



Member, U.S. Olympic Committee

USA Surfing, Inc.
1001 Avenida Pico
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USA Surfing Board of Directors Meeting
Minutes
August 20, 2020
5:00 p.m., via Zoom-Teleconference Meeting

I. CALL TO ORDER – 5:10 p.m. - Chair Beal

a. Welcome-Beal

Beal welcomed attendees and thanked them for their time and hopes that everyone is doing well. Thanks to Becky for all the great media. Welcome Brett and congrats on your appointment as the official USAS Olympic Coach.

Beal advised that he is in regular communication with members of USOPC on a range of issues. Given the start and newness of this NGB it is important that they keep informed as to my perspective of how things are going. Feels they are pretty positive about the perspective and progress of the NGB. Optimistic to have an in-person meeting in the near distant future with our BOD. Schedule a meeting for mid- to late-fall, and would like it to be a two-day with BOD training, Strategic Plan, etc.

b. Roll Call- Tilly

Directors: Doug Beal, Chair; Chad Faulkner, Secretary; Randy Brecher, Treasurer; Kevyn Dean, Courtney Conlogue, Kevin Schulz, Jason Velez, Charlie Setzler, Christiaan Bailey, Don Schaaf

Staff: Greg Cruse, CEO; Andrea Swayne, COO, Kim Tilly, Administrative Coordinator

Guests: Steve Rosen, Advisor/Counsel); John Ruger, USOPC Advisor; Tom Mistele, USOPC Advisor

Absences: None

Declaration of Quorum: A quorum was declared present.

II. BOARD ADMINISTRATION

a. Approval of Agenda

Motion to Approve Agenda made by Charlie Setzler, seconded by Kevyn Dean, all in favor, no opposed. Motion approved.



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b. Approval of 5-14-20 Minutes

Motion to Approve Minutes as presented made by Randy Brecher, seconded by Charlie Setzler, all in favor, no opposed. Motion approved.

III. MEDIA/PR REPORT-Fleischauer

- a. Goal-Elevate USAS as the NGB for Olympic Surfing
 - i. Grow and diversify our audience
 - ii. Strengthen our influence
 - iii. Demonstrate how we put athletes first
- b. Media Coverage – More and higher quality than any other summer sport
- c. Challenges – Awareness to public of USAS and surfing is now in the Olympics
- d. Social Content Engine- Continues to grow without concerted paid campaign. The goal is to rally core and grow new audiences. Instagram is strongest with 31k followers; Twitter is channel important for journalists; Facebook is weakest, but also most responsible to paid efforts. Highest performing posts are CT surfers and juniors.
- e. Content – Calendar – Connections
- f. Strategic Plan – Editorial calendar, team/talent engagement, media trainings
- g. More packaged content, media summit plan B, paid ads, improve channels (website, virtual, newsroom, video, etc.)
- h. More intentional metrics tracking and reporting
- i. Leveraging media coverage with sponsors.

IV. ATHLETE REPORTS

- a. **USOPC AAC Athlete Rep. report (Conlogue)**

Athletes happy with event to be held in Waco and Carissa excited and enthusiastic. AAC is adapting to what is happening with the postponement of Tokyo and more answers in the next month.

Beal advised that the Moran Commission made 39 or 40 recommendations of an interim scorecard of how USOPC is moving towards those recs, many of them already done or well on their way. Dramatic change for the USOPC. Senate Bill will have greater contribution to SafeSport agency, more oversight by government to the Board of USOPC, increased athlete participation. Lots of oversight issues and changes at USOPC.



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b. Para Athlete Rep. (Bailey)

All adaptive contests postponed indefinitely. One to be held in Bristol at wave pool later. If international travel doesn't ease up, it won't happen. Looking forward to Waco training. Athletes feel the question is not if they feel safe, but more about government border shutdowns and travel restrictions. If USA Championships are held athletes will participate but probably not as many as usual.

c. AAC Athlete Rep. Alt. report (Schulz)

Athlete participation depends on border regulations but if we can activate on domestic tour, it would be great if we could provide that for the athletes.

d. Junior Team training Conlogue)

Development team is great, and coaches love what is happening with juniors. Trying to make that happen more often as it is needed. Noticed the camaraderie with the teams and that is terrific.

e. Olympic Team training/Communication/Event schedule (Simpson)

Waco Olympic Training Camp: Athletes briefed and confirmations of attendance in process. Traveled to Waco meet and discuss event. Need a confirmation as soon as possible as we are three weeks out.

WSL starts in November; they will be hard pressed to get stuff going. Advised that Greg working with the Hawaiian Senator regarding quarantine issues. Need to get the 14-day quarantine lifted for the Hawaiians, as that is the biggest issue. Athletes are excited to surf and come, it is just a bit stressful for them. Everyone is healthy. Good communication with everyone.

V. CEO REPORT- Cruse

a. Disposition of HPP funds not spent in grant year- 2019 funds have been charged back, including equipment costs that are at issue. Waiting for USOPC disposition. Taking position in audit that it will be paid back.

b. Sponsor update – No new action. In contact with all sponsors, they are extending contract through 2021. Toyota sponsorship cuts possible.

Blue Diamond Almonds – Extended thru Olympics. Provided a video using some Big Wave Tour Surfers for use in sales meeting. Blue Diamond was very happy with it.



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Oura – New sponsorship. Sending a representative to Waco event to educate on the importance of sleep and how using Oura is beneficial, including taking your temperature consistently which is one of the first symptoms of COVID. Mailed sizing boxes to athletes and working with sponsor to educate athletes in use.

Oakley - Signed sponsor; receivable still out. The representative we were working with has been furloughed due to COVID. Advised invoice is in process but not releasing donation until things settle down due to COVID.

c. Recent Senate legislation re USOPC/NGBs - Additional oversight will put a burden on NGBs from an administrative level, which in turn, may result in additional funding and resources from USOPC. The USOPC published their 990 and it shows that USAS is one of the NGBs receiving the least amount of funding for services.

d. Website - Ready to flip to new one. Held off on putting the changeover at least until Giving Games completion.

e. Event calendars (all) COVID effects/COVID-19 policies and documents - Received permission to run team training in Oceanside. Permit was written as an official training site for USAS. Allowed to run on weekdays at no cost. Team and development training last week went well, would like to do every two weeks if possible. Kids home schooling and San Diego received relief from State restrictions, allow youth events for 25 or less. Can hold an event and put a barrier on beach around event and let in surfers in for heat, prepping and standby. Should be able to run Prime events. Looking toward September to possibly run our fifth event of six. Oceanside feels like it will do events at 250 or less, which we can do our State Champs there. Once OC is taken off watch list, we could do at HB. Due to other organizations canceling events, we could possibly hold event at lower Trestles and open up invite to all other member organizations to come and compete in California. It opens up how we can handle and increase membership, etc.

Planning on running event in November at Hatteras. I think we will be able to run at Salt Creek if they open up the 25 or less.

e. Insurance (D&O, etc.) - Event insurance. Secured insurance at \$5M level. Covered on COVID, received prior to team training. D&O Insurance, Mistele requested increasing coverage to \$2M. Our agent couldn't meet it. Looking into other providers.

f. Sport Benefits Report - Two athletes take advantage of the insurance.



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g. Olympics update – Not much to report. International travel Zoom call with USOPC attended recently. Want to run team training in Japan before WSL events in November. Have funding we can allocate to that. Japan protocols are the toughest regarding COVID. It is a fluid situation.

VI. COO REPORT – Swayne

a. OC COVID Relief Grant & Computer Purchase – Applied for and received a \$10,000 COVID Relief Grant from the County of Orange. Grant funds to be used for accounts payable, working capital, insurance, rent, etc. Per our Financial Policies & Procedures, a request was put through to Chair and Treasurer to use some funding for USAS computers. Staff currently works on their own personal devices with limited storage, etc. Per California law, USAS is required to have a policy in place and compensate staff for the use. It is in the best interest of USAS to purchase three staff computers. Received approval for the expenditure of \$6,000.00.

b. Policies update - Confidentiality Policy Agreement – Policy was created and provided on SLACK to the BOD. Recommended its adoption into the suite of policies for USAS, and to be part of the onboarding for BOD, staff, etc. Mistele advised of some edit recommendations. Swayne called for a motion to approve with said edits/corrections.

Doug Beal made the motion to approve the Confidentiality Policy with the noted and approved edits, Charlie Setzler seconded, all in favor, none opposed

c. Accounting procedures - Tilly training on Altruic accounting.

d. Employee Handbook – Purchased Cal Chamber Handbook Software per recommendation from Mistele. Staff has completed the handbook.

e. Workers Comp Insurance – In place.

f. SafeSport compliance –Additional oversight and admin requirements and audits announced. Addition of compliance onsite audits. As soon as events startup we will have our first onsite visit.

In person BOD and coach training on SafeSport Code and MAAPP is now required annually. Originally scheduled when this was an in-person BOD meeting but postponed due to COVID restrictions. A SafeSport representative will lead the training.

g. Giving Games - Fundraiser campaign held in July. Great social media presence, Athletes participation with media, and our BOD contribution to the Medal of Giving competition helped to secure \$17,000 in direct contributions. Medal of Giving competition medals went to our



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three Board Members – Gold, Chad Faulkner; Silver, Don Schaaf; Bronze, Randy Brecher. We also procured new donors via this campaign. Thanks to everyone for participating and supporting the cause.

h. SFIA Report – Participation reports shows 2018-2019 had loss of traction with significant drop off of Surfing & SUP, which was in the top 10 aspirational sports list previously. Report coincides with SUP being recently awarded to ISA so look for a comeback. Participation will increase after Olympics. Report shows 60/40 split in male to female participation - down by 2%. Full report posted to SLACK.

i. Membership - Sport80 – Continue to work on membership structure and roll out. Work on tying in a national ranking system. Opening USA Champs to regional competitors will provide a “level set” for national ranking system.

VII. BOARD CHAIR REPORT & DISCUSSION – Beal

- a. Board training / onboarding – Fall two-day in-person setup requested.
- b. Strategic Plan revisit – Need a group to take a deeper dive into the plan. Will reach out to BOD to start working group.
- c. Proposed meeting schedule for remainder of 2020 – Will advise.
- d. USOPC conversations updates – Fluid at this point. Will put together a Tokyo prep working group.

VII. BYLAWS WORKING GROUP REPORT (Mistele/Rosen)

- a. Refer to Mistele memo in SLACK regarding revisions and updates. Discussion regarding memo. Beal appreciates the time the advisors have spent and understands there will be changes as the NGB progresses. He called for a motion to approve as presented.

Motion made by Jason Velez to approve the Amended & Stated Bylaws as presented and any particular issue regarding indemnification. Charlie Setzler seconded, all in favor, no opposed.

Beal advised that USAS will look into the issue of indemnification at a later date.



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VIII. COMMITTEE REPORTS

a. AUDIT & FINANCE (Brecher)

- i. 2018 Independent Audit completed. (See Brecher report on SLACK)
- ii. 2018 Independent Audit Report received and working on recommendations.

Motion made by Jason Velez to approve the 2018 Audit as presented, seconded by Charlie Setzler, all in favor, none opposed.

- iii. 2018 990 Tax Returns – Completed and returns filed.
- iv. 2019 Independent Audit - Working with auditors for scheduled time. Require two to three weeks to incorporate 2018 into 2019 with Altruic.
- v. Financial Policies & Procedures - Presented to BOD for review on SLACK. No questions received. Asked for a motion to accept the USAS Financials Policies & Procedures and also a motion to accept the 2018 Independent Audit as presented.

Motion made by Jason Velez to approve the USAS Financial Policies & Procedures as presented, Seconded by Don Schaff, all in favor, none opposed.

- vi. Financial Statements –Due to recent completion of Independent Audit, Altruic needs to incorporate changes made into 2019 and 2020, to represent current and accurate numbers. Will be sent out once received.

CRUSE reported that all the grant money is allocated with a percentage applied to each project, how much spent to date and how much remains. Still have Q4 payments to come in October. Took events we want to run, Champs and two Prime events, and all other admin expenses, pulling out expenses that are covered by grants to formulate what he believes our probable expenses will be, how much we have to save for restricted, etc. We are solvent through end of year, not taking into account any additional sponsorship, donors, etc. Requesting to reallocate funds and waiting for approval by USOPC. Funds are being held separately/restricted. Documents will be posted on SLACK.

- vii. BUDGETS – Revenue recognition with COVID done and received conflicting advice as to how to account sponsorship revenue for 20/21. Cruse advised that Deloitte is sponsor of USOPC and individual Jeff Eggerton has offered to work with USAS regarding financial advice, especially regarding budgets and sponsorship revenue accounting.



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b. COMPENSATION ADVISORY GROUP (in closed session at end of agenda)

c. NOMINATING & GOVERNANCE COMMITTEE – Nothing to report (written)

d. JUDICIAL COMMITTEE–See written report attached

e. ETHICS COMMITTEE– See written report attached

IX. NEW BUSINESS

None.

X. ADJOURNMENT – Beal

**Motion by Beal to adjourn the meeting, seconded. Motion approved and passed.
Adjourned at 7:31 pm**



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JUDICIAL COMMITTEE REPORT

Date:

Committee Members: Chair Bill Green, Henry Loubet, Jordy Collins, Jamey Federico

ITEMS:

- No formal complaints at this time
- Updating “Adjudicating SafeSport Cases Under the Jurisdiction of USA Surfing” document to reflect SafeSport Code 2020 updates



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ETHICS COMMITTEE REPORT

Date:

8/20/20

Committee Members: Chair Judy Faris, Sue Krogsdale, Colin McPhillips

ITEMS:

- Onboarding seminar on 5/25/20
- 6/9/20 – EC Committee Meeting via Zoom
 - EC reviewed the newly completed Conflict of Interest forms and has been discussing their concerns
 - 1 COI was discussed further and dismissed
 - 3 COI's required additional information from the Individual
 - Requested Staff provide info on what role each of the Individuals who submitted the COI form were and what role they have
 - Requested Staff look into other NGB's Ethics policies and see how they compare
- 7/27/20 – EC Committee Meeting via Zoom
 - Had 2 COI forms with individual follow up which resulted in reminding individuals to Declare and Recuse when appropriate
 - 1 Outstanding COI matter is contractual and is being reviewed by USAS Legal Counsel, Steven Rosen