



Oregon School Activities Association

25200 SW Parkway Avenue, Suite 1
Wilsonville, OR 97070
503.682.6722 <http://www.osaa.org>



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TO: Superintendents, Principals, and Athletic Directors

FROM: Kyle Stanfield, Assistant Executive Director
Gibby Reynolds, IT Systems Administrator

SUBJECT: Update on the Proceedings of the Reimbursement Review Task Force

The Reimbursement Review Task Force held its fourth meeting via Zoom on January 19. The Task Force is utilizing a virtual format for all meetings that allows both Task Force members and those seeking to provide input the option of participating via webinar. This Task Force was formed by the OSAA Executive Board at the request of the OSAA State Championship Committee and Budget Committee.

After their third meeting, the Reimbursement Review Task Force was grappling with several philosophies they were considering presenting to the Executive Board. Overall, the group wants to work toward a system where all activities are reimbursed similarly (currently team sports, individual sports, and activities are all reimbursed differently). In addition, they felt that the miles traveled, the number of participants, and the number of days a school is at an event are critical factors with each playing an important role. The Task Force requested that the staff review these philosophies and return with ideas for an approach to reimbursement with these ideas in mind.

OSAA staff presented the Task Force with a mathematical formula¹ that considers the three variables (miles, participants, and days) while treating all activities equitably. This equation calculates an expense metric using the same variables for each reimbursable state championship event. Over the past five years, the OSAA has averaged approximately \$800,000 in reimbursement to member schools. Realizing that currently there aren't additional funds available to increase potential reimbursement, the staff utilized the \$800,000 figure as a baseline for annual distributions. The \$800,000 would still be distributed seasonally based on the historical percentage reimbursed (e.g., 37% distributed for Fall, etc.). In general, schools traveling the furthest, with the most participants, and participating the most days would get a larger percentage of the seasonal distribution than schools that stayed closer to home, had fewer participants, and participated for fewer days.

$$Expense = \sqrt{participants} \times miles^{(1 + \frac{days}{8})} \quad (1)$$

This approach is similar to the current reimbursement formula in that it takes into account those three variables and is flexible to allow the current process to continue in reimbursing member schools seasonally. One key difference is that a school would not be able to estimate the reimbursement for a given contest as it would be based on percentages of all reimbursements for that season. As data are accumulated over time, estimates could be available in future years.

After a thorough explanation by staff and review by the group, the Task Force supports this approach to changing the Reimbursement Formula because it treats all schools, programs, and students similarly while allowing the Association to accurately budget for this expense each year. If revenues increase and more discretionary funds become available, the Budget Committee and/or the Executive Board could increase the overall amount available for reimbursement.

The Task Force knows that there is no realistic way to reimburse schools dollar-for-dollar when it comes to expenses, but they believe it's important to explore adjustments to the system that treat schools equitably, including reimbursing activities in a similar way to athletics. The Task Force agreed that the focus of the OSAA when it comes to post-season play is to put on exceptional events for students and provide lifelong memories that they'll take with them forever.

At their next meeting, the Task Force will review the event management expenses for hosting school games. The Task Force will review the current remunerations and possible increases to those rates. In addition, they will review possible stock reimbursement rates for hosting and/or gate revenue sharing when hosting activities.

The Task Force is looking for feedback from the membership on these issues. The Task Force will keep the Executive Board regularly updated on their progress. Future meeting dates will be released once determined with the goal to complete work before the April Budget Committee meeting.

The Task Force appreciates your support and encourages your participation in this process. Please do not hesitate to contact Kyle Stanfield (kyles@osaa.org) at the OSAA if you have any questions or to provide feedback.

The Task Force Roster, charge to the Task Force, and updated information are available at the OSAA website: <https://www.osaa.org/governance/task-forces#reimbursement>