Operating Principle 3

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 in its first-cycle certification decision (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 noncompletion 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.

No conditions were imposed.

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 actions(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.

In the last NCAA Certification Self-Study (1996), the university identified one fiscal integrity issue: improved controls over long-distance phone calls. The following procedures, under the supervision of the compliance officer, were implemented before the last site visit in 1996 to minimize the likelihood of NCAA violations and abuse of the phone system for personal use:

- All coaches are required to forward contact logs to the compliance officer on a weekly basis.
- Athletics employees are required to certify that all calls were made in compliance with NCAA guidelines.
- Athletics systematically reviews phone charges for Athletics employees to make sure phone usage is appropriate.
- The AD issues a statement that prohibits the use of university long-distance service for personal calls.

The AAD/compliance receives a monthly signed contact log from all coaches and anyone who is involved in recruiting, and he reviews these logs for reasonableness and compliance. He is evaluating NCAA phone log software but does not expect to implement its use until a Web-based platform is available.

University policy also prohibits the use of university phone lines for personal long-distance calls. A record of long distance phone calls is distributed to each unit within the university.

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.

No additional plans have been developed.

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. Specifically, include for each: (a) the required action; (b) the action(s) taken by the institution; (c) the date(s) of these action(s); (d) action(s) not taken or completed; and (e) explanation(s) for partial completion.

No interim report was required.

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 and expended for 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 provision of NCAA Constitution 6.2.2.

1. The institution's 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 athletics program, including outside foundations.

All sources of revenue are under the clear accounting and financial control of the institution.

Ticket Sales

Both single game and season ticket sales occur for basketball and football. Nominal admission fees are charged for other sports, but the revenue generated is not material.

C-USA Television

ULAA receives a percentage of revenue from Conference USA for basketball and football television appearances.

Game Guarantees

ULAA receives varying levels of fees for participation in away basketball and football games.

Concessions

ULAA participates in a revenue-sharing arrangement for food and beverage concessions at Papa John's Cardinal Stadium, Cardinal Park, and Freedom Hall.

Parking

ULAA participates in a revenue-sharing arrangement for the parking concession at Freedom Hall and receives parking revenue from Papa John's Cardinal Stadium.

Suite Rentals

ULAA receives rental income from the lease of the luxury boxes at Freedom Hall and Papa John's Cardinal Stadium.

JLS Commitment

ULAA receives pledge revenue for John L Smith salary and benefits.

Dedicated Gifts

ULAA receives sponsorship revenue for the Billy DiNardi Basketball Classic.

Lifetime Sales

ULAA receives revenue from sale of lifetime seats at Papa John's Stadium.

Rental—Stadium

ULAA receives revenue from the rental of Papa John's Stadium.

Rental—Brown & Williamson

ULAA receives revenue from guaranteed rental of the Brown & Williamson Room located at Papa John's Stadium.

Concessions Brown & Williamson Club

ULAA receives a percentage of concessions and catering from rental of the Brown & Williamson Room at Papa John's Stadium.

Stadium Concessions—Non-Football
ULAA receives a percentage of concessions at Papa John's Stadium for events other than football.

Parking—Non Football
ULAA receives revenue from Papa John's Cardinal Stadium parking for the Kentucky Derby/Oaks and other events.

Annual Seat Donations
ULAA receives revenue from annual seat donations, tied to the location of seats, for both football and basketball.

NCAA Distribution
ULAA receives revenue from NCAA for basketball credits, academic enhancement fund, sport sponsorship, financial aid, and special assistance fund.

Media/Marketing
ULAA receives revenue from a guarantee from Nelligan for corporate sponsorships.

Local Television
ULAA receives revenue from WDRB for televised sport events.

Freedom Hall Floor
ULAA receives revenue for naming rights of the basketball floor at Freedom Hall.

Freedom Hall Floor Seats
ULAA receives revenue for premium seats at floor level for basketball events at Freedom Hall.

Licensing
ULAA receives royalty payments for licensing.

Special Events
ULAA receives revenue for banquets, kick-off luncheons, golf outings, etc.

Merchandise Commissions
ULAA receives revenue in a minimum guarantee for sale of merchandise.

University of Louisville Foundation
ULAA receives earnings from endowments invested with University of Louisville Foundation, Inc.

Gender Equity Commitment
ULAA receives support from the University of Louisville to promote gender equity.

University of Louisville Foundation, Reserve
ULAA receives support from foundation reserves to cover expenses in excess of revenues.

Tennis Center
ULAA receives revenue from membership fees, court rental, etc.

Cardinal Park Revenues
ULAA receives revenue as payment from pledges for Cardinal Park.

Student Fee for Natatorium
ULAA receives fees assessed to students for support of the natatorium.

Retention Commitment
ULAA receives support from the University of Louisville for student retention.

Student Athletic Fee
ULAA receives a mandatory university-wide student fee designated to support the Athletics Association.

Other
ULAA receives revenue from ticket office processing fees, National Cheerleading Association, revenues from Olympic sports, and Jewish Hospital in support for salaries and wages of trainers.

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.

Athletics budgeting is projected for five years (based upon anticipated ticket sales and donations) but otherwise follows the budgeting practices and procedures of the institution.

a. AAD/operations, Athletics business manager and AD discuss overall philosophy for preparing budget in the fall preceding the budget cycle, which runs from July 1 through June 30.

b. Input is gathered from other senior staff members. Managers and head coaches are asked to prepare a "zero-based budget" for submission in early February. Information such as program goals, conference schedules, and conference mandates also dictate the development of the operating budget for each year.

c. Athletics prepares a five-year revenue forecast. AADs prepare revenue objectives and begin estimating revenue budget. The major portion of the revenue budget is from football and basketball. The objective is to schedule six home football games and 17 home basketball games. Marketing revenues are budgeted at a minimum amount from Nelligan Sports marketing. Ticket prices are adjusted periodically to account for inflation needs.

d. From the university's Office of Planning and Budget (OPB), AADs obtain information about financial aid increases and potential annual salary adjustments for all staff except full-time coaches, trainers, and student managers.

e. AADs and Athletics business manager begin accumulating data in early March and prepare the first budget draft. They begin reviewing the individual budgets to assure the budgets are prepared in conformity with established university guidelines for salary adjustments, financial aid and expenses. In addition the travel schedule requirements are factored into the budget.

f. Meetings are then held in mid-March to review each budget in detail with the head coach or manager of that budget. Adjustments are made and a second budget draft is prepared. The AD is updated and kept abreast of the process. The AD reviews any exceptions to guidelines at this time.

g. Meetings are held in late April with OPB to assure the budget is prepared in conformity with OPB guidelines. Any exceptions are identified and explained at that time.

h. Director of OPB meets with the president (in the dual role as chair of the ULAA) to discuss the budget. When the president has approved and OPB has signed off, a final draft budget is prepared in April or May.

i. The AAD/operations meets with the ULAA treasurer, updates him on the budget process, and presents the proposed budget for review. When the treasurer has reviewed and prepared recommendations, a meeting with the ULAA finance committee is scheduled.

j. The AD and AAD/operations meet with the ULAA finance committee and explain budget in detail. The committee reviews the budget and forwards the budget with any recommendations and modifications to the ULAA board of directors for approval.

k. ULAA board meets in early June to review and consider the budget. The ULAA treasurer presents the budget with the assistance of the AD and AAD/operations.

l. ULAA board of directors adopts the budget after the formal presentation.

Budgets are reviewed monthly with managers and head coaches.

Overall budget summaries are reviewed monthly with AD and senior staff.

Quarterly budget summaries are reviewed with ULAA finance committee and ULAA board of directors.

3. 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 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.

Attachment 9 comprises copies of the three most recent management letters. In addition, the complete financial reports and opinions for the most recent three years are included as Attachment 10 (see also OP3.2, item 2).

The audit committee of the university's board of trustees selects the independent external auditors (currently Deloitte and Touche).

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

No corrective actions have been planned or implemented from the three most recent external audits.

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).

Parameters within which ULAA permits expenditures

ULAA permits only those expenditures that fall within the AD's programmatic goals. These goals include, but are not limited to, (1) having University of Louisville athletes graduate within the NCAA's specified timeframe and (2) having each sport compete at a top-25 level. When setting and executing these goals, the AD works closely with ULAA's sports managers and examines C-USA scheduling, Title IX guidelines, and ULAA's budget.

Procedures for different sources of funds

While ULAA complies with specific restrictions relating to donated funds, it does not have different procedures for the approval of expenditures based on fund source. If a gift is designated for a particular purpose, however, ULAA does place that gift in a separate account and follows its internal procedures to use those funds as specified.

Procedure for ULAA expenditures

The expenditure process begins when a head coach or manager electronically submits an expenditure request to his or her supervisor (sports manager or AAD). Upon approval of the request, the sports manager or AAD sends the request to the Athletics business office. That office then will review and evaluate the sport's (1) annual budget and (2) the amount of funds that the sport has remaining in its budget at the time of the request. If a request is unbudgeted or deviates from the University of Louisville's guidelines, then the Athletics business office must send the request to the AD (or designee) for approval. When paying an approved request, ULAA follows the policies and procedures of the university's purchasing office.

In addition to the above process, ULAA's compliance office must review and approve any request associated with recruiting or team travel prior to payment to ensure that the request complies with the NCAA's rules and regulations.

Procedure for approval of capital expenditures

Capital expenditures are subject to additional procedures. The amount available for capital expenditures is established as part of the budgetary process in the spring prior to the beginning of the next fiscal year. Capital expenditures are charged to a separate account. The following amounts determine the process for capital expenditure approval:

- The AD approves expenditures of less than $50,000;
- The ULAA budget and finance committee approves expenditures of between $50,000 and $99,000; and
- The ULAA board of directors approves expenditures of $100,000 or more.

Procedure for Staff Expansion

ULAA follows the university's process for staff expansion. New positions must be authorized in the annual budget. If the position is authorized, the appropriate management level within ULAA completes a position description questionnaire. The AD and AAD/operations then review the questionnaire and forward it to the university's human resources office for classification.

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.

Prior to 1984, Athletics ran annual deficits. In that year, Athletics was directed to develop a financial self-sufficiency plan for approval by the university's board of trustees. The plan called for five-year goals (1) to eliminate the amount of monies contributed annually by the university, (2) to cover Athletics' deficit, and (3) to become financially independent. Athletics successfully achieved the goal in two years. In 1984, the University of Louisville Athletics Association (ULAA), a non-profit subsidiary corporation of the university, was formed. ULAA was mandated to be self-sufficient using the revenues generated from ticket sales, marketing, radio and television fees, donations and fund raising, and any other revenue generated by Athletics.

Over the last five years the university has made significant strides in all aspects of Athletics functions, including gender equity and facilities, but at the cost of increasing strain on budgets, again creating deficits. Steps have been taken to reduce costs and increase income by raising ticket prices and marketing, but eliminating the deficits requires additional income through an increase in the current student fee proposed by Athletics and approved by the university's board of trustees on May 24, 2002.

A copy of the management agreement establishing the independent Athletics Association is available [#183*].

2. Using the institution's established budgetary format, prepare a list of both projected and actual 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.

* # Refers to items found in Index 2

See Attachment 10 for the budget and audited financial statements of the last three completed fiscal years. The audited statements include all revenues and expenditures. The budgets break revenue and expenditures on a sport-by-sport basis.

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

On a short-term basis, current deficits can be covered with reserve funds from previous year surpluses. On a long-term basis, however, other strategies have been adopted to cover and eliminate deficits. Among those are charging the university for tickets and other university-related costs that had previously been absorbed by Athletics. In addition, ticket prices have been increased and the university's board of trustees approved a $25 student fee on May 24, 2002 [#95, 130]. Minutes of the ULAA board of directors' discussions of deficits are available for review [#184].

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

To summarize, the following funds were received in the fiscal years as noted:

FY 1999–2000	
Income from gifts, grants, and stadium funding	$5,355,000
Endowment income	$1,638,000
Investment income	$0
Total	**$6,993,000**

FY 2000–2001	
Income from gifts, grants, and stadium funding	$4,830,000
Endowment income	$173,000
Investment income	$6,000
Total	**$5,009,000**

FY 2001–2002	
Gifts	$8,009,000
Endowment income	$587,000
Investment income	$364,000
Realized and unrealized loss on investment	(4,363,000)
Interest on capital-related debt	(971,000)
Other non-operating expense	(403,000)
Total	**$3,233,000**

All expenditures were used to support Athletics.

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

1999–2000	$31,060,000
2000–2001	$29,458,000
2001–2002	$28,585,000

These funds are quasi-endowment accounts established by the ULAA board of directors that can be distributed upon approval of the board.

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

The university has gone through many budget changes and athletics developments since 1996: a new football stadium, a new sports park, and the implementation of a gender-equity plan that added three women's sports.

These changes were well planned, but actual expenses exceeded the consultants' cost estimates. Athletics' budget was not sufficient to handle the added expenses, and the department thoroughly revised its budget once all the cost changes were known.

Initially, Athletics asked each coach and manager to prepare a "zero-based budget." Senior staff then implemented additional changes, including the elimination of duplicated services. Athletics streamlined its budget within the constraints imposed by these commitments: (1) its approved gender-equity plan, (2) development of nationally competitive athletics programs, and (3) program growth.

The university agreed to assist in funding areas that previously had been funded entirely by Athletics. The university worked with Athletics to develop a long-term plan to meet its commitments by the following steps:

- Some in-house services were outsourced, including marketing and sponsorships, retail merchandise sales, and the marketing and rental of the Brown & Williamson Club (reception and banquet area) in the football stadium. Positions and budgets associated with the in-house services were eliminated.
- The university instituted a student fee (to begin 2002–03) for Athletics (see item 3, above).
- Athletics reworked its donor plan to raise fees for football and men's basketball. The ULAA board approved this plan, to be implemented over four years for an expected increase of $4 million in donations.
- Season ticket prices for football and men's basketball increased.

- Emphasis on the outsourced marketing and sponsorships programs resulted in increased revenue. The "one-stop shopping" approach has been very positively received.
- Expense projections now include inflationary increases for financial aid and operating expenses.
- Supplemental allocations from the Athletics Reserve Fund will cover any deficits, thereby resulting in a balanced budget.

These changes should allow Athletics and the university to finance the program and to implement the plans for additional capital projects [#185].

7. Using the institution's Equity in Athletics Disclosure Act survey forms, athletics department 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-athletes in each sport in the specific areas of:

a. Coaching
b. Scholarships
c. Recruiting
d. Operating Expenses (e.g., travel, facilities, equipment, and
e. Percentages of the sport budget that has to be obtained via fund raising (i.e., by institutional entities, department, team and individual student athletes).

Attachment 11 includes Title IX Progress Reports prepared by an independent consultant, Lamar Daniel Inc., that addresses the above areas for the calendar years 1999–2001 (most recent available). Attachment 12 includes the Equity in Athletics Disclosure Act survey forms for the same period. This information and the audited financial statements (Attachment 10) support the committee's determination that the institution is able to provide relatively full and stable opportunities to student-athletes in each sport in all those areas specifically listed above.

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

See Attachment 13.

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:

a. Prospective student-athletes are not provided with impermissible recruiting inducements.

b. Enrolled student-athletes are not provided with benefits that are expressly prohibited by NCAA legislation.

c. All expenditures for athletics are handled consistently in accordance with NCAA, conference and institutional rules.

Self-Study Items

1. All expenditures for athletics are handled in accordance with NCAA established rules as well as written guidelines in accordance with University Policies and Procedures for all purchases.

For recruiting, all vouchers are reviewed by members of the compliance office. For purchases of all other items, the line of review is: (1) the head coach; (2) the sport manager; and (3) the Athletics business office.

Accountability for monitoring compliance rests with the head coach of each sport or the budget manager. The supervisor of each "expense center" also is accountable. If the expenditure is related to recruiting or team travel, the compliance office reviews the request for conformity with NCAA rules and regulations.

2. The procedures for ensuring that prospects do not receive recruiting inducements and that enrolled student athletes do not receive extra benefits are as follows:

Recruiting expenses are one line item in the operating budgets for each sport. These expenses are monitored in the same way as other operating expenses, except that recruiting vouchers are processed as follows:

1. The coach prepares the voucher and sends it to his/her supervisor [the head coach or AAD]
2. Once the supervisor has signed, the voucher is sent to the compliance office for review and approval. All recruiting expenses are subject to NCAA rules and regulations.

3. Vouchers are then sent to the Athletics business office for final review and approval. All vouchers are subject to budget restrictions as well as the university's business policies and procedures.

Title IX dictates that each sport is treated equitably and that all supervisors, coaches, and the Athletics business office staff are aware of these guidelines. The accountability of each category is initially made as budgets are prepared. Each expense category is monitored during the fiscal year to assure that the coach has stayed within approved guidelines. A final year-end review is conducted to assure that the procedure has worked properly.

Per-diem expenses: For a full day of travel, a student-athlete is allowed three meals. If the meals are taken as a team, the cost of each meal counts as one training-table meal charged to the team and not paid to the student-athlete as a per-diem expense. If team training-table meals are not provided, student-athletes may claim per-diem costs at the rate of $30 per day or $10 per meal. Coaches are encouraged to provide at least two team meals per day to guarantee they eat properly.

Travel expenses: Travel within six hours of the university is done by bus (or, in the case of tennis, golf and cross-country, by van) unless the supervisor approves alternate transportation. Travel in excess of six hours is done by air, unless the supervisor approves alternate transportation. When lodging is required, two student-athletes share each room.

Equipment and uniform accountability: All sports have equipment managers who are held accountable for these resources. Cross monitoring is done with each coach, but also with the budget and the Athletics business office. Budgets are prepared in detail, and coaches are required to explain and justify each budget item. Expenses are monitored against the budget during the year and at year's end. The Title IX audit assures that all student-athletes are provided safe and appropriate equipment.

Financial aid: Coaches are given specific dollar limits per NCAA guidelines. Financial aid is a budget line item, and all procedures identified above assure accountability. Monitoring is accomplished by checking against the budget and the Title IX audit.

a. The compliance office reviews all recruiting vouchers. For purchases of other items, the head coach, the sport manager and the Athletics business office review and verify the vouchers.

b. The head coach, sports manager, compliance office, and Athletics business office monitor compliance with the policies and procedures for recruiting and ensure that enrolled student-athletes do not receive extra benefits.

c. All booster clubs deposit their funds with the Athletics business office. The clubs' expenditures are governed by the policies stated previously. Expenditures are audited at the end of the fiscal year. No coaches are permitted access to these club funds.

Evaluation and Plan for Improvement

3.1 Financial Practices	Currently Yes	Pages	Currently No	Plan #
Does the institution demonstrate that:				
a. All funds raised for and expended on athletics are subject to institutionally defined practices of documentation, review and oversight?	Yes	3.3–6		
b. All expenditures from any source for athletics are approved by the institution?	Yes	3.6–8		
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?	Yes	3.8–10		
1. The institution's annual budget for athletics is approved by the institution's chief executive officer or designee from outside the athletics department?	Yes	3.6–8		
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?	Yes	3.8		

Summary:
On the basis of the yes/no answers above and the plans for correcting deficiencies below, is the institution in substantial conformity with Operating Principle 3.1 (Financial Practices)? Yes

3.2 Fiscal Management and Stability

	Currently Yes	Pages	Currently No	Plan #
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?	Yes	3.11–13		

Summary:
On the basis of the yes/no answers above and the plans for correcting deficiencies below, is the institution in substantial conformity with Operating Principle 3.2 (Fiscal Mgmt. and Stability)?

Yes

3.2 Established Fiscal Policies and Procedures

Does the institution demonstrate that it has in place fiscal policies and standard operating procedures to ensure that:

	Currently Yes	Pages	Currently No	Plan #
a. Prospective student-athletes are not provided with impermissible recruiting inducements?	Yes	3.15		
b. Enrolled student-athletes are not provided with benefits that are expressly prohibited by NCAA legislation?	Yes	3.16–17		
c. All expenditures for athletics are handled consistently in accordance with NCAA, conference and institutional rules?	Yes	3.15		

Summary:
On the basis of the yes/no answers above and the plans for correcting deficiencies below, is the institution in substantial conformity with Operating Principle 3.3 (Established Fiscal Policies and Procedures)?

Yes

Plans for Improvement

The self-study indicates that ***the institution is in substantial conformity*** with the Operating Principle for Fiscal Integrity. The institution will maintain or improve its showing in these areas, but no formal plans for improvement have been proposed as part of this self-study.