



UCSB Audit and Advisory Services

Internal Audit Memorandum

---

**Intercollegiate Athletics  
Field Audit Follow-up**

March 28, 2013

---

**Performed by:**

Olga Mery, Senior Auditor  
Raphaëlla Nau, Staff Auditor

**Approved by:**

Robert Tarsia, Director

Report No. 08-13-0016

*This page intentionally left blank.*

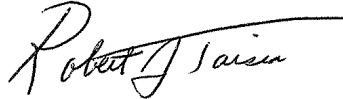
## UCSB AUDIT AND ADVISORY SERVICES

---

March 28, 2013

To: Mark Massari  
Director, Intercollegiate Athletics

From: Robert Tarsia  
Director, Audit and Advisory Services



Re: **Intercollegiate Athletics Field Audit Follow-up**  
**Project No. 08-13-0016**

### **Purpose and Scope**

During fiscal year 2009-10, Audit and Advisory Services performed an audit of University of California, Santa Barbara (UCSB) Intercollegiate Athletics (ICA), which included several management corrective actions (MCAs) regarding policies, procedures, and open items from a 2007-08 NCAA self-certification review. The purpose of this follow-up review was to determine whether ICA has met their objective of completing the pending management corrective actions from the fiscal year 2009-10 audit.

To conduct the follow-up review, Audit and Advisory Services:

- Interviewed ICA personnel.
- Documented current policies, procedures, and open audit issues.
- Evaluated whether each management corrective action has been completed.

Our interviews included discussions with the Executive Associate Athletics Director, Business Manager, Financial Analyst, and Director of Ticket Operations.

This audit follow-up was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

## **Background**

The primary mission of UCSB ICA is to provide an opportunity for widespread participation in intercollegiate athletics and to enhance the student-athlete's education through competition at the NCAA Division I intercollegiate level. ICA offers ten varsity sports for men (cross-country, water polo, soccer, basketball, swimming, track and field, baseball, golf, volleyball, and tennis) and nine for women (tennis, volleyball, swimming, track and field, cross-country, softball, basketball, water polo, and soccer). The ICA program is bound by the policies and procedures of the NCAA and the rules of any conference, league, or association of which it is a member.

Our 2009-10 audit covered several areas, including cash collections, payroll processing and recordkeeping, travel, summer camps and clinics, and financial reporting. The report included audit recommendations in all of these areas.

## **Summary Results of Follow-up**

Based on the results of the work performed within the scope of our follow-up review, we have identified the following opportunities to complete implementation of 2009-10 audit recommendations and improve ICA's compliance with UCSB policy and NCAA requirements:

### 1. Documenting Departmental Policies and Procedures

Policies and procedures are an essential component of internal control; in addition to helping ensure compliance with applicable requirements, they provide guidance and clarity to staff, improve accountability and accuracy, and help in consistently training new staff. Our 2009-10 audit recommended a number of policy and procedures in several areas.

ICA has made significant progress on these open items:

- A draft of an *Intercollegiate Athletics Department Policy Manual* (dated September 2012) was prepared. It is a comprehensive document that includes detailed procedures in addition to policies. It should be completed and renamed the *Intercollegiate Athletics Department Policy and Procedures Manual*.
- The *UCSB Athletics Department Sports Camp and Clinics Administrative Guidelines and Forms* handbook provides appropriate guidance on both NCAA Bylaws and Rules and UCSB requirements; however, it fails to set clear policy on the use of University purchase agreements and resources for any non-institutional or private camps.

We found the following issues still open:

- Recommended desk manuals have not been completed. However, because the draft *Intercollegiate Athletics Department Policy Manual* is so comprehensive, the functions within the department could adapt the sections relating to their functions and add specific instructions on how to complete various tasks, thereby serving the purpose of desk manuals.

## 2. NCAA Certification

ICA has completed the following previously open items resulting from their NCAA review:

- Monthly email reminders are being sent to the coaching staff to update recruiting logs.
- Spot checks are being performed to ensure timely maintenance of recruiting logs. Due to the vacancy of the Compliance Director position, these are being performed by the Executive Associate Athletics Director.
- Post visit records are being maintained for prospective athletes.
- Coaches forward all itineraries to the Executive Associate Athletics Director and to the Assistant to the Athletics Director.
- A Student-Athlete Award order form was created, along with guidelines for its use.
- The Compliance Manual is being updated throughout the year.

ICA has made significant progress on these open items:

- A *Sports Camps and Clinics Administrative Guidelines and Forms* handbook and an *ICA Camp Procedures* document have been written, and could be integrated together for more efficient use. These materials need to include clear policy statements on the use of University purchase agreements and resources for any non-institutional or private camps.

We found the following issues still open:

- Although a recommended Student-Athlete Award order form was created, along with guidelines for its use, the form was not used for the fall 2012 awards banquet. Using the form would provide written documentation and approval that the awards do not exceed the maximum allowed amounts and otherwise comply with applicable requirements.

- The *Compliance Manual* could also have a working hyperlink to the new *Athletics Department Policy and Procedures* manual for easy reference.

### 3. Ticketing Office & Cash Collections/Deposits

ICA has completed the following previously open items:

- The ticket manager is ensuring that cash collections are deposited on a timely basis (next business day when cash exceeds \$500).
- Gaucho Fund gifts are:
  - Deposited on a timely basis, (within a three day window).
  - Documented using the Gaucho Fund Giving form, which appropriately details the tax deductible portion of gifts.

ICA has made significant progress on these open items:

- There is an informal Ticketing Office desk manual; however, it needs to be updated and integrated with the new *Intercollegiate Athletics Department Policy and Procedures Manual* and the new Gaucho Fund Giving form.

We found the following issues still open:

- The Gaucho Shop Income Sheet (GSIS) should have two separate signature lines, one for the student seller and one for approval by the ticket manager. The ticket manager should also write in the date of approval.

### **Management Corrective Actions**

To respond to the issues mentioned above, ICA will:

- Complete and rename the *Intercollegiate Athletics Department Policy and Procedures Manual*, and hyperlink it to the *Compliance Manual*.
- Complete recommended desk manuals, and update the Ticketing Office desk manual by integrating it with the new *Intercollegiate Athletics Department Policy and Procedures Manual* and the new Gaucho Fund Giving form.
- Improve the Gaucho Shop Income Sheet (GSIS) by adding a separate signature line for ticket manager approval and date.
- Use the Student-Athlete Award order form for every sports banquet.

ICA will complete these steps by June 30, 2013.

ICA will also:

- Include clear written policy on the use of University purchase agreements and resources for any non-institutional or private camps in the *UCSB Athletics Department Sports Camp and Clinics Administrative Guidelines and Forms* handbook, and integrate the handbook with the *ICA Camp Procedures*.

ICA will complete these steps by September 30, 2013.

We would like to thank the Intercollegiate Athletics department, including the ticketing office, for their assistance in completing this follow-up review.

cc: Chancellor Henry Yang  
Assistant Chancellor Todd Lee  
Associate Vice Chancellor Ron Cortez  
UCSB Audit Committee  
Senior Vice President and Chief Compliance and Audit Officer Sheryl Vacca  
Diane O'Brien, Executive Associate Athletics Director, Intercollegiate Athletics  
Renee McLean, Business Manager, Intercollegiate Athletics  
Olga Mery, Senior Auditor, Audit and Advisory Services  
Raphaëlla Nau, Staff Auditor, Audit and Advisory Services