

USA VOLLEYBALL
MINUTES OF THE MEETING
of the
BOARD OF DIRECTORS



May 25, 2012
Salt Lake City, UT

- Presiding:** Adam Rymer, Chair
- Directors:** William Barnum, Ken Cain, Kathy DeBoer, Joy McKenzie-Fuerbringer, Jon Lee, Ted Leland, Sue Mailhot, Andy Reitingner, Adam Rymer, Ken Shropshire, Kevin Twohig
- Treasurer:** Stewart McDole
- Staff:** Kerry Klostermann, Margie Mara, Tim McCune, Stacie Kearns, John Kessel, Kerstin Fracasini, Tom Pingel, John Kessel, Chris Vadala, and Dave Williams
- Guests:** Steve Bishop, Michelle Goodall,
- Absent:** Kerri Walsh Jennings, Sean Scott, Sarah Sulentor, Reid Priddy, CEO Doug Beal and the National Beach Tour Rep position is vacant.
- 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 8:01 am MST on Friday May 25, 2012. The first order of business was the Board photo.

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

Declaration of Quorum: Mr. Klostermann declared a quorum was present. A fifty-five percent "super" majority vote is required to pass any motion of the Board of Directors. Since there are **ten** votes present during the meeting, it will take **six (60%)** votes to pass a motion.

III. Announcements: Mr. Rymer welcomed the directors and guests. He thanked the staff for their work organizing the banquet last night and for their help organizing the meeting and encouraged attendance at the Heritage dinner tonight. He introduced USAV COO Chris Vadala. Mr. Vadala thanked the organization for hiring him and affirmed that his first few months have confirmed his belief from his experience at the USOC that USAV is a premier NGB. Mr. Ken Cain was elected for another term as RVA Director. Mr. Jim Webber was elected the RVAA Chair. Karen Gee received the Sharpless Arbitrator Award.

IV. Approval of Minutes

MOTION #1: It was **M/S/C (Reitinger/Leland)** to approve the minutes of the October 22, 2011 meeting of the Board as modified.

MOTION #2: It was **M/S/C (Barnum/Leland)** to approve the minutes of the January 23, 2012 meeting of the Board as modified.

V. Approval of Agenda

The agenda was reviewed and approved with the addition of the election of the Treasurer.

MOTION #3: It was **M/S/C (Barnum/Leland)** to approve the agenda as revised.

VI. BYLAWS and GOVERNANCE

- A. Bylaws and Operating Code Review: items deferred
- B. Special Rules of Order:

MOTION #4: It was **M/S/C (DeBoer/Reitinger)** to approve the Special Rules of Order as presented. See Appendix A

- C. Conflict of Interest: There were two versions presented, a very simplified version and a more detailed version.

MOTION #5: It was **M/S/C (DeBoer/Reitinger)** to approve the Conflict of Interest Policy as revised. See Appendix B

- D. RVAA Administrative Manual Conflict: There is a conflict between a statement in the Bylaws and a statement in the RVAA Administrative Manual regarding qualifications for election on an RVAA Director to the Board. The Bylaws have precedence and the RVAA Structure & Function Committee is revising the RVAA Manual to be in compliance.

- E. Beach Assembly: Michelle Goodall reported on the structure, status and personnel involved in the current Beach Assembly. She shared the Assembly's vision & mission. Vision: The Beach Assembly shall foster Beach Volleyball in the United States. The Beach Assembly will act as the information gathering and dissemination arm of USA Volleyball. Mission: The Beach Assembly shall strive to assist USA Volleyball to promote beach volleyball in America, to provide positive playing experiences for all participants, and to create and support programs that develop the talents of athletes and coaches. The Assembly is organized with an Administrative Council with representatives from 6 standing committees and then one at-large representative elected by the other six representatives. The current members are:
 - RVA Adults-Michelle Goodall
 - RVA Juniors-Ashley Ivy
 - Officials-Katy Meyer

- Players—in election process by electronic ballot
- National Event Operators-in election process (interim Laura Ratto) by electronic ballot
- Zonal Event Operators-in election process (interim Steve Lindecke) by electronic ballot
- At Large-TBA

Players eligible to vote are all players in the ranking system which does not include national team players. The target date to complete all elections is June 1. The short term tasks for the Admin Council are:

- Elect an Administrative Council Chair
- Discuss, nominate and elect the At Large member of the Council
- Elect 2 members to serve as Representatives to the USAV Administrative Council
- Discuss pending BOD vote as the Administrative Council, and to clarify all voting procedures.
- Communicate often with each constituency group on any BA news and initiate preliminary conversation in regards to the upcoming BOD votes.

Midrange goals are:

- Hold election to fill Beach BOD positions
 - Beach—At Large Director (currently vacant)
 - Beach—Elite Development Director (currently held by Joy McKenzie-Fuerbringer, whose term expires 6/30/12 and is eligible for a second four year term.
- Review Administrative Manual and recommend any updates or revisions. (to ensure structure continues to accurately represent every constituency group)
- Serve as the communication conduit between all Beach constituency groups and USA Beach and the BOD.
- Elect Beach Assembly representative to the NGC
- Attend all scheduled meetings, electronic or otherwise.

Long range goals are:

- Serve as the communication conduit between all Beach constituency groups and USA Beach and the BOD.
- Continually Review Administrative Manual and recommend any updates or revisions. (to ensure structure always accurately represent every constituency Beach group)
- Attend all scheduled meetings, electronic or otherwise.
- Follow through with scheduled elections

It has been a complex task to put this together because of the diverse interests of those involved and the task force; the interim committee and especially Michelle have done an excellent job. There are other groups that will be included in the future such as the NCAA sand population.

MOTION #6: It was M/S/C (DeBoer/Reitinger) to dissolve the Beach task force.

F. USOC Athletes Advisory Council (“AAC”) – no report

G. RVA Due Process discussion – John Bryant, Chair of the RVAA, described a situation involving an RVA and a dispute with one of its members. The Member was suspended by the RVA. The member appealed the suspension to the RVAA Chair. The

Chair appointed an Arbitrator who determined the member did not receive due process and ruled that the RVA should reinstate the member and could choose to re-sanction the member or not. The RVA delayed reinstating the member for an entire season. Mr. Bryant was concerned that the member was not well served by the process and would like to avoid it happening to another member. The RVAA is reviewing the process and will present some recommended changes.

VII. Elections

- A. Election of Treasurer – after two ballots Mr. Kevin Twohig was elected to the position of Treasurer for a term of 4 years.
- B. Election of the Chair – the Board discussed the ramifications of electing a chair with the limited number of Board members present and voting. It is also recommended that the timing of the changeover of Board Chairs required by the Bylaws be reviewed. It may be more appropriate to elect a Chair in the first meeting of the Board following the Olympics.

MOTION #7: It was M/S/C (Shropshire/DeBoer) to temporarily waive the provisions of section 7.02a of the Bylaws, with respect to the election of the Chair only, until the October 2012 Board of Directors meeting.

MOTION #8: It was M/S/C (Shropshire/DeBoer)

Whereas the required election of the Chair at the May 25, 2012 was deemed inadvisable because of limited representation of player and beach directors, the election of the Chair for the 2012-2016 Quadrennium shall occur in accordance with the following procedure:

- a. The call for nominations or self-nominations shall be distributed electronically to the Board by no later than September 1, 2012. Each nominee shall be asked to provide a brief statement along with a resume sent to the attention of the Corporate Secretary.
- b. The Corporate Secretary shall distribute nominee information to the Board by no later than September 15, 2012.
- c. The election of the Chair shall occur at the October 2012 meeting of the Board.
- d. Until such time that the Chair is elected at the October 2012 meeting, the current Chair shall continue to serve.

VIII. Committee Reports

- A. Audit, Finance & Budget Committee: Mr. Twohig reported on the Committee's meeting. He thanked the committee members (Adam Rymer, Scott Fortune, Sarah Sulentor and Stew McDole) (ad hoc members Steve Bishop and Angelo Iasillo) for their service and particularly thanked Stacie Kearns for her patience and help to the committee. He reminded the Board that they had approved the use of surplus funds to host the NORCECA Qualifier event which was a great success. He reviewed the audit report. It was a clean report, with a few minor recommendations.

MOTION #9: It was M/S/C (Audit, Finance & Budget Committee) to accept the 2011 USAV Audit conducted by Waugh and Goodwin and delivered to the Board at the Annual meeting on May 23, 2012.

Mr. Twohig reviewed key details from the most recent period review. The budget was approved as a deficit budget and it is still in a negative state and at this point the deficit has increased, mainly because of expenses associated with the FIVB Congress and NORCECA Qualifier. Memberships are up which will result in additional income. The ShowMe qualifier which is a USAV event had more teams than projected and resulted in additional revenue. The new contract with IMG for Beach events does not recover any 2011 expenses. The 2012 contract is just for sanction fees of \$15000 for 6 events, with no risk or profit from the events for USAV. Discontinuing the Men's Division III grants is under consideration since the numbers have increased to the level where there is now an NCAA Championship. The London Olympics will be a very expensive undertaking. Originally budgeted for a \$520,000 loss, it now projects to be over \$600,000 because of additional staff needs and increased team support. The NORCECA Olympic Qualifier was budgeted for a \$350,000 loss; the projected deficit is going to be in that range. There is cash in the bank to cover the deficit if necessary. An ongoing concern is the World League expenses particularly in light of the USOC's consideration of broadcast support changes. An increase in stipend for court managers for events was forwarded to event department for 2013 consideration. New staff salary policy implemented with minor budget impact. The next committee meeting is scheduled for September. For the Quadrennium, the organization projects to have a \$1.5M surplus.

B. Ethics & Eligibility: There were no significant issues. One incident from a Boy's bid tournament resulted in police being called. Some incidents from Girl's Qualifiers and Boy's Bid events were referred to the respective RVA's for consideration. National Collegiate Club Championships generated two incidents. Alcohol now being served at the ASC in Anaheim which has resulted in a review of the Corporate policy, but there should be no problems as the facility has agreed to isolate the area for consumption. An incident in one RVA has resulted in the need for a generic due process document. Work is in progress on that by staff and others.

C. Nominating and Governance Committee: Mr. Klostermann reported on the committee's activities. Mr. Ken Cain was elected for another term as RVA Director. Beach Board of Directors positions will be filled in June. One Male player Director's term is expiring. Mr. Reitingger asked if staggered terms for the NGC members could be investigated. Scott Fortune, NGB member, commented that continuity is important but the NGC is reviewing their structure and functioning. Discussion on revision of the NGC will be considered in October. The main focus is the number of terms that are expiring. This is the end of the term for the NGC. The committee will draft recommendations for the board to approve regarding the transition to a new committee. Because the current committee was a first effort some terms were shorter. The report will address that issue as well as process issues and term limits.

D. Administrative Council: Mr. Reitingger reported on the actions of the Council. Each Assembly reported on their meetings/activities. Rules Commission meeting minutes were reviewed. Two major changes include the Libero serving beginning September 1, 2012 and uniform requirements (same as NFHS and NCAA) to be effective September 1, 2014. Becky Oakes from the NFHSAA mentioned that the various state associations are moving to the signal sequence of USAV/NCAA as an experimental rule. NFHS is working with the various uniform manufacturers to comply with the new requirements. The question was raised at what point the Board was interested in getting involved in reviewing rule changes. The Operating Code, Article IV, 4.04, B provides that it is the

CEO, not the BOD, who has oversight of the Rules Commission and the Board agreed that was appropriate. Previous action by the Board requires use of the FIVB rules but permits modifications based on safety and developmental issues. The Board agreed that current and proposed rule modifications were developmental in nature and support the interests of our constituencies, mainly high school and collegiate level play, not international. The Beach Assembly report was the same as listed above. The Junior Assembly had a few issues including age/grade again (no change recommended), housing issues with THS Stay and Play, and a possible USAV Coach's Alliance. Administrative Manuals for all Assemblies are under review by the National S & F Committee. There is a small issue between the Official's Assembly and the RVAA regarding whether the Commissioner is involved in approving candidates for national level officials.

IX. CEO Report

A. Championships Update: Tom Pingel reported on events. Open Championship will be in Louisville in 2013 and Phoenix in 2014. There are changes planned to give each team part of the Memorial Day weekend by making the age group tournaments three day events and the first events will start on Friday. The Club Championships will stay at 4 days. Entry fees for the 3 day events will be reduced. Girl's championships will be in Dallas in 2012 and Minneapolis in 2014. The Boy's will be in Reno in 2013 and the NCVF will be in Dallas in 2013. A Qualifier will be added in 2013, it is an Open level invitational event. For 2014, it will be a full event in Orlando in March with Disney as a partner and with the cooperation of the Florida Region and with dates confirmed with Disney through 2024. This has impact on the other Qualifiers, especially the Big South. USAV is working with them to soften the impact and all current qualifier contracts have been renewed through 2015.

B. Olympic Activation: USAV has prepared an extensive media presence for the London Games. There is particular emphasis on Facebook and Twitter. One project is 100 Olympic Blogs in 100 Days. Identities and blogs have been created for all Olympic and Paralympic athletes and coaches. "Liking London" is the Facebook theme. Pre- and post-Olympic events are planned. In general, we are better prepared for this Olympics than ever before from a media standpoint.

C. AVP/Beach Update: AVP only plans one 2012 event. IMG is producing 6 events this year also. Hilton Honors is sponsoring a USA vs. China Beach event in Hawaii after the Olympics. It is essentially a made-for-TV event.

D. NORCECA Board Report: USAV has a concern that NORCECA may be creating more events than we can afford to send teams to compete in. Additionally, some of the ways NORCECA funds and/or charge hosts of events do not fit our economic model.

E. National Indoor Teams Update: Obviously pleased all have qualified for the Olympics. The Men's team is beginning World League play, the women have the Grand Prix coming up, then there is the Pan Am Cup which will be a B team activity for both teams, and then on to the Olympics.

F. Mountain State Employers Council Report: Stacie Kearns reported on a compensation study. USA Volleyball (USAV) staff asked the compensation consultants at Mountain States Employers Council, Inc. (MSEC) to conduct a salary survey market analysis, develop salary ranges based on the data collected, and compare current rates of pay with the identified labor market. MSEC and staff discussed the mission and values of the organization and how the total compensation system should align with USA

Volleyball's short- and long-term objectives. They completed a statement of the guiding principles for the total compensation system. It states:

USA Volleyball's Total Compensation Philosophy

USA Volleyball (USAV) is the National Governing Body (NGB) for all the Olympic volleyball disciplines in the United States. Every aspect of the way we work together is intended to bring us closer to meeting our mission.

We believe the values of personal responsibility, positive relationships, teamwork, and innovation are essential to our mission. USAV strives to create an environment where employees are able to embody these values in their daily behaviors. Consistent demonstration of value-driven behaviors by employees performing at a high level will be appreciated, recognized, and rewarded.

USAV provides employees with an overall compensation package that includes salary, benefits, and development opportunities that is generally comparable to other employers in our community and industry within our ability to pay. Employees are compensated based upon job responsibilities and performance in support of our values and goals.

After completing the study, only \$27,000 (which was within budget) was needed to adjust salaries to the new ranges which told staff that USAV was doing a good job of evaluating and staying current with the job market. This was for both Colorado and California staff excluding team technical staff.

G. USOC / USAV Website: Chris Vadala reported on a new USOC/IOC revenue sharing agreement to take effect in 2020 through 2040. Currently the USOC gets 12.75% of US broadcast revenue and 20% of global sponsors. Under the new agreement, the USOC gets 7% of new money and 10% of local sponsorships. The 2020 Olympic Games bids are down to three cities: Tokyo, Madrid and Istanbul. Funding review from USOC will not be until November. This is very late in the budgeting process for USAV and most other NGBs. There are discussions within the USOC of moving it to a two year process for the "foundation" sports like volleyball. The USOC has hired a new Diversity Director; we have indicated that we are interested in working with the new director. The AAC rep elections are due; Gabe Gardner may be a candidate for an At-Large AAC rep, which would be an influential position for volleyball. We have signed up with the First Lady's Let's Move initiative; volleyball is one of eight NGB's selected for inclusion. The USOC now has an Independent director's database of 41 candidates. The new USOC website has launched, we did not launch with it; there are some concerns with stability etc., we are continuing our evaluation.

H. Building/Move Update: Stacie Kearns reported on the building purchase and move. Move in was on March 19, just in time because of safety problems increasing at old building. Security at the new site is much improved.

I. Alcohol Policy at Junior Events, Margie Mara discussed and modified policy is attached.

MOTION #10: It was M/S/C (DeBoer, Lee) to replace the existing corporate alcohol policy with the attached Alcohol Policy at Junior Events. See Appendix C

J. Safe Sports: Margie Mara discussed the USOC Safe Sport initiative. The USOC has a new Safe Sport website, SafeSports.org, where the information is available. There are toolkits for players, parents, coaches, clubs, etc. to use to educate.

K. Legal Action Report; Kerry Klostermann reported that all claims and counterclaims have been dismissed with prejudice in the action with AVP and Mr. Lewin. There is only one lawsuit in progress which is in the discovery process.

L. Branding Report, Kerry Klostermann reviewed some of the new branding options for RVA, Qualifier and other sponsor use.

X. USAV Foundation:

Mr. Leland presented a report on Foundation activities. The Foundation Board will be meeting following this meeting. Scott Fortune reported on the status of the Foundation's resources. Investments are currently at \$3.6M. The fund was up 9% before the most recent slump, now hoping for a 5-6% return. Mr. McCune reported on fundraising for the year. \$281,000 raised so far, with another \$90K promised, \$111,000 generated by the Olympic Qualifier. He thanked those Board members who participated in the Board Challenge which raised over \$8000.

XI. Board Presentations

A. The PVL team from the Florida Region was introduced by Steve Bishop as the starting point of the league which will have twelve teams competing in the current championships. The plan for next year is to have competitions at large junior events leading to some form of year end competition or series of events. A men's league similar to this year's women's model is planned for next year.

B. Region Growth Initiative Concept: Mr. Rymer discussed the issue of membership growth. Mr. Vadala discussed a brainstorming meeting with RVA representatives. They identified a number of growth areas: High Performance, the PVL, governance reform, and professional staff. Barriers to growth identified: outside competition, reaching non-members, officials, coaches retention, financial resources, and facilities. Athlete identification would be of use. There are a lot of best practices around but not in an organized form. Grant programs need to be utilized. The Let's Move program will also be a growth initiative. Growth will continue to be a corporate priority.

XII. Next Meeting of the Board of Directors: The October meeting is scheduled for Monday, October 7-8 in Colorado Springs. Arrive Sunday, the 7th, leave late Monday, or Tuesday.

XIII. Adjournment

No further business being offered, Mr. Rymer declared the meeting adjourned at approximately 2:06 pm.

Respectfully submitted,

Fred N. Wendelboe
Recording Secretary