



MINUTES
USA BOXING BOARD OF DIRECTORS
CONFERENCE CALL
September 24, 2009
2:00PM MST

I. Roll Call

Board Members Present: Jim Beasley, Robert Blaha, John Brown, Frank Filiberto, Tom Virgets, Kevin Franklin (Tom Virgets left call at 3:38pm MST and asked that BOD move forward without him).

Board Members Absent: Angel Bovee (input given via email prior to call), Boyd Melson

Staff Present: Mike Martino (Interim ED), Cathy Newell (Executive Assistant), Lynette Smith (Membership Services Director)

Guests: Trish Beyer, ESIX Insurance Representative

II. Quorum Established

III. MOTION/SECONDED/CARRIED (Beasley/Brown): Approval of minutes from Denver, Colorado (July 12 & 13, 2009) and conference calls (July 2 & 23, 2009). Unanimously passed.

IV. Insurance and Foundation Agreement to Pay:

- A. Martino reviewed loan from Foundation to USA Boxing. Foundation agrees to make October 1, 2009 & January 1, 2010 payments (without catastrophic insurance). USA Boxing has worked in revenue for the remaining payments in 2010. Catastrophic to be reconsidered in 2010.
- B. Trish Beyer explained break-out of insurance with/without catastrophic coverage. Beyer did comparison of other NGB plans in order for the Board to feel comfortable with decisions on insurance choices.
- C. **ACTION:** Beyer to have quote on Monday (9/28) to Martino/Virgets for exact amount due.

- D. D&O: \$25k estimate with \$25k deductible. Starts at date of October 1, 2009 (honoring pending and prior dates).
- E. Non-renewal by Previous Carrier: Financial condition of USAB gave concern to underwriter for mismanagement issues.
- F. The new carrier will honor pending and prior dates as the previous policy (pending/prior December 31, 1987).
- G. October 1, 2009 will be start date of new policy under new carrier.
- H. Foundation Conditions: Virgets reviewed the conditions given by the Foundation with regards to financial assistance to USA Boxing:
1. They payments constitute loans to USA Boxing and shall be repaid to the Foundation in equal annual installments of \$50,000 without interest. First payment to be made on or before December 31, 2010. Said payments shall be in addition to the monies to be paid to the Foundation pursuant to the Settlement Agreement between the parties dated June 12, 2009.
 2. USA Boxing shall execute documents satisfactory to the Foundation, memorializing the loans from the Foundation to USA Boxing.
 3. Payment of insurance premiums due after October 1, 2009, and on or before January 1, 2010 are conditioned upon the following which must occur:
 - a) USA Boxing provides for increased revenue from its membership and other sources such as the United States Olympic Committee, exclusive of the Foundation, sufficient to balance its budget and repay the monies owed to the Foundation in 2010 and thereafter.
 - b) USA Boxing considers governance changes to provide membership with a voice in the governance of USA Boxing through the selection of one or more directors, or other such measures.

I. **Filiberto Concern:** If a member were to file a suit before October 1, 2009, is there a guarantee to put that amount on the old carrier? The old carrier dropped USAB due to mismanagement and this may cause issues?

1. **ACTION:** Virgets recognizes concern and asks that Blaha/Filiberto meet to discuss the issue further, will get with Trish Beyer, and report back to the BOD by Monday, September 28, 2009.

J. **MOTION/SECONDED/CARRIED (Blaha/Franklin):** USA Boxing agrees to the policy changes as sent to the Foundation and the conditions that have been set forth by the Foundation. Unanimously passed.

V. **National Coach Position:**

A. **High Performance Positions:** \$205k in HPP salary funding being presented to the USOC for 2010 (National Director of Coaching, Senior National Team Coach, Technical Advisor). National Director of Coaching and Senior Team Coach to be brought in on January 1st, 2010. Martino and Madigan will be presenting the HPP to the USOC in person within a few weeks, and will work with them to get the funding in place for those positions by that date.

1. Martino is approaching the USOC to propose that Madigan's position be funded half by USOC High Performance and half by USAB.

2. National Director of Coaching will be main person in selection of the Senior Team Coach and Technical Advisor.

B. **MOTION/SECONDED/CARRIED (Filiberto/Blaha):** Proposal presented to BOD by John Brown on National Coach Position accepted. Unanimously passed.

VI. **Governance Proposal to AIBA Discussion (Virgets):**

A. Virgets presented items regarding governance and his discussions with AIBA.

1. Membership will vote on Grassroots, Official, Coach, and Women's Olympic Representatives;

2. BOD will appoint the Independent representatives;

3. Athletes will appoint Athlete Representatives.
- B. AIBA will review, report back to USA Boxing, and that information will be taken to the USOC.
- C. **MOTION/SECONDED/CARRIED (Filiberto/Brown):** Approval of proposal to AIBA/USOC by Virgets regarding governance changes and returning voting rights back to the membership of USA Boxing. Unanimously passed.

VII. Proposed Membership Fee Increase Discussion (Martin):

- A. **MOTION/SECONDED/CARRIED (Virgets/Franklin):** Approval of membership fee increase to offset USAB's debt and rising insurance fees (should generate over \$700k additional revenue for USA Boxing). Unanimously passed:
 1. Membership fees must pay for membership services.
 2. Increases as follows:
 - a) Athlete: \$27 to \$40
 - b) Non-athlete: \$45 to \$60
 - c) Club fee: \$100 to \$175
 - d) Sanction: \$250 (sanction)
 - e) Certificate of Insurance: \$25 (\$10 surcharge to change it)
 3. **Beasley Concern:** Presenting membership with dues increases to partially assist in USA Boxing's debt issues. Dues increases information needs to be communicated carefully.

VIII. Two New Independent BOD Members (Martino):

- A. Martino presented two candidates for Independent positions on the Board. Both candidates are aware of the current condition of USA Boxing.
- B. **Franklin Concern:** Past independent members were not active on the Board. The two new independents need to play an active role. NEW BOD NEEDS TO DO FUNDRAISING.
- C. Blaha will have a few names to submit at a later date when Board reconfigures.

- D. **MOTION/SECONDED/CARRIED (Brown/Franklin):** Approval to accept two independent members to the Nominating and Governance Committee (Barry Elson and Robert Purdy). Unanimously passed, with the note that these two positions will be revisited when the current Board steps down.

IX. BOD Officer Transition and Timeline/Process for Turnover:

- A. Transition Task Force assigned (John Brown, Kevin Franklin, Frank Filiberto).
B. Task Force to submit report to BOD on October 8, 2009.
C. **ACTION:** Virgets to forward By-Law change requests to AIBA today.

X. High Performance Plan Discussion (Martino):

- A. **MOTION/SECONDED/CARRIED (Brown/Franklin):** Approval of High Performance Plan submitted to the USOC. Unanimously passed, with the note that approval is based on Board's future comments/discussion with the USOC, and the assurance that minor changes are still possible in the coming weeks.

- XI. ACTION:** Martino to send out communication via website to membership about current situation after Foundation agreement, and to set up membership conference calls to happen next week regarding current condition of USAB.

- XII.** Adjourned 4:00pm MST

Respectfully submitted,

Cathy Newell
Executive Assistant