

SHOE MONEY, AAU BASKETBALL, AND THE EFFECTS ON COLLEGE BASKETBALL RECRUITING

Matt Dalton

I. INTRODUCTION

Every April, the top high school basketball recruits in the country sign their National Letter of Intent to play basketball at the college of their choice. The question, though, is whether that choice was entirely decided by the player himself. External influence in college basketball recruiting is more prevalent than ever. The behind the scenes actors responsible for this influence are seemingly flirting with, and arguably crossing, the line of amateurism before these young athletes ever play a college game.

The world of American Amateur Union basketball, commonly referred to as AAU, has become a nationwide marketplace for the most talented young basketball players in the country. Teams form in different regions of the country, extending invitations to high school players whose talent levels are high enough. What began as a league intended to make basketball a year-round sport has transformed into a recruiting battleground for college coaches and corporations alike. AAU teams are now given sponsorships from major shoe corporations, predominately Nike and Adidas, which include free apparel and shoes for the players, coverage of travel expenses, and, in some cases a salary for the coach.¹ In exchange, the shoe companies are able to affiliate some of the best high school players in the country with their company's brand and, potentially, continue that sponsorship in the form of an endorsement should a particular team member materialize into an NBA player.² While these types of agreements might seem mutually beneficial, they have proven to cause serious issues in the legality of college

¹ Eric Prisbell, *Basketball Recruiting on the Nonprofit Margins*, WASH. POST, (Dec. 31, 2006), <http://www.washingtonpost.com/wp-dyn/content/article/2006/12/30/AR2006123000194.html>

² *Id.*

basketball recruiting, the controversial oversight of the NCAA, and in the idea of amateurism.

According to the NCAA manual § 2.9, student-athletes must be amateurs to participate in college sports and must be “protected” from exploitation by professional and commercial enterprises. Should an athlete fall outside the parameters of what the NCAA considers “amateurism,” he or she is ineligible to play any sport at a member institution.³ In addition, the NCAA also does not allow boosters affiliated with universities or their athletic programs to influence a recruit in any way.⁴ Doing so, according to the NCAA, would violate the bylaws and strip that recruit of his amateur status. Ironically, the aid of boosters is now the primary source of income for most AAU basketball programs around the country.⁵ These boosters unofficially represent a single university, and one particular shoe company, such as Nike or Adidas, generally outfits said university.⁶ Because AAU basketball is its own separate union, the teams are legally able to accept “donations” made by boosters in order to keep their team functional and relevant, competitively speaking.⁷ AAU teams, in recent years, have begun to restructure themselves as non-profit organizations in order to legally manage these funds with the NCAA in mind.⁸ In 2005, the Washington Post identified “45 of the top AAU teams in the country and found that at least 30 were set up as nonprofits, according to IRS records. Because tax laws do not require nonprofits to identify their donors, almost all of them do not, making documenting the frequency of the practice difficult. There’s no way of monitoring how the donations are spent.”⁹ In exchange for these donations, there seems to be an

³ National Collegiate Athletic Association. (2017). NCAA Division I manual § 2.9. Overland Park, KS: NCAA.

⁴ *Id.*

⁵ Dick Vitale, *The Problem in Recruiting*, ESPN the Magazine, (Aug. 3, 2012), http://www.espn.com/espn/dickvitale/story/_/id/8230028/college-basketball-recruiting-changed

⁶ Wetzell, D., & Yaeger, D. (2000). *Sole influence: Basketball, corporate greed, and the corruption of America's youth*. New York: Warner Books.

⁷ Eric Prisbell, *Boosters' non-profit donations to AAU programs more common*, WASH. POST, (Jan. 8, 2007), http://qctimes.com/sports/boosters-non-profit-donations-to-aau-programs-more-common/article_6ee759c8-6f3f-5e9f-b53b-d28242ecd54c.html

⁸ *Id.*

⁹ *Id.*

unspoken agreement between the boosters and the AAU coaches regarding where the coach will attempt to encourage his players to attend college on a basketball scholarship. In addition to the money donated by school-affiliated boosters, these AAU programs are also receiving significant monetary funds from shoe companies. The external influences, along with the fact that summer league basketball is not regulated by the NCAA with even an ounce of the intensity that high school basketball is, make the AAU circuit a hunting ground for college coaches and shoe corporations alike. Could it merely be a coincidence that recruits affiliated with Nike-supported teams seem to migrate towards Nike-sponsored college programs? These now commonplace practices, along with the questionable indifference from the NCAA, begs the question of whether the NCAA truly enforces what they call amateurism, or if the big money shoe markets are controlling collegiate basketball, and the definition of the term “amateurism,” in the process.

II. AMERICAN ATHLETIC UNION

It is hard to argue that the AAU summer circuit does not have many positive benefits for youth and their basketball development. There are hundreds, if not thousands, of AAU teams across the nation that are led by honest, well intentioned coaches who truly want the best for the young athletes playing for them. Most coaches are dedicated to fundraising to send their teams to tournaments, teaching and practicing the fundamentals of basketball, and ultimately mentoring their players in both basketball and life. It is fair to say that even some of the coaches of the teams who *have* obtained sponsorships from various shoe companies also have the same intentions. AAU basketball has, in many cases, given positive exposure to young players who come from difficult economic circumstances and paved the way for them to obtain college scholarships for their education. However, for many children involved in AAU basketball, the exploitation of children who, in some cases, are not old enough to have a drivers' license continues to be a looming concern.

The American Athletic Union was founded in 1888 to “offer amateur athletes and volunteers coaches opportunities to develop to their highest level through a national and local network of

sporting events.”¹⁰ Before the phenomenon that is presently known as AAU basketball occurred, the organization was intended to represent multiple sports in the international realm and to serve as a developmental system for potential participants of the Olympic Games.¹¹ The current AAU has an intricate governmental structure that includes the likes of a Congress, Board of Directors, multiple governmental districts, and committees for each of these districts.¹² As one might imagine, the intricate structure of this organization, along with the 30 plus sports it must govern across the nation, makes it nearly impossible for each reported, or unreported, recruiting infraction to be noticed and punished appropriately. Further, the AAU Codebook adds to the ambiguity regarding the proper way to handle investigations by including in it the decree that, “the appropriate judicial body may exercise its authority as to any member, entity, or affiliate of the AAU which is determined to have violated the AAU Code . . .”¹³ The ambiguity in the AAU’s current code, along with the overly intricate governmental makeup of the organization, opens the door for the formation of loopholes in which college coaches and corporations are sure to jump through if it means gaining an advantage or increasing their companies revenue.

III. THE ROLE OF THE NCAA

The NCAA has attempted to step in and regulate the corruption occurring in youth summer basketball. In 2009, the NCAA changed the definition of “student-athlete” in their manual from a student who has started ninth grade to one who has started seventh grade.¹⁴ This change would presumably restrict college coaches from having legal recruiting access to players involved in AAU at a young age. This change became necessary following the

¹⁰ Paul Pogge, *Full Court Press: Problems Plaguing Youth Basketball in the United States and An Aggressive Plan to Attack Them*, 8 U. Denv. Sports & Ent. L.J. 4 (2010) [Hereinafter *Full Court Press*].

¹¹ *Id.* at 5.

¹² *Id.* at 6.

¹³ Amateur Athletic Union, 2009 Official AAU Codebook 81 (2009), *supra* note 12, art. III.B, at 24.

¹⁴ Nat’l Collegiate Athletic Ass’n, 2008-09 NCAA Division I Manual, art. 13.12.1.1, at 119.

growing presence of scouting services evaluating and ranking players as young as fifth and sixth grade based on the players performances in their summer AAU leagues.¹⁵ Later that year, the NCAA made another change, triggered by AAU basketball, to their rulebook that forbids college coaches from making payments to any non-profit that has some type of connection to a potential recruit.¹⁶ The new rule also limited the access that college coaches could have at certain camps and clinics where there would be AAU coaches or prospects in attendance.¹⁷ While the NCAA has attempted to implement new rules designed to end the corruption of young prospects, the fact still remains that they still have little to no control over the annual camps and events run by the large shoe corporations in the summer time.

IV. HIGH SCHOOL BASKETBALL AND ITS CHANGING LANDSCAPE

Concerns surrounding potential recruiting violations are valid, but possibly even more problematic is the effect that the newly transformed world of AAU basketball has on its participants. In this new age where participating in summer basketball is essentially required to earn a Division 1 scholarship, the importance of high school basketball in recruiting is slowly diminishing. Players are now primarily evaluated based on how they perform in the summer against top talent rather than how they perform in their high school games. This transition has led to the formation of preparatory institutions, sponsored by a specific university's boosters.¹⁸ These institutions serve as an attractive place for recruits to spend a year of school where they are promised to gain maximum college exposure.¹⁹ It is a safe assumption that, upon arrival, the institution's founders have a great deal of influence in regards to which university the prospects eventually attend to play basketball. The new age of AAU basketball, and the

¹⁵ Middle School Elite (2016, September 16). 6th Grade MSELite Top 40 Players National Rankings for Class of 2023. Retrieved from <http://middleschoolelite.com/2016/09/15/6th-grade-mselite-top-40-players-national-rankings-for-class-of-2023/>

¹⁶ *Full Court Press* at 15.

¹⁷ *Id.*

¹⁸ *Id.* at 21.

¹⁹ *Id.*

diminishing importance of high school basketball in the world of recruiting, leaves potential college prospects with no choice but to become involved in the summer sport, thus opening themselves up to the exploitation and corruption that has proved to follow.

V. PROPOSING A CHANGE

Clearly, AAU basketball is here to stay, therefore the American Athletic Union and the NCAA should collectively act to aid in summer and high school basketball returning to the purity that they both once knew. Given the platform that the NCAA has, it would be helpful if college coaches who are accused of violating recruiting rule during these summer months were held to a higher standard in terms of punishment and how thoroughly they are investigated. The NCAA is much more recognizable than AAU on a national scale, therefore they must act as the official policing agent as far as punishment is concerned. The American Athletic Union should take a closer look at the makeup, as well as the responsibilities, of their governmental body. Numerous incidents of illegal activity by member teams and coaches could be more closely monitored if the AAU Codebook provided more specificity in regards to which level of their organization is responsible for monitoring the summer basketball scene. The rapidly changing nature of AAU basketball calls for a complete overhaul of the rules of regulations of the organization in regards to summer basketball. Most importantly, the new regulations should include a monetary limit that each corporation, such as Adidas or Nike, must adhere to in terms of donations and sponsorships.²⁰ When this occurs, recruits would then have more input on which program fits their individual needs rather than simply opting to play for the highest bidder. The implantation of plans such as these would only scratch the surface of the appropriate change needed, but similar action would certainly be an effective starting point.

VI. CONCLUSION

AAU basketball has the means to provide young athletes with the positive environment and influence that it intended to have

²⁰ *Id.* at 29.

back at the time of its founding. The greed of the shoe industry, coupled with the increase of intensity associated with in college basketball, has turned the youth basketball scene from something that was once pure into something riddled with corruption. To right this wrong, the NCAA must begin to work collectively with the Amateur Athletic Union to eliminate the exploitation of these young athletes across the nation. The process of change will be long and difficult, but it is a process that has become necessary with the changing landscape of youth basketball.