

# April Executive Director Report

## Finance

A number of questions were raised by members of the board with respect to specific line items. Specifically:

Line 6: Membership revenue variance to plan. It is likely that we will be down somewhat from our total projections of 23,215 members but not by very much. The variance to budget should be significantly erased over the next several months. See the below analysis in Membership.

Line 7 and 17: Line 7, Online Registration Fees is the portion of the Railstation contract allocated to Membership. We have split this expense between Membership, National Events and International. Line 17 for Insurance, Supplies, CC Fees, Etc. includes our credit card processing fees of ~3% and all of our insurance policies which includes the individual secondary medical, club insurance, insurance on the building, etc. I would recommend against adding a credit card processing fee. Receiving checks, in general, leads to much more paper and more processing time, error and, ultimately expense. We are investigating the discrepancy between the \$50,000 in the YTD budget and the FY Projection for revenue. This will be corrected in the April report.

Line 41: Junior Olympics had lower than anticipated revenues. Significant numbers of people withdrew from the event after registering and, as a result of our usual policies, we refunded their entry fees (though not registration fees). Expenses are higher in the report as a result of estimates. These are not final figures. We expect the actual expenses to come in roughly in line with the originally budgeted amount.

Line 51 and Line 52: As has been reported before, revenues for American Fencing are largely subsumed into line 52. These will never come back into balance as we have intentionally shifted revenues into a bundled arrangement where endemic fencing vendors are purchasing advertising space in the magazine, on the website, in the electronic newsletters and space at venues. Note that the net between lines 51 and 52 are significantly positive (\$29,591.55) for the year.

Line 56: As you all know, we've stepped up our fundraising efforts this year and have seen significant positive results. We did an appeal to Life members. We did a general appeal to the membership in general and we have added a planned giving section to our website. This has seen a significant increase to the total amount donated this year and we continue to have positive results every month. Though the current budget shows a negative variance, we have already received donations in April that will take this variance positive for the year.

Line 61: International Office admin revenues are from FIE license fees. Expenses are for the same, for the International Department's portion of Railstation and for other miscellaneous office expenses.

Line 66: We are not yet finished with the final accounting of Junior Worlds. We should have a full wrap up by the middle of May and will report on it at that time.

Lines 70, 71 and 72: Line 70 is for the Pan American Zonal Championships last year in Costa Rica. We have not yet incurred hosting expenses for the 2011 Championships in Reno nor for Team expenses yet. These expenses will begin to accrue quickly over the next month or two.

Squad Budgets: The reason for the shifts from significantly positive variances currently to roughly in line budgets at the end of the year are because we budgeted some camps that were supposed to happen towards the end of last calendar year that did not occur. Camps will occur prior to the Pan Am Zonals and the Senior Season itself will also pick up. Another difference is the shift of USOC funds from 75% paid in Fiscal 2010/11 to 80% paid in Fiscal 2010/11. We are closely monitoring the budgets of all squads. We believe that all will be relatively close (slightly under or slightly over) at the end of the year.

Below is an analysis of National Office staff payroll expenses budgeted and projected through the end of the year. As you can see, we are under budget for the year.

**National Office Staff - payroll and related expenses**

	<b>Projected</b>	<b>Budget</b>	<b>Variance</b>
	\$	\$	\$
Membership	141,566	151,225	(9,659)
Executive	162,807	206,836	(44,029)
Administrative(Finance)	164,878	158,871	6,007
National Events	165,831	195,608	(29,777)
Business Development	93,610	88,554	5,055
International	230,846	223,236	7,610
	\$	\$	\$
<b>Total</b>	<b>959,537</b>	<b>1,024,330</b>	<b>(64,793)</b>

Please see the enclosed draft Audit information. The only thing keeping us from these being final is a sign-off from the Audit committee. The Audit committee is waiting on a few policy answers from me to some questions that they have raised. As soon as that is finished we will have a final audit report.

## Membership:

Below you will find our current membership for the last two months.

<b>Membership Type</b>	<b>31-Mar</b>	<b>28-Feb</b>
Club	575	563
Commercial	14	13
Competitive	18,352	17,507
Life	508	506
Life w/installment	108	102
Olympian Life	88	88
Paralympian	12	12
Professional	343	330
Supporting	413	378
<b>Total</b>	<b>20,413</b>	<b>19,499</b>
<b>Total Membership in 2010</b>	<b>20,591</b>	<b>19,787</b>
One Day (Sold in the month)	176	207

There have been 864 one day memberships sold YTD. As you can see above, we're off by less than 200 people YTD on membership as compared to 2010. If things track as they did last year (722 April, 581 May, 371 June and 950 July) we'll have a small drop in membership year over year. The original budget didn't have any membership revenue in the last few months of the year. If membership tracks as it has historically much of the current deficit shown in membership revenue is because of incorrect budgeting rather than significant changes from previous years.

After analyzing the one-day membership program and the negative impact on our total membership we recommend increasing the fee for 2011/2012 to \$20 for the one day membership. We also recommend adding a \$10 paper fee to individual entries sent into the national office. This paper fee will NOT apply to memberships taken at competitions for people who wish to sign up that day. Our experience with a fee of this sort in National Events is that it does help to migrate people to the website and has led to fewer operational mistakes and significantly better user experiences.

## **2011 Board of Director Elections**

Conversations were held with a majority of the Election Committee in Portland, OR. As a result of those conversations we will be signing a contract with Votenet to provide electronic voting this week. The Election Committee has established a schedule for the vote. This schedule is posted here:

<http://usfencing.org/news/2011/03/26/usa-fencing-board-elections-timeline/41575>

## **National Events**

After conversations and emails from the National Coaching staff, the tournament committee chair and others we are going to move forward with the following schedule for 2011/2012:

October: Div II/Div III/Cadet

November: Junior/Cadet/Y14

December: Div I/Div II/Veteran/Wheelchair

January: Div I/Junior

February: JOs – Junior/Cadet

March: Div II/Div III/Veteran/Wheelchair

April: Div I National Championships/Wheelchair National Championships/Youth 14, 12 and 10

Summer Nationals

Some locations are still TBD. This information, as well as day schedules for the events will be posted shortly.

We are not moving forward with reserving the 2012/2013 schedule yet pending discussions with the Board of Directors on the Strategic Plan which will occur in late May.

## **Marketing and Communications**

Rob Weekes continues his efforts to obtain sponsors from a number of sources. More information will be provided during executive session.

## **Wheelchair Fencing**

The wheelchair frames ordered from Alfred Bekker were available in Detroit for the NAC and were also in service during the Wheelchair National Championships in Portland.

There was an exhibition of wheelchair fencing between Mariel Zagunis and Ryan Estep during the Portland NAC. The exhibition made some local news stations and looks to be picked up in some other publications over the next few weeks. Thank you to everyone that assisted in this effort, including Mariel, Ryan, Cathy Zagunis who emceed the event and Sean Shumate who was the referee for the bouts and helped the crowd to understand wheelchair fencing.

During the event the Local Organizing Committee did a great job of highlighting wheelchair fencing. There were places where people could give donations and a silent auction to help raise funds. These

efforts resulted in over \$2,000 to assist the wheelchair program for the remainder of the calendar year. In addition, Mariel is going to donate all of the proceeds from the sale of Pro-Zagunis sabre blades through the end of the month to our wheelchair programs. We would like to thank all the sponsors who donated items to the silent auction and would also like to thank everyone who made the exhibition and fundraisers possible.

## **International**

### **Junior/Cadet World Championships**

We had excellent results from the Junior/Cadet World Championships in Amman, Jordan. As was reported in the previous, abbreviated, Executive Director report we won eight medals. They were:

Cadet WF – Lee Kiefer, Silver

Cadet MF – Alexander Massialas, Gold

Junior WF Individual: Nzingha Prescod – Gold, Lee Kiefer – Silver, Margaret Lu – Bronze

Junior MF Individual: Alexander Massialas – Silver

Junior WF Team: Silver

Junior MF Team: Gold

In addition to our medalists we had other significant results. The Women's Epee team was 5<sup>th</sup> out of 23 participating countries, Jacqueline Dubrovich was 6<sup>th</sup> in CWF, Anna Van Brummen was 5<sup>th</sup> place in WE Cadet and 8<sup>th</sup> in Junior, and Peter Pak was 6<sup>th</sup> in Cadet MS.

The six junior medals and other significant results put us in third place for the Nations Cup behind Russia and Italy. Our team was very young. Most of the participants will be back next year, giving us a great deal of confidence that we will do even better in Moscow.

Over the next couple of weeks we will be debriefing from the trip. We will also send out a survey to the team members, their coaches and some parents to get feedback so that we may do a better job in the future. With this feedback we will determine our needs and strategy for future major events including the Reno, Pan American Zonal Championships, Veteran World Championships in Porec, Croatia, the Able Bodied and Wheelchair World Championships in Catania and next year's Junior/Cadet World Championships in Moscow.

### **World University Games**

Selection for the World University Games proceeds. We hope to be able to announce a team over the next several days. Unfortunately, we made an error in the National Office with regards to the process for selecting the team. We posted selection procedures and an information sheet prior to the commencement of the Division I National Championships. These detailed the method we would use to select the team. Unfortunately, we also posted information on the website that indicated interested individuals should apply via Railstation if they were interested in attending the games. This was an

error. The World University Games team is **selected** as are the World Championships and Pan American Zonal Championships based on the selection criteria posted. They are not applied for as would be the case for a World Cup or Designated Cadet Competition.

This error was discovered on Wednesday, April 20 and information was sent to all of those who had registered via Railstation apologizing for the mistake and informing them of the correct process for selection.

### **Upcoming Major Events**

We continue to work on preparations for the NY World Cups in Men's and Women's Sabre to be held at the New York Athletic Club on June 24-26 as well as the Pan American Zonal Championships to be held on July 4-9 in Reno, Nevada.

In addition to the Pan American Zonal Championships the USA is assisting the FIE to host an Administrators' Conference in Reno, Nevada from July 8-10. This conference will bring together those from the Western Hemisphere who interact with the FIE to learn how to use their website to enter fencers, secure FIE licenses, schedule competitions, etc. We are happy to be able to assist the FIE in this endeavor.

Word was received from the FIE in late March that the Veteran World Championships to be held in Morocco were cancelled. After a delay of a couple of weeks the FIE has announced that the Veteran World Championships are to be held from September 27 – October 2 in Porec, Croatia.

We are currently in the process of reserving hotels for the Able Bodied and Wheelchair World Championships in Catania (Sicily), Italy.

### **National Office Staffing**

This upcoming Friday is Christine Simmons last day with USA Fencing. Though we are all sad to see her go, we wish her great success in her future career. Interviews for a Director of Membership have started. We anticipate extending an offer to the selected candidate for the position by the end of next week.

David Sach began his tenure with USA Fencing on March 28, upon his arrival in Amman, Jordan. His duties include the day-to-day management of our International Department and working with the USOC and National Coaches to continue to develop our high performance plans and programs. He will be the supervisor of all members of the International Department staff.

Jim Page stays with USA Fencing and will help to provide a smooth transition to David over the next several months. Jim will also focus on strategic planning in the International arena, helping to develop our programs through Rio to ensure that we take continue and build upon the success of the past.