



**UNITED STATES EQUESTRIAN FEDERATION, INC.  
BOARD OF DIRECTORS MEETING  
NOVEMBER 23, 2020  
3:00 P.M. EST**

**MINUTES**

**Board Members Present:** Murray Kessler, Tom O'Mara, Jacob Arnold, Tom Brennan, Allison Brock, Jane Clark, Ling Fu Wylie, Lisa Gorretta, Nancy Harvey, Valerie Kanavy, Carol Kozlowski, Beezie Madden, Joe Mattingley, Diane Pitts, Philip Richter, Judy Sloan, and Judy Werner

**Board Members Absent:** Elisabeth Goth and Richard Spooner

**Council Chairs Present:** Mary Babick, National Breeds & Disciplines Council Chair; Shelley Campf, Member Services Council Chair; and Joe Mattingley, International Discipline Council Chair

**USEF Senior Team Present:** Bill Moroney, Kelly Bolton, Will Connell, Terri Dolan, Sonja Keating, Vicki Lowell, Lisa Owens, Justin Provost, and Debbie Saliling

**1. Roll Call and Determination of a Quorum**

Mr. Kessler called the meeting to order at 3:00 p.m. EST. Following a call of the roll, Ms. Adams noted that a quorum was present.

**2. Adoption of the Agenda**

Mr. Kessler stated that he would like to add items 11.2 and 15.1 to the agenda. Mr. Richter moved and Ms. Sloan seconded the motion to adopt the agenda as amended. There was no discussion and the motion to adopt the agenda with stated amendments carried unanimously.

**3. President's Opening Remarks**

Mr. Kessler stated that while COVID-19 cases rise, he is proud of the fantastic job USEF, its Affiliates, and its members have done to keep people safe while continuing to keep our sport open and competitions running. The organization has maintained liquidity and managed its revenues and expenses well. We will continue to rebound and grow our resources through the remainder of this year and into 2021.

**4. Conflict of Interest Declaration**

Ms. Keating requested that Directors declare conflicts with any item on the agenda. Mr. Arnold stated a potential conflict with agenda item 11.2. Mr. O'Mara declared a conflict with the budget approval, agenda item 9, due to the Presidential stipend.

**5. Approval of Board Meeting Minutes**

Ms. Gorretta moved and Ms. Pitts seconded the motion to approve the two sets of minutes from September 28, 2020 and October 9, 2020. Following discussion, the language listed below was added to each set of minutes for

clarity and a correction to the record was made to state that Ms. Harvey was present at the October 9<sup>th</sup> meeting. There being no further discussion, the motion passed with Ms. Clark abstaining as she was not present at the September 28<sup>th</sup> meeting and Ms. Brock, Mr. Brennan, Ms. Madden and Mr. Richter abstaining as they were not present at the October 9<sup>th</sup> meeting.

#### 5.1 Board Meeting – September 28, 2020

Agenda item 3, President’s Opening Remarks: Until the pandemic effects improve to a level that warrants a reduction in restrictions, we will remain diligent in our efforts utilizing and enforcing the USEF Action Plan.

#### 5.2 Special Board Meeting – October 9, 2020

Under Agenda item 6, Approval of Board Policy on Competition, Licenses and Venue names for USEF-licensed competitions: The Board determined the best approach was to encourage host venues to be cognizant of potentially offensive names and authorized the President to approve a statement prepared by staff regarding the naming of competition venues.

### **6. Presidential Modification Report**

A summary of Presidential Modifications granted since the September Board meeting was presented to Directors for informational purposes.

#### 6.1 Ratify modifications granted by USEF CEO due to the COVID-19 pandemic

Ms. Sloan moved and Mr. O’Mara seconded the motion to ratify all CEO rule modifications related to the COVID-19 pandemic as outlined in the Board-approved Resolution 2020-07. Following discussion, the motion passed unanimously.

### **7. Treasurer Report**

Mr. O’Mara presented the statement of financial position and the statement of financial activities ending October 30, 2020 noting that due to careful fiscal controls and competitions resuming at the levels they did, the projections now show the year ending in a surplus rather than the originally projected deficit. Additionally, all indicators point to the PPP loan being forgiven in its entirety.

### **8. Investment Policy Task Force Update**

Mr. O’Mara reported the Task Force has been engaged with interviewing financial management teams and plans to update the Investment Policy Statement and draft a Spending Policy for Board approval. Any recommendations will be presented to the Board for approval prior to implementation.

### **9. Consideration and Approval of the 2021 Budget**

At 3:36 p.m. Mr. O’Mara left the meeting as he had earlier identified a conflict.

#### 9.1 Ratify modifications to the 2021 Budget Timeline

Mr. Moroney noted that due to COVID-19, the usual timeline of budgeting was unable to be observed. Ms. Sloan moved and Mr. Mattingley seconded the motion to ratify the modified 2021 Budget timeline. After discussion and vote the motion passed unanimously.

Ms. Pitts moved and Ms. Gorretta seconded the motion to ratify actions taken to date. There was no discussion and the motion passed unanimously.

## 9.2 Review and approval of the 2021 Budget

Ms. Sloan moved and Ms. Kozlowski seconded the motion to approve the 2021 budget. Mr. Moroney stated that the Budget & Finance Committee voted to approve the 2021 budget and to submit it to the Board with a recommendation that the Board authorize the CEO, in consultation with the President and Secretary/Treasurer, to allocate any 2020 surplus funds and any funding in excess of the 2021 approved budget to support the activities of USEF as needed.

Five unbudgeted expenses totaling \$1,642,450 were included for consideration of funding in 2021 utilizing allocation from the 2020 projected year-end surplus: litigation expenses related to Safe Sport cases; USCSS 2021 dues increase; Saddle seat program support; 2021 support due to postponement of activities and operations for high performance; and funding for additional 2021 compliance venue inspections.

It was noted that year-end projections are looking far more favorable in the last quarter than originally anticipated earlier in the year. It is likely the Federation will end the year with a healthy surplus, and as a result, the previously unbudgeted expenses should be included in the budget, especially given that they represent mandatory expenditures.

Ms. Sloan amended her motion and moved to approve Budget revenues as presented, but to add-in the previously unbudgeted expenses raising total expenses by \$1,642,450, with the provision that any deficit is to be paid out of operational surplus or Federation reserve funds, and that any funding in excess of this amount is to be presented and approved by the Board of Directors. Ms. Pitts seconded the amended motion. Following a vote the motion passed unanimously.

Mr. Moroney stated that monthly financial updates will be provided to the Board throughout 2021.

Mr. O'Mara rejoined the meeting after budget discussion and vote concluded.

## 10. **Consideration of Rule Change Proposals**

### 10.1 Extraordinary Rule Changes

Ms. Gorretta moved and Ms. Kozlowski seconded the motion to put all five extraordinary rule changes on the floor for discussion. There was no dissent and the motion passed unanimously.

#### Tracking ID# 24-20

Following discussion and vote the extraordinary rule change to GR152 referencing the Rule change timeline passed unanimously.

#### Tracking ID# 53-20

After discussion and vote the extraordinary rule change to GR839 related to Air quality failed unanimously.

#### Tracking ID # 57-20 and 47-20

These divisions were previously handled by the Driving Affiliate of which USEF now serves and in order to run these divisions, the rules will need to be in place prior to the 2021 competition year. After discussion and vote the extraordinary rule change to DC901 Training division and DC922 Small Pony 4-in-hand passed unanimously.

Tracking ID# 59-20

Following discussion, Mr. Arnold moved and Mr. O'Mara seconded the motion to amend the extraordinary rule change to WD122 referencing prohibited equipment to remove the reference to Garrocha poles and place it into a separate section of the rule book. The amended motion passed with Ms. Gorretta and Ms. Pitts abstaining due to the way in which the rule was written.

**10.2 FEI Rule Changes**

Ms. Pitts moved and Ms. Sloan seconded the motion to put all seven FEI rule changes on the floor for discussion. There was no dissent and the motion passed unanimously.

Mr. Moroney outlined the seven proposed changes to FEI Vaulting rules. Following discussion the motion to approve all FEI rule changes passed unanimously.

<u>Tracking ID#</u>	<u>Rule Reference</u>	<u>Comment</u>
69-20	VA	Changing composition to artistic
70-20	VA116	Guidelines for judges
68-20	VA117	Guidelines for judges
67-20	VA119	Guidelines for judges
66-20	VA120	Guidelines for judges
64-20	VA124	Guidelines for judges
65-20	VA126	Guidelines for judges

**11. International Disciplines Council Report**

Mr. Mattingley reported that the IDC aims to grow athlete representation as mandated by the USOPC driving it up from the sport committees to the Council level. Additionally, The focus

11.1 Ratify Ad Hoc Group actions related to 2020 FEI calendar changes (Resolution 2020-08)

Mr. Mattingley moved and Mr. Arnold seconded the motion to ratify the actions of the Ad Hoc FEI Calendar Group as presented and required under Resolution 2020-08. After discussion the motion passed unanimously.

At 4:18 p.m. Mr. Arnold left the call due to his declared potential conflict with agenda item 11.2.

11.2 Approval of the 2021 Advanced Pony Combined Driving National Championship reallocation

Mr. Mattingley moved and Ms. Gorretta seconded the motion to approve the allocation of the 2021 Advanced Pony Combined Driving National championship to Katydid CDE @ TIEC – CAI2\* to be held in Mill Spring, NC from April 21-25, 2021. Following discussion and a vote the motion passed unanimously.

Following conclusion of discussion of 11.2, Mr. Arnold returned to the meeting.

**12. National Breeds & Disciplines Council Report**

In addition to the written report provided, Ms. Babick reported that the rule change proposal related to the amateur rule is heating up and may be controversial moving into the Mid-year meeting.

**13. Member Services Council Report**

Ms. Campf reported on Council discussion of the host location for the 2024 Annual meeting, selecting Louisville over Lexington due to air travel convenience, variety of location, and increased entertainment opportunities.

#### **14. Governance Committee Report**

Ms. Pitts reported that due to the USOPC mandate provided by Congressional order, NGBs will be required to have 33.3% athlete representation on all committees, Council and Board of Directors by 2022. The pool of athletes will be expanded to assist NGBs in 10-year athlete, 10-year+ athlete, and actively engaged athlete.

The Governance Committee reviewed several scenarios to manage the new athlete representation on the Board. Two new athlete seats would be added to the Board and one IDC seat would be dedicated to athletes. Ms. Pitts invited all Board members to the next Governance Committee meeting on December 8<sup>th</sup> to participate in discussion.

#### **15. CEO Report**

Mr. Moroney reported that we continue to monitor our financial position while still meeting the needs of our members. With the recent increase in COVID-19 cases, we do not estimate a shutdown of equestrian competition, however we continue to monitor state government guidelines and will abide by and communicate out to our membership any changes in the competition environment.

An amendment to the PAST Act has been introduced which eviscerates the oversight in compliance for three breeds that USEF was not invited to comment on. Therefore, we have joined the American Horse Council (AHC), AAEP, and several other prominent organizations in vigorously opposing this legislation.

Dr. Rick Mitchell and Mr. O'Mara will serve as the USEF representatives on the AHC Board of Directors.

On the sport side, calendar management processes are under review while the Driving and Endurance disciplines are creating new competition products and formats to be launched in early 2021.

##### 15.1 Virginia Tech Helmet Lab Report and Consideration of funding

Mr. O'Mara gave background on the Virginia Tech Helmet Lab, now a leader in helmet research with sport-specific rating system supplements to certification/standards. They are about to embark on an equestrian helmet study, but need \$450,000 to fund the research. Affiliates USHJA and USEA provided some start-up funding while USEF initiated a PR funding campaign, and a generous donor pledged to match funding for this project. Mr. O'Mara asked the Board to consider approving \$100,000 to fund the study.

Ms. Pitts moved and Ms. Gorretta seconded the motion to approve funding in the amount of \$100,000 to support this research. Following discussion and a vote the motion passed unanimously.

#### **16. Old Business**

There was no old business.

#### **17. New Business**

There was no new business.

#### **18. Executive Session**

At 5:07 p.m. Mr. Kessler requested that Council Chairs and staff, other than Mr. Moroney and Ms. Keating, leave the meeting at this time for an executive session of the Board to discuss the following topics: General Counsel Report, Staffing Update and Consideration of Surplus Funding Allocation, and Cadence of Annual CEO Performance Evaluation.

**19. Adjourn**

At the conclusion of the Executive Session the meeting adjourned at 6:36 p.m. EST.

Signed and submitted:

A handwritten signature in cursive script that reads "Karen Adams".

Karen Adams  
Recording Secretary