

# **RWG Proposal No. 12-4 – Amateurism**

## Expenses, Awards and Benefits

### Competition-Related Expenses from Outside Sponsor

Questions and Answers



## **RWG 12-4 EXPENSES, AWARDS AND BENEFITS**

### **COMPETITION-RELATED EXPENSES FROM OUTSIDE SPONSOR**

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**Intent:** To permit an individual to receive actual and necessary expenses from an outside sponsor other than from an agent, a representative of an institution's athletics interests or a professional sports organization, as specified.

**Source:** Rules Working Group.

**Effective Date:** August 1, 2013.



# PROPOSAL NO. 12-4

## COMPETITION-RELATED EXPENSES

### OUTSIDE SPONSOR

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- Permits actual and necessary expenses from an outside sponsor.
  - No agent, booster or professional sports organization.
  - Pre-enrollment exception for professional sports organization.
- Permits earmarked fundraising.
  - Earmarked fundraising does not apply to institutional fundraising (e.g., raising funds for intercollegiate competition).

Bylaw 12.1.2.1.4.4



# PROPOSAL NO. 12-4

## CASE STUDY NO. 1

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- An SA plans to compete as an individual in a tennis tournament in January.
- Competition is permissible outside competition per Bylaw 14.7.
- Over Christmas, the SA raises \$200 to help offset her competition-related expenses for event.



# PROPOSAL NO. 12-4

## CASE STUDY NO. 1 (Continued)

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- Has the SA jeopardized her amateur status?
  - No.
- May receive competition-related expenses from a sponsor other than an agent, booster or professional team.
- Must be a permissible outside competition.



# PROPOSAL NO. 12-4

## CASE STUDY NO. 2

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- A soccer SA competes on a summer league.
- The team plans to take a trip to compete in an overseas tournament.
- Each SA is responsible for the cost of travel to and from the tournament.
- The SA contacted boosters of his institution in hopes of them assisting with his costs.
- One booster provided him with \$300 for his travel costs.



# PROPOSAL NO. 12-4

## CASE STUDY NO. 2 (Continued)

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- Has the SA jeopardized his eligibility?
  - Yes.
- An SA may not receive earmarked competition related expenses from a booster.
- Permissible sponsor must be someone other than an agent, booster or professional sports organization.

Note: Violation of the extra benefit legislation since a booster provided the benefit.



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**Date Published: April 3, 2014**

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**Question No. 1:** May an outside sponsor earmark its donation for a specific student-athlete to participate in outside competition (not intercollegiate competition)?

**Answer:** Yes, provided the sponsor is not a representative of the institution's athletics interests, an agent or a professional sports organization.

**Question No. 2:** May funds donated to a member institution's athletics program be earmarked for a particular student-athlete's actual and necessary expenses?

**Answer:** No. An individual who donates to a member institution's athletics program becomes a representative of the institution's athletics interests. The legislation prohibits a student-athlete from receiving expenses from a representative of an institution's athletics interests.



This document contains questions and answers to assist the NCAA membership in its understanding of RWG Proposal No. 12-4 (competition-related expenses from outside sponsor).



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**Question No. 3:** May an institutional staff member who owns a local sports club provide actual and necessary expenses to a prospective or enrolled student-athlete who is not a member of the club?

**Answer:** No. Bylaws 13.2 (offers and inducements) and 16.11.1.1 (extra benefits – general rule) would preclude an institutional staff member from providing such expenses.

**Question No. 4:** May an individual receive actual and necessary expenses from an outside sponsor in order to attend a sports camp?

**Answer:** An individual may receive such expenses, provided the camp format includes bona fide organized competition for its participants



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**Question No. 5:** May a representative of the institution's athletics interests donate to the general fund (not earmarked to any particular individual) of a team on which a prospective student-athlete or student-athlete participates?

**Answer:** Yes. Note, however, that in the case of prospective student-athletes, Bylaw 13.15.1.2.1 requires that the individual act independently of the institution and donate only to organizations located in the individual's community.

**Question No. 6:** If an individual or entity provides actual and necessary expenses for competition and practice held in preparation for such competition (other than institutional competition), does the individual or entity become a representative of an institution's athletics interests?

**Answer:** No.



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