

APPROVED
October 11, 2014



UNITED STATES CURLING ASSOCIATION
Board of Directors Meeting
August 23-24, 2014
Embassy Suites Hotel, Boston Logan Airport

Board Meeting

Board meeting in "Mystic A" Saturday, August 23, 2014 8 a.m.-5 p.m.
Sunday, August 24, 2014, 8 a.m.-12 p.m.

Call to Order

Chair Pro-tem Carlson calls the meeting to order at 8:08 am

1. Roll call

Present- Dave Carlson, Jeff Hannon, Cyndee Johnson, Gwen Krailo-Lyons, Rich Lepping, Jim Pleasants, Courtney Schmidt, Sean Silver, Chris Sjue, Scott Stevenson, Nick Wellen, Dean Gemmell , Jennifer Stannard ,

Absent- Dave Flippo, Nick Kitinski, Craig Brown, Maureen Clark, Allison Pottinger, Jared Zezel
A quorum is present

2. Brief self-introduction of the Board Members and Non-Board Attendees

Non-Board Members- Andy Anderson(WCF Rep, Ethics Committee), Leland Rich(WCF Rep, Governance/Nominating Committee), Mark Swandby(WCF Rep), Rick Patzke(CEO), Sandy Robinson(USCA), Jessica Schultz(Ethic Committee AAC Rep), Michael Shalhoub(Ethics Committee), Russ Lemcke(Governance/Nominating Committee), John Wilson(Governance/Nominating Committee), Vic Huebner(Treasurer), Michelle Perry(TSE Consulting), Jennifer Geisheker(USOC-Sport Partnership Div), Dale Neuburger(TSE Consulting), Rick Adams(USOC- Chief, Sports Operations and NGB Relations), Beau Welling(WCF Rep), Gordon Maclean(Secretary)

3. Appointment of Parliamentarian

Dave Carlson appoints Andy Anderson Parliamentarian.

4. Addition/changes to Agenda

None

5. Nomination for Chair of the Board

Nomination from floor by Chris Sjue nominates Dave Carlson

No further nominations

Gwen Krailo-Lyons moved to close nominations, seconded by Rich Lepping. Motion carries unanimously.

6. Discussion and approval of Meeting Minutes from Spring, 2014 USCA Board of Directors Meeting

Sean Silver moved to approve minutes, seconded by Jennifer Stannard.

Discussion: We need to add the names and affiliations of USOC and other Non-Board Members present. Friendly amendment to approve minutes pending the addition of those names accepted by Silver and Stannard. Motion carries unanimously.

7. Section 7.9(b): Director staggered term determination (Carlson)

Determination of who from single director State/Regions will have 2 year term and who 1 year term. Selection will take place by drawing cards.

Jim Pleasants volunteers for one year term.

By luck of the draw Nick Kitinski and Chris Sjue will serve one year terms. Dave Flipppo, Courtney Schmidt, Sean Silver and Scott Stevenson will serve two year terms.

8. Presentation of slate for nominees for Standing Committees: Audit/Finance, Judicial, Ethics, and Nominating/Governance (Sjue)

Chris Sjue explains that there are bios in the Dropbox and that there are no nominations for "Board Elected Directors" at this time, as those will require much further thought than time allowed. A nomination for Finance/Audit Committee who is a Board Elected Director with a background in finance will come later.

A. Ethics Committee

From Nominating Committee:

- AAC Rep: Jessica Schultz
- Non-Director, 3 year term: Andy Anderson, IL
- Non-Director, 4 year term: Michael Shalhoub, NY

Nominations from floor called three times with no response

No further nominations

Jeff Hannon moved to close nominations, seconded by Gwen Krailo-Lyons.

Motion carries unanimously.

B. Judicial Committee

From Nominating Committee:

- AAC Rep: Tabitha Peterson
- Non-Director, 2 year term: David Russell, WI
- Non-Director, 3 year term: Kent Beadle, MN
- Non-Director, 4 year term: Pam Finch, CO
- Non-Director, 4year term: Ron Kloth, AZ

Nominations from floor called three times with no response

No further nominations

Rich Lepping moved to close nominations, seconded by Cyndee Johnson.

Motion carries unanimously

C. Finance and Audit Committee

From Nominating Committee:

- AAC Rep: Craig Brown
- Sean Silver, Director from IL
- Rich Lepping, Director from WI
- Scott Stevenson, Director from Mid-America

Nominations from floor called three times with no response

No further nominations

Rich Lepping moved to close nominations, seconded by Cyndee Johnson.

Motion carries unanimously

8. (continued)

- D. Nominating/Governance Committee
 From Nominating Committee:
- AAC Rep: Joe Polo
 - Non-Director, 2 year term: Bret Jackson, MI
 - Non-Director, 3 year term: Leland Rich, AK
 - Non-Director, 4 year term: Russ Lemcke, MA
 - Non-Director, 4 year term: Jon Wilson, WA
- Nominations from floor called three times with no response
 No further nominations
 Scott Stevenson moved to close nominations, seconded by Rich Lepping.
 Motion carries unanimously

9. Conduct election for Chair of Board and Standing Committees membership (see, Sec. 8.13 if uncontested)

- A. Chair- Elected Unanimously
 B. Slate of nominees for Ethics Committee- Elected Unanimously
 C. Slate of nominees for Judicial Committee - Elected Unanimously
 D. Slate of nominees for Nominating/Governance Committee - Elected Unanimously
 E. Slate of nominees for Finance and Audit Committee - Elected Unanimously

10. Director education and leadership development presentation (Lemcke/Neuburger)

- A. Introduction of Russ Lemcke (Power Point will be added to Dropbox)
- i. Lemcke discussed the elements of good governance, acknowledging that the movements from an operational board to a policy board represents a significant institutional change. He also stressed that it is now the Boards task to strive to: Achieve the organization's Mission (core purpose, Financial Stability, create broad plans for those items, and Empower the CEO. All on the Board should know the USCA Mission State (see By-Laws, Article 2, page 5).
 - ii. Lemcke also discussed the need for financial commitment of Directors and for the Board to speak with one voice regardless of whether a Director agrees with the Board majority or not. Board Self Evaluation needs to be more qualitative and less quantitative.
 - iii. Lemcke also stressed the importance of knowing the Board's function (By-Laws Section 7.2, Liability, Lawsuits, 501(c)3 status, Sarbanes-Oxley, and stressed the need for a "Financial Expert".
 - iv. There were questions regarding "regionalism", social media commentary by Directors and communication. Lemcke responded that there is a higher responsibility to the Board than "regionalism", you can state your case to the issue but the good of the organization overrides. In social media he recommends avoiding the temptation to post in chat rooms, on Facebook or Twitter, and to leave communication to staff. There should be clear communication from the USCA to the clubs.
- B. Dale Neuburger (Power Point)-
- i. Neuburger reviewed the Ted Stevens Act and reminds the Board as an NGB the TSA presents a special responsibility. He then reviewed the 12 requirements and nine duties of an NGB.

10.B (Continued)

- ii. Question- Athlete participation, there are two levels of athletes the 10/2 athletes and then a broader definition that includes more 2 year athletes. There are a number of committees that need athletes but a limited number of athletes, how do we satisfy the rules when the athletes are out working to compete? Answer- It's not easy, it takes a real commitment by the Board. It is in play for all of the other 46 NGB's the 2 year part of the 10/2 definition should bring in a broader pool of candidates. It is important to have the spirit of athlete participation on important committees, there can be with lower levels of committees a lower threshold of expected participation.

11. Break**12. Reports to Board**

- A. USWCA (Stannard)-Has not met since last meeting, Jeanie Borland is the new President, Sept 12-14 is the next meeting, in Cleveland.
- B. Athletes Advisory Council (Brunt/Gemmell)- Dean Gemmell has populated athlete positions on Board Standing Committees. Tabitha Peterson and Joe Polo replace Pete Fenson and Ann Swisshelm who are now USCA staff. Jared Zezel now AAC Rep to USOC. AAC By-laws have been revised to come into line with USCA By-laws. AAC Reps Jerald Zezel, Craig Brown and Joe Polo could not attend this meeting as they are training in Colorado Springs this weekend.
- C. USCA Representatives to USOC (Patzke/Zezel)- Patzke USOC Assembly will be September 23-27 in Chicago. Significant support from USOC beyond HPP support, for transition and hosting WCF meeting in Reno.
- D. World Curling Federation (Swandby/Rich/Stannard/Welling)- Swandby reported on WCF By-law changes and how they affect the US representation, the September WCF meeting in Reno, he also reported on potential upcoming rule changes.

13. Discussion of policies and development of central repository for the same (Pleasants):

- A. Pleasants reported status of review of current policies based on a 2008 compilation and meeting minutes since then. Many are outdated or need rewording. Jack Bernauer has been updating financial policies. Financial policies may be ready to be voted on in October.
 - i. Sandy will set up committee Dropboxes.
 - ii. Operational committees board members and multiple hats needs to be looked at by ethics. CEO and AAC need to discuss athlete participation. Operations to look at regional alignments.
- B. Discussion of areas in which policies need to be developed
- C. Let Jim Pleasants know what is needed in terms of policies
- D. Carlson charges action items for Standing Committees
 - i. Finance/Audit-Review the financial policies and updating them for presentation at the October meeting. Start process for policies regarding collection of dues and under-reporting of same.
 - ii. Ethics-Review Code of Fiduciary Responsibilities and Conflict of Interest by October. Address Director participation on Operational committees and wearing multiple hats (vis a vis Board members holding seats on Club, State/Region Boards)

Section 13.D (Continued)

- iii. Governance/Nominating- Look at Chair nomination and vetting processes and same for Standing Committees to assure that nomination slates are prepared in a timely fashion prior to By-laws imposed deadline. How do we address floor nominations? Do we need an Executive Committee?

14. Status of Transition via new By-laws (Carlson/Patzke):

- A. Carlson discussed the composition of the Transition Groups and their progress over the summer months including the definition of athletes who should serve on designated committees and those who may serve on non-designated committees.
- B. CEO Search- Motion to move to Closed Session by Sean Silver, Second by Dean Gemmell, Non-Board Members Present are asked to leave. Jeff Hannon appointed temporary Parliamentarian.
- C. Motion by Jeff Hannon
That the CEO search goes forward using an external search firm which will be recommended by a task force chosen by the Chair consisting of USCA Board Directors with the hiring of the firm to be approved by the USCA Board of Directors in October.
Seconded by Jennifer Stannard. Motion carries on a unanimous vote.
- D. Closed Session ends

15. Lunch break at 1:16-1:49**16. Presentation to the Board from the CEO re: reports (Patzke):**

- A. Athlete of the Year Nominations
 - i. Female- Anne Swisshelm, Male- John Landsteiner , Team- Margie Smith Rink
 - ii. Motion to Approve Nominations by Cyndee Johnson, second by Rich Lepping, Motion carries with unanimous approval with one abstention (Sean Silver)
- B. Growth and Development-
Kim send a reminder to Board to register for the Members' Assembly Meeting and to plan on arriving Thursday
See Drop Box Reports-
USCA Member Development Report (August 2014).pdf
Transition group Member Development Transition Summary (8-15-14).pdf
- C. High Performance-
See Drop Box Report-
HPP report_August 2014.pdf
Pete Fenson and Ann Swisshelm were added to the National Coaching Team in July, joining John Benton and Phil Drobnick. Wally Henry new Junior Men's coach.
- D. Grassroots Competitions- No Report in Dropbox
Have clarified rolls of HPP Staff and identified events with HP component, M/W, Junior M/W, Olympic Trials, and Mixed Doubles if it becomes an Olympic Event, Paralympics M/W
- E. Committee membership and authority for ALL Operational Committees up for discussion between Group Chair, CEO, Staff, Board Chair with some AAC input
- F. Revenue/Fundraising- See Dropbox *USCA Fundraising Manager Update 082314.pdf*
- G. Operational Development- See Dropbox *Org Dev_ 082214 board report.pdf*
Discussed the progress being made in continuing Athlete/Curler Recognition, making a case for having some Directors on a Fundraising Committee and development of operations.

17. Break**18. Discussion and approval of USCA Budget for fiscal year 2014-2015 (Silver/Patzke)**

See Dropbox for the following reports:

USCA FY2014-15 Budget Overview - condensed v5.pdf

Board FY15 Budget cm.pdf

FY15 Budget Highlights vf.pdf

FY15 Budget Pie charts vf.pdf

- A. Operational budget with identified one-time costs- \$9.3K deficit
- i. Strategic initiatives proposed as part of budget
 - ii. Addition of new G&D and member services support, approved 100% of funding requests for members services
 - iii. Rationale for approved \$44k deficit in 2013
 - iv. 2015 Budget met with advisory groups in June
 - v. 2015 Budget consideration- if the anticipated deficit is achieved it will be cash flow positive, New items in budget include Members' Assembly expenses as well as costs related to the CEO search process and Legal Fees. WWUGs and Webstreaming of National's are unfunded priorities.

QUESTION- No changes in legal expense risk ANSWER- No changes at this time. An appeal has been filed to the USOC by an athlete grieving her removal from the Junior National Championship team, she has hired an attorney to represent her. We are currently in the USOC mediation process. At this point our response is to go to arbitration for two reasons, 1)they are asking for money damages for which there is no precedence 2)our liability carrier will only cover us if we go to arbitration or litigation. that way our expenses are limited to our deductible

- B. Motion to approve the 2015 Budget made by Chris Sjue, seconded by Jim Pleasants. Motion carries unanimously.

19. Fundraising responsibilities of directors (Carlson):

- A. Carlson thanked the Directors for their giving of time and talent to the organization, and then discussed the need for Directors recognize that it is their fiduciary responsibility to make the USCA financially viable and that needs to be demonstrated through individual giving at a meaningful level
- i. Proposed Policy introduced by Carlson- It is the policy and practice of the Board of the USCA, that each director will make an annual cash contribution to the USCA in an amount representing the best of his/her ability to give, reflective of his/her personal commitment to the mission and vision of the USCA
 - ii. Motion to adopt Carlson's policy proposal by Jennifer Stannard, second by Jeff Hannon
 Comment- Shouldn't this be presented up front before people are elected Directors in terms of expectations of what is required of Board Members
 Comment- There is misinformation among some members that this is a paid position, we need to communicate that we are doing this as a giving of our time and money for the love of the sport
 - iii. Motion carries Unanimously
- B. Appointment of Board level task force for fundraising- Jennifer Stannard, Courtney Schmidt Co-chairs

20. Old business-None**21. Discussion of creation of, and update to USCA Strategic Plan (Carlson/Neuburger):**

Dale Neuburger facilitator presentation- Explained why previous USCA Strategic Plans failed, and how to proceed to make the new Strategic Plan succeed. How to set our goals, who should we compare ourselves to and a definable, measurable "winning" . Do not try to be everything to everybody, but do what you do to the best of your ability.

22. New business:**A. Charlotte Curling Club-****i. Motion by Sean Silver**

Approval for up to a \$200,000 loan from the USCA to the Charlotte Curling Association funded by a loan in an equal amount from the WCF to the USCA with repayment terms as provided in the WCF Loan Program. This approval is subject to each of the following being satisfactory to the USCA CEO, Chair of the Board, Audit/Finance Committee Chair and legal counsel:

- a. Final business and project plans*
- b. A pledge of collateral consisting of cash, bank CDs or bank money market funds*
- c. Final loan and collateral pledge documents*
- d. Value of the collateral to be a minimum of 105% of the amount of the loan at all times*
- e. Final approval of the project and loan by the WCF*
- f. All USCA out of pocket expenses, including legal fees, to be paid by the Charlotte Curling Association*
- g. Other terms and conditions typical for transactions of this type*

ii. Motion seconded by Gwen Krailo-Lyons.

Comment- They are ready for the funds.

QUESTION-Have you seen the lease agreement ANSWER- The Board is approving delegating the final approval to Rick Patzke, Dave Carlson, and the Chair of the Audit/Finance Committee and our outside legal counsel, so that we do not have to revisit this later, and that would include the lease agreement. It is a long term lease that is favorable to the club.

iii. Motion carries Unanimously**B. Initiatives Presented by Chair- Need for Board Representation at sanctioned National Championships and to Get out and meeting constituents (bonspielling as Directors suggested)****C. Conflict of interest concern regarding Sean Silver being on Board and Ann Swisshelm being a member of staff. Mike Shalhoub reported that the Ethics committee reviewed the situation and found that there is nothing that would prohibit Ann being a Coach and Sean being on the board. Ann's pay is not decided by Sean, so there is no conflict of interest****D. Appointment of Chair of Audit/Finance- Dave Carlson asks Sean Silver to serve as Chair****E. Nominating/Governance to elect own Chair- Committee Elects Leland Rich to serve as Chair**

Section 22 (Continued)

- F. Appointment of Human Resources Committee and Chair
 - i. Dave Carlson indicates that Dean Gemmell (as AAC rep) and Chris Sjue will serve on the committee, and appoints self to also serve on the committee.
 - ii. Chris Sjue to chair the committee
 - G. Appointment of Chairs for Ethics and Judicial- Dave Carlson asks Kent Beadle to serve as Chair for the Judicial Committee and Michael Shalhoub to serve as Chair for the Ethics Committee
- 23. Adjournment for the day-** Motion to adjourn for evening by Jennifer at 6:20pm
- 24. Standing Committees Meetings**
- 25. Reconvene Board Meeting 9:51am**
- 26. Roll call**
- Present-** Dave Carlson, Jeff Hannon, Cyndee Johnson, Gwen Krailo-Lyons, Rich Lepping, Jim Pleasants, Courtney Schmidt, Sean Silver, Chris Sjue, Scott Stevenson, Nick Wellen Jennifer Stannard
- Absent-** Dean Gemmell , Dave Flippo, Nick Kitinski, Craig Brown, Maureen Clark, Allison Pottinger, Jared Zezel
- A quorum is present
- Non-Board Members Present**
- Andy Anderson(WCF Rep, Ethics Committee), Leland Rich(WCF Rep, Governance/Nominating Committee), Mark Swandby(WCF Rep), Rick Patzke(CEO), Sandy Robinson(USCA), Jessica Schultz(Ethic Committee AAC Rep), Michael Shalhoub(Ethics Committee), Russ Lemcke(Governance/Nominating Committee), John Wilson(Governance/Nominating Committee), Vic Huebner(Treasurer), Michelle Perry(TSE Consulting), Jennifer Geisacker(USOC- Sport Partnership Div), Dale Neuburger(TSE Consulting), Rick Adams(USOC- Chief, Sports Operations and NGB Relations), Beau Welling(WCF Rep), Gordon Maclean(Secretary)
- Announcements-**
- Nominating Committee: Leland- if there are any person you think is worthwhile to sit on committees let him know
- Jennifer Stannard- "elevator talk" at bonspiels, ask bonspiel chair for time to introduce to entire spiel that you are USCA Board and hit a few key points on what the USCA is doing and to ask for questions of Board members
- 27. Strategic Planning (Neuburger)**
- Dale Neuburger lead the Strategic Planning Session. He discussed the areas to be covered by a Strategic Plan development process. These areas are not meant to limit, but if these areas are covered it should make for a plan that meets our Mission Statement and represent a big step forward. He was looking for 2 or 3 initiatives in each of the following areas: Communication and Promotion, Sport Development, Membership Development, Financial Strength and Viability, and High Performance Success. Neuburger will come back to us in October with about 3 initiatives and activities to go along with them. Membership development expands out to a lot of the other things that we do. Michelle and Dale will put the ideas formulated in this session into a form for Rick that will then help us move forward.
- 28. Members Assembly- Pleasants**
- Talk it up to club presidents. It would be good for Board Directors to be present. Webinar Thursday Aug 28 on this meeting
- 29. Adjournment-** Motion to Adjourn by Gwen Krailo-Lyons 12:15pm. Next meeting date and location: Denver, October 10th to 12th, 2014