<u>Proposed Amendment to the</u> University Interscholastic League Constitution and Contest Rules

A. Brief Explanation of Proposed Recommendation

This is recommendation amends Section 28, *District Executive Committee*, by adding subsection (m) regarding financial reporting.

B. Factual and Policy Justifications

The Sunset Commission requires that a more detailed financial reporting process for district executive committees be instituted. While an athletic district executive committee is required under Section 1203 to "furnish each school in the district with a financial statement, showing all receipts and disbursements for the season" there is no reporting requirement or review by the UIL of district budgeting practices or cost/income determinations made by a district executive committee. This proposed process would serve to collect important financial data and to provide insight into what constitutes best financial practices for districts as well as giving the Legislative Council factual bases for taking any action it may deem appropriate.

C. Proposed Recommendation

Section 28: DISTRICT EXECUTIVE COMMITTEE

(M) EACH DISTRICT EXECUTIVE COMMITTEE OR ADMINISTRATIVE EQUIVALENT (REGION IN MUSIC) SHALL BY JUNE 30TH OF EACH YEAR SUBMIT A FINANCIAL REPORT TO THE UIL OFFICE ON A FORM APPROVED BY THE EXECUTIVE DIRECTOR AND THE CHAIR OF THE LEGISLATIVE COUNCIL. THE REPORT SHALL CONTAIN INFORMATION SHOWING RECEIPTS AND DISBURSEMENTS FOR EACH DISTRICT CONTEST OR EVENT THAT WAS HELD OVER THE COURSE OF THE SCHOOL YEAR ALONG WITH ANY OF THE DISTRICT'S ACCOUNT BALANCES AND OTHER PERTINENT FINANCIAL INFORMATION. THE UIL STAFF SHALL REVIEW ALL SUBMITTED REPORTS, CONDUCTING ANY ANALYSIS THE EXECUTIVE DIRECTOR DEEMS APPROPRIATE AND REPORT ANY RELEVANT INFORMATION OR FINDINGS TO THE LEGISLATIVE COUNCIL AT ITS ANNUAL FALL MEETING.

D. Potential Fiscal Impact of the Proposed Rule to Member Schools

This recommendation should not have a fiscal impact on member schools.

E. Legislative Council Consideration; Effective Date

The Standing Committee on Policy moves that the Legislative Council pass this amendment, to be effective August 1, 2016, if approved by the Commissioner of Education.