



**MINUTES
USA BOXING BOARD OF DIRECTORS
FORMAL MEETING
March 6, 2009
8:00AM MST
ANTLERS HILTON
COLORADO SPRINGS, CO**

I. Call to Order – 8:00 AM MST

II. Roll Call

Board Members Present: Jim Beasley, Robert Blaha, Boyd Melson, Angel Bovee, John Brown, Frank Filiberto, Kevin Franklin, Tom Virgets

Staff Present: Jim Millman, Executive Director/CEO; Linda Gleeson, Business Manager; Cathy Newell, Executive Assistant

Board Members Absent: Jack Sandner

III. Quorum Established

IV. MOTION/SECONDED/CARRIED (Blaha/Beasley): Approval of minutes from Colorado Springs, Colorado – January 25th, 2009. Unanimously passed.

V. Chairman's Opening Remarks

A. Virgets discussed the day's agenda and the need to address the major issues currently facing USA Boxing.

1. USOC Audit/Probation
2. Foundation Lawsuit
3. Budget Issues/Proposed 2009 Budget

B. Virgets announced resignation of Board Treasurer Alan Rothenberg, effective March 5, 2009.

VI. USOC audit/probation discussion

A. Blaha suggested USA Boxing approach new USOC CEO, Stephanie Streeter, to attempt to begin a new relationship and resolve differences. USA Boxing to not accept probation.

- B. Virgets was approached by Jay Warwick to have discussion regarding probation. Virgets did not accept. Email communication sent to Jay Warwick and Mike English of USOC from Virgets, indicating that the USA Boxing Board of Directors will have no further communication with the USOC, unless it is via official meeting with the new USOC CEO, Stephanie Streeter.
- C. Filiberto suggested USAB Board to take stronger action. Have USOC go back to when they removed power from the USAB Board a few years back. Suggestion of possible lawsuit against USOC.
- D. Board agreed that USOC is trying to control the USA Boxing program, which is in violation of the Ted Stevens Act. This has not happened to any other NGB. Millman indicated that USAB lawyers advised against an offensive suit against USOC based on Ted Stevens Act.
- E. Discussion of AIBA President, Dr. Wu, voting against Chicago 2016 if USOC moves to remove USA Boxing as an NGB, or otherwise limits USA Boxing operating autonomy.
- F. It was agreed to approach new USOC CEO, Stephanie Streeter, with argument that solving the issues with USA Boxing is a positive way to start her role with USOC.
- G. Blaha suggested Board come up with a solution that is agreed upon by the entire Board to represent solidarity, and to communicate with the USOC that USA Boxing will be aligned in future efforts to fix current problems.
- H. Filiberto would like to make certain changes to new USAB By-Laws:
 - 1. Involve membership again - - they have been disenfranchised in new By-Laws.
 - 2. Less power for the USAB CEO.
 - 3. More involvement by the BOD.
- I. The financial concerns that Virgets had from the USOC audit were:
 - 1. Foundation funds allocations:
 - a) The BOD instructed the CEO on reallocation of funds and that the BOD to have approval on such reallocations.

b) Reallocations were not approved after that instruction.

2. Consultant Fees:

a) The BOD has not been fully informed of benefits/results of the consultants that were hired.

b) BOD has not seen revenue results of the money spent.

J. Millman expressed his concerns as:

1. Revenue issues are the underlying problem.

2. USOC audit and USAB budget challenges only precipitated by Foundation case loss.

3. USOC audit filled with errors and misrepresentations, including \$1M error confirmed by USOC regarding erroneous budget overruns.

4. Lack of response from BOD to Millman's reports/communications.

K. **ACTIONS:** Board response to USOC Audit requirements - - addressing the following:

1. Detailed response on how USAB will meet audit requirements.

2. Assuring USOC of Foundation lawsuit resolution - - report will be sent upon completion of Board meeting.

3. Assuring to USOC of AIBA support.

4. Non-acceptance of USOC probation.

VII. **Update on Foundation Settlement**

A. Discussion regarding current status of the Foundation lawsuit.

1. Virgets indicated that a few of the Foundation Trustees would be joining the meeting via teleconference to discuss USA Boxing's proposal to repay the \$1.815M taken from the Foundation in December 2007.

2. Discussion of payback terms.

a) Board is requesting that the Foundation Trustees consider payback terms presented to them by USA Boxing.

- b) Board will discuss payback proposal this afternoon during budget review, then present to Foundation via teleconference.
- c) The Foundation is unhappy with efforts to date for payback and is aware that USA Boxing's financial condition will not allow for acceptable payback terms.
- d) Filiberto spoke with key Foundation Trustees, and reported that an aggressive approach with the USOC by USA Boxing BOD would be backed by the Foundation. Foundation finds the USOC culpable for much of USA Boxing's financial problems.
- e) Discussion of Millman's relationship with USOC, and sudden turn-around in USOC's professionalism with Millman - - audit report results and announcement of probation handled poorly and unprofessionally by the USOC.

B. **MOTION/SECONDED/CARRIED:** (Blaha/Franklin) FOUNDATION PAYBACK PROPOSED TERMS - - To reach settlement with Foundation, explain budget issues, commit to \$25k annually starting in 2010, with 20% of any profits, recognizing their position without prejudice. Unanimously passed.

VIII. **Budget Presentation/Development**

- A. Discussion of current budget issues and development 2009 budget.
 - 1. 2009 budget/revenue discussion/development to operate on functional streams of revenue. The budget must balance.
 - 2. USOC dollars/elite program a separate consideration.
 - a) USAB had asked for financial assistance from USOC. USOC in turn did an audit to determine the needs of USAB. USOC then put USAB back on probation due to findings of audit.

- b) Millman/Borkowski scheduled to meet with Jay Warwick on Monday, March 8. Board advised Millman to let Warwick know HPP program is suspended until USOC rescinds management control of it.
 - c) USAB currently in negative for funding USOC programs, as USOC has not made first quarter payments to date to support the programs.
 - (1) **ACTION:** High Performance program to be suspended until USOC provides funds for the program and removes management control.
3. Millman confirmed that balancing the budget will require a reduction in employees.
- a) **Membership:** USAB actively researching cost savings from outsourcing membership administration needs.
 - (1) **ACTION:** Millman in discussion with other NGBs on outsourcing services they use in their Membership Departments.
 - (2) Data-entry & support staff
 - (3) Filiberto suggested LBC Registration Chairs to do the majority of registration-related administrative work, and work directly with National Office to communicate information.
 - (4) **ACTION:** Millman to research and prepare a recommendation for outsourced data-entry and present to Board, for possible implementation by July '09.
4. Italy Dual
- a) **ACTION:** Millman to give report/update to Virgets regarding Italy dual after speaking with Andrew Madigan.
5. **Muhammad Ali's 50 year Gold Medal in celebration:** Millman suggested holding a fundraiser in 2010 to celebrate Muhammad Ali's Gold Medal win in

Rome (50 years ago). Virgets expressed concern about the difficulty of working with Ali's people.

6. Cuba Dual: Filiberto suggested bringing Cuba to Florida for a dual to raise money. Virgets and Millman confirmed that Cuba was already being pursued for such.
7. Combined Federal Campaign: Gleeson reported on the process of the CFC and the amount of revenue the program generates for USAB annually.
8. Women's Task Force:
 - a) **ACTION**: Women's Task Force to create proposal for how to raise funds for the Women's Program.
 - b) **ACTION**: Virgets/Butler to continue to lobby AIBA for Women's Program support.
 - c) **MOTION: (Blaha/Franklin)** Millman to actively pursue a sponsorship position in a major upcoming event (Nationals) that will focus and support the Women's Program. Filiberto added that any funds raised for the women should have a budget line item that is allocated specifically for that program. Unanimously passed.
 - (1) Brown suggested Millman to pursue Wal-Mart and Target.
9. **MOTION/SECONDED/CARRIED: (Brown/Franklin)** Presented budget be accepted as amended by the Board on March 6th, 2009. Unanimously passed.
10. Virgets indicated he would withdraw his resignation letter until resolution of USOC conflicts regarding probation and High Performance Plan control.

IX. CLOSED BOARD SESSION (1:23PM MST)

X. Adjourned 6:00pm MST.



**MINUTES
USA BOXING BOARD OF DIRECTORS
FORMAL MEETING
March 7, 2009
8:00AM MST
ANTLERS HILTON
COLORADO SPRINGS, CO**

XI. Call to Order – 8:10 AM MST

XII. Roll Call

Board Members Present: Jim Beasley, Boyd Melson, Angel Bovee, John Brown, Frank

Filiberto, Kevin Franklin, Tom Virgets

Staff Present: Jim Millman, Executive Director/CEO; Linda Gleeson, Business Manager; Cathy

Newell, Executive Assistant

Board Members Absent: Jack Sandner, Robert Blaha

XIII. Quorum Established

XIV. CEO Report (Millman): Millman reported on the following:

A. National Coach Position Search and Selection Process Update:

1. It was agreed that Board would have input on job description and search process.
2. **ACTION:** Millman to send list of candidates and job description to Board for review.
3. **ACTION:** Board to provide suggested changes to job description.
4. **ACTION:** Millman to update the National Coach position and selection process in his next blog following Board feedback.

B. Millman presented “Regional Coach” draft plan for Board discussion.

1. Brown suggested plan could have merit, and needs much more definition.
2. Travel efficiencies were questioned.
3. Specific job description needs to be developed. What are time requirements and job specifics for regional coaches.

4. Virgets questioned quality of coaches who would have time available for part-time assignment.
 5. Beasley questioned relevance of weight-class specific coaches.
 6. Melson questioned practicality of coaches working together.
 7. **ACTION:** Millman to refine and expand upon detail of the plan for continued review.
 8. Filiberto mentioned importance of finding a polished, well-spoken National Coach.
- C. **White Collar Boxing:** Millman proposed new program for approval by the Board for a new competition category, White Collar Boxing.
1. **Rationale:** Expands the reach of the sport, increases popularity of the sport, strengthens USAB's umbrella governance of the sport, add membership and sanction income, expand communications to new corporate partners and wealthy donor prospects. Pending insurance approval, adding the category costs USAB nothing and supports the interests of LBCs that want to be engaged.
 2. Millman proposed testing with Metro LBC.
 - a) **ACTION:** Millman to submit proposed Metro White Collar Boxing rules to the Board for review/consideration.
 3. **CONCERN (Brown):** expressed concern about the corrective headgear being used in this new competition category.
- D. **"Friends of USA Boxing Trust" Fund-Raising Recommendation:** Establish a fund-raising arm of USA Boxing to raise revenue from donor contributions.
1. **ACTION:** Millman to report to Virgets structural alternatives of this program.
 2. New organization to be controlled by USA Boxing.
 3. USAB manages and determines use of proceeds.
 4. Trust Director is appointed - - Millman suggested Greg Lewis as Director.
 5. Bovee suggested USAB have a presence at Boxing Hall-of-Fame Ceremony.

E. 2009 Annual Meeting Update: Because of economic conditions, Millman recommended moving Annual Meeting to January 2010.

1. Filiberto suggested a Cuba vs. USA dual during Annual Meeting, or another time in Florida.

F. Who's Who In Amateur Boxing: Millman proposed program as a fund-raiser for NMU program. Book will showcase those involved in boxing (membership, athletes) who are willing to purchase space in the book.

1. Online survey to determine interest.

2. Board gave approval to proceed with survey.

XV. Foundation Proposal Call

A. Deni Auclair joined the Board meeting via teleconference and indicated that she would go back to the Foundation with the USAB repayment proposal for review.

XVI. Next Board Meeting: June 12 & 13th, 2009, during National Championships in Denver, Colorado.

XVII. Adjourned 11:28am

Respectfully submitted,

Cathy Newell
Executive Assistant