

**Minutes**  
**USOC Board of Directors Meeting**  
**Colorado Springs, Colorado**  
**September 23, 2016**

A meeting of the Board of Directors (the “Board”) of the United States Olympic Committee (“USOC”) took place on September 23, 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*) (attended the meeting in part as indicated below), Nina Kemppel, Bill Marolt, Steve Mesler, Dave Ogrea, Whitney Ping, Kevin White, and Robert Wood. Attending by telephone were Ursula Burns (attended in part as indicated below), Dan Doctoroff, and Angela Ruggiero (IOC Member, *ex officio*). Unable to attend was Susanne Lyons. 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, and Michelle Stuart. The minutes were recorded by Christopher McCleary, Secretary.

Present for items 1 and 2 below were members of the Los Angeles 2024 bid committee Gene Sykes, John Harper, Candace Cable, Jeff Millman, and Marla Messing.

**1. Call to Order and Welcome**

The Chair called the meeting to order at 8:00am local time and welcomed the Board, attending USOC staff, and members of the Los Angeles 2024 bid committee (“LA 2024”). He previewed the agenda for the day, noting the special timing set up so that members of the Board could attend other meetings at the concurrent USOC Olympic Assembly.

**2. LA 2024 Update**

At the Chair’s invitation, LA 2024 CEO Gene Sykes provided the Board with an update on progress and prospects for the LA 2024 bid. Mr. Sykes reintroduced the attending members of his team and reviewed their roles.

Mr. Sykes noted the continued strong public support for the LA bid and the steadily strengthening relationships being built by LA 2024 within the Olympic Movement. He reviewed fundraising progress and plans, and areas targeted by LA 2024 for improvement in the coming weeks and months.

Turning to the just-completed Rio Olympic and Paralympic Games, he recounted LA 2024’s work and learnings at these events. He noted good lessons learned via

conversations with and observations of the Rio 2016 team. He shared positive reviews of the LA 2024 interactive display that operated at USA House in Rio.

Mr. Sykes also discussed qualitative differences between the Olympic and Paralympic Games from a hosting perspective. Picking up on that theme, LA 2024 Vice Chair Candace Cable offered comments and reflections on LA 2024's growing understandings and plans around the Paralympics and the importance of strongly featuring the Paralympic Games as part of the LA bid overall.

Mr. Sykes next updated the Board on next steps in the bid process overall and the challenges inherent in the upcoming Stage 2 and Stage 3 submissions in particular. He discussed plans for LA 2024's presentation at the upcoming ANOC General Assembly in Doha, Qatar in November.

Board discussion and questions followed, including as to the strong competition among bidding cities for the 2024 Games and ideas and plans for meeting the challenges upcoming in the bid process. Mr. Sykes thanked the Board for its time and support.

With the Board's thanks, the LA 2024 team left the meeting.

### **3. Advance Materials Q & A**

USOC CEO Scott Blackmun referred to advance materials provided to the Board on the topics of USOC year-to-date financial results, year-end forecast, marketing, development, and active proceedings and asked for any Board questions or discussion on these items, as the authors of each were on hand to provide further information.

Board discussion followed on Rio Games impact on year-to-date results and how that impact can best be measured and managed. There was discussion of the Rio-related budget contingency item previously approved by the Board, and acknowledgment that the Board would be called on to decide whether and how it could be applied to USOC financial results in Rio after they are fully finalized and documented.

### **4. Rio Games Recap**

Next, Scott Blackmun led off a series of comprehensive presentations on Team USA Rio Games results and experiences by introducing USOC Chief of Sport Performance Alan Ashley to discuss sport and athlete matters.

#### **a. Games Sport Performance**

Mr. Ashley began with a review of medal performance at the Olympic Games, referring to Team USA's total of 121 medals – first overall and best in team history in a non-boycott Games. He reflected on the challenges that faced the Rio Games and the teams competing in those Games, particularly in light of negative coverage that

began approximately one year in advance of the Games (e.g., as to water quality at open water venues, concerns about the Zika virus, security worries.) Mr. Ashley underlined that a Team USA advantage in this respect was its focus on working with experts in relevant areas and relying on their expertise to provide the best possible context for Team USA action, and then keeping Team USA's focus on a positive approach and performance.

Board questions and discussion followed on the plusses and minuses of different funding, preparation, and Games-time approaches taken by Team USA and a number of other teams, and the application of those approaches to future Games, such as Tokyo 2020.

Mr. Ashley discussed Rio Games budget results and the particular pressures that arose in connection with Rio-specific supply and logistical challenges. He and the Board discussed the relative values presented by Team USA's three Rio-based high performance training centers, and learnings from those operations that can be carried into future Games. In response to Board questions, he reviewed Team USA results in a number of particular sports and how the USOC can best direct its resources to maximize their chances of success in the future.

#### **b. Paralympic Sport Performance**

USOC Chief of Paralympic Sport and NGB Organizational Development Rick Adams discussed USOC performance at the Rio Paralympic Games. Mr. Adams discussed how Team USA Paralympic operations benefitted from the Games team's previous work and experiences, noting in particular that USOC's extension of the Houston-based team processing operations to cover Paralympic athletes was much appreciated by them.

Mr. Adams reviewed the Team USA Paralympic medal count of 115, representing a solid improvement over the London Paralympic Games and a fourth place overall finish in total medals. He noted particularly strong performances by women on Team USA and discussed prospects for the Paralympic Winter Games in Pyeongcheng. In response to Board questions and discussion, he described Paralympic funding and training resources employed by the most successful of the national teams at the Rio Paralympics, and prospects for Team USA to continue to grow and improve its own results.

#### **c. USA House**

At Mr. Blackmun's invitation, USOC Chief Marketing Officer Lisa Baird offered the Board a recap on the activity and impact of the USA House facility in Rio. She noted that it was the largest such facility for Team USA yet, and reviewed the positive legacy it is providing for the school it occupied. She reviewed its strength as an experiential brand resource in addition to being a strong hospitality site for Team USA athletes, sponsors, and other key stakeholders. The Board discussed learnings from these Rio

experiences and how best to apply them in planning for upcoming Games in Korea, Japan, and China.

#### **d. Games-time Development Activities**

USOC Chief of Development Jon Denney discussed Rio operations and results in the area of USOPF hospitality guests. He thanked the Board for its time and energy in donor interactions at the Games. He reviewed hospitality program attendance and previously-discussed challenges in connection with late-date cancellations in advance of the Games (caused by concerns about travel to Rio) and ongoing efforts to minimize the resulting negative financial impact. He also discussed the excellent experiences enjoyed by Team USA hospitality guests in Rio.

#### **e. Communications at the Games**

Next, USOC Chief External Affairs Officer Patrick Sandusky recapped the Team USA Rio communications plan and operations, including its successful work supporting American athletes in handling media contacts and appearances.

#### **f. Athlete Conduct Issues**

Finally, USOC General Counsel Chris McCleary provided the Board with a brief summary of USOC's approach and results in connection with the much-publicized police matter in Brazil involving Team USA swimmers Gunnar Bentz, Jack Conger, Jimmy Feigen, and Ryan Lochte. Mr. McCleary indicated that valuable learnings from this matter would be factored in to further planning and arrangements in the area of athlete rules and conduct, to be implemented in upcoming USOC Olympic Trials and Team USA Games operations.

### **5. National Medical Network**

At this point USOC Chief Medical Officer Dr. Bill Moreau joined the meeting. Scott Blackmun introduced him to the Board and invited him to provide a briefing on current developments in USOC's national medical network. Dr. Moreau reviewed the purpose and design of the program and its purpose of offering a competitive advantage to Team USA by attracting and partnering with medical providers who provide high quality medical care, education, and sports medicine support in exchange for Team USA brand benefits.

Dr. Moreau showed the scope and scale of the network, which includes providers operating in areas across the United States. He discussed approaches to maximizing the impact and usage of value-in-kind services offered by members of the network to US athletes, and referred to the particular strength of Universities in this regard, as their range of potential services tends to be very broad. In response to Board questions, Dr. Moreau further described the particular benefits this network can provide to US athletes and the appreciation shown by the athletes themselves.

## **6. Recess**

At 10:30am, the Chair announced a recess in the current meeting so that Board members could attend a portion of certain key stakeholder meetings then ongoing as part of the USOC 2016 Olympic Assembly.

## **7. Call to Order**

As Board members and USOC staff gathered for the afternoon session of the Board, Board members Dave Ogreaan and Nina Kemppel surprised the Chair and Mr. Blackmun with remarks on the Board's appreciation of their diligent work and leadership, and the presentation to each of them of a framed picture of Rio 2016 Team USA athletes as a memento and token of thanks.

At 12:29 pm, the Chair again called the meeting to order. Joining the meeting at this time were Anita DeFrantz and, by telephone, Ursula Burns. The Chair invited Scott Blackmun to open the next segment of the meeting.

## **8. 2020 Quad Planning and Budget**

Scott Blackmun opened a presentation and Board discussion on USOC strategic and budgetary plans for the coming 2017-2020 quadrennium. Mr. Blackmun started by reviewing the process followed to generate proposed plans for the next quad and thanking the members of the working group for that project. He also reviewed the previously-agreed guiding principles for the work.

Mr. Blackmun reviewed the fundamental elements of the USOC's strategic planning for the next quadrennium: Competitive excellence, revenue growth and stability, brand leadership and value, LA 2024 bid success, and supporting the IOC's Olympic Agenda 2020.

Finally, the Board engaged in a focused discussion on budgeting for the new quad. Mr. Blackmun and Morane Kerek provided the Board with support for a view that, while the USOC can forecast growing revenues in the coming quad, making plans for any counterpart growth in expenditures would be premature until the results of the 2024 Games bid process are known as an LA 2024 win in that process, and the resulting changes to USOC marketing and revenue during the latter part of the quad, could have an impact on cash flow. Further Board discussion on revenue and expense scenarios followed and the Board offered guidance on a number of points.

## **9. 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.

## **10. JMPA Approval**

Turning back to the topic of the 2024 bid process, Mr. Blackmun provided the Board with updated information on the status of negotiations between USOC and LA2024 on the terms of the IOC-required Joint Marketing Program Agreement, set to be formally submitted to the IOC in October as part of the Stage 2 deliveries in that bid process. Mr. Blackmun explained that this agreement is based on the terms previously negotiated by USOC and LA 2024 in their 2015 Bid City Agreement and already approved by the Board in that context. He indicated that the final revenue share figures have been the crux of recent negotiations, and that the USOC had engaged in substantial research and discussions in order to arrive at proposed terms. LA 2024 has provisionally agreed to these terms and will seek approval from its own board of directors and the LA City Council if the USOC Board is agreeable.

Board discussion followed, including as to the revenue share figures as compared to previous US bids and Games, next steps with the IOC, and observance of the bid principles previously discussed and agreed by the parties. After this discussion and upon a motion duly made and seconded, the Board

RESOLVED, that Scott Blackmun is authorized to finalize and execute a Joint Marketing Program Agreement with the City of Los Angeles and the Los Angeles 2024 organizing committee, provided that the principal terms of the agreement is at least as favorable to the USOC as discussed at the Board's meeting of September 23, 2016.

## **11. 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.

### **11.1 Compensation Committee**

Compensation Committee member Bob Wood updated the Board on that committee's meeting of the previous day. He reported that the committee reviewed the USOC employee benefit program and related benchmarking; wellness program participation; vacation usage; and merit pay proposals. Committee and Board members then discussed succession planning at the executive level and progress on ensuring proper succession plans are in place.

### **11.2 Nominating and Governance**

Nominating and Governance Committee Chair Dave Ogrea reviewed the previous day's meeting of that committee and its work on planning and executing a search for the one independent Board seat due to open in January 2017. The Board agreed that it will aim to formally elect a new independent member at its December 2016 meeting.

### **11.3 Ethics**

Ethics Committee Chair Nina Kemppel updated the Board on the ongoing work of that committee and the proceedings at its most recent telephonic meeting, conducted the previous day. She noted that the committee plans an in-person meeting in connection with the Board meeting set for December 2016 and that she sees that occasion as a good opportunity for the Board to interact with members of the committee and underline the value in importance of their work.

### **11.4 Audit**

Audit Committee member Whitney Ping discussed the previous day's Audit Committee meeting and the current work of that committee. She reviewed NGB audit results discussed by the committee, and ideas for making the NGB audit process more transparent in general. She noted that the committee is also working on its external auditor selection process and that it heard a helpful report from representatives of the United States Olympic Endowment.

### **11.5 Paralympic Advisory Committee**

Paralympic Advisory Committee ("PAC") Chair Jim Benson reviewed the work of the PAC and its plans for a meeting in November, including on the topic of strategic and tactical approaches to Para sport fundraising. He indicated that he expects to have an update on that topic for the Board's December meeting.

### **11.6 Administrative Items**

Finally, Chris McCleary discussed two administrative items with the Board.

First, Mr. McCleary referred to advance materials for the meeting in describing a follow-up item from the Board's discussion on transgender rights at the previous Board meeting in June. Specifically, he described the proposal that "gender identity" be added to the USOC Code of Conduct list of personal characteristics which must not form the basis for discrimination. He also reviewed a companion proposal that clarifying language be added to the Code of Conduct's non-discrimination language, narrowing its applicability to exclude gender and gender identity in matters of sport competition classification matters. He noted that USOC is working on additional steps that it might take as an entity in the area of transgender rights, and that staff would report back to the Board on such steps in the future.

After Board discussion and on a motion duly made and seconded, the Board resolved that

WHEREAS, the Board wishes to ensure that the USOC takes a clear position in support of the rights of transgender individuals; and

WHEREAS, the USOC Code of Conduct does not currently address this issue with explicit language,

NOW THEREFORE BE IT RESOLVED, that the USOC Code of Conduct be amended as set out in the marked edits in the draft provided in the advance materials for the current meeting, effective immediately.

Next, and again referring to advance materials for the meeting, Mr. McCleary opened a short discussion on the Athlete Advisory Council's proposal for AAC Bylaw edits aimed at increasing representation among Para sports organizations. He noted that the AAC intends to undertake a more comprehensive review and update of its Bylaws in the coming year, including with input from key stakeholders such as the USOC and NGBs.

On a motion duly made and seconded, the Board voted to approve the AAC Bylaw revisions indicated in the advance materials for the meeting.

## **12. Adjournment**

There being no further business, the meeting was adjourned at approximately 3:07 pm.

This document constitutes a true and correct copy of the minutes of the September 23, 2016 meeting of the Board of Directors of the United States Olympic Committee.



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Christopher McCleary  
Secretary

October 13, 2016

Date