USA Swimming Board of Directors Meeting Minutes
April 24, 2020 / Virtual Zoom Conference Call

CALL TO ORDER
Bob Vincent, Board Chair, called the April 24, 2020 Board of Directors meeting to order at 7:06 a.m. Mountain Time with the following members in attendance:


GUESTS
Dale Ammon (Western Zone Non-Coach Director), Wendy Boglioli (Guest Speaker), Bill Charney (Charney Associates), Tristan Formon (Eastern Zone Coach Director), Rowdy Gaines (Guest Speaker), Ryan Gibbons (Southern Zone Athlete Rep), Tim Husson (Eastern Zone Non-Coach Director), Bradley Jacobs (Central Zone Athlete Rep), Jim Kelly (Southern Zone Coach Director), Paw Lowenthal (Central Zone Non-Coach Director), Sean Redmond (Western Zone Coach Director), Michael White (Central Zone Coach Director).

STAFF
Paula D’Amico, Dean Ekeren, Shana Ferguson, Abigail Howard, Isabelle McLemore, Lindsay Mintenko, Eric Skufca, Joel Shinofield, Mike Unger.

MOMENT OF SILENCE
A moment of silence was observed for USA swimming members who have passed away since the last USA Swimming Board of Directors meeting.

AGENDA REVIEW
Bob Vincent presented the agenda (Attachment 1).

RULES OF ENGAGEMENT / PROTOCOL
Bob Vincent provided an overview of the Rules of Engagement and Zoom protocol.

DECLARATION OF CONFLICT OF INTEREST (2.5.4)
“Is any member aware of any conflict of interest (that is, of a personal interest or direct or indirect pecuniary interest) in any matter being considered by this meeting, which should now be reported or disclosed or addressed under the USA Swimming Conflict of Interest Policy?”

If a Board member determines there to be a conflict of interest at any point during the course of the meeting when a specific subject is being discussed and / or action is being taken, a declaration of a conflict of interest should be made at that time.
CEO WELCOME
Tim Hinchey commented on how proud he is of the USA Swimming leadership team to support the membership during the COVID-19 pandemic and voiced appreciation for the Board of Directors’ contributions.

BOARD CHAIR’S REMARKS
Bob Vincent remarked on the challenges for the Board of Directors during the COVID-19 pandemic and noted his appreciation for it wanting to be part of the solution. Mr. Vincent recognized the coaches on the Board who are supporting Sport Development to provide resources to clubs and encouraged all Board members to engage in discussions with athletes, coaches, and volunteers. Lastly, Mr. Vincent applauded staff for partnering with LSCs to support clubs, as well as the USA Swimming Foundation for contributing grant funding for clubs.

GUEST SPEAKER: WENDY BOGLIOLI
Chief Operating Officer Mike Unger introduced Wendy Boglioli.

Wendy Boglioli thanked Tim Hinchey and the USA Swimming staff for their leadership during the pandemic and talked through how despite the current struggles, USA Swimming will prevail. While recounting her swimming career, Ms. Boglioli spoke about the need to overcome struggles beyond a focus on winning, but rather being a participant with hope and a set of principles.

BOARD PROCESS
MINUTES
MOTION: To approve the January 31, 2020 Board of Directors meeting minutes (Attachment 2). Seconded. APPROVED.

NOMINATING COMMITTEE UPDATE
Chief Administrative Officer & General Counsel Lucinda McRoberts provided a Nominating Committee update, including the timeline for nominations and applications, the distribution channels utilized to solicit nominations, and that Mary Wallack has been elected Chair of the committee.

FOUNDATION UPDATE
Bob Vincent recognized Foundation Chair, Cecil Gordon, and the Foundation Board of Directors for their leadership and financial support of USA Swimming clubs.
Cecil Gordon updated the Board on how the Foundation Board is moving forward, including an upcoming meeting with USA Swimming staff, a Foundation Board of Director’s meeting on May 1, 2020 and rescheduled events such as the Make a Splash tour. Dr. Gordon noted his pride in the Foundation Board of Directors for approving funds that would provide relief to USA Swimming clubs during the COVID-19 pandemic. Lastly, Dr. Gordon encouraged the Board to financially support the USA Swimming Foundation and recognized Kenneth Chung and Anne Barry for their contributions.

LEGISLATION
Bob Vincent noted that any approved legislation will go forward as a submission by the Board and therefore needs to be actively supported by the Board. Cecil Gordon urged the Board to attend the House of Delegates to support the legislation they approve.

Lucinda McRoberts provided background on the recommended legislation and presented each proposed item.

The Board engaged in discussion around the details and concepts for each of the recommended legislative changes.

MOTION: To approve the proposed changes to the Corporate Bylaws (where House of Delegates approval is not required), effective immediately, and to submit the remaining legislative packet to the Rules & Regulations Committee for consideration (Attachment 3). Seconded. APPROVED.

BOARD GOVERNING POLICY MANUAL UPDATE
Lucinda McRoberts provided an overview of the proposed changes to the Policy Manual noting most changes are housekeeping items, including updates to mirror the Bylaws changes just approved.

MOTION: To approve the updates to the Board of Directors’ Governing Policies Manual, effective immediately (Attachment 4). Seconded. APPROVED.

MONITORING
Bob Vincent briefly described what the Ends Monitoring reports entail, as well as the process by which they are distributed and discussed prior to Board meetings.

PUBLIC ENGAGEMENT WITH SWIMMING (1.3)
Bob Vincent presented Policy 1.3 Public Engagement with Swimming (Attachment 5).
Tim Hinchey commented on finding more ways to reflect the work USA Swimming is doing regarding drowning prevention.

Managing Director of Sport Development, Joel Shinofield, noted that statistics monitoring is used for future programing, as is information gathered from other entities, but also acknowledged many factors that are outside of the organization’s control, including the impact of COVID-19 on membership numbers this year.

Chief Commercial Officer, Shana Ferguson, added that there are some statistics that the organization drives, such as the digital swimming index and attendance at events, and there are ways to improve the data and promote events.

**MOTION:** To approve the performance monitoring report on Policy 1.3, “Public Engagement with Swimming,” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO’s interpretations. Seconded. **APPROVED.**

**MANAGEMENT PARAMETERS MONITORING**

**POLICY 3.2 EXTERNAL RELATIONS**

Bob Vincent presented Policy 3.2 External Relations (Attachment 6).

Tim Hinchey provided composition background of the report, including an emphasis on the diversity of new and continued relationships. Mr. Hinchey thanked Mike Unger for his work with international constituents and Lucinda McRoberts for her work on several working groups and task forces with the United States Olympic and Paralympic Committee (USOPC).

**MOTION:** To approve the performance monitoring report on Policy 3.2, “External Relations,” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO’s interpretations. Seconded. **APPROVED.**

**POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES**

Bob Vincent presented Policy 3.4 Financial Condition & Activities (Attachments 7 - 13).

**MOTION:** To approve the performance monitoring report on Policy 3.4, “Financial Condition & Activities,” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO’s interpretations. Seconded. **APPROVED.**
Chief Financial Officer Eric Skufca provided an overview of the 2019 final financials, including beating the original 2019 operating budget by over $1.1 million and an end of year bottom line net surplus of nearly a half million dollars. Mr. Skufca additionally added the 2019 external audit is being finalized and will be shared once completed.

Mr. Skufca highlighted 2020 quarter one investments and financials, including a current blended portfolio market loss of 8.8% year to date through April 15, 2020.

Mr. Skufca explained a noncompliance item in Monitoring Report 3.4, Policy Provision #2 due to the current 2020 projection differing from the original 2020 budget as a result of adjusted operations for 2020. Adjusted operations include, but are not limited to, the postponement of the Olympic Games and the U.S. Olympic Team Trials - Swimming.

Mr. Skufca also presented to the Board the business rationale for applying for a conventional line of credit. Because the pandemic has caused considerable decreases in value to investment accounts, Mr. Skufca presented to the Board pursuing a conventional loan with a low interest rate, rather than draw from its investment account before the market has a chance to recover.

The Board engaged in discussion around potential financial exposure and repayment.

**MOTION:** To approve the organization to borrow up to $3M on a line of credit with a floating prime interest rate to fund board approved reserve investments. Seconded. **APPROVED.**

**POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES – EXTERNAL AUDIT**

Eric Skufca presented the Board with the Audit Committee’s recommendation of continuing to use Waugh & Goodwin, LLP as the external auditor for USA Swimming for the year ending December 31, 2020.

**MOTION:** To approve Waugh & Goodwin, LLP as the external auditor for USA Swimming for the year ending December 31, 2020. Seconded. **APPROVED.**

**POLICY 3.5 ASSET PROTECTION**

Bob Vincent presented Policy 3.5 Asset Protection (Attachment 14).

**MOTION:** To approve the performance monitoring report on Policy 3.5, “Asset Protect,” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO’s interpretations. Seconded. **APPROVED.**
POLICY 3.8 EMERGENCY MANAGEMENT SUCCESSION
Bob Vincent presented Policy 3.8 Emergency Management Succession (Attachment 15).

Tim Hinchey noted a couple of key executive moves, including hiring Steve Levine to succeed George Ward as Senior Director, Risk Management.

**MOTION:** To approve the performance monitoring report on Policy 3.8, “Emergency Management Succession,” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO’s interpretations. Seconded. **APPROVED.**

**STAFF UPDATES**

**CEO REPORT: OUR PATH FORWARD**
Tim Hinchey highlighted USA Swimming’s Priority Communications strategy. Mr. Hinchey also submitted a 2020 Recovery Plan (Attachment 16) and provided background on how USA Swimming conceptualized how to serve our membership and organization as a whole during the COVID-19 pandemic, including advocating for the postponement of the Olympic Games to take care of our National Team athletes and providing grant funding to clubs provided by the USA Swimming Foundation and in partnership with LSCs.

Joel Shinofield highlighted the resources USA Swimming has provided to membership, including governance guidance, mental health resources for coaches, personal financial counseling to coaches through OneAmerica, Zoom licenses for clubs, and online remote dryland insurance coverage. Mr. Shinofield reported on an increased online presence, including virtual summits, clinics, LSC town hall meetings, and Safe Sport training and education webinars. This engagement with membership during the pandemic has allowed the organization to receive feedback and further ideas on how to assist clubs.

Mr. Shinofield explained the need to look at different ways to run meets moving forward, such as permitting fewer people on deck and breaking down larger meets into several smaller, condensed meets.

Mr. Shinofield also highlighted that the Keeping Athletes First online member registration initiative is helping us move towards being more of a technology organization and supports our integrated Customer Relationship Management (CRM) system, which will allow for more efficient communication under any circumstance.

The Board discussed clubs helping families, clubs helping clubs, and USA Swimming communication on return to practice recommendations to clubs.
Shana Ferguson detailed the Commercial unit’s member support through four key initiatives: (i) communication, both internally and externally; (ii) marketing initiatives, including tailored messaging, marketing toolkits for club members, and a virtual SwimBiz with live seminars; (iii) donor and foundation development that includes adjusted messaging reflecting the needs of our clubs, participating in Fanatics’ All In Challenge that provides food to those in need, one-on-one check in’s with donors and trustees, and producing motivational videos that feature swimming Olympians; and (iv) partnership marketing initiatives in which USA Swimming is remaining flexible with partners during this crisis.

Eric Skufca highlighted fluid projected revenue losses, as well as expense savings across all divisions within the organization.

Managing Director of the National Team, Lindsay Mintenko, reported on USA Swimming’s plans to support athletes by extending direct athlete support that National Team athletes are receiving, adding additional athletes to receive the same direct support, and hopefully adding events in the fall that will include prize money for athletes.

**WEBSITE RE-DESIGN DEMO**
Shana Ferguson presented the full-page ad USA Swimming was given in the Sports Business Journal, as well as images from the newly designed USA Swimming website that will be launched in summer 2020.

**KEEPING ATHLETES FIRST (KAF) INITIATIVE**
Lucinda McRoberts provided an update on the four KAF initiatives, (Online Membership Registration, Safe Sport Resources & Program, Coach Education & Learning Management System, and Safe Sport Club Recognition Assistance), including meeting timelines and components within each initiative.

**TRIALS UPDATE**
Mike Unger provided an update on the Olympic Trials, including the importance of relationships to establish dates that worked for a multitude of entities, the number of ticket refunds are currently low, and time standards are still undecided. Mr. Unger also mentioned that it is still uncertain when the 2021 World Championships will be rescheduled.

**SPORT DEVELOPMENT**
Joel Shinofield reported that while USA Swimming is canceling summer meets, those meets will be replaced, if possible, with regional meets that will lead into a fall season.
2021 MEMBERSHIP START DATE

Joel Shinofield presented a motion to move the 2021 membership start date and extend the membership year, so that members do not have to renew in the fall.

**MOTION:** For 2020, individuals applying for calendar year membership on or after June 1 will receive membership valid through December 31, 2021. Seconded. APPROVED.

SEASONAL MEMBERSHIP

Joel Shinofield reported that the ability to use seasonal memberships has been cut short due to the COVID-19 pandemic closures.

**MOTION:** Seasonal memberships (Season 1, Season 2, and Individual Season) that expired on or after March 16, 2020 may be extended to August 30, 2020. LSCs registering or renewing any seasonal memberships may set the athlete’s expiration date to no earlier than August 30, 2020, but no later than December 31, 2020, as long as the membership does not exceed 150 days after USA Swimming lifts the national moratorium on meet sanctions. Seconded. APPROVED.

FLEX MEMBERSHIP

Joel Shinofield recommended to the Board that changes to the Flex membership structure approved at the Board’s January 31 meeting should be delayed for a year due to the financial hardships currently affecting the membership.

**MOTION:** To change the effective date for implementation of the approved changes to the Flex membership structure to the 2022 membership year. Seconded. APPROVED.

GUEST SPEAKER: ROWDY GAINES

Tim Hinchey introduced Rowdy Gaines and announced Mr. Gaines’ promotion to Director of Community Relations.

Rowdy Gaines spoke about his pride regarding the sport of swimming during COVID-19, specifically USA Swimming’s effective leadership and communication to its membership. Mr. Gaines recounted the perseverance of the athletes from 1980 who used swimming as their way to get through the adversity of being unable to participate in that year’s Olympic Games and talked about how adversity creates true leadership.
CLOSING ROUNDTABLE

NEXT MEETING / EVENTS
• 2020 / September
• 2020 / November 22 / New York, NY - Golden Goggles

MEETING ASSESSMENT
The Board engaged in a round table discussion assessing the day's meeting, including expressing gratitude for the leadership and communication from the staff and Board.

CLOSED SESSION (2.3.6)

LITIGATION UPDATE
The Board went into closed session so Lucinda McRoberts, could provide a legal update.

PERSONNEL UPDATE
All remaining staff then left the meeting, so the Board could continue in closed session for a personnel update.

Following closed session, the Board discussed the challenges surrounding planning for the 2020 U.S. Aquatics Sports Convention in Jacksonville, Florida in September, including the overall uncertainty of the circumstances, the likely inability to gather safely as a large group or travel across the country, and the effect this ongoing situation has on our ability to plan, coordinate and execute this extensive and interactive in-person assembly.

MOTION: To hold the annual meeting of the USA Swimming House of Delegates via telecommunication rather than at the U.S. Aquatics Sports Annual Convention in Jacksonville due to the circumstances surrounding the COVID-19 pandemic. Seconded. APPROVED.

ADJOURN
Bob Vincent, Board Chair, adjourned this meeting at 4:15 p.m. Mountain Time.

Respectfully submitted:

Lucinda McRoberts, CAO & General Counsel
Bob Vincent, Board Chair
USA Swimming Board of Directors Minutes Attachments

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Attachment 3  Page 3 – 2020 Board Proposed Rule Changes
Attachment 4  Page 3 – Board Governing Policy Manual Updates
Attachment 5  Page 3 – Policy 1.3 Public Engagement
Attachment 6  Page 4 – Policy 3.2 External Relations
Attachment 7  Page 4 – USAS Financial Statement Report 2019
Attachment 8  Page 4 – USAS Financial Written Report 2019
Attachment 9  Page 4 – Foundation Financial Statement Report 2019
Attachment 10 Page 4 – Foundation Financial Written Report 2019
Attachment 11 Page 4 – USAS Financial Statement Report Q1 2020
Attachment 12 Page 4 – USAS & Foundation Investment Statements Q1 2020
Attachment 13 Page 4 – Policy 3.4 Financial Conditions & Activities (Internal)
Attachment 14 Page 5 – Policy 3.5 Asset Protection
Attachment 15 Page 6 – Policy 3.8 Emergency Management Succession
Attachment 16 Page 6 – 2020 Recovery Plan