



IOWA HIGH SCHOOL ATHLETIC ASSOCIATION

Financial Resilience of the State Association

NFHS Summer Meeting 2023

Tom Keating
Executive Director



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Step 1: Hire Great People!



Jess Morgan



Chelsea Clark



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- Key components of financial resiliency:
 - Solid budgeting strategies
 - Solid accounting practices
 - Solid policies
 - Checks and balances
 - Planning, review, evaluation
 - Long-range forecasting
 - “Rainy Day” resources





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- Solid budgeting strategies:
 - Involve the “key players”
 - Pay attention to trends
 - Attendance (and impacts)
 - Cost of venues
 - Cost of goods/services/utilities
 - Cost of insurance and other benefits
 - Performance of investments
 - Plan implementation of changes (e.g. officials pay increase rotation)





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- Solid accounting practices:
 - Appropriate software
 - Independent audit
 - Consistent policies and procedures – comply with accounting standards
 - Assets safeguarded
 - Accurate and reliable financial statements
 - Responsible stewardship
 - Effective internal controls
 - Operational efficiency and governance





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- Solid policies:
 - Board approved
 - Aligned with law
 - Communicated with all constituents





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- Checks and Balances:
 - Segregation of duties
 - Required signatures
 - Documentation of expenses/payments





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- Planning, Review, Evaluation:
 - Ongoing
 - Include Director of Finance in State Association Reviews (e.g. seasons)
 - Monthly (minimum) review of financials
 - Red flags (trending over/under budget)
 - Annual
 - Review all sponsor agreements, rights agreements, vendor agreements, venue agreements, etc.
 - Review facility condition, including structure, furnishings, utilities, etc.
 - Review vehicle(s) condition
 - Review attendance, investment performance, merchandise sale, other revenue sources
 - Review insurance, benefit costs, etc.





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- Long-Range Forecast
 - Create assumptions for revenue
 - Attendance (ticket sales revenue)
 - Media Rights fees
 - Merchandise sales
 - Interest and Investment income
 - Other income





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- Long-Range Forecast
 - Create assumptions for annual expenses (use budget categories)
 - Officials
 - Venue fees
 - Host fees
 - Utilities
 - Technology
 - Travel
 - Depreciation
 - Maintenance, cleaning, grounds





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- Long-Range Forecast
 - Create assumptions for facilities, technology, and vehicle updates/replacement
 - Facilities
 - Painting, carpet, etc.
 - HVAC, Plumbing, Electrical
 - Roof
 - Parking Lot
 - Furniture
 - Vehicles
 - Wear/tear
 - Replace vehicle(s)
 - Tech upgrades
 - Infrastructure
 - Hardware
 - Software





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- Long-Range Forecast
 - Build 10 Year Budget Projections
 - Feed L-T Maintenance into projections
 - Feed L-T Technology into projections
 - Feed L-T Vehicles into projections
 - Feed L-T Fees (Officials/Host/Participant) into projections
 - Advantages of 10 year Budget Projections
 - Reduces chance for unanticipated costs
 - Avoids unnecessary spending
 - Helps determine timing for changes (increase ticket prices, e.g.)



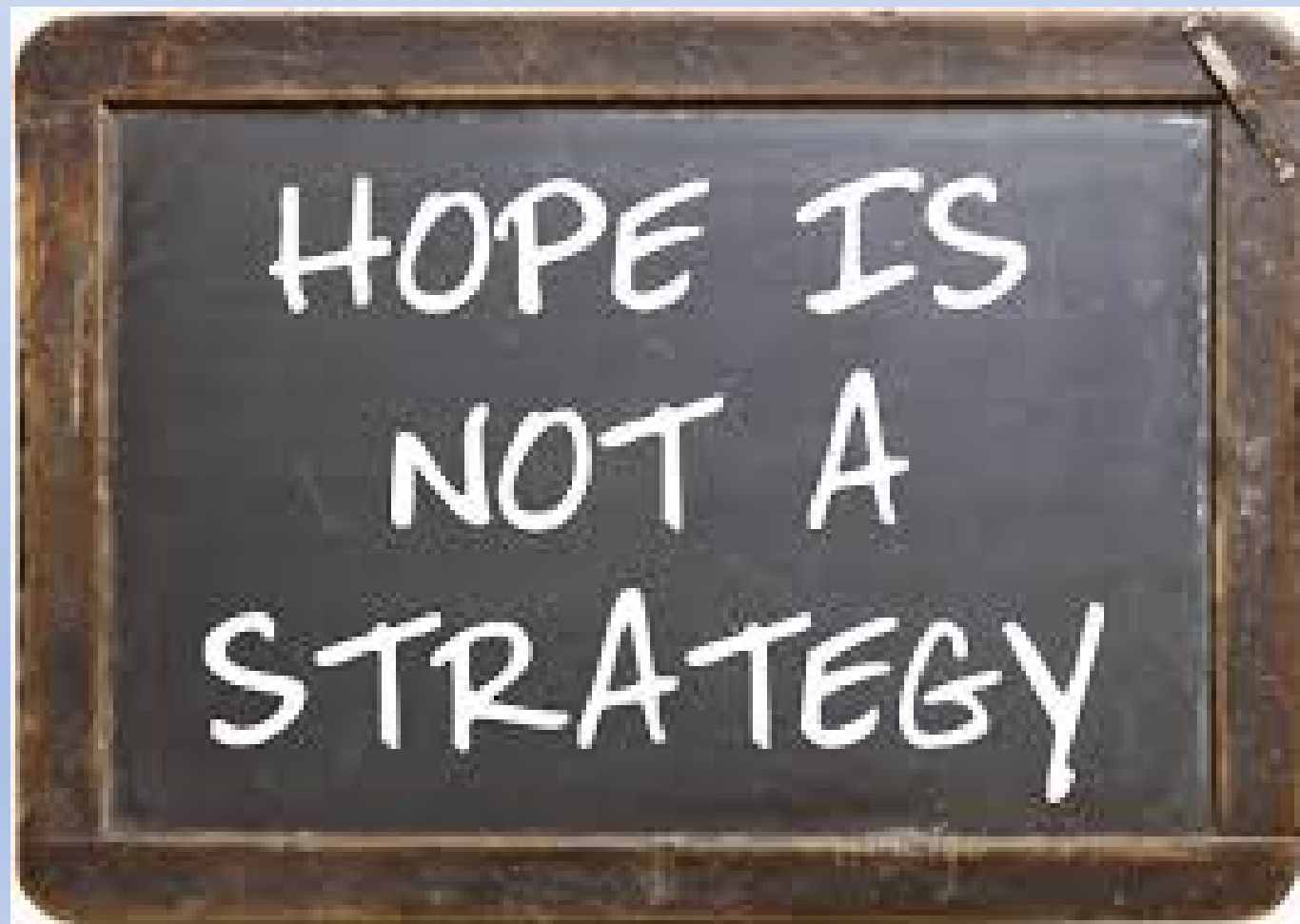
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- “Rainy Day” Resources
 - Cash
 - Investments
 - Mortgage facility
 - Borrow against investments





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Questions?