



**MINUTES**  
**USA BOXING BOARD OF DIRECTORS**  
**REGULAR MEETING**  
**July 17, 2010**  
**8:00am MST**

**I. Roll Call/Call to Order (8:53am)**

Board Members Present: Hal Adonis, Jeaneene Hildebrandt, Kymmberli Stowe, Gary Pliner, Jim Beasley, Dr. Charles Butler (AIBA Non-Voting Member), Spence Carpenter, Gary Richards, Angel Bovee (via teleconference)

Staff Present: Mike Martino (Interim Executive Director), Cathy Newell (Executive Assistant), Rose Tenorio (Membership Services Manager)

Guests: Robert Blaha (Previous Independent Board Director), Trish Beyer (ESIX Insurance Representative)

**II. Quorum Established**

**III. Executive Director Opening Remarks:**

A. Martino discussed athlete representative issues that were presented in the Board election with respect to Athlete representation on the Board. AAC By-Laws will be reviewed and the election process may be reviewed at a later date by the new Board. AIBA has requested a review/amendment of by-laws and that will also be discussed and reviewed at a later date.

B. Martino introduced past Board members who were present at meeting and allowed them to speak.

**IV. Past Board Members:** Blaha discussed importance of selecting Independent Directors. Appoint people who will do the best job and what's best for the organization, not friends who will do whatever you tell them to do. Stressed the importance of business people, not boxing people. Reiterated that USAB has been on probation for a long time, and long before the Board he served on was in place.

V. **Chair Remarks:**

- A. Adonis discussed past financial issues with respect to misappropriation of funds and the need to recognize the mistakes and ensure that these issues will not take place again.
- B. Discussion of fund-raising opportunities.

VI. **Executive Director Opening Remarks:**

- A. Review of By-Laws to discuss:
  - 1. The Board as a whole makes recommendations and passes articles.
  - 2. Martino calls for review of the By-Laws by the new Board in order to fully understand and execute them correctly.
    - a. Specifically, the Judicial process needs to be reviewed and consideration given to amendments of previous ED's (Millman) process currently in place (he made it an operational issues and process...Martino stressed the importance of judicial process not being part of the National Office operations).
- B. Possible grievance issues down the line with regards to the Board election and AAC election processes.
- C. **FINANCIALS/BUDGET:** Martino reviewed current USA Boxing financials and current budget:
  - 1. **RECOMMENDATION:** Adonis recommends that the Board hold out on the Executive Director search until the financial situation is more stable.
  - 2. **ACTION:** Martino/Adonis to review corporate credit cards and the need to remove Linda Gleeson from the large credit card (\$50k) and designate new person to hold that credit line.
- D. **STAFFING REVIEW:** Martino reviewed the current USA Boxing Staffing situation and explained the plans for departing employees, moving Staff to other positions, added responsibilities, and plans for hiring.

E. SHARED SERVICES: Martino reviewed the shared services opportunities that are now available to USA Boxing since the move to the new Olympic Sport House.

1. Accounting is one model that the NGBs are considering as a shared service.

VII. Trish Beyer from ESIX Insurance (Entertainment and Sports Insurance Experts): Beyer introduced ESIX to the new Board and discussed:

A. Directors & Officers Liability

1. Current \$25,000 premium

2. Martino reviewed current law suit against the Board by Ken Cartonla for misappropriation of funds.

a. Review of how the \$1.85m was removed from the Foundation funds and where the funds were used.

b. Cartonla claimed mismanagement of these funds and filed it against the D&O Insurance policy.

c. Beasley gave explanation about the \$1.85m that was taken out of Foundation funds and how that process came about so that the new Board can understand the history of what occurred.

d. MOTION/SECOND (HILDEBRANDT/PLINER): Martino to direct current attorney (Steve Smith) to write a letter to Vorys responding to recent invoice, and give authority to Smith to challenge the fees associated with the Foundation case and negligence in their advisement of taking funds from the Foundation and subsequent negligence in defending complaint from Foundation, and not advising USAB to use D&O to pay for the claim.

Unanimously passed.

B. Updated the new Board on the Juan Contreras injury case and the current situation/outcome of that insurance claim.

1. Athlete in a coma following injury from sanctioned USA Boxing bout.

2. **RECOMMENDATION:** Stowe recommended that boxing clubs be fined for every injury that is incurred in their gym without proper insurance (or some kind of consequence to be determined by the Board).
- C. Reviewed changes in USAB policies and claims.
1. October 1, 2009 effective: Insurance company now picks up the claim from the first dollar rather than the old policy where USAB was responsible for the first \$100,000.
    - a. Higher deductible was implemented and the number of claims has reduced
      - (1) Stowe expressed concern that athletes will not get medical care due to higher rates and no money to pay for them.
    2. USA Boxing has over \$400K in reserve for insurance claims (required).
      - a. The organization cannot operate without liability insurance.
      - b. Stowe requests copy of monies that are paid out.
- D. **MOTION/SECONDED/CARRIED (BUTLER/STOWE):** Appoint an Insurance Committee to review USA Boxing insurance policies and familiarize the Board with updates and/or changes. Stowe and Carpenter will serve on the Committee; Stowe to Chair. Unanimously passed.
- E. Beyer explained to new Board the importance of keeping membership involved in what is happening inside the Board meetings.

**VIII. MOTION/SECONDED/CARRIED (HILDEBRANDT/STOWE):** Board to adjourn this meeting in order to familiarize themselves with the current information and reconvene during a conference call on July 28<sup>th</sup>, 2010 at 1pm MST. Unanimously passed.

**IX.** Adjourned 11:35am MST

Respectfully submitted,

Cathy Newell  
Executive Assistant