

USA Swimming Board of Directors Meeting Minutes

February 11, 2022 / Virtual Zoom Conference Call

1 **CALL TO ORDER**

2 Chris Brearton, Board Chair, called the February 11, 2022 Board of Directors meeting to
3 order at 9:08 a.m. Mountain Time with the following members in attendance:

4
5 **PRESENT**

6 Maya Andrews, Chris Brearton, Kenneth Chung, Tony Ervin, Kathy Fish, Bruce Gemmell,
7 Jennifer Gibson, Natalie Hall, Clark Hammond, Tim Hinchey, Ira Klein, Katie Meili, Kathleen
8 Prindle, Bill Schalz, Michelle Steinfeld, Ashley Twichell, Bob Vincent.

9
10 **GUESTS**

11 Bill Charney, Dr. Marc Christian, Mary Turner.

12
13 **STAFF**

14 Leland Brown, Rebecca Chafin, Paula D'Amico, Shana Ferguson, Abigail Howard, Kiki Laino,
15 Isabelle McLemore, Lucinda McRoberts, Lindsay Mintenko, MJ Truex, Eric Skufca, Joel
16 Shinofield.

17
18 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

19 *"Is any member aware of any conflict of interest (that is, of a personal interest or direct or*
20 *indirect pecuniary interest) in any matter being considered by this meeting, which should now*
21 *be reported or disclosed or addressed under the USA Swimming Conflict of Interest Policy?"*

22
23 If a Board member determines there to be a conflict of interest at any point during the
24 course of the meeting when a specific subject is being discussed and/or action is being
25 taken, a declaration of a conflict of interest should be made at that time.

26
27 **BOARD CHAIR'S WELCOME**

28 Mr. Brearton welcomed everyone to the first Board meeting of 2022, while also noting the
29 various Board calls that took place leading up to the February 11th meeting.

30
31 **RULES OF ENGAGEMENT**

32 Mr. Brearton provided an overview of the Rules of Engagement and emphasized the
33 importance of the Board speaking with "one voice" (Attachment 1).

34
35 **SAFE SPORT MOMENT**

36 Michelle Steinfeld, Secretary & General Counsel, reported that Legal will be conducting
37 internal quarterly audits for all employees and committee members to ensure all

38 individuals are current USA Swimming members in good standing, including up-to-date
39 background checks and Athlete Protection Training (APT).

40

41 Abby Howard, Senior Director of Legal & Membership Affairs, briefly described the details
42 of the annual U.S. Center for SafeSport (USCSS) audit, to include an administrative audit as
43 well as two on-site event audits. Mrs. Howard reported that the annual audit will review
44 education and training, specifically corrective measures for those who have not completed
45 or stayed up to date on requirements. Additionally, Mrs. Howard explained the USCSS's
46 new quality control system that determines how USA Swimming can ensure that no one
47 who has been banned or suspended or otherwise ineligible is participating in USA
48 Swimming sanctioned, national, and controlled events.

49

50 **MINUTES**

51 **MOTION:** *To approve the December 6, 2021 Board of Directors meeting minutes (Attachment*
52 *2). Seconded. APPROVED.*

53

54 **BOARD PROCESS**

55 **PRESENTATION FROM THE NOMINATING COMMITTEE TASK FORCE**

56 Kathy Fish, Board Vice-Chair and Nominating Committee Task Force Chair, described the
57 Task Force's composition and process in formulating Nominating Committee
58 recommendations. Mrs. Fish reported that the Task Force identified needs that led to
59 recommendations, such as conducting a Board Gap Analysis, recruiting individuals with
60 skills that fit the strategic vision of the organization, and vetting all nominees placed on the
61 ballot. Mrs. Fish added that the Task Force also recommended specific campaigning rules,
62 along with violations for violating those rules. Mrs. Fish noted additional training
63 recommendations for members of the House of Delegates (HOD) regarding their duty to
64 elect Board members, as well as training for the Nominating Committee to ensure that they
65 understand their responsibilities and the Board Charge.

66

67 Lastly, Mrs. Fish provided an overview of the Task Force's recommended composition of
68 the Nominating Committee to better reflect the composition of the HOD.

69

70 **MOTION:** *To amend the Bylaws to incorporate changes to the Nominating Committee and*
71 *election process, as outlined in Attachment 3, effective February 11, 2022. Seconded.*

72 **APPROVED.**

73

74 **MOTION:** *To amend the Board Governing Policies Manual to incorporate changes to the*
75 *Nominating Committee and election process, as outlined in Attachment 4, effective February*
76 *11, 2022. Seconded. APPROVED.*

77

78 **MOTION:** *To stagger the terms for the Nominating Committee per Bylaw 5.6.2, the Coach*
79 *Advisory Council shall appoint two members in 2022, one for a term of two years and one for*
80 *a term of three years, as the Coach Advisory Council may determine. Seconded. APPROVED.*
81

82 **BOARD CHARGE TO THE NOMINATING COMMITTEE**

83 Mr. Brearton reported on the process and results of a Board Gap Analysis, including
84 strengths and gaps of the Board. Based on the results, Mr. Brearton presented the Board
85 Charge to the Nominating Committee with an emphasis on technology as an identified Gap.
86

87 **MOTION:** *To approve the Board Charge to the Nominating Committee for the 2022 election*
88 *cycle, to include the Nominating Criteria in the Board Governing Policy 2.9.2, as well as the*
89 *following criteria:*

- 90 • *Expertise in risk management and finance;*
- 91 • *Expertise in application of Information Technology to similar or larger-sized*
92 *organizations; and*
- 93 • *Broadening the Board's demographic diversity.*

94

95 *Seconded. APPROVED.*

96

97 **AMENDMENT TO BYLAW 4.5**

98 Ms. Steinfeld reported on an amended process for removing Board members from the
99 Board of Directors.

100

101 **MOTION:** *To amend Bylaw 4.5 as outlined as outlined in Attachment 5, effective February 11,*
102 *2022. Seconded. APPROVED.*

103

104 **NEW ALLIED MEMBER DIRECTOR ELECTION POLICY**

105 Ms. Steinfeld briefly described a new process and policy for adding an Allied Member to the
106 Board of Directors.

107

108 **MOTION:** *To amend Bylaw 4.2.5 as outlined in Attachment 6, effective February 11, 2022.*
109 *Seconded. APPROVED.*

110

111 **MOTION:** *To add Policy 2.11 to the Board Governing Policies Manual, as outlined in*
112 *Attachment 7, effective February 11, 2022. Seconded. APPROVED.*

113

114

115

116 **ETHICS COMMITTEE AUTHORITY**

117 Ms. Steinfeld presented the proposed changes to the Board Governing Policies Manual that
118 memorializes the increased responsibilities that have been given to the Ethics Committee.

119
120 **MOTION:** *To amend Policy 2.8.6(B) to the Board Governing Policies Manual, as outlined in*
121 *Attachment 8, effective February 11, 2022. Seconded. APPROVED.*

122
123 **FOUNDATION UPDATE**

124 Tim Hinchey, President & Chief Executive Officer, announced that the Foundation has
125 awarded nearly \$900,000 in learn-to-swim grants, with a special “thank you” to Rowdy
126 Gaines for his contributions. Mr. Hinchey reported that Development Director, Scott Usher,
127 has resigned for another exciting opportunity. Mr. Hinchey noted that Lucinda McRoberts
128 has been appointed as the Foundation’s Executive Director and she will hire a new
129 Development Director and a Major Gifts Officer.

130
131 Eric Skufca, Chief Financial Officer, reported that 2021 financials are currently being closed
132 out but that projected financials are trending towards a possible surplus. Mr. Skufca also
133 remarked on higher revenue resulting from the auction at the Golden Goggle Awards, as
134 well as the timing of the distribution of community impact grants in 2022 as opposed to
135 2021.

136
137 **ELECTION OF NEW FOUNDATION BOARD OF DIRECTORS**

138 Lucinda McRoberts, Chief Administrative Officer and Executive Director of the USA
139 Swimming Foundation, presented a motion to re-elect Cecil Gordon to the Foundation
140 Board of Directors.

141
142 **MOTION:** *To approve the re-election of Cecil Gordon to the Foundation Board, effective*
143 *January 1, 2022. Seconded. APPROVED.*

144
145 **ENDS MONITORING**

146 **ENDS UPDATE AND KPI’S**

147 Ms. McRoberts explained the recent audit of the organization’s Key Performance Indicators
148 (KPIs) that involved the entire Board, as well as a yearly three-step process in which the
149 Board and staff will strategically determine the direction of the organization as it pertains
150 to the organization’s Priority Results. Ms. McRoberts presented Priority Results 1.1 – 1.4
151 and associated KPIs, as well as a revised Monitoring Report schedule that better
152 corresponds with the relevance and timeliness of the material within the Monitoring
153 reports (Attachment 9).

154

155 **MOTION:** To approve Priority Results 1.1-1.4 and associated KPIs as the organization's 2022
156 Strategic Plan. Seconded. **APPROVED.**

157

158 **MOTION:** To approve the updated Monitoring Report Schedule/Policy 4.4. Seconded.
159 **APPROVED.**

160

161 **POLICY 1.0: BROADEST - GROWTH/SUCCESS OF SWIMMING**

162 Ms. McRoberts presented Policy 1.0, Broadest/Growth and Success of Swimming
163 (Attachment 10).

164

165 **MOTION:** To approve the performance monitoring report on Policy 1.0, "Broadest End –
166 Growth and Success of Swimming," conveys (a) interpretations of the policy that are
167 reasonable, and (b) that the report reasonably substantiates compliance with the policy
168 requirements, consistent with the CEO's interpretations. Seconded. **APPROVED.**

169

170 **PRIORY RESULTS UPDATES & DISCUSSION**

171 **BUSINESS UNITS**

172 Mr. Hinchey presented the organization's updated business units, along with the
173 leadership, major priorities, and projects within each unit. Mr. Hinchey briefly provided
174 background regarding the cultivation of the business units.

175

176 Mr. Hinchey explained USA Swimming Foundation's new structure, including its staff
177 leadership and its four pillars: (i) Fundraising; (ii) Saving Lives, Community Impact,
178 Building Champions; (iii) Alumni Relations; (iv) and Facilities.

179

180 **DEI STRATEGIC PLAN**

181 Joel Shinofield, Managing Director of Sport Development, introduced Leland Brown,
182 Program Director of Diversity, Equity, & Inclusion (DEI).

183

184 Mr. Brown explained his methodology in determining gaps within the organization's DEI
185 efforts. Mr. Brown reported his findings from membership, including a need for more DEI
186 engagement, education that focuses on useful technical and business components, clarity
187 on DEI, useful DEI systems, and lastly, a need to address school aquatic needs.

188

189 Mr. Brown presented the organization's action plan called "E4," including engaging with
190 membership through connection and collaboration, educating both internally and
191 externally through facilitating trainings and development of educational DEI resources,
192 empowering through expanding funding for community opportunities, and elevating the

193 sport, culture, and individuals through recommitting to current DEI efforts along with
194 supporting new ones.

195

196 **UPDATED QUAD EVENT CALENDAR**

197 Lindsay Mintenko, Managing Director of the National Team, reported that USA Swimming's
198 athletes made over \$480,000 in prize money at FINA's Short Course World Championships
199 and noted that this competition is now an Operation Gold competition, so that NCAA
200 athletes are able to receive prize money they earned during Short Course Worlds.

201 Additionally, Mrs. Mintenko presented the 2022 Competition Calendar, while explaining
202 domestic competition timing based on international competitions.

203

204 **USA SWIMMING WORKSHOP**

205 Mr. Shinofield provided a brief overview of the USA Swimming Workshop to be held April
206 21-24, 2022 in Denver, CO.

207

208 **MEMBERSHIP UPDATE/REPORT**

209 Mr. Shinofield presented a brief membership update and reported that 2022 membership
210 is still down (7.5%), but numbers are trending upward post-COVID pandemic.

211

212 **GOVERNMENT RELATIONS**

213 Ms. McRoberts provided an overview of the Government Relations division of the
214 organization, including who is involved from staff, as well as involvement from the USA
215 Swimming Foundation to Aquatics Coalition. Ms. McRoberts explained the work that the
216 division will be doing, from mapping and tracking the policy landscape to building
217 relationships with all levels of government, to increasing policy communication and
218 advocacy. Ms. McRoberts also explained the "why" behind Government Relations, including
219 proactively adapting to and influencing the policy landscape, building internal and external
220 institutional knowledge, and having the organization become a trusted advisor to all levels
221 of government.

222

223 Ms. McRoberts provided examples of Government Relations at work, as well the
224 organization's objectives, including event activation at the federal, state and international
225 levels.

226

227 **USA SWIMMING COACH ENGAGEMENT SURVEY**

228 Mr. Shinofield introduced Dr. Marc Christian, Founder of IntelliSport Analytics.

229

230 Dr. Christian presented the Coach Engagement Survey that his organization conducted,
231 including his methodology, a summary of the quantitative and qualitative data derived

232 from the 1,467 coach members who participated, and recommendations for the
233 organization based on the data (Attachment 11).

234
235 Mr. Shinofield reported on the continued and additional work the National Team and Sport
236 Development are undertaking based on the findings of the survey.

237
238 **AICEEP UPDATE**

239 Mr. Shinofield reported on feedback regarding Policy 19.0 Athlete Inclusion, Competitive
240 Equity, and Eligibility.

241
242 **MANAGEMENT PARAMETERS MONITORING (4.4)**

243 **POLICY 3.3 TREATMENT OF EMPLOYEES AND VOLUNTEERS**

244 Ms. Steinfeld presented Policy 3.3, Treatment of Employees and Volunteers (Attachment
245 12).

246
247 **MOTION:** *To approve the performance monitoring report on Policy 3.3, "Treatment of*
248 *Employees and Volunteers," conveys (a) interpretations of the policy that are reasonable, and*
249 *(b) that the report reasonably substantiates compliance with the policy requirements,*
250 *consistent with the CEO's interpretations. Seconded. APPROVED.*

251
252 **POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES**

253 Mr. Skufca presented Policy 3.4, Financial Condition & Activities (Attachments 13 - 16) and
254 reiterated that 2021 financials are still being reconciled, while noting that primarily, the
255 organization's assets have grown due to portfolio gains netted with portfolio contributions
256 and distributions. Mr. Skufca reported that the 2021 projection is currently trending
257 positively as compared to budget and the November 2021 projection, with a possible 2017-
258 2021 "quad" operating surplus. Mr. Skufca remarked on two items that are finalized,
259 including 2021 portfolio gains of 12.28%, as well as a United States Sports Insurance
260 Company Sale Letter of Credit draw that did not happen in 2021 as projected, but will
261 potentially happen in 2022.

262
263 Mr. Skufca briefly updated the Board on the material items that are still pending, including
264 the postponed use of a Marriott property in Singapore for a National Team camp.

265
266 Kenneth Chung, Vice-Chair Fiscal Oversight, provided additional color on how the
267 organization strategically cultivates and builds its finances.

268
269 **MOTION:** *To approve the performance monitoring report on Policy 3.4, "Financial Condition*
270 *& Activities," conveys (a) interpretations of the policy that are reasonable, and (b) that the*

271 *report reasonably substantiates compliance with the policy requirements, consistent with the*
272 *CEO's interpretations. Seconded. APPROVED.*

273

274 Mr. Skufca reported that USA Swimming's revolving line of credit is continuing to help fund
275 the Board approved reserve investments, without taking distributions from the investment
276 portfolio. As intended, Mr. Skufca noted that the organization is earning a higher expected
277 rate of return on its investment portfolio than it is paying out in interest on the operating
278 line of credit. Mr. Skufca asked the Board to extend the line of credit for two years beyond
279 its current June 2022 maturity date.

280

281 **MOTION:** *To approve the organization to renew/extend its maturing current line of credit*
282 *another 2 years with the same \$3,000,000 limit with a floating interest rate to fund Board*
283 *approved reserve investments. Seconded. APPROVED.*

284

285 Mr. Chung briefly described the various areas of Risk Management beyond insurance
286 coverage. Additionally, Mr. Chung discussed the framework and practice for the
287 organization's Business Continuation Strategy.

288

289 **POLICY 3.9 BOARD AWARENESS AND SUPPORT**

290 Ms. McRoberts presented Policy 3.9, Board Awareness and Support (Attachment 17).

291

292 **MOTION:** *To approve the performance monitoring report on Policy 3.9, "Board Awareness*
293 *and Support," conveys (a) interpretations of the policy that are reasonable, and (b) that the*
294 *report reasonably substantiates compliance with the policy requirements, consistent with the*
295 *CEO's interpretations. Seconded. APPROVED.*

296

297 **CLOSED SESSION (2.3.6)**

298 **RISK MANAGEMENT**

299 The Board went into closed session so Mr. Chung could provide a risk management update.

300

301 **LITIGATION UPDATE**

302 The Board remained in closed session so Ms. Steinfeld could provide a legal update.

303

304 **U.S. CENTER FOR SAFESPORT**

305 The Board remained in closed session so Mrs. Howard could provide an update on the U.S.
306 Center for SafeSport.

307

308

309

310 **COMMERCIAL UPDATE**

311 The Board remained in closed session so Shana Ferguson, Chief Commercial Officer, could
312 provide a commercial update.

313

314 **EXECUTIVE SESSION**

315 The Board went to Executive Session to discuss compensation for the President & CEO; all
316 members of the staff, including Mr. Hinchey, left the meeting.

317

318 **EXECUTIVE COMPENSATION COMMITTEE**

319 The Board came out of closed session to adopt the Executive Compensation Committee's
320 recommended matrix for KPIs for Mr. Hinchey's 2022 Performance Bonus consideration.

321

322 **MOTION:** *To adopt the Executive Compensation Committee's matrix for KPIs for President &*
323 *CEO, Tim Hinchey's 2022 Performance Bonus consideration. Seconded. APPROVED.*

324

325 **BOARD SETTLEMENT**

326 Ms. Steinfeld reported that (a) USA Swimming received a complaint alleging overt
327 campaigning against Board members Clark Hammond and Ira Klein; (b) USA Swimming
328 conducted an investigation of the complaint; (c) USA Swimming, Mr. Hammond, and Mr.
329 Klein have since reached a settlement in lieu of USA Swimming pursuing the allegations
330 with the National Board of Review (NBOR), and (d) USA Swimming will seek an order
331 issued by the NBOR memorializing this Agreement between the parties.

332

333 **BOARD CALENDAR**

334 Mr. Brearton presented the 2022 Board calendar.

335

- 336 • April 21–22: USA Swimming Workshop, Denver, CO
- 337 • April 21: Board Strategy Session
- 338 • April 22: In-person Board Meeting
- 339 • July 26-30: Social Event @ Phillips 66 National Championships, Irvine, CA
- 340 • September 23: In-person Board Meeting at the Annual Business Meeting, Colorado
341 Springs, CO
- 342 • November 20: In-person Board Meeting at the Golden Goggle Awards, New York
343 City, NY

344

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346

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348

349

350 **ADJOURN**

351 Mr. Brearton adjourned this meeting at 3:49 p.m. Mountain Time.

352

353 Respectfully submitted:

354



Michelle Steinfeld, Secretary and General Counsel



Chris Brearton, Board Chair

USA Swimming Board of Directors Minutes Attachments

February 11, 2022 / Virtual Zoom Conference Call

Attachment 1	Page 1 – Agenda: February 11, 2022
Attachment 2	Page 2 – DRAFT BOD Minutes December 6, 2021
Attachment 3	Page 2 – Nominating Committee Bylaw Edits
Attachment 4	Page 2 – Nominating Committee BGPM Updates
Attachment 5	Page 3 – New Bylaw 4.5
Attachment 6	Page 3 – Bylaw 4.2.5 Update
Attachment 7	Page 3 – Allied Member Director Draft
Attachment 8	Page 4 – Ethics Committee Update
Attachment 9	Page 4 – USA-S Ends/KPIs
Attachment 10	Page 5 – Policy 1.0: Broadest End
Attachment 11	Page 7 – Coach Engagement Survey Executive Summary
Attachment 12	Page 7 – Policy 3.3: Treatment of Employees & Vols.
Attachment 13	Page 7 – 2021 Budget vs. 2021 Projection Summary
Attachment 14	Page 7 – Comparative Balance Sheet
Attachment 15	Page 7 – Q4 2021 Portfolio Statements
Attachment 16	Page 7 – Policy 3.4: Financial Condition & Activities
Attachment 17	Page 8 – Policy 3.9: Board Awareness & Support
Attachment 18	Staff Update to the Board