



## USOPC Membership Application

### Lakeshore Foundation Membership Application

PREPARER:	REVIEWER:	DUE DATE:	
Jen Allred	Laurel Travis	2020-09-30	
SUBMITTED BY:	SUBMITTED DATE:	CERTIFIED BY:	CERTIFIED DATE:
Jen Allred	2020-09-29	Laurel Travis	2020-11-02

#### Introduction & Instructions

Welcome to the online application for membership in the USOPC as an Olympic Sport Organization, Pan American Sport Organization, or Paralympic Sport Organization all collectively referred to as a National Governing Body (NGB).

Please see the document attached outlining all required documents and questions to be answered within this system. Additionally, the overview of the recognition process, including NGB requirements and support is attached.

Thank you in advance for taking the time and effort to complete the application process. We look forward to working with you throughout this process.

If needed, please find helpful instruction videos at the link below for your reference.

#### SECTION 1: REQUIRED ATTACHMENTS

Please provide the following attachments. If your organization does not have one of the listed required documents, please upload an explanation as to why your organization does not have the document, why it may not be relevant and/or the steps to which your organization is taking in order to obtain the document.

#### 1. Bylaws

1 file(s) attached:

LF Bylaws (Revised 100614).pdf

#### 2. Articles of Incorporation

1 file(s) attached:

Lakeshore Foundation - Articles of Incorporation (JTS) - Amendment - 1994.pdf

#### 3. Code of Conduct(s)

1 file(s) attached:

RUG\_P-Amended-2020-Paralympic-Games-Athlete-Selection-Procedures-6.30.pdf

#### 4. Grievance Procedures, if separate from Bylaws

1 file(s) attached:

USAWR-Revised-Complaint-Procedures-3220.pdf

**5. Most recent IRS Form 990**

**1 file(s) attached:**

LAKESHORE FOUNDATION 2018 990 CLNT\_Signed\_Redacted.pdf

**6. Most recent Audited Financial Statements with management letter**

**1 file(s) attached:**

Lakeshore 2019 Issued Financial Statement.pdf

**7. Organizational Structure of the Board of Directors with corresponding names and designated positions (e.g. Athlete Representative, Independent Director).**

**1 file(s) attached:**

Board Roster & Affiliates 2019-2020.pdf

**8. Organizational Chart of Staff**

**1 file(s) attached:**

LF Organizational Chart -5-28-2020.pdf

**9. Organizational Chart of members, clubs, state organizations, regions, etc.**

**1 file(s) attached:**

Organizational Chart of Members .pdf

**10. List of Committees**

**1 file(s) attached:**

FY21 Committee Structure.pdf

**11. Criminal Background Check Policy**

**1 file(s) attached:**

Criminal Background Check Policy rev 12.17.19 (002).pdf

**12. Athlete Safety Policy**

**1 file(s) attached:**

Safe Sport Policy - Revised 12.15.19.pdf

**13. Strategic Plan, or anticipated Strategic Plan**

**1 file(s) attached:**

Lakeshore Strategic Plan final .pdf

**SECTION 2: GENERAL QUESTIONS**

14.

Explain why your Sports Organization desires to become a member of the USOPC and indicate the benefits that your organization can bring to the USOPC as a member.

**Response:**

Since 2003, Lakeshore Foundation has been proud to be a part of the Olympic and Paralympic family. Our designation as a Training Site came in recognition of the Foundation's long-standing commitment and leadership in Paralympic sport. Lakeshore staff have been active in Olympic and Paralympic endeavors including but not limited to our President, Jeff Underwood the Chef de Mission for the U.S. Paralympic Team in Beijing and an original member of the Paralympic Advisory Committee, Jen Allred, a contributing member of the USOPC communications team at Winter and Summer Games since 2010, former ATC Jill Collins serving as the ATC for USA Wheelchair Basketball, current ATC Kris King has served as an ATC with USA Wrestling and Women's Wheelchair Basketball, and Amy Rauworth, Lakeshore's Chief of Development and Strategic Partnerships has contributed to the Paralympic Research Committee. Our High Performance Manager, Mandy Goff is a graduate of the prestigious Kellogg program and has fostered excellent relationships with staff and athletes across many sports. Athletes are an important part of our staff, eight Olympians and Paralympians are employed by the Foundation, four additional Paralympic athletes are on Lakeshore's National Advisory Council.

Building on our 45 plus years of experience in the field of adapted sport and our Training Site designation, Lakeshore came on board to serve as the home for the national team for USA Wheelchair Rugby. We feel confident that our past record, current capabilities, and future plans position us better than any organization in the country to keep this team on the podium. In addition to an optimal campus environment (described below) it is the Foundation's unique combination of activity, research and advocacy that set us apart and make Lakeshore an ideal selection as a Paralympic Sport Organization. Our storied history with the Paralympic movement continues today with onsite grassroots programs designed to ensure that young people in our community are aware of the opportunities within the Paralympic movement. Acknowledging the importance of nutrition and mindfulness the Foundation has invested in a built environment and practitioners to bring these programs to life on site and online. Research is a priority for Lakeshore including sport science and innovative research conducted through the UAB/Lakeshore Research Collaborative which has garnered more than \$47 million in federal funding. The Collaborative also brings the National Center on Health, Physical Activity and Disability (NCHPAD) to Lakeshore. This CDC funded program is the premier resource for information on physical activity, health promotion, and disability, serving persons with physical, sensory, and cognitive disability across their lifespan. NCHPAD features a variety of resources and services which can benefit all ages and populations.

The voice of the athlete is important and Lakeshore's advocacy initiatives are about representation, mobilization, and empowerment. 42% of the committee that is submitting this application are active athletes on the national team. Acknowledging the importance of representation, Lakeshore's top leadership will work with the USOPC to determine the best governance model possible for the sport and national team including whether to create an affiliated organization to govern the sport that will meet or exceed the 33% representation of athletes on its' board. Lakeshore is committed to having the determined optimal model in place by the end of the PSO transition process, projected for Summer 2021.

Each year, Lakeshore identifies its top annual priorities. We have attached our FY21 Annual Performance Objectives to this application. You will note that amongst the short list we have included our leadership of wheelchair rugby and the transition to becoming a PSO amongst the very most important things we as a whole organization will do in FY21. Our capacities and commitment will continue to build a focus toward cultivating an optimal environment for athletes, staff, and the future.

15.

How many members does your organization have?

**Response:**

40 (national and development athletes)

16.

What is the mission statement of your organization?

**Response:**

Lakeshore Foundation's mission is to encourage and provide opportunities for people with disability to live a healthy lifestyle through activity, research, advocacy and health promotion.

The mission of USA Wheelchair Rugby is to establish a standard of excellence and continue a tradition of success by developing athletes, staff and teams through education and training, to prepare current and future athletes and staff to serve as exemplary representatives of the United States.

17. Have you reviewed, and will your organization comply with applicable anti-doping rules, policies and procedures?

**Response:**

Yes

18. Have you reviewed, and will your organization comply with applicable US Center for SafeSport requirements and USOPC Athlete Safety policies?

**Response:**

Yes

19.

Do you know of any other national sports organizations in the sport for which your organization is seeking membership? If so, please include details about the sport organizations involvement, along with the contact information.

**Response:**

Not currently

20.

Please provide information on your office facilities. Indicate whether your organization utilizes a home office, shares an office with another organization or has an office dedicated solely to your organization.

**Response:**

Lakeshore Foundation owns a 45-acre campus in Birmingham, Alabama. The centerpiece of the campus is a 143,000 square foot multi-purpose facility that includes three hardwood courts, 200-meter Mondo track, air rifle and pistol indoor shooting range, Natatorium with a 25 meter and 25-yard pool, 9,000 square foot fitness center, group exercise room and administrative space. An addition to the facility completed in late fall 2019 offers an innovative culinary space with unique accessibility features, a large multi-media room, an additional group exercise studio, a mindfulness space, tele-coaching, and video suites as well as additional administrative and meeting rooms. Outside the facility a campus commons connects the main building to the 47 bed dormitory, UAB/Lakeshore Research Facility and a Woodland Walk that not only serves as a campus loop (.3 miles) but also offers an accessible connection between the Cottages at Lakeshore (longer term residential space), and our beautiful Contemplative Garden. An eight-court championship lighted tennis facility is also on campus. While not under the operational purview of the Foundation, the Encompass Health Lakeshore Rehabilitation Hospital and Children's at Lakeshore (an outpatient extension of Children's of Alabama) are also located on the campus. Images of the campus and capabilities are attached to this application.

### SECTION 3: SPORT PERFORMANCE QUESTIONS

21.

What does your high performance program look like?

**Response:**

Our HP program for Wheelchair Rugby has a storied history of success with a dedicated pool of athletes and staff. Most of our current athlete group have been together since 2010, adding the rest in 2013. During that time, they have taken a bronze and silver at the Paralympic Games; gold and two bronze at World Championships; three golds at American Zonal Championships; one silver and one gold at the Parapan American Game championships. A fair amount were brought up through our development pipeline, with others brought in directly from the U.S. league or through talent transfer from wheelchair basketball. Our staff is comprised of a head coach who has been at the helm for the last 16 years and served as an assistant and in other team roles for years prior; a high performance manager (2011), an assistant coach (2013 and development coach prior), an ATC/medical coordinator (2004), an equipment manager (2013), two bench staff/referee/other (2008 and development program prior), a sports psychology provider (2016), a strength and conditioning coach (2017) and a dietician (2017). We have commitment and dedication from this group who all have other full-time jobs (only the head coach and HP manager work with the team full time) and use their own personal vacation time to attend camps and competitions demonstrating their passion and love for this program. Our senior leadership is made up of our President and CEO and Chief Program officer, both of whom, as stated previously, are involved in USOPC roles outside of this sport.

22.

If you hold a national championships for your sport, please explain the structure and the number of participants. If not, do you have plans to do so?

**Response:**

The United States Wheelchair Rugby Association (governing body for the club system in the U.S. and member nation with our IF) hosts the national championship in different cities each year and while we haven't hosted the championships since 2010, it is not outside of our scope to do so again. Most recently, Lakeshore hosted the Four Nations tournament and brought in one of the largest crowds in our history to watch wheelchair rugby matches. There are division I and division II championships held with eight teams in each. Our plans, as outlined in brief below, include a thorough look at Lakeshore's role with the United States Wheelchair Rugby Association (formerly known as the USQRA).

23. Do you have a national team?

**Response:**

Yes

**Comment:**

We do have a national team and we carry up to 16 athletes each season, with a selection camp held annually (apart from 2021 due to the postponement of the Games; our training squad was already selected). The national team trains together up to six times a year and recently we have put a plan in effect to include year-round training camps, pending funding, and attend two competitions at a minimum.

24.

Please describe your current method of how you select athletes to compete in international competitions.

**Response:**

We host an annual selection camp and per our selection procedures, up to 40 athletes can attend through an automatic invitation (member of the national team four years prior and in good standing), special invitation from the selection committee or file a petition for an invite. We select up to 16 athletes at that camp who will train at every training camp (used as additional observation opportunities) and the committee will select a roster of 12 to compete at the international competitions for that season. They could be a different 12 for each one.

25.

What activities and programs do you support to help grow and promote your sport (grassroots)?

**Response:**

Our head coach and a few veteran athletes host or take part in clinics aimed at athletes within the league. We do not have a youth program for the sport, but it is something we would like to see added by including variant versions of our game played through rule/classification variations to get athletes involved and interested. Several of our athletes have helped with clinics within our zone to aid in the growth, specifically across South America, where the sport is still developing in several countries. As for coaching education, given the lack of coaching development in our league, this falls on our shoulders. We are expanding our capability to offer virtual training utilizing our online platform. This has proven a successful way to not only develop coaches but also develop the sport in regions of the U.S. which may be lacking in quality instruction, aiding in the overall growth of wheelchair rugby across the U.S. Over the last six months, our head coach has used our platform to offer three eight-week sessions to 12 new coaches. Lakeshore staff and athletes also have strong, vibrant connections with rehabilitation centers across the U.S. through which they connect with those newly injured to expose them to the sport. Lakeshore has also established the UAB Lakeshore Continuum to specifically address the needs of those with newly acquired spinal cord injuries who come through Spain Rehabilitation Center. The continuum has its sights set on establishing a new benchmark for the transition from rehabilitation to an active, healthy lifestyle through physical activity. The Foundation was also featured in the 2005 documentary, Murderball, which followed the US Wheelchair Rugby team from their preparations through the 2004 Paralympic Games. Several current national team athletes credit viewing that film as a key step in learning about and getting active in the sport. Finally, our high performance manager participates in the USWRA monthly board meeting as we have worked hard over the last several years to have a better working relationship with the U.S. league. These efforts have resulted in enhanced communication to athletes and better coordination of U.S. events.

26.

Please explain any future plans for your sport performance program.

**Response:**

Without a doubt, we want and plan to be at the top of the podium when the Games land back in our home nation for LA2028. We believe to accomplish this we must focus on increasing development and classification opportunities for athletes both in the U.S. and internationally through a formal development team. These plans center around the critical need to expand our development pool of athletes, as we expect a large turnover after the Tokyo Games. Over the next year, Lakeshore is committed to conducting conversations with the United States Wheelchair Rugby Association (USWRA) to determine the potential to further enhance the relationship between Lakeshore and the USWRA. This will include taking a serious look at whether Lakeshore should take on a more active role up to and including taking over the role of governance for the league system in the United States. Together with the USWRA leadership we will have an agreed upon plan in place by Summer 2021.

Keeping athletes at the center of all plans is at the heart of any successful program and ours is no exception. A formal ambassador program will be created to provide opportunity for athlete involvement in the board and committees as they move beyond competing. Most importantly, this program will provide an opportunity for mentorship and resources such as mental health services, career planning, and educational transition programs. We will also look at the creation of a residential program on campus for the next quad, another important step identified by the athletes, coaches and leadership. In addition to athletes transitioning from the program, we have staff that could soon be looking to move on, so we will develop a detailed succession plan for our coaches, support and performance staff. As mentioned earlier, we have put a great deal of effort into developing our coaching education platform and feel that it will continue to grow over the next five to seven years bringing new coaches into the system and creating a more unified system for the USWRA. Establishing a uniform pay structure and national opportunities to cultivate and recruit staff beyond coaches will also be prioritized. Building the brand of USAWR and the sport through continued development and fundraising opportunities in the community and across the U.S. is also a leading priority for Lakeshore. The recent hire of Leon Ryan as Director of Development has expanded our sport sponsorship capacities. Ryan is an experienced fundraising professional with a specific expertise in competitive sport and a strong track record of securing funding. As wheelchair rugby continues to grow and professionalize across the world, the dollars associated will increase, so we must take advantage of sponsorships. Lakeshore is also investing in enhancing its' communication team.

An exciting opportunity will also come to Birmingham, Lakeshore's home, in 2022 with the World Games. Lakeshore has worked closely with the World Games leadership on inclusion and this will be the first World Games where adapted sports will be included. Wheelchair rugby will be on the program as a variant which provides a perfect opportunity to showcase the sport. As plans for the World Games continue to unfold, they will present a unique opportunity not only to build brand awareness but also to ensure that the inclusive path being forged in the World Games is sustained and grows. Lakeshore is committed to leading that effort in 2022 and beyond.

27. Please attach any supporting documents that provide context for your sport performance program.

**4 file(s) attached:**

Lakeshore Foundation Facility Images .pptx

Lakeshore Foundation FY21 Annual Performance Objectives.pdf

2021 HPP\_Addendum A.docx

2021 HPP\_Final.docx

**SECTION 4: REVIEW AND CERTIFICATION OF RESPONSES**

28.

I certify that these answers accurately represent the current, or anticipated, state of the organization.

Name

**Response:**

Jen Allred on behalf of our PSO Transition Committee:

Jen Allred, Chief of Programs and Special Projects

Chuck Aoki, athlete, AAC representative

Joe Delagrave, athlete, co-captain

Mandy Goff, High Performance Manager

Eric Newby, athlete

Mark McColl, Board Chairman

Jeff Underwood, President and CEO

**Reviewers**

Bridget Toelle

**Bridget Toelle** on 2020-11-02 03:57 pm ✓

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Laurel Travis

**Laurel Travis** on 2020-11-02 04:00 pm ✓

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**BYLAWS  
OF  
LAKESHORE FOUNDATION  
An Alabama Nonprofit Corporation**

**ARTICLE I**

**DEFINITIONS, PURPOSES, AND POWERS**

**Section 1.1 DEFINITIONS.** The terms set forth below shall have the following meanings unless otherwise required by the context in which they may be used:

**Articles of Incorporation.** The term "Articles of Incorporation" shall mean the Articles of Incorporation of the Corporation and any amendments thereto.

**Board.** The term "Board" shall mean the Board of Directors of the Corporation.

**Board Committee.** The term "Board Committee" shall mean a body whose members are appointed by the Chairman or the Board and which may be authorized to exercise a designated portion of the authority of the Board when the Board is not in session.

**Bylaws.** The term "Bylaws" shall mean the Bylaws of the Corporation except where reference is specifically made to the bylaws of another entity or unit.

**Chairman.** The term "Chairman" shall mean the Chairman of the Board as set forth in Article V.

**Corporation.** The term "Corporation" shall mean Lakeshore Foundation, an Alabama nonprofit corporation.

**Director.** The term "Director" shall refer to one or more members of the Board of Directors of the Corporation as provided in Article III.

**Majority.** The term "Majority" shall mean fifty-one percent (51%) or more of the applicable total number.

**Member.** The term "Member" shall in all cases refer to persons serving as regular members of a body with authority to vote and be counted in determining the existence of a quorum.

**Officer.** The term "Officer" shall mean one or more of the positions as provided in Articles V and VI.

**State.** The term "State" shall mean the State of incorporation of the Corporation unless otherwise specifically indicated.

**Section 1.2. STATEMENT OF PURPOSE.** The Corporation has been formed for the purposes as set forth in the Articles of Incorporation.

**Section 1.3. POWERS.** Except as limited by the Articles of Incorporation or these Bylaws, the Corporation shall have and exercise such powers in the furtherance of its purposes as are now or may hereafter be granted by the laws of the State of Alabama.

## ARTICLE II

### OFFICES

The Corporation shall have and continuously maintain in the City of Homewood, Jefferson County, Alabama, a registered office and a registered agent (whose office shall be identical with such registered office) and may have such other offices within or without the State as the Board may from time to time determine.

## ARTICLE III

### BOARD OF DIRECTORS

**Section 3.1. GENERAL POWERS.** All of the business and affairs of the Corporation shall be managed by the Board in a manner consistent with these Bylaws and other applicable law. The Board shall make appropriate delegations of authority to the Officers and, to the extent permitted by law, by appropriate resolution, the Board may authorize one or more Board Committees to act on its behalf when it is not in session.

**Section 3.2. NUMBER, QUALIFICATION, ELECTION AND TENURE.** The total number constituting the members of the Board shall be established by the Board from time to time. Each of the members of the Board shall have one vote. Annually, at a meeting of the Board held within 90 days before the close of the Corporation's fiscal year, the Board shall elect the class of Directors then becoming vacant for terms commencing with the beginning of the fiscal year following such election and, except as provided herein, continuing for four years thereafter or until their respective successors shall have been elected and qualified.

**Section 3.3. STAGGERED TERMS.** Members of the Board shall be divided into four classes substantially equal in number with terms expiring at intervals of one year.

**Section 3.4. REGULAR MEETINGS.** The Board shall have regular meetings, the frequency of which is consistent with the needs of the Corporation and, unless the Board shall provide otherwise by resolution, regular meetings of the Board shall be held at least

four (4) times per year. The Board may prescribe by resolution the time and place for the holding of regular meetings and may provide that the adoption of such resolution shall constitute notice of such regular meetings. If the Board does not prescribe the time and place for the holding of regular meetings, such regular meetings shall be held at the time and place specified by the Chairman in the notice of such regular meetings.

**Section 3.5. SPECIAL MEETINGS.** Special meetings of the Board may be called by or at the direction of the Chairman, the Vice Chairman or the written request of a majority of the members of the Board, such meetings to be held at such time and place as shall be designated in the notice thereof

**Section 3.6. NOTICE.** Except as otherwise provided herein, notice of the time, day and place of all meetings shall be given to all members of the Board in person or by telephone, mail, e-mail, or facsimile. If the notice is sent by mail, it must be deposited in the United States first class mail or with a private mail carrier for overnight delivery, postage prepaid and addressed to the director at his or her address as it appears on the records of the Corporation, at least five (5) days before the day of the meeting. If the notice is sent by any other method or is delivered in person, the notice must be sent or delivered to all members of the Board at least seventy-two (72) hours before the date of the meeting. A waiver of notice in writing signed by the person or persons entitled to notice, whether before or after the time stated therein, shall be equivalent to the giving of notice. For special meetings, the notice of meeting shall further specify the purpose or purposes for which the meeting is being called. The attendance of a member of the Board at any meeting shall constitute a waiver of notice of such meeting, except where a member of the Board attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board, need be specified in the waiver of notice of such meeting.

**Section 3.7. QUORUM.** At least one-third (1/3) of the members of the Board shall constitute a quorum for the transaction of business at any meeting of the Board, unless otherwise specifically provided by law, the Articles of Incorporation, or these Bylaws. Members of the Board may participate in any meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating at the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting. If less than one-third (1/3) of the members of the Board are present at such meeting, fifty-one percent (51%) of the members present may adjourn the meeting from time to time without further notice until a quorum shall be present.

**Section 3.8. MANNER OF ACTING.**

3.8-1. **Formal Action by Board.** The act of the majority of the members of the Board present at a meeting at which a quorum is present shall be the act of the Board, Unless the act of a greater number is required by law, the Articles of Incorporation, or these Bylaws.

3.8-2. **Informal Action by Board.** No action of the Board shall be valid unless taken at a meeting at which a quorum is present, except that any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing (setting forth the action so taken) shall be signed by all members of the Board.

**Section 3.9. RESIGNATION AND REMOVAL.** Any member of the Board may resign from the Board at time by giving written notice to the Chairman, Vice Chairman, or the Secretary, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any member of the Board may be removed from office at any time by an affirmative vote of three-fourths (3/4) of the members of the Board of the Corporation.

**Section 3.10. VACANCIES.** Any vacancy occurring in the membership of the Board and any membership thereon to be filled by reason of an increase in the number of members of the Board shall be filled by the Board by majority vote though such remaining members of the Board may be less than a quorum. A member of the Board appointed to fill a vacancy shall be appointed for the unexpired term of such member's predecessor in office, and a member of the Board appointed to fill a newly created seat shall serve the term designated for the seat by the Board.

**Section 3.11. COMPENSATION.** Members of the Board, as such, shall not receive any stated salaries for their services, but by resolution of the Board a reasonable amount may be allowed as reimbursement of expenses incurred in attending to their authorized duties; provided, however, that, subject to the provisions herein concerning duality of interests, nothing herein contained shall be construed to preclude any member of the Board from serving the Corporation in any other capacity and receiving compensation therefore.

**Section 3.12. PROCEDURE.** The Board may adopt its own rules of procedure which shall not be inconsistent with the Articles of Incorporation, these Bylaws, and applicable law. In the absence of the Board adopting its own special rules of procedure as provided for herein, Robert's Rules of Order shall serve as the rules of procedure to be followed.

## ARTICLE IV

### BOARD COMMITTEES

**Section 4.1. STANDING BOARD COMMITTEES.** Except as provided herein to the contrary, the Corporation shall have the following standing Board Committees: Executive Committee, Finance Committee, Compensation Committee, Governance Committee, Planning Committee and Fund Development Committee.

## **Section 4.2. EXECUTIVE COMMITTEE.**

- 4.2-1. **Composition and Election.** The Board, by resolution adopted by a majority of the members of the Board, may create an Executive Committee. The number of members of the Executive Committee shall be at least (5) five. The membership of the Executive Committee shall consist of the Chairman, the Vice Chairman, the Treasurer, the Secretary and such other Board members as appointed by the Chairman and approved by the Board. The Chairman shall be the chairman of such Board Committee.
- 4.2-2. **Authority and Function.** When the Board is not in session, the Executive Committee shall have and exercise all of the authority of the Board in the management of the Corporation, except as such authority is limited by law or by resolution creating or otherwise controlling the Executive Committee.

## **Section 4.3. FINANCE COMMITTEE.**

- 4.3-1. **Members.** The Finance Committee shall consist of not fewer than five (5) Directors appointed by the Chairman and approved by the Board. If the Treasurer of the Corporation is a member of the Board, such person will be designated Chairperson of the committee and occupy one of the five positions.
- 4.3-2. **Duties.** The Finance Committee shall be charged with the responsibility to:
- A. Review the financial feasibility of projects, acts and undertakings of the Corporation referred to it by the Board and the President and Chief Executive Officer and make recommendations to the Board.
  - B. Review the financial statements of the Corporation and provide reports and recommendations to the Board concerning the general fiscal affairs of the Corporation.
  - C. Review and make recommendations to the Board concerning the Corporation's annual operating and capital budgets and review the long-term capital expenditures and requirements for financing.
  - D. Make recommendations to the Board concerning the selection of an independent auditor to be commissioned to perform an annual financial audit of the Corporation, and approve any non-audit service provided by the firm if such service represents at least 20% of the total amount paid to the accounting firm.
  - E. Receive, review and evaluate the financial statements and conclusions of the auditors and, based thereon, make recommendations to the Board concerning the financial operation of the Corporation. As a part of the

review with the auditors, the Committee will meet with the auditors without staff present.

- F. Review the annual income tax return (Form 990) filed with the U.S. Internal Revenue Service.
- G. Oversee the management of the Corporation's investments including investment policies, investment managers and other matters associated with investments.
- H. Review long-term financing arrangements and make recommendations to the Board.

#### **Section 4.4. COMPENSATION COMMITTEE.**

- 4.4-1. **Members.** The Compensation Committee shall consist of at least five (5) Directors appointed by the Chairman and approved by the Board.
- 4.4-2. **Duties.** The Compensation Committee shall be charged with the responsibility to: (1) review at least annually the compensation of the President and Chief Executive Officer of the Corporation and to make recommendations to the Board with respect to any changes in such compensation that the Committee deems appropriate; (2) review annually the proposed salary budget of employees and the Corporation's comprehensive benefits programs for inclusion in the budget; and (3) review and approve additions and changes to the pay and position classification plan.

#### **Section 4.5. GOVERNANCE COMMITTEE.**

- 4.5-1. **Members.** The Governance Committee shall consist of at least five (5) Directors appointed by the Chairman and approved by the Board.
- 4.5-2. **Duties.** The Governance Committee shall be charged with identifying, evaluating, and making recommendations regarding the overall health of the Board, including its organization, structure, and procedures. The Committee shall annually review and make recommendations regarding term renewals of Board members, as well as the appointment of new Directors. The Committee shall act to fill any vacancies on the Board. The Committee will review, consider, and make recommendations to the Board regarding modifications to the bylaws. The Committee will review proposed Committee assignments for the Board of Directors. Among other activities which the Committee may undertake are review of Board orientation and education programs, review of ethics and conflict of interest requirements, and review of the annual income tax return (Form 990) filed with the U.S. Internal Revenue Service.

#### **Section 4.6. PLANNING COMMITTEE.**

4.6-1 **Members.** The Planning Committee shall consist of at least five (5) Directors appointed by the Chairman and approved by the Board.

4.6-2 **Duties.** The Planning Committee shall be charged with the responsibility of identifying, evaluating and making recommendations to the Board concerning long range and strategic plans and needs which may affect the mission, resources, staff and assets of the Foundation, including any future development of the campus or other properties which may be owned or operated by the Foundation.

#### **Section 4.7. FUND DEVELOPMENT COMMITTEE.**

4.7-1. **Members.** The Fund Development Committee shall consist of at least five (5) Directors appointed by the Chairman and approved by the Board.

4.7-2 **Duties.** The Fund Development Committee shall be charged with the responsibility of providing strategic guidance to the Foundation's fund development program, which consists of philanthropy and sponsorship initiatives. The Committee will review the annual fundraising goal for the fiscal year; conduct the annual board leadership campaigns; and develop and recommend organizational fund development policies as needed.

#### **Section 4.8. ADDITIONAL OR COMBINATION OF BOARD COMMITTEES.**

##### **A. Additional Board Committees.**

1. **Composition and Election.** The Board, by resolution adopted by a majority of its members, may create one or more additional Board Committees consisting of at least three members. The Chairman shall appoint the members who are to serve as the members of the Committee, one of whom shall be designated as chairman of the Committee and the Board shall approve such members.

2. **Powers and Functions.** The resolution creating an additional Board Committee shall designate the authority of the Board, which such Board Committee shall have and exercise when the Board is not in session and the functions such Board Committee shall discharge.

**B. Combination of Board Committees.** If the Board determines that any one or more of the Board Committees should not exist, the Board shall assign the functions of such Board Committee to a new or existing Board Committee or to the Board as a whole.

**Section 4.9. QUALIFICATION AND TENURE.** Each such Board Committee shall consist of three or more persons, appointed by the Chairman and approved by the

Board. The designation of one or more of such Board Committees and the delegation thereto by resolution of authority shall not operate to relieve the Board, or any individual member of the Board, of any responsibility imposed by law upon it or such member. Each member of a Board Committee shall hold office until the next Annual Meeting following the election and until such member's successor as a member of a Board Committee is elected, unless such member shall sooner cease to be a member of the Committee or shall resign or be removed from the Board.

**Section 4.10. MEETINGS.** Meetings of a Board Committee may be called by, or at the direction of, the Chairman, the Vice Chairman, the chairman of the Board Committee or a majority of the members of the Board Committee then in office, to be held at such time and place as shall be designated in the notice of the meeting.

**Section 4.11. NOTICE.** Notice of the time, day and place of all meetings shall be given to all members of a Board Committee in person or by telephone, mail, e-mail, or facsimile, by or at the direction of the Chairman or the persons who called the meeting. If the notice is sent by mail, it must be deposited in the United States first class mail or with a private mail carrier for overnight delivery, postage prepaid and addressed to the member at his or her address as it appears on the records of the Corporation, at least five (5) days before the day of the meeting. If the notice is sent by any other method or is delivered in person, the notice must be sent or delivered to the member at least seventy-two (72) hours before the date of the meeting. A waiver of notice in writing signed by the person or persons entitled to notice, whether before or after the time stated therein, shall be equivalent to the giving of notice. The attendance of a member of a Board Committee at any meeting shall constitute a waiver of notice of such meeting, except where a member of a Board Committee attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any meeting of the Board Committee, need be specified in the waiver of notice of such meeting.

**Section 4.12. QUORUM.** One-third of the members of a Board Committee present in person, but no less than three members thereof, shall constitute a quorum for the transaction of business at any meeting of the Board Committee, unless otherwise specifically provided by the Articles of Incorporation or these Bylaws. Members of the Board Committee may participate in any meeting of the Board Committee by means of a conference telephone or similar communications equipment by means of which all persons participating at the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting. If less than one-third (1/3) of the members of the Board Committee are present at such meeting, a majority of the members of the Board Committee present may adjourn the meeting from time to time without further notice until a quorum shall be present.

**Section 4.13. MANNER OF ACTING.**

4.13-1. **Formal Action By a Board Committee.** The act of a majority of the members of a Board Committee present at a meeting at which a quorum is



present shall be the act of the Board Committee, unless the act of a greater number is required by law, the Articles of Incorporation, these Bylaws or by resolution of the Board.

4.13-2. **Informal Action by a Board Committee.** No action of a Board Committee shall be valid unless taken at a meeting at which a quorum is present, except that any action which may be taken at a meeting of a Board Committee may be taken without a meeting if a consent in writing (setting forth the action so taken) shall be signed by all members of the Board Committee.

**Section 4.14. RESIGNATION AND REMOVAL.** Any member of a Board Committee may resign therefrom at any time by giving written notice to the Chairman of the Committee, the Chairman, the Vice Chairman, or the Secretary, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any member of a Board Committee may be removed from office at any time by the Board in its sole discretion without assigning any cause pursuant to a resolution adopted by a majority of the members of the Board.

**Section 4.15. VACANCIES.** Any vacancy occurring in the membership of a Board Committee and any membership thereon to be filled by reason of any increase in the number of the Board Committee shall be filled by an individual appointed by the Chairman.

**Section 4.16. COMPENSATION.** Members of a Board Committee, as such, shall not receive any stated salaries for their services, but by resolution of the Board a reasonable amount may be allowed as reimbursement of expenses incurred in attending to their authorized duties; provided, however, that, subject to the provisions herein concerning duality of interests, nothing herein contained shall be construed to preclude any member of a Board Committee from serving the Corporation in any other capacity and receiving compensation therefore.

**Section 4.17. PROCEDURE.** The Chairman of each Board Committee may appoint a Vice Chairman for such Board Committee. A Board Committee may adopt its own rules of procedure which shall not be inconsistent with the Articles of Incorporation, these Bylaws, or applicable law. In the absence of a Board Committee adopting its own special rules of procedure as provided for herein, Robert's Rules of Order shall serve as the rules of procedure such committee shall follow.

## ARTICLE V

### OFFICERS

**Section 5.1. OFFICERS.** In addition to the President and Chief Executive Officer and other administrative officers referred to in Article VI, the Officers of the Corporation shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer. The Executive

Committee shall submit a slate of nominees for the offices of the Corporation to be reviewed by the Board. The Board shall be responsible for the nomination and election of such Officers. The Corporation may at the discretion of the Board, provide for different categories of Officers and may have additional Officers, including, without limitation, one or more additional Vice Chairmen, Assistant Secretaries, and/or Assistant Treasurers. Any two or more offices may be held by the same person, except for the offices of Chairman, President and Chief Executive Officer, and Secretary. The duties of certain offices are set forth herein. When the incumbent of an office is unable to perform the duties thereof or when there is no incumbent of an office (both such situations referred to hereafter as the "absence" of the Officer), the duties of the office shall, unless otherwise provided by the Board or these Bylaws, be performed by the next Officer set forth in the following sequence: Chairman, Vice Chairman, Secretary, Treasurer.

**Section 5.2. APPOINTMENT AND TENURE.** All Officers shall be elected, or in the case of the President and other administrative officers referred to in Article VI appointed, each year by the Board at its Annual Meeting for terms of one year, or until their successors have been duly elected and qualified, or until their death, resignation or removal.

**Section 5.3. RESIGNATION AND REMOVAL.** Any Officer may resign at any time by giving written notice to the Chairman, the Vice Chairman, or the Secretary, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Officer may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby.

**Section 5.4. VACANCIES.** A vacancy in any office may be filled by the Board for the unexpired portion of the term.

**Section 5.5. CHAIRMAN.** The Chairman shall preside at all meetings of the Board and shall exercise and perform such other powers and duties as may from time to time be assigned to him/her by the Board or these Bylaws or as are incident to the office of Chairman.

**Section 5.6. VICE CHAIRMAN.** The Vice Chairman shall perform such duties as may be assigned to him by the Board or the Chairman. In the absence of the Chairman, the Vice Chairman shall perform the duties of the Chairman.

**Section 5.7. TREASURER.** The Treasurer shall, subject to the direction of the Chairman, have charge and custody and be responsible for all funds and securities of the Corporation; to deposit the same in any bank or banks as the Board may designate; shall keep regular, full, and accurate accounts of all receipts and disbursements; and in general perform all the duties as from time to time may be assigned to the Treasurer by the Chairman, the Board, or these Bylaws. In fulfillment of the duties of the Treasurer, the Treasurer shall be familiar with the fiscal affairs of the Corporation and keep the Board informed thereof.

**Section 5.8. SECRETARY.** The Secretary shall, subject to the direction of the Chairman, cause to be kept a record of the meetings of the Board and all Board Committees

in one or more books provided for that purpose; assure that all notices are given in accordance with the provisions of these Bylaws and as required by law; be custodian of the seal of the Corporation; countersign, when required, all authorized deeds, mortgages, bonds, contracts, leases or other instruments; and in general perform all duties incident of the office of the Secretary and such other duties as from time to time may be assigned to the Secretary by the Chairman, the Board, or these Bylaws.

**Section 5.9. EXECUTION OF INSTRUMENTS.** The Chairman and the President and Chief Executive Officer are authorized, in their discretion, and to the extent permitted herein and by law, to do and perform any and all corporate and official acts in carrying on the Corporation's business, including, but not limited to, the authority to make, execute, acknowledge and deliver all deeds, mortgages, releases, bills of sale, assignments, transfers, leases, powers of attorney or of substitution, proxies to vote stock, or any other instrument in writing that may be necessary in the purchase, sale, lease, assignment, transfer, management or handling in any way of property of any description held or controlled by the Corporation, in any capacity. The enumeration herein of particular powers shall not restrict in any way the general powers and authority of said officers. The Board may authorize any other officer or officers or agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be delegated by the person so authorized; but unless so authorized by the Board or these ByLaws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

**Section 5.10. COMPENSATION.** Except for the President and Chief Executive Officer and the other administrative officers referred to in Article VI, Officers, as such, shall not receive any stated salaries for their services, but by resolution of the Board a reasonable amount may be allowed as reimbursement of expenses incurred in attending to their authorized duties; provided, however, that subject to the provisions herein concerning duality of interests, nothing herein contained shall be construed to preclude any Officer from serving the Corporation in any other capacity and receiving compensation therefor.

**Section 5.11. BONDS OF OFFICERS.** The Board may secure the fidelity of any or all such Officers by bond or otherwise, in such sums and with such surety or sureties, conditions, penalties or securities as shall be required by the Board. The premium or premiums for such bond or bonds shall be paid out of the corporate funds of the Corporation.

**Section 5.12. DELEGATION.** The Board may delegate temporarily the powers and duties of any Officer, in case of such Officer's absence or for any other reason, to any other Officer and may authorize the delegation by any Officer of any of such Officer's powers and duties to any agent or employee subject to the general supervision of such Officer.

## ARTICLE VI

### CORPORATE ADMINISTRATION

**Section 6.1. PRESIDENT AND CHIEF EXECUTIVE OFFICER.** The Board of the Corporation shall appoint a President and Chief Executive Officer ("President and CEO") of the Corporation. The President shall be the chief executive officer of the Corporation, and subject to the control of the Board, shall determine the Corporation's basic policies, have general supervision of its business and affairs and be responsible for all internal operations of the Corporation. The President shall report to the Board, and shall be responsible for personnel, and shall designate and assign the duties of the officers under his supervision, at the direction or with the approval of the Board.

The President shall have the authority to execute bonds, mortgages and other contracts and instruments requiring a seal, under the seal of the Corporation. He shall, under the supervision of the Board, be responsible for all investments of the Corporation and shall have the full authority to do any and all things delegated to him by the Board or by any committee of the Board having authority.

**Section 6.2. ADDITIONAL ADMINISTRATIVE OFFICERS.** The Corporation, through the President and CEO, subject to approval by the Board, may from time to time create such additional administrative offices and appoint such additional administrative officers as shall be needed or helpful in carrying out the objectives of the Corporation.

## ARTICLE VII

### MISCELLANEOUS

**Section 7.1. CONTRACTS.** The Board may authorize any Officer or agent of the Corporation, in addition to the Officers so authorized by these Bylaws, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

**Section 7.2. CHECKS, DRAFTS, ETC.** All checks, drafts or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the CEO.

**Section 7.3. DEPOSITS.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in one or more such banks, trust companies or other depositories as the Board may from time to time designate, upon such terms and conditions as shall be fixed by the Board. The Board may from time to time authorize the opening and keeping, with any such depository as it may designate, of general and special bank accounts and may make such special rules and regulations with respect thereto, not inconsistent with the provisions of these Bylaws, as it may deem necessary.

**Section 7.4. GIFTS.** The Board may accept on behalf of the Corporation any contribution, gift, bequest or devise for and consistent with the general purposes, or for and consistent with any specific purpose, of the Corporation.

**Section 7.5. BOOKS AND RECORDS.** The Corporation shall keep correct and complete books and records of account and shall also keep records of the actions of the Corporation, which records shall be open to inspection by the members of the Board at any reasonable time.

**Section 7.6. FISCAL YEAR: ACCOUNTING ELECTION.** The fiscal year of and method of accounting for the Corporation shall be as the Board shall at any time determine.

**Section 7.7. SEAL.** The Board shall provide a corporate seal for use by the Corporation.

**Section 7.8. ANNUAL REPORT.** The CEO and Treasurer shall verify and cause an annual report to be submitted to the Board no later than 120 days after the close of each fiscal year of the Corporation, which shall include the Organization Chart for the Corporation's current fiscal year and a listing of those persons serving as: (i) members of the Board and Board Committees, and (ii) Officers of the Board and Administrative Officers; and financial information for the fiscal year. The financial portion of such Annual Report must conform to accounting standards promulgated by the American Institute of Certified Public Accountants and shall include, without limitation, the following elements:

- 7.8-1. **Assets and Liabilities.** The assets and liabilities, including the trust funds, of the Corporation, as of the end of the fiscal year immediately preceding the date of the report.
- 7.8-2. **Changes In Assets and Liabilities.** The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the date of the report.
- 7.8-3. **Revenue and Receipts.** The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report.
- 7.8-4. **Expenses and Disbursements.** The expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report.

**Section 7.9. NOTICE; EFFECTIVE DATE.** Any notice required or permitted to be given pursuant to the provisions of the Articles of Incorporation, these Bylaws, or applicable law, shall be in writing, shall be sufficient and effective as of the date personally delivered or, if sent by mail, on the date deposited with the United States Postal Service, prepaid and addressed to the intended receiver at such receiver's last known address as shown in the records of the Corporation.

**Section 7.10. LOANS TO MEMBERS OF THE BOARD AND OFFICERS PROHIBITED.** No loan shall be made by the Corporation to any member of the Board or to any Officers. The members of the Board who vote for or assent to the making of a loan to a member of the Board or Officer, and any member of the Board or Officer participating in the making of such loan, shall be jointly and severally liable to the Corporation for immediate repayment of the amount of such loan.

**Section 7.11. EXCULPATION OF MEMBERS OF THE BOARD AND OFFICERS AND OTHERS.** Pursuant to Alabama Code Section 10-11-1, *et seq.*, all non-compensated Directors, trustees, members of governing bodies and Officers of the Corporation shall be immune from suit and not subject to civil liability arising from the conduct of the affairs of the Corporation except when the act or omission of such person which gives rise to a cause of action amounts to willful or wanton misconduct or fraud, or gross negligence.

**Section 7.12. INDEMNIFICATION OF MEMBERS OF THE BOARD, OFFICER AND OTHERS.** The Corporation shall indemnify any member of the Board or Officer, or former member of the Board or Officer, against expenses and costs (including reasonable attorneys) and expert fees, and including amounts paid or agreed to be paid in connection with reasonable settlements made before final adjudication with the approval of the Board) actually and reasonably incurred by him or her in connection with any claim asserted against such person, by action in court or otherwise, by reason of such person being or having been such member of the Board or Officer, except in relation to matters as to which such person shall have been adjudged liable for negligence or misconduct in the performance of his or her duty with respect to the matter in which indemnity is sought, and to the extent permitted by the provisions of the Alabama Nonprofit Corporation Act. By order of the Board, the Corporation may, under comparable terms and limitations, indemnify employees and agents of the Corporation with respect to activities within the scope of their services as members of Board Committees, Officers or other officials of the Corporation.

**Section 7.13. INSURANCE.** Nothing herein provided shall limit or otherwise affect the power of the Corporation to purchase and maintain insurance on behalf of any person who is or was an Officer, member of the Board, employee or agent of the Corporation or is or was serving at the request of the Corporation, against any liability asserted against him/her and incurred by him/her in any such capacity or arising out of his/her status as such, whether or not the Corporation would have the power or would be required to indemnify him/her against such liability under the provisions of these Bylaws or any applicable law. To the extent such insurance operates to protect any person against liability, the Corporation's obligation to indemnify shall be deemed satisfied.

**Section 7.14. REVOCABILITY OF AUTHORIZATIONS.** No authorization, assignment, referral or delegation of authority by the Board to any committee, Officer, agent or other official of the Corporation, or to any employee of the Corporation, shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the Corporation. The Board shall retain the right to rescind any such authorization, assignment, referral or delegation in its sole discretion.

**Section 7.15. DUALITY OF INTERESTS.** Any contract or other transaction between the Corporation and one or more of the members of the Board or Officers, or between the Corporation and any other corporation, firm, association or other entity in which one or more of the members of the Board or Officers are members of the board, trustees, or officers or have a significant financial or influential interest, shall be declared void by the Board unless all of the following conditions are met:

- 7.15-1. The relevant and material facts as to such member of the Board's or Officer's interest in such contract or transaction and as to any common directorship, officership, or financial or influential interest were disclosed in good faith in advance by such member of the Board or Officer to the Board, and such facts are reflected in the minutes of the Board meeting; and
- 7.15-2. The relevant and material facts, if any, known to such interested member of the Board or Officer with respect to such contract or transaction which might reasonably be construed to be adverse to the Corporation's interest were disclosed in good faith in advance by such member of the Board or Officer to the Board, and such facts are reflected in the minutes of the Board Meeting; and
- 7.15-3. Such interested member of the Board or Officer has, as determined by the judgment of the Board: (i) made the disclosures and fully responded to questions concerning the matters referred to in (a) and (b) above; (ii) fully met the burden of proof that the contract or transaction is fair and reasonable to the Corporation at the time such contract or transaction is authorized; and (iii) not otherwise significantly influenced the action of the Board with respect to the contract or transaction; and all such determinations by the Board are reflected in the minutes of the Board Meeting; and
- 7.15-4. The Board authorized such contract transaction by a vote of at least two-thirds (2/3) of the members present at a Meeting at which a quorum was present, and such interested member of the Board or Officer was not counted in determining the presence of a quorum or in determining the two-thirds (2/3) vote; and
- 7.15-5. Such interested member of the Board or Officer was not present at such time as the vote was taken.

**Section 7.16. EMPLOYEES OF THE CORPORATION.** The Board may employ such personnel as it deems necessary or desirable for the efficient operation of the Corporation.

**Section 7.17. RULES.** The Board may adopt, amend or repeal rules (not inconsistent with these Bylaws) for the management of the internal affairs of the Corporation and the governance of its Officers, agents, Board Committees, and employees.

**Section 7.18. VOTING OF SHARES OWNED BY THE CORPORATION.** Unless otherwise ordered by the Board, the Chairman, the President, the Vice Chairman, the Secretary, and the Treasurer, or any of them, shall have full power and authority on behalf of the Corporation to attend, to vote and to grant proxies to be used at any meeting of shareholders of any corporation or otherwise exercise rights of any entity in which the Corporation may hold stock or otherwise be a member. The Board may confer like powers upon any other person or persons.

**Section 7.19. VOTE BY PRESIDING OFFICER.** The person acting as presiding officer at any meeting held pursuant to these Bylaws shall, if a voting member thereof, be entitled to vote on the same basis as if not acting as presiding officer.

**Section 7.20. GENDER AND NUMBER.** Whenever the context requires, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and plural thereof.

**Section 7.21. ARTICLES AND OTHER HEADINGS.** The Article and other headings contained in these Bylaws are for reference purposes only and shall not affect the meaning or interpretation of these Bylaws.

## ARTICLE VIII

### AMENDMENTS TO ARTICLES AND BYLAWS

**Section 8.1. ARTICLES OF INCORPORATION.** The power to make, alter, amend, repeal, or adopt the Articles of Incorporation of the Corporation shall be vested in the Board.

**Section 8.2. BYLAWS.** The power to make, alter, amend, repeal, or adopt the Bylaws of the Corporation shall be vested in the Board. The Bylaws shall be reviewed by the Board at least annually to determine whether amendments thereto are necessary.

REVISED AND REVIEWED

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Cathy Sloss Jones  
Board of Directors, Chair

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October 6, 2014  
Date



## HISTORY OF BYLAWS

The initial Bylaws of Lakeshore Foundation were first adopted on May 29, 1984. Amendments made subsequent to May 29, 1984, should be listed below:

<u>REVISIONS</u>	<u>AMENDMENTS</u> <u>DATE OF ADOPTION</u>	<u>SECTIONS</u> <u>AMENDED</u>
5/1/95	6/8/96	4.6
1/5/98	2/21/98	4.6, 4,7
8/5/02	8/5/02	Entire Bylaws
10/19/04	10/19/04	4.1, 4.5
1/12/09	1/12/09	4.6, 4.6.1, 4.6.2
10/6/14	10/6/14	3.2, 3.6, 4.1, 4.3, 4.4, 4.5, 4.6, 4.7, 4.11, 4.12, 5.1, 7.10

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**United States Olympic Committee**  
**Audit Division**



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**Report on:**  
**Lakeshore Foundation**

**Grant Years:**  
**2015 and 2016**

**Dated:**  
**November 29, 2017**



November 29, 2017

Jeff Underwood  
President and CEO  
Lakeshore Foundation  
4000 Ridgeway Dr.  
Birmingham, AL 35209

Dear Jeff,

Enclosed is the United States Olympic Committee's (USOC) audit report of Lakeshore Foundation (Lakeshore) covering the grant funds awarded for the 2015 and 2016 grant years. We want to express our appreciation for being accommodating and the time you spent answering our questions and discussing procedures during the audit. It was a pleasure working with you and your staff.

The report will be presented to the USOC Audit Committee at its next quarterly meeting. There are two recommendations in the final report that, when implemented, will improve internal controls. Please let us know if we can assist you with implementing any of the recommendations or if you need further clarification.

We hope you found the audit process to be helpful. If you have any suggestions, please do not hesitate to share them with us.

Sincerely,

Bridget Toelle, CPA, CIA  
Senior Director, Audit

Andrea Andrews, CIA  
Principal Auditor

cc: Scott Blackmun      Julie Dusliere      Thomas Shufflebarger  
Rick Adams              Kristen Hudson      Robert Couch  
Alan Ashley              Cathy Miller  
Morane Kerek  
Chris McCleary  
Kevin Penn



## **AUDIT REPORT**

**Lakeshore Foundation**

### **EXECUTIVE SUMMARY**

The United States Olympic Committee (USOC) Audit Division completed an audit of the Lakeshore Foundation (Lakeshore). Lakeshore is the High Performance Management Organization (HPMO) for the Paralympic sport of wheelchair rugby. The purpose of the audit was to determine if Lakeshore is in compliance with select financial requirements of the Performance Partnership Agreements (PPA) for HPMOs, accuracy of financial reports submitted to the USOC, and the organization's general internal control environment over the use of grant funds.

The audit period was January 1, 2015 through December 31, 2016. The following grants were included in the audit scope:

<b>Grants</b>	<b>2015</b>	<b>2016</b>	<b>Total Grants</b>
Paralympic Performance Funding	\$ 239,100	\$ 320,000	\$ 559,100
Special Grant		10,941	\$ 10,941
	<u>\$ 239,100</u>	<u>\$ 330,941</u>	<u>\$ 570,041</u>

Lakeshore complied with the requirements of the PPAs for the grant periods. This audit resulted in an audit rating of 4. During the audit, we found the finance staff to be friendly, knowledgeable of processes and practices, and a well-oiled machine in how they work together as a department, and throughout the entire Lakeshore organization.

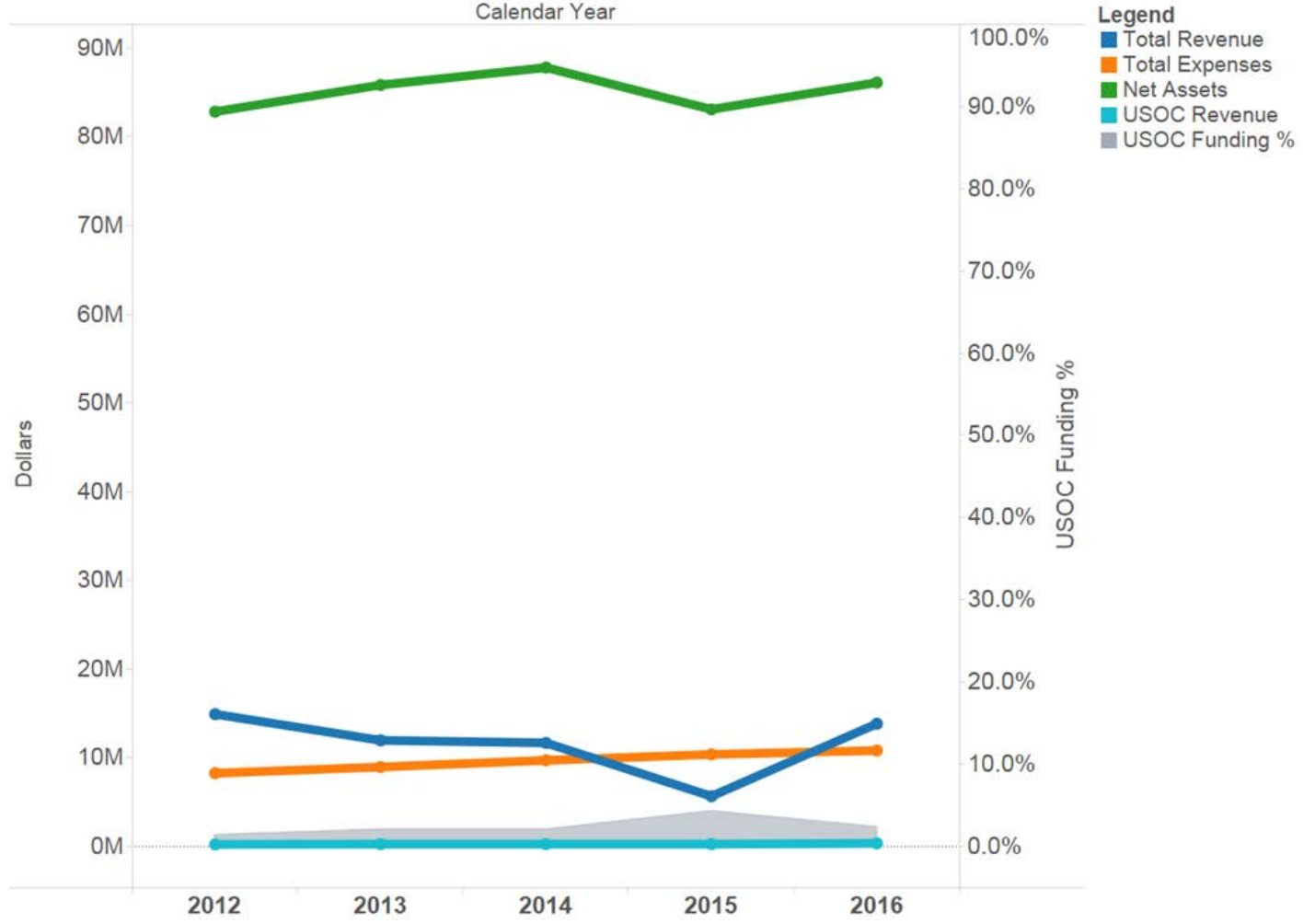
This audit identified two opportunities for improvement. One medium risk recommendation in regards to coaching contracts with Rugby coaches, and improvements in the expense approval process for the CEO.

### **HPMO FINANCIAL BACKGROUND**

Lakeshore operates on a fiscal year (FY) of October 1 through September 30, which is different from the grant year for summer sports. Lakeshore's financial statements are consolidated with its affiliate, Lakeshore Support Organization (LSO), which is a related tax exempt entity. The organizations share common goals with the Foundation's Board of Directors electing the Board of the LSO. The consolidated financials show a positive change in net assets of \$3,025,622 and Net Assets were \$86,129,493 at the end of FY 2016.

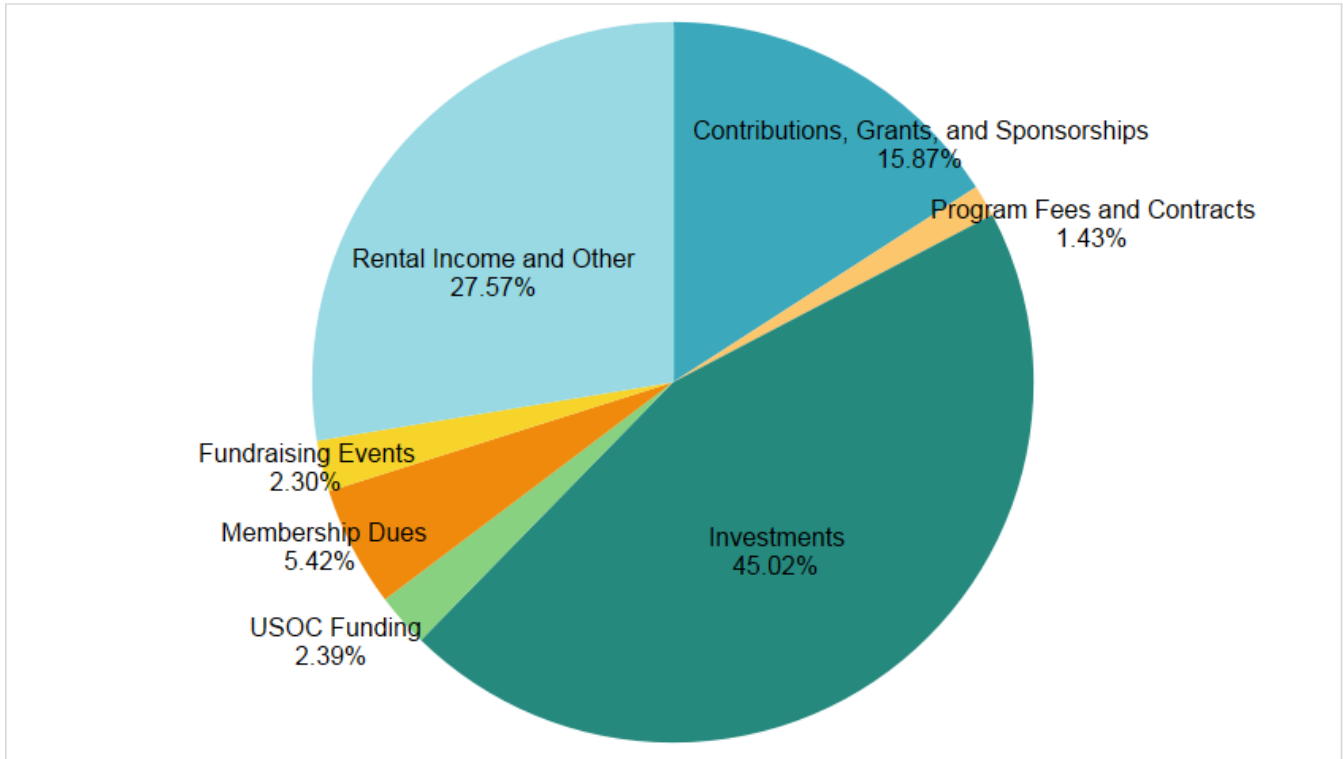
The following chart shows Lakeshore's total revenue, expenses, net assets, USOC funding, and the percentage of USOC funding compared to total revenue for the previous 5 years.

# Lakeshore Five-Year Financial History

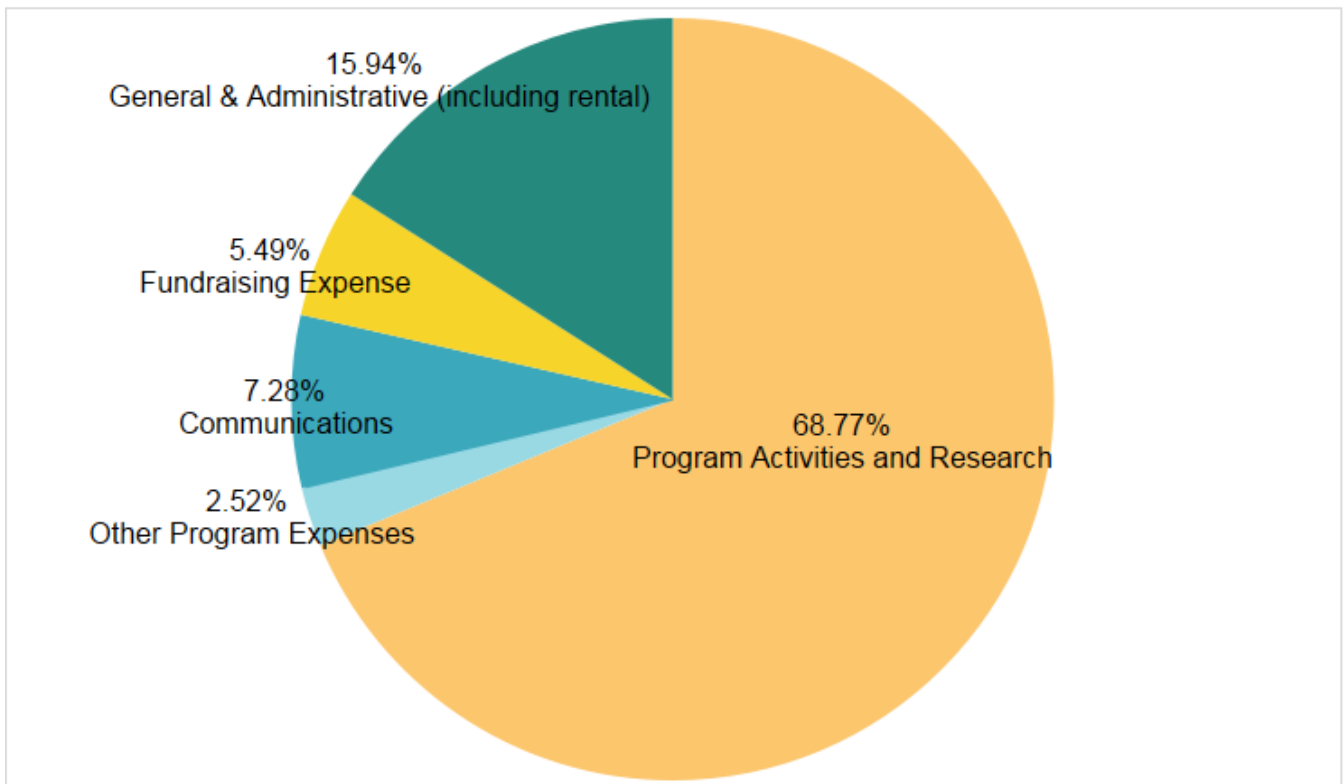


The following charts show Lakeshore’s revenue and expense composition for FY 2016.

## Lakeshore Revenue Breakdown - 2016



## Lakeshore Expense Breakdown - 2016



## **AUDIT OBJECTIVES**

The objectives of the audit were to determine:

- Compliance with select requirements in grant agreements,
- Internal control environment ensures protection of USOC funds,
- Compliance with the Lakeshore’s internal documents.

## **COMMENDABLE PRACTICES**

The entire Lakeshore team was extremely knowledgeable, friendly, and passionate about their mission. The finance department has recently implemented a new accounting system, in addition to a new expense submission and tracking system, which will assist them in increased operational efficiencies going forward. The hospitality offered by the Lakeshore team was much appreciated.

## **CURRENT OBSERVATIONS AND RECOMMENDATIONS**

This audit identified opportunities for improvement as detailed in the subsequent pages. The level of risk is identified for each recommendation. The level of risk was determined based on the potential impact it could have to Lakeshore and Lakeshore’s athletes, the managerial and financial capabilities of Lakeshore, and any mitigating controls noted during the audit.

## **AUDIT RATING**

Audit ratings are determined by the number of audit recommendations multiplied by the risk level. Using annual total revenue as an indicator, we compared Lakeshore to National Governing Bodies (NGBs) with annual total revenue of \$7-\$15 million. Lakeshore, as mentioned in the Executive Summary, is an HPMO, however with a limited population of comparison for audit rating, we used NGB average audit ratings for comparison. The average audit rating excludes SafeSport recommendations for comparability purposes.

Average Audit Rating for NGBs with Revenue from \$7-\$15M	5
Current Audit Rating (2017)	4

# ISSUES AND RECOMMENDATIONS

#: 1

## Coaching Contracts

**Finding Risk:** Medium

**Issue:** Lakeshore could not provide signed contracts for two of the Wheelchair Rugby coaches who receive regular stipends. Coaching stipends totaled \$53,300 in 2016.

**Criteria:** In order to protect the organization, its employees, and service providers, it is essential that a signed contract or agreement detailing the rights and obligations of each party is executed and updated for any changes.

**Cause:** Management has conducted discussions at length with their Labor Law Attorney with regards to contracts with Wheelchair Rugby coaches. Thus far, they have accepted the risks in choosing not to contract with the Team USA Wheelchair Rugby coaches, which is primarily due to their hesitation in classifying these service providers as independent contractors with Lakeshore Foundation. The organization has a letter of understanding with the Rugby coach to detail the payment agreement.

**Effect:** Lakeshore is at risk for disagreements, misunderstandings, or loss related to services performed by such individuals, or agreed upon payments to those who work on behalf of Lakeshore, if signed agreements are not in place. This may also pose a risk regarding SafeSport if the service provider is not contractually obligated to undergo criminal background checks or complete education requirements.

**Recommendation:** Lakeshore should initiate contracts or agreements signed by both parties with service providers who may be classified as independent contractors for the Wheelchair Rugby program.



**Lakeshore Response:**

*Lakeshore Foundation understands and accepts the risk associated with the payment of coaches if signed contracts are not in place. We plan to modify the letter of understanding signed by the coaches for 2018 and will provide you a copy of that letter.*

#: 2

## CEO Expense Approvals

**Finding Risk:** Low

**Issue:** The Lakeshore CFO reviews and approves the CEO's expense reports. It may be difficult for someone who reports to the CEO to question expenses or request additional documentation.

**Criteria:** Since it is the Board's responsibility to evaluate the CEO's performance, it is appropriate for a member of the board to review the CEO's expenses. The review could be done on a monthly, quarterly, or semi-annual basis as a back-up procedure after the CEO has already been reimbursed. This way, reimbursements to the CEO are not delayed, but an appropriate review procedure is in place.

**Cause:** The CEO's expenses have always been approved by the CFO.

**Effect:** A Board member review improves transparency between the Board and the CEO. Additionally, the organization could be reimbursing for expenses that are not appropriate; however, no such instances were noted during the audit.

**Recommendation:** Lakeshore should consider having a Board member review the CEO's expenses.

**Lakeshore Response:**

*Lakeshore has already put this recommendation into practice. The Chair of the Finance Committee will review all expense reports of the CEO on a quarterly basis. Thank you for the recommendation.*

## **CONCLUSION**

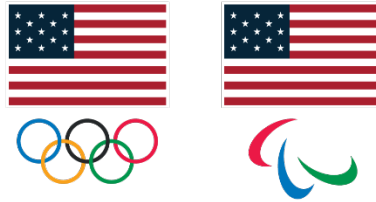
Lakeshore complied with the requirements of the performance grants awarded to Lakeshore during the periods January 1, 2015 – December 31, 2016. The audit resulted in two recommendations and an overall audit rating of 4.

We wish to thank Lakeshore's staff for being cooperative and accommodating during the audit. It was a pleasure working with Cathy, Kathy, and Deanna. We look forward to working with you again in the future.

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# United States Olympic & Paralympic Committee

## Audit & Organizational Advancement



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**Report for:**  
**Lakeshore Foundation**

**Review of:**  
**2019 Compliance Checklist**

**Dated:**  
**March 23, 2020**



UNITED STATES  
OLYMPIC & PARALYMPIC  
COMMITTEE  
1 Olympic Plaza  
Colorado Springs, CO 80909

March 23, 2020

Jeff Underwood  
Chief Executive Officer  
Lakeshore Foundation

Dear Jeff,

Enclosed is the United States Olympic and Paralympic Committee's (USOPC) report on the 2019 Compliance Checklist for Lakeshore Foundation (Lakeshore). We want to express our appreciation for the time you and your staff spent completing the Checklist and providing documents during the review.

Lakeshore was compliant as it specifically relates to the compliance checklist report for the questions outlined below in the following areas: governance/managerial; financial capability; due process and athlete representation; and anti-doping. There were initially five deficiencies identified in the following areas: governance/managerial; financial capability; and due process and athlete representation. With updates to its policies and website, Lakeshore remedied these deficiencies and is now fully compliant with the 2019 USOPC Compliance Checklist. There is also an additional observation in the report that when implemented, will improve the anti-doping policy.

As of September 13, 2019, the USOPC Board approved the revised NGB and HPMO Athlete Safety Policy. In an effort to align the Compliance Checklist process with the NGB and HPMO Athlete Safety Policy, eliminate redundancies, and ensure clarity as it relates to what entity is solely responsible for auditing SafeSport requirements, the auditing of athlete safety requirements now falls under the jurisdiction of the U.S. Center for SafeSport.

The report will be presented to the USOPC Athlete and NGB Engagement Committee and be made available on TeamUSA.org. We hope you found the review process to be helpful. If you have any suggestions, please do not hesitate to share them with us.

Sincerely,

Audit & Organizational Advancement Team

cc: Rick Adams                      Chris McCleary                      Tom Shufflebarger  
Wendy Guthrie                      Denise Parker



# 2019 COMPLIANCE CHECKLIST REPORT

Lakeshore Foundation

## OBJECTIVE AND SCOPE

The objective of the review is to verify Lakeshore is in compliance with key elements of the Ted Stevens Olympic and Amateur Sports Act, the USOPC Bylaws and certain USOPC policies, in order to demonstrate ongoing commitment to the values and requirements of membership in the USOPC. The scope includes the 2019 Compliance Checklist certified by Lakeshore and the supporting documents provided by Lakeshore. Compliance Checklist procedures are designed to verify that certain HPMP policies are in place. This Compliance Checklist does not conclude on the effectiveness of any policies reviewed. Additional audit procedures are completed on select HPMPs each year to verify various policies and processes are being followed.

The following chart shows all the requirements in the Compliance Checklist and corresponding status for Lakeshore. For any deficiencies, see the explanations and action plans after the chart.

	Question	Status
<b>Governance/Managerial</b>		
1	Do you have a code of conduct for your employees, members, board of directors and officers?	Compliant
2	Do you have your current bylaws posted on your website?	Compliant
3	Are you compliant with the insurance requirements as set forth in Exhibit 2 of the most recent PPA?	Compliant
4	Have you submitted, in a timely fashion, data and information on the participation of women, individuals with disabilities and racial and ethnic minorities in your athletic activities and administration?	Compliant
5	Have you submitted to the USOPC for review and approval a plan to encourage the participation of men, women, individuals with disabilities and racial and ethnic minorities in your amateur athletic activities and administration?	Compliant
<b>Financial Capability</b>		
6	Do you have your three most recent IRS Form 990s on your website?	Compliant
7	Have you completed and posted on your website your three most recent annual audited financial statements?	Compliant
8	Do you have written financial policies and procedures?	Compliant
9	Do you have an approval and/or review process for cash disbursements?	Compliant
10	Do you provide frequent (monthly or quarterly) financial statements to your board or designated committee?	Compliant
11	Do you have a board-approved annual budget?	Compliant
12	Have you spent USOPC funds as required by the funding agreements in the previous 12 months?	Compliant
<b>Due Process and Athlete Representation</b>		
13	Do you provide procedures for the prompt and equitable resolution of grievances of your members?	Compliant

14	Do your grievance procedures provide for fair notice and opportunity for a hearing to any athlete, coach, trainer, manager, administrator or official before declaring the individual ineligible to participate?	Compliant
15	If you govern or operate a Paralympic Sport, do you have a Paralympic Sport Advisory Group that includes a combination of coaching staff, high performance staff and at least 20% Paralympic athlete representation to craft and approve selection procedures and to serve in an advisory capacity for high performance planning?	Compliant
<b>Athlete Safety</b>		
16	Do you have a USOPC-compliant Athlete Safety Policy?	*Transitioned to U.S. Center for SafeSport
<b>Anti-Doping</b>		
17	Do you inform Athletes, Athlete Support Personnel and other Persons in your sport of the USOPC National Anti-Doping Policy and of the USADA Protocol?	Compliant
18	Unless otherwise agreed by USADA, at least quarterly do you provide USADA with an updated list of athletes, proposed by your HP MO, to be included in the USADA RTP? With respect to each athlete on such list and such additional athletes as may be designated by USADA for inclusion in the USADA RTP, do you provide USADA with initial contact information which shall, at a minimum, include accurate residential, mailing and email addresses (if available) and phone numbers for each athlete?	Compliant
19	At least six months prior to the commencement of the most recent applicable Olympic or Paralympic Games, did you provide USADA with a list of all athletes that may have reasonably been selected to represent the U.S. in such Games?	Compliant
20	Do you have an identified staff member to act as a liaison with USADA?	Compliant

\*The U.S. Center for SafeSport is in the process of taking jurisdiction over the auditing of Athlete Safety requirements for High Performance Management Organizations. To that end, as of 9/13/2019, the USOPC will no longer review Athlete Safety requirements which fall under the Center's jurisdiction.

## DEFICIENCIES

<p><b>2. Do you have your current bylaws posted on your website?</b></p> <p>Lakeshore Foundation (Lakeshore) does not have its Bylaws posted online. As stated in Exhibit 1 of the Performance Partnership Agreement (Exhibit 1), Lakeshore “will make available on its website its bylaws and other governance documents.”</p> <p><b>Lakeshore Foundation Action Plan:</b> Lakeshore will post its bylaws on lakeshore.org as well as on usawr.org. On usawr.org these will appear in the “About” section. On Lakeshore’s website, we have a section dedicated to rugby, it will appear there, under the “activity” section.</p> <p><b>USOPC Status Update:</b> Audit verified Lakeshore posted bylaws to lakeshore.org and usawr.org. They are considered compliant as of March 10, 2020.</p>
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**6. Do you have your three most recent IRS Form 990s on your website?**

Lakeshore did not have its three most recent IRS Form 990s posted to its website. According to Exhibit 1, Lakeshore “will provide USOC with a complete copy of its filed IRS Form 990 once it has been submitted to the IRS...and will make such form for the three most current years...available on its website.”

**Lakeshore Foundation Action Plan:** Lakeshore will post notification that the three most current 990s are available upon request on lakeshore.org as well as on usawr.org. On usawr.org this will appear in the “about” section. On Lakeshore’s website, we have a section dedicated to rugby, it will appear there, under the “activity” section.

**USOPC Status Update:** Audit verified Lakeshore posted notice that Form 990s are available upon member request and is now compliant as of March 10, 2020.

**7. Have you completed and posted on your website your three most recent annual audited financial statements?**

Lakeshore did not have its three most recent audited financials posted to its website. According to Exhibit 1, Lakeshore will also make “audited financial statements for the three most current years available on its website.”

**Lakeshore Foundation Action Plan:** Lakeshore will post its three most recent audited financial statements on lakeshore.org as well as on usawr.org. On usawr.org these will appear in the “about” section. On Lakeshore’s website, we have a section dedicated to rugby, it will appear there, under the “activity” section.

**USOPC Status Update:** Audit verified that Lakeshore posted its three most recent Audited financial statements to lakeshore.org and usawr.org and is now compliant as of March 10, 2020.

**13. Do you provide procedures for the prompt and equitable resolution of grievances of your members?**

Members of hearing panels are not specifically required to be free of conflicts of interest. Additionally, grievances are filed with the Lakeshore Foundation CEO, who is responsible for appointing hearing panels. There is no provision in the Bylaws to ensure "equitable resolution" if a complaint is filed against the CEO. According to Exhibit 1, Lakeshore “must provide procedures for prompt and equitable resolution of grievances” before declaring an individual ineligible to participate. Having a disinterested hearing panel ensures an equitable resolution of a grievance.

**Lakeshore Foundation Action Plan:** Lakeshore will update Attachment D of the selection procedures.

**USOPC Status Update:** Lakeshore has updated its complaint procedures Section 6 to satisfy this deficiency and are considered compliant as of March 10, 2020.

**14. Do your grievance procedures provide for fair notice and opportunity for a hearing to any athlete, coach, trainer, manager, administrator or official before declaring the individual ineligible to participate?**

The grievance procedures do not provide for how fair notice of the charges and requested remedy are communicated to a respondent of a grievance. According to Exhibit 1, Lakeshore “must provide procedures for fair notice and an opportunity for a hearing” before declaring an individual ineligible to participate.

**Lakeshore Foundation Action Plan:** Lakeshore will update Attachment D on the selection procedures.

**USOPC Status Update:** Lakeshore has updated Section 6 of their Complaint Procedures to satisfy this

deficiency and are considered complaint as of March 10, 2020.

## **ADDITIONAL OBSERVATION**

During the review we identified an additional area for improvement. The additional observation does not impact the compliant status but could impact it in the future.

***Do you inform Athletes, Athlete Support Personnel and other Persons in your sport of the USOPC National Anti-Doping Policy and of the USADA Protocol?***

In its Athlete Selection Procedures submitted for review, Lakeshore informs athletes of the USOPC National Anti-Doping Policy and USADA Protocol, however, athlete support personnel and other persons in the sport do not appear to be included in the notification of anti-doping requirements for participants. According to Section 12 of the PPA, Lakeshore will “comply with USOC anti-doping policies, protocols and procedures, as applicable.”

## **CONCLUSION**

With updates to its website and policies, Lakeshore remedied its deficiencies and is now fully compliant with the USOPC's Compliance Checklist. The Compliance Checklist does not conclude on the effectiveness of any policies reviewed. Additional audit procedures are completed on select HPMOs each year to verify various policies and processes are being followed.