

Department of Consumer Affairs  
California State Athletic Commission

**Commission Meeting**

April 22, 2013

Los Angeles, CA



Chairman John Frierson  
Vice-Chairman Eugene Hernandez  
Executive Officer Andy Foster



STATE AND CONSUMER SERVICES AGENCY / DEPARTMENT OF CONSUMER AFFAIRS  
**CALIFORNIA STATE ATHLETIC COMMISSION**  
2005 Evergreen Street, Suite 2010  
P (916) 263-2195 F (916) 263-2195 www.dca.ca.gov/csac



Members of the Commission

John Frierson, Chairperson  
VanBuren Lemons, MD  
Christopher Giza, MD  
Dean Grafito  
Martha Shen-Urquidez  
Mary Lehman

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Action may be taken on any item listed on  
the agenda except public comment.  
Agenda items may be taken out of order  
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# COMMISSION MEETING AGENDA

April 22, 2013  
10:00a.m.- Conclusion of Business

Location:  
Ronald Regan State Building  
300 South Spring Street  
Los Angeles, CA 90013

## OPEN SESSION

1. Call to Order/Pledge of Allegiance/Roll Call
2. Chairman's Opening Remarks/Welcome to new Commissioners Shen-Urquidez and Lehman
3. Election of Vice Chairman for upcoming year ( Business and Professions Code § 18606)
4. Approval of February 25, 2013 Commission Meeting Minutes
5. Executive Officer's Report
  - a. Budget Update
  - b. Status of Pending Regulations
  - c. Boxer's Pension Fund/Neurological Examination Account Update
  - d. Staffing Update
  - e. Past Audit Recommendations Progress Report
  - f. Update on Current 60 Day Responses for Audits for BSA and DCA
  - g. Update on current legislation
6. Discussion and possible action regarding neurological testing recommendations made by the Committee on Medical and Safety Standards
7. Discussion and possible action regarding Therapeutic Use Exemption recommendations made by the Committee on medical and safety standards
8. Discussion and possible action regarding a proposal for use of the neurological fund

9. Discussion and possible action regarding licensure of transgender athletes
10. Discussion and possible action regarding George Parra request for early medical pension distribution ( Business and Professions Code § 18887)
11. Discussion and possible action regarding Gabriel Ruelas request for early medical pension distribution ( Business and Professions Code § 18887)
12. Development and possible action regarding long term financial plan for the Athletic Commission
13. Discussion and possible adoption of a formal policy for communication between the Executive Officer and the Commission
14. Creation and Discussion of an officials evaluation policy for event officials
15. Creation and Discussion of an inspector evaluation policy for event inspectors
16. Nomination of Steven Steinschriber, M.D. to the Commission Medical Advisory Panel
17. Applications for Licensure – (*Business and Professions Code § 18662*)
  - a. Top Players Promotions, Inc.
  - b. Flawless MMA, Inc.
  - c. PARS Promotions, Inc.
  - d. OPP Promotions
  - e. H&E Entertainment, Inc.
18. Public Comment on Items not on the Agenda (*The Commission may not discuss or take action on any matter raised during this public comment section, except to decide whether to place the matter on the agenda of a future meeting pursuant to Government Code §§ 11125, 11125.7(a)*)
19. Future Agenda Items and Meeting Dates

#### ADJOURNMENT

NOTICE: The meeting is accessible to the physically disabled. A person who needs disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Andy Foster at (916) 263-2195 or email [Andy.Foster@dca.ca.gov](mailto:Andy.Foster@dca.ca.gov) or sending a written request to Andy Foster at the California State Athletic Commission, 2005 Evergreen Street, Suite 2010, Sacramento, CA 95815. Providing your request at least five (5) days before the meeting will help ensure availability of the requested accommodation. Requests for further information should be directed to Andy Foster at the same address and telephone number.

Meetings of the California State Athletic Commission are open to the public except when specifically noticed otherwise in accordance with the Open Meetings Act. The audience will be given appropriate opportunities to comment on any issue presented.

# **Agenda Item # 4**

*Reference documents*

Members of the Commission

John Frierson, Chairperson  
Eugene Hernandez, Vice-Chairperson  
VanBuren Lemons, MD  
Christopher Giza, MD  
Dean Grafilo

Agenda items may be taken out of order the  
agenda except public comment.  
Action may be taken on any item listed on

**CALIFORNIA STATE ATHLETIC COMMISSION  
MEETING MINUTES**

February 25, 2013

10:00a.m. - Conclusion of Business

## Location:

Ronald Reagan State Building  
320 South Spring Street  
Los Angeles, CA 90013

Commissioners Present

Chairman John Frierson  
Vice-Chairman Eugene Hernandez  
Christopher Giza, MD  
VanBuren Ross Lemons, MD  
Dean Grafilo

Commissioners Absent

N/A

Staff Present

Andy Foster, Executive Officer  
Michael Santiago, Senior Staff Counsel, DCA

Agenda Item 1 – Call to Order / Roll Call / Pledge of Allegiance

The meeting was called to order at 10:00 a.m. and a quorum was present.

Agenda Item 2 – Chairman's Opening Remarks

Chairman Frierson welcomed the public.

Agenda Item 3 – Election of Chairman and Vice Chairman For the Upcoming Year

Commissioner Giza made a motion to nominate Chairman John Frierson to serve as Chairman for the upcoming year. Commissioner Lemons seconded the motion and the commission approved the motion by a 5-0 vote.

Commissioner Giza made a motion to nominate Vice-Chairman Hernandez to serve as Vice-Chairman for the upcoming year. Chairman Frierson seconded the motion and the commission approved the motion by a 5-0 vote.

Agenda Item 4 – Approval of December 3, 2012 Meeting Minutes

Vice-Chairman Hernandez made a motion to approve the December 3, 2012 meeting minutes. Chairman Giza seconded the motion and the commission approved the motion by a 5-0 vote.

## Agenda Item 5 – Executive Officer's Report

### a) Budget Update

- a. The current year expenditure authority of approximately \$2,000,000 is being reduced by 38 percent or \$ 800,000 for the next fiscal year.
- b. The commission does not receive an appropriation but relies on spending authority.
- c. The commission is only allowed to spend the revenues received if it has the expenditure authority to do so. If the commission receives more revenue than our expenditure authority, we cannot spend the excess revenue.
- d. The reduced expenditure authority could be a problem for the commission down the road in order to regulate the number of events and meet anticipated expenditures.
- e. The commission conducted mandatory athletic inspector training by not filling an office technician position for several months.
- f. DCA pro-rata charges of \$108,000 came out in January due to the lag in reporting.
- g. The commission has taken in approximately \$911,000 so far this fiscal year and spent \$750,000. The excess revenue goes into the commission's support fund reserve balance. The reserve is used to help operate the commission when revenues go down.
- h. The commission has approximately \$230,000 in its reserve fund. The fund balance should significantly increase over the next few months. State rules say a 3-month reserve is healthy and the commission is very close to having a healthy reserve fund balance.
- i. Pro-rata is the single largest expense for the commission when the DCA and State pro-rata amounts are combined.
- j. Travel forms for athletic inspectors lag and the Executive Officer has instructed them to submit their travel costs monthly so that our travel costs are more accurate in the monthly budget reports.
- k. The commission has started tracking event specific revenues and expenses to show how much money is made or lost per event. In the past the commission lost money on most of its smaller events. The commission makes money on most events now. The commission drastically reduced athletic inspector travel costs by using proximity as a major factor in event assignments.
- l. The Executive Officer stated that in his opinion, events can be adequately managed with five to six athletic inspectors for a club level show and more for larger events.
- m. The Executive Officer stated he explored the option of moving athletic inspectors cost reimbursement to a flat-rate. It is the Executive Officer's understanding that the flat-rate option would take 4-5 months to implement and he is moving towards implementing this. The Executive Officer does not want to move the lead inspectors to a flat rate. The lead job should be rewarded because it is a difficult job and we need to continue paying our leads with an hourly rate. The commission is training additional inspectors in the southern part of the state where the majority of its events are held.
- n. The commission created a time and travel analysis tool to determine how much time and travel costs were billed by athletic inspectors for each event. The new tool allows the commission to determine the amount of money it made, or lost, at each event. The commission has two months of analysis completed at this time for November and December 2012 and plans to continue using this analysis tool.

The commission's goal is to have at least six months worth of data before it makes any further recommendations, if needed. The commission's goal is to not lose money at the events it regulates. The Executive Officer stressed how important the smaller shows are to the overall health of the combative sports industry. Although the commission may lose a little money on a few shows, the commission believes it is important to regulate these shows for athlete safety and to help grow the industry.

- o. Given the past two months of event profit and loss data, the commission is very close to not losing money on events since it reduced costs in November 2012 when the new Executive Officer came on board. Looking ahead, the Executive Officer reported that once the commission adopts flat rate for athletic inspector reimbursement, the commission should be able to make money at most, if not all, future athletic events.
  - p. The Executive Officer reiterated to the Commissioners an important aspect to its budget. The commission's expenditure authority is only a ceiling of how much the commission COULD spend if it had the necessary revenues to support the maximum level of spending. The expenditure authority has NOTHING to do with how much money is in the bank or how much we SHOULD spend. The Executive Officer stated it is important for the commission to have a sufficient level of expenditure authority in order to adequately regulate and support the level of combative sports going on in California.
  - q. Commissioner Lemons asked the Executive Officer to determine what the state central pro-rata charges are and how they are determined?
  - r. Commissioner Giza asked the Executive Officer to determine the positive financial impact of large events on the local economy.
  - s. Chairman Frierson asked the Executive Officer to schedule a Medical Advisory Committee meeting in March.
- b) **Status of Pending Regulations**
  - c) **Boxer's Pension Fund/Neurological Examination Account Update**
    - a. Commissioner Lemons asked for additional information on the proper usage of the Neurological fund for administration expenses.
  - d) **Staffing Update**
  - e) **Past Audit Recommendations Progress Report**
  - f) **Update on Current Audits in Progress**
  - g) **Executive Officer 90 Day Report**
  - h) **Update on New Partnership for Pro/Am Events with CAMO**
  - i) **Update on Inspector Trainings**
  - j) **Update on Enforcement Efforts to Stop Unsanctioned Boxing Events**
  - k) **Update on Association of Boxing Commissions Training for Boxing and Mixed Martial Arts**
  - l) **Commission Administrative Manual**
  - m) **PUBLIC COMMENT:** Frank Gonzalez commented on badges being taken from athletic inspectors, yet law enforcement duties are still being done. Chairman Frierson asked Andy to look into why the badges were taken away. Additionally, the Executive Officer needs to look into the duties performed by the Athletic Inspectors related to under-cover activities and report back to the commission. Do athletic inspectors need badges?

**Agenda Item 6 – Discussion and Possible Action Regarding Regulations Pertaining to Neurological Testing**

- a) Agenda Item not discussed due to a scheduling conflict with the Medical Advisory Subcommittee.

**Agenda Item 7 – Testimony from Stakeholders on How California Boxers Can Participate in Major Boxing Championship Events**

- a) Promoter Roy Englebracht testified that Andy Foster's leadership at the commission is bringing stability and a better reputation to the CSAC. As a result, Roy believes that with Mr. Foster's continued leadership at the CSAC, California boxers will get more opportunities to participate in major boxing championship events.

**Agenda Item 8 – Discussion and Possible Action Regarding Terry Norris Request for Medical Early Retirement Benefit**

- a) Vice Chairman Hernandez made a motion to consider and discuss awarding an early medical retirement benefit to boxer Terry Norris. Chairman Lemons seconded the motion and the commission approved the motion by a 5-0 vote.
- b) Commissioner Lemons discussed the boxer's medical history and noted his support for the early medical retirement benefit.
- c) Vice Chairman Hernandez asked the Executive Officer to develop standards for awarding this type of benefit in the future and ensure that the condition suffered by Mr. Norris is included in future policy and/or regulation for awarding this benefit.
- d) Commissioner Giza made a two-part motion to award boxer Terry Norris an early medical retirement benefit and direct the Executive Officer to set up a fast track emergency regulation for awarding this benefit in the future. Commissioner Lemons seconded the motion and the commission approved the motion by a 5-0 vote.

**Agenda Item 9 – Discussion and Possible Action Regarding Commission Rule 268 Color Coding of Tickets**

- a) Commissioner Hernandez made a motion to initiate the process to eliminate this rule because it is unenforceable. Commissioner Lemons seconded the motion. Motion approved by a 5-0 vote.

**Agenda Item 10 – Nomination and Possible Appointment of Karen L. Herbst, M.D. to the Committee on Medical and Safety Standards**

- a) Commissioner Hernandez made a motion to accept the appointment of Karen L. Herbst to the Committee on Medical and Safety Standards. Commissioner Lemons seconded the motion. Motion approved by a 5-0 vote.

**Agenda Item 11 – Petitions for Change of Decision**

- a) Alexander Flores vs. Matt Hicks
  - a. Commissioner Hernandez made a motion and Commissioner Giza seconded a change in decision from a Technical Draw to a Technical Knock-Out (TKO). Motion approved 5-0 vote and decision changed.
- b) Louis Ramos vs. Ricardo Williams
  - a. The decision at the fight was a Technical Knock-Out for Ricardo Williams.
  - b. The Executive Officer agrees with the referee decision and recommended letting the decision stand. Commissioner Hernandez made a motion to deny the appeal and let the referee decision stand. Commissioner Giza seconded the motion and the commission approved the motion by a 5-0 vote and upheld the referee decision.



**Agenda Item 12 – Applications for Licensure**

- a) Promoters License Application – One World Boxing Promotions
  - a. Executive Officer recommended granting the license.
  - b. Commissioner Giza stated the prior Executive Officer provided a summary paragraph about each promoter application and would like to see these in the future.
  - c. Commissioner Hernandez motioned to extend the temporary license for 30 days. The motion was seconded by Commissioner Lemons. Motioned Approved 5-0 vote.
- b) Promoters License Application – H&E Entertainment Group LLC
  - a. Commissioner Frierson stated he wanted promoter applicants to appear before the commission in person. Decision deferred to next meeting.

**Agenda Item 13 – Public Comment on Items not on the Agenda**

- a) No actions taken on public comment.

**Agenda Item 14 – Discussion and possible action regarding the International Olympic Committee's Decision to remove wrestling as an Olympic Sport**

Commissioner Grafilo stated he wants to explore ways to work with and support USA Wrestling position to not remove wrestling as an Olympic Sport. Commissioner Grafilo motioned to direct the Executive Officer to write a letter in support of wrestling as an Olympic sport. Commissioner Giza seconded the motion and the commission approved the motion by a 5-0 vote.

**Agenda Item 15 – Closed Session – Legal Items**

- a) Closed Session.

**Agenda Item 16 – Future Agenda Items and Meeting Dates**

- a) The Commission directed the Executive Officer to formalize a communication policy with the Commissioners.
- b) Tentative Date for next meeting is Sunday, April 21.

**Agenda Item 17 – Adjournment**

- a) Meeting adjourned.

# **Agenda Item # 5a**

*Reference documents*



## Athletic Commission Fund Revenue

Fund 0326

Updated with Revenue Info from Calstars

	Projected Revenue	Actual Revenue*	YTD Difference
<b>CY 2012-13</b>			
July	\$ 135,950	\$ 70,941	\$ -65,009
August	\$ 161,988	\$ 133,363	\$ -28,625
September	\$ 214,574	\$ 290,459	\$ 175,885
October	\$ 115,872	\$ 122,018	\$ 6,146
November	\$ 60,046	\$ 126,011	\$ 65,965
December	\$ 147,572	\$ 69,238	\$ -78,334
January	\$ 109,922	\$ 99,055	\$ -10,867
February	\$ 145,440	\$ 146,108	\$ 100,668
March	\$ 171,498	\$ 216,840	\$ 95,342
April	\$ 100,617		
May	\$ 100,184		
June	\$ 165,181		
<b>FY 2012-13 Total</b>	<b>\$ 1,379,844</b>	<b>\$ 1,274,032</b>	<b>\$ -261,171</b>

\* Actual Revenue based on monthly Calstars reports and includes processing lags

## Athletic Commission Expenditures

Fund 0326

Updated with Expenditure Info from Calstars

	Projected Expenditures	Actual Expenditures*	YTD Difference**
<b>CY 2012-13</b>			
July	\$ 81,930	\$ 78,851	\$ -3,079
August	\$ 179,330	\$ 152,141	\$ 72,811
September	\$ 166,478	\$ 73,874	\$ -92,604
October	\$ 88,675	\$ 126,840	\$ 38,165
November	\$ 79,819	\$ 110,336	\$ 30,517
December	\$ 142,617	\$ 69,968	\$ -72,649
January	\$ 165,215	\$ 108,689	\$ 43,474
February	\$ 160,181	\$ 103,439	\$ 43,258
March	\$ 153,668	\$ 88,968	\$ -64,700
April	\$ 66,273		
May	\$ 68,183		
June	\$ 148,332		
<b>FY 2012-13 Total</b>	<b>\$ 1,200,701</b>	<b>\$ 913,106</b>	<b>\$ -4,807</b>

\* Actual Rev/Exp based on monthly Calstars reports and include processing lags

\*\* Athletic Inspector and Travel Backlog

## FY 12-13 Actual Cashflow of Athletic Commission Fund

Fund 0326

Based on Monthly Calstars Reports

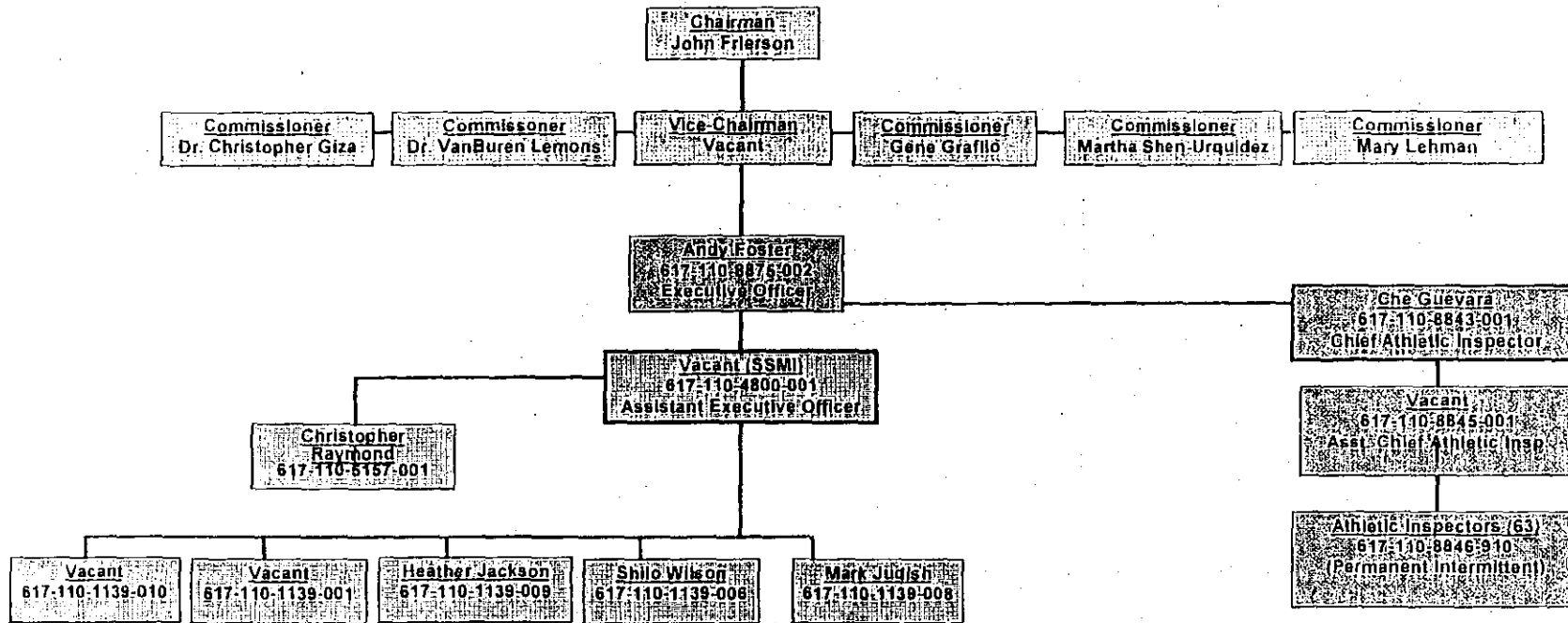
	Revenue	Expenditures	Balance	Comments
<b>FY 2012-13</b>				
Beginning balance:			\$ 22,941	FY 2011-12 Closing Balance
July	\$ 70,941	\$ 78,851	\$ 15,031	Actual Revenue and Expenditures based on FM01 Calstars
August	\$ 133,363	\$ 152,141	\$ -3,747	Actual Revenue and Expenditures based on FM02 Calstars
September	\$ 290,459	\$ 73,874	\$ 212,838	Actual Revenue and Expenditures based on FM03 Calstars
October	\$ 122,018	\$ 126,840	\$ 208,016	Actual Revenue and Expenditures based on FM04 Calstars
November	\$ 126,011	\$ 110,336	\$ 223,691	Actual Revenue and Expenditures based on FM05 Calstars
December	\$ 69,238	\$ 69,968	\$ 222,961	Actual Revenue and Expenditures based on FM06 Calstars
January	\$ 99,055	\$ 108,689	\$ 213,326	Actual Revenue and Expenditures based on FM07 Calstars
February	\$ 146,108	\$ 103,439	\$ 255,995	Actual Revenue and Expenditures based on FM08 Calstars
March	\$ 216,840	\$ 88,968	\$ 383,867	Actual Revenue and Expenditures based on FM09 Calstars
April	\$ 100,677	\$ 66,773	\$ 418,211	
May	\$ 100,184	\$ 88,983	\$ 430,212	
June	\$ 165,131	\$ 148,332	\$ 488,062	
<b>FY 2012-13 Total</b>	<b>\$ 1,641,015</b>	<b>\$ 1,195,894</b>		

# Agenda Item # 5d

*Reference documents*

# California State Athletic Commission

Current



Personnel Analyst \_\_\_\_\_ Date \_\_\_\_\_

Executive Officer \_\_\_\_\_ Date \_\_\_\_\_

# Agenda Item # 5g

*Reference documents*



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Introduced by Senator Price

February 15, 2013

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An act to amend Sections 18602 and 18613 of the Business and Professions Code, relating to business.

LEGISLATIVE COUNSEL'S DIGEST

SB 309, as introduced, Price. State Athletic Commission.

Under existing law, the State Athletic Commission Act, the State Athletic Commission is responsible for licensing and regulating boxing, kickboxing, and martial arts matches and is required to appoint an executive officer. Existing law repeals these provisions on January 1, 2014.

This bill would extend the repeal date to January 1, 2018.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 18602 of the Business and Professions
- 2 Code is amended to read:
- 3 18602. (a) Except as provided in this section, there is in the
- 4 Department of Consumer Affairs the State Athletic Commission,
- 5 which consists of seven members. Five members shall be appointed
- 6 by the Governor, one member shall be appointed by the Senate
- 7 Rules Committee, and one member shall be appointed by the
- 8 Speaker of the Assembly.
- 9 The members of the commission appointed by the Governor are
- 10 subject to confirmation by the Senate pursuant to Section 1322 of
- 11 the Government Code.

1 No person who is currently licensed, or who was licensed within  
2 the last two years, under this chapter may be appointed or  
3 reappointed to, or serve on, the commission.

4 (b) In appointing commissioners under this section, the  
5 Governor, the Senate ~~Rules~~ Committee *on Rules*, and the Speaker  
6 of the Assembly shall make every effort to ensure that at least four  
7 of the members of the commission shall have experience and  
8 demonstrate expertise in one of the following areas:

9 (1) A licensed physician or surgeon, having expertise or  
10 specializing in neurology, neurosurgery, head trauma, or sports  
11 medicine. Sports medicine includes, but is not limited to,  
12 physiology, kinesiology, or other aspects of sports medicine.

13 (2) Financial management.

14 (3) Public safety.

15 (4) Past experience in the activity regulated by this chapter,  
16 either as a contestant, a referee or official, a promoter, or a venue  
17 operator.

18 (c) Each member of the commission shall be appointed for a  
19 term of four years. All terms shall end on January 1. Vacancies  
20 occurring prior to the expiration of the term shall be filled by  
21 appointment for the unexpired term. No commission member may  
22 serve more than two consecutive terms.

23 (d) Notwithstanding any other provision of this chapter,  
24 members first appointed shall be subject to the following terms:

25 (1) The Governor shall appoint two members for two years, two  
26 members for three years, and one member for four years.

27 (2) The Senate Committee on Rules shall appoint one member  
28 for four years.

29 (3) The Speaker of the Assembly shall appoint one member for  
30 four years.

31 (e) (1) This section shall remain in effect only until January 1,  
32 ~~2014~~ 2018, and as of that date is repealed, unless a later enacted  
33 statute, that is enacted before January 1, ~~2014~~ 2018, deletes or  
34 extends that date.

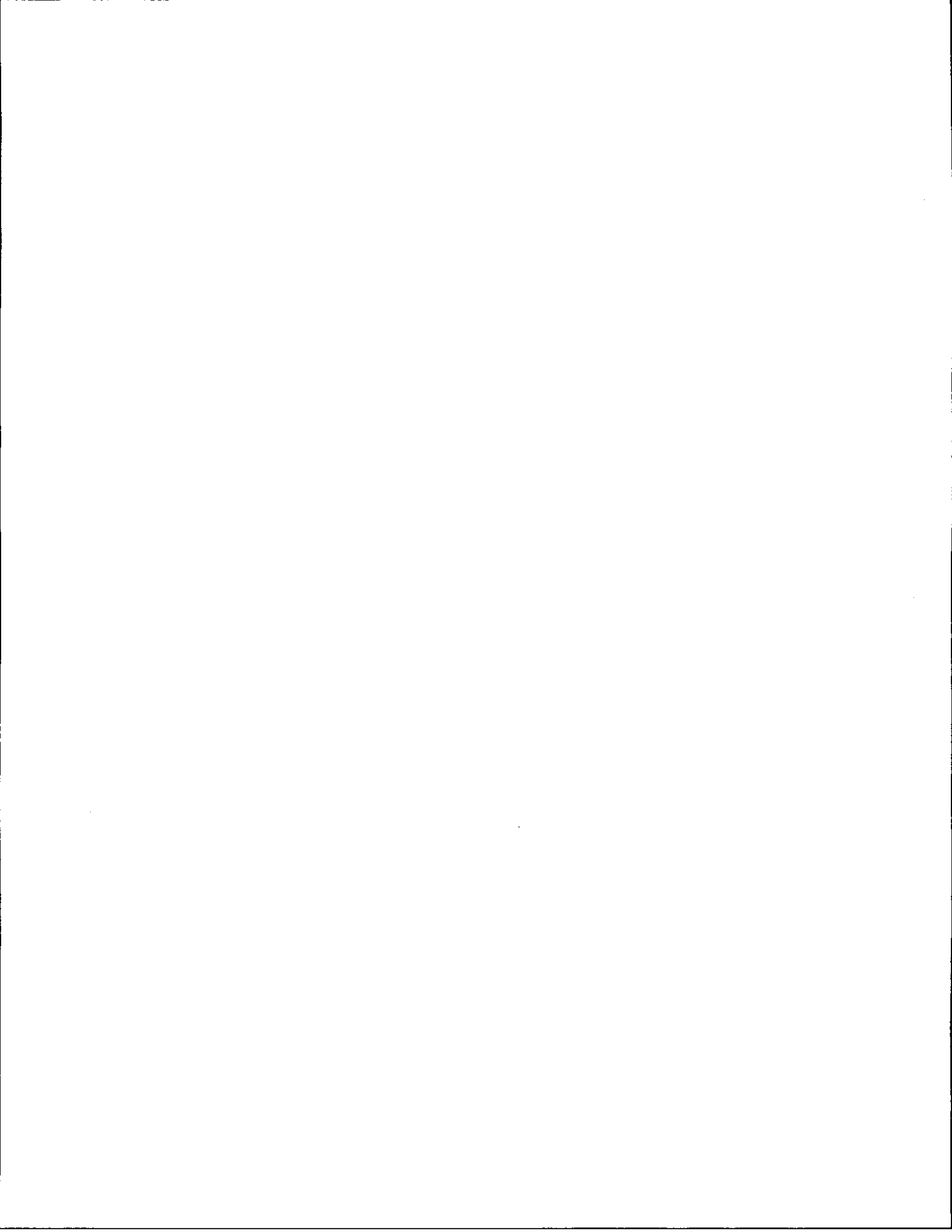
35 (2) Notwithstanding any other provision of law, the repeal of  
36 this section renders the board subject to review by the appropriate  
37 policy committees of the Legislature.

38 SEC. 2. Section 18613 of the Business and Professions Code  
39 is amended to read:

1 18613. (a) (1) The commission shall appoint a person exempt  
2 from civil service who shall be designated as an executive officer  
3 and who shall exercise the powers and perform the duties delegated  
4 by the commission and vested in him or her by this chapter. The  
5 appointment of the executive officer is subject to the approval of  
6 the Director of Consumer Affairs.

7 (2) The commission may employ in accordance with Section  
8 154 other personnel as may be necessary for the administration of  
9 this chapter.

10 (b) This section shall remain in effect only until January 1, ~~2014~~  
11 2018, and as of that date is repealed, unless a later enacted statute,  
12 that is enacted before January 1, ~~2014~~ 2018, deletes or extends  
13 that date.



# **Agenda Item # 12**

*Reference documents*

## Long Term Financial Plan for the California State Athletic Commission

The California State Athletic Commission, in an effort to better protect the athletes and stakeholders of California and also to comply with the Bureau of State Audit's recent report "*State Athletic Commission: Its Ongoing Administrative Struggles Calls its Future into Question*". The Commission is planning to ask the legislature for a variety of revenue enhancing strategies while creating policies and procedures to reduce expenditures. This plan should help the Commission to avoid any past practices of revenue shortfall and

### Revenue Enhancement

- Increase TV and Broadcast tax cap from \$25,000 to \$35,000
- Ask for a very small administrative fee to create and mail Federal Identification Cards as required by the Muhammad Ali Act of 2002 \$20.00 per card
- Increase the minimum amateur event regulatory tax from \$500.00 to \$1000.00
- Increase the minimum professional event regulatory tax from \$1000.00 to \$1250.00
- Creation of a "Professional Trainer" Application for \$100.00 per license

### Expenditure Reduction

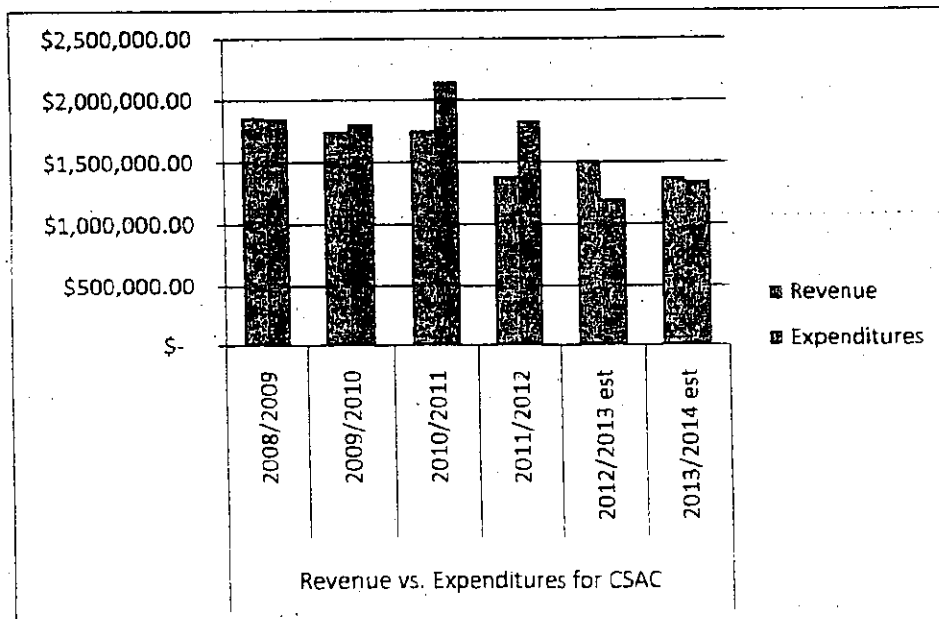
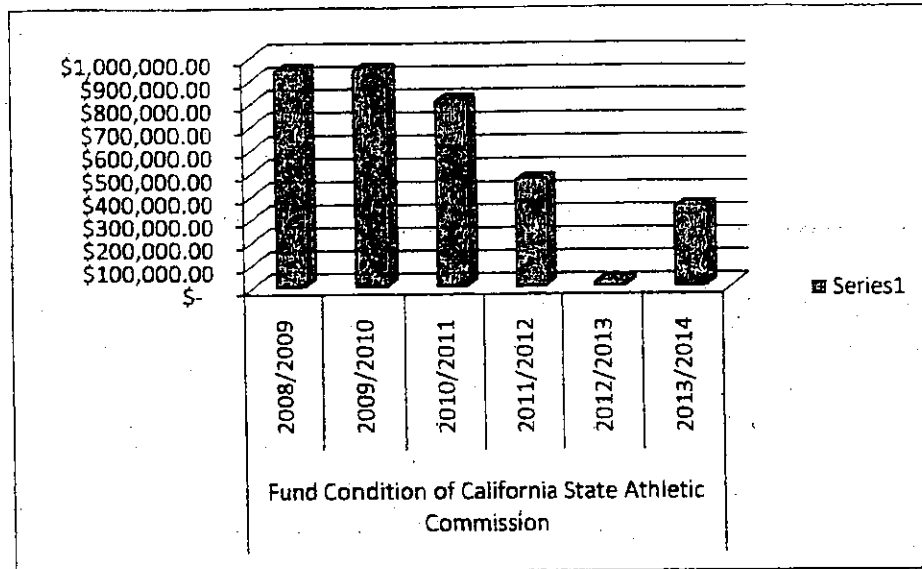
- Continue to implement a policy and procedure on selecting inspectors using proximity as a major criteria
- Explore other anti doping laboratories that are WADA partners to achieve cost savings
- Continue to implement fiscal controls established for inspectors in November
- Continue to implement the practical and cost saving benefits of the solvency plan
- Change inspector pay structure from hourly to a flat rate system

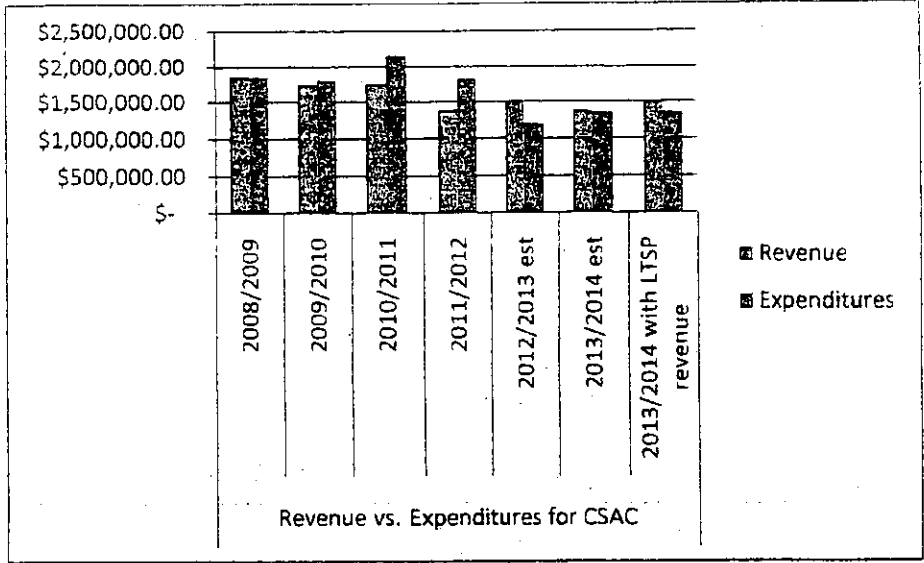
### Health, Safety, and Transparency Considerations

- This plan allows for a minimum of 5 inspectors per each event based on an estimated 180 events for FY 13-14
- The plan allows for two ½ day training session for 65 inspectors (travel included)
- This plan allows for 6 Commission meetings and 2 medical advisory meetings

The Commission's analysis of the increase in the broadcast cap would yield the commission between \$70,000 and \$140,000 in additional revenue per fiscal year. (See Attachment)

The Commission's analysis of the increase in the administrative fee for Federal Identification Card issuance would yield additional revenue of \$7,200 (See Attachment)







# ATHLETIC COMMISSION FY 2013-14 - LONG TERM FINANCIAL PLAN

Prepared: 4/15/2013

	13-14 Gov Budget	July	August	September	October	November	December	January	February	March	April	May	June	Proposed Expenditure	Difference	% of Difference
<b>PERSONAL SERVICES:</b>																
Civil Service-Perm	183,905	\$ 27,296	\$ 27,296	\$ 27,296	\$ 27,296	\$ 27,296	\$ 27,296	\$ 27,296	\$ 27,688	\$ 27,688	\$ 27,688	\$ 28,136	\$ 28,536	\$ 330,409	\$ 146,504	44.6%
Statutory-Exempt (EO)	90,029	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 7,100	\$ 85,200	\$ 1,829	2.1%
Athletic Inspectors	146,680	\$ 18,430	\$ 18,430	\$ 18,051	\$ 19,557	\$ 22,423	\$ 25,416	\$ 28,034	\$ 27,792	\$ 22,571	\$ 18,430	\$ 17,671	\$ 19,188	\$ 205,000	\$ 58,320	39.5%
Board/Commission	4,500	\$	\$ 714	\$	\$ 714	\$	\$ 714	\$	\$ 714	\$	\$ 714	\$	\$ 714	\$ 5,000	\$ 500	10.2%
Temporary Help		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	0.0%
Overtime		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	0.0%
Staff Benefits	136,581	\$ 14,780	\$ 14,790	\$ 14,790	\$ 14,790	\$ 14,790	\$ 14,790	\$ 14,790	\$ 14,959	\$ 14,959	\$ 14,959	\$ 15,151	\$ 15,151	\$ 178,712	\$ 42,131	30.7%
<b>TOTAL, PERSONAL SERVICES</b>	<b>561,695</b>	<b>\$ 67,616</b>	<b>\$ 68,330</b>	<b>\$ 67,247</b>	<b>\$ 69,454</b>	<b>\$ 76,934</b>	<b>\$ 84,602</b>	<b>\$ 93,944</b>	<b>\$ 83,254</b>	<b>\$ 77,210</b>	<b>\$ 68,891</b>	<b>\$ 68,058</b>	<b>\$ 70,290</b>	<b>\$ 804,321</b>	<b>\$ 242,626</b>	<b>30.7%</b>
<b>OPERATING EXPENSE AND EQUIPMENT</b>																
General Expense	10,711	\$ 3,500	\$	\$ 3,500	\$	\$ 3,500	\$	\$ 3,500	\$	\$ 3,500	\$	\$ 3,500	\$	\$ 21,000	\$ 10,789	100.0%
Printing	2,000	\$ 1,000	\$	\$	\$ 1,000	\$	\$	\$ 1,000	\$	\$	\$	\$ 1,000	\$	\$ 4,000	\$ 2,000	100.0%
Communication	3,000	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 3,000	\$	0.0%
Postage	1,200	\$ 360	\$ 360	\$ 352	\$ 382	\$ 242	\$ 301	\$ 235	\$ 250	\$ 440	\$ 360	\$ 345	\$ 374	\$ 4,000	\$ 2,800	70.0%
Travel In State	72,600	\$ 10,788	\$ 10,788	\$ 10,572	\$ 11,448	\$ 7,272	\$ 9,024	\$ 7,044	\$ 7,488	\$ 13,212	\$ 10,788	\$ 10,344	\$ 11,232	\$ 120,000	\$ 47,400	65.8%
Training		\$	\$	\$	\$ 2,500	\$	\$	\$	\$	\$ 2,500	\$	\$	\$	\$ 5,000	\$ 5,000	100.0%
Facilities Operations	62,640	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 5,220	\$ 62,640	\$	0.0%
C/P Services - Internal	25,000	\$ 2,248	\$ 2,248	\$ 2,203	\$ 2,385	\$ 315	\$ 1,880	\$ 1,468	\$ 1,560	\$ 2,753	\$ 2,248	\$ 2,154	\$ 2,340	\$ 25,000	\$	0.0%
C/P Services - External	73,860	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 6,155	\$ 73,860	\$	0.0%
DCA Distributed	215,101	\$	\$	\$ 53,775	\$	\$	\$ 53,775	\$	\$	\$ 53,775	\$	\$	\$ 53,775	\$ 215,101	\$	0.0%
<b>DEPARTMENTAL SERVICES</b>																
Interagency Services	105	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 105	\$	0.0%
Central (State) Adm Pro Rata	117,588	\$	\$	\$ 29,397	\$	\$	\$ 29,397	\$	\$	\$ 29,397	\$	\$	\$ 29,397	\$ 117,588	\$	0.0%
<b>ENFORCEMENT</b>																
Attorney General	48,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 48,000	\$	0.0%
Major Equipment		\$ 4,000	\$	\$	\$	\$	\$	\$ 4,000	\$	\$	\$	\$	\$	\$ 4,000	\$	100.0%
Minor Equipment		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	0.0%
<b>TOTALS, DE&amp;E</b>	<b>631,305</b>	<b>\$ 53,520</b>	<b>\$ 52,020</b>	<b>\$ 51,474</b>	<b>\$ 53,340</b>	<b>\$ 29,154</b>	<b>\$ 10,002</b>	<b>\$ 31,874</b>	<b>\$ 25,923</b>	<b>\$ 21,203</b>	<b>\$ 29,021</b>	<b>\$ 31,968</b>	<b>\$ 33,744</b>	<b>\$ 703,189</b>	<b>\$ 171,884</b>	<b>27.8%</b>
<b>TOTAL EXPENSE</b>	<b>1,193,000</b>	<b>\$ 121,136</b>	<b>\$ 120,350</b>	<b>\$ 118,721</b>	<b>\$ 122,794</b>	<b>\$ 106,108</b>	<b>\$ 94,604</b>	<b>\$ 125,818</b>	<b>\$ 109,177</b>	<b>\$ 98,413</b>	<b>\$ 98,912</b>	<b>\$ 100,026</b>	<b>\$ 104,034</b>	<b>\$ 1,507,510</b>	<b>\$ 314,510</b>	<b>26.4%</b>

## FY 13-14 Projected Cashflow of Athletic Commission Fund

Fund 0326

	Revenue	Expenditures	Balance	Comments
CY 2012-13				
Beginning balance:			\$ 300,000	FY 2012-13 Closing Balance (Estimate)
July	135,990	104,436	31,554	
August	161,988	197,350	(35,362)	
September	143,574	282,674	(139,100)	
October	15,872	102,797	(86,925)	
November	100,045	90,778	9,267	
December	17,572	53,604	(36,032)	
January	109,922	133,805	(23,883)	
February	5,740	89,176	(83,436)	
March	21,981	151,520	(129,539)	
April	100,605	57,912	42,693	
May	100,184	109,026	(8,842)	
June	66,181	121,033	(54,852)	
FY 2012-13 Total	\$ 1,379,844	\$ 1,507,510	\$ (127,666)	

## Assumptions

Prepared on: July 31, 2012

### Average Cost Per Event (with workforce reduction instituted in June 2012)

	June 2012	July 2012	August 2012	Totals	Average Per Event
Athletic Insp. Pay	\$ 16,855	\$ 12,599	\$ 11,236	\$ 40,690	\$ 740
Athletic Insp. Travel	\$ 5,005	\$ 5,065	\$ 3,181	\$ 13,251	\$ 241
Number of shows	20	18	17	55	

### CSAC 3 Year Monthly Revenue

Fiscal Month	FY 09-10	FY 10-11	FY 11-12	3 Year Avg. %	3 Year Avg. (10 mo.)
July	\$ 113,691	\$ 28,360	\$ 30,545	3.57%	
August	\$ 160,719	\$ 198,603	\$ 119,091	9.89%	
September	\$ 105,213	\$ 186,206	\$ 139,486	8.91%	10.59%
October	\$ 155,150	\$ 211,438	\$ 69,113	9.00%	10.71%
November	\$ 13,347	\$ 96,839	\$ 115,445	7.14%	5.55%
December	\$ 47,120	\$ 224,366	\$ 283,484	11.47%	13.64%
January	\$ 282,324	\$ 41,857	\$ 88,951	8.54%	10.16%
February	\$ 29,315	\$ 93,364	\$ 48,251	3.53%	4.20%
March	\$ 78,911	\$ 258,975	\$ 118,920	9.44%	11.23%
April	\$ 195,054	\$ 78,431	\$ 104,680	7.82%	9.30%
May	\$ 145,340	\$ 177,380	\$ 53,839	7.78%	9.25%
June	\$ 307,015	\$ 160,762	\$ 154,523	12.86%	15.36%
Totals	\$ 1,634,577	\$ 1,757,595	\$ 1,326,328	100%	100%

### CSAC 3 Year Event Schedule

Month	# of Shows FY 09-10	# of Shows FY 10-11	# of shows FY 11-12	3 Year Avg.	Average %
July	20	14	15	16	8.99%
August	13	20	16	16	8.99%
September	18	13	17	16	8.81%
October	19	19	14	17	9.54%
November	11	11	11	11	6.06%
December	13	11	17	14	7.52%
January	7	13	12	11	5.87%
February	9	14	11	11	6.24%
March	21	17	22	20	11.01%
April	16	21	12	16	8.99%
May	12	17	18	16	8.62%
June	13	20	18	17	9.36%
Totals	172	190	183	182	100.00%
FY 10-11 Shows over \$25,000	12				
FY 11-12 Shows over \$25,000	17				
FY 12-13 Shows over \$25,000	5				

#### DRUG TESTING

The commission must perform random drug testing and drug testing for those fighting in a sanctioned title fight. At most, the commission might regulate 6 title fights in a month, about 2-3 months in a year. Allowing for 200 tests a year (about 16 tests a month) more than meets this mandate and allows for random testing to occur frequently; flexing the amount as dictated by the type of event.

#### TRAVEL

Projection includes: 1) Inspector per event travel rounded up to \$300 per event from a \$241 average with 182 events per year. 2) CAI travel (Supervision/Training) to So Cal 1 per month at \$600 per trip and + \$100 per month in mileage for No Cal. 3) EO travel (Supervision/Events/Arbitration) to So. Cal 4 times a year in So Cal (total \$2400) plus \$100 per month in mileage for No Cal. 4) Commission meeting travel for 2 face to face meetings at \$3,000 per meeting.

182 events  
200 inspector cost per event  
5 inspectors per event  
\$55 travel per inspector per event

	mtg travel cost	
	2 north	5 south
2 north members	200	5000
5 south members	5000	2500
EO	0	5000

	Event/Training Travel
EO	5000
CAI	3000

Inspector Training  
65 inspectors    4 hours    \$25/hour    \$55 travel    2 trainings

# **Agenda Item # 13**

*Reference documents*



## POLICY AND PROCEDURE

<b>TITLE:</b> Policies, Procedures and Duties of the Executive Officer	<b>SUPERSEDES:</b> None	<b>POLICY #:</b> 2013-02
<b>POLICY OWNER:</b> California State Athletic Commission	<b>EFFECTIVE:</b> Immediately	<b>PAGE:</b> 1 of 2
<b>DISTRIBUTE TO:</b> Executive Officer	<b>ORIGINAL APPROVED BY:</b> Commissioners of the State Athletic Commission	
<b>ISSUE DATE:</b> April 12, 2013		

**Policy: Policies, Procedures and Duties of the Executive Officer of the California State Athletic Commission**

**Purpose:**

The purpose of this documents is to memorialize the job description of the California State Athletic Commission,.

**Applicability:**

To be adhered to by the Executive Officer.

**Authority**

Commissioners of the State Athletic Commission

The Executive officer is the Chief Executive Officer of the State Athletic Commission. The Executive Officer reports to the Commission Board, and is responsible for the organization's consistent achievement of its mission and financial objectives. In program development and administration, the Executive Officer will:

1. Assure that the organization has a long-range strategy which achieves its mission, and toward which it makes consistent and timely progress.
2. Provide leadership in developing program, organizational and financial plans with the Board and staff, and carry out plans and policies authorized by the Board.
3. Promote active and broad participation by staff and Board in all areas of the organization's work.
4. Maintain official records and documents, and ensure compliance with federal, state and local regulations.
5. Maintain a working knowledge of significant developments and trends in

the field

Communication Requirements:

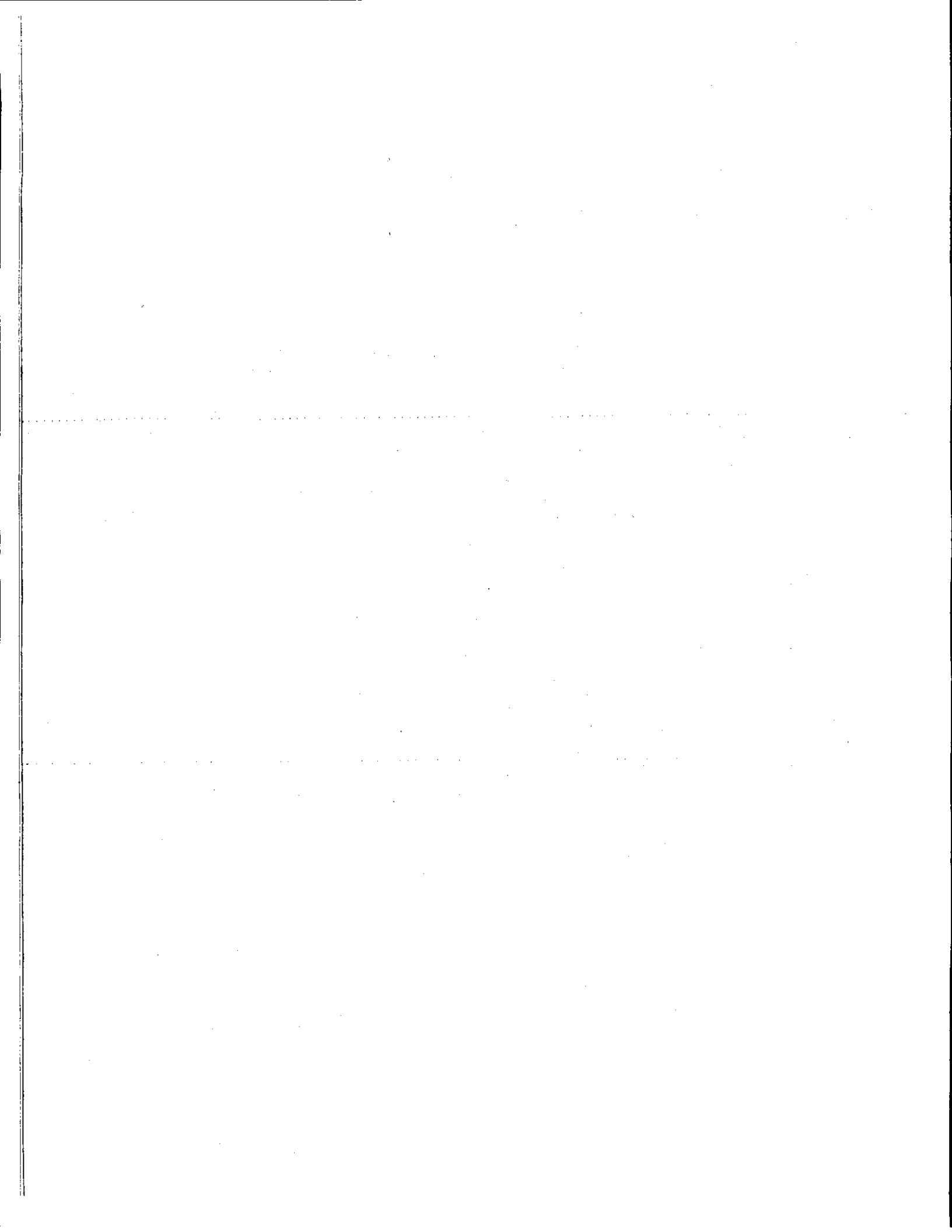
1. It is incumbent upon the Executive Officer to ensure that the board is kept fully informed on the condition of the organization and all important factors influencing it.
2. The Executive Officer is responsible for publicizing the activities of the organization, its programs and goals to the Board as well as to the public in order to maintain transparency and to ensure there is oversight.
3. The Executive Officer shall be responsible for establishing sound working relationships and cooperative arrangements with government, appropriate groups and organizations.
4. The Executive Officer shall represent the programs and point of view of the organization to agencies, organizations, and the general public.

Administrative Duties and Responsibilities of the Executive Officer:

1. Recruitment, employment, and separation/termination of personnel, both paid staff and unpaid.
2. Preparation of job descriptions, oversight of regular performance, preparation of regular evaluations, execution of sound human resource practices.
3. Overall management of the California State Athletic Commission with sound standards of practice
4. Succession preparation and execution of succession plan.
5. Staff development, education, and appropriate training.
6. Maintenance of a climate which attracts, keeps, and motivates a diverse staff of top quality people.

Budget and Finance Duties of the Executive Officer:

1. Responsible for developing and maintaining sound financial practices.
2. Preparation and execution of a budget which is acceptable to the Board and Finance Committee.
3. Ensure that adequate funds are available to permit the organization to carry out its work.
4. Conduct official correspondence of the DCA which is approved by the Board,
5. Execution of legal documents which are approved by the Board and, where appropriate, other governmental departments.







## POLICY AND PROCEDURE

<b>TITLE:</b> Policies and Procedures for Tracking Event Revenue and ExpenseData	<b>SUPERSEDES:</b> None	<b>POLICY #:</b> 2013-01
<b>POLICY OWNER:</b> California State Athletic Commission	<b>EFFECTIVE:</b> Immediately	<b>PAGE:</b> 1 of 3
<b>DISTRIBUTE TO:</b> All Employees	<b>ORIGINAL APPROVED BY:</b> Andy Foster, Executive Officer	
<b>ISSUE DATE:</b> April 12, 2013		

### Policy: Event Revenue/Expense Tracking

#### Purpose:

The purpose of this document is to memorialize the California State Athletic Commission's (CSAC) policies and procedures for tracking event revenue and expenses.

#### Applicability:

To be adhered to by all CSAC employees.

#### Authority

Andy Foster, CSAC Executive Officer

CSAC has developed a system which is intended to track revenue and expenses of each CSAC event. The system of tracking consists of a tracking spreadsheet which requires input of data by CSAC personnel. The system may be revised and/or amended from time to time as new technology becomes available and as determined to be appropriate by the Executive Officer and/or the Board.

All CSAC personnel designated as Personnel Liaison (PL) shall be trained to use the tracking system and shall be required to input data as relevant. Tracking of event revenue and expenses shall be a requirement in each CSAC employee's job description, including the job description of the Executive Officer who is charged with the implementation and execution of the tracking system.

#### Tracking Procedure

##### A. Personnel Liaison Tracking Procedure

1. The Event Revenue and Expense Tracking Spreadsheet is located on the CSAC shared "G" Drive. To open the document on your desktop open the Documents Folder, then select Computer, Groups folder, G Drive folder, Athletic folder, Budgets folder, Event Revenue and Expense Tracking Folder, then the Event Expense Tracker Spreadsheet.
2. Once the Spreadsheet is open go to the bottom and click the month (i.e. March) you are inputting the data for. If one is not available right click on the previous month (e.g. February) select "move or copy", when the window opens select "create copy", then select move to end. When the new sheet is created it will say the previous spreadsheets name and "copy or the number 2" will also be in the line. Rename the newly created spreadsheet by right clicking on the name and select rename. Give it the name of the current month you are working on. Delete all old inputted Data for the previous month.
3. Go to the Arbiter Sports database web address [www.arbitersports.com](http://www.arbitersports.com). Enter your user name and password. Once you are at the main page select "Assigning tap", the Games and Assignments page will show up. On the scroll window select "All Games" go to the page that start's with the month you are entering on your spreadsheet. Once you find the first event for the month click on the "slot's" icon on the right of that event to see who worked the event.
4. On the spreadsheet enter the game number from the arbiter sports database, the date of the event, the Athletic Inspector's name who worked the event. Highlight the Lead Inspector with the color red to identify that they were the lead for the event. Repeat this process until you have inputted all event information for the month you are working on.
5. Once you have entered all the data from Arbiter Sports into the Event Expense Tracker Spreadsheet gather all the STD 634 "Absence and Additional Time worked Report" and STD 272 Travel Expense Claim forms from the Athletic Inspector's in a pile for the month you are entering.
6. From the STD 634 the hours under each date will be transferred into the corresponding event date on the Event Expense Tracker spreadsheet next to their name for the event. Input the number of hours under the "HRS reported" section next to the corresponding Event Date and name. If no Event is listed on the Event Expense Tracker Spreadsheet assign the STD 634 hours to the umbrella event number 9999 with the date and input the hours.
7. Once all STD 634 hours have been inputted repeat the process with the STD 272 Travel Expense Claim forms by transferring the cost of travel into the TEC Costs into the corresponding event date on the Event Expense Tracker spreadsheet next to their name for the event. Input the total amount of each day in each section. If no Event is listed on the Event Expense Tracker Spreadsheet assign the STD 272 Cost to the umbrella event number 9999 with the date and input the Amount.
8. Once this is completed the Staff Services Analyst (SSA) will take over the spreadsheet and complete their data entry for the Event Expense Tracker spreadsheet. Click Save before exiting the Event Expense Tracker spreadsheet.

#### **B. Staff Services Analyst Procedure**

9. Upon receipt of the completed timesheets from the CSAC Personnel Liaison (PL), the SSA will open the document to review the information to determine next steps.
10. Open the Aribter website ([www.arbitersports.com](http://www.arbitersports.com)) to locate the current month event list spreadsheet.

11. Locate the list of events the PL has entered below the timesheet information. The following information will be contained within the PL's entries which are copied from the timesheet reporting and entered into the cells below the applicable event name.
12. Event name, number and location
13. The assigned inspector initials (in RED for easy reference)
14. The travel expense claim (TEC) pay, hours worked and the approved hourly pay rate.
15. The SSA is to verify the totals which are populated utilizing the "Auto Sum" properties of the spreadsheet, while also ensuring all event arbiters are matched to their respective event(s). (The Auto Sum will format the TEC totals as well as in the right hand column will for the entire event expenses). Once correctly input, the totals for the entire month will be calculated and compared to the timesheet totals, minus any "9999" codes that are not related to a specific event.
16. After verification of all totals and information, the SSA will open the latest "CSAC Event RevExp Projection" spreadsheet located at: G:/ATHLETIC/CASHIERING/Revenue Reports. The spreadsheet is filed in chronological order and the most recent should be the one opened.

### **C. Event RevExp Projection**

17. Using Event Schedule on the "G: drive " and the arbiter web site as a reference, list all events for the month in chronological order. All numbers are inputted in regular script and with the "Tahoma" font with a size of 8.5 unless otherwise noted.
18. There are two event numbers listed. The first is the CSAC event number in order to total all regulated events for the year D(does not include any professional wrestling events as they are not regulated). The second number is the Arbiter event number and can be found on the Arbiter web site. (Be cautious not to list the weigh in number, only the actual event number).
19. List the location of the event, whether the event is amateur or professional, and the name of the promoter. Once all events have been listed, periodically check both systems for any events that have been added or cancelled and adjust the list accordingly.
20. Gate taxes are entered by referring to the Box Office Report located at G:/ATHLETIC/CASHIERING/Box Office Reports 2013. Ensure that only Gate Taxes and Radio/TV taxes are listed on the spreadsheet. Neurological and Pension Assessments, along with licensing fees are a separate line item and should not be included here. The licensing fees may be added, if known, in column O of the report. Both of these numbers (Gate/TV Taxes and Licensing fees are to be listed in bold with font size 10).
21. Spaces are made between the events to provide room for inspector information on the sheet. Inspectors are verified and listed on the sheet from the Arbiter program. Pay and hourly information should be easily transferred from the ER&T Spreadsheet as the events should be listed chronologically on both sheets. Lead inspectors information is again highlighted in red for easy reference.
22. Both Pay calculations are added together on the line next to them titled "Expenditures". Those pay totals are then added together and listed on the line above, on the same

row as the "Gate Taxes" for that event. That number is to be listed in bold and use font size 10.

23. Auto sum to subtract the "Expenditures" from the "Gate Taxes" on column N, "Profit/Loss". That number indicates how much money the Commission made or lost from regulating that event. These totals are to be listed in bold and font size 10.
24. Refer to the Box Office Report for licensing fees accepted at the event. List this number in column O, "Lic. Fees". These numbers should also be bold and in font size 10.
25. Add licensing fees to Gate Taxes total and subtract that number from Expenditures and enter into column P, "Total Profit/Loss".
26. Auto sum the totals for Hours, TEC Pay, Pay, Expenditures, Profit/Loss, License Fees and Total Profit/Loss on the "Totals" line, below the last event inspector info. To be listed in bold and font size 10.

**D. Report Requirement**

27. After inputting this Data, the SSA will report the monthly spreadsheet by the 10<sup>th</sup> day of each month to the CSAC Executive Officer. (If the 10<sup>th</sup> day of the month falls on a weekend, the report will be due on the Monday immediately following the 10th).