

**USA VOLLEYBALL**  
**MINUTES OF THE MEETING**  
**of the**  
**BOARD OF DIRECTORS**  
October 30, 2009  
Holyoke, MA



Final Draft 12/17/09

- Presiding:** David Schreff, Chair
- Directors:** William Barnum, Ken Cain, Kathy DeBoer, Jason Hodell, Ted Leland, Sarah Noriega, Adam Rymer, David Schreff, Sean Scott, and Kevin Twohig were present in person.
- Treasurer:** Stewart McDole
- Staff:** Doug Beal and Bill Kauffman  
Attending by phone conference: Kerry Klostermann, Margie Mara and Stacie Kearns
- Guests:** Andy Reitingger, Joe Williams, Tim McCune, Al Lau, Al Monaco, Ms. Marta Centeno, FIVB Executive Committee
- Absent:** Mike Carter, Jon Lee, Reid Priddy, and Tyra Turner. Two positions are 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 David Schreff, at approximately 8:35 am EST on Friday, October 30, 2009. Because of weather cancellations and the press of other business, some participants were only able to attend by phone conference. As long as they are present for the roll call and in continuous contact, they will be counted towards the quorum and may participate in voting. (Bylaws 6.03 C)

- A. Roll Call: Mr. Schreff asked Mr. Klostermann to make the roll call.
- B. 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 **nine** votes present, it will take **five** votes to pass a motion.

**II. APPROVAL OF MINUTES**

<p><b>MOTION #1:</b> It was <b>M/S/C (Rymer/Leland)</b> to approve the minutes of the May 20, 2009 meeting of the Board as corrected.</p>
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### III. APPROVAL OF AGENDA

**MOTION #2:** It was **M/S/C (Barnum/Leland)** to approve the agenda as amended with the provision for adjustments and additions as the Chair deems necessary.

### IV. ANNOUNCEMENTS

Mr. Schreff discussed the history of the first year of the reorganized Board and welcomed new members Kathy DeBoer and Bill Barnum. He discussed the current state of the game and opportunities for USAV.

### V. RECOGNITION OF SPECIAL GUEST

Ms. Marta Centeno, FIVB Executive Committee is representing the FIVB and NORCECA at the Hall of Fame ceremonies. She will be reporting to the FIVB Board of Administration next month on the Hall of Fame and the possibility of financial support for the Hall.

### VI. VICE PRESIDENT EMERITUS PRESENTATION

**MOTION #3:** It was **M/S/C (Twohig/Leland)** to approve the designation of Joe Sharpless as USA Volleyball Vice President Emeritus in recognition of his long and distinguished service to the sport of volleyball and the organization of USAV.

### VII. PRESIDENT EMERITUS PRESENTATION

**MOTION #4:** It was **M/S/C (Barnum/Noriega)** to approve the designation of Al Monaco as USA Volleyball President Emeritus in recognition of his long and distinguished service to the sport of volleyball and the organization of USAV.

### VIII. BYLAWS and GOVERNANCE

- A. Colorado Re-Incorporation Update: Mr. Klostermann reviewed the status of the Colorado re-incorporation effort. While the initial re-incorporation in Colorado was as a non-profit, the new corporation did not have tax exempt status, so we continued to operate as a California corporation. The Colorado Corporation is in the process of being granted tax-exempt status. When that is completed a vote by the California Board to merge with the Colorado Corporation will be requested.
- B. Bylaws / Op Code Revisions (distributed 30 days in advance): Several of the Bylaws and Op Code revisions distributed were strictly housekeeping (changes in the name of the Audit, Finance & Budget Committee). These were separately brought to the floor for approval. There was a revision proposed to Operating Code Section 6.03 7 b to remove the sentence "Eighty percent of the fees and data from the previous season must be submitted to the National Office by March 15<sup>th</sup>." This change was separately brought to the floor for approval. A Proposed revision to the Bylaws concerns the Ethics & Eligibility area to clarify an area where incidents occur at events after the end of an event but before everyone leaves. The proposed language creates a process to handle these incidents. Mr. Cain asked for a revision of the proposed language to eliminate the possibility of a staff member serving on the committee formed. The language in Section 14.04C 5 was revised (highlighted

language) to read “5. On rare occasions, there will be an allegation of a violation of Corporation ethics and eligibility policies at a Corporation event and the Event Arbitrator will have been unable to investigate fully or unable to issue a recommendation in time for appeal to the Event Ethics and Eligibility Appeals Committee. In such circumstances, the Chair of the Ethics and Eligibility Committee shall have discretion to assign for prompt post-event investigation and recommendation an Arbitrator who had been present at the event, a different Arbitrator (whether an Event, Commission, Division, or Member Organization Arbitrator), or another objective individual, **excluding Corporation staff**, familiar with Corporation due process and policies to act as Arbitrator.” These changes were brought to the floor for approval as amended.

**MOTION #5:** It was **M/S/C (Twohig/Leland)** to approve the housekeeping revisions to the Bylaws as presented.

**MOTION #6:** It was **M/S/C (DeBoer/Rymer)** to approve the revisions to the Operating Code as presented.

**MOTION #6:** It was **M/S/C (Leland/Twohig)** to approve the Ethics & Eligibility revisions to the Bylaws as amended.

- C. RVA Assembly Report: Joe Williams gave a report on the recent RVA Assembly and an ad hoc RVA committee on the proposed fee increase. He cited areas such as coaching education, liability concerns, facility expenses and other areas that have raised the cost of participation in USAV. There are three alternatives: (1) a tiered system of memberships based on participation levels (2) a staggered increase (3) a one-time increase. There was a vote in the Assembly on only the \$10 increase which was 12-23 against. There are no alternatives presented from the Assembly. The Board discussed the various alternatives and ways of implementing the increase including various membership categories at reduced fees and ultimately decided that the increase was in the best interests of USA Volleyball as a whole particularly in light of the time since the last increase (ten years by the time it goes into effect) and the benefits that can be provided by the added funding. It was acknowledged that there may be an initial decrease in membership but that the long term benefits outweigh those concerns. It is important for USA Volleyball to do a better job of selling the benefits of USA Volleyball membership particularly to the parents of potential junior members. Challenges from other organizations such as AAU and the JVA for members require us to better explain the quality comprehensive national and regional programs and services offered by USAV so that parents and athletes recognize that added coach training, official's training, and safety screening including mandatory background checks is built into USAV's fee structure. It is also important to recognize that our core goal is participation in the sport, whether that participation is as members of USA Volleyball or another organization.

**MOTION #8:** It was **M/S/C (Twohig/Leland/)** to increase the individual Administrative Fee by \$10 for full members for the 2010/2011 season. Mr. Cain asked for a recorded vote. William Barnum - Y, Ken Cain - N, Kathy DeBoer - Abstain, Jason Hodell - N, Ted Leland - Y, Sarah Noriega - Y, Adam Rymer - Y, David Schreff - Y, Sean Scott – Y. Motion carried 6 yes, 2 no, 1 abstain.

- D. Board Policy Manual – Financial Review : Mr. Beal asked Ms Mara to discuss the issue of revising various financial parts of the Policy Manual which will be reviewed by the Audit, Finance & Budget Committee. Ms Mara referenced the travel and reimbursement policies in the Manual and asked the Board to review them and to pass along any comments or thoughts to the Audit, Finance & Budget Committee which will be reviewing them to see if an increase is warranted based on changes in the economy since the last increase five years ago.

#### **IX. COMMITTEE REPORTS**

- A. Audit, Finance & Budget: Mr. Rymer congratulated the staff on the handling of the budget in difficult financial times. The A F & B Committee will meet in December for a final review. We will come in approximately \$130,000 below budget, but there was a surplus built in to the budget, so the final number will be on the plus side by over \$100,000. Mr. Beal commented that the main reason we ended up not meeting the projected surplus was that we were required by the FIVB with little advance notice to organize and host two World Championship Qualifier events in the US that resulted in a loss of over \$100K. The 2010 budget is currently \$1.3 million out of balance but Mr. Beal is confident that by the December Audit, Finance & Budget Committee meeting they will have created a balanced budget. Mr. Hodell announced that because of the press of time he needed to resign from the committee. Mr. Rymer asked for any interested board members to contact him.
- B. Ethics & Eligibility: Mr. Twohig praised the performance of the Arbitrators throughout the year. There was only one issue that got to the Corporate E & E Committee. He thanked Ms Noriega and Mr. Cain for their service on that committee which concerned an incident that happened after an event was over and occasioned the Bylaws revision to clear up the way similar incidents will be dealt with in the future.
- C. Nominating and Governance: Al Lau reported that the committee had completed the selection process that resulted in Mr. Barnum and Ms DeBoer assuming their positions. They are in the process of vetting candidates for the Junior Indoor and Beach Elite/Development positions.

#### **X. CEO REPORT**

- A. FIVB Relations: Mr. Beal discussed the changes in the FIVB under the new President, Mr. Wei. There has been a shift of authority to the Confederations relative to approving events, relative to control over resources, relative to international athlete transfers and other areas that were formerly under the control of the FIVB offices in Switzerland. Some of the changes have been positive, others not as much. Consistency of policy has been a problem. He reviewed the different Confederations (Africa, Asia, Europe, South America and NORCECA) and described the breakdown of the NORCECA Confederation (35 Federations and 7 territories, which will soon have full voting rights). NORCECA is one of the more significant in the governance of FIVB. USA is a very significant presence in NORCECA.
- B. Beach Trials Agreement Update: An agreement signed August 19, 2009 has been reached with the AVP and a player representative to jointly plan Olympic beach trials event(s) currently anticipated to be run in a host city yet to be determined and aired on NBC in July 2012. Scheduling issues are difficult, but the FIVB has guaranteed a window for trials will be available. There are FIVB tour qualifying spots and

- Confederation spots that have to be decided before national Federation trials can be held. The FIVB has not completely defined the process. Mr. Hodell asked that the agreement on the beach trials be resolved before January because it will affect the sponsor agreements that AVP will be finalizing early next year. If the trials are included on the national tour, it will enhance the value greatly, which will be shared with USA Volleyball. Mr. Beal stressed that the rights to the trials have significant monetary value. There is the revenue stream from the USOC, from NBC, a fee from the host city, the opportunity to upsell the USOC sponsors, and finally the merchandizing revenue. The value of all this is not yet determined since USA Volleyball has only held beach trials once in 1996, but other NGBs have strong experience in this area and can provide a sense of what the value might be. While the AVP needs a decision soon, it is incumbent on the Board to make the best decision. USA Volleyball needs to generate optimum revenue from beach events so we can re-invest more money in beach development programs. Mr. Leland commented that while it is a responsibility of the Board to try to take advantage of the revenue from these trials, to do so at the expense of affecting our national tour's ability to attract sponsors may be shortsighted. The reason we created an Olympic Trials Commission (signed in August 2009) was to address these opportunities and timetables.
- C. Olympic Assembly/Chicago 2016: The news from the Chicago 2016 bid was obviously disappointing. The Olympic Assembly was mostly focused around the Chicago bid which occurred a month later, but it was paired with a Sports Link meeting. The Sports Link meeting was with a number of city representatives and sports organizations which may be interested in hosting Olympic trials.
  - D. EM2 Update: EM2 is in the first year as our merchandizing event supplier and they exceeded their minimum guarantee despite some events being down in participation.
  - E. 2010 Budget/Staffing Update: Included in the 2010 budget is a significant increase in staff. Additional staff in the Member Services, Beach, and Finance departments, a total of 5 positions is included and Mr. Beal is hopeful they will survive the balancing process. This year was the first year our staff hasn't increased in some time and there is quite a need for more growth.
  - F. U.S. Olympic Network: USOC intends to proceed, but the timing has been delayed. They have partnered with Comcast. We have signed a content license agreement with the USOC to broadcast and stream a significant amount of content. World League was bumped up from ESPNU to ESPN2, most in prime time.
  - G. National Team Update/HP Update (Beach & Indoor): Results haven't been as positive for the indoor teams as we would like, but both teams are young. Beach results were positive. The decision by the FIVB to make changes to the beach bonus pool had a negative effect on USA athlete participation and athletes' income. We have argued for eliminating the bonus pool, but it is in the FIVB interest to use the bonus pool to drive players to their tour, and so far we have not gotten the change we want.
  - H. Marketing Update: We have recently concluded a multi-year licensing agreement with Wincraft, a leader in branded merchandise. The opportunity to provide RVAs and clubs with inexpensive high quality branded USAV merchandise that is customized by region, club and team provides new ways to link volleyball athletes nationwide. The deal will rollout across RVAs immediately and will be offered to mass and specialty retailers starting in 2010. An agreement is imminent with a national chiropractic organization. We are in a pool with three other NGB's (Figure Skating, Swimming and Triathlon) on an agreement with a major non-alcoholic

beverage. Mr. Hodell asked what effect a decrease in membership prompted by the fee increase would have on sponsor agreements. Mr. Schreff stated that while any member decrease would be unfortunate, USAV isn't yet at a threshold of members that would directly affect sponsor support.

- I. USOC / NGB Relations: The current USOC CEO has resigned and the search committee for the replacement hire has NGB representation, which is positive. The NGB world has grown to be a prime stakeholder in USOC operations. It is hoped the new CEO will be onboard prior to the Winter Games.

## **XI. USAV FOUNDATION PRESENTATION**

Mr. Tim McCune, USAVF Development Director reviewed his activities since he started 4 months ago. He has made several connections with groups in the business, most recently with a group called the Sports Philanthropy Summit which includes other NGBs and other major sports foundations like the Major League Baseball Foundation and the PGA Foundation. He is also meeting with the USOC. He is presenting a concept developed by some of their consultants to the USA Volleyball Foundation Board which involves placing major donors on the Foundation Board. He described a donation pledge to USAV for the general fund of \$100,000 with a pledge to extend that to \$1,000,000 with additional donors and fundraisers. He is exploring how Facebook and Twitter can develop donor leads.

## **XII. BOARD PRESENTATIONS**

- A. New Media & Web Management Update: Mr. Rymer discussed his development of an RFP for a new web design. He distributed the RFP to 5 or 6 companies with a return date of this week. Two dropped out, one responded and the others asked for a delay. The costs seem to be in the \$100-200K level to put together a comprehensive content management solution for USA Volleyball. The next step will be to work with staff to put together a plan that could fit into next year's budget. The first operational piece could be ready in the first quarter of 2011. A decision may be ready to present in January.
- B. Fundraising – Collegiate & NGB: Ted Leland made a presentation on fundraising. He stressed the need for a compelling needs statement. Donors need a clear, elegant and compelling reason to give to USAV. Answer the question: How will my money be used to meet the needs of those you serve? An Annual Campaign "To Do" List would be:
  - i. Develop a Volunteer Board
  - ii. Final Plan –What to do with the \$
  - iii. Develop a CASE Statement
  - iv. Consider Staffing Levels
  - v. Develop Marketing Materials
  - vi. "Founding Donors" –Identified/Solicited
  - vii. Public Announcement
  - viii. Hard Work BeginsA Donor Bill of Rights is an essential piece of the plan. This will be presented to the USA Volleyball Foundation for adoption.
- C. College Recruiting Web Software: Matt Wheller described a proposed recruiting web service, Volleyballrecruits.net, similar to the one they currently have for lacrosse, which could be adapted to volleyball. They propose a model where players/families pay and coaches access it free. Their system would take control of the recruiting

- process from an organizational level (USAV & AVCA). USAV & AVCA will have input into software development and enhancements. This would add value to USA Volleyball members. They described the user benefits from both the player and coach's perspective and cited their lacrosse program as a model for expected growth. Their program will be evaluated by staff and compared to other recruiting systems and models on the market for possible implementation.
- D. Beach Athlete Presentation: Mr. Schreff gave a brief overview of his perception of the history of the organization's attempt to establish a Beach structure that addressed the needs of both USA Volleyball and the various constituencies in the beach community. The most recent proposal from a group of beach athletes and an agent/representative for modification of the Bylaws which was discussed by the Board by phone conference on October 20 and generated a revised proposal has led to the same group requesting time at this meeting to further discuss the issue. Todd Rogers, Kerri Walsh, Ryan Morgan, attorney Mike Disanto and Nick Lewin presented their impression of where the relationship between the AVP, the beach athletes and USAV stands. Mr. Disanto responded to the commentary made by USA Volleyball attorney Steve Smith. His interpretation of the Ted Stevens act leads him to believe that the proposal is not in violation. He also interprets Colorado law to permit the proposal. The issue of "real or perceived" conflict of interest is not relevant in his opinion. The interpretation of violation of the settlement agreement can be addressed by modifying the agreement if necessary. This is in direct disagreement with the interpretation made by Mr. Smith. Mr. Rogers shared his opinion that there has been very little change in the involvement of USAV in beach affairs since the Article 8 was brought. Ms. Walsh agreed with his opinion. The floor was opened for comments and questions. Mr. Twohig discussed his perception that there had been a culture change in USAV towards much more awareness of the need for involvement in beach support. His opinion is that the change in Board structure has not been given enough time to take effect and it is not time for more restructuring. Mr. Rymer believes that the Board needs time to absorb recommendations about reform from whatever source. If a Beach Committee is formed, it will take time for any recommendations to be considered. Mr. Beal asked if the issue is the amount of money, the programs or the people or some combination. Ms Walsh and Mr. Rogers feel it is a lack of leadership. Mr. Schreff asked if the belief was that USAV was in violation of the Article 8 agreement. Mr. Disanto believes USA may be in violation of both its Bylaws and the Article 8 agreement. A long discussion on budget authority and responsibility of the Board led to opinions on both sides of the issue of whether the Board could not or should not cede any part of its responsibility or authority including budgetary responsibility to a subsidiary structure whatever the makeup. Mr. Schreff proposed the creation of a Board Committee/Commission for Beach matters that would make both programmatic and budgetary recommendations as well as an ongoing oversight management. It was the consensus that the Bylaws revision would not be critical if a trusted source for beach oversight could be created either at a high level staff and/or Board position. Schreff asked for each Board member to express his/her views. While there were diverse opinions offered, the sense of the group was to identify organizational improvements (rather than bylaws changes) in the form of added senior staff and adding a representative task force structure to work with management and report to Board to address such issues regularly. Mr. Schreff charged Mr. Twohig, Mr. Rymer, and Mr. Leland to work with the beach representatives and staff to produce language by next week to create these

positions. The proposed language will be shared with Mr. Morgan and the beach athletes and a final proposal will be brought back to the Board.

### **XIII. ADJOURNMENT**

Chair David Schreff closed the meeting by thanking members of the Board of Directors for their attendance, for their participation throughout the meeting and for their willingness to serve volleyball. He particularly thanked the presenters.

**MOTION #9:** It was **M/S/C (DeBoer/Leland)** to adjourn the meeting of the Board at 4:05 pm.

#### **Next Meetings of the Board of Directors:**

The Board will meet in LA at the AVP offices, 6100 Center Dr., Suite 900, LA , CA 90045 on Monday January 25 from 8:30 AM to 1:30 PM. Arrive on Sunday, leave whenever can be arranged.

Respectfully submitted,

Fred N. Wendelboe  
Recording Secretary