Minutes
USA Triathlon Board of Directors
Regular In-Person Meeting
Hyatt Mission Bay
San Diego, CA
May 11, 2012

Board Members Present:
Bob Wendling, President
John Lines
Jack Weiss
Victor Plata
Vince O'Brien
Barry Siff
Steven Sexton
Brian Harrington
Dave Kuendig
Kevin Smeltzer
Kevin Sullivan
Charles Baker, present 8:10am, by telephone.

Melissa Merson, ex officio, departed after IR Committee report.

Staff:
Rob Urbach, CEO
Sharon Carns, Governance and HR Manager
Jonathan Hall, Performance Leader, High Performance
Andy Schmitz, Senior Manager, High Performance

Guests:
Barrett Brandon, Chair Athletes' Advisory Council, by telephone.

Meeting Convenes – 7:46am
President's Opening Remarks – *Bob Wendling*
Female Governance Representation. In a previous meeting, the President challenged board members to recruit female governance volunteers. Currently 38% of USAT membership is female, 32% of USAT committee and regional council volunteers are female.

Approval of the April Minutes – *Victor Plata*
Motion to accept the April Minutes (Lines/seconded)
Motion approved by voice vote.

Treasurer's Report - *Jack Weiss*
Treasurer discussed investment strategy, youth license, and accepted questions on previously submitted report (**attached**). There was a question regarding tracking of youth membership and the increase in license fee – Rob Urbach replied that youth membership is up, but the impact of the license price increase is not yet apparent.

<u>CEO's Report – *Rob Urbach*</u>
Urbach presented a PowerPoint presentation and first discussed the Elite Triathlon Academy (ETA) athlete results. The ETA is a joint venture non-profit corporation directed by Keith Dickson in which USAT has made an investment of approximately $100,000 for the 2011-2012. Academic year. College athletes attend UC Colorado Springs and live in apartment's off-campus at the Olympic Training Center. Other pipeline athletes outside of the ETA were highlighted and Urbach reported that the future looks good for the elite athlete pipeline.

Recent Initiatives:
Bike promotion – to promote participation in the event, USAT arranged transport for ninety bikes from the East Coast and Denver from 12 clubs to compete in the San Diego event.
Regions – discussion of membership incentives and aquathlon.
Event Reporting – at an all-time high.
Website personalization
Century Club – a program to recognize USAT athletes who have competed in over 100 races.
Olympic Integration – Olympic-themed Magazine and Sweepstakes for a trip to the Olympics
ROI Calculator page – Members can calculate the benefits of joining USAT on the ROI calculator page.
Youth Aquathlon – goal was 30 events; goal achieved with 30 races in 2012, 28 of which are new races.
Collegiate highlight video.

Year-to-date Financial report
Urbach highlighted IT salaries and contract labor. Noted that USAT is over budget for contract labor due to work on functionality of web site. Urbach reported on the various other business units (Sport Development, Event Services, National Events, High Performance, Marketing)

Sport Development (membership) – over performing. The 2012 budget is a 'stretch' budget. Missed budget (underperforming) on one-day licenses. Coaching revenue. First quarter travel freeze saved $41,000.
Event Services – Cheyenne Mountain conference mis-budgeted; underperformed by $23K; but up $25K in insurance. There was a $50K reduction from the 2011 RD conference expenses held at the Broadmoor.
National Events – running ahead of budget; not a lot of activity, 2nd quarter is more activity.
High Performance - New Performance Leader, Jonathan Hall, introduced himself to the board.
Marketing

Overall Performance – way ahead, but this figure does not provide guidance, inconsequential, we are tracking close to budget. Q1 Budget Revisions – 35K Magazine, 16.3 Other advertising, 37K IT salaries, 23K RD symposium,

Ahead 75K benefits and 75K in insurance.
Total = 38.7K ahead.

Urbach fielded questions regarding sponsorship development, and is confident that USAT will do better in the future. Suggested hiring a dedicated staff person for that purpose.

Key Initiatives
Research and Insights

Urbach reported on a survey conducted to provide insights into why members allow membership to lapse. An independent 3rd party survey company was hired. Details listed in the PowerPoint to be provided to the Board.

Championship Events

Foundation – Plans are moving forward to launch the foundation, a charitable arm of USA Triathlon. The charitable focus of the foundation will be on Youth, Para, and Elite development. Questions were raised on how the foundation would operate within USAT's governance structure.

Paratriathlon – USAT is in discussion with CAF to partner in the administration of the Paratriathlon program. Currently, USAT contribution to the program is 63K, USOC is contributing 140K. A key decision is to hire a person to coordinate the program. Employee would be under High Performance Staff. Urbach recommended hiring a program coordinator.

Strategic Planning – The SP Committee guides resource allocation, establishes core objectives, and derives measureable goals.

Current Vision Statement: To engage every American in the multisport lifestyle.
Revised Vision Statement:
To provide all in the triathlon community the resources required to reach their full potential.

Current Mission Statement: To encourage, support, and enhance the multisport experience in the United States.
Revised Mission Statement
Grow and strengthen Triathlon and its derivative Sports.

USAT Investment Fund Concept – Urbach discussed creating a mutual fund, trust company, with an independent board. This project is in the conceptual stage.

Super Sprint Series – Urbach introduced a pool-based stadium-like sprint triathlon racing concept that is in the development stage.

Committee Reports and Discussion
IR Committee Report – *Melissa Merson*
Merson thanked the staff and board for supporting the San Diego Event. Discussed London periphery events to the race; ITU elections will take place in New Zealand at the World Championship Grand Finale. One goal of USAT is to increase the number of Americans in ITU governance positions. Merson reported that the ITU athletes' commission was morphed into a committee and athlete election will take place.

Athletes Advisory Committee Report – *Barrett Brandon*
Motion to go into executive session to discuss the Athletes' Advisory Council Report 9:43am (Sexton/Seconded) Motion approved by voice vote.
Motion to come out of executive Session (Weiss/Second) 10:17am. Motion approved by voice vote.

Strategic Planning Committee – *Rob Urbach*
Collegiate Committee – *Steve Sexton*
(Report attached). New committee chair, Kevin Haas. The committee questioned whether the

Collegiate National Championships filled to capacity, and will address reasons why it might not have filled The committee is working on creating a 3-race festival contributing to an overall team score, including a draft-legal event. Mixed team relay. Possible development of a class system.

Motion to approve a new charter for the Collegiate Committee (Sexton/seconded). **Attached**
Motion approved by voice vote

National Championship Events Task Force – *Steve Sexton*
Discussion regarding how to proceed in determining how USAT will structure National Events. The Task Force endorses the process outlined by Rob Urbach for developing races for 2013. The Task Force is discharged.

Unfinished Business

Ethics Committee Candidate Recommendations – *Kevin Sullivan*
Sullivan reported hat the Nominating and Governance Committee recommended Judge Michael Jones and Barnett Phillips to fill the two open independent positions on the Ethics Committee. Judge Jones creates art work and Hall of Fame awards for USA Triathlon. The Nominating and Governance Committee determined that Judge Jones does not have a relationship with the corporation or any organization, entity, or individual associated with the corporation that would interfere with the perception or reality of his independent judgment. Kevin Sullivan disclosed his personal and past professional relationship with Judge Jones.

Motion to approve the nomination of Judge Jones for the Ethics Committee (Weiss/Seconded).
Motion approved by voice vote.

Motion to approve the nomination of Barnett Phillips for the Ethics Committee (Harrington/Seconded).
Motion approved by voice vote.

Kevin Sullivan to act as Board Liaison for the Ethics Committee.

11:16am – Chuck Baker absent from the meeting.

Conflict of Interest Forms – *Bob Wendling*
A number of members from various committees have not submitted conflict of interest forms.
Action Item: Committee members will be notified to submit COI forms by June 30, 2012, or risk being removed from committees.

New Business

Creating a USAT branded investment product – *Rob Urbach*
Presented an initiative to create an investment product for triathlon-enthusiasts.

Elite Money List – *Rob Urbach*
USAT has created a prize money list.

Motion to allow USAT to publish the prize money list as it sees fit (Siff/Seconded).
Argument against – that the prize money list will negatively reflect on the Olympic-focused athletes who generally have fewer prize money opportunities relative to other racing formats.
Argument for – the list will provide fans, sponsors, and media additional information about professional triathletes, allow cross-discipline comparisons based on a simple and understandable

medium of prize money, provide a unit of measure for the state of the profession.

11:49 – Chuck Baker returned to the call.

Motion approved by voice vote.

Request for roll-call vote (Sexton)

John Lines y
Jack Weiss y
Victor Plata y
Vince O'Brien y
Barry Siff y
Steven Sexton n
Brian Harrington y
Dave Kuendig n
Kevin Smeltzer y
Kevin Sullivan y

Chuck Baker Abstained

Motion approved by roll call vote.

Olympic Discretionary Selection Committee – ***Bob Wendling***
The Board needs to approve two new members for the Olympic Discretionary Selection Committee. The committee is currently composed of Jim Miller, Nick Radkewich, Susan Williams, and Scott Schnitzpahn. Since the creation of the committee, Nick and Scott have taken new positions. Nick as the manager of the Elite Triathlon Academy, and Scott Schnitzpahn with the USOC Sport Performance department. In the interest of avoiding the appearance of a conflict of interest, Nick and Scott have resigned their positions on the committee.

Motion to approve the AAC's nomination of Doug Friman and Jonathan Hall as replacements for Nick Radkewich and Scott Schnitzphan (Lines/Seconded).

Discussion on the conflict-of-interest personal relationship between Performance Leader Jonathan Hall and Erin Densham, the Australian Olympic hopeful.

Motion approved by voice vote
Abstentions – Victor Plata, Barry Siff

12:13 Motion to go into executive session (Keundig/Seconded)
Motion approved by voice vote

12:27 Motion to terminate executive session (Harrington/Seconded)
Motion approved by voice vote.

12:27 Motion to adjourn (Weiss/Seconded)
Motion approved by voice vote.