

# DRAFT

## UNITED STATES SAILING FOUNDATION BOARD MEETING MINUTES

July 12, 2022

4:00 PM – 5:30 PM ET

Zoom Call

### **Attendance:**

Directors Present: William Ruh, Brian Keane, Cory Sertl, William Koch, Alan Ostfield, Linda Lindquist-Bishop, Doug Smith, Rich Jepsen, Tom Whidden

Also Present: Heather Monoson, Jill Nosach, Paul Cayard, Chris Childers, Harlan Spinner, Drew Freides, Lorie Anderson, Katie Alley, Mikayla Pantano

Directors Absent: Johnny Lovell, Glenn Darden

### **Minutes:**

#### **Call to Order & Announcements**

Meeting brought to order 4:00 PM ET

#### **Review and Approval of April 12, 2022, Minutes**

Bill Ruh asked for motion to approve the Minutes. Doug Smith made a motion to approve, and Brian Keane seconded. The motion carried unanimously.

#### **Financial Report – Heather Monoson**

- a) Ms. Heather Monoson presented June Year-to-Date financials, including comparison of actual versus budget, cashflow, and operating cash. Mr. Ruh asked for clarification on whether the Total Year Budget included donations, and Ms. Monoson affirmed that it includes commitments, endowments, and the money we can spend. Heather also reviewed timing and anticipated revenue and expenses.

#### **Investment Report – Harlan Spinner, Drew Freides**

- a) Mr. Harlan Spinner, head of Institutional Consulting at UBS, led the report. He discussed the institutional consulting unit and our three accounts: the Endowment, the Association, and the Foundation. While referencing page numbers of the report, he noted the asset class, range, target returns and current totals for the Association and the Foundation accounts.
- b) Mr. Spinner discussed that the Association account has a mix of assets from indexes; the Foundation account has a narrower performance spread; and the Endowment is doing well. Mr. Freides noted that the differences between accounts are based upon the time frame for the

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expected use of funds, such that the Association and Foundation portfolios includes shorter duration investments than the Endowment. Mr. Spinner added that one fund investment in each portfolio is currently underperforming, despite having historically solid performance. Mr. Spinner and his team will continue to monitor and may change allocations accordingly. Mr. Freides summarized that with the funds invested for only a single year thus far, he expects there will be abundant opportunity for asset appreciation in the future.

- c) Mr. Ruh asked if we are fully invested in the permanent endowment. Mr. Spinner affirmed that we are fully invested as of the beginning of July, and that he can generate a specific report that reflects the timing of the investments if so requested.
- d) Mr. Spinner exited the call at the conclusion of the Investment Committee report.

### **Project Pinnacle Update – Paul Cayard**

- a) Mr. Ruh noted that it was a successful evening at last month's donor event, "Path to the Podium: An Evening in San Diego," hosted by Roberta and Malin Burnham in support of the US Sailing Team (USST) and Project Pinnacle initiatives.
- b) Mr. Paul Cayard shared the presentation he gave at the San Diego event. He discussed: the mission and vision for the USST, the pillars for how to achieve Project Pinnacle goals, the USST's financial goals, its fundraising to date, money allocation, revenue model, and goals through 2029.
- c) Mr. Ruh thanked Mr. Cayard and noted that he had heard from attendees that the presentation was well-received. Mr. Ruh added that progress made thus far with Project Pinnacle has been solid and is currently on track with the strategic plan. Plus, the direct support for certain athletes is also encouraging.

### **US Sailing Update – Alan Ostfield**

- a) Mr. Ostfield provided an overview of personnel and recently filled positions, the importance of the roles, and how they support the organization. He discussed that the new SVP Partnerships and Memberships is a good fit and has great experience, and the Finance Manager is extremely helpful to Heather and the organization.
- b) Mr. Ostfield noted that the partnership team and membership team have both been restructured. He noted that the partnerships team now has one employee focused solely on existing partners and a new staff member who is focusing exclusively on soliciting potential new partners. He added that there are no new deals yet, but there are many meetings scheduled that have solid potential.
- c) Mr. Ostfield discussed that the membership team used to consist of one person. Since adding a Membership Director, the previous Membership Manager position was split into two positions, one for operations and one for communications. Mr. Ostfield added that the new structure should allow us to better serve our most important group. He further noted that the Membership Director is currently reviewing the value proposition to members and examining

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opportunities to improve it. The Director will present a first draft to the Association Board next week, with plans to demonstrate the robust value proposition for being a member in 2023. The goal is to provide a robust answer the basic question of “Why be a member?”.

- d) Finally, Mr. Ostfield noted that the organization is reviewing IT systems, since the current suite of software does not perform as needed. He reported that his team is currently about 70% of the way through its review, with the goal of selecting a new system by year-end. Mr. Ostfield added that Ms. Monoson is continuing her financial review, and the new IT system should help US Sailing better achieve its financial objectives.
- e) Mr. Ostfield concluded that there are a lot of good things happening, all of which will enhance the reputation of the Foundation. Mr. Ruh congratulated Mr. Ostfield on the continued progress given the ongoing changes at US Sailing, and he noted that the membership value proposition continues to improve.

### **Fundraising Report – Jill Nosach**

- a) Ms. Jill Nosach shared that work continues for raising \$15-16M this year. Since the beginning of 2022, the total raised this year is more than \$9M. Ms. Nosach noted that Ms. Monoson’s report reflects the cash in the door and signed pledges, though she also includes verbal commitments in her numbers, and she treats those donors the same as someone who already signed a document. She indicated that reminders are sent to individuals with outstanding commitments before the anniversary of their annual due date. Further she highlighted that thus far in 2022, 100% of verbal commitments have been paid as agreed. Ms. Nosach added that the first half of the year is usually slower for fundraising than the second half, and the third quarter has the biggest ramp, which is when she expects most contributions to be raised.
- b) Ms. Nosach noted that the year-to-date total cash received is about \$2.9M, which she viewed as good for this time of year. This total includes pledge payments and new gifts. Ms. Nosach reported updates on the primary funding objectives: Project Pinnacle, the Schoonmaker Endowment, and the Siebel Sailors Program.
- c) Project Pinnacle – We have raised about \$1.8M so far in 2022. Ms. Nosach affirms we are continuing with the right approach. The year-end goal is \$4M, thus she indicated that the Foundation is halfway to its goal at the halfway point of the year, which she views as solid progress.
- d) Schoonmaker Endowment – The James M. “Ding” Schoonmaker II Project Pinnacle Endowment Fund Challenge is a match opportunity to raise \$500k by the end 2022. Ms. Nosach noted that we have raised \$56k in matching funds so far this year, with a potential commitment for the full \$500k match. The challenge match spans five years, so if her team can raise the \$500k each year, they will bring in a total \$5M in new permanent funding.
- e) Siebel Sailors Program – We have raised about \$278k of \$5M target this so far this year. Ms. Nosach noted that her team is still working hard. Though the amount that has been signed is below \$300k, and thus far from the goal, it is more than double the amount raised since the last

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Foundation Board meeting. Ms. Nosach reiterated that achieving this ambitious goal is where her team needs the most assistance from the Foundation board.

- f) Mr. Ruh thanked her for the update and noted that we are entering a key time of year for greater donor outreach.

### **Siebel Sailing Update – Chris Childers**

- a) Mr. Chris Childers shared a program update that all regions are currently active, except for Florida, which pauses for bad weather during the summer months. He added that the Siebel Center application process has been exciting. The deadline for application ended in June, with 52 applicants over 11 regions, which totals far more applicants than in 2019.
- b) Mr. Childers noted that there are a couple of regions that are especially important. For example, Wisconsin, where he had identified a very enthusiastic donor, he also noted that there are great things going on in relation to community sailing. In New York/New Jersey, we have solid prospects. A New England region may also prove to be a fertile area, especially to have a program in our backyard in Rhode Island. Lastly, a southern California region may prove to be another solid region due to the LA Olympics in 2028. Mr. Childers added that regional activation has been the best fundraising method yet. He articulated that it feels more impactful for donors to conceptualize supporting local kids.
- c) Mr. Childers shared that there are current job openings for coaches, and they are still looking for more talent. He noted that they hired a new coach in Chicago. He requested that if the board knows of anyone who would be a great fit, to please pass along their contact information to him, so he can follow up.
- d) Lastly, Mr. Childers mentioned some solid recent press: (1) an article in Washington Post Magazine on the Siebel Sailors Program and (2) an article in Outside Online magazine highlighting Captain Donald Lawson and his DEI work. Mr. Childers noted that this is great attention for prospective donors.
  - a. (1) Washington Post Magazine: <https://www.washingtonpost.com/travel/2022/06/09/sailing-beginners-community-centers/>
  - b. (2) Outside Online: <https://www.outsideonline.com/outdoor-adventure/water-activities/donald-lawson-sailing-record-attempt/>

### **Chairman's Report – Bill Ruh**

- a) Mr. Bill Ruh noted he is trying to a member of the Walton family, the founders of Walmart, through a good friend of his. She will be in Chicago and might have an opportunity to view the Siebel Program in action. Bill also shared that he spoke with current prospect, Steve Rowland, who shared his thoughts on our activities and is very keen on Paul's efforts with Project Pinnacle. Mr. Ruh also noted that he expects a full payment on Mr. Rowland's commitment within the month.

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- b) Mr. Ruh noted that any Foundation Board member is welcome to join the weekly Tuesday fundraising strategy meetings coordinated by Ms. Nosach
- c) Mr. Ruh discussed the New York Yacht Club (NYYC) Race Team concept and that he has been meeting with the Flag Officers on this initiative. He noted that there is good engagement on behalf of NYYC and feels that an upcoming article in their newsletter could also help inspire support for the Siebel Sailors Program.
- d) Mr. Ruh shared that Mr. Bill Koch offered to host the next Trustee event at his home during Martin Luther King Jr. Day weekend in January 2023. The idea is to have athletes join, but it should be low-key event for the athletes because it occurs during competition for the Olympic Class Regattas taking place in Fort Lauderdale and Biscayne Bay. He noted that there would be many potential donors in the area during that time of year.
- e) Mr. Ruh discussed his strategy of having Association and Foundation board members participate in Nantucket Race Week. Mr. Cayard will be there, along with Mr. Tom Whidden and potentially Mr. Ruh. Mr. Ruh noted that the next few months in fundraising will be crucial as we need about \$2-3M each for both Project Pinnacle and Siebel Sailors. He added that the matching opportunities should be helpful in this endeavor.
- f) Mr. Ruh recounted that he recently received a phone call from John Gardener of North Sails, whose daughter is at the Youth Sailing World Championships right now, to say he was very pleased with the professionalism of our team overseeing youth sailors, and with the efforts that Paul and his coaches are putting forth assisting the athletes.
- g) Mr. Ruh reminded the Board that it committed to a joint board meeting with the Association Board each year. This year's meeting is Friday, October 14, in New Orleans. The meeting will be a hybrid model, but in-person attendance is encouraged.
- h) Mr. Tom Whidden congratulated Mr. Ruh on the great progress he has seen throughout his time on the Board. Mr. Ruh thanked Mr. Whidden and acknowledge Brian Keane for his efforts related to the athlete career program. Mr. Ruh concluded by acknowledging the solid progress related Foundation initiatives, , and he also noted that there is much more work to do.

### **Other Business**

None.

### **Adjourn**

Mr. Ruh thanked the Board and guests for their participation and a motion to adjourn was made, duly seconded, and passed unanimously at 5:28pm ET.