



## USA Cycling Meeting of the Board of Directors

Via Zoom video

January 21, 2021 - 9:00 a.m. mtn

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

Matt Barger	<input checked="" type="checkbox"/> Present
Lucia Deng	<input checked="" type="checkbox"/> Present
Stephen Ettinger	<input checked="" type="checkbox"/> Present
Ed Ewing	<input checked="" type="checkbox"/> Present
Beth Hernandez	<input checked="" type="checkbox"/> Present
Reggie Miller	<input type="checkbox"/> Present – ABSENT
Bob Stapleton	<input checked="" type="checkbox"/> Present
Alison Tetrick	<input checked="" type="checkbox"/> Present
Arielle Verhaaren	<input checked="" type="checkbox"/> Present
Julia Volich	<input checked="" type="checkbox"/> Present
Brendan Quirk	<input checked="" type="checkbox"/> Present

Board Member Julia Volich motioned for approval of the December 8, 2020 board meeting minutes. Motion was seconded by Board Member Stephen Ettinger. All in favor, no one opposed, minutes approved.

Chairman, Bob Stapleton's opening comments included an update on International competition, confidence in Tokyo Olympics happening but there's a question on who will be able to attend i.e. fans, etc., most other international competitions will struggle first quarter, and likely into second, including travel. The 2021 UCI elections will be held in September for management committee & President. Comments regarding USAC's strategic direction next couple of years, favorable environment for sport in general and pent up desire to get out on bikes and/or race, ongoing demand for cycling goods and services. Praise for USAC's exceptional leadership and their financial responsibility managing the 2020 budget and cutting costs, comments about marketing our product and those challenges.

Rob DeMartini, CEO, opened it up for board questions. Discussion around NGB Benchmarking and outside organizations/partnerships and foundation endowments; and partnering with advocacy groups to help them advance their agendas. Rob gave an overview of the agenda for today's meeting, to include

framing 2020, presenting 2021 budget, Tokyo readiness, DEI work, then Executive Session for private discussion amongst board members.

Shane Garman, General Counsel gave an update on Governance, indicating Chairman & Vice Chairman elections best done at next meeting in April; that being said Bob Stapleton will continue as Chairman for now and we will address in April. There are four standing committees: Audit & Finance, Nominating & Governance, Compensation, and Ethics. Committee appointments are for two year terms and board approves positions requiring 3 members on each, and a 33 1/3% needs to be athlete representation on those committees, also best done at next meeting in April. Also, USOPC new Compliance requirement – there will be a Board Self-Assessment from the USOPC online, Nancy will initiate process, this is helpful and identifies areas of effectiveness and growth for the Board. And thanks for turning in your annual disclosure documents, and a reminder to complete SafeSport.

Rob summarized briefly 2020 highlights and teed up financials with Todd Sowl, CFO giving the Board preliminary results for 2020, with a financial snapshot explaining insurance refunds, PPP, Investment performance, reduced athletics expenses, reduced Cap-X stating 2020 year will end up break-even. Question regarding 2<sup>nd</sup> PPP and timing and indication that USAC has applied and Todd explained requirements.

Bouker Pool, Commercial Team, presented slides and updates around membership messaging, auto renewal process and IT issues/failed transactions/refunds, membership guarantee extending racing license by 6 months into 2022 if you are not able to race in 2021. Building programs, press opportunities, and social media around Olympic Countdown and highlighting our athletes. Discussion around international licenses, and question came up on how we are targeting “new” members, and *We Champion* messaging, suggestions around building a donor pyramid. We need a “supporter” donation based member who believes in our product and message, wants to help US Athletes, and support Let’s Ride and other programs. Discussion around partner email lists, digital content for engagement and timeline for developing a targeting strategy and compelling content. Bouker gave an update on Sponsorship, renewals and existing contracts. DEI, ODA and Let’s Ride are good products to bring new partners to the table.

2021 Budget Overview and Roll Out – Todd presented the proposed “conservative” budget and sensitivity analysis, indicating a cut back on expenses, explanation of marketing spend, stated Finance Committee already reviewed and approved, and proposed budget was sent in advance to entire board for review. Todd walked the Board through key line items and assumptions, and operating variances between 2020 and 2021. Question around insurance premium costs/claims.

Motion by Chairman Bob Stapleton to vote and approve the 2021 budget, seconded by Brendan Quirk, all in favor, no one opposed, 2021 Budget approved. Another vote was held approving and ratifying the authority for Todd Sowl as CFO, and Rob DeMartini as CEO, to apply and sign on behalf of USAC for a 2<sup>nd</sup> PPP loan application. Bob Stapleton moved for a motion on the authorization, seconded by Stephen Ettinger, all in favor, no one opposed, authority granted and approved.

Jim Miller, Sport Performance, gave an update and overview of Tokyo readiness, medal opportunities, status on athletes, tire and speed-suit prototype testing, and other high performance projects in progress.

Kelsey Erickson presented a DEI programming update to include funding, mission & goals, information on the task force created and the existing working group, update on funding, mentorship and status of the HBCU/TCU college program; Let's Ride Camps will be organized by Mari Holden; online virtual challenge fundraiser in Black History Month.

*Moved into Executive Session.*

*Out of Executive Session.*

No other business. Brendan Quirk motioned for an adjournment, seconded by Stephen Ettinger, all in favor, no one opposed, meeting ended.