

USATF Sanction Incentive Program

USATF plans to voluntarily utilize funds to provide additional monetary support back to its Associations who successfully manage its sanction program while ensuring that its issued sanctions comply with its risk management guidelines, as well as USATF’s risk management guidelines. This investment in USATF’s Associations will further USATF’s mission of driving competitive excellence and popular engagement in our sport. Below you will find the payment structure that will be implemented.

PART 1A

Through USATF’s mission to drive competitive excellence and popular engagement in our sport, USATF wants to better incentivize each Association to educate event organizers in its geographic area on the benefits of obtaining a USATF sanction. Part 1A of the program describes the maximum payment amount an Association can receive based on the number of sanctions issued by that Association during a calendar year. If an Association is able to increase the number of sanctions it issues in a calendar year by five percent (5%) over the number of sanctioned events within that same Association the prior calendar year, it may be eligible for the payment within its given tier as shown below (subject to Part 1B below). For example, those Associations that issued less than 100 sanctions in the previous year may be eligible for a \$1,500 payment. Those Associations that issued between 100-299 sanctions in the previous year may be eligible for a \$2,500 payment. Those Associations that issued 300 sanctions or more in the previous year may be eligible for a \$5,000 payment.

Association Tiers	Tier # 3	Tier #2	Tier #1
# of sanctions issued in the prior calendar year	300+	100-299	0-99
5% or more increase over last year	\$5,000	\$2,500	\$1,500

PART 1B

Part 1B of the program describes the percentage of each Association’s eligible payment in Part 1A that will be paid to each Association. This percentage is based on the number of non-compliance issues experienced (as defined below) within each Association during the calendar year, compared to the number of sanctioned events within that Association during the same calendar year (“Non-Compliance Percentage”). Associations that are able to keep its Non-Compliance Percentage under one percent (1%) will receive the full payment for its tier, as described in Part 1A above. Associations that have a Non-Compliance Percentage between one percent (1%) and five percent (5%) will receive 75% of the payment for its tier, as described in Part 1A above. Associations that have a Non-Compliance Percentage of more than five percent (5%) will receive 25% of the payment for its tier, as described in Part 1A above.

Non-Compliance Percentage	Percentage of Payment
0-0.99%	100% of the Payment in Part 1A
1.00-5.00%	75% of the Payment in Part 1A
5.01%+	25% of the Payment in Part 1A

Non-compliance issues shall be defined as any one of the following issues:

- A sanctioned event incurs a claim wherein the event director and/or organizer are unable to produce the required USATF waiver for the participant, official or volunteer involved in the claim.
- A claim is filed against a sanctioned event wherein it is deemed that the actions of the event organizer (or any agents, employees, volunteers, contractors, or vendors for such event) were negligent in some manner.
- A sanctioned event is required to pay a deductible to USATF.
- National Office denies a sanction for non-compliance with USATF sanction requirements (i.e. man-made obstacles, animals, etc.) that was previously approved by the Association.
- A claim is filed against a sanctioned event and it is found the sanctioned event is non-compliant with USATF sanction requirements (i.e. man-made obstacles, animals, etc.) even though approved by both the local Association and National Office.
- USATF receives notice that a sanctioned event has/had unpaid prize money and/or awards in excess of 120 days following the date of the sanctioned event.
- Note: Associations may not be aware of infractions when they occur but will be made aware of those infractions by the USATF National Office on a bi-annual basis.

PART 2

Associations that experience a decrease (or no increase) in the number of non-compliance issues that it experiences in a calendar year as compared to the prior calendar year will receive an additional sanction incentive payment. This payment will mirror the full payment the Association's tier is eligible for under Part 1A above. Those Associations that issued less than 100 sanctions in the previous year may be eligible for a \$1,500 payment. Those Associations that issued between 100-299 sanctions in the previous year may be eligible for a \$2,500 payment. Those Associations that issued 300 sanctions or more in the previous year may be eligible for a \$5,000 payment. The payment discussed in this Part 2 will be determined irrespective of any payment earned under Parts 1A and 1B above.

During each calendar year, USATF shall provide each Association with bi-annual reports of the non-compliance issues experienced by sanctioned events within that respective Association during the relevant reporting period. These reports will assist each Association in monitoring its compliance. The report will highlight information on each non-compliance issue experienced in that Association, such as the name of the event, the name of the event organizer, and the non-compliance issue that has occurred. It is important to remember that non-compliance issues are weighed against the year they are reported and not necessarily when the non-compliance issue actually occurred. For example, if a sanctioned event is held in 2016, and USATF receives a claim for that event in 2017 where it learns that the appropriate USATF waiver was not utilized, the non-compliance issue will be noted on the non-compliance report in 2017.

EXAMPLES

1. Association X had 140 sanctioned events in 2015 and experienced two (2) non-compliance issues, which means it was a Tier #2 Association. Association X then has 150 sanctioned events during 2016, which is a 7% increase over the prior year making it eligible for a payment of up to \$2,500. In 2016, sanctioned events within Association X experience six (6) non-compliance issues giving Association X a four percent (4%) Non-Compliance Percentage. A 4% Non-Compliance Percentage makes Association X eligible to receive 75% of the amount for the Tier #2 above. Since Association X had an increase in its number of non-compliance issues between 2015 and 2016, it is not eligible to receive the payment in Part 2; therefore, Association X will only receive a payment of \$1,875.

2. Association Q had 75 sanctioned events in 2015 and experienced twenty-five (25) non-compliance issues, which means it was a Tier #1 Association. Association Q then has 70 sanctioned events in 2016, which is a decrease over the prior year making it **not** eligible for a payment under Parts 1A and 1B above. However, Association Q only experienced twenty-three (23) non-compliance issues in 2016, making it eligible to receive the payment under Part 2; therefore, Association Q will receive a payment of \$1,500.
3. Association Y had 325 sanctioned events in 2015 and experienced three (3) non-compliance issues, which means it was a Tier #3 Association. Association Y then has 360 sanctioned events in 2016, which is an 11% increase over the prior year making it eligible for a payment of up to \$5,000. In 2016, sanctioned events within Association Y experience three (3) non-compliance issues giving Association Y a 0.8% Non-Compliance Percentage. A 0.8% Non-Compliance Percentage makes Association Y eligible to receive 100% of the payment for Tier #3 above. Since Association Y did not have an increase in its number of non-compliance issues between 2015 and 2016, it is eligible to receive the payment in Part 2; therefore, Association Y will receive a payment of \$10,000.

In addition to the incentive program noted above, USATF is committed to providing better resources to both our Associations and event directors to improve overall support for the sanction program. This additional information will provide event directors with the tools to not only organize a safe event for all participants, but to ensure compliance with USATF regulations and policies. Look for those additional resource tools over the coming months.