

**Minutes**  
**Board of Directors Meeting**  
**Washington, DC**  
**March 13, 2015**

A meeting of the Board of Directors (the “Board”) of the United States Olympic Committee (“USOC”) took place on March 13, 2015 following notice duly given pursuant to the USOC Bylaws. Present were Larry Probst (Chair), Robbie Bach, Scott Blackmun (CEO, *ex officio*), Jim Benson, Anita DeFrantz, Nina Kemppel, Susanne Lyons, Bill Marolt, Dave Ogreaan, Angela Ruggiero, and Whitney Ping. Participating in the meeting by telephone were John Hendricks and Mary McCagg. These members constituted a quorum of the Board under USOC Bylaws.

Present from the USOC were Rick Adams, Alan Ashley, Lisa Baird, Jon Denney, Walt Glover, Morane Kerek, Benita Fitzgerald Mosley, Patrick Sandusky, Pam Sawyer, Michelle Stuart, Chris Sullivan, and Jason Thompson. The minutes were recorded by Christopher McCleary, Secretary.

**1. Call to Order and Welcome**

The Chair called the meeting to order at 8:00am local time and welcomed the Board.

**2. Election of New Board Members**

The Chair asked John Hendricks, Chair of the USOC Nominating and Governance Committee, to review the Committee’s recommendations for filling the open USOC Board seats.

Mr. Hendricks presented the Committee’s recommendation that the Board seat three new members at this time: Dan Doctoroff (as an independent Board member), Steve Mesler (as an AAC-recommended Board member), and Kevin White (as an NGB Council-recommended Board member.) Mr. Hendricks reviewed each of these candidates’ backgrounds and highlighted their respective skills and perspectives.

Upon a motion made and duly seconded, the Board voted unanimously to elect Dan Doctoroff, Steve Mesler, and Kevin White to the USOC Board.

At this point, Messrs. Doctoroff, Mesler, and White joined the meeting. The Chair and the Board welcomed them and thanked them for joining.

The Chair released from Board duty, and reiterated the Board’s gratitude for the extended service of, Board members Bob Bowlsby, John Hendricks, and Mary McCagg.

At this point, Mr. Hendricks and Ms. McCagg left the meeting.

Responding to a Board Member question, Scott Blackmun noted that the search continued for a suitable candidate for the remaining open (independent) Board seat.

### **3. Financial Results**

USOC CFO Walter Glover reviewed 2014 year-end and 2015 year-to-date financial results. He also presented background and details on the differences between GAAP and management reporting of USOC revenue from philanthropy.

In response to Board member questions, Mr. Glover offered to put together and provide, in addition to the statement of activities based on GAAP, a statement of activities that recognizes revenue from philanthropy in the year it is received (as opposed to the year in which it is committed.)

Mr. Glover also reviewed USOC and US Olympic and Paralympic Foundation endowment balances and related income.

### **4. CEO Report**

Scott Blackmun previewed the agenda for the Board's next meeting in June, which meeting will be primarily devoted to strategic as opposed to operational issues. He also provided a short update on progress and developments around the new SafeSport entity, particularly as to its plans and policies, and fund raising efforts.

Mr. Blackmun also discussed current developments in the USOC's Elite Athlete Health Insurance program and how it relates to covered athletes' compliance with the Affordable Care Act. USOC Managing Director of Human Resources Pam Sawyer added further detail on plans and developments in this area.

At this point, Anita DeFrantz joined the meeting.

USOC Managing Director of Audit Morane Kerek provided the Board with background and an update on the USOC's internal cross-functional "Team Rio" project, which is aimed at enhancing USOC operational efficiency and effectiveness in connection with the 2016 Games.

### **5. Rio 2016 Update**

USOC Chief of Sport Performance Alan Ashley provided a Rio 2016 update in the area of sport performance. He reviewed progress on competition and training venues, housing arrangements, and security matters, noting that housing availability and related expense is a concern for almost all parties planning on an on-site presence at the Rio Games. In response to a Board member question, Mr. Ashley offered to provide the Board with a further Rio 2016 update at the Board's December meeting.

USOC Chief Marketing Officer Lisa Baird updated the Board on operational and accommodation plans and progress, including as to the planned retail presence at USA House in Rio de Janeiro. Ms. Baird reiterated Mr. Ashley's information about accommodations scarcity and cost being a major factor in Rio.

## **6. Development Update**

USOC Chief Development Officer Jon Denney reviewed USOC development results and plans, including final 2014 results, multi-year trends in gifts received, and 2015 plans. The Board discussed shifts from transactional to more purely philanthropic gifts, the development of the US Olympic and Paralympic Foundation, and plans to further grow and refine the USOC development team nationwide. Mr. Denney discussed his projections for 2015 donations and his high level plans for achieving them.

## **7. Marketing Update**

Lisa Baird briefed the Board on developing IOC plans around increasing exceptions and permissions under IOC Charter Rule 40 Bylaw 3, which otherwise restricts Olympic athletes from appearing in advertising materials during the Games. The Board engaged in a discussion on the goals of the IOC plans, their possible effect on athletes, National Olympic Committees, and Olympic sponsors, and what role should the USOC play in helping athletes, NGBs, and sponsors manage under these coming changes. In response to a Board member question, Chris McCleary committed to ensure that USOC staff timely develops agreed "best practices" that might be beneficial to NGBs and athletes.

Ms. Baird also briefed the Board on developments in the IOC's TOP sponsorship program, including the March 13, 2015 announcement of a new global IOC sponsorship with Toyota Motor Company in a newly-defined "Mobility" product category. She reminded the Board that the USOC currently has a sponsor in the automotive category (BMW), through 2016.

## **8. Pan Am Games Update and Discussion**

Alan Ashley led a discussion on the Toronto 2015 Pan Am Games and the USOC's approach to supporting US teams participating in the Pan Am Games generally. He discussed specific plans for the Toronto 2015 event, including US teams planning to participate, and related logistics.

## **9. Boston 2024 Discussion**

USOC General Counsel Chris McCleary briefed the Board on proposed changes to the Bid City Agreement between the Boston 2024 Partnership ("B2024") and the USOC,

and the related Joinder agreement between the City of Boston and the USOC. Referring to draft agreements in the Board's advance materials for this meeting, Mr. McCleary described semantic and substantive clarifications agreed in principal by all three parties, in their combined effort to finalize and execute agreements that most clearly and effectively document their respective rights and obligations in connection with the Boston bid to host the 2024 Olympic Games.

Upon a motion made and duly seconded, the Board resolved that Scott Blackmun is authorized to execute and deliver the revised Bid City Agreement and Joinder Agreements in the Board's advance materials.

## **10. Olympic Training Center Update**

USOC Chief of Paralympic Sport and NGB Organization Rick Adams, with support from Scott Blackmun and other USOC staff, reviewed and updated the USOC's plans and progress regarding the Olympic Training Center in Chula Vista, California (the "CVOTC".) The discussion included a review of the basis and development of the USOC's exploration of transferring ownership and control of the CVOTC to the City of Chula Vista. Under the plan, the City would continue to operate the facility in a manner and with standards appropriate for elite athlete usage, including for NGB training and preparation.

Mr. Adams reported that the USOC is nearing execution of a non-binding Memorandum of Understanding ("MOU") with the City of Chula Vista, which contains the principal business terms of what could become a definitive agreement for the transfer. Mr. Adams explained that further due diligence and negotiations remain before the MOU could be executed. Upon execution of an MOU, the USOC and City of Chula Vista would proceed with negotiations towards a definitive agreement for the transfer. Mr. Blackmun underlined that before execution of any such definitive agreement, there will be an opportunity for athletes to express to the Board their point of view, and USOC management would seek Board approval of the transfer.

Based on this presentation, the Board engaged in a discussion on the potential transfer and how elite athlete interests would be protected and served in connection therewith. In this regard, Mr. Blackmun reviewed the plan for communication and updates to the Athletes Advisory Council and the NGB Council on an ongoing basis, so that their constituents can follow and understand the progression of events.

## **11. Diversity and Inclusion Initiative**

USOC Chief of Organizational Excellence Benita Fitzgerald Mosley updated the Board on diversity and inclusion efforts within the USOC and by the USOC for the benefit of US NGBs. She introduced Jason Thompson, the USOC's Director of Diversity and Inclusion to provide further details. With the aid of visual materials,

Mr. Thompson detailed USOC and NGB hiring and staffing data, including as to gender, racial, and ethnic diversity. This information is being shared internally and with NGBs in an effort to allow appropriately focused and prioritized efforts to build on the diversity of management and staff in these entities, at all levels.

The Board discussed these information collection efforts, plans and progress in this area, and further ideas and approaches that might be employed.

At this point, Dan Doctoroff left the meeting, and the meeting was paused for a short break.

## **12. Boston 2024 Discussion (continued)**

As the meeting reconvened, Chris Sullivan described to the Board current developments in connection with the potential Boston bid for the 2024 Olympic and Paralympic Games. He discussed B2024 leadership appointments, USOC liaison integration with B2024, and operational progress overall.

Patrick Sandusky covered developments in bid communications and public opinion tracking and reporting. Mr. Sandusky described USOC efforts to help B2024 in these areas, and in B2024's plans to familiarize the public with the many positives of the potential bid.

Board discussion ensued; in response to Board questions, Mr. Blackmun reviewed the calendar of upcoming bid milestones.

## **13. Administrative Items**

Referring to advance materials, Chris McCleary reviewed the Nevada Gaming Commission's recent approval of regulated sports book wagering on Olympic athletes and events. Mr. McCleary reviewed the IOC's expressed position on such wagering globally. Ensuing Board discussion focused on the need to educate athletes about the importance of keeping a careful distance from any such wagering and the people who have an interest in its outcome.

Mr. McCleary next reviewed certain potential edits to the USOC Bylaws: One that would have the effect of slightly broadening the stated scope of duties of the USOC Compensation Committee to match current USOC needs; and two others that, together, would put the SafeSport entity on a strong footing to assume responsibility for resolving safe sport matters (along the lines of the similar provisions that enable USADA in the area of anti-doping.) Mr. McCleary reminded the Board that according to the USOC approach to Bylaw edits, in order to start the process for these Bylaw changes no Board approval vote would be sought at the current meeting; rather what was sought is the recommendation by one or more Board members that the edits be considered. That recommendation would trigger a public notice process as to the potential edits. At the end of that period, and subject to any questions or

concerns that come out of that process, a Board vote may be sought to implement the edits.

As to SafeSport particularly, Mr. Blackmun led a short discussion as to evolving plans for establishment and composition of the board of directors for the SafeSport entity, and the idea of creating an advisory board group that can support such a board of directors. Mr. Blackmun underlined that the SafeSport-related Bylaw edits would be formally proposed for Board approval only if and when the SafeSport entity was ready to undertake its planned responsibilities.

At the end of this discussion, individual Board members recommended consideration of all of these potential Bylaw edits as marked in the advance materials for the meeting.

At this point, the meeting was temporarily adjourned for lunch, and Jason Thompson left the meeting.

As the meeting reconvened, Mr. McCleary provided background on the need for Board action to confirm the name and fundraising purpose of the U.S. Olympic and Paralympic Foundation, in order to clarify the Foundation's operations and relationships with donors.

Upon a motion duly made and seconded, the Board unanimously resolved as follows:

WHEREAS, the Board of Directors wishes to clarify the name and certain of the functions of the entity originally referred to in the June 2013 Resolution by the Board of Directors as the "United States Olympic Foundation" (the "Foundation");

NOW, THEREFORE, BE IT RESOLVED, THAT the Board of Directors acknowledges that the Foundation was incorporated as the United States Olympic and Paralympic Foundation ("USOPF") and prior references in the June 2013 Resolution to the "United States Olympic Foundation" or "New Foundation" shall henceforth be understood to refer to the USOPF; and

BE IT FURTHER RESOLVED, THAT the Board of Directors hereby acknowledges that the USOPF is the primary conduit for philanthropic gifts in support of the USOC, and thus, philanthropic gifts to the USOC may be deposited, receipted, acknowledged and stewarded by the USOPF.

Finally, Mr. McCleary referred to ongoing work to set a 2016 USOC Board meeting calendar, taking into account Board member and other calendars. Mr. McCleary asked that Board members assist in the process by identifying any conflicts they know of, for a number of potential meeting dates he provided.

#### **14. Boston 2024 Bid Presentation and Bid Committee Discussion**

At this point, representatives of B2024 joined the meeting.

B2024 Chairman John Fish and B2024 Chief Executive Officer Richard Davey provided the Board with a presentation and discussion setting out B2024 plans and progress since the time of the Board's last meeting in January (when the Board voted to pursue a potential bid with B2024.) Mr. Davey referred to progress in assembling the B2024 Board and Executive Committee, as well as other staffing timelines and emphases. He also showed refined plans for the main Olympic stadium area.

Mr. Fish reviewed B2024 work in the area of building local public understanding and support. He expressed the hope that support will grow as more people understand the details of the bid, and his determination to make that happen.

During the Board discussion that followed, Mr. Fish and Mr. Davey answered questions about the approach and planned timing of B2024 activities to generate public support, refine bid plans, foster a clearer understanding of the positive economic effects that can come from a Boston Games, and ensure a positive and sustainable legacy for Boston and for athletes should a Boston bid be selected by the IOC. Further discussion covered the possibility of a public referendum in connection with the potential bid, which could be local or state-wide. As the discussion concluded, Mr. Fish underlined the importance of clear and committed teamwork between B2024 and the USOC and several USOC Board members emphasized agreement on the point.

#### **15. Administrative Items (continued)**

Referring to advance materials, Mr. McCleary reviewed the work of a joint effort among the USOC, NGB Council, and other stakeholders in assembling a useful set of guidelines for the use of NGBs in operating effective boards and cultivating effective board members (the "Guidelines.") The Guidelines benefit from the support of the NGB Council, which agrees that they should be promoted to all NGBs for their individual use as best befits their particular structures and governance. Benita Fitzgerald Mosley added further comments and background on the project and a question that had arisen in connection therewith: Had or would the USOC Board adopt the Guidelines itself? Mr. McCleary reviewed that in fact current USOC Board Bylaws, policies, and practices do comport with the substance of the Guidelines. As the Guidelines are specifically tailored to NGB governance, direct adoption of these Guidelines would not be feasible. There was general agreement that the USOC Board strongly supported the Guidelines and wished to endorse them formally.

Upon a motion made and duly seconded, the USOC unanimously resolved as follows:

**WHEREAS**, the NGB Council and the Athletes Advisory Council have approved the attached NGB Board Member Guidelines in support of NGB good governance; and

**WHEREAS**, the USOC Board of Directors joins the NGB Council and Athletes Advisory Council in encouraging NGBs to adopt and adhere to these NGB Board Member Guidelines; and

**WHEREAS**, the USOC Board of Directors conducts itself in a manner and according to policies and procedures consistent with the principal substance of these NGB Board Member Guidelines;

**NOW, THEREFORE, BE IT RESOLVED** that the USOC Board of Directors hereby endorses the NGB Board Member Guidelines, affirms its intention to continue to conduct itself according to policies and procedures consistent with these Guidelines in principal, and encourages all NGBs to formally implement these Guidelines into their own corporate governance documentation, policies, and procedures as applicable.

## **16. Committee Reports and Executive Session**

Anita DeFrantz reviewed latest developments within the IOC, from her perspective as IOC Executive Board member.

Dave Ogrean, who had served as acting Chair for the previous day's USOC Audit Committee meeting (in Chair John Hendricks' absence), reported on the presentations and discussions at that Audit Committee meeting and reflected on some of the Committee's ongoing work. Among the upcoming items for that Committee's review will be the USOC's next non-profit filing with the U.S. government on Form 990.

Susanne Lyons, Chair of the USOC Compensation Committee, reported on that Committee's meeting of the previous day, and some of the Committee's ongoing work. Among other matters, she noted that the Compensation Committee will review an annual USOC Diversity and Inclusion report going forward. Ms. Lyons also referred to Committee review and discussion of certain specific employee incentive plans, and a benchmark review of CEO compensation.

Jim Benson updated the Board on developments within the Paralympic Advisory Committee ("PAC.")

Board Chairman Larry Probst reminded the Board of the need to re-constitute the USOC Committees based on just-implemented departures and additions to the USOC Board. He proposed that the USOC Committees be constituted as follows:



**AUDIT COMMITTEE**

Ursula Burns, Chair  
Daniel Doctoroff  
Whitney Ping  
Angela Ruggiero  
Kevin White

**COMPENSATION COMMITTEE**

Susanne Lyons, Chair  
Robbie Bach  
Anita DeFrantz  
Bill Marolt  
Steve Mesler

**ETHICS COMMITTEE**

Nina Kemppe, Chair  
Doug Brien  
Tara Nott Cunningham  
Kenneth Salomon  
Anthony Whitemore

**NOMINATING AND GOVERNANCE COMMITTEE**

Dave Ogrea, Chair  
Jim Benson  
Courtney Johnson  
Shelly O'Brien  
Paul George

Upon a motion duly made and seconded, the USOC Board approved these committee rosters.

As the meeting came to a close, the Board discussed Chairman Probst's change of Board role from independent director to IOC director; Board support for continued efforts to attract and retain diverse Board candidates; and the USOC's circumstances and progress in the area of development including under the relatively new management and approach in this area.

**17. Adjournment**

There being no further business, the meeting was adjourned at approximately 2:20 p.m.

This document constitutes a true and correct copy of the minutes of the March 13, 2015 meeting of the Board of Directors of the United States Olympic Committee.

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Christopher McCleary  
Secretary

April 10, 2015  
Date