

AIA Football Sports Advisory Committee
May 30, 2013
9:00 a.m. – 12:00 p.m.
AIA Office Board Room

Call to order: 9:00 a.m.

1. Roll Call

Members in attendance:

Lee Haws/1A Adm.	Tim Slade/1A Coach
Jerry Link/3A Adm.	Rhett Stallworth/2A Coach
Nathan Slater/4A Adm.	Nemer Hassey/4A Coach
Dana Zupke/5A Coach/Committee Chair	

Committee members absent:

Don Conrad/2A Adm.
Jim Fairfield/3A Coach
Mike Sivertson/5A Adm.

Visitors in Attendance:

Corey Newland (Paradise Valley Unified Dist. Athletic Director)
Marcus Williams (Chandler Unified Dist. Athletic Director)

2. Review/approval of AIA Football Sport Advisory Meeting minutes from January 31, 2013 meeting

3. *New Business*

a. AIA Executive Board response to AzFCA memo regarding AIA finances (C. Schmidt per AIA Executive Board)

Chuck Schmidt was directed by the AIA to share and discuss the AIA Executive Board's response to an AzFCA memo regarding AIA Form 990 Financials that was sent to football coaches statewide, who were encouraged to share the memo and accompanying report with their local school and district administrators.

Chuck shared that the AIA staff did not receive the report from the AzFCA directly. In fact, an AIA Executive Board member forwarded it to the AIA on April 17, 2013 after it came to the board members attention. The AIA staff presented facts related to the Form 990 Financial report to the AIA Executive Board which resulted in the May 10th response that was sent to all AIA member school superintendents, principals and varsity head football coaches.

In an effort to assure that all members of the AIA Football Advisory committee have complete information to communicate with the member constituents they represent, Denise Doser, AIA Director of Accounting, presented the AIA response to the Form 990 Financials-Football Coaches Report that the AzFCA had sent out in April.

Denise indicated to the committee that every nonprofit organization is required to file Form 990. It is an informational return that is sent to the Internal Revenue Service. The IRS determines the categories and their criteria that must be reported. Denise, utilizing a power point presentation, shared the following:

- AzFCA claimed the AIA served 263 school, 34th in state athletic associations

In actuality, the AIA has 276 member schools, as reported in the 2010-2011 NFHS handbooks, ranking the AIA 30th in member schools among state associations.

- AzFCA claimed the AIA ranked 1st or 16th in number of employees (1781 or 23)

In actuality, the AIA has 19 staff members (15 full time/4 part time), 15 Officials Department Area Commissioners and 5, 500 tournament event employees (TEE's) for the 2012-2013 fiscal year. With 19 actual AIA staff members, the AIA ranks 21st among state associations.

- AzFCA claimed the AIA ranked 7th in Employee Compensation (\$2,113,569)

In actuality, the AIA's compensation, which captures all workers including benefits, ASRS contributions and Social Security contributions was:

- \$1,031,237 for 19 AIA staff members
- \$224,250 for 15 Officials Department/Area Commissioners
- \$481,597 for TEE's
- \$376,485 for ASRS, Insurance, Employer Taxes for Staff and TEE's

Based on \$1,254, 741 (which includes benefits and taxes) for 19 AIA staff members, the AIA ranks 22nd in Employee Compensation among state associations

- AzFCA claimed the AIA ranked 6th in Annual Expenses (\$9,235,993)

That figure captures all fiscal activity by the AIA including the RefPay program that schools utilize to make payments to officials for their regular season competition.

In actuality, the AIA had \$4,444,275 in actual annual expenses, ranking 19th among state associations.

The AIA had \$4,791,718 in non-operational expenses including:

- \$3,625,475 accounted for in services on behalf of the member schools for programs such as RefPay, Officials Regular Season Mileage, Catastrophic Insurance and Coach Education
- \$648,420 accounted for in-kind products and services
- \$46,342 accounted for in Officials NFHS Insurance
- \$243,023 accounted for in Sponsors Fulfillment
- \$228,458 accounted for in Member School Year End Distributions

- AzFCA claimed the AIA ranked 6th in the category of Money Paid by Schools

In actuality, the AIA collects the following from its member schools

- \$1,292,421 in membership dues (\$543,480) and participation fees (\$749,941).
- \$3,609,993 in pass thru money for services provided by the AIA on behalf of the schools, i.e. wrestling certification fees, catastrophic insurance fees, officials mileage and RefPay deposits.
- \$2,938,157 in gross gate receipts, sponsorship events and region tournament revenue not paid by the schools a claimed by the AzFCA

Based on \$543,480 in membership dues, the AIA ranked 14th among state associations.

- AzFCA claimed the AIA ranked 1st in “Undocumented “ Expenses (\$3.2 to \$5 million)

In actuality, everything is documented on the Form 990 per IRS classification (under “Other Services 11g”)

- Tournament and other services account for \$3,430,109.81 and include
 - RefPay(\$2,651,537.46), in-kind expense, tournament site expenses for police, contract tournament workers, officials department state fees, etc.

- AzFCA claimed the AIA ranked 1st among state associations in Travel and Meeting Expenses

In actuality, the AIA ranked 32nd among state associations (with \$69,147 in actual staff travel and meeting expenses)

- \$69,147 in actual staff travel and meeting expenses
- \$549,192.46 in officials regular season mileage and officials department travel expenses
- \$79,694.03 in AIA Executive Board, Tournament Support and Region/Conference travel expenses

- AzFCA claimed the AIA ranked 29th among state associations in Net Profits (\$22,797)

The AIA actually accounted for \$251.255 in Net Revenue. Based on the \$251,255 in actual Net Revenue, the AIA is ranked 10th among state associations.

- The AIA membership received a disbursement of \$228,458 (disbursement is recorded as an expense)
- Net assets retained, per audited financials, were \$22,797.

- AzFCA claimed the AIA lost \$917,126 between July, 2007 and June, 2011

The truth is that the AIA returned \$1,018,670 to the member schools in annual distributions of net revenues, including:

- \$271,083 in 2007-2008
- \$469,129 in 2008-2009
- \$50,000 in 2009-2010
- \$238,458 in 2010-2011

This distribution is reported as an expense to the Association, thereby reducing net revenue reported

Nathan Slater asked Chuck why the AIA Football Advisory Committee was receiving and reviewing this information and whether the AIA intends to meet with the AzFCA to discuss these allegations. Chuck indicated that the AIA has expressed the desire and offer to meet (see AIA Football Advisory meeting minutes from July 18, 2012 (see link to these minute : http://www.aiaonline.org/story/uploads/Football_AIA_Sports_Advisory_Committee_July18_2012_doc_final_3_1348005838.pdf). Chuck, once again, stated that the allegations portrayed in the AzFCA document never were sent to the AIA. He indicated that the intent of providing this information to the AIA Football Advisory Committee is so that the football coaches across the state receive accurate, corrected information regarding their state athletic association. It is the hope that the football committee members will disseminate the information to the AzFCA and other coaches, principals and superintendents.

Mark Mignella, AIA legal consul, shared that the AIA financial records are shared at each and every monthly meeting with the AIA Executive Board. The AIA financial records are audited and the IRS Form 990 report is published and made available.

Chuck indicated that this is the third year in a row that issues have been raised by the AzFCA that are accusatory. Chuck asked the football coaches in attendance if they knew who, in the AzFCA, was behind the accusatory document because the AIA staff would welcome the opportunity to meet with them to assist them to understand the AIA financial report as reported and available through the IRS Form 990 report. (Note: coaches in attendance, including Dana Zupke and Nemer Hassey, when asked this question directly claimed to not have knowledge of who was behind the AzFCA report).

b. Discussion: Moving forward to build a positive relationship between the AIA and football coaches (D. Zupke)

The issue regarding the Arizona All star game with the Southern California All Star team was brought up. Chuck expressed that a proposal to allow all star competitions was brought forward by the 5A Conference Committee to the 2013 AIA Legislative Council but was denied by the voting member school representatives. Dana expressed that football coaches were concerned that the basketball coaches were allowed to hold an all star event while school was still in session. Chuck indicated that the basketball all star event date was reached in cooperation with the basketball coaches association and was held after all AIA spring sport state tournaments (and AIA bylaw permitted school spring football practices) were completed and at the conclusion of the 46th week on the AIA Standardized calendar.

Nemer Hassey expressed that many football coaches do not get AIA related communications from their athletic directors. The result is that the AIA staff takes the brunt of accusations related to lack of communication and transparency.

Chuck Schmidt indicated, once again, a desire and willingness to address issues raised by Dana Zupke in the meeting but that the AIA needs to know who to talk to. Chuck indicated that he would travel to Tucson to meet one on one with Nemer. Chuck expressed that the AIA is fully in support of improving relationships with the state's football coaches. Chuck additionally expressed that the AIA Football Advisory Committee is the conduit to the AIA Executive Board regarding football related issues. He also share that the AIA Executive Board has created committees that have a cross effect on individual sports, such as the AIA Sport Medicine Committee and the AIA Scheduling Committee.

Tim Slade expressed that in the last two years he has felt the AIA staff and AIA Executive Board has improved communication.

c. Discussion: Defining the role of the AIA Football Sport Advisory Committee (D. Zupke)

The committee was referred back to the minutes of their December 7, 2011 when Dr. Slemmer addressed this issue.

d. Dr. Cardenas: address the AIA Football Advisory Committee on football sport medicine related topic (Dr. Javier Cardenas, MD)

Dr. Cardenas wanted to discuss the Barrow Concussion Network Training Program which will benefit football more than any other AIA sport.

The program has received a grant. All AIA member schools will have access. If a school has already paid for membership to the program they will not get the fee they paid rebated.

The program provides free concussion consultation. This will give football coaches solid data as a beneficial tool working with their players. The pre-season baseline testing data will go into the data base and will be available for post injury testing comparison.

Dr. Cardenas indicated that the grant is available for one year. The goal is to involve as many AIA member schools as possible so as to determine the cost for the future and determine future funding for the program.

Lee Haws asked if rural school could take part. Dr. Cardenas indicated that the test administration will go to rural school.

e. 2013-2014/2014-2015 football scheduling (N. Slater)

Nathan Slater indicated the 2014 football schedule should not be an issue since the second year of the two year schedule is a flip of this year's scheduled home and away games. He expressed that the next two year schedule for 2015-2016/2016-2017 should enable the AIA to schedule

the entire schedule by computer in order to not repeat the issue with freedom games that some schools experienced this year.

He expressed that after member schools went forward and filled varsity football freedom games commitments, the conference committees had to break up some of the agreement to fill the varsity game schedules for a handful of schools that could fill their schedules. This resulted in a lot of duplication of work effort by athletic directors.

It was expressed that schools made scheduling deals that were in the self interest of their individual schools. That resulted in some schools not being able to get freedom games because they were considered too difficult an opponent for other similarly sized schools. Dana Zupke expressed that he liked having some control over freedom games. He was in favor of having at least two freedom games that a school controlled who the opponent was but let the computer control the date of those two freedom games. Nemer Hassey indicated that he liked the hybrid system. He recommended all the freedom game scheduling be completed by the conference committees all together in a large room. All conference committees need to meet together since the competition divisions do not align directly with the conference alignments.

This item was tabled for future discussion.

4. Consensus recommendations for the AIA Executive Board

None

5. Meeting adjourned