

USA VOLLEYBALL
MINUTES OF THE MEETING
of the
BOARD OF DIRECTORS
October 8, 2012
Colorado Springs Co



- Presiding:** Adam Rymer, Chair
- Directors:** William Barnum, Steve Bishop, Ken Cain, Kathy DeBoer, Jon Lee, Sue Mailhot, Lori Okimura, Andy Reitinger, Todd Rogers, Adam Rymer, Kerri Walsh Jennings
- Treasurer:** Kevin Twohig
- Staff:** CEO Doug Beal, Kerry Klostermann, Margie Mara, Tim McCune, Stacie Kearns, Chris Vadala, and Dave Williams
- Guests:** Gabe Gardner AAC rep, Al Monaco, Scott Fortune, Audrius Barzdukas, Al Lau, Stew McDole, John Hughes, Jim Webber, Nancy Funk, Cliff McPeak
- Absent:** Ted Leland, Sarah Noriega Sulentor, Reid Priddy, Ken Shropshire
- Recorder:** Fred Wendelboe, Recording Secretary

NOTE: Information is reported according to topic and not necessarily in the chronological order of discussion.

I. Call to Order/Introductions

The meeting of the Board of Directors of USA Volleyball was called to order by Chair Adam Rymer at approximately 8:25 am MST on Monday October 8, 2012.

II. Roll Call: Mr. Klostermann called the roll.

Declaration of Quorum: Mr. Klostermann declared a quorum was present. The requirement for a super-majority has expired.

III. Announcements: Mr. Rymer welcomed the directors and guests.

IV. Approval of Agenda

The agenda was reviewed and approved with adjustments.

MOTION #1: It was M/S/C (Reitinger/Mailhot) to approve the agenda as revised.

V. Approval of Minutes

MOTION #2: It was M/S/C (Reitinger/DeBoer) to approve the minutes of the May 25, 2012 meeting of the Board as modified.

VI. Executive Session

Mr. Cain requested a closed session and the Chair granted the request. Following the closed session Mr. Rymer announced that a challenge to the results of the Beach Development position has been lodged. The matter has been referred to the Corporate E & E Committee for resolution. The Beach Development Director will have voice but no vote until the matter is resolved.

VII. USAV Foundation:

Mr. Monaco presented a report on Foundation activities. Three Directors were elected to three year terms expiring in 2015. They were Mr. Fortune, Mr. Monaco and Mr. Leland. Two Directors were elected to two year terms. They were Mr. Mike Schroeder and Mr. Robert (Chip) Harris. The Board reviewed the financial position of the Foundation and authorized the transfer of the first installment of the building purchase grant to USAV. Mr. McCune reported on his activities and emphasized the boost that the London Olympics gave to fundraising and awareness.

VIII. BYLAWS and GOVERNANCE

- A. Board Chair Election
Mr. Rymer has self-nominated. There being no other nominations:

MOTION #3: It was M/S/C (Reitinger/DeBoer) to close the nominations and elect Mr. Rymer by acclamation.

- B. Board Approval of Draft 990 – USAV received a second extension on the 990 and it will be sent to the Board for electronic approval because it will be due before the Board meets again.
- C. Bylaws/Op Code Revisions (30 day advance) Discussion & Action
- a) October Bylaws Postponements (4.01A & 6.02)
 - b) October Op Code Postponements (6.02A 6 & 6.05; Articles 8, 9, 10)

There being additional information presented by the RVAA that is inside the 30 day notice for consideration there was a discussion on whether the 30 day requirement pertained to all material pertinent to the consideration or whether once the issue was proposed for the agenda prior to the 30 day notice, then all material presented to the Board on the matter does not need to be in advance of that date. Additionally, the matter of waiving the notice was discussed and what standard should be used to waive the 30 day notice for Bylaw and Operating Code revision. After discussion, the following motion was presented.

MOTION #4: It was M/S/C (DeBoer/Mailhot) to amend Bylaw 18.02 and Op Code 10.03 C to include a provision to waive the requirement for 30 day notice for consideration of proposed amendments by a two-thirds (2/3) majority of the full voting power of the board (i.e., 10 votes of the current 15).

Additionally, it was determined that all material concerning the current proposed amendments could be presented and considered.

MOTION #5: It was M/S/C (DeBoer/Lee) to amend the Bylaws and Operating Code as follows:

- The language referencing RVA redistricting should remain in the Operating code with an appropriate reference in the Bylaws.
- The redistricting language in the Operating code should reflect the language in the RVAA Administrative Manual as revised October, 2012.

MOTION #6: It was M/S/C (RVA Assembly) to amend or insure the Operating Code includes but is not limited to the following:

- Operating Code 4.03 A: Each RVA shall be required to:
 6. Appoint a referees' chair and a scorers' chair or an officials' chair.
 7. Responsible for the regional certification of referees and scorers and recommendation of candidates for national certifications.
 8. Responsible for compliance with the Corporation's requirement for any person coaching a junior team to have at least IMPACT or USAV-approved equivalent coaching certification within a reasonable time after participation as a coach at junior levels.
 9. Responsible for compliance with the RVA Assembly Background Screening Policy.
- Operating Code 6.06 G: Change highest classification to Open from AA

The RVA Assembly proposed amending Operating Code 5.02 C 3: Clubs: sentence 3 to read: "Each Club shall register with one RVA, as determined by the principal address of the designated club leadership ~~and where the majority of its members reside.~~" Additionally, the RVAA proposed amending Operating Code 5.02 by adding "Participants in Regional Volleyball Association competitions register in the region in which they reside or, with the permission of both affected regional commissioners, the region in which their team/club is registered." This would supersede the previous amendment. Neither proposal met the 30 day limit for consideration and after discussion, the Board was not willing to set aside the requirement and felt that additional discussion involving the other assemblies would be beneficial.

The Chair referred the following RVA motion to the Corporate Structure and Function Committee to bring language to the Board to amend Operating Code 5.02 E to bring it into agreement with current practice. Proposed language would be: Registration and/or sanctioning disputes shall be referred first to the Region where the complaining party registered or seeks to register or sanctioned an event for resolution, and then to the RVA Assembly Ethics and Eligibility Committee, only to determine if due process was provided.

- D.** Proposal for At Large Board Position – Mr. Monaco discussed the reasons for including a position on the Board for a person who has extensive experience in the organization. Because so many of the Director positions are short term there is an increased need for continuity in a voting or non-voting position. The qualifications are cited in the document. The general sense of the Board was this position was not needed and no motion ensued.

- E. CEO Compensation Committee – the committee has reached an agreement with Mr. Beal for his service as CEO for 4 more years.
- F. Board Recognition: Mr. Beal recognized Stew McDole’s long term contributions to USAV and specifically to the Board of Directors as an officer, Board member, and committee member. He was presented a plaque in recognition of his service.
- G. USOC Athletes Advisory Council (“AAC”) – Gabe Gardner reported on the activities of the AAC. Elections for this position are upcoming and Mr. Gardner will be a candidate for re-election. He is also considering running for a leadership position in the AAC. Support for the Paralympic movement is increasing in the AAC and is a strong topic of interest. Funding for all NGBs is another topic of conversation. Operation Gold (\$50K for a gold medal) awards are currently taxable; there is support from athletes to make it non-taxable. Career Development is another focus of interest. Mr. Gardner encouraged USAV to become more active in this area for our athletes. He mentioned activities that the Foundation is involved in as possible avenues to pursue. Athlete safety is also a focus for the AAC and needs to be a continuing concern for USAV.
- H. National Structure & Function Report: efforts to review Assembly Administrative Manuals are ongoing.
- I. Foundation Sole Shareholder Representative: the USAVF asked the Board to make an official designation of who from USAV is the official representative to the USAVF Board for the purpose of exercising the vote as sole shareholder.

MOTION #7: It was M/S/C (Lee/Barnum) to designate the Chair of the USAV Board of Directors as the representative shareholder to the USAVF.

IX. Committee Reports

- A. Audit, Finance & Budget Committee: Mr. Twohig reported on the Committee’s meeting. He recommended that the committee members for the next Quad be Ken Shropshire, Sarah Sulentor, Steve Bishop and Stew McDole (with ad hoc members Andy Reitingner and Angelo Iasillo). He then reviewed his report. He reported that the actions taken to resolve the deficit budget have been successful and the budget is essentially a breakeven budget. The Corporation is securing D & O coverage as a member benefit to RVAs. AFB reviewed staff proposed revisions to USAV Financial Internal Controls Policies and Procedures. After review and discussion AFB changed one policy to comply with existing Board policy and then approved the rest of the document. The first round of budget submittals for 2013 show requests exceeding revenue by \$1M+. AFB reviewed goals and discussed changing the maximum 10% of budget benchmark for USAV funding objective as it has already been achieved. Staff will provide some suggested revisions.

MOTION #8: It was M/S/C (Audit, Finance & Budget Committee) to confirm the following committee members: Kevin Twohig, Chair, Ken Shropshire, Sarah Sulentor, Steve Bishop and Stew McDole.

MOTION #9: It was M/S/C (Audit, Finance & Budget Committee) given the responsibility of AFB for the annual audit:

- a) Maintain the existing relationship with Waugh & Goodwin to complete the 2012 audit.

- b) Change the lead partner for the 2012 audit from Jill Goodwin to Ken Waugh in order to modify the lead auditor "perspective".
- c) Going forward AFB will routinely reconsider, review and establish an audit relationship for USAV on a quadrennial basis during the first year of the quad.
- d) Operationally staff will be asked to issue an RFP to solicit audit proposals which AFB will review and ultimately award during the first year of each quad.

- B. Ethics & Eligibility:** Mr. Lee reported on the committees activities.
1. No significant E&E issues in 2012.
 2. We will be increasing the number of arbitrators to two at each of the larger Qualifiers, Bid Events and hopefully at the HP Championships and are looking into adding a 3rd Arbitrator for the National Championship events to keep fresh, alert Arbitrators where there are such large events, using a rotation in order to have fresh persons available.
 3. Angelo lasillo continues to assist me and does the assigning. Currently, all 2012-13 events and championships have been assigned. We are continuing to review our cadre and seeking new applicants, while weeding out those who have not worked for some time. We are also looking to have webinars for the Cadre to sharpen their skills.
- C. Nominating and Governance Committee:** Mr. Lau discussed his written report. Mr. Rymer will appoint an ad hoc committee to meet with the NGC to attempt to resolve the issues on a possible restructuring of the Committee structure. Issues include:
1. The role of the NGC vs. the nominating constituencies in vetting or pre-screening candidates
 2. What is the appropriate number of candidates; should there be a minimum and maximum number
 3. Should there be a requirement for diversity in each list of candidates presented to the NGC or is diversity only a goal
 4. After the NGC vets the candidates, should they return all qualified candidates without comment or should they rank the candidates if appropriate
 5. Should there be a due process aspect of notification; i.e. should a candidate have the right to appeal exclusion from the list of candidates returned to the constituency group
 6. Should the NGC continue to retain the option to ask for additional candidates
 7. Are the general and minimum requirements appropriate and sufficient; is the NGC the balance between a constituency based Board and a neutral Board
 8. The role of the NGC and/or Board in electing Independent Directors
 9. The makeup/succession and staggering of terms; a decision on this matter needs to be resolved prior to December 31, 2012.
- D. Administrative Council:** no issues

X. USOC Presentation – Wes Barnett and Rick Adams made a presentation on NGB organizational development and strategic planning. They described the USOC and their particular role with NGBs in general and USAV in particular on helping them plan for the next Quadrennium and beyond. The focus is on athletes, training, competitions, coaching, nutrition and sports medicine.

XI. CEO Report

- A.** London Olympic & Paralympic Report – at Mr. Beal’s request, the Board recognized the achievement of Kerri Walsh and Misty May’s unprecedented three straight Gold Medals and gave Kerri a round of applause. Todd and Kerri gave their impressions of the London Games. They felt that the initial organization and on arrival could have been improved. A survey has been distributed to all athletes and staff and an after action report will be generated.
- B.** FIVB Congress Report – it was an expensive undertaking, very successful in the view of both the USOC and FIVB, there was more total attendance than ever, and there is new leadership in place in the FIVB.
- C.** Pro League Update – there is an agreement to develop indoor professional leagues with Grand Prix Entertainment. Mr. Beal hopes there will be somewhat traditional professional leagues by 2016, transitioning from the PVL concept.
- D.** Coaching Staff Update – Karch Kiraly in place as women’s indoor coach, men’s coach sometime in early 2013.
- E.** Website Update – we are on different platform now with the USOC. The content licensing has been a significant financial benefit for us. The USOC is moving almost entirely to streaming content. There may be a change to another website that would be USAV exclusive. The decision will be made soon. There will be substantial financial repercussions for our budget.
- F.** Staff Retreat – upcoming, there will be department pre-planning sessions prior to the all-staff retreat.
- G.** Building Update – we are at predicted expense for the new building at this time.
- H.** Olympic Assembly Report: Chris Vadala reported on the Olympic Assembly. There were two new representatives proposed for election from the NGBs.
- I.** USOC – updates to training centers in Colorado Springs and Chula Vista are planned. Safe Sports initiative is ongoing, and the course is going to be free at SafeSports.org.
- J.** Beach Update - There is High Performance programming in 20 Regions, with a 70% increase in participation. Youth and Junior teams produced no medals; WUG had women’s Gold, Gold and Silver in NORCECA. Hilton is sponsoring the USA – China Challenge in Hawaii. The Cuervo series concluded successfully this season, the NVL wasn’t able to produce all events planned but was also successful; and the AVP had 2 events. Resolving the calendar conflicts for events is a challenge. There are sanctioning issues – different standards with multiple levels. Player safety is an issue. Also, what and where are the criteria to be a participant to qualify for funding; more communication and transparency is desirable. International entries are through USAV. The international system for entries and points has issues that need to be managed and resolved.
- K.** Beach Assembly – Margie Mara reported for the Assembly. They have created 7 Committees:
 - 1. National Event Organizer Committee
 - 2. Zonal Event Organizer Committee

3. Players' Committee
4. Officials' Assembly Committee
5. RVA Adult Beach Committee
6. RVA Junior Beach Committee
7. And, an At-Large Member (Nominated and elected by the 6 Committee Representatives)

The immediate tasks for the BA are to:

- Elect New Zonal Event Operator Chair: Solicit nominees and run the election to replace Scott VanderWerp as the ZEO chair.
- Elect Administrative Council At Large Chair; Discuss & solicit nominees, and run election for the appointment of the Administrative Council At Large chair.
- Elect the Beach Assembly Representative to the NGC: Per our Admin Manual, we will elect a Beach Assembly Representative to the NGC.

There are long range goals as well.

- L. Events Update – we are adding a small qualifier in partnership with Disney and increase the JNC by almost half from 800+ to 1200+ teams.
- M. Sponsor Update – the Mizuno renewal in progress for both beach and indoor and Molten have been signed through 2016. The final LOI has been received from Liberty Mutual, we have agreed on the deal points. We have sent deal points to Hilton; the agreement will wait on their final agreement with the USOC. Term sheets sent to SportCourt, Spalding, and UPS. The final draft of the renewal agreement has been sent to JDP, the publisher of our magazine. We are pursuing host city agreements with the University of Central Oklahoma for our sitting team. There are other smaller relationships that are being pursued as well.

XII. Board Presentations

- A. Region Governance Discussion - deferred
- B. Review of Financial Quad Goals - deferred

XIII. Next Meeting of the Board of Directors: The next meeting is scheduled for Jan 13 -14, arrive Sunday, meet Monday, social on Sunday night with Region. Zoe's kitchen will cater.

XIV. Adjournment

No further business being offered, Mr. Rymer declared the meeting adjourned at approximately 3:35 pm.

Respectfully submitted,

Fred N. Wendelboe
Recording Secretary