

Potential Bylaw Changes for the American Canoe Association



Informational Sessions for Members

October 5, 2021



Important Disclaimer

- The information included in this presentation is based on our best understanding and interpretation of the very complex rules and requirements of the Ted Stevens Act and the USOPC Bylaws. Any inaccuracies or missing information are entirely unintentional.
- We encourage our audience to review these source documents for additional information.
 - Ted Stevens Olympic and Amateur Sports Act
 - Empowering Olympic, Paralympic and Amateur Athletes Act
 - USOPC Bylaws and Compliance Guidelines

Tentative ACA Bylaws Change Process

September 2021

ACA Leadership meets with USOPC; ACA initiates waiver process; ACA engages new legal counsel.



October 2021

ACA BoD provides information to membership; ACA BoD makes final decision re: Bylaws for membership vote. Voting opens.



Membership votes on ACA's future.

Quorum = a minimum of 100 votes

Approval of bylaw changes requires 2/3 affirmative votes.



Why are we changing the Bylaws now?

- Empowering Athletes Act is effective 1/1/2022.
- Most recent compliance guidance from USOPC not available until late August 2021, with gaping questions not answered until October 1, 2021.
- Update a few other provisions.

New Rules for NGBs – effective 1/1/2022

- Athlete representation on the Board of Directors and Committees – increases from current 20% to 33%.
- Establishment of an Athlete Advisory Council within the ACA – to promote greater athlete involvement and communication ***regarding decisions that affect only the athletes.***
- New waiver process available

Importantly, only certain athletes can fill and vote for the athlete reps to the Board and the Committees

Key Terms: Athlete Representatives

- **10 Year Athlete:** an athlete who has represented the U.S. within the past 10 years at the Olympics, Paralympics, Pan Am Games, Parapan Games, (Senior) World Championships, *or World Cups, or made it to the “A” Finals in the U.S. National Team Trials.*
- **10+ Year Athlete:** an athlete who has, at any point but not within the past 10 years, met the definition of a 10 Year Athlete.
- We do not know exactly how many ACA members are 10 year or 10+ year athletes, but we estimate that there are fewer than 500 based on our broadened definitions.

Athletes from all International Canoe Federation disciplines (not just Olympic disciplines) can be 10 Year and 10+ Year Athletes

Key Terms: Designated Committees

“**Designated Committee**” means any NGB committee that makes recommendations or decisions directly impacting its elite athletes, including:

- Allocation of USOPC- and/or NGB-provided resources;
- Finance, ethics and governance, including the BoD Nominating Committee;
- Matters related to athlete discipline; and
- Selection of athletes, coaches and/or staff for international competitions.

All other committees are not “designated” and athlete representation requirements can be waived through the USOPC exception process.

Who Chooses the Athlete Representatives?

- For Board of Directors – all current 10 year and 10+ year athletes (not all Competition members)
- For Committee representation – Athlete Advisory Council

What does this mean to the ACA?

| | Current Board Structure | Prospective, if NGB | Prospective, if not NGB |
|-----------------------------|-------------------------|---------------------|-------------------------|
| At Large Directors | 4 | 4 | 8 |
| Independent Directors | 3 | 3 | 3 |
| Athlete Representatives | 3 | 5 * | |
| SEIC Chair | 1 | 1 | 1 |
| Competition Council Chair | 1 | | 1 |
| Affiliated Organization Rep | 1 | 1 | |
| Properties Designee | 1 | 1 | 1 |
| Immediate Past President | 1 | | |
| TOTAL | 15 | 15 | 15 |

* Comp Council Chair is replaced by the Chair of the ACA Athlete Advisory Council.

Representative Member Concerns Regarding NGB Status Decision

Relinquishing NGB

- Competition's viability as an independent entity is uncertain. (e.g., USACK)
- Non-Olympic disciplines would not have an obvious "home."
- Competition has been an important mission since the early days of the ACA.
- Competition tends to attract younger paddlers which we might lose if not NGB

Retaining NGB

- Athletes would hold a disproportionate amount of power relative to their membership %.
- Focus on competition dilutes our efforts on other parts of our mission.
- Being an NGB adds organizational complexity and risk.

Rationale for Retaining NGB Status

- There's no other obvious home for our elite athletes, some of whom have been training for a decade.
- Provides a path, within one organization from beginner recreational paddling to the international stage.
- Could be used to leverage ACA's other missions and bring awareness to instruction, public policy, stewardship and recreation especially with the Paris Games in 3 years and the 2028 Games coming to American soil.
- The future of Canoe Sprint & Slalom as Olympic disciplines partially hinges on the success of these sports in the U.S.
- Enables easier access to SafeSport training for all members.

Challenges of Retaining NGB Status

- At current dues level and USOPC support, Competition pays for its own direct costs and some indirect costs, but other expenses, such as a High Performance Director or additional coaches, would have to be funded from other sources.
- Athlete representation rules will lead to disproportionate representation for a small group of athlete members.
- Congressional action affecting USOPC could lead to even more changes in the future.
- The risk and compliance burden of being an NGB are significant.
- The lack of active competition-related committees is challenging.

Rationale for Giving Up NGB Status

- Could allow better focus on core missions, including competition, without the constraints of being an NGB as imposed by the Ted Stevens Act and USOPC.
- More proportionate member representation on the ACA's Board of Directors and committees.
- Eliminate the complexity and compliance burden of being an NGB.

Challenges of Giving Up NGB Status

- ACA could lose hundreds of members as well as many clubs.
- ACA would relinquish the international recognition of association with our Olympic Gold Medalist, Nevin Harrison, and the potential publicity and marketing opportunities that go with that.
- ACA could be seen as giving up on the Olympic dream.
- The non-Olympic ICF disciplines, such as Freestyle, Wildwater, Stand Up Paddling and others, would face an uncertain future.
- Current athletes would be left with no institutional support – the USOPC would only support a few of the very top athletes.

Summary of Concerns

At its simplest level, ACA's decision comes down to 4 issues:

1. The future of competitive paddling if ACA gives up NGB status
2. Disproportionate athlete representation if ACA keeps NGB status
3. USOPC control over ACA operations
4. Resource allocation among all of ACA's missions

Possible solutions to address the uncertain future of competitive paddling

- Retain NGB status
- Increase number of competition members by
 - Recruiting new members
 - Engaging more recreational members in Competition events
- Increase engagement of the competition community by reinvigorating the discipline committees and Competition Council.

Possible solutions to address disproportionate representation

- Require a super majority (3/5) for certain Board decision.
- Designate more Board positions for specific constituencies.
- Identify certain events or metrics that would trigger another examination of the viability of remaining an NGB.
- Obtain waivers for Athlete Representation on Non-Designated Committees (approved)
- Expand definition of 10 Year athletes to enlarge the base of prospective Board and committee members (approved)

Resource Allocation

- Under current dues structure, ACA expects to incrementally invest about \$150,000 in staffing and member support in 2022.
- US Olympic Endowment balance = \$150,000.
- ACA will have additional funds available in 2022 from special grant funding from the USOPC in 2021 and has several large restricted donations.

With no additional fundraising, maintenance of current membership levels and USOPC funding equivalent to 2021's, we can support competition AND increase support for our other missions - if that's the direction our members choose.

ACA's Future Without NGB Status

- Anticipated loss of 1000+ members, their dues (\$40,000) and competition license revenue (\$24,000).
- Continued focus on education and regulatory outreach.
- Use resources to support recreational events, including citizen level competition, and instructional events.
- No direct connection to the USOPC.

ACA's Future With NGB Status

- Use Olympic endowment and restricted donations to support competition and fundraising.
- Continued focus on education and regulatory outreach.
- Use resources to support recreational events, including citizen level competition, and instructional events.
- Requires buy in (as members) by those interested in supporting competition

Additional bylaw changes?

- While working on changes related to NGB status, the Board will also recommend changes to the bylaws that strengthen our commitment to diversity and that improve member communication and involvement with the Board.
- Some other tweaks to update verbiage and amend the process for selecting the Nominating Committee.

Conclusions

- ACA will survive regardless of NGB status, but this decision will dramatically impact how we look.
- ACA is in good shape financially and able to invest in new staff, services and programs.
- ACA staff cannot function without the support and tangible assistance of hundreds of volunteers. We need help from all our constituencies to be successful and grow.
- We want your feedback – this is your organization.