

**Minutes of the June 24-25, 2017 Meeting of the Board of Directors of US Rowing
The University Club, Chicago Illinois**

Saturday, June 24

Board Members Present: Marcia Hooper, Kris Thorsness, Jim Dietz, Joe Flynn, Bill Donoho, Charlie Haight, Nick LaCava, Jamie Redman, Steve Shure, Joe Manion, David Banks, Lisa Stone, Meghan O'Leary (via phone)

Others Present: Andy Lee, Esq. (USRowing counsel), Susan Smith (Acting CEO), Don Langford, Carol Brown, Nick Peterson (Internal Systems Committee), Stephen Hess, Esq. (US Rowing governance counsel), John Mansfield, Lynne Dinzole, Brian Klausner (USRowing CFO via telephone), Susan Urbas, Matt Imes (HPD), Carol Brown

Meeting convened at 10:04 am

Acting CEO Report (Susan Smith, Acting CEO, reporting)

1. *Quarterly Update:* An RFP was issued to RegattaSport, JL and Boathouse. Responses were assessed by staff, training center athletes, Marcia Hooper and Sheila Tolle, and a contract is expected to be finalized shortly. N&D sports was selected as USRowing merchandiser for the six USRowing-owned national championship/regional events, 2017 World Championships and other major regattas where USRowing merchandise will be sold. Having N&D acting as retailer to sell the apparel vendor's goods, as opposed to the vendor doing the selling, is expected to result in higher sales.

Membership: At the largest Learn to Row Day ever, 155 clubs hosted events, with good media coverage. Online donations to the NRF as part of the membership renewal process has resulted in \$2,000 in donations in the first two weeks of this program. The Lifetime membership fundraiser for the World Championships has achieved about 50% of the goal of \$25,000 to help offset the costs of NTO housing at Worlds. Staff are working to develop additional new ways to increase membership.

Other: USRowing's Youth series regattas were up 2% in entries with a significant increase in revenues over 2016. The Referee pool has 130 new candidates, with a goal of licensing 40 new referees in 2017. The new Referee travel reimbursement policy was implemented, though single hotel room assignments were postponed for a year.

The routine SafeSport audit is ongoing, and is expected to be completed in August. Golden Oars dinner planning is ongoing and is scheduled for 11/15/17 at NYAC. IRA/Collegiate Series contract negotiations are ongoing and hope to be completed in July.

Finally, World Championship planning is underway. There will be a National Team alumni reunion, and USRowing staff will be providing support and marketing and communications help with that regatta.

Challenges: Budget issues are pressing and staff are working to eliminate losses, generate revenue, and find cost reduction opportunities. Organizational memberships are ahead of 2016, and member insurance processes are being improved.

2. *Personnel:* Allison Frederick Mueller has been brought on board under contract through the World Championships to manage messaging and working with Hiltzik Strategies PR consultants. The new communications plan is at <http://usrow.us/17commatrix>.

Mike Teti has been hired as head coach of the men's National Team. Media coverage has been very positive. The CEO search is ongoing, and further interviews will be scheduled for July. Finally, five USR staff positions remain unfilled, seven resignations/layoffs have occurred, and some staff realignment has been necessary to fill needs. The void in the marketing/sponsorship arena is an especially pressing need.

Finance Committee Report (Sheila Tolle and Brian Klausner, USRowing CFO, reporting)

1. *Year-to-date May 2017:* While revenue has improved, expenses increases have resulted in an increased deficit. The new entry fee at Youth Nationals resulted in \$72,000 income not previously realized. Major areas of concern include sponsorships, though some sponsorship agreements are in place but will be paid later (about \$50,000). Also, the summer championship regattas are expected to result in increased membership.

Expenses: This is an area where cuts can be found, as these are budgeted but not yet spent. Safesport fees may end up higher than budget because all staff must renew Safesport training and background checks this year. Travel expenses are an area of potential for savings in the areas of National Team and Board of Directors' travel. Board travel (hotels/meals only provided) for the rest of the year will be done double occupancy, unless a member buys up to a single room.

2. *2017 Forecast: Cash Flow Projection:* The previous estimate of cash flow going negative has been revised from July to October. NRF scheduling payments has helped, and some other revenues are expected later in the year (e.g., membership renewals of about \$170k are forecast for December). Most cash flow issues arise from reductions in NRF contributions and sponsorship shortfalls.

3. *Balanced budget initiatives:* Additional "belt-tightening" actions include reduced board housing costs, elimination of corporate credit cards, using free services for teleconferences, etc.

Break: All non-staff guests departed except for Carol Brown and Carol Urbas. Colie Toren arrived during the discussions above.

High Performance Report (Matt Imes, High Performance Director, and Rob Milam, Chair of the High Performance Committee reporting via telephone)

The High Performance Committee has been meeting by phone every week, spending a lot of time on the men's team and its coaching structure. Direct Athlete support from the USOC is up to \$820k, the highest ever. The HPC is working to decide how to disseminate those funds, guided by the recommendations issued by the HP Task Force. 16 returning athletes received payments (\$2-16k) based on their past 5 years' performance, in addition to regular support. Several World Cup petitions were considered, and the HPC met with the men's and women's coaches to update the status of training. Direct Athlete Support Period II began July 1, and 43 athletes will be getting DAS during this period, both in and outside the training center. Further adjustments will be made after the final trials August 6-9.

Athlete Development, Retention and Training: Cam Kisolgolous has been reaching out to potential candidates for the National Teams, and a database has been created to document athletes and their development. This system is to be used to help chart an appropriate path for selection with an eye toward success. 16 sanctioned ID camps will be held this summer. Adding Mike Teti has already garnered interest from some top U23/collegiate athletes. Currently, U23 athletes must pay for their camp/team participation, which is a further impediment to participation, as is the fact that some top male athletes are going to Henley with their college teams. Women's and men's U23 camps started in early June. The goal of 4 medals in Tokyo 2020 is still in place, despite changes in the Olympic program.

Matt Imes and Rob Milam left the meeting

Marketing / Sponsorships Update (Susan Smith and Steven Shure reporting)

1. *Apparel contract*: Boathouse Sports will be this year's apparel outfitter, after its strong proposal in response to the RFP.
2. *Sponsorship pipeline*: Thorne nutritional supplements is already on board, and staff are meeting with them to explore expanding that relationship. Other possibilities are being explored for significant sponsorship, but the staffing void in marketing is making this more difficult to do effectively. The Board discussed sponsorship/marketing opportunities at the World Championships.
3. *Sponsorship and Development Committee Report*: Steve Shure circulated a memo about sponsorship/marketing concepts, as well as the distinction between sponsorship (brand association and media dissemination of that relationship) and development (donations). It makes specific recommendations regarding various competencies that are essential aspects of an effective sponsorship campaign.

Colie Toren left the meeting.

2017 World Championships Update (Susan Smith and Mara Ford of the NRF reporting)

1. *USRowing Event Planning*: Crews of Distinction – 17 crews from 1956 to 2006 will do a row over the course on Saturday after C finals. Also, a junior rowing event is being planned to allow US juniors to row on the Worlds course. Finally, a breast cancer initiative is scheduled on Sunday.
2. *National Teams Reunion*: NRF is planning a large reception and other activities for US National Team alumni attending the regatta.

Events Report (Susan Smith and Lisa Stone reporting)

1. *Regattas*: 6 Regional Youth Championships were held, including a new West Coast Scholastic championships. U15/U17 nationals may be relocated to Saratoga, NY as a USRowing owned event – in addition to Youth Nationals -- as well as 5 collegiate events. The 2017 Youth Series entries were up 2% and resulted in 26% higher entry fee revenues. Vendor participation is close to 2016 levels. In the second year of Express Lane, registration has resulted in reduced costs. Master's Nationals have been awarded to Oakland, CA (2018 and provisionally 2020) and Grand Rapids MI (2019).
2. *Youth Regatta Committee Report*: Revenues doubled from last year. The time trial format allowed full finals despite losing a half day due to weather issues. Rowing in college programming and the 3rd annual graduation ceremony were successful. Merchandise sales broke records, and over \$71k was generated in gate revenues. Despite some challenges in weather, the regatta was a success. Post-regatta surveys of coaches and referees are in process.
3. *Hosea Memorial Golf Outing*: The golf outing resulted in \$87k in revenues, though a follow up via the online site may bring in more revenue.
4. *Golden Oars Planning*: Date is set for 11/15 at NYAC and planning is just beginning.

Membership Report (Susan Smith reporting)

Regatta Package ad on: This proposal would allow improved services to the Basic Membership, and is hoped to increase membership. Consensus of the board was for staff to pursue this idea further and report back to the Board with more specific forecasts. Championship membership is down from goal at this time for the year.

Quality Services Update (Susan Smith reporting)

1. *gROWth Team Update*: Staff are working to bring Scholastic programs/regattas to start engaging all of the major players in the Scholastic community. USRowing has a presence at these regattas, both in terms of referees as well as staff presence at some of the larger regattas as resources allow.

- SafeSport Update*: Organizational dues cover investigation and other costs. Non-sexual abuse allegations can be investigated by the organization, but all sexual abuse claims must go to SafeSport for investigation/adjudication. USOC is conducting an audit of all NGBs to assess compliance. Two resolutions were presented regarding (a) USRowing bylaw amendment; and (b) an amendment to the Board Policy Manual to implement/institutionalize SafeSport requirements.

Motion by Lisa Stone and seconded by Kris Thorsness to adopt the SafeSport resolution described above to hereby amend the Board Policy Manual accordingly. No further discussion; approved unanimously.

Motion by Bill Donoho and seconded by Joe Manion to adopt the SafeSport resolution described above to hereby amend the USRowing By-Law accordingly. No further discussion; approved unanimously.

Referee Report (Kris Thorsness and Joe Manion reporting)

The referee working group is awaiting the end of the championships/trials season to assess the impacts of the changes that were implemented this year. Referee growth looks good, but the training platform rollout is lagging a bit. The LOC policy manual will likely be revised and those revisions will be brought to this Board in order to streamline and standardize regatta expectations. Finally, referee funding (e.g., stipends and other cost coverage) is still lacking at USRowing owned regattas, as compared to many other domestic regattas. If USRowing wants top referees for its owned regattas, it needs to meet the standards set by other regatta operators. The working group will report back in September/December with specific recommendations for action.

Princeton National Rowing Association Update (Marcia Hooper reporting):

PNRA is in the midst of a major expansion in its Mercer Lake facility, where the US women's National Team training site is located. The plan for adding office space has been removed, but the rest of the expansion is going forward.

Executive Session: Motion by Lisa Stone and seconded by Bill Donoho to enter executive session to discuss contractual negotiations and to receive advice of counsel. No further discussion; approved unanimously at 5:03 pm.

Motion by Nick LaCava and seconded by David Banks to exit executive session. No further discussion; approved unanimously at 5:57 pm.

Meeting adjourned at 5:58 pm

Sunday, June 25

Board members present: Jim Dietz, David Banks, Marcia Hooper, Sheila Tolle, Lisa Stone, Nick LaCava, Bill Donoho, Kris Thorsness, Joe Manion, Jamie Redman, Joe Flynn, Meghan O'Leary (via phone)

Others present: Susan Smith (acting CEO), Andy Lee, Esq. (USRowing counsel)

Executive Session: Motion by Lisa Stone and seconded by Jamie Redman to enter executive session to confer with legal counsel, discuss contract negotiations and discuss personnel matters; no further discussion, approved unanimously at 9:06 am.

Nick LaCava left the meeting at 11:36 am and Charlie Haight left the meeting at 11:43 am

Motion to exit executive session by Jamie Redman and seconded by Bill Donoho; no further discussion, approved unanimously at 12:05 pm.

Administrative Matters:

1. *Approve 5/10 and 5/31 Telephonic Meeting Minutes: Motion* by Jamie Redman and seconded by Marcia Hooper to approve the minutes for the May 10 and May 31 telephone Board meetings that were previously circulated to the Board; no further discussion, approved unanimously
2. *Next BOD Meetings currently scheduled for:*
 - a. September 9 -10, 2017:
 - b. December 2017 USRA convention

Meeting adjourned 12:07