

USA Cycling Meeting of the Board of Directors

In person – Hartford, CT

December 12, 2022

Nancy Cowan, presiding Secretary called the meeting to order followed by a formal roll call:

Greg Allen	<input checked="" type="checkbox"/> Present
Matt Barger	<input checked="" type="checkbox"/> Present
Chad Blankenship	<input checked="" type="checkbox"/> Present
Mike Cole	<input checked="" type="checkbox"/> Present
Lucia Deng	<input checked="" type="checkbox"/> Present
Maddie Godby	<input checked="" type="checkbox"/> Present – via Zoom
Dereka Hendon	<input checked="" type="checkbox"/> Present
Cari Higgins	<input checked="" type="checkbox"/> Present
Meredith Miller	<input checked="" type="checkbox"/> Present
Mel Strong	<input checked="" type="checkbox"/> Present – via Zoom
Alison Tetrick	<input checked="" type="checkbox"/> Present

Guests: David Patterson & Holly Shick with USOPC

CEO Brendan Quirk brought up the NGB audit process required by the USOPC for NGB certification, requirement for conflict of interest disclosures and the requirement to disclose any conflicts to the entire board at the annual meeting. Introduction of David Patterson, Senior Governance Advisor, USOPC.

Matt Barger, Chairman, made some introductory remarks including agenda items for the meeting that include an election for a new Chairman and Vice-Chair, and made statements about this being his last meeting with the USAC board after 13 years of service and has enjoyed his involvement in the sport of cycling. Other agenda items include the 2023 budget that will be presented at today's meeting, and mentioned that the proposed budget has been reviewed by the finance committee prior to this board meeting. The last agenda item is the discussion on the process for the CEO performance review and timing.

Brendan kicked off with his comments on CEO objectives, state of the organization and updates on athlete successes and sport performance recap, innovation/equipment partners, technology grant from the USOPC and going forward into Paris & Los Angeles Olympics. Reinvigorating talent ID and development programs, focus on athlete support and Jim will speak further on sport performance and his team. Comments on Foundation fundraising strategy going forward, and press release going out shortly on our new Bentonville office – the Home of MTB. In talks with BMX and Tulsa venue. Selection process reform is a top priority for USAC. Membership revenue is up from 2019, rider days trending up, working on strategies and investments for growth. Focus on investment in collegiate growth, and hiring Collegiate director. Better support

for race organizers and clubs, and Erika will touch on that strategy in her presentation. Briefly touched on event insurance and negotiations for general liability. Working on our social impact – i.e. *Search for Speed* diversity track program in Los Angeles County, and other programs including clinics for women, supporting StarTrack through our Foundation, focused on underprivileged areas and currently searching for a new DEI consultant to fill that role.

Shane updated the group on the search for an HR manager, and mentioned an upcoming meeting with an HR auditor to get results of the audit. Also working on a compensation analysis. Greg Allen suggested looking for someone with a DEI background when considering HR manager applications.

Brendan continued with a discussion about our business model and the need for improvement for long term health of the organization. Lastly, 2025 UCI management committee elections – working and laying the groundwork to get an American on that committee.

Erika Lehman, Chief Marketing Officer presented membership, an update on what worked with pilot programs, 2022 recap of wins including products, club finder tool, overhaul of Google analytics, merchandise turn-around and strategies going forward. Level up your Ride successful in terms of participation and converting to members. Erika gave a quick update on things that didn't work in 2022 – i.e. elimination of chat software that wasn't being used. Positives are fixing technology bugs, enhancing technology and improving overall customer experience, and upgrading tracking tools. Marketing is focused on events, club organizers and race directors and providing incentives. Erika rolled out her strategy for increasing membership growth and revenue, programs to include recognition, new racer referral/welcome packet and race awards programs, personalized emails, and info on upgrades. Erika updated the board on marketing successes in 2022, enhanced tools, tracking and better info on reporting. Clubs – newsletters, rewards webinars and better communication with clubs and giving them an opportunity to apply for grants. Expanding Level up your Ride program incentivizing clubs to hold clinics with free permitting and using our guidelines & curriculum. Working with tech team to improve results & rankings and enhancements to event finder tool. Updates on product pricing increases and recap of results and performance of core products in 2022. Bringing podium package back. Brief board discussion on auto renewals and spot insurance product.

Chuck Hodge, Chief of Racing Operations gave a 2022 events recap and updated the board on permitting goal, rider days, explanation on event insurance per rider surcharge, conversations with streaming services, national championships had record participation in several events including MTB and Pro Road. Working to bring on more mountain bike and gravel events. Brief discussion around FloSports and good relationship with them. Hiring Collegiate director. Building new local association program and providing more funding to associations. Revamping sport committee by creating advisory groups. Chuck rolled out new initiatives for 2023, including a junior gravel series, inaugural gravel nationals, and working with Baltimore to get a UCI womens events added.

Jim Miller, Chief of Sport Performance gave a high level review of all disciplines, world championships, national team, development teams and talent ID programs, and recap on medals in 2022, in process of rebuilding his coaching team post-Covid, and very focused on raising

money for programs. Jim rolled out a new initiative – *Go Fast* – Road to Paris 2024. A thank you to the USOPC for a technology grant awarded to USAC. Discussion with board around Olympic trials.

Scott Usher, Chief of Business Development/Foundation – gave a recap on 2022 Champions Club events and success of online raffle, Bluegrass fundraising event, and an update on upcoming 2023 Foundation events, grant programs & distribution of money, update on corporate partnerships, hiring two new positions in Sponsorship department – one Director level and one manager level for activation fulfillment. Scott to provide Mel Strong with a list of sponsors and target list/prospects, as she agreed to offer her help in this area.

Brendan gave a high level update on diversity initiatives – *Search for Speed* launch (grant received), Level Up your Ride, StarTrack, and community engagement. Erika spoke about extending the program for Level Up Your Ride around the nation.

Finance review – Brendan gave an overview of budget drivers – membership, sanctioning, national events, sponsorship/partnerships, sports performance and insurance premiums. Shane Garman, general counsel, gave an explanation on insurance premiums and negotiation process for renewals. Both Brendan and Erika spoke on membership numbers, and auto renewal process and expectation. Brendan explained the delay in receiving refunds from the government for employee retention credits, PPP loan through Covid programs, money was already on the books for 21-22, but will be received in 23. Cara Miller, Chief Financial Officer gave a broad overview of the internal budget process and gave a detailed explanation of line items on forecast 2022 vs. budget 2022, and ran through the details of the proposed 2023 budget. Cara presented a summary of cash flow. Greg Allen stated, as head of the finance committee, that the finance committee has reviewed the 2023 proposed budget and felt that the projected expenses were reasonable given the 2023 projected revenue and the USAC reserves. There was a lengthy discussion around the 2023 Foundation contribution to USAC. Greg Allen suggested that the Foundation is considering an approach where they commit an amount equal to the 2022 fundraising as a floor, and an amount equal to the 2023 fundraising as a ceiling. The Foundation will take this under consideration in their first quarter meeting before finalizing the framework for the 2023 contribution. After discussion ended, and Matt giving all board members the opportunity to ask any additional questions, board member Michael Cole then moved for a motion to approve the 2023 proposed budget, seconded by Lucia Deng, with no opposition, all members in favor, 2023 budget was approved. Matt Barger requested Brendan send a list of full time employee positions to the board and open positions expected for 2023.

Greg Allen updated the board on the CEO review process and next steps. Greg to circulate Brendan's self-assessment to the board, members should provide feedback directly to Greg. Finance Committee will make recommendations, board will discuss and will need to formally approve CEO compensation via email. Discussion around COLA raises for staff, and USAC's hybrid work-place culture.

Governance section of meeting - Matt Barger, current Chairman circulated a letter recently to the board asking for any interest in the positions for Chair and Vice Chair. Matt then asked if there were any other nominees besides Cari Higgins who was nominated for the new Chairwoman of

the board, and Greg Allen nominated for Vice Chair. With no other nominations for either position, a vote was held. Ali Tetrick moved to approve Cari Higgins as Board Chairwoman, and Greg Allen as Vice Chairman, seconded by Meredith Miller, all in favor, no one opposed, new chair and vice elected.

Brendan brought up BoardSpan Training and the requirement for all board members to participate in this training. Shane to send link to board members. Final governance items – approval of new committee assignments – adding newest board members Dereka Hendon and Chad Blankenship to the Nominating & Governance Committee, and Melanie Strong to the Finance Committee. Michael Cole moved for a motion to approve these new committee assignments, Ali Tetrick seconded, all in favor, no one opposed, new assignments approved. Cari suggested Shane send all committee assignments to all board members, and suggested they bring up all committee assignments in Q-1, then ratify all assignments at the same time the board reviews CEO compensation.

Shane Garman gave an update on the AAC election that was recently held.

In Executive Session
Out of Executive Session

David Patterson and Holly Shick of the USOPC proceeded with board training and a presentation on Governance in Sport training.

No other business. Lucia Deng motioned for an adjournment, seconded by Meredith Miller, all in favor, no one opposed, meeting ended.