

2019 QUARTERLY ASSOCIATION REPORT (JANUARY - MARCH)

Jack Gierhart, Chief Executive Officer
Donna Kane, Finance Director
Josh Toso, Marketing Director
Lee Parks, Inshore Director
Peter Glass, Chief Marketing Officer
Georgia McDonald, USSF Managing Director
John Pearce, Youth Director
Matt Hill, Race Administration Director
Nathan Titcomb, Offshore Director
Meredith Brody, Olympic Director
Malcolm Page, Chief of Olympic Sailing
Stu Gilfillen, Director Education
Lauren Cotta, Operations Director
Mike Waters, Chief Technology Officer
Betsy Alison, Adult Director



2019 Objectives

Financial Metrics Based on February 2019 Financial Statements and Membership Report

Goal	Comments	Status
Financial Metrics		
Adjusted cash surplus: \$118,000	\$677,303 verse budget of \$104,911	Green
Membership: 46,000; Retention: 68%	44,751 (2/19) vs. 44,601 (1/19); 45,517 (2/18) Retention – 68.7%	Yellow/Red
Fundraising: \$1,420,000 cash <ul style="list-style-type: none"> • Olympics - \$833,000 • USS – \$587,000 	\$122,845 vs. \$166,256 budget <ul style="list-style-type: none"> • O - \$39,899 vs. \$107,667 budget • USS - \$82,945 vs. \$58,589 budget 	Yellow
New Sponsorship: \$400,000	\$131,900 across 6 partnerships	Green
1. Create Opportunities for life-long participation		
Implement Skill Up: launch app; adopted by 20 LSO's	May launch on track, 8 LSO committed.	Green
Launch Siebel Sailors: 2 centers activated; 3 others selected	1 st center selected, boats ordered, job desc complete, organizing announcement	Green
2. Provide a broad spectrum of activities		
Product Development: S@S Teaching Fundamentals; Race Mgmt; Measurers	S@S funding secured, prod dev planning; TF complete and launching; RC Fundamentals in beta	Green
National handicap; Portsmouth YS	RFP for national rule drafted, release in April	Yellow
3. Regionalize		
8 regional symposiums; SLF plan	2 complete, strong attendance; 7 more planned.	Green
Est. USST/ODP Regional training centers and partners	Revamping/expanding Oakcliff partnership; SF base moving slowly forward	Yellow
4. Volunteering – easy, rewarding, beneficial		
Volunteer Connect	SAC revitalization; Terms of reference updates; new board nominee; initiating bylaw review	Yellow
Enhance Race Admin: uniformity, quality, participation	Working group assembled and identifying objectives, tasks, deliverables	Yellow
SafeSport Implementation	Revised Handbook; working on audit compliance items, background check policy; hiring SS manager	Yellow
5. American Success		
ODP and USST Performance: ODP - 1 medal, 4 top 10, top 5 Nations USST - 1 medal, 2 top 5 @ key events	Key events yet to occur; strong performance in Miami – 2 medals (S, B), 4 top 5, 7 top 10.	Green
Communications: unified schedule and platform; weekly content	MailChimp integration with SailorBase; Olympic comms plan in place; Weekly Lift, Qtr Deck, Youth, eUSSailing, safety/offshore in the works	Yellow/Green

CEO Summary – Jack Gierhart

Normally we would provide our more extensive quarterly update in April, but due to the timing of the Board Meeting, we have moved it up a month. Financial and operational data is through February 2019. You will also notice we continue to refine our reporting. After discussing with the Board Officers, we are reintroducing an Objectives Progress Summary (previous page). This highlights key projects and objectives based on our strategies and offers a straightforward method for tracking progress. John and Donna have also continued to work on improving the financial dashboard. I will touch briefly on a few highlights and items not covered in the full report.

From a financial standpoint we are performing close to plan. Pledge receipts are well ahead of plan, and while not reflected in the February numbers, some wins in March around sponsorship and donations will put us in a solid position moving into Q2. Membership continues to be a soft spot, and we are doubling down on our activities and focus there.

We have been in discussions with World Sailing regarding the SWC Miami 2020. We expect the event to be approximately 1/3 the size of this year's event. WS acknowledges this and is working productively with us to revise the plan and adopt a much smaller, less expensive platform (clubs and the Sailing Center). We are also working to pilot two new events during the regatta that will be coming online officially in 2021: mixed offshore and kiting. We are looking for partners that can manage this, and delegate these new elements to them.

Greg and I spent several days together earlier this month working on the 2028 Olympic business plan that, based on the strategic thinking developed by Malcolm and the OSC, will detail the path to achieving our objectives in 2028. This plan will provide a clear, step by step process, a detail of required resources and their sources, for US Sailing leadership, management, donors, partners and other stakeholders to understand and be able to follow. In the past we have developed a very good one-year plan, and outline of a quad plan, but have lacked the long-term road map. We will complete this in April and be ready to present during the first half of May.

The key priority this year for the Foundation is to identify and elect a new Board President. Dave Rosekrans has generously remained in the leadership position while we relaunched the Foundation, but he is ready to retire, and we need to bring on a leader that can take the helm from Dave and move us to the next chapter. We will be assembling a search team, and I am in discussions with an executive search firm to provide expertise and to help guide us in this process.

I believe everyone is aware of the tragedy that struck Monterey Peninsula Yacht Club on March 13 when a sailor died during a weekday afternoon race. Chuck Hawley and Sally Honey were in contact with the club leadership to offer our support. The club's Commodore responded and asked that US Sailing

undertake an investigation into the incident and develop a report in a similar manner as we did with *Low Speed Chase*, *Uncontrollable Urge* and other racing incidents over the past several years that have involved casualties. We have agreed to undertake the investigation and have assembled a team of three US Sailing Safety at Sea appointees and two members of the MPYC. They will be meeting this weekend to launch the investigation. We will be supporting the team from the office and will provide additional information as it becomes available.

SafeSport remains front and center for us. Staff have worked diligently over long hours to update our Handbook, policies and recommended bylaw changes to address new requirements and items that arose out of a recent USOC compliance audit. Overall, we are well positioned to make the identified improvements. The new SafeSport policies and requirements will be coming online over the next six months. Once we know exactly what they will entail and who they will impact (final approvals are still needed from the USOC), we will develop a rollout and support plan for the members and volunteers affected.

We are continuing to upgrade our Human Resource Program, and one project is a review of our 403 (b) plan. With improvement in online portals, competition from plan managers and other changes, there are ways to lower costs and improve staff benefits from a service and education perspective. We are also looking at our HR situation and objectives over the longer term, and developing a plan for enhancing the workplace.

Efficiencies and productivity improvements continue to be an important goal for us internally. We are making progress with Project Layline, and with the help of a volunteer, implementing project management practices within key initiatives that will have organization-wide impact. These include MailChimp - Sailor base integration that will provide for mining of member data and targeted communications; digital member cards to replace paper; standard digital publication access and sales; and print on demand among others. These are projects that will remove roadblocks in many of our programs and benefit the broad organization. These projects produce small wins but build confidence that we can make the bigger and bolder changes moving forward that are going to be necessary.

We look forward to welcoming the Board and other volunteers here to the US Sailing office March 28 and 29 for two days of productive and forward-looking discussions about our role in the future of the sport. April begins a busy period with training ramping up, regattas and other events kicking off, and preparations for the busy summer season. Thanks to our Board members, volunteers and my team for your contributions and commitment to our sport.

Cheers,

Jack

February 2019 Dashboard & Financial Report – Donna Kane

Statement of Revenue & Expenses Summary at 02/28/19

	USSA/USSF			Olympic			Total		
	YTD Actual	YTD Budget	Prior Year Actual	YTD Actual	YTD Budget	Prior Year Actual	YTD Actual	YTD Budget	Prior Year Actual
Revenue	990,462	960,478	1,090,209	872,475	738,468	461,519	1,862,937	1,698,946	1,551,728
Expense	923,297	1,083,044	1,048,830	972,902	1,046,491	1,013,298	1,896,199	2,129,535	2,062,128
Surplus/Deficit	67,165	(122,566)	41,379	(100,427)	(308,024)	(551,779)	(33,262)	(430,590)	(510,400)
Payments on Prior Years Pledges	3,000	3,000	5,000	707,565	532,500	142,840	710,565	535,500	147,840
Cash Flow	70,165	(119,566)	46,379	607,138	224,477	(408,939)	677,303	104,911	(362,560)

Membership at 02/28/19

Membership Categories	Active February '18	Active February '19	% Change '18 vs '19	% Retention Rates '18	% of February '18 Expires	% of February '19 Expires
Individual	21,488	21,380	-0.5%	71.1%	44.5%	44.4%
Family	12,343	12,254	-0.7%	81.4%	48.4%	45.1%
Youth	2,828	2,781	-1.7%	76.1%	44.3%	45.1%
Contributing	1,196	1,166	-2.5%	82.4%	41.2%	57.1%
MVP	3,204	2,782	-13.2%	82.1%	52.9%	64.6%
Keelboat	2,989	2,945	-1.5%	20.0%	10.5%	8.2%
Organizations	1,469	1,443	-1.8%			
Total	45,517	44,751	-1.7%	68.7%	42.2%	44.6%

Although we are tracking below the same time period in 2018, the total number of active members has increased since January of 2019. We have been running campaigns and have engaged more frequently with current and lapsed members. We are transitioning from multi-year memberships to one-year memberships which may account for the decline at this time, we are working on targeted renewals for these members. MVP members are below last year. We did not actively promote the program in 2018 and are working on a way to engage the clubs and reengaged MVP members in 2019.

Fundraising at 02/28/19

	USSA/USSF				Olympic			
	YTD Actual	YTD Budget	Prior Year Actual	2019 Annual Budget	YTD Actual	YTD Budget	Prior Year Actual	2019 Annual Budget
Donations – cash in	82,945	58,589	52,340	587,809	39,899	107,667	21,685	833,000
New Pledges	0	0	120,000	0	0	0	75,000	0
Total	82,945	58,589	172,340	587,809	39,899	107,667	96,685	833,000

Statement of Revenue and Expense at 02/28/19

	YTD Actual	YTD Budget	YTD Budget Variance	Prior Year Actual	2019 Annual Budget
Revenue					
Public Support	122,845	166,256	(43,411)	74,025	1,420,809
New Pledges	0	0	0	195,000	0
Membership	347,748	349,993	(2,245)	367,975	2,099,956
Sponsorship	233,235	248,100	(14,865)	256,553	1,804,600
Program Revenue	499,301	528,096	(28,795)	304,802	2,038,768
Sales	73,365	82,350	-8,985	80,824	579,000
USOC	309,800	309,800	0	210,700	1,259,200
Grants	218,200	11,000	207,200	0	234,250
Investment	57,089	2,450	54,639	20,092	14,700
Misc. Income	1,355	900	455	41,757	88,025
Total Revenue	1,862,937	1,698,944	163,993	1,551,728	9,539,309
Expenses					
Salaries & Benefits	873,223	773,150	(100,073)	721,271	4,527,765
Operating Expenses	1,022,976	1,356,384	333,408	1,340,857	6,064,539
Total Expenses	1,896,199	2,129,534	233,335	2,062,128	10,592,304
Surplus/Deficit	(33,262)	(430,590)	397,328	(510,400)	(1,052,995)
Cash Flow Adjustments					
Pledge Payments	710,565				1,170,983
Cash Flow	677,303				117,988

Revenue Variances

- Public Support is \$68K behind budget in Olympic Fundraising, \$16K ahead of budget in donations received with memberships and \$10K ahead of budget in the Adult Department with a restricted donation for the completion of Safety at Sea modules. Based on Olympic projections, we expect to meet or exceed expectations by the end of the year. Donations are being closely monitored and adjustments are being made as needed.
- Sponsorship cash and billing is \$29K ahead of budget. Sponsorship VIK is below budget by \$44K which has an offsetting expense also below budget.
- Program Revenue: Sailing World Cup Miami was below budget by \$11K due to registration fees, there were fewer registrants than budgeted; Small Boat Level 1 is \$21K below budget which is timing of courses, more were held last February than this February; Sailing Counselor is \$5K below budget which is timing, no courses have been held this year; Safety at Sea Online Course Fees are \$15K below budget which is timing, Fresh Air Educators who pays us when courses are taken is now paying quarterly. NSPS registration fees were \$5K above budget with more attendees than expected; Nood Regatta income of \$8K was billed out earlier than in the past; we received half of the payment (\$5K) for an unbudgeted double-digit sail number; and New Certificates is \$6K ahead of budget in ORR.
- Grants are \$207K ahead of budget in the Olympic Department due to timing. The grant was spread across all 12 months in the budget and posted in the accounting system in January.

Expense Variances

- Salaries & Benefits has stayed above budget by \$100K due to a budget software issue relating to accruals, which will be corrected for March.
- Operating Expenses are \$322K below budget made up of the following:
 - Organizational grants are below budget by \$35K in the Olympic Department, this was budgeted on the wrong line, the expenses are in events.
 - Events is under budget by \$30K with \$12K over budget in the Olympic Department for Sailing World Cup Miami (see Organizational Grants) and \$42K under budget for NSPS.
 - Supplies is below budget by \$32K with \$15K of the variance in the Olympic Department for Miami which will hit March and the remainder spread across all other departments.
 - Staff and Non-Staff Travel is below budget with \$25K in the Olympic Department, \$7K in Education, \$9K in Member Engagement, \$22K in Marketing, \$6K in Adult, and \$5K in Youth. Much of the travel is spread across the 12 months rather than seasonally.

Balance Sheet at 02/28/19

	2/28/19	12/31/18	Change
Assets			
Cash	3,780,870	3,314,384	466,485
Investments	1,268,761	1,214,187	54,574
Accounts Receivables	134,059	148,254	(14,195)
Pledges Receivable	3,532,030	4,242,595	(710,565)
Inventory	194,692	216,126	(21,434)
Prepaid Expense	29,107	115,495	(86,388)
Assets & Accumulated Depreciation	1,857,468	1,821,937	35,531
Total	10,796,987	11,072,979	(275,992)
Liabilities			
Line of Credit & Loan	188,567	196,891	(8,324)
Accounts Payable	156,093	216,381	(60,288)
Accrued Expenses	264,442	309,669	(45,227)
Deferred Revenue	1,998,120	2,141,428	(143,308)
Net Assets & Current Earnings	8,189,766	8,208,610	(18,845)
Total	10,796,987	11,072,979	(275,992)

The increase in Cash is due to 2018 pledge payments received in 2019 and 2019 pledge payments received earlier in the year than expected. The decrease in Prepaid Expenses is due to Miami and NSPS expenses being expensed in January and February. The decrease in Accrued Expenses is due to 2018 credit card expenses that were paid in January. The decrease in Deferred Revenue is NSPS and Miami registration fees paid in 2018 for 2019 events.

Membership - Josh Toso

Membership Landscape

Through the past quarter, the Membership Team has worked to understand and solve the membership quagmire. We have conducted research on membership trends and analyzed the specific US Sailing Membership numbers. Our current acquisition activities gross approximately 2,000 new members annually, however our declining retention rates outweigh these gains. We have determined that the reversal of the declining membership trend will not happen unless we decrease our membership loss rate (increase retention) and increase our acquisition rate. Although the retention rate is the lower hanging fruit (easier to keep an existing customer than acquire a new one) these activities need to happen in tandem in order to produce success. Three main areas identified to affect change are: 1) Membership Acquisition Campaigns for new or lapsed members; 2) revamping of member communications to increase retention; and 3) developing membership driving programs that will help our Orgs and partners market US Sailing Membership to their member and customer bases.

Membership Acquisition

Our acquisition plan calls for developing, testing and implementing compelling and valuable messaging and programs to gain new members and win back lapsed members. These activities include but are not limited to continuation and improvement of Lapsed Member Campaigns; New Member Acquisition Campaigns through digital communication as well as onsite engagement with potential members; and seeking out and acquiring new valuable member benefits that will increase our member value proposition.

We have conducted some early testing of messaging and incentive programs including Rewards/Benefits messaging, affinity messaging, giveaway incentives, and discounted membership through RSAs and US Sailing gatherings like NSPS and the Judges Roundtable in Charleston. Some tests have been more successful than others, but YTD the number of new members is up over 2018 and our New and Lapsed Member Acquisition efforts netted us 40% more members in January '19 than in January '18.

Membership Retention

We have identified that increased and revamped member communication (both through member lifecycle comms and calendar-based comms) will be a main driver to increase retention rates. More frequent communications with relevant resources and information will increase the member value proposition and reinforce the reason for being a US Sailing member.

We have started to revamp and add communications within the member lifecycle (based on the week of their membership), filling the gaps with relevant and valuable resources that will make the renewal ask easier when that time comes. We have also added a weekly communication to all members with 2-

4 quick pieces of information or resources called *The Weekly Lift*. Open rates of *The Weekly Lift* are averaging close to 35% which is above industry standard and above our regular mass communications rates, showing us that members seem to like this “snackable” type of information. Although retention rates are still down YTD vs. 2018, in January and February 2019 we have seen retention rates increase month over month in almost every member category, reinforcing our optimism that the increased communication will be a main driver to reversing the downward trend.

Membership Driving Programs

Foundations are being built and specifics being discussed for dial-moving partner programs that would help drive the gain of hundreds or thousands (rather than ones or tens) of members. The goal is to develop programs and messaging that make it easy for our Org members and partners to market US Sailing membership to their member and customer bases. The specifics and logistics of these programs still need to be flushed out and finalized, but some of our ideas include 100% Regattas, Industry Partner Lead Program, Skill Up App, and revamping the MVP Program. All of these have the potential to increase our membership drastically, but to be effective, the mechanisms need to be established, the details need to be finalized and the messaging needs to be consistent throughout the programs and communications.

SafeSport and Sailor Athlete Council - Lee Parks

SafeSport

New Minor Athlete Abuse Prevention (MAAP) Policy, received in late January, required complete revision of the one-on-one policies in our SafeSport Handbook (e.g., locker room, social media, travel and housing). The revised Handbook was sent to the US Center for SafeSport for approval. Feedback is expected in two weeks, after which time it will come to the Board for approval. The major change is that training is now good for one year, not two. A refresher course is required every year. For this year, the policy is strongly recommended (not required) for LSOs (yacht clubs, sailing organizations). More details will be included in the March 28th report. The new policy must be implemented by June 23rd.

Background Check

There has been considerable pushback from NGBs since receiving the new background check policy in early March. New search components drive up the cost; NCSI will charge \$30, good for two years (includes a full search and supplemental 12 months later). We currently pay \$25 for a full search, currently good for two years. This may change. No bulk discounts offered at this time. A **manual** search of the SafeSport disciplinary database (which has not been created) will require more staff resources. The USOC Board is voting on the final draft policy on March 22nd. NGBs are expected to get final policy language next week which must be implemented by September 30th.

The Covered Participant List includes people that the NGB “*formally authorizes, approves or appoints to (a) serve in a position of authority over or (b) have regular contact with athletes.*” We interpret this to include certified race officials, instructors and coaches.

Regular Contact

The definition of *regular contact* in both policies (SafeSport and background check) is left up to each NGB. This definition influences the people included on the Covered Participant List. After consulting with Ed Dailey, Chair of the Legal Committee, regular contact is being defined as “frequent and direct contact.” We will get more clarity from our SafeSport compliance team and the USOC Athlete Safety office in the coming weeks.

Sailor Athlete Council (SAC)

The 2018 USOC compliance audit requires that we activate the SAC which has been dormant for several years. Following approval of the revised SAC bylaws (on March 28th), an election in April. Council members must be nominated and elected by registered athletes. We’ll use the opportunity to solicit new members to become registered sailor athletes. Learn more about the [benefits of becoming a Sailor Athlete](#).

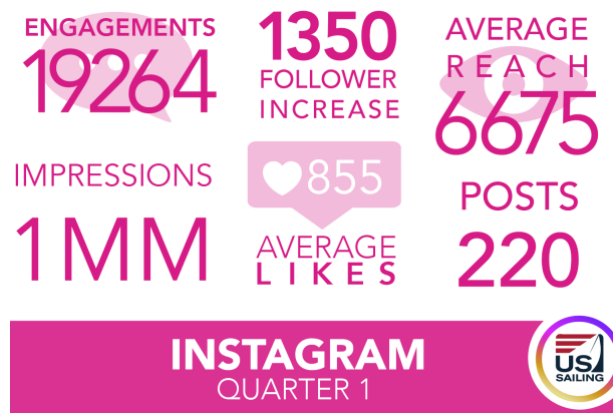
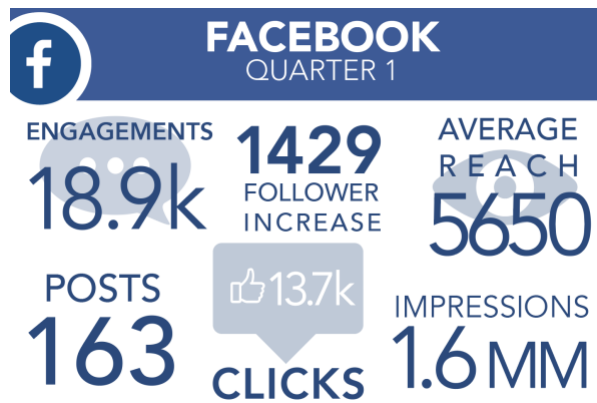
Chief Marketing Officer - Peter Glass

The MarCom team has been working diligently and with purpose to drive the organizational growth outlined in the 2019 plan. Below is an update on key activities that have been executed in Q1 and will guide strategic direction moving forward.

Communications

Goal: Increase outreach and communications frequency to build stakeholder engagement

- In addition to an increase in press, emails and cross-channel messaging supporting events, partner announcements, team news and more, the social media efforts are a spotlight of growth. The team has increased to daily posts on US Sailing and US Sailing Team Facebook and Instagram channels driving successful metrics including reach with 2.6 million impressions, 38,164 engagements and audience growth of 2,779 followers. The team is focused on continued channel development and audience growth (see social media dashboard below).



Content Development and Distribution

Goal: Leverage internal content and creative services to produce original content

- Video development has really ramped up with the development of original videos and social media shorts. Many of the videos have exceeded 10K video views on social media and are still climbing.
- Additionally, video development has supported commercial partnerships with videos developed for the Rolex YOY and videos in development for Sperry and a new sponsor yet to be announced. This will be a key element in most commercial partnerships and will continue to provide a dynamic tool for custom. Some examples of this work include: One Team video, Rolex YOY (men and women) and an All Access six-episode series.

Marketing

Goal: Build brand value

- Sailing industry growth at NSPS with over 390 attendees and 33% increase in partners and 91% customer survey rating of *Satisfied* or *Very Satisfied*.
- Sailing Leadership Forum is in-planning with new ideas regarding sailor participation.
- Sailor/membership campaign in development that will build US Sailing brand value and affinity.
- Organization member communications and programs are aimed at increasing new goals, promoting US Sailing membership, and providing resources.
- The new partnership with NBC Olympics will build exposure for the US Sailing Team and athletes.

Partnerships

Goal: Drive organizational revenue and support through expanding the value proposition, growing existing partnerships and identifying new partnerships. In addition to our internal efforts, we have three outside agencies working on partnership development on a commission only structure.

- In Q1, four new agreements were reached. Two are new partners and two are growth with existing partners. The two existing partners are increasing their investment by 65% and 300%.
- The team is in active discussions with six new potential partners that have the potential to drive the investment needed to reach the 2019 partnership goal.

- A new initiative is being developed in partnership with the larger Regattas/Race Weeks in the country to further develop US Sailing’s leadership role, build brand presence, engage members and develop a scalable commercial platform.

Program Support

Goal: Work across the organization to provide program support and growth

- Development of an education marketing tool kit to support schools that will be launched in Q2
- Sustainability plan development in collaboration with internal committee
- Communications planning in concert with race management/measurement
- Development of retail strategy for growing US Sailing store sales

USSF Managing Director - Georgia McDonald

Program	2019 New Donations & Pledges	Previous Years' Pledge Payments	Cash-In, 2019	Q1 Cash-In Goal	Variance to Goal
Olympic Sailing Program	\$54,004	\$519,565	\$573,569	\$601,000	(\$17,526)
Project Pipeline	\$10	\$192,500	\$192,510	\$117,500	\$75,010
USSF & USSA	\$135,535	\$3,000	\$85,535	\$92,059	(\$6,524)

Since 2017, the Foundation has secured resources for the broad Association while providing administrative support for the Olympic Department fundraising team (ORB). The Olympic Program is making good progress toward their financial goals, and their increased fundraising activity necessitated a personnel shift to accommodate their growing needs. In early March, Sandrine Quenee, originally hired as a Foundation Major Gift Officer, moved full-time to the Olympic Sailing Program to provide dedicated fundraising support and activity coordination. Sandrine now reports to Greg Fisher.

The Foundation will continue to manage gift entry and acknowledgments and will consult on Olympic Program fundraising strategies and best practices as requested. Sandrine has access to the Raiser’s Edge software reporting features to keep the ORB apprised on Olympic Program donations and pledge payment status and to monitor cash-flow.

The US Sailing Foundation is now focused on securing resources for all non-Olympic Association needs, programs and initiatives and continuing to build out the Foundation infrastructure and fundraising strategies designed to build strong and lasting relationships from an expanding pool of donors.

USSF Board of Directors

The identification and engagement of new USSF Board members and President of the Board is a priority. We are working with a foundation board recruitment specialist to assist in identifying individuals with nonprofit governance and business leadership experience as well as proven success in fundraising.

Planned Giving

In Q1, the US Sailing Foundation launched a Planned Giving Program to expand options for constituents to support USSA and leave a legacy to the sport of sailing. Initially, we're offering the most commonly used planned giving structures and evaluating the cost/benefit of offering the more complex structures like Charitable Gift Annuities, Charitable Remainder and Lead Trusts, etc. More information on USSF Planned Giving options is available [here](#).

Endowments

We are researching the endowment practices and documents of similar NGBs and the USOC to create an endowment structure under the umbrella of the US Sailing Foundation, with options to endow the US Sailing generally as well as specific areas of interest. Our goal is to have the US Sailing Foundation legal structures and documents finalized by the end of Q3.

Growing the Donor Base

To build a powerful revenue engine for sustained growth, expanding the donor base through focused attention on acquisition and retention through engaging, consistent impact reporting and asks to targeted constituent segments on multiple communications platforms. We're on track to have a clearly segmented data pool and communications calendar in place during Q2.

Fundraising Appeals	Events – Dates Under Development
Spring Appeal: April – May 2019	Yacht Club Events – Awareness
Women in Sailing - President's Club: April – August 2019	Showcase Event SF – Donor Engagement
Year-End Appeal: November – December 2019	Nonprofit Partner Events
Diversity and Growth Fund: April – December 2019	Siebel Sailor Program – SF Launch

Youth Director - John Pearce

The Youth Department's primary focus for Spring 2019 is on course numbers, regatta planning, launching the Skill Up mobile app, and laying the foundation for the Siebel Sailors Program.

From a revenue standpoint, meeting or exceeding our 2019 goals for Smallboat Instructor and Reach Courses is the top priority. Approximately 75% of these courses take place in May and June each year, so the Youth and Education teams are working hard to schedule and fill courses. The goal for 2019 is 5%

growth in this area. Youth Education Manager Jen Guimaraes is leading this effort and working closely with Peri and Andi in Education to track progress, troubleshoot courses with low enrollment, and communicate course opportunities to customers.

The US Sailing Championships and US Junior Olympic Sailing Festivals are on track for another great year. Meredith Carroll is working closely with Championship host clubs, and Lee Parks has scheduled another busy year for JO's. Both of these areas are operating on reduced operations and marketing budgets, and we are working hard to be efficient by relying on our strong volunteer leadership for on-site support, and a communications intern to help promote the regattas.

The Skill Up mobile app is on track to launch in May 2019. This very exciting new product will allow instructors, coaches, students, and parents to access training content such as skill tracking, videos, games, drills, and lesson plans. The initial launch will feature basic content sourced from our existing publications, with additional content, particularly videos, added throughout the summer as they are created. The goal for Summer 2019 is to launch a ["minimum viable product" \(MVP\)](#) that will allow us to learn from users and guide our ongoing development of the app in Fall 2019, leading to a polished Version 2.0 product going into 2020. This is standard practice in app development.

Skill Up will be available to all US Sailing members via log-in, and we anticipate that it will assist with membership generation in summer 2019 and be a major membership driver in 2020. There are eight initial "early adopter" programs committed to requiring 100% membership from all sailors in their camps, which will help gather quality feedback and data about the customer experience. There are an additional three clubs that are going to test the Skill Up app with adult learn to sail customers, providing feedback on the adult use-case which could be a very large market for the app in the future. In Fall 2019, the first 12 Siebel Centers will come on board, providing additional users and feedback from the Siebel Sailors, Siebel Coaches, and Centers.

Progress on the Siebel Sailors Program is described in detail elsewhere in this report, and the Youth Department is very excited to be a part of this groundbreaking project.

Race Administration Director - Matthew Hill

Race Committee Fundamentals

The RC training course for yacht clubs and sailing centers is proceeding well, with beta tests scheduled this spring. This course is designed to help clubs develop their race committee volunteers. We will gather feedback from organizers, participants and instructors this spring and revise the course for full release this fall or next spring.



Seminars

Seminar enrollment is up slightly (3%) over last year. We are working with MarCom and our Organizations Engagement Coordinator to promote race official seminars with the goal of increasing the numbers of certified officials, particularly in underserved areas. The table below shows the total number of seminars and total enrollment for each discipline.

Year	Judge Seminars	Race Management Seminars	Umpire Seminars	Continuing Education	Total
Q1 2019	10 / 106	27 / 529	3 / 32	5 / 54	45 / 721
Q1 2018	14 / 122	29 / 529	2 / 14	2 / 37	47 / 702

Regional Race Official Symposiums

Race Official best practices symposiums in Charleston and Annapolis were well-attended and successful, and planning is underway to offer other regional symposiums later this year. In the future, a single national symposium will be offered in conjunction with Sailing Leadership Forum, and regional symposiums will be offered in NSPS years.

Aligning Practices Across Disciplines

The three major disciplines that certify race officials - judges, race officers and umpires - have begun sharing information on common topics, including training, testing, certification and plans of improvement, with the goal of standardizing practices and making the certification process clearer and more streamlined for volunteers.

SafeSport and Race Officials

After a focused communication campaign, about 95% of race officials completed SafeSport training by year end. The remaining officials are being reinstated as they complete the training.

Offshore Director - Nathan Titcomb

Rating Rule Implementation

The ORC and IRC were both open for processing by the second week of January. Both rules are tracking at or slightly above the 2019 projections in terms of the number of certificates issued. A considerable part of the first quarter of 2019 was spent working with the ORR rule to implement the certificate layout changes as requested by the ORA. This required adding approximately 100 fields to the US Sailing database from which certificates are produced. The ORR rule officially opened for the 2019 season on

March 8th. In the first week, over 125 certificates have been produced and delivered to owners via the Universal Certificate System.

Completed Offshore Team

Adding Rex Cameron on February 1st has been a great addition to the Offshore Team. He has come up to speed quickly and is now fully involved in helping owners obtain their rating certificates for the 2019 season.

Adding Measurers

One of our key goals for 2019 is to add to the existing corps of measurers. We have supported this effort by holding a training seminar at East Greenwich Yacht Club on March 8th with six attendees. The focus on the North East helps to address a geographic area of immediate need as well as preparing for the 2020 Newport to Bermuda Race measurement load as well as the anticipated load leading up to the combined offshore Worlds hosted by New York Yacht Club in 2020.

Olympic Director - Meredith Brody

Hempel World Cup Series Miami - Event Management Overview

The 2019 edition of the Hempel World Cup Series Miami, USA was the 30th anniversary of hosting an Olympic Class Regatta on Biscayne Bay. Held January 27th through February 2nd, the coastal waters off of Miami hosted 449 boats, 618 sailors representing 59 nations. With sailors, coaches, volunteers and staff the event hosted over 1,000 people making it US Sailing's largest event.

In 2019, there was an increased awareness on sustainability efforts centered around the event. US Sailing incorporated an environmental focus at the 2019 Hempel World Cup Series Miami, in partnership with World Sailing. Regatta organizers followed the Sailors for the Sea Clean Regattas Program earning a Gold Certification.

Additional sustainability efforts include:

- 100% elimination of plastics for RC/Jury/Staff lunches
- 13 electronic monitors used to display notices, results, and jury decisions, significantly reducing the amount of paper used
- Over 2500 Nespresso pods recycled from coffee served at the Home of Sailing
- Seven nonprofit conservation and STEM-focused organizations exhibited at the Education Zone during the Regatta Festival
- Over 850 pounds of trash picked up by 100 volunteers at the Coastal Clean-up Coconut Grove
- 100% elimination of single-use plastics at Opening Ceremony at Coral Reef Yacht Club
- 1450 reusable water bottles distributed to athletes, coaches, staff, and Festival attendees

- Two portable water stations were onsite to fill up water bottles, filling over 10,000 water bottles throughout the event run
- 25 waste management stations for trash and recycling

The event has since been regarded as the “best Miami yet,” with positive feedback during and after the event from World Sailing, coaches, sailors and RC. The biggest issue in 2019 was the removal of Race Committee Housing. This initially caused lots of frustration; however, throughout volunteer appreciation at the event, the conversation diminished.

We are already in conversation with World Sailing on the 2020 edition of the event. With World Championships in Oceania shouldering the dates, the 2020 Miami event is expected to be about a third of the size of the 2019 event. It will still be country qualification for Tokyo 2020 and an important event on the Olympic circuit and for US Sailing.

Chief of Olympic Sailing - Malcolm Page

The US Olympic Program is encouraged by our team’s results from the Miami World Cup. It is worth reiterating that in addition to a silver, a bronze, 4 finishes in the top 5 and 7 classes with finishes in the top 10.

Summary of 2019 World Cup Series Miami			
Class			
Radial	8x USA entries	49erFX	3x USA
Paige Railey	Silver medal	Steph & Maggie	9th
Erika Reineke	6th	Paris & Anna	17th
Finn	4x USA entries	470W	5x USA
Luke Muller	Bronze medal	Atlantic & Nora	8th
Caleb Paine	18th	Carmen &	16th
470M	5x entries	Nikki & Lara	17th
Stu & Dave	4th	Nacra 17	7x USA
Laser	10x USA	Bora & Louisa	8th
Charlie	4th	Sarah & David	10th
Chris Barnard	14th	Ravi & Caroline	12th
49er	5x USA entries	Riley & Anna	15th

Ian & Joseph	14th		RS:X W	3x USA
Nevin & Mac	19th		RS:X M	3x USA
Judge & Hans	21st			

USA's results four years earlier in 2015 at the same time of the previous squad had zero medals, one finisher in the top 5 and five classes in the top 10. This is proof that the ODP and newly USST system is working.

U.S. participation in the World Cup Series Miami was better as well. 16 more boats than 2018, primarily ODP 2 sailors, competed at WCM 2019, a testament to the efforts and achievements of the Olympic Development Program.

Despite Innovation, Research & Development cuts within the 2019 budget, the support given in Q1 was substantial. Summary of this areas are:

- Weather support in January for all Miami events which included preparation for Enoshima recon testing
- Adaption and progression of weather apps including building in mechanisms of measuring accuracy (objectively)
- Daily performance reports pre- and post-race were achieved for USST athletes. Thanks to American Magic for assistance in this area
- Continued class projects and in training periods
- Progress with coaching tools with focus on Enoshima

The Olympic program continues to work with our partners to grow our opportunities to support our sailors at all levels. ODP specifically has been working closely with Oakcliff to promote an elite youth high performance camp in early June after the College Nationals.

The Youth World Championship classes are in their final selection events and the 2019 team will be known and announced very soon and will attend the 2019 Youth World Championships held in Poland.

At this time over 50 of our athletes and coaches are training in Palma for the 2019 Princess Sofia set to begin competition March 30th. We look forward to continued encouraging results, and the USA Radial squad has already achieved some world class results with Paige Railey achieving a Silver medal and Erika Reineke a 4th place in the Palma pre event held in mid-March.

Once Princess Sofia has concluded, the athletes will move to the World Cup Series Genoa, Hyeres SOF and then to their specific Class European Championship (most in May 2019).

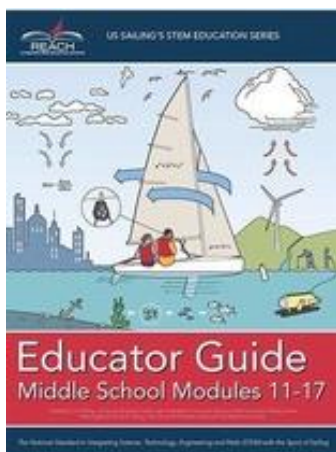
With a short European season in 2019, there will be an increased focus from June onwards for training domestically in USA before the athletes head to their specific Class World Championships, 2019 Peru Pan American Games (July 26 – August 11) and the Japanese 2019 Olympic Test Event/World Series Event.

Much of our focus has been on our financials and we are encouraged with the progress. Because of cultivating of a major sponsorship and fundraising successes we have been able to build on our original baseline budget of December 2019 and excited that we will be able to maintain some baseline athlete services and see some planned Tokyo initiatives come to fruition.

Some of tools that have helped with this financial success was with the private donors through the Class One Design Challenge (Etchells, J 70, Pac 52, Escow, Melges 20, Melges 24 and more to come). This has been made possible through increased support from the Olympic Sailing Committee (OSC) and some US Sailing Board members. A special thanks goes to Bruce Burton, Brian Keane, Russ Lucas and John Schoendorf.

Director of Education - Stu Gilfillen

Launched in early 2019, the [Teaching and Coaching Fundamentals Online \(TCFO\)](#) course provides the building blocks of good instructional practices for becoming an effective educator both on and off the water. As of March 15th, it was added to the Basic Keelboat Instructor, Reach Educator and Safe Powerboat Handling Instructor courses. It will be added to the Smallboat Level 1 Instructor course in September when the necessary course curriculum changes are made, and Race Administration Instructors and Safety at Sea Seminar leaders will be expected to take it as well.



The *Reach Educator Guide, Middle School Modules 11-17* was published just in time for NSPS 2019 and is the first of many products that we will introduce (or update) in 2019, including *Bareboat Cruising*, *Passage Making*, *Sailing Drills Made Easy* and a new *Sailing Smart Instructor Guide* for the Sailing Counselor course.

With many updated publications, there is a “ripple effect” on related products. With *Bareboat Cruising*, for example, we are required to not only update the book itself but also update two student level tests, two instructor tests, the *Cruising Instructor Manual* and do a review to ensure a proper

correlation between all products to ensure consistency and alignment with our standards. While it's a time-consuming process, the Product Development team of Brad, Jessica and Pat have been working diligently to make it happen.

We've also working with Race Administration on the Race Committee Fundamentals course and the Safety at Sea Committee on additional modules for *Safety at Sea Online*. We will be beta testing the former this summer while the launch of the latter won't occur until 2020.

Additionally, we've spent a significant amount of time putting the pieces in place for the Siebel Sailors Program. The program seeks to increase opportunity and diversity in the sport of sailing. We will be providing resources and support to youth sailors from all backgrounds with the goal being to develop skilled and life-long sailors who can participate in all aspects of the sport. To accomplish this, we've developed a framework that is modeled off the [Reach Initiative, which impacted over 335,000 kids in 2018](#). A full presentation on this will be made during the Board meeting.

Lastly, our scheduling team of Peri and Andi has been busy in quarter one, having scheduled 85 courses and seminars. They've also been active in helping to prepare for the summer, with 182 listings on the calendar between April 1st and June 30th. All in all, we're projecting that Andi and Peri will facilitate the scheduling of over 200 courses each during 2019.

Director of Operations - Lauren Cotta

In Operations, we have been supporting members and creating efficiencies in our internal systems.

Member Support

- With a revamp of our Member Engagement structure and plan, we're understanding how we all have a membership responsibility. One improvement to the member experience is how we're handling incoming phone calls. When calling into US Sailing, the caller is met with a short phone tree. This change helped by directing 50% of the initial calls to the caller's area of interest and the other 50% are responded to by Deb. We are also training all staff to cover Deb's main phone line during the lunch hour; this is a great onboarding experience and builds camaraderie amongst the team.
- A description of membership activities can be found in Josh's Membership report. From a sustainability and cost savings perspective, we're reducing non-essential printing expenses and improving communications with members. We realized a savings of ~\$20k moving the US Sailing Reference Guide and Membership Advertorial newsletter to digital delivery. The reference guide now resides in our Yudu US Sailing Bookstore app. From November through February we tested emailing the advertorial to members who were at week 42 of their membership. After testing,

analyzing the email metrics and development of the piece, we decided in March to reduce the frequency. With the success of the *Weekly Lift* email and our strong monthly newsletters, we're moving the advertorial to an all-member quarterly communication.

Efficiencies

- Prior to 2019, expense reports from our instructor trainers were submitted through mail and email to a variety of people in the office. Rachel streamlined this effort at the beginning of the year. Expensify, an automated tool for expense reporting, is the only way to request course expense reimbursements.
- After upgrading our store to Lightspeed last year, we realized there's a need to improve our month end reporting. Brady, working with Accounting and Rachel developed a system for tracking sales, inventory and purchases. To improve accuracy and efficiency in reporting, we're testing the Lightspeed Analytics tool. The system will automatically generate month end figures that can be entered into the accounting system.
- We're also finding ways to exploit existing systems and gain broader adoption among staff. Cyndie continues to keep our digital filing cabinets in Docuware up to date and easy for Accounting and staff to access our files such as copies of checks and accounts payable. We partnered with VIP Travel to build a travel portal for coaches, instructors and staff to book air, hotel and car rentals in one workflow. These transactions will feed into our Concur Expense reports making month end coding and travel expense analysis easier. We're doing a final review and test of the platform and will launch in April.

Chief Technology Officer - Mike Waters

The Information Technology team continues to have an integral part in the success of all US Sailing programs and efforts. We truly do what the organization does which is service to and acquisition of members. We are fortunate to have a tight team in Tim, Andrew and Bryan with varied skills to accomplish many things. A few highlights include:

- Successful rollout of the 2019 ORR Rule and integration with the SAP System in an extremely tight timeframe. We will be better at managing our vendor partners and public perception of how US Sailing delivers.
- Integration of trusted membership validation with Club Spot (Regatta Tool Box) that may be used by other registration providers.
- Platform integration with the USOC for Teaching Fundamental with membership verification and certifications being issued.

- Completing a website review and deploying modifications based on best practice and ease of view. This includes compliance considerations.
- Roll out of the Zoom conferencing platform to replace WebEx, with real user authentication, recording and accountability by department. In the first full month, we saw 55 scheduled meetings with 496 participants. Volunteer committees have access to this platform and are using it. This saves travel, time and money and it works.
- Integration with SafeSport, John Pearce’s Skill-Up App, and successfully serving over 700 users on the US Sailing Events App for Sailing World Cup Miami and another 350 at the NSPS.
- Completion of the rollout of Windows 10 and various systems updates for a more secure environment.
- Achieving higher scores on Cyber Security awareness. Training, remediation and an association-wide view.
- Periodic bulletins to staff and Board of Directors on the tools that we use and are available to everyone in support of the Association. We need to do a better job letting our volunteer community that we have backend support, web presence, apps and hardware to help them serve the sport.

Project Layline is underway with support from Nile Hatcher. US Sailing is working on recognizing process that will get us better on completing complex projects. There are number of work efforts that will help the digital experience that we are trying to get our arms around. There are more complicated projects like SafeSport and Background checking that we are required to get right. All need some discipline and all staff are heading in that direction.

We will continue to collectively evaluate technology projects with an eye on cost and longer-term value. “Can it be repurposed; will it make a difference in the day to day?” We will continue to leverage the intern community to assist in data population, scrubbing and gathering for all departments and have some exciting projects to report on in the coming months.

Finally, we continue to find better ways to leverage what we have in the lines of tools and talent. We are looking to vendor partners to assist us in finding value in the information we have and how to manipulate and act on it more effectively.

Adult Director - Betsy Alison

Adult programs are building on the successes achieved through streamlining processes and efficiencies that can be utilized across programs, especially through online forms like those that we use for Safety at Sea: Host a Course/Agreements; Online Lookups, Attach SAS to Member ID. These forms also give us the

ability to track metrics during the season. We are currently employing similar processes and forms with other adult programs like Keelboat, Powerboat and Adaptive to better track progress and growth.

Busy season for Safety at Sea is January through June. To date, we have 43 courses on the 2019 calendar, up from 39 in 2018. Some of this is due to increased safety requirements being implemented by race organizers, most notably Chicago YC after the fatality during last year's Mac race. The trend also seems to be an increase in "Hands-On" courses which give the participant the International Offshore Certificate which meets the World Sailing standards for Personal Safety and Survival. In a typical year, approximately 2100-2500 certificates are generated. We believe that the numbers in 2019 will exceed 3000. Online course completions are currently half of the total in 2018; this is a high user rate so far and we expect to see those number top 1000.

In 2019, we also began a membership drive for Safety at Sea participants. Approximately 85% of the Safety at Sea attendees are NOT members of US Sailing. We hope to convert 300 of those to become members through a special promotion that they receive at the same time they get their certificate via email. We are able to track those memberships, and to date, we are just under 150 with half of the courses still to run.

Keelboat and powerboat courses are being scheduled and filled on a regular basis. We have signed up one new powerboat school with a second to be finalized this week. We have applications from several new keelboat schools as well, so those programs are on track. We have collaborated with MarCom on a Marketing ToolKit for Keelboat Schools with a strong branding message that can be promoted across education programs, one that tags the US Sailing brand as "The Gold Standard in Education." Once this toolkit goes live for keelboat, we will also develop a similar package for Powerboat Schools and for other Adult programs. Adaptive now has two instructor courses on the calendar that we hope to fill making progress in that area.

Partnerships with several organizations are allowing us to grow programs and expand visibility. NYYC and CCA have partnered with US Sailing by providing financial resources of \$10,000 each towards the completion of the final five chapters of Safety at Sea Online. These chapters are meant to launch in the fall of 2020. We also are promoting US Sailing First Sail locations through Summer Sailstice and helping to get more newcomers to sailing out on the water.