

USA VOLLEYBALL
MINUTES OF THE MEETING
of the
BOARD OF DIRECTORS
Jan 25, 2010
Los Angeles, CA



- Presiding:** David Schreff, Chair
- Directors:** William Barnum, Ken Cain, Mike Carter, Chris Clauss, Kathy DeBoer, Jason Hodell, Jon Lee, Ted Leland, Sarah Noriega, Reid Priddy, Adam Rymer, David Schreff, Sean Scott, and Kevin Twohig.
- Treasurer:** Stewart McDole
- Staff:** Doug Beal, Kerry Klostermann, Margie Mara and Stacie Kearns
- Guests:** Al Lau (NGC), Audrius Barzoukas (NGC), Chris Brown (NGC), Scott Fortune, Chris McGee, Ashley Ivy, Jacob Gibb, April Ross, John Hyden, Karri Walsh Jennings, Casey Jennings, Ryan Morgan, Brittany Hochevar, Jennifer Kessy, Nicole Branagh, Misty May Treanor, Lauren Fendrick, David Kim
- Absent:** Tyra Turner. The Junior Beach Development position was vacant at the time of the meeting.
- 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 8:38 am PST on Monday, January 25, 2010.

- 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 thirteen votes present, it will take eight votes to pass a motion. Conflict of interest forms need to be submitted as well as contact information updated. The conflict of interest affirmation is in place for each Director's term once signed unless a director's situation changes.

II. APPROVAL OF MINUTES

MOTION #1: It was **M/S/C (Twohig/Leland)** to approve the minutes of the October 20, 2009 meeting of the Board as corrected.

MOTION #1A: It was **M/S/C (Twohig/Leland)** to approve the minutes of the October 30, 2009 meeting of the Board as corrected.

III. APPROVAL OF AGENDA

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

IV. ANNOUNCEMENTS

- A. Mr. Schreff thanked the AVP for hosting the meeting and welcomed Chris Clauss to the Board as the Junior Indoor representative.

V. BYLAWS and GOVERNANCE

- A. **Colorado Re-Incorporation Update:** Ms. Kearns reviewed the status of the Colorado re-incorporation effort. It is expected that we will receive tax exempt status for the new Colorado corporation prior to the May 2010 board meeting at which time approval of the merger of the existing California corporation and initial Colorado corporation into the new tax exempt Colorado corporation will be requested.
- B. **Op Code Revisions (distributed 30 days in advance):** Mr. Klostermann described the minor housekeeping changes recommended.

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

3.05 Assemblies of the Corporation

A. Regional Volleyball Association Assembly

2. Accountability: ~~The USA Volleyball Administrative Council~~ **Regional Volleyball Association Assembly** shall be accountable to the CEO.

B. Junior Assembly

2. Accountability: ~~The USA Volleyball Administrative Council~~ **Junior Assembly** shall be accountable to the CEO.

C. Beach Assembly

2. Accountability: ~~The USA Volleyball Administrative Council~~ **Beach Assembly** shall be accountable to the CEO.

D. Officials Assembly

2. Accountability: ~~The USA Volleyball Administrative Council~~ **Officials Assembly** shall be accountable to the CEO.

15.02 Procedures for Submission. Proposed additions, deletions or amendments to ~~Bylaws~~ **this Operating Code** may be generated in the following ways:

15.03 ~~Bylaws~~ **The Corporation's Operating Code** may be adopted, amended or repealed by the Board of Directors by a two-thirds (2/3) majority of those casting ballots at a legally constituted meeting.

- C. **Board Policy Manual – Financial Review:** Mr. Beal reviewed the policies regarding travel and per diem for meetings. He asked if the Board was comfortable with the current policies. Mr. Cain asked about partial day per diem and reimbursement for bags now that airlines are

charging for bags. Also, there are perhaps some special circumstances that may pertain to the Board. Mr. Klostermann will draft some suggested changes and updated language. Ms Mara presented a recommendation from the AFB Committee to change the per diem allowance and other housekeeping/procedural issues.

MOTION #6: It was **M/S/C (AFB)** to make the attached changes to the Policy and Procedures Manual with the exception of the budget revision changes. The revised Policy and Procedures Manual will be distributed with these minutes.

D. Managing Director Beach Job & Beach Task Force: There was considerable discussion about level within the staff, salary level, revenue generation expectations and general job description. The position is included in the 2010 budget at the Managing Director level and the executive hired will participate in the regularly scheduled senior management meetings. The executive will be based in the Los Angeles office and the revenue generation built into the job description will be phased in over time as new programs are developed and new rights are developed. A contingent of beach athletes and interested associates joined the meeting and were given an opportunity to comment candidly on the job description and BTF composition. Mr. Hodell requested that staff leave the room to make the comments from the athletes and agents easier about current staff but after polling the Board consensus was for the staff to remain. A discussion ensued on word changes to clarify the role, reporting and responsibility of the executive and BTF. Mr. Rymer commented that the Board was actively involved with developing the proposal and in reviewing constituent comments about the circulated job description prior to the Board meeting.

After open discussion among all present, conclusions were made and agreed to by the Board as follows:

1. Title: Managing Director, Beach Programs
2. The MD Beach will be hired by the CEO (in consultation with the beach community who were invited to recommend qualified candidates whose experience fit the job description), and will report to the CEO. Further the BTF will provide updates as needed at Board meetings.
3. The MD Beach Programs will be liaison to the BTF, but not a member of the BTF, to be consistent with how USAV staff interacts with other USAV Assemblies (Junior, Officials, RVA)
4. The MD Beach will serve as the department head of beach programs, formulating budget, staffing, program development and implementation of domestic and international opportunities, with approvals of CEO and in association with other department staff with coordinating responsibilities.
5. Agreed that the Beach Task Force had sufficient authority, flexibility and responsibility to evolve into a full Beach Assembly which will have the authority granted in the Bylaws.

MOTION #7: It was **M/S/C (Twohig/Carter)** move that the Board approve the job description for Managing Director Beach Programs with the clarifications that the MD Beach will have vertical authority over beach department personnel, confirming that player representatives will be involved in the MD Beach hire, and that the MD Beach will have staff input to AFB and authorize management to move forward with interviewing and hiring a qualified executive for this important role; and to approve the formation of the Beach Task Force to be composed of six members:

- Two Athletes – M/F selected and voted on by the International beach athletes meeting the USOC ten-year rule
- Chair AFB Committee
- At Large member appointed by the Chair of the Board of Directors
- Representative of beach grassroots/development/growth appointed by the Board Chair
- CEO of national beach tour

COMMITTEE REPORTS

A. **Audit, Finance & Budget Committee:** Mr. Rymer reported that the committee had an excellent meeting in December in Colorado Springs to review the proposed budget. Participants were the committee plus staff plus region representatives Steve Bishop and Angelo Iasillo. There was a follow-up meeting in January which incorporated changes recommended in December. The budget presented now projects a \$212,000 surplus plus capital improvements of \$210,000. The Quad Goals were reviewed and discussed. Mr. Rymer feels that the current iteration doesn't reflect some of current goals and financial conditions.

Quadrennial Objectives:

1. Achieve a cumulative financial surplus of \$1,150,000. May be difficult to achieve, but already at \$300,000.
2. Create an Olympic Fund of \$250,000. Reached
3. Establish and fund a capital reserve fund with defined objectives and uses to ultimately accrue at 5% of annual budget. May be difficult to achieve, but we are fairly close to the goal in 2009 and possibly 2010 budget.
4. Create a resource of \$200,000 to enhance Championship events. Embedded in the budget
5. Maintain or increase USOC total budget support dollars while at the same time reducing the ratio of contribution against total budget. Close to achieving

Mr. Cain raised two issues regarding administrative fees and publication costs. Regarding the publication number in the budget, Ms Mara explained that the numbers were deliberately soft because of numerous factors that are variable by nature and the difficulty of accurately assigning staff time. Mr. Cain had prepared motions for Board consideration, but it was determined that the issues would be referred to staff and the AFB for analysis and response without need for Board action.

Mr. Beal feels that it is possible that we will expand staff to the level that would require additional office space or a new facility. He is actively pursuing alternatives and opportunities.

MOTION #8: It was **M/S/C (AFB)** to approve the 2010 budget as presented.

- B. **Ethics & Eligibility:** Mr. Twohig cited his written report.
- C. **CEO Evaluation:** Mr. Twohig presented the CEO evaluation. Committee was Mr. Twohig, Mr. Schreff, Mr. Lee, Mr. Leland, MS Turner and Mr. Barnum. MS Turner was unable to participate due to her playing schedule.
- D. **Nominating and Governance Committee:** Mr. Lau introduced two members of the NGC attending the meeting, Audrius Barzoukas an independent member and Chris Brown who represents the California Beach Association. The Committee reported on the procedures that the committee has developed and presented a document on Board candidate selection

process for review. The recent process of selecting the Junior Indoor and Beach Elite/Development candidates prompted the creation of the document as an attempt to codify the process. It was agreed that the process document should add that all candidates should be notified prior to announcing the winning candidate. The Board felt the Chair of the constituency group should have that responsibility. The Board is charged to review the document for future approval. Additionally, the committee discussed the filling of the Beach Elite/Development position because the Beach Assembly has not been constituted. They presented alternatives for the process. First was not filling the position until the Beach Assembly is formed. Second would be to select an interim person to fill the position until the Assembly is formed. Third would be to fill the full term. After discussion, it was felt it was more important to have the voice at the table than to wait until the Beach Assembly was formed and could conduct an election.. The next question is how the selection should be made. Alternatives are trying to identify a constituency and arrange some kind of election which would be difficult if not impossible. The other choice is to have either the NGC or the Board elect.

MOTION #9: It was **M/S/Failed (NGC)** to delay filling the Beach Elite Representative until the Beach Assembly is formed.

MOTION #10: It was **M/S/C (Twohig/DeBoer)** While the preference of the Board would be to have the Beach Assembly select the Junior Beach Board position we recognize that the Beach Assembly is not currently constituted, so I move to authorize the Board to select the Junior Beach Director based on the information provided verbally and in writing from the representatives of the NGC.

The Board then voted by ballot and Joy McKenzie-Fuerbringer was elected on the first ballot.

The issue of background screening for Board candidates was raised. The difference in disqualifiers necessary for a Board position versus the ones used for working with a junior member, which is our current use of the background screen, was raised. It is possible to select different disqualifiers. Currently all we get from the screening company is pass/fail, but we can get more detail. The question was raised whether the Board should be evaluated differently than the rest of USAV. It is a complex issue that will be examined further, but no action will be taken at this time. For the Board positions standing for election this year, there will be no formal background screen.

VI. CEO REPORT

- A. **2010 Beach Program Update:** Mr. Beal distributed a written report.
- B. **Beach Commission Update:** Mr. Klostermann reviewed the progress and current state of the Beach Commission activities. Regarding the Olympic Trials, several scenarios were considered any of which needs to be approved by the USOC. No trials, AVP results only; some combination of AVP events and international points; or two Trials events with various seeding proposals. It is getting late for organizing trials and the Commission has not reached agreement. NBC has recommended that Trials can be scheduled live in afternoon slots on NBC Network tentatively scheduled for June 30/July 1 and/or July 7/8. NBC is planning on making volleyball one of 4 summer Olympic sports for which it will televise live Trials showing the high importance it attaches to volleyball for its Olympic plans and its sponsor/advertisers. The RFP for a host city will have a minimum ask for a rights fee. Revenue opportunities are significant but the timing is critical. USAV is asking the Board to

approve the concept of holding Trials in the absence of a response from the rest of the Commission (AVP and Players). Mr. Hodell reported that the players had concerns that only two Trials events is not the way to determine the best two teams. They feel that there needs to be some way that continued excellence over more than two events is involved. Mr. Klostermann added that the current recommendation by USAV to the commission as of November 4, 2009 is to create a combination of points earned from both open AVP special designated domestic events and FIVB international competitions to determine which teams qualify for the Olympic Trials in 2012. The commission was also asked to consider a "wildcard" option (based primarily on objective performance criteria) to take into account partner changes / injury / or other "force majeure" occurrences. That way, athletes will have the maximum opportunity to compete, the AVP will have the opportunity to garner new sponsor support opportunities and USAV, as already agreed in the Trials Commission Agreement, will earn new beach revenue from Trials to invest in its beach programming. Mr. Twohig noted from his perspective as an arena manager, that lead time is critical for success, the more the better.

MOTION #11: It was **M/S/C (Carter/Noriega)** Authorize Mr. Klostermann to issue an RFP for Beach trials and for the Beach Commission to refine the details as soon as possible but as a minimum by the May meetings.

VII. USAV FOUNDATION

Mr. Klostermann and Mr. Fortune reported on the current status. The current balance is at \$3.3 million. Three projects were funded; an ongoing official's training scholarship, a coaching education on-line course in conjunction with the AVCA and National High School Federation, and a Development Director as a USAV employee. The return on investments of 29% was mainly due to international and alternative investments.

VIII. BOARD PRESENTATIONS

Regional /Juniors Development & Growth by Jon Lee: This presentation will be postponed until next meeting.

IX. Next Meetings of the Board of Directors:

The Board will meet in Phoenix on May 28 from 8:00 AM to 1:30 PM. Arrive on Thursday, leave whenever can be arranged. The following meeting will be tentatively on October 22 in Colorado Springs.

X. 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.

MOTION #9: It was **M/S/C (DeBoer/Leland)** to adjourn the meeting of the Board at 3:19 pm.

APPROVED MINUTES OF THE MEETING OF THE
USAV BOARD OF DIRECTORS
January 25, 2010

Respectfully submitted,

Fred N. Wendelboe
Recording Secretary