The Purpose of Compliance Education

- This is a general overview of pertinent information relevant to alumni interaction with current and prospective student-athletes. It is not an all-inclusive guide.

- Please contact the Office of Compliance Services with specific questions you may have.
Institutional Control

- According to NCAA legislation, MSU is responsible for the actions of individuals or organizations engaged in activities promoting the athletics interests of the institution (e.g., alumni, boosters).
  - MSU must have a system in place to educate and monitor the activities of boosters.
  - MSU is subject to penalties for all violations committed by boosters.
You Know You Are A Booster If…

- The correct term for a booster (as defined by NCAA legislation) is a representative of MSU’s athletics interests. You know you are a booster if:
  - You have participated in or are a member of an agency or organization promoting MSU’s athletics program (e.g., booster club, alumni chapter).
  - You have made financial contributions to MSU’s athletics department (e.g., Ralph Young Fund) or to a booster organization.
  - You have been involved in promoting MSU’s athletics program.
  - You have purchased season tickets to any of MSU’s athletics programs.
  - You have provided benefits to current student-athletes (e.g., helped arranged employment).
Once a Booster…Always a Booster!

- Once an individual has been identified as a booster, the person retains that identity FOREVER!
- This is true even if the individual no longer contributes to, or is involved with, MSU’s athletics program.
Consequences for NCAA/Big Ten Violations

- When a violation occurs, regardless of intention, it can:
  - Jeopardize the eligibility of prospective and current student-athletes;
  - Result in MSU being penalized by the NCAA and/or Big Ten Conference; and
  - Cause you to lose benefits or privileges associated with the athletics department (e.g., ticket privileges).
Boosters and Recruiting

Who is considered a prospective student-athlete ("prospect")?
- A prospect is a student who has started classes for the ninth grade. Students enrolled in preparatory schools and two-year colleges are also considered prospects.
- It is possible for a younger student to be considered a prospect.

An individual remains a prospect until one of the following occurs:
- The student participates in practice or competition at a four-year institution;
- The student officially registers and enrolls and attends classes during the summer prior to initial enrollment and receives institutional athletics aid; or
- The student enrolls in a minimum full-time program of studies and reports to the first day of classes.
Recruiting Do’s and Don’ts

- In general, representatives of MSU’s athletics interests (e.g., alumni, boosters) are prohibited from contacting a prospect or the prospect’s family to encourage him/her to attend and participate in MSU athletics.

- Specific examples include, but are not limited to:
  - Contacting a prospect or his/her family via telephone, written or electronic correspondence (i.e., chat rooms, message boards, blogs, text/instant message, e-mail, MySpace, Face Book).
  - Contacting a prospect’s coach, principal, counselor or athletics director in an attempt to evaluate a prospect including making a visit to a prospect’s school to pick up film/videotape or transcripts.
Recruiting Do’s and Don’ts

Specific examples include, but are not limited to:

- Having in person contact with a prospect or his/her family.
- Making arrangements for a prospect or his/her family to receive money or financial aid of any kind.
- Contacting enrolled student-athletes at another institution regarding the possibility of transferring to MSU.
- Providing a benefit to high school, preparatory school, two-year college or club coaches or any individual responsible for teaching or directing an activity involving prospects (e.g., athletics director).
Recruiting Do’s and Don’ts

- It is permissible for an individual to do the following:
  - Notify MSU coaches about noteworthy prospects in your area.
  - Attend high school or community college athletics events on your own initiative, provided no contact with a prospect, the prospect’s parents or coach occurs.
  - Continue existing friendships with families of prospects, provided solicitation of a prospect’s enrollment does not occur.
Fundraising for Prospects

- MSU athletics department may not help raise funds directly or indirectly for prospect-age individuals. Specifically, MSU is prohibited from the following:
  - Providing funding directly or through paid advertisements to benefit a high school athletics program;
  - Providing or arranging financial assistance to pay (in whole or in part) the costs of a prospect’s education for any period of time prior to his or her enrollment or so the prospect can obtain a postgraduate education; and
  - Providing items to assist high school groups in raising money, regardless of the type of group (e.g., band, choir, drama).
Fundraising for Prospects

Those who receive MSU memorabilia facilitated by the athletics department for fundraising events may not:

☐ Sell, exchange or donate these items to any third party who may use the items to raise money, directly or indirectly, to benefit any high school program.

☐ Give or sell these items to an organization for the purpose of auctioning them off to raise funds to provide financial assistance to prospects to attend a collegiate institution of their choice.

☐ Sell, auction or exchange for value items that have been autographed by coaches or student-athletes. Most autographed items have been signed for fan enjoyment or to raise funds for preapproved organizations.
Fundraising Exception

- A representative of MSU’s athletics interests may provide funding to benefit a high school athletics program located in the community in which the athletics representative resides, provided:
  - The individual acts independently of MSU;
  - The funds are distributed through channels established by the high school or organization conducting the fundraising activity; and
  - The funds are not earmarked directly for a specific prospect.
Alumni Association Scholarships

- Prospective Student-Athletes
  - The athletics department cannot donate any item that will be used to raise funds for scholarships awarded to prospects.
  - The athletics department may donate an item that will raise money for an alumni chapter’s general fund, provided the money is not earmarked for prospect scholarships.
Alumni Association Scholarships

- **Current Student-Athletes**
  - Scholarships provided to MSU student-athletes are considered institutional aid.
  - These scholarships are countable against a student-athlete’s individual and team athletic financial aid limits.
  - Any scholarship received by a student-athlete will be evaluated by the Office of Financial Aid and the Office of Compliance Services.
Awards to Current Student-Athletes

- Any award (e.g., trophy, plaque) given to a student-athlete (regardless of whether the student-athlete has exhausted his or her intercollegiate athletics eligibility) by an alumni group must comply with the NCAA limitations on institutional awards given to student-athletes in recognition of intercollegiate athletics participation. Please check with the Office of Compliance Services prior to providing an award to a student-athlete.
Extra Benefits

- Boosters may not provide any extra benefits to prospective or current student-athletes, their relatives or friends.
- An extra benefit is defined as any special arrangement to provide a prospective or current student-athlete, their relative or friend a benefit not authorized by the NCAA.
Extra Benefits

Examples of impermissible extra benefits include, but are not limited to:

- Gifts of cash, clothing, equipment or any other tangible item.
- A special discount, payment arrangement or credit on any purchase or service.
- Loan of money or co-signing of a loan.
- An automobile, use of an automobile or any transportation expenses.
- Free or reduced-cost services, purchases or rentals.
- Entertainment on- or off-campus.
- Free or reduced-cost rent or housing;
- Free or reduced-cost tickets to community and MSU events.
Contact with Current Student-Athletes

- In general, you may not provide anything or make a special arrangement for MSU student-athletes or their friends or family that is not available to the general public or student body.

- Please note the following examples.
Contact with Current Student-Athletes

- **Prohibited:** Providing complimentary alumni association memberships to student-athletes or their families.

- **Permissible:** The parents of current student-athletes may pay to be members of the alumni association just as any other member of the general public. Please note that they could not be provided anything not included in the membership (e.g., ride to an away game).
Contact with Current Student-Athletes

- Prohibited: Employing current student-athletes at a rate higher than the going rate for similar services.

- Permissible: Boosters may employ current student-athletes. Compensation must be for work actually performed and at a rate commensurate with the going rate in the area for similar services.
  - Employers may not advertise a student-athlete’s employment to generate extra business, nor may they use an athlete's name or picture to advertise, promote or recommend the sale or use of any commercial product or service;
  - An athlete cannot endorse a company or employer through public advertising mediums; and
  - Athletes cannot be provided with any benefits not provided to other employees.
Contact with Current Student-Athletes

- Prohibited: Using the name or picture of a student-athlete to advertise a commercial product.
- Permissible: Hang a MSU team poster in local establishments.
Contact with Current Student-Athletes

■ Prohibited: Providing free or reduced-cost room, board or transportation to a student-athlete.

■ Permissible: Student-athletes may be provided housing and transportation at the identical rate that would be given to any MSU student.
Contact with Current Student-Athletes

- Prohibited: Providing entertainment to a student-athlete or his/her family and friends. This prohibition includes complimentary admissions to and special seating at MSU athletic events (e.g., courtside seating, suite/club seats).

- Permissible: Boosters may provide an occasional meal to a student-athlete or entire team at home. Permission from the Office of Compliance Services must be received PRIOR to providing a meal to student-athletes.
Contact with Current Student-Athletes

- **Prohibited:** Purchase complimentary admissions from a student-athlete.
- **Permissible:** A student-athlete may NOT receive payment for his/her complimentary admissions. An athlete may place whomever they wish on a complimentary pass list, but may not exchange the admissions for anything of value.
Contact with Current Student-Athletes

- Prohibited: Providing an honorarium to a student-athlete for a speaking engagement.
- Permissible: Ask a student-athlete to speak at an alumni function and provide them with transportation and meal expenses pending approval from the Office of Compliance Services.
Booster Violations

- Below are some examples of violations involving boosters and alumni. Remember to ask before you act!

- Violation #1 – Booster group provided a student-athlete (SA) with a participation award valued at $570, exceeding the permissible value of an award by $395.
  - Penalty: SA was required to return the impermissible award.
Booster Violations

Violation #2: Over a five-year period, a booster had impermissible contact with a prospect and his father pertaining to the prospect’s sport (basketball) and his potential enrollment at a particular institution. These conversations took place before and after the prospect’s basketball games.

- Penalty: The institution disassociated the booster for a period of two years.
Booster Violations

Violation #3: An automobile dealership paid student-athletes for work they did not perform.

- Penalty: Student-athletes were required to repay the value of the extra benefit ($7,406.88 and $8,137.17), institution placed on probation, reduction in scholarships, reduction in the number of permissible off-campus recruiters, disassociation of employer for five years, vacation of wins in contests in which student-athletes participated.
Booster Violations

Violation #4: Booster provided 2 student-athletes with round-trip transportation, lodging and meal expenses in conjunction with the athletes’ participation in a tennis tournament with the booster.

- Penalty: Student-athletes were required to repay the impermissible benefits received ($506.95) and were withheld from the first 20 percent of the regularly scheduled dates of competition for the next academic year.
Booster Violations

- Violation #5: A booster paid for a copy of a prospect’s transcripts to be sent to a four-year institution. The institution’s coach was aware the booster was providing the prospect with the impermissible extra benefit.
  - Penalty: The booster and the coach received a letter of admonishment.
Booster Violations

Violation #6: A booster paid for a student-athlete’s airfare and fees to attend a noninstitutional camp upon request of the athlete’s coach.

Penalty: The booster and athlete’s coach received a letter of admonishment from the athletics department. The athlete was required to repay the value of the benefit ($1,720) to a charity of his choice.
For More Information….

- Contact MSU’s Office of Compliance Services at (517) 432-5510.
- Visit the Office of Compliance Services website at: www.msu.edu/user/msuncaa/
- Read the monthly Compliance Newsletter for Boosters and Alumni and Question of the Week located on the Office of Compliance Services website.