

USSA BOARD OF DIRECTORS' MEETING MINUTES

Summit A - The Yarrow Hotel & Conference Center, Park City, UT
Sunday, May 14, 2006 from 7:30 a.m. – 10:15 a.m.

USSA BOARD OF DIRECTORS' ATTENDANCE

CHAIRMAN

Chuck Ferries – Outgoing Chairman
Dexter Paine – Chairman

FOUNDATION

John Bucksbaum - teleconference
Andy Daly - teleconference
Jeanne Jackson
Kipp Nelson
David Pottruck
Hank Tauber

SPORT REPRESENTATIVES

Alpine Representative: Bob Dart
Snowboard Representative: Mike Mallon
Freestyle Representative: Andy Wise
Cross Country Representative: Jon Engen
Jumping/Nordic Combined Representative: Chuck Heckert
Disabled Representative: Jack Benedick

ATHLETES

Alpine Athlete: Andre Horton
Snowboard Athlete: Lisa Kosglow
Freestyle Athlete: Mariano Ferrario
Cross Country Athlete: Carl Swenson
Jumping/Nordic Combined Athlete: Ryan Heckman - teleconference
Disabled Athlete: Clay Fox – excused absence

CEO

Bill Marolt

AT-LARGE

Greg Boester - teleconference

EX-OFFICIO/NON VOTING

USOC Athletes' Advisory Council Representative: Nina Kemppe – excused absence
NSAA President/Chair: Michael Berry – excused absence
SIA President/Chair: David Ingemie – excused absence
FIS Representative: Bill Marolt
USOC Representative: Bill Marolt

HONORARY

Dr. Bud Little
Dr. Leland Sosman - teleconference

GUESTS

Bill Gorton
Alex Natt
Tom Kelly
Ted Morris
Annette Royle
Trisha Worthington
Alan Ashley
Mark Lampe
Suzette Cantin
Paul Robbins
Faye Malnar
Irene Sherman

Polly-Jo Clark
Emily Fisher
Becky Woolley
Tricia Byrnes
Brian Seim
Jeff Bruggeman
Michael Bowman
Lee Todd
Connie Webster
Dick Gouwens
Bruce Crane
Charlie Brush

1. **Chairman's Welcome & Introduction of New Chairman: Chuck Ferries**

Ferries opened the meeting by introducing the new members and asked all of the board members to introduce themselves. From the foundation, the new members were Andy Daly, John Bucksbaum, and Kipp Nelson, from Sun Valley. Jon Engen was introduced as the new sport representative, having served as an athlete rep prior to taking over the cross country sport committee chairmanship. Carl Swenson was introduced as the new cross country athlete representative. Ferries then introduced the incoming chairman as Dexter Paine and congratulated him. (All board members then introduced themselves and stated their position on the board.)

Ferries commented that the last four years had gone quickly and that he had enjoyed being involved very much and wanted to thank everyone for their work. During his tenure, he had gotten to know more about the Foundation and inner workings of USSA and that he could not be more impressed with everything that had been done and the people involved - staff, athletes, sport committees, etc. He said that the staff had been above anything that he had expected having been involved 20 years ago.

Ferries stated that, after 2002 there was a bit of a budget crisis and that programs had to be cut for two years, and this had been done in a way that preserved the programs that nevertheless continued to drive toward excellence. He said it was done without prodding, showing the leadership that was needed and produced an outstanding job. It was a highlight to come in at a down time from a budget standpoint and see the momentum keep going and everyone pulling together doing a great job.

Ferries stated that it took courage to decide to create the endowment and pick a number of \$60 million and the drive to get it done was something special. In thinking over a number of years back, the organization couldn't have dreamed of initiating an endowment. The Foundation came through doing an incredible job with Bill driving the effort with the Foundation staff and including Peter Kellogg; it was a team that was doing a great job and would continue to do so.

Ferries declared how much he enjoyed the Olympics having had an opportunity to spend ten days there and watch a lot of the events, and he thought the athletes had done a tremendous job. There were 10 medals from Torino that equaled the number achieved in Salt Lake, however with 10 athletes achieving the medals, that showed great depth. Ferries decided that he needed to come up with his own scoring system because of the tie and he assigned a 3, 2, 1 scoring system for gold, silver and bronze and with this system, accomplished more than Salt Lake. 23 points in Torino and 20 for Salt Lake.

He then welcomed Dexter Paine who had run the Foundation over the last four years and had done an outstanding job with a terrific board and Ferries was excited about the changeover with everything in place to continue to move forward.

Paine asked Natt to quickly do a roll call. Natt asked for those on the phone to identify themselves for the minutes, which they did. (Full board quorum).

Paine stated that Ferries had provided wonderful leadership over the last four years and asked for a thank you for his four years by a round of applause.

Paine thanked everyone and stated that this was a great organization with a significant number of volunteers on any given weekend making things happen. There was a wonderful group of athletes who had been incredibly successful and a great staff and board. He thanked everyone for the opportunity to be the leader over the next four years and looked forward to having success.

Paine said that he wanted to focus on the priorities for the next few years. He said there were four of them and all had come from lessons learned over the last year. Areas that would in review significantly enhance the performance of athletes.

First, the code of conduct - he hoped everyone had reviewed it. He said that the last three months had been tough with several people asking what had happened in Torino, and this code of conduct was an answer for everyone in the organization from the top leadership on down, and included everyone in the room. This was done to enhance the leadership that would make the organization best in the world in 2010. He reiterated that this was an incredibly important step in setting out the code of conduct that applied to everyone affiliated with the organization.

The second was the increase in revenue to the athletes this year. Every part of the organization would have more funding and more focus than ever before. In a post-Olympic year that was an incredible achievement.

There was great stability, continuity and quality among the staff in the organization. There was great leadership with Bill Marolt and finally, he said, there would be discussion of the new facilities and training opportunities that would greatly enhance what the organization could do.

Paine stated that all of these would provide a great opportunity for 2010. Despite the controversy, he said that he felt this organization would be best in the world in 2010.

2. USSA Agenda Approval: Dexter Paine

Paine asked for a motion to approve the agenda as submitted.

Motion #1: To approve the USSA Board of Directors' meeting agenda.

M/S/C – Andy Wise/Jeanne Jackson, approved by acclamation

3. USSA Meeting Minutes' Approval: Dexter Paine

Paine then asked for a motion to approve the December USSA meeting minutes.

Motion #2: To approve the USSA Board of Directors' meeting minutes from December 2005.

M/S/C – Jack Benedick/David Pottruck, approved by acclamation

4. Chairman's Report: Dexter Paine

The chairman's report was covered above.

5. USSA Bylaw Amendment: Alex Natt

Natt stated that the proposed bylaw amendment was previously distributed and that it was a modification of the existing mission statement of the organization and that the vision of the organization had not changed. Natt read the vision and mission statements as they existed in the bylaws then read the proposed revised mission (See Addendum I).

Natt stated that the rationale for the change was to put an increased focus on the necessity for leadership at all levels of USSA. Natt asked if there were any discussion. Being none, he asked for a motion to adopt the bylaw amendment.

Motion #3: To adopt the bylaw amendment change to the USSA mission as proposed.

M/S/C – Andy Wise/Chuck Heckert, approved with one opposition from Lisa Kosglow.

6. Election – Vice Chair and Treasurer of USSA: Alex Natt

Natt asked for nominations for the vice chair position from the floor. Wise nominated Jeanne Jackson for the position. There were no other nominations. Natt closed the nomination period and asked for a motion.

Motion #4: To approve the nomination of Jeanne Jackson as USSA vice chair.

M/S/C – Hank Tauber/David Pottruck, approved by acclamation

Natt asked for nominations for treasurer of USSA from the floor. Dart nominated John Bucksbaum. There being no further nominations, the nomination period was closed and Natt requested a motion to approve the nomination of Bucksbaum for treasurer of USSA.

Motion #5: To approve the nomination of John Bucksbaum as USSA treasurer.

M/S/C – Andy Wise/Jack Benedick, approved by acclamation

7. Ratification of the U. S. FIS representatives for 2006-08: Alex Natt

Natt indicated that the FIS list of nominations was at everyone's place and had been distributed to the teleconferencing board members prior to the meeting. The USSA representatives to the International Ski Federation representing the US required board approval. He asked for a motion to approve the nominees. (See Addendum II)

Motion #6: To ratify the FIS representation for 2006-08 as presented.

M/S/C – Chuck Heckert/Andy Wise, approved by acclamation

8. CEO Nomination Screening Committee Report: Alex Natt

Natt stated that, in the meeting on Saturday, the composition of the USSA Audit Committee going forward was discussed as it was a permanent standing committee of the board and the only current board member continuing on would be Greg Boester.

The new nominees were Bob Hoff and Bill Shiebler from the Foundation and Ryan Heckman as athlete representative. All had agreed to serve and Natt asked for a motion to approve the nominations.

Motion #7: To approve the Audit Committee composition as proposed.

M/S/C – Jeanne Jackson/Jack Benedick, approved by acclamation

9. **Chief Executive Officer's Report: Bill Marolt**

Marolt thanked Chuck Ferries for his four years stating that it had been a great relationship and that they had worked very well together. Marolt said that Ferries understood the organization and it had been a great team effort and Paine had worked closely with both of them over the past two years so the transition would be smooth.

Marolt stated that what he wanted to do was review the last ten years. He stated that it had been a decade since he had come on board and the great thing about working with this organization and with young people was that they tended to keep you young mentally. It was a task to stay ahead mentally and physically, he commented.

Marolt stated that some of the things that had been well done over the past ten years were that in '96 the vision, mission and goals of the organization had been determined. That had been a good process for the organization to go through, particularly the vision to be best in the world focused the activities and efforts over the period of the ten years.

The second thing that worked really well was the planning process that had been developed. Planning was a difficult mental exercise and took a lot of discipline. It was one of the tasks assigned to Bill Gorton when he came on board and he was diligent in staying on task.

Marolt emphasized that the planning process was important because it was the way in which limited resources could be allocated against company priorities, allocations against those priorities where the company could achieve its greatest level of success. After that was done, the organization evaluated itself against the goals established. He confirmed that that was a difficult and disciplined process particularly coming at the end of a busy season, evaluating and then writing the next version of the strategic plan. That took a lot of mental tenacity and this organization had done a very good job with that.

Continuity and consistency had been discussed in terms of leadership and programs. Looking around the table, all of the vice presidents – the management team of the company – had undergone only two changes in the last ten years. He said it was phenomenal when a group could stay and work together for that length of time because that continuity made the organization better.

From a budget standpoint, Marolt stated that the company had been run over the past 11 years with a small surplus. Every available dollar had been allocated to athletic programs. The message on this was that the organization had taken care of its fiduciary responsibilities. Also in terms of the budget, it had grown about two and a half times in that period of time and funding to athletics was three times what it had been ten years ago. He said that the company had grown as had the support to athletics.

The fact that USSA had taken on the endowment and was driving hard to achieve the goal was significant. The endowment currently generated \$800,000 for athletics, a critical piece of revenue. In fiscal year 2003-04 when serious budget cuts were being undertaken – cuts of over \$1 million - without the endowment, an additional \$800,000 would have also had to be cut. The endowment had served the company well and would continue to do so well into the future.

He stated that he was most excited about the success of the athletes and the teams across the board, all sports. There had been great individual efforts with world champions, Olympic and Paralympic medallists. The teams competed to be best in the world. Driving the enthusiasm of the staff was watching American athletes stand on podiums around the world. That was accomplished at an increasing level over the past years.

As Ferries stated, the organization had a great Olympics, particularly the snowboard athletes. They had a fantastic team. The enthusiasm and intensity with which they competed were clearly visible and it was fun to be around the group and they were best in the world. It was a good experience despite a few difficulties.

After the nationals, it was decided to re-center and take a step back. All the management team and program directors as well as other key individuals traveled to Vancouver for three days to start to put Torino behind and take a look at what Vancouver would look like including visiting the venues and meeting with VANOC staff.

In that timeframe, the vision, mission and goals were all revisited and it was decided to make additions in terms of values for the organization. He reiterated that the vision had not changed. He said the USOC staff was nervous because they thought USSA would back away from best in the world and were delighted when the vision was reaffirmed.

The mission was changed because of the concept of leadership. He said it was the lightning rod that made organizations work. Making command decisions started at the top with the chairman, the CEO and on. He understood his role and it was critical that he provided direction in a positive way and that it was critical that all members had leadership roles.

There was discussion in Vancouver that this was a family and, though there would be internal disagreements, once outside “we were a team and everyone supported each other.” He said that USSA was part of the USOC and that the same applied to the FIS. He reiterated that we needed to be leaders individually and organizationally.

The goals were reviewed and had served the organization well. Athletic excellence continued to be the commitment and would continue to grow. Financial strength – the resources needed would come from Foundation and the sales department and through USSA’s relationship with the USOC and equally important was the control of expenses.

The organization needed to continue to grow in membership to find talented athletes and in terms of a fanbase, which continued to grow.

Positive organizational image seemed an easy organizational goal to accomplish ten years ago, but it was not and needed to be worked on individually and as an organization – providing the tools to create a positive image.

Partnership was added because the entire concept of Olympism began at the grass roots level. The athletes entered the program because moms and dads and others provided support at the local level and from that commitment developed a community of ski areas and resorts where the donor base began and grew as the athletes moved up the pipeline.

Coaches and athletes understood the concept of where they came from, he commented, and who had supported them through their development phase so that when they reached the pinnacle, they understood their responsibility in the organization. They needed to remember that a lot of people helped to provide them with that foundation. They had to respect and honor that and act accordingly. That meant taking on the responsibility of being a member of the organization as a member of a team.

Marolt said that six values had been determined. Team and leadership went together even though not technically a value. The other five - loyalty, integrity, respect, accountability and perseverance – were core values. He described the process by which these were defined and adopted. The three days in Vancouver helped to reestablish momentum and attitude and the plan for this year became the best work ever done. It

was the most focused and detailed and, when it came to putting the budgets together, that was the best that had ever been done.

Marolt said that, as he looked ahead to 2010, he wanted to see the company grow to \$34 million, be best in the world, have raised the full \$60 million endowment, and continue to invest in the four cornerstones: elite programs, development programs, sport science and education; and finally, the USSA Center for Excellence. He stated that the concept was more than a training center that this was much more than four walls and a gym. He wanted the center to be the heartbeat of the company. He said that work continued on receiving a donation of land from a local group and Bill would discuss this in more detail.

USSA Training Center: Bill Gorton

Gorton said that there was an application in front of the Park City government to annex 157 acres of land out by Quinn's Junction. For two years, the planning process had been undertaken to get the annexation to a point where the city council could provide approval. The planning commission in the prior week had made a favorable recommendation for the annexation of the land to the city council.

On June 15, the city council was scheduled to address in a public hearing the 157 acres of land. Five acres of the 157 was to be donated to USSA from the current owners. He stated that between now and the 15th negotiations would take place to sign the documents to obtain the land. There would be more to come but thus far there had been no objections between the meetings of the planning commission of the city council. He said that the major hurdle of the planning commission was cleared and the process was now at the stage of meeting with the people who could make the decision.

Marolt said that when the last hurdle was cleared, it would help the effort of raising the final money to build the center.

Marolt said in closing that the organization did a terrific job with all of the teams with on-snow training programs through the early summer and fall but where a better opportunity for consistent good training was required on really good conditions was the period of time between mid-October and mid-December. Some dialogue at a high-altitude site was being started in terms of USSA making an investment in snowmaking – installing equipment that would guarantee an ideal training site during that critical training period.

A high-altitude site would positively impact the alpine, snowboard, and freestyle teams but would not be as effective for the nordic teams because of the altitude and the site would, in addition, benefit the C and D teams and benefit local events; Jr. Olympics, the Nationals, NorAms and potentially a World Cup site.

Paine stated that an on-snow facility had been discussed and moving the organization forward over the next four years was identified as top of the list and would receive great focus in the near future.

10. Financial Report: Mark Lampe

Lampe stated that a detailed review had been undertaken on Saturday of the year-end forecast of the financials and also a look at next year's budget. The quarterly executive summary of the financials, he said, had been distributed and contained more detail for anyone who was interested.

He stated that the organization had had a very strong year and that the forecast had improved from the last meeting in December. He wanted to highlight a couple of areas.

The first was sales and marketing, finishing the year 21% up with renewed interest from Europe and the addition of seven new sponsors. The Foundation also had a very strong year. A couple of areas had been budgeted to go down but major gifts and gold pass sales had a very strong year and exceeded their budgets.

The Team Torino program continued to amaze as it almost doubled from the December meeting and that resulted from the sales of four additional packages and also the staff selling excess inventory into smaller packages and the attendant expenses being offset against the smaller packages in the major gift program.

Member dues and fees had a fee increase for the second straight year. Historically, this would result in attrition in the year but this year saw a head count increase of almost 3%.

In athletic programs, the elite and domestic development programs were up almost \$1.7 million from prior year. The budget from last year was \$1.3 million and an additional \$400,000 was added in the funding of mid-year initiatives. He explained that when the Athletic Summit ended every year, unfunded activities were prioritized and as the year became more certain from a revenue standpoint, the organization then approved the additional funding for the athletic program.

Lampe stated that S,G&A was up due to the investment in revenue activities which required more staff and two major gifts managers were added for the current year as well as a second national sales director so staff was added that would pay dividends in the out years. Also, there were one-time Olympic support activities that hit in every Olympic year. An investment was made in a web communications study and a fundraising DVD. Those should pay dividends in future as well.

Lampe highlighted in the next year's budget that the athletic budget was scheduled for a \$1.3 million increase, and removing the \$700,000 in Olympic costs, that resulted in almost a \$2 million increase in programs and activities for all of the sports. This was the first time certainly since the last three Olympics that the organization had increased funding in a post-Olympic year and that boded well for what could be accomplished in 2010.

To achieve this, Lampe said that there were aggressive fundraising targets on the way to becoming a \$34 million company. The targets listed were attainable but aggressive for both Foundation and Sales and Marketing, with 17 sponsorship renewals and TV renewals in the year. Foundation also needed 30 new pledge packages for the Team Vancouver donor program for the first year of the quad. Not all of the money would be spent until the organization was comfortable with how the revenue targets were being reached. Lampe closed saying that he was always available to answer questions.

Paine thanked Lampe and commented that it was remarkable how far the company had come on the financial side and that Mark and staff did a really tremendous job.

11. Athletics Report: Alan Ashley

Ashley stated that the highlight of his year was the outstanding performances of the athletes at the Olympic Games and, in particular, the snowboarding athletes and program. In his 10 years, it had been a remarkable experience for him because of the synergies between the athletes and coaches as well as the community.

In going to the Olympics in Italy and having such incredible success on and off the hill, he commented that the snowboard athletes had been awesome ambassadors to the values and to the organization and the snowboarding staff the same. Ted and Julia and Toby

also represented the organization well and competed at a high level. He confirmed that, in the sports outside of snowboarding, he had learned some lessons. He was excited about the results that the athletes had achieved. Building to Vancouver and modifying the performance plan for the elite athlete programs, there were lessons to be applied from Torino to help athletes reach the goal of best in the world, a record now set at 21 medals won by Austria.

Ashley stated that there were a couple of significant retirements in alpine with Daron Rahlves and Jonna Mendes, a medalist in the world championships in St. Moritz. Staff changes had taken place with John McBride retiring and Chris Brigham taking on those responsibilities. Phil McNichol and Patrick Riml had agreed to stay and continue to lead the alpine program.

Andy Newell, he reported, broke through for the nordic program in cross country sprint with a podium, the first World Cup podium in 22 years for a cross country athlete and he would lead cross country skiing into the future and help capitalize on the 36 medals available in Vancouver. Carl Swenson had retired from the team and was now thankfully on the board. He was critical in helping to set the pace in terms of training and leadership and attitude and would be missed. Trond Nystad retired and was working for Atomic in Austria. He had been a very strong leader and was a big part in helping to move forward the cross country program. Pete Vordenberg, his assistant on the World Cup, was taking the reins.

On the freestyle side, he reported continuity on the staff side. The only retirement was Darcy Downs, assistant coach for aerials, contributor to the resurgence of the aerial program.

On the Nordic Combined side, Todd Lodwick, the spearhead of the program for a number of years, retired. Johnny and Billy and crew would take off where Todd left off. Bard Elden left to work for the Norwegians but Lasse Otteson remained.

On the ski jumping side, the plans would be finalized after the FIS Congress to see how the women's ski jumping program fared. The women now had a strong Continental Cup and the program would be finalized after the meetings.

In snowboarding, Bud Keene had retired as head coach but would remain active in creating some educational materials. Mike Jankowski would take over. Becky Woolley, who helped to lead the domestic program in creating some exciting development projects, was moving to work in the Foundation.

Ashley said that the national development system was still a priority and that the goal of partnerships with the clubs, the divisions and regions was essential to the long-term organization. Good collaboration and integration were critical all the way down the pipeline so that there was a team in place that worked from the youngest athlete to the day the athlete retired from competition, all pulling together.

In terms of coaches' education, there had been a lot of investment in the alpine program over the last few years. The push was now to finish up some work in freestyle, to begin the work in snowboarding and cross country to get the Level 100 implemented in the other sports based upon the model developed in alpine.

Sport science and medicine, he added, had been one of his passions and an area of focus for the systematic development of athletes from testing evaluation through the methodology by which the organization helped its athletes get better. He said it was not enough to simply have good on-hill training, that it was essential to have high-quality technology programs, good psychology, physiology, nutrition, strength and conditioning

as well as research how to do things more systematically. He said it was critical because the competition was not standing still and was very aggressive in this area.

Key challenges for the future were consistency of programs and staff and that while the level of success at the Olympic Games was not what was wanted, the organization did have good success. Ashley stated that, getting to the Games, he was confident that the athletes were prepared physically and technically so that what remained was to refine execution during the Games. The focus was to continue to grow and be consistent going forward.

International evaluation would be one of the most important areas on which to focus in the future, knowing what the competition was doing to figure out what the weaknesses were and build programs to attack those.

Core values would be about everyone and how they execute their business; it was about setting a higher standard and message as to how to do business as a team. It focused not only on what happened between the fences but everything in daily life.

Finally, continued efforts in education and community integration, he said, were the battle cries that he'd talked about for a long time but that we needed to get better at these.

12. Sales and Marketing Report: Ted Morris

Morris stated \$7.6 million had been achieved in net revenue during the season, which was \$14.5 million in gross sales, reflecting a 20% increase over the prior year. Morris said that managing partners was a large part of what sales and marketing did – managing 25 corporate sponsors, 10 TV advertisers, six media partners, nine suppliers, and 12 licensees.

Promotions in an Olympic year were important in aiding the organization to get its message out. He listed the various commercials using the company's logos and athletes during the Olympic time period. He stated that the organization had produced some of its own commercials this season leading up to the Olympics to drive people to the web site, totaldisruption.com, footage of the athletes doing unusual things to help drive viewership to TV, which had been successful. Morris then described various sponsor promotions that were also undertaken this season.

Morris provided the detail relating to 2005-06 television coverage; 9.5 hours on NBC, 20+ hours on OLN every Sunday night, 30 hours of USSA-produced programming, European rights for 12-15 hours of programming to 20+ countries and staff sold all inventory on NBC, approximately 160-200 units throughout the season.

He then reviewed the financial aspects associated with television. \$2.5 million cost for time buys on NBC; \$1.7 million production costs; revenue rights fees from OLN \$500,000; \$1.1 million for European broadcasts and \$2.2 million for unit sales for a total loss of \$400,000. Ultimately, he said the goal was to make money but the department would continue to do the best possible with available resources.

Morris then stated that the key challenges were to generate \$8.9 million revenue, with the added challenge of 17 renewals, which were encouraging at this time. All renewals totaled approximately \$2.5 million in net sponsorship revenue. He said that he was optimistic on getting 15 – 20% increases across the board.

TV challenges included OLN rebranding in September as Versus. Morris commented that he hoped that there was a good plan on Comcast's part that would result in benefits

in the long-term. OLN ratings were .2. Ratings continued to be a challenge. Increasing the ratings would help to turn around the paradigm for television. Morris said that the organization also needed more content distribution outlets and also coverage from Europe. He said that this should be accomplished through the web so that essentially every World Cup race could be viewed and could become a revenue source.

Final challenge was the 36% drop in Olympic viewership compared with Salt Lake. Of the prime time event coverage of the Games, 35% was either skiing or snowboarding. That was an increase from Salt Lake and would build going into Vancouver. NBC live coverage for the US from Vancouver would be a good opportunity.

13. Events Report: Annette Royle

Royle said that the primary focus of the events department was to support the core business of athletics. The next four years' challenge would be how to remain focused on athletic needs. With technology and other changes such as formats, schedules and venues, the events department would look at how to incorporate those into the elite USSA events.

The department was also focused on being a support to the revenue-producing programs. The challenge was to increase the value of existing events on the calendar, making sure inventory was maximized and create new inventory opportunities such as the Junior Jam for additional revenue opportunity. With the growth in the major gifts program there was a resulting demand for hospitality at events to entertain donors and clients and to identify key events for entertainment and investing in those.

Royle reviewed the key accomplishments of running 13 events with 69 competitions in the *Ten Weeks to Torino* that were all used to name the Olympic teams. She highlighted the Grand Prix Tour as the sole Olympic HP selection events. The business model for the Alpine World Cup was incredibly challenging and expensive with early snow conditions adding to the challenge. The goal was to have two sites to run December World Cups with one site running four races for men and one site running four for women. She stated the past year had been the first time being able to make this change. She also mentioned that the first skier halfpipe competition had taken place at the US Freestyle Championships.

Future challenges continued to be World Cup calendaring issues to build stability and continuity with organizers, sponsors, TV programming and build the business model that worked. With the snowboard World Cup there were issues of managing the rights. In Freestyle integration of the new non-Olympic disciplines into the future was a challenge.

The 2011 World Freestyle Championships were also being bid upon by Deer Valley which added more challenges. Deer Valley, she stated, was a great partner but the costs associated with running a World Championships, were four or five times above normal World Cup expenses, so the challenge was to work with them to ensure the requisite resources. The FIS Council at the upcoming FIS Congress would award the event.

Finally, managing event costs remained challenging – delivering what was needed to get the return on investment athletically and financially required maximizing and making calculated decisions on what was needed for balancing sponsorship and athletic needs.

Horton commended the events department for taking on alternative events, which would become bigger events in time and the organization would have the resources and infrastructure to support them.

14. Foundation Report: Trisha Worthington

Worthington said that the key accomplishments in Foundation were exceeding budget expectations by \$100,000 due to the growth in the major gifts program. Foundation increased from three to five the number of major gifts managers, adding one in Chicago and Denver. The program had increased overall revenue by \$500,000 over last fiscal year. There would be the investment of one more major gifts manager for New York City with Christine Toriello moving to New York and another hired for the southern region.

Increases in the gold pass program helped the budget with 389 passes sold at \$6,000. She said that they were nearing the legacy campaign goal of \$60 million, which goal she hoped would be reached in the fall.

Worthington stated that a lot of athletes had been helped with their education this past year with 40 athletes who received grants of \$2,500 or more. 30 athletes were participating in the laptops for learning program; 10 athletes and coaches participated in the Dartmouth language program, two athletes attended Westminster College, and several athletes were taking advantage of the in-state tuition offered at the University of Utah.

Challenges in the Foundation included chasing a significant budget increase of \$1.3 million in a year when typically there was a decrease in funding after the Olympics. The major gift managers would help to reach the goal.

Another challenge was in educating donors on the re-centering of the organization post-Olympics and stating the values by which business would be conducted. The gold pass price would increase to \$7,000 and the goal was to sell all 400 this year, which would be another challenge. The major gift managers would be challenged to sell a number of gold passes to new donors. Additionally, work was done at the Olympics to begin to sell the Team Vancouver packages so that helped to achieve the goal.

15. Marketing Communications: Tom Kelly

Kelly stated that he would talk about the responsibilities in the marketing communications department to provide an overview of the diversity of the department. The department was responsible, he stated, for the implementation of the marketing plan working very closely with the other departments, particularly athletics.

PR and communications' focus was on public awareness of athletes and programs and presenting a common organizational message. Image management for graphical and public image for the organization was a focus. Fanbase growth was also a focus as well as customer service, which was the member service area of operations for athletes, officials and coaches relative to their membership in the organization.

Kelly discussed the fanbase growth whose goal this year was to reach 100,000 and was surpassed when 130,000 was achieved providing a great marketing opportunity for the on-line store and to drive the fanbase to watch the TV programming. The on-line shop was brought in house this year, launching on November 1. In those six months, a 50% increase was achieved over the 12-month total of the outside licensee. Educational materials he said were purchased there and on-line registration for clinics had been initiated. Discussion ensued of which staff had operational responsibility for the on-line store for overview, purchases, shipping, etc.

Kelly said that he also wanted to mention the public awareness programs. In Salt Lake, there had been 4 billion media impressions. This year that number was supplanted with 15 national magazine covers - three covers of *Sports Illustrated* and a diversity of coverage. He listed the athletes who were on various covers. The focus on select athletes worked well to raise awareness of the entire organization. The focus was on athletes with achieved results. Achieved with this approach was the greatest awareness of USSA's sports in history.

Kelly addressed the challenge of being small, little-known diverse sports with most of the sports competition taking place overseas. Base coverage, he said, was achieved through the ability to read about the sports in *USA Today* and the sports pages of other newspapers. The challenge going forward would be the lifestyle story. Kelly said that he would look at greater diversity in agencies with which to work to get more coverage in general news and the entertainment area.

The biggest point that was being worked on was a unified company image and message. Education was a key word for him at the moment – getting the staff to understand the importance of protecting the brands, what the role was of all staff so everyone understood their role.

The biggest challenge over the past year had been the unintended spokesperson where it was no longer possible to have a casual conversation with a journalist and not expect the world not to know about it. That education process was begun at the staff retreat and would continue with the athletes as they came through Park City throughout the summer. He said that discussions were taking place with media training companies to get back on track with a good training program for staff and athletes so they understood their role and how to put forth a strong positive image.

16. Sport Committee Reports/Action Items:

Alpine: Bob Dart said that he appreciated the leadership that Bill and Alan and the entire staff had given to the alpine sport committee. He also stated that Walt and everyone put a lot of work into the sport committee meetings and that they were a tremendous asset to the community. He said there were no action items and he read the alpine report for the record. (See Addendum III.)

Kelly said he had a comment relative to the on-line registration. He said that the discovery phase had just concluded of an on-line communication study conducted by Big Rig and that it would be helpful to have Bob or someone talk to them to provide some additional information on this. Kelly said that he would discuss this further with him off line and that it was helpful having that direction coming from the committee.

Cross Country: Jon Engen stated that the cross country sport committee had been presented with a new long-term comprehensive performance plan and that plan had been well received by the constituency.

He wanted to thank the leadership for supporting that plan because it resulted in the addition of a Continental Cup team, additional coaching staff, sport science and medicine support as well as more direct support for the athletes and jump started the coaches' education program.

He said that the cross country program was moving forward and they appreciated the leadership and support of the USSA family. There were no action items at this time.

Disabled: Jack Benedick stated that there were no action items but staff was in the process of hiring a new alpine head coach since Kevin Jardine retired and that decision would be made after the FIS meetings. Benedick said he was available to answer any questions.

Paine said that he wished to congratulate the disabled program for its great year as well.

Benedick said that it was a good year with the women dragging the men along. The rest of the world was catching up, he said, so it was important to ratchet up a few notches since he didn't like being second.

Paine stated that he appreciated that attitude.

Freestyle: Andy Wise said that he had a few comments and two action items for the board. Wise thanked the freestyle staff for their hard work in preparing for the meetings. Fisher was now one of the two voting members on the freestyle sport committee. The chair position was up for election this next year and he had been re-nominated for another two-year term.

The meetings had been well attended and the committee continued to clean up the competition guide on small inconsistencies and language clarification.

One of the best discussions in the meetings came from the halfpipe contingent, he said. They produced good recommendations for staff for criterion for upcoming World Championships next year and provided staff with ideas on developing a halfpipe program or development group.

Wise also said that the freestyle sport committee would not be meeting in the fall this year and turned to the action items. The action items (see Addendum IV) referenced creating a new age category. J5 had been 10 and under and the change would be to 9 to 10 years old and create a J6 for 8 years and younger. He wanted the kids to be easily recognized and when scoring events that organizers could point out the J5 and J6 winners.

Natt stated that discussion had taken place on this change and that Evans had been in support and that he didn't have any particular legal comments on this motion and that it was being supported by the sports generally.

Ashley stated that he saw no reason not to move this forward.

Wise commented that the change would take place in FY07/08 but if membership could accomplish it this year, it would be appreciated.

Motion # 8: To approve the freestyle motion regarding the change in age categories as presented.

M/S/C – Andy Wise/Bob Dart, approved by acclamation

The next action item related to age limitations for jumps, which had been worked on for a year. He explained that the new language was more appropriate. This along with the certification plan initiated two years ago, he said, was the right way to go.

Ferries paraphrased that what was intended was that 8 and 9 year olds could go upside down. Wise confirmed. Wise stated that this was consistent with gymnastics. Ashley stated that this was the direction of the sport around the world and was needed to maintain competitiveness.

Natt stated that the certification process was in place for a coach to certify that the athlete was capable of doing the maneuver. The freestyle sport committee had been asked in Vail to do more study and come back in spring with a recommendation and, he said, that it was ready for board vote subject only to a review with USSA's insurance company.

Wise confirmed that the structure existed with the athletes on trampoline and water camps and, once qualified in that manner, they became qualified to do the maneuvers on snow. Additionally, Wise commented that one of the items cleaned up the language in the comp guide that to do this a Level II license was required and to this had been added a requirement of 40 hours of internship as an added element.

Paine reiterated that a lot of thought had been put into the safety issue and asked for a motion to approve.

Motion # 9: To approve the freestyle motion regarding the change in age limitations as presented.

M/S/C – Andy Wise/Bob Dart, approved by acclamation

Jumping/Nordic Combined: Chuck Heckert said that ski jumping also had no action items. He thanked Luke for his excellent leadership on the committee and mentioned that this year the committee had begun to gel. The committee was working hard to get a new program in place. Nordic combined was doing very well and the women's program had three women in the top ten in the world now.

Snowboard: Mike Mallon said that his term was up and he was re-elected for an additional two years. He said he was excited about this. The meetings had been very well attended with lots of good discussion. With the success of this year's season, everybody was very energized and glad to be a part of the process.

Mallon commented that snowboarding's membership continued to grow and that the *Revolution Tour* and *Race to the Cup* series regionally continued to draw a high-level of participants and a few of those events had been sold out. A new representative was elected for the Central region. There had never been a rep in Central so that was a big step. Also, there was a change in representation in the Rocky region.

He also wanted to touch upon slopestyle which was making a big push in the sport. It was on the Grand Prix last year as an event and he hoped that would continue and down the road be in a position to award a national championship title.

Paine congratulated the program on a great year.

Natt said that, noting that Mallon and Wise were re-nominated to their board positions, the board should formally take a vote to welcome them back. Wise clarified that his position for re-nomination was for next year.

Motion # 10: To approve the re-nomination of the snowboard sport committee representative to the board.

M/S/C – Andy Wise/Lisa Kosglow, approved by acclamation

Paine said that continuity on the staff and leadership at the sport committees were important as well in terms of productivity and having great relationships with the membership and athletes.

17. FIS Report: Bill Marolt

Marolt stated that the first thing he wanted to discuss was the Congress proposal. Marolt commented that the emergence of new disciplines coming up the pipeline and every time a new event was approved with a national championship or a new international event was added, resulted in incremental investments that were necessary.

From USSA's standpoint, as a company, we did a good job of allocating resources through the planning process. USSA wanted to make sure that it knew in advance what was coming up the pipeline so the proposal USSA drafted to be voted upon at the FIS Congress in Portugal structured a process by which new events would be approved. It asked the FIS staff to be more disciplined in its approach and bring to the FIS Council and the FIS body an action plan on how it intended to add new disciplines. Marolt said that he thought this would be positively viewed and hopefully approved.

Marolt said that Royle had alluded to the World Cup schedules. He said there were considerable challenges for the alpine women and he hoped that would get resolved.

The other issue that he reported on a year ago was the timing and data area and there was a proposal to centralize timing and data with a number of nations putting proposals on the table. He did not know if these would be approved with the challenge of providing accurate timing and data and the FIS had, he said, yet to come to a good decision on how to do that to best represent the professional image that we wanted the FIS to have.

Marolt stated that work continued in the anti-doping area and resources were committed to this and all continued to get better at this. He anticipated that there would be some dialogue in terms of where anti-doping would continue go.

Marolt said that the TV geography hadn't changed and that earlier negotiations with Media Partners to retain all rights for international distribution had fallen apart and to date had not been put back together with nothing imminent. He said that concluded his report unless someone had questions.

18. USOC Report: Bill Marolt

Marolt stated that USSA had a very strong staff-to-staff relationship with the USOC. Ashley and his staff had done a particularly good job in working closely with their counterparts at the USOC with a high-level of communication and trust and ultimately that had resulted in expanded financial support from the USOC. USSA brought forward a good plan and accompanying results and every year since '96, there had been increasing support from the USOC.

After completing the athletic planning process, staff traveled to the USOC to present the high-performance plan and had asked for incremental additional revenue going forward. It was an aggressive plan and the staff sitting in those meetings was pleased with what they saw and heard.

A decision on USSA's funding request would be made after the Olympic Assembly in the last week of June. The meeting this year was scheduled in La Jolla and, he explained, that process was still evolving after the USOC's restructuring two years ago.

Under the leadership of Ueberroth, the USOC had made good financial strides. Marolt said they were in a good position to meet the requests of the NGB's, which was a strong statement about what was going on in Colorado Springs.

The National Governing Body Council was still an emerging group with a complicated process by which business was done and there were 45 different groups with differing management capabilities and financial support so that was still an emerging group with real progress was some way down the road.

19. U.S. Skiing Foundation Report: Mark Lampe for Bill Slattery

Lampe stated that the USSF held their annual meeting on Friday. That Foundation he described as a fund and steward of the funds distributed from the Los Angeles Olympics. Those funds have grown to \$2.3 million with earnings of \$350,000 and trustees had approved a \$115,000 grant to the USSA athletic program for next season.

They had one action item to re-nominate three members of their board, John Bucksbaum, Lee Todd and Jim Swartz to another three-year term.

Motion #11: To ratify the re-nomination of John Bucksbaum, Lee Todd and Jim Swartz for an additional three-year term to the USSF BOT.

M/S/C – /, approved by acclamation

Pottruck asked whether this \$2 million was included in the goal of \$60 million for the endowment.

Lampe replied no, that it was separate.

Pottruck suggested that in looking at the endowed resources of the company that that \$2 million was part of it.

Marolt stated that \$25 million was the combined endowment currently being managed.

Paine added that while held separately it was managed pro rata.

20. Audit Committee Report: Mark Lampe for Greg Boester

Lampe reported that the Audit Committee had held their meeting on Friday, which consisted of reviewing their membership, which was addressed earlier in the board meeting and which added three new committee members.

There was one additional action item that they wanted addressed and that was the selection of the auditors. The committee recommended re-engaging our current firm Schmitt Griffiths Smith and Lampe requested a motion to approve this item.

Motion #12: To ratify the selection of the audit firm, Schmitt Griffiths Smith, as recommended by the Audit Committee.

M/S/C – Dexter Paine/Jeanne Jackson, approved by acclamation

21. Investment Committee Report: Dexter Paine

Paine stated that the endowment enjoyed strong earnings last year of 17%. The '06 grant was approximately \$800,000 and the '07 grant would be approximately \$1 million. The entire amount was designated to Athletics and had become a very important part of the stability of the organization going forward. Jim Swartz, he said, was the chair of the

committee and had done a great job and was actively involved in the day-to-day activity and month-to-month review and the organization was lucky to have his expertise.

22. Judicial Committee Report: Alex Natt presented for Todd Wakefield

Natt stated that Todd Wakefield had dropped off a committee report that would be appended to the minutes. He then provided an executive summary of the judicial report relating to the two issues dealt with over the season. (See Addendum V)

23. Legal Report: Alex Natt

Natt said that USSA had been dealing for several years with two small personal injury lawsuits that were being ably defended by insurance counsel and expected to be well within the limits of coverage and that there should be no exposure to the company in that regard. He reported that it continued to be his pleasure to represent the organization, that it was well-managed and he thanked Chuck Ferries for his efforts over the last four years and was looking forward to working with Dexter Paine.

24. Athletes' Council Report: Ryan Heckman

Heckman stated that the Athletes Council had had a good meeting on Saturday and he said that USSA had great athlete representatives and welcomed Carl Swenson to the group. He stated that there had been a variety of issues discussed, one of which had filtered through one of the athlete reps.

For the '06 season there would be focus on an issue that Andre brought to the table regarding creating a better transition process for retiring athletes whether voluntary or involuntary with the goal of getting more feedback from those individuals in terms of recognizing them as athletes and acknowledging their contributions and invigorating those retired athletes in giving back to the organization. Heckman said that they would be reporting back on this in the December meeting after working on the issue over the summer. Heckman asked if Horton wished to address this further.

Horton discussed the initiative. He said that the transition initiative was a two-tiered process - the first process was that it was a multi-discipline procedure for all athletes within the organization and athletes were facing retirement either by choice or by default if they did not make criteria or otherwise; and second, a certificate of service or some type of professional recognition for their service to the organization.

This came out of alpine initially based on the fact that it was his belief that many athletes left the organization on ambiguous terms or they didn't leave with the best of attitudes. He said that that had a long-term impact on the organization and that the athletes didn't return to the organization and help in its fundraising efforts and so it was his intent to change the procedure to have the athletes come back and support the organization.

Horton said that Tom Kelly had mentioned that there was a procedure to recognize athletes and alumni but it was on more of a grand scale and interpreting the attitudes of some athletes Horton said he would like to see better attitudes from athletes upon retiring. He said that surveys would be conducted over the summer for the governance and procedure for doing such a thing.

Horton noted that Nina Kemppel also mentioned the USOC resources available to help in the transition from one profession to another. He mentioned that the transition from a

downhill suit to a job was quite a wake up call. He concluded by saying that he wished to make the most of that transition for the athletes to keep that resource long-term for the organization.

Paine stated that a small group at dinner the previous night had taken some time at dinner to discuss exactly that topic. Kipp and Jeanne had feedback on some of their experiences being involved with local programs so, he said, he encouraged this. Having hosted several Foundation events, he said, there was nothing better than getting an energized alumni group coming back and that helped the organization in so many different areas. He encouraged Horton to use the resources of Foundation to help with this project and strengthen the initiative.

Horton closed by thanking the staff for their aid in the logistics for the meeting and he appreciated the organization's taking on the addition of values to its core vision and mission.

25. Old Business: Dexter Paine

Paine asked if there were any old business to discuss. None.

26. New Business: Dexter Paine

Marolt said that the code of conduct (see Addendum VI) had always been in place but it had been reviewed and in the context of the new values and what was being attempted was to have everyone understand their roles and responsibilities within the organization and that was a question of education.

A lot time would be spent in discussing what it meant to be a member of the organization as a member, competitor or coach and the responsibilities attached to that. There was a good foundation and all were responsible to continue to build upon that and respect those who had gone before – making sure that we all did the very best work that we could do and a lot of that was just what Andre said making sure that when the athletes left this organization they felt great about it and they would if they understood it better.

Paine asked Natt if he had any additional comments on the code of conduct.

Natt said that USSA had a code of conduct and that the revised document was very much the same code of conduct that we'd always had. He said that the additions were the preamble that discussed core values and pointed out that membership was a privilege and that everyone needed to understand that if one wanted to be a member of USSA, one must agree to the following items in the code of conduct.

Everything else regarding sportsmanlike conduct and the enumerated principles for participating in USSA activities had existed in the code of conduct and the only other addition to the code was an acknowledgement that failure to comply with the above provisions could lead to forfeiture of one's USSA membership subject to USSA's due process provisions contained in Article IX.

What the board should take away was that this was a re-emphasizing of the principles of the code of conduct and not a wholesale redrafting of the code. He said it was important to obtain approval of the concept from the USSA board.

Paine said that the code of conduct applied to all members whether at meetings or races and, given some of the issues of the last six months, for everyone in the entire

organization to take a look at this and understand that the expectations were the same for all whether chairman of the board or J 6 competitor.

Benedick asked if there were a formal process by which athletes were nominated to the team and then signed an agreement.

Ashley replied that USSA had always had a process of nomination and naming to the teams, operating in most sports almost simultaneously. This year the team had been nominated but the teams would not be named until the summer, after sitting down with the teams, athletes and coaches and talking through the values, providing education on the organization - including the review of the code of conduct - and spending time together so everyone was on the same page in terms of responsibilities and that would be the process going forward.

Natt reconfirmed that every member of USSA was held to the code of conduct and, when athletes signed their team agreements with USSA, he explained, that was another level of commitment to the organization but always included abiding by the code of conduct.

Wise reaffirmed that it was a privilege and not a right – that in the past some athletes felt it was their right and not a privilege to represent the US so that inclusion was very good.

Paine asked for a motion to approve the revised USSA code of conduct.

Motion # 13: To adopt the Code of Conduct revisions as presented.

M/S/C – David Pottruck/Hank Tauber, approved by acclamation

Paine opened the floor for member comments.

Charlie Brush thanked the board for the opportunity to address them stating that his daughter Kelly had been injured in a very serious ski racing accident during the winter and was currently in hospital in Denver and would most likely not walk again. He stated that he was there to speak about ski racing safety.

As background, he said that he was a graduate of Middlebury College, had coached skiing at Middlebury for 10 years and his wife had been on the U. S. Ski Team and participated in the 1976 Olympics. Both his children had gone to GVS and skied in numerous national championships and they had been a ski racing family forever.

He said that ski racing had changed in the last five years and that, in the East and many trails in the country, athletes were skiing on venues which were simply not safe any more. Trails for which speeds had reached 25 or 30 mph were now 50 mph. Some of the trails were just not safe and officials of USSA, FIS and various clubs had adopted an attitude which has left ski racing safety secondary to other considerations.

Brush said that he was not there to stop skiing and that he was a complete supporter of the ski team and all the programs out there but it was now time to make a change and that needed to happen now.

He said that, as he investigated, USSA's attorney, Mr. Natt sent a pointed e-mail about his right to legal representation to be here today. He said that he had no intention of going down that avenue but, at the same time, we needed to face this problem.

He said that FIS had the responsibility for the homologation of trails and USSA for rules but there needed to be education and recognition and funding and a realization that the

safety of the ski racer was more important than getting the events off. Until that happened, he said he would be out there banging the drum, making it happen.

Paine said that he had been very eloquent and thanked him for taking the time to come out at his expense, that this was clearly a very important issue and that USSA wished his daughter the best in her recovery and were very sorry and he thanked him for taking the time and energy to address the group that morning.

Paine asked if anyone else wished to speak at this point. None.

27. Meeting dates for 2006/07: Dexter Paine

Paine stated that the annual Foundation and USSA joint board meeting would occur at the World Cup events in December and that the schedule would be out in the fall. He hoped that everyone could make it and confirmed that it was a terrific event and an opportunity to ski as well as attend the meetings.

The second set of dates was the Congress for next year and he said that he was putting Jeanne Jackson on scheduling for next year. Paine stated that we would attempt to work around Mother's Day in future. The final schedule for next year would be provided with some modification to respect Mother's Day.

28. Closing Comments & Adjournment: Dexter Paine

Paine asked if anyone wanted to make any last comments.

Marolt asked if Sos was still on the phone to which he replied yes. Marolt asked how many years Sos had been coming to USSA conventions. Sos replied that he had been coming since 1960, he guessed.

Marolt said he wanted to take just a minute to let Sos know that everyone at the Congress and the board meeting today missed his participation and that he always brought a certain elegance and sense of history back to the USSA and he wanted Sos to know that everyone appreciated that and missed him and wished his daughter Godspeed and that she could recover and hoped to see him in the near future in Beaver Creek.

He said the other individual that he wanted to mention was Fraser West and that between them, they had close to 200 years of service to the organization and these guys were rocks and represented USSA's history and tradition, and that we missed these guys and looked forward to seeing them soon.

Marolt said that he had one last thing to add. He stated that we had talked about the vision and best in the world and best in the world had been the focal point of where we were going to go but it did cause some confusion and though USSA would not back off from that goal, but going forward, would discuss quest to be the best. Phil McNichol said that when you have quest to be the best on the front of your shirt that pretty much explained what your organization was all about.

Before leaving, Paine said he wanted to thank everyone in the organization for a great year and thanked the board for taking the time to be here. He mentioned that Jeanne Jackson would be taking over the Foundation and so we continued to have knowledgeable and passionate people who on the trustee side continued to come up.

In closing, he mentioned the strategic plan and that everyone had received a copy and that it was important that they read through the documents. He commented that for those who knew one part of the organization better than another, it was an opportunity to learn about the goals and objectives of the other departments and programs and what we held the staff accountable to achieving.

He said we were a team and that we could disagree among ourselves and have open dialogue but when we left this room it was all about supporting the staff and athletes to be best in the world. It was really important to support one another and continue to focus on the vision, mission, goals and values of this organization and he asked everyone to be an advocate of the organization.

He thanked Chuck Ferries again for being a great leader and mentor and he would encourage people if they had concerns and questions to get in touch with him and that he looked forward to talking to anyone and that he also looked forward to an exciting couple of weeks at the FIS meetings and then the USOC Assembly. With that last comment, Paine adjourned the meeting.

Minutes prepared by Suzette 5/25/06
Natt legal review 6/1/06
Posted to web 6/15/06

Addendum I – Bylaw Amendment

The amendment would modify Article III “Vision, Mission, and Objectives” section B by replacing USSA’s current mission statement with one which reflects an increased emphasis on the provision of leadership in support of USSA’s vision.

This amendment is desirable because it emphasizes the responsibility of all members of USSA to be leaders in our sport.

The following displays the proposed amendment to Article III (B).

ARTICLE III **Vision, Mission and Objectives**

A. The **vision** of the USSA is to make the United States of America the best in the world in competitive skiing and snowboarding.

B. ~~The **mission** of USSA is to make the vision a reality by fielding and maintaining teams of winning world-class ski and snowboard athletes~~ The **mission** of the USSA is to provide strong leadership that establishes and supports athletic excellence.

C. The objectives through which USSA shall accomplish its mission shall include the following:

1. Educating, training, and supporting all members to achieve sustained success in all levels of ski and snowboard competition; and by helping members to use ski and snowboard competition to develop to their highest athletic and personal potential;
2. Ensuring that all USSA members and staff know and understand the vision, mission and objectives of USSA;
3. Serving as the National Governing Body (NGB) for the organization, regulation, and advancement of athletic competition in skiing and snowboarding in the United States of America, as recognized by and in affiliation with the International Ski Federation (FIS) and the U. S. Olympic Committee (USOC);
4. Achieving and maintaining long-term financial stability;
5. Establishing, administering and promoting programs dedicated to the development and training of athletes in skiing and snowboarding as a means of healthful recreation, physical fitness and personal growth;
6. Educating and training members in the techniques of ski and snowboard competition at local, regional, national and international levels;
7. Implementing a comprehensive annual program of competitions in skiing and snowboarding including entry level, junior and adult competitions, national championships, and such FIS sanctioned competitions as are annually awarded to be conducted in the United States of America;
8. Developing, revising as appropriate, promulgating, implementing, and enforcing a comprehensive body of competition rules for each skiing and snowboarding discipline including rules of athlete eligibility, in conformity with or supplementary to

applicable FIS and USOC rules, and the Ted Stevens Olympic and Amateur Sports Act of 1998;

9. Fostering and encouraging interest and participation in skiing and snowboarding by both competitive and recreational athletes; and

10. Serving as a national spokesperson for all disciplines of skiing and snowboarding to represent the legitimate interests of all skiers and snowboarders as a group in the United States of America.

Addendum II – USSA International Ski Federation Representatives’ List

FIS COUNCIL

| | |
|---|-------------|
| FIS Council – Vice President | Bill Marolt |
| FIS Council – Finance Commission & Working Group for Alpine | Bill Marolt |
| FIS Council – Honorary | Hank Tauber |

FIS COURT

| | |
|-----------|---------|
| FIS Court | Vacancy |
|-----------|---------|

CROSS COUNTRY

| | |
|---|-------------------|
| Cross Country Committee – Non European | Lee Todd |
| Subcommittee for World & Continental Cup | Luke Bodensteiner |
| Subcommittee for Rules and Control | Lee Todd |
| Subcommittee for Popular Cross Country - <u>Chair</u> | Luke Bodensteiner |

JUMPING

| | |
|---|-------------------|
| Jumping Committee - Member | Joe Lamb |
| Jumping Committee - Honorary Member | Gustav Raaum |
| Subcommittee for Jumping Hills (corresponding member) | Dr. P. T. Bland |
| Subcommittee for Officials, Rules & Control | Chuck Heckert |
| Subcommittee for Calendar Planning | Luke Bodensteiner |
| Subcommittee for Equipment and Development | Joe Lamb |
| USA Jump Obman | Reed Zuehlke |

NORDIC COMBINED

| | |
|---------------------------------|----------|
| Executive Board - Vice-Chairman | Joe Lamb |
|---------------------------------|----------|

ALPINE

| | |
|--|-------------------|
| Executive Board - Member | Jesse Hunt |
| Alpine Committee - Conference | Walt Evans |
| Subcommittee for Classification of Alpine Competitors | Jeff Weinman |
| Data Users Working Group | Jeff Weinman |
| Subcommittee for Ladies' Alpine Skiing | Karen Korfanta |
| Subcommittee for Alpine Courses - Member | Ted Sutton |
| Subcommittee for Alpine Courses – Honorary Member | Nelson Bennett |
| Subcommittee for Alpine Courses - Inspectors & Controllers | Bruce Crane |
| | Bob Calderwood |
| | Tom Johnston |
| | Paul Mahre |
| Subcommittee for Rules and Control - Member | Karen Korfanta |
| Subcommittee for Rules and Control - Honorary Member | Dr. Leland Sosman |
| Subcommittee for Alpine Technical Delegates | Tom Winters |
| Subcommittee for the Alpine World Cup - Member | Jesse Hunt |
| Subcommittee for the Alpine World Cup – Conference | Annette Royle |
| Subcommittee for the Alpine World Cup – Conference - AIJS | Gary Black |
| Alpine Coaches Working Group - Men | Phil McNichol |
| Alpine Coaches Working Group - Women | Patrick Riml |
| Subcommittee for Nor-Am Cup – Vice-Chairman | Bob Dart |

Regional & National Coach
At-large
At-large
Secretary:

Lester Keller
Karen Korfanta
Jesse Hunt
Walt Evans

FREESTYLE SKIING

Committee for Freestyle Skiing - Member
Committee for Freestyle Skiing - Conference
Subcommittee for Freestyle Sport Development - Chairman
Freestyle Appeals Commission Chair
Freestyle Scheduling Working Group
US Freestyle Nor-Am Committee - Chair

Polly-Jo Clark
Jeff Wintersteen
Jay Simson
Jay Simson
Jeff Wintersteen
Polly-Jo Clark
Konrad Rotermund
Andy Wise
Brian Lake
Matt Gnoza

SNOWBOARD

Committee for Snowboard - Chairman
Committee for Snowboard – Conference Member
Snowboard Rules Working Group
Snowboard Task Force
Snowboard TD Working Group

William Slattery
Howard Peterson
Peter Foley
Jeremy Forster
Becky Woolley

SPECIAL COMMITTEES

Committee for Competition Equipment for Nordic Combined
Committee for Competition Equipment for Alpine Youth & Children
Legal and Safety Committee - Member
 Legal and Safety Committee – Honorary Member
Medical Committee – Member & Secretary
Medical Committee – Corresponding Member
Committee for Recreational Skiing
Committee for Public Relations and Mass Media - Chair
Committee for PR and Mass Media – Corresponding Member
Committee for Advertising Matters - Chairman
Committee for Youth & Children’s Questions - Chairman
 Committee for Youth & Children’s Questions – Alpine
 Committee for Youth & Children’s Questions – Freestyle
Subcommittee Cross Country for Lowlanders & Citizen Racers
 Subcommittee CC for Lowlanders & Citizen Racers - Honorary
Subcommittee for University Racers - Member
Subcommittee for Masters Racers - Member
 Subcommittee for Masters Racers – Honorary Member
Telemark Skiing
Athletes Commission, representing Freestyle Skiing
International Paralympic Committee Sports Assembly
 Executive Committee for Alpine

Joe Lamb
Harald Schönhaar
Alex Natt
Barry Bunshoft
Melinda Roalstad
Dr. William I. Sterett
Bill Gorton
Tom Kelly
Gary Black
Howard Peterson
Harald Schönhaar
Walt Evans
Polly-Jo Clark
Bob Gross
John Lindstrom
Richard Rokos
Bob Dart
Bob Bernard
Duncan Edwards
Travis Mayer

Sandy Metzger

Addendum III - Alpine Sport Committee Action Items

The Alpine Sports Committee strongly supports, in principle, the athlete transition initiative as outlined by Andre Horton and the USSA Athletes' Council.

The Alpine Sports Committee strongly recommends that USSA develop a live on-line membership sign-up and registration system and requests that staff reports back to the Sport Committee at the Fall executive meeting on the status of this recommendation.

The Alpine Sports Committee has asked USSA staff to define the policy and process for accepting on-site USSA memberships; report due by August 1, 2006 to the Alpine Sports Executive Committee.

The Sports Committee is in the process of a quadrennial review of quota distributions relative to gender. This review is based on populations of respective alpine competitor populations. This review is being conducted at the National and Regional levels.

Addendum IV - Freestyle Sport Committee Action Items

Motion: Age group categories

3046.3 ADD J5 9 to 10 years
 J6 8 years and younger

R&T Motion 22 – Amend rule 3070.2

| <p>3070.2</p> | <p><u>Age Limitations for Jumps</u></p> <p>The following age limitations apply for aerial maneuvers in national competitions. In mogul and dual mogul competitions, a competitor may not perform more than a single inverted maneuver per jump.</p> <table border="0"> <thead> <tr> <th><u>Age category</u></th> <th><u>Highest Acceptable Jumps</u></th> </tr> </thead> <tbody> <tr> <td>Junior 5</td> <td>Upright jumps only</td> </tr> <tr> <td>Junior 3-4</td> <td>Single inverts</td> </tr> <tr> <td>Junior 2</td> <td>Double inverts</td> </tr> <tr> <td>Junior 1/Seniors</td> <td>Triple inverts</td> </tr> </tbody> </table> <p>Age limitations are determined as described in paragraphs 3046.1 through 3046.3.</p> | <u>Age category</u> | <u>Highest Acceptable Jumps</u> | Junior 5 | Upright jumps only | Junior 3-4 | Single inverts | Junior 2 | Double inverts | Junior 1/Seniors | Triple inverts |
|-----------------------------|--|----------------------------|--|-----------------------------|--------------------------------------|-------------------|--------------------------------------|-------------------------|-----------------------|------------------|----------------|
| <u>Age category</u> | <u>Highest Acceptable Jumps</u> | | | | | | | | | | |
| Junior 5 | Upright jumps only | | | | | | | | | | |
| Junior 3-4 | Single inverts | | | | | | | | | | |
| Junior 2 | Double inverts | | | | | | | | | | |
| Junior 1/Seniors | Triple inverts | | | | | | | | | | |
| <p>3070.2</p> | <p><u>Age Limitations for Jumps</u></p> <p><u>The following age limitations apply for aerial maneuvers in national competitions. In mogul and dual mogul competitions, a competitor may not perform more than a single inverted maneuver per jump.</u></p> <table border="0"> <thead> <tr> <th><u>Age category</u></th> <th><u>Highest Acceptable Jumps</u></th> </tr> </thead> <tbody> <tr> <td><u>Junior 4-and younger</u></td> <td><u>Single inverts/ 1080 rotation</u></td> </tr> <tr> <td><u>Junior 2-3</u></td> <td><u>Double inverts/ all rotations</u></td> </tr> <tr> <td><u>Junior 1/Seniors</u></td> <td><u>Triple inverts</u></td> </tr> </tbody> </table> <p><u>Age limitations are determined as described in paragraphs 3046.1 through 3046.3.</u></p> | <u>Age category</u> | <u>Highest Acceptable Jumps</u> | <u>Junior 4-and younger</u> | <u>Single inverts/ 1080 rotation</u> | <u>Junior 2-3</u> | <u>Double inverts/ all rotations</u> | <u>Junior 1/Seniors</u> | <u>Triple inverts</u> | | |
| <u>Age category</u> | <u>Highest Acceptable Jumps</u> | | | | | | | | | | |
| <u>Junior 4-and younger</u> | <u>Single inverts/ 1080 rotation</u> | | | | | | | | | | |
| <u>Junior 2-3</u> | <u>Double inverts/ all rotations</u> | | | | | | | | | | |
| <u>Junior 1/Seniors</u> | <u>Triple inverts</u> | | | | | | | | | | |

Addendum V - Judicial Committee Report

USSA Judicial Committee Report – Todd Wakefield – May 14, 2006

On behalf of the USSA Judicial Committee, for the 12-month period ending today, I have two matters on which to report. These are two matters which are related, in that they involve the same athlete and arise in connection with that athlete's return from an injury to active training and competition. But, while related, the two matters are distinct, as I will explain further in my report.

I. The first matter may sound somewhat familiar to some of you, since it was filed just a few days before the USSA Congress last Spring and was reported to this Board at that time – but with very little detail since the matter was still pending. The matter was a Grievance under Article IX section A of the USSA bylaws.

Under our bylaws, a grievance is a different sort of animal than what you'd normally think of as an appeal. Where an appeal is generally a challenge to a disciplinary suspension, or an assignment of a start right or a quota spot, the Grievance provision is something of a catchall. It's an allegation that contends that even if there was not a direct denial of a right to compete in a protected competition, someone acting in an official capacity for USSA has "bylaws... the official written policies and procedures of USSA, or... its obligations as a National Governing Body under the USOC Constitution and Bylaws or the Amateur Sports Act."

And because this is a different kind of animal, it uses a different kind of procedure. Unlike an appeal, it doesn't go right to a hearing before the Judicial Committee. Instead, since it's broad enough that it can encompass almost any kind of dispute, there is a phased procedure designed to help clarify and narrow the issues, and offer some initial guidance before going to a final and binding hearing. In the first phase, one member of the judicial committee is required to actually conduct an investigation and render a preliminary non-binding decision.

In the approximately 9 years since we re-wrote those bylaws from the ground up, this matter this past year was, to my knowledge the first time that the Grievance procedure has been invoked and pursued at the USSA Judicial Committee level.

Now, on to a brief summary of the facts of the dispute, and the resolution.

The grievance was filed by an athlete who qualified for a spot on the U.S. Freestyle Ski Team for the 2004-2005 season by finishing 2nd in the December 2004 Selections event. Unfortunately, less than two months later, after having the opportunity to compete in only three World Cup events, the athlete injured his knee. He went onto injured status and started a rehabilitation program, but missed the rest of the competition season. Following the conclusion of the 04-05 competition season, the 05-06 U.S. Freestyle Team was named, this particular athlete was not on the roster.

The athlete filed a grievance contending that USSA officials had violated policies published in the Freestyle Comp Guide known as "the Injury Clause." The athlete interpreted the Injury Clause in such a way that it would have entitled him to be re-named to the team. The USSA coaching staff interpreted those provisions differently, and concluded that the athlete did not qualify for the 05-06 team.

When a grievance is filed, the bylaws require the judicial committee to first determine whether to hear the grievance, or to refer it down to one of the sport committee judicial bodies. We decided that national team selection criteria disputes were appropriately the province of the USSA Judicial committee, so we decided to hear the matter. Phase 1 of the process was commenced, and Craig Rodman agreed (boldly I should add) to spearhead the investigation and produce an initial

decision. That proved to be a somewhat time consuming and I think, for a non-lawyer, daunting task. But, Craig deserves kudos for rising to the occasion and getting that investigation done and a preliminary written decision out.

The result of the investigation was a preliminary decision rejecting the athlete's interpretation of the Comp Guide and the Injury clause in particular – and finding that properly interpreted, those policies did not entitle the athlete to a spot on the 2005-06 U.S. Freestyle Ski Team. That preliminary decision was communicated to the athlete, and to the USSA staff. But under the bylaws, that preliminary decision was non-binding and the athlete then had the right, if he wished, to request a hearing before the full Judicial Committee to make his case for a different result. Ultimately, the athlete did not request that hearing, and the preliminary decision therefore became final and binding and concluded that dispute.

Given that set of facts and that result, there are some observations that would be appropriate to share now. First, the athlete's grievance, although it ultimately was denied, was not without some merit. There was some ambiguity in the language in the comp guide regarding injury procedures for national team members. It would be possible to tighten up those provisions and avoid this type of dispute in the future. Second, as the guy who wrote it nine years ago, I must admit that our grievance procedure could stand a second look. Asking a lay person with a job and family to conduct that type of investigation and generate that type of written decision in his or her "spare time" might be asking a bit much. It might be worth thinking about whether an independent third party lawyer or arbitrator could or should be hired to take on that responsibility instead. The procedure itself, of conducting an initial investigation and developing preliminary findings, is actually a good one, and it proved its merit in this case by saving all of the parties from having to go through a formal hearing process which could have been quite burdensome. But that phase 1 procedure ends up imposing a pretty difficult burden on a volunteer somewhere, and it could end up being too burdensome in a future case, and costing everyone time in a more time-sensitive matter.

II. The second matter I have to report on this morning involved the same athlete as he returned to active competition, although no longer as a member of the national team – but instead, after having been named to the Development Group.

This second matter was a start right appeal. The athlete wished to compete in the final NorAm of the season. The Freestyle Comp Guide said that members of the Development Group (like this athlete) were guaranteed NorAm start rights. But, the Comp Guide also said that members of the Development Group must compete in the Selection Events. While this athlete did not compete in the Selection Events, that was only because when the Selection Events were held he was still following the USSA prescribed rehabilitation program for his knee injury. The Freestyle Executive Committee interpreted the Comp Guide to mean that, even though the athlete was following the Medical Department's orders to sit out the Selection Event, his doing so disqualified him from a start right that he was otherwise guaranteed for a NorAm which he was now finally healthy enough to compete in.

In this case, instead of disagreeing with the athlete's interpretation of the rules, the Judicial Committee disagreed with the Freestyle Executive Committee's interpretation of the rules. The Judicial Committee decided that if the Freestyle Executive Committee's interpretation were to stand, then in the future athletes might be incentivized to disregard the Medical Department's orders to sit out an event and let an injury heal.

Again, this is a situation where nobody's interpretation was completely without some reason or merit. On the one hand, that's why we have bodies like the judicial committee and procedures like these. On the other, these matters tend to highlight how important it is to continuously try to improve our written policies, and also to be thorough in thinking through how to apply those policies and not just rely on custom, or practice or initial inclinations.

Addendum VI – USSA Code of Conduct

Membership in the United States Ski and Snowboard Association is a privilege, not a right. All USSA members (athletes, coaches, and officials) when participating in any USSA activity, must agree to conduct themselves according to USSA's core values of Team, Loyalty, Integrity, Respect, Perseverance, and Accountability and abide by the spirit and dictates of this Code of Conduct. All members must agree to comport themselves in a sportsmanlike manner, and are responsible for their actions while attending or participating in all USSA activities (including but not limited to camps, competitions, and projects).

Sportsmanlike conduct is defined as, but is not limited to: respect for competition officials, resort employees, and the skiing and snowboarding public, respect for facilities, privileges and operating procedures, the use of courtesy and good manners, acting responsibly and maturely, refraining from the use of profane or abusive language, and abstinence from illegal or immoderate use of alcohol and use of illegal or banned drugs.

While participating in any USSA activity:

1. USSA members shall be subject to the jurisdiction of the International Ski Federation Statutes, the United States Olympic Committee Bylaws, the USSA Bylaws, and the USSA Code of Conduct.
2. USSA members shall conduct themselves at all times and in all places as befits worthy representatives of the United States of America, the United States Olympic Committee, USSA, their region, division, state or club and in accordance with the best traditions of national and international competition.
3. USSA members are responsible for knowledge of and adherence to competition rules and procedures. Members are also responsible for knowledge of and adherence to the rules and procedures of the USSA national teams, camps or other projects when participating in such.
4. USSA members shall maintain high standards of moral and ethical conduct, which includes self-control and responsible behavior, consideration for the physical and emotional well-being of others, and courtesy and good manners.
5. USSA members shall abide by USSA rules and procedures while traveling to and from and participating in official USSA activities.
6. USSA members shall abstain from illegal and/or immoderate consumption of alcohol. Absolutely no consumption of alcohol is permitted for those individuals under the age of 21. Members under 21 years of age shall not participate in gatherings involving consumption of alcohol unless it is an official USSA or event organizer function.
7. No USSA member shall violate the customs, travel or currency regulations of a country while traveling with a USSA group or on a USSA ticket.
8. No USSA member shall commit a criminal act.
9. No USSA member shall engage in any conduct that could be perceived as harassment based upon gender, age, race, religion or disability.
10. USSA members will avoid profane or abusive language and disruptive behavior.

11. Any USSA member who uses any substance or material, by whatsoever route introduced into the body, which has been determined by the International Ski Federation to be banned or prohibited is, by definition, engaging in doping, and shall be subject to immediate suspension procedures. Action with intent to violate this section of the Code of Conduct, whether successful or not, shall be sufficient to warrant suspension.
12. Any USSA member who participates in the violation of the rule in the preceding section 11, by encouragement or consent, or by furnishing prohibited materials or substances, is, by definition, engaging in doping and shall be subject to suspension.

Failure to comply with any of the above provisions may lead to disciplinary action by the appropriate team or competition leader. Disciplinary action may include:

- Removal from the team trip or training camp;
- Suspension from training and/or competition;
- Elimination of coaching, travel, and other benefits;
- Forfeiture of USSA membership.

USSA is committed to principles of fairness, due process and equal opportunity. Members are entitled to be treated fairly and in compliance with USSA's Bylaws, policies and procedures. Members are entitled to notice and an opportunity for a hearing before being prevented from participating in protected competition as that term is defined by the USOC Bylaws. Information on the processes for grievances, suspensions and appeals is available at www.ussa.org.

Nothing in this Code shall be deemed to restrict the individual freedom of a USSA member in matters not involving activities in which one could not be perceived as representing USSA. In choices of appearance, lifestyle, behavior and speech while not representing USSA, competitors shall have complete freedom, provided their statements and actions do not adversely affect the name and reputation of the USSA. However, in those events where one is representing or could be perceived as representing USSA, USSA demands that its members understand and agree to behave in a manner consistent with the best traditions of sportsmanship and USSA's core values.