

USA Cycling Meeting of the Board of Directors

Via Zoom

September 14, 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
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
Alison Tetrick	<input checked="" type="checkbox"/> Present

Matt Barger, Chairman, made some introductory remarks including welcoming Dereka Hendon, Chad Blankenship and Melanie Strong to the board, and thanking Lucia Deng for taking the lead on the candidate review and interview process for new board members. Matt refreshed the group on the role and responsibilities of a board member, and gave a recap of the mission of the organization.

Brendan Quirk, CEO, gave a summary of the progress since the last board meeting, including his long term planning for the organization, and shared some photos of athletes marking successes and achievements which depict what the organization is all about. Brendan stated grassroots racing is bouncing back, tracking nicely from a revenue standpoint, and a quick recap on membership numbers. We're on a clear path forward to making big improvements on the front-end user experience on our website. Finance systems are in the process of simplification and culture overhaul. Internal culture is improving with a performance review system in place. A third party is in the process of a human resources audit, including a review of compensation and benefits. Lots of momentum within the Foundation. Progress with DEI - grant received for the Talent ID *Search for Speed* Diversity program in Los Angeles County. Other initiatives include women's clinics led by our marketing team. Brendan briefed the members on the exceptional Americans' performance in the Tour de France this year; accomplishments on the mountain bike side; a significant investment in the American Criterium Cup, the excitement of the Maryland Cycling Classic on US soil, and the development team that we brought to the Pan American Continental Track Championships. Brendan talked about his observations since he became CEO earlier in the year, and the decisions made to change the focus to racing, including better events, resurrecting the mountain bike discipline, gravel national championship 2023, junior development camps, investment in Collegiate cycling, club growth and re-purposing the budget to fit these priorities and focus. A Chief's strategy session was held recently to brainstorm opportunities to increase revenue. We are continuing a strong push in fundraising.

Erika Lehman, CMO gave a glance and overview of membership demographics, recap of products and comparison of pricing since 2019. Race product has been consistent in terms of revenue budget, the team has been working on some strategic discounts. Some department changes – we're a full membership

department, we now have real time membership reporting, which enables the team to better see trends and sales metrics through data, recently hired a product manager, we have two incoming coordinators for marketing and communications, working on some influencer campaigns, adjusted content calendar to align better with events, results & rankings improvements slated for later this year, club connection research and focus groups with digital club registration and tools also later this year. Erika gave a snapshot of paid social media results and return on investment. *Level Up Your Ride* clinics have been successful with an average of 15 participants per clinic with great testimonials, and requests to include other disciplines next year. Quick board discussion around seeking influencers and ad spend.

Chuck Hodge, Chief of Racing & Operations spoke to the group about re-energizing grassroots, gave an update on rider days tracking above 2019, trend shows a weakness in road racing, restructuring event insurance, new hire is a Resource Event Organizer who is working on a toolkit for race promoters. Chuck gave a recap of some of the lessons and changes for 2023 and progress of programs, national championships on budget, American Criterium Cup received well, and currently in talks regarding mountain bike series, gravel nationals in process of looking at locations, hiring a dedicated Collegiate person in the future, putting together a task force for volunteers/LA's, we have a full sales team in our department now; and taking steps towards rolling out an upgrade ranking system. Discussion around Collegiate.

Jim Miller, Chief of Sport Performance presented his four initiatives to the board: establish athlete culture, provide strong programs for national team, support sport performance fundraising efforts and meet World medal objectives. Jim indicated there is now a clear path to where we are going and focus on what we are trying to accomplish. Athlete culture and our vision – provide performance stipends, insurance, provide financial stability to athletes, ambassador/mentor program, job program. Discussion around grants for direct athlete support. Working on national team awards in conjunction with Hellman Blue Grass Event. Internally, we lost 13 positions/coaches/staff in 2020 (the year of Covid) and have re-hired to have a full staff back, with continued recruiting. Focused on fundraising, HPP (Nov 1) and USOPC money/innovation technical grant applied for. Quick update on VIK sponsorships and discussion around additional funding. Discussion around internal AAC and culture/trust between rep and athletes, and update on nomination process. Shane Garman, General Counsel, chimed in to discuss process and timing of AAC election. Jim then updated the board on recent athlete injuries and upcoming Worlds expectations.

Scott Usher, Chief Business Development Officer, on behalf of the Foundation updated the board on financials/fundraising efforts, new Champions Club members, created lead list, events coming up with revenue opportunities including an online auction and raise the paddle event at Hellman Bluegrass Event in November, building out new communications, goal is to make the Foundation a source of pride for USA Cycling. Working on a new pitch deck digital and hard copy, clean up of Salesforce data base, better portfolio management and implementing gift agreements. Scott gave a brief update on sponsorship numbers to date and potential future opportunities. Matt Barger praised both Scott and Brendan for their fundraising efforts. Board member Mel Strong offered to help with future efforts.

Brendan Quirk updated the group on diversity efforts including USAC's DEI mission in making our membership look more like our Country's diversity. Three areas for DEI - Sport Performance, external relations i.e. clubs, and internally. Other initiatives: *Search for Speed* Talent ID program. *Level Up Your Ride* for women/grassroots. Some recent outreach and connectivity to Clubs with diverse backgrounds. Conversations to continue. Next steps - identify what we want out of a DEI Consultant going forward. Board member Lucia Deng offered her assistance with continued DEI work. Discussion around DEI task force and employee resource group.

Brendan gave an overview and snapshot of financials year to date and where the company stands vs. 2022 budget. Projecting loss year end. 2023 Budget and a three year budget plan will be presented to the Board at the December board meeting in Hartford. Improved financial staffing and reporting tools. Greg Allen, Chairman of the Finance Committee explained that the finance committee reviewed financials the week before this board meeting. Brendan thanked new CFO Cara Miller for her great work with financial processes and getting up to speed. Expectation for Board meeting in December will be to cover 2023 Budget and ask for approval, present overview of three year plan and the USOPC will have a representative join meeting to go over Governance topics, and Conflict of Interest training. Matt Barger mentioned the BoardSpan questionnaire for all board members and highly recommends all board members take the online training; Shane reiterated it is a USOPC compliance requirement. Shane will send the invitation for BoardSpan training to all board members.

In Executive Session
Out of Executive Session

No other business. Melanie Strong motioned for an adjournment, seconded by Greg Allen, all in favor, no one opposed, meeting ended.