

**KENTUCKY DEPARTMENT OF EDUCATION**  
**STAFF NOTE**

**Review Item:**

702 KAR 7:065 Annual Reporting Requirements

**Applicable Statute or Regulation:**

KRS 156.070  
702 KAR 7:065

**History/Background:**

***Existing Policy:*** 702 KAR 7:065, as adopted for the 2014-2015 school year, designates the KHSAA as the entity to manage interscholastic athletics at the middle and high school levels. As the designee, the regulation requires the KHSAA to annually submit several reports. In accordance with this regulation, the KHSAA regularly submits through its liaison designated by the Kentucky Department of Education, all reporting requirements mandated by this regulation.

Section 2 of 702 KAR 7:065 lists several requirements for the KHSAA to remain eligible to maintain the designation as the agent to manage interscholastic athletics. Specific to the reporting requirements in Section (2):

- (1) Accept four (4) at-large members appointed by the Kentucky Board of Education to its governing body;*
- (2) Sponsor an annual meeting of its member schools;*
- (3) Provide for each member school to have a vote on constitution and bylaw changes submitted for consideration;*
- (4) Provide for regional postseason tournament net revenues to be distributed to the member schools in that region participating in that sport, utilizing a share approach determined by the schools within that region playing that sport;*
- (7) Permit a board of control member to serve a maximum of two (2) consecutive four (4) year terms with no region represented for more than eight (8) consecutive years;*
- (9) Permit the commissioner to employ other personnel necessary to perform the staff responsibilities;*
- (10) Permit the Board of Control to assess fines on a member school;*
- (11) Utilize a trained independent hearing officer instead of an eligibility committee for an appeal;*
- (12) Establish a philosophical statement of principles to use as a guide in an eligibility case;*
- (15) Conduct all meetings in accordance with KRS 61.805 through 61.850;*
- (17) Not punish or sanction, in any manner, a school, student, coach, or administrator for allowing a student to play in an athletic contest or practice with the team during a time when an order of a court of competent jurisdiction permits the student to participate or otherwise stays or enjoins enforcement of a KHSAA final decision on eligibility.*
  - Provisions (1) through (4), (7), (9) through (12), (15) and (17) are contained in the Constitution, Bylaws, Due Process Procedure and Tournament Rules of the Association;
- (5) Require its governing body to annually establish goals and objectives for its commissioner and perform a self-assessment and submit the results annually to the KBE by October 31;*
- (8) Employ a commissioner and evaluate that person's performance annually by October 31, and establish all staff positions upon recommendation of the commissioner;*
  - Provisions (5) and (8) were executed by the Board of Control during a structured evaluation in July, 2013 and May, 2014. The data was reviewed with the Commissioner on both occasions as a guide for next steps and operational guidance;
- (6) Advise the Department of Education of all legal action brought against the KHSAA by October 31;*
  - Provision (6) is a part of operational procedure by KHSAA General Counsel Chad Collins;
- (13) Conduct field audits of the association's entire membership over a five (5) year period regarding each school's compliance with 20 U.S.C. Section 1681 (Title IX) and submit summary reports including the highlighting of any deficiencies in compliance on a regular (not less than three (3) times annually) basis to the Kentucky Board of Education as requested;*

- Provision (13) is ongoing as the Association just began the fourteenth year of an education program in cooperation with the Kentucky Board of Education to assist the schools and school districts in their understanding of Title IX. The KHSAA has completed two cycles of on-site visits to the member schools, and visited fifty-five of its members for these reviews during 2013-2014 to begin the third cycle. The KHSAA expanded to conduct eight regional data and Title IX Workshops for 2013-2014 to assist in educating the membership. In addition, the Association continues to receive annual self-evaluations and audits from its membership where participation, enrollment and expenditure data is collected and reports produced from which schools can submit next steps and improvement plans. The annual submission of these reports has been converted to an online process which has made the system more efficient for the membership, and allowed for data collection and comparison in the coming years. The KHSAA Audit Staff continues to provide outreach assistance and instructional efforts for local school district groups such as Local Gender Equity Review Committees, Athletic Booster Clubs, local School Boards and Professional Educator's Associations. Title IX compliance continues to be a regular agenda item at all KHSAA sponsored education seminars, such as the Administrator's Workshops and Annual Meeting with staff continuing to be a Title IX information resource, answering questions and clarifying issues via telephone, e-mail, and field visits.

*(14) As a condition precedent to membership, require each member school and superintendent to annually submit a written certification of compliance with 20 U.S.C. Section 1681 (Title IX);*

- Provision (14) is accomplished annually as the form GE19 (incorporated by reference) is received from each school certifying compliance, as well as the annual report program.

*(16) Provide written reports of any investigations into possible violations of statute, administrative regulation, KHSAA Constitution, bylaws, and other rules governing the conduct of interscholastic athletics conducted by KHSAA or their designees to the superintendent and principal of the involved school district and school prior to being made public: and*

- Provision (16) is maintained within the records of the KHSAA as all reports and requests for rulings are required in writing, and follow a published current year plus four retention schedule.

Specific to the Financial Planning and Review Requirements contained in Section (3), Part 1 which states, "(1) KHSAA shall annually submit the following documents to the KBE by October 31:

*(a) Draft budget for the next two (2) fiscal years, including the current year;*

*(b) End-of-year budget status report for the previous fiscal year;*

- Provision (a) and (b) were presented to the KDE liaison as part of the July, 2013 Board of Control meeting with an update provided at the May, 2014 meeting;

*(c) Revisions to the KHSAA Strategic Plan as a result of an annual review of the plan by the KHSAA governing body;*

- Compliant with Provision (c), the Board of Control adopted and operates under its 2012-2013 through 2016-2017 Strategic Plan, adopted at its May, 2013 meeting, which is posted in detail on the KHSAA website.

*(d) A summary report of operations including summaries of financial, legal, and administrative actions taken and other items ongoing within KHSAA. This report shall also include a summary of items affecting:*

*1. Athletic appeals and their disposition including the name of the individual, grade, school, and the action taken by KHSAA;*

*2. Eligibility rules;*

*3. Duties of school officials;*

*4. Contests and contest limitations;*

*5. Requirements for officials and coaches; and*

*6. Results of a biennial review of its bylaws that results in a recommendation for a change, directing any proposals for change in association rules to be considered for vote by the member schools at the next legislative opportunity; and*

*(e) A review of all items which have been submitted to the membership for approval through the processes established in the KHSAA Constitution and the result of the voting on those issues.*

- Provision (d), parts (1) through (6) are complied with by regular and routine reports to both the KHSAA Board of Control and the KDE/KBE liaisons to the KHSAA, and recommended changes are reflected in the consideration of changes to the Association rules that are contained in the request for approval of

amendments to 702 KAR 7:065 and documents incorporated by reference. In addition, part (6) and provision (e), is included in the annual review conducted with the designation staff note for the KHSAA, completed at the Kentucky Board of Education meetings in February, 2014 and April, 2014.

Specific to Section (3), Part 1, sub section 2, the KHSAA shall:

*Annually submit by December 31, audited financial statements with the KHSAA Commissioner's letter addressing exceptions or notes contained in management correspondence, if any.*

- The KHSAA was audited for the period of July, 2012 to June, 2013 by the firm of David Hicks and Associates in Lexington (specialists in audits of 501(c)3 entities, during the month of February, 2014, and the audit along with a management letter was received and approved by the Board of Control at its May, 2014 meeting. The audit contained a clean opinion with no exceptions or notes included in the audit or management letter. A copy of the audit is included as Attachment "A" and the management letter is available from the KHSAA.

The staff of the KHSAA certifies that the Board of Control has taken action on these items as documented by the minutes of Board of Control meetings.

**Contact Person:**

Julian Tackett, Commissioner  
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**Recommending Contact Person**

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**Commissioner of Education**

**Date:**

February, 2015