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# **Education Committee**

**Wednesday, February 18, 2015  
8:00 a.m. – 10:00 a.m.**

**102 HOB**

**Action Packet**

**Steve Crisafulli  
Speaker**

**H. Marlene O'Toole  
Chair**

**Committee Meeting Notice**  
**HOUSE OF REPRESENTATIVES**

**Education Committee**

**Start Date and Time:** Wednesday, February 18, 2015 08:00 am  
**End Date and Time:** Wednesday, February 18, 2015 10:00 am  
**Location:** Reed Hall (102 HOB)  
**Duration:** 2.00 hrs

**Consideration of the following proposed committee bill(s):**

PCB EDC 15-01 -- Early Learning

Discussion of Florida High School Athletic Association

Pursuant to rule 7.12, the deadline for amendments to bills on the agenda by non-appointed members shall be 6:00 p.m., Tuesday, February 17, 2015.

By request of the Chair all committee members are asked to have amendments to bills on the agenda submitted to staff by 6:00 p.m., Tuesday, February 17, 2015.

**NOTICE FINALIZED on 02/11/2015 15:32 by Gilliam.Ann**

# COMMITTEE MEETING REPORT

## Education Committee

2/18/2015 8:00:00AM

**Location:** Reed Hall (102 HOB)

### Summary:

#### Education Committee

*Wednesday February 18, 2015 08:00 am*

PCB EDC 15-01	Favorable With Amendment(s)	Yeas: 17	Nays: 0
Amendment PCB EDC 15-01 a1	Adopted Without Objection		
Amendment PCB EDC 15-01 a2	Adopted Without Objection		
Amendment PCB EDC 15-01 a3	Adopted Without Objection		
Amendment PCB EDC 15-01 a4	Adopted Without Objection		
Amendment PCB EDC 15-01 a5	Adopted Without Objection		
Amendment PCB EDC 15-01 a6	Adopted Without Objection		
Amendment PCB EDC 15-01 a7	Adopted Without Objection		
Amendment PCB EDC 15-01 a8	Adopted Without Objection		

Committee meeting was reported out: Wednesday, February 18, 2015 1:27:51PM

# COMMITTEE MEETING REPORT

Education Committee

2/18/2015 8:00:00AM

**Location:** Reed Hall (102 HOB)

**Attendance:**

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
H. Marlene O'Toole (Chair)	X		
Janet Adkins	X		
Bruce Antone	X		
Michael Bileca	X		
Manny Diaz, Jr.	X		
Erik Fresen	X		
Joseph Geller	X		
Bill Hager			X
Clay Ingram	X		
Chris Latvala	X		
W. Keith Perry	X		
Elizabeth Porter	X		
Daniel Raulerson	X		
Michelle Rehwinkel Vasilinda	X		
Ross Spano	X		
Cynthia Stafford	X		
Victor Torres, Jr.	X		
Alan Williams	X		
<b>Totals:</b>	<b>17</b>	<b>0</b>	<b>1</b>

Committee meeting was reported out: Wednesday, February 18, 2015 1:27:51PM

# COMMITTEE MEETING REPORT

## Education Committee

2/18/2015 8:00:00AM

**Location:** Reed Hall (102 HOB)

**PCB EDC 15-01 : Early Learning**

Favorable With Amendment(s)

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Janet Adkins	X				
Bruce Antone	X				
Michael Bileca	X				
Manny Diaz, Jr.	X				
Erik Fresen	X				
Joseph Geller	X				
Bill Hager			X		
Clay Ingram	X				
Chris Latvala	X				
W. Keith Perry	X				
Elizabeth Porter	X				
Daniel Raulerson	X				
Michelle Rehwinkel Vasilinda	X				
Ross Spano	X				
Cynthia Stafford	X				
Victor Torres, Jr.	X				
Alan Williams	X				
H. Marlene O'Toole (Chair)	X				
<b>Total Yeas: 17</b>		<b>Total Nays: 0</b>			

### PCB EDC 15-01 Amendments

#### Amendment PCB EDC 15-01 a1

Adopted Without Objection

#### Amendment PCB EDC 15-01 a2

Adopted Without Objection

#### Amendment PCB EDC 15-01 a3

Adopted Without Objection

#### Amendment PCB EDC 15-01 a4

Adopted Without Objection

#### Amendment PCB EDC 15-01 a5

Adopted Without Objection

Committee meeting was reported out: Wednesday, February 18, 2015 1:27:51PM

# COMMITTEE MEETING REPORT

## Education Committee

2/18/2015 8:00:00AM

**Location:** Reed Hall (102 HOB)

**PCB EDC 15-01 : Early Learning (continued)**

### PCB EDC 15-01 Amendments (continued)

#### Amendment PCB EDC 15-01 a6

*Adopted Without Objection*

#### Amendment PCB EDC 15-01 a7

*Adopted Without Objection*

#### Amendment PCB EDC 15-01 a8

*Adopted Without Objection*

### Appearances:

Ellyn Bogdanoff (Lobbyist) - Information Only

FACCM

Executive Director FACCM

908 S. Andrews Avenue

Ft. Lauderdale FL 33301

Phone: 954-232-5678

Mindy Haas - Waive In Support

Florida PTA

President

1747 Orlando Central Pkwy

Orlando FL

Phone: 561-573-5903

Committee meeting was reported out: Wednesday, February 18, 2015 1:27:51PM

# COMMITTEE MEETING REPORT

## Education Committee

2/18/2015 8:00:00AM

**Location:** Reed Hall (102 HOB)

### **Presentation/Workshop/Other Business Appearances:**

Roger Dearing (At Request Of Chair) - Information Only  
Florida High School Athletic Association  
Exec. Director of FHSAA  
1801 NW 80th Blvd  
Gainesville FL 32606  
Phone: 352-372-9551

#### **FHSAA**

Linda D. Robertson (At Request Of Chair) (General Public) - Information Only  
FHSAA  
Assoc. Exec. Director Business  
1801 NW 80th Blvd  
Gainesville FL 32608  
Phone: 772-473-0346

Committee meeting was reported out: Wednesday, February 18, 2015 1:27:51PM

## Mizereck, Kathy

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**From:** Hager, Bill  
**Sent:** Tuesday, February 17, 2015 5:15 PM  
**To:** O'Toole, Marlene  
**Cc:** Mizereck, Kathy; Gilliam, Ann; Lerner, Beth  
**Subject:** Tomorrow's Education Committee

Chair O'Toole:

I have a deposition scheduled in a federal trial tomorrow morning in Miami that is going forward, and as such I need to leave Tallahassee this evening. I will be unable to attend tomorrow's meeting and am requesting an excused absence.

Thank you for your consideration.

Best,

Bill Hager





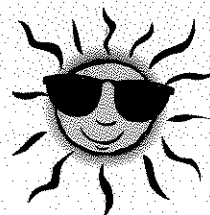
# Understanding the Financial Structure of the FHSAA

Linda D. Robertson  
Associate Executive Director for Business  
February 2015



## How Business is Conducted

- 501C(3) – Non-Profit Organization
- By-Laws establish the organization will follow “Government in the Sunshine”





## Non-Profit Athletic Organization

### Factors to consider when judging finances of FHSAA:

- Not a foundation
- No grants
- Not reliant on public donations
- Has to generate resources through events and fees
- Form 990 is not the only public information on FHSAA (subject to Florida's Public Record Law)
- Operates similar to other state athletic associations




## The Business of FHSAA – Myths & Truth

### Myth

Perceived as relying on Public Funds (taxes)

### Truth

- FHSAA does NOT receive state funding or tax dollars
- FHSAA Policy requires member schools only use non-public funds to pay FHSAA dues, fees and fines
  - Public Schools rely heavily on Activity Funds from ticket sales, fund raisers and donations to fund Athletics

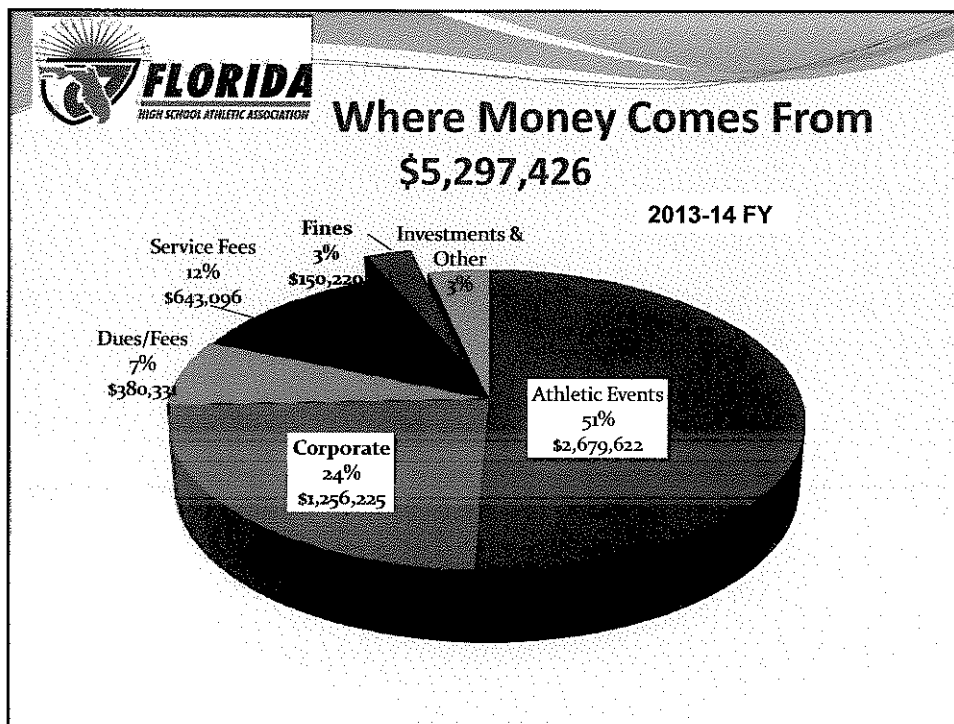



## Funding a Non-Profit Athletic Organization

Choices are made to rely on resources that best serve the purpose of the organization at the least cost to those it serves (member schools)

**Types of Resources:**

- Member Dues & Fees
- Service Fees
- Fines
- Corporate Support & Royalties
- Athletic Event Fees & Ticket Sales
- Interest on Investments





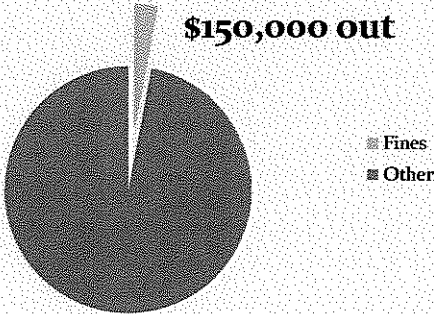
### The Business of FHSAA – Myths & Truth

**Myth**  
Perceived as relying on Penalties/Fines for funding


**Truth**

- Less than 3% of resources are Fines (2013-14 FY)  
(\$12,739 Public, \$23,460 Private Schools, \$14,530 Officials)

**\$150,000 out**

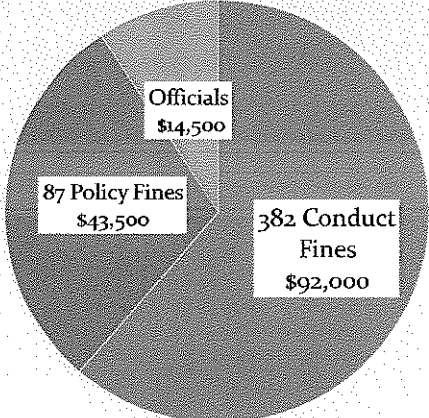


Category	Amount
Fines	\$150,000
Other	~\$148,500



### 2013-14 \$150,000 in Fines

469 school fines for \$135,500  
= Average \$289 per fine





Category	Count	Amount
Conduct Fines	382	\$92,000
Policy Fines	87	\$43,500
Officials	-	\$14,500



## Financial Goal

*“Fund the organization with 100% ticket sales from State Finals, Sponsorships, Media contracts, and Royalties so there is No Financial Burden to our Schools”*





## Understanding the Budget

**2013-2014 Results:**

Beginning Balances	\$ 4,985,444
Plus Revenue (income)	\$ 5,297,426
Less Expenses	\$ (5,032,501)
= Ending Balances	\$ 5,250,369


During FY12-13 balances increased by \$264,925  
Ending Balance is 99% of revenue, goal is 100%



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HIGH SCHOOL ATHLETIC ASSOCIATION

Member Survey's in 2012 focused on opinions about funding sources for FHSAA --- Results were:

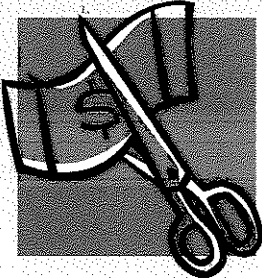
- #1 - Member fees should be reduced to nominal amounts
- #2 - Event fees for Preseason Classics & large tournaments should be reduced over time, but are reasonable means of funding
- #3 - Fines should give way to more meaningful restrictions (loss of membership, loss of eligibility to play in state series, loss of # of contests, etc)
- #4 - Post season state series events (share of gate) is the most reasonable source to fund the organization
  - Hosting is optional but member dues impact all members

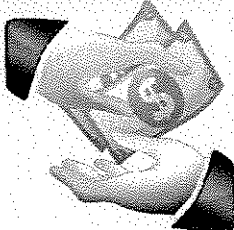


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## Financial - Strategies

1. Profit Sharing Model with Members – return or reduce fees when profits occur
  - \$292,000 Returned to Members – for 2014-15:

	Cut Member Dues to \$25	\$190,000
	Reduced Tournament Fees	\$ 70,000
	Reduced Member Legal Share	\$ 32,000







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## Financial - Strategies

2. Fund the Organization through sources other than memberships and school derived resources:

\$1,256,225 Corporate & Royalties

Media	Sponsors	Merchandizing
	 	

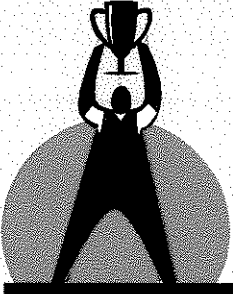
 **FLORIDA**  
HIGH SCHOOL ATHLETIC ASSOCIATION

## Financial - Strategy

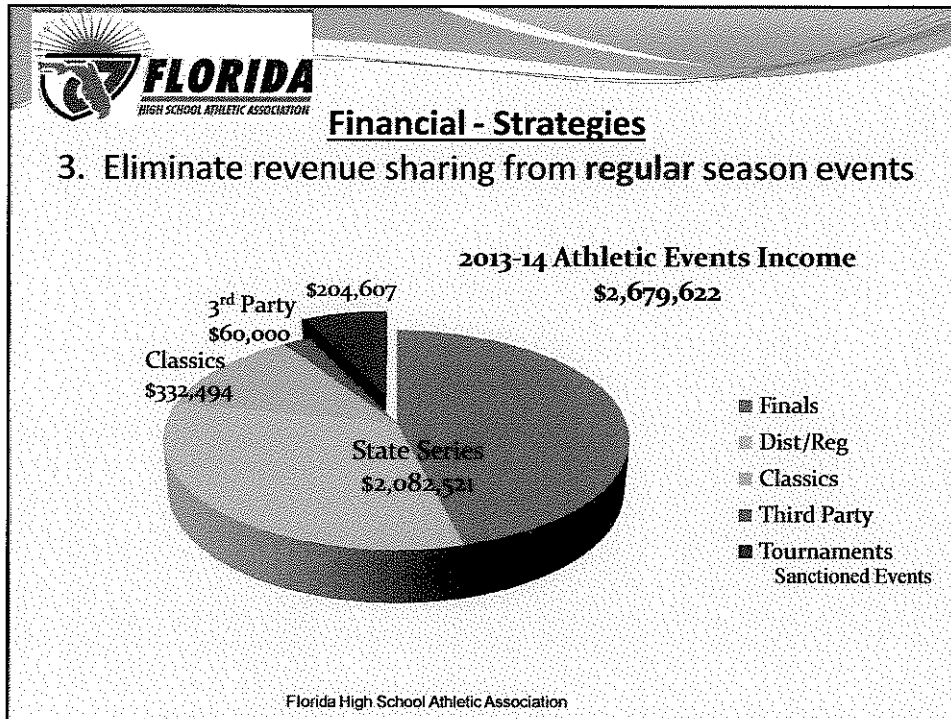
2. Fund the Organization through sources other than memberships, regular season events and fines:

State Series – Post Season - District through State Semi-Finals and Championships

**\$2.1 Million Income**



Florida High School Athletic Association



**FLORIDA**  
HIGH SCHOOL ATHLETIC ASSOCIATION

**Fees**

Membership fees are \$25 per high school, \$10 per middle school (down from a range of \$300 to \$1,100)

Legal fees are shared each year by splitting the prior year general legal costs of the association among all high school members – 2014 fee is \$167 high school, \$25 middle school

Sport Sanction Fees are assessed on large tournaments and average \$70 per tournament – these fees are being phased out over next 2 yrs

Service Fees in the budget consist primarily of Officials registrations





## Third Party Fees

- Direct contracts between FHSAA and Non-Member organizations that host events involving our member schools or out of state schools that require National Federal Approval
- Examples: Disney; KSA; Paragon Sports; ESPN
- Hosted and organized by 3<sup>rd</sup> Party, our schools may be participating
- Provides emerging source of revenue to the organization to support high sports and saves our member schools by providing a constant revenue stream (in place of member dues, etc)
- Requires proper insurance coverage by the 3<sup>rd</sup> Party to protect the organization and member schools that participate
- Will provide approximately \$10,000 revenue in 2014-15
- According to the NFHS, Florida has more third party events than any other state (popular destination for out of state teams)



## School Revenue Sharing

Regular season is 100% school resource (nothing to FHSAA unless large tournament)

Post Season: FHSAA State Series are trademarked events leading to State Finals

\$8+ Million (tickets, concessions, parking and team pay for championships) stays at school


3,678+ State Series Events are Hosted by Schools

Schools Share of Gate Receipts for District & Region:

100% for 24 sports

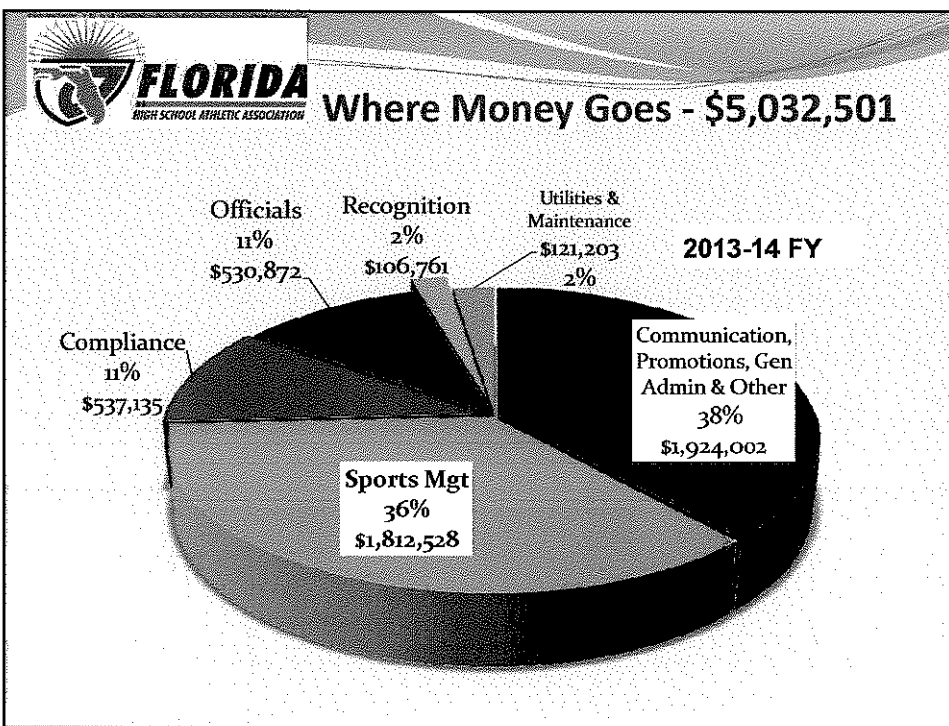
85% for 7 sports (baseball, boys & girls basketball, boys & girls soccer, softball, girls volleyball)

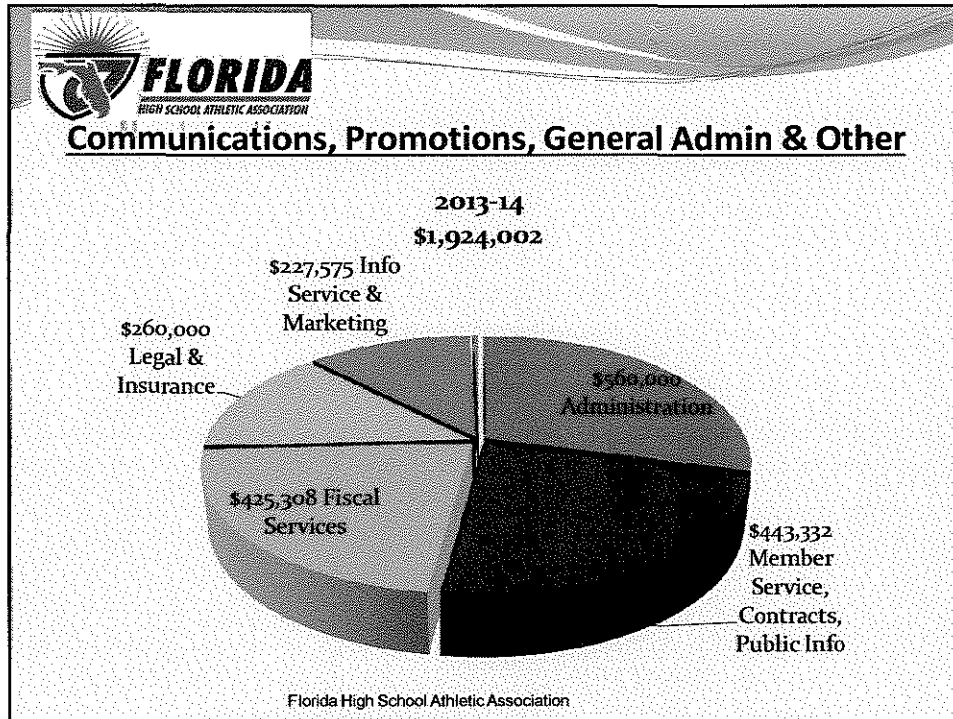
75% for football



## How Revenue Sharing Works

- Applies to 8 team sports in the State Series
- Schools choose to host (not mandatory)
- FHSAA takes the share of gate from the larger “profit” events and then pays those that have a loss
- 2,215 events subject to “percentage of gate” policy
  - 1,495 paid FHSAA a share (70% had good profits)
  - 468 did not pay FHSAA, but broke even
  - 252 events lost money and FHSAA assisted them with loss funds
- Member schools have consistently voted this method of funding as the number one choice for funding FHSAA





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HIGH SCHOOL ATHLETIC ASSOCIATION

## Financial Reform


FHSAA is an organization in the middle of major financial reform – a few examples:

2008/09:

- \$300 - \$1,100 member fee based on size
- \$517,000 collected in fines
- 32 sports paid either share of gate or participation fee for State Series

Today:


- \$25 Membership fee
- \$135,500 collected in fines
- 8 team sports share a percent of gate for State Series



## 6 Yr Record

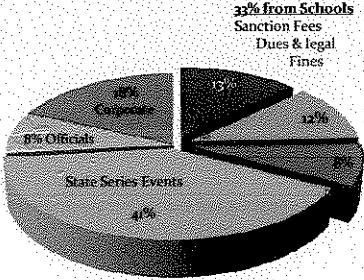
In 2014-15 - FHSAA will redirect \$1.2 million more PER YEAR to schools compared to 2008

- \$400,000 - Membership Dues Reduced to nominal \$25
- \$168,000 - More being paid to Finals Teams (\$417,000/year)
- \$371,000 - Less in Fines
- \$116,000 - Less in FB Classic Fees & elimination of Recognized Sport Participation fees
- \$65,000 - Less in Tournament Sanction Fees
- \$43,000 - FHSAA Share of State Series Reduced - now only collect 15% on 7 sports and 25% football

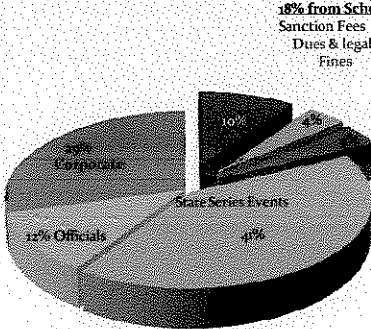


## 501c(3) Annual Resources Then and Now

**2008-09**  
**\$4.3 Million**



**2014-15**  
**\$5 Million**



Florida High School Athletic Association



## Transparency to the Public

Website: [www.fhsaa.org](http://www.fhsaa.org)

- Budgets – Detailed and Summarized (sample charts next slide)
- Audits
- IRS form 990
- Presentations – Myths & Truths
- State Championship Attendance, Financials, Other Statistics

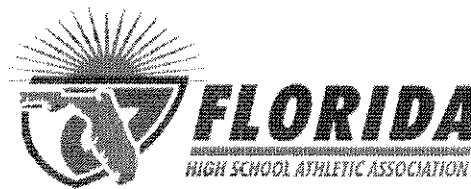
Public Board Meetings:

- Discuss/Approve Budgets, and set Fee Policies
- Present independent audits annually (& provide to State Auditor General)
- IRS form 990 provided for information
- Board minutes archived on website

Florida High School Athletic Association

# Eligibility and Appeals

Florida High School Athletic Association



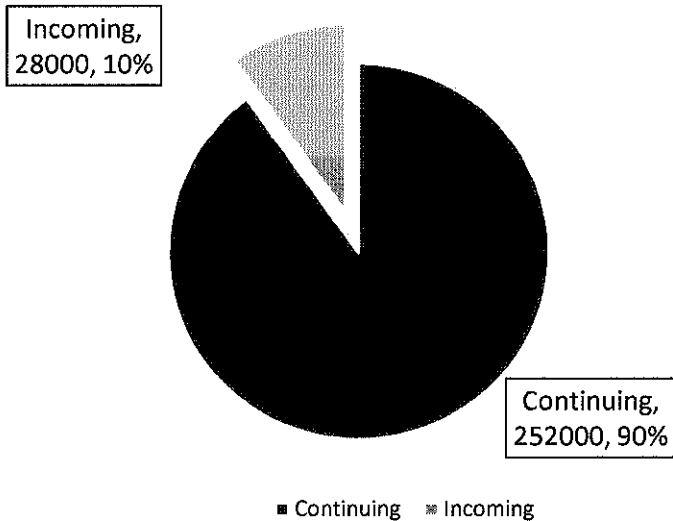
# Appeals Process

Determination

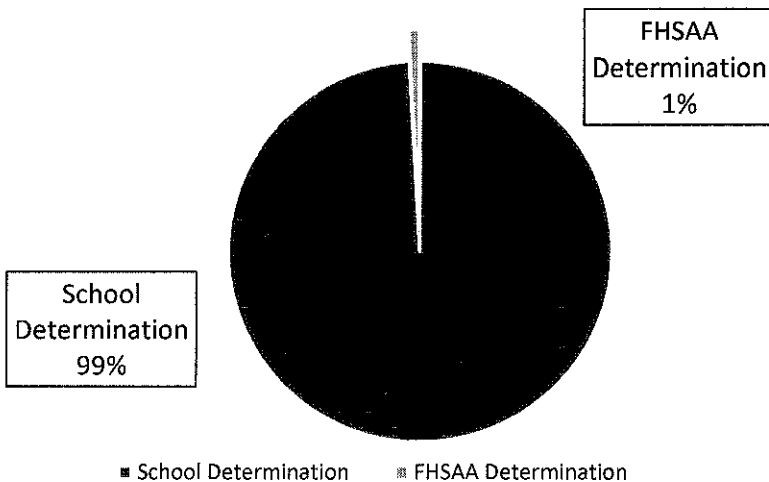
Timeline

# Potential Eligibility Determinations

### Continuing Students vs Incoming Students



### Questions of Eligibility



### Eligibility Status

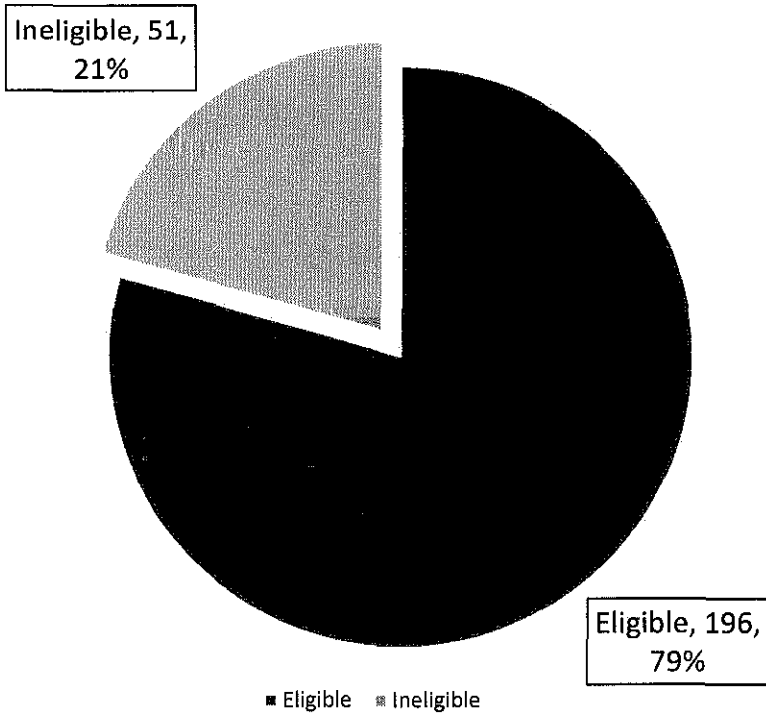
- **FHSAA reviewed less than 1% of student athletes eligibility.**
- Schools determined eligibility for 99% of eligibility questions.
- The FHSAA determined eligibility for 247 students.



# Eligibility Determination

## Eligibility Requests

SY: 2014-2015



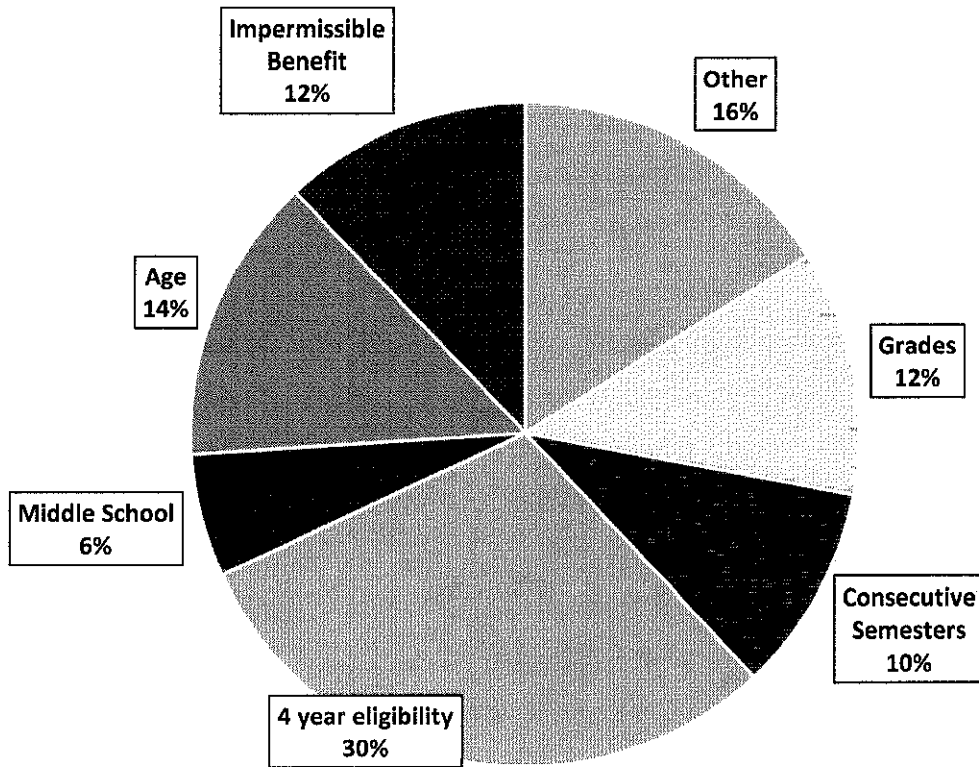
## Eligibility Requests

SY: 2014-2015

- FHSAA determined 196 eligible; 51 ineligible.
- 247 eligibility requests received from schools.
- 21% determined ineligible had the opportunity to appeal.
- Eligibility determinations are made within 10 business days.

# Eligibility Determination

## FHSAA Questions of Eligibility



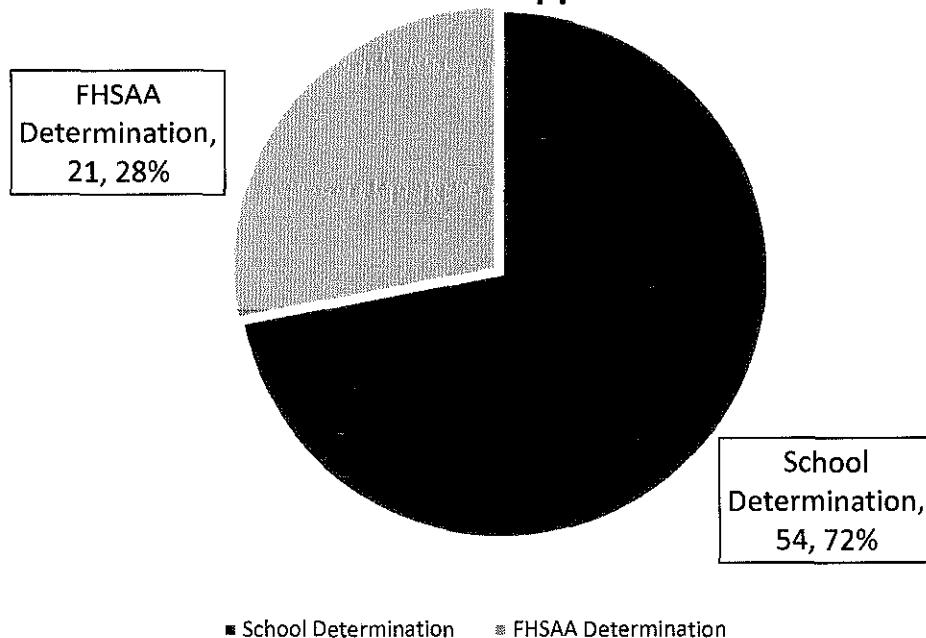
## Bylaw and Policies

SY: 2014-2015

- 56% of eligibility requests
  - Limit of Eligibility
  - Age
  - Grades
- 28% of eligibility requests included GPA, grades, impermissible benefits, attendance for consecutive semesters and middle school repeating grades.
- 16% are based on other questions of eligibility.

# Eligibility Determination

**Eligibility Determinations forwarded to Sectional Appeals**



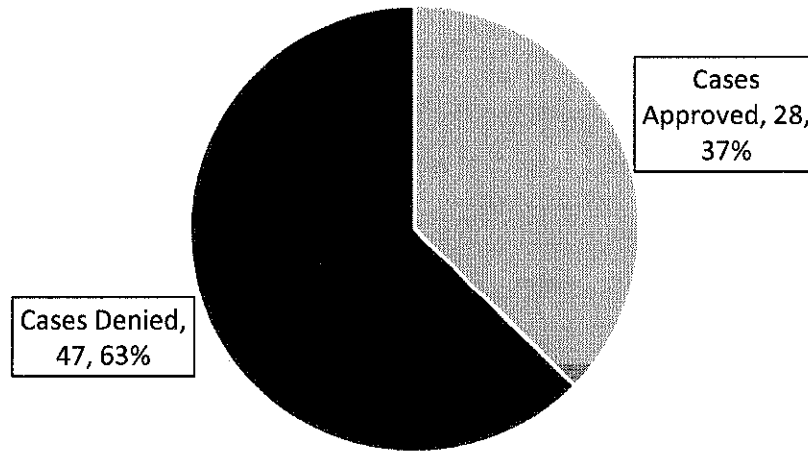
## **Appeal Request**

SY: 2014-2015

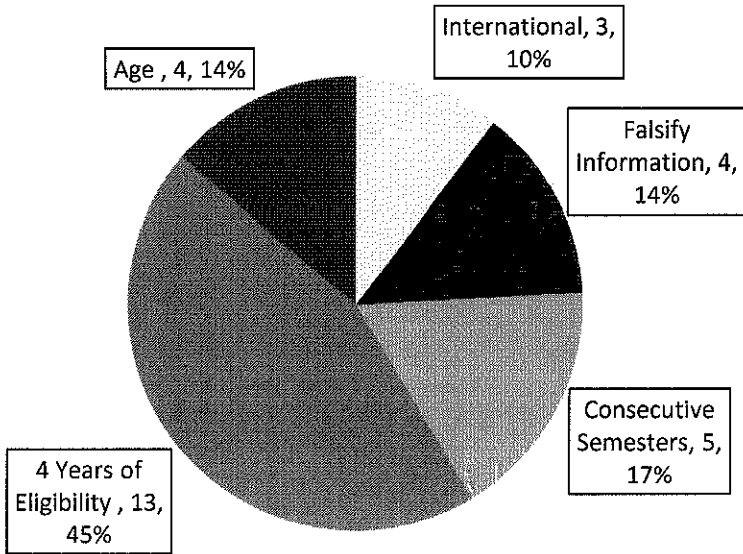
- 72% of appeals requested, were determined by Schools/School Districts.
- FHSAA determined 28% at schools request.
- Schools and School Districts may have stricter rules.
- Schools and School Districts make determinations independent of the FHSAA.

# Sectional Appeals Results

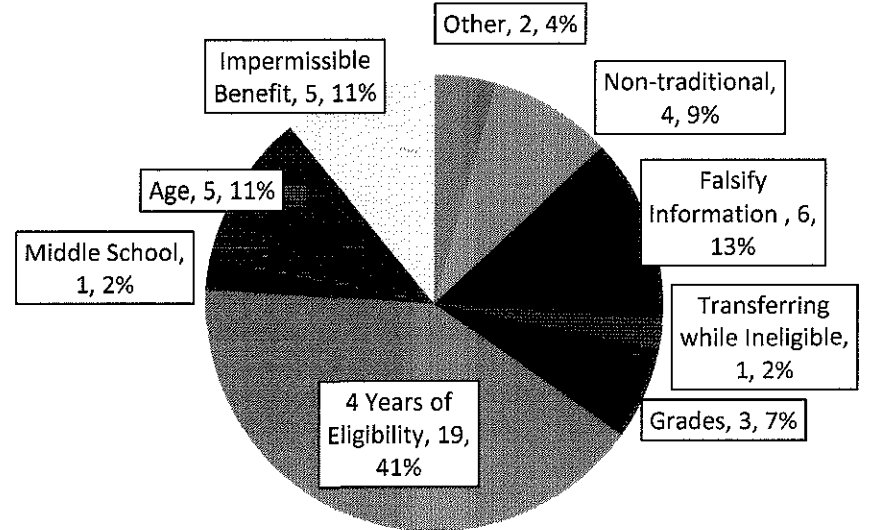
SY: 2014-2015



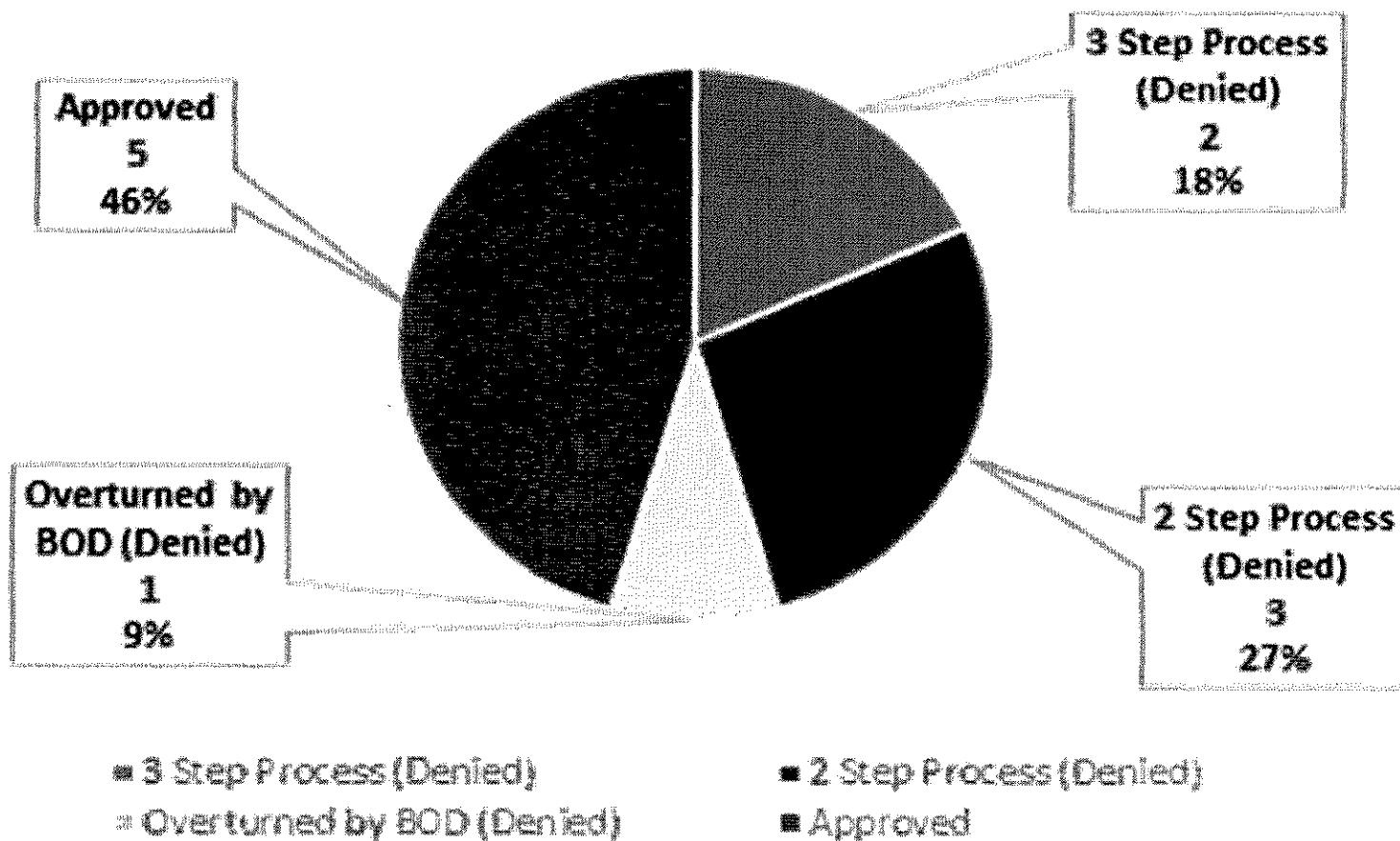
## Bylaws of Approved Appeals



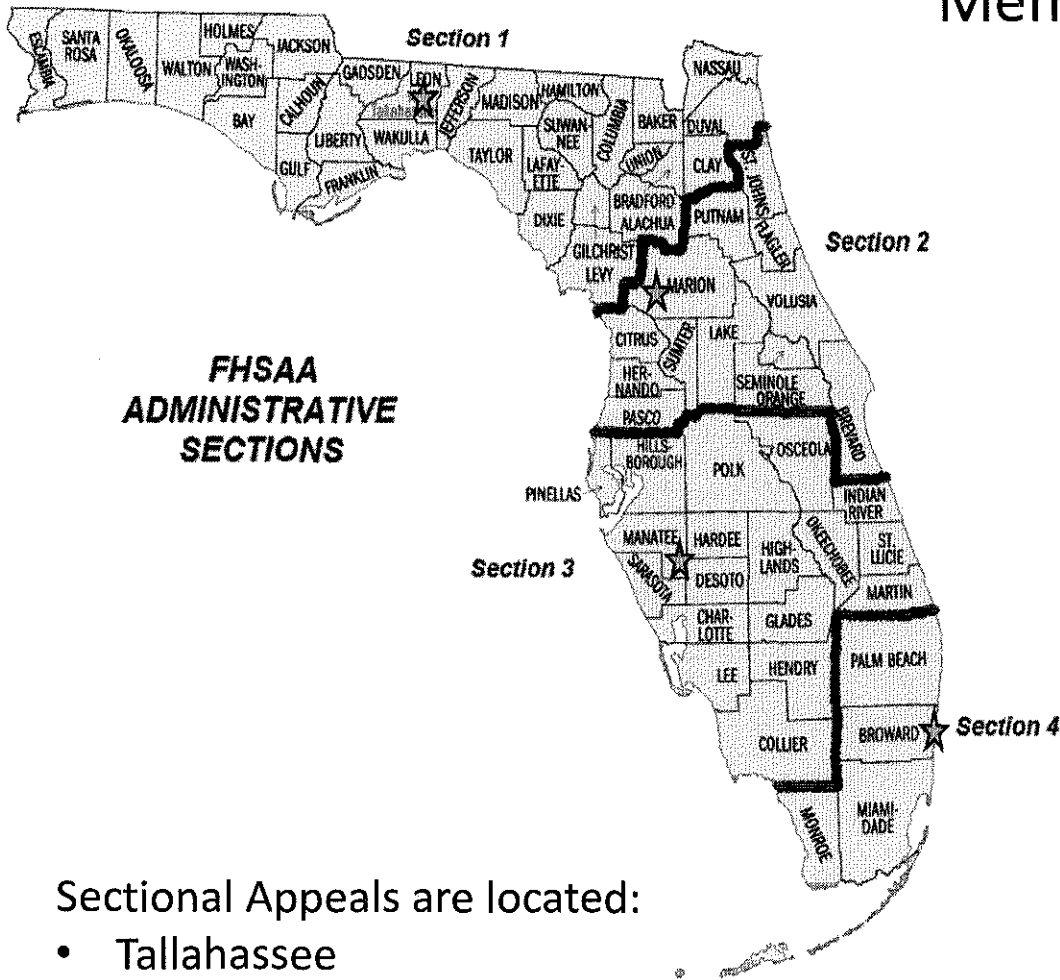
## Bylaws of Denied Appeals



## Board Of Directors Appeals SY: 2014-2015



# Sectional Appeals Committee Members



**FHSAA  
ADMINISTRATIVE  
SECTIONS**

Sectional Appeals are located:

- Tallahassee
- Ocala
- Bradenton
- Ft. Lauderdale

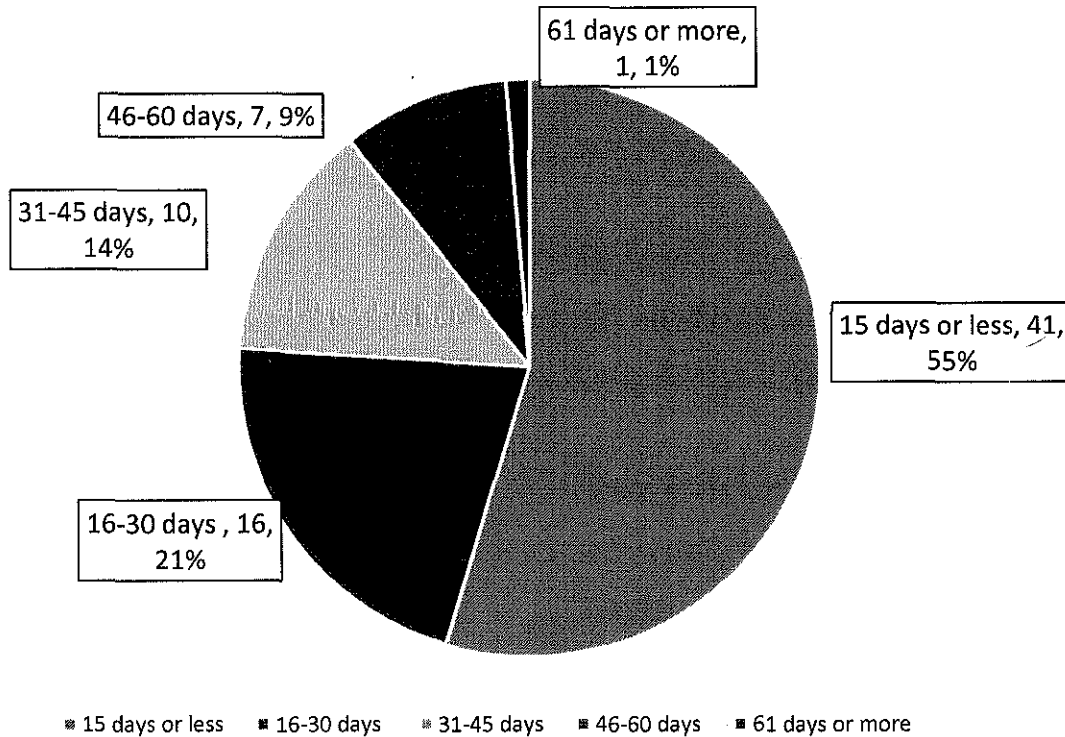
- 7 committee members are comprised of member schools representatives and the community:
  - **3 members**
    - Selected by their peers from public (2) and private (1) schools.
  - **1 private school member**
    - Selected by Florida Association of Academic Nonpublic Schools (FAANS).
  - **1 member**
    - Selected by the Florida School Board or Florida Superintendent Association.
  - **2 members are appointed by the FHSAA Board of Directors**
    - For diversity and as an attorney.

# Eligibility Timeline

- Eligibility requests submitted July-May
- Step One:
  - School can determine student eligibility.
  - Upon school request, FHSAA determines student eligibility within 10 business days.
- Step Two:
  - Sectional appeals offered every month in the schools geographical area.
- Step Three and Four (***optional***):
  - Mediation (within 10 days of sectional appeals)
  - Board of Directors (meets quarterly)

# Eligibility Results Timeline

## Number of Days for a Sectional Appeal Hearing



## Eligibility Ruling Timeline

- The average number of days for an appeal is 28.
- Schools can choose to submit an appeal at any point during the school year.
- Some schools chose to submit an appeal dependent upon the sport.



# Eligibility

Myths and Truths

# Myths & Truths

- Transfers

- **Myth:** If a student transfers during the school year, he/she is ineligible.
- **Truths:**
  - Students eligibility is determined by the school upon transferring.
  - If desired, the school can request assistance from the FHSAA.
  - Students can retain eligibility after transferring.
- **Myth:** If a student changes schools during the summer, the student is ineligible.
- **Truth:** Students can change schools during summer without impacting eligibility.

# Myths & Truths

- School Choice

- Myth: FHSAA bylaws does not support school choice.
- **Truths:**
  - FHSAA bylaws and policies do not restrict school choice.
  - A student is eligible wherever the student starts the first day of school.
  - The FHSAA supports the school or school districts determination of eligibility.

- Appeal Process

- Myth: The people determining student eligibility, are the same people serving on the appeals committee.
- **Truths:**
  - Superintendents, School Board members, Principals, Athletic Directors, attorneys and community members serve on appeals committees.
  - FHSAA staff do not serve on the appeals committees.
  - Schools which determine students eligibility do not serve on appeals committees.