

MINNESOTA DEPARTMENT OF

*Children
Families &
Learning*

**Report to the
Legislature**

January 21, 2003

**As required by
Minnesota
Statute
§128C.20**

COMMISSIONER:
Cheri Pierson Yecke

**Report to the
Legislature**

**2002 Minnesota
State High
School League
Report**

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Upon request, this report can be made available in alternative formats.

ESTIMATED COST OF PREPARING THIS REPORT

This report provides information which is maintained and published as Minnesota Rules by the Office of Revisor of Statutes as a part of its normal business functions. Therefore, the cost information reported below does not include the cost of gathering the data but rather is limited to the estimated cost of actually analyzing the data, determining recommendations and preparing this report document.

Special funding was not appropriated for the costs of preparing this report.

The estimated cost incurred by the Minnesota Department of Children, Families & Learning in preparing this report is \$350.00.

REPORT ON THE MINNESOTA STATE HIGH SCHOOL LEAGUE

Purpose of the Report

Minnesota Statute §128C.20, Subdivision 1, requires the Commissioner of Children, Families & Learning (CFL) to conduct an annual review of the Minnesota State High School League (MSHSL). The MSHSL receives no state funds and is an independent, non-profit, voluntary entity that provides “educational opportunities through interscholastic athletic and fine arts programs for students and leadership and support for member schools.” State law specifically directs the Commissioner to obtain and review the following information:

1. An accurate and concise summary of the annual financial and compliance audit prepared by the state auditor that includes information about the compensation of and the expenditures by the executive director of the MSHSL and MSHSL staff;
2. A list of all complaints filed with the MSHSL, all lawsuits filed against the MSHSL, and the disposition of those complaints and lawsuits;
3. An explanation of the executive director’s performance review;
4. Information about the extent to which the MSHSL has implemented its affirmative action policy, its comparable worth plan, and its sexual harassment and violence policy and rules; and
5. An evaluation of any proposed changes in MSHSL policy.

The Commissioner has obtained the following sources of data for this report: the Annual Financial Report and Management Letter completed by the state auditor in December 2001 and the 2001-2002 Annual Report of the MSHSL.

State Auditor’s Financial and Compliance Audit

The Commissioner must obtain and review an accurate and concise summary of the annual financial and compliance audit prepared by the state auditor that includes information regarding the compensation of, and the expenditures by, the executive director of the MSHSL and MSHSL staff.

The Minnesota State Auditor’s report reviewed the basic financial statements of the MSHSL for fiscal year 2001. In its Management Letter, the state auditor included the following conclusions and recommendations:

1. The MSHSL and each Region Committee should continue to be aware of the risks and internal control weaknesses associated with limited segregation of duties. The MSHSL and Region Committees should continue their efforts to monitor and provide oversight in this area.
2. In fiscal year 2001, statements of economic interest were not filed with the Board until November and December 2001 for four new members of the Board of Directors of the MSHSL taking office in August 2000 and six new members taking office in August 2001. An additional new member serving on the Board of Directors of the MSHSL for an incomplete term during fiscal year 2001 never filed a statement with the Board. The Board did not have a statement on file for the Executive Director of the MSHSL. Also, the required notification to the Board of the names of the individuals required to file statements of economic interest had not been

- adequately made. In response, the state auditor recommended that public officials of the MSHSL comply with statutory requirements for filing statements of economic interest with the Campaign Finance and Public Disclosure Board on a timely basis. In addition, the MSHSL should see that the Board is properly notified of all of the individuals required to file statements of economic interest.
3. In fiscal year 2001, the MSHSL developed an updated tournament reporting form to be used by Regions, effective for winter 2002 activities. This form addresses the MSHSL's expectations for ticket reporting and documentation of signatures supporting review and approval. The state auditor recommended that the MSHSL follow up with Region secretaries to ensure that management expectations regarding the use of this form are clear. It is especially important that new secretaries understand the MSHSL's tournament reporting requirements and also the follow-up expected if incomplete information is submitted by tournament or site managers. The MSHSL should consider whether clarification is needed for ticket reporting requirements for large civic centers, arenas, and colleges which may assist in administering Region tournaments. Unless the MSHSL identifies exceptions, the tournament report form indicates that ticket numbers should be reported.
 4. The MSHSL should become knowledgeable on how the Governmental Accounting Standards Board (GASB) pronouncement issued in June 1999 will affect its annual financial reporting.

The state auditor performed tests of compliance with appropriate laws and regulations. The results of their tests indicated that, for the items tested, the MSHSL complied with the material terms and conditions of applicable legal provisions, except as described in item 2 above.

A. Compensation of the MSHSL's Executive Director and Staff

According to the 2001-2002 annual report of the MSHSL, staff salaries are based on a range established in policy by the Board of Directors. Salary negotiations are based, among other criteria, upon a comparison of similar athletic and activity associations in the states that comprise the Big 10 athletic conference (Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, and Wisconsin). The Department of Employee Relations (DOER) affirmed MSHSL's compliance with pay equity laws.

B. Expenditures of the MSHSL's Executive Director and Staff

The 2001-2002 annual report of the MSHSL further indicates that during the 2001-2002 school year, the director and his staff were reimbursed a total of \$14,974 for statewide travel. Expenses are reimbursed as identified in the Board of Directors policy and in Minnesota Statute §43A.18, Subdivision 2, the Commissioner's Plan.

Complaints and Lawsuits

The Commissioner must obtain and review a list of all complaints filed with the MSHSL, all lawsuits filed against the MSHSL, and the disposition of those complaints and lawsuits.

State law does not proscribe a dispute resolution method for the MSHSL, but the MSHSL has established a policy for hearing disputes regarding student eligibility including hearing and hearing review procedures. During the 2001-2002 school year, there were six complaints filed with the MSHSL and one appeal of a lawsuit originating in the 2000-2001 school year.

A description of the complaints filed in the 2001-2002 school year follows:

- In September 2001, two student-athletes appealed separate transfer and residence issues under MSHSL Bylaw 111. The hearing officer recommended that the student-athletes be made immediately eligible for varsity competition. The MSHSL Board approved the hearing officer's recommendation.
- In January 2002, a judge issued a ruling concerning an MSHSL Bylaw 111 temporary restraining order issue. The judge ruled in favor of the MSHSL and denied the temporary restraining order.
- In January 2002, two student-athletes appealed separate transfer and residence issues under MSHSL Bylaw 111. The hearing officer recommended that the student-athletes be declared ineligible for 90 school attendance days for varsity competition. The MSHSL Board approved the hearing officer's recommendation.
- In January 2002, one student-athlete appealed a semesters-of-eligibility issue under MSHSL Bylaw 110. The hearing officer recommended that the student-athlete become ineligible for any competition and further suggested that additional semesters of eligibility not be granted. The MSHSL Board approved the hearing officer's recommendation.
- As identified in the 2000-2001 report, the League's Board of Directors rejected a hearing officer's recommendation for eligibility and the MSHSL declared the student-athlete to be ineligible. This decision was consistent with CFL's denial of the student's expulsion appeal. The student and his parents, through their attorney, filed suit to have the student's eligibility restored. On September 25, 2002, the Minnesota Court of Appeals denied the appeal and affirmed the decision of the MSHSL. A petition to review has been filed with the Minnesota Supreme Court.

A number of parents have contacted CFL with questions and concerns. The Commissioner will continue to provide technical assistance for those issues brought directly to CFL and will continue to examine the disposition of matters raised before the MSHSL.

Executive Director's Performance Review

The Commissioner must obtain and examine the executive director's performance review. The annual evaluation of the executive director has been completed. It is positive in terms of the executive director's quality of performance exhibited during the year. Specifically, the executive director received affirmative feedback regarding professionalism, leadership, organization, and creativity.

MSHSL Program Implementation

The Commissioner must obtain and review information about the extent to which the MSHSL has implemented its affirmative action policy, its comparable worth plan, and its sexual harassment and violence policy rules.

The MSHSL affirmative action policies ensure that all persons, regardless of race, color, creed, national origin, sex, religion, marital status, age, [disabled] status or reliance on public assistance, political opinion or affiliation, or military service, will be treated fairly and equally in employment and program participation. The League's Sexual, Racial and Religious Harassment and Violence and Hazing Policy was adopted as a Bylaw and it is enforced statewide. MSHSL's comparable worth plan was adopted in the fall of 1988. The League completed and filed its most recent Pay Equity Report with DOER on January 12, 2001, and DOER sent the League a notification of compliance in a letter dated June 26, 2001.

Conclusion

Minnesota Statute §128C.20, Subdivision 1, requires the Commissioner of CFL to conduct an annual review of the Minnesota State High School League. This report documents the required review.