SUMMER CAMPS: A COACH’S PRIMER

By

Martin J. Greenberg

and

Ryan M. Session

I. INTRODUCTION - SUMMER CAMPS

Attorney Daniel B. Fitzgerald, an attorney at Brody Wilkinson PC, Southport, Connecticut, couldn't have said it better in his article "Address Legal Issues Before Starting a Summer Camp."2

The popularity of sports camps continues to rise across the American sports landscape. These camps are mutually beneficial to coaches and athletes. For athletes, camps often bring superior instruction and exposure to the coaches at the next level of play. For coaches, camps offer an opportunity to earn extra income during the off season and perhaps more importantly, coach prospective players and assess their skills.

The increased emphasis on specialization in youth sports and the economic incentive to receive athletic scholarships undoubtedly have contributed to the proliferation of summer sports camps at colleges and universities. Another factor of this growth is that camps also offer coaches the opportunity to supplement their salaries and the salaries of their assistant coaches.

The structure of camps varies widely. One of the most common, and most lucrative, arrangements allows the coach to own, operate and receive all profits from the camp. The school provides the facilities and often some equipment for a specified fee. Ownership of the camp allows the coach to build brand equity, which may last beyond his or her tenure at the school. Significantly, ownership also allows the coach to control every aspect of the operation, from hiring

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1 Ryan Session is a May 2014 graduate from Marquette University Law School. Originally from Atlanta, he attended Emory University graduating in 2011 with a B.A. in Political Science. While attending Marquette, Ryan earned the Certificate in Sports Law from the National Sports Law Institute and focused his studies on employment and labor law, employee benefits and ERISA, tax law, corporate law, and alternative dispute resolution. Presently, he works in Milwaukee, Wisconsin, representing and advising management in small to mid-size companies on labor and employment law as well as business litigation.

coaches to entering agreements with local vendors. The camp essentially becomes a separate business venture for the coach.\(^3\)

In Fitzgerald's article, he indicates that, as with any business, there are legal issues to consider such as contractual provisions, creating a business, understanding personal liability, policies for coaches and staff, and covering compliance.\(^4\) This article will attempt to address in more depth (II) contractual provisions for summer camps in college coaches' contracts; (III) university policies relative to summer camps; (IV) examples of summer camp contracts; (V) NCAA rules and compliance; (VI) creating a business entity; and (VII) protecting the coach from personal liability, due diligence and risk management concerns.

II. **COMPILATION AND EXAMPLES OF CONTRACTUAL PROVISIONS**\(^5\)

Generally, the issues involved in establishment and operation of summer camps are addressed in the contract between the coach and the university. In a review of many contracts, each summer camp clause is separately crafted but will address such common issues such as: ownership, responsibility for expenses, entitlement to net profits, dates, use of university facilities and university name, logos, and proprietary rights, insurance and indemnification, to name a few. What follows are several representative summer camp clauses:

**Thom Crean, Indiana University**\(^6\)

4.06 *On-Campus Summer Camp*

\(^3\) *Id.*  
\(^4\) *Id.*  
\(^5\) For additional examples, see Appendix, *infra.*  
\(^6\) Emp’t Agreement between Indiana Univ. & Thomas Crean §4.06 (Aug. 11, 2008) (on file with author).
The University has the exclusive right to authorize summer youth athletic camps on its campus using the University facilities. The Employee shall have the opportunity to use the University's athletic facilities in connection with a summer youth boy's basketball camp run by the Employee for three (3) weeks each summer provided that the University is reimbursed by the Employee for all of its actual and overhead expenses including room and board provided by the University and insurance, if provided by the University, incurred in the administration of the camp and in making supplies and facilities available. The Employee acknowledges and agrees that the three (3) weeks shall be designated by the University upon consideration of the preference of the Employee, and upon such conditions as may be required from time to time by the University's Director of Athletics and are subject to review and revision annually, if necessary, to cover actual and overhead expenses. Any net revenue from the camp will be allocated to the men's basketball program or staff as determined by the Employee. Unless otherwise approved in advance in writing by the Director of Athletics, the Employee must use accrued vacation time for participation in any off-campus camps. The Employee's participation in off-campus camps shall not occur during the same weeks as the Employee's summer youth boy's basketball camps at the University, nor shall it interfere with the Employee's responsibilities to the University or the effective operation of the men's basketball program. From year to year of this Agreement, a separate document shall be prepared setting forth the details of the camp expenses.

Paul Pasqualoni, University of Connecticut

Art. 7 Football Camps or Clinics

7.1 The Coach may organize and direct Football camps or clinics utilizing University dormitories, dining halls, athletic facilities, and other campus facilities. Any such camp or clinic shall be conducted through the University's Conference Services Office at the rates and fees published by that Office. Such costs shall be paid by the Coach. The Coach may charge the campers such fees as the Coach deems reasonable. Upon fulfilling the terms of the contract entered into between the Coach and the University's Conference Services Office, the Coach will be entitled to retain all sums derived from the Football camp or clinic after payment of the University's rates and fees.

7.2 The Coach may also organize and direct Football camps or clinics located off the University's campus. Said camps or clinics shall not be entitled to use the University's facilities, nor shall they be conducted through the University's Conference Services Office. All costs associated with off-campus camps or clinics shall be the responsibility of the Coach.

7 Emp’t Agreement between Univ. of Connecticut & Paul Pasqualoni Art. 7 (Jan. 14, 2011) (on file with author).
7.3 All camps and clinics run by the Coach pursuant to this section shall be owned and operated by the Coach. All decisions concerning the operation and administration of such camps and clinics shall be solely at the discretion of the Coach and all such decisions shall meet NCAA and conference rules and regulations. All staff employed at such camps and clinics, for the purpose of this section only, shall be considered employees of the Coach, and not the University or the State.

7.4 Consistent with NCAA rules and official interpretations, the Coach agrees to submit for University audit, within ten (10) business days of a request from the University, all relevant financial and payroll records from any Football camp or clinic in which prospective student-athletes participate and in which the Coach is a major owner (fifty-one {51%} percent or greater) or operator.

Mark Turgeon, University of Maryland

7.1 The right to sponsor and operate a basketball summer camp (the "Camp) on University premises belongs to the University, acting through the Athletics Department. The right to sponsor and operate a Camp is automatically conveyed by the University to the Coach on a yearly basis on January 1st of each contract year unless the Athletic Director earlier notifies the Coach in writing that it does not so convey. Upon conveyance pursuant to this clause, the Coach or his corporate assignee has the right to sponsor and operate a Camp under his name on the University premises, pursuant to applicable University rules and on a space-available basis. Any direct costs for operating the Camp will be borne solely by the Coach and any profits will accrue to him. The Coach is directly responsible to any other University department for services provided by them. Failure to adhere to these terms will be considered a material breach of this 2011 Agreement.

7.2 Operation of a Camp substantially benefits the University and its men's basketball program by creating ties to the local community, and enhancing the program's prestige and visibility. The Coach shall operate the Camp with these goals in mind and shall at all times observe applicable University rules in connection with its operation.

7.3 The Coach shall not endorse or approve any other sports camps sponsored and operated by employees under his supervision without the specific written approval of the Athletic Director.

Kyle Flood, Rutgers

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8 Emp’t Agreement between Univ. of Maryland & Mark Turgeon §7 (June 27, 2011) (on file with author).
9 Emp’t Agreement between Rutgers the State University of New Jersey & Kyle Flood § X (Jan. 31, 2012) (on file with author).
X. For so long as Mr. Flood is serving as Head Coach he shall direct Football camps and clinics at Rutgers, beginning in the summer of 2012. Mr. Flood shall be required on an annual basis to execute the standard camp/clinic contract with the Division of Intercollegiate Athletics for use of facilities and to pay any amounts due to Rutgers University including, but not limited to, room and board costs for campers and staff. The camps and clinics shall be owned and operated by Mr. Flood's limited liability company and shall be conducted in accordance with and subject to Rutgers' rules and regulations governing athletic sports camps conducted at Rutgers.

If in the future Rutgers wishes to change the way it structures its summer sports camps and clinics in order to operate the camps and clinics as a University activity and if Rutgers intends for this change to apply to all summer sports camps and clinics held at Rutgers' New Brunswick campus, Mr. Flood's camps and clinics shall be subject to the new structure and Mr. Flood shall conduct the camps and clinics under the new structure. In consideration for conducting the camps and clinics for Rutgers under the new structure, Mr. Flood shall be compensated in an amount that is mutually agreed upon by Rutgers and Mr. Flood, which amount shall approximate the compensation and net profit that Mr. Flood derived from his Football camps and clinics when he owned and operated them. In determining such compensation to be paid to Mr. Flood, Rutgers, at its own expense and at reasonable times, shall be entitled to inspect the financial records for Football camps and clinics conducted at Rutgers by Mr. Rice and his limited liability company.

For the duration of this contract and subject to the provisions above, Mr. Flood's limited liability company shall be permitted to use the name RU Football Camp, t/a Rutgers Football Camp solely for the operation of his summer football camp programs. Mr. Flood shall cease using the name RU Football Camp, t/a Rutgers Football camp upon termination of this contract, by either party for any reason. If necessary, at Rutgers request, Mr. Flood shall dissolve his limited liability company and file with the State of New Jersey a Certificate of Cancellation and any other required forms in order to dissolve his limited liability company. The University has the right to use the name RU Football Camp, t/a Rutgers Football Camp, at any time, for any purpose, notwithstanding the provisions herein. Upon termination of this agreement for any reason and/or the dissolution of Mr. Flood's limited liability company, Rutgers shall continue to retain all rights to use the name RU Football Camp, t/a Rutgers Football.

Gary R. Pinkel, University of Missouri-Columbia10

10 Emp’t Agreement between Univ. of Missouri & Gary R. Pinkel § 2(d) (Jan. 1, 2004) (on file with author).
D. The Employee shall be entitled to operate a non-institutional youth football camp in the State of Missouri in the summers during the term of this Contract for Employment. University agrees to guarantee that the Employee will receive a minimum of Two Hundred Eighty Thousand Dollars ($280,000.00) for each year during the term of this Contract for Employment that the Employee operates such a camp. Any revenues and profits made by the Employee from his camp shall be retained by him solely. However, the University's guarantee under this paragraph shall be limited to the amount of money necessary to assure that the net revenues received by the Employee from the operation of such camp meets the guarantee amount stated herein. For purposes of the preceding sentence, the parties agree that net revenues shall mean the gross revenues generated from the operation of such camp less the amount of the expenses directly related to the operation of such camp. It is understood that the Employee will utilize his best efforts to conduct and participate in a quality football camp for youth which will bring credit to himself and indirectly to the University, and the University will not be required to make payment in any year within which the Employee does not conduct and participate in such a camp. In the event the University so requests, an annual independent audit shall be conducted by a mutually agreed upon auditor, at Employee's expense, for each such camp. The Employee shall provide written documentation of the net revenues from such camp to the Athletic Director and the University will make any payment called for under this paragraph to the Employee within ten (10) days after receipt of said documentation. The University reserves the right to directly maintain accounting and bookkeeping for the camps.

Sean Kugler, University of Texas at El Paso

§6B - Fringe Benefits:

(1) Summer Camps. The University may sponsor summer football camps for youths. For the period that Coach is the Head Football Coach, for performance of services in connection with such camps as may be assigned by the Athletic Director, Coach will be paid the net proceeds for each camp. Net proceeds are defined as revenues less expenses as determined by the University in accordance with generally accepted accounting principles. Coach shall use reasonable business judgment to determine the fair and reasonable amount to be paid to each assistant coach and others for summer camp service and such amounts will be treated as expenses. Payment to Coach will be made within 30 days after submission of complete summer camp financial records to the Athletic Director or his designee, which records must be satisfactory to the Athletic Director and such financial records must be reconciled. In no event shall the payment be later than the end of the calendar year in which the camp

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11 Emp’t Agreement between the Univ. of Texas at El Paso & Sean Kugler §6B (Feb. 22, 2012) (on file with author).
ends. In the event a summer camp fails to yield net proceeds, the University maintains no obligation for payment to Coach. Coach shall not be entitled to conduct or direct summer camps that are not sponsored by the University.

Timothy Beckman, University of Illinois\textsuperscript{12}

6. **Summer Camp.**

The Head Coach is responsible for directing the University's summer Football camp providing all services necessary and incidental to such position. Total coaching staff compensation will be based on and will not exceed 90 percent of the net profit of the camp, as reasonably calculated by the University after payment of all direct expenses, which shall be payable within 90 days of the completion of camp. Coach shall recommend to the Athletic Director the allocation of compensation for all coaches for summer camp duties.

Paul Johnson, Georgia Tech\textsuperscript{13}

4. **Summer Football Camps:** COACH shall be entitled to utilize the facilities of the Georgia Tech Athletic Association, to conduct an annual summer football camp. The ASSOCIATION waives any interest in the revenue generated by the camp conducted by COACH in view of the benefit to the football program derived from the conduct of the camp. COACH shall be entitled to use facilities at no cost except for the dorm, dining hall expenses and field preparation which the COACH must pay. COACH must also maintain comprehensive general liability insurance coverage of at least $2,000,000.00 with a deductible not to exceed $10,000.00 naming the ASSOCIATION and the Institute as additional insured. COACH agrees to indemnify and hold the ASSOCIATION, the Institute and the Georgia Board of Regents harmless from any and all claims arising out of the operation of said summer camps.

Michael R. Gundy, Oklahoma State University\textsuperscript{14}

15. **FOOTBALL CAMP.**

(a) The Coach may conduct and receive all revenue from a football camp at the University, subject to the approval of the University Director of Intercollegiate Athletics as to dates and scheduling. Coach shall be entitled to use available athletic facilities (including the football field, gymnasiums and the like) upon the payment of a reasonable rental charge as determined by the Director of Intercollegiate Athletics and Coach shall

\textsuperscript{12} Emp’t Agreement between Univ. of Illinois & Timothy Beckman §6 (Dec. 9, 2011) (on file with author).

\textsuperscript{13} Emp’t Agreement between Georgia Tech Athletic Assoc. & Paul Johnson §4 (Dec. 10, 2007) (on file with author).

\textsuperscript{14} Emp’t Agreement between Oklahoma State Univ. & Michael R. Gundy §15 (Jan. 1, 2009) (on file with author).
be solely responsible for arranging and paying for dormitory space, food service and any other items of cost for the camp.

b) The Coach shall protect the University against any damage to University property and against any liability to the Coach or third parties in connection with the football camp, by taking at least the following steps, all of which shall be subject to the University Director of Intercollegiate Athletics' prior approval as to adequacy: procuring comprehensive property and liability insurance in an amount and form acceptable to the University; naming the University as an additional insured; providing the University with a copy of each certificate of insurance for such insurance; and entering into an agreement to indemnify, defend and hold harmless the University for any loss.

c) The Coach shall consult with the University Director of Intercollegiate Athletics at least six (6) months in advance of any planned football camp regarding the availability of the athletic facilities the Coach desires to use. Once the University has agreed to make specific facilities available for the football camp, it shall not change the facilities agreement unless it gives the Coach at least ninety (90) days’ notice (in which case it will incur no liability for the change) or the Coach consents to the change. The Coach shall not unreasonably withhold consent if reasonable alternative facilities are offered by the University. The University shall deal with the Coach on matters concerning the football camp under terms and conditions generally consistent with those established for the operation of similar types of football camps.

William L. Muschamp, University of Florida

H. Camps and Clinics. Subject to annual prior written approval of the Athletic Director as prescribed in subparagraph 6B above (which approval may be conditioned, without limitation, on adequate protections of the reputations, assets, and interests of the Association and the University), the Coach, at the Coach's sole cost, may operate football camps and clinics on or off the campus of the University, provided that neither the Association nor the University shall incur any responsibility, liability and/or expense in connection with such camps and clinics and that specific authorization -- and the terms and conditions -- of the Coach's use of the campus and/or any other property and/or equipment owned or controlled by the University and/or Association are first granted and agreed upon in writing by the Association and the University. Coach's activities respecting camps and clinics are outside activities wherever they are conducted (even if on or using University or Association property and/or equipment). The Association and the University may require the Coach to provide

adequate indemnification and insurance protection for the Association and the University in connection with such camps and clinics, and the adequacy of such protections shall be determined by the Association and the University in their sole judgment.

Such camps and clinics, and all activities associated with them, shall be operated in accordance with the Association's camps and clinics policy as in effect at the relevant time (and which the Association may adopt and/or amend from time to time without advance notice to the Coach), the requirements of this Agreement, the written terms and conditions of the Association and/or University for use of the campus and/or other property if applicable, the Athletic Director's approval, Governing Athletic Rules, University Regulations and Laws. Coach may reasonably compensate assistant football coaches, strength coaches, trainers and business office employees of the Association for the fair market value for work actually performed by them at such camps and clinics, but Coach shall obtain the prior written approval of the Athletic Director for his use and compensation of each such Association employee and Coach shall not compensate any other employee or Association or University in connection with such camps or clinics without the prior approval or Athletic Director. Such camps and clinics shall be scheduled so as not to interfere, conflict, or be inconsistent with the performance by the Coach of the Coach's duties under this Agreement including, without limitation, the duties set forth in Exhibit A.

I. The Association shall have the right to verify and audit the financial books and records of any and all such outside activities of Coach (including without limitation camps and clinics), and shall have the right to be fully informed as to the income and benefits (including but not limited to cash, "in kind", in services, in trade, any forgiveness of debt, any credit allowance, and any other payments and benefits) derived by or through the Coach from any and all of his outside activities, accounted for on a per activity basis. The Coach shall keep good and complete financial books and records of all of his outside activities, including, but not limited to camps and clinics, on an on-going and per-activity basis. The Coach shall provide an annual report and, if requested, quarterly reports, to the Athletic Director on all of Coach's income and benefits from outside activities and shall provide to the Association, upon its request, easy access to and complete copies of all related financial books and records. The Coach's obligation to keep such books and records shall survive the expiration or termination of this Agreement by five years. All insurance coverage and indemnification required by this paragraph 6, by any approval of the Athletic Director, and/or any condition of the Association and/or University, shall survive the expiration or termination of this Agreement for the full length of any applicable statute of limitations on liability of the Association and/or University.
Urban Meyer, The Ohio State University\textsuperscript{16}

3.9  Coach agrees that Ohio State has the exclusive right to operate youth football camps on its campus using Ohio State facilities. Ohio State shall allow Coach (and his assistant coaches) the opportunity to earn supplemental compensation by assisting with Ohio State's camps. At least ninety (90) days before each camp, Coach shall indicate to Ohio State whether or not Coach intends to accept the opportunity to earn such supplemental compensation for such year. If Coach so elects, then Coach agrees to assist in the reasonable marketing, supervision, instruction and/or general administration of Ohio State's football camps. Coach also agrees that Coach will perform all reasonable obligations otherwise reasonably assigned by Ohio State related to youth football camps. Coach shall propose to the Director or his designee before camp begins appropriate supplemental compensation amounts for Ohio State employees who work at such camp and are eligible to receive supplemental compensation. Camp income supplemental payments shall be paid after the appropriate camp documentation and payment requests have been received by Ohio State, and after the payment of the then-current Administrative and Facilities Charge to Ohio State and after determination and approval of such camp income supplemental payments by the Director or his designee. Notwithstanding anything herein to the contrary, unless otherwise specifically required by law, any such payment shall not be taken into account in any retirement or other benefit program for which Coach may be eligible.

John Vincent Calipari, University of Kentucky\textsuperscript{17}

5(iv).  Coach may conduct one or more basketball camps, using University athletic facilities and equipment, and retain all income therefrom after payment of appropriate but reasonable expenses (to be mutually agreed upon in advance between Coach and the University) incurred by the University and others.

Such camps will be conducted in accordance with general University policies. Rates for rooms and meals shall not exceed those rates (on a Most Favored Nations basis) charged by the University's Housing and Dining System for any other major sports camps.

James Whitman, Ball State University\textsuperscript{18}

\textsuperscript{16} Emp't Agreement between The Ohio State Univ. & Urban Meyer §3.9 (June 8, 2012) (on file with author).
\textsuperscript{17} Emp’t Agreement between the Univ. of Kentucky & John Vincent Calipari §5(iv) (March 31, 2009) (on file with author).
\textsuperscript{18} Emp’t Agreement between Ball State Univ. & James Whitman §7 (April 5, 2013) (on file with author).
During the Term, the coach will be entitled to operate the University's summer boys' basketball camp. The camp will be subject to the University's control, and the Coach will operate the camp as the University's employee. The Coach's compensation for operating the camp will be determined by the profitability of the camp. The University and the Coach shall enter into a separate letter agreement setting forth the details of any such camp arrangement, including the method of determining the Coach's compensation, at least six (6) months prior to the first day of camp. The Coach will have the opportunity to utilize University facilities for the camp.

Mark Dantonio, Michigan State University

Camp: Football. Effective October 7, 2011, the Employee entered into an Employment Agreement (the "Agreement") with Michigan State University ("Employer"), establishing the duties and other terms and conditions of the Employee's employment by the Employer. The Employer has requested that the Employee perform additional duties at the Employer 2012 summer sports camp named above (the "Sports Camp"), which are not covered by the annual salary provided for in the Agreement. In addition, the Employer and the Employee wish to provide for performance incentives for Sports Camp operation by allocating Sports Camp revenues to the related regular Employer sports program. The Employer and the Employee wish to supplement the Agreement to provide for the additional duties and compensation. All provisions of the Agreement shall remain in full force and effect, except as modified and supplemented by this Addendum, which shall prevail in the event of any conflict. The Employer and the Employee agree as follows:

1. The Employee shall work with the Employer's Director of Sports Camps in organizing, providing and operating the Sports Camp, and shall follow all policies and procedures related to Sports Camp operation.
2. The Employer shall pay the Employee zero dollars ($0.00) in a lump sum as base compensation for performance of Sports Camp duties. Such payment shall be made in accordance with standard Employer payroll procedures.
3. The Employer shall allocate to the Employer's Football program, in addition to all amounts regularly budgeted to it, an amount equal to one hundred percent (100%) of the Net Revenue from the Sports Camp (the "Allocated Amount"). Net Revenue shall equal gross receipts of fees actually collected from Sports Camp participants less salaries and other costs of promotion and operation (including overhead and administrative expenses) attributed by the Employer to the Sports Camp. Any equipment purchased by Employer, either as an operating expense or with a share of the profits, shall remain the Employer's property. The Employer may pay to the Employee and/or to the Employee's Sports Camp assistants as

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19 Addendum to Emp’t Agreement between Michigan State Univ. & Mark Dantonio (June 3, 2012) (on file with author).
additional compensation, all or a portion of the Allocated Amount. In the event of such a payment, any fringe benefit load amounts attributable to the payment will be deducted from the Allocated Amount.

To evidence their agreement to the foregoing terms, the Employee and a duly authorized representative of the Employer have executed this Addendum to Employment Agreement as of the date first set forth above.

**Orlando "Tubby" Smith, Texas Tech University**

3. Camps: Coach, acting as an individual or a private legal entity, may offer a camp using University facilities after first receiving written approval by the Director of Intercollegiate Athletics. Coach shall report personal vacation time when preparing for and conducting a private camp, and shall require that all other University personnel under Coach's supervision also report personal vacation time when preparing for and conducting such camp. University facilities, equipment and resources may be used according to the terms and conditions of a separate Facilities Use Agreement. Such Facilities Use Agreement must be in writing and signed by both parties before commencement of a camp. Coach shall have permission to use the terms "Texas Tech University" and "Red Raider Basketball" in the description and identification of any Basketball camp conducted by the Coach, upon prior approval by the Director of Intercollegiate Athletics. Coach shall ensure that such camp(s) shall be in compliance with all relevant local, state, or federal laws, regulations, and ordinances as well as applicable Texas Tech University and Texas Tech University System operating policies and procedures.

**Gary Waters, Cleveland State University**

Waters will have the right to conduct a summer camp or camps on the grounds and premises of the University for up to three (3) weeks as follows:

4.4(a) The University shall made a good faith effort to provide Waters with on-campus housing, dining and playing facilities reasonably requested by Waters.

4.4(b) The University may charge Waters reasonable fees for the use of on-campus lodging, dining and playing facilities by Camp participants. Such charges shall not exceed the least amount charged by the University for comparable facilities used by other camps, clinics, or seminars organized by the University or any of its coaches.

4.4(c) With respect to the marketing and operation of the camps, Waters shall be entitled to identify himself as the University's Men's Head Basketball Coach and

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20 Emp’t Agreement between Texas Tech Univ. & Orlando “Tubby” Smith §II(c)(3) (April 2, 2013) (on file with author).
21 Emp’t Agreement between Cleveland State Univ. & Gary Waters §4.4 (Sept. 12, 2006) (on file with author).
shall be entitled to reasonable use of the University's names, logos, and insignias without charge.

4.4(d) Camps shall be conducted in accordance with University policies and procedures. Waters shall report the number of hours he spends conducting camps to the appropriate University personnel, and only such reported hours shall be deducted from Waters' vacation time. The University shall not be responsible for claims arising from Camp operations. Waters shall retain net revenue after all expenses associated with camp are paid. However, the University makes no guarantee of any compensation to Waters from Camp operations. Prior to the beginning of Camp, Waters, in accordance with University policy, will provide the University with a certificate of liability not less than $1,000,000.00 as a co-insured covering camp activities.

4.4(e) Camp must comply with NCAA regulations and University policy and must be conducted at no cost to the University.

Charles Molnar, University of Massachusetts Amherst

(a) Molnar may operate football camps or clinics at the University during the life of this contract while serving as head coach of football. He shall pay the University three percent (3%) of gross revenues from all such camps and clinics for indirect costs (percentage to be reviewed each spring to reflect any additional costs and changes due to inflation) and shall pay all direct costs connected with these activities. Molnar shall operate said camps and clinics as a proprietary venture, but shall be subject to all rules and regulations, which govern outside vendors who conduct proprietary operations on University property.

(b) Molnar shall maintain public liability insurance with a Three Million Dollar ($3,000,000) aggregate limit at all times during the operation of said camps and clinics and shall furnish a certificate of insurance evidencing said insurance naming as insured the University, its Trustees, officers and employees.

Tony Benford, University of North Texas

Summer Youth Basketball Camps. UNT has the exclusive right to operate summer youth basketball camps on its campus using UNT facilities. If UNT holds a summer youth basketball camps, Coach Benford will have the option to direct that summer youth sports camp and to designate necessary assistant coaches and other personnel. If Coach Benford directs a summer camp: (a) UNT will pay the camp operational expenses, including assistant coaches and

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22 Emp’t Agreement between the University of Massachusetts Amherst & Charles E. Molnar, Jr. §6 (Dec. 7, 2011) (on file with author).
23 Emp’t Agreement between the Univ. of North Texas & Tony Benford Art. III §3.07 (April 24, 2012) (on file with author).
other personnel, out of the gross proceeds; and (b) the net proceeds after expenses will be paid to Coach Benford.

Jim McElwain, Colorado State University

Camps. During the Term, McElwain will be permitted to conduct summer football camps. The camps shall be operated by the Department in accordance with University and NCAA policies and all applicable rules and regulations. The University shall make reasonable efforts to make the necessary facilities available for the camp for a maximum of two periods of 15 consecutive days in the months of June and July of each contract year. These dates may be adjusted from time to time by the University as necessary to meet changes in NCAA legislation and University constraints. An amount equal to the net revenue from such camps may be paid as supplemental salary to McElwain and his assistant coaches, administrative assistants and/or football operations directors, as mutually determined by McElwain and the Director with approval from the President. For purposes of this section, "net revenues" shall be the amount remaining after deduction of all allowable expenses of operating the camp.

Daniel Dykes, University of California, Berkeley

2(D). Camps and Clinics. Coach shall direct and participate in the University's Football summer camp/clinic program at times determined by the Director of Intercollegiate Athletics. Camp compensation is included in Coach's Talent Fee.

2(B) Talent fee. At the discretion of the Director of Intercollegiate Athletics, Coach may be assigned to speak at booster gatherings and related University and Alumni functions, appear on television and radio broadcasts of University sports games and sports shows dedicated to University sports, appear at events at request of corporate sponsors and speaking engagements, and make other appearances as directed by the Director of Intercollegiate Athletics or Sport Supervisor. Such appearances shall include pre-game and post-game shows connected with game broadcasts. Such appearances shall not unreasonably interfere with Coach's ordinary duties as Head Football Coach. Provided Coach fulfills these assignments, Coach shall receive an annual talent fee for each contract year in accordance with the schedule described below. Payment shall be prorated monthly and shall be paid in yearly total amounts as follows:

<table>
<thead>
<tr>
<th>Talent Fee Contract Year</th>
<th>Annual Talent Fee</th>
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<tbody>
<tr>
<td>1.  12/31/12 - 12/31/13</td>
<td>$1,550,000</td>
</tr>
<tr>
<td>2.  01/01/14 - 12/31/14</td>
<td>$1,550,000</td>
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<tr>
<td>3.  01/01/15 - 12/31/15</td>
<td>$1,750,000</td>
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25 Addendum to emp’t Agreement between the University of California, Berkely & Daniel Dykes §2(D) (Dec. 7, 2012) (on file with author).
26 Id. at §2(B).
4. 01/01/16 - 12/31/16 $1,750,000
5. 01/01/17 - 12/31/17 $1,850,000

Mike Leach, Washington State University

On-Campus Summer Camps. The University has the exclusive right to operate summer football camps on its campus using University facilities. Pursuant to Section 1.2.3.8 hereof and subject to Section 3.3 hereof, the Employee shall direct and participate in the University's summer Football camps. The net proceeds of such camps after all direct and indirect costs of operating the camp have been recovered by the University shall be distributed as directed by Employee subject to University, Athletic Department, and NCAA policies.

Nick Saban, University of Alabama

Sports Camps. Subject to any superseding requirements of Governing Athletic Rules, it is agreed that the Employee shall have the option to operate and manage football camps and clinics for young people during the off-season ("Camps"). Such Camps are currently operated by the University. However, Employee may notify the University no later than January 31, 2008, that Employee wishes to begin operation and management of such Camps, beginning summer 2008 and thereafter; or Employee may notify the University no later than October 1, 2008, that Employee wishes to begin operation and management of such Camps, beginning summer 2009 and thereafter. University permission for the Employee to begin operation and management of Camps, pursuant to this section, shall not be unreasonably withheld or delayed. All such camps, whether operated by the University or Employee, shall be operated, managed, and accounted for, pursuant to Governing Athletic rules and University Rules. In the event that Employee elects for the University to continue operation and management of the Camps, the additional provisions of subsection (i) herein shall apply. In the event that Employee elects to begin operation and management of the Camps, the additional provisions of subsection (ii) herein shall apply.

(i) University Operation of Camps. In the event that the Employee elects for the University to continue to operate and manage the Camps, then the following additional provisions shall apply. Employee agrees to cooperate with the University in the promotion and marketing of such Camps, including the use of Employee's name, likeness, and image, and to participate and take an active role in the conduct of such Camps. Each Contract Year for Employee's promotion and participation in the Camps, the University agrees to pay Employee within thirty (30) days after the conclusion of the last Camp session an amount determined by the Athletics Director based upon the net income generated by the Camps and the number of Campers that attend each session. Employee agrees

27 Emp’t Agreement between Texas Tech Univ. & Mike Leach §3.4 (April 12, 2004) (on file with author).
28 Emp’t Agreement between the Univ. of Alabama & Nick L. Saban §4.05(a) (June 13, 2007) (on file with author).
to encourage the football assistant coaches to participate in the Camps. The University and Employee agree to negotiate in good faith a mutually acceptable arrangement for the compensation of Employee’s assistant coaches and football staff for their services in the promotion, marketing, and conduct of such Camps.

Bret Bielema, University of Arkansas

8. Summer Football Camps. In accordance with Ark. Code Ann. § 6-62-401 (Repl. 2003), Board of Trustees Policy 1715.1, and subject to the execution of the Sports Camp Agreement, each of which is respectively attached hereto and incorporated herein by reference as Exhibits C, D, and E, UAF hereby grants Coach (and/or any corporate entity owned by Coach for the purpose of operating the summer camps) permission to conduct a summer football camp for private compensation on and in campus facilities. If requested, Coach shall provide all information necessary to enable the Board to make the express findings of fact required by Ark. Code Ann. § 6-62-401. The charges paid to UAF by Coach as the direct and indirect costs associated with operating and maintaining the facilities or the summer football camp will be established by the Athletic Director taking into consideration the cost of such facilities, including, but not limited to, labor, food, maintenance, and utilities.

As part of any summer camp, Coach shall ensure that his camp complies with all applicable policies of the Athletic Department and the University, including, but not limited to, the Protection of Minors on Campus Policy and the Background Checks and Substance Abuse Testing Policy, and the Athletic Department Business Office shall provide information and guidance on the relevant policies to Coach. Additionally, Coach’s camp shall furnish UAF such reports or information as it might require concerning these camps. Coach shall not be entitled to utilize or receive funds or payments from any outside or corporate sponsors for any camp, to grant any sponsorship or naming rights to any individual or company for any camp, or to create any marketing or business relationships between his camp and any individual or company, unless the Athletic Director grants advance written permission for any such sponsorship or relationship.

Alternatively, at Coach’s request and upon the mutual agreement of the parties, the University may operate the summer camp. In such event, the Athletic Department shall provide administrative and organizational support services for the Camp, and Coach shall be responsible to provide teaching and instruction to the campers. The parties will meet and put their respective responsibilities for the camp in writing.

29 Emp’t Agreement between the University of Arkansas, Fayetteville & Brett Bielema (Dec. 4, 2012) (on file with author).
Steve Alford, UCLA

3.6 Summer and Holidays Camps. If, during the term of this Agreement, the UCLA Director of Intercollegiate Athletics (hereinafter “Director”) opts to conduct a holiday and/or summer Basketball camp(s), Coach will be paid a fee for services performed in connection with such camp(s) hereinafter set forth. In performance of these services, Coach shall be directly responsible to the Director, or his designee. The dates, times, and locations of said camps shall be determined by UCLA. Payment will be paid after the conclusion of the last camp session of each year any such camp is held. Payment is not to exceed $150,000.

After a review of multiple coaches' contracts and the summer camp clauses contained therein, a properly drafted summer camp clause in a contract between a university and coach should include:

1. Whether the summer camp is owned and operated by coach or an LLC or corporation created by coach.

2. Whether coach is operating the camp as a paid employee of the university; or whether the operation of summer camp is part of a talent fee or fees paid to coach pursuant to his compensation package in his contract.

3. That the university gives coach a license to operate the camp on university property.

4. The dates or time periods in which the camp is to be operated. In some instances the coach must use accrued vacation time to operate the camp, and the camp shall not interfere with the coach’s primary and contractual responsibilities.

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30 Full Time Coach, Talent Fee & Camp Agreement between the University of California, Los Angeles & Steve Alford §3.6 (March 30, 2013) (on file with author).
5. If the camp is owned and operated by coach, a requirement that coach reimburse the university for overhead expenses.

6. The rates that the university charges the coach will be at most favored nation rates.

7. Coach solely determines the fees and financial structure of the camp.

8. Whether the camp may be on or off campus.

9. The camp must run and operate pursuant to NCAA, conference, and university rules and regulations.

10. Employees of the camp are coach's employees, not university employees.

11. Coach is required to report financial results of the camps in forms provided for the reporting of athletically related income.

12. Coach may operate the camp with a limited license, i.e., a royalty-free license to use university nickname, logo or other proprietary rights.

13. Coach is required to obtain specified amounts of insurance coverage.

14. Coach shall provide university a hold harmless and indemnification agreement.

15. Coach will only operate university-sponsored camps, i.e. a restrictive covenant against running camps for others.

16. Finally, if camp is owned and operated by coach, all revenues shall accrue to coach or coach's company.

In the article "Men's Basketball Summer Camps - Contract Structures between Coach and School," the authors analyzed over 100 men's basketball head coach
contracts from the 2009-2010 basketball season and concluded that summer camps are contractually structured in four ways:

1. University Administered

**FLORIDA STATE UNIVERSITY - LEONARD HAMILTON**
Coach is hereby authorized, during each Contract Year, to conduct and participate in an annual men’s basketball summer camp (the “Camp”). The Camp shall be conducted by Coach as a private enterprise in the name of Leonard Hamilton Basketball Camps, Inc. Coach shall be entitled to profits in excess of expenses derived from the Camp so long as he is employed with the University as Head Men’s Basketball Coach or until such time as the University may elect, in its sole discretion, to operate the Camp as a function of the University Department of Intercollegiate Athletics. During each Contract Year, the University will reimburse expenses directly related to operation of the Camp in an amount not to exceed $50,000 per Contract Year. Such reimbursement will be payable through the ADF in accordance with its guidelines directly to Leonard Hamilton Basketball Camps, Inc. Camp expenses may not be carried over to any subsequent Contract Year.

2. Profits Retained from Basketball Camp

**UNIVERSITY OF KANSAS - BILL SELF**
Head Coach shall be entitled to operate a summer basketball camp and basketball clinics in accordance with the policies of KU and Athletics concerning the operation of such camps and clinics. Athletics and Head Coach hereby agree that said camp shall have priority use of Athletics facilities during the second and third weeks of June during each year of this Agreement. Head Coach hereby acknowledges and agrees that Athletics shall receive 2% of the net revenues derived from said camp.

3. Head Coach Responsible for Reimbursement

**UNIVERSITY OF WASHINGTON - LORENZO ROMAR**

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32 Id.
33 Id.
34 Id.
35 Id.
36 Id.
37 Id.
The parties acknowledge that employee may own, work for, or otherwise be associated with a private sports camp. Employees may request to use University facilities administered by University personnel for such sports camps. Use of University facilities by employee will be pursuant to a separate contract, which shall include a requirement that the sports camp pay the University an appropriate fee for the use of the facility. Employee understands he is responsible for ensuring that any camp activities comply with the State Ethics law.

4. Guaranteed Money Regarding Camps in Contract

**UNIVERSITY OF TEXAS AT AUSTIN - RICK BARNES**

UTAUS will sponsor summer basketball camps for youths from eight to seventeen years of age. For the period that Barnes is the head basketball coach, Barnes will be required to perform such services in connection with such camps as may be assigned by the Director and will be paid $100,000 annually for such service. Barnes shall not be entitled to conduct or direct summer basketball camps that are not sponsored by UTAUS. Barnes will provide to the Director recommendations for payments to the camp staff from the net proceeds of the camps.

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**NOTES**

38 Id.
39 Id.
40 For chart see Id.
Among the nearly 100 agreements we reviewed in this study, roughly 20 did not fall neatly into any of the above four categories, so they are not reflected in this chart.

Florida State and South Alabama were the two “University Administrated” schools.

The “guaranteed money” rating reflects more institutional organizations, as evidenced by 60% of member schools being BCS.

The two most striking contrasts between “Profits Retained” and “Head Coach Reimburse” are the Big 12 and the Atlantic Coast Conference. Former Big 12 school Colorado would also have fallen in the “Profits Retained” category.

With the “Profits Retained” schools, there are some that can retain only the ceiling of a certain amount. Those schools are Cincinnati, Michigan State, California and New Mexico. All coaches at these schools can make, maximum, only $50,000 off the camps.

Within the “Profits Retained” schools, there are some that retain profits after reimbursing the university. These schools include Mississippi State, Indiana, Buffalo, Illinois, Utah State, Arizona, Mississippi, Central Florida, Nevada-Reno, Kentucky and Connecticut. Note that no Big 12 schools fall into this status, either. The main difference between these schools and the other schools where the head coach must reimburse is that, for these schools, payment and profit are stipulated in the contract. It is not so for those in a separate category.

III. UNIVERSITY POLICY\textsuperscript{41}

Because summer camps represent an important income stream for coaches and their assistants, a recruiting pipeline for universities, and a branding opportunity for university programs, many universities have established written policies and procedures with respect to the operation of summer camps. Seton Hall University (laid out below), the University of Massachusetts\textsuperscript{42}, and the University of Kansas\textsuperscript{43} represent good examples of university policies and procedures for the operation of summer camps:

\textit{Seton Hall University Policy on Sports Camps}\textsuperscript{44}

\textbf{I. Purpose}

Division I colleges and universities generally permit their athletic coaches and appropriate employees within the athletics department to use their campus facilities for the operation of athletic camps for minor children. This opportunity provides these employees with an ability to earn additional income and thus

\footnotesize{\textsuperscript{41} For additional examples, see Appendix, infra.}

\footnotesize{\textsuperscript{42} See Appendix, infra.}

\footnotesize{\textsuperscript{43} See Appendix, infra.}

\footnotesize{\textsuperscript{44} Seton Hall University, Seton Hall University Policy on Sports Camps, SETON HALL UNIV. (Oct. 15, 2009), http://www.shu.edu/offices/policies-procedures/seton-hall-university-policy-on-sports-camps.cfm.}
assists universities in retaining coaching and staff employees by providing competitive compensation, albeit from external sources. Seton Hall University is Division 1 in the Big East and strives to be competitive in all areas, including staff recruitment, retention and job satisfaction. Thus, we are supportive of athletic camps and the many benefits that they offer.

In addition, these camps serve the public interest by providing facilities, on an appropriate basis, for the recreational training of children in athletic sports. These camps also promote student recruitment by introducing children to a university and its campus and staff at an impressionable age.

The purpose of this policy is to provide a standardized set of rules, regulations and processes for the operation of sports camps on Seton Hall University ("Seton Hall" or the "University") property applicable to University coaches, employees and others for the participation and enjoyment by minor children.

II. Scope
This policy is a University policy and applies to all members of the Department of Athletics and Recreational Services and all outside organizations that are permitted to offer or sponsor sports camps or recreational programs at the University.

III. Policy

1. For purposes of this policy, the following definitions apply:
   a. "Coach" shall refer to any University coach, University employee or non-University individual or entity who owns and/or operates a camp.
   b. University Coach" shall refer only to a University employed coach or University employee who owns and operates a camp.
   c. "Camp" shall refer to any athletic or sports program offered for leisure or recreation and not traditional academic credit.

2. Any Coach who wishes to conduct a summer camp is required to execute and abide by the attached Camp Contract no later than October of the year during which the contemplated camp will be offered. Camp contracts for camps that are offered at other times of the year must be executed in advance of the camp.

3. Every Coach shall require each camp attendee to execute the release attached to the Camp Contract and shall provide copies to the Athletic Director or his/her designee (referred to collectively as "the Athletic Director") and Compliance Officer prior to the camp attendee's participation in the camp.
4. University Coaches shall form their own corporations to operate summer sports camp and to employ the University Coach, other University employees or other individuals who are not University employees.

5. University employees who work at a University Coach’s summer sports camp are governed by the following:
   a. Any University employee, including any University Coach, who wishes to engage in camp work or activity or perform camp-related services ("working at the camp") during the University's regular working hours of such employee, must obtain the prior written approval of his/her supervisor and the Athletic Director.
   b. If approved, a University employee's status, including that of University Coach, shall automatically convert from active employee to being on administrative leave with pay from the University while working at the camp. The individual employee shall record those hours of administrative leave with pay on his/her Seton Hall monthly timesheet.
   c. While working at the camp, a University employee (on paid administrative leave) shall be considered under the sole supervision of the University Coach as an employee of the University Coach's corporation and not of the University and the University Coach and his/her corporation shall be responsible and liable for any claims brought against any University employee (on paid administrative leave) arising from such work at the camp.
   d. Any claims by or against a University employee (on paid administrative leave), including the University Coach, that arise from his/her working at the camp shall be submitted to the camp insurance carriers provided by the University Coach.

6. All Coaches shall ensure that all camp employees, including any University employees (on paid administrative leave), attend "Virtus--Protecting God's Children" training prior to the first camp session. All employees shall provide proof of attendance to Coach, who shall provide copies to the Athletic Director and Human Resources prior to the first camp session. All Coaches shall attend as well and supply the required proof of attendance. Annual, or more frequent attendance, following the first training session is not required unless directed by the Archdiocese of Newark.

7. All camp employees, including all Coaches and University employees (on paid administrative leave), shall be subject to all applicable University policies and shall undergo a pre-employment background
check in accordance with University policy. The University will bear the cost of the background check for University Coaches and University employees (on paid administrative leave).

8. All Coaches and their corporations shall be responsible for the salaries and related employment expenses, taxes and the like, of all camp employees. All Coaches and their corporation shall be responsible and liable for any claims brought against any camp employee, including University employees (on paid administrative leave) employed by a University Coach, arising from the performance of camp-related services. All Coaches and their corporations must defend, indemnify and hold harmless Seton Hall and its regents, trustees, officers and employees from and against any and all claims, liabilities and expenses, including but not limited to attorneys' fees, relating to personal injury or property damage, to the extent arising out of or in connection with the camp and/or camp activities.

9. Each Coach shall identify all University facilities and equipment s/he seeks to use in connection with a camp, such as fields, pool, etc., and be responsible for making all arrangements to ensure that the University facilities and equipment are available during the camp sessions. Each Coach shall execute the appropriate permission to use agreement in order to use University facilities. Each Coach shall be responsible for supplying all consumables needed by the camp, such as sports drinks.

10. While the University will make every reasonable effort to accommodate all legitimate activities of a camp, University sponsored programs will take priority over camp activities in cases of conflict over the facilities.

11. Insurance:

   a. Each Coach shall be responsible for obtaining insurance, including but not limited to, general liability, workers compensation, employer's liability, sports injury, property damage and sexual abuse/molestation, from financially secure insurers with a rating and in the amounts determined by the University.

   b. The University shall be named as an additional named insured under the camp's insurance policies and the insurance coverage provided to the University as an additional named insured shall be primary and non-contributory.

   c. Each Coach shall provide a copy of the certificate of insurance to the Athletics Director and Human Resources no later than one week prior to the start of the camp. If the insurance is canceled for any reason, Coach shall immediately notify the Athletics Director and Human Resources and the University reserves the right to terminate Coach’s Camp Contract in that event.
d. The University’s Compliance Officer may assist a University Coach in obtaining coverage by referring Coach to appropriate insurance carriers or brokers which offer the insurance required herein.

12. Promotional and other documents.

Since each Coach is operating the camp through his/her own corporation, independent of Seton Hall University, each Coach shall include the following, in bold print, in all promotional and contractual documents: "This camp is owned and operated by Coach (insert name of Coach), (insert SHU title, if applicable). Seton Hall University allows the camp to use its athletic facilities and equipment. The camp, not Seton Hall, is responsible and liable for all of the camp activities."

a. University letterhead stationery shall not be used in connection with a camp.

b. Promotional and other camp-related materials shall direct the caller to the camp's telephone number or Coach's direct telephone line only.

c. Coach shall be responsible for the costs and expenses related to promotional and other camp-related materials.

d. The University's athletic marks may be used in promotional and camp-related materials.

e. All promotional and camp-related materials shall be subject to the University's prior written approval, which approval shall not be unreasonably withheld.

13. Each Coach shall maintain a complete set of business records, including but not limited to financial statements, list of attendees with contact information, list of staff personnel, including University employees (on paid administrative leave) working at the camp and such other records as reasonably and customarily maintained by camps in the ordinary course of business for a period of three (3) years from the last day of camp. The University shall have the right to inspect and copy the books and records of a University Coach with respect to the camp program.

14. Each University Coach shall submit a complete report and accounting of camp operations no later than 20 days after the conclusion of the last camp session to the Athletic Director.

15. Each Coach shall contract separately with the University for use of the residence halls for campers, if needed. Supervision in residence halls
shall be the responsibility of each Coach and shall be in accordance with University policies and any other rules, regulations and laws that apply to minors.

16. Each Coach shall contract separately with Gourmet Dining Services for provision of food service for campers and camp personnel.

17. Each Coach shall be responsible for making arrangements with University Public Safety and Security to provide traffic control and other assistance as appropriate during each camp session.

18. University vehicles shall not be used for camp operations, except that the "golf carts" may be used to transport equipment and supplies, such as water coolers, to and from the fields. Approval to operate shall be in accordance with University policy. In no event shall a camper be permitted to ride in a golf cart.

19. In consideration for the use of University facilities and other services, each University Coach shall pay to the University a usage fee determined by the University annually which is to be paid no later than ten (10) days after receipt of an invoice from the University following the close of the last camp session.

20. The University may suspend or terminate a Coach's operation of a camp in future years should Coach fail to pay the University the camp fee by the date agreed upon, violate any provision of this Policy or any other University policy or otherwise breach any material term of his/her Camp Contract.

21. Each Coach shall operate the camp in a safe and secure manner and shall comply with the governing rules of the NCAA, all University policies and procedures and all state and federal laws and regulations.

22. No Coach shall discriminate against any person or group of persons on the basis of race, color, creed, sex, age, national origin, ancestry, religion, marital status, disability, sexual orientation or gender identity or expression.

23. Each Coach shall adhere to the dispute resolution mechanism set forth in the Camp Contract.

24. Unless expressly allowed by this policy or a Coach's individual Camp Contract, no other use of University facilities, equipment, supplies or personnel is permitted.

25. Notwithstanding anything to the contrary, this policy shall govern outside organizations that are permitted to offer or sponsor sports or recreational camps at the University.
IV. EXAMPLES OF SUMMER CAMP CONTRACTS\textsuperscript{45}

Universities often enter into a summer camp contracts beyond the coach's employment agreement for the operation of a summer specific sports camp. Good examples are the sports camp agreements for the University of Cincinnati\textsuperscript{46} and the University of Arkansas (as laid out below):

A. **University of Arkansas - Sports Camp Agreement\textsuperscript{47}**

This Sports Camp Agreement (“Agreement”) is entered into by and between the Board of Trustees of the University of Arkansas, acting for the University of Arkansas, Fayetteville (“University”), and the undersigned sports camp (“Camp”) subject to the following terms and conditions.

\textbf{W I T N E S S E T H}

WHEREAS, the Camp meets all requirements under University policy and Arkansas law to conduct a sports camp for students on the campus of the University of Arkansas, Fayetteville; and

WHEREAS, individuals will benefit by participating in the activities offered by the camp, and the University will benefit by permitting prospective students to visit campus;

NOW, THEREFORE, in consideration for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows:

1. **Limited License to Use Facilities.**\textsuperscript{48} As set forth herein and in Exhibit A, which is attached hereto and incorporated herein by reference, the University hereby grants, and the Camp hereby accepts, a limited use license to use the Facilities for the Term (as defined in Exhibit A) in exchange for the License Fee (as defined in Exhibit A) for the purpose of conducting instructional sports camps. The “Term” of this Agreement shall be comprised of the Dates of Use authorized in Exhibit A.

2. **Duties of the Camp.**\textsuperscript{49} The Camp covenants and agrees to comply with the following duties and obligations under this Agreement:

\textsuperscript{45} For more examples, see Appendix, infra.
\textsuperscript{46} See Appendix, infra.
\textsuperscript{47} Univ. of Arkansas Sports Camp Agreement (on file with author).
\textsuperscript{48} Id.
\textsuperscript{49} Id.
A. **Release.** Prior to the start of any camp activities, the Camp shall obtain a properly executed “Release, Indemnification, and Hold Harmless Agreement, a copy of which is attached hereto as Exhibit B and incorporated herein by referenced (the “Release”), from each person attending the camp. The Camp shall retain the Release from each camper for a minimum period of three (3) years, and furnish copies of any and all releases to the University upon its request.

B. **Camp Report.** As set forth herein and in Exhibit C, within 30 days following the end of each authorized camp, the Camp shall fill out a Camp Operations Report (“Report”) on a form that the Athletic Department Business Office will furnish to the Camp. As required by Ark. Code Ann. § 6-62-401(e)(1), Camp shall submit the completed Report to the Athletic Department Business Office and the Vice Chancellor for Finance and Administration. For each camp session, the Report shall detail all charges and expenses incurred and paid or to be paid by the Camp, including, but not limited to: (i) housing; (ii) campus dining services, (iii) charges for the use of other institutional resources, and (iv) all other direct or indirect costs incurred based upon the Camp’s activities. The Camp shall maintain a complete set of records, including financial statements, lists of attendees, lists of Camp staff and other Camp personnel, and such other records as might reasonable be required by the University. The University shall have the right to audit all Camp records.

C. **Camp’s Duty of Indemnification.** The Camp shall forever indemnify and hold harmless the Board of Trustees of the University of Arkansas as well as all current and former Trustees, officers, agents, representatives and employees (both in their official and individual capacities) from all damages of any kind or nature whatsoever, losses, costs, attorney’s fees or expenses (whether arising at any level of any legal proceedings) arising out of any liability, or claim of liability, for injury or damages of any kind or nature to persons (including, without limitation, death) or to property sustained or claimed to have been sustained by any one whomsoever, by reason of: (i) any breach of this Agreement by Camp or anyone acting on behalf of camp or anyone under the supervision of the Camp (including, but not limited to, any paid employees, volunteers or campers; or (ii) the use or occupation of the Facilities, whether such use is authorized or not; or (iii) any act or omission of the “Camp of any person or entity acting for or with the authority of the Camp or in connection with the camp, or any of the Camp’s officers, agents, employees, guests, patrons, or invitees, and, in addition, the Camp shall be solely responsible to
pay for any and all damage to the property of the University, or loss or theft of such property, done or caused by such persons. These duties of indemnification shall survive the expiration or termination of this Agreement.

D. **Camp Brochure and Information.** The Camp shall publish a camp brochure or other information on the Camp’s web site (or through other media) setting forth the terms and conditions of the camp, including, but not limited to, camp fees and refunds, required medical insurance information, conduct expectations, and grounds for dismissing any individual from the camp. The camp brochure or any on-line information shall be provided in advance to each prospective attendee. The mailing of camp brochures and other literature shall be accomplished at the “Camp’s sole expense. The Camp shall ensure that University letterhead stationery shall not be used in camp brochures and materials. The Camp may use University telephone number subject to receiving the prior approval of the Athletic Director or his designee and subject to paying any charges relating to the use of the telephone.

As required by Ark. Code Ann. §6-62-401(d), Camp shall make known in all advertising and other publicity involving the camp that participants are contracting with the Camp and not contracting with the University and that the University and the State of Arkansas do not assume any contractual obligations for the conduct of the Camp and its activities. Accordingly, Camp shall include the following statement or words of similar effect on its web site and all promotional materials: “Participants are not contracting with the University of Arkansas or the State of Arkansas with regard to participating in this camp, and the University of Arkansas and the State of Arkansas do not run or have any responsibility for the camp.”

E. **Camp Expenses.** All camp related expenses of any kind or nature, including, but not limited to, mailing and copying, shall be the sole and exclusive responsibility of the Camp and not the University. The Camp shall be responsible to ensure that no University resources are used to organize the conduct the Camp except as approved by the University.

F. **Vehicles.** University Vehicles shall not be used for camp operations unless approved by the University.

G. **No Corporation Sponsorships or Advertisers.** The Camp shall not have corporate sponsors or advertisers underwriting the various camps except as approved in advance by the Athletic Director or
his designee. No sponsors, however, may conflict with the University’s current sponsors.

H. **Insurance.** The Camp covenants and agrees to purchase, at Camp’s sole expense, an occurrence form Commercial General Liability policy with minimum limits of $1,000,000 each occurrence and $2,000,000 aggregate as well as sexual abuse and molestation coverage with minimum limits of $1,000,000 each occurrence and $2,000,000 aggregate. The University shall be named as an additional insured in any insurance policy required hereunder as follows: Board of Trustees of the University of Arkansas and its current and former Trustees, officers, representatives and employees. The Camp agrees that the insurance purchased hereunder shall be primary coverage and will contain no terms allowing the insurer to be subrogated to the rights of any injured or damaged person or entity. The Camp shall provide a copy of the certificate of insurance to the University prior to the start of the camps. If the insurance is cancelled for any reason, the Camp shall notify the University immediately and the University reserves the right to terminate this Agreement in such an event or to purchase such insurance and charge the costs to the Camp.

With regard to the foregoing insurance requirements and independent of the Report, Camp shall submit a complete list of campers/coaches to the Office of Risk Management at the end of each camp session. Camp shall: (i) enclosed a check made payable to the University of Arkansas for the cost of the insurance; or (ii) make payment within one week after receiving an invoice from the Office of Risk Management, or (iii) provide proof of insurance that is acceptable to the University consistent with the terms of this provision.

I. **Trademarks, Logos and Intellectual Property.** Camp acknowledges and agrees that the University is sole and exclusive owner of all University and Razorback logos, trademarks, service marks, word marks and other indicia of intellectual property identified in Exhibit D, which is attached hereto and incorporated herein by reference (the “Indicia”), including any derivatives thereof. Coach shall have the right to use the Indicia for the Camp provided that the Camp fully complies with the Office of Trademark Sports Camp License Policy and pays the required license fees (the “Sports Camp License Policy”). A copy of the Sports Camp License Policy is attached hereto as Exhibit D and incorporated herein by reference. Nothing contained in this Agreement shall be deemed, construed or operate to grant Camp any title or ownership in the Indicia. Camp shall not be permitted to create any derivative
marks from the Indicia or to combine the University’s Indicia with any of the Camp’s intellectual property to form a unitary mark. Any approved usage of the Indicia shall end upon the termination or expiration of this Agreement.

J. **Licensed Merchandise.** The Camp may operate a camp store for the sale of licensed merchandise, snacks and other items at the camp. The Camp shall be responsible for all applicable taxes, if any, on items sold at the camp.

K. **Camp Housing and Dining.** The Camp will contract separately with University Housing for all necessary housing facilities and will contract with University Dining Services for all food service. The Camp shall ensure that a Camp staff member is present on each floor of each residence hall where any campers are located to supervise the campers.

L. **Trainers.** The Camp shall have at least one (1) licensed trainer, approved by the University of Arkansas Sports Medicine Staff, present for each camp session. The Camp shall be responsible for compensating the trainer.

M. **Escorting Campers on Campus.** The Camp shall provide proper escorts and supervision of campers while they are walking to and from various points of the campus, including dining halls and residence halls. Any additional security or manning of control of control desks, not provided by the University in its normal housing or facility arrangements, must be provided and paid for by the Camp.

N. **Background Checks.** Camp shall be responsible to obtain and to pay for background checks (including, but not limited to, checks for registered sex offenders) for all individuals who work, whether on a paid or volunteer basis, for the Camp in a manner requested by the University and consistent with procedures established by the University for its background checks. If a Camp staff member is employed by a school district, then the Camp may accept a letter from the Superintendent or Athletic Director on official school district letterhead certifying that a satisfactory background check has been conducted within one year prior to the beginning of Camp provided that the background check included a check for registered sex offender status. No person may perform any duties or services for the Camp under any circumstances whatsoever until a satisfactory background check has been completed on each individual.
O. **Camper Safety and Well Being.**

(i) Minors must have adult supervision at all times while on campus and during all Camp activities. At least one Camp staff member must reside on each floor where minors are housed, and be readily available to respond in the event of an emergency. Based upon the number of registrations and anticipated campers, Camp shall use its best efforts to hire Camp staff to ensure that there are sufficient numbers of Camp staff to supervise the campers. Camp, for example, should seek to have a minimum ratio of one adult staff member to every 15 minors participating in the Camp or to operate the Camp in a manner to ensure sufficient supervision.

(ii) Camp must provide training information to all Camp staff in preventing and reporting child maltreatment, as required under Ark. Code §12-18-402 and by University of Arkansas policy. At a minimum, camp shall instruct, in person or in writing, all workers, whether paid or volunteers, that in the event that any individual reasonably suspects or observes child maltreatment, the person shall: (1) immediately contact the Arkansas Child Abuse Hotline at 1-800-482-5964 to report the issue; (2) contact UAPD and report the issue; and (3) tell Camp director of any child maltreatment. In the event the Camp becomes aware of or receives any reports of any child maltreatment, the Camp director shall report the information to the Athletic Director or his designee immediately after making the foregoing required notifications. Camp shall instruct its staff members that no staff member may be retaliated against for making a report of child maltreatment. Camp understands and agrees that the protection of minors at the Camp is essential and will take all necessary measures to maintain a safe and secure environment.

(iii) Camp staff should not be alone with minors, especially in locations that are not easily visible to others. Camp staff will take prompt and appropriate actions in the event of any problems with discipline (including harassment or abuse of any camper, or sexual contact involving any camper), noise or destructive behavior. Camp shall be responsible to report any such incidents to the Athletic Director or his designee.

(iv) Camp staff members are expected to follow University rules, regulations, and procedures. However, Camp staff members are not agents or employees of the University of Arkansas.

P. **Behavior of Camp Staff and Participants.**
(i) All Camp staff and participants are expected to abide by the University of Arkansas policies and state laws.

(ii) Individuals (including Camp staff members, volunteers or campers) must be immediately removed for possession or use of illegal substances, possession of and/or use of alcoholic beverages, and/or theft or destruction of property or disruptive behavior.

(iii) The University of Arkansas is a tobacco-free campus, and requires that all persons refrain from tobacco use. Additionally, state law prohibits smoking on campus.

(iv) Possession of any type of weapon on campus is prohibited.

(v) The University reserves the right to remove any person from campus for non-compliance with any University policy.

3. **Obligations of the University**\(^{50}\)

   A. **Facilities.** The University shall provide Facilities and equipment for camp operations as specified in this Agreement. Any special equipment or set-up will be paid for by the Camp.

   B. **Camp Activities.** It is understood that the University will make every effort to accommodate all legitimate activities of the camp, and scheduling of camp sessions shall be accomplished in a manner calculated to enable the Camp to accommodate all camp activities.

4. **Miscellaneous Terms and Conditions**\(^{51}\)

   A. **Independent Parties.** The University and Camp covenant and agree that no employment relationship, partnership or joint venture exists between the parties, and they are independent parties for all purposes. The Camp is solely responsible for setting, charging, and collecting fees for the instruction and is solely responsible for the payment of all taxes due to any compensation received from the sports instruction.

   B. **Severability.** If any provision of this Agreement or any amendment hereto is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary and possible to render it

\(^{50}\text{Id.}\

\(^{51}\text{Id.}\)
valid and enforceable. The unenforceability or invalidity of any provisions, however, shall not affect any other provision of this Agreement or any amendment hereto, and this Agreement and any amendments hereto shall continue in full force and effect and be construed and enforced as if such provision had not been included, or had been modified as above provided, as the case may be.

C. **Non-Assignment.** Neither party may assign this Agreement without the prior written consent of the non-assigning party, except that the University may assign this Agreement in the event of a merger or reorganization of the University.

D. **Applicable Law.** This Agreement shall be governed, construed and enforced in accordance with the policies of the Board of Trustees of the University of Arkansas and the laws of the State of Arkansas without regard to its choice of law principles. Notwithstanding any other provision of this agreement, nothing contained in this Agreement shall be deemed, construed or operate as a waiver of the sovereign immunity of the University or any immunities to suit available to the members of the Board of Trustees or any University officials, employees or representatives.

F. **Binding Effect.** This Agreement shall be binding upon the University and the Camp.

F. **Headings and Recitals.** The paragraph headings contained in this Agreement or any amendment hereto are for reference purposes only and will not affect in any way the meaning or interpretations of this Agreement. The Recitals set forth at the beginning of this Agreement shall be treated as substantive provisions of this Agreement and construed in harmony with the other terms and conditions herein contained.

G. **Authority.** Each party warrants and represents that he or it has the full right, power and authority to enter into this Agreement and make the agreements in this Agreement.

H. **Entire Agreement and Amendment.** This Agreement contains the entire agreement between the parties and supersedes any prior or contemporaneous agreement or representation, oral or written, between them. This Agreement may not be modified or changed except by a written instrument signed by both parties and agreed to by the Athletics Director and the Chancellor. Each party represents and warrants that it has not been influenced by any person to enter into this Agreement, nor relied on any representation, warranty, or
covenant of any person except for those representations warranties, and covenants of the parties set forth in this Agreement. The failure of either party to require performance by the other party of any provision of this Agreement or any amendment hereto shall not be deemed to subsequently affect the party’s rights to enforce a provision hereof. A waiver of a breach of any provision of this Agreement or any amendment hereto is not a waiver of any other breach of the provision or waiver of the provision. Each party agrees; (i) that it will be unreasonable for either party to have or rely on any expectation not contained in the provisions of this Agreement or any amendments hereto; (ii) that if either party has or develops an expectation contrary to or in addition to the provisions of this Agreement as the same may be amended from time to time, such party shall have a duty to immediately give notice to the other party; and (iii) that if either party fails to obtain an amendment to this Agreement, as the same may be amended from time to time, after having developed an expectation contrary to or in addition to the provisions of this Agreement, such failure will be an admission for evidentiary purposes in any litigation that the expectation was not reasonable and was not party of the final binding Agreement between the University and the Camp. The course of dealing between the University and the Camp will not modify or amend this Agreement or any amendment hereto in any respect.

I. **Time.** Time is of the essence with regard to the performance of all aspects of this Agreement.

J. **Mutual Drafting.** The parties covenant and agree that the rule of construction that ambiguity is construed against the drafting party shall have no application in any dispute over the interpretation of this Agreement.

K. **Independent Judgment.** The parties represent and warrant to one another that this Agreement is entered into based on each party’s independent analysis, with the advice of counsel if so desired, of the facts and legal principles relevant to the terms and conditions of this Agreement.

L. **Counterparts.** This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. Faxed or PDF signature pages shall be binding upon the parties provided that the original signature pages are exchanged within a reasonable period of time after execution.
M. **Disclosure of Agreement.** Camp agrees that the university may release, without prior notice to Camp, a copy of this Agreement and any amendments to the Agreement, to any individual requesting a copy under the Arkansas Freedom of Information Act.

N. **Force Majeure.** In the event that one or more camp sessions shall not be held upon the dates specified in Exhibit A, or on some alternate dates mutually agreeable to the parties, by reason of war, insurrection, strikes, riots, destruction of facilities, act of God, or other force beyond the control of the parties, then this Agreement shall be mutually canceled and of no further force and effect, and neither party shall be liable to the other.

O. **Terminate for Cause.** The University may terminate this Agreement for cause at any time by giving Camp 15 days notice in writing and starting the grounds for such termination.

IN WITNESS WHEREOF, the parties hereto set their hands on this ____ day of ______________, 20____.

BOARD OF TRUSTEES OF THE UNIVERSITY OF ARKANSAS, acting for the UNIVERSITY OF ARKANSAS, FAYETTEVILLE’S ATHLETICS DEPARTMENT

By: ____________________________
G. DAVID GEARHART
Chancellor, UAF

By: ____________________________
Jeffrey P. Long
Vice Chancellor and Athletic Director

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**EXHIBIT A**

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52 Id.
Subject to the terms and conditions of the Agreement, Camp is authorized and licensed to use the following Facilities to conduct the camp sessions on the following Dates of Use (collectively, the ‘Term’) at the following License Fee and Facility Fee.

APPROVED FACILITIES AND EQUIPMENT:

Football Facilities, Weight Room, HPER, Broyles Center, University Housing and Food Services

THE “TERM” SHALL BE COMPRISED OF THE FOLLOWING APPROVED DATES OF USE:

- Youth Camp: June 8, 2013
- Senior High School Camp: June 9-11, 2013
- Junior High School Camp: June 13-14, 2013
- Specialist Camp: June 15, 2013
- Prospect Camps: June 8-22, 2013 (daily)
- Prospect Camps: July 17-31, 2013 (daily)

LICENSE FEE:

$60. Fee is based on number of approved camps. Fee will be adjusted based on number of prospect camps hosted. Fee is $10 per camp session.

FACILITY FEE:

Lesser of $250 or 5% per session for athletic department facilities

EXHIBIT B⁵³

RELEASE, INDEMNIFICATION, AND HOLD HARMLESS AGREEMENT

In consideration for the Camper being permitted to participate in the [insert camp or instruction] from [insert dates] (“Activity”), the undersigned, acting on behalf of ourselves and our child, and any heirs or assigns, hereby waive and release forever any and all rights for claims and damages we and/or our child/guardian may have against the Board of Trustees of the University of Arkansas, its current and former Trustees, officers, agents, employees, and the Camp, and the Camp’s owners, officers, agents and employees, from and against any and all liability for any harm, injury, damage, claims, demands, actions, costs, and expenses of any nature which we or our child may have or which may hereafter accrue to our child, arising out of or related to any loss, damage, or personal injury (including, without limitation, death), that may

⁵³ Id.
be sustained by our child at any Activity, or to any property belonging to child, whether caused by negligence or carelessness on the part of the Board of Trustees of the University of Arkansas, its current and former Trustees, officers, agents, employees, or the Camp, and the Camp’s owners, officers, agents or employees or otherwise, while our child is in, on, upon, or in transit to or from the premises where the Activity, or any adjunct to the Activity, occurs or is being conducted.

We accept, understand, and assume that there is a risk of injury in this Activity, due to the physical and athletic nature of the Activity, including, but not limited to, falls, contact with other participants, and running drills. The Camper agrees to follow all instructions and to wear all necessary, recommended, and appropriate protective gear and equipment.

We understand that this Activity is neither administered nor sponsored by the Board of Trustees of the University of Arkansas and that the Camp is providing the instruction and camp Activities outside the scope of any affiliation with the University of Arkansas. We agree on behalf of ourselves, our Camper, and any heirs or assigns to release hold harmless, and indemnify the Board of Trustees of the University of Arkansas, its current and former Trustees, officers, agents, employees, or the Camp, and the Camp’s owners, officers, agents and employees from and against any and all claims and liability or damages of any kind or nature whatsoever arising out of or relating to the Activity.

Printed Name of the Camper: ____________________________________________
Signature of Camper: ________________________________________________
If the Camper is a minor under the age of eighteen (18), signature of Parent(s) or Guardian(s) is required.
Signature of Parent or Guardian: _______________________________________
Address & Telephone Number:

_________________________________________________________________
_________________________________________________________________

EXHIBIT C 54
CAMP REVENUE & EXPENSE REPORT
Report on all camp dates from September, 2012-August 31, 2013

Name of Camp: ____________________
Total # of Campers: _______
Dates of Camp: __________________

_________________________
_________________________
A. NET INCOME (LOSS) CARRIED FWD FROM PREVIOUS YEAR STATEMENT $ ____________________

54 Id.
B. CAMP REVENUES
   Registration Fees $________________________
   Concessions and Merchandise Sales $________________________
   Miscellaneous $________________________
   **Total Revenues** $________________________

C. CAMPUS EXPENSES
   Wages – University Coaches $________________________
   Wages - University Staff $________________________
   Wages – Student-Athletes $________________________
   Wages –All Other $________________________
   Facility Rental $________________________
   Housing and Meals $________________________
   Equipment $________________________
   Insurance $________________________
   Awards $________________________
   Background Checks $________________________
   Printing, Supplies & Postage $________________________
   Travel Expenses $________________________
   Merchandise & Concession Inventory $________________________
   Licensing Fee $________________________
   Miscellaneous Expenses $________________________
   **Total Expenses** $________________________

**NET INCOME (LOSS) (A+B-C)** $________________________

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**EXHIBIT D**

**UNIVERSITY OF ARKANSAS, FAYETTEVILLE**

**ATHLETIC DEPARTMENT’S**

**OFFICE OF TRADEMARK LICENSING**

**SPORTS CAMP LICENSING POLICY**

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I. **Purpose**

The Office of Trademark Licensing of the University of Arkansas, Fayetteville (“University”), adopts this Sports Camp Licensing Policy to govern the licensing and use of the University’s indicia, including its name, team name, logos, mascot and other symbols (collectively, the “Indicia”). For ease of reference, the rights authorized under this licensing policy shall be referred to as the “Sports Camp License.”
II. **Eligibility**

The Sports Camp License authorized under this policy only applies to coaches (or any business entity established and owned by the coach for purposes of conducting camps) (collectively, “Coach”) of the NCAA Division 1 varsity sports administered by the University’s Athletic Department who are approved to conduct camp(s) at the Fayetteville campus consistent with all requirements as set forth herein and as established by the Athletic Department, the University, and state law. The Coach must be currently employed by the University and in good standing with the Athletic Department to exercise any rights under the Sports Camp License at any time.

III. **Terms and Scope of the Sports Camp License**

By exercising any rights granted in the Sports Camp License, the Coach covenants, agrees, and warrants as follows:

A. **Ownership of Rights.** The University is the sole and exclusive owner of all rights, title and interest in and to its Indicia as shown on Appendix A, as well as any derivatives of the Indicia, and all rights relating thereto are expressly reserved by University and its authorized agent. The Coach does not acquire any ownership rights in the Indicia by exercising any rights granted in the Sports Camp License authorized by this policy. Subject to the terms of this policy, the policies of the Athletic Department, the University, the Board of Trustees of the University of the University of Arkansas and state law, Coach accepts the Sports Camp License and is authorized to use the Indicia listed in Appendix A solely in connection with the Coach’s approved camps and for no other purposes (the “Sports Camp License”). Coach, nor any individual or entity acting on Coach’s behalf, shall be authorized or permitted to modify, alter or create any derivative or unitary marks with the Indicia. Upon the completion of all camps approved by the Board of Trustees, the rights granted in the Sports Camp License shall automatically expire.

B. **License Fee of $10 Per Camp Session.** In consideration for the rights granted under the Sports Camp License, Coach agrees to pay a License Fee of Ten and No/100 Dollars ($10.00) per camp session (the “License fees”). The Athletic Department’s Office of Trademark Licensing or Business Office shall include the License Fee as part of any required charges for the camps, and Coach covenants and agrees to pay the License Fees. In its sole discretion, the University shall have the right to increase the License Fees by providing written notice to Coach.

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58 Id.
59 Id.
C. Quality Control, Good Will and Indemnification. All merchandise with logos must be purchased through a licensed manufacturer, and the correct designations must be added to the logos on the merchandise, advertising pamphlets or brochures, etc. The University shall charge it standard royalties for merchandise produced by the licensed manufacturer consistent with any applicable licensing agreements then in effect. Coach shall not use non-licensed manufacturers for any reason whatsoever unless such usage is approved by the Office of Trademark Licensing. Coach covenants and agrees that the use of the Indicia, including, but not limited to any good will, inures solely to the benefit of the University. The University shall not have any liability arising out of Coach’s use of the Indicia at any time, and Coach agrees to indemnify and hold harmless the University, and its trustees, officers, employees and agents from any and all liability which arises in connection with Coach’s use of the Indicia. This duty of indemnification shall survive the expiration or termination of the Sports Camp License.

D. Miscellaneous. The University’s waiver of violation of this policy or Coach’s failure to abide by the terms of the Sports Camp License shall not be deemed a waiver of any future violations of the Sports Camp License or this policy. In the event that any term or provision of this policy shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other term or provision, and this policy shall be interpreted and constructed as if such term or provision, to the extent the same shall have been held to be invalid, illegal or unenforceable, had never been contained herein. Coach’s rights in the Sports Camp License are fully set forth in this policy, and there are no other rights conveyed by the University. The Sports Camp License is governed by the laws of the State of Arkansas without regard to its choice of law principles as well as all policies of the Athletic Department, the University, and the Board of Trustees. Nothing contained in this Sports Camp License shall be deemed, construed or operate as a waiver of any immunities to suit of any nature whatsoever. Any violation of the terms and conditions of this policy shall automatically terminate the Sports Licensing Agreement.

APPENDIX A

Pursuant to the Sports Camp License, Coach is authorized to use the following words and/or designs containing the Indicia:

Verbiage: Razorback®
           Razorbacks®
           Arkansas Razorbacks®
           University of Arkansas®

60 Id.
V. NCAA RULES AND COMPLIANCE

A. Introduction

The NCAA Division 1 Manual (Manual) defines summer camps or clinics as “any camp or clinic that is owned or operated by a member institution or an employee of the member institution’s athletic department, either on or off its campus, in which prospective student-athletes participate.”61 The purposes of these camps are threefold; to place special emphasis on a particular sport or sports with specialized instruction (including competition), use activities to develop skills and knowledge to that specific sport or sports, or to instead provide a diverse experience without emphasis on any particular skill set or sport.62

The Manual explicitly defines “prospective student-athletes” as including any individual who has begun classes in seventh grade.63 However, this definition is specifically directed towards men’s collegiate basketball.64 Furthermore, the Manual distinguishes a “recruited prospective student-athlete” from regular prospective athletes as individuals who have been recruited according to the definition of recruiting under

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61 2013-14 NCAA DIVISION I MANUAL § 13.12.1.1[hereinafter NCAA BYLAWS].
62 Id. at § 13.12.1.1.2.
63 Id. at § 13.12.1.1.1.
64 Id.
Manual Bylaw 13.02.12 or under the definition of a recruited prospective student-athlete under Manual Bylaw 13.02.12.1.65

Furthermore, student-athletes may also be determined to be “recruited” prospective student-athletes when; their attendance at a camp has been solicited by an institution or such an institutions representative, an institution has provided specific recruiting materials to the prospective student-athlete, a member of an institutions coaching staff has had recruiting contact with the prospective student-athlete, the prospective student-athlete has already received a verbal offer of athletics-related financial aid, or the prospective student-athlete has already verbally committed to the institution.66

B. Time of Operation

Both football and men’s collegiate basketball have explicit restrictions upon the window of time they may operate summer camps.67 Specifically, for bowl subdivision football (FBS) teams, summer camps may only be operated during two consecutive 15 day periods within the months of June and July or any calendar week that includes the days of those months.68 Conversely, championship subdivision football as well as men’s collegiate basketball camps may be conducted at any time during the months of June, July, or August or any week including days of those months.69

C. Location, Attendance, and Structural Restrictions

65 Id. at § 13.12.1.1.1.1.  
66 Id. at § 13.12.1.1.1.1.  
67 See id. at §§ 13.12.1.1.3; 13.12.1.1.4.  
68 See id. at § 13.12.1.1.3.  
69 Id; See also NCAA BYLAWS § 13.12.1.1.4.
Both collegiate football and men’s collegiate basketball camps are subject to location restrictions concerning the place of operation.70 Men’s institutional collegiate basketball camps must operate on or within a 100 mile radius of that institution’s campus.71 Institutional collegiate football camps must take place on the institution’s campus if operating within the state of the institution or within a 50 mile radius of the institutions campus if operating outside the state.72

These camps are also subject to specific attendance restrictions that require camps to be open to all entrants and the general public.73

Finally, the Manual also explicitly prohibits men’s collegiate basketball programs from operating camps with different structures, rosters, marketing, and logistical experience than other camps offered by that same institution.74

D. Recruiting Calendar Exception

The Manual has an explicit section stating that any interaction between prospective student-athletes and individuals employed by the camp during the operation of the camp is not subject to the limitations of the recruiting calendar restrictions.75 In essence, because interaction between players and employees at a summer camp is inevitable, as long as the employees do not engage in recruitment activities, interactions at camps are treated merely as instructional and educational. This exception still prohibits the recruitment or extension of financial aid offers to prospective student-athletes enrolled at the camp during the camps operation.76 In addition, this exception

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70 See id. at § 13.12.1.2.
71 Id.
72 Id.
73 Id. at § 13.12.1.3.
74 Id. at § 13.12.1.4.
75 Id. at § 13.12.1.5.
76 Id.
also specifically requires that any other coaches visiting or observing the institution’s camp must also abide by the normal recruitment restriction rules.\textsuperscript{77}

E. Advertising

NCAA Bylaws § 13.4.3.1.2 requires that any advertisements placed within recruiting publications that include a camp directory must not exceed one half of a page per camp advertised, must be uniformly formatted across all camps advertised, and the summer camp directory must include a minimum of two different summer camp advertisements on the same page.\textsuperscript{78} In laymen’s terms, this bylaw merely requires that if a summer camp advertises within a recruiting publication, it cannot take out whole page advertisements for one single camp they offer. In order to advertise in a recruiting publication a summer camp must include a directory of camps offered and provide at minimum two uniformly formatted camp advertisements per page. Accordingly, summer camps could advertise three, four, or more of the camps they offer per page in a recruiting publication as long as they are uniformly formatted.

Additionally, the Manual does allow for the advertisement of specialty or “elite” camps that are directed towards a particular audience within recruitment publications provided that such advertisements indicate that they are open to any and all entrants.\textsuperscript{79}

Finally, it is important to note that these restrictions imposed by NCAA Bylaws § 13.4.3.1.2 do not apply to advertisements that are not in recruitment publications. However, the Manual does not define what a “recruiting publication” is other than noting

\textsuperscript{77}Id.
\textsuperscript{78}Id. at § 13.4.3.1.2.
\textsuperscript{79}Id. at § 13.4.3.1.2.1.
in a parenthetical that a member institution’s game programs are considered non-recruiting publications.  

F. Limitations on Employment and Privileges of Prospective Student-Athletes Attending Summer Camps

Generally speaking, institutions may not employ any prospective student-athletes nor provide reduced or free admission to a prospective athlete as a form of reward or recruitment benefit. This limitation upon admission fees also prohibits any representative of an institution’s athletics interests from paying a prospective student-athlete’s expenses. Institutions may offer reduced admission prices as long as such reductions are based upon objective criteria that are unrelated to the prospective student’s athletic ability and are made publicly available to all who qualify.

In terms of the sale of concessions, institutions may not allow either a prospective or an enrolled student-athlete to operate a concession stand at their own expense. However, institutions may employ enrolled student-athletes to work for institutional concession stands provided they are compensated at a reasonable rate.

The Manual also specifies that while prospective student-athletes may not receive special benefits, they may receive awards for their participation and performance provided it is understood that the cost of those awards are part of the admissions fees.

The importance of these limitations is emphasized by the fact that all men’s basketball summer camps are required to have an educational session outlining these

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80 Id. at § 13.12.1.6.
81 Id. at § 13.12.1.7.1.
82 Id. at § 13.12.1.7.2.
83 Id. at § 13.12.1.7.1.
84 Id. at § 13.12.1.7.3.1.
85 Id. at § 13.12.1.7.3.2.
limitations and eligibility restrictions as well as the repercussions for failing to meet them.86

G. General Employment at a Camp or Clinic

Currently enrolled student-athletes at any institution may be employed at institutional summer camps provided that; they provide duties of general supervision in nature in addition to coaching or officiating duties, they are compensated at the reasonable going rate for individuals working in that capacity with like experience and ability but not based upon that athlete’s value to the institution based upon reputation, fame, or athletic skill, and finally, student-athletes may not be compensated merely for appearances, lectures, or demonstrations.87 Furthermore, student-athletes are not permitted to engage in their own self-employment by operating their own camp.88

H. Employment of a Student-Athlete Within their Own Institutions Camp

The Manual specifically allows all student-athletes, with the exception of bowl subdivision football players, to be employed as counselors provided their involvement as employees does not include organized practice activities.89

I. Employment of Coaches and Individuals Involved with Student-Athletes

High school, prep school, junior college coaches and individuals involved with prospective student-athletes may be employed at institutional summer camps provided their employment adheres to a specific set of requirements.90 These individuals must be compensated at the going rate for camp counselors with their specific experience

86 Id. at § 13.12.1.8.
87 Id. at § 13.12.2.1.
88 Id. at § 13.12.2.1.1.
89 Id. at § 13.12.2.2.1.
90 See id. at § 13.12.2.2.
and teaching ability. This limitation is even further enforced by the Manual including a specific addition that this compensation based on experience and teaching ability must be objective in that it may not be based upon the value that employee has to an institution through his or her reputation and contact with prospective student-athletes.

Men’s basketball has an additional two limitations for the employment or allowance of volunteer involvement of coaches or individuals involved with prospective student-athletes. If these individuals are to be employed or volunteer at a men’s basketball camp, they may not serve as a speaker outside of the normal speaking duties of a counselor if they are involved with the prospective student-athlete through the student’s participation in basketball. Essentially, this rule serves to prohibit past coaches and trainers from engaging in speaking roles at institutional camps and avoids the appearance of a school’s endorsement of a coach or vice versa.

And finally, the Manual expressly forbids the employment of any individuals associated or involved with a recruited prospective student-athlete.

J. Involvement of Institutional Athletic Staff at Institutional and Non-institutional Camps

For institutional athletic staff, the Manual incorporates a negative rule in that it allows the employment of institutional athletic staff at all summer camps except in the circumstances listed in section 13.12.2.3. However, despite these limitations, any non-coaching athletics department personnel with department-wide responsibilities may present educational presentations at any non-institutional camp regardless of that

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91 Id. at § 13.12.2.2(a).
92 Id. at § 13.12.2.2(b).
93 Id. at §§ 13.12.2.2.2; 13.12.2.2.3.
94 Id. at § 13.12.2.2.2.
95 Id. at § 13.12.2.2.3.
96 Id. at § 13.12.2.3.
camps compliance with NCAA bylaws and regulations provided the presentation does not include any recruiting information.\textsuperscript{97} The breakdown of limitations upon camps requiring NCAA compliance is detailed in an overall ban on involvement with recruitment camps followed by specific regulations for institutional versus non-institutional camps in basketball, bowl subdivision football, championship subdivision football, women’s volleyball, all other sports, and for non-institutional fundamental skills camps.\textsuperscript{98}

First, there is a broad statement that no athletic department staff may be employed in any capacity other than officiating, be it employee or volunteer basis, at a camp that is either sponsored or operated by an individual or organization providing recruiting or scouting services of prospective student-athletes.\textsuperscript{99}

For basketball, coaches as well as non-coaching personnel who have basketball-specific responsibilities may only be employed at their own institution’s camps.\textsuperscript{100} Furthermore, the participation in these camps is limited to the months of June, July, and August or any weeks containing days of those months.\textsuperscript{101} Accordingly, this rule also implicitly requires that coaching and non-coaching staff members with basketball related responsibilities not be employed nor volunteer at institutional camps other than their own employer’s summer camp.\textsuperscript{102}

In bowl subdivision football, an institution’s coach or non-coaching personnel with football specific responsibilities may be employed in any capacity at a non-institutional

\textsuperscript{97} Id. at § 13.12.2.3.7.
\textsuperscript{98} See id. at §13.12.2.3.
\textsuperscript{99} Id. at § 13.12.2.3.1.
\textsuperscript{100} Id. at § 13.12.2.3.2.
\textsuperscript{101} Id.
\textsuperscript{102} Id.
private camp provided that camp is operated according to the Manual’s guidelines and restrictions. Additionally, this employment is not subject to any location restrictions. However, this employment is limited to the two 15-consecutive-day periods in the months of June and July or any calendar week including the days of those months as noted above and the dates of those two 15-day periods must be on file with the office of the institutions athletic director.

For championship subdivision football, coaching and non-coaching staff with football specific responsibilities may be employed in any capacity at a non-institutional private camp provided that camp is operated according to the Manual’s guidelines and restrictions. This category of collegiate football camp is also not bound by a location restriction but is bound to the two, 15 consecutive day periods of involvement. However, championship subdivision football does not require that the dates of the staff member’s involvement be kept on file with the office of the athletic director as bowl subdivision football does.

For women’s volleyball camps, coaches and non-coaching staff with volleyball specific responsibilities may serve in any capacity at a non-institutional camp provided it is operated in accordance with the Manual’s guidelines and restrictions. However, these individuals may not be employed nor involved in any capacity at an institutional or non-institutional camp that operates off of the institution’s campus during a “quiet

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103 Id. at § 13.12.2.3.3.
104 Id.
105 Id.
106 Id. at § 13.12.2.3.4.
107 Id.
108 Id.
109 Id. at § 13.12.2.3.5.
Quiet periods, as laid out for all sports within the Manual at §13.17, are specific recruiting time frames where in-person recruitment can only occur on an institution’s campus and there cannot be any in-person contact or evaluation while off-campus.\textsuperscript{111} As a result, this rule operates to reinforce the fact that there can be no off-campus contact whatsoever between recruited athletes and employees during these quiet periods.

For sport-specific camps in all other sports than basketball, football, and volleyball an institution’s athletic staff may serve in any capacity at a non-institutional camp provided it is operated within the requirements for general institutional camps.\textsuperscript{112} Additionally, all other sports besides basketball, football, and volleyball are not subject to the location restrictions enumerated within Bylaw 13.12.1.2.\textsuperscript{113}

Finally, any athletic department staff may serve at a non-institutional camp provided; the camp or clinic is designed to develop fundamental skills in a sport, the camp is open to the general public (aside from age restrictions or capacity limitations), the camp is conducted primarily for educational purposes without benefits or rewards, the campers do not receive any recruiting presentations or services, and all participants reside either within the state of operation or within 100 miles of the camp.\textsuperscript{114}

K. Consequences of Men’s Basketball Camp’s Failure to Comply with NCAA Bylaws and Notification Requirements

The Manual specifically addresses two types of violations in men’s basketball summer camps and deems them both to require immediate ineligibility of the student-

\textsuperscript{110} Id.
\textsuperscript{111} Id. at § 13.02.5.4.
\textsuperscript{112} Id. at § 13.12.2.3.6.
\textsuperscript{113} Id. at § 13.12.2.3.6.
\textsuperscript{114} Id. at § 13.12.2.3.8.
athlete involved. When a summer camp violates either Bylaw 13.12.2.2-(b) which prohibits the employment (paid or volunteer) of individuals associated with student-athletes or Bylaw 13.12 which prohibits the maintenance of separate camps with differing experiences, each involved student-athlete must be immediately deemed ineligible and the institution must provide written notification of this fact within 30 days.

VI. CREATING A BUSINESS ENTITY

In most instances, college coaches own and operate, pursuant to their contractual relationship with the university, the summer camps associated with their team and retain all profits from its operation. As a result, choosing the best legal entity for the business becomes extremely important for both profitability and the ease of ownership and operation.

The most often used legal entities for the ownership and operation of college summer camps are either the corporate or limited liability company format. What follows is a general discussion of the advantages and disadvantages of these forms of ownership. It is highly suggested that all coaches consult with their attorneys and accountants to determine what both legally and financially would be in their best interest to suit their needs as an owner and proprietor of a summer athletic camp.

The following checklist is not exhaustive but intended to outline some of the advantages and disadvantages of operating a college summer camp under the corporate or limited liability format of ownership:

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115 See id. at § 13.12.3.
116 See id.
Corporate Format (A regular corporation sometimes referred to as a C-Corporation)

1. **Advantages of corporate format.**

   a. **Limited liability.** Generally shareholders or owners of a corporation have limited liability, are not responsible for satisfying the debts or liabilities of the corporation, and are only accountable and liable for their investment in the enterprise. Their personal assets, other than what is invested in the corporation, are protected and not at risk. Additionally, because the corporation is a separate legal entity which can be sued in and of itself, owners and shareholders will not be personally liable for torts or other disputes the corporation might be involved in.

   b. **Corporate tax treatment.** By virtue of the fact that a corporation is a separate legal entity, corporations file taxes separately from their investors. Investors of a corporation will only pay taxes on corporate profits that are paid and distributed to them in the form of salaries, bonuses, and dividends. Corporate profits are usually taxed at a rate lower than the rates for individual income. Corporations also enjoy preferential treatment in terms of a wide variety of tax exemptions and deductions such as insurance, travel and retirement plan deductions.

   c. **Raising capital.** The established investment structure of corporate stock both for closed (private) as well as public corporations, is a staple of the modern economy and a standard investment process. As a result, corporations can raise and obtain capital through the sale of their stock or the issuance of bonds. The process using stock and bonds is a commonly used investment vehicle that is generally preferred by or investors.

   d. **Continuity of Existence.** Corporations exist perpetually. The corporation will continue as a separate and distinct legal entity until the shareholders decide to dissolve it or merge with another business. The corporation is ideal for longstanding business ventures that can continue in existence over the years even though there may be multiple changes in management or ownership. Therefore, corporations have an unlimited life which extends beyond the illness, death, or resignation of its owners and managers.

   e. **Ownership transfer.** Ownership may be transferred by a simple assignment of the certificates of stock on the books of the corporation. Ownership interest may be increased or decreased through statutory and/or bylaw procedures. Stock or ownership interest in a corporation is freely transferable, subject only to the bylaws and any statutory
restrictions on transfer because, as a separate entity, the existence of a corporation is not dependent upon who the shareholders are at any one time.

f. Attractive for hiring highly qualified employees. Corporations are generally able to attract and hire highly qualified and motivated employees because they can offer competitive benefits and potentially partial ownership through the issuance of stock or stock options and other incentives that give employees the opportunity to potentially become either managers or owners of the corporate entity.

g. Operational structure. Corporations, because of their statutory existence, have a set management structure. Shareholders, i.e. the owners of a corporation, elect a board of directors, which then elects officers. Other than the election of directors and other statutory or bylaw required participation, shareholders do not typically participate in the operations of the corporation. The board is responsible for the day-to-day management of the corporation and exercising the rights, responsibilities and obligations of the corporation. A change of ownership need not affect management.

2. Disadvantages of corporate format

a. Time and money. Corporations are often more costly to set up and establish because they generally require up-front capital for purposes of incorporating, operating, and obtaining proper legal advice (tax, structure, etc.). Oftentimes corporations are also required to pay additional fees, which might include an annual filing fee, a franchise tax payment, fees for government filings, and attorney's fees.

b. Formalities. In order to limit liability and be considered a corporation, certain corporate formalities of organizing and operating a corporation must be strictly adhered to in order to continue to receive the benefits of being a corporation and ensuring limited liability. The formalities might also include a large amount of paperwork in the form of reports, tax returns, filings, corporate documents, and maintaining licenses.

c. Disclosure of corporate officers and directors. Many states require a public disclosure in annual reports of the officers and directors of the corporation. However, most states do not require the reporting of the name of the owners or shareholders as a matter of public record.

d. Double taxation. A corporation may be subject to double taxation, especially on dividends it pays to its owners. The corporation is taxed on its own income. If the corporation distributes some of this net income to stockholders as a dividend, the dividend will be taxed again
on the stockholders' personal income tax returns. The dividends so paid are not deductible to the corporation.

e. **Compliance.** Corporations can, in some instances, be regulated by federal, state and local agencies, and therefore may be subject to increased paperwork and recordkeeping burdens associated with this form of entity and regulations requiring reporting. Corporations may require more legal formalities that are subject to state and federal rules and regulations.

The “S-corporation,” as created under the Tax Reform Act of 1986, has become a preferential corporate structure due to the special tax benefits it offers.\(^{117}\) In an S-corporation, the corporation avoids double taxation “because all income, loss, deductions and credits are reported only once on the personal tax returns of the shareholders. However, like standard corporations\(^{118}\), the S-corporation shareholders are exempt from personal liability for business debt. In order to elect to be an S-corporation, certain requirements must be met.”\(^{118}\)

The maximum number of shareholders of an S-corporation cannot be more than 100.\(^{119}\) Ownership of an S-corporation is limited to individuals, estates, and certain trusts, including an electing small business trust…S-corporations are now allowed to own 80 percent or more of the stock of a regular C-corporation, which may elect to file a consolidated return with other affiliated regular C-corporations. The S-corporation itself may not join in that election. In addition, an S-corporation is now allowed to own a qualified

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\(^{118}\) *Id.*

subchapter S subsidiary. The parent S-corporation must own 100 percent of the stock of the subsidiary…

Qualified retirement plans or Section 501(c)(3) charitable organizations may now be shareholders in S corporations. All S-corporations must have shareholders who are citizens or residents of the United States. Nonresident aliens cannot be shareholders. S-corporations may only issue one class of stock. No more than 25 percent of the gross corporation income may be derived from passive income. An S-corporation can generally provide employee benefits and deferred compensation plans.¹²⁰

Limited Liability Company (LLC) format

1. Advantages of an LLC

   a. Flexibility in management and organization. The most appealing aspect of the LLC format is without question the amount of flexibility it allows. Businesses structured as LLCs can be structured as either a proprietorship, partnership, S-corporation, C-corporation, or even a combination of both. Almost every aspect of a LLC is customizable and can be specified in the operating agreement. In these operating agreements, the individuals forming the LLC regulate who operates the business, how involved the owners are in the management, and even whether they want to offer such things as stock. The LLC format is entirely flexible and can be used to create almost any management and ownership style desired. Furthermore, the management structure is far less rigid than the strict corporate structure. LLCs do not have to hold annual shareholder meetings, provide annual stock reports, or many of the other administrative duties of corporations that are required under both state and federal law. However, this does not mean that an LLC cannot be structured similar to a corporation. Someone establishing an LLC would be free to set up their operating agreement that designated a board of directors who would appoint a CEO and CFO or other officers that would run the LLC. Yet, the LLC would not necessarily be bound by the state and federal laws that strictly regulate corporate administrative requirements.

   b. Preferential tax treatment. The LLC format also allows preferential tax treatment compared to corporations. The profits from an LLC are taxed at

¹²⁰ Different Types of Corporations: Advantages/Disadvantages of Corporations, supra note 117.
the individual level, meaning that income from an LLC is taxed when it is paid out to an owner or manager. This is distinct from corporations because under the Internal Revenue Code, corporate profits are taxed both when earned by the corporation itself as well as when they are distributed to individuals. Therefore, corporate taxation is subject to a double tax because it is taxed both at the corporate level and the individual level. Conversely, the LLC tax format is based off of partnership or sole proprietor taxation and known as “pass through” taxation because it merely passes through the LLC and is taxed at the individual income tax level. A limited liability company with multiple members that elects to be taxed as a partnership may specially allocate the members' distributive share of income gain, loss, deduction, or credit via the company operating agreement on a basis other than the ownership percentage of each member so long as the rules contained in the Treasury regulations are met.

c. Limits liability for all owners and investors. Another advantage of the LLC structure is its ability to limit the liability of the owners and investors, called “members,” while still limiting liability similar to a corporation. “Members are protected from personal liability for business decisions or actions of the LLC. This means that if the LLC incurs debt or is sued, members' personal assets are usually protected. This is similar to the liability protections afforded to shareholders of a corporation.” This protection is very broad and applies to almost everything with the exception of wrongful or intentional actions such as fraud or other torts. Once again, limited liability companies are separate legal entities under the laws of the state in which it is incorporated.

d. Complexity. The LLC structure’s exceptional flexibility comes at a price. Specifically, “LLC statutes are much less extensive and offer far less regulatory protection because they leave most of the responsibility for determining the management and operation of the LLC to the operating agreement.” As a result, the flexibility of LLCs is a double-edged sword. It allows businesses to be structured exactly how their owners would like, but that comes at the cost of an increased need for counsel and advice when setting it up. As a result, LLCs normally have less administrative paperwork and record keeping than a corporation. In some states LLCs can be set up with just one actual person involved as a single-member/manager LLC.

e. Ability to use cash method of accounting. Unlike the C-corporation which often requires an accrual method of accounting, most limited liability companies can use the cash method of accounting, which essentially dictates that income is not earned until it is actually received.

2. Disadvantages of an LLC
a. **Profits may be subject to social security and medicare taxes.** In certain circumstances, the owner of an LLC may end up paying self-employment taxes (social security/medicare taxes) on salaries and profits.

b. **Owners must immediately recognize profits.** Because an LLC is not subject to double taxation, the profits of an LLC are automatically included in a member's income.

c. **Fewer fringe benefits.** Employees of an LLC who receive fringe benefits, such as group insurance, medical reimbursement plans, medical insurance and parking, must treat these benefits as taxable income. Employees of a C-corporation who receive fringe benefits do not have to report these benefits as taxable income.

d. **Unfamiliarity.** The management structure of an LLC may be unfamiliar or different to many businessmen. Unlike corporations, they are not required to have a board of directors or officers. They can be managed by managers and/or members.

e. **Closing the Business.** In many states, when a member leaves the limited liability company, the business is dissolved and the members must fulfill all remaining legal and business obligations to close the business. The remaining members can decide if they want to start a new LLC or part ways; but in the alternative, you can provide in the operating agreement ways to prolong the life of the LLC.

f. **Limited Life.** LLCs may have a limited life in many states, while corporate existence is perpetual.

Head coaches may offer assistant coaches an ownership interest in whatever entity that is chosen to operate the summer camp. Such interest should be a defeasible and divestible ownership interest. Interest would be held only so long as the assistant coach remains an assistant coach in the university. This provides an additional incentive to get highly qualified assistant coaches. Assistant coaches, according to their percentage interest, in addition to whatever salary they're paid for helping operate the camp, share in the profits of the enterprise. Once again, this may be an attractive vehicle to recruit and retain assistant coaches.
VII. PROTECTING THE COACH FROM PERSONAL LIABILITY—DUE DILIGENCE AND RISK MANAGEMENT

A. INTRODUCTION.

The purpose of this section is to provide an overview of due diligence and risk management issues that should be included and addressed when creating a summer athletic camp at a college or university. As a whole, “risk management” is a seemingly simple concept that, in actuality, can be extraordinarily complicated. "Risk management" is composed of four principles: 1) risk avoidance by analyzing the risks involved, 2) hazard reduction by taking steps through policies and procedures to eliminate or minimize those risks, 3) risk retention by establishing policies to control or limit losses where incidents do take place, and 4) risk transfer by shifting the risk and or liability to other parties where possible. Risk Management is all about avoiding injury to person and damage to property -- and most importantly about avoiding law suits and exposure to the courts and legal system. Avoidance can be accomplished with the implementation of a risk management program and undertaking due diligence in understanding and avoid risks.

However, regardless of how much due diligence the camp operator undertakes or how well positioned the risk management program is, there are always going to be situations where summer sports camps are the subject of legal action. Several examples are illustrated below:

1. A lawsuit was filed against Seth Greenberg Basketball Camp when he was head coach at Virginia Tech in Blacksburg, Virginia. It was claimed there were inadequate court facilities and supervision at the camp, which was blamed for Austin Schuler’s severe head injury suffering during a 2009 game. Shuler was 15 years old when he fell or was thrown from the basketball court during training and hit his head on a wall, suffering a brain injury, fracture, bruises, cuts and other wounds. The lawsuit contended the wall in War Memorial Gym at Virginia
Tech should have been padded near ground level where the boy struck his head.\footnote{Parent of Camper Suing Virginia Tech's Seth Greenberg For $2.5 Million, COACHAD.COM (April 11, 2011), http://www.coachad.com/pages/Breaking-News---Parent-Of-Camper-Suing-Virginia-Techs-Seth-Greenberg-For-$25-Million.php.}

2. A lawsuit was brought on behalf of Zach Varghese, who suffered severe head injuries when another wrestler dropped him on his head at a camp run by Chattanooga Wrestling Camps, LLC in June of 2012. Zach's father is seeking damages on the basis that the teenager's brain injuries were caused by improper supervision.\footnote{Betty Wang, Wrestling Camp Sued Over Teen's Brain Injury, FINDLAW.COM (May 15, 2013), http://blogs.findlaw.com/injured/2013/05/wrestling-camp-sued-over-teens-brain-injury.html.}

3. James Jackson, Sr. and Paula Jackson filed a lawsuit on behalf of their minor son, James Darnell Jackson, Jr., claiming the son was not properly supervised and nearly drowned in a swimming pool during a four-day camp at the University of North Texas. They are asking more than $1 million in damages.\footnote{Megan Gray, Suit Filed in Child's Near Drowning, DENTONRC.COM (Sept. 26, 2013), http://www.dentonrc.com/local-news/local-news-headlines/20130926-suit-filed-inchilds-near-drowning.ece.}

Due diligence—risk management will focus on a camp operated by the coach wherein the facilities are part of the University in which the coach is employed.

B. PRE-CAMP DOCUMENTATION AND DUE DILIGENCE - Certain documentation, policies and due diligence must be created and undertaken prior to camp commencement.

1. Camp Publicity - The Camp Brochure or Camp Information Website should contain the following information:

   a. Camp dates - sessions
   b. Camp fees and refund policy
   c. Registration information
   d. Facilities and programming
   e. Staff contact information
   f. Conduct expectations
   g. Age or skill pre-qualifications
   h. Forms needed to be executed

Any publicity in the form of a brochure or information website must conform to NCAA limitations and rules.
2. **Facility License or Rental Agreement between Camp Operator and University**

   a. A limited use license  
   b. User fees  
   c. Operational standards - University policy on sports camps  
   d. Camp expenses and risk  
   e. No use of university vehicles  
   f. Corporate sponsorship and advertising  
   g. Insurance  
   h. Use of university trademark, logo, and intellectual property  
   i. Sale of licensed merchandise  
   j. Camp housing and dining  
   k. Trainers and medical staff  
   l. Escorting campers on campus  
   m. Background checks  
   n. Compliance - NCAA Regulations, State and Local Codes  
   o. Safety standards  
   p. Attendees release  
   q. Hold harmless and Indemnification  
   r. Approval of dates  
   s. Approval of facilities and equipment  
   t. Final camp revenue and expense report - state compliance and disclosure statutes


   The camp operator should provide the parents of all campers with a camp manual, a Parents' Survival Guide, prior to the beginning of camp. All participating parents should sign a form at or prior to camp check-in indicating that they have read and agree to the camp policy and procedures. This manual should outline camp policies regarding programming, facilities, absences, dress codes, disciplinary procedures, emergency procedures, insurance requirements, drop-off and check-in procedures, required documentation and forms to be executed in order to become an eligible camper, rules and regulations, camp security, as well as a list of all the staff and their facilities contact information in case an emergency were to occur. This will serve not only to keep the parents informed about the camp activities but also provide the
camp operator with a form of protection if parents were to subsequently disagree with a certain policy or procedure and attempt to raise an issue after camp has already begun and after the parents have executed the consent form.

4. **Employee Training Manual**

An employee training manual needs to be created which addresses for camp employees such issues as:

a. The mission of the camp;
b. Pre-camp training and orientation;
c. Contact information;
d. Job responsibilities, job description, and job evaluation;
e. Certification requirements;
f. Plan for disciplinary policies;
g. Emergency action plans;
h. Camp rules and procedures;
i. Schedule of daily camp and lesson plans;
j. Utilization of approved forms;
k. Sexual harassment and abuse policies;
l. Safety, security, background checks, camper ratios, and ADA.
m. Training in CPR and First Aid procedures.

5. **Documentation**

Summer athletic camps, as any camp with children, provide a plethora of potential risks for both the camp operators as well as the institution providing the camp facilities. Because these camps involve parents placing their children under the camp operators’ care, there are serious concerns for risks of injury, missing children, proper supervision requirements, and parental consent for involvement in potentially dangerous activities.

Prior to the beginning of camp, it is absolutely imperative that the parents sign an Informed Consent, Voluntary Waiver, Release of Liability, and Assumption of Risk form as to the camp operator which should address the following:
a. Holding the camp operator harmless from personal injury or property loss and from any liability as to any right of action that may accrue for an injury or loss that the camper may suffer while training, preparing, participating and traveling to and from camp.

b. An acknowledgement that the camp operator is not a guarantor of safety and is solely acting to provide the benefits of the camp.

c. A release allowing the use of photography or media with respect to camp events without compensation or additional permission.

d. An acknowledgment and assumption of the risk for participation in all camp activities:

e. That the camp operator has disclosed all relevant safety concerns relative to the camp.

f. That the camper is in good health and has no physical condition that would put them at risk by participating in the camp.

g. An informed consent acknowledgment that there are dangers, hazards, and inherent risks with respect to the child's participation in the summer camp (risks and dangers that both are known and unknown) and have voluntarily chosen to permit the child to participate and accept and assume all risk of injury, loss of life, and damage.

h. In the event of an accident or serious illness, an authorization for the camp operator to obtain medical treatment for the child on his/her behalf and hold harmless and indemnify the camp operator from any actions, damages, and/or liabilities arising out of or resulting from said medical treatment.

i. An acknowledgment that the parent or guardian will be responsible for all medical expenses incurred on their behalf and absolve the camp operator of any liability for such expenses.

j. An acknowledgment that camper participation may be terminated upon violation of any of the policies or rules and at the camp's ultimate discretion (which would be specified in the camp manual issued to parents prior to the commencement of camp.)

k. The University in which the camp is being held may also require the execution of similar documentation all pursuant to the facility license or lease agreement.

6. Medical Concerns
a. Authorization for Medical Care.
   i. In cases where medical attention is necessary, parents or guardians will be contacted if possible. In contemplation of an instance where parents or guardians cannot be contacted or are unavailable, the camp operator must have a medical release form signed by the parents or guardians in order to responsibly and expeditiously act in the case of a medical emergency.

b. Authorization for Prescription Medication Administration
   i. In contemplation of the instance where campers may be required to take prescription medicine during camp, the camp operator shall provide and require submission of authorization to administer that medication by the parents or guardians.
   ii. The specific information relating to authorized medication should also be explicitly listed and filled out in the registration form provided to the parents or guardians prior to enrollment in camp which information should include:
       1. Medication name
       2. Dosage
       3. Specific directions
       4. Timing/frequency of administration
       5. Relevant side effects
       6. Special storage requirements if applicable
       7. Prescribing doctor's name/title/contact information

c. Medical Information
   i. The parents or guardians should provide the camper's pre-existing medical conditions that the camp operator should be aware of prior to physical activity and participation in the camp, including:
       1. limiting medical conditions that would impact camp participation;
       2. current medications that may interfere with ability to participate in camp activities;
       3. allergies or adverse reactions to certain medications, insect stings, plants, or food;
       4. current medications that the camp operator must be made aware of and the proper distribution schedule of those medications.

d. Require camp participants to a pre-participation physical examination.

e. Health/Accident insurance Information
   i. Parents or guardians should provide the camp operator the insurance company name, policy number, and contact information for health and accident insurance.

7. Emergency Action Plans
   a. Specified emergency response procedures issued to parents and guardians prior to camp.
   i. Alternative programming due to weather emergencies.
ii. Fire evacuation.
iii. Specific written procedures involving medical emergencies (injury/illness/etc.).
   1. Does the facility have an on-site infirmary?
   2. Where is the nearest hospital or clinic?

b. Who will be emergency contact?
c. Missing campers.
d. Homesick campers.
e. Post telephone numbers of nearest hospital, doctors, and emergency ambulance service or other medical facilities.
f. Communication strategies.

8. Camp Rules and Procedures
a. Procedures for pick up and drop off
   i. Established drop-off/pick-up times
   ii. Established drop-off/pick-up locations
   iii. Specific authorized persons form detailing who may pick up campers issued to camp prior to the first day.
   iv. Identification requirements and procedures for all those picking up campers.
b. Staying on Campus
   i. Campers are to remain on campus at all times for the duration of the program unless camp activities provide otherwise or camper is personally picked up and checked out by authorized parent or guardian (as approved/authorized by parent/guardian prior to camp enrollment).
c. Curfew and "lights out" policies
d. Outline of Camp Disciplinary Procedures.
   i. Because camps involve many campers and are often short in duration, prompt action is required to address instances of refusal to comply with camp rules or instances where campers endanger themselves or others. Accordingly, the Camp Manual - Parents' Survival Guide, including specific rules, regulations, and disciplinary procedures, should be outlined and distributed to parents/guardians of campers and agreed upon and submitted as part of the enrollment and admissions process prior to entering camp.
   ii. The disciplinary process should be laid out clearly, concisely, and explicitly.
e. Rules need to be provided relative to safety, prohibited activities, harassment, hazing, bulling, alcohol, drugs, and tobacco use.
f. The camp needs to maintain a policy of consistent enforcement.

c. List of important telephone contacts and the corresponding departments or offices (e.g., athletics department, dormitories, information desk) of camp operator and university.
10. **Employment Agreement**: An employment agreement with a camp director whose job responsibilities should include:
   a. Hires counselors and staff for the camp;
   b. Inspects camp facilities and equipment immediately prior to and after each camp session;
   c. Obtains all insurance coverages necessary and required for operating a summer camp;
   d. Helps create all promotional brochures and camp-related materials;
   e. Maintains a complete set of business records including camp revenues and expenses;
   f. Prepares financial reports and is responsible for record keeping;
   g. Understands fiscal management and budgeting;
   h. Contracts on behalf of the camp operator;
   i. Makes certain camp is compliant with NCAA and University regulations and state and local codes;
   j. Makes certain that all camp informational and legal documents are executed;
   k. Creates summer camp programs and lesson plans and maintains a daily log of activities undertaken;
   l. Incorporates safety, security, and risk management plans for camp operations;
   m. Makes certain that staff is certified, qualified, and trained;
   n. Helps create camp policy and procedures;
   o. Executes a lease-license agreement with the University and creates a liaison between the camp and University;
   p. Maintains discipline of camper participants and policies therefor;
   q. Develops crisis management plan;
   r. Develops a media relations plan.

11. **Insurance Coverage**: Obtain adequate insurance coverage for camp operations, including:
    i. General Liability Coverage
       1. This acts to protect the camp staff and management in the case of potential claims by participants and third parties who are injured or suffer or loss of or damage to property.
    ii. Suggested minimum limits:
        1. Each occurrence - $
        2. General Aggregate - $
        3. Products-Completed Operations Aggregate - $
        4. Contractual Liability - $
        5. Personal & Advertising Injury - $
        6. Damage to Rented Premises - $
    iii. Umbrella or "excess" policy
        1. These policies act to provide beyond the scope of the general policy limits in the emergency situation where the general
policy provisions have been maxed out or for claims that are not covered by the general policy.

iv. Professional liability insurance
   1. In summer athletic camps there is the potential for claims of professional negligence by coaches and/or other professionals involved with the camp.

v. Workers compensation and employer liability insurance
   1. Must comply with state regulations of the state in which the college or university operates.

vi. Suggested minimum limits for an employer:
   1. Bodily Injury by Accident - $ each accident.
   2. Bodily Injury by Disease - $ each employee.

vii. Commercial automobile liability insurance if travel will be involved.

12. **Entity Creation.** Properly incorporate a state chartered corporation or limited liability company to provide umbrella protection.

13. **Compliance.** Under some state statutes, camp operators are required to have camp facilities inspected and ultimately licensed. Camp operator needs to know requirements for licensure, as well as applicability of OSHA regulations and ADA compliance.

C. **SUMMER CAMP OPERATIONS - RISK MANAGEMENT CHECKLIST**

The following are not all-inclusive, but constitutes a checklist of issues that need to be addressed on a daily basis by camp operator with regard to the operation of the summer camp on university-owned facilities:

1. **Documentation Executed and Filed** - Any and all legal documents, including informed consents, medical consents, releases, indemnification agreements, and medical insurance information should be executed and filed as part of the camp records.
2. **Parental Survival Guide** - A Parental Survival Guide should be distributed to all parents and a signed consent therefor should be filed with the camp records.

3. **Participant Orientation** - Orientation for participants and all camp counselors should be held the first day of camp to acquaint participants with a road map of camp activities and the rules of the game. The orientation should cover camp rules and regulations, facilities, activities that are not permitted, camp harassment policies, policy on alcohol and illicit drug consumption, camp security, emergency evacuation procedures, inclement weather program, reporting of injuries or illness,

4. **Hired Staff** - All staff, including counselors, should have been hired and provided a training manual. An orientation, employee background, vehicle, and criminal checks should be part of the camp operator's records, as well as any mandatory training and/or certificate requirements. The employment should execute an acknowledgment that the employee understands the university and camp policies relative to sexual harassment, bullying, child abuse, and ADA.

5. **Insurance** - All insurances have been procured and are in place, which includes general liability coverage, umbrella or excess policy coverage, professional liability insurance, workman's compensation, and employer liability insurance, commercial automobile insurance if applicable, and certificates therefor should name the university, camp, director, and coach as additional insureds.

6. **Rules of Conduct** - Any and all rules of conduct for conducting the camp should be posted in various camp facility sites.
7. Emergency Action Plan - An emergency action plan should be in place which deals with inclement weather, fire evacuation, missing campers, and homesick campers.

8. Supervisory Program - A plan of supervision of children at all times needs to be created including camper ratios, participation match-ups, post camp activities, supervision of residence halls for overnight camps, and drop-off and pick-up procedures, to name a few.

9. Medical Services and Facilities - The camp should have certified trainers on site and access to medical facilities including medical doctors and emergency medical service, as well as ambulance carriers.

10. Reporting - All incidents must be documented per incident reports or similar documents by staff and issued to parents or authorized individuals at the end of each day upon pick-up. These incident reports should include the name of the injured camper, circumstances of the incident, the date and time of the incident, location of the incident, and the response or remedial action provided by the camp operator.

11. Rules and Compliance - The camp operator has reviewed all NCAA rules with respect to rules regulating summer camps run by coaches, as well as any state or local codes that may affect the day-to-day operations and safety of the camp.

12. University Relations - The license agreement with the university is executed and a camp official appointed as a liaison between the camp and university and that appropriate releases and indemnification as required by the university are executed and the covenants of the license agreement complied with.
LESSONS TO BE LEARNED - SUMMER CAMPS

1. Properly run summer camps should always strive to provide a safe, recreational, educational, and fun environment for children.

2. The relationship between the University and Coach is normally contractually defined, either as part of the coach’s contract or a separate agreement.

3. In most instances, summer camps are owned and operated by the Coach, with the profits or risk of loss therefore inuring to the Coach and/or an entity for which he created.

4. The license or facility rental agreement between the Coach and University should be on a most favored nation basis.

5. The Coach and University must be in compliance with NCAA rules regarding summer camps.

6. This type of enterprise deserves a consultation with the Coach’s attorney and accountant with respect to legal and financial structuring.

7. Summer camps showcase the University and its facilities.

8. Summer camps may be an opportunity to get an early jump on prospective recruits.

9. The Coach and the University are responsible for the safety of the children attending the camps and risk management is an important feature of any summer camp enterprise.

10. Because of the relationship between the camp and the University, there must be an established contact and constant communication between camp and University personnel.
11. Summer camps will attract many young people and their parents to the University and are a good way of promoting the University and its educational mission as many of the campers could be qualified for future admissions.

12. University facilities which might otherwise be relatively idle during the summer months can be used in support of programs that are available to the public and showcase the University.

13. The reputation of a coach and the University is enhanced by effective summer camp programs.

14. Summer camps and the participation by assistants may be an excellent way to further assure longevity on the part of assistants.

15. The coach needs an umbrella over his head, and umbrella entity protection is essential to protect the coach’s private assets.

16. Summer camps have gained in popularity and in number over the years and are great public relations tools for not only the coach’s program, but also the University.

17. Summer Camps provide another source of income for the coach and his assistants.

18. The coach and operating entity need to hire an experienced camp operator.

19. Due diligence and record keeping are a must.

20. Insurance counsel and broad insurance protection is essential.

21. Summer camps may be subject to inspection, licensure, and a host of federal, state and local code regulations.

22. Total familiarity with the legal environment of camp operations is a necessity.