

**Minutes**  
**USOC Board of Directors Meeting**  
**Redwood Shores, California**  
**December 13, 2016**

A meeting of the Board of Directors (the “Board”) of the United States Olympic Committee (“USOC”) took place on December 13, 2016 following notice duly given pursuant to the USOC Bylaws. Present were Larry Probst (Chair and IOC Member, *ex officio*), Robbie Bach, Jim Benson, Scott Blackmun (USOC CEO, *ex officio*), Anita DeFrantz (IOC Member, *ex officio*), Dan Doctoroff, Nina Kemppel, Susanne Lyons, Bill Marolt, Steve Mesler, Dave Ogreaan, Whitney Ping, Angela Ruggiero (IOC Member, *ex officio*) (by telephone; in part, as indicated below), Kevin White, and Robert Wood (by telephone; in part, as indicated below). Attending Board members constituted a quorum of the Board under USOC Bylaws.

Present from the USOC were Rick Adams, Alan Ashley, Lisa Baird, Jon Denney, Morane Kerek, Kevin Penn, Patrick Sandusky, Pam Sawyer, Chris Sullivan, and Michelle Stuart. The minutes were recorded by Christopher McCleary, Secretary.

Present for items 1-5 below was Athletes Advisory Council Chair Sarah Konrad.

**1. Call to Order and Welcome**

The Chair called the meeting to order at 7:55am local time and welcomed the Board, attending USOC staff, and AAC Chair Sarah Konrad. He previewed the agenda for the day and noted that USOC Board member Ursula Burns is concluding her Board service as of the end of 2016.

The Chair thanked and commended Ms. Burns for her eight years of strong contribution as a Board member and wished her well going forward. The Chair also noted that Michelle Stuart, Assistant to USOC CEO Scott Blackmun, had announced her retirement from the USOC after her own nine years of service. He thanked her for her many contributions.

The Board joined him in thanking and congratulating both Ms. Burns and Ms. Stuart.

**2. Advance Materials Q & A**

At the Chair’s invitation, USOC CEO Scott Blackmun referred to advance materials provided to the Board on the topics of USOC year-to-date financial results, marketing, the 2016 White House visit, the planned Olympic Museum, a Chula Vista update, a SafeSport update, Tokyo Paralympic strategy, athlete support data, and NGB executive mentoring. He asked for any Board questions or discussion on these items, as the authors of each were on hand to provide further information.

On the SafeSport topic, Mr. Blackmun invited USOC Chief of Paralympic Sport and Organizational Development Rick Adams to offer further comments on the launch of the Center for SafeSport (the “Center”). Mr. Adams described the process of initiating Center operations and NGB work with the Center. He noted that NGBs are in the process of updating their respective governance documents and rules to explicitly account for the Center and its role, and that the Center Board is working effectively and meeting regularly. At Mr. Blackmun’s invitation, USOC Chief of External Affairs Patrick Sandusky described the media coverage landscape in the area of SafeSport, including as it may pertain to the USOC, the Center, and NGBs. Board discussion followed on these topics and on USOC engagement with governmental officials in this subject matter area.

Mr. Blackmun referred to athlete support data in the advance materials and USOC Chief of Sport Performance Alan Ashley’s work in this area. Board questions and discussion followed on this topic, including as to communications with key stakeholders and ensuring all interested parties can see the full scope of this work and support.

On the topic of NGB executive mentoring, Mr. Blackmun underlined the expressed appreciation of participating NGBs for Robbie Bach’s presentation at the most recent Olympic Assembly.

Further Board questions and discussion involved progress on the transfer of the current Chula Vista Olympic Training Center to the City of Chula Vista for operation as an Olympic Training Site. Mr. Adams reported that the transaction, as well as the logistical work around the transfer, is on track for end-of-year as anticipated. Board comments underlined the value of ongoing feedback from athletes using the facility to ensure that its future operations are of the caliber and character agreed upon. Mr. Adams described plans in place on that point.

Finally, Mr. Blackmun commented on the USOC Paralympic strategy for the 2020 Games in Tokyo, and invited further comments from Board member and Paralympic Advisory Committee (“PAC”) Chair Jim Benson. Mr. Benson described PAC plans for further funding and support in this area, aimed at helping improve medal results for Team USA.

### **3. AAC Update**

The Chair re-introduced AAC Chair Sarah Konrad to the Board and invited her to offer remarks. Ms. Konrad reflected on the work of the current AAC leadership group, which is winding up its term in office in January 2017. She noted the positive working relationship and open and honest exchange of views that characterized AAC-USOC interactions in recent years, and thanked the Board for its role in that regard. She went on to offer thoughts on the upcoming AAC elections for its next leadership team and answered Board member questions on election procedures and timing. Ms.

Konrad encouraged the Board and USOC staff to offer the next AAC leadership team the same positive interactions and support that the current leadership team has enjoyed.

Scott Blackmun and members of the Board remarked on Ms. Konrad's work as AAC Chair and the positive spirit she brought to it, and thanked her for her service.

Next, Ms. Konrad offered her thoughts on current events and issues in the area of international anti-doping. She underlined how important this issue is to U.S. athletes and that she and the AAC have tried to be as clear about that as possible. She offered positive comments on the USOC's stated positions in this area and encouraged continued focus here.

At this point Angela Ruggiero and Bob Wood joined the meeting by telephone.

Ms. Ruggiero noted that the IOC Athletes Commission, which she serves as Chair, joins the AAC in its interest and concern on this issue and seeks to aid in finding solutions globally.

Extensive Board discussion on this topic followed, including as to methods and means for achieving anti-doping reforms and improvements where they are needed and what can and should be the USOC role in helping to support and achieve them. Board members commented on the need for international agreement as to fundamental principles in the area of anti-doping, as well as on the IOC's ongoing efforts and plans and past and potential World Anti-Doping Agency ("WADA") steps. Board members discussed the recently-released second report from WADA-appointed independent investigator Richard McLaren and what effects it may have. Discussion also centered on ideas and concepts for supporting reform and improvements, and the need for broad, international cooperation and effort on this issue.

#### **4. Athlete Sanctions Process**

Scott Blackmun introduced USOC General Counsel Chris McCleary to discuss recent USOC learning and efforts to enhance its operation of U.S. Olympic Trials, specifically in the area of branding restrictions at the Trials, how they are communicated, and how they are enforced.

In connection with this discussion and referring to advance materials for the meeting, Mr. McCleary discussed the concept of introducing a "Trials Administrative Board", similar in composition and function to the current "Games Administrative Board", which could be available to resolve any Trials-time issues that may arise. Ms. Konrad offered comments on what should be the composition of any such body and of the Games Administrative Board, and Board discussion followed as to the merits of various approaches to each.

After discussion, Board members recommended that the Board consider adopting USOC Bylaw amendments that would clarify slightly the operation of the Games Administrative Board and establish a Trials Administrative Board with the same composition. Mr. McCleary was instructed to post these potential Bylaw amendments for public comment in accordance with USOC Bylaw requirements, so that the Board may consider such an amendment at its next meeting.

## **5. LA 2024 Update**

At this point, LA 2024 bid committee CEO Gene Sykes and Chief Communications Officer Jeff Millman joined the meeting.

The Chair invited Mr. Sykes to update the Board on progress and prospects for the LA 2024 bid. Mr. Sykes reintroduced Mr. Millman to the Board and thanked the Chair for the opportunity to meet in this forum.

Mr. Sykes reviewed LA 2024 progress since the time of the last USOC Board meeting, in particular describing its recent presentation at the ANOC General Assembly meeting in Doha, Qatar. Mr. Sykes noted the strength of competing bids for the 2024 Games and the importance of continued strong work and cooperation between the USOC and LA 2024.

Board discussion followed as to public reports that the IOC may consider naming hosts for both the 2024 and 2028 Games during 2017. After a full and frank exchange of ideas, issues, and possibilities, there was general agreement that the LA 2024 bid is specifically configured and calculated for 2024 rather than 2028 activation; neither LA 2024 nor the USOC have focused at all on the possibility of any bid other than for the 2024 Games; and the USOC Board does not foresee pursuing any bid other than for the 2024 Games.

Mr. Sykes concluded by previewing upcoming bid work, detailing strong cooperation between LA 2024 and the City of Los Angeles in particular. Further Board questions and discussion focused on financial budgeting and guarantee arrangements, the third and last technical bid deliverable set for submission in February 2017, and points of differentiation for the LA bid as against its competitors.

With the Board's thanks, the LA 2024 team left the meeting. Sarah Konrad also departed at this time, as did Mr. Wood and Ms. Ruggiero.

## **6. Year-End and 2016 Quad Forecast**

Scott Blackmun introduced USOC Chief Financial Officer Morane Kerek to update the Board on the year-end and quadrennium-end budget forecast. Ms. Kerek led a Board discussion on forecasts for these periods, application of a portion of previously-approved Rio contingency funding to appropriate budget items, and consideration of similar contingency programs for future Games. After this discussion the Board

expressed general comfort with the forecast as presented in the advance materials for this meeting.

## **7. Development Review**

Next, Morane Kerek and USOC Chief Development Officer Jon Denney offered a review of 2016 development results and the year-end forecast in this area. Mr. Denney also discussed upcoming fundraising efforts and prospects, including with reference to the previously-discussed “Investment Challenge” program anticipated for launch in 2017. Mr. Denney and Ms. Kerek took the Board through an updated approach for projecting future development revenues, which better takes into account the nature and timing of pledges and types of gifts and which is intended to allow USOC to better plan for future revenue streams in this area.

Board discussion followed, including as to different types of gifts and gift management tools and the strengths of each, the aims and concerns of different types of donors, and how to keep improving on operations efficiency in the development area. The Board also discussed continuing improvements in donor Games hospitality operations planning, funding, and management.

## **8. 2017 Budget**

Scott Blackmun asked Morane Kerek to present a proposed 2017 budget and a draft for the 2017-2020 quadrennium, reminding the Board of previously-discussed plans to take a conservative view of revenue and new expenditures for 2017 during the pendency of the 2024 Games bid process, as the outcome of that process could well affect USOC plans, goals, and tactics during the quadrennium.

Ms. Kerek briefed the Board on revenue and expense budget planning for 2017 and improvements in place to better track specific items for each. She noted the expense savings expected to result from the transfer of the Chula Vista training facility would be repurposed to support of NGB’s and athletes.

Board discussion followed on these points and others, after which, and upon a motion duly made and seconded, the Board voted unanimously to approve the 2017 budget as set out in the advance materials for this meeting, while deferring consideration and approval for 2018-2020 budget years for the time being.

At this point Compensation Committee Chair Susanne Lyons addressed the USOC staff in attendance at the meeting, relaying that committee’s expression of appreciation for the hard work and successes achieved during 2016 and the quadrennium ending with 2016.

## **9. Strategic Plan**

At the Chair's invitation, Scott Blackmun reviewed the work of a staff/Board member working group on the USOC's mission, guiding principles, and program plans going forward. He invited USOC Chief of Business Operations Kevin Penn to go into greater detail in a Board update.

Mr. Penn thanked the members of the working group for their time and effort and described the group's work and proposals for potential new undertakings by the USOC aimed at addressing its key aims. Board discussion followed, taking into account these proposals and the relative benefits of each.

In particular, Board discussion centered around various approaches for continued and increased athlete support, and the many forms such support can take. A number of these forms were discussed as being worthy of more work and study. One near-term element identified was the possibility of increasing USOC payments to athletes based on medal achievements.

After this discussion and upon a motion duly made and seconded, the Board voted unanimously to approve an amendment to the approved 2017 USOC budget to fund a 50% increase in the amount paid to athletes by the USOC for Olympic and Paralympic medals and a 25% increase in the amount paid to athletes by the USOC for other competitions.

## **10. Pyeongchang Update**

Scott Blackmun led a short Board discussion on topics related to the 2018 Olympic Winter Games in Pyeongchang, and introduced USOC Chief Marketing Officer Lisa Baird to talk about developing plans and options for the "USA House" hospitality and meeting space for those Games. Ms. Baird reviewed several options and sought and received Board member input on these and other possibilities, promising a further update at future Board meetings.

## **11. Olympic Channel**

Scott Blackmun next updated the Board on ongoing discussions among the USOC, IOC, and NBC over developing IOC plans for a digital Olympic Channel.

At the outset of this discussion, USOC Ethics Committee Chair Nina Kempel reviewed possible conflicts of interest, whether actual or apparent, that might be faced by USOC Board members during certain Board deliberations and discussions using the current discussion as an example. She reviewed important elements of disclosure, protection of confidential information, and fiduciary duties that come into play, and noted the Ethics Committee's advice in the current matter that the affected Board members could fruitfully and properly participate in the USOC Board discussion on this topic

provided that they are comfortable that they can navigate any potential issues. Both indicated that they could and thanked the Ethics Committee for its guidance.

Mr. Blackmun reviewed the previously-discussed negotiations in this area and updated the Board on the direction and progress of the negotiations. He reviewed IOC's and NBC's respective plans for Olympic digital and linear content and content platforms and how these may be managed in a way that addresses USOC goals and needs as well. Board discussion followed.

After this discussion, and upon a motion duly made and seconded, the Board voted unanimously to authorize Mr. Blackmun to execute a consent for launch of the NBC linear channel contemplated in the Olympic Channel negotiations.

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

At this point, USOC staff (other than Scott Blackmun and Chris McCleary) left the meeting. At the Chair's invitation, committee leaders provided reports to the Board.

### **12.1 Ethics**

Ethics Committee Chair Nina Kemppel updated the Board on the ongoing work of that committee and the proceedings at its most recent meeting, conducted the previous day. She noted that the in-person meeting was very constructive, addressing both over-arching ethics topics for the USOC as an organization and a number of active questions and situations that benefitted greatly from committee attention and thoughts. Ms. Kemppel noted in particular that the committee had thoroughly discussed and carefully considered an ethics complaint raised by the mother of a Team USA athlete, along with the results of the internal investigation triggered by that complaint, and that it had determined to close the matter as it does not indicate an ethical violation of any kind.

### **12.2 Audit**

The Chair noted that with the departure of Ursula Burns as USOC Board member and Audit Committee Chair as of the end of 2016, Dan Doctoroff will take up the position of Audit Committee Chair.

Audit Committee member Whitney Ping next discussed the previous day's Audit Committee meeting and the current work of that committee. She reviewed the committee's discussions on external auditor matters, USOC budget and financials, and potential enhancements to the USOC NGB audit process that could offer NGB's additional contextual information useful in implementing audit recommendations.

### **12.3 Paralympic Advisory Committee**

PAC Chair Jim Benson reviewed the previous day's meeting of that committee. He described PAC work and planning underway, aimed at maximizing its ability to help Team USA's Paralympic performance and funding overall and employing ideas touching on several broad objectives aligned with those of the USOC overall.

### **12.4 Compensation Committee**

Compensation Committee Chair Susanne Lyons next updated the Board on that committee's meeting of the previous day. She described the committee's work on USOC staff incentive plan details and 2017 compensation planning, and on retention and other issues arising with certain USOC staff in particular, engaging the Board in discussion on these matters to achieve a common understanding of planned next steps.

At this point Scott Blackmun left the meeting.

Ms. Lyons reviewed with the Board the Compensation Committee's determinations as to Mr. Blackmun's merit and incentive compensation for 2016; there was general agreement among members of the Board that these determinations and related plans were appropriate.

At the Chair's invitation, Scott Blackmun rejoined the meeting.

### **12.5 IOC Update**

The Chair invited Anita DeFrantz, a member of the IOC's Executive Board, to offer thoughts on IOC developments. Ms. DeFrantz drew upon her unique perspective in this area to share thoughts on several issues of importance to the IOC and the USOC.

### **12.6 Administrative Items**

USOC Board Secretary Chris McCleary introduced a series of short topics for Board information, discussion, and/or action.

First, Mr. McCleary updated the Board on the status of several ongoing litigation matters where the USOC is or has been a party.

Next, he reported to the Board on the occurrence, resolution, and learning arising out of a small-scale data breach involving a number of individuals in the US Olympic Movement. He underlined that the breach was not of any USOC equipment or systems, but that the event nonetheless offered valuable learning for the USOC that can be used to help strengthen its data protection practices. He promised to update the Board on this topic at a future meeting.



Referring to the advance materials for the meeting, Mr. McCleary then advised the Board of the recommendation made by the USOC hearing panel handling a matter involving USA Judo and a complaint against that entity under USOC Bylaws Section 10. That hearing panel, pointing to USA Judo's progress on the governance issues previously identified, and to the expiration of the 12-month total probationary period previously imposed by the Board, recommended that the Board lift USA Judo's probationary status. Steve Mesler, member of that hearing panel, confirmed his and the panel's satisfaction that this would be the right step for the Board to take at this point.

Upon a motion duly made and seconded, the Board unanimously voted to end USA's Judo's probationary period effective immediately.

Finally, Mr. McCleary referred to advance materials for the meeting setting out proposed minor amendments to the Bylaws of the Multisport Organizations Council, and reported that the MSOC sought Board approval of these amendments (pursuant to Section 16.3 of the USOC Bylaws) in order to enhance operational timing for MSOC internal elections.

Upon a motion duly made and seconded, the Board unanimously approved the MSOC Bylaws amendments set out in the advance materials for the meeting.

## **12.7 Nominating and Governance**

Nominating and Governance Committee Chair Dave Ogrea reviewed the previous day's meeting of that committee and its recent work.

Mr. Ogrea referred to the Committee's memo to the Board included in the advance materials for this meeting, and recounted the committee's process for seeking, identifying, vetting, and then recommending a candidate for Board election to the independent Board seat opening in January 2017. He outlined the strong background, skills, and perspective of Dr. Cheri Blauwet and the committee's strong sense that she would be an excellent addition to the USOC Board. Board discussion on the recommendation followed.

After discussion and upon a motion duly made and seconded, the Board unanimously voted to elect Dr. Cheri Blauwet as an independent director with a term beginning in January 2017, subject only to standard USOC background checks. The Chair agreed to contact Dr. Blauwet with the news and to confirm her acceptance.

At this point, USOC Board Chair Larry Probst left the meeting.

Mr. Ogrea reported to the Board that Mr. Probst's current four-year term as Chair expires at the end of 2016 and outlined the committee's recommendation that Mr. Probst be re-elected for another four-year term. Board discussion on the recommendation followed.

After discussion on upon a motion duly made and seconded, the Board unanimously voted to re-elect Larry Probst as USOC Board Chair for a further four-year term.

Mr. Probst rejoined the meeting.

Mr. Ogreaan noted that three currently-serving USOC Board members, Robbie Bach, Bill Marolt, and Whitney Ping, will at the end of 2016 have reached the end of the initial four-year period of their Board service, so that the time was ripe for the Board to conduct a vote of retention as to each of them.

Mr. Bach left the meeting and the remaining Board members discussed the vote of retention as to his service. Upon a motion duly made and seconded, the Board voted unanimously to retain Robbie Bach for a second four-year period of service on the USOC Board. Mr. Bach then rejoined the meeting.

Mr. Marolt left the meeting and the remaining Board members discussed the vote of retention as to his service. Upon a motion duly made and seconded, the Board voted unanimously to retain Bill Marolt for a second four-year period of service on the USOC Board. Mr. Marolt then rejoined the meeting.

Ms. Ping left the meeting and the remaining Board members discussed the vote of retention as to her service. Upon a motion duly made and seconded, the Board voted unanimously to retain Whitney Ping for a second four-year period of service on the USOC Board. Ms. Ping then rejoined the meeting.

### **13. Adjournment**

There being no further business, the meeting was adjourned at approximately 3:06 pm.

This document constitutes a true and correct copy of the minutes of the December 13, 2016 meeting of the Board of Directors of the United States Olympic Committee.



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Christopher McCleary  
Secretary

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January 10, 2017  
Date