



**SOUTH DAKOTA HIGH SCHOOL ACTIVITIES ASSOCIATION
REGULAR MEETING OF THE BOARD OF DIRECTORS
SDHSAA OFFICE BUILDING**

August 28, 2014

8:30 a.m.

Pierre, South Dakota

The Board of Directors held a regular meeting on August 28, 2014, at the SDHSAA Office Building in Pierre, South Dakota with members present as follows:

Rick Weber	Todd Trask	Steve Morford	Sandy Klatt
Jason Uttermark	Roger Bordeaux	Dan Whalen	Linda Whitney

Staff members present included Wayne Carney, Jo Auch, James Weaver, and John Krogstrand.

The meeting was called to order by Chairperson Rick Weber at 8:30 a.m. followed by the Pledge of Allegiance. Chairman Weber welcomed new Board Members, Dr. Roger Bordeaux, Superintendent of Todd County School District, Ms. Linda Whitney, Superintendent of Sanborn Central School District, Ms. Sandy Klatt, School Board Member from Brandon Valley School District, and Mr. Steve Morford, Principal from Spearfish High School.

Approval of the Agenda

It was moved by Todd Trask, seconded by Linda Whitney, to approve the agenda as submitted.

The motion passed 8-0.

Approval of Minutes from the June 11, 2014 Regular Meeting

It was moved by Jason Uttermark, seconded by Dan Whalen, to approve the minutes from the June 11, 2014, Regular Meeting of the Board of Directors.

The motion passed 8-0.

Approval of the Financial Reports as Submitted

Following a review of all financial reports, it was moved by Steve Morford, seconded by Roger Bordeaux, to approve the following financial reports as submitted:

- A. Income statements for May, June, and July of 2014
- B. Balance sheets for May, June, and July of 2014
- C. Cash Flow Chart
- D. Budgeted to actual for 2013-2014 fiscal year
- E. Receive report from Reinke Gray Wealth Management

The motion passed 8-0.

Consent Agenda

Chairman Weber asked if there were any items on the consent agenda that any Board member wished to move to the regular agenda.

It was moved by Dan Whalen, seconded by Jason Uttermark, to approve the consent agenda items as listed with the exception of 'D' which will be revisited at a later meeting.

- A. Approved of vouchers paid as follows:
 - May of 2014--\$173,955.21
 - June of 2014--\$334,233.75 of which \$212,473.05 is team reimbursements
 - July of 2014--\$298,670.45
- B. Determine the monetary value of awards which may be accepted by the athletes of member schools.
- C. Adopted mission, vision, and beliefs statements.
- D. Advisory Committee appointments.
- E. Adopted Investment Policy Statement for 2014-2015.
- F. Approved of a cooperative agreement for Kimball/White Lake in the sport of Golf
- G. Approved of a cooperative agreement for Parkston/Ethan/Hanson in the sport of Gymnastics

The motion passed 8-0.

2014-2015 Budget

The Board reviewed the final budget proposal for the 2014-2015 school year.

Following discussion, it was moved by Linda Whitney, seconded by Roger Bordeaux, to adopt the 2014-2015 budget.

The motion passed 8-0.

Adoption of Board Policy Manual

Each year the Board officially adopts the Board Policy Manual at the first regular meeting of the current school year.

Following discussion, it was moved by Todd Trask, seconded by Roger Bordeaux, to change all of the mileage rates in the policy manual to the state mileage rate and reflect meal rates of \$9 for breakfast, \$13 for lunch and \$16 for dinner.

The motion passed 8-0

Following discussion, it was moved by Steve Morford, seconded by Linda Whitney, to approve the Board Policy Manual with the earlier change.

The motion passed 8-0.

NFHS Hall Of Fame Nomination

Each year the SDHSAA Board of Directors considers nominating a candidate for the NFHS Hall Of Fame. Assistant Executive Director John Krogstrand presented the Board with names for consideration to be forwarded to the NFHS Hall Of Fame Screening Committee by the SDHSAA Board of Directors.

It was moved by Sandy Klatt, seconded by Todd Trask, that the SDHSAA will submit the name of Lincoln McIlravy from Philip High School to the NFHS Hall of Fame Selection Committee.

The motion passed 8-0.

SDHSAA Foundation

The Board had a discussion during their August 27, 2014, Strategic Planning/Goal Setting meeting relative to the SDHSAA Foundation. The board reviewed five members of the new SDHSAA Foundation Board, including: Dr. Kelly Glodt, Pierre; Miles Beacom, Sioux Falls; Dean Wink, Howes; Bradley Olson, Aberdeen; and Dave Stevens, Mitchell.

Following discussion, it was moved by Jason Uttermark, seconded by Roger Bordeaux, to approve the SDHSAA Foundation Board assignments as presented.

The motion passed 7-0, Board Member Dan Whalen was absent.

Proposed constitutional changes

SDHSAA staff and Board annually review the current Constitution and Bylaws and consider any changes deemed appropriate for the 2015-2016 school year. Proposed changes must be drafted and submitted to the SDHSAA office 30 days prior to the Annual Meeting which is scheduled for April 21, 2015. Constitutional amendments may be submitted by the Board of Directors or by petition from the SDHSAA member schools. The complete method of proposing amendments may be found in the SDHSAA Constitution, Article X, Section 1, page 12.

No further action was taken at this time.

Chairman Weber declared the Board in recess at 9:50.

Chairman Weber declared the Board back in session at 10:00.

Review of the “How Are We Doing? What Can We Do Better? Survey

Representatives from the research firm Lawrence and Schiller presented the board with a thorough review of the survey results. The survey took place from April 30 – May 30, 2014. Over 5,400 people across South Dakota completed the survey. The presentation focused on state event sites, and on data focusing on where students, fans, and school administrators would like to have state events.

No action was taken at this time, and the survey results will be sent to the Site Selection Committee and are posted on the SDHSAA Web Site for public inspection.

SDPB Contract

Larry Rohrer from SDPB presented the Board of Directors with a contract extension for the years 2015-16 through 2019-20, inclusive, as well as a report on updates and other progress made by South Dakota Public Broadcasting in terms of expanded coverage of SDHSAA events.

Following discussion, it was moved by Roger Bordeaux, seconded by Jason Uttermark, to approve the SDPB media contract extension.

Motion passed 8-0

Football Classification

Assistant Executive Director John Krogstrand reviewed with the board the proposed classification numbers for the sport of football using male only enrollment, as a second reading.

Class	New Proposed Language	Total ADM Equiv.	Old ADM Range
11AAA	All schools with a male-only ADM of 400 and above to include at least the largest eight schools	800 and above	Top 8 Schools
11AA	All schools with a male-only ADM between 225 and 399.999 to include at least eight schools	450 through 799.999	450 and above, top eight not included
11A	All schools with a male-only ADM between 100 and 224.999	200 through 449.999	200 through 449.999
11B	All schools with a male-only ADM between 56.001 and 99.999	112.001 through 199.999	112.5 through 199.999
9-Man	All schools with a male-only ADM of 56.0 and below; teams divided into thirds to form three classes	112 and below	112.5 and below

Following much discussion, it was moved by Roger Bordeaux, seconded by Dan Whalen, to approve the male only enrollment numbers for the sport of football.

Motion passed 7-1.

Ticket Prices

The SDHSAA Board of Directors set all state event ticket prices at the June 11, 2014 regular meeting with the exception of Wrestling and Basketball, due to the new Sanford Premiere Center. The executive staff requested to wait on these two events until the facility construction was near completion, and the contracts could be thoroughly reviewed.

Following discussion, it was moved by Sandy Klatt, and seconded by Linda Whitney, to set state ticket prices at the following:

STATE BASKETBALL TOURNAMENTS

			SF/RC
Student Tournament:	@	22.00	28.00
Student Single Session Ticket:	@	6.00	7.00
Adult Tournament:	@	35.00	41.00
Adult Single Session Ticket:	@	10.00	11.00

Aberdeen Only—Barnett Center:

Adult General Admission	@	35.00
Adult Reserved Admission	@	41.00

STATE WRESTLING TOURNAMENTS

			SF/RC
Student Tournament:	@	18.00	22.00
Student Single Session Ticket:	@	6.00	7.00
Adult Tournament:	@	30.00	34.00
Adult Single Session Ticket:	@	10.00	11.00
Aberdeen Only:			
Adult General Admission:	@	30.00	
Adult Reserved Admission:	@	34.00	

Motion passed 8-0

Appointment of Members of the SDHSAA Board of Directors to the SDHSAA Site Selection Committee

SDHSAA Board Chairperson Rick Weber appointed Dr. Roger Bordeaux, Linda Whitney, and Rick Weber to be the board members to serve along with previously appointed site selection committee members approved by the board during the June 11, 2014 regular meeting. Those committee members are Mark Meile, Sioux Falls, Darren Paulson, Rapid City, Gene Brownell, Aberdeen, Terry Rotert, Huron, and Randy Marso, Brandon.

No further action necessary.

Site Relocation for Class B Volleyball

Due to ongoing construction at the Corn Palace in Mitchell, Assistant Executive Director Jo Auch recommended the 2014 Class B Volleyball State Tournament be moved from the Corn Palace in Mitchell to Aberdeen Central High School. Other locations were considered as well, however, due to the short time frame, this location is best able to accommodate the Class B State Volleyball Tournament.

Following discussion, it was moved by Roger Bordeaux, seconded by Sandy Klatt, to approve Aberdeen Central as the 2014 State Tournament site for Class B Volleyball.

Motion passed 8-0.

Discussion of Coaches' Education

A discussion was held about the coaches' education requirements and the cost of the NFHS courses. The issue was raised as some member schools would like to produce their own training. Also discussed was a \$5 per course income given to the SDHSAA from the NFHS. At this time no changes were recommended.

No further action was taken at this time.

Staff reports:

The following staff reports were given:

- A. Debate Topic Selection Meeting—Assistant Executive Director James Weaver reported on a successful NFHS Debate Topic Selection Meeting hosted by the SDHSAA. This was a very successful meeting. The five topics to emerge from the three day meeting include: Income Inequality, Criminal Justice, Immigration, Surveillance, and Indian Country.
- B. National Association of Sports Officials (NASO) Conference— Assistant Executive Director Jo Auch reported on the NASO conference in New Mexico, and updated the board with the latest national trends in sports officiating.
- C. Superintendents' Meeting – A report was given on the Superintendents' Conference held in Pierre in July. Those Board members attending were Roger Bordeaux, Linda Whitney, Rick Weber, Jason Uttermark, Steve Morford, as well as the SDHSAA Executive Staff.
- D. ASBSD/SASD Meeting— A brief report was given by Todd Trask and Jason Uttermark
- E. SDMEA Report—Assistant Executive Director James Weaver gave a report on the upcoming SDMEA Convention held in conjunction with the All-State Chorus and Orchestra.
- F. SDHSCA Summer Coaches Clinic – Assistant Executive Directors Jo Auch and John Krogstrand reported on the coaches' clinic held in Aberdeen this past July. The report including a concern over the falling number of participants at the coaches' clinic.
- G. Legislative Relations – A report was given to the board about the upcoming strategy to improve relations between the South Dakota Legislature and the SDHSAA.
- H. NFHS Summer Meeting – A report was given on the many well designed and useful workshop from the NFHS Summer Meeting held in Boston, MA this past June.

Board Sharing

Chairman Weber shared with the board an email and letter he had received indicating how well the SDHSAA and Assistant Executive Director James Weaver did in planning and hosting National Debate Topic Selection meeting which was held in Rapid City on August 1-2, 2014.

Adjournment

There being no further business to come before the Board, it was moved by Linda Whitney, seconded by Dan Whalen, to adjourn at 1:52 p.m.

The motion passed 8-0.

Respectfully submitted,



Wayne Carney
Executive Director

APPENDIX A**MISSION STATEMENT**

The South Dakota High School Activities Association will serve member schools by providing leadership in the development, supervision, and conduct of interscholastic activities which enrich the educational experiences of high school students. The SDHSAA is committed to the ideals that will provide equitable participation opportunities and positive recognition to students, while working cooperatively with all schools to enhance the achievement of desired educational goals.

BELIEF STATEMENTS

We believe:

- The SDHSAA is the recognized state authority on interscholastic activity programs.
- Interscholastic activity programs enrich each student's educational experience.
- Participation in education-based activity programs promotes student academic achievement.
- Student participation in interscholastic activity programs is a privilege.
- Interscholastic participation develops good citizenship, healthy lifestyles, and strengthens cultural diversity.
- Interscholastic activity programs foster involvement of a diverse population.
- Interscholastic activity programs promote positive school/community relations.
- The SDHSAA, in conjunction with the NFHS, is the pre-eminent authority on competition rules for interscholastic activity programs.
- National competition rules promote fair play and minimize risks for student participants.
- Properly trained administrators/coaches/directors promote the educational mission of the interscholastic experience.
- Properly trained officials/judges enhance interscholastic competition.
- The SDHSAA and its member schools value the following:
 - equity, fairness and justice,
 - activities which support the academic mission of schools,
 - fair play and honorable competition,
 - activities which support healthy lifestyles, and
 - treating people with dignity and respect.

Numerous studies have been conducted which provide empirical evidence to the value of co-curricular programs that are supported by our member schools:

- ❖ **Activities Support the Academic Mission of Schools.** Activities are not a diversion, but rather an extension of a good educational program. Students who participate in activity programs tend to have higher grade-point averages, better attendance records, lower dropout rates, and fewer discipline problems than students generally.
- ❖ **Activities Are Inherently Educational.** Activity programs provide valuable lessons for practical situations—teamwork, sportsmanship, winning and losing, and hard work. Through participation in activity programs, students learn self-discipline, build self-confidence, and develop skills to handle competitive situations. These are qualities the public expects schools to produce in students so that they become responsible adults and productive citizens.
- ❖ **Activities Foster Success in Later Life.** Participation in high school activities is often a predictor of later success—in college, a career, and becoming a contributing member of society.

Did you know. . .

- School activities are not a diversion, but rather an extension of a good educational program.

- Students who participate in activity programs tend to have higher grade-point averages, better attendance records, lower dropout rates and fewer discipline problems.
- Activity programs provide valuable lessons for practical situations—teamwork, sportsmanship, winning and losing, and hard work. Through participation in activity programs, students learn self-discipline, build self-confidence, and develop skills to handle competitive situations.
- Participation in high school activities is likely a predictor of later success.
- Of the 60 students listed in *USA Today's* All-USA High School Academic First, Second, and Third Teams, and the 51 who earned honorable mention, 75 percent were involved in sports, speech, music, or debate.
- A study by the Search Institute indicates that co-curricular activities play a central role in students' healthy development.
- School-age children and teens who are unsupervised during the hours after school are far more likely to use alcohol, drugs and tobacco, engage in criminal and other high-risk behaviors, receive poor grades, and drop out of school than those children who have the opportunity to benefit from constructive activities supervised by responsible adults.
- A nationwide study by the Women's Sport Foundation indicated that athletes do better in the classroom, are more involved in school activity programs, and stay involved in the community after graduation.
- According to a study conducted by Indiana University, students participating in a number of activities not only achieve better academically, but also express greater satisfaction with the total high school experience than students who do not participate.
- Individuals at the executive vice-president level or above in 75 Fortune 500 companies indicated that 95 percent of those corporate executives participated in sports during high school. In addition, 54 percent were involved in student government, 43 percent in the National Honor Society, 37 percent in music, 35 percent in scouts, and 18 percent in the school's publication.
- The American College Testing Service compared the value of four factors in predicting success after high school. The one yardstick that could be used to predict later success in life was achievement in school activities.

APPENDIX B

SOUTH DAKOTA HIGH SCHOOL ACTIVITIES ASSOCIATION

INVESTMENT POLICY STATEMENT

Revised August 30, 2012

I. GENERAL INVESTMENT PRINCIPLES

- A. Investments shall be made solely in the interest of the Association.
- B. The portfolio of investments shall be diversified so as to meet the current cash flow needs and the long-term capital growth goals of the Association.
- C. The investments deemed necessary to meet current cash flow needs and investment of committed capital* (from here on referred to as short-term investments) shall be managed to protect principal value, earn interest, and maintain necessary liquidity.

* capital that is earmarked for a specific project with an established time frame of 3 years or less or capital that is not earmarked for a specific project, but is expected to be used within 3 years

- D. Third Party Asset Managers (TPAM's) will be granted full discretion to determine the risk management tools which best serve the interests of the SDHSAA (if such service is offered by the TPAM).
- E. The investments allocated towards long-term capital growth and investment of uncommitted capital* (from here on referred to as long-term investments) shall be managed with preservation of principal in mind, but growth of principal as the primary objective. It is understood that in order to achieve growth of principal there may be some periods of decreased principal value.

* capital that is not earmarked for a specific project, capital that is earmarked for a specific project with no established time frame, or capital that is not expected to be used within 3 years.

- F. The Board of Directors will oversee the compliance of the Association's investment portfolio with the parameters established by this Investment Policy Statement.
- G. The Board of Directors shall be advised by the SDHSAA Finance Committee. The Finance Committee shall meet annually, prior to the Annual Meeting. Additional meetings may be called at the discretion of the SDHSAA Executive Director and Finance Committee Chairperson.
- H. The Finance Committee shall consist of the following:
 - Two current members of the SDHSAA Board of Directors,
 - One active business manager from a SDHSAA member school,
 - One representative from the financial firm representing the SDHSAA,
 - One current administrator from a SDHSAA member school, and
 - Other members as directed by the SDHSAA Board of DirectorsThe Chairperson shall be elected from the Finance Committee and shall serve at the discretion of the SDHSAA Board of Directors.

- I. The Executive Director and staff are in charge of the day to day management of the investment portfolio.
- J. The Investment Advisor hired to manage the portfolio will meet with the Board at the annual meeting. The Investment Advisor will provide portfolio updates for each Board meeting and will be available to meet directly with the Board at these meetings if deemed necessary by the Executive Director.

INVESTMENTS GUIDELINES

A. ELIGIBLE SECURITIES

- **Short-Term Investments**

The following types of assets are eligible as investments provided they meet the aforementioned General Investment Principles:

1. Money Market Funds or Bank savings account.
2. CDs, Fixed Rate Annuities (or Fixed sub-accounts within Variable Annuities) Investment Grade Corporate bonds, commercial paper or US Government bonds.

- **Long-Term Investments**

The following types of assets are eligible as investments provided they meet the aforementioned General Investment Principles:

Equity Investments – Not to exceed 75% of Long-Term Investments

1. Common stocks of US companies (mutual funds, exchange traded funds (ETF's) or unit trusts that hold such equities are acceptable).
2. Common stocks of foreign corporations so long as they are traded on U.S. exchanges, or are held in mutual funds, exchange traded funds (ETF's) or unit trusts.

Fixed Income – Not to exceed 60% of Long-Term Investments

1. All assets included in the eligible investment list for Short-Term Investments.
2. Corporate High Yield Bonds so long as they are held in mutual funds or closed end funds. This portion of the LT Investments should not exceed 25% of the total Fixed Income Allocation.
3. Investment Grade Corporate preferred stock.
4. Traded and non-traded Real-Estate Investment Trusts.

Management of Long-Term Investments

The Board of Directors will determine the allocation of assets based on the recommendations of the Executive Director and the Investment Advisor.

The investments will follow an asset allocation model approved by the Board of Directors. The investments, in respect to the chosen allocation model, will be reviewed and rebalanced at a minimum annually.