

USAT BOD Teleconference Call August 11, 2008
Minutes

At 5:57 pm MDT, Rob Kasper called the meeting to order.

In attendance:

Rob Kasper
Jeff Matlow
Joe Umphenour
Eric Averill
Melissa Merson
Celeste Callahan
Mike Greer
Jim Donaldson
Mark Fretta
Andy Kelsey
Skip Gilbert

Absent:

Brian Harrington

Executive Director Update

Skip Gilbert updated the Board on the 2008 Election, Hall of Fame, and the success of the USAT Youth National Championship event.

Resolution for Board Action

July 29, 2008

Subject: USA Triathlon Statement of Investment Policy Objectives & Guidelines 2009

Background:

The USAT Statement of Investment Policy Objectives and Guidelines (IPOG) was originally created on March 4, 2005 as a means to guide USAT's investment decisions. Since then, the IPOG have never been altered.

Over the years following the development of the IPOG, there have been dramatic changes in the US financial market that have an effect on USAT's investment decisions. In order to stay current in today's financial market the language of the IPOG requires updating.

Financial Impact:

Likely to impact USAT's net worth positively over the long run.

Relevant and Affected Bylaws, Rules, and Procedures

Bylaws

None

Rules

None

Procedures

Investment Policy Objectives and Guidelines, March 4, 2005

Whereas the current state of the US financial marketplace implores a reassessment of USAT's investment guidelines; and

Whereas the Investment Objectives of the USAT Statement of Investment Policy Objectives & Guidelines have become inconsistent with USAT's overall investment goals;

Now therefore be it resolved that the wording of the "Investment Objectives" and "Specific Investment Goals" of the USAT Statement of Investment Policy Objectives & Guidelines be amended to read as follows:

INVESTMENT OBJECTIVES

Specifically, the primary objective in the investment management for Plan assets shall be:

Long term Growth of Capital – To emphasize long-term growth of principle while avoiding Excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the Volatility of comparable market index.

The secondary objective in the investment management of Plan assets shall be:

Liquidity – To ensure the ability to meet all expected and unexpected cash flow needs by investing in securities, which can be sold readily and efficiently.

The tertiary objective in the investment management of Plan assets shall be:

Preservation of Capital – To minimize the probability of loss of principal over the investment horizon. Emphasis is placed on minimizing return volatility rather than maximizing return.

SPECIFIC INVESTMENT GOALS

An absolute rate of return of 5-8% per annum.

**Submitted by: Jeff Matlow
 On behalf of Skip Gilbert and the Investment Committee**

Jeff Matlow motioned, Eric Averill seconded to accept the USA Triathlon Statement of Investment Policy Objectives & Guidelines 2009 resolution.

Motion passed unanimously.

Resolution for Board Action

September 10, 2007

Subject: Athletes Advisory Council (AAC) Membership

Background: USA Triathlon's AAC is comprised of five athletes who are current elite athletes.

Besides the requirement that the athletes meet USAT's elite membership criteria, there are no further performance requirements to serve on the AAC.

However, the USOC has recommended (but not mandated) that USAT's AAC members meet the same criteria that's required of elite BOD reps (see below):

An athlete must have "represented the United States in the Olympic, Pan American or Paralympic Games, World Championships, or an event designated as an Operation Gold event within the ten (10) years preceding election."

The only difference being, BOD athletes must meet the criteria for ITU racing, while AAC members could meet the criteria in any USAT discipline (triathlon, long distance triathlon, duathlon or aquathlon).

Making this change to the composition of the AAC has several benefits. First, it opens up the pool of athletes to those who are retired (the current criteria requires athletes to be active elites). Second, it addresses the fact that successful athletes generally have the most experience and the best understanding of what it takes to make it to the top, therefore better equipping them to make policy decisions/recommendations to USAT. Third, it alleviates some of the pushback and challenges the AAC receives from the USOC, USAT and National Team Members when lower performing (or unknown) elite athlete reps make policy decisions that affect the highest performing athletes or even the Olympic qualification process.

The second part of the resolution is to require each USAT Elite Board representative to automatically serve as an AAC representative (e.g. when an athlete runs for the Board, they are also running to be on the AAC). Since USAT's elite Board members are currently included in all AAC communications, votes and decisions, there will be no change to the workload of elite Board reps. This change will decrease the total number of elite representatives from eight to five (3 BOD/AAC reps and 2 AAC-only reps), which is a more efficient and workable size. It will also insure that there is significant ITU athlete involvement on the AAC.

Financial Impact: None.

Relevant & Affected By-Laws and Procedures:

Bylaw Article X1, Section 2, (e):

The Athletes' Advisory Council shall consist of five (5) members, each of whom shall be selected by and each of whom shall be a member of the Elite Pool (as defined in Article VI, Section 2 above). For the year 1997, the members of the Athletes' Advisory Council shall be the persons serving on the Board of Directors of the United States Professional Triathlete and Duathlete Commission immediately prior to the dissolution of the United States Professional Triathlete and Duathlete Commission.

Whereas, the current bylaws require AAC members to be current, active elites, however it's advantageous to include retired athletes since they are more experienced and less personally involved in the sport.

Whereas, this change would align the AAC with the USOC's policies (note- this isn't required of the AAC, however it's recommended by the USOC);

Whereas, the most experienced athletes have the best base of understanding of the intricacies of the sport;

Whereas, having lower performing elites on the AAC leads to less credibility for decisions;

Whereas, it is expected that USAT would be more likely to use the AAC as a trusted advisor if the athletes comprising the Committee have a strong understanding of and experience at the highest echelon of performance;

Whereas, all USAT elites will still be encouraged to reach out to the AAC with any concerns or issues. The AAC would still be responsible for representing elite athletes at all levels.

Whereas, a working group of five elites will be easier to recruit, easier to manage and more efficient than a group of eight elite reps.

Now therefore be it resolved that Bylaw Article X1, Section 2, (e) be changed to the following:

The Athletes' Advisory Council shall consist of five (5) members, each of whom has represented the United States in the Olympic, Pan American, Paralympic Games or Elite World Championships in triathlon, long distance triathlon, duathlon or aquathlon within the past ten (10) years or whom has finished in the top-15 at Ironman World Championships within the past ten (10) years preceding the election. Further, the three elite athletes elected to USAT's Board of Directors shall automatically hold three of the five slots on the AAC.

This change will take effect January 1, 2009.

Submitted by:

Joe Umphenour, USAT Board of Directors Member

Rob Kasper explained that this resolution was allowed to come for a direct vote of the Board, not recognizing that it would entail a bylaw change, and therefore a mandatory 30 day posting on our website for member review and comment (Article XXI, Section 4.d.(3) - passed by membership vote in 2006). Rob suggested the proper way to handle this issue would be to vote to rescind the resolution, followed by a vote to post for membership review. Once the resolution has been properly posted with proposed bylaw language for thirty days, the Board will vote once again to adopt the resolution.

Joe Umphenour motioned, Celeste Callahan seconded to rescind the Athletes Advisory Council (AAC) Membership resolution.

Motion passed unanimously.

Joe Umphenour motioned, Mike Greer seconded to post the Athletes Advisory Council (AAC) Membership resolution on the USAT website for 30 days.

Motion passed unanimously.

Strategic Plan

The Board discussed the Strategic Plan and proposed recommendations as well as posting on the USAT website.

Eric Averill motioned, Jim Donaldson seconded to post the Strategic Plan on the USAT website until September 1, 2008.

The votes as recorded:

Mike Greer – yes

Jim Donaldson – yes

Celeste Callahan – yes

Mark Fretta – yes

Andy Kelsey - yes

Eric Averill – yes

Joe Umphenour – yes

Melissa Merson – no

Jeff Matlow – abstained

Motion passed.

At 7:00 pm MDT Mike Greer moved that the meeting be adjourned.