

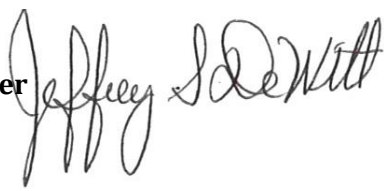
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: October 25, 2016

SUBJECT: Fiscal Impact Statement – District of Columbia State Athletics
Consolidation Act of 2016

REFERENCE: Bill 21-601, Committee Print as shared with the Office of Revenue
Analysis on October 17, 2016

Conclusion

Funds are not sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The bill will cost an estimated \$3.3 million in fiscal year 2017 and \$13.5 million over the course of the four-year financial plan.

Background

The bill establishes the District of Columbia State Athletics Commission (DCSAC or the Commission) and changes the governance structure of the District of Columbia's interscholastic athletic program. The newly established DCSAC will be responsible for:

- Overseeing the operations of the District of Columbia State Athletic Association (DCSAA or the Association);
- Rendering final decisions on appeals to an athletic appeals panel;¹
- Advising the Mayor, Office of the State Superintendent for Education (OSSE), and Council on matters and rules to regulate interscholastic athletics; and,
- Filing an annual report on the state of interscholastic athletics in the District of Columbia.

The DCSAC will be comprised of nine uncompensated voting members and six ex-officio non-voting members. The voting members must include at least one parent of a public charter school student, one parent of a District of Columbia Public Schools (DCPS) student, one representative from a

¹ Each appeals panel is composed of three voting members of the Commission. A panel must hear all issues relating to an appeal de novo. DCSAC must issue a written statement on an appeals panel decision that affirms or denies the decision of a local education agency (LEA) or the DCSAA.

private or parochial school, one representative from the Public Charter Interscholastic Athletic Association, and one participant from a member school. The remaining four voting members can be any resident appointed by the Mayor. The term of each voting member is four years. The six ex-officio non-voting members must include representatives from OSSE, DCPS, the Public Charter School Board, the Deputy Mayor for Education, the Department of Parks and Recreation, and the Department of General Services.

The bill establishes the DCSAC's administrative procedures including how the Commission selects a chairperson, establishes a quorum, and schedules meetings. The Commission must employ an Executive Director and staff to support its operation.

The bill establishes in code the duties and responsibilities of the DCSAA. Currently, the DCSAA operates under the oversight of OSSE but the bill places it under the oversight of DCSAC. The DCSAA must hire a general counsel to serve as the chief legal advisor and must employ staff who carry out the duties of the Association. The bill establishes the DCSAA as the entity responsible for:

- Ensuring that interscholastic athletic programs are compatible with member schools;²
- Providing fair competition between member schools;
- Promoting sportsmanship and ethical behavior;
- Promoting gender equity and equal access to athletic competition;
- Protecting the well-being of participants;
- Certifying coaches and officials through an examination that must be offered four times a year;
- Enforcing compliance with District laws and regulations governing interscholastic athletic programs;
- Serving as the District's Title IX Coordinator;³
- Sanctioning competition and establishing seasons and schedules;
- Publishing a handbook containing rules, codes of conduct, sanctions, and guidelines; and,
- Hearing and deciding complaints.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The bill will cost an estimated \$3.3 million in fiscal year 2017 and \$13.5 million over the four-year financial plan.

All funds appropriated to the DCSAA in OSSE's fiscal year 2017 budget must be transferred to the DCSAC to facilitate the change in governance structure. DCSAA has a \$2.9 million budget in fiscal year 2017. Until DCSAA's budget authority is transferred to the new Commission, funds are not sufficient to implement the bill.

² All schools in the DCPS system with an interscholastic athletics program serving grades 9 to 12 must be members of the DCSAA and are subject to its membership standards. Public charter, parochial, and private schools in the District have the option of becoming a DCSAA member.

³ Pursuant to section 6 of the Title IX Athletic Equity Act of 2015, effective October 21, 2015 (D.C. Law 21-29; D.C. Official Code § 38-841.05).

The Honorable Phil Mendelson

FIS: "District of Columbia State Athletics Consolidation Act of 2016," Committee Print as shared with the Office of Revenue Analysis on October 17, 2016.

The bill requires the DCSAA to hire an attorney to act as general counsel. DCSAA currently uses OSSE's general counsel for advice on legal matters. The estimated cost of employing an attorney is \$154,000 in fiscal year 2017 and \$642,000 over the course of the four-year financial plan.

DCSAA is required to train and certify coaches and officials through an examination process offered four times a year. DCSAA currently does not offer this certification so additional funds are necessary to implement this requirement. The training and certification exams are estimated to cost \$80,000 in fiscal year 2017 and \$140,000 over the course of the four-year financial plan.

The newly established DCSAC will need non-personnel service funding in order carry out its duty and functions. The non-personnel services budget for DCSAC is estimated to cost \$175,000 in fiscal year 2017 and \$732,000 over the course of the four-year financial plan.

Projected Fiscal Impact for Bill 21-601 – District of Columbia State Athletics Consolidation Act of 2016					
Fiscal Impact	FY 2017	FY 2018	FY 2019	FY 2020	Total
DCSAA Budget Transfer ⁽¹⁾	\$2,872,000	\$2,958,160	\$3,046,905	\$3,138,312	\$12,015,377
General Counsel ⁽²⁾	\$153,566	\$158,173	\$162,918	\$167,806	\$642,463
DCSAA Training and Certification ⁽³⁾	\$80,000	\$20,000	\$20,000	\$20,000	\$140,000
DCSAC Non-personnel Service Funding ⁽⁴⁾	\$175,000	\$180,250	\$185,658	\$191,227	\$732,135
Total Fiscal Impact	\$3,280,566	\$3,316,583	\$3,415,481	\$3,517,345	\$13,529,975

Table Notes:

1. Adjusted by 3 percent annually to account for inflation.
2. Assumes one Grade-14, Step-6 FTE and a fringe rate of 23.1 percent. Adjusted by 3 percent annually to account for inflation.
3. Costs in fiscal year 2017 are higher due to start-up costs. Assumes 25 percent coaching and official turnover in fiscal years 2018 through 2020.
4. Assumes spending similar to the fiscal year 2017 non-personnel service budget for the Higher Education Licensure Commission. Adjusted by 3 percent annually to account for CPI inflation.