

KHSAA BOARD OF CONTROL MEETING
May 07, 2013 at 8:30 AM
Full Board of Control Meeting, KHSAA Offices, Lexington

Present Board Members: John Barnes, Bill Beasley, Carrell Boyd, Donna Bumps, Ron Dawn, Alan Donhoff, Dana Guyer, Lea Prewitt, Boyd Randolph, Kelley Ransdell, Steve Riley, Jeff Saylor, Stan Steidel, Henry Webb, David Weedman. Absent Board Members: Art Davis, Jerry Keepers, Gene Norris, Henry Webb.

KHSAA Staff: Julian Tackett, Michael Barren, Darren Bilberry, Rob Catron, Chad Collins, Butch Cope, Joe Angolia, Angela Passafiume, and Marilyn Mitchell. Guests Present: David Couch, KDE, Gwen Gibbs, Scott Hawkins.

Attachments can be found at the following link:

<http://portal.ksba.org/public/Meeting.aspx?PublicAgencyID=4374&PublicMeetingID=9135&AgencyTypeID=1>

Convene Full Board of Control

Call to Order - Boyd Randolph, President

President Randolph and the Commissioner Briefed the Board on the Day's Procedures Then Recessed the Board for Committee Meetings.

Following Committee Meetings President Randolph Re-Convened the Board at 11:00 AM

Pledge of Allegiance: The Pledge of Allegiance was led by Jeff Saylor

Reflection: Outgoing President Boyd Randolph delivered the reflection to the Board

Closed Session to Review Legal Matters per KRS 61.810 ()**

Motion Passed: Consider approval of going into closed session per KRS 61.810 subsection (c) passed with a motion by Kelley Ransdell and a second by Jeff Saylor. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Motion Passed: Consider approval of coming out of closed session per KRS 61.810 subsection (c) passed with a motion by Stan Steidel and a second by Carrell Boyd. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

No action was taken during closed session.

Review Consent Agenda and Consider items for Removal

No item was removed from the Consent Agenda for separate discussion.

Consent Agenda (single consent vote to accept all)

1. Approve Minutes of the April, 2013 Regular Meeting
2. Transfers, April 1, 2013 to April 30, 2013 (W)
3. Appeals Detailed Report to Date
4. Other Eligibility Rulings including fines and Penalties, July 1, 2012 Through April 31, 2013 (W)
5. HB 327 Coaches through April 30, 2013 (W)

Motion Passed: Approve the items on the consent agenda passed with a motion by Alan Donhoff and a second by Carrell Boyd. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Reports of Business (single motion to approve reports following individual presentations and opportunity for questions and clarifications)

1. Approve Bills, April 1 to April 30, 2013
2. Board Income Statement, July 1, 2012 to April 30, 2013
3. Board General Ledger Report, July 1, 2012 to April 30, 2013

Motion Passed: Approve the reports of business as presented passed with a motion by Kelley Ransdell and a second by David Weedman. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Committee Reports

Report from the Regulation Adoption/Legislative Committee

Final Approval of Items Approved for Inclusion on Agenda, 2013 Annual Meeting of Schools

These proposals will be reviewed one by one, to make a final determination as to inclusion on the Annual Meeting agenda.

Motion Passed: That the enrollment proposal, as amended following first reading and review by the Board, be approved for inclusion on the Annual Meeting agenda for September, 2013, passed with a motion by David Weedman and a second by Stan Steidel. The proposal would return Bylaw to its prior form wherein the four-year count for eligibility would begin with initial ninth grade enrollment. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Motion Passed: That the Domestic Transfer proposal, as amended following first reading and review by the Board, be approved for inclusion on the Annual Meeting agenda for September, 2013, passed with a motion by Alan Donhoff and a second by David Weedman. This proposal would add to the list of items that would be considered athletic advantage, a student-athlete who follows a coach to a school after playing for that coach in an outside league or at another school.

John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Motion Passed: That the penalty proposal, as amended following first readings and review by the Board, be approved for inclusion on the Annual Meeting agenda for September, 2013 passed with a motion by David Weedman and a second by John Barnes. This proposal would add a show-cause penalty to current Bylaw 33 in the event a coach was guilty of violating KHSAA Bylaws resulting in a member school being penalized. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Report from the Executive Committee

Review of Staff Salary Research and Recommendations for 2013-2014

The Commissioner had acted on a Board request and researched the salaries of related positions with individuals of similar experience to the KHSAA staff with the contiguous state associations. The data was presented, as well as the impact of the potential changes detailed by the Commissioner. This data will be continually reviewed.

Following review, the Commissioner made the following staff recommendations for 2013-2014, with consent and approval of the Executive Committee during the budget development process

1. Set the salary of the contracted legal counsel at \$103,000.
2. Designate Assistant Commissioner Butch Cope as Associate Commissioner with an additional stipend of \$3000 above the salary schedule based on service.
3. Reset the Director 2 (Grade II) line item in the salary schedule, requiring a college degree for persons in that grade, so that cell values would be \$54,000, \$57,000, \$60,000, \$64,000, \$68,000 and \$72,000 based on years experience.
4. Increase the flat salary paid to the physical plant director from \$23,700 to \$24,400 for 2013-2014.
5. Increment the salary schedule for all other cells in the employee salary schedule by 2.5% effective July 1, 2013.
6. Until further review by the Board of Control, the following staff positions remain in their current status:
 - a. The full-time position of Administrative Support Specialist will remain available and open through the 2013-2014 budget development process.
 - b. The internship for Event Management and Promotions remains budgeted through various contract services line items.
 - c. The internship for Data Management remains budgeted through various contract services line items.

Motion Passed: Approve the staffing recommendations as presented by the Commissioner passed with a motion by Boyd Randolph and a second by Bill Beasley. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Evaluation Process and Review - Commissioner (per 702 KAR 7:065)

President Randolph and President-Elect Beasley discussed the protocol of the process of evaluating and reviewing Commissioner Tackett with the full Board. President Randolph appointed an ad hoc committee to finalize development of an instrument. Board members will then be able to respond to each of the provided indicators and the final totals would be reviewed with the Commissioner at a separate meeting, likely during the Baseball Finals. It was the objective to develop a standard instrument to utilize each year so that consistent comparisons were able to be made and to allow for the development of commendations and recommendations to guide the Commissioner's yearly planning

Report from the Audit/Finance Committee

Corporate Finance Report, Internal Sponsors Managed by Staff

The Commissioner and Assistant Commissioner Cope presented a detailed report regarding the internal fund raising efforts, including distinctions between the internal and external agreements.

Motion Passed: Accept the report as submitted passed with a motion by Carrell Boyd and a second by David Weedman. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Corporate Finance Report, External Sponsorship Including Signage and Video, and Discussion of Future of Corporate Partner Fundraising and Changes in Marketing Strategy

Commissioner Tackett and Assistant Commissioner Cope led the discussion about the contract and results with iHigh, Inc., the contracted 3rd party fund raising consultant. CEO Rick Ford presented a detailed plan for strategic revisions in the partnership going into 2013-2014, which is the final year of the current marketing agreement.

Motion Passed: Approve the written report as submitted along with specific direction as a result of the presentation in terms of strategic revisions, passed with a motion by Carrell Boyd and a second by Stan Steidel. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Presentation of FY12 Audit, Hicks and Associates

A.J. Sharpe with Hicks and Associates presented a comprehensive detailed report of the FY12 audit and management letter. The audit was a clean opinion with no deficiencies.

Motion Passed: Approve the FY2012 Audit as presented by Hicks and Associates passed with a motion by Carrell Boyd and a second by Donna Bumps. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

KHSAA Form 990 and Documents

A.J. Sharpe with Hicks and Associates presented the draft KHSAA IRS Form 990 for submission.

Motion Passed: Approve the submission and posting of the IRS 990 passed with a motion by Carrell Boyd and a second by Bill Beasley. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Approval of Draft Budget for 2013-2014

Commissioner Tackett presented the detailed budget review of the 2012-2013 operations, and a draft of the 2013-2014 budget. Approval is necessary for the draft to empower the Association to operate from July 1 until the Board gives final budget approval at its July meeting. The report and discussion included reminders about the policies adopted by the Board related to budget which include:

Existing Board Policy

1. Zero (0) Based Budgeting, that is, by policy, the Association cannot use prior year carry forward as a revenue line.
2. Adopted Board of Control goals (financial) as it relates to the KHSAA long-term debt as adopted in 1994
 - a. 33% reserve (1/3 of operating budget non designated) after five years.
 - b. 50% reserve (1/2 of operating budget non designated) after ten years.
 - c. 100% reserve (1/1 of operating budget non designated) after fifteen years.
3. The Association Staff and Board of Control have created several "Designated Funds" to allow for future expenditures to occur without jeopardizing current operations. In doing this, the Association avoids the "use or lose" mentality exhibited by some businesses due to budgeting cycles.

Stated prior goals of Board as it relates to finances (prior to FY of building debt retirement)

1. Pay off long term debt while building necessary reserves (COMPLETED)
2. Monitor and adjust if necessary, team expense reimbursement.
3. Ensure that state championships are fully funded as quality events for participants.
4. Analyze potential for return of reimbursement in individual sports for schools with competitors.
5. After all are accomplished, Return excess funds to schools as soon as possible using systematic rebate formula while not jeopardizing school dues receipts in the spring/summer for cash flow maintenance.

Budget Assumptions

1. Internal and external corporate sponsor receipts only budgeted per contracts
2. Sports Expenses and Receipts predictable due to advance site selections

For 2013-2014, the following recommendations were made as part of the budget:

1. Approve the transfer of up to \$20,000 from the General Fund Carryover to the Title IX reserve for the bulk purchase of "Title IX and Interscholastic Athletics" to be made available for sale to the membership for ½ of purchase price
2. Approve the necessary transfer of funds into and out of the designated accounts for known transactions from the 2011-2012 and 2012-2013 fiscal years to close the fiscal year, including the transfer of funds for designated sick leave and other calculated amounts.
3. Approve the remainder of the Designated Fund Categories and calculations as established in the past audits.
4. Approve the purchase of an additional digital scanner/copier from State Pricing Contract and needed software to add a second machine for the purpose of archiving KHSAA information and necessary software. This machine shall be funded by the Archives Reserve (50%) and the Equipment Reserve (50%).

5. Approve draft budget for 2013-2014 and future years to permit operations through July and final approval.

Motion Passed: Approve the 2012-2013 Budget report and Commissioner's recommendations, and accept the 2013-2014 Draft Budget for Operations passed with a motion by Carrell Boyd and a second by Jeff Saylor. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes.

Board Action Business

Approve Meeting Schedule for 2013-2014

The coming year meeting schedule is established at the Board of Control May meeting.

- July 20-22, 2013
- Wednesday, September 18, 2013
- Monday, November 11, 2013
- Monday, January 27, 2014
- The April meeting date will be confirmed in July due to conflicts
- Monday, May 12, 2014

Motion Passed: Approve the schedule as submitted passed with a motion by Stan Steidel and a second by Mr. Jeff Saylor. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Site Selection and Award, 2014 Bowling

After two years of conducting the Ebonite/KHSAA State Bowling Championship, staff has evaluated the site and other logistics and is recommending changes to the event, including the venue, which may lead to a venue rotation.

Motion Passed: Approve the staff recommendations and set the 2014 state site for Collins Eastland (Lexington) passed with a motion by Donna Bumps and a second by David Weedman. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes.

Report on Prime Date Compliance

The Board of Control annually reviews a report on prime date compliance by the membership. Staff presented data for 2012-2013. Staff was requested to direct all schools to make every effort to comply, and to be very insistent on compliance when games are cancelled early in the season.

Motion Passed: Approve the report and any necessary action passed with a motion by David Weedman and a second by Lea Prewitt. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Approve Draft Alignment of Track Teams for Distribution (Full Board action to be chaired by Individual Sports Chair Stan Steidel)

The proposed alignment places 35% of the schools in Class 1A, 40% in 2A and 25% in 3A. This recognizes that the large schools have an inherent higher probability of having multiple athletes in different events and should compete more among themselves (as in football), but also recognizes that many of the smaller schools do not field a full team and would not necessarily need to have as few schools in Class 1A. It was noted that this might be the first step of a multi step process.

Motion Passed: Approve the draft alignment to be sent to schools for comment with further consideration in July, 2013 passed with a motion by Stan Steidel and a second by Kelley Ransdell. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Review Revisions for Dawahares/KHSAA Hall of Fame Banquet

The Board directed the Commissioner and staff to review Dawahares/KHSAA Hall of Fame banquet logistics, due to the declining size of the induction class and lack of a current title partner for the project. It was suggested for 2014 to move to an afternoon buffet on Sunday, April 27 at Lexington Center and then evaluate costs following the 2014 event.

Motion Passed: Approve the contracting of the 2014 Hall of Fame banquet for the Lexington Center as presented passed with a motion by Jeff Saylor and a second by Alan Donhoff. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Approval - Strategic Plan 2012-2017

The Commissioner presented the draft Strategic Plan at the April Board meeting at which time feedback was requested. Comments have been submitted and discussed and changes incorporated into the plan.

Motion Passed: Approve the 2012-13 through 2013-2017 Strategic Plan, Goals and Objectives passed with a motion by Stan Steidel and a second by Carrell Boyd. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

For the good of the Order

On Deck- July, 2013

Further consideration, Track and Field/Cross Country Alignment

General Items Including Correspondence

Correspondence concerning the format change in Competitive Cheer was discussed. Minimal feedback since decision was announced.

Around the country

The Commissioner updated the Board on changes relating to other states policy and legislation developments.

Board and Staff Roundtable

Outgoing Board Members Gene Norris, Kelley Ransdell and Boyd Randolph were thanked for their service and offered reflection and comments on their respective experiences while serving.

Adjourn

Motion Passed: Motion to adjourn passed with a motion by Bill Beasley and a second by John Barnes. John Barnes Yes, Bill Beasley Yes, Carrell Boyd Yes, Donna Bumps Yes, Art Davis Absent, Ron Dawn Yes, Alan Donhoff Yes, Dana Guyer Yes, Jerry Keepers Absent, Gene Norris Absent, Lea Prewitt Yes, Boyd Randolph Yes, Kelley Ransdell Yes, Steve Riley Yes, Jeff Saylor Yes, Stan Steidel Yes, Henry Webb Absent, David Weedman Yes

Boyd Randolph, President Date

Julian Tackett, Commissioner Date
