

**Herndon Optimist Club (HOC) Task Force to Explore Alternative Structures for  
the HOC**

**FINAL REPORT AND RECOMMENDATIONS**

**May 5, 2008**

**Task Force Participants:** Phil Goetkin (Chair---Former President and Life Member); Jerry Carter (VP Sports, former President and Life Member); Howie Hasbeck (Commissioner Basketball, former President and Life Member); Rick Thoesen (former VP Sports and Life Member); Chris Figg (former President and Life Member)

**TASK FORCE CHARGE:** In light of the heavy volunteer burden to support the HOC sports organizations, the task force was charged with reviewing the current HOC organizational structure and determining if the current structure or a new structural alignment of the club (or fearing disbandment of the club) would provide the optimum structure and support to enhance the various sports programs that the HOC serves. The task force would utilize internal discussions, meetings with HOC sports commissioners, review and discussion with other Northern Virginia sports programs, interviews with Herndon Town staff, and any other discussions/meetings the task force deems necessary.

In its meeting of March 25, 2007, the Herndon Optimist Club's Board of Directors officially created the Task Force with the passing of the following motion:

"The Board authorizes a Task Force/Committees to investigate and provide the Board an Impact Study on the forming of an Optimist Sports Club with a paid administrator(s) reporting to the Club Board. The Committee should only be limited by time and not by number of possibilities. The committee shall be limited to Club members only, to include but not limited to Jerry Carter, Rick Thoesen, Phil Goetkin and a representative from each sports program, but only if those representatives are Optimist Club members. The report due date is no later than May 21, 2007."

**BACKGROUND:**

The Herndon Optimist Club was established 4 decades ago by civic-minded citizens of Herndon to provide sports opportunities for the youth of the Greater Herndon Area. The HOC founding members chose to incorporate themselves under the Optimist International organizational umbrella because Optimist International best embodied the philosophy those founding members espoused. Optimist Clubs are united through Optimist International, one of the largest service organizations in the world. With over 4,300 clubs and more than 150,000 members throughout North America, Europe, and the Caribbean, Optimists raise \$45 million annually to spend on community projects that serve over eight million youth in our communities.

### Mission Statement

Optimist International's mission is to foster an optimistic way of life, through a network of optimist members, dedicated to the full development of their potential in order to provide ever-expanding service to youth, the community, and the world.

### Vision Statement

Optimist International will be recognized worldwide as an organization of people committed to optimism and self-development for the improvement of youth and community.

Since its early beginnings, the HOC has grown in size and scope to provide growth and sports opportunities to a current level of approximately 4,000 youth in the greater Herndon area. While those opportunities are still predominantly in sports areas (Baseball—from tee-ball through Babe Ruth; Softball; Basketball-- both boys and girls; Football/Cheerleading for youth pre-high school; and youth Lacrosse), HOC also provides an oratorical contest, post-high school scholarships, and various programs honoring teachers and local law enforcement.

### Current HOC Situation/Problem

Over the past several years the HOC has experienced a drop in active membership and an inability to bring on younger members who are interested in taking leadership roles. It has become increasingly difficult to find volunteers to take leadership roles on the HOC Board. Of particular concern is the need to ensure the integrity and continuity of HOC's values and financial oversight. The roles of the Secretary/Treasurer and the Youth Sports Treasurer have grown in complexity and size because of the burgeoning participation of our youth as well as significant financial revenues and expenses of the sports program.

The HOC Board, recognizing the current situation/problem and their responsibility to ensure the continuity and oversight of the HOC youth programs, primarily its responsibility to continue to provide a positive sports program for Herndon's youth, chartered the **Task Force to Explore Alternative Structures for the HOC**. The Task Force was provided wide latitude to review various alternatives but with the focused objective to ensure that the youth sports programs continue to flourish under the basic premise that the sports are to be inclusive, participatory, a learning and positive experience for all youth.

### Task Force Deliberations and Approach

The Task Force met the first week of February 2008, and developed a basic approach to fulfill its charter:

- Meet with each of the sports commissioners and/or their designees to gain their perspective on the utility of the current HOC structure, their insights on how that structure could be improved, if it should continue at all, and what other

recommendations they would have to improve the management of their respective sports program.

- Meet with Herndon town officials to determine how the town might augment or share the HOC sports program responsibilities
- Review other Northern Virginia sports programs to determine how they operate, their use on non-use of paid administrators, and their registration fees and revenue sources
- Review the HOC insurance program to determine sports coverage and any negative consequences for creating a non-Optimist based sports program.

Each of the Sports commissioners was scheduled for meetings in February. To facilitate discussions, the Task Force provided three potential organizational options as follows:

1. Establishing a functional Optimist Club structure with each sports program operating as an autonomous organization, i.e., all financial interests would be the responsibility of the respective sports program as an “enterprise fund”. The overall Optimist Club, whose board would be composed of the sports program directors/designees, would provide an umbrella organization primarily to ensure fiduciary oversight, continuation of the benefits of insurance, field allocation, and other political/policy direction as needed.
2. Establishing a more centralized HOC, or “holding company”, again the board to be comprised of the sports program directors/designees but would also include a paid administrator or financial officer.
3. Disbanding the HOC and spinning off each sports program as a separate and autonomous entity.

These options were provided as simply possibilities, and the Task Force welcomed any other options each of the sports programs thought viable. While each meeting produced various thoughts and recommendations, there were some consensus opinions that evolved as follows:

1. There is utility in keeping the sports programs, at least currently, under the Umbrella of the HOC. As one participant said, “the Optimist Club provides us credibility. It is well known in the community and is held in high regard.”
2. Centralizing control and oversight of the money is positive, as long as it does not inhibit timely payment and action, and “retained earnings” can be assigned to each program.
3. A paid administrator is acceptable, provided we can maintain a registration fee that is one of the lowest in the area as we currently have.

4. Such a paid administrator must be value-added and as such, should augment not supplant effective volunteer efforts currently performed within the various sports programs.
5. 501C non-profit designation for the sports programs should be pursued, which would facilitate sponsorship, particularly from Herndon corporations.
6. Funding from the Town would not be ongoing, nor guaranteed and will be subject to annual awards by the Town Council during the budget process, and is subject to high competition as well as varying levels of funding, depending on the strength of the economy at the time of each request.

## **RECOMMENDATIONS OF THE TASK FORCE TO EXPLORE ALTERNATIVE STRUCTURES FOR THE HERNDON OPTIMIST CLUB**

After internal deliberations and review of the meetings with sports programs under the HOC, review of comparable organizational structures, and meetings with Town of Herndon officials, and review of the HOC insurance program, the Task Force makes the following recommendations to the HOC Board of Directors:

**I. The HOC should continue under a restructured Board of Directors based on functional areas that would better reflect the fact that the HOC primary mission, focus, and responsibility are providing recreational sports opportunities for the youth of the Greater Herndon Area.** Other youth programs will continue under the auspices of a VP for Club. The recommended structure of the Board is attached as Task Force Recommendation Appendix A. The Board should plan for a transition to the new structure after all necessary administrative actions have occurred, but ideally, by the normal time for induction of a new Board.

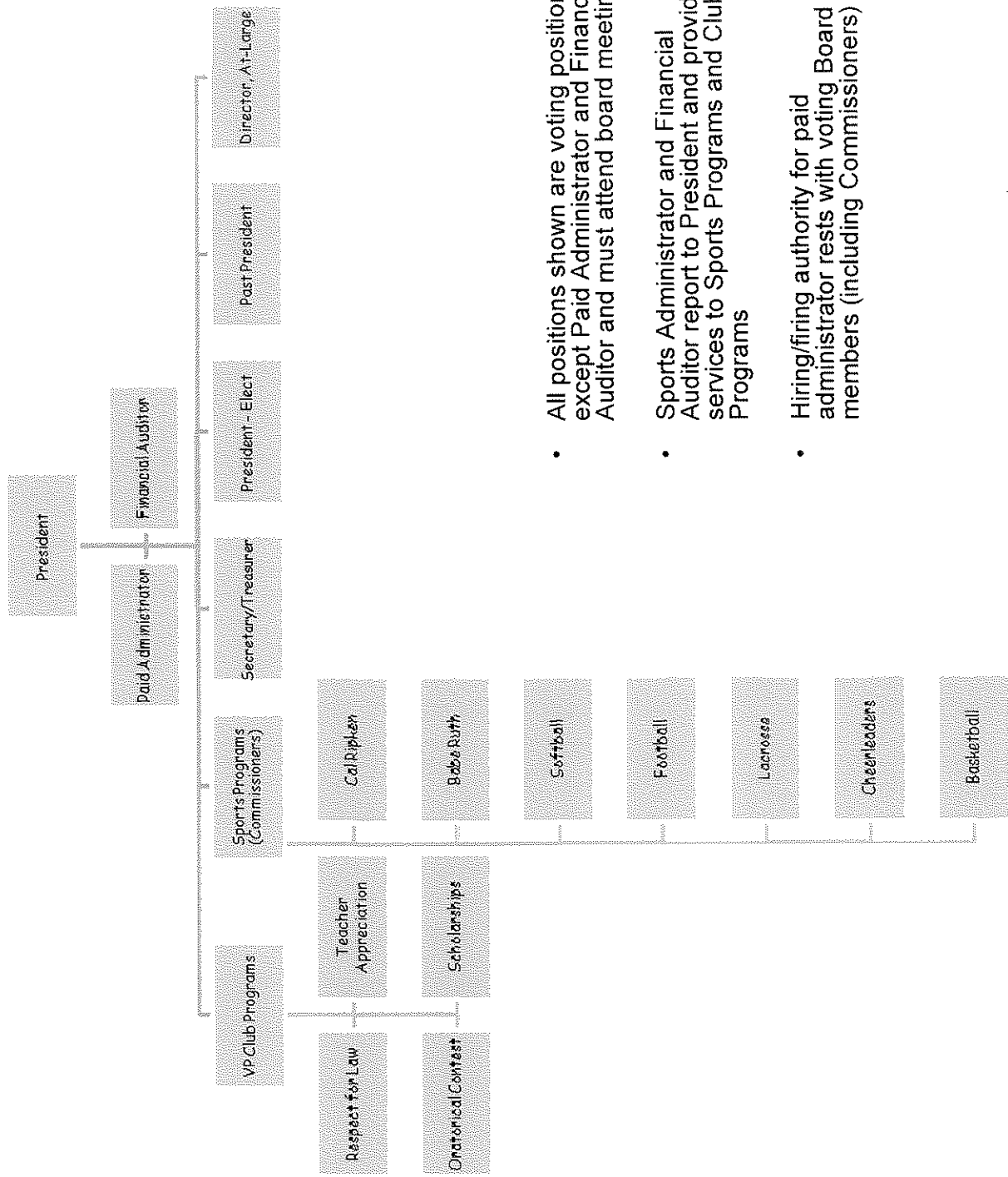
While the Task Force recommends the continuation of the sports programs under the HOC, we do recommend that the newly constituted Board periodically review their structure in order to validate the continued need to operate under the umbrella of Optimist International. Should, in the future, the Board determine that continuation under that umbrella is no longer useful, the Board should plan for devolving from it.

**II. A paid administrator should be established that would oversee and execute many of the responsibilities currently embodied on the HOC Treasurer and Secretary/Treasurer responsibilities, as well as other responsibilities common to all the sports programs.** The detailed proposed responsibilities of the Paid Administrator are embodied in Task Force Recommendation Appendix B. In order to distinguish the Paid Administrator responsibilities with those to be continued under each respective sport, sports program and commissioner responsibilities are also listed in Appendix B.

Initially, the Paid Administrator salary would derive from an approximate \$10 increase in registration fees beginning in Fiscal Year 2009 (October 2008). However, one of the duties of the Paid Administrator will be revenue generation, some of which will help defray the salary of said Paid Administrator.

**III. The HOC in its entirety, or the sports program in particular, should strive to obtain 501C status. This status will facilitate fundraising.** Herndon has become the address for many corporations in Northern Virginia. Their willingness to provide sponsorship would be greatly assisted by 501C designation.

# APPENDIX A Herndon Optimist Club



- All positions shown are voting positions except Paid Administrator and Financial Auditor and must attend board meetings
- Sports Administrator and Financial Auditor report to President and provide services to Sports Programs and Club Programs
- Hiring/firing authority for paid administrator rests with voting Board members (including Commissioners)

## APPENDIX B

### Sports Administrator Projected Duties

#### General Duties

- Develop and implement funding strategy
  - Fundraising, sponsors, etc.
- Develop and implement advertising strategy
  - newspapers, signs, school announcements
- Purchasing Liaison
  - Equipment, uniforms, trophies/prizes, pictures, officials, etc.
- Financial management
  - budgeting, tracking
- Liaison with County for gym and field allocation
- Web site standardization and maintenance
- Communications
  - Board
  - Other community organizations

#### Specific Duties for Each Sport

- Review budget and submit to Board for approval
- Ongoing monitoring of income/expenses
- Registration management
- Collections
- Communications and program announcements
- Organization of tryouts/evaluations
- Scheduling
  - Games
  - Practices
  - Playoffs
  - Tournaments
  - Officials

#### **Commissioner Projected Duties**

- Team formation
  - Coaches
  - Players
  - Draft
- Rules
- Game day management
- General league management
- Submittal of budget to Administrator
- Participate as voting member of Board
  - Develop short and long term strategies for program and successor