



BOARD OF DIRECTORS MEETING
August 26, 2010
Doral Country Club and Spa
MIAMI, FL

TO: Board of Directors
Group A Members
Group B Members
Group C Members
Committee Chairpersons
Delegates
Other Interested Parties

From: Ms. Sherrie Wilson, Secretary

I. CALL TO ORDER

MEETING CALLED TO ORDER BY PRESIDENT LANCE NADING AT 5:19 PM.

II. ROLL CALL

President Lance Nading
Board Member Gail Stolzenburg
Board Member Leo White
Board Member Jason Rivera
Board Member John Serbin
Board Member Noboru Saito
Board Member Jim Webb
Board Member Mike Swain
Board Member Ken Bellmard

Other Attendees:

Jose Rodriguez, CEO
Eddie Liddie, Director of High Performance
Sherrie Wilson, Director of Marketing, Secretary of the Board
Sergeant Major Mayfield, Ethics Committee
Kei Narimatsu, Ethics Committee
Neil Simon, President of the US Judo Federation

III. USJF PRESIDENT ADDRESSES BOARD

President of USJF, Neil Simon, provided an overview of the relationship between USA Judo and the USJA. An explanation was provided regarding how the President's of the USJA, USJF and USA Judo had worked

together to forward the sport of judo in a positive way. It was emphasized that the feedback had been favorable in the judo community and the integrity of the three organizations was very important as well as their autonomy. A new age of cooperation and collaboration has been established. It was stated that the Board of Directors and the Executive Committees of all the organization had a strong desire to maintain their individual autonomy and keep their own organizations while working together to better the sport of judo in the United States.

Leo White joined the meeting at 5:22.

MOTION BY PRESIDENT LANCE NADING TO MOVE THE PRESENTATION BY THE LAW FIRM HOWARD & JENSEN TO THE TOP OF THE AGENDA. ALL APPROVE. MOTION PASSES.

IV. PRESENTATION BY HOWARD & JENSEN LAW FIRM

USA Judo is considering changing organizational law firms and is exploring Howard & Jensen as a potential candidate for this role. Mr. Jensen and Mr. Howard, the primary attorneys, provided their legal firm's sports and Olympic background. This included a description of their work with the USOC under the firm Hogan and Hartson. Their approach is to provide a local level rate for services rather than a national level rate. The firm provided their staff make up for review by the Board. The attorneys provided their background as it related to the amateur sports act and the many facets of their work with the USOC was described in detail. Information regarding their experience and involvement with reviewing by-laws and due process was further provided.

The attorneys defined three items their firm emphasizes as important as follows; to be proactive and review current practices and documents to eliminate problems down the road; to be conscious of how they invoice and to review billing practices that provide value; to build a long term relationship with clients due to personalized service. There is a potential to consolidate legal services among NGB's to provide further value and to explore "Not to Exceed" options. There are two proposals based on hours submitted for review and both provide significant discounts. The first priority would be to ensure that there is client value for services.

John Serbin joined meeting at 5:58 P.M.

V. ADOPTION OF MINUTES

MOTION TO APPROVE THE MINUTES BY KEN BELLMARD. ALL APPROVE. MOTION PASSES.

VI. WORLD CUP ACTIVITIES

Jose Rodriguez, CEO for USA Judo, explained the activities scheduled for the World Cup. A full agenda was described to the Board of Directors including the events they were to attend throughout the weekend. The importance and the significance of the event for United States athletes was discussed. The Board further emphasized the positive impact that hosting the event would have for US athletes as it related to the new Olympic Games selection system for judo.

VII. ETHICS COMMITTEE PRESENTATION

MOTION BY KEN BELLMARD TO GO INTO EXECUTIVE SESSION. ALL APPROVE. MOTION PASSES.

MOTION BY LANCE NADING TO COME OUT OF EXECUTIVE SESSION AT 8:37 PM. ALL APPROVE. MOTION PASSES

VIII. BUDGET & FINANCE REPORT

Gail Stolzenburg reported on the current finances of the organization. The revised cash flow projection was explained and it was stated that by end of year USA Judo will be \$107k down. It was explained that the cash flow is a projection through the end of the year, this projection is padded. There are some monies here that we didn't budget for. USA Judo will most likely decide to cut some items when reviewing the budget and will also be selective of the things that will be accomplished. Even with a change in cash flow, it was reported that USA Judo is still looking at \$120k profit for the year which is good news.

The USOC requested feedback on the audit. USA Judo outlined some of the items that have added to the debt we have carried since 2008 such as; legal fees, Pan Ams and Olympic expenses. USA Judo took a hit on legal expenses as well due to issues that were out of the organization's control. USA Judo has shown the USOC how it is paying down the debt and the USOC has responded positively. Our profit and loss reflects a better profit and loss than two years ago when we closed the year. Nading complimented the audit committee and Jose's efforts on cutting back since 2008. Nading emphasized that USA Judo is doing a good job in this area and its getting better all of the time. Nading also noted that the large amount of funding the athletes need to make an Olympic team are significant and should be recognized when evaluating financial performance. USA Judo is doing more to fund the athletes all of the time. We need to support and defend the model that we are pushing at this time which is to invest in our top athletes.

MOTION BY LANCE NADING TO ACCEPT THE BUDGET & FINANCE REPORT. ALL APPROVED, MOTION PASSES.

IX. HIGH PERFORMANCE REPORT

Rodriguez stated the High Performance presentation was made to 24 people at the USOC and there was terrific feedback and many great questions. The presentation was highly complimented by the USOC and that those in attendance said that USA Judo had delivered the items it had committed to. The fact that two USA Judo athletes won gold medals at the Youth Olympic Games emphasized the message.

Rodriguez explained that USA Judo has some signature events that are important with the USOC. These will remain our events presented over the last four years. The USOC was excited about the U23 program and about the Training Center programs. The USOC is happy with USA Judo's plan.

Eddie Liddie, High Performance Director, explained that USA Judo gave out \$5,000 this semester and scholarships will continue to be given out. It was also explained that \$35k of USOC funds were set aside and if certain items were achieved monthly stipends were paid from these funds. The following athletes were paid monthly for a period of time: Travis Steves \$2k, Kayla Harrison \$2k per month, Malloy \$2k per month. The following athletes were paid for one month and then USA Judo ran out of funds; Delpopolo \$2k, Sell \$500, Eldredge \$1,500, Vashkulat \$1,500.

Nading stated that we must find a way to support our athletes through funding.

USA Judo has been able to fund our athletes in a variety of ways. Currently USA Judo has funded Travis Stevens at about \$24k per year, this does not include his travel, by the end of the year he will be at around \$28k. Similarly, Kayla Harrison will be about \$24k per year.

USA Judo has built in personal incentives for coaches as well. If you place an athlete at an A level tournaments there are monetary awards. As we move forward there continues to be funding for the training sites. USA Judo sent a fully funded tournament to the event in Korea. Katelyn Bouyssou went to that event and was successful, fully funded. Malloy was fully funded to Belgium and Shiriashi was partially funded to Belgium as well. Stevens had funding to Paris for housing and took a medal there. Kayla was funded for housing in Warsaw and Paris. Europe is extremely expensive and USA Judo paid upwards to \$1,200 in housing for some the events.

USA Judo also paid air room and board for Miles Porter, Ron Hawthorne and Greg to the VI Championships as well as funded a staff. USA Judo has also funded to other VI events. The Grand Prix we funded because the USOC sponsors us and wants USA Judo to attend as it's a qualifier for the Pan Am

Games where the USOC counts medals. USA Judo covered housing cost at these events. The “fab” team currently consist of Marti Malloy, Travis Stevens, Kayla Harrisons, Michael Eldredge and Ronda Rousey.

The USOC was informed that last time we paid Ronda it was \$800 per month as dictated by the USOC. We funded the others for \$500 per month. We approached the USOC and asked them to require her to meet the performance based contract if we were going to support this and the USOC agreed with this approach. For the Pan Am’s we put out acriteria and if the athletes meet various criteria USA Judo will reimburse them to various levels be it housing, airfare or other.

USA Judo sent Ronda Rousey as well as Katelyn and Serge Bouyssou to Tunisia. That was Ronda’s last tournament and she lost to Italy first round. For Tre Torrie, Katelyn and Serge were funded, and Katelyn won a medal. USA Judo sent a manager, Chris Skelly, to the Brazil World Cup because of the large delegation that consisted of several personal coaches.

It’s important that USA Judo members are aware that each training center is allocated \$25,000 and that there are rules and regulations attached which require 95% of the funds to go directly to athlete support. When an athlete travels on a training centers budget, it’s still USA Judo’s money. USA Judo sent athletes to the Venezuela World Cup, El Salvador and Spain fully funded. The organization also partially funded several athletes at these events as well.

For the senior World Championships USA Judo fully funded and partially funded athletes there as well. At the World Championships if an athlete wins three matches USA Judo will pay all the expenses. Overseas extended pays were to Michael Eldridge to go to Korea. A large group was going to go to France and shortly before the trip, France closed their doors to foreigners.

Monthly stipends are paid again to athletes based on their performance contracts. If they fail to meet the contract, they do not get paid. Athletes can be guaranteed \$6k per year through meeting their performance contracts which they are not required to submit receipts for. We have sent athletes to a variety of camps, appearances and demonstrations. Out of some of these things we have obtained 40-50 new members. The clinicians that are being sent are Brian Olson and Ryan Reser, both Olympians. Right now, we have about 4-5 athletes that would be qualified for the Games if the cut off were to take place today, but there is a significant amount of time remaining before final selection. Realistically, USA Judo can count on between 2-4 qualifiers under our new system. This is the message that we gave to the USOC.

MOTION BY LANCE NADING TO ACCEPT THE HIGH PERFORMANCE REPORT. ALL IN FAVOR, MOTION PASSES.

X. FUNDRAISING REPORT

Sherrie Wilson gave a brief report on the fundraising efforts. USA Judo recently received documentation indicating they would be included in the 2011 Combined Federal Campaign that includes approximately 200 nonprofit organizations. Federal employees and military may select to support USA Judo as their charity.

The Circle of 100 now has 72 members and continues to have sign ups on a regular basis. This has been a successful program that has resulted in close to \$75k for USA Judo in just over a year. It was also reported that USA Judo had conducted its annual silent auction at the national championships which was a success financially at little cost to USA Judo.

Wilson reported that new sponsorships were signed with Green Hill in the category of judo gis. The deal included sponsorship with product for the athletes as well as a monetary commitment. LUDUS Tours was also signed in the category of Games travel and hospitality. The goal of the sponsorship would be to sell tour packages to the Olympic Games. Monetary commitments were made and an in-kind trip was provided to USA Judo that will be utilized as a fundraiser and to promote the packages to the Games that USA Judo

will receive commissions from. Current discussions were also underway with an embroidery company that would embroider names on judo gis of athletes at the local and junior level primarily.

USA Judo has also worked to kick off an Adopt an Athlete program with the Maximized Living doctors. The individual doctors have the opportunity to select individual athletes and provide financial support for them. In return the athletes do appearances at the doctor's practices and participate at certain professional engagements. At this time the following athletes have been adopted or received funding for appearances by doctors participating in the program; Jacob Larsen, Connor Murtha, Kathleen Sell, and Anna Palmer.

XI. NOMINATION OF INDEPENDENT DIRECTOR TO THE BOARD

C,

MOTION BY LANCE NADING TO APPOINT GAIL STOLZENBURG AS THE INDEPENDENT DIRECTOR TO THE BOARD OF DIRECTORS. ALL IN FAVOR, MOTION PASSES

XII. ADJOURNAMENT

Lance Nading adjourned the meeting at 8:41 P.M. and requested that impromptu discussions continue through the weekend on the relevant issues.