



April 2009

RALPHIE'S HOT TOPIC

PROVISION OF APPAREL AND AWARDS AT CAMPS/CLINICS

- ✘ Prospective student-athletes may receive material benefits (e.g., awards, prizes, apparel) from an institution's sports camp or clinic only if the cost of the material benefits is included in the admissions fees charged for the camp or clinic.

GIVING ITEMS TO CAMP PARTICIPANTS

- ✘ Question: May an institution provide apparel and/or other merchandise (e.g., equipment, posters, gifts) to camp or clinic participants?

GIVING ITEMS TO CAMP PARTICIPANTS

- ✘ Answer: Yes, an institution may provide apparel and/or merchandise to camp and clinic participants, provided the total cost of the items is included in each camp or clinic participant's admissions fee.
- ✘ If the cost of the items is not included in each participant's admissions fee, then the institution is providing participants an impermissible benefit.
- ✘ For example, if an institution provides each camp participant a basketball and a shirt valued at \$45 but the camp admissions fee for each participant is only \$40, the institution has provided an impermissible benefit to each participant who received those items.

NOT INCLUDING THE NORMAL RETAIL COST

- ✘ Question: May an institution provide apparel and/or other merchandise (e.g., equipment, posters, gifts) that it receives free of charge or at a reduced rate to camp participants without including the normal retail cost of the item(s) in the participants admissions fee?

NOT INCLUDING THE NORMAL RETAIL COST

- ✘ Answer: No, the institution must assign normal-retail value to the item(s) it provides to camp participants regardless of whether the institution received the item(s) free of charge or at a reduced rate. The normal-retail value of the item(s) must be included in the participants' admissions fee.

FULL COST OF AWARDS

- ✘ Question: Does the full cost of each award have to be included in the admissions fee for each camp participant even though not all camp participants will receive an award?
- ✘ For example, if all awards provided at the camp cost \$100, does the \$100 have to be included in each camp participant's admissions fee?

FULL COST OF AWARDS

- ✘ **Answer:** NO, the full cost of each award does not need to be included in each participant's admissions fees. However, the full cost of the awards must be included collectively in the admissions fee for all camp participants.
- ✘ For example, if the total cost of all awards to be given out at an institutional camp or clinic is \$100 and the camp attendance is capped at 100 participants, each individual admissions fee would have to include an additional \$1 used to cover the awards provided at the camp or clinic.