



Board of Directors

Wednesday, September 15, 2021, 6:30 PM | Via Zoom

MINUTES

IN ATTENDANCE	Karen Chen (joined meeting at 8:19pm), Gordon Collins (left meeting at 10:50pm), Anoosh Davoudzadeh (joined meeting at 7:45pm) Suzy Cossette, Martha Ehrenfeld, Ray Hixson (Vice President), Cheri King, Bryn Powell, Luis Reis, Jason Scalse (President), Pam Sloan (Secretary), Jack Walker (Treasurer), Keith Wheeler (Delegate), Scott Winn. Note: this resulted in a difference of vote counts throughout the meeting.
ABSENT	Sandy Tompkins, Joshua Conlin, Alvin Hom (Advisory Director)
ADVISORY DIRECTORS	Christine Costamagna (joined meeting at 7:23pm), Andrea Norman
NORCAL STAFF	Interim Co-Executive Directors Alison Vidal and Darren Wenger; Brandy Guillen, Manager, Adult Leagues (Joined meeting for committee decisions)
LEGAL COUNSEL	Jonathan Madison, Esq., The Madison Firm
GUESTS	Jeff Hodge (Boyden Executive Search) Duane Musfelt, Joe Lordan, Jessica Pliner (Lewis Brisbois Bisgaard & Smith LLP Law Firm)
CALL TO ORDER	6:35 PM

I. Introduction of Guests

DISCUSSION	Jeff Hodge (Boyden Executive Search) and Duane Musfelt, Joe Lordan, Jessica Pliner (Lewis Brisbois Bisgaard & Smith LLP Law Firm) were introduced as guests.
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II. Reading of the USTA NorCal Mission Statement:

DISCUSSION	Mr. Collins read the USTA NorCal Mission Statement.
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III. Public Comments:

DISCUSSION	President Scalse asked staff if there were public comments submitted. Staff reported no comments were submitted per the deadline of 2pm on September 15, 2021
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IV. Approval of Agenda

DISCUSSION	No motions to change the agenda.
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V. Executive Session:

MOTION	SECONDED	PASSED
Mr. Reis moved for the NorCal Board go into Executive Session	Mr. Walker	By a vote of 12 in favor, 0 opposed, and 0 abstentions.

VI. Approval of the Minutes (August 18, 2021)

DISCUSSION	There was a discussion regarding the board meeting minutes from August 18, 2021. Recommended edits that were presented were reviewed and updated.	
MOTION	SECONDED	PASSED

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Mr. Reis moved to approve the August 18, 2021 minutes with recommended edits as presented.	Mr. Walker	By vote of 13 in favor, 0 opposed, and 1 abstentions.
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VII. Executive Committee Report:

DISCUSSION	<p>President Scalese stated that the Executive Committee met on August 24, 2021 to discuss the upcoming National Call Items. Delegate Wheeler provided an overview of the call items and recent changes as represented below.</p> <p>The call items were:</p> <p>B1 Sectional Funding - Bylaw 4</p> <p>B2 Sectional Funding - Bylaw 27a</p> <p>B3 Governance Board Composition - Bylaw 27b</p> <p>B4 Financial Disclosure - Bylaw 32a</p> <p>B5 Governance Nominating Committee Composition - Bylaw 35</p> <p>The Executive Committee decided to vote NO to B1, B2, and B5. B1 and B2 request more funds for the Sections and are controversial due to potential limitations on how National funds the Sections. In light of the COVID situation, these call items raise concerns for National if another crisis should occur. Call item B5 changes Nominating Committee composition. It was decided that if a percentage were placed on the Nominating Committee it could hinder them from doing their job. The Committee supported B3 and B4. It was decided that if major changes were made at the last minute, the Committee agreed the vote would remain the same as stated above.</p>
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VIII. Committee Decisions:

DISCUSSION	<p>President Scalese asked if there were questions regarding the Committee Decisions.</p> <p>[Sanctioning and Scheduling Committee]</p> <p>The Board members brought forth some questions on clarity and understanding the role of the Sanction and Schedule Committee. Advisory Director Norman walked through the Sanction and Schedule committee’s resolutions on sanctioning policies and rationale. The primary goal was to maintain safeguards that promote transparency of NorCal’s policies to applicants, protect USTA NorCal and clarify the process. Mr. Hixson expressed concerns about the tournament sanction approval process and whether additional time was needed to fully vet the process before its adoption. After further discussion, edits were made to the resolutions before they were proposed for adoption.</p>	
MOTION	SECONDED	PASSED
Mr. Hixson moved to approve the resolutions set forth below:	Mr. Walker	By vote of 13 in favor, 0 opposed, and 0 abstentions.

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The Sanctioning of USTA NorCal Tournaments: 2022 and Beyond Resolutions as approved by Board of Directors on September 15, 2021:

RESOLVED: That USTA NorCal shall put in place a sanctioning policy, and all related regulations, contracts and forms that substantively includes and adheres to the following:

The starting point for the creation of amended and restated USTA NorCal Sanction Regulations will be the 2019 USTA NorCal Sanction Rules.

The sanctioning process must include a contract signed by the applicant Organization Members, but will include flexibility for adjustments to be made as needed or required, and will incorporate by reference the Sanction Regulations, and applicable Adult and Family Tournament Rules and Junior Tournament Regulations.

The sanction approval process for non-ranking Junior Circuit events (which are not tournaments as determined by the NorCal Board in its interpretation of the USTA NorCal Bylaws), will permit the approval of sanctions by the NorCal staff and applicable Committee Chairs, but these decisions will be subject to appeal by an applicant to the Board when there are competing applications that are denied.

Sanction fees and NorCal head taxes will be those that are currently being charged as part of the 2021 Tournament Agreement.

Sanction application deadlines will be specified in the regulations and will include one or more Primary Sanctioning Periods that will encourage applicants to apply for tournaments for the following year, but will also provide for a schedule of application deadlines that give the opportunity for organizers to apply at later times and for NorCal to fill openings in the tournament calendars.

Safe Play certification will be included as required by the USTA Regulations, and the requirement may be expanded as appropriate.

All updates required by the new Serve Tennis platform will be included. This includes no fee for a non-sanctioned tournament to appear on the Serve Tennis platform.

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A Conflict of Interest disclosure form will be included as part of the sanctioning process if it is deemed necessary by the USTA NorCal Board.

All forms of contracts and legal provisions (including limitation of liability, mediation and arbitration, and liability waivers) will be reviewed by USTA NorCal Legal Counsel before implementation.

RESOLVED FURTHER: That any regulations, contracts and forms that are substantively consistent with these parameters may be implemented without further approval.

RESOLVED FURTHER: Should any issue arise that is beyond the scope of the parameters listed above, or that may be inconsistent with one of the parameters listed above, the NorCal staff and the Chairs of the Governance & Ombuds and the Sanction & Schedule Committees are authorized to prepare a proposal that address the issue, and such proposal will be brought to the USTA NorCal Board of Directors (or the Executive Committee if the matter is urgent) for approval prior to implementation.

RESOLVED FURTHER: That the process for approving sanctions for tournaments will be presented to the Board at a future meeting.

[Adult League Committee]

DISCUSSION

President Scalese noted that Ms. Costamagna, Adult League Chair, reached out to him about discussing the 2022 Adult League Calendar, which was included in the Committee Decisions, with the Board. She noted that there had been some concerns raised. Ms. Costamagna and Brandy Guillen, Adult League Manager, provided an overview of the calendar and the rationale. Mr. Collins and some other Board members shared concerns, including play around the holidays (December) and the difficulty of getting captains, seniors playing in the summer (heat issues), and the switching of 65's. After discussion, Chair Costamagna asked for prioritization of the issues, thanked everyone for their input and stated she and Ms. Guillen will go back to the Adult League Committee to consider some possible adjustments. She noted that she will review adjustments with the Board members to ensure transparency and that the calendar would likely need to be approved by the Executive Committee since registration is scheduled to open up before the next Board meeting.

IX. New and Renewed Member Organizations – Past 30 days:

DISCUSSION	Interim Executive Director Wenger provided an update on new and renewed Organization Members. There were 2 renewals (Club Sport and Kona Kai Swim and Racquet Club) and 2 new members (Solano CTA and Sweet Spotters Tennis Coaching).
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X. Treasurer’s Report:

DISCUSSION	<p>Mr. Walker stated that all Board members were sent the current Balance Sheet, Profit Loss Sheet, Cash Flow and 2020-21 YTD forecast. USTA NorCal started the year with \$2.1M and year to date actual is \$3.2M. Forecast looks positive for NorCal.</p> <p>The current budget indicates a surplus of \$450K due to the PPP loan. The 2021 year end forecast expects a surplus of \$141K. The Budget and Finance Committee will continue to focus on the forecast. Year-to-date net income is \$360K.</p> <p>The Budget and Finance Committee along with staff continue to work hard to finalize the 2022 budget. The timeline for the budget is as follows:</p> <ul style="list-style-type: none">• First week of October – Presentations by each department – 1 hour each.• Budget to be presented to the Board for approval at the October Board meeting. <p>The auditors are still working on the NorCal audit. This audit should be completed by September 30, 2021.</p>
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XI. President’s Report:

DISCUSSION	<p>President Scalese shared he has minimized his committee meetings. However, he has attended the Employee Relations Committee, Executive Director Search Committee, legal meetings, Human Resource matters, employee adjustments and National meetings. He will attend more meetings in the future.</p> <p>President Scalese stated he had a Presidents call today (Wednesday, September 15, 2021) that covered an update on the call items and Serve Tennis. There continues to be complaints on Serve Tennis and the USTA is focused on trying to remedy the situation. The call item update will be presented in the Delegates report.</p> <p>President Scalese acknowledged Co-Interim Executive Directors for special assignments. Co-Interim Executive Director Vidal has been focusing on the upcoming KPSF \$50,000 Open tournament at Golden Gate Park and is doing a great job organizing. One big challenge is the fact that UTR is hosting a tournament just down the street. Co-Interim Executive Director Wenger had the challenge to address the ticket distribution for the 2021 US Open. He juggled three different type of tickets (President’s Box, NorCal Box Seats and NorCal President’s tickets) which was a lot of work.</p> <p>In addition, President Scalese, noted that three individuals have not signed the “Whistle Blower” Policy and will be reaching out to those individuals. This policy was passed by the Board a few months ago and all need to be on board.</p>
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	<p>President Scalese recognized the work of the Nominating Committee. The Committee has selected six of the seven applicants to be placed on the slate. Board members are encouraged to get organizational members to vote in order to have a quorum for the election.</p>
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XII. Executive Directors Report:

DISCUSSION	<p>Interim Co-Executive Director Vidal highlighted the data and information on various programs, i.e., adult leagues, Junior Competition/ Junior Circuit/Adult Competition, Junior Team Tennis, H.I.T.S., NJTL Chapters, Park and Recreation Agencies, Schools, Tennis on Campus, Adaptive/Wheelchair Tennis, Diversity and Inclusion, Champions of Character Scholarship Awardees and other various program updates. In addition, the 120th San Francisco Open was successful with the KPSF \$50,000 Open scheduled for this next week. Note: the KPSF was awarded to USTA NorCal over UTR.</p> <p>Co-Executive Director Vidal also shared a couple National Funding opportunities. The “Grow the Game” grant awarded NorCal \$129,000 to assist facilities. Year-to-date \$38,487 awarded to 27 facilities/organizations. The USTA Foundation awarded \$27,500 to Sierra Junior Tennis and Learning, Youth Tennis Alliance and Silicon Valley Boys and Girls Club. USTA NorCal currently has 22 Tennis Champions and National is providing incentives to grow the game.</p> <p>Interim Co-Executive Director Wenger provided USTA NorCal operational updates. Meetings have been held with each department manager to begin the first draft of the 2022 budget. Each department will meet with the Budget and Finance Committee the week of September 20, 2021 to discuss their goals and budget needs.</p> <p>The Human Resource Transition began to be put into place. A new position known as Compliance, Governance and Human Resource will be posted by the end of September with a goal of hiring as soon as possible, hopefully by the end of October or early November.</p> <p>Co-Interim Executive Director Wenger has been going to the office weekly to check on mail. It is the intent to move back to the office in 2022 but the actual day is undetermined. There will need to be some policies put into place to address the COVID issue.</p>
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XIII. Delegates Report:

DISCUSSION	<p>Delegate and Parliamentarian Wheeler gave the results of the National Call Items. They are as follows:</p> <p>B1 Sectional Funding passed by 61% with NorCal voting: No</p> <p>B2 Sectional Funding passed by 61% with NorCal voting: No</p> <p>Note: There is an outside legal opinion that the USTA National Board may not need to comply with B1 or B2, which they were opposed to, if to do so would break their fiduciary duty as board</p>
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	<p>members of the USTA. Funding will increase to sections over the next several years even if B1 and B2 are set aside.</p> <p>B3 Governance Board Composition passed 59% with NorCal voting: Yes</p> <p>The call item initially proposed to have the Board composition at 50%. That percentage was decreased to 45% and finally to 40% to show the willingness to listen and compromise by the presenters. The Executive Committee believed, by majority, that sections should be represented on the National Board and therefore supported the 40% as it was also represented as the historical record on board composition.</p> <p>B4 Financial Reporting passed by 100% with NorCal voting: Yes</p> <p>No issue with B4 as it passed by 100%.</p> <p>B5 Governance Nominating Committee failed by 57% with NorCal voting: No</p> <p>The Executive Committee believed that this would make the job for the Nominating Committee too difficult and may tie their hands in selecting the board. It was also determined that history indicated that there was good representation on the Nominating Committee from sections based on history. This call item required 2/3's vote to pass.</p>
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XIV. Old Business (Sport Court):

DISCUSSION	<p>NorCal has a sport court that has been in storage for a good period of time. It was recommended by Interim Executive Director Wenger that we see if any of our Organization Members, including CTA's or NJTL's, would have use for the court. Co-Interim Executive Director Wenger provided a report on the Sport and the process used to make a recommendation. There were a total of 12 applications to receive the sport court. Each were asked why they would like the court and what will they do with the court. The staff recommendation is for California PAL to receive the court because they will use it to introduce tennis to reach their mission of 43,000 youth.</p>
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MOTION	SECONDED	PASSED
Ms. Sloan moved to donate the USTA NorCal sport court to California PAL organization	Mr. Reis	By vote of 13 in favor, 0 opposed, 0 abstentions

MOTION	SECONDED	PASSED
Mr. Reis moved to adjourn the meeting.	Mr. Chen	By vote of 13 in favor, 0 opposed, 0 abstentions

ADJOURNMENT	11:00 PM
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