

Minutes

Special Meeting of the USA Fencing Board of Directors

June 30, 2017 in Salt Lake City, UT

Present: Donald Alperstein, Don Anthony, David Arias, Raquel Brown, Sam Cheris, Diana Hoadley, Alan Kidd, Lorrie Marcil-Holmes, Cody Mattern, Jeff Salmon, Laurie Schiller, Daria Schneider, Adam Watson

Guests: Peter Barton, Bob Bodor, Sam Callan, Kris Ekeren, Doug Hayler, Nicole Jomantas, Grant Jones, Melissa Jones, Bill Korbus, Lee Metcalf, Jim Neale, Kate Reisinger, Christine Simmons

I. Call to Order, General Information and Organizational Items

General Announcements

Remarks Mr. Anthony (Appendix A)

II. Consent Agenda Items (Mr. Anthony)

1. To approve the minutes of the April 18, 2017 and May 4, 2017 meetings.
2. To approve the financial reports for March, April and May 2017.
3. To accept the committee, task force and resource team reports.

Second Mr. Alperstein. Motion passed unanimously.

III. Executive Director's Report (Appendix B)

IV. Finance Update (Doug Hayler)

May Financials

Membership services total net income is currently \$59K behind budget. In December membership was \$90K behind budget so membership has been able to recover \$31K of this budget deficit. As of May 2017 membership revenue is \$86K higher than May 2016, which is an

increase of 4.8% over the prior year.

National Events total net income is \$177K higher than budgeted. It appears that this is mostly due to higher than anticipated participant numbers. Registration revenues for May 2017 were \$769K higher than May 2016 which is a 34% increase over prior year. Total expenses for national events increased by \$306K over the prior year which is a 16% increase.

Development is \$18K behind budget. As of May Development has secured \$182,500 in pledges for the Weapon-Specific Endowment (WSE) and the Stewards Initiative. We have received \$46,500 in payments from these pledges plus an additional \$5,000 donation from the National Fencing Foundation. A total of \$51,500 has been received.

Development is acting as an agent for the US Fencing Foundation, so the \$51,500 is revenue for the Foundation and not the association.

Sports Performance is \$12K behind budget. Apparel expense is \$47K over budget. We had budgeted \$30K in VIK apparel, however an agreement with APS has not been reached. We would still be \$17K behind budget if we had received the VIK apparel.

US International events finished \$35K behind budget. Unfortunately we lost a previously secured USOC sponsorship of \$25K that was discontinued when the Long Beach Grand Prix was moved from 2016 to 2017. We still would have come in behind budget even if we had received this sponsorship as expenses were \$14k higher than budgeted.

All other departments net income are tracking close to or ahead of budget. Mostly due to keeping expenses under budget.

Cash + Receivables exceeds our payables by approximately \$1,927K.

YTD net income is \$597K versus a budget of \$475K giving us a positive variance of \$122K. We do not anticipate any issues for the remainder of the fiscal year. We feel we are still on target to meet our budgeted year end net income of \$250K.

V. Legal Update (Jim Neale)

Everything on the legal front has been routine. The work has consisted of reviewing contracts, sponsorship agreements and Safe Sport issues. We just learned about a lawsuit involving a member club and coach who have been sued after an athlete was significantly injured at the club. The association has not been sued, but the coach and club were covered by the USA Fencing insurance policy which will affect the premiums for our insurance.

Motion (Mr. Anthony) to recess to executive session.

Second Mr. Kidd. Motion passed unanimously.

Executive Session

Present: Donald Alperstein, Don Anthony, David Arias, Raquel Brown, Sam Cheris, Diana Hoadley, Alan Kidd, Lorrie Marcil-Holmes, Cody Mattern, Jeff Salmon, Laurie Schiller, Daria Schneider, Adam Watson

Guests: Peter Barton, Kris Ekeren, Melissa Jones, Jim Neale

The board heard information on an insurance claim.

Motion: (Mr. Kidd) to return to the public meeting.

Second Ms. Schneider. No objection was heard.

Return to Public Meeting

Present: Donald Alperstein, Don Anthony, David Arias, Raquel Brown, Sam Cheris, Diana Hoadley, Alan Kidd, Lorrie Marcil-Holmes, Cody Mattern, Jeff Salmon, Laurie Schiller, Daria Schneider, Adam Watson

Guests: Peter Barton, Bob Bodor, Sam Callan, Kris Ekeren, Doug Hayler, Nicole Jomantas, Grant Jones, Melissa Jones, Bill Korbus, Lee Metcalf, Jim Neale, Kate Reisinger, Christine Simmons

VI. International Championship Exploration (ICE) Task Force Presentation

An oral report was given by Ms. Simmons with a recommendation to create a reserve of \$125K per year to host the 2020 JC World Championships. The deadline to submit our bid to the FIE is Sept. 1, 2017.

Motion: (Mr. Kidd) to establish a reserve of \$125K per year and submit a bid to host the 2020 Junior Cadet World Championships.

Second Mr. Watson. Motion passed unanimously.

VII. Tournament Summit Update (Kris Ekeren, Christine Simmons & Lee Metcalf)

Ms. Ekeren and Mr. Metcalf provided an oral report on the work of the tournament summit group and plans for the 2018 Summer Nationals and July Challenge that will be held in St. Louis, MO.

VIII. American Development Model & Coach Education Update (Sam Callan)

Mr. Callan provided an oral update on the American Development Model and coach education initiatives.

IX. Old Business (None)

X. New Business

Motion: (Mr. Schiller and Mr. Alperstein) To publish, in accordance with the USFA Bylaws Article XIV, Section 2.a, a notice of proposed amendment to the Bylaws to be voted upon at the 2017 Annual Meeting of the Board of Directors, and to provide a means by which comments of the membership relating to the proposed amendment may be commented upon for distribution to the Board prior to such meeting.

That the following language be added to the USFA Bylaws Article XII Committees, Commissions, and Task Forces:

Section 3. Committees of the Board. The President, with the approval of the Board of Directors, shall have the power to create and appoint the members of such committees as the President may deem necessary or appropriate for the management of the USFA, designate the Chairs thereof, and assign functions thereto. Notwithstanding the foregoing, the Board of Directors may, by a resolution approved by two-thirds of the members of the Board of Directors then in office, appoint, or provide another method for the selection of, the members of committees.

Rationale: This provides an alternative method for amending the By-Law on the appointment of members of Committees to allow the creation of a Nominating Committee and selection procedure for the Referees' Commission. The Board agreed to allow the referees a voice in the selection of the 6 leadership positions on the Referee's Commission in the summer of 2016 and in order to create a Nominating Committee structure that would be independent of the President and Board and consistent through time, this change in the By-laws is necessary.

Second Ms. Brown.

The motion was amended to read:

That the following language be added to the USFA Bylaws Article XII Committees, Commissions, and Task Forces:

Section 3. Committees of the Board. The President, with the approval of the Board of Directors, shall have the power to create and appoint the members of such committees as the President may deem necessary or appropriate for the management of the USFA, designate the Chairs thereof, and assign functions thereto. Notwithstanding the foregoing, the Board of Directors may, by a resolution approved by two-thirds of the members of the Board of Directors then in office, appoint, or provide another method for the selection of, the members of ~~committees~~ commissions.

Motion failed with only 5 of the 10 directors present voting in favor and 4 of the 10 directors present voting against and Don Anthony present but not voting per the Bylaws.

MOTION: (Mr. Alperstein) To adopt the following procedure for the disposition of requests for exemption from, or modification of, the policy requiring the presence of a rated referee as a condition of sanctioning competitions conducted under the auspices of the divisions:

RESOLVED: That any request by a division of USA Fencing for exemption from, or modification of, the policy requiring the presence of a rated referee as a condition of sanctioning competitions shall be submitted for consideration to the USA Fencing National Office, to the attention of the Director of Operations. The Director of Operations shall then, together with the chairs (or their designated representatives) of the Tournament Committee and the Referees' Commission, consider the request. That group shall determine whether good grounds exist for the exemption or modification. The Director of Operations shall inform the division submitting the request of the decision. Any such exemption or modification may be granted only on condition that there is in attendance for the duration of the subject competition an identified individual who is Safe Sport compliant, *i.e.*, who has passed the background check, completed Safe Sport training and holds a USA Fencing Professional Membership or its equivalent. This procedure does not apply to competitions that are part of a direct qualification path to National Championships (for which provision is made elsewhere).

Rationale: USA Fencing, to ensure compliance with the Rules of Competition and to minimize the risk of Safe Sport violations at local competitions organized under the authority of USA Fencing divisions, adopted a policy requiring the attendance at all such competitions of a rated referee (*i.e.*, one who has passed the practical and written referee examinations, completed the Referee Seminar, and holds a professional Membership or other membership category that requires Safe Sport compliance). Satisfying the requirement is a condition of extending USA Fencing sanction to the competition. This requirement is separate from the policy requiring the attendance of a referee rated 5 or above at division qualifying competitions. Some divisions have expressed difficulty or hardship in meeting the requirement for attendance of a rated referee at non-qualifying competitions, and have consequently sought exemptions from the policy or requested that it be modified on an *ad hoc* basis. There presently exists no procedure for resolving such requests. The present motion seeks to address the situation by specifying a means of doing so.

Second Mr. Schiller.

Motion failed with 2 in favor, 5 against, 2 abstentions.

Motion: (Ms. Schneider) to increase the 2017-18 member club fee increase by \$75 from \$450 to \$525 and coach (formerly professional) member fee increase by \$15 from \$105 to \$120.

Second Mr. Schiller. Motion passed with seven in favor, one opposed, and one abstention.

XI. Good and Welfare

The next meeting and annual retreat will likely take place on September 9, 2017. We will finalize the date soon.

XII. Recess to Executive Session

Present: Donald Alperstein, Don Anthony, David Arias, Raquel Brown, Sam Cheris, Diana Hoadley, Alan Kidd, Lorrie Marcil-Holmes, Cody Mattern, Jeff Salmon, Laurie Schiller, Daria Schneider, Adam Watson

Absent: Sam Cheris, Diana Hoadley

Guests: Peter Barton, Kris Ekeren, Melissa Jones, Jim Neale

The board received updates about on a vendor matter and sponsorship contract.

The board approved a contract extension.

The board received an update on two disciplinary panels.

The board adopted the recommendations of a disciplinary panel.

XIII. Adjournment

Motion: (Ms. Schneider) to adjourn.

No objection was heard.

Appendix A

President's Remarks
June 30, 2017

The world of fencing received great news this month with the awarding of the two additional medals in team events for men's foil and women's epee at the Tokyo Olympic Games by the IOC. This is extremely important for the growth and development of fencing around the world and for the Japanese Fencing Federation as well.

USA Fencing continues to make great progress on our Strategic Objectives. Our athletes continue to perform at the highest levels in the World. We were very successful at the Pan Am Zonal Championships earlier this month in Montreal, sweeping both the men's and women's foil events which was the talk of the International community. Our other teams also were highly competitive and we are on a very solid trajectory leading into the Tokyo Olympic Games.

Financially, we are continuing to be diligent and we are quite stable. We have very aggressive financial objectives in building our target reserves. This is often challenging given the complex dynamic environment of our sport and the unexpected changes in the day to day operations. The National Office and the board continue to be nimble in keeping on budget and making adjustments as necessary to stay within the parameters we have set for ourselves.

Governance was one of the major challenges we faced at the beginning of the previous quadrennium. The progress continues. I want to congratulate Donald Alperstein for his reelection to the board, Ann Marsh on her election and thank Laurie Schiller for his many years of service and we hope to keep him actively involved.

Safe Sport continues to move forward and the Center for Safe Sport is open. We will be joining the Center once the proposed bylaw change is approved in July. The National Office and our volunteers continue to spend an exorbitant amount of time on these types of issues and being able to shift this work to the Center.

The FIE Executive Committee met earlier this month with a primary focus on the changes and modifications being proposed to the Statutes for the upcoming FIE Congress in Dubai. The FIE Commissions and Councils are currently meeting in Lausanne. USA Fencing is well represented and we have leadership on throughout both Commissions and Councils with Sam Cheris as President of the Legal Commission and Stacey Johnson as President of the Women's Council. Fortunately, with our representation in the FIE, USA Fencing is in a position to protect the best interest of the sport of fencing and create a level playing field for our athletes.

The globalization of fencing is rapidly progressing and we are considered a leader in this globalization. From the many events I recently attended, including the Pan Am and Asian Zonal Championships, the attendance and presentation at international events continues to improve and develop. The international fencing community looks to USA Fencing as a leader in the progression and development of this globalization. We are strategically positioned to be a global leader because of the respect and trust USA Fencing has developed in the international fencing community over the years.

Appendix B



To: USA Fencing Board of Directors

From: Kris Ekeren, Executive Director

Date: June 21, 2017

Subject: Executive Director's Report

Please see the updates on the progress made on USA Fencing's identified business objectives.

Optimize Leadership/Operational Effectiveness

The volunteer committee application period has closed and we will begin the review of applications at the June board meeting. The International Relations committee has started discussion on succession planning for cadre positions and has a tentative plan in place for the current quad to include mentees in commission/council meetings and international events.

Achieve /Maintain Financial Solvency, Stability & Sustainability

We are on target to meet our 2016-17 budget goal of \$250,000 and should be able to meet the requirements for the operations reserve fund. The audit has been scheduled for the week of October 2nd.

Generate Sustainable Revenue from Internal and External Sources

The National Office continues to focus on diversifying revenue for the organization by expanding marketing and development efforts. We will meet or exceed our revenue goals for sponsorship, merchandise and tournament revenue for this fiscal year. In addition, there has been great progress on foundation initiatives, specifically with the Weapon Specific Endowment and Steward programs.

Optimize Qualification and Tournament Process

The Tournament Summit Team has begun meeting with the goal of reviewing tournament operations and making recommendations for 2018-20, while looking towards the 2020-24 quad. The discussion to date has focused on three areas: reviewing the points system/strength factor, the event pyramid and branding and presentation plans. The group hopes to meet in August and September 2017 and will update the board at the fall annual meeting. Christy Simmons will be presenting the International Championships task force recommendation during the Summer Nationals board meeting.

Grow and Promote the Sport of Fencing

Membership growth continues to hover at a 3-4% increase for the 2016-17 membership year. Feedback and stats from many of other national governing bodies shows that our increase is higher than most sports at this time. We are continuing to focus on several new initiatives with a goal of assisting clubs with grassroots growth.

Improve Sports Performance and Development

Congratulations to all of our athletes, coaches and cadre that were involved in the Zonal Championships. Again, we saw great results for Team USA and look forward to the upcoming World Championships.

Sam Callan will be providing the board with an update on the American Development Model at the June board meeting. Sam has also been working the Referees' Commission as the staff liaison.

Transform Culture of Fencing Leadership and Governance

The group that volunteered to review this business objective will work with Lee Metcalf and will finalize their recommendation in the near future.

Refine Organizational Structure of Fencing in the US

The National Office continues to work with the divisions resource team and to focus on regional events and exploring new pilot programs.