Minutes
USA Triathlon Board of Directors
Board Meeting
Grand Hyatt DFW, Dallas, Texas
November 3, 2012

Board Members:
Brian Harrington - via conference call
Dave Kuendig
John Lines
Vince O'Brien - via conference call
Victor Plata
Barry Siff
Steven Sexton
Kevin Smeltzer
Kevin Sullivan
Bob Wendling, President
Jack Weiss

Absent: Chuck Baker

Staff:
Rob Urbach, CEO
Amy Drown
Sharon Carns

8:00 am Meeting Convenes / Roll Call – Bob Wendling Central America
• President's Opening Remarks

• Approval of Minutes
Motion to table approval of the minutes of 10.1.12 (Sullivan/seconded)
Motion approved by voice vote
Motion to table approval of the minutes of 10.10.12 (Sullivan/seconded)
Motion approved by voice vote
Motion to table approval of the minutes of 10.15.12 and 10.16.12 (Sullivan/Seconded)
Motion approved by voice vote

• Treasurer's Report (Jack Weiss)
(See Attachment)
Investment review - USAT is doing fine, the stock market is doing well, the advice of financial advisor indicates that the National Election will not likely impact portfolio, but events in Europe might..

• CEO Report (Rob Urbach)
Slide presentation of the current status of USAT.

Discussed recent athlete deaths in triathlons and the benefits of sanctioning; membership increase; initiatives to retain members - membership is at an all-time high; event growth; club growth; USAT goals; Elite Triathlon Academy update; Century Club; ROI calculator for membership; Splash and Dash youth series; sanctioning portal; San Diego event; sponsorship (61% growth from 2009); Medical panel report; Burlington AG Nationals; website; social media; paratriathlon; real-time verification of 1-day licences; culture; fundraising (Foundation); Race Calendar; Results Database; Super Sprint Series.

9:00 am Board Membership and Voting – Bob Wendling
• Impact of AB1233, Membership, and Historical Votes
Motion to go into executive session (Smeltzer/seconded)
10:26pm Board came out of executive session

• Colorado Incorporation
Resolution presented regarding incorporating USAT in Colorado.
Call for orders of the day (Plata) - the resolution is new business and out of order.
President found the Call for Orders of the Day timely and postponed the consideration of the motion until the following day.

• 2012 ITU Nominations and Elections
Motion to go into executive Session (Weiss/Seconded)
Motion to go into executive session approved by voice vote
Board came out of executive session at 11:20 am

Committee Reports and Discussion Items
• Age Group Drug Testing – Barry Siff
A USAT age-group athlete tested positive for performance enhancing drugs out-of-competition.
Discussion regarding age-group testing.

• Super Sprint/F1 Triathlons – Barry Siff
Discussion of Super Sprint triathlons

• Social Media Policy Introduction (Attachment) – John Lines
Presented a draft social networking and blogging on the internet policy. Action Item: draft policy will be forwarded to Judge Jones for review (Sullivan)

• Board Access to USAT Records (Attachment) – Kevin Sullivan
Discussion regarding the access to records recommendation by the Nominating and Governance Committee. The proposal was amended to revise the following sentence beginning, "In the case a director wishes to examine sensitive material" to include "an appropriate non-disclosure agreement," and strike "prepared by outside counsel."Revised version of the paragraph is as follows:
2. In the case a director wishes to examine sensitive material, for example documentation related to an ongoing election, the requesting director shall sign an appropriate non-disclosure agreement

Motion to accept the recommendation of the N&G committee regarding Board access to USAT records as amended (Lines/Seconded)
Motion accepted by unanimous voice vote.

12:02 pm National Budget (Rob Urbach)
Presentation with an overview of the budget.
• IT
• National Events
• Sport Development
• National Office
• Event Services

There was a break in budget presentation to allow for Regional Chairs to make presentations.

12:50 Regional Council Chairs Present Budget. Regional Chairs gave brief presentations regarding the programs from their regions.
• Florida
• Mid Atlantic
• Mideast
• Midwest
• Northeast
• Pacific Northwest
• Rocky Mountain
• South Midwest
• Southeast
• Southwest

Continuation of budget presentation (Urbach)

Motion to adjourn until tomorrow morning (Weiss/Seconded)
Motion approved by voice vote.

Sunday, November 4, 2012

Board Members:
Brian Harrington
Dave Kuendig
Brian Harrington - via conference call
John Lines
Vince O'Brien - via conference call
Victor Plata
Barry Siff
Steven Sexton
Kevin Smeltzer

Kevin Sullivan
Bob Wendling, President
Jack Weiss

Absent: Chuck Baker

8:00am Call to order

Motion to go into executive session (Siff/Seconded)
Motion approved by voice vote.
Kuendig and Sexton voted against the motion.

8:49am Board came out of executive session

• State of Incorporation (Jack Weiss)
Resolution was presented (Attached)
Motion to accept the Resolution regarding Reincorporation of USAT into the State of Colorado (Weiss/Seconded).
Friendly amendment to add the language as an additional WHEREAS (Lines)
"Whereas Articles of Merger will be filed in CA reflecting that the CA board will be the surviving Board"
Amendment accepted by unanimous consent.
Motion to accept the resolution approved by voice vote
Steve Sexton voted against the motion.

Motion to increase the elite license fee to equal the age-group license fee (Weiss/Seconded)
Motion accepted by unanimous voice vote.

Continuation of budget presentation from the previous day (Urbach)
• High Performance
• Marketing & Communications
• Other

Final Budget Consideration
• Budget Approval

Motion to accept budget as presented with the addition of $20,000 to the regions subject to justification and approval, $6000 to the IR Committee for travel, and $22,000 to the high performance budget for incremental direct athlete support, and High performance budget internal allocation subject to AAC approval. (Sexton/Seconded)
Motion approved by voice vote

Departing Board Member, Dave Kuendig, was recognized for his service to the Board.

Motion to go into executive session (Lines/Seconded) 11:51am

Motion approved by voice vote.

Board carne out of executive session 12:00

Motion to adjourn (Weiss/Seconded)
Approved by voice vote.

Social Networking and Blogging on the Internet

As part of USA Triathlon's comprehensive approach to information security, these provisions have been created to address issues that may arise from the creation, participation or use of blogs, Facebook, Twitter, YouTube or other social networking opportunities on the internet. These personal web pages, online diaries and other means of communicating online are open to anyone to read and will exist in cyberspace indefinitely. We respect your right to view and use social networking sites, such as Facebook, Twitter, YouTube, personal web sites, and "Blogs" on your own personal time. At the same time, we all must recognize that given our positions with USA Triathlon, the things we post on-line may have an impact upon and reflect negatively upon USA Triathlon.

Directors and volunteers are representative of USA Triathlon even when not conduction official business. Conduct in public and on the internet can impact the opinion of Colleagues, members, potential members, other NGB's, regulatory bodies, the USOC, potential donors among others.

Blogging/Social Networking Guidelines

- You should not use USA Triathlon equipment or materials to create, update, maintain or in any other way support a blog or other social networking sites.

- If you choose to blog or use the internet for social networking on your own time, you should make it clear to your readers that the views you express are yours alone and that they do not reflect the views of USA Triathlon. To help reduce the potential for confusion, we would appreciate it if you put the following notice – or something similar – in a reasonably prominent place on your site. "The views expressed on this website/weblog are mine along and do not reflect the views of USA Triathlon."

- DO NOT disclose any information that is confidential or proprietary to USA Triathlon.

- Written permission from USA Triathlon is required before you may use USA Triathlon logos, trademarks or reproduce any Company material on your site, otherwise such use is STRICTLY PROHIBITED.

- You must be respectful in all communications. Obscenities and profanity should not be used. You MAY NOT use ethnic, racial, gender, political or religious slurs in your blog or social networking site, nor may you post obscene images or sexually explicit material.

- You must not relate stories or information regarding members or other Colleagues learned from your position at USA Triathlon.

- Social network, personal websites, or other means of communication must not be used to harass others.

Violations of these policies may result in an ethics violation.

USAT Treasurer's Report for BOD Meeting Nov 3, 2012

Federation's Financial Status:

--Membership is up overall

-Youth Annual: -38.71% **

**Actual purchases 2011 v 2012 -38.71% (45,709 youth v 28,013 youth)

-Youth Annual: Aug 2012 versus Sept 2012: 33,007 v 28,013

-Youth One Day: 23,123

-2012 Youth 1 Day + Annuals: 51,133 v 45,709 for 2011(Sept 30)

---Actual Youth participation 2012 v 2011): +10.03%

-Adult: +6.83 %

-Overall Membership: -6.96%

-Sanctions: +2.04%

-Youth Sanctions: 7.6%

--Membership in $$

--Youth Annuals: 2012 v Budget: + 35.96% (227.2K v 167.1K)

--Adult Annuals: 2012 v Budget: +10.4 % (3,334.5K v 3,020.9K)

--Elites Annuals: 2012 v Budget: -38.8%

--Youth 1 Day: $231,230 Non-Budget item

--Adult 1 Day: 2012 v Budget: 8.4%

--Youth Sanctioned Events:

--2011 v 2012: 7.6% (871 v 937)

MEMORANDUM

To: Bob Wendling, President, USA Triathlon Board of Directors
From: Nominating and Governance Committee
Date: August 12, 2012
Re: Board of Directors Rights to USAT Documents

Issue

Does a member of the Board of Directors have the right to request and review internal USA Triathlon documentation?

Conclusion

Pursuant to California Corporations Code Section 6334, every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation of which such person is a director.

Background

USAT Triathlon is a California corporation granted not for profit status under Section 501(c)(3) of the Internal Revenue Code.

Discussion

On July 2, 2012, the Board of Directors moved to have the Nominating and Governance (N&G) Committee investigate the rights of board members to access USAT documents. The N&G Committee met and reviewed the applicable California statute.

While the law is clear with respect to a director's right to examine documentation of the corporation, at times the application of the law may require the exercise of prudence. Therefore, this committee would make the following recommendations

to the Board for their consideration on handling such director requests for documentation:

1. In the case a director wishes to examine USA Triathlon documents, a formal request is made in writing and delivered to the Executive Director with all members of the Board carbon copied. The request shall include the purpose and intended use for which the documents are being requested, as well as a requested time for delivery.
2. In the case a director wishes to examine sensitive material, for example documentation related to an ongoing election, the requesting director shall sign a* non-disclosure agreement ~~prepared by outside counsel.~~

*an appropriate

Respectfully submitted,
Elizabeth Farnan
Chair
Nominating and Governance Committee