



METHODIST UNIVERSITY
PUBLIC INFRACTIONS DECISION
October 20, 2017

I. INTRODUCTION

The NCAA Division III Committee on Infractions (COI) is an independent administrative body comprised of individuals from the NCAA Division III membership and the public charged with deciding infractions cases involving member institutions and their staffs. This case involves Methodist University awarding financial aid to student-athletes in a pattern that was clearly distinguishable from the general pattern of all recipients.¹ The COI considered this case through the cooperative summary disposition process in which all parties agreed to the primary facts and violations, as fully set forth in the Summary Disposition Report (SDR). Because the parties agreed to the violations and proposed penalties, there is no opportunity to appeal.

Methodist's agreed-upon financial aid violations center on the improper administration and execution of an otherwise permissible grant for students from Nordic countries (i.e., Norway, Sweden, Finland, Denmark and Iceland). As part of a broader strategic initiative to increase international enrollments, Methodist offered a one-time, nonrenewable \$10,000 award to Nordic students during the 2015-16 and 2016-17 academic years. Traditionally, Nordic countries provided their students financial aid to study abroad during their second, third and fourth years of study. With Methodist's one-year grant, Nordic students could receive four years of financial aid. Over the two-year period, 21 Nordic students applied to Methodist. Only 11 actually enrolled—all of whom were men's soccer student-athletes. As a result, Methodist awarded a clearly distinguishable pattern of financial aid to student-athletes. The violation is major.

After considering all relevant factors, the COI accepted the parties' factual agreements and that a financial aid violation occurred. The COI adopts and prescribes the following penalties: two-years of probation, a fine, continued education and administrative reporting requirements.

II. CASE HISTORY

In spring 2015, Methodist leadership created and offered a Nordic grant for international students matriculating at the institution, beginning with the 2015-16 academic year. Despite efforts to recruit both Nordic student-athletes and non-student-athletes alike, only student-athletes received the award over the first two academic years. In fall 2016, the institution ended the Nordic grant. Also in fall 2016, the NCAA Division III Financial Aid Committee contacted Methodist for a

¹ A member of the USA-South Athletic Conference, Methodist's total enrollment is 2,168. The institution sponsors 10 men's sports and 10 women's sports. This is the institution's first major infractions case.

Level II review. After noticing a distinguishable pattern in administration of the Nordic grant, the Financial Aid Committee referred the matter to the enforcement staff on February 28, 2017. On March 24, 2017, the enforcement staff provided Methodist with a written notice of inquiry and conducted on-campus interviews the next month. On June 13, 2017, the enforcement staff provided Methodist with a draft notice of allegations. Within a week, Methodist agreed to process the case via summary disposition. On September 5, 2017, the parties submitted the SDR to the COI, and the COI reviewed the SDR on September 28, 2017.² On September 29, 2017, the COI proposed an additional year of probation, a fine and further rules education. On October 6, 2017, Methodist accepted the additional penalties.

III. PARTIES' AGREEMENTS

PARTIES' AGREED-UPON FACTUAL BASIS AND VIOLATION OF NCAA LEGISLATION

The parties jointly submitted an SDR that identified the agreed-upon factual basis and a violation of NCAA legislation. The SDR identified:

[NCAA Division III Manual Bylaw 15.4.1-(c) (2015-16 and 2016-17)]

Methodist and the enforcement staff agreed that in the 2015-16 and 2016-17 academic years, Methodist improperly administered and awarded the Nordic Grant to 11 men's soccer student-athletes contrary to financial aid legislation. Specifically, the award of the Nordic Grant, a \$10,000 one-time award for students from Nordic countries, was clearly distinguishable from the general pattern of other recipients at the institution, as the institution only awarded it to student-athletes in 2015-16 and 2016-17. The total amount of financial aid awarded to the 11 student-athletes was \$110,000.

IV. REVIEW OF CASE

The submitted SDR fully details the parties' positions in the infractions case and includes the agreed-upon primary facts and violations. After reviewing the parties' principal factual agreements and the respective explanations surrounding those agreements, the COI accepts the parties' SDR and concludes that the facts constitute a major violation of NCAA legislation.

Methodist's agreed-upon financial aid violation derives from the outcome of an otherwise permissible grant for Nordic students. Specifically, only 11 individuals received the one-time,

² The COI may view violations established through the summary disposition process as less instructive than a decision reached after a contested process.

nonrenewable \$10,000 grant, however, all were student-athletes on the men's soccer team. This outcome violated NCAA Bylaw 15.

Generally, Bylaw 15 regulates financial aid. Specifically, Bylaw 15.4.1-(c) prohibits institutions from providing student-athletes or teams financial aid in a manner clearly distinguishable from the general pattern of all financial aid for all recipients at the institution.

Over two academic years, Methodist failed to achieve proper balance between student-athletes and non-student-athletes receiving the Nordic grant, awarding the grant in a clearly distinguishable pattern to men's soccer student-athletes from non-athletes. Stated simply, Methodist only awarded the Nordic grant to men's soccer student-athletes. This result occurred despite Methodist's awareness of NCAA legislation and targeted recruiting efforts to attract non-student-athletes from Nordic countries to Methodist. In creating the grant, institutional and athletics leadership understood potential risks associated with the grant and that it could not be awarded in a distinguishable pattern to student-athletes from non-athletes. However, Methodist determined it would offer the grant as part of its broader strategic initiative to increase international enrollments. Further, the director of international programs believed she would be able to target and recruit non-student-athletes from Nordic countries to Methodist. Despite her efforts, this did not happen.³ The result violated NCAA legislation—specifically, Bylaw 15.4.1-(c). To Methodist's credit, institutional and athletics leadership recognized that the Nordic grant would need to be closely monitored to ensure compliance with NCAA financial aid legislation. This ultimately led the institution to end the grant ahead of schedule.⁴

Pursuant to Bylaw 19.02.2.2, the COI concludes that the violation is major because it occurred over two academic years, provided the men's soccer team with a significant recruiting advantage and, although the grant itself was permissible, involved a significant benefit. The COI has consistently concluded that major violations occur when institutions award financial aid to student-athletes in a clearly distinguishable manner. *See Neumann College (2012)* (concluding that major violations occurred when, over four academic years, Neumann awarded 118 student-athletes and no non-athletes Canadian grants); and *State University College of Geneseo (2010)* (concluding that major violations occurred when, over three academic years, Geneseo awarded 100 percent, 90 percent and 89 percent, respectively, of its Canadian grants to student-athletes).

V. PENALTIES

For the reasons set forth in Sections III and IV of this decision, the COI concluded that this case involved a major violation of NCAA legislation. The institution committed a major violation when, over two academic years, 11 men's soccer student-athletes and no other individuals received a

³ In total, 21 Nordic students applied to Methodist. Ten did not matriculate. The director of international programs could not confirm whether any of the students who did not matriculate in the 2015-16 academic year were non-athletes. She reported that non-athlete Nordic students applied to Methodist during the 2016-17 academic year and none matriculated.

⁴ Methodist's established practice is to allow new financial aid programs three academic years to demonstrate success.

financial aid grant. In prescribing the penalties, the COI considered the institution's cooperation in the processing of this case. Cooperation during the infractions process is addressed in Bylaws 19.01.3 and 32.1.4. The COI notes that the enforcement staff specifically identified its appreciation of Methodist's cooperation. Thus, the COI concludes that the cooperation exhibited by Methodist met, and likely exceeded, its obligation under the bylaws with respect to processing the case. Methodist agreed to the factual findings, the violation and the COI's proposed additional penalties; therefore, there is no opportunity to appeal. Methodist's self-imposed penalties are specifically identified. Methodist's corrective actions are contained in the Appendix. The COI prescribes the following penalties:

Penalties and Disciplinary Measures (Bylaw 19.5.2)

1. Public reprimand and censure.
2. Two years of probation from October 20, 2017, through October 19, 2019.⁵
3. The institution shall pay a \$1,000 fine to the NCAA.
4. As a corrective measure, the institution identified that the director of athletics and the deputy director of athletics attend NCAA Regional Rules Seminars and, upon returning to campus, the director of athletics and the deputy director of athletics conduct a seminar for all relevant enrollment staff, both domestic and international. (Self-imposed.) Additionally, the institution shall continue to send the director of athletics and deputy director of athletics to NCAA Regional Rules Seminars in each year of the probationary period. Similarly, upon returning to campus, the director of athletics and deputy director of athletics shall continue to provide rules education.
5. During this period of probation, the institution shall:
 - a. Continue to develop and implement a comprehensive educational program on NCAA legislation to instruct coaches, the faculty athletics representative, all athletics department personnel and all institutional staff members with responsibility for certification of student-athletes' eligibility for admission, financial aid, practice or competition;
 - b. Submit a preliminary report to the Office of the Committees on Infractions (OCOI) by December 1, 2017, setting forth a schedule for establishing this compliance and educational program;

⁵ Methodist proposed a one-year probationary period. The authority to prescribe probation rests solely with the COI. Periods of probation always commence with the release of the infractions decision. A two-year probationary period is consistent with past cases involving providing financial aid to student-athletes in a manner distinguishable from the general student population. *See Neumann; Manhattanville College (2012); University of New England (2012); and Geneseo.*

- c. File with the OCOI annual compliance reports indicating the progress made with this program by September 15 of each year during the probationary period. Particular emphasis should be placed on monitoring the institution's financial aid awarding process. The reports must also include documentation of the institution's compliance with the penalties adopted and prescribed by the COI;
 - d. Inform prospective student-athletes in the men's soccer program that the institution is on probation for two years and detail the violations committed. This information must be provided in writing and for the full term of probation. The institution must provide this information as soon as practicable after the prospective student-athlete is recruited pursuant to NCAA Bylaw 13.02.8 and, in all instances, before the prospective student-athlete signs a financial aid agreement or initially enrolls at the institution, whichever is earlier; and
 - e. For the full term of probation, publicize specific and understandable information concerning the nature of the infractions by providing, at a minimum, a statement to include the types of violations and the affected sport program and a direct, conspicuous link to the public infractions decision located on the athletic department's main webpage (landing page). The information shall also be included in institutional media guides and in an alumni publication. The institution's statement must: (i) clearly describe the infractions; (ii) include the length of the probationary period associated with the major infractions case; and (iii) give members of the general public a clear indication of what happened in the major infractions case to allow the public (particularly, prospective student-athletes and their families) to make informed, knowledgeable decisions. A statement that refers only to the probationary period with nothing more is not sufficient. The institution may meet its responsibility in a variety of ways.
6. Following the receipt of the final compliance report and prior to the conclusion of probation, the institution's president shall provide a letter to the COI affirming that the institution's current athletics policies and practices conform to all requirements of NCAA regulations.
-

As required by NCAA legislation for any institution involved in a major infractions case, Methodist University shall be subject to the provisions of Bylaw 19.5.2.3, concerning repeat violators, for a five-year period beginning on the effective date of the penalties in this case, October 20, 2017. Further, the COI advises Methodist that it should take every precaution to ensure that it observes the terms of the penalties. The COI will monitor the penalties during their effective periods. Any action by Methodist contrary to the terms of any of the penalties or any additional violations will cause the COI to consider extending Methodist's probationary period, prescribing more severe penalties, or may result in additional allegations and violations.

NCAA COMMITTEE ON INFRACTIONS

Christopher Bledsoe
Effel Harper
Tracey Hathaway
Gerald Houlihan, chair
Gerald Young

APPENDIX ONE

**CORRECTIVE ACTIONS AS IDENTIFIED IN THE SEPTEMBER 5, 2017,
SUMMARY DISPOSITION REPORT (SDR)**

1. The Nordic Grant has been discontinued and will remain inactive. The decision was made and implemented prior to the finding of a major violation. No student-athletes are currently receiving the Nordic Grant.
2. The university will continue with its existing compliance process, subject to further refinement and enhancement, especially in regard to its continuing efforts to recruit and retain international students and in regards to how it timely addresses any potential future imbalances, if they are detected.
3. In addition to the director of athletics, the deputy director of athletics has been formally designated a second NCAA compliance officer so as to increase the reference resources for the University community.
4. The director of athletics, with the assistance of the deputy director of athletics, the vice president for enrollment services, the director of international programs and other appropriate and necessary personnel will confirm and certify, at the appropriate time at the beginning of each academic semester and by means of various queries and review of the university's financial aid database, that financial aid awards to student-athletes, both domestic and international, comply with relevant NCAA bylaws. Furthermore, the director of athletics, with the assistance of the deputy director of athletics, the vice president for enrollment services and other appropriate and necessary personnel, will be tasked with developing a set of written procedures for timely addressing any potential imbalance, if it is detected in the future.
5. Semi-annually, at the beginning of the fall academic semester and after the annual NCAA convention in January, the director of athletics and the vice president for enrollment services will conduct a NCAA rules refresher/seminar with all appropriate admissions and financial aid staff.
6. Both the director of athletics and the vice president for enrollment services shall give the president semi-annual reports as to those enhanced compliance processes and the implementation of the policies and procedures.