

**USA Federation for Sport Cheering
Board of Directors Meeting
June 2, 2021**

The meeting was called to order at 1:04 p.m. CDT by Lauri Harris via ZOOM video/teleconference.

The following members of the Board of Directors participated in the meeting:

- Melanie Berry
- Mike Burgess (non-voting)
- Jim Chadwick
- Jesa Herman
- Kim Kaye
- Jim Lord (non-voting)
- Bill Seely
- Christa Sanford
- Carolyn Shoemaker (*joined at 1:07 p.m. CDT*)
- John Stuart
- Lee Trudell

Absent from the meeting:

- Rhonda Blanford-Green
- Buffy Duhon
- Justin Carrier
- Ryan O'Connor
- Ben Schreiber

Attending the meeting were the following:

- Lauri "Looie" Harris, Executive Director
- Landon Craft, Assistant Treasurer
- Jessica Chatto, Assistant Secretary
- Danika H. Mendrygal, Attorney, Mendrygal Law PLLC
- Lynne Howard, Paralegal, Mendrygal Law PLLC

Approval of March 2021 Minutes – Lauri Harris

- Lauri referenced the draft minutes of the March 10, 2021 meeting of the Board of Directors previously circulated, noting that Mike Burgess submitted minor clerical updates in advance of the meeting. Lauri opened a discussion for any additional comments or revisions.
- With no additional comments or revisions raised, upon motion by Bill Seely to approve the minutes circulated with the revisions noted by Mike Burgess, seconded by Kim Kaye, and carried without dissent, the March 2021 minutes were unanimously approved.

Proposed Resolutions – Lauri Harris

- Lauri presented by remote technology the proposed resolution for ratification of legal expenses paid by USA Cheer during the period January 2018 through March 2021. Danika added that purpose of the resolution is to document proper expenditure authority for these past expenses paid by USA Cheer. Lauri provided the Board an opportunity to review the information presented, and responded to a question from Jim Chadwick.

- With no additional questions or comments, Lauri called for a motion for the Board to approve the proposed resolution as presented. Upon motion by Jim Chadwick, seconded by Bill Seely, and carried without dissent, the following resolution was unanimously approved:

RATIFICATION OF LEGAL EXPENSES

WHEREAS, USA Cheer incurred and paid certain legal expenses during the period of January 2018 through March 2021 which exceeded the threshold of authority delegation authorized by the Board of Directors and which were not otherwise contemplated in the respective operating budgets; now, therefore be it

RESOLVED, that, individual payments for legal expenses in excess of \$5,000, paid by USA Cheer on such dates and in such amounts as detailed on Exhibit “A” attached hereto be, and the same hereby are, hereby ratified, confirmed, and approved in all respects.

Amended and Restated Bylaws – Lauri Harris

- Lauri referenced the proposed form of Amended and Restated Bylaws circulated to the Board for review on May 2, 2021, a copy of which is attached as Exhibit “B”, and explained the purpose for updating the Bylaws is to address comments received from the United States Olympic & Paralympic Committee (USOPC) and to incorporate revisions to better align with USOPC’s recently updated governance documents. Bill Seely provided additional context around USA Cheer’s application for Recognized Sport Organization (RSO status) pending with the USOPC. At Lauri’s request, Danika provided a high-level overview of the proposed changes to USA Cheer’s Bylaws, expounding that the continually evolving updates are to ensure USA Cheer’s governance structure is USOPC compliant and to best position USA Cheer to be the national governing body for Cheer when it is recognized as an Olympic sport. Lauri opened the discussion to the Board for questions and comments. With no questions or comments raised, Lauri called for a vote.
- Upon motion by Bill Seely to approve the proposed form of Amended and Restated Bylaws as circulated, seconded by Jim Chadwick, and carried without dissent, the Amended and Restated Bylaws attached hereto as Exhibit “B” were unanimously approved and adopted.

STUNT Update – Lauri Harris

- Lauri provided an update on STUNT with the following key highlights reported:
 - NCAA division council voting for emerging sport status resumed.
 - The Division III council approved recommending STUNT as an emerging sport and the recommendation will move to a vote of the Division III membership.
 - USA Cheer has responded to additional questions from the Division I and Division II councils, and these councils will consider their recommendation within the coming months.
 - USA Cheer is continuing its initiative to educate the divisions on STUNT and network within the divisions to build deeper connections with athletic directors and other persons who will advocate for STUNT securing emerging sport status.
 - Growth in STUNT continues—addition of six new collegiate teams and participation in the GMAC conference.
 - Club STUNT season commences in July.
 - USA Cheer will launch a STUNT campaign for the fall season to continue promoting growth of the sport on all levels.

Insurance – Lauri Harris

- Lauri shared a brief update with the Board around USA Cheer’s insurance program, noting that USA Cheer recently updated its brokerage agreement and is evaluating more appropriate coverage for USA Cheer and STUNT to better mitigate risks. She anticipates that USA Cheer’s insurance costs will increase. She shared with the Board a link to a recent article demonstrating the significant rise in legal defense costs incurred by sport national governing bodies, which has a direct impact on rising insurance premiums.

TeachAids Concussion Education – Lauri Harris

- Lauri reported that USA Cheer has partnered with TeachAids to make available a free education resource on concussion awareness. She provided a brief background on the organization—spun out of Stanford University and rooted in tested and proven learning methodologies with input from world-class neurological experts.
- At Lauri’s request, Jim Lord contributed that TeachAid’s concussion course builds on USA Cheer’s existing “return to participation” protocols. He pointed out that a unique feature of the course format is that it is delivered in an athlete-to-athlete format, with easily understood analogies.
- The concussion course is posted on USA Cheer’s website and is free to the public. USA Cheer is widely promoting the course to coaches encouraging them to share with their athletes and formally incorporate into their training programs.
- The course will be a requirement for STUNT athlete membership.

Financial Update – Lauri Harris

- Lauri presented by remote technology the 2021 first quarter budget to actuals financial report.
- She highlighted that, commencing this month, USA Cheer is operationally independent in accounting back-office services, including accounts payable. Lauri noted that she is continuing to work with the new accounting group (Altruic) to refine reporting formats for improved transparency of USA Cheer’s financial outlooks.
- Lauri provided a brief update on the status of preparation of USA Cheer’s Form 990 annual return, noting that a copy of the Form 990 will be circulated to the Board for review and comment within the coming days.
- At Lauri’s request, Danika informed that the IRS’ review of USA Cheer’s Form 1023 exemption application is moving forward, and she is hopeful we will receive the determination letter within the coming months. Lauri added that upon IRS recognition as a 501(c)(3) public charity there will be new fundraising opportunities available to USA Cheer.
- Lauri opened for any questions or comments from the Board, and there were none.

NCAA / NASC / USA Cheer Board Composition – Lauri Harris

- Lauri opened the discussion reporting that a potential candidate has been identified to fill the vacancy in the NCAA Delegate Member representative directorship, and she will keep the Board informed of developments.
- Lauri reported that evaluation of restructuring the National Alliance for School Cheerleading (NASC) delegate membership is ongoing. The ultimate purpose of the proposed restructure is to strengthen USA Cheer’s Board representation across various operational disciplines. Bill Seely and Danika Mendrygal contributed to the discussion, generally elaborating on the impact of the proposed NASC restructure with respect to USA Cheer’s Board composition and the strategic importance of implementing a membership structure more similar to that of other sport NGBs

and the USOPC. Bill also noted the restructure provides an opportunity to round out USA Board's functional expertise in, for example, legal, financial, and medical areas. It was noted that an initial proposal for the restructure terms has been provided to Bill Seely for review and comment.

- Lauri opened the discussion for any comments or questions from the Board, and none were raised.

Next Board Meeting/Other Business – Lauri Harris

- The next Board meeting is scheduled for September 1, 2021.
- Danika reminded the Board that the Form 990 annual report is an outward-facing document that not only provides financial reporting but an opportunity to reinforce USA Cheer's messaging and mission for public consumption, and encouraged the Board provide their valuable feedback from a public relations lens.
- In anticipation of USA Cheer's recognition as a 501(c)(3) public charity, Lauri is considering options for a fall giving campaign.
- Lauri closed the meeting with a supplement to the financials discussion, sharing a brief update on Varsity loan payments made pursuant to Board approval at the March 2021 meeting.

With no further questions or additional business, the meeting was adjourned at 1:50 p.m. CDT.

Respectfully submitted,

A handwritten signature in dark ink that reads "Lauri Harris". The signature is written in a cursive, flowing style.

Lauri Harris, Executive Director

EXHIBIT A

LEGAL EXPENSE PAYMENTS JANUARY 2018 – MARCH 2021

<u>Month/Year</u>	<u>Firm</u>	<u>Amount</u>
2/2018	Mendrygal Law	\$5,220.00
6/2018	Mendrygal Law	\$5,345.02
9/2018	Mendrygal Law	\$13,817.50
1/2019	Mendrygal Law	\$8,642.50
5/2019	Mendrygal Law	\$6,166.50
11/2019	Mendrygal Law	\$11,164.50
11/2019	Mendrygal Law	\$5,119.00
2/2020	Mendrygal Law	\$6,116.50
7/2020	Mendrygal Law	\$5,848.50
8/2020	Mendrygal Law	\$8,250.50
11/2020	Mendrygal Law	\$9,946.85
11/2020	Mendrygal Law	\$7,966.00
12/2020	Mendrygal Law	\$7,106.00
12/2020	Blank Rome	\$65,000.00
2/2021	Mendrygal Law	\$9,938.27
3/2021	Mendrygal Law	\$5,624.50
1/2021	Baker Donelson	\$8,352.00
1/2021	Baker Donelson	<u>\$8,688.80</u>
Total:		\$198,312.94

EXHIBIT B

AMENDED AND RESTATED BYLAWS