

## Executive Director's Report-USFHA Board of Directors' Meeting-May 21, 2011

### The Glorious Black Number

For the first time in eight years, USFHA has shown a positive net dollar outcome after an entire fiscal year's operation. Our black net dollar number of **\$247,942** for FY 2010 contrasts with the red number **\$142,143** from the 2009 fiscal year, a shift of **\$390,085**. There are many reasons why this transition has taken place. Much credit must be given to the entire staff for the efforts made throughout the year to focus on the efficient use of resources whilst continuing to conduct premium events. You can see the results as you look at the *glorious black number*. Our staff continues focusing on efficiency with an eye toward high quality in all that we do.

Earlier this year I brought to Jim Johnson's attention a proposal to reward employees. I have always operated with a two bucket approach for rewards. One is based upon annual reviews. Through the accomplishment of measurable goals, a proper percentage increase in salary is awarded. This meritorious award rewards employees individually. That is the first bucket. Looking at a process to reward a staff based upon a team approach to save resources, but yet do the job beyond expectations has been behind revenue sharing. That is the second bucket. For revenue sharing, my proposal to Jim was to: (i) meet a threshold of a minimum net positive of \$120K at the conclusion of the FY (that number was to be a moving number from year to year); (ii) award employees not under contract (i.e. contracted coaches, executive director, high performance director would not be eligible); and provide equal distributions of a total of \$20K to the eligible employees (those only on staff for a portion of the year would receive a pro-rated portion of the share). Now I ask the Board for their consideration of this proposal. While the number (\$20K) is within my level of approval, this procedure would be a departure of practices of the past. I bring this to your attention as employees are the most valuable asset any organization has, and ours have proved themselves to be deserving.

**IST for the Strategic Plan** Earlier this year a *2011 Board of Directors Binder* was sent to all Board members. It contained many different items. The report on progress related to the USA Field Hockey Long Term Strategic Plan is found in Section 8. In that report, the *Implementation of Strategy and Timeline (IST)* was presented for the 2011 year. The actual plan was printed and progress printed in appropriate areas in **blue**. I have brought a copy to the Board meeting and am certainly available for questions that relate to the plan....and our progress.

**Business Plan (S.M.A.R.T.)** This plan is in progress and will be provided during the Board meeting. It will be in hard copy form and will be a discussion topic for one of our Monday evening group confabs.

**Member Club Task Force** Over the past several weeks, the appointed member club task force has been meeting telephonically every Tuesday evening and via email communication throughout the week. Three tasks have been assigned to the task force to provide recommendations. Those tasks are:

1. Provide advice on the operation of the 2012 USA Field Hockey **National Club Championship qualifying system**
2. Provide advice on **upgrading the USA Field Hockey National Indoor Tournaments, their qualifying events, and the process to qualify so to achieve fairness and a premium level**
3. Provide advice on creating a system to eliminate or modify the **legacy system** applicable to USA Field Hockey's National Hockey Festival.

The Task Force took on number 3 first and following healthy and thoughtful debate over three weeks were unanimous in their recommendation that the legacy system for entry to Festival be eliminated. A number of other recommendations of which the final wording is to be determined this coming week will also follow which cover such areas as requiring all athletes to be registered with a member club, eliminating returning

Champions spots for Festival, although keeping the Awards ceremony, and providing for more focus on creating pools with a geographical spread. The working document provided by the staff to be adopted for Festival 2012 which has as its main theme the provision for each Member Club to have the opportunity to send one team to Festival (subject to space limitations).

### **Listing the Office**

In the previous rendition of the Board, we went through the exercise of approval to list our office building for sale. The listing fell through when one of the four Olympic sport national governing bodies domiciled in the building decided not to list (*US Fencing*). They have now come around and feel the need for a listing to take place.

Our building consists of ~7,100 square feet of which we own 31%. We became owners (in whole...no mortgage) of the building when the *USOC* moved *USA Field Hockey* along with four other NGBs off the *Olympic Training Center* complex in Colorado Springs around nine years ago. The *USOC* purchased the building through their own funds and a grant from the *El Pomar Foundation* (based in Colorado Springs). One of the occupying NGBs, *USA Team Handball*, declared bankruptcy several years ago and several of the existing NGBs in the building bought off portions of the handball interests. Since that time, *USA Team Handball* has been reorganized and now resides in Utah.

The existing owners of the building, *USA Field Hockey*, *USA Table Tennis*, *US Fencing* and *USA Archery*, are experiencing space problems due to growth. For instance, *US Fencing* has expanded staff and is renting space in a nearby building not contiguous with our building. *USA Archery* will soon move three individuals from their Florida office and has no space for them. *USA Table Tennis* is not expanding. We expect to expand by two positions over the span of the next several years.

Also the building is aging and will be in need of substantial maintenance in the near term. My proposition is that NGBs typically should not be in the brick and mortar business as we are not familiar with proper maintenance, and owning a building makes the organization less flexible. Additionally, being in a cooperative with three other organizations can at times prove to be difficult.

The listing will be for a total of \$799,000. The listing agent (and selling agent) will share 6% of the selling price. The moving fees such as furniture movement, telephone and internet moves should be minimal as *USOC* will assist. There is an abundance of highly desirable office buildings with more space, favorable leasing arrangements, off road parking availability, and good locations (close to the OTC and *USOC* headquarters).

While the local economy in CS is like most other cities....difficult...there are several favorable characteristics of this building that could enhance a quicker than normal sale. Those characteristics include ample free parking in the rear, and a highly desirable location.

I again seek your approval for listing.

**NFHS Goggles Approval** You are all certainly aware of the *NFHS's* ruling to make mandatory approved goggles for use during high school field hockey sanctioned play under the *NFHS's* jurisdiction. *USFHA* made quite clear our position within two *USA Field Hockey* weekly reports on how the *NFHS* ruling could potentially adversely affect how the sport is played, and, more importantly, the safety in play. Quite a number of letters/emails were received not in support of the *NFHS* ruling and three were received adamantly supporting the ruling.

I have called several members of the *NFHS* including the executive director to express concern. Nothing we have done or anyone else has done was effective in encouraging a *NFHS* mind change as the *NFHS* strongly felt the ruling was in the best interests of their high school athletes. Further, they are concerned about litigation relative to safety equipment/or lack thereof. The ruling stands and will be implemented effective the beginning of the 2011 scholastic year (this fall).