with the quality and delivery needs to best promote the interests of New York State.

The practice of competitive bidding (whether formal sealed bids or informal quotations) not only tends to assure reasonable prices but also guards against favoritism, improvidence and fraud. Therefore, competitive proposals shall, to the extent practicable, be solicited.

### 3. Travel Expenses

Travel for intercollegiate athletics teams may be accommodated through the combined use of the University's intercollegiate athletics authorized credit card(s), an IA cash advance account and/or the New York State vouchering system.

- a. Team travel expenses will be in accordance with per diem rates and procedures developed by the IA Board and approved by the campus president (or administrative designee).
- b. When traveling with teams, coaches may be paid for travel expenses at team rates through the

team reimbursement process. At other times, coaches may receive travel reimbursement up to amounts authorized by the appropriate New York State union agreement.

c. Each campus will establish written internal control procedures governing the assignment and specific use of the University IA authorized credit card(s). The campus will also establish written, internal control procedures governing the use of cash advances.

#### 4. Grants-in-Aid

Grants-in-Aid to athletes must be administered in strict compliance with NCAA (or other authoritative body) rules and regulations.

### III. NCAA Reporting Requirements

NCAA reporting requirements with respect to each of the three membership divisions are detailed in the respective divisional manuals. For intercollegiate athletics programs not associated with the NCAA, reporting requirements will be governed by those applicable to NCAA Division III institutions (excluding section 6.3 Self-Study and Evaluation).

#### NCAA Division I

To comply with the requirements outlined in the NCAA Division I Manual – Constitution (Section 6.2.3) all expenses and revenues for or on behalf of a Division I member institution's intercollegiate athletics programs, including those by an outside organization, agency or group of individuals (two or more), shall be subject to an annual agreed upon procedures engagement approved by the Division I membership (in addition to any regular financial reporting policies and procedures of the institution) conducted for the institution by a qualified independent accountant who is not a staff member of the institution and who is selected either by the institution's president or by an institutional administrator from outside the athletics department designated by the president.

#### NCAA Division II

To comply with the requirements outlined in the NCAA Division II Manual – Constitution Article 6 Institutional Controls (Section 6.2.3.1) at least once every three years, all expenses and revenues for or on behalf of a Division II member institution's intercollegiate athletics programs, including those by an outside organization, agency or group of individuals (two or more), shall be subject to an agreed upon procedures engagement approved by the Division II membership (in addition to any regular financial reporting policies and procedures of the institution) conducted for the institution by a qualified independent accountant who is not a staff member of the institution and who is selected either by the institution's president or by an institutional administrator from outside the athletics department designated by the president.

#### NCAA Division III and other programs

To comply with the requirements outlined in the NCAA Division III Manual – Constitution Article 6 Institutional Controls (Section 6.2.3) all expenses and revenues for or on behalf of a Division III member institution's intercollegiate athletics programs shall be subject to the institutions regular financial audit. In particular, additional revenue and expenses associated with outside groups or individuals shall be included in this audit.

The independent accountant will perform procedures in accordance with Attestation Standards established by the American Institute of Certified Public Accountants. A Statement of Revenues and Expenses must be presented in conformity with generally accepted accounting principles (GAAP) or with a comprehensive basis of accounting other than GAAP.

The independent auditor shall also issue a report on the internal control structure based on the assessment of control risk made as part of the audit of the statement of revenues and expenditures. In addition, as part of the audit requirement, campuses shall provide a comparison of actual revenues and expenditures related to the intercollegiate athletics programs (from both internal and external sources) to budgeted amounts.

The independent accountants agreed upon procedures report and any other related reports or correspondence on internal controls are to be presented to the campus president. The agreed upon procedures report should be completed and presented to the campus president on or before the January 15 following the end of the fiscal year. For Division I and II institutions, the president shall transmit a copy of the agreed upon procedure report and any other related reports to the University Controller's Office within 30 days of issuance.

The campus president, IA Board or the university auditor may request additional information, agreed upon procedures, internal control evaluations or other procedures to be performed on the athletic department and affiliated outside groups.

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## Forms

There are no forms relevant to this procedure.

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## Related Procedures

There are no related procedures relevant to this procedure.

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## Other Related Information

[Intercollegiate Athletics](#)

NCAA Agreed Upon Procedures Guidelines

[NCAA Manual](#).

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## Authority

[Tuition, Fees and Charges \(8 NYCRR 302.1\)](#)

State University Board of Trustees Resolution 98-86 adopted June 23, 1998.

State University Board of Trustees Resolution 98-85, adopted June 23, 1998.

State University Board of Trustees Resolution 98-84 adopted June 23, 1998.

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## History

Amended – September 2008

- Revised reporting requirements for Division I and II programs to an agreed upon procedures engagement to conform to current NCAA rules and regulations.
- Revised guidance to non-NCAA programs to follow NCAA Division III compliance requirements.
- Revised the reporting deadline for Division I and II agreed upon procedures reports to the University's Controller's Office to within 30 days of issuance.

Amended – December 20, 2000

- Grants-in-aid to be administered in strict compliance with NCAA rules and regulations (removed prohibition on use of state funds, IA fee revenue and unrestricted endowment income as funding sources for grants-in-aid).
- Revised audit requirements for IA program and established deadline for submission to the vice chancellor for finance and business.

Amended – August 25, 1989

- Issuance of fiscal and accounting guidelines approved by the office of the state comptroller for administration of intercollegiate athletics under the Income Find Reimbursable (IFR) program.
- Allowed establishment of an agency account with the campus-related foundation or auxiliary services corporation for certain expenditures as approved by the vice chancellor for finance and business.

- Allowed establishment of a corporate credit card for use in conjunction with approved team travel expenses.
- Grants-in-aid could not be supported from state tax funds or unrestricted endowment income.

State University Board of Trustees Resolution 98-86 adopted June 23, 1998.

State University Board of Trustees Resolution 98-85, adopted June 23, 1998.

State University Board of Trustees Resolution 98-84 adopted June 23, 1998.

State University Board of Trustees Resolution 96-171, adopted October 25, 1996.

State University Board of Trustees Resolution 96-73, adopted May 29, 1996.

State University Board of Trustees Resolution 93-263, adopted December 14, 1993.

State University Board of Trustees Resolution 88-219, adopted October 26, 1988.

State University Board of Trustees Resolution 88-79, adopted May 24, 1988.

State University Board of Trustees Resolution 86-105, adopted May 28, 1986.

State University Board of Trustees Resolution 86-104, adopted May 28, 1986.

State University Board of Trustees Resolution 84-170, adopted September 26, 1984.

State University Board of Trustees Resolution 73-112, adopted April 25, 1973.

State University Board of Trustees Resolution 67-386, adopted November 9, 1967.

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## **Appendices**

[Appendix A](#) - Sample Statement of Revenues and expenditures