

USA BADMINTON
BOARD OF DIRECTORS MEETING
HILTON SUITES, ORANGE, CA
SATURDAY, JULY 16, 2011

The meeting was called to order at 8:00 am by Board Chair, Dick Dubose.

Current members of Board and roll call

[Richard Dubose](#) (Colorado Springs, Colo.) - Independent Director, Chair - present
[Cynthia Kelly](#) (Wellesley, MA.) - At-Large Representative – absent
[Michael Halchak](#) (Tucson, Ariz.) - Independent Director – present
[Fred Coleman](#) (Madison, Wis.) - At-Large Representative – present
[Elaine Kong](#) (Torrance, Calif.) - Technical Official Director – present
[David Simon](#) (Los Angeles, Calif.) - Independent Director – present
[Andy Gouw](#) (San Jose, Calif.) - Coaching Director - present
[Ruth Menchaca](#) (San Antonio, Texas) - Athlete Director – absent
[May Mangkalakiri](#) (Los Angeles, Calif.) - Athlete Director – present

Staff Members

Dan Cloppas – CEO - present
Peggy Savosik – Director of Programs and Financial Services - present
Mohan Subramaniam – Director of Coaching and High Performance – absent
Robert Weekes - Business Development - absent
Wendy S Coleman – Volunteer Recording Secretary – absent

Paisan Rangsitkpho, Badminton World Federation Deputy President and former USAB President was in attendance by invitation.

The first order of business was approval of the minutes of the last Board meeting. Motion to approve minutes by David Simon, seconded by Fred Coleman, motion approved.

Dan yielded CEO time to Paisan to give the Board an update of Badminton World Federation (BWF) issues and a requested overview of BWF policies regarding Women's' Tournament Clothing and Parabadminton, etc. Paisan began with Women's clothing in badminton. Women's Committee looked into females being required to wear "skorts". "Skorts" suggestion was tabled and sent to BWF athlete committee. Received lots of negative press until it was tabled, then no press. David Simon recommended that the issue of "Skorts" go to the IOC Women's Commission.

As for Parabadminton, the first world championships will be held in Guatemala City, Guatemala from November 22-26, 2011.

Discussion on BWF issues ensued and it was decided that BWF updates should be sent to the entire Board.

BWF final decision – Top level events – no default – players will be fined.

David Simon reported that Don Chew has stepped down from international responsibilities due to health reasons. The Board asked David Simon if he would take over duties as USAB Board

representative to International meetings such as BWF and Pan American meetings. Dave accepted. USAB currently has 5 votes in BWF decisions.

Paralympic – Applied to IPC – not accepted for 2016 games– on list to be considered for future games. BWF Paralympic committee now represented as V.P. Paralympic position on BWF Council– Parabadminton – Classifications are being set. Wheelchair currently.

Fred Coleman led a discussion on funding for 2012. Planning considerations would be no USOC funding, second, same funding as 2011 and third, increased funding.

	<u>No Funding</u>	<u>Same Funding</u>	<u>+Funding</u>
Income	\$341,000	\$441,000	\$ 490,000
Office Exp.	\$-18,000	\$- 18,000	\$ 18,000
Admin	\$ 15,000	- 0 -	Keep
Legal	\$ -0-	\$ 3,000	\$ 3,000

Discussion was held on the following ideas/considerations:

- A. Close office 1-2 days per week – reduce salaries.
- B. Each board member brings in \$11,000.
- C. Acquire additional 2,500 members.
- D. Rob Weekes will know by September if commercial sponsor will provide financial support.

Discussion was held about forming closer ties with Asian American communities as the face of badminton is largely Asian American. Need exists to have dialog to obtain good relationships with Asian American leaders of the sport. Andy Gouw stated the Bay Area has a large contingent of Taiwanese players. David Simon added that a great way to reach communities was through local notices of championships and open tournaments. Fred Coleman stated that he has met with 18-20 club owners over the past 2 years and encourages board members to visit clubs in their travels.

Discussion held on obstacles to growth in the sport:

- A. Need for regulating competitive structure.
- B. Need for multiple travel teams.
- C. Need for broader tournament calendar.
- D. Struggle to relate to school programs.
- E. No club owner on the board. David Simon suggested this be considered
- F. Andy Gouw advised that several of the single clubs of the 14 Bay Area clubs are struggling to break even. The multiple facilities are doing fine.

Fred Coleman reported on Tournament Summit meeting:

Information Technology - Current status – National Office prefers Railstation due to membership, audit trail and registration. Others prefer Tournament Software due to previous use and international use.

Tournament Structure – Level of Tournaments – Use a bid process and work to develop venues. The Tournament Advisory Group may have to split into two bodies.

USA can add one additional international tournament, a grand prix, grand prix gold or future series. David Simon reminded everyone that this was not without risk.

Junior International Trials (JIT) has grown from 30 person team to sending a 64 person team to Jr. Pan Ams in Jamaica.

Need to develop school program

Donn Gobbie recommended all collegiate clubs join USAB in order to play in league.

A general discussion ensued regarding miscellaneous items.

Fred Coleman provided an update on juniors.

May Mangkalakiri gave a report on junior training camp. May spent 4-5 days with the players and felt comfortable with them. She indicated that there was no team spirit in beginning so on day 2 they combined all of the players and picked teams which worked well and had increased spirit with 10 kids playing each time. Great interaction on the 3rd day as teams were picked and a coach played with kids and received handicap points. Every player there had to play and it was very successful.

Dick Dubose gave a report on the annual audit by Waugh. (See attachment)

Fred Coleman opened discussion on Action Commitments of Board Members – 9 board members x \$11,000 = \$99,000, 250 x 50 = \$10,000, 10 sponsors x \$10,000 = \$100,000

Fred asked for commitments:

Dick Dubose committed to continue financial oversight of the books and to donate 4 hours per week to the office; Fred Coleman will keep the coaching program moving forward (Fred pays accommodation expenses when he and Mohan travel together); David Simon committed to speaking with officials at the USOC regarding USAB's budgetary problems; Michael Halchak and Andy Gouw committed to start investigating community coaching programs to see what would work; Cynthia Kelly will continue with fundraising and USOC Foundation, Elaine Kong committed to more active involvement with the Tournament Summit and Tournament Advisory Groups; May Mangkalakiri committed to attend the AAC Meeting in September and submit report to Board.

The meeting was adjourned at 2:00 pm

Richard A. Dubose
Chairman of the Board

James D. Cloppas
CEO/Secretary General

USA Badminton
May 9, 2011
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Our audit, including the study and evaluation of the Corporation's system of internal accounting control that was made for the purposes set forth in the first paragraph of this report, would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data. Such study and evaluation disclosed no conditions that we believe to be material weaknesses. However, we present for your consideration the following comments and suggestions relating to internal controls, accounting procedures and financial matters:

Account Coding on Invoices

As discussed during the internal control walkthrough, we recommend the account number coding be indicated on the original invoice.

ENT Investment Account

Aside from its original purpose to convert contributed securities to cash, no activity has occurred in the ENT investment account since its inception. We recommend this account be closed as it is not reported in the financial statements due to the insignificant balance of approximately \$7.

CEO Expense Requests

The Corporation's current policy is for the Chairman of the Board to review the CEO's expense reports on a monthly basis; we recommend this review process take place prior to the payment of the expenses.

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The preceding comments are based on observations made incident to our normal auditing procedures. Because our comments are not based on a special study of the matters covered, further evaluation of our suggestions may be necessary on your part as a basis for implementation.

If you have any questions regarding any of the above comments, please contact us. We will be pleased to assist you in any way with respect to these or other matters.

Sincerely,

Wang & Goodwin, LLP