

# **USA Swimming Board of Directors Meeting Minutes**

September 25, 2020 / Virtual Zoom Conference Call

## **CALL TO ORDER**

Bob Vincent, Board Chair, called the September 25, 2020 Board of Directors meeting to order at 8:04 a.m. Mountain Time with the following members in attendance:

**PRESENT:** Maya Andrews, Chris Brearton, Kenneth Chung, Bruce Gemmell, Jennifer Gibson, Cecil Gordon, Natalie Hall, Tim Hinchey, Lucinda McRoberts, Kathleen Prindle, Bill Schalz, Jeanette Skow, Jim Sheehan, Davis Tarwater, Jay Thomas, Tom Ugast, Bob Vincent.

## **GUESTS**

Jerry Adams, Dale Ammon, Lorna Anaya, Wade Atkins, Julie Bachman, Julie Bare, Geoffrey (Phil) Barnes, Jody Betts, Carolyn (Sandi) Blumit, Amy Boyden, Stephanie Boysen, Robert Broyles, Bill Charney, David Coleman, Jessica Cooper, David Cottam, Bruno Darzi, Maria Davila, Alina DeArmas, Judith Divan, Van Donkersgoed, Sandy Drake, Lucy Duncan, Carron Dunker, Cathy Elgas, Mary Evelyn, Emily Fagan, Tristan Formon, Gavin Formon, Tracey Garrett, George Geanon, Ryan Gibbons, Steven Goldman, Laura Hartman, Jon Hayashida, Melissa Hellervik-Bing, Chip Holland, Zane Hugo, Patrick Hunter, Lauren Hurt, Tim Husson, Lehla Irwin, Bradley Jacobs, Paris Jacobs, Kadence Jeffries, Thomas Johnson, Patrick Johnstone, Nabil Kebbab, Bob Keller, Helen Kelly, Marnie Kern, Emily Kowalski, David Kutrufis, Robert Kwong, Michael Lawrence, Fred Leff, Cheyl Linscott, Marilyn Loitz, Pam Lowenthal, Joseph Matlack, Arlene McDonald, Susan Mechler, Kevin Milak, Stephen Mitchell, Lindsay Mondick, Keith Moore, Mick Nelson, Sue Nelson, Lisa Olack, Stephanie O'Malley, Cheryl Pearson, Betsy Purcell, Mary Redmond, Kyle Russell, Betsy Russell, Sandra Sanguinetti, Jason Schmeltzer, Gloria Schuldt, Lynne Shine, Wayne Shulby, Dave Smith, Robin Smith, Bob Staab, John Stanley, Eric Stimson, Mary Jo Swalley, Zach Toothman, Mary Ellen Tynan, Ron Van Pool, Robert Walker, Mary Wallack, Marianne Walling, Lesleigh Watson, Dipper Wettstein, Michael White, Greg York, Aaron Zhu.

## **STAFF**

Matt Barbini, Wendy Bartlett, Rebecca Chafin, Paula D'Amico, Tina Dessart, Dean Ekeren, Shana Ferguson, Jane Grosser, Brendan Hansen, Steve Levine, Jaime Lewis, Isabelle McLemore, Lindsay Mintenko, Patrick Murphy, Kaitlyn Palmieri, Eric Skufca, Joel Shinofield, Jennifer Thomas, MJ Truex, Mike Unger, Morgan Weinberg.

## **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.

37 **AGENDA REVIEW**

38 Bob Vincent presented the agenda (Attachment 1).

39  
40 **RULES OF ENGAGEMENT / PROTOCOL**

41 Bob Vincent provided an overview of the Rules of Engagement, including Zoom protocols.

42  
43 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

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

47  
48 If a Board member determines there to be a conflict of interest at any point during the course  
49 of the meeting when a specific subject is being discussed and / or action is being taken, a  
50 declaration of a conflict of interest should be made at that time.

51  
52 **CEO'S WELCOME**

53 Tim Hinchey, President & CEO, welcomed Board members and guests and expressed his  
54 gratitude for the support, communication, and open dialogue between staff and the Board  
55 over the last several months during the COVID-19 pandemic. Mr. Hinchey went on to praise  
56 the relationship and collaboration between staff, the Board, athletes, and coaches to find  
57 solutions to keep the sport of swimming alive, including the financial contributions to  
58 member clubs from the USA Swimming Foundation and LSCs. Finally, Mr. Hinchey  
59 emphasized USA Swimming's pivot to a stronger and more unified national governing body.

60  
61 **BOARD CHAIR'S REMARKS**

62 Bob Vincent remarked on the multitude of contributions from the USA Swimming executive  
63 staff, Foundation Board Chair Dr. Cecil Gordon and the USA Swimming Foundation, Local  
64 Swimming Committees (LSCs), member coaches, member athletes, and the Board of  
65 Directors during the COVID-19 pandemic.

66  
67 **MINUTES**

68 **MOTION:** *To approve the April 24, 2020 Board of Directors meeting minutes (Attachment 2).*  
69 *Seconded. APPROVED.*

70  
71 **BOARD PROCESS**

72 **NOMINATING COMMITTEE UPDATE**

73 Lucinda McRoberts, Chief Administrative Officer & General Counsel, reported that two new  
74 Board members would be elected the following day and highlighted the nomination process,  
75 including key dates and application numbers through each phase. Ms. McRoberts expressed  
76 gratitude to Davis Tarwater and Tom Ugast for their contributions to the Board, and  
77 additionally thanked Mary Wallack for leading the Nominating Committee.

Bob Vincent congratulated the Nominating Committee for finding six qualified candidates for the two open Board positions.

#### **BOARD PROPOSED LEGISLATION**

Bob Vincent explained proposed legislation R-20, which would move the management of certain LSC Bylaw changes to USA Swimming staff instead of the Rules & Regulations Committee, was not necessary at this time.

***MOTION To withdraw proposed legislation, R-20. Seconded. APPROVED.***

Lucinda McRoberts proposed memorializing previously Board-approved safety measures in Articles 202.4.10 (N), 202.4.16, 202.6.6 (H) and 202.6.19 to the House of Delegates to be officially added to the 2021 Rulebook.

***MOTION To submit to the House of Delegates the changes to Articles 202.4.10 (N), 202.4.16, 202.6.6 (H) and 202.6.19 approved by the Board under its emergency powers, effective as of August 1, 2020. Seconded. APPROVED.***

#### **PROPOSED CHANGES TO BOARD POLICY MANUAL**

Bob Vincent reported that, in consultation with the athletes from the Athletes Executive Committee, the proposed changes to the Board Policy Manual would allow more athlete representatives on the Zone Directors Council (Attachment 3).

***MOTION To approve the proposed changes to the Board Policy Manual by updating the composition of the Zone Directors' Council to include 12 elected Zone Directors, consisting of a Coach Director, a Non-Coach Director, and an Athlete Representative from each Zone. Seconded. APPROVED.***

#### **USA SWIMMING FOUNDATION UPDATE**

Cecil Gordon remarked on the productivity of the Foundation Board of Directors despite the difficulties with the COVID-19 pandemic. Mr. Gordon expressed his gratitude to the USA Swimming staff and the USA Swimming Board of Directors for their collaboration, support, and contributions over the past year. Mr. Gordon highlighted the successful Foundation Board transition to a strictly fundraising board, but also noted the unfortunate inability to meet in-person due to the pandemic.

117 **NEW PILLARS**

118 Cecil Gordon introduced the Four Pillars of the Foundation Board of Directors and described  
119 their ability to provide a strategic direction for fundraising and allow the Board more  
120 opportunities to collaborate with USA Swimming staff.

121  
122 Tim Hinchey presented the first pillar, Raise Money, on which he will work with the  
123 Foundation to increase the ability for more funds to be used for learn-to-swim programs and  
124 local community engagement, and additionally to raise money for the National Team. Mr.  
125 Hinchey explained the process by which the Foundation will work with the Commercial team  
126 on this pillar, including access to Digideck, a resource USA Swimming has utilized to capture  
127 global partners.

128  
129 Joel Shinofield, Managing Director of Sport Development, informed the Board that growing  
130 competitive opportunities is the purpose of pillar two, Make a Difference in Communities.  
131 Mr. Shinofield detailed the three components for which grants will be provided to clubs and  
132 other entities, including: (i) existing member clubs who are expanding their services and  
133 creating new opportunities within their community and neighboring communities; (ii) clubs  
134 that are led by women and underrepresented coaches who are building a community  
135 program; and (iii) clubs who partner with Historically Black Colleges and Universities to  
136 create programming and utilize the facilities HBCUs have available. Mr. Shinofield noted the  
137 goal of this initiative is to create a grant program by 2028 funded at the level of our current  
138 learn-to-swim grant program.

139  
140 Shana Ferguson, Chief Commercial Officer, reported that there will be more efforts to engage  
141 and recognize all past USA Swimming and USS Swimming members within pillar three,  
142 Engage Alumni.

143  
144 Mike Unger, Chief Operating Officer, presented pillar four, Support Facilities and Pools,  
145 which focuses on how the Foundation and its constituents can assist membership with  
146 access to facilities and pools through engaging current facility partners, accessing and getting  
147 more pools in diverse communities, and helping clubs acquire supplies for their outdoor  
148 facilities to operate during the cooler months.

149  
150 **CLUB GRANTS UPDATE**

151 Cecil Gordon provided background on how the Club Relief Program began and how through  
152 two rounds of applications the Foundation was able to grant almost \$3 million to over 700  
153 clubs impacted by the COVID-19 pandemic. Mr. Gordon additionally reported that Local  
154 Swimming Committees (LSCs) gave an additional \$6 million to clubs within their LSCs.

Joel Shinofield noted the importance of supporting clubs through the pandemic, including the role clubs play in allowing swimmers to develop as people and athletes as well as realize their dreams.

#### **“ENDS”**

Bill Charney, USA Swimming’s Governance Consultant, stated the Foundation’s purpose and presented the Ends, which will be used to measure the success of the Four Pillars by examining the growth in philanthropic support within each initiative.

#### **APPROVAL OF REVISION TO BYLAWS**

Cecil Gordon highlighted the changes made to the Foundation Bylaws, including minor administrative changes within Sections 3.1 and 5.2, and clarification within Section 5.6 regarding the Foundation Board’s Treasurer who will serve on USA Swimming’s Audit Committee, as opposed to the Investment Committee (Attachment 4).

***MOTION*** To approve the revision of the USA Swimming Foundation Bylaws provided. ***Seconded.***  
**APPROVED.**

Cecil Gordon summarized the Foundation’s accomplishments for the year by way of continuing learn-to-swim grants, successful Swim-A-Thons, and updated composition and direction for the Foundation Board of Directors.

#### **GOLDEN GOGGLE AWARDS**

Mike Unger reported that the Golden Goggle Awards will be held virtually on Thursday, November 19, 2020 with the hopes of hosting the event at both USA Swimming’s headquarters and the U.S. Olympic and Paralympic Museum. Mr. Unger added that the event will have many of the same components as an in-person event, including swimming hosts, virtual tables for sale, entertainment throughout the night, and a silent auction. Additionally, Mr. Unger noted that the event will be broadcast on the Olympic Channel and Peacock in the days following the live event.

Cecil Gordon thanked those on the USA Swimming Board who have given financially to the Foundation.

Bob Vincent exclaimed his excitement for the changes within the Foundation Board and remarked that he would match each Board member’s financial gift up to the Champions Club level of \$1,000.

195 **MONITORING**

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

198  
199 **MANAGEMENT PARAMETERS MONITORING**

200 **POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES**

201 Bob Vincent presented Policy 3.4, Financial Condition & Activities (Attachments 5 -9).  
202

203 ***MOTION:** To approve that the performance monitoring report on Policy 3.4, "Financial*  
204 *Condition & Activities," conveys (a) interpretations of the policy that are reasonable, and (b)*  
205 *that the report reasonably substantiates compliance with the policy requirements, consistent*  
206 *with the CEO's interpretations. Seconded. **APPROVED.***

207  
208 Eric Skufca, Chief Financial Officer, reported that USA Swimming has submitted its  
209 forgiveness application as part of the Paycheck Protection Program, with the hope of gaining  
210 more clarity and confirmation on our anticipated forgiveness in late 2020 or early 2021.

211  
212 Mr. Skufca explained the partial compliance of Policy Provision 2 is due to the unprecedented  
213 nature of 2020, which contributed to the revenue and expenditures being materially  
214 different from the 2020 budget approved by the Board in November 2019. Mr. Skufca noted  
215 that there is a strategic plan to reach compliancy for Policy Provision 2.

216  
217 Mr. Skufca presented the annually reviewed investment policy statement and noted most  
218 changes are housekeeping in nature based on the Investment Committee's annual review  
219 (Attachments 10 - 11).

220  
221 ***MOTION:** To approve USA Swimming's Investment Policy Statement. Seconded. **APPROVED.***  
222

223 **POLICY 3.6: FINANCIAL PLANNING AND BUDGETING**

224 Bob Vincent presented Policy 3.6, Financial Planning & Budgeting (Attachments 12 - 15).  
225

226 Eric Skufca conveyed that Policy Provision 5 requires Board approval for Board related  
227 expenditures in 2021.

228  
229 ***MOTION:** To approve that the performance monitoring report on Policy 3.6, "Financial*  
230 *Planning and Budgeting," conveys (a) interpretations of the policy that are reasonable, and (b)*  
231 *that the report reasonably substantiates compliance with the policy requirements, consistent*  
232 *with the CEO's interpretations. Seconded. **APPROVED.***  
233

**MOTION:** To approve Board related expenses for 2021. Seconded. **APPROVED.**

### **POLICY 3.10 LSC REPORTING REQUIREMENTS**

Bob Vincent presented Policy 3.10, LSC Reporting Requirements (Attachment 16).

Lucinda McRoberts briefly described Policy 3.10 and reported that all 59 LSCs signed an Affiliation Agreement, which memorialized the existing relationship between USA Swimming and its LSCs. Ms. McRoberts stated that next steps include looking at compliance related facets, as well as what the next iteration of the agreement will entail based on feedback from both USA Swimming and the LSCs.

**MOTION:** To approve that the performance monitoring report on Policy 3.10, "LSC Reporting Requirements," 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.**

### **ENDS/PRIORITY RESULTS MONITORING**

#### **POLICY 1.1: COMPETITIVE SUCCESS**

Bob Vincent presented Policy 1.1, Competitive Success (Attachment 17).

Lindsay Mintenko, Managing Director of the National Team, reported that with the postponement of the Olympic Games, the Ends in Policy 1.1 were altered for 2020 but will remain the same for the 2021 Olympic year. Mrs. Mintenko provided highlights from the report, including that the U.S. Anti-Doping Agency (USADA) has recognized USA Swimming as a world class National Governing Body (NGB) in their annual report, the organization was able to increase direct athlete support by 30%, and there is continued emphasis on mental health for athletes and coaches.

**MOTION:** To approve that the performance monitoring report on End 1.1, "Competitive Success," conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates achievement of the policy requirements, consistent with the CEO's interpretations. Seconded. **APPROVED.**

### **POLICY 1.3 PUBLIC ENGAGEMENT WITH SWIMMING**

Bob Vincent presented Policy 1.3, Public Engagement with Swimming (Attachment 18).

Joel Shinofield reported that the data used for Policy 1.3 comes from the Sports & Fitness Industry Association's (SFIA) annual research data, which is published in July and suggested that Policy 1.3 be presented at the September or November Board meeting in order to provide current and complete data.

Shana Ferguson added that without swim meets there is no data to report on tickets sales.

**MOTION:** *To approve that 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.*

## **STRATEGIC DISCUSSION**

### **ADDRESSING DIVERSITY, EQUITY, AND INCLUSION IN OUR SPORT**

Tim Hinchey congratulated MJ Truex, Senior Director of Education, Programs & Services, and Joel Shinofield on their Diversity, Equity, and Inclusion (DEI) efforts and emphasized that DEI efforts have been ongoing for years at USA Swimming.

Joel Shinofield briefly described the long-term and large scaled DEI imbedding efforts across the organization, including through coach education and LSC consulting.

MJ Truex thanked the Board and Strategy Team for their support with DEI efforts and provided an update on those efforts, including the launch of a DEI Council, which will provide strategic feedback to the organization. Ms. Truex also reported that USA Swimming is regularly collaborating with the Black Leadership in Aquatics Coalition (Team BLAC) to incorporate new ideas with current programing and noted that there is an intention to create other diverse athlete leadership groups in the future.

Ms. Truex then described the various metrics for measuring DEI efforts and provided steps coaches and other members should be taking as everyday engagement, including education, conversations, and intentional planning. Ms. Truex described how Key Performance Indicators (KPIs) for DEI are derived from a report card compiled by the United States Olympic and Paralympic Committee (USOPC) and how USA Swimming collaborates with other National Governing Bodies (NGBs) on DEI initiatives.

Kenneth Chung emphasized the importance of DEI as a business initiative, and Cecil Gordon conveyed the significance of being intentional with DEI efforts for DEI to be part of the standard in which we operate and allow us to continue to move in the right direction through both actions and words. The Board engaged in further discussions around DEI efforts, including networking and mentorships for athletes, coaches and parents; the creation of other athlete leadership groups; the importance of the demographics in swimming mirroring those of our country; identifying issues and creating opportunities; and engaging third-party consultants for various aspects.



Tim Hinchey asked that Policy 1.3, Provision C, be presented to the DEI Council for strategic discussion and feedback as to whether we have the right goals and KPIs.

#### **KEEPING ATHLETES FIRST INITIATIVE**

Lucinda McRoberts provided background and course of action for the four initiatives that compose the Keeping Athletes First (KAF) initiative. Ms. McRoberts stated that work on the four initiatives will continue through 2021 with the goal of having all swim clubs Safe Sport recognized, a coach education curriculum developed and facilitated through an internal learning management system (LMS), completing online member registration, and to continually maintain a best in class Safe Sport staff and program.

Ms. McRoberts presented statistics for clubs who have completed or initiated the process to achieve Safe Sport Club Recognition. Ms. McRoberts emphasized the need to normalize clubs achieving Safe Sport Club Recognition, specifically by removing barriers for completing the process so we can reach our goal of every USA Swimming club achieving Safe Sport Club Recognition by the end of 2021.

The Board engaged in discussion on the progress and importance of the Safe Sport Club Recognition initiative, including how LSCs can assist in the process.

#### **STAFF UPDATES**

Tim Hinchey submitted a written report to the Board (Attachment 19).

#### **MEMBERSHIP & FINANCES**

Eric Skufca remarked on the 2020 budget across all the divisions being materially different than what was approved in November 2019 due to the COVID-19 pandemic. Mr. Skufca highlighted the projected budget for 2020, noting the areas of lost revenue, including not using investment income to operate programs as we have done historically. Additionally, Mr. Skufca pointed out while there is a 25% decrease in revenue, the staff has proactively decreased expenditures by 25% to ensure financial steadiness in the coming years.

Joel Shinofield reported on the challenges regarding membership in 2020, noting the organization's goal to provide the same number of opportunities after the pandemic as prior to the pandemic. Mr. Shinofield conveyed the ways in which the organization is using membership surveys to project membership, including membership's ability to access facilities and pools. Mr. Shinofield also stated that membership numbers are declining for the 2021 membership year with the added challenge of Flex membership not being used as intended, which will negatively impact revenue and ultimately, the ability to fund programs.

Tom Ugast, Board Vice Chair of Fiscal Oversight, challenged the Board to reexamine revenue from membership in 2021, specifically Flex membership and club dues.

Bob Vincent added that due to COVID-19, it was decided not to implement or move forward with any changes to Flex membership and club dues in 2020 but agreed it would be necessary moving forward.

Tim Hinchey stated that the organization will continue to do more with less while prioritizing services and benefits for the membership.

## **RETURN TO COMPETITION**

Tim Hinchey reported on the massive undertaking of safely returning to competition from grassroots competitions to the Olympic Trials. Mike Unger remarked on the thorough and methodical approach various divisions within the organization have worked together to develop a plan to safely return to competition.

Joel Shinofield reported the goal of the Return to Competition plan is to provide a balanced access to competitions. Mr. Shinofield presented the Speedo Swim Again Series and detailed the virtual, month-long competition, noting in the first week of competition over 200 teams and more than 10,000 athletes participated.

Dean Ekeren, Director of Events, described the National Leaderboard as an individual competition that replaces the November TYR Pro Swim Series with separate leaderboards over the months of October, November, and December. Mr. Ekeren reported that currently the 2021 TYR Pro Swim Series will move forward as planned.

Mr. Ekeren reported that the Toyota U.S. Open is a decentralized elite level event being held at eight (8) to ten (10) sites. Mr. Ekeren provided further details, including a minimum of 80 athletes will compete at each site and all sites will be sanctioned, long course meters. Mr. Unger added that NBC will still broadcast the Toyota U.S. Open from a few of the event sites.

Lindsay Mintenko emphasized the importance of having long course competitions to prepare for the Olympic Games in 2021; this with the potential of a TYR Pro Swim Series for 2021.

Mr. Shinofield presented the 18 and Under Winter Championships that will also be distributed across the country to accommodate those who cannot travel. Mr. Shinofield reported that the competition will be sanctioned and can be hosted by any USA Swimming member club to format the meet as they wish between December 1 – 13, 2020 with those swimmers who achieve the published time standards included in the competition results.

Mr. Unger updated the Board on the 2021 Olympic Trials, including that the venue in Omaha is up and functional, current cuts will remain the same with 1,226 athletes currently qualified, USA Swimming is working with the city of Omaha on capacity allowance, and that due to the postponement we were actually able to get extra NBC broadcast hours.

The Board engaged in discussion regarding opportunities for athletes to make Trial cuts, rational for date changes, and creating opportunities for swimmers to compete.

#### **COLLEGE SWIMMING UPDATE**

Joel Shinofield introduced Greg Earhart, Executive Director of College Swimming and Diving Coaches Association of America (CSCAA).

Mr. Earhart provided an update on the work from CSCAA, including working with USA Swimming's Commercial division to show the value and success of swimming and diving programs, statistics regarding lost and added programs, and ways CSCAA is working with colleges to equip them with tools to save their swimming and diving programs. Mr. Earhart conveyed his hope for a new model for college athletic programs from the NCAA in which USA Swimming can work with them from the grassroots to the elite level. Finally, Mr. Earhart noted the two issues with the current swimming and diving college programs: cost and access.

#### **AQUATICS COALITION**

Shana Ferguson provided an update on the Aquatics Coalition, including providing clubs and facility operators with advocacy toolkits, guidance on engaging the media, guidelines for safely reopening as well as what to do if someone tests positive for COVID-19. Mrs. Ferguson described the various ways the Coalition is using their platform to continue its advocacy for reopening pools and facilities.

#### **IRC COMMITTEE UPDATE**

Mike Unger provided background on the process by which nominees for the FINA Committee and Panels are decided including, approval from the Board to endorse the nominees the International Relations Committee (IRC) recommended (Attachment 20).

***MOTION:*** To approve the recommendations provided by the IRC Committee for nominations to FINA committees to be forwarded to the United States Aquatic Sports (USAS). Seconded.  
**APPROVED.**

430 **COMMITTEE & VOLUNTEER ENGAGEMENT**

431 Tim Hinchey described his pathway to focusing on volunteer engagement after first making  
432 changes to athlete and coach engagement.

433  
434 Jim Sheehan reported that committee chairs have been surveyed and the data used from that  
435 survey will be used to determine areas of greater opportunities and address areas of  
436 concern. Mr. Sheehan noted that work has already begun with the Officials Committee and  
437 the Programs and Events Committee.

438  
439 **CLOSING ROUNDTABLE**

440 **NEXT MEETING / EVENTS**

- 441 • Board of Directors Meeting / Saturday, September 26, 2020
- 442 • Foundation Board of Directors / Thursday, November 19, 2020
- 443 • Golden Goggle Awards / Thursday, November 19, 2020
- 444 • Board of Directors Meeting / Friday, November 20, 2020

445  
446 **APPRECIATION TO OUTGOING BOARD MEMBERS**

447 Bob Vincent thanked Davis Tarwater and Tom Ugast for their work on the Board of the  
448 Directors over the last two years.

449  
450 **MEETING ASSESSMENT**

451 The Board engaged in a round table discussion assessing the day's meeting, including the  
452 progress and adjustments the organization has made in the face of the COVID-19 pandemic.

453  
454 **CLOSED SESSION (2.3.6)**

455 **LITIGATION UPDATE**

456 The Board went into closed session so Lucinda McRoberts could provide a legal update.

457  
458 **COMMERCIAL UPDATE**

459 The Board remained in closed session so Shana Ferguson could provide a confidential  
460 commercial update.

461  
462 **PERSONNEL UPDATE**

463 The Board remained in closed session so Lucinda McRoberts could provide a personnel  
464 update. All staff except Tim Hinchey and Lucinda McRoberts left the meeting.

465  
466 **COMPENSATION COMMITTEE UPDATE**

467 The Board remained in closed session for compensation discussions. Tim Hinchey and  
468 Lucinda McRoberts left the meeting.

469 **ADJOURN**

470 Bob Vincent adjourned this meeting at 3:05 p.m. Mountain Time.

471

472 Respectfully submitted:

A handwritten signature in black ink that reads "Lucinda McRoberts". The script is cursive and fluid.

Lucinda McRoberts, CAO & General Counsel

A handwritten signature in blue ink that reads "Bob Vincent". The script is cursive and stylized.

Bob Vincent, Board Chair

## USA Swimming Board of Directors Minutes Attachments

September 25, 2020 / Virtual Zoom Conference Call

Attachment 1	Page 2 – Agenda: September 25, 2020
Attachment 2	Page 2 – DRAFT BOD Minutes April 24, 2020
Attachment 3	Page 3 – Zone Directors’ Council Athletes Legislation
Attachment 4	Page 5 – USASF Bylaws Redline Pending USA-S BOD
Attachment 5	Page 6 – Policy 3.4 Financial Condition and Activities
Attachment 6	Page 6 – 2Q2020 Combined Quarterly Investment Review
Attachment 7	Page 6 – USA-S Q2 2020 Financial Statement Report
Attachment 8	Page 6 – USA-S Foundation Financial Statement Memo Q2
Attachment 9	Page 6 – USA-S Foundation Financial Statement Report Q2
Attachment 10	Page 6 – USA-S Investment Policy Stmt. June 2020 <b>Redline</b>
Attachment 11	Page 6 – USA-S Investment Policy Statement June 2020 <b>Final</b>
Attachment 12	Page 6 – Policy 3.6 Budget
Attachment 13	Page 6 – 2020 Budget vs. Current Projection w/ Details
Attachment 14	Page 6 – 2021 BOD Related Expenses
Attachment 15	Page 6 – Business Plan Summary 2017-2021
Attachment 16	Page 7 – Policy 3.10 LSC Reporting Requirements
Attachment 17	Page 7 – Policy 1.1 Competitive Success
Attachment 18	Page 7 – Policy 1.3 Public Engagement with Swimming
Attachment 19	Page 9 – Staff Update for the Board of Directors
Attachment 20	Page 11 – International Relations Committee Nominating Form

These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

## **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:

**PRESENT:** Maya Andrews, Chris Brearton, Kenneth Chung, Bruce Gemmell, Jennifer Gibson, Cecil Gordon, Natalie Hall, Tim Hinchey, Lucinda McRoberts, Kathleen Prindle, Bill Schalz, Jeanette Skow, Jim Sheehan, Davis Tarwater, Jay Thomas, Tom Ugast, Bob Vincent.

### **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 Hussion (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?"*

These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

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 with 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.



These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

#### 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.*

These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

## 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.*

These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

**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.

These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

**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

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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.

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## 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.**



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**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

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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



These minutes will be officially approved by the USA Swimming Board of Directors at its September 23, 2020 meeting.

### **USA Swimming Board of Directors Minutes Attachments**

April 24, 2020 / Virtual Zoom Conference Call

Attachment 1	Page 1 – Agenda: April 24, 2020
Attachment 2	Page 2 – DRAFT BOD Minutes January 31, 2020
Attachment 3	Page 3 – 2020 Board Proposed Rule Changes
Attachment 4	Page 3 – Board Governing Policy Manual Updates
Attachment 5	Page 4 – Policy 1.3 Public Engagement
Attachment 6	Page 4 – Policy 3.2 External Relations
Attachment 7	Page 5 – USAS Financial Statement Report 2019
Attachment 8	Page 5 – USAS Financial Written Report 2019
Attachment 9	Page 5 – Foundation Financial Statement Report 2019
Attachment 10	Page 5 – Foundation Financial Written Report 2019
Attachment 11	Page 5 – USAS Financial Statement Report Q1 2020
Attachment 12	Page 5 – USAS & Foundation Investment Statements Q1 2020
Attachment 13	Page 5 – Policy 3.4 Financial Conditions & Activities (Internal)
Attachment 14	Page 6 – Policy 3.5 Asset Protection
Attachment 15	Page 6 – Policy 3.8 Emergency Management Succession
Attachment 16	Page 6 – 2020 Recovery Plan



Members of the USA Swimming Board of Directors,

We would like to share with you the following proposed amendment to the Board Governing Policies and respectfully ask for its passing by the Board of Directors.

The Zone Directors' Council was founded with the intent of advising the Board of Directors in its pursuits and assisting the Board of Directors in executing its decisions. It has since grown into an efficient, effective, and fundamental aspect of our sport's governance structure. The Council's strengths have been consistently demonstrated through its provision of valuable perspectives to USA Swimming leadership, coordination of a greater sense of cohesion and organization across our four Zones, and acting as a necessary pathway between the Board and every level of our membership.

This background has recently included the Zone Athlete Representatives, joining the Council's meetings at the invitation of the Co-Chairs, but still serving without vote or official membership. We are truly grateful to the leaders of the Zone Directors' Council for their enthusiasm in fully including us in discussion, and to our organization's leadership for listening to our contributions. Yet, our participation is still unofficial, and only through the generosity of the Zone Directors' Council. We ask that the suggested legislation be formalized into the Board Governing Policies, officially cementing our membership in this vital council.

The Zone Athletes have worked – and will work – persistently for the betterment of our sport, by providing engaging services and resources to our LSC Athlete Representatives and membership bases; fostering governance progress and development at the National, Zone, and LSC levels; and building connections between leaders – athlete, non-athlete, and otherwise – at every level of the sport. We have been fortunate enough to have the opportunity to work with incredible individuals, from young LSC athlete leaders to the heads of our organization's operations, and seek to continue building upon this positivity, development, and productivity with our membership on the ZDC.

We sincerely appreciate your willingness to further promote our inclusion, both within this council and at every level of the organization. We are fortunate to have leaders so dedicated to legitimate athlete involvement and are excited for the future that we know our collaborative efforts can bring to USA Swimming. With athlete membership on the Zone Directors' Council, we look forward to a new era of collective and continuous work to build a better sport.

Our warmest regards,

**ZONE ATHLETE REPRESENTATIVES**

Annie Norris – SZ Sr. Athlete Representative  
Ryan Gibbons – SZ Jr. Athlete Representative  
Maria Davila – WZ Athlete Representative  
Bradley Jacobs – CZ Athlete Representative  
Sara Gaston – EZ Athlete Representative

**CO-SIGNED: ZONE DIRECTORS' COUNCIL**

Tristan Formon – EZ Coach Dir./ZDC Co-Chair  
Sean Redmond – WZ Coach Dir./ZDC Co-Chair  
Pam Lowenthal – CZ Non-Coach Director  
Michael White – CZ Coach Director  
Dave Smith – SZ Non-Coach Director  
Jim Kelly – SZ Coach Director  
Tim Husson – EZ Non-Coach Director  
Dale Ammon – WZ Non-Coach Director

**Board Governing Policies:**

**8. Zone Directors' Council**

A. **Deliverable:** Provision of advice and input to inform the Board of Directors of issues and opportunities within the four zones

B. **Authority:** To incur costs as budgeted and management time as needed

C. **Composition:** The ~~eight (8)~~ **twelve (12)** elected Zone Directors, **consisting of a Coach Director, a Non-Coach Director, and an Athlete Director from each Zone.** Chair to be elected by the group from among its members.

**BYLAWS OF**  
**USA SWIMMING FOUNDATION, INC.**  
**AMENDED SEPTEMBER 12, 2019**  
**Revisions approved by Foundation Board May 1, 2020.**  
**PENDING USA SWIMMING BOARD APPROVAL**

**ARTICLE I**  
**OFFICES**

Section 1.1 Business Offices. The initial principal office of the USA Swimming Foundation Inc., (the "Foundation") shall be as stated in the Articles of Incorporation. The Foundation may at any time and from time to time change the location of its principal office. The Foundation may have such other offices, either within or outside Colorado, as the Foundation's Board of Directors (hereinafter the "Foundation Board" or the "Board") may designate or as the affairs of the Foundation may require from time to time.

Section 1.2 Registered Office. The registered office required by the Colorado Revised Nonprofit Corporation Act (the "Act") to be maintained in Colorado shall be as set forth in the Foundation's Articles of Incorporation. The Foundation Board, subject to the approval of the Member as set forth in Article II of these Bylaws, may change the location of its registered office which may be, but need not be, the same as the principal office if in Colorado.

**ARTICLE II**  
**MEMBERS**

Section 2.1 Membership. The Foundation shall have one voting member, which is USA Swimming, Inc., a Colorado nonprofit corporation that is a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code (the "Member"). The Member shall have all rights permitted by applicable law, including the rights and duties of the Member as set forth in the Foundation's Articles of Incorporation and these Bylaws,

Section 2.2 Liability to Third Parties. The Member shall not, as such, be personally liable for the acts, debts, liabilities, or obligations of the Foundation.

Section 2.3 Additional Members. The Foundation may not add additional members or issue additional memberships without the prior written consent of the Member.

Section 2.4 No Termination, Expulsion, or Suspension. The Foundation Board shall have no right to terminate, expel, or suspend the Member.

Section 2.5 Rights of the Member. The Member shall have the right to vote in any proceeding, matter or question appertaining to the Foundation which is submitted to a vote by the Member pursuant to applicable law, the Foundation's Articles of Incorporation or these Bylaws.

Section 2.6 Representation of Sole Member. Any individual(s) duly authorized or designated by the board of directors of the Member to represent the Member at a meeting of the members of the Foundation shall be authorized to represent the Member for purposes of such meeting. The presence of such individual(s) as aforesaid shall be deemed to mean that the Member is present in person for purposes hereof. In the absence of the aforesaid designation, the Chief Executive Officer ("CEO") of the Member shall be deemed to represent the Member, but shall not have sole authority to veto an action of the Foundation Board.

Section 2.7 Meetings; Action by Written Consent. There is no requirement to have an annual meeting of the Member. The Member may act by written consent without a meeting, and such written consent is to be filed with the minutes of the proceedings of the subsequent

meeting of the Foundation Board.

### ARTICLE III BOARD OF DIRECTORS

Section 3.1 General Powers. Except as otherwise provided in the Act, the Articles of Incorporation or these Bylaws, and subject to the rights of the Member, the business and affairs of the Foundation shall be managed by, or under the direction of the Foundation Board. The Foundation Board shall exercise such powers in a manner that is consistent with the Foundation's purposes as set forth in its Articles of Incorporation. In the pursuit of such purposes by the Foundation, the activities of the Foundation Board shall be limited to fundraising, and maintaining and investing reserve and/or endowment funds, for the benefit of the Member, unless the Foundation Board proposes additional means of pursuing such purposes that are approved in advance and in writing by the Member or otherwise specifically set forth in these Bylaws or a Memorandum of Understanding between the Foundation and the Member. The Foundation Board shall not have any authority or responsibility for managing the business and affairs of the Member, including but not limited to any authority or responsibility to determine how funds raised by the Foundation are to be used by the Member. Notwithstanding the foregoing, the Foundation Board, with the prior written consent of the Member, may restrict the use of funds raised by the Foundation upon granting such funds to the Member such that the funds are used by the Member only for learn-to-swim programming and support of the Member's National Team and its athletes.

#### Section 3.2 Qualifications, Number, Election and Tenure.

(a) Qualifications. Each director must be a natural person who is eighteen years of age or older, a United States citizen and a current member in good standing of USA Swimming. A director need not be a resident of Colorado.

(b) Number. The number of voting directors of the Foundation shall be from at least nine (9) and no more than twenty-one (21), or such other number as may be fixed from time to time pursuant to these Bylaws. Any action of the Foundation Board to increase or decrease the permitted number of directors as set forth in these Bylaws, whether expressly by resolution or by implication through the election of additional directors, shall constitute an amendment of these Bylaws and must otherwise satisfy the requirements for amending these Bylaws as provided Article XI.

(c) Ex-Officio Directors. The Trustees Council, as defined in Article VII below, shall be entitled to elect one of its current members to serve as the Trustees Council Representative, who shall serve as a voting director. The Trustees Council representative shall be appointed to a term of two (2) years, which shall commence on January 1<sup>st</sup> of even-numbered years. The Chief Executive Officer (CEO) of the Member shall also serve as the CEO of the Foundation and as a member of the Foundation Board in a non-voting, ex-officio capacity.

(d) Nomination and Election. In its governing policies the Foundation Board shall establish criteria and a process to assign a Nominating Committee for the consideration of individuals proposed for election. Directors of the Foundation shall be elected by the Member's board of directors.

(e) Terms. Commencing in 2020, the terms of Foundation directors shall each be for three (3) years; provided, however, that all terms shall expire at the end of a calendar year, and accordingly, a director's term may be for a period of less than three (3) years in the event such director's term commenced after the beginning of a calendar year. The terms shall be staggered such that approximately one-third (1/3) of the directors shall be elected each year. Each director so elected shall hold office until such director's term expires and thereafter until such director's successor shall have been elected and qualified, or until such director's earlier death, resignation or removal. Notwithstanding terms of service prior to 2020, Directors may serve up to three (3) consecutive terms, subject to the approval of the Member prior to the second and third term(s). No decrease in the number of directors shall have the effect of

shortening the term of any incumbent director. Additionally, the term of the Board Chair shall be automatically extended as necessary for the completion of the four-year term of that office, and the terms of the Vice-Chair, Treasurer and Secretary shall be automatically extended as necessary for completion of the respective two-year terms of those offices.

Section 3.3 Resignation; Removal. Any director may resign at any time by giving written notice to the Board Chair or to the Secretary of the Foundation. A director's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. A director shall be deemed to have resigned in the event of such director's incapacity as determined by a court of competent jurisdiction. Any director may be removed at any time, with or without cause, the vote of a two-thirds majority of the other directors then in office, or by the Member, or as may otherwise be provided by law.

Section 3.4 Vacancies. Any vacancy of an elected director may be filled by the Member., If the Member chooses to fill the vacancy, the Member shall appoint an individual with the advice and consent of the Foundation Board. A director elected to fill a vacancy shall hold the office for the unexpired term of such director's predecessor in office and thereafter until such director's successor shall have been elected and qualified, or until such director's earlier death, resignation or removal. Any directorship to be filled by reason of an increase in the number of directors shall be filled by the Member, and a director so chosen shall hold office for a term of up to three (3) years as may be assigned for purposes of staggering terms, and until such director's successor shall have been elected and qualified, or until such director's earlier death, resignation or removal. If a director is appointed to fill a vacancy for a term of less than eighteen (18) months, that term shall not accrue towards the limitation on consecutive terms as specified in Section 3.2(d) above. A vacancy that will occur at a specific later date may be filled before the vacancy occurs, but the new director may not take office until the vacancy occurs.

Section 3.5 Annual and Regular Meetings.

(a) Unless directed otherwise by the Member, the Foundation Board shall hold one (1) annual meeting each November, at such time and place as determined by the Board Chair, or at such other time and place, either within or outside Colorado, as otherwise determined by the Member, for the purpose of electing and designating directors and/or officers, or for the transaction of such other business as may come before the meeting.

(b) In addition to the annual meeting as provided in Section 3.5(a), the Board shall hold such other regular meetings as it determines, which may be established by resolution at certain regular intervals. Regular meetings shall be held at the time and place, within the United States, as determined by the Board, for the transaction of such business as may come before the meeting.

Section 3.6 Special Meetings. Special meetings of the Board may be called by or at the request of the Board Chair, the chief executive officer, a majority of the directors then in office, or the Member. The person or persons authorized to call special meetings of the Foundation Board may fix the time and place, either within or outside Colorado, for holding any special meeting of the Board. Actions taken during such special meetings shall be limited to those pertaining to issues cited in the meeting notice.

Section 3.7 Notice of Meetings.

(a) Requirements. Notice of each meeting of the Foundation Board stating the date, time and place of the meeting shall be given to each director at such director's business or residential address at least five (5) days prior thereto by the mailing of written notice by first class, certified or registered mail, or by express mail. Notice may also be given at least forty-eight (48) hours prior to the meeting by personal delivery of written notice transmitted by facsimile, electronic mail, electronic transmission or any other form of wire or wireless communication (and the method of notice need not be the same as to each director). If mailed, such notice shall be deemed to be given when deposited in the United States mail, with postage thereon prepaid. If transmitted by facsimile,

electronic transmission or other form of wire or wireless communication, notice shall be deemed to be given when the transmission is complete.

(b) Waiver of Notice. A director may waive notice of any meeting before or after the time and date of the meeting stated in the notice. Except as otherwise provided in this Section 3.7(c), the waiver shall be in writing and signed by the director entitled to the notice. Such waiver shall be delivered to the Foundation for filing with the corporate records, but such delivery and filing shall not be conditions of the effectiveness of the waiver. A director's attendance at or participation in a meeting waives any required notice to that director of the meeting except where a member of the Foundation Board attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 3.8 Deemed Assent. A director of the Foundation who is present at a meeting of the Foundation Board when corporate action is taken is deemed to have assented to all action taken at the meeting unless (i) the director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting; or (ii) the director contemporaneously requests the director's dissent or abstention as to any specific action taken be entered in the minutes of the meeting; or (iii) the director causes written notice of the director's dissent or abstention as to any specific action to be received by the presiding officer of the meeting before the adjournment thereof or by the corporation promptly after the adjournment of the meeting. Such right of dissension or abstention is not available to a director who votes in favor of the action taken.

Section 3.9 Quorum and Voting. The presence of a majority of the voting directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at any meeting of the Foundation Board, and the vote of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the Foundation Board,, unless otherwise required by the Act, the Articles of Incorporation or these Bylaws. If less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting until a quorum shall be present.

Section 3.10 Voting by Proxy. No director may vote or act by proxy at any meeting of the Foundation Board.

Section 3.11 Compensation. Directors shall not receive compensation for their services. However, the reasonable expenses of directors in attendance at Foundation Board meetings may be paid or reimbursed by the Foundation. Directors shall not be disqualified to receive reasonable compensation for services rendered to or for the benefit of the Foundation or the Member in any other capacity.

Section 3.14 Meetings by Electronic Communications. Members of the Foundation Board or any committee thereof may participate in a regular or special meeting by, or conduct the meeting through, the use of telephone or similar communications equipment by which all directors participating may hear each other during the meeting. A director participating in a meeting by this means is deemed to be present at the meeting.

Section 3.15 Action Without a Meeting.

(a) Action without a meeting may be taken by the Foundation Board if notice as described herein (the "Notice") is transmitted to each director, and each director by the time stated in the Notice either votes in writing for such action, abstains in writing from voting, or fails to respond or vote or fails to demand in writing that action not be taken without a meeting.

(b) The Notice shall be in writing and shall state the action or actions to be taken, the time by which the director must respond, and that the director's failure to respond by the time stated in the Notice will have the same effect as if, prior to the time stated in the Notice, the director had abstained in writing and failed to demand in writing that action not be taken without a meeting, and any other matters the Corporation determines to include.

(c) Action is taken under subsection (a) only if at the end of the time stated in the Notice: (i) the affirmative votes in writing for such action equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the directors then in office were present and voted, and (ii) no director has delivered to the corporation a written demand (other than a demand that has been revoked pursuant to subsection (e)) that such action not be taken without a meeting. Unless the Notice specifies a different effective date, action taken pursuant to this section is effective at the end of the time stated in the Notice.

(d) A director's right to demand that action not be taken without a meeting is waived unless the director delivers such a demand in writing to the Foundation prior to the time stated in the Notice and does not revoke such demand pursuant to subsection (e).

(e) Any director who in writing has voted, abstained, or demanded that action not be taken without a meeting pursuant to this section may revoke such vote, abstention, or demand by delivering a writing to that effect to the Foundation prior to the time stated in the Notice.

(f) All communications transmitted pursuant to this section may be transmitted or received by mail or by electronically transmitted facsimile, e-mail, or other form of wire or wireless communication. For purposes of this section, communications to the corporation are not effective until received. Any communication which fails to comply with this subsection shall be deemed to be a failure to respond.

(g) Action taken pursuant to this section has the same effect as action taken at a meeting of directors or committee and may be described as such in any document.

(h) All writings necessary for any action taken pursuant to this section shall be filed with the minutes of the subsequent meeting of the Foundation Board.

(i) In addition to the foregoing, any action required or permitted to be taken at a meeting of the board of directors or any committee thereof may be taken without a meeting in any other manner permitted by the Act.

## ARTICLE IV BOARD COMMITTEES

**Section 4.1 Committees.** The Board may by resolution may designate and appoint committees, councils or task forces ("Board Committees") as it deems appropriate in carrying out its purpose and functions. Such committees shall consist of two (2) or more directors. The resolution establishing such Board Committee shall state its purpose, composition, guidelines, timeline and authority, except that, if any such committee has one (1) or more members thereof who are entitled to vote on committee matters and who are not then also directors, such committee may not exercise any power or authority reserved to the Foundation Board by the Act, the Articles of Incorporation or these Bylaws. No Board Committee shall have the authority to: (a) amend, alter or repeal these Bylaws; (b) elect, appoint or remove any member of any other committee or any director, elected officer or employee of the Foundation; (c) amend the Articles of Incorporation; (d) adopt a plan of merger or consolidation with another corporation; (e) authorize the sale, lease or exchange of any substantial property and assets of the Foundation not in the ordinary course of business; (f) approve a merger or plan of dissolution of the Foundation; (g) adopt a plan for the distribution of the assets of the Foundation; or (h) amend, alter or repeal any resolution of the Foundation Board. The delegation of authority to any committee shall not operate to relieve the Foundation Board or any member of the Board from any responsibility or standard of conduct imposed by law or these bylaws.

**Section 4.2 Rules and Procedures.** Rules governing procedures for meetings of any committee shall be the same as those set forth in these Bylaws or the Act for the Foundation Board unless the Board determines otherwise. Each Board Committee may adopt rules for its own activity not



inconsistent with these Bylaws, the Board's resolution establishing such committee, or the expectations set forth in the Board's governing policies.

## ARTICLE V OFFICERS

Section 5.1 Designation and Qualifications. The elected officers of the Foundation shall be a Board Chair, a Vice-Chair, a Treasurer and a Secretary. The individual who shall serve as Board Chair shall be designated by the board of directors of the Member, which designation will be transmitted in writing (which may be by e-mail) to the Foundation Board. The Vice-Chair, Treasurer and Secretary shall be elected by the Board from among its members. In addition, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Member shall, for so long as they hold such respective office with the Member, also serve as the Foundation's Chief Executive Officer and Chief Financial Officer. The CEO may also appoint, designate or authorize such other officers and agents, including, but not limited to, a chief development officer. One person may hold more than one office at a time. All officers must be natural persons who are eighteen (18) years of age or older.

Section 5.2 Election and Term of Office. Starting at the Annual Meeting in 2021, the Board Chair will be elected to a single term of four (4) years (to serve concurrently with the term of the Board Chair of the Member), and the Vice-Chair, Treasurer and Secretary will serve up to two consecutive two-year terms. The Board shall elect or appoint such other elected officers at the annual meeting of the Board immediately preceding the expiration of an elected officer's term. If the annual election and appointment of the elected officers shall not be held at or in conjunction with such meeting, such election or appointment shall be held as soon as convenient thereafter. Elected officers' terms shall expire at the end of a calendar year, however they shall hold office until such officer's successor shall have been duly elected or appointed and shall have qualified, or until such officer's earlier death, resignation or removal.

Section 5.3 Compensation. The elected officers of the Foundation shall not receive any compensation from the Foundation. Officers may, however, be paid salary and receive other benefits from the Member in connection with their service to both the Member and the Foundation.

### Section 5.4 Removal or Resignation of Officers

(a) The Foundation Board may not remove the Chief Executive Officer, Chief Financial Officer, or any other officer that is an employee of the Member. Removal of such the Chief Executive Officer shall be at the discretion of the Member, and removal of the Chief Financial Officer or any other officer that is an employee of the Member shall be at the discretion of the Chief Executive Officer.

(b) Elected officers may be removed from the elected officer position, with or without cause, by a majority vote of all of the remaining voting directors at any regular or special meeting of the Foundation Board, or by the Member. Removal from elected office does not constitute removal from the Board. An elected officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the Foundation, by giving written notice to the Board Chair, or to the Chief Executive Officer if the resigning officer is the Board Chair. Such officer's resignation shall take effect upon receipt by the Foundation unless the notice specifies a later effective date and the acceptance of such resignation shall not be necessary to make it effective. Any officer or agent shall be deemed to have resigned in the event of such officer's or agent's incapacity as determined by a court of competent jurisdiction.

(c) Election, appointment or designation of an officer or agent shall not itself create contract rights.

Section 5.5 Vacancies. A vacancy occurring in any Board-elected officer position, for

whatever reason, shall be filled by majority vote of the remaining directors. Any officer so elected shall fulfill the term of his/her predecessor. Such term shall not be counted towards the limitation of officer's tenure in Article IV, Section 3, above. A vacancy in the office of Board Chair however occurring, may be filled by the Member for the unexpired portion of the term. A vacancy in the office of the Chief Executive Officer shall remain vacant until such time as the Member fills the related office of the Member. A vacancy in the office of the Chief Financial Officer shall remain vacant until such time as the Chief Executive Officer fills the related office of the Member. If a resignation is made effective at a later date, the Board may permit the officer to remain in office until the effective date and may fill the pending vacancy before the effective date with the provision that the successor does not take office until the effective date, or the Board may remove the officer at any time before the effective date and may fill the resulting vacancy.

Section 5.6 Authority and Duties of Officers. The officers of the Foundation shall have the authority and shall exercise the powers and perform the duties specified below and as may be additionally specified by the Board or these Bylaws, except that in any event each officer shall exercise such powers and perform such duties as may be required by law.

(a) Board Chair. The Board Chair shall (i) preside at all meetings of the Foundation Board; (ii) see to it that the Board fulfills its duties as prescribed by law, the Articles of Incorporation, these Bylaws, and the Board's governing policies then in effect; (iii) be the official spokesperson of the Foundation Board and (iv) perform such other duties as the Board may from time to time prescribe.

(b) Vice-Chair. The Board Vice-Chair shall perform the duties of the Board Chair in the event of the Board Chair's absence, disability or refusal to act, and such other duties as may be assigned by the Foundation Board.

(c) Treasurer. The Treasurer shall: (a) advise the Board on matters of fiscal policy; and (b) serve as the ~~chairperson-a member of the Board's~~ USA Swimming's ~~Audit/Investment~~ Committee, which shall assure that the accounting and financial management functions of the Foundation are in adherence with the Board's governing policies related to financial practices, ~~and investments.~~

(d) Secretary. The Secretary shall (i) keep or cause to be kept the minutes of the proceedings of the Foundation Board and any committees of the Board; (ii) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (iii) ensure that the Foundation's governing documents are maintained and updated to reflect revisions duly made; (iv) keep or cause to be kept at the Foundation's registered office or principal place of business within or outside Colorado a record containing the names and addresses of all directors; and (v) perform such other duties as the Board may from time to time prescribe.

(e) Chief Executive Officer. Pursuant to a Memorandum of Understanding between the Foundation and the Member, the Chief Executive Officer (CEO) shall perform such duties as from time to time may be assigned to the CEO by the Foundation Board and the Member.

(f) Chief Financial Officer. The Chief Financial Officer shall (i) have the care and custody of all of the Foundation's funds, securities, evidences of indebtedness and other personal property; (ii) receive and give receipts and acquittances for moneys paid in on account of the Foundation, and pay out of the funds on hand all bills, payrolls and other just debts of the Foundation of whatever nature upon maturity; (iii) create, implement and monitor a set of fiscal and budgetary procedures that are designed to protect the financial health of the Foundation while fulfilling corporate strategy; (iv) in the absence of a separate controller, serve as the chief accounting officer of the Foundation, and as such prescribe and maintain the methods and systems of accounting to be followed, keep complete books and records of account, prepare and file all local, state and federal tax returns and related documents, prescribe and maintain an adequate system of internal audit, and prepare and furnish to the CEO and to the Foundation Board statements of

account showing the financial position of the Foundation and the results of its operations; (v) monitor compliance with all requirements imposed on the corporation as a tax-exempt organization described in section 501(c)(3) of the Internal Revenue Code; and (vii) perform all other duties incident to the office of chief financial officer and such other duties as from time to time may be assigned to the Chief Financial Officer by the CEO.

## ARTICLE VI STAFFING MATTERS

Section 6.1 Staffing. The staff services required by the Foundation may be provided by the staff of the Member under the direction of the CEO.

Section 6.2 Allocation of Expenses. Pursuant to a Memorandum of Understanding between the Foundation and the Member, the Foundation shall pay to the Member a fee for expenses incurred as a result of use by the Foundation of the Member's facilities, equipment, supplies and other tangible or intangible property or assets, as well as an allocation of compensation and benefits for officer and staff services provided by the Member to the Foundation.

## ARTICLE VII TRUSTEES COUNCIL

Section 7.1 Trustees Council. The Foundation shall be supported by a Trustees Council. Members of the Trustees Council shall not, as such, have any of the duties or liabilities of a director under law and shall not in any respect be considered directors of the Foundation.

(a) Composition. The Trustees Council shall be comprised of individuals or entities that have provided, or agreed to provide, substantial and sustained financial support to the Foundation and/or the Member. Any changes to the required contribution levels and corresponding donor recognition shall be as determined from time to time by the CEO and the Foundation Board.

(b) Meetings. The Foundation shall hold an annual meeting for the Trustees Council to enable its members to participate in briefing sessions (held either in person or by via teleconference in the discretion of the Member) with select members of the Member's Board of Directors and/or senior staff as determined by the Member. As applicable based on the expiration of the term of the Trustees Council representative on the Foundation Board, the Trustees Council will elect a successor representative at the annual meeting.

Section 7.2. Procedures. The Trustees Council shall follow such procedures as the Foundation Board may from time to time determine with respect to their roles as members of the Trustees Council.

## ARTICLE VIII FIDUCIARY MATTERS

Section 8.1 Indemnification.

(a) Scope of Indemnification. The Foundation shall indemnify each director, officer, employee and volunteer of the Foundation to the fullest extent permissible under the laws of the State of Colorado, and may in its discretion purchase insurance insuring its obligations hereunder or otherwise protecting the persons intended to be protected by this Section 6.1. The Foundation shall have the right, but shall not be obligated, to indemnify any agent of the Foundation not otherwise covered by this Section 6.1 to the fullest extent permissible under the laws of the State of Colorado.

(b) Savings Clause; Limitation. If any provision of the Act or these bylaws

dealing with indemnification shall be invalidated by any court on any ground, then the Foundation shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any applicable provision of the Act or these Bylaws that shall not have been invalidated. Notwithstanding any other provision of these Bylaws, the Foundation shall neither indemnify any person nor purchase any insurance in any manner or to any extent that would jeopardize or be inconsistent with the qualification of the Foundation as an organization described in section 501(c)(3) of the Internal Revenue Code, or that would result in the imposition of any liability under either section 4941 or section 4958 of the Internal Revenue Code.

Section 8.2 Conflicts of Interest. If any member of the Foundation Board or any committee has a financial interest in any contract or transaction involving the Foundation or the Member, such individual shall not participate in the Board's evaluation or approval of such contract or transaction unless the material facts of the relationship or interest are disclosed or known to the other directors or other committee members. If such disclosure is made, the contracts or transaction shall not be voidable if the Board or Committee in good faith authorized the contracts or transaction by the affirmative vote of the majority of the disinterested directors or committee members and the contract or transaction is fair to the Foundation at the time it is authorized.

## ARTICLE IX CERTAIN FINANCIAL MATTERS

Section 9.1 Foundation Role and Limitations. The role of the Foundation is to fundraise and support its Member. Unless expressly authorized and approved in advance and in writing by the Member, neither the Foundation nor any person acting on behalf of the Foundation shall (a) hire, retain or terminate any employees; or (b) accept any contribution, gift, grant, bequest or devise that is designated, restricted or conditioned by the donor.

Section 9.2 Fund. The Foundation will establish and manage funds for the benefit of the Member (the "Funds") in accordance with Generally Accepted Accounting Principles and governing policies of the Board then in-effect. Unless funds contributed to the Foundation are subject to an agreed-upon restriction, designation or limitation expressly authorized and approved in advance and in writing by the Member prior to the acceptance by the Foundation of such fund, all funds contributed to the Foundation are to be wholly-unrestricted (hereinafter, "Unrestricted Funds").

Section 9.3 Restricted Contributions. The Foundation may accept any Contribution that is expressly restricted or conditioned by the donor, provided that the restriction or condition is consistent with the Foundation's general tax-exempt purposes and provided that such Contribution and its restrictions or conditions are deemed acceptable to the Member prior to the acceptance of such Contribution. "Donor restricted" Contributions will be accepted for special funds, purposes or uses, and such restrictions and conditions will be honored (provided that any expenditure or distribution of such Contribution shall further the Foundation's tax-exempt purposes.)

Section 9.4 Investments. The Foundation shall have full power to invest and reinvest all property held in the Funds in such manner as the Foundation shall in its discretion determine. The Foundation may hold reasonable sums in cash for any period of time and may invest in properties of every kind and description, real or personal, tangible or intangible, without limitation; provided, however, that in making Funds investments, the Foundation shall exercise the judgment and care, under the circumstances then prevailing, that persons of prudence, discretion and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of capital. The Foundation shall not be responsible for any loss or reduction in value with respect to any assets held in the Fund unless such loss or reduction in the value is due to the intentional misconduct or gross negligence of the Foundation or its employees or agents. The Foundation may, in its discretion, engage investment advisors, custodians of securities, investment or property managers, appraisers, accountants, attorneys and other agents and advisors, and delegate to them

such powers or authority as the Foundation may determine, all as may be reasonably required for the Foundation to carry out its duties and responsibilities with respect to the Funds, and the Foundation may pay the reasonable fees and expenses of all such agents or advisors as direct expenses of the Funds.

Section 9.5 Distributions.

(a) All donations and gifts to the Foundation from and after the effective date of these Bylaws will be administered and distributed as set forth below.

(b) All amounts distributed pursuant to this Section 9.4 shall be distributed to the Member, or as the Member may direct in writing from time to time, for expenditure in a manner consistent with the Member's exempt purposes.

(c) Notwithstanding any provision of this Section 9.4 to the contrary, (1) the Funds shall at all times be held and administered in accordance with the provisions of the Internal Revenue Code as well as the Foundation's Articles of Incorporation and Bylaws as they now exist or may be hereafter amended and (2) all distributions will be subject to, and shall comply with, any applicable donor restrictions.

Section 9.7 Records, Reports and Audits. The Foundation shall maintain reasonable books, records and accounts of the Fund, and all such books, records and accounts shall be open to inspection, upon reasonable notice, by the Member and its authorized representatives, at the principal office of the Foundation during normal business hours. After the close of each fiscal year of the Foundation, financial transactions of the Foundation for the preceding fiscal year shall be audited by certified public accountants as selected by the board of directors, and a report of the audit shall be received by the Foundation Board within ninety (90) days following the close of the fiscal year. The Foundation shall prepare and distribute to the Member at least annually, a written financial report covering the funds held subject to these Bylaws, showing the assets then held by the Funds and all receipts, expenses and distributions during the period covered by the report. The Funds will be included in the annual information returns filed by the Foundation and in the audited financial reports prepared by the Foundation. The Foundation shall not be obligated to obtain a separate audited financial report for the Funds.

ARTICLE X  
MISCELLANEOUS

Section 10.1 Fiscal Year. The fiscal year of the Foundation shall be the calendar year.

Section 10.2 Conveyances and Encumbrances. Property of the Foundation may be assigned, conveyed or encumbered by such officers of the Foundation as may be authorized to do so by the Foundation Board, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the Foundation shall be authorized only in the manner prescribed by applicable statute.

Section 10.3 Execution of Instruments: All corporate instruments and documents shall be signed or countersigned, executed, verified or acknowledged by such officer or officers or other person or persons as the Foundation Board may designate in its governing policies.

Section 10.4 Principles of Construction. Words in any gender shall be deemed to include the other gender; the singular shall be deemed to include the plural and vice versa; the words "pay" and "distribute" shall also mean assign, convey and deliver; and the table of contents, headings and underlined paragraph titles are for guidance only and shall have no significance in the interpretation of these bylaws.

Section 10.5 Severability. The invalidity of any provision of these bylaws shall not affect the other provisions hereof, and in such event these bylaws shall be construed in all respects as

if such invalid provision were omitted.

Section 10.6 Directors, Officers and Trustees Not Deemed to Be "Trustees". None of the directors, officers or members of the Trustees Council of the Foundation, regardless of title, shall be deemed to be a "trustee" within the meaning given that term by trust law with respect to the Foundation or with respect to any property held or administered by the Foundation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

Section 10.7. Books and Records. The Foundation, at its offices, shall keep current and complete books of its financial accounts, and shall also keep minutes of the proceedings of its board of directors and committees, and shall keep a record of the names and addresses of all board members. All books and records of the Foundation may be inspected by any director, or the agent or attorney of any director, for any proper purpose at any reasonable time. Without limiting the foregoing, the Foundation shall comply with all applicable requirements related to corporate records in the Act.

## ARTICLE XI AMENDMENT OF BYLAWS

These Bylaws may be amended, altered or repealed, and new or revised Bylaws may be approved only upon a two-thirds majority vote of the directors present at any duly constituted meeting of the Foundation Board, provided that written notice of the proposed changes is distributed to all directors at least five days before the meeting at which such proposed action is to take place, and that no such amendment shall be adopted or become effective unless and until it has subsequently been approved by the Member's board of directors.

(END)

**USA SWIMMING FOUNDATION, INC.  
BYLAWS CERTIFICATE**

The undersigned certifies that s/he is the Secretary of USA Swimming Foundation, Inc., a Colorado nonprofit corporation, and that, as such, the undersigned is authorized to execute this certificate on behalf of said corporation, and further certifies that attached hereto is a complete and correct copy of the presently effective Bylaws of said corporation.

Dated: This 1<sup>st</sup> day of May, 202019.

\_\_\_\_\_  
\_\_\_\_\_, Secretary

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## Performance Monitoring Report

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TO: USA Swimming Board of Directors  
FR: Tim Hinchey, Chief Executive Officer  
Eric Skufca, Chief Financial Officer  
RE: Internal Report – Management Limitations  
Quarterly Monitoring on **Policy 3.4: Financial Condition and Activities**

We hereby present the monitoring report on the Policy 3.4 “Financial Condition and Activities” in accordance with the monitoring schedule set forth in Board policy.

We certify that the information contained in this report and the accompanying Income Statement and Balance Sheet are true for the quarterly period ending June 30, 2020.

Signed , President & CEO

, CFO

Date: September 16, 2020

**BROADEST POLICY PROVISION: “With respect to financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies.”**

**CEO’S INTERPRETATION:** (No change since previous report)

I submit that the Board’s concerns about avoiding fiscal jeopardy are comprehensively interpreted in this policy’s subsequent provisions. Regarding expenditures, I interpret “material deviation from Ends priorities” to mean avoidance of waste, such that all expenditures be viewed and can be correlated as investments towards the achievement of USA Swimming’s Ends.

### REPORT:

As to expenditures deviating from Ends policies, anticipated expenditures were itemized in our approved FY 2020 budget and are subject to review by the Board, using its monitoring system to ensure adherence to our Budget Policy (3.6). All expenditures/procurements during this reporting period have been authorized and determined to be consistent with the FY 2020 budget and Ends achievement.

We therefore report **COMPLIANCE**.

Interpretations and reporting data on the fiscal jeopardy provisions are presented with those provisions, below.

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**POLICY PROVISION 1: “The CEO will not manage finances without adherence to applicable Generally Accepted Accounting Principles (GAAP), as promulgated by the Financial Accounting Standards Board (FASB).”**

**CEO’S INTERPRETATION:** (No change since previous report)

I interpret this to be a clearly articulated standard, addressed to the best of our Chief Financial Officer’s ability throughout the year, with compliance verified at the conclusion of each fiscal year in the report of the independent auditor.



**REPORT:**

The organization's financial statements as of and for the year ended December 31, 2019 were audited and issued a clean opinion. The Chief Financial Officer continues to abide by GAAP.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 2: "The CEO will not expend more funds than have been projected to be received in the fiscal year, except up to the amount of any Board-approved operating deficit for such fiscal year."**

**CEO'S INTERPRETATION:** (No change since previous report)

This policy requires that annual operating expenses be less than total projected revenues, with the exception being up to the amount of a deficit-spend that the Board may have approved for a given fiscal year.

**REPORT:**

Year-to-date revenues are \$27,227,320 with corresponding operating expenses of \$14,168,095, for a year-to-date operating excess of \$13,059,225. Current forecast for fiscal year end is total revenue of \$32,998,933 and expenses of \$30,735,045, thus we project an operating surplus of \$2,263,888. Our original 2020 budget included \$44,716,445 of total revenue and \$40,757,681 of operating expense, thus a budgeted operating surplus of \$3,958,764 or a difference from our current projection of (\$1,694,876). The decrease in projected operating surplus primarily results from an anticipated decrease in membership and partnership marketing revenue due to the COVID-19 pandemic and closure of pools across the country, as well as the postponement of the Olympic Games and Olympic Trials. Understanding the amount of unknowns at this time, below are some of the material deviations from our original 2020 budget at the time of this monitoring report:

- Total revenues projected less than original budget by (\$11,717,512) or (26.2%).
  - Sport & Events revenue projected less by (\$5,708,635) primarily due to the Trials postponement and the deferral of these revenues until 2021,
  - Partnership Marketing revenue projected less by (\$2,845,035) given the cancellation of certain events and postponement of others, including Trials, which affects the ability to activate/fulfill our sponsor contracts in certain situations,
  - Membership revenues projected less by (\$2,024,168) given the current facility closures throughout the country, which will affect the last remaining months of the 2019-2020 membership year,
  - Investment Income projected less by (\$1,409,232) as a result from the organization discontinuing portfolio distributions to be used for operations for the remainder of 2020 to reduce additional strain on our reserves during these uncertain times.
  - USOPC Partnership revenue projected less by (\$1,231,200) primarily due to Olympic Games related grants that will be deferred to 2021.
- Total operating expenses less than original budget by \$10,022,636 or 24.6%.
  - National Team division projected less by \$4,651,499 primarily due to the postponement of the Olympic Games, Trials, and other events,
  - Commercial division projected less by \$1,982,739 primarily due to the postponement of Trials and other event activations,
  - Events & Member Services division projected less by \$1,499,750 primarily due to events and travel being cancelled or postponed,
  - Sport Development division projected less by \$939,902 primarily due to events and travel being cancelled or postponed.

We report **PARTIAL COMPLIANCE** based on the current 2020 projection compared to the original 2020 budget approved in November 2019. While we will not expend more funds than we project to receive, the anticipated operating surplus is materially less than budgeted. We note the ongoing concerted efforts by the Strategy Team and Division Directors to strategically make operational decisions that can position us as well as possible throughout the 2021 "five-year quad."

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**POLICY PROVISION 3: “The CEO will not allow cash and cash equivalents to drop below that amount necessary to meet operating expenditures over a 30-day period.”**

**CEO’S INTERPRETATION:** (No change since previous report)

This policy requires that we maintain liquid investments adequate to meet one month of operating expenses. I interpret these to include cash expenses only (not depreciation).

**REPORT:**

Cash and cash equivalents were \$4,008,104 at June 30, 2020 with 2020 projected monthly operating expenses at approximately \$2,550,000. Liquidity was in excess of the threshold required by this policy throughout the quarter.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 4: “The CEO will not borrow funds (with exception of credit cards used for normal business purposes and paid in full each month).**

**CEO’S INTERPRETATION:** (No change since previous report)

CEO/Staff are not authorized to borrow funds or use corporate assets as security for any purchase contracts. Use of credit cards by staff is permitted, with each card paid in full on a monthly basis.

**REPORT:**

Strategy Team members are not currently utilizing corporate credit cards, but approximately twelve other staff have corporate credit cards, with balances paid in full through the last statements. We have no other current debt.

In April 2020, USA Swimming applied for the Paycheck Protection Program, which provides a forgivable loan to support businesses’ payroll and operational needs. Following its application and loan approval, the Board discussed USA Swimming’s participation in the program and approved steps taken.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 5: “The CEO will not use Board-designated Reserve funds.”**

**CEO’S INTERPRETATION:** (No change since previous report)

Accessing the reserve funds is purely at the discretion of, and requires explicit authorization by, the Board of Directors.

**REPORT:**

The Board-designated Reserve has been tapped (expensed) \$326,316 year-to-date for two Board approved planned investments: the “Keeping Athletes First” initiative and legal expenditures. Both initiatives were Board approved to be used out of the Board-designated Reserve.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 6: “The CEO will not operate without settling payroll obligations and payables in a timely manner.”**

**CEO’S INTERPRETATION:** (No change since previous report)

Payroll must meet its obligations every two weeks. For other payables, I interpret “timely” to mean by the date stipulated in agreement with the vendor, or if not explicit, within thirty days of invoice (assuming provision of goods or services has been completed).

**REPORT:**

Payroll has met the schedule as interpreted above. USA Swimming processes payables weekly. There were no invoices in dispute as of June 30, 2020 and all payables have been paid on time.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 7: “The CEO will not allow tax or other government-ordered payments or filings to be overdue or inaccurately filed.”**

**CEO’S INTERPRETATION:** (No change since previous report)

All tax and governmentally required payments or filings (payroll, Form 990, 1099’s, etc.) must be made in a timely and accurate manner.

**REPORT:**

All withholding taxes and other such payroll payments and filings have been made within deadline by our payroll provider, ADP. Forms 1099/1096 were filed by January 31, 2020. The 2019 Form 990 is under the annual filing extension to November 15, 2020 and will be filed on time. There are no outstanding, overdue filings.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 8: “The CEO will not execute a purchase commitment, check or electronic funds transfer for greater than \$250,000, unless such expenditure was explicitly itemized in budget monitoring data previously disclosed to the Board. Splitting orders to avoid this limit is not acceptable.”**

**CEO’S INTERPRETATION:** (No change since previous report)

Any expenditure in excess of \$250,000 that was not disclosed as part of our budget plan must be approved by the Board.

**REPORT:**

No such expenditures in excess of \$250,000 have been incurred that were not part of our approved budget plan thus far in this fiscal year.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 9: “The CEO will not acquire, encumber, lease or dispose of real property.”**

**CEO’S INTERPRETATION:** (No change since previous report)

All decisions regarding the purchase, lease, sale or other claim of/on land, buildings, office or warehouse space are considered to be at the discretion of the Board.

**REPORT:**

No decisions or changes with respect to real property were made during this reporting quarter.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 10: “The CEO will not operate without aggressively pursuing material receivables after a reasonable grace period.”**

**CEO’S INTERPRETATION:** (No change since previous report)

USA Swimming is not to be lackadaisical regarding collections. “Material” is interpreted to be receivables that, when collected, are of greater value than the cost of collection (including staff time), but generally anything over \$10,000.00. “Aggressively” is interpreted to mean that we will seek legal counsel after a “grace period” of 60 days and reasonable collection efforts have been unsuccessful.

**REPORT:**

Primary receivables are membership dues, sponsorship payments, event fees, etc. At quarter end, there were seven sponsor contracts and one event vendor contract on our receivables that were both greater than \$10,000 and over 60 days past due (totaling \$1,418,500). We are monitoring and communicating with these customers regularly and either anticipate successful resolution or contract amendments without legal intervention at this time. Note our projection files account for any anticipated contract amendments with sponsors.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 11: “The CEO will not operate without adequate internal controls over receipts and disbursements to avoid unauthorized payments or material dissipation of assets.”**

**CEO’S INTERPRETATION:** (No change since previous report)

Controls must be in place that ensure that all disbursements are appropriately authorized. Further, all payments (checks, credit card purchases, petty cash, etc.) and capitalized assets must have corresponding documentation sufficient to satisfy the auditor. I interpret fulfillment of this policy to be evidenced by written Policies and Procedures that the auditor considers when performing audit procedures. Complete implementation (or absence) of recommendations brought forth by the auditor in a Management Letter is further evidence of compliance.

**REPORT:**

Controls in place are consistent with Board policy. The 2018 and 2019 fiscal audits were not accompanied by any Management Letter recommendations.

We therefore report **COMPLIANCE**.

**POLICY PROVISION 11A: “The CEO will not operate without clearly delineated procedures and limitations for reimbursement of authorized expenses incurred by board members and committee members, and others who are entitled to reimbursement from USA-S.”**

**CEO’S INTERPRETATION:** (No change since previous report)

Staff is to maintain, disseminate and ensure adherence to travel/expense reimbursement policies applicable to staff, Board members and other volunteers.

**REPORT:**

All travel/expense reimbursement processes have been uniformly applied with minimal exceptions (e.g. a missing cab receipt) that are neither material nor regular.

We therefore report **COMPLIANCE**.

**POLICY PROVISION 11B: “CEO credit card statements and/or expense reimbursements must be reviewed and authorized for payment by the Vice Chair-Fiscal Oversight. CEO credit card statements must be reviewed and approved within 30 days of payment.”**

**CEO’S INTERPRETATION:** (No change since previous report)

Documentation/receipts for CEO credit card statements and expense reports are to be provided electronically (Concur) to the Vice Chair – Fiscal Oversight for approval before payment.

**REPORT:**

Vice Chair-Fiscal Oversight reviewed and approved all expense reimbursements submitted by the CEO during the second quarter 2020. As to credit card statements, the CEO does not currently utilize a corporate credit card.

We therefore report **COMPLIANCE**.



## QUARTERLY INVESTMENT REVIEW

USA SWIMMING, INC.  
&  
USA SWIMMING FOUNDATION, Inc.

2nd Quarter 2020

- I. QUARTERLY ECONOMIC AND MARKET REVIEW**
- II. PORTFOLIO PERFORMANCE**
- III. FUNDS REVIEW**
- IV. OUTLOOK**





## 2Q20 Commentary

Equity markets staged a remarkable rally from the March 23rd pandemic lows, with US stocks finishing their best quarter in over 20 years. The health crisis that triggered the fastest bear market ever generated unprecedented monetary and fiscal stimulus in response by the government. Fear and panic over the unknowns surrounding COVID-19 began to subside as evidence emerged over the successful efforts to fight the virus and as the economy took steps to reopen from the government mandated shutdown. From the March 23rd lows through June 30, the S&P 500 Index and the Dow Jones Industrial Average (DJIA) surged ~39% while the Nasdaq Composite soared ~47% to hit a new 52-week high on June 8th.

For the second quarter of 2020, on a total return basis, the Nasdaq Composite led the major indices, rising 30.6%. The S&P 500 rose 20.5%, while the DJIA lagged with a 18.5% return. Through the first half of 2020, the divergence in performance among the broad indices is quite stark, with the Nasdaq up 12.7%, the S&P 500 down 3.1%, and the DJIA down 16.3%, reflecting widening investor opinions on various market segments are being impacted by the pandemic, with some sectors benefiting while others being severely hurt.

Within the S&P 500, top performing sectors for 2Q20 included technology and consumer discretionary. Technology is an area where pre-pandemic secular growth trends have actually accelerated due to the health crisis. With work-from-home, companies are adopting more digital processes both internally to connect to employees and externally to connect with customers. With stay-at-home, consumers are embracing more digital habits out of necessity. Energy and materials also outperformed, bouncing back from the significant declines seen during the sell-off in 1Q20.

Underperforming sectors in the S&P 500 included utilities, consumer staples, financial services and REITs. Utilities and consumer staples were strong performers in 1Q20, but lagged in 2Q20 as investors rotated to more cyclical sectors. Financial services, which is considered one of the more cyclical sectors, has been hurt by the uncertainty over loan losses, the Federal Reserve Bank's dovish stance on keeping rates lower for longer and a yield curve that has not steepened as much as some may have thought. In addition, the latest stress tests by the Fed barred banks from share buybacks and limited dividend payout ratios, a reminder of how regulated banks can be during times of economic stress.

By market capitalization, the smaller-cap Russell 2000 Index rose 25% and outperformed the larger-cap oriented Russell 1000 Index, which gained ~22%, as investors began to position for a cyclical recovery, typically led by smaller companies. By style, growth stocks continued to outperform value, despite some rotation by investors into certain cyclical sectors. The Russell 1000 Growth Index rose ~28% for 2Q20, about twice as much as the Russell 1000 Value Index, which rose ~14%. According to Ned Davis Research, the quarter was also characterized by the outperformance of "risk-on" factors such as lower-quality and higher beta stocks.

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The economic fallout from the health crisis and related shutdown is unprecedented, with severe GDP contraction expected for the second quarter, record unemployment levels that will likely take years to resolve, and certain businesses in retail and travel that may never recover. Nonetheless, the mere sense that the economy had hit bottom in the April-May timeframe, combined with massive monetary and fiscal support for individuals and businesses, was enough to propel equities higher off depressed levels.

Equity markets are after all a leading economic indicator, and historically have bottomed four to five months before the end of a recession, as well as before the trough in corporate profits and the peak in unemployment. Regardless of the type of economic recovery we now face, historical trends in equity markets are similar in the first eight months around the end of recessions, after which markets are more discerning about the actual shape of a recovery.

Given the unique nature of this crisis, the shape of the economic recovery will largely be driven by progress on the virus, including efforts to contain the spread, and advancements made on therapeutics and vaccines. This will ultimately drive business confidence and their willingness to resume hiring and investments, and consumer confidence and their willingness to spend. Given the reopening of the economy, GDP estimates for the third quarter are now positive when measured against the second quarter which will see a very steep decline. By some conventional definitions, this would indicate the end of a recession. If so, it would be the shortest and deepest recession since at least World War II. By other measures, such as unemployment, the recession is likely to be long-lived and take multiple years to return to pre-pandemic levels.

Resiliency in certain areas of the economy are evident, such as in technology, health care, and consumer spending on e-commerce. The obvious hard-hit areas in consumer services such as restaurants, hospitality, entertainment, travel, and brick and mortar sales, are much more dependent on progress with the virus. The industrial and manufacturing sectors have started to recover more recently, and the housing market has been supported by low interest rates. Record levels of unemployment are a serious concern, and in particular, if what are temporary job losses turn into permanent job losses. In the interim, generous unemployment benefits and stimulus checks have provided a bridge to those unemployed. If the job market does not improve at an acceptable pace, additional fiscal support is likely. The dramatic resurgence in Covid cases since the last two weeks of June in multiple states means a probable stall in economic activity as states pause or reverse reopening. While a return to full economic lockdown is unlikely, the road to recovery is likely to be bumpy and uneven, and the path of equity markets filled with continued volatility.

The fundamental backdrop for equities deteriorated significantly during 2Q20, as the toll of the economic shutdown reverberated through corporate profits. According to FactSet Research, 1Q20 earnings per share (EPS) for the S&P 500 fell 15%, with consumer discretionary, financial services, energy, industrials and materials all seeing sharp declines. Estimates for 2Q20 EPS have seen record high downward revisions by analysts, and now reflect a decline of ~44%, similar to forecasts for 2Q20 GDP. The trend is expected to improve in the second half of 2020, although still declining on a year-over-year basis. For the full year, EPS is projected to decline ~22%, similar to the historical average experienced during a recession. For 2021, analysts expect EPS growth to rebound, and forecast a rise of ~28%.

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Valuations of the S&P 500, as measured by the price-to-forward twelve-month earnings estimate (P/E) ratio, expanded from the March 23rd low of 13.3x to 21.9x at quarter-end, according to FactSet, and now exceed historical averages. While such a large move in such a short period of time is a bit concerning, multiple expansion is not too atypical when in the depths of a recession. On a cyclically depressed earnings base, investors will generally anticipate the rebound in profits as the economic cycle progresses. In addition, record low interest rates have supported higher valuations.

Further expansion in valuations is unlikely from here and support for equity markets will need to come from the earnings side. On this front, while earnings growth will be quite negative over the next few quarters, estimates of forward twelve-month earnings have stopped declining and have even started to rise slightly. This potential bottoming of forward estimates is a positive for equity investors, as markets often trade based on changes at the margin, rather than on absolutes, especially at inflection points.

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# Asset Class Return

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	10-Yr (2010-2020)	
												Annual Return	Annual Standard Deviation
Int'l - EM 78.5%	MLPs 35.9%	10-Yr Tr. 17.2%	REITs 19.7%	Sm. Cap 38.8%	REITs 28.0%	REITs 2.8%	Sm. Cap 21.3%	Int'l - EM 37.3%	Cash 1.8%	Lg. Cap 31.5%	10-Yr Tr. 12.7%	Lg. Cap 13.9%	MLPs 28.3%
MLPs 76.4%	REITs 27.9%	MLPs 13.9%	Int'l - EM 18.2%	Lg. Cap 32.4%	Lg. Cap 13.7%	Abs. Ret. 1.7%	MLPs 18.3%	Int'l - Dev. 25.0%	FI .01%	REITs 28.7%	FI 6.1%	Sm. Cap 10.5%	Sm. Cap 18.6%
HY 57.5%	Sm. Cap 26.9%	REITs 8.3%	Int'l - Dev. 17.3%	MLPs 27.6%	10-Yr Tr. 10.7%	Lg. Cap 1.4%	HY 17.5%	Lg. Cap 21.8%	10-Yr Tr. -0.03%	Sm. Cap 25.5%	Cash 0.4%	REITs 10.4%	Int'l - EM 17.9%
Int'l - Dev. 31.8%	Int'l - EM 18.9%	FI 7.8%	Sm. Cap 16.3%	Int'l - Dev. 22.8%	FI 6.0%	10-Yr Tr. 0.9%	Lg. Cap 12.0%	Sm. Cap 14.6%	HY -2.3%	Int'l - Dev. 22.0%	Lg. Cap -3.1%	HY 6.5%	REITs 15.6%
REITs 28.0%	Cmdty. 16.8%	Abs. Ret. 4.5%	Lg. Cap 16.0%	Abs. Ret. 9.3%	Sm. Cap 4.9%	FI 0.6%	Cmdty. 11.8%	REITs 8.7%	REITs -4.0%	Int'l - EM 18.4%	Abs. Ret. -3.1%	Int'l - Dev. 5.7%	Int'l - Dev. 15.1%
Sm. Cap 27.2%	HY 15.2%	HY 4.4%	HY 15.6%	HY 7.4%	MLPs 4.8%	Cash 0.0%	Int'l - EM 11.2%	Abs. Ret. 8.5%	Lg. Cap -4.4%	HY 14.4%	HY -4.8%	10-Yr Tr. 4.5%	Cmdty. 14.2%
Lg. Cap 26.5%	Lg. Cap 15.1%	Lg. Cap 2.1%	MLPs 4.8%	REITs 2.9%	HY 2.5%	Int'l - Dev. -0.8%	REITs 8.6%	HY 7.5%	Abs. Ret. -6.44%	10-Yr Tr. 8.9%	Int'l - EM -9.8%	FI 3.8%	Lg. Cap 13.4%
Cmdty. 18.9%	10-Yr Tr. 7.9%	Cash 0.0%	FI 4.2%	Cash 0.0%	Abs. Ret. 0.8%	Sm. Cap -4.4%	FI 2.7%	FI 3.5%	Sm. Cap -11.0%	FI 8.7%	Int'l - Dev. -11.3%	Int'l - EM 3.3%	HY 7.0%
FI 5.9%	Int'l - Dev. 7.8%	Sm. Cap -4.2%	10-Yr Tr. 4.2%	FI -2.0%	Cash 0.0%	HY -4.6%	Int'l - Dev. 1.0%	10-Yr Tr. 2.1%	Cmdty. -11.3%	Cmdty. 7.7%	Sm. Cap -13.0%	Abs. Ret. 1.3%	10-Yr Tr. 6.4%
Abs. Ret. 4.1%	FI 6.5%	Int'l - Dev. -12.1%	Abs. Ret. 0.9%	Int'l - EM -2.6%	Int'l - EM -2.2%	Int'l - EM -14.9%	Cash 0.2%	Cmdty. 1.7%	MLPs -12.4%	MLPs 6.6%	REITs -13.3%	Cash 0.6%	Abs. Ret. 4.8%
Cash 0.1%	Cash 0.1%	Cmdty. -13.3%	Cash 0.1%	10-Yr Tr. -7.8%	Int'l - Dev. -4.9%	Cmdty. -24.7%	10-Yr Tr. -0.2%	Cash 0.8%	Int'l - Dev. -13.8%	Cash 2.1%	Cmdty. -19.4%	MLPs -1.4%	FI 2.9%
10-Yr Tr. -9.7%	Abs. Ret. -0.9%	Int'l - EM -18.4%	Cmdty. -1.1%	Cmdty. -9.5%	Cmdty. -17.0%	MLPs -32.6%	Abs. Ret. -4.6%	MLPs -11.1%	Int'l - EM -14.6%	Abs. Ret. 0.1%	MLPs -35.7%	Cmdty. -5.8%	Cash 0.2%

Past performance is not indicative of future results. Large Cap (S&P 500 TR USD). Small Cap (Russell 2000 TR USD). International - Developed (MSCI EAFE NR USD). International - Emerging Markets (MSCI EM NR USD). REITs (FTSE NAREIT All Equity REITs TR). Commodities (Bloomberg Commodity TR USD). High Yield (BofAML US HY Master II TR USD). Absolute Return on one-month lag (Credit Suisse Equity Market Neutral USD). 10-Yr Treasury (US Treasury Current 10 Yr TR). Fixed Income (Barclays US Agg Bond TR USD). MLPs (Alerian MLP TR USD). Cash (IA SBBI US 30 Day TBill TR USD).

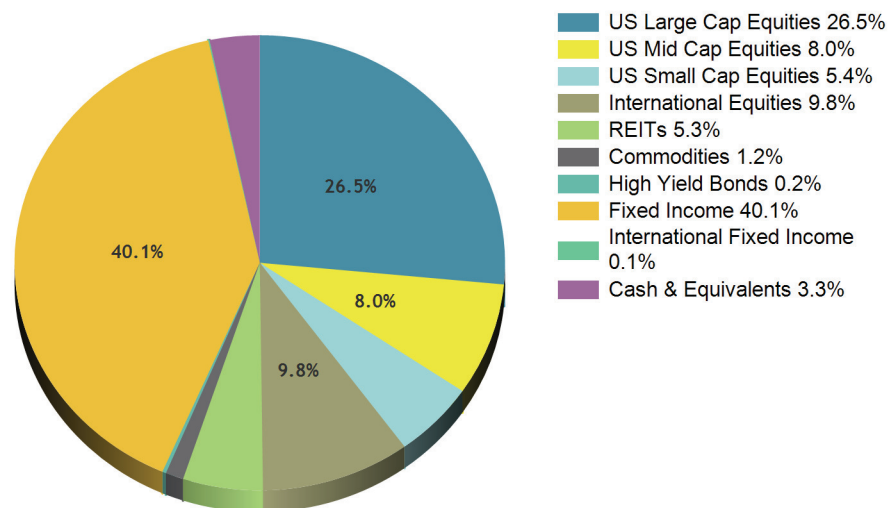
Sources: Morningstar Direct, Morningstar. As of 06/30/2020.

# Equity Markets - Sector Returns

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	10-Yr (2010-2020)
Info Tech 59.9	Cons. Disc. 25.7	Utilities 14.8	Fin. 26.3	Cons. Disc. 41.0	Utilities 24.3	Cons. Disc. 8.4	Energy 23.7	Info Tech 36.9	Health Care 4.7	Info Tech 48.0	Info Tech 14.2	Info Tech 18.8
Materials 45.2	Industrials 23.9	Cons. Staples 10.5	Cons. Disc. 21.9	Health Care 38.7	Health Care 23.3	Health Care 5.2	Fin. 20.1	S&P 500 21.8	Utilities 0.5	S&P 500 31.5	Cons. Disc. 6.6	Cons. Disc. 16.4
Cons. Disc. 38.8	Materials 19.9	Health Care 10.2	S&P 500 16.0	Industrials 37.6	Info Tech 18.2	Info Tech 4.3	Comm. Svcs. 17.2	Materials 21.4	Cons. Disc. -0.5	Comm. Svcs. 30.9	Comm. Svcs. -1.0	S&P 500 14.0
S&P 500 26.5	Energy 17.9	Cons. Disc. 4.4	Health Care 15.2	Fin. 33.2	S&P 500 13.7	Cons. Staples 3.8	Industrials 16.1	Cons. Disc. 21.2	Info Tech -1.6	Fin. 29.2	Health Care -1.7	Health Care 13.6
Industrials 17.3	S&P 500 15.1	Energy 2.8	Info Tech 13.1	S&P 500 32.4	Fin. 13.1	S&P 500 1.4	Materials 14.1	Fin. 20.0	S&P 500 -4.4	Industrials 26.8	S&P 500 -3.8	Industrials 9.3
Health Care 17.1	Comm. Svcs. 12.3	S&P 500 2.1	Comm. Svcs. 12.5	Info Tech 26.2	Cons. Staples 12.9	Comm. Svcs. -1.7	Utilities 12.2	Health Care 20.0	Cons. Staples -11.2	Cons. Disc. 26.2	Cons. Staples -7.1	Cons. Staples 8.6
Fin. 14.8	Fin. 10.8	Info Tech 1.3	Industrials 12.5	Materials 22.7	Cons. Disc. 8.0	Fin. -3.5	Info Tech 12.0	Industrials 18.5	Fin. -14.7	Cons. Staples 24.0	Materials -8.0	Fin. 7.6
Energy 11.3	Cons. Staples 10.7	Comm. Svcs. 0.8	Materials 12.2	Cons. Staples 22.7	Industrials 7.5	Utilities -8.4	S&P 500 12.0	Cons. Staples 10.5	Industrials -15.0	Utilities 22.2	Utilities -12.6	Materials 7.5
Cons. Staples 11.2	Info Tech 9.1	Industrials -2.9	Cons. Staples 7.5	Energy 22.3	Materials 4.7	Industrials -4.7	Cons. Disc. 4.3	Utilities 8.3	Comm. Svcs. -16.4	Materials 21.9	Industrials -15.5	Utilities 7.2
Utilities 6.8	Utilities 0.9	Materials -11.6	Energy 2.3	Utilities 8.8	Comm. Svcs. -1.9	Materials -10.4	Cons. Staples 2.6	Energy -3.8	Materials -16.5	Health Care 18.7	Fin. -24.6	Comm. Svcs. 5.8
Comm. Svcs. 2.6	Health Care 0.7	Fin. -18.4	Utilities -2.9	Comm. Svcs. 6.5	Energy -10.0	Energy -23.6	Health Care -4.4	Comm. Svcs. -6.0	Energy -20.5	Energy 7.6	Energy -37.0	Energy -2.6

Telecom Services (S&P 500 Sec/Telecom Services PR). Consumer Discretionary (S&P 500 Sec/Cons Disc PR). Industrials (S&P 500 Sec/Industrials PR). Information Technology (S&P 500 Sec/Information Technology PR). Consumer Staples (S&P 500 Sec/Cons Staples PR). Materials (S&P 500 Sec/Materials PR). Financials (S&P 500 Sec/Financials PR). Health Care (S&P 500 Sec/Healthcare PR). Utilities (S&P 500 Sec/Utilities PR). Energy (S&P 500 Sec/Energy). S&P 500 (S&P 500 TR USD).

### Portfolio Sector Allocation as of 6/30/2020



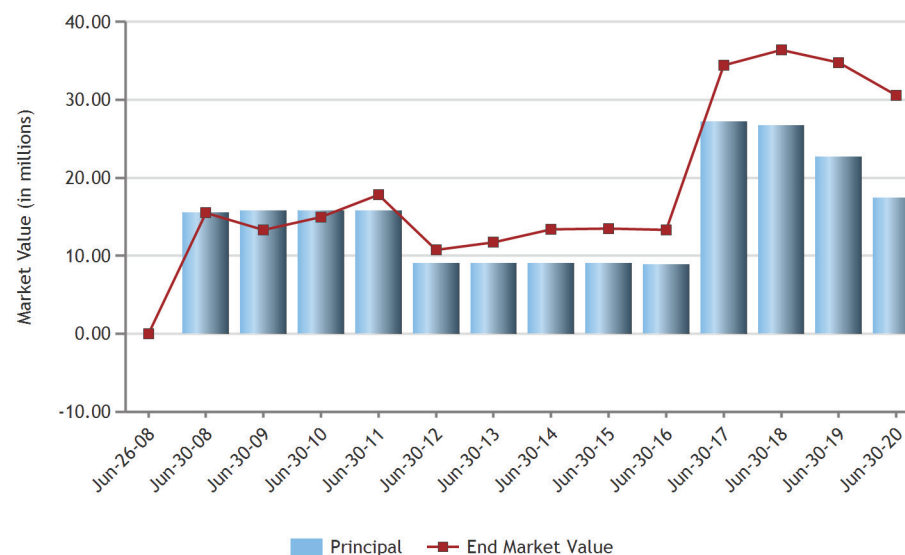
### Performance History

	QTD	YTD	3Yr	Since Inception <sup>(4)</sup> 6/26/2008
<b>Total Portfolio</b>	<b>11.66</b>	<b>-1.89</b>	<b>6.07</b>	<b>5.34</b>
<b>Index</b>				
Blended Benchmark	11.75	-2.09	5.48	
Consumer Price Index - All Items <sup>(5)</sup>		-0.84	1.59	1.45

### Activity Summary

	Quarter to Date	Year to Date	Since Inception 6/26/2008
<b>Beginning Value<sup>(1),(2)</sup></b>	<b>\$29,226,168</b>	<b>\$34,103,615</b>	<b>\$0</b>
Net Contributions/Withdrawals <sup>(3)</sup>	-\$2,010,252	-\$2,703,244	\$17,420,531
Gain/Loss	\$3,370,472	-\$813,982	\$13,165,857
<b>Ending Value<sup>(1),(2)</sup></b>	<b>\$30,586,389</b>	<b>\$30,586,389</b>	<b>\$30,586,389</b>

### Portfolio Growth: 6/26/2008 - 6/30/2020



(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary or Non-Reportable Assets.

(3) As accounts are added to or removed from the relationship, they are displayed as a contribution/withdrawal.

(4) Returns are Annualized for periods over 1 year.

(5) YTD reflects year-over-year change in inflation; Inception reflects annualized rate of inflation since inception. The CPI period-end is the prior month-end.

# USA Swimming, Inc.

## Sector Overview: As of June 30, 2020



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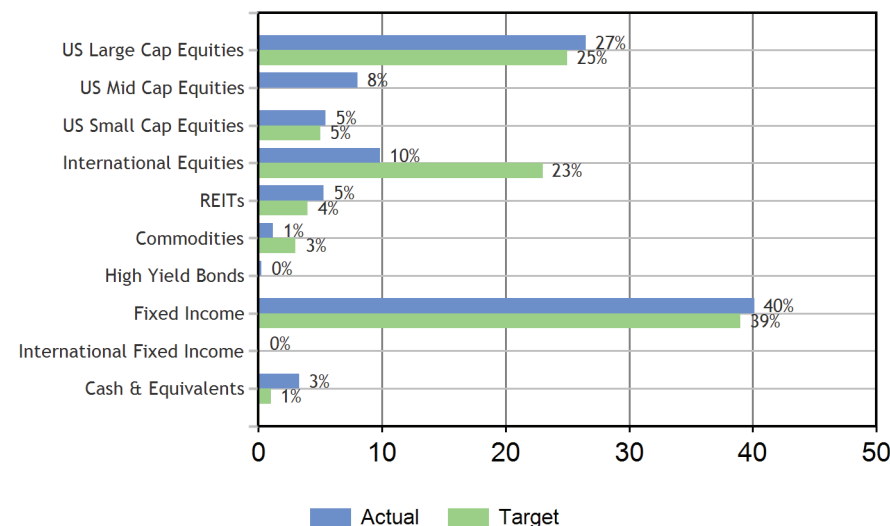
### Portfolio Sector Allocation<sup>(3)</sup>

	Market Value <sup>(1),(2),(3)</sup> As of 6/30/2020	Portfolio Weight
US Large Cap Equities	\$8,111,200	27%
US Mid Cap Equities	\$2,447,725	8%
US Small Cap Equities	\$1,661,461	5%
International Equities	\$3,009,807	10%
REITs	\$1,612,920	5%
Commodities	\$362,423	1%
High Yield Bonds	\$75,077	0%
Fixed Income	\$12,272,778	40%
International Fixed Income	\$26,793	0%
Cash & Equivalents	\$1,006,206	3%
<b>Total</b>	<b>\$30,586,389</b>	<b>100%</b>

### Portfolio Performance<sup>(2),(3),(6)</sup>

	QTD	YTD	1Yr	3Yr	5Yr	Inception Tq <sup>(4)</sup> 10Yr	Inception Date	Inception Date
US Large Cap Equities	20.30	-3.16	7.29	10.68	10.65	13.42	9.03	6/26/2008
US Mid Cap Equities						2.42		6/23/2020
US Small Cap Equities	25.75	-14.60	-8.79	0.62	3.21	10.14	6.35	6/26/2008
International Equities	17.15	-10.45	-4.55	2.47	2.87	5.33	1.77	6/26/2008
REITs	11.62	-16.30	-7.82	3.96	4.36	7.29	4.71	6/26/2008
Commodities						2.16		6/23/2020
High Yield Bonds	10.55	6.28	10.09	6.93	5.77		6.10	7/12/2011
Fixed Income	4.98	5.94	8.68	5.73	4.80	4.31	4.78	6/26/2008
International Fixed Income	26.60	3.01					5.18	9/15/2019
<b>Portfolio</b>	<b>11.66</b>	<b>-1.89</b>	<b>4.05</b>	<b>6.07</b>	<b>5.65</b>	<b>6.99</b>	<b>5.34</b>	<b>6/26/2008</b>

### Actual vs. Target Allocation



(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary or Non-Reportable Assets.

(3) Certain Sectors may not have been held for the entire reporting period of the Portfolio.

(4) Returns are Annualized for periods over 1 year.

(5) Securities not included in Total Market Value or Performance calculations, but may be included in Target Allocation.

(6) Managed Alternatives are included in Market Value but not in Performance due to the nature of the investment.



	Market Value <sup>(1),(2),(4)</sup>	Portfolio <sup>(5)</sup>							Since <sup>(3),(4)</sup>	Inception
	As Of 6/30/2020	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
<b>US Large Cap Equities</b>	\$8,111,200	27%	20.30	-3.16	7.29	10.68	10.65	13.42	9.03	6/26/2008
S&P 500 Index			20.54	-3.08	7.51	10.73	10.73	13.99		
<b>US Mid Cap Equities</b>	\$2,447,725	8%							2.42	6/23/2020
Russell Midcap Index			24.61	-9.13	-2.24	5.79	6.76	12.35		
<b>US Small Cap Equities</b>	\$1,661,461	5%	25.75	-14.60	-8.79	0.62	3.21	10.14	6.35	6/26/2008
Russell 2000 Index			25.42	-12.98	-6.63	2.01	4.29	10.50		
<b>International Equities</b>	\$3,009,807	10%	17.15	-10.45	-4.55	2.47	2.87	5.33	1.77	6/26/2008
MSCI EAFE Index			14.88	-11.34	-5.13	0.81	2.05	5.73		
MSCI Emerging Markets Index			18.08	-9.78	-3.39	1.90	2.86	3.27		
<b>REITs</b>	\$1,612,920	5%	11.62	-16.30	-7.82	3.96	4.36	7.29	4.71	6/26/2008
Wilshire U.S. REIT Index			10.56	-17.77	-12.30	0.23	3.98	9.22		
FTSE EPRA/NAREIT Developed Index			10.07	-21.33	-16.25	-1.60	1.27	6.30		
<b>Commodities</b>	\$362,423	1%							2.16	6/23/2020
Bloomberg Commodity Index			5.08	-19.40	-17.38	-6.14	-7.69	-5.82		
<b>High Yield Bonds</b>	\$75,077	0%	10.55	6.28	10.09	6.93	5.77		6.10	7/12/2011
BofAML HY Master II Index			9.61	-4.78	-1.10	2.94	4.58	6.48		
<b>Fixed Income</b>	\$12,272,777	40%	4.98	5.94	8.68	5.73	4.80	4.31	4.78	6/26/2008
Barclays Cap Aggregate Bond Index			2.90	6.14	8.74	5.32	4.30	3.82		
Barclays Municipal 1-10 Yr. Blend Index			2.69	2.12	3.84	3.29	2.97	3.09		
Barclays Municipal 1-15 Yr. Blend Index			2.70	2.18	4.18	3.75	3.42	3.59		
<b>International Fixed Income</b>	\$26,793	0%	26.60	3.01					5.18	9/15/2019
Barclays 1-3 Year Global Majors Index			1.23	1.92	2.05	2.01	1.89	0.25		
<b>Cash &amp; Equivalents</b>	\$1,006,206	3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.02	0.60	1.64	1.77	1.19	0.64		
<b>Total Portfolio</b>	<b>\$30,586,389</b>	<b>100%</b>	<b>11.66</b>	<b>-1.89</b>	<b>4.05</b>	<b>6.07</b>	<b>5.65</b>	<b>6.99</b>	<b>5.34</b>	<b>6/26/2008</b>

(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary, Non-Reportable or Managed Alternative Assets.

(3) Returns are Annualized for periods over 1 year.

(4) Certain Sectors may not have been held for the entire reporting period of the Portfolio.

(5) Portfolio Weights reflect current holdings as of period end. Portfolio may have had varying sectors weightings over historical periods.

# USA Swimming, Inc.

## Quarterly Performance Report: As of June 30, 2020



### Individual Account Performance

		Inception	Market Value <sup>(1),(2)</sup>	Portfolio								Since
		Date	As of 6/30/2020	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception <sup>(3)</sup>	
612422055	USA Swimming, Inc. - Equities - Pledged	6/26/2008	\$18,048,794	59.0%	16.86	-6.90	1.13	5.76	5.93	8.58		5.75
612422063	USA Swimming, Inc. - Fixed Income	6/26/2008	\$12,537,595	41.0%	4.78	5.63	8.14	5.26	4.45	6.62		6.57
USA Swimming, Inc.			\$30,586,389	100.0%	11.66	-1.89	4.05	6.07	5.65	6.99		5.34

(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary, Non-Reportable, or Managed Alternative Assets.

(3) Returns are Annualized for periods over 1 year.



First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
**USA Swimming, Inc. - Equities - Pledged**  
**612422055 (Formerly Fidelity 673218332)**  
*June 30, 2020*

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
<b>US Large Cap Equities</b>								
28,618	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	VOO	246.94	7,066,901.49	283.43	8,111,199.74	44.9	1.88
<b>US Mid Cap Equities</b>								
56,803.238	BAIRD MIDCAP FUND - INST #76	BMDIX	23.32	1,324,736.18	23.92	1,358,733.45	7.5	?
20,317	ISHARES RUSSELL MID-CAP ETF	IWR	52.43	1,065,248.42	53.60	1,088,991.20	6.0	1.68
				2,389,984.60		2,447,724.65	13.6	0.75
<b>US Small Cap Equities</b>								
11,604	ISHARES RUSSELL 2000 ETF	IWM	141.57	1,642,802.90	143.18	1,661,460.72	9.2	1.42
<b>International Equities</b>								
81,292.210	LAZARD INTL STRATEGIC EQUITY PORT INST CL	LISIX	13.74	1,116,909.74	13.60	1,105,574.06	6.1	2.09
19,046.273	OPPENHEIMER DEVELOPING MKTS FD CL I	ODVIX	39.69	755,926.03	41.62	792,705.88	4.4	0.76
28,655	VANGUARD FTSE DEVELOPED MARKETS ETF	VEA	38.94	1,115,695.02	38.79	1,111,527.45	6.2	2.69
				2,988,530.79		3,009,807.39	16.7	1.96
<b>REITs</b>								
58,144.194	VIRTUS DUFF & PHELPS GLOBAL REAL ESTATE SECURITIES FUND CLASS I #1860	VGISX	30.43	1,769,565.03	27.74	1,612,919.94	8.9	6.29
<b>Commodities</b>								
76,460.526	PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	PCRIX	4.64	354,750.68	4.74	362,422.89	2.0	3.65

First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
**USA Swimming, Inc. - Equities - Pledged**  
**612422055 (Formerly Fidelity 673218332)**  
*June 30, 2020*

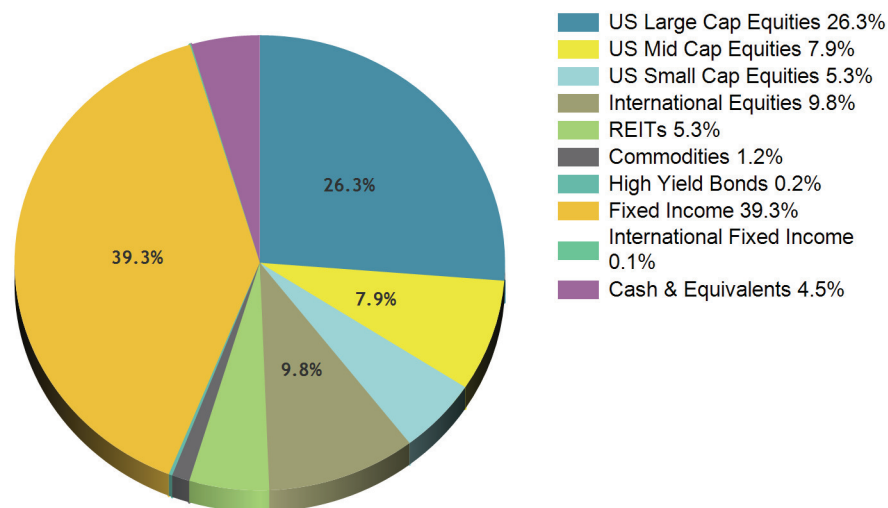
Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
<b>Cash &amp; Equivalents</b>								
	DIVIDENDS DECLARED	DIVACC		40,813.22		40,813.22	0.2	0.00
	FIDELITY IMM GOV CLASS I FUND #57	FIGXX		842,205.03		842,205.03	4.7	0.06
	FIRST WESTERN ICS MONEY MARKET	FWICS		-39,759.84		-39,759.84	-0.2	-0.06
				843,258.41		843,258.41	4.7	0.06
<b>TOTAL PORTFOLIO</b>				<b>17,055,793.90</b>		<b>18,048,793.75</b>	<b>100.0</b>	<b>2.04</b>

# USA Swimming Foundation, Inc.

## Portfolio Overview: As of June 30, 2020



### Portfolio Sector Allocation as of 6/30/2020



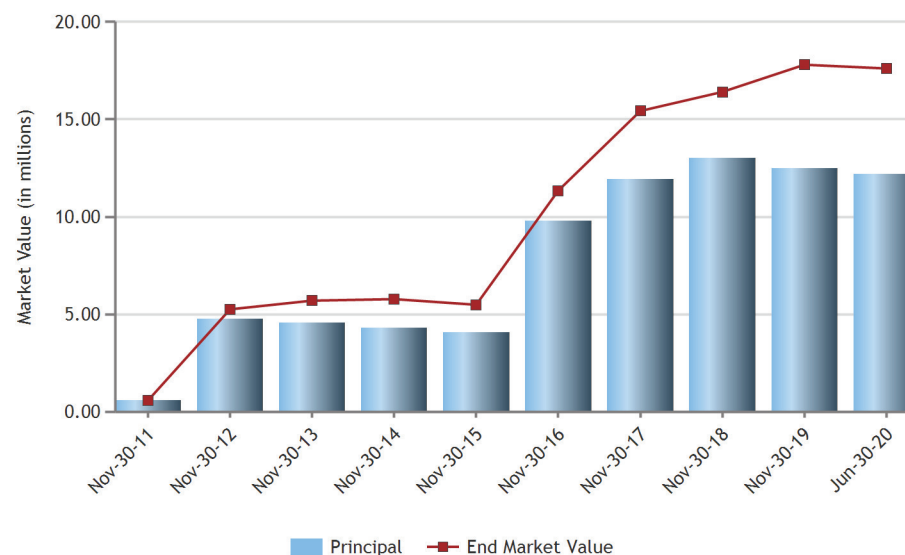
### Performance History

	QTD	YTD	3Yr	Since Inception <sup>(4)</sup> 11/30/2011
<b>Total Portfolio</b>	<b>12.79</b>	<b>-0.84</b>	<b>6.11</b>	<b>6.82</b>
<b>Index</b>				
Blended Benchmark	11.75	-2.09	5.48	6.31
Consumer Price Index - All Items <sup>(5)</sup>		-0.84	1.59	1.41

### Activity Summary

	Quarter to Date	Year to Date	Since Inception 11/30/2011
<b>Beginning Value<sup>(1),(2)</sup></b>	<b>\$17,098,844</b>	<b>\$19,575,966</b>	<b>\$586,463</b>
Net Contributions/Withdrawals <sup>(3)</sup>	-\$1,610,126	-\$1,715,422	\$11,600,942
Gain/Loss	\$2,121,183	-\$250,643	\$5,422,496
<b>Ending Value<sup>(1),(2)</sup></b>	<b>\$17,609,901</b>	<b>\$17,609,901</b>	<b>\$17,609,901</b>

### Portfolio Growth: 11/30/2011 - 6/30/2020



(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary or Non-Reportable Assets.

(3) As accounts are added to or removed from the relationship, they are displayed as a contribution/withdrawal.

(4) Returns are Annualized for periods over 1 year.

(5) YTD reflects year-over-year change in inflation; Inception reflects annualized rate of inflation since inception. The CPI period-end is the prior month-end.

# USA Swimming Foundation, Inc.

## Sector Overview: As of June 30, 2020



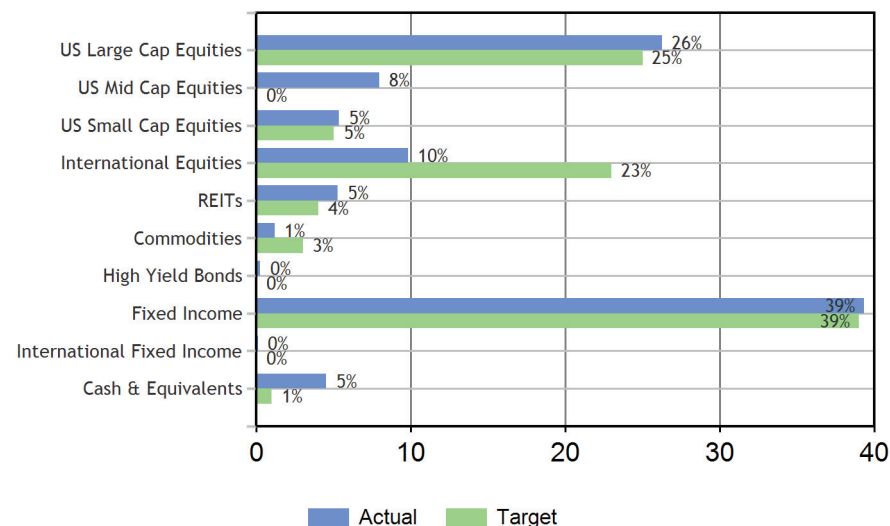
### Portfolio Sector Allocation<sup>(3)</sup>

	Market Value <sup>(1),(2),(3)</sup> As of 6/30/2020	Portfolio Weight
US Large Cap Equities	\$4,623,877	26%
US Mid Cap Equities	\$1,398,656	8%
US Small Cap Equities	\$941,265	5%
International Equities	\$1,732,755	10%
REITs	\$925,652	5%
Commodities	\$207,054	1%
High Yield Bonds	\$41,094	0%
Fixed Income	\$6,927,739	39%
International Fixed Income	\$16,076	0%
Cash & Equivalents	\$795,734	5%
<b>Total</b>	<b>\$17,609,901</b>	<b>100%</b>

### Portfolio Performance<sup>(2),(3),(6)</sup>

	QTD	YTD	1Yr	3Yr	5Yr	Inception Tq <sup>(4)</sup> 10Yr	Inception Date
US Large Cap Equities	20.44	-2.72	7.89	10.83	10.54	13.05	11/30/2011
US Mid Cap Equities						2.41	6/23/2020
US Small Cap Equities	25.81	-14.41	-8.46	1.04	3.27	9.23	11/30/2011
International Equities	16.97	-10.46	-4.56	2.52	2.91	5.26	11/30/2011
REITs	11.54	-16.16	-7.58	4.17	4.40	7.56	11/30/2011
Commodities						2.38	6/24/2020
High Yield Bonds	10.32	6.31	10.00	6.81	5.79	6.54	11/30/2011
Fixed Income	5.26	6.36	8.57	5.62	4.83	4.13	12/06/2011
International Fixed Income	26.59	2.65				4.80	9/15/2019
<b>Portfolio</b>	<b>12.79</b>	<b>-0.84</b>	<b>5.04</b>	<b>6.11</b>	<b>5.80</b>	<b>6.82</b>	<b>11/30/2011</b>

### Actual vs. Target Allocation



(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary or Non-Reportable Assets.

(3) Certain Sectors may not have been held for the entire reporting period of the Portfolio.

(4) Returns are Annualized for periods over 1 year.

(5) Securities not included in Total Market Value or Performance calculations, but may be included in Target Allocation.

(6) Managed Alternatives are included in Market Value but not in Performance due to the nature of the investment.

# USA Swimming Foundation, Inc.

## Performance by Sector: As of June 30, 2020



	Market Value <sup>(1),(2),(4)</sup>	Portfolio <sup>(5)</sup>								Since <sup>(3),(4)</sup>	Inception
	As Of 6/30/2020	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception		Date
<b>US Large Cap Equities</b>	\$4,623,877	26%	20.44	-2.72	7.89	10.83	10.54		13.05		11/30/2011
S&P 500 Index			20.54	-3.08	7.51	10.73	10.73	13.99			
<b>US Mid Cap Equities</b>	\$1,398,656	8%							2.41		6/23/2020
Russell Midcap Index			24.61	-9.13	-2.24	5.79	6.76	12.35			
<b>US Small Cap Equities</b>	\$941,265	5%	25.81	-14.41	-8.46	1.04	3.27		9.23		11/30/2011
Russell 2000 Index			25.42	-12.98	-6.63	2.01	4.29	10.50			
<b>International Equities</b>	\$1,732,755	10%	16.97	-10.46	-4.56	2.52	2.91		5.26		11/30/2011
MSCI EAFE Index			14.88	-11.34	-5.13	0.81	2.05	5.73			
MSCI Emerging Markets Index			18.08	-9.78	-3.39	1.90	2.86	3.27			
<b>REITs</b>	\$925,652	5%	11.54	-16.16	-7.58	4.17	4.40		7.56		11/30/2011
Wilshire U.S. REIT Index			10.56	-17.77	-12.30	0.23	3.98	9.22			
FTSE EPRA/NAREIT Developed Index			10.07	-21.33	-16.25	-1.60	1.27	6.30			
<b>Commodities</b>	\$207,054	1%							2.38		6/24/2020
Bloomberg Commodity Index			5.08	-19.40	-17.38	-6.14	-7.69	-5.82			
<b>High Yield Bonds</b>	\$41,094	0%	10.32	6.31	10.00	6.81	5.79		6.54		11/30/2011
BofAML HY Master II Index			9.61	-4.78	-1.10	2.94	4.58	6.48			
<b>Fixed Income</b>	\$6,927,739	39%	5.26	6.36	8.57	5.62	4.83		4.13		12/06/2011
Barclays Cap Aggregate Bond Index			2.90	6.14	8.74	5.32	4.30	3.82			
Barclays Municipal 1-10 Yr. Blend Index			2.69	2.12	3.84	3.29	2.97	3.09			
Barclays Municipal 1-15 Yr. Blend Index			2.70	2.18	4.18	3.75	3.42	3.59			
<b>International Fixed Income</b>	\$16,076	0%	26.59	2.65					4.80		9/15/2019
Barclays 1-3 Year Global Majors Index			1.23	1.92	2.05	2.01	1.89	0.25			
<b>Cash &amp; Equivalents</b>	\$795,734	5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
BofAML US 3 Month T-Bill Index			0.02	0.60	1.64	1.77	1.19	0.64			
<b>Total Portfolio</b>	<b>\$17,609,901</b>	<b>100%</b>	<b>12.79</b>	<b>-0.84</b>	<b>5.04</b>	<b>6.11</b>	<b>5.80</b>		<b>6.82</b>		<b>11/30/2011</b>

(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary, Non-Reportable or Managed Alternative Assets.

(3) Returns are Annualized for periods over 1 year.

(4) Certain Sectors may not have been held for the entire reporting period of the Portfolio.

(5) Portfolio Weights reflect current holdings as of period end. Portfolio may have had varying sectors weightings over historical periods.

# USA Swimming Foundation, Inc.

## Quarterly Performance Report: As of June 30, 2020



### Individual Account Performance

		Inception	Market Value <sup>(1),(2)</sup>	Portfolio							Since
		Date	As of 6/30/2020	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception <sup>(3)</sup>
612422022	USA Swimming Foundation, Inc. - Equities	11/30/2011	\$10,305,814	58.5%	18.38	-5.83	2.27	6.40	6.52		8.75
612422071	USA Swimming Foundation, Inc. - Fixed Income	12/6/2011	\$7,304,087	41.5%	5.01	6.02	8.01	5.15	4.41		3.69
USA Swimming Foundation, Inc.			\$17,609,901	100.0%	12.79	-0.84	5.04	6.11	5.80		6.82

(1) Values include Accrued Income.

(2) Values do not include Non-Discretionary, Non-Reportable, or Managed Alternative Assets.

(3) Returns are Annualized for periods over 1 year.

First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
**USA Swimming Foundation, Inc. - Equities**  
**612422022**  
**Moderate**  
June 30, 2020

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
<b>US Large Cap Equities</b>								
16,314	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	VOO	252.36	4,116,953.79	283.43	4,623,877.02	44.9	1.88
<b>US Mid Cap Equities</b>								
32,452.038	BAIRD MIDCAP FUND - INST #76	BMDIX	23.32	756,895.78	23.92	776,252.75	7.5	?
11,612	ISHARES RUSSELL MID-CAP ETF	IWR	52.43	608,832.94	53.60	622,403.20	6.0	1.68
				1,365,728.71		1,398,655.95	13.6	0.75
<b>US Small Cap Equities</b>								
6,574	ISHARES RUSSELL 2000 ETF	IWM	143.19	941,351.76	143.18	941,265.32	9.1	1.42
<b>International Equities</b>								
47,134.756	LAZARD INTL STRATEGIC EQUITY PORT INST CL	LISIX	14.48	682,516.92	13.60	641,032.68	6.2	2.09
10,888.058	OPPENHEIMER DEVELOPING MKTS FD CL I	ODVIX	41.00	446,420.64	41.62	453,160.97	4.4	0.76
16,462	VANGUARD FTSE DEVELOPED MARKETS ETF	VEA	41.76	687,525.78	38.79	638,560.98	6.2	2.69
				1,816,463.34		1,732,754.64	16.8	1.96
<b>REITs</b>								
33,368.837	VIRTUS DUFF & PHELPS GLOBAL REAL ESTATE SECURITIES FUND CLASS I #1860	VGISX	30.08	1,003,886.81	27.74	925,651.54	9.0	6.29
<b>Commodities</b>								
43,682.367	PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	PCRIX	4.63	202,249.36	4.74	207,054.42	2.0	3.65

First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
**USA Swimming Foundation, Inc. - Equities**  
**612422022**  
**Moderate**  
June 30, 2020

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
<b>Cash &amp; Equivalents</b>								
	DIVIDENDS DECLARED	DIVACC		23,318.36		23,318.36	0.2	0.00
	FIRST WESTERN ICS MONEY MARKET	FWICS		453,236.69		453,236.69	4.4	0.06
				<u>476,555.05</u>		<u>476,555.05</u>	<u>4.6</u>	<u>0.06</u>
<b>TOTAL PORTFOLIO</b>				<b>9,923,188.81</b>		<b>10,305,813.93</b>	<b>100.0</b>	<b>2.05</b>





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USA Swimming  
USA Swimming Athletes Foundation

2<sup>nd</sup> Quarter 2020

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## *Characteristics & Performance*



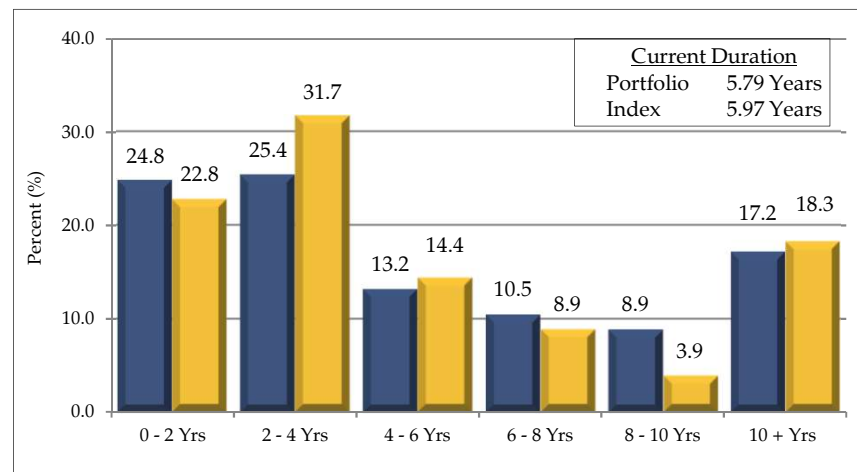
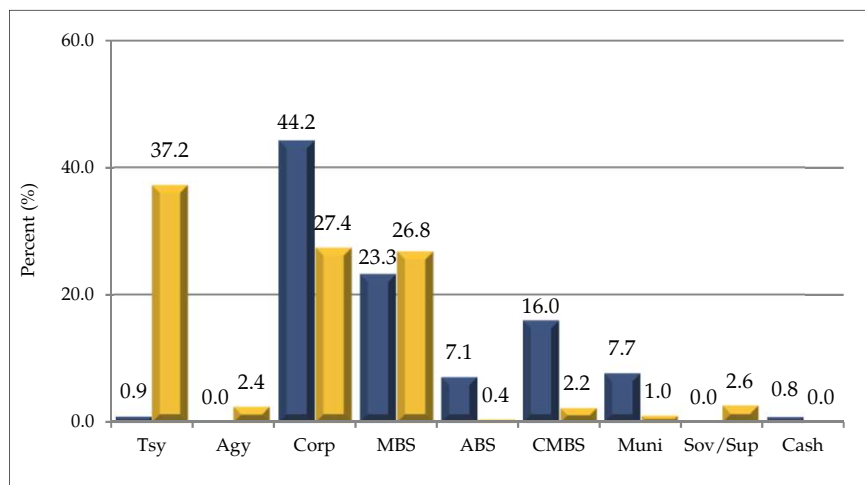
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# USA Swimming – Fixed Income Characteristics

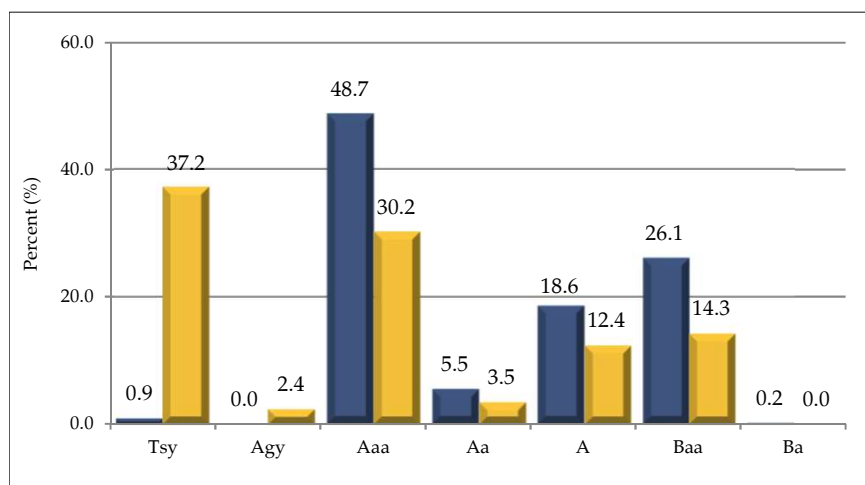
## Sector

As of 6/30/20

## Duration Distribution



## Ratings



## Characteristics

Duration	5.79 Years
Maturity	7.79 Years
Yield-to-Maturity	1.84%
Benchmark Yield-to-Maturity	1.26%
Credit Rating	Aa3

USA Swimming
Bloomberg Barclays U.S. Aggregate Bond Index

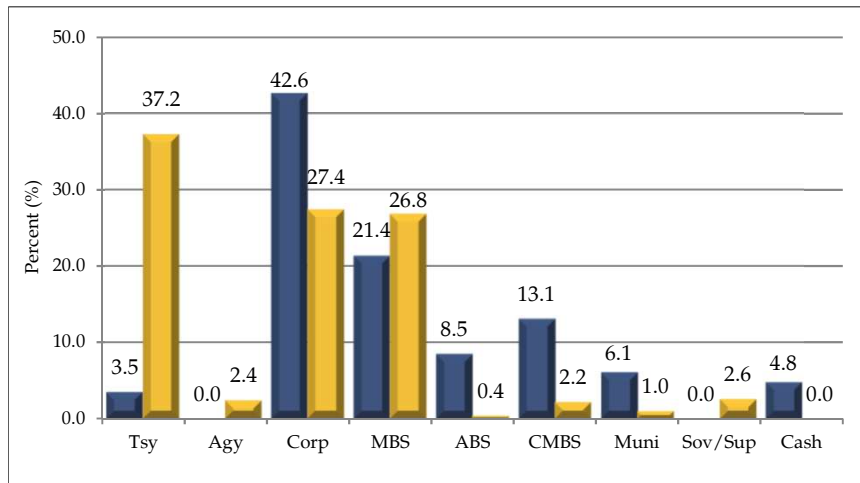


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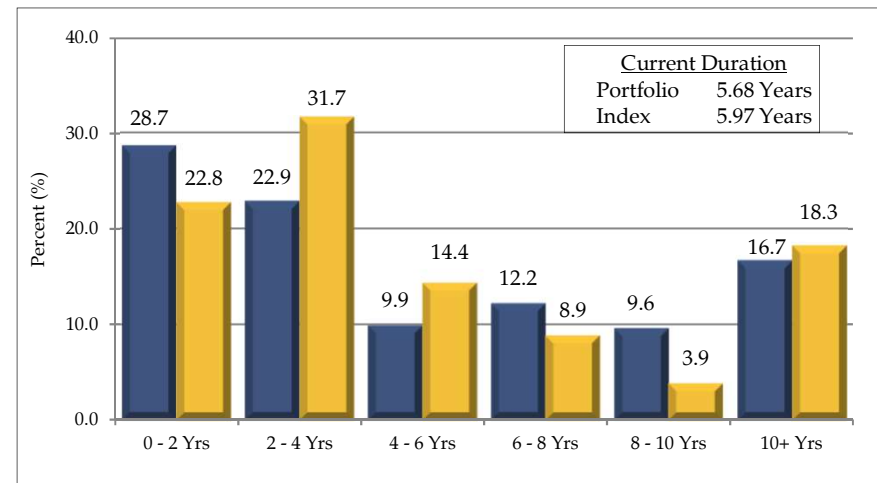
# USA Swimming Foundation – Fixed Income Characteristics

## Sector

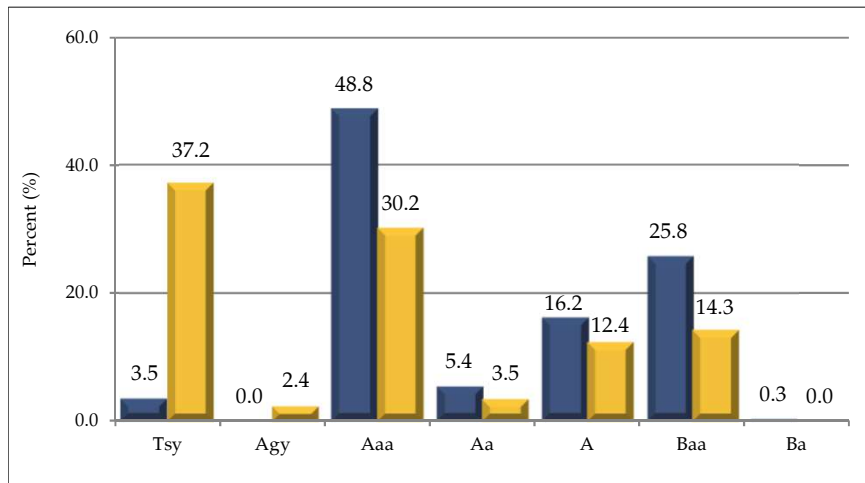
As of 6/30/20



## Duration Distribution



## Ratings



## Characteristics

Duration	5.68 Years
Maturity	7.65 Years
Yield-to-Maturity	1.76%
Benchmark Yield-to-Maturity	1.26%
Credit Rating	Aa3

USA Swimming Foundation
Bloomberg Barclays U.S. Aggregate Bond Index



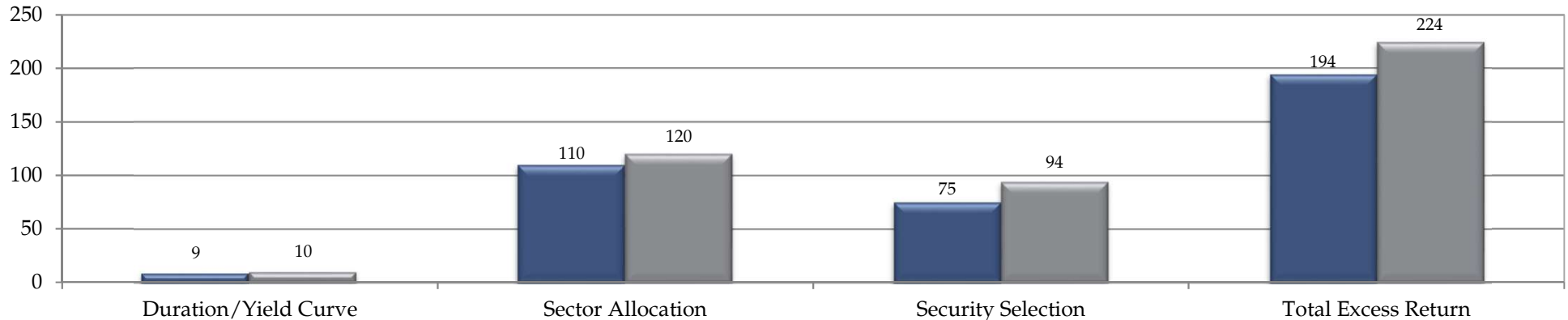
**Quarter Ended 6/30/20**

**USA Swimming: 4.84%**

**USA Swimming Foundation: 5.14%**

**Benchmark: 2.90%**

USA Swimming  
USA Swimming Foundation



## Active Decision

### Duration & Yield Curve

- Duration was short versus the index, underweight the long segment of the curve ; Overweight the 8-10 year segment

### Sector Allocation

- Overweight corporate bonds
- Overweight ABS and CMBS bonds

### Security Selection & Timing

- Overweight lower rated bonds
- Allocation to taxable municipal bonds
- Allocation to energy and consumer sectors

## Comments

- The Fed is providing significant support higher of the bond market which kept rates modestly lower inside of 10 years, while the 30 year rates were slightly higher. Duration had a limited impact while the curve was additive. The 10 year treasury finished the quarter at approximately 0.66%
- The corporate sector experienced torrid spread tightening, as the Fed programs along with states starting to lift some of their restrictions brought investors into the sector. Spreads tightened as the Fed drove investors into yield assets
- Lower rated credit outperformed with increased demand for risk assets
- Selection underperformance within sub-sector
- Relative performance with renewed risk appetite and rebound and oil prices

## Effect

- Positive
- Positive
- Positive
- Negative
- Positive

## *Strategy & Outlook*



## INVESTMENT OUTLOOK

- The economic outlook for the second half of the year and into 2021 will be heavily influenced by the strength and durability of the economic reopening and likely characterized by a series of fits and starts as officials respond to changing trends in the spread of the virus.
- While economic data consistently surprised to the upside in June, further progress is likely to be more uneven as states balance the need to reopen with the rising virus case numbers.
- The Fed has continued to make good on its “whatever it takes” posture and its efforts have drastically improved market liquidity and resulted in strong performance of risk assets.
- While we are likely to see bouts of heightened volatility for markets given the uncertain path of the pandemic, we expect risk assets will ultimately outperform with any short-term weakness met with strong demand as investors take advantage of more attractive valuations in markets supported by the Fed.

## STRATEGIC POSITIONING OF OUR PORTFOLIOS

- Durations will be managed modestly short to benchmark.
- Underweight Treasury securities in favor of corporate bonds, taxable municipals, and non-agency securitized products.
- Balanced outlook on agency MBS as strong support from the Fed is offset by heavy supply and elevated prepayment risk. Our holdings remain biased towards seasoned collateral that should exhibit less prepayment responsiveness to the decline in interest rates.



## *Appendix*



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## Disclosures

Market values contained in this report are based on pricing provided by Sterling's third party pricing vendor(s) and in accordance with Sterling's Valuation Policy. It is possible that these values may not reflect current market conditions, as third party pricing valuations rely on historic prices or a matrix of factors modeled to most closely represent the security's approximate valuation.

**USA Swimming, Inc.**  
**Balance Sheet**  
**As of June 30, 2020 and 2019**

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>\$ Change</u>	<u>Audited 12/31/2019</u>	<u>\$ Change</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	\$4,008,104	\$2,481,360	\$1,526,744	\$4,153,690	(\$145,586)
Accounts receivable	2,915,547	1,971,709	943,838	1,647,025	1,268,521
Prepaid expenses and deferred charges	1,633,827	1,205,219	428,609	2,017,707	(383,880)
Total Current Assets	<u>8,557,478</u>	<u>5,658,288</u>	<u>2,899,190</u>	<u>7,818,423</u>	<u>739,055</u>
<b>FIXED ASSETS:</b>					
Leasehold Improvements, IT Systems, FF&E, Other	13,763,778	16,376,779	(2,613,001)	14,224,901	(461,123)
Accumulated depreciation & amortization	(9,533,806)	(9,643,273)	109,468	(9,737,034)	203,228
Total Fixed Assets	<u>4,229,972</u>	<u>6,733,505</u>	<u>(2,503,533)</u>	<u>4,487,867</u>	<u>(257,895)</u>
<b>LONG-TERM INVESTMENTS:</b>					
Long-term Investments	30,485,908	34,658,314	(4,172,405)	34,037,760	(3,551,852)
<b>OTHER ASSETS:</b>					
Investment - Swim Trials, LLC	113,957	207,629	(93,672)	113,957	0
Prepaid rent	4,872,731	2,070,426	2,802,305	4,918,788	(46,057)
Total Other Assets	<u>4,986,688</u>	<u>2,278,055</u>	<u>2,708,633</u>	<u>5,032,745</u>	<u>(46,057)</u>
<b>TOTAL ASSETS</b>	<b><u>\$48,260,047</u></b>	<b><u>\$49,328,162</u></b>	<b><u>(\$1,068,115)</u></b>	<b><u>\$51,376,796</u></b>	<b><u>(\$3,116,749)</u></b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$425,548	\$3,264,102	(\$2,838,554)	\$2,461,894	(\$2,036,346)
Accrued expenses and other liabilities	3,105,493	1,074,998	2,030,494	1,525,970	1,579,523
Deferred revenue	2,308,291	1,636,000	672,291	15,857,251	(13,548,960)
Total Current Liabilities	<u>5,839,332</u>	<u>5,975,100</u>	<u>(135,769)</u>	<u>19,845,115</u>	<u>(14,005,783)</u>
<b>NONCURRENT LIABILITIES:</b>					
Total Liabilities	<u>5,839,332</u>	<u>5,975,100</u>	<u>(135,769)</u>	<u>19,845,115</u>	<u>(14,005,783)</u>
<b>NET ASSETS:</b>					
Unrestricted:					
Undesignated Net Assets	24,737,382	24,346,430	390,952	13,522,032	11,215,350
Board Designated - USSIC	17,683,333	19,006,632	(1,323,299)	18,009,649	(326,316)
Total Unrestricted Net Assets	<u>42,420,715</u>	<u>43,353,062</u>	<u>(932,347)</u>	<u>31,531,681</u>	<u>10,889,034</u>
Total Net Assets	<u>42,420,715</u>	<u>43,353,062</u>	<u>(932,347)</u>	<u>31,531,681</u>	<u>10,889,034</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$48,260,047</u></b>	<b><u>\$49,328,162</u></b>	<b><u>(\$1,068,115)</u></b>	<b><u>\$51,376,796</u></b>	<b><u>(\$3,116,749)</u></b>

**USA Swimming**  
**Income Statement - By Division**  
**For the Six Months Ended June 30, 2020**

	Year To Date Actual	2020 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2019	Favorable (Unfavorable)
<b>REVENUE:</b>						
Membership	\$20,619,797	\$23,806,500	(\$3,186,703)	-13.39%	\$22,197,208	(\$1,577,411)
Partnership Marketing Revenue	2,496,558	5,615,475	(3,118,917)	-55.54%	2,596,142	(99,584)
Consumer Revenue	21,210	185,000	(163,790)	-88.54%	67,273	(46,063)
USOPC Partnership	2,410,014	5,389,500	(2,979,486)	-55.28%	2,409,920	94
Investment Income	730,943	2,173,848	(1,442,905)	-66.38%	1,211,501	(480,558)
Foundation	445,000	1,245,000	(800,000)	-64.26%	370,000	75,000
Sport and Events	266,434	6,062,000	(5,795,566)	-95.60%	651,886	(385,452)
Other Income	237,364	239,122	(1,758)	-0.74%	357,109	(119,745)
<b>TOTAL REVENUE</b>	<b>27,227,320</b>	<b>44,716,445</b>	<b>(17,489,125)</b>	<b>-39.11%</b>	<b>29,861,039</b>	<b>(2,633,719)</b>
<b>EXPENSES:</b>						
<b>Technical/Sport:</b>						
Sport Development	2,180,236	5,364,094	3,183,859	59.36%	2,345,363	165,127
Events and Member Services	1,539,469	5,577,265	4,037,796	72.40%	3,996,304	2,456,835
National Team	2,642,532	11,124,500	8,481,968	76.25%	4,950,399	2,307,867
Total Technical/Sport	6,362,236	22,065,859	15,703,622	71.17%	11,292,065	4,929,829
<b>Other Programs:</b>						
Commercial	2,495,022	7,664,380	5,169,358	67.45%	2,753,714	258,693
Risk Management	1,826,527	3,330,687	1,504,160	45.16%	2,038,516	211,989
Foundation and MAS Support	0	311,000	311,000	100.00%	0	0
Total Other Programs	4,321,548	11,306,067	6,984,519	61.78%	4,792,230	470,682
<b>Administration:</b>						
Executive	610,345	1,849,578	1,239,233	67.00%	772,433	162,088
Finance	481,602	946,515	464,914	49.12%	752,268	270,666
Business Affairs	2,392,363	4,589,662	2,197,298	47.87%	2,128,279	(264,085)
Total Administration	3,484,310	7,385,755	3,901,445	52.82%	3,652,980	168,670
<b>TOTAL EXPENSES</b>	<b>14,168,095</b>	<b>40,757,681</b>	<b>26,589,586</b>	<b>65.24%</b>	<b>19,737,276</b>	<b>5,569,181</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$13,059,225</b>	<b>\$3,958,764</b>	<b>\$9,100,461</b>	<b>229.88%</b>	<b>\$10,123,763</b>	<b>\$2,935,462</b>
<b>Board Approved Reserve Investments:</b>						
<b>Operating Reserves:</b>						
Disaster Donations	0	(25,000)	25,000	-100.00%	0	0
IT Special Projects (CRM)	(324,227)	(350,000)	25,773	-7.36%	(113,597)	(210,630)
Cost of Flex	0	(1,300,000)	1,300,000	-100.00%	0	0
Safe Sport Contingency	0	0	0	0.00%	(45,000)	45,000
Athlete Leadership Summit	0	0	0	0.00%	(161,958)	161,958
<b>Board Designated Funds:</b>						
<b>"Keeping Athletes First" (KAF) Initiative:</b>						
Safe Sport Club Recognition Assistance	0	(1,000,000)	1,000,000	-100.00%	0	0
Coach Education & LMS	(5,213)	(1,750,000)	1,744,788	-99.70%	0	(5,213)
Safe Sport Staff Resources & Program Dev.	0	(500,000)	500,000	-100.00%	0	0
Online Member Registration	(98,401)	(250,000)	151,599	-60.64%	0	(98,401)
Legal	(222,702)	(250,000)	27,298	-10.92%	(187,080)	(35,622)
USSIC Sale Letter of Credit	0	(2,500,000)	2,500,000	-100.00%	0	0
<b>Total Board Approved Reserve Investments</b>	<b>(650,543)</b>	<b>(7,925,000)</b>	<b>7,274,457</b>	<b>-91.79%</b>	<b>(507,635)</b>	<b>(142,908)</b>
<b>Surplus (Deficit) Before Investment Gain (Loss)</b>	<b>12,408,682</b>	<b>(3,966,236)</b>	<b>16,374,918</b>	<b>-412.86%</b>	<b>9,616,128</b>	<b>2,792,554</b>
<b>Investment Gain (Loss)</b>	<b>(1,519,648)</b>	<b>0</b>	<b>(1,519,648)</b>	<b>0.00%</b>	<b>2,695,371</b>	<b>(4,215,018)</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$10,889,034</b>	<b>(\$3,966,236)</b>	<b>\$14,855,270</b>	<b>-374.54%</b>	<b>\$12,311,498</b>	<b>(\$1,422,464)</b>

**USA Swimming**  
**Income Statement - By Category**  
**For the Six Months Ended June 30, 2020**

	Year To Date Actual	2020 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2019	Favorable (Unfavorable)
<b>REVENUE:</b>						
Membership	\$20,619,797	\$23,806,500	(\$3,186,703)	-13.39%	\$22,197,208	(\$1,577,411)
USOPC Partnership	2,410,014	5,389,500	(2,979,486)	-55.28%	2,409,920	94
Partnership Marketing Revenue	2,496,558	5,365,475	(2,868,917)	-53.47%	2,596,142	(99,584)
Consumer Revenue	21,210	435,000	(413,790)	-95.12%	67,273	(46,063)
Sport and Events	266,434	6,062,000	(5,795,566)	-95.60%	651,886	(385,452)
Foundation and Swim-A-Thon	445,000	1,245,000	(800,000)	-64.26%	370,000	75,000
Investment Income	730,943	2,173,848	(1,442,905)	-66.38%	1,211,501	(480,558)
Other Income	237,364	239,122	(1,758)	-0.74%	357,109	(119,745)
<b>Total Revenue</b>	<b>27,227,320</b>	<b>44,716,445</b>	<b>(17,489,125)</b>	<b>-39.11%</b>	<b>29,861,039</b>	<b>(2,633,719)</b>
<b>EXPENSES:</b>						
Salaries and Wages	4,174,425	9,630,147	5,455,722	56.65%	4,047,666	(126,759)
Employee Benefits	1,062,742	2,039,511	976,769	47.89%	976,816	(85,927)
Employment Taxes	301,496	614,201	312,706	50.91%	287,284	(14,211)
Total Payroll and Benefits	5,538,663	12,283,859	6,745,197	54.91%	5,311,766	(226,897)
Insurance	1,859,472	3,317,732	1,458,260	43.95%	2,008,046	148,575
Professional Fees & Honoraria	1,349,175	3,595,891	2,246,716	62.48%	1,843,395	494,220
Direct Athlete Support	1,199,777	4,893,000	3,693,223	75.48%	1,500,426	300,649
Depreciation and Amortization	759,363	1,500,600	741,237	49.40%	624,309	(135,054)
Travel and Hospitality	636,453	6,133,942	5,497,489	89.62%	3,916,448	3,279,995
Grants	501,643	721,000	219,357	30.42%	460,253	(41,390)
Television and Video Production	359,060	1,273,190	914,130	71.80%	661,946	302,885
Dues, Fees & Tickets	344,985	1,019,038	674,053	66.15%	444,814	99,829
Information Technology Expenses	335,187	310,200	(24,987)	-8.06%	282,404	(52,783)
Rent and Lease Expense	278,854	1,127,080	848,226	75.26%	670,807	391,953
Printing and Duplication	237,759	597,245	359,486	60.19%	190,260	(47,500)
Supplies and Expense	202,968	784,763	581,795	74.14%	315,545	112,577
Miscellaneous Expenses	128,797	147,614	18,817	12.75%	108,080	(20,717)
Telephone and Internet Service	128,582	439,893	311,311	70.77%	91,856	(36,726)
Gear, Equipment, & Signage	120,330	797,980	677,650	84.92%	324,619	204,290
Apparel	75,361	666,470	591,109	88.69%	514,792	439,431
Awards	50,078	457,626	407,548	89.06%	66,034	15,956
Advertising	36,560	264,600	228,040	86.18%	282,929	246,369
Protocol & Gifts	25,029	267,958	242,929	90.66%	118,547	93,518
Contingency	0	158,000	158,000	100.00%	0	0
<b>Total Expenses</b>	<b>14,168,095</b>	<b>40,757,681</b>	<b>26,589,586</b>	<b>65.24%</b>	<b>19,737,276</b>	<b>5,569,181</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$13,059,225</b>	<b>\$3,958,764</b>	<b>\$9,100,461</b>	<b>229.88%</b>	<b>\$10,123,763</b>	<b>\$2,935,462</b>
<b>Board Approved Reserve Investments</b>						
Operating Reserves:						
Disaster Donations	0	(25,000)	25,000	-100.00%	0	0
IT Special Projects (CRM)	(324,227)	(350,000)	25,773	-7.36%	(113,597)	(210,630)
Cost of Flex	0	(1,300,000)	1,300,000	-100.00%	0	0
Safe Sport Contingency	0	0	0	0.00%	(45,000)	45,000
Athlete Leadership Summit	0	0	0	0.00%	(161,958)	161,958
<b>Board Designated Funds:</b>						
"Keeping Athletes First (KAF) Initiative":						
Safe Sport Club Recog Assist	0	(1,000,000)	1,000,000	-100.00%	0	0
Coach Education & LMS	(5,213)	(1,750,000)	1,744,788	-99.70%	0	(5,213)
Safe Sport Staff Res & Prog Dev	0	(500,000)	500,000	-100.00%	0	0
Online Member Registration	(98,401)	(250,000)	151,599	-60.64%	0	(98,401)
Legal	(222,702)	(250,000)	27,298	-10.92%	(187,080)	(35,622)
USSIC Sale Letter of Credit	0	(2,500,000)	2,500,000	-100.00%	0	0
<b>Total Board Approved Reserve Investments</b>	<b>(650,543)</b>	<b>(7,925,000)</b>	<b>7,274,457</b>	<b>-91.79%</b>	<b>(507,635)</b>	<b>(142,908)</b>
<b>Surplus (Deficit) Before Investment Gain (Loss)</b>	<b>12,408,682</b>	<b>(3,966,236)</b>	<b>16,374,918</b>	<b>-412.86%</b>	<b>9,616,128</b>	<b>2,792,554</b>
<b>Investment Gains (Losses)</b>	<b>(1,519,648)</b>	<b>0</b>	<b>(1,519,648)</b>	<b>0.00%</b>	<b>2,695,371</b>	<b>(4,215,018)</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$10,889,034</b>	<b>(\$3,966,236)</b>	<b>\$14,855,270</b>	<b>-374.54%</b>	<b>\$12,311,498</b>	<b>(\$1,422,464)</b>

**USA Swimming, Inc.**  
**Statement of Revenue**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
<b>MEMBERSHIP:</b>						
Athlete Membership	\$17,692,680	\$18,831,446	(\$1,138,766)	-6.05%	\$18,823,970	(\$1,131,290)
Flex	260,350	377,540	(117,190)	-31.04%	232,200	28,150
Cost of Flex	0	1,276,342	(1,276,342)	-100.00%	0	0
Outreach Athlete Membership	42,435	51,500	(9,065)	-17.60%	49,830	(7,395)
Seasonal Athlete Membership	146,580	609,360	(462,780)	-75.95%	506,280	(359,700)
Non-Athlete Membership	2,235,218	2,463,756	(228,538)	-9.28%	2,331,170	(95,952)
Life Membership	33,334	40,000	(6,666)	-16.67%	35,334	(2,000)
Allied Membership	0	1,000	(1,000)	-100.00%	0	0
Club Membership	205,520	212,310	(6,790)	-3.20%	211,610	(6,090)
Seasonal Club Membership	2,280	4,680	(2,400)	-51.28%	4,600	(2,320)
Affiliate Membership	450	800	(350)	-43.75%	500	(50)
Single Meet Open Water	220	1,500	(1,280)	-85.33%	900	(680)
Delegate Fees	0	350	(350)	-100.00%	200	(200)
Other Membership Income	730	(64,084)	64,814	-101.14%	614	116
<b>TOTAL MEMBERSHIP</b>	<b>20,619,797</b>	<b>23,806,500</b>	<b>(3,186,703)</b>	<b>-13.39%</b>	<b>22,197,208</b>	<b>(1,577,411)</b>
<b>PARTNERSHIP MARKETING REVENUE:</b>						
Corporate Sponsorship	2,375,248	5,335,475	(2,960,227)	-55.48%	2,469,098	(93,850)
Supplier Income	116,250	225,000	(108,750)	-48.33%	106,250	10,000
Licensee Income	0	30,000	(30,000)	-100.00%	0	0
Print Advertising	5,060	25,000	(19,940)	-79.76%	20,330	(15,270)
List Rental Income/Mailing Service	0	0	0	0.00%	463	(463)
<b>TOTAL PARTNERSHIP MARKETING REVENUE</b>	<b>2,496,558</b>	<b>5,615,475</b>	<b>(3,118,917)</b>	<b>-55.54%</b>	<b>2,596,142</b>	<b>(99,584)</b>
<b>CONSUMER REVENUE:</b>						
SwimBiz	0	0	0	0.00%	6,530	(6,530)
Royalties	5,809	100,000	(94,191)	-94.19%	60,303	(54,494)
Publication/Video Sales	0	0	0	0.00%	70	(70)
SwimOutlet	15,401	85,000	(69,599)	-81.88%	0	15,401
Splash Magazine Subscriptions	0	0	0	0.00%	370	(370)
<b>TOTAL CONSUMER REVENUE</b>	<b>21,210</b>	<b>185,000</b>	<b>(163,790)</b>	<b>-88.54%</b>	<b>67,273</b>	<b>(46,063)</b>
<b>USOPC PARTNERSHIP:</b>						
USOPC Performance Funding	1,541,100	3,082,200	(1,541,100)	-50.00%	1,511,100	30,000
USOPC Performance VIK	0	60,000	(60,000)	-100.00%	60,000	(60,000)
USOPC Direct Athlete Support	868,914	2,232,300	(1,363,386)	-61.08%	826,020	42,894
USOPC International Relations Grant	0	15,000	(15,000)	-100.00%	12,800	(12,800)
<b>TOTAL USOPC PARTNERSHIP</b>	<b>2,410,014</b>	<b>5,389,500</b>	<b>(2,979,486)</b>	<b>-55.28%</b>	<b>2,409,920</b>	<b>94</b>
<b>INVESTMENT INCOME:</b>						
Investment Income - Operating Budget	704,616	2,113,848	(1,409,232)	-66.67%	1,159,266	(454,650)

**USA Swimming, Inc.**  
**Statement of Revenue**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
Interest Income - Savings	2	0	2	0.00%	2	0
Interest Income - Short Term Securities	26,325	60,000	(33,675)	-56.12%	52,233	(25,908)
<b>TOTAL INVESTMENT INCOME</b>	<b>730,943</b>	<b>2,173,848</b>	<b>(1,442,905)</b>	<b>-66.38%</b>	<b>1,211,501</b>	<b>(480,558)</b>
<b>FOUNDATION AND SWIM-A-THON:</b>						
USA Swimming Foundation	310,000	975,000	(665,000)	-68.21%	370,000	(60,000)
Foundation Rent	135,000	270,000	(135,000)	-50.00%	0	135,000
<b>TOTAL FOUND. AND SWIM-A-THON</b>	<b>445,000</b>	<b>1,245,000</b>	<b>(800,000)</b>	<b>-64.26%</b>	<b>370,000</b>	<b>75,000</b>
<b>SPORT AND EVENTS:</b>						
Golden Goggle Awards	(357)	125,000	(125,357)	-100.29%	408	(766)
Coach Education Clinics	46,580	188,000	(141,421)	-75.22%	96,716	(50,136)
Altitude Camps	185,937	290,000	(104,063)	-35.88%	286,026	(100,089)
Olympic Trials	0	5,160,000	(5,160,000)	-100.00%	0	0
Pro Swim Series Host Fees	25,000	75,000	(50,000)	-66.67%	55,000	(30,000)
International Swim League (ISL)	0	50,000	(50,000)	-100.00%	75,000	(75,000)
Facilities Conference	3,417	8,000	(4,583)	-57.29%	4,158	(741)
Club Governance Programs	0	0	0	0.00%	235	(235)
Custom Visits (BAP)	1,667	6,000	(4,333)	-72.22%	9,300	(7,633)
Safe Sport Leadership Conference	0	0	0	0.00%	3,275	(3,275)
Safe Sport Materials	0	0	0	0.00%	8,183	(8,183)
International TV Rights	0	25,000	(25,000)	-100.00%	0	0
Other Registration	4,191	135,000	(130,809)	-96.90%	113,586	(109,395)
<b>TOTAL SPORTS AND EVENTS</b>	<b>266,434</b>	<b>6,062,000</b>	<b>(5,795,566)</b>	<b>-95.60%</b>	<b>651,886</b>	<b>(385,452)</b>
<b>OTHER INCOME:</b>						
NCAA Top Times List	100,589	100,600	(11)	-0.01%	96,720	3,869
Combined Federal Campaign	1,596	0	1,596	0.00%	2,388	(792)
Imputed Interest - Prepaid Rent	132,767	138,522	(5,755)	-4.15%	75,874	56,894
Other Revenue	2,411	0	2,411	0.00%	182,127	(179,716)
<b>TOTAL OTHER INCOME</b>	<b>237,364</b>	<b>239,122</b>	<b>(1,758)</b>	<b>-0.74%</b>	<b>357,109</b>	<b>(119,745)</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$27,227,320</b>	<b>\$44,716,445</b>	<b>(\$17,489,125)</b>	<b>-39.11%</b>	<b>\$29,861,039</b>	<b>(\$2,633,719)</b>
<b>INVESTMENT GAINS (LOSSES):</b>						
Investment Income (Loss) less Operating Allocation	(1,477,514)	0	(1,477,514)	0.00%	2,739,164	(4,216,678)
Money Manager Fees	(42,134)	0	(42,134)	0.00%	(43,793)	1,659
<b>TOTAL INVESTMENT GAINS (LOSSES)</b>	<b>(1,519,648)</b>	<b>0</b>	<b>(1,519,648)</b>	<b>0.00%</b>	<b>2,695,371</b>	<b>(4,215,018)</b>
<b>TOTAL REVENUE</b>	<b>\$25,707,672</b>	<b>\$44,716,445</b>	<b>(\$19,008,773)</b>	<b>-42.51%</b>	<b>\$32,556,409</b>	<b>(\$6,848,737)</b>

**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	<u>Year To Date Actual</u>	<u>2020 Budget</u>	<u>Remaining Dollars</u>	<u>Remaining Percentage</u>	<u>Year To Date 2019</u>	<u>Favorable (Unfavorable)</u>
<b>TECHNICAL/SPORT:</b>						
<b>SPORT DEVELOPMENT</b>						
<b><i>Athlete Development Programs</i></b>						
1117 LSC Camps	\$679	\$10,200	\$9,521	93.34%	\$9,141	\$8,462
1118 Zone Select Camps	5,610	127,844	122,234	95.61%	118,020	112,410
1119 National Select Camps	497	0	(497)	0.00%	1,298	801
1120 Camp (VIK)	1,965	25,000	23,035	92.14%	16,446	14,481
1135 Tech Services Support	0	2,900	2,900	100.00%	29	29
1163 Open Water Select Camp	0	62,460	62,460	100.00%	11,272	11,272
<b>Program Group Total</b>	<b>8,751</b>	<b>228,404</b>	<b>219,653</b>	<b>96.17%</b>	<b>156,207</b>	<b>147,456</b>
<b><i>Coach Education and Development</i></b>						
1213 Coach Education Development	21,737	62,800	41,063	65.39%	13,965	(7,772)
1231 USA-S Hosted Coaches Clinics	4,120	138,236	134,116	97.02%	32,957	28,837
1233 Disability Swimming Coaches Workshop	0	8,160	8,160	100.00%	0	0
1237 Non-USAS Clinic Participation	4,109	38,100	33,991	89.21%	8,112	4,003
1240 Online Coach Clinics/Podcasts	4,969	10,100	5,131	50.80%	4,985	15
1242 Coach Mentoring	12,175	129,322	117,147	90.59%	62,896	50,722
1245 Master Coach Program	0	25,000	25,000	100.00%	40,149	40,149
1290 Travel & Program Support	20,776	191,680	170,904	89.16%	57,427	36,651
<b>Program Group Total</b>	<b>67,886</b>	<b>603,398</b>	<b>535,512</b>	<b>88.75%</b>	<b>220,491</b>	<b>152,605</b>
<b><i>Club Education and Development</i></b>						
1302 Club Excellence Program	420,491	463,000	42,509	9.18%	408,094	(12,397)
1305 Club Recognition Program	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	10,000	31,154	21,154	67.90%	12,333	2,333
1314 Club Resources	17,674	13,734	(3,940)	-28.68%	8,765	(8,909)
1332 Club Research Technology	10,420	30,500	20,080	65.84%	20,840	10,420
1710 Learn Programs	0	0	0	0.00%	261	261
1390 Travel & Program Support	15,111	169,382	154,271	91.08%	92,553	77,442
<b>Program Group Total</b>	<b>473,696</b>	<b>715,270</b>	<b>241,574</b>	<b>33.77%</b>	<b>542,846</b>	<b>69,150</b>
<b><i>LSC Development &amp; Education</i></b>						
1470 LSC Consulting	29,823	67,902	38,079	56.08%	25,782	(4,041)
1475 LEAP Program	14,246	53,500	39,254	73.37%	8,000	(6,246)
1481 Leadership Workshops	0	26,971	26,971	100.00%	4,105	4,105
<b>Program Group Total</b>	<b>44,069</b>	<b>148,373</b>	<b>104,304</b>	<b>70.30%</b>	<b>37,888</b>	<b>(6,182)</b>
<b><i>Facilities Advocacy &amp; Development</i></b>						
1505 Build a Pool Conference	19,781	60,200	40,419	67.14%	29,194	9,413
1507 Aquatic Industry Relations	0	22,400	22,400	100.00%	14,526	14,526
1590 Travel & Program Support	60,000	146,800	86,800	59.13%	7,539	(52,461)



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
<i>Program Group Total</i>	<u>79,781</u>	<u>229,400</u>	<u>149,619</u>	<u>65.22%</u>	<u>51,259</u>	<u>(28,522)</u>
<b>Membership Growth and Diversity</b>						
1638 Diversity Management Support	6,486	106,550	100,064	93.91%	25,815	19,328
1640 Community Swim Team Development	7,741	70,500	62,759	89.02%	17,220	9,479
1645 Zone Diversity Camps & Meetings	9,863	35,400	25,537	72.14%	17,306	7,443
1651 Diversity VIK	17,890	15,000	(2,890)	-19.27%	12,431	(5,459)
1665 Diversity Select Camp	7,816	75,256	67,440	89.61%	73,390	65,574
<i>Program Group Total</i>	<u>49,796</u>	<u>302,706</u>	<u>252,910</u>	<u>83.55%</u>	<u>146,161</u>	<u>96,365</u>
<b>Committees</b>						
1823 Convention Education Committee	0	500	500	100.00%	8,315	8,315
1830 LSC Development Committee	0	4,550	4,550	100.00%	17,624	17,624
1841 Disability Swimming Committee	55	500	445	89.00%	160	105
1842 Diversity Committee	0	500	500	100.00%	14,226	14,226
1851 Age Group Development Committee	0	500	500	100.00%	0	0
1856 Club Development Committee	0	500	500	100.00%	0	0
1865 Zone Director Committee	0	0	0	0.00%	422	422
1885 Senior Development Committee	0	500	500	100.00%	0	0
<i>Program Group Total</i>	<u>55</u>	<u>7,550</u>	<u>7,495</u>	<u>99.27%</u>	<u>40,746</u>	<u>40,691</u>
<b>Administration</b>						
1990 Administration & Operational Support	188,625	471,718	283,093	60.01%	166,805	(21,820)
1999 Salary and Benefits	1,267,576	2,657,275	1,389,699	52.30%	982,960	(284,616)
<i>Program Group Total</i>	<u>1,456,201</u>	<u>3,128,993</u>	<u>1,672,792</u>	<u>53.46%</u>	<u>1,149,766</u>	<u>(306,436)</u>
<b>TOTAL SPORT DEVELOPMENT</b>	<u><b>2,180,236</b></u>	<u><b>5,364,094</b></u>	<u><b>3,183,859</b></u>	<u><b>59.36%</b></u>	<u><b>2,345,363</b></u>	<u><b>165,127</b></u>
<b>EVENTS AND MEMBER SERVICES</b>						
<b>Events</b>						
2005 Olympic Trials	1,422	40,000	38,578	96.45%	7,836	6,415
2006 Joint Venture	1,641	0	(1,641)	0.00%	0	(1,641)
2018 Winter National Championships	1,997	213,836	211,839	99.07%	143	(1,854)
2019 National Championships/Trials	1,880	0	(1,880)	0.00%	140,411	138,531
2022 International Swimming League Events	0	25,000	25,000	100.00%	0	0
2023 US Open	1,823	116,013	114,190	98.43%	544	(1,279)
2025 Pro Swim Series	140,746	280,348	139,602	49.80%	282,270	141,524
2027 Speedo Sectionals	99,914	220,000	120,086	54.58%	115,000	15,086
2028 IM Xtreme Games	4,000	24,000	20,000	83.33%	4,000	0
2029 Zone Championships	12,500	100,000	87,500	87.50%	20,000	7,500
2035 Futures Championships	5,000	90,574	85,574	94.48%	14,008	9,008
2040 Jr. Pan Pacific Championships	0	25,000	25,000	100.00%	0	0
2045 Jr. National Championships (Summer LC)	0	0	0	0.00%	6,901	6,901
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	126	138,256	138,130	99.91%	2,070	1,944
2069 Open Water Championships	10,469	102,117	91,648	89.75%	81,882	71,414

**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
2072 FINA Championship Series	0	0	0	0.00%	1,115,820	1,115,820
2077 National Events Uniforming VIK	0	40,000	40,000	100.00%	13,500	13,500
2076 Bag Tags VIK	18	10,000	9,982	99.82%	76	58
2716 Omega Timing Systems VIK	0	400,000	400,000	100.00%	0	0
<b>Program Group Total</b>	<b>281,536</b>	<b>1,825,144</b>	<b>1,543,608</b>	<b>84.57%</b>	<b>1,804,463</b>	<b>1,522,927</b>
<b>Member Programs</b>						
2411 Member Dues and Services	8,957	9,136	179	1.95%	6,875	(2,082)
2412 Technology Projects	0	25,000	25,000	100.00%	0	0
2418 SWIMS 2.0	83,344	189,500	106,156	56.02%	85,369	2,024
2423 Rulebook	90,344	108,800	18,456	16.96%	98,871	8,527
2430 Athlete Leadership Camp	0	30,000	30,000	100.00%	0	0
2431 Swimposium	5,250	96,188	90,938	94.54%	28,684	23,434
2432 Zone Workshops	1,250	202,036	200,786	99.38%	268,521	267,271
2434 On-Line Registration	57,943	106,500	48,557	45.59%	38,415	(19,527)
2498 Awards	2,751	12,290	9,539	77.62%	520	(2,231)
<b>Program Group Total</b>	<b>249,839</b>	<b>779,450</b>	<b>529,611</b>	<b>67.95%</b>	<b>527,255</b>	<b>277,416</b>
<b>Member Programs - Officials</b>						
2433 Officials Training Sessions	555	89,055	88,500	99.38%	47,815	47,260
2437 Officials On-Line Testing	0	1,100	1,100	100.00%	0	0
2438 Officials Certification Program	0	5,200	5,200	100.00%	0	0
2440 Officials Clinic	232	48,960	48,728	99.53%	800	568
2441 Officials International Travel	309	23,467	23,158	98.68%	13,574	13,265
2450 Officials Mentoring & Training	495	4,068	3,573	87.82%	442	(53)
<b>Program Group Total</b>	<b>1,591</b>	<b>171,850</b>	<b>170,259</b>	<b>99.07%</b>	<b>62,632</b>	<b>61,040</b>
<b>Other Programs and Services</b>						
2501 Publications and Video Sales	8,624	30,000	21,376	71.25%	20,074	11,450
2502 Mailing Service	0	500	500	100.00%	16	16
2505 Trials Hospitality	560	40,768	40,208	98.63%	0	(560)
2518 Altitude Camps	159,799	300,000	140,201	46.73%	292,801	133,002
2519 Times Projects	24,192	34,400	10,208	29.67%	13,430	(10,762)
2535 Pool Environment Research & Education	0	30,000	30,000	100.00%	0	0
2715 TV/Web Cast Production	226,187	881,640	655,453	74.34%	366,489	140,301
<b>Program Group Total</b>	<b>419,362</b>	<b>1,317,308</b>	<b>897,946</b>	<b>68.17%</b>	<b>692,810</b>	<b>273,448</b>
<b>Committees &amp; Governance</b>						
2801 Convention	783	110,522	109,739	99.29%	3,245	2,462
2802 Convention - Athletes	0	78,009	78,009	100.00%	393	393
2825 Registration / Membership	11	500	489	97.77%	14,346	14,335
2832 Awards	0	300	300	100.00%	297	297
2835 Credentials / Elections	0	500	500	100.00%	0	0
2836 Rules and Regulations	248	19,490	19,242	98.73%	21,679	21,431

**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
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	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
2857 Times & Recognition Committee	2,165	500	(1,665)	-333.04%	5,164	2,999
2860 Program & Events Committee	0	500	500	100.00%	0	0
2862 Championship Evaluation Committee	0	0	0	0.00%	218	218
2866 Officials	7,755	8,498	743	8.74%	19,173	11,418
2887 Athletes Executive Committee	200	500	300	60.02%	19,129	18,930
<b>Program Group Total</b>	<b>11,162</b>	<b>219,319</b>	<b>208,157</b>	<b>94.91%</b>	<b>83,645</b>	<b>72,483</b>
<b>Administration</b>						
2990 Administration & Operational Support	80,055	210,200	130,145	61.91%	136,021	55,966
2999 Salary and Benefits	495,924	1,053,994	558,070	52.95%	689,479	193,555
<b>Program Group Total</b>	<b>575,979</b>	<b>1,264,194</b>	<b>688,215</b>	<b>54.44%</b>	<b>825,500</b>	<b>249,521</b>
<b>TOTAL EVENTS AND MEMBER SERVICES</b>	<b>1,539,469</b>	<b>5,577,265</b>	<b>4,037,796</b>	<b>72.40%</b>	<b>3,996,304</b>	<b>2,456,835</b>
<b>NATIONAL TEAM</b>						
<b>Competitions</b>						
3001 Olympic Games	0	458,150	458,150	100.00%	150	150
3013 Pan American Games	0	0	0	0.00%	37,661	37,661
3015 World University Games	0	0	0	0.00%	476,132	476,132
3031 Long Course World Championships	0	0	0	0.00%	145,412	145,412
3033 Short Course World Championships	0	352,360	352,360	100.00%	476	476
<b>Program Group Total</b>	<b>0</b>	<b>810,510</b>	<b>810,510</b>	<b>100.00%</b>	<b>659,831</b>	<b>659,831</b>
<b>Junior Team Programs</b>						
3009 Jr. Team International Competition	0	122,500	122,500	100.00%	116,531	116,531
3012 Jr. Pan Pacific Championships	1,375	335,070	333,695	99.59%	0	(1,375)
3045 Junior Team Camps	2,598	52,200	49,602	95.02%	40,611	38,013
3050 FINA World Junior Championships	0	0	0	0.00%	19,158	19,158
3051 Jr. Team Pro Swim Series	5,045	25,000	19,955	79.82%	3,850	(1,195)
3053 World 100	0	3,000	3,000	100.00%	10,991	10,991
3992 Ntl. Jr. Team Program Support	6,993	25,660	18,667	72.75%	11,601	4,608
<b>Program Group Total</b>	<b>16,011</b>	<b>563,430</b>	<b>547,419</b>	<b>97.16%</b>	<b>202,742</b>	<b>186,731</b>
<b>Open Water Programs</b>						
3040 FINA Open Water Jr. Championships	0	63,845	63,845	100.00%	0	0
3060 Open Water Olympic Games	0	54,300	54,300	100.00%	0	0
3061 Open Water World Championships	0	0	0	0.00%	9,851	9,851
3065 Open Water World Cup	41,878	81,910	40,032	48.87%	81,778	39,899
3067 Open Water Camps	1,617	9,000	7,383	82.04%	14,947	13,331
3068 Open Water - Foundation	0	0	0	0.00%	421	421
3075 Open Water International Camps	102	0	(102)	0.00%	81,763	81,661
3495 Open Water Program Support	3,134	27,306	24,172	88.52%	16,886	13,752
<b>Program Group Total</b>	<b>46,731</b>	<b>236,361</b>	<b>189,630</b>	<b>80.23%</b>	<b>205,646</b>	<b>158,915</b>

**USA Swimming, Inc.**  
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	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
<b>Camps</b>						
3005 Olympic Games Prep Camps	868	1,024,295	1,023,427	99.92%	0	(868)
3069 National Team Specialty Camps	15,000	109,000	94,000	86.24%	0	(15,000)
3071 Altitude Training Camps	8,481	32,000	23,519	73.50%	17,372	8,891
3073 National Team Camps	12,236	20,000	7,764	38.82%	54,018	41,781
3076 National Team International Camps	0	0	0	0.00%	501,555	501,555
3479 Advance Team Visits	4,874	16,800	11,926	70.99%	15,108	10,234
<b>Program Group Total</b>	<b>41,459</b>	<b>1,202,095</b>	<b>1,160,636</b>	<b>96.55%</b>	<b>588,053</b>	<b>546,593</b>
<b>Athlete Services</b>						
3101 Athlete Support-Stipends & Grants	868,914	1,725,000	856,086	49.63%	826,020	(42,894)
3103 Athlete Support-Medals & Records	0	1,010,000	1,010,000	100.00%	0	0
3107 Athlete Support-Op Gold Qualification Bonus	6,000	670,000	664,000	99.10%	0	(6,000)
3025 Pro Swim Series Athlete Support	259,493	622,000	362,507	58.28%	503,575	244,083
3021 World Cup Athlete Support	0	0	0	0.00%	(3,200)	(3,200)
3127 National Team Investment Grant	69,668	300,000	230,332	76.78%	101,796	32,128
3106 ConocoPhillips Athlete Support	2,500	100,000	97,500	97.50%	7,525	5,025
3110 National Team Uniforming (VIK)	25,422	325,000	299,578	92.18%	326,409	300,987
3120 Athlete Support-Olympic Prep	0	15,000	15,000	100.00%	2,086	2,086
3130 Foundation Travel & Training	0	50,000	50,000	100.00%	0	0
3131 Foundation Athlete Endowments	20,001	80,000	59,999	75.00%	22,500	2,499
3453 Drug Control Program	3,396	47,450	44,054	92.84%	5,511	2,115
<b>Program Group Total</b>	<b>1,255,394</b>	<b>4,944,450</b>	<b>3,689,056</b>	<b>74.61%</b>	<b>1,792,222</b>	<b>536,828</b>
<b>Coach Services</b>						
3203 Coach Incentive & Reward Program	0	330,000	330,000	100.00%	0	0
3210 Olympic Team Prep - Coaches	45,000	86,440	41,440	47.94%	15,000	(30,000)
3220 Contract Labor - National Team Tech Advisor	32,087	75,628	43,541	57.57%	44,905	12,818
3222 National Team Consultant	13,541	36,623	23,082	63.03%	20,258	6,717
3460 Olympic Staff Recognition	0	30,000	30,000	100.00%	0	0
3010 Coach Education	4,560	26,716	22,156	82.93%	16,265	11,705
3077 National Team Coaches Meeting	0	5,000	5,000	100.00%	113,272	113,272
3079 Team Logistics Seminar	0	0	0	0.00%	352	352
<b>Program Group Total</b>	<b>95,189</b>	<b>590,407</b>	<b>495,218</b>	<b>83.88%</b>	<b>210,053</b>	<b>114,864</b>
<b>High Performance Support</b>						
3301 National Team Performance Support	48,815	170,145	121,330	71.31%	78,453	29,638
3310 USOPC Practitioner Travel Support	7,289	49,500	42,211	85.28%	26,699	19,411
<b>Program Group Total</b>	<b>56,104</b>	<b>219,645</b>	<b>163,541</b>	<b>74.46%</b>	<b>105,153</b>	<b>49,049</b>
<b>Sport Medicine &amp; Science</b>						
3201 Athletes and Coach Wellness Programs	21,144	75,000	53,857	71.81%	0	(21,144)
3353 Sport Medicine & Science Network	52,155	96,000	43,845	45.67%	89,508	37,353
3155 Elite Athlete Accident Coverage	35,698	35,550	(148)	-0.42%	35,549	(150)

**USA Swimming, Inc.**  
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	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
3200 Athlete Life Skills	100	0	(100)	0.00%	8,208	8,108
3351 Athlete Testing & Lab Expenses	8,816	24,100	15,284	63.42%	10,816	2,000
3390 Sport Medicine & Science Program Support	8,445	38,688	30,243	78.17%	6,516	(1,929)
<b>Program Group Total</b>	<b>126,358</b>	<b>269,338</b>	<b>142,980</b>	<b>53.09%</b>	<b>150,597</b>	<b>24,239</b>
<b>Other Programs and Services</b>						
3481 National Team Equipment	9,070	25,500	16,430	64.43%	6,850	(2,221)
3496 National Team Selection	0	19,500	19,500	100.00%	0	0
3499 Team Management Technology	69,149	69,415	266	0.38%	67,068	(2,081)
<b>Program Group Total</b>	<b>78,220</b>	<b>114,415</b>	<b>36,195</b>	<b>31.64%</b>	<b>73,918</b>	<b>(4,302)</b>
<b>Committees</b>						
3846 Sports Medicine	0	500	500	100.00%	0	0
3850 Open Water Development	0	0	0	0.00%	30	30
3868 Open Water Committee	35	300	265	88.25%	7,171	7,136
3882 National Steering Committee	1,441	10,350	8,909	86.08%	152	(1,289)
3888 National Team Ath Committee	21	500	479	95.73%	65	44
<b>Program Group Total</b>	<b>1,497</b>	<b>11,650</b>	<b>10,153</b>	<b>87.15%</b>	<b>7,417</b>	<b>5,920</b>
<b>Administration</b>						
3990 Administration & Operational Support	122,100	332,162	210,062	63.24%	164,719	42,619
3999 Salary and Benefits	803,469	1,830,037	1,026,568	56.10%	790,050	(13,419)
<b>Program Group Total</b>	<b>925,569</b>	<b>2,162,199</b>	<b>1,236,630</b>	<b>57.19%</b>	<b>954,769</b>	<b>29,199</b>
<b>TOTAL NATIONAL TEAM</b>	<b>2,642,532</b>	<b>11,124,500</b>	<b>8,481,968</b>	<b>76.25%</b>	<b>4,950,399</b>	<b>2,307,867</b>
<b>TOTAL TECHNICAL/SPORT</b>	<b>6,362,236</b>	<b>22,065,859</b>	<b>15,703,622</b>	<b>71.17%</b>	<b>11,292,065</b>	<b>4,929,829</b>
<b>OTHER PROGRAMS:</b>						
<b>COMMERCIAL</b>						
<b>Corporate Partnerships</b>						
5901 Servicing	171,879	373,375	201,496	53.97%	118,809	(53,070)
5905 Sales Development Support	17,190	50,000	32,810	65.62%	26,079	8,889
5916 Sigma Gamma Rho	3,690	0	(3,690)	0.00%	0	(3,690)
<b>Program Group Total</b>	<b>192,759</b>	<b>423,375</b>	<b>230,616</b>	<b>54.47%</b>	<b>144,888</b>	<b>(47,871)</b>
<b>Communications</b>						
5711 Splash Magazine	301,675	736,000	434,325	59.01%	354,271	52,597
5714 PR-USA Swimming Programs	26,463	25,000	(1,463)	-5.85%	29,261	2,798
5724 Communication Operations	99,445	271,596	172,151	63.38%	114,299	14,854
5730 USA Swimming Productions	212,903	699,325	486,422	69.56%	368,456	155,554

**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
<i>Program Group Total</i>	<u>640,485</u>	<u>1,731,921</u>	<u>1,091,436</u>	<u>63.02%</u>	<u>866,287</u>	<u>225,802</u>
<b>Marketing</b>						
5109 Athlete Partnership Fulfillment	5,459	58,700	53,241	90.70%	16,542	11,083
5620 Family Program	52	77,960	77,908	99.93%	86,593	86,542
5709 Nationals Marketing	52,567	95,000	42,433	44.67%	8,282	(44,285)
5762 Pro Swim Series Marketing	101,369	176,606	75,237	42.60%	144,318	42,949
5764 US Open Marketing	0	42,950	42,950	100.00%	0	0
5770 Event Marketing	861	23,466	22,605	96.33%	2,076	1,216
5722 Social Media Aggregation	6,772	35,000	28,228	80.65%	5,850	(922)
5710 Membership/Recruiting Promotion (SwimToday)	58,355	249,600	191,245	76.62%	190,195	131,839
5713 Deck Pass	33,577	136,000	102,423	75.31%	6,231	(27,346)
5715 SwimBiz	0	0	0	0.00%	84,153	84,153
5716 Swimjitsu	5,622	10,780	5,158	47.85%	5,589	(34)
5755 USA Swimming House-Trials	246	250,000	249,754	99.90%	0	(246)
5720 Video Production Services	601	14,675	14,074	95.91%	2,027	1,427
5902 Merchandise Program	5,128	79,205	74,077	93.53%	2,016	(3,112)
5904 Marketing Contract Labor	0	25,000	25,000	100.00%	6,500	6,500
5911 Aqua Zone - Olympic Trials	8,375	1,000,200	991,825	99.16%	6,840	(1,535)
<i>Program Group Total</i>	<u>278,985</u>	<u>2,275,142</u>	<u>1,996,157</u>	<u>87.74%</u>	<u>567,213</u>	<u>288,229</u>
<b>Administration</b>						
5990 Administration & Operational Support	148,805	350,087	201,282	57.49%	122,280	(26,525)
5999 Salary and Benefits	985,258	2,195,795	1,210,537	55.13%	805,210	(180,049)
5718 usaswimming.org - Web site	248,730	662,180	413,450	62.44%	247,836	(894)
5726 Business Intelligence	0	25,880	25,880	100.00%	0	0
<i>Program Group Total</i>	<u>1,382,793</u>	<u>3,233,942</u>	<u>1,851,149</u>	<u>57.24%</u>	<u>1,175,326</u>	<u>(207,467)</u>
<b>TOTAL COMMERCIAL</b>	<u><b>2,495,022</b></u>	<u><b>7,664,380</b></u>	<u><b>5,169,358</b></u>	<u><b>67.45%</b></u>	<u><b>2,753,714</b></u>	<u><b>258,693</b></u>
<b>RISK MANAGEMENT SERVICES</b>						
<b>Member Programs</b>						
9413 Member Insurance Premiums & Retention	1,824,050	3,279,732	1,455,682	44.38%	1,998,138	174,089
9415 Other Risk Management	0	19,700	19,700	100.00%	10,000	10,000
<i>Program Group Total</i>	<u>1,824,050</u>	<u>3,299,432</u>	<u>1,475,382</u>	<u>44.72%</u>	<u>2,008,138</u>	<u>184,089</u>
<b>Committees</b>						
9827 Operational Risk Committee	0	500	500	100.00%	19,915	19,915
<i>Program Group Total</i>	<u>0</u>	<u>500</u>	<u>500</u>	<u>100.00%</u>	<u>19,915</u>	<u>19,915</u>
<b>Administration</b>						
9490 Administration & Operational Support	2,477	30,755	28,278	91.95%	10,462	7,985

**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	Year To Date Actual	2020 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2019	Favorable (Unfavorable)
<i>Program Group Total</i>	<u>2,477</u>	<u>30,755</u>	<u>28,278</u>	<u>91.95%</u>	<u>10,462</u>	<u>7,985</u>
<b>TOTAL RISK MANAGEMENT SERVICES</b>	<b><u>1,826,527</u></b>	<b><u>3,330,687</u></b>	<b><u>1,504,160</u></b>	<b><u>45.16%</u></b>	<b><u>2,038,516</u></b>	<b><u>211,989</u></b>
<b>FOUND. &amp; MAKE A SPLASH SUPPORT</b>						
6667 USA Swimming Staff Allocation	<u>0</u>	<u>311,000</u>	<u>311,000</u>	<u>100.00%</u>	<u>0</u>	<u>0</u>
<b>TOTAL FOUNDATION &amp; MAS SUPPORT</b>	<b><u>0</u></b>	<b><u>311,000</u></b>	<b><u>311,000</u></b>	<b><u>100.00%</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>FOUNDATION - OTHER</b>						
<b>TOTAL OTHER PROGRAMS</b>	<b><u>4,321,548</u></b>	<b><u>11,306,067</u></b>	<b><u>6,984,519</u></b>	<b><u>61.78%</u></b>	<b><u>4,792,230</u></b>	<b><u>470,682</u></b>
<b>SUPPORT DIVISIONS:</b>						
<b>EXECUTIVE</b>						
<b><i>Other Executive</i></b>						
7920 CEO Contingency	13,125	60,000	46,875	78.12%	33,498	20,373
7930 Board Chair Travel and Expenses	4,368	44,797	40,429	90.25%	24,152	19,784
7931 Olympic Games Executive Contingency	0	100,000	100,000	100.00%	0	0
7945 CSCAA Grant	60,000	120,000	60,000	50.00%	60,000	0
7971 Organizational Relations - Domestic	19,000	67,500	48,500	71.85%	47,106	28,106
7984 Organizational Relations - Internat'l	2,978	40,000	37,022	92.55%	24,177	21,199
7981 International Relations	3,921	44,274	40,353	91.14%	21,998	18,077
<i>Program Group Total</i>	<u>103,393</u>	<u>476,571</u>	<u>373,178</u>	<u>78.30%</u>	<u>210,931</u>	<u>107,538</u>
<b><i>Committees &amp; Governance</i></b>						
7803 Board of Directors	2,149	154,643	152,494	98.61%	43,527	41,378
7808 Task Force & Other Committees	77,805	166,670	88,865	53.32%	63,112	(14,693)
7811 International Relations Committee	0	500	500	100.00%	8,778	8,778
7820 Nominating Committee	0	8,892	8,892	100.00%	868	868
<i>Program Group Total</i>	<u>79,954</u>	<u>330,705</u>	<u>250,751</u>	<u>75.82%</u>	<u>116,286</u>	<u>36,331</u>
<b><i>Administration</i></b>						
7990 Administration & Operational Support	24,873	166,880	142,007	85.10%	65,122	40,249
7999 Salary and Benefits	402,125	875,422	473,298	54.07%	380,094	(22,030)
<i>Program Group Total</i>	<u>426,998</u>	<u>1,042,302</u>	<u>615,305</u>	<u>59.03%</u>	<u>445,216</u>	<u>18,218</u>
<b>TOTAL EXECUTIVE</b>	<b><u>610,345</u></b>	<b><u>1,849,578</u></b>	<b><u>1,239,233</u></b>	<b><u>67.00%</u></b>	<b><u>772,433</u></b>	<b><u>162,088</u></b>

**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
<b>FINANCE</b>						
<b>Other Programs</b>						
8500 LSC/Club Financial Resources	220	10,112	9,892	97.82%	0	(220)
<b>Program Group Total</b>	<b>220</b>	<b>10,112</b>	<b>9,892</b>	<b>97.82%</b>	<b>0</b>	<b>(220)</b>
<b>Committees</b>						
8895 Investment Committee	0	200	200	100.00%	104	104
8880 Audit Committee	0	100	100	100.00%	0	0
<b>Program Group Total</b>	<b>0</b>	<b>300</b>	<b>300</b>	<b>100.00%</b>	<b>104</b>	<b>104</b>
<b>Administration</b>						
8990 Administration & Operational Support	118,008	215,946	97,938	45.35%	102,438	(15,569)
8999 Salary and Benefits	363,374	720,157	356,783	49.54%	649,725	286,351
<b>Program Group Total</b>	<b>481,382</b>	<b>936,103</b>	<b>454,722</b>	<b>48.58%</b>	<b>752,164</b>	<b>270,782</b>
<b>TOTAL FINANCE</b>	<b>481,602</b>	<b>946,515</b>	<b>464,914</b>	<b>49.12%</b>	<b>752,268</b>	<b>270,666</b>
<b>BUSINESS AFFAIRS</b>						
<b>Legal and NBR</b>						
9695 Legal	243,827	200,000	(43,827)	-21.91%	259,863	16,036
9692 National Board of Review	91	20,000	19,909	99.55%	0	(91)
9690 Legal - Admin. & Oper. Support	3,367	8,358	4,991	59.72%	2,650	(716)
<b>Program Group Total</b>	<b>247,284</b>	<b>228,358</b>	<b>(18,926)</b>	<b>-8.29%</b>	<b>262,513</b>	<b>15,229</b>
<b>Safe Sport</b>						
9335 Safe Sport - Background Checks	519	1,200	681	56.72%	13,040	12,520
9375 Safe Sport Online Education	31,663	72,700	41,037	56.45%	30,000	(1,663)
9386 Safe Sport Athlete Fellowship	3,007	5,826	2,819	48.39%	9,727	6,720
9385 Safe Sport Programs	96,539	309,396	212,857	68.80%	85,636	(10,903)
9387 Safe Sport - USOPC Center for Safe Sport	125,625	296,000	170,375	57.56%	82,621	(43,004)
9388 Safe Sport - Leadership Conference	0	2,500	2,500	100.00%	46,851	46,851
9389 Safe Sport - SwimAssist	76,786	100,000	23,214	23.21%	101,976	25,190
<b>Program Group Total</b>	<b>334,140</b>	<b>787,622</b>	<b>453,482</b>	<b>57.58%</b>	<b>369,850</b>	<b>35,710</b>
<b>Other Programs</b>						
9380 Human Resources	51,479	122,147	70,668	57.85%	64,439	12,960
9290 Government Relations	3,428	58,916	55,488	94.18%	6,194	2,766
9295 Information Technology Support	423,856	564,310	140,454	24.89%	306,927	(116,929)
<b>Program Group Total</b>	<b>478,763</b>	<b>745,373</b>	<b>266,610</b>	<b>35.77%</b>	<b>377,559</b>	<b>(101,204)</b>
<b>Committees</b>						
9810 Safe Sport Committee	0	500	500	100.00%	9,443	9,443



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Six Months Ended June 30, 2020**

	<b>Year To Date Actual</b>	<b>2020 Budget</b>	<b>Remaining Dollars</b>	<b>Remaining Percentage</b>	<b>Year To Date 2019</b>	<b>Favorable (Unfavorable)</b>
<i>Program Group Total</i>	<u>0</u>	<u>500</u>	<u>500</u>	<u>100.00%</u>	<u>9,443</u>	<u>9,443</u>
<b>Administrative</b>						
9990 Administration & Operational Support	127,350	280,530	153,180	54.60%	111,592	(15,758)
9999 Salary and Benefits	<u>1,204,827</u>	<u>2,547,279</u>	<u>1,342,452</u>	<u>52.70%</u>	<u>997,321</u>	<u>(207,506)</u>
<i>Program Group Total</i>	<u>1,332,176</u>	<u>2,827,809</u>	<u>1,495,632</u>	<u>52.89%</u>	<u>1,108,913</u>	<u>(223,264)</u>
<b>TOTAL BUSINESS AFFAIRS</b>	<u><b>2,392,363</b></u>	<u><b>4,589,662</b></u>	<u><b>2,197,298</b></u>	<u><b>47.87%</b></u>	<u><b>2,128,279</b></u>	<u><b>(264,085)</b></u>
<b>TOTAL SUPPORT DIVISIONS</b>	<u><b>3,484,310</b></u>	<u><b>7,385,755</b></u>	<u><b>3,901,445</b></u>	<u><b>52.82%</b></u>	<u><b>3,652,980</b></u>	<u><b>168,670</b></u>
<b>GRAND TOTALS</b>	<u><b>\$14,168,095</b></u>	<u><b>\$40,757,681</b></u>	<u><b>\$26,589,586</b></u>	<u><b>65.24%</b></u>	<u><b>\$19,737,276</b></u>	<u><b>\$5,569,181</b></u>

# **USA Swimming Foundation**

## **2020 Q2 Financial Report**

Submitted by: Eric Skufca, CFO 8/25/2020

### **2020 Q2 HIGHLIGHTS**

- \$506,970 fundraising:
  - \$380,828 major gifts/grants including a new donor athlete partnership. Down from Q2 2019.
  - \$126,142 annual campaign including \$105,693 Champions Club, both down from Q2 2019.
- \$834,500 sponsor support including \$653,250 from the Phillips 66 contract and \$125,000 apparel sponsors, up from Q2 2019.
- \$48,235 Swim-a-thon receipts, down from Q2 2019 as the collection of the 5% royalty has been paused through 2021.
- \$17,614,113 investments decreased (\$1,968,102) year to date given distributions as well as a -0.84% investment loss. Distributions include the scheduled quarterly distributions (\$210,000 year to date total for National Team programming) as well as the first round of the Club Relief Grant program (\$1,500,000).
- \$310,000 National Team grants from endowments and National Team portion of the P66 contract.
- \$1,475,952 Club Relief Grants (Round 1) from the board approved endowment distribution.

### **EXECUTIVE SUMMARY**

The majority of the USA Swimming Foundation fundraising activity as well as the programmatic expenditures were slowed during the second quarter as the organization and world battled the COVID-19 pandemic. The operating surplus of \$189,082 is \$50,414 ahead of 2019's surplus of \$138,668 through the respective first two quarters. The variance is primarily due to the dramatic reduction of expenses in categories such as travel and the MAS Tour which has historically operated in the first half of the year.

There was a new donor athlete partnership (\$50,000) signed in the second quarter and total annual campaign fundraising year to date was \$126,142. Additionally, \$100,000 was received from the Carolyn Dirks Family Trust and the Foundation is currently working with Swimming to determine the best use and timing of those funds given the effects of COVID-19. Year to date grants of \$310,000 have been paid for National Team athlete support from endowment accounts and corporate partners and grants of \$1,475,952 have been paid out to USA Swimming member clubs in Round 1 of the Club Relief Grant initiative from board designated endowment accounts. The investment

portfolio increased \$507,383 for the quarter net of contributions, distributions, and a 12.79% market gain during a rebound quarter and ended the quarter with a total balance of \$17,614,113.

### **Revenue and Endowment Charts (Page 1)**

- \$380,828 major gifts / grants
  - \$350,000 restricted (National Team DAP and Learn to Swim restrictions).
  - \$30,828 unrestricted (Goldfish has paused their commitment to fundraising in 2020 resulting in significantly reduced activity in unrestricted major gifts).
- \$126,142 annual campaign including \$105,693 Champions Club.
- \$834,500 sponsor support including \$653,250 from Phillips 66.
- \$17,614,113 Funds & Endowments:
  - Athlete Fund \$6,011,325
  - Dirks Endowment \$5,238,842
  - USA Swimming Fund \$5,082,191
  - National Team Travel & Training (unclaimed FINA prize money) \$683,427
  - Other athlete endowments \$598,328

### **Balance Sheet (Page 2)**

- \$2,000,383 – Cash and cash equivalents increased \$518,547 for the year.
- \$17,614,113 – Investments decreased (\$1,968,102) including distributions and investment losses of -0.84%.
- \$13,193,996 – Unrestricted net assets decreased (\$1,734,666) for the year.
- \$21,085,167 – Total net assets decreased (\$1,840,285) for the year.

### **Income Statements – Pages 3, 4 and 5**

#### **Surplus (Deficit):**

- \$189,082 operating surplus – better than Q2 2019.
- (\$1,840,285) total net loss – primarily due to increased endowment distributions to fund Round 1 of the Club Relief Grants.

#### **Revenue:**

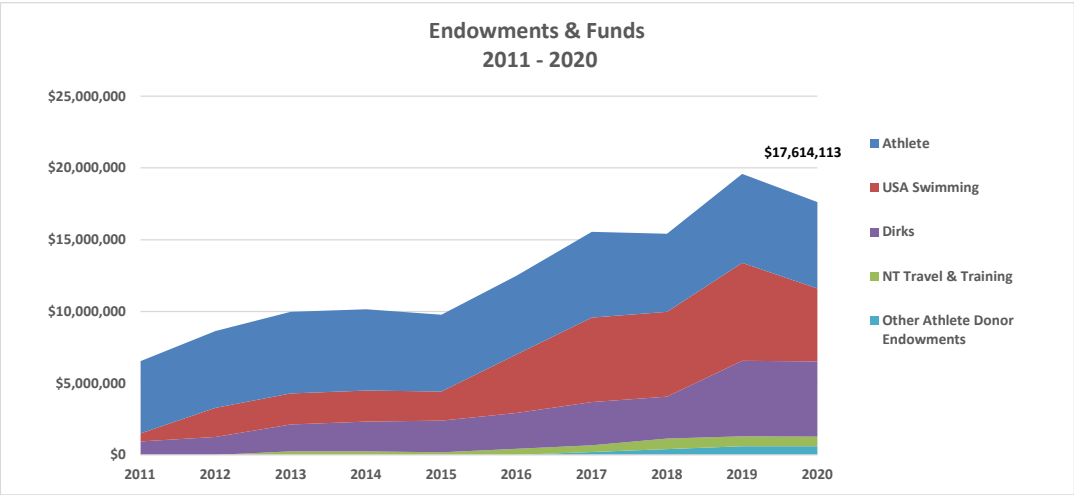
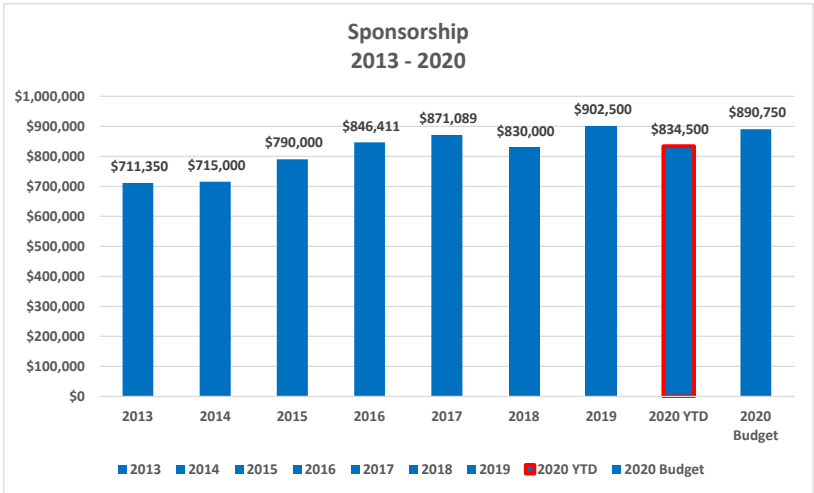
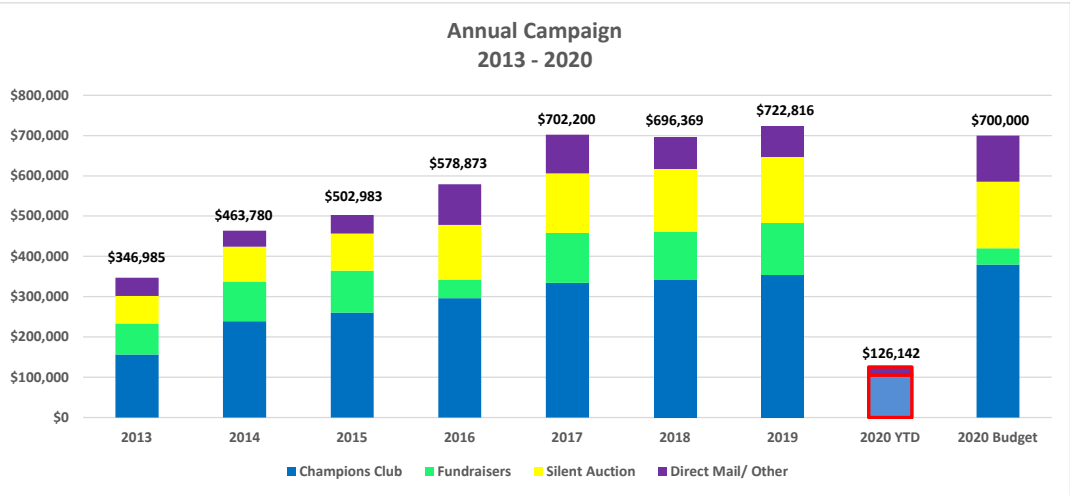
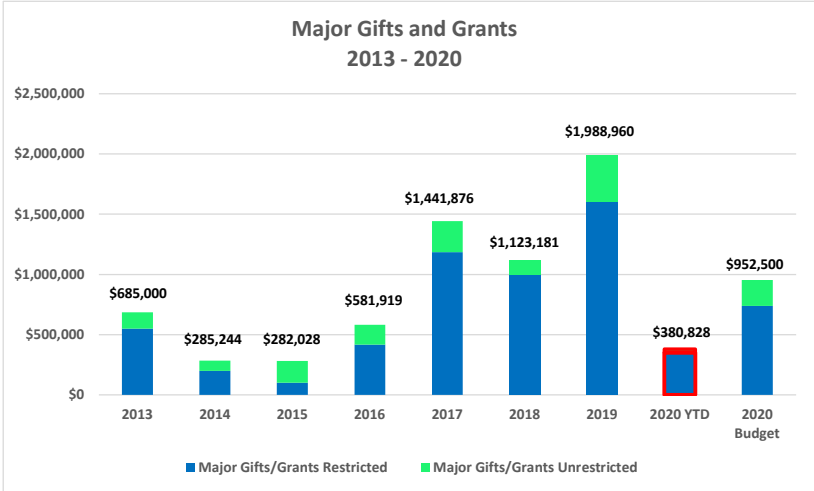
- \$126,142 annual campaign – behind Q2 2019.
- \$380,828 major gifts / grants – \$350,000 restricted and \$30,828 unrestricted.

- \$150,000 trustee receipts from previous years' pledges.
- \$61,265 other (non-trustee) satisfied restrictions from current year pledges.
- \$1,710,000 endowment distributions.
- \$834,500 sponsorship.
- \$48,235 Swim-a-thon receipts.
- \$32,905 unrestricted investment and other income – mainly interest on short-term security investments and VIK income (a net zero).

**Expenses (Page 6 additional detail):**

- \$540,292 supporting expenses - less than year to date 2019 by \$164,353.
- \$2,264,502 program expenses - greater than year to date 2019 by \$953,035.
  - \$310,000 grants to USA Swimming – less than Q2 2019 by \$110,000 primarily due to the pause in collecting SAT royalty payments. As such, there will be no grant provided to USA Swimming for club development programs in 2020.
  - \$348,613 Learn to Swim grants – less than year to date 2019 by \$161,349.
  - \$1,475,952 Round 1 Club Relief Grants – new initiative in 2020 tied to COVID-19.

USA Swimming Foundation  
 Revenue, Endowments, and Funds  
 June 30, 2020



**USA Swimming Foundation, Inc.**  
**Balance Sheet**  
**As of June 30, 2020 and 2019**

	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>\$ Change</u>	<u>Audited 12/31/2019</u>	<u>\$ Change</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	\$2,000,383	\$1,619,730	\$380,652	\$1,481,836	\$518,547
Accounts receivable	38,125	10,000	28,125	160,808	(122,683)
Pledges receivable - current	515,600	476,999	38,601	851,999	(336,399)
Prepaid expenses and deferred charges	15,610	5,000	10,610	11,737	3,873
Total Current Assets	<u>2,569,718</u>	<u>2,111,730</u>	<u>457,988</u>	<u>2,506,380</u>	<u>63,337</u>
<b>FIXED ASSETS:</b>					
Equipment and Software	229,963	229,963	0	229,963	0
Accumulated depreciation & amortization	<u>(229,963)</u>	<u>(222,197)</u>	<u>(7,766)</u>	<u>(227,375)</u>	<u>(2,589)</u>
Total Fixed Assets	<u>0</u>	<u>7,766</u>	<u>(7,766)</u>	<u>2,589</u>	<u>(2,589)</u>
<b>LONG-TERM INVESTMENTS:</b>					
Long-term Investments	17,614,113	17,171,190	442,923	19,582,215	(1,968,102)
<b>OTHER ASSETS:</b>					
Pledges receivable - long-term	1,327,500	3,465,000	(2,137,500)	1,052,500	275,000
Swim-a-Thon	<u>120,000</u>	<u>120,000</u>	<u>0</u>	<u>120,000</u>	<u>0</u>
Total Other Assets	<u>1,447,500</u>	<u>3,585,000</u>	<u>(2,137,500)</u>	<u>1,172,500</u>	<u>275,000</u>
<b>TOTAL ASSETS</b>	<b><u>\$21,631,330</u></b>	<b><u>\$22,875,685</u></b>	<b><u>(\$1,244,355)</u></b>	<b><u>\$23,263,684</u></b>	<b><u>(\$1,632,354)</u></b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$7,783	\$73,151	(\$65,367)	\$60,976	(\$53,192)
Due from (to) USA Swimming	(12,094)	177,945	(190,040)	99,871	(111,965)
Accrued expenses and other liabilities	418,450	55,529	362,920	41,646	376,804
Deferred revenue	<u>132,025</u>	<u>0</u>	<u>132,025</u>	<u>135,740</u>	<u>(3,715)</u>
Total Current Liabilities	<u>546,164</u>	<u>306,625</u>	<u>239,538</u>	<u>338,232</u>	<u>207,932</u>
<b>NONCURRENT LIABILITIES:</b>					
Total Liabilities	<u>546,164</u>	<u>306,625</u>	<u>239,538</u>	<u>338,232</u>	<u>207,932</u>
<b>NET ASSETS:</b>					
Unrestricted:					
Undesignated Operating Funds	216,054	119,065	96,989	26,972	189,082
Board Designated Operating Reserves	1,201,000	1,201,000	0	1,201,000	0
Board Designated Endowments	<u>11,776,942</u>	<u>13,293,416</u>	<u>(1,516,475)</u>	<u>13,700,689</u>	<u>(1,923,748)</u>
Total Unrestricted	<u>13,193,996</u>	<u>14,613,481</u>	<u>(1,419,485)</u>	<u>14,928,662</u>	<u>(1,734,666)</u>
Temporarily Restricted	2,241,171	2,305,579	(64,408)	2,346,790	(105,619)
Permanently Restricted	<u>5,650,000</u>	<u>5,650,000</u>	<u>0</u>	<u>5,650,000</u>	<u>0</u>
Total Net Assets	<u>21,085,167</u>	<u>22,569,060</u>	<u>(1,483,893)</u>	<u>22,925,452</u>	<u>(1,840,285)</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$21,631,330</u></b>	<b><u>\$22,875,685</u></b>	<b><u>(\$1,244,355)</u></b>	<b><u>\$23,263,684</u></b>	<b><u>(\$1,632,354)</u></b>

**USA Swimming Foundation, Inc.**  
**Income Statement**  
**For the Six Months Ended June 30, 2020**

	2020 Unrestricted	2020 Board Desig.	2020 Temp Restr	2020 Perm Restr	2020 YTD Total	2020 Annual Budget	2020 YTD Variance	2019 YTD Total	2019 YTD Variance
<b>Revenue:</b>									
Annual Campaign	\$126,142	\$0	\$0	\$0	\$126,142	\$700,000	(\$573,858)	\$210,447	(\$84,305)
Major Gifts/Grants	30,828	0	350,000	0	380,828	952,500	(571,672)	1,604,692	(1,223,864)
Major Gifts - Trustee Satisfied Restrictions	150,000	0	(150,000)	0	0	0	0	0	0
Major Gifts/Grants - Other Satisfied Restrictions	61,265	0	(61,265)	0	0	0	0	0	0
Endowment Distributions	210,000	(210,000)	0	0	0	0	0	0	0
Endowment Distributions - Club Relief Grants	1,500,000	(1,500,000)	0	0	0	0	0	0	0
Sponsorship	834,500	0	(200,000)	0	634,500	890,750	(256,250)	616,250	18,250
Swim-a-Thon	48,235	0	0	0	48,235	375,000	(326,765)	157,656	(109,421)
Olympic Trials VIP Packages	0	0	0	0	0	168,060	(168,060)	0	0
USA Swimming Support - Staff Allocation	0	0	0	0	0	335,000	(335,000)	0	0
Other Income	20,850	0	0	0	20,850	40,000	(19,150)	21,165	(315)
Investment Income (Loss)	12,055	(213,748)	(44,354)	0	(246,047)	785,000	(1,031,047)	1,859,477	(2,105,524)
<b>Total Revenue</b>	<b>2,993,876</b>	<b>(1,923,748)</b>	<b>(105,619)</b>	<b>0</b>	<b>964,508</b>	<b>4,246,310</b>	<b>(3,281,802)</b>	<b>4,469,686</b>	<b>(3,505,178)</b>
<b>Expenses:</b>									
<b>Supporting Expenses:</b>									
Annual Campaign	6,573	0	0	0	6,573	367,331	360,758	64,167	57,594
Major Gifts/Grants	13,336	0	0	0	13,336	428,958	415,622	53,052	39,716
Swim-a-Thon	30,971	0	0	0	30,971	168,144	137,173	46,765	15,793
Olympic Trials VIP Packages	20,850	0	0	0	20,850	168,060	147,210	0	(20,850)
Marketing	2,909	0	0	0	2,909	52,200	49,291	2,849	(60)
Operational and Administrative	465,652	0	0	0	465,652	467,291	1,639	537,812	72,160
<b>Total Supporting Expenses</b>	<b>540,292</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>540,292</b>	<b>1,651,984</b>	<b>1,111,692</b>	<b>704,645</b>	<b>164,353</b>
<b>Program Expenses:</b>									
Make a Splash - Grants	348,613	0	0	0	348,613	378,655	30,043	509,961	161,349
Make a Splash - Programs	80,988	0	0	0	80,988	899,121	818,133	331,962	250,974
<b>Total Make A Splash Expenses</b>	<b>429,601</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>429,601</b>	<b>1,277,776</b>	<b>848,175</b>	<b>841,923</b>	<b>412,322</b>
Building Champions - National Team Grants	310,000	0	0	0	310,000	900,000	590,000	360,000	50,000
Building Champions - Sport Dev. Grants	0	0	0	0	0	120,000	120,000	60,000	60,000
Building Champions - Club Relief Grants	1,475,952	0	0	0	1,475,952	0	(1,475,952)	0	(1,475,952)
Building Champions - Other Programs	29,019	0	0	0	29,019	118,990	89,971	24,878	(4,141)
Building Champions - Alumni Programs	19,930	0	0	0	19,930	107,060	87,130	24,666	4,736
<b>Total Building Champions Expenses</b>	<b>1,834,901</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,834,901</b>	<b>1,246,050</b>	<b>(588,851)</b>	<b>469,544</b>	<b>(1,365,357)</b>
<b>Total Program Expenses</b>	<b>2,264,502</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,264,502</b>	<b>2,523,826</b>	<b>259,324</b>	<b>1,311,467</b>	<b>(953,035)</b>
<b>Total Expenses</b>	<b>2,804,794</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,804,794</b>	<b>4,175,810</b>	<b>1,371,016</b>	<b>2,016,112</b>	<b>(788,682)</b>
<b>Surplus (Deficit)</b>	<b>189,082</b>	<b>(1,923,748)</b>	<b>(105,619)</b>	<b>0</b>	<b>(1,840,285)</b>	<b>70,500</b>	<b>(1,910,785)</b>	<b>2,453,574</b>	<b>(4,293,860)</b>
<b>NET CHANGE IN TOTAL NET ASSETS</b>	<b>\$189,082</b>	<b>(\$1,923,748)</b>	<b>(\$105,619)</b>	<b>\$0</b>	<b>(\$1,840,285)</b>	<b>\$70,500</b>	<b>(\$1,910,785)</b>	<b>\$2,453,574</b>	<b>(\$4,293,860)</b>

**USA Swimming Foundation, Inc.**  
**Income Statement**  
**For the Six months Ended June 30, 2020 and 2019**

	<b>Year-To-Date 2020</b>	<b>Budget 2020</b>	<b>Budget Remaining</b>	<b>Year-To-Date 2019</b>	<b>Favorable (Unfavorable)</b>
<b>UNRESTRICTED:</b>					
<b>Revenue:</b>					
Annual Campaign	\$126,142	\$700,000	(\$573,858)	\$210,447	(\$84,305)
Major Gifts/Grants - Unrestricted	30,828	215,000	(184,172)	254,692	(223,864)
Major Gifts - Trustee Satisfied Restrictions	150,000	450,000	(300,000)	300,000	(150,000)
Major Gifts/Grants - Other Satisfied Restrictions	61,265	217,000	(155,735)	162,287	(101,022)
Endowment Distributions In	210,000	765,000	(555,000)	210,000	0
Endowment Distributions - Club Relief Grants	1,500,000	0	1,500,000	0	1,500,000
Sponsorship	834,500	890,750	(56,250)	816,250	18,250
Swim-a-Thon	48,235	375,000	(326,765)	157,656	(109,421)
Olympic Trials VIP Packages	0	168,060	(168,060)	0	0
USA Swimming Support - Staff Allocation	0	335,000	(335,000)	0	0
Other Income	20,850	40,000	(19,150)	21,165	(315)
Investment Income (Loss)	12,055	20,000	(7,945)	22,284	(10,228)
<b>Total Unrestricted Revenue</b>	<b>2,993,876</b>	<b>4,175,810</b>	<b>(1,181,934)</b>	<b>2,154,780</b>	<b>839,096</b>
<b>Expenses:</b>					
<b>Supporting Expenses:</b>					
Annual Campaign	6,573	367,331	360,758	64,167	57,594
Major Gifts/Grants	13,336	428,958	415,622	53,052	39,716
Swim-a-Thon	30,971	168,144	137,173	46,765	15,793
Olympic Trials VIP Packages	20,850	168,060	147,210	0	(20,850)
Marketing	2,909	52,200	49,291	2,849	(60)
Operational and Administrative	465,652	467,291	1,639	537,812	72,160
<b>Total Supporting Expenses</b>	<b>540,292</b>	<b>1,651,984</b>	<b>1,111,692</b>	<b>704,645</b>	<b>164,353</b>
<b>Program Expenses:</b>					
Make a Splash - Grants	348,613	378,655	30,043	509,961	161,349
Make a Splash - Programs	80,988	899,121	818,133	331,962	250,974
<b>Total Make a Splash Expenses</b>	<b>429,601</b>	<b>1,277,776</b>	<b>848,175</b>	<b>841,923</b>	<b>412,322</b>
Building Champions - National Team Grants	310,000	900,000	590,000	360,000	50,000
Building Champions - Sport Development Grants	0	120,000	120,000	60,000	60,000
Building Champions - Club Relief Grants	1,475,952	0	(1,475,952)	0	(1,475,952)
Building Champions - Other Programs	29,019	118,990	89,971	24,878	(4,141)
Building Champions - Alumni Programs	19,930	107,060	87,130	24,666	4,736
<b>Total Building Champions Expenses</b>	<b>1,834,901</b>	<b>1,246,050</b>	<b>(588,851)</b>	<b>469,544</b>	<b>(1,365,357)</b>
<b>Total Program Expenses</b>	<b>2,264,502</b>	<b>2,523,826</b>	<b>259,324</b>	<b>1,311,467</b>	<b>(953,035)</b>
<b>Total Unrestricted Expenses</b>	<b>2,804,794</b>	<b>4,175,810</b>	<b>1,371,016</b>	<b>2,016,112</b>	<b>(788,682)</b>
<b>Operating Surplus (Deficit)</b>	<b>189,082</b>	<b>0</b>	<b>189,082</b>	<b>138,668</b>	<b>50,414</b>
<b>CHANGE IN UNDESIGNATED FUNDS</b>	<b>\$189,082</b>	<b>\$0</b>	<b>\$189,082</b>	<b>\$138,668</b>	<b>\$50,414</b>

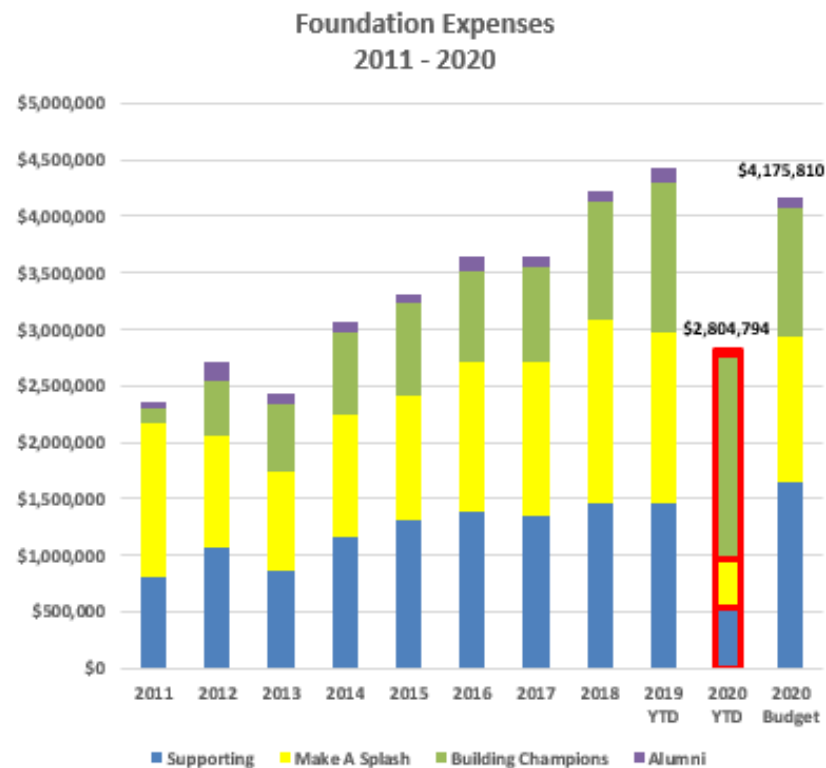


**USA Swimming Foundation, Inc.**  
**Income Statement**  
**For the Six months Ended June 30, 2020 and 2019**

	<u>Year-To-Date 2020</u>	<u>Budget 2020</u>	<u>Budget Remaining</u>	<u>Year-To-Date 2019</u>	<u>Favorable (Unfavorable)</u>
<b>BOARD DESIGNATED:</b>					
Endowment Distributions Out	(\$1,710,000)	(\$470,000)	(\$1,240,000)	(\$210,000)	(\$1,500,000)
Investment Income	(213,748)	470,000	(683,748)	1,434,129	(1,647,877)
<b>Change in Board Designated Net Assets</b>	<b><u>(\$1,923,748)</u></b>	<b><u>\$0</u></b>	<b><u>(\$1,923,748)</u></b>	<b><u>\$1,224,129</u></b>	<b><u>(\$3,147,877)</u></b>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<b><u>(\$1,734,666)</u></b>	<b><u>\$0</u></b>	<b><u>(\$1,734,666)</u></b>	<b><u>\$1,362,797</u></b>	<b><u>(\$3,097,463)</u></b>
<b>TEMPORARILY RESTRICTED:</b>					
Major Gifts/Grants - Temporarily Restricted	\$350,000	\$737,500	(\$387,500)	\$1,350,000	(\$1,000,000)
Endowment Distributions Out - Satisfied Restrictions	0	(295,000)	295,000	0	0
Satisfied Restrictions	(411,265)	(667,000)	255,735	(662,287)	251,022
Investment Income	(44,354)	295,000	(339,354)	307,293	(351,647)
<b>Change in Temp. Restricted Net Assets</b>	<b><u>(\$105,619)</u></b>	<b><u>\$70,500</u></b>	<b><u>(\$176,119)</u></b>	<b><u>\$995,006</u></b>	<b><u>(\$1,100,625)</u></b>
<b>PERMANENTLY RESTRICTED:</b>					
Investment Income	0	0	0	95,771	(95,771)
<b>Change in Perm. Restricted Net Assets</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$95,771</u></b>	<b><u>(\$95,771)</u></b>
<b>NET CHANGE IN TOTAL NET ASSETS</b>	<b><u>(\$1,840,285)</u></b>	<b><u>\$70,500</u></b>	<b><u>(\$1,910,785)</u></b>	<b><u>\$2,453,574</u></b>	<b><u>(\$4,293,860)</u></b>

**USA Swimming Foundation, Inc.**  
Expense Detail  
For the Six Months Ended June 30, 2020

	<b>SUPPORTING EXPENSES</b>	<b>PROGRAM EXPENSES</b>	<b>2020 YTD EXPENSES</b>	<b>2019 YTD EXPENSES</b>	<b>Variance</b>
<b>EXPENSES:</b>					
Salaries and Benefits	\$292,294	\$0	\$292,294	\$484,944	\$192,650
Professional Services	27,822	123,750	151,572	258,106	106,533
Rent and Overhead	135,000	0	135,000	0	(135,000)
Apparel	20,850	0	20,850	12,776	(8,074)
Awards and Gifts	19,684	0	19,684	22,461	2,777
Travel	11,340	2,728	14,068	111,337	97,269
Printing and Duplication	7,720	0	7,720	49,854	42,134
Freight and Postage	5,542	657	6,199	26,033	19,834
Dues Fees & Subscriptions	3,440	647	4,087	10,286	6,200
Credit Card/ Blackbaud Fees	3,023	858	3,881	6,820	2,939
Miscellaneous Expenses	3,347	0	3,347	8,727	5,381
Telephone and Internet Service	3,072	48	3,120	4,728	1,607
Depreciation and Amortization	2,589	0	2,589	5,177	2,589
Recognition and Fulfillment	1,184	557	1,741	26,883	25,142
Catering and Entertainment	1,725	13	1,738	16,870	15,132
Office Supplies and Expense	1,660	0	1,660	6,087	4,426
Space/Equipment Rental	0	678	678	6,943	6,265
Video and Photography	0	0	0	9,988	9,988
Repairs and Equipment	0	0	0	13,083	13,083
Advertising	0	0	0	1,568	1,568
Graphics and Art Work	0	0	0	3,480	3,480
Subtotal	540,292	129,938	670,229	1,086,151	415,922
Grants - MAS	0	348,613	348,613	509,961	161,349
Grants - Club Relief	0	1,475,952	1,475,952	0	(1,475,952)
Grants - USA Swimming	0	310,000	310,000	420,000	110,000
<b>Total Grants</b>	<b>0</b>	<b>2,134,565</b>	<b>2,134,565</b>	<b>929,961</b>	<b>(1,204,604)</b>
<b>TOTAL EXPENSES</b>	<b>\$540,292</b>	<b>\$2,264,502</b>	<b>\$2,804,794</b>	<b>\$2,016,112</b>	<b>(\$788,682)</b>



**Investment Policy Statement**  
**For**  
**USA Swimming, Inc.**  
April June 202019

## **Overview**

USA Swimming, Inc. is a not-for-profit organization with its national headquarters located in Colorado Springs, Colorado. USA Swimming, Inc. maintains an investment portfolio for the benefit of its members and appoints an Investment Committee to advise and provide oversight of these investments.-

## **Purpose of Investment Policy Statement**

The purpose of this Investment Policy Statement is to assist the Investment Committee of USA Swimming, Inc. (sometimes referred to herein as the “Committee”) in effectively establishing, supervising, monitoring and evaluating the investments maintained in the portfolio (referred to as “The Portfolio” which includes all USA Swimming portfolio assets, including operating funds, unless specifically stated otherwise.)

### **The Policy:**

1. Defines the investment goals and objectives of The Portfolio;
2. Documents the material facts considered and the process used to arrive at the investment decisions reached;
3. Establishes an asset allocation and investment management strategy designed to have a high probability of meeting the goals and objectives of The Portfolio;
4. Establishes a disciplined decision-making process to be followed by the investment advisors and managers in implementing the investment strategies decided upon;
5. Establishes a criterion for evaluating the success of the investment management of The Portfolio; and
6. Documents the procedural prudence followed by the Committee in taking the investment course of action followed.

With respect to the investment portion of the portfolio (referred to as “the Investments”) that are managed by the Investment Advisor “Advisor,” this statement also establishes a clear understanding between the Investment Committee and the Advisor concerning the investment policies and objectives of USA Swimming, Inc. It is contemplated that the Advisor will employ Investment Managers “Manager(s)” to manage specific segments of the Investments. The Advisor will be responsible for overseeing the Investments, monitoring individual manager performance and compliance with this document with respect to the Investments, and making asset allocation recommendations.

## **Goals and Objectives**

### Portfolio Goals

It is a primary goal of USA Swimming, Inc. to invest the financial assets of the organization, in excess of funds needed for current operations, and to provide maximum earnings growth, based on a total return, consistent with a policy of prudent investment and protection of assets. It is also the policy of the organization to maintain operating funds to provide for liquidity to meet current operating and capital expenditure needs. Such funds needed for current operations and capital requirements will be communicated to the Committee and the Advisor by the USAS Board prior to each fiscal year as part of the approved annual budget, with more frequent updates as required by changing circumstances.

## Investment Objectives

### A. Investment Funds

The invested assets of USA Swimming, Inc. are invested and maintained in a balanced investment program. The primary objective is to provide maximum growth consistent with a policy of prudent investment and protection of assets. Growth will be attained through appreciation of assets, the inclusion of additional funds when available, and from retention of earnings of the fund except for earnings caused to be withdrawn as hereinafter provided.

### B. Short Term Operating Account

The Short Term Operating Account is comprised of primarily operating funds that could reasonably be expected to be spent over the next 3 to 12 months. The account will be managed by the Chief Financial Officer. The securities in the account will be limited to the following investment vehicles and restrictions:

	Single Security <u>Limit</u>	Minimum <u>Quality</u>	Maximum <u>Maturity</u>
Money Market Funds	None	N/A	N/A
US Treasuries	None	N/A	1 yr
Agency Discount Notes	None	None	None
Commercial Paper	\$1,000,000	A2/P2	1 yr
Corporate Bonds	\$1,000,000	A3/A-	1 yr

## **Asset Allocation**

The asset allocation under the Investment Policy will meet the stated goals and objectives. The asset allocation is based upon the following:

- A. That it is not productive to “time” the markets. Rather, long-term strategic asset allocation, based upon the principles of Modern Portfolio Theory, is the most prudent investment approach. That is, effective diversification can reduce risk. In utilizing this methodology, it is important to diversify into all the major asset classes as set out below, and to diversify by investment style and money manager.
- B. That gains and losses have a significant impact upon the Investments’ growth objective.
- C. That portfolios with a greater amount of stock allocations and a lesser amount of bond allocations have a higher probability of short-term losses and of long-term higher returns than portfolios with lesser amounts of stocks.

Therefore, since long-term higher returns are very important in meeting the objectives of the Investments, the asset allocation shall contain a mixture of stocks and bonds that subject the portfolio to the potential of moderate, but not devastatingly large short-term losses, and provide the potential for higher long-term returns.

<u>Asset Allocation Mix</u>	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
<b>Stocks</b>	<b>53%</b>	<b>43%</b>	<b>63%</b>
<b>Real Estate</b>	<b>4%</b>	<b>3%</b>	<b>7%</b>
<b>Commodity</b>	<b>3%</b>	<b>0%</b>	<b>7%</b>
<b>Bonds</b>	<b>39%</b>	<b>28%</b>	<b>48%</b>
<b>Cash</b>	<b>1%</b>	<b>0%</b>	<b><u>155%</u></b>

### Historic\* and Expected Returns

The long-term un-audited historic rate of return on the Investments is shown below. It is based on the historic expected long-term total return for each asset class, and then adjusted for interest rate environment and each asset class' percentage weighting in ~~your~~ the portfolio. This is compared against the assumed long-term average rate of inflation (as measured by the Consumer Price Index). The difference between the nominal rate of return and the inflation rate is your real (after-inflation) expected return. Actual performance will vary from these assumed rates and there is no guarantee that this return objective will be achieved either in any single year or over the longer term. The portfolio return will also be reduced by the deduction of advisory and money management fees.

	<b>Year 1</b>	<b>Year 3</b>	<b>Year 5</b>	<b>Year 10</b>	<b>Year 20</b>
<b>95th Percentile</b>	<u>20.02</u> <del>1.25</del>	14.22	12.2 <del>11</del>	10.27	9.1 <del>07</del>
<b>Expected Value</b>	5.34	<u>5.77</u> <del>6.0</del>	<u>5.88</u> <del>6.1</del>	<u>5.92</u> <del>6.1</del>	5.98
<b>5th Percentile</b>	-5.9 <del>87</del>	-1.0 <del>17</del>	0.4 <del>27</del>	1.9 <del>87</del>	3.2 <del>01</del>

\*Mathematically calculated returns are based on historic asset class returns. Based on First Western Investment Advisor's capital market assumptions, the expected value returns are believed to be in the 5% - 6% range gross of investment advisory fees.

At least two benchmarks for each asset class shall be selected to compare future performance against. One or more passive indices that are reflective of the universe of securities within that asset class shall be selected. In addition, one or more active manager benchmarks will be used to compare relative performance of the investment vehicle used herein to other managers investing within a particular asset class.

It will be the objective of the Portfolio to outperform a blended benchmark consisting of 53% MSCI All Country World Index, 4% NAREIT Dev Index, 3% Bloomberg Commodity Index and 40% Barclays Aggregate Bond Index over a three year rolling period after fees. A secondary objective of the Portfolio will be to earn inflation (CPI) plus 3%. The Committee recognizes that any particular investment strategy will have periods where it will fall short of achieving its goal. During such period, the Committee expects rational explanations for such under-performance.

Risk will be measured by standard deviation and may be more or less risky than the blended index benchmark. Risk in excess of 15% plus or minus the benchmark may require additional examination. Returns will also be monitored on a risk adjusted basis as measured by the Sharpe Ratio. (Return of the

portfolio minus the risk free rate divided (the risk free rate is measured by the 5 year Treasury note) by the standard deviation.

## **Investment Vehicles**

In implementing the asset allocation policy, it is intended that there be extensive diversification by investment style. Actively managed Mutual Funds, Exchange Traded Funds (ETF's), and an individually managed Fixed Income portfolio have been selected as the primary method of effectively implementing the asset allocation strategy.

First Western Trust Investment Advisors, the current registered investment advisor to the Investments, will monitor the performance of each fund or manager and report to the Committee. ~~First Western Trust~~The Advisor ~~Investment Advisors~~ will also recommend replacement of funds or managers.

## **Rebalancing**

The asset allocation shall be rebalanced to the target allocations set out above after any quarter in which one or more of the minimum or maximum allocations are exceeded. Furthermore, in the event of a sudden or significant change in the asset allocation attributable to market conditions, the asset allocation may be rebalanced between quarters.

## **Costs**

The costs associated with the management of each asset class shall be reviewed at least annually. It is the Investments' objective that the total costs of managing the funds, including the investment advisory fees, shall be average or below when compared to the average fees for a similar mix of mutual funds. Averages from Morningstar Analytical Service shall be used for determining the appropriate average.

## **Communications**

Unless otherwise requested, the Advisor must furnish the Investment Committee with a quarterly account review detailing investment performance (time-weighted), portfolio holdings, an investment strategy, costs and fees, and the value of the Investments. The Investment Committee will also receive timely information about changes in investment philosophy, management, ownership, and key personnel of investment vehicles.

Investment Committee meetings will be held quarterly.

The Investment Committee may call more frequent meetings if significant concerns arise about the Advisor's investment strategy or performance of the Investments.

**KEY INFORMATION**

ORIGINAL INVESTMENT POLICY ADOPTION: May 1990

REVISED: 5/93, 1/97, 5/97, 10/98, 4/01, 12/01, 10/02, 01/05, 04/07, 6/08, 5/10, 4/11, 12/12, 11/16, 5/18, 4/19, 6/20

IRS TAX IDENTIFICATION: # 20-4264282

CUSTODIAN: BMO Harris Bank N.A. Trust

INVESTMENT ADVISOR: First Western Trust

## Execution

This Investment Policy Statement is hereby approved and adopted on April June, ~~2019~~2020.

By: \_\_\_\_\_

Printed Name: Eric Skufca

Title: CFO

By: \_\_\_\_\_

Printed Name: Douglas Barker

Title: Sr. Portfolio Manager



**Investment Policy Statement  
For  
USA Swimming, Inc.  
June 2020**

**Overview**

USA Swimming, Inc. is a not-for-profit organization with its national headquarters located in Colorado Springs, Colorado. USA Swimming, Inc. maintains an investment portfolio for the benefit of its members and appoints an Investment Committee to advise and provide oversight of these investments.

**Purpose of Investment Policy Statement**

The purpose of this Investment Policy Statement is to assist the Investment Committee of USA Swimming, Inc. (sometimes referred to herein as the “Committee”) in effectively establishing, supervising, monitoring and evaluating the investments maintained in the portfolio (referred to as “The Portfolio” which includes all USA Swimming portfolio assets, including operating funds, unless specifically stated otherwise.)

The Policy:

1. Defines the investment goals and objectives of The Portfolio;
2. Documents the material facts considered and the process used to arrive at the investment decisions reached;
3. Establishes an asset allocation and investment management strategy designed to have a high probability of meeting the goals and objectives of The Portfolio;
4. Establishes a disciplined decision-making process to be followed by the investment advisors and managers in implementing the investment strategies decided upon;
5. Establishes a criterion for evaluating the success of the investment management of The Portfolio; and
6. Documents the procedural prudence followed by the Committee in taking the investment course of action followed.

With respect to the investment portion of the portfolio (referred to as “the Investments”) that are managed by the Investment Advisor “Advisor,” this statement also establishes a clear understanding between the Investment Committee and the Advisor concerning the investment policies and objectives of USA Swimming, Inc. It is contemplated that the Advisor will employ Investment Managers “Manager(s)” to manage specific segments of the Investments. The Advisor will be responsible for overseeing the Investments, monitoring individual manager performance and compliance with this document with respect to the Investments, and making asset allocation recommendations.

**Goals and Objectives**

Portfolio Goals

It is a primary goal of USA Swimming, Inc. to invest the financial assets of the organization, in excess of funds needed for current operations, and to provide maximum earnings growth, based on a total return, consistent with a policy of prudent investment and protection of assets. It is also the policy of the organization to maintain operating funds to provide for liquidity to meet current operating and capital expenditure needs. Such funds needed for current operations and capital requirements will be communicated to the Committee and the Advisor by the USAS Board prior to each fiscal year as part of the approved annual budget, with more frequent updates as required by changing circumstances.

## Investment Objectives

### A. Investment Funds

The invested assets of USA Swimming, Inc. are invested and maintained in a balanced investment program. The primary objective is to provide maximum growth consistent with a policy of prudent investment and protection of assets. Growth will be attained through appreciation of assets, the inclusion of additional funds when available, and from retention of earnings of the fund except for earnings caused to be withdrawn as hereinafter provided.

### B. Short Term Operating Account

The Short Term Operating Account is comprised of primarily operating funds that could reasonably be expected to be spent over the next 3 to 12 months. The account will be managed by the Chief Financial Officer. The securities in the account will be limited to the following investment vehicles and restrictions:

	Single Security <u>Limit</u>	Minimum <u>Quality</u>	Maximum <u>Maturity</u>
Money Market Funds	None	N/A	N/A
US Treasuries	None	N/A	1 yr
Agency Discount Notes	None	None	None
Commercial Paper	\$1,000,000	A2/P2	1 yr
Corporate Bonds	\$1,000,000	A3/A-	1 yr

## **Asset Allocation**

The asset allocation under the Investment Policy will meet the stated goals and objectives. The asset allocation is based upon the following:

- A. That it is not productive to “time” the markets. Rather, long-term strategic asset allocation, based upon the principles of Modern Portfolio Theory, is the most prudent investment approach. That is, effective diversification can reduce risk. In utilizing this methodology, it is important to diversify into all the major asset classes as set out below, and to diversify by investment style and money manager.
- B. That gains and losses have a significant impact upon the Investments’ growth objective.
- C. That portfolios with a greater amount of stock allocations and a lesser amount of bond allocations have a higher probability of short-term losses and of long-term higher returns than portfolios with lesser amounts of stocks.

Therefore, since long-term higher returns are very important in meeting the objectives of the Investments, the asset allocation shall contain a mixture of stocks and bonds that subject the portfolio to the potential of moderate, but not devastatingly large short-term losses, and provide the potential for higher long-term returns.

<u>Asset Allocation Mix</u>	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
<b>Stocks</b>	<b>53%</b>	<b>43%</b>	<b>63%</b>
<b>Real Estate</b>	<b>4%</b>	<b>3%</b>	<b>7%</b>
<b>Commodity</b>	<b>3%</b>	<b>0%</b>	<b>7%</b>
<b>Bonds</b>	<b>39%</b>	<b>28%</b>	<b>48%</b>
<b>Cash</b>	<b>1%</b>	<b>0%</b>	<b>15%</b>

### **Historic\* and Expected Returns**

The long-term un-audited historic rate of return on the Investments is shown below. It is based on the historic expected long-term total return for each asset class, and then adjusted for interest rate environment and each asset class' percentage weighting in the portfolio. This is compared against the assumed long-term average rate of inflation (as measured by the Consumer Price Index). The difference between the nominal rate of return and the inflation rate is your real (after-inflation) expected return. Actual performance will vary from these assumed rates and there is no guarantee that this return objective will be achieved either in any single year or over the longer term. The portfolio return will also be reduced by the deduction of advisory and money management fees.

	<b>Year 1</b>	<b>Year 3</b>	<b>Year 5</b>	<b>Year 10</b>	<b>Year 20</b>
<b>95th Percentile</b>	20.0	14.2	12.2	10.2	9.1
<b>Expected Value</b>	5.34	6.0	6.1	6.1	5.9
<b>5th Percentile</b>	-5.9	-1.0	0.4	1.9	3.2

\*Mathematically calculated returns are based on historic asset class returns. Based on First Western Investment Advisor's capital market assumptions, the expected value returns are believed to be in the 5% - 6% % range gross of investment advisory fees.

At least two benchmarks for each asset class shall be selected to compare future performance against. One or more passive indices that are reflective of the universe of securities within that asset class shall be selected. In addition, one or more active manager benchmarks will be used to compare relative performance of the investment vehicle used herein to other managers investing within a particular asset class.

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Risk will be measured by standard deviation and may be more or less risky than the blended index benchmark. Risk in excess of 15% plus or minus the benchmark may require additional examination. Returns will also be monitored on a risk adjusted basis as measured by the Sharpe Ratio. (Return of the

portfolio minus the risk free rate divided (the risk free rate is measured by the 5 year Treasury note) by the standard deviation.

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Investment Committee meetings will be held quarterly.

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**KEY INFORMATION**

ORIGINAL INVESTMENT POLICY ADOPTION: May 1990

REVISED: 5/93, 1/97, 5/97, 10/98, 4/01, 12/01, 10/02, 01/05, 04/07, 6/08, 5/10, 4/11, 12/12, 11/16, 5/18, 3/19, 6/20

IRS TAX IDENTIFICATION: # 20-4264282

CUSTODIAN: BMO Harris Bank N.A. Trust

INVESTMENT ADVISOR: First Western Trust

**Execution**

This Investment Policy Statement is hereby approved and adopted on June, 2020.

By: \_\_\_\_\_

Printed Name: Eric Skufca

Title: CFO

By: \_\_\_\_\_

Printed Name: Douglas Barker

Title: Sr. Portfolio Manager

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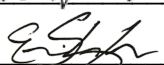
## Performance Monitoring Report

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TO: USA Swimming Board of Directors  
FR: Tim Hinchey, Chief Executive Officer  
Eric Skufca, Chief Financial Officer  
RE: Internal Report – Management Parameters  
Semi-Annual Monitoring on **Policy 3.6: Budget (Mid-Year Update/Re-Forecast)**

We hereby present the monitoring report on the Board's policy 3.6 "Financial Planning and Budgeting" in accordance with the monitoring schedule set forth in Board policy.

The information contained in this report, and the current budget update (attached) for the remainder of this fiscal year is true as of June 30, 2020.

Signed , President & CEO  
, CFO

Date: September 16, 2020

*NOTE TO BOARD: This Monitoring Report is, per Board policy 4.4, to update the Board as to a mid-year "re-forecasting" projection as to our anticipated fiscal year-end status for 2020. The 2020 budget/forecast will be presented at the November Board meeting.*

**BROADEST POLICY PROVISION: "Financial planning for any fiscal year, the remaining part of any fiscal year, or any quadrennial cycle will not deviate materially from the Board's Ends priorities, risk financial jeopardy or fail to address multi-year planning needs and considerations."**

**CEO'S INTERPRETATION:** (No change since previous report)

I submit that the Board has comprehensively interpreted this policy statement in its subsequent provisions, with interpretation of "multi-year planning" to be for the current quadrennial cycle, except that in the last year of a quad this will extend to the subsequent cycle.

I also interpret this policy to indicate that, as CEO, I have the authority to revise the budget throughout the year, with it being my obligation to keep the Board apprised of material changes, which must meet all of the criteria in this policy, unless specifically waived by the Board.

### REPORT:

The current year's budget, as approved by the Board of Directors in November of 2019, projected an operating surplus of \$3,958,764. Based on financial activities through June 30, 2020 and the organizational and global landscape given the current pandemic, our current projection is for a FYE operating surplus of \$2,263,888, which trails the number approved by this body in November 2019 by (\$1,694,876).

While we acknowledge the significant discrepancy between the expected and COVID-adjusted financial projections, we are continuing to actively analyze and strategize short and long term decisions as we navigate the effects of the pandemic over the next 24 months and beyond. We therefore report **COMPLIANCE**.

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**POLICY PROVISION 1: “(The CEO will not allow budgeting that...) Risks incurring those liquidity situations or conditions described as unacceptable in the Financial Conditions and Activities policy.”**

**CEO’S INTERPRETATION:** (No change since previous report)

We interpret this policy to mean that our budget must plan for the consistent compliance with the cash flow/liquidity requirements of that policy, e.g. that we run a positive cash-flow operation (with allowance for slight variations in the course of the quadrennial cycle and annual membership cycle), not incurring debt, not tapping into the Operating Reserve except for temporary periods, etc.

**REPORT:**

As referenced above, our updated forecast projects a surplus of \$2,263,888. As we finish Q3 and head into Q4 and 2021, the budget forecast and cash flow projections support our expectations of being able to comply with all other provisions regarding liquidity, payments and collections. If liquidity, payments and collections become a continued headwind as we navigate through the pandemic, we will adjust operations (expenditures, programs, outputs, etc.) accordingly to ensure the acceptable sustainability of the organization.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 2: “(The CEO will not allow budgeting that...) Omits credible projection of revenues and expenses, separation of capital and operational items, and disclosure of planning assumptions.**

- A. **Investment income from Undesignated and Board-Designated Operating Reserve funds may be conservatively projected as operating revenue.”**

**CEO’S INTERPRETATION:** (No change since previous report)

I interpret this policy to mean that the budget prepared, utilized and available for presentation must have adequate data to support the projections. It must highlight the separation of capital items from operational expenses, and convey the key assumptions used in creating the projections.

**REPORT:**

The 2020 budget planning process was refined for presentation to the Board in November 2019. Business unit and department management rigorously reviewed and ensured the merit of planned expenditures. Projections of revenues were built on assumptions supported by history and current developments. A summary with variance explanations of the assumptions accompanied the presentation. The budget contains sufficient detail for subsequent auditor traceability (as was the case for the 2019 audit). Comparison of Y-T-D budget vs. actual performance, as highlighted in the P&L Statement accompanying the report on policy 3.4 “Financial Condition & Activities,” reflects the overall credibility of our budget projections. Please note the 2020 budget was crafted, presented, and approved prior to the global pandemic, postponement of the Olympic Games and Olympic Trials, and many other events and programs. Given the global landscape and effects of the pandemic, there have been many substantial deviations from budget in both revenues and expenditures as summarized below:

- Total revenues projected less than original budget by (\$11,717,512) or (26.2%).
  - Sport & Events revenue projected less by (\$5,708,635) primarily due to the Trials postponement and the deferral of these revenues until 2021,
  - Partnership Marketing revenue projected less by (\$2,845,035) given the cancellation of certain events and postponement of others including Trials which affects the ability to activate/fulfill our sponsor contracts in certain situations,
  - Membership revenues projected less by (\$2,024,168) given the current facility closures throughout the country which will affect the last remaining months of the 2019-2020 membership year,
  - Investment Income projected less by (\$1,409,232) as a result from the organization discontinuing portfolio distributions to be used for operations for the remainder of 2020 to reduce additional strain on our reserves during these uncertain times.
  - USOPC Partnership revenue projected less by (\$1,231,200) primarily due to Olympic Games related grants that will be deferred to 2021.

- Total operating expenses less than original budget by \$10,022,636 or 24.6%.
  - National Team division projected less by \$4,651,499 primarily due to the postponement of the Olympic Games, Trials, and other events,
  - Commercial division projected less by \$1,982,739 primarily due to the postponement of Trials and other event activations,
  - Events & Member Services division projected less by \$1,499,750 primarily due to events and travel being cancelled or postponed,
  - Sport Development division projected less by \$939,902 primarily due to events and travel being cancelled or postponed.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 3: “(The CEO will not allow budgeting that...) Plans the expenditure in any quadrennial cycle of more funds than are conservatively projected to be received.”**

**CEO’S INTERPRETATION:** (No change since previous report)

This policy requires that a conservative projection of revenues is to exceed our most realistic projection of expense for any quad cycle. “Conservatism” is based on certainty. Revenues expected from established sources/contracts are projected at 100% certainty and amounts from contracts/activities with which we don’t have a track record are projected at lower amounts. Investment income is based on a conservative long-term return of 4.7% annually from a portfolio of 60% equities and 40% fixed income. We know for certain that actual returns will vary from this target, but drawing this amount (even in negative return years) will not jeopardize the long-term viability of the portfolio.

#### **REPORT:**

Our currently projected FYE revenue and expenses for 2020 are \$32,998,933 and (\$30,735,045), respectively, resulting in a net surplus of \$2,263,888. As we approach the last year of the current “5 year quad” (2017-2021 due to the Olympic Games and Trials postponement), our 2021 Business Plan (attached) is reasonable at this time, but we are still actively working to continuously improve and monitor the 2021 “quad” operating results understanding there are still material uncertainties over the next 15 months and beyond.

**We report NON-COMPLIANCE at this time but are continuing to actively analyze and strategize areas to meet and exceed the 2020 operating budget and the 2021 “quad” budget goal given the material operational changes starting in 2020 with the global pandemic.**

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**POLICY PROVISION 4: “(The CEO will not allow budgeting that... ) Fails to allocate appropriate gross cash revenues to the Board Designated Operating Reserve, if that fund level is and has been less than 75% of its targeted threshold of six months (50% of annual) Program Funding and Operating Costs for two consecutive years.”**

**CEO’S INTERPRETATION:** (No change since previous report)

If the Operating Reserve as measured at FYE is less than 75% of the targeted threshold (50% of budget) for two consecutive years, the CEO will direct the CFO and senior staff to budget operating surpluses to raise the Operating Reserve to its targeted threshold over the following two years.

#### **REPORT:**

The CFO calculates the Operating Reserve requirement (at least) annually after our annual audit per the policy and has reported a (\$406,213) reserve shortage below the required Operating Reserve of \$20,378,841 (six months budgeted operating expenses) at December 31, 2019. This shortage is primarily attributable to Board approved reserve spending as well as the operating deficits in 2018 and 2019.



As such, the CFO calculated the Operating Reserve requirement again as of June 30, 2020 and has reported \$2,693,793 of excess reserves above the required Operating Reserve of \$15,249,178 (six months projected operating expenses which have been significantly reduced as outlined in Provision #2 above).

Note the December 31, 2019 calculation was at 98% of the targeted reserve level (or 5.88 months vs. the targeted 6 months) and has rebounded to 118% (or 7.06 months) as of June 30, 2020. Policy states:

*"If the Operating Reserve is and has been less than 75% of the targeted reserve level for two consecutive years, the Board of Directors, in the absence of any extraordinary circumstances, will adopt an operational budget that includes a projected surplus sufficient to rebuild the Operating Reserve Fund to its targeted reserve level over the following two years."*

Given our historical position, projected operating results in 2020 and 2021, and the current reserve calculation, the Vice Chair of Fiscal Oversight and CFO recommend no changes or concern at this point. Operating Reserve will be calculated again every quarter.

The corporation also has \$17,683,333 of Board Designated funds from the sale of USSIC in reserves as of June 30, 2020. Only \$5,000,000 of which is dedicated to a guarantee related to the sale.

We therefore report **COMPLIANCE**.

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**POLICY PROVISION 5: "(The CEO will not allow budgeting that... ) Omits allocation for Board activities per the Budgeting for Board Prerogatives policy (see policy in Board Process)."**

**CEO'S INTERPRETATION:** (No change since previous report)

The annual operating budget is to ensure availability of funds to support Board functions. While this has always been the case, the new governance structure does create greater clarity and accountability regarding Board and management domains.

This policy requires that I ensure that the annual budget incorporates funding for Board prerogatives related to its governance functions. Consistent with 2019 and under the new governance structure, allocations for these functions will be addressed by the Board at its September meeting, and will subsequently appear, as approved, in the "Governance" subsection of the budget.

#### **REPORT:**

Board-related expenditures are found within the "Executive" and "Finance" division budget files. These 2020 projections and 2021 proposed budgets with rationale will be presented for BOD review and approval at the September BOD meeting and then included in the full 2021 budget at the November meeting.

We therefore report **COMPLIANCE**.

USA Swimming  
2020 Budget vs. 2020 Projection Summary  
As of 9/14/2020

	Approved Budget 2020	Current Projection 2020	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	Comment
<b>REVENUE:</b>					
Membership	\$ 23,806,500	\$ 21,782,332	\$ (2,024,168)	-8.5%	Based on YTD actuals (no Spring/Summer memberships as originally budgeted).
Partnership Marketing Revenue	5,615,475	2,930,440	(2,685,035)	-47.8%	Latest projections with Commercial (recogn. available activations, negotiations, make goods, etc.).
Consumer Revenue	185,000	25,000	(160,000)	-86.5%	Latest projections with Commercial (royalties and e-commerce).
USOPC Partnership	5,389,500	4,158,300	(1,231,200)	-22.8%	Assumes deferral of Olympic-related programs to 2021 (\$1.2M).
Investment Income	2,173,848	764,616	(1,409,232)	-64.8%	Assumes we will not be taking Q2-Q4 distribution from our portfolio for operations.
Foundation	1,245,000	1,220,000	(25,000)	-2.0%	Assumes no \$120K SAT grant from Foundation offset by \$45K of NT mental health funds given last year to be received and used by Swimming this year.
Sport and Events	6,062,000	353,365	(5,708,635)	-94.2%	Trials deferred to 2021.
Pandemic Relief		1,400,000	1,400,000	100.0%	PPP forgiven portion (anticipated).
Other Income	239,122	364,880	125,758	52.6%	
<b>Total Revenue</b>	<b>44,716,445</b>	<b>32,998,933</b>	<b>(11,717,512)</b>	<b>-26.2%</b>	
<b>EXPENSES:</b>					
<b>Technical/Sport:</b>					
Sport Development	5,364,094	4,424,192	939,902	17.5%	Athlete, Club, and Coach Edu & Dev. +\$710K (primarily travel and hosted events).
Events and Member Services	5,577,265	4,077,515	1,499,750	26.9%	Events cancelled/postponed +\$523K, Zone workshops +\$200K, Convention +\$145K, Officials programming (cancelled/postponed) +\$139K, TV/Webcast +\$127K.
National Team Division	11,124,500	6,473,001	4,651,499	41.8%	Olympic Games Camp +\$1.025M, Olympic Prize/Medal money +\$1.01M, Jr. Team programming +\$535K, Olympic Games program +\$458K, Coach Services +\$441K, Short Course Worlds +352K, Open Water programming +\$176K, Payroll/G&A +\$130K.
Total Technical/Sport	22,065,859	14,974,708	7,091,151	32.1%	
<b>Other Programs:</b>					
Commercial	7,664,380	5,681,641	1,982,739	25.9%	Aquazone +\$995K, Swimming House +\$245K, Splash Magazine +\$120K, Swimming Productions +\$102K.
Risk Management	3,330,687	2,873,367	457,320	13.7%	Covid related rebates/discounts.
Foundation & Make a Splash Support	311,000	449,414	(138,414)	-44.5%	Assumes similar allocation to 2019 (nets zero).
Total Other Programs	11,306,067	9,004,422	2,301,645	20.4%	
<b>Administration:</b>					
Executive	1,849,578	1,201,623	647,955	35.0%	BOD +\$108K, Olympic Games contingency +\$100K, Payroll +\$175K.
Finance	946,515	904,325	42,190	4.5%	Payroll & G&A +\$32K.
Business Affairs	4,589,662	4,649,967	(60,305)	-1.3%	NBOR -(\$143K), Legal -(\$100K), Safe Sport (primarily travel and Aquazone presence) +\$77K, Human Resources +\$38K, Government Affairs +\$34K.
Total Administration	7,385,755	6,755,915	629,840	8.5%	
<b>Total Expenses</b>	<b>40,757,681</b>	<b>30,735,045</b>	<b>10,022,636</b>	<b>24.6%</b>	
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ 3,958,764</b>	<b>\$ 2,263,888</b>	<b>\$ (1,694,876)</b>		

**USA Swimming**  
**2020 Budget vs. 2020 Projection Summary**  
**As of 9/14/2020**

	Approved Budget 2020	Current Projection 2020	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	Comment
<b>BOARD APPROVED RESERVE INVESTMENTS</b>					
Operating Reserves:					
Disaster Donations	(25,000)	(25,000)	-		
Special IT Projects (CRM)	(350,000)	(470,685)	(120,685)		\$1.3M approved. Given current spends from 2018-2020 YTD, this will bring us to approved total.
Cost of Flex	(1,300,000)	(1,300,000)	-		
Board Designated Funds:					
"Keeping Athletes First" (KAF) Initiative**:					
Safe Sport Club Recognition Assistance	(1,000,000)	(1,000,000)	-		
Coach Education & LMS	(1,750,000)	(1,750,000)	-		
Safe Sport Staff Resources & Program Dev.	(500,000)	(500,000)	-		
Online Member Registration	(250,000)	(250,000)	-		
Legal	(250,000)	(250,000)	-		
USSIC Sale Letter of Credit	(2,500,000)	(2,500,000)	-		Liability since the USSIC sale in 2016. First draws expected in 2020.
<b>Total Board Approved Reserve Investments</b>	<b>(7,925,000)</b>	<b>(8,045,685)</b>	<b>(120,685)</b>		
<b>Surplus (Deficit) Before Investment G/(L)</b>	<b>(3,966,236)</b>	<b>(5,781,797)</b>	<b>(1,815,561)</b>		
<b>Investment Gains (Losses)</b>	<b>0</b>	<b>(1,525,000)</b>	<b>(1,525,000)</b>		2020 projection through June 2020.
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ (3,966,236)</b>	<b>\$ (7,306,797)</b>	<b>\$ (3,340,561)</b>		

\*\* "Keeping Athletes First" Initiative was Board approved in November 2019 at \$5M total. Current program projections have \$3.5M to be spent in 2020 and the remaining \$1.5M in 2021.

USA Swimming, Inc.  
BUDGET VS. PROJECTION  
2020

	Year to Date Actual	2020 Budget	2020 Projected	Favorable (Unfavorable)
OPERATING REVENUE:				
MEMBERSHIP:				
Athlete Membership	\$17,694,536	\$18,831,446	\$17,673,286	(\$1,158,160)
Flex	260,400	377,540	259,440	(118,100)
Cost of Flex	0	1,276,342	1,302,502	26,160
Outreach Athlete Membership	42,445	51,500	42,380	(9,120)
Seasonal Athlete Membership	178,198	609,360	79,800	(529,560)
Non-Athlete Membership	2,235,218	2,463,756	2,228,528	(235,228)
Life Membership	33,334	40,000	28,000	(12,000)
Allied Membership	0	1,000	1,000	0
Club Membership	206,220	212,310	205,520	(6,790)
Seasonal Club Membership	2,400	4,680	1,200	(3,480)
Affiliate Membership	450	800	800	0
Single Meet Open Water	320	1,500	220	(1,280)
Delegate Fees	0	350	350	0
Other Membership Income	730	(64,084)	(40,694)	23,390
<b>TOTAL MEMBERSHIP</b>	<b>20,654,251</b>	<b>23,806,500</b>	<b>21,782,332</b>	<b>(2,024,168)</b>
PARTNERSHIP MARKETING REVENUE:				
Corporate Sponsorship	3,127,573	5,335,475	2,742,940	(2,592,535)
Supplier Income	198,125	225,000	167,500	(57,500)
Licensee Income	0	30,000	15,000	(15,000)
Print Advertising	5,060	25,000	5,000	(20,000)
<b>TOTAL PARTNERSHIP MARKETING REVENUE</b>	<b>3,330,758</b>	<b>5,615,475</b>	<b>2,930,440</b>	<b>(2,685,035)</b>
CONSUMER REVENUE:				
Royalties	8,384	100,000	5,000	(95,000)
SwimOutlet	17,351	85,000	20,000	(65,000)
<b>TOTAL CONSUMER REVENUE</b>	<b>25,735</b>	<b>185,000</b>	<b>25,000</b>	<b>(160,000)</b>
USOPC PARTNERSHIP:				
USOPC Performance Funding	2,311,650	3,082,200	1,851,000	(1,231,200)
USOPC Performance VIK	0	60,000	60,000	0
USOPC Direct Athlete Support	1,330,167	2,232,300	2,232,300	0
USOPC International Relations Grant	0	15,000	15,000	0
<b>TOTAL USOPC PARTNERSHIP</b>	<b>3,641,817</b>	<b>5,389,500</b>	<b>4,158,300</b>	<b>(1,231,200)</b>
INVESTMENT INCOME:				
Investment Income - Operating Budget	704,616	2,113,848	704,616	(1,409,232)
Interest Income - Savings	2	0	0	0
Interest Income - Short Term Securities	26,325	60,000	60,000	0
<b>TOTAL INVESTMENT INCOME</b>	<b>730,943</b>	<b>2,173,848</b>	<b>764,616</b>	<b>(1,409,232)</b>
FOUNDATION AND SWIM-A-THON:				
USA Swimming Foundation	310,000	975,000	950,000	(25,000)
Foundation Rent	202,500	270,000	270,000	0
<b>TOTAL FOUND. AND SWIM-A-THON</b>	<b>512,500</b>	<b>1,245,000</b>	<b>1,220,000</b>	<b>(25,000)</b>
SPORT AND EVENTS:				
Golden Goggle Awards	0	125,000	103,010	(21,990)
Coach Education Clinics	59,900	188,000	75,000	(113,000)
Altitude Camps	185,937	290,000	186,000	(104,000)
Olympic Trials	0	5,160,000	(75,000)	(5,235,000)
Pro Swim Series Host Fees	25,000	75,000	25,000	(50,000)
International Swim League (ISL)	0	50,000	0	(50,000)
Facilities Conference	5,607	8,000	4,655	(3,345)
Custom Visits (BAP)	4,167	6,000	1,700	(4,300)
Safe Sport Materials	0	0	12,000	12,000
International TV Rights	0	25,000	0	(25,000)
Other Registration	3,971	135,000	21,000	(114,000)
<b>TOTAL SPORTS AND EVENTS</b>	<b>284,581</b>	<b>6,062,000</b>	<b>353,365</b>	<b>(5,708,635)</b>
<b>PANDEMIC RELIEF</b>	<b>0</b>	<b>0</b>	<b>1,400,000</b>	<b>1,400,000</b>
OTHER INCOME:				
NCAA Top Times List	100,589	100,600	100,600	0
Combined Federal Campaign	1,771	0	0	0
Imputed Interest - Prepaid Rent	198,683	138,522	264,280	125,758
Other Revenue	6,217	0	0	0
<b>TOTAL OTHER INCOME</b>	<b>307,260</b>	<b>239,122</b>	<b>364,880</b>	<b>125,758</b>

USA Swimming, Inc.  
BUDGET VS. PROJECTION  
2020

	Year to Date Actual	2020 Budget	2020 Projected	Favorable (Unfavorable)
<b>TOTAL OPERATING REVENUE</b>	<b>\$29,487,845</b>	<b>\$44,716,445</b>	<b>\$32,998,933</b>	<b>(\$11,717,512)</b>
OPERATING EXPENSES:				
TECHNICAL/SPORT:				
<b>SPORT DEVELOPMENT</b>				
<b>Athlete Development Programs</b>				
1117 LSC Camps	\$679	\$10,200	\$1,200	\$9,000
1118 Zone Select Camps	5,610	127,844	15,000	112,844
1119 National Select Camps	497	0	8	(8)
1120 Camp (VIK)	1,965	25,000	25,000	0
1135 Tech Services Support	0	2,900	2,900	0
1163 Open Water Select Camp	0	62,460	0	62,460
<b>Program Group Total</b>	<b>8,751</b>	<b>228,404</b>	<b>44,108</b>	<b>184,296</b>
<b>Coach Education and Development</b>				
1213 Coach Education Development	15,743	62,800	41,394	21,406
1231 USA-S Hosted Coaches Clinics	4,120	138,236	15,050	123,186
1233 Disability Swimming Coaches Workshop	0	8,160	0	8,160
1237 Non-USAS Clinic Participation	4,109	38,100	10,000	28,100
1240 Online Coach Clinics/Podcasts	4,969	10,100	8,000	2,100
1242 Coach Mentoring	16,125	129,322	49,400	79,922
1245 Master Coach Program	0	25,000	18,000	7,000
1290 Travel & Program Support	20,776	191,680	66,025	125,655
<b>Program Group Total</b>	<b>65,842</b>	<b>603,398</b>	<b>207,869</b>	<b>395,529</b>
<b>Club Education and Development</b>				
1302 Club Excellence Program	471,191	463,000	463,000	0
1305 Club Recognition Program	0	7,500	5,000	2,500
1311 Club Governance Programs	10,000	31,154	21,154	10,000
1314 Club Resources	22,057	13,734	31,000	(17,266)
1332 Club Research Technology	10,420	30,500	10,500	20,000
1390 Travel & Program Support	15,111	169,382	55,000	114,382
<b>Program Group Total</b>	<b>528,779</b>	<b>715,270</b>	<b>585,654</b>	<b>129,616</b>
<b>LSC Development &amp; Education</b>				
1470 LSC Consulting	32,323	67,902	34,000	33,902
1475 LEAP Program	21,746	53,500	53,500	0
1481 Leadership Workshops	1,808	26,971	26,971	0
<b>Program Group Total</b>	<b>55,878</b>	<b>148,373</b>	<b>114,471</b>	<b>33,902</b>
<b>Facilities Advocacy &amp; Development</b>				
1505 Build a Pool Conference	22,623	60,200	22,805	37,395
1507 Aquatic Industry Relations	0	22,400	0	22,400
1590 Travel & Program Support	80,000	146,800	135,500	11,300
<b>Program Group Total</b>	<b>102,623</b>	<b>229,400</b>	<b>158,305</b>	<b>71,095</b>
<b>Membership Growth and Diversity</b>				
1638 Diversity Management Support	7,027	106,550	83,666	22,884
1640 Community Swim Team Development	7,836	70,500	70,500	0
1645 Zone Diversity Camps & Meetings	9,863	35,400	14,350	21,050
1651 Diversity VIK	17,890	15,000	15,000	0
1665 Diversity Select Camp	7,816	75,256	18,050	57,206
<b>Program Group Total</b>	<b>50,431</b>	<b>302,706</b>	<b>201,566</b>	<b>101,140</b>
<b>Committees</b>				
1823 Convention Education Committee	0	500	100	400
1830 LSC Development Committee	0	4,550	4,550	0
1841 Disability Swimming Committee	55	500	250	250
1842 Diversity Committee	0	500	250	250
1851 Age Group Development Committee	0	500	100	400
1856 Club Development Committee	0	500	250	250
1885 Senior Development Committee	0	500	250	250
<b>Program Group Total</b>	<b>55</b>	<b>7,550</b>	<b>5,750</b>	<b>1,800</b>
<b>Administration</b>				
1990 Administration & Operational Support	214,751	471,718	432,768	38,950
1999 Salary and Benefits	1,955,788	2,657,275	2,673,701	(16,426)
<b>Program Group Total</b>	<b>2,170,539</b>	<b>3,128,993</b>	<b>3,106,469</b>	<b>22,524</b>

USA Swimming, Inc.  
BUDGET VS. PROJECTION  
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	Year to Date Actual	2020 Budget	2020 Projected	Favorable (Unfavorable)
<b>TOTAL SPORT DEVELOPMENT</b>	<b>2,982,899</b>	<b>5,364,094</b>	<b>4,424,192</b>	<b>939,902</b>
<b>EVENTS AND MEMBER SERVICES</b>				
<b>Events</b>				
2005 Olympic Trials	1,441	40,000	8,685	31,315
2018 US Open (frmly Winter National Champs)	1,997	213,836	171,336	42,500
2019 National Championships/Trials	1,880	0	1,880	(1,880)
2022 International Swimming League Events	0	25,000	0	25,000
2023 USA Swimming Invitational (frmly US Open)	1,823	116,013	9,435	106,578
2025 Pro Swim Series	140,746	280,348	242,148	38,200
2027 Speedo Sectionals	99,914	220,000	200,000	20,000
2028 IM Xtreme Games	4,000	24,000	4,000	20,000
2029 Zone Championships	12,500	100,000	12,500	87,500
2035 Futures Championships	0	90,574	0	90,574
2040 Jr. Pan Pacific Championships	0	25,000	25,000	0
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	126	138,256	126,006	12,250
2069 Open Water Championships	10,469	102,117	51,017	51,100
2077 National Events Uniforming VIK	0	40,000	40,000	0
2076 Bag Tags VIK	18	10,000	10,000	0
2716 Omega Timing Systems VIK	0	400,000	400,000	0
<b>Program Group Total</b>	<b>274,914</b>	<b>1,825,144</b>	<b>1,302,007</b>	<b>523,137</b>
<b>Member Programs</b>				
2411 Member Dues and Services	8,989	9,136	9,136	0
2412 Technology Projects	0	25,000	0	25,000
2418 SWIMS 2.0	83,344	189,500	189,500	0
2423 Rulebook	90,574	108,800	108,800	0
2430 Athlete Leadership Camp	0	30,000	30,000	0
2431 Swimposium	5,250	96,188	53,340	42,848
<b>2432 Zone Workshops</b>	<b>1,250</b>	<b>202,036</b>	<b>1,250</b>	<b>200,786</b>
2434 On-Line Registration	57,943	106,500	106,500	0
2498 Awards	2,822	12,290	5,850	6,440
<b>Program Group Total</b>	<b>250,171</b>	<b>779,450</b>	<b>504,376</b>	<b>275,074</b>
<b>Member Programs - Officials</b>				
2433 Officials Training Sessions	555	89,055	22,130	66,925
2437 Officials On-Line Testing	0	1,100	1,100	0
2438 Officials Certification Program	0	5,200	2,700	2,500
2440 Officials Clinic	232	48,960	3,300	45,660
2441 Officials International Travel	0	23,467	0	23,467
2450 Officials Mentoring & Training	495	4,068	4,068	0
<b>Program Group Total</b>	<b>1,282</b>	<b>171,850</b>	<b>33,298</b>	<b>138,552</b>
<b>Other Programs and Services</b>				
2501 Publications and Video Sales	8,624	30,000	30,000	0
2502 Mailing Service	0	500	500	0
2505 Trials Hospitality	560	40,768	561	40,207
2518 Altitude Camps	159,834	300,000	160,215	139,785
2519 Times Projects	24,301	34,400	33,200	1,200
2535 Pool Environment Research & Education	0	30,000	0	30,000
<b>2715 TV/Web Cast Production</b>	<b>226,187</b>	<b>881,640</b>	<b>754,840</b>	<b>126,800</b>
<b>Program Group Total</b>	<b>419,506</b>	<b>1,317,308</b>	<b>979,316</b>	<b>337,992</b>
<b>Committees &amp; Governance</b>				
<b>2801 Convention</b>	<b>1,129</b>	<b>110,522</b>	<b>37,550</b>	<b>72,972</b>
<b>2802 Convention - Athletes</b>	<b>0</b>	<b>78,009</b>	<b>6,500</b>	<b>71,509</b>
2825 Registration / Membership	11	500	500	0
2832 Awards	0	300	175	125
2835 Credentials / Elections	0	500	500	0
2836 Rules and Regulations	1,171	19,490	2,400	17,090
2857 Times & Recognition Committee	2,165	500	10,000	(9,500)
2860 Programs & Events Committee	0	500	0	500
2866 Officials	7,755	8,498	7,998	500
2887 Athletes Executive Committee	212	500	500	0
<b>Program Group Total</b>	<b>12,443</b>	<b>219,319</b>	<b>66,123</b>	<b>153,196</b>
<b>Administration</b>				
2990 Administration & Operational Support	87,618	210,200	168,150	42,050
2999 Salary and Benefits	706,425	1,053,994	1,024,245	29,749
<b>Program Group Total</b>	<b>794,043</b>	<b>1,264,194</b>	<b>1,192,395</b>	<b>71,799</b>
<b>TOTAL EVENTS AND MEMBER SERVICES</b>	<b>1,752,360</b>	<b>5,577,265</b>	<b>4,077,515</b>	<b>1,499,750</b>

USA Swimming, Inc.  
BUDGET VS. PROJECTION  
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	Year to Date Actual	2020 Budget	2020 Projected	Favorable (Unfavorable)
<b>NATIONAL TEAM</b>				
Competitions				
3001 Olympic Games	0	458,150	0	458,150
3033 Short Course World Championships	0	352,360	0	352,360
Program Group Total	0	810,510	0	810,510
<b>Junior Team Programs</b>				
3009 Jr. Team International Competition	0	122,500	0	122,500
3012 Jr. Pan Pacific Championships	1,375	335,070	1,400	333,670
3045 Junior Team Camps	2,598	52,200	2,600	49,600
3051 Jr. Team Pro Swim Series	5,045	25,000	10,000	15,000
3053 World 100	0	3,000	0	3,000
3992 Ntl. Jr. Team Program Support	6,993	25,660	14,090	11,570
Program Group Total	16,011	563,430	28,090	535,340
<b>Open Water Programs</b>				
3040 FINA Open Water Jr. Championships	0	63,845	0	63,845
3060 Open Water Olympic Games	0	54,300	0	54,300
3065 Open Water World Cup	50,253	81,910	51,000	30,910
3067 Open Water Camps	1,617	9,000	4,000	5,000
3495 Open Water Program Support	3,059	27,306	4,919	22,387
Program Group Total	54,929	236,361	59,919	176,442
<b>Camps</b>				
3005 Olympic Games Prep Camps	588	1,024,295	0	1,024,295
3069 National Team Specialty Camps	15,000	109,000	30,000	79,000
3071 Altitude Training Camps	8,676	32,000	18,000	14,000
3073 National Team Camps	12,338	20,000	15,250	4,750
3479 Advance Team Visits	4,874	16,800	4,900	11,900
Program Group Total	41,476	1,202,095	68,150	1,133,945
<b>Athlete Services</b>				
3101 Athlete Support-Stipends & Grants	1,330,167	1,725,000	2,232,300	(507,300)
3103 Athlete Support-Medals & Records	0	1,010,000	0	1,010,000
3107 Athlete Support-Op Gold Qualification Bonus	6,000	670,000	45,000	625,000
3025 Pro Swim Series Athlete Support	259,194	622,000	725,000	(103,000)
3021 World Cup Athlete Support	0	0	1,000	(1,000)
3127 National Team Investment Grant	102,546	300,000	140,000	160,000
3106 ConocoPhillips Athlete Support	2,500	100,000	100,000	0
3110 National Team Uniforming (VIK)	25,422	325,000	325,000	0
3120 Athlete Support-Olympic Prep	0	15,000	0	15,000
3130 Foundation Travel & Training	32,400	50,000	100,000	(50,000)
3131 Foundation Athlete Endowments	38,751	80,000	80,000	0
3453 Drug Control Program	3,396	47,450	22,450	25,000
Program Group Total	1,800,375	4,944,450	3,770,750	1,173,700
<b>Coach Services</b>				
3203 Coach Incentive & Reward Program	0	330,000	0	330,000
3210 Olympic Team Prep - Coaches	45,000	86,440	54,500	31,940
3220 Contract Labor - National Team Tech Advisor	42,087	75,628	42,090	33,538
3222 National Team Consultant	17,941	36,623	32,000	4,623
3460 Olympic Staff Recognition	0	30,000	5,000	25,000
3010 Coach Education	4,560	26,716	15,500	11,216
3077 National Team Coaches Meeting	0	5,000	0	5,000
Program Group Total	109,589	590,407	149,090	441,317
<b>High Performance Support</b>				
3301 National Team Performance Support	48,815	170,145	76,300	93,845
3310 USOPC Practitioner Travel Support	7,289	49,500	14,804	34,696
Program Group Total	56,104	219,645	91,104	128,541
<b>Sport Medicine &amp; Science</b>				
3201 Athletes and Coach Wellness Programs	24,014	75,000	50,000	25,000
3353 Sport Medicine & Science Network	52,308	96,000	62,955	33,045
3155 Elite Athlete Accident Coverage	35,698	35,550	36,050	(500)
3200 Athlete Life Skills	100	0	100	(100)
3351 Athlete Testing & Lab Expenses	8,816	24,100	14,100	10,000
3390 Sport Medicine & Science Program Support	8,445	38,688	17,000	21,688
Program Group Total	129,380	269,338	180,205	89,133
<b>Other Programs and Services</b>				



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3481 National Team Equipment	9,070	25,500	19,000	6,500
3496 National Team Selection	0	19,500	2,000	17,500
3499 Team Management Technology	69,149	69,415	69,415	0
Program Group Total	78,220	114,415	90,415	24,000
Committees				
3846 Sports Medicine	0	500	500	0
3868 Open Water Committee	35	300	35	265
3882 National Steering Committee	1,441	10,350	2,050	8,300
3888 National Team Ath Committee	39	500	500	0
Program Group Total	1,515	11,650	3,085	8,565
Administration				
3990 Administration & Operational Support	141,511	332,162	288,977	43,185
3999 Salary and Benefits	1,134,289	1,830,037	1,743,216	86,821
Program Group Total	1,275,800	2,162,199	2,032,193	130,006
<b>TOTAL NATIONAL TEAM</b>	<b>3,563,399</b>	<b>11,124,500</b>	<b>6,473,001</b>	<b>4,651,499</b>
TOTAL TECHNICAL/SPORT				
	8,298,657	22,065,859	14,974,708	7,091,151
OTHER PROGRAMS:				
<b>COMMERCIAL</b>				
Partnerships & Event Marketing				
5901 Marketing & Contract Fulfillment	171,925	373,375	74,025	299,350
5900 Contractuals	0	0	275,000	(275,000)
5905 Sales Development Support	17,190	50,000	0	50,000
5916 Sigma Gamma Rho	3,690	0	30,000	(30,000)
5620 Family Program	52	77,960	0	77,960
5709 National Marketing	52,567	95,000	30,000	65,000
5762 Pro Swim Series Marketing	101,369	176,606	124,106	52,500
5764 Pro Swim Series Marketing	0	42,950	71,950	(29,000)
5770 Other Event Marketing	861	23,466	0	23,466
5755 USA Swimming House-Trials	0	250,000	5,000	245,000
5902 Merchandise Program	5,128	79,205	49,705	29,500
5911 Aqua Zone-Olympic Trials	8,375	1,000,200	5,000	995,200
Program Group Total	361,156	2,168,762	664,786	1,503,976
Communications				
5109 APA Appearance	5,623	58,700	48,850	9,850
5722 Social Media Aggregation	6,772	35,000	25,000	10,000
5714 Public Relations	51,463	25,000	100,000	(75,000)
5724 Communication Operations	136,215	271,596	254,596	17,000
Program Group Total	200,074	390,296	428,446	(38,150)
Creative Services				
5720 Video Production Services	0	14,675	0	14,675
5711 Splash Magazine	361,020	736,000	616,000	120,000
5730 USASwimming Productions	266,204	699,325	597,000	102,325
5710 Membership Recruiting/Promo (Flex)	58,355	249,600	144,600	105,000
5904 Marketing Contract Labor	0	25,000	0	25,000
Program Group Total	685,579	1,724,600	1,357,600	367,000
Business Intelligence & Digital Platforms				
5713 Deck Pass	34,077	136,000	81,000	55,000
5716 Swimjitsu	6,999	10,780	11,780	(1,000)
5726 Business Intelligence	0	25,880	13,150	12,730
5718 usaswimming.org - Web Site	253,455	662,180	608,180	54,000
Program Group Total	294,530	834,840	714,110	120,730
Administration & Operational Support				
5990 Administration & Operational Support	172,789	350,087	315,787	34,300
5999 Salary and Benefits	1,524,175	2,195,795	2,200,912	(5,117)
Program Group Total	1,696,964	2,545,882	2,516,699	29,183
<b>TOTAL COMMERCIAL</b>	<b>3,238,303</b>	<b>7,664,380</b>	<b>5,681,641</b>	<b>1,982,739</b>
<b>RISK MANAGEMENT SERVICES</b>				
Member Programs				
9413 Member Insurance Premiums & Retention	1,835,899	3,279,732	2,835,062	444,670
9415 Other Risk Management	0	19,700	13,700	6,000
Program Group Total	1,835,899	3,299,432	2,848,762	450,670



USA Swimming, Inc.  
BUDGET VS. PROJECTION  
2020

	Year to Date Actual	2020 Budget	2020 Projected	Favorable (Unfavorable)
Committees				
9827 Operational Risk Committee	0	500	500	0
Program Group Total	0	500	500	0
Administration				
9490 Administration & Operational Support	2,488	30,755	24,105	6,650
Program Group Total	2,488	30,755	24,105	6,650
<b>TOTAL RISK MANAGEMENT SERVICES</b>	<b>1,838,387</b>	<b>3,330,687</b>	<b>2,873,367</b>	<b>457,320</b>
FOUND. & MAKE A SPLASH SUPPORT				
6667 USA Swimming Staff Allocation	0	311,000	449,414	(138,414)
TOTAL FOUNDATION & MAS SUPPORT	0	311,000	449,414	(138,414)
FOUNDATION - OTHER	130,393	0	0	0
TOTAL OTHER PROGRAMS	5,207,083	11,306,067	9,004,422	2,301,645
SUPPORT DIVISIONS:				
<b>EXECUTIVE</b>				
Other Executive				
7920 CEO Contingency	14,894	60,000	39,000	21,000
7930 Board Chair Travel and Expenses	5,519	44,797	17,625	27,172
7931 Olympic Games Executive Contingency	0	100,000	0	100,000
7945 CSCAA Grant	80,000	120,000	120,000	0
7971 Organizational Relations - Domestic	19,655	67,500	29,250	38,250
7984 Organizational Relations - Internat'l	2,978	40,000	13,000	27,000
7981 International Relations	4,328	44,274	14,250	30,024
Program Group Total	127,374	476,571	233,125	243,446
Committees & Governance				
7803 Board of Directors	2,497	154,643	46,288	108,355
7808 Task Force & Other Committees	100,605	166,670	153,720	12,950
7811 International Relations Committee	0	500	250	250
7820 Nominating Committee	0	8,892	2,388	6,504
Program Group Total	103,102	330,705	202,646	128,059
Administration				
7990 Administration & Operational Support	29,409	166,880	65,350	101,530
7999 Salary and Benefits	578,871	875,422	700,502	174,920
Program Group Total	608,279	1,042,302	765,852	276,450
<b>TOTAL EXECUTIVE</b>	<b>838,755</b>	<b>1,849,578</b>	<b>1,201,623</b>	<b>647,955</b>
<b>FINANCE</b>				
Other Programs				
8500 LSC/Club Financial Resources	220	10,112	300	9,812
Program Group Total	220	10,112	300	9,812
Committees				
8895 Investment Committee	0	200	0	200
8880 Audit Committee	0	100	0	100
Program Group Total	0	300	0	300
Administration				
8100 Allocated Expenses	26,421	0	0	0
8990 Administration & Operational Support	137,829	215,946	192,700	23,246
8999 Salary and Benefits	552,513	720,157	711,325	8,832
Program Group Total	716,763	936,103	904,025	32,078
<b>TOTAL FINANCE</b>	<b>716,983</b>	<b>946,515</b>	<b>904,325</b>	<b>42,190</b>
<b>BUSINESS AFFAIRS</b>				
Legal and NBR				
9695 Legal	192,587	200,000	300,000	(100,000)
9692 National Board of Review	122,602	20,000	162,500	(142,500)
9690 Legal - Admin. & Oper. Support	3,630	8,358	5,454	2,904
Program Group Total	318,819	228,358	467,954	(239,596)
<b>Safe Sport</b>				
9335 Safe Sport - Background Checks	585	1,200	600	600
9375 Safe Sport Online Education	42,130	72,700	72,700	0
9386 Safe Sport Athlete Fellowship	3,007	5,826	3,010	2,816

USA Swimming, Inc.  
BUDGET VS. PROJECTION  
2020

	Year to Date Actual	2020 Budget	2020 Projected	Favorable (Unfavorable)
9385 Safe Sport Programs	98,206	309,396	238,300	71,096
9387 Safe Sport - US Center for Safe Sport	188,438	296,000	296,000	0
9388 Safe Sport - Leadership Conference	19	2,500	0	2,500
9389 Safe Sport - SwimAssist	86,054	100,000	100,000	0
<b>Program Group Total</b>	<b>418,439</b>	<b>787,622</b>	<b>710,610</b>	<b>77,012</b>
Other Programs				
9380 Human Resources	61,054	122,147	84,252	37,895
9290 Government Affairs	23,428	58,916	24,956	33,960
9295 Information Technology Support	478,384	564,310	555,423	8,887
<b>Program Group Total</b>	<b>562,866</b>	<b>745,373</b>	<b>664,631</b>	<b>80,742</b>
Committees				
9810 Safe Sport Committee	0	500	250	250
<b>Program Group Total</b>	<b>0</b>	<b>500</b>	<b>250</b>	<b>250</b>
Administrative				
9990 Administration & Operational Support	148,577	280,530	262,380	18,150
9999 Salary and Benefits	1,762,992	2,547,279	2,544,142	3,137
<b>Program Group Total</b>	<b>1,911,569</b>	<b>2,827,809</b>	<b>2,806,522</b>	<b>21,287</b>
<b>TOTAL BUSINESS AFFAIRS</b>	<b>3,211,693</b>	<b>4,589,662</b>	<b>4,649,967</b>	<b>(60,305)</b>
<b>TOTAL SUPPORT DIVISIONS</b>	<b>4,767,432</b>	<b>7,385,755</b>	<b>6,755,915</b>	<b>629,840</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>\$18,273,173</b>	<b>\$40,757,681</b>	<b>\$30,735,045</b>	<b>\$10,022,636</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$11,214,673</b>	<b>\$3,958,764</b>	<b>\$2,263,888</b>	<b>(\$1,694,876)</b>

## SECTION 1:

## USA Swimming 2021 Program Budget Proposal

7803 Board of Directors

Program Manager: CFO and Paula D'Amico

Insert New  
Line

Program Description: These funds are allocated to cover travel, housing, meals, printing and miscellaneous expenses for up to four board meetings per year.

Account Number	Account	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	Original 2020 Budget	REVISED 2020 Budget	(Incr)/Decr Over ORIGINAL	2021 Budget
<b>SECTION 2:</b>												
	<b>EXPENSES:</b>											
60001	PHONE SERVICE	0	400	0	0	0	0	0	0	0	0	0
60002	LONG DISTANCE PHONE SERVICE	0	100	0	0	0	0	0	0	0	0	0
60004	CONFERENCE CALLS	102	172	344	260	47	267	71	300	0	300	0
60005	INTERNET SERVICE	26	315	150	10	0	12	0	0	0	0	0
60010	POSTAGE	4	132	47	103	0	10	0	0	0	0	0
60011	FREIGHT	1,184	1,785	1,626	1,858	531	425	71	500	0	500	500
60013	EXCESS BAGGAGE & TIPS	0	0	0	529	200	170	413	0	0	0	0
60015	PRINTING AND DUPLICATION	1,066	2,417	1,169	1,597	2,180	758	187	600	0	600	0
60017	PERSONAL CAR MILEAGE	780	1,071	790	2,485	2,183	2,499	3,448	1,800	600	1,200	1,800
60020	SUPPLIES	557	256	559	547	891	913	791	500	500	0	150
60033	MEALS & ENTERTAINMENT	147	487	123	2,291	322	13,605	5,161	9,000	2,000	7,000	4,000
60035	CAR RENTAL-GAS	0	0	0	253	80	16	218	0	0	0	400
60036	OTHER LODGING	0	0	0	0	0	39,988	39,317	0	0	0	0
60038	OTHER AIRFARE	0	0	0	0	0	200	933	0	0	0	0
60039	AIRFARE - VIK	4,157	1,306	0	0	0	0	0	0	0	0	0
60041	GROUND TRANSPORTATION	4,321	3,874	3,716	7,179	4,053	4,025	5,476	4,000	2,000	2,000	4,000
60044	HOSPITALITY	11,474	13,350	21,597	27,522	30,026	28,538	18,782	32,000	5,000	27,000	15,000
60047	GOLDEN GOGGLES	0	0	0	0	8,775	4,260	5,610	5,000	5,000	0	5,000
60056	PROTOCOL/GIFTS	0	216	250	0	0	0	0	500	500	0	0
60060	GEAR/EQUIPMENT/SIGNAGE	0	0	2,001	0	0	0	0	0	0	0	0
60061	APPAREL	469	0	0	0	0	0	0	0	0	0	0
60062	APPAREL - VIK	2,192	0	2,846	0	0	0	0	0	0	0	0
60065	EQUIPMENT/SPACE RENTAL	3,679	10,170	7,057	10,427	11,255	14,757	3,825	13,000	0	13,000	6,000
60070	CAMERA, PHOTO, VIDEO	74	0	0	0	395	0	0	0	0	0	0
60080	SUBSCRIPTIONS	0	0	0	0	0	3,588	3,588	3,588	3,588	0	1,794
60087	CREDIT CARD FEES	0	0	0	0	12	4	48	0	0	0	0
60097	OTHER PROFESSIONAL SERVICES	0	0	0	20,994	0	75	225	0	0	0	0
60098	DUES & FEES	0	0	52	0	52	1,495	3,695	3,000	0	3,000	2,600
69998	PROJECTED VARIANCE	0	0	0	0	0	0	0	0	0	0	0
60034	CAR RENTAL	1,516	1,322	1,967	3,550	1,474	829	1,342	1,875	600	1,275	900
60040	AIRFARE	26,798	36,020	35,532	55,875	46,205	42,552	29,977	35,000	15,000	20,000	19,200
60042	LODGING	38,127	46,964	47,618	63,753	47,143	2,480	127	38,850	10,000	28,850	25,980
60043	PER DIEM	7,080	9,896	8,739	13,175	12,469	12,814	9,012	5,130	1,500	3,630	2,300
	<b>TOTAL EXPENSES</b>	<b>103,754</b>	<b>130,253</b>	<b>136,184</b>	<b>212,407</b>	<b>168,291</b>	<b>174,281</b>	<b>132,316</b>	<b>154,643</b>	<b>46,288</b>	<b>108,355</b>	<b>89,624</b>

## SECTION 3:

<b>Airfare:</b>				
full board	Trips	Rate		
officers	28	600		16,800
	4	600		2,400
				<u>19,200</u>
<b>Lodging:</b>	Trips/	Days/	Rate	
full board	Travelers	Nights		
officers	14	7	250	24,500
	2	4	185	1,480
				<u>25,980</u>
<b>Car Rental</b>				
	2	6	75	900
			75	0
				<u>900</u>
<b>Per Diem:</b>				
full board	14	3	50	2,100
officers	2	2	50	200
				<u>2,300</u>

## SECTION 1:

## USA Swimming 2021 Program Budget Proposal

## 7930 Board Chair Travel and Expenses

Program Manager: CFO and Paula D'Amico

Program Description: These funds are to be used to cover travel, hotel, meal, hospitality and miscellaneous expenses incurred by the Board Chair in the fulfillment of his duties.

Insert New  
Line

Account Number	Account	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	Original 2020 Budget	REVISED 2020 Budget	(Incr)/Decr Over ORIGINAL	2021 Budget
<b>SECTION 2:</b>												
<b>EXPENSES:</b>												
60003	CELLULAR PHONE CHARGES	99	0	30	0	0	0	0	0	0	0	0
60004	CONFERENCE CALLS	0	0	0	0	0	0	0	0	0	0	0
60005	INTERNET SERVICE	41	248	0	0	0	0	0	0	0	0	0
60011	FREIGHT	0	21	120	293	11	11	25	0	0	0	0
60015	PRINTING AND DUPLICATION	0	0	0	0	0	27	0	0	0	0	0
60017	PERSONAL CAR MILEAGE	214	26	344	516	482	301	693	1,500	1,500	0	1,000
60033	MEALS & ENTERTAINMENT	995	1,009	200	383	994	524	2,603	3,500	3,500	0	3,000
60035	CAR RENTAL-GAS	0	0	0	117	152	117	0	0	0	0	0
60036	OTHER LODGING	0	0	0	0	0	5,235	565	0	0	0	0
60039	AIRFARE - VIK	3,823	0	0	0	0	0	0	0	0	0	0
60041	GROUND TRANSPORTATION	529	826	1,510	1,568	1,808	1,969	2,870	1,500	1,500	0	3,000
60044	HOSPITALITY	3,454	0	0	0	0	0	33	0	0	0	0
60045	TICKETS	0	0	0	0	0	0	41	0	0	0	0
60046	LAUNDRY SERVICES	0	0	161	35	127	0	0	0	0	0	0
60047	GOLDEN GOGGLES	0	0	0	0	0	0	330	0	0	0	0
60061	APPAREL	0	0	386	0	0	0	0	0	0	0	0
60080	SUBSCRIPTIONS	0	0	250	250	0	0	0	0	0	0	0
60087	CREDIT CARD FEES	0	0	0	0	0	116	0	0	0	0	0
60097	OTHER PROFESSIONAL SERVICES	0	187	0	0	0	0	0	0	0	0	0
60098	DUES & FEES	410	963	518	78	1,494	378	0	200	200	0	0
60666	MISCELLANEOUS EXPENSES	0	0	0	0	0	0	0	1,000	1,000	0	0
69998	PROJECTED VARIANCE	0	0	0	0	0	0	0	0	0	0	0
New											0	0
New											0	0
60034	CAR RENTAL	1,224	1,888	1,804	1,759	2,125	1,822	503	1,125	1,125	0	1,125
60040	AIRFARE	10,110	8,562	6,569	8,745	10,205	10,922	17,754	13,000	5,000	8,000	15,800
60042	LODGING	10,522	5,090	7,114	28,185	8,031	6,374	15,897	19,210	3,600	15,610	18,500
60043	PER DIEM	2,238	1,738	1,292	1,649	1,982	2,039	2,296	3,762	200	3,562	2,500
<b>TOTAL EXPENSES</b>		<b>33,659</b>	<b>20,559</b>	<b>20,298</b>	<b>43,577</b>	<b>27,412</b>	<b>29,833</b>	<b>43,612</b>	<b>44,797</b>	<b>17,625</b>	<b>27,172</b>	<b>44,925</b>

## SECTION 3:

## Airfare:

domestic  
international

Trips	Rate	
23	600	13,800
2	1000	2,000
		<u>15,800</u>

## Lodging:

Trips/ Travelers	Days/ Nights	Rate	
1	100	185	18,500
		185	0
			<u>18,500</u>

## Car Rental

1	15	75	1,125
		75	0
			<u>1,125</u>

## Per Diem:

1	50	50	2,500
		50	0
			<u>2,500</u>

## SECTION 1:

## USA Swimming 2021 Program Budget Proposal

7808 Task Force &amp; Other Committees

Program Manager: CFO and Paula D'Amico

Insert New  
Line

Program Description: These funds are available for use upon the approval of the Board Chair and CEO for various task forces and study groups that may be appointed to work on specific projects throughout the year.

Account Number	Account	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	Original 2020 Budget	REVISED 2020 Budget	(Incr)/Decr Over ORIGINAL	2021 Budget
<b>SECTION 2:</b>												
<b>EXPENSES:</b>												
60004	CONFERENCE CALLS	26	398	0	324	591	238	72	200	200	0	0
60011	FREIGHT	0	202	0	0	33	11	0	0	0	0	0
60013	EXCESS BAGGAGE & TIPS	0	0	0	0	50	0	0	0	0	0	0
60015	PRINTING AND DUPLICATION	0	8	0	15	8	35	0	120	120	0	0
60017	PERSONAL CAR MILEAGE	0	28	0	92	14	433	570	500	500	0	500
60033	MEALS & ENTERTAINMENT	0	0	44	141	2,924	60	0	0	0	0	0
60036	OTHER LODGING	0	0	0	0	0	3,432	1,074	0	0	0	0
60038	OTHER AIRFARE	0	0	0	0	0	407	0	0	0	0	0
60039	AIRFARE - VIK	0	1,150	0	0	0	0	0	0	0	0	0
60041	GROUND TRANSPORTATION	0	146	269	138	619	175	86	1,000	1,000	0	125
60044	HOSPITALITY	0	2,628	1,709	1,861	6,860	3,317	0	2,000	2,000	0	0
60060	GEAR/EQUIPMENT/SIGNAGE	0	0	0	0	1,920	0	0	0	0	0	0
60065	EQUIPMENT/SPACE RENTAL	0	560	113	2,305	5,107	1,553	0	1,000	1,000	0	0
60075	AUTOMOBILE EXPENSE	0	0	0	0	0	57	0	0	0	0	0
60097	OTHER PROFESSIONAL SERVICES	0	0	0	24,854	129,500	124,284	179,996	159,000	146,050	12,950	95,400
60098	DUES & FEES	0	0	175	280	210	180	0	0	0	0	0
69998	PROJECTED VARIANCE	0	0	0	0	0	0	0	0	0	0	0
New												0
New												0
60034	CAR RENTAL	0	0	113	0	0	22	0	0	0	0	0
60040	AIRFARE	0	5,645	4,003	11,932	14,323	5,152	778	1,000	1,000	0	1,200
60042	LODGING	0	3,674	1,520	2,384	9,936	242	307	1,850	1,850	0	1,850
60043	PER DIEM	0	137	800	1,841	1,211	480	102	0	0	0	325
<b>TOTAL EXPENSES</b>		<b>26</b>	<b>14,576</b>	<b>8,746</b>	<b>46,168</b>	<b>173,306</b>	<b>140,077</b>	<b>182,985</b>	<b>166,670</b>	<b>153,720</b>	<b>12,950</b>	<b>99,400</b>

## SECTION 3:

## Airfare:

Trips	Rate	
2	600	1,200
	600	0
		<u>1,200</u>

## Lodging:

Trips/ Travelers	Days/ Nights	Rate	
1	10	185	1,850
		185	0
			<u>1,850</u>

## Car Rental

	75	0
	75	0
		<u>0</u>

## Per Diem:

1	5	65	325
		65	0
			<u>325</u>

## SECTION 1:

## USA Swimming 2021 Program Budget Proposal

8990 Administration &amp; Operational Support

Program Manager: Tami Bock

Program Description: Administrative and overhead charges for Accounting &amp; Purchasing

Insert New  
Line

Account Number	Account	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	Original 2020 Budget	REVISED 2020 Budget	(Incr)/Decr Over ORIGINAL	2021 Budget
<b>SECTION 2:</b>												
<b>EXPENSES:</b>												
60001	PHONE SERVICE	0	0	0	0	0	1,453	1,760	1,300	1,300	0	1,300
60002	LONG DISTANCE PHONE SERVICE	429	409	445	564	504	112	0	0	0	0	0
60003	CELLULAR PHONE CHARGES	3,398	3,434	5,043	3,404	3,902	3,379	2,745	3,000	3,000	0	3,000
60004	CONFERENCE CALLS	6	33	79	0	0	0	18	0	100	(100)	100
60005	INTERNET SERVICE	9	0	0	0	0	30	62	0	0	0	0
60006	OTHER COMMUNICATIONS COST	230	294	285	310	324	177	171	300	250	50	250
60010	POSTAGE	2,134	2,238	2,964	2,290	2,373	2,731	2,567	2,800	2,200	600	2,200
60011	FREIGHT	462	354	267	475	752	1,235	790	1,300	200	1,100	200
60012	UPS - STAFF EXPENSE	849	(599)	30	451	0	0	0	0	0	0	0
60013	EXCESS BAGGAGE & TIPS	0	0	0	200	50	110	0	0	0	0	0
60015	PRINTING AND DUPLICATION	5,576	4,728	283	4,580	6,982	3,308	2,116	2,600	2,900	(300)	2,100
60017	PERSONAL CAR MILEAGE	0	144	55	0	70	554	221	0	200	(200)	200
60019	FURNITURE & FIXTURES	429	4,297	955	2,572	1,694	77	0	100	0	100	0
60020	SUPPLIES	5,156	6,294	6,982	10,523	7,243	7,916	9,320	7,100	4,800	2,300	5,000
60025	ADVERTISING	3,475	3,125	3,965	4,225	2,270	1,755	0	500	0	500	0
60030	SOFTWARE	5,004	5,004	7,900	5,004	5,944	11,934	14,471	15,000	0	15,000	0
60031	COMPUTER REPAIR/MAINTENANCE	1,530	1,576	1,639	1,705	1,789	1,972	3,382	3,400	2,300	1,100	2,300
60033	MEALS & ENTERTAINMENT	344	1,398	828	422	232	549	993	1,000	350	650	350
60035	CAR RENTAL-GAS	0	0	0	41	0	0	0	0	0	0	0
60036	OTHER LODGING	0	0	0	0	0	0	301	0	0	0	0
60038	OTHER AIRFARE	0	0	0	0	244	0	0	0	0	0	5,000
60041	GROUND TRANSPORTATION	64	10	0	114	136	305	470	250	150	100	250
60044	HOSPITALITY	303	71	145	107	154	21	0	0	0	0	0
60046	LAUNDRY SERVICES	0	0	0	62	0	0	0	0	0	0	0
60056	PROTOCOL/GIFTS	132	209	70	146	208	18	414	100	400	(300)	0
60060	GEAR/EQUIPMENT/SIGNAGE	270	316	250	148	485	13	0	0	250	(250)	250
60061	APPAREL	0	0	0	435	0	28	0	0	0	0	0
60064	BUILDING RENT	33,251	33,916	34,594	35,286	39,264	23,362	24,127	34,800	25,000	9,800	25,100
60065	EQUIPMENT/SPACE RENTAL	1,623	1,690	4,498	561	569	577	3,065	3,100	3,000	100	3,000
60066	REPAIR/MAINTENANCE	204	202	231	852	220	96	0	0	0	0	0
60070	CAMERA, PHOTO, VIDEO	55	27	624	0	48	0	68	100	0	100	0
60071	TELEVISION/VIDEO PRODUCTION	0	0	0	0	0	0	0	0	0	0	0
60075	AUTOMOBILE EXPENSE	63	44	51	42	39	19	20	100	100	0	100
60080	SUBSCRIPTIONS	2,473	1,999	2,055	953	2,637	2,026	1,183	1,300	1,300	0	1,300
60086	TRAVEL AGENCY FEES	0	0	0	0	0	20	197	200	200	0	200
60087	CREDIT CARD FEES	802	494	0	0	0	0	0	0	0	0	0
60089	INTEREST EXPENSE	0	0	0	0	0	0	0	0	0	0	0
60090	DEPRECIATION & AMORTIZATION	29,255	32,797	38,386	53,122	47,000	26,620	32,073	31,600	37,800	(6,200)	37,800
60092	BANK FEES	14,473	17,795	22,544	24,063	23,889	19,212	18,988	19,000	22,300	(3,300)	19,000
60093	AUDIT/TAX FEES	22,430	25,075	38,783	29,675	33,500	17,800	19,125	56,000	47,000	9,000	36,000
60094	LEGAL FEES	0	0	0	0	0	1,056	0	0	0	0	0
60095	STATE REGISTRATION FEES	0	0	0	0	864	0	0	0	0	0	0
60096	INSURANCE	0	0	0	0	0	0	10	0	50	(50)	0
60097	OTHER PROFESSIONAL SERVICES	18,148	10,543	14,422	20,870	16,821	11,632	35,136	13,900	32,000	(18,100)	25,000
60098	DUES & FEES	2,641	2,036	3,135	1,698	3,879	1,981	2,736	3,100	2,700	400	2,800
60100	GRANTS	0	0	0	0	0	0	0	0	0	0	0
60300	ADMINISTRATION ALLOCATION	0	0	0	0	0	0	0	0	0	0	0
61006	VISION PREMIUMS	0	0	0	0	0	0	5	0	0	0	0
61017	HEALTH	0	0	0	0	0	0	8	0	0	0	0
61019	DENTAL INSURANCE	0	0	0	0	0	0	35	0	0	0	0
61020	WORKERS COMPENSATION INSURA	0	0	0	0	0	0	0	0	0	0	0
61024	STAFF DEVELOPMENT	0	0	0	0	0	0	595	2,500	0	2,500	0
62025	HQ - BUSINESS	1,311	2,722	0	0	0	0	0	0	0	0	0
62030	HQ - CRIME	337	352	0	0	0	0	0	0	0	0	0
62040	MEDIA ERRORS & OMISSIONS	1,373	314	0	0	0	0	0	0	0	0	0
62041	MULTIMEDIA LIABILITY	308	0	0	0	0	0	0	0	0	0	0
69998	PROJECTED VARIANCE	0	0	0	0	0	0	0	0	0	0	0
<b>New</b>												
<b>New</b>												
60034	CAR RENTAL	0	0	0	0	0	0	0	0	0	0	0
60040	AIRFARE	373	375	743	3,224	424	533	1,521	5,000	2,200	2,800	0
60042	LODGING	656	0	577	6,736	0	305	3,109	5,020	550	4,470	0
60043	PER DIEM	172	28	151	2,252	188	434	740	1,476	100	1,376	0
<b>TOTAL EXPENSES</b>		<b>159,746</b>	<b>163,745</b>	<b>192,978</b>	<b>217,112</b>	<b>204,697</b>	<b>143,348</b>	<b>182,541</b>	<b>215,946</b>	<b>192,700</b>	<b>23,246</b>	<b>172,800</b>

## SECTION 3:

<b>Airfare:</b>		Trips	Rate	
			600	0
			600	0
				0
		Trips/	Days/	
		Travelers	Nights	Rate
<b>Lodging:</b>				
			185	0
			185	0
				0
<b>Car Rental</b>				
			75	0
			75	0
				0
<b>Per Diem:</b>				
			65	0
			65	0
				0

**USA Swimming**  
**2020 (+2021) Quad Business Plan Summary**  
**As of 9/14/2020**

	Actual 2017	Actual 2018	Actual 2019	Projection 2020	Projection 2021	Current 2021 Quad Budget
<b>REVENUE:</b>						
Membership	\$ 22,483,811	\$ 22,778,145	\$ 23,203,900	\$ 21,782,332	\$ 16,703,603	\$ 106,951,791
Partnership Marketing Revenue	4,364,233	4,203,495	5,098,325	2,930,440	5,295,016	21,891,509
Consumer Revenue	527,967	235,749	286,027	25,000	210,000	1,284,743
USOPC Partnership	5,134,700	5,294,900	5,305,500	4,158,300	5,329,500	25,222,900
Investment Income	1,001,643	1,070,021	1,804,747	764,616	40,000	4,681,027
Foundation	792,500	963,600	1,193,750	1,220,000	1,037,500	5,207,350
Sport and Events	978,254	804,612	1,331,853	353,365	5,807,000	9,275,084
Pandemic Relief				1,400,000		1,400,000
Other Income	331,745	749,322	505,716	364,880	359,541	2,311,204
<b>Total Revenue</b>	<b>35,614,853</b>	<b>36,099,844</b>	<b>38,729,817</b>	<b>32,998,933</b>	<b>34,782,160</b>	<b>178,225,607</b>
<b>EXPENSES:</b>						
<b>Technical/Sport:</b>						
Sport Development	4,455,110	4,653,677	4,544,558	4,424,192	4,448,478	22,526,015
Events and Member Services	8,581,871	7,715,136	7,692,830	4,077,515	5,123,880	33,191,232
National Team Division	8,004,303	9,013,587	10,699,839	6,473,001	10,466,948	44,657,678
<b>Total Technical/Sport</b>	<b>21,041,284</b>	<b>21,382,400</b>	<b>22,937,228</b>	<b>14,974,708</b>	<b>20,039,306</b>	<b>100,374,926</b>
<b>Other Programs:</b>						
Commercial	5,172,794	6,260,256	6,119,542	5,681,641	6,720,973	29,955,206
Risk Management	3,004,431	3,063,524	3,195,455	2,873,367	4,379,450	16,516,227
Foundation & Make a Splash Support	525,371	996,997	449,414	449,414	449,414	2,870,610
<b>Total Other Programs</b>	<b>8,702,595</b>	<b>10,320,777</b>	<b>9,764,411</b>	<b>9,004,422</b>	<b>11,549,837</b>	<b>49,342,042</b>
<b>Administration:</b>						
Executive	4,013,797	1,530,149	1,600,769	1,201,623	1,453,015	9,799,353
Finance	1,364,162	871,532	1,157,804	904,325	822,762	5,120,585
Business Affairs	1,240,827	3,448,770	4,406,539	4,649,967	3,888,333	17,634,436
<b>Total Administration</b>	<b>6,618,787</b>	<b>5,850,451</b>	<b>7,165,112</b>	<b>6,755,915</b>	<b>6,164,110</b>	<b>32,554,375</b>
<b>Total Expenses</b>	<b>36,362,666</b>	<b>37,553,628</b>	<b>39,866,750</b>	<b>30,735,045</b>	<b>37,753,253</b>	<b>182,271,342</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ (747,813)</b>	<b>\$ (1,453,784)</b>	<b>\$ (1,136,933)</b>	<b>\$ 2,263,888</b>	<b>\$ (2,971,093)</b>	<b>\$ (4,045,735)</b>

**USA Swimming**  
**2020 (+2021) Quad Business Plan Summary**  
**As of 9/14/2020**

	Actual 2017	Actual 2018	Actual 2019	Projection 2020	Projection 2021	Current 2021 Quad Budget
<b>BOARD APPROVED RESERVE INVESTMENTS</b>						
Operating Reserves:						
Disaster Donations		(20,606)	(5,000)	(25,000)	(25,000)	(75,606)
Special IT Projects (CRM)		(327,086)	(502,229)	(470,685)		(1,300,000)
Cost of Flex			(722,216)	(1,300,000)		(2,022,216)
Athlete Leadership Summit		(266,618)	(161,958)			(428,576)
Board Designated Funds:						
"Keeping Athletes First" (KAF) Initiative**:						
Safe Sport Club Recognition Assistance				(1,000,000)	(1,000,000)	(2,000,000)
Coach Education & LMS				(1,750,000)	(250,000)	(2,000,000)
Safe Sport Staff Resources & Program Dev.				(500,000)		(500,000)
Online Member Registration				(250,000)	(250,000)	(500,000)
Safe Sport Expenses / Contingency		(719,564)	(30,000)			(749,564)
Legal			(966,983)	(250,000)		(1,216,983)
USSIC Sale Letter of Credit				(2,500,000)	(2,500,000)	(5,000,000)
Other:						
Foundation Endowment Donation	(1,000,000)					(1,000,000)
<b>Total Board Approved Reserve Investments</b>	<b>(1,000,000)</b>	<b>(1,333,874)</b>	<b>(2,388,386)</b>	<b>(8,045,685)</b>	<b>(4,025,000)</b>	<b>(16,792,945)</b>
<b>Surplus (Deficit) Before Investment G/(L)</b>	<b>(1,747,813)</b>	<b>(2,787,658)</b>	<b>(3,525,319)</b>	<b>(5,781,797)</b>	<b>(6,996,093)</b>	<b>(20,838,680)</b>
<b>Investment Gains (Losses)</b>	<b>3,816,462</b>	<b>(2,480,166)</b>	<b>4,015,437</b>	<b>(1,525,000)</b>	<b>-</b>	<b>3,826,733</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>\$ 2,068,649</b>	<b>\$ (5,267,824)</b>	<b>\$ 490,118</b>	<b>\$ (7,306,797)</b>	<b>\$ (6,996,093)</b>	<b>\$ (17,011,947)</b>

\*\* "Keeping Athletes First" Initiative was Board approved in November 2019 at \$5M total. Current program projections have \$3.5M to be spent in 2020 and the remaining \$1.5M in 2021.



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## Performance Monitoring Report

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TO: USA Swimming Board of Directors  
FR: Tim Hinchey III, Chief Executive Officer  
RE: Internal Report – Management Parameters  
Annual Monitoring on **Policy 3.10: LSC Reporting Requirements**  
DA: September 16, 2020

I hereby present the monitoring report on the Board's policy 3.10 "LSC Reporting Requirements," in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended August 31, 2020.

Signed , President & CEO

**BROADEST PROVISION:** "With respect to relationships with Local Swim Committees (LSCs), the CEO will not operate without establishing and maintaining a cohesive national organizational structure ensuring appropriate alignment between USA Swimming and its LSCs."

**CEO'S INTERPRETATION:** (No change since previous report)

I interpret "a cohesive national organizational structure" to be consistently communicated and enforced roles, responsibilities, and expectations among the fifty-nine LSCs. A cohesive national organizational structure lends itself to similar governance models (i.e., standardized bylaws), clear expectations between USA Swimming, Inc. and the LSCs (i.e., some form of operating agreement), implementation of financial best practices (i.e., financial controls and reporting requirements), and implementation of programmatic best practices (i.e., LEAP). The ultimate value of a cohesive national organizational structure is to promote and enhance USA Swimming members' experience and protect USA Swimming's common interests.

"Appropriate alignment" will be achieved through partnerships with LSCs based on mutually agreed upon expectations and responsibilities, stipulated in Provision #1 of this policy below.

### REPORT:

While the foundational components of the relationship between USA Swimming and LSCs continue to be their respective Bylaws and the more recent Affiliation Agreement (further discussed below), "appropriate alignment" is similarly strengthened by initiatives such as the collaboration on grant funding opportunities, clear transition of sanctioning authority from LSCs to the Board, as well as the weekly (and now bi-weekly) calls with LSC leadership due to COVID-19.

Both formal and informal collaboration and communication channels facilitate the organizations' success and support the cohesive national organizational structure, even when faced with unprecedented circumstances.

As previously indicated, this policy was crafted and adopted with recognition that LSCs are a major asset to swimming and that more unified and consistent practices and structures will result in greater efficiencies and stronger productivity/results organization-wide, which has been our experience.

I therefore report **COMPLIANCE**.

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**POLICY PROVISION 1: “(The CEO will not...) Operate without standardized contractual agreements between USA Swimming and the Boards of Directors of LSCs, delineating mutual expectations and responsibilities, including but not limited to:**

- A. Alignment with the mission/Ends of USA-S.**
- B. Protection of USA-S from assumption of financial liability for the activities of the affiliated chapters and regions.**
- C. Use of USA-S’ name, insignia, logo and brand.**
- D. Requiring that any revisions to LSC Bylaws are submitted to USA-S’ Secretary & General Counsel, or her/his designee, to verify consistency with “Required Bylaws” provisions of USA Swimming’s Rules and Regulations.**
- E. Terms and conditions for disbursement of dues**

**CEO'S INTERPRETATION:** (No change since previous report)

These agreements will reflect best practices to strengthen national organizations with regional affiliate structures, maximizing the benefits of mutual association and providing for corrective measures when out of alignment. To ensure success, these will be developed with input from LSC leadership and the Board. The Board will be provided initial drafts for review and comment.

**REPORT:**

The initial Affiliation Agreement was distributed to all LSCs in September 2019 with an effective date of January 1, 2020. It covered a variety of topics, including: Governance, Financial Management, Membership Payments, Meet Sanctions, Intellectual Property, and Insurance, among others.

As of January 29, 2020, USA Swimming had received signed agreements from all 59 LSCs. With the agreements now in place, USA Swimming will transition to audit and compliance efforts in 2021. Then, in anticipation of the expiration of the term at the end of 2021, we are already working on additions and enhancements to the next iteration.

I therefore report **COMPLIANCE**.

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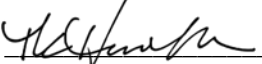
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## Performance Monitoring Report

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TO: USA Swimming Board of Directors  
FR: Tim Hinchey, Chief Executive Officer  
RE: Internal Report – Ends  
Annual Monitoring on **Policy 1.1: Competitive Success**  
DA: 9/17/2020

I hereby present the monitoring report on the Board's Ends policy 1.1 "Competitive Success," in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended August 31, 2020.

Signed , President & CEO

**BROADEST POLICY PROVISION: "USA Swimmers achieve sustained competitive success at the Olympic Games and other high-level international competitions."**

**CEO'S VISION OF SUCCESS:** *(Changes are italicized)*

I interpret achievement of sub-points A-D below to constitute fulfillment of this End. Interpretations/visions of success and Key Performance Indicators for each are presented and reported on below.

*While specific effects are listed below as they pertain to the respective policy provision, the COVID-19 pandemic has significantly affected not only USA Swimming as a whole, but specifically swim competitions from a local to an international level. All international competitions were cancelled or postponed in 2020, including the 2020 Tokyo Olympic Games. Given that the achievement of this policy provision is predicated on participation at international competitions, this Performance Monitoring Report will not be able to report "Achievement" in certain categories; however, I do not believe this to be an accurate reflection of our performance. To reflect the current reality, I have opted to include a "COVID-adjusted" interpretation for certain policy provisions.*

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**POLICY PROVISION A: "National Team culture and environment promotes and cultivates sustained performance success, positive representation of the USA, and a productive partnership between USA Swimming and its best athletes."**

**CEO'S VISION OF SUCCESS:** *(Changes are italicized)*

The National Team has an environment that is conducive to competitive success and creates the expectation that all National Team members positively represent the United States.

Key Performance Indicators that we targeted internally: The 2020 Operation Gold Event would have been the 2020 Olympic Games. We were unable to meet our goals due to the postponement of the Games.

Looking ahead to 2021, KPIs focus similarly on 2020/1 Olympic Games

1. Win the total medal count and gold medal count for the 2020/1 Olympic Games.

*The pre-COVID KPIs are no longer apt indicators of our achievement, or lack thereof, of this policy provision. At this time, I interpret this policy provision to mean that USA Swimming has supported its National Team athletes throughout these uncertain times to cultivate performance success as soon as competitions begin occurring. This includes keeping athletes healthy, both mentally and physically, and providing them with pool access and the resources they need to continue training, to achieve our original 2020 KPIs in 2021. Furthermore, I interpret this*

*policy to mean that we have agilely adapted to the new reality of 2020 and have put measures and programs into place, such as consistent meetings on performance, that are conducive to success.*

#### REPORT:

With the postponement of the Olympic Games we were unable to reach any of the original KPIs in this category this year.

2020 Key Performance Indicators	2020 Results	Achievement
1. Medals for 2020 Olympic Games	Games Postponement	NA
2. Winning gold medal count and overall, at the Olympic Games	Games Postponement	NA

Unfortunately, all international competitions were cancelled or postponed in 2020 due to the pandemic.

However, with two TYR Pro Swim Series under our belt before the cancellation of the season, we had 39 National Team athletes in the top eight in the world rankings, including those who were improving on their results from 2019. USA Swimming athletes were headed in the right direction leading into Olympic Trials and the Olympic Games. The Open Water Olympians were engaged in their training and showing strong results in pool competitions in preparation for the 10K.

At the beginning of the pandemic we were able to host several National Team athlete and coach zoom calls. Topics covered athlete services, return to training and several mental health discussions. While entire NT athlete and coach zoom calls are less regular there is still constant communication with USA Swimming and the National Team athletes and coaches.

While we did not achieve these original KPIs, based on my revised interpretation of Policy Provision A, I believe that we have upheld the spirit of this provision. I therefore report **PARTIAL ACHIEVEMENT**.

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#### **POLICY PROVISION B: “Strong and identifiable pathways and systems retain and develop talented athletes and coaches.”**

##### **CEO’S VISION OF SUCCESS:** (No change since previous report)

With support from USA Swimming, coaches and clubs are able to offer athletes a developmental system that provides an array of avenues to success. Select Camps on up through National Junior Team provide experiences (exposures to coaches, culture, team spirit, etc.) for athletes and coaches that prepare them to take next steps (e.g. scholarships, university teams and other progressions that may lead to National Team participation).

Key Performance Indicators: The “pathways and systems” are on-going, with evidence of their success targeted as:

1. Junior Pan Pacific Championships: Winning gold medal count, overall medal count and team score
2. FINA World Junior Championships – Open Water: Winning gold medal count, overall medal count and team score
3. FINA World Junior Championships – pool: Winning gold medal count, overall medal count and team score

**REPORT:**

2020 Key Performance Indicators	2020 Results	Achievement
1. Junior Pan Pacs: Winning gold medal count, overall medal count and team score	Event Cancellation	NA
2. FINA World Junior Championships – Open Water: Winning gold medal count, overall medal count and team score	Event Postponement	NA

This year we had to host our National Junior Team Camp virtually due to the pandemic. The camp was attended mainly by new National Junior Team members and included discussion and presentations on sports psychology, nutrition, sleep, and a special guest appearance from Missy Franklin.

Early in the pandemic we were able to increase our mental health offerings through Talkspace. In addition to our National Team athletes and 2016 Olympians, we were able to offer Talkspace to our National Junior Team athletes and our National Team and National Junior Team coaches.

I therefore report **PARTIAL ACHIEVEMENT**.

**POLICY PROVISION C: “USA Swimming is a recognized leader in promoting a clean sport environment.”****CEO’S VISION OF SUCCESS:** (No change since previous report)

USA Swimming will be continually recognized by USADA, WADA, FINA, and the USOC as a strong partner in promoting anti-doping among American athletes. 100% anti-doping compliance is aspirational, but not realistic to be achieved over a long-term continuum.

Key Performance Indicators:

- 100% of National Team and National Junior Team members receive USADA anti-doping education on an annual basis.
- 100% USA Swimming coaches take required USADA course.
- Staff leadership proactively convenes meetings and information exchange with counterparts at USOC, USADA, WADA and FINA.

**REPORT:**

2020 Key Performance Indicators	2020 Results	Achievement
1. 100% of National Team and National Junior Team members receive USADA anti-doping education annually	<p>2020 year to date: 196 athletes, 30 coaches in person at OPTC prior to March 13, 2020</p> <p>224 Spring Zone Select Camp athletes via video (does not include additional education via email, social media, regional coaches clinics)</p> <p>National Team members are all required to take USADA tutorial as a member of the Registered Testing Pool.</p> <p>77 National Junior Team athletes received virtual in person education, as well as materials that were mailed to all 83 Junior Team members.</p>	Yes

2. 100% of USA Swimming coaches take required USADA course.	Approximately 18,000 swimming coaches have taken course and 100% of the National Team and National Junior Team coaches took the 2020 course.	Yes
3. Staff leadership proactively convenes meetings and information exchange with counterparts at USOC, USADA, WADA and FINA.	3 separate meetings were convened over the past 9 months, in particular with USADA and FINA	Yes

USA Swimming has a strong working relationship with USADA. We work very closely with the Education Team and have been fortunate that CEO Travis Tygart has taken the time out of his schedule to speak to our National Team athletes and their coaches on more than one occasion. We continue to provide USADA information regarding athletes training in the US, and we work closely with their staff on our Olympic Long List and our Registered Testing Pool.

USA Swimming currently has approximately 18,000 coach members in good standing, all of whom have taken the USADA Coach Advantage Tutorial. USA Swimming is one of only two National Governing Bodies to require this of their coaches. All members of our National Team are in the USADA Registered Testing Pool, so they have taken the required education tutorial, and we educated all members of the Junior Team this spring/summer (everyone received materials, and 93% heard a live USADA education presentation either via Junior Team Camp or one of three opportunities to join the presentation virtually). In addition, we include USADA reminders and resources in each issue of the weekly National Team Newsletter, the bi-weekly Coaches Connection Newsletter, and the monthly Lanelines newsletter. We continue to work with our Sport Development Division to provide educational presentations and/or resources to individuals attending Zone Select Camps, Regional Coach Clinics and workshops such as Mighty-Mid, Mighty 2500 and others. We will be providing resources and a link to a presentation to the Virtual Coach Clinic Series in October and the Virtual National Diversity Select Camp in November, just as we did for this Spring's Zone Select Camps.

In USADA's 2019 Annual Report it was noted that USADA had conducted 61 educational presentations for USA Swimming. The sport with the next highest number of presentations was USA Track and Field at 19. The majority of NGBs had one presentation in 2019.

USA Swimming staff reviewed the National Anti-Doping Policies for the USOPC, providing feedback and clarifying portions of the policies that need further details. We continue to seek different opportunities to educate our athletes, coaches, and parents, including Swimposiums and Coach CEUs.

I therefore report **ACHIEVEMENT**.

**POLICY PROVISION D: "National Team athletes have financial support while competing, and resources that support successful post-competition transitioning out of the sport."**

**CEO'S VISION OF SUCCESS:** (No change since previous report)

National Team athletes will financially maintain a standard of living that allows them to compete at the highest levels internationally. Provide improved opportunities for National Team athletes to transition to professional status and/or out of the sport.

Key Performance Indicators:

1. Continue to increase the contributions to the NT Endowment Fund annually
2. National Team monthly dividend increases by at least COLA (Cost of Living Adjustments) index annually.
3. Increase prize money at Operation Gold Qualifying Competitions each year.
4. Athletes transitioning to professional status or retiring are proactively offered counseling to facilitate their "next stage" success.

**REPORT:**

Key Performance Indicators	2020 Results	Achievement
1. Continue to increase the contributions to the National Team Endowment Fund annually.	At this time, Foundation contributions to the National Team are staying consistent in 2020.	<b><i>Partial</i></b>
2. National Team monthly dividend increases by at least COLA Index annually.	Average monthly stipends for the fall of 2020 increased over 30%	<b>Yes</b>
3. Increase prize money at Operation Gold Qualifying competitions each year	2019 prize money: \$720,000 2020 prize money: \$NA	<b>NA</b>
4. Athletes transitioning to professional status or retiring are proactively offered counseling to facilitate their "next stage" success	Extensive work with USOPC ACE Program	<b>Yes</b>

The USA Swimming Foundation support of National Team athletes was static in 2020 compared to 2019 at almost \$1 Million. This year we were able to increase our direct athlete support to National Team athletes who rank in the top 16 in the world by an average of 30%. We, unfortunately, did not have an Operation Gold competition this summer. Starting in early October we will be offering our onboarding education series and have worked extensively with the USOPC ACE program to support our athletes during their transition phases. National Team onboarding will start in October with educational opportunities available throughout the year.

I therefore report **PARTIAL ACHIEVEMENT**.

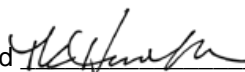
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## Performance Monitoring Report

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TO: USA Swimming Board of Directors  
FR: Tim Hinchey, Chief Executive Officer  
RE: Internal Report – Ends  
Annual Monitoring on **Policy 1.3: Public Engagement with Swimming**  
DA: September 17, 2020

I hereby present the monitoring report on the Board's Ends policy 1.3 "Public Engagement with Swimming," in accordance with the monitoring schedule set forth in Board policy. The information contained in this report is true for the year ended March 31, 2020.

Signed , President & CEO

### **BROADEST PROVISION: There is growth in swimming participation and interest.**

**CEO's VISION OF SUCCESS:** (No change since last report)

I interpret achievement of sub-points A-D below to constitute fulfillment of this End. Interpretations/visions of success and Key Performance Indicators for each are presented and reported on below.

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### **PROVISION #A: Water safety awareness and swimming skills save lives.**

**CEO's VISION OF SUCCESS:** (No change since last report)

Our highest awareness priority is all Americans have the opportunity to learn how to swim – developing safety skills in, on, and around water.

Our highest drowning reduction priority is youth 19 & under, diverse and under-served communities.

Key Performance Indicators:

1. Annual reduction in drownings
2. Priority for reduction – age 19 and under
3. Increase annual swim lesson enrollment in Make A Splash Local Partner programs by 135,000/year, based on 152 new partners each year, with each averaging service to 900 children. (Note: with this growth target, Foundation previously set goal of 2.5 million lessons annually by 2028. With exceptional growth last year, these targets will be revisited as part of the Foundation Board restructuring.)

### **REPORT:**

Key Performance Indicators	2019 Results				Achievement
1. Annual reduction in drownings (to be assessed using CDC data)	CDC DATA	2016	2017	2018	No
	Drowning Deaths – All ages	4,628	3,708	3,710	
	Highest rate	Children 4 & under: 499	Children 4 & under: 467	Children 4 & under: 482	
	2nd highest rate	Age 20-24: 351	Age 55-59: 273	Age 30-34: 242	



	<i>*2018 data is new since last report. No 2019 CDC data yet available.</i>					
2. Priority for reduction – age 19 and under (to be assessed using CDC data)	CDC DATA	2016	2017	2018	Yes	
	Drowning Deaths – Ages 1-19	1,046	913	896		
	<i>*2018 data is new since last report. No 2019 CDC data yet available</i>					
3. Increase annual swim lesson enrollment in Make A Splash Local Partner programs.		2016	2017	2018	2019	Yes
	Total Enrollments - Make A Splash Local Partner Programs	1,030,964	1,042,117 (+1.1%)	1,371,962 (+31.7%)	2,660,004 (+93.9%)	

Drowning Reductions: With recognition that we cannot control drowning reductions, but aim to have long-term demonstrable impact, we observe data that is relatively stable, with a positive trend in the 19 and under age cell.

Among initiatives underway, notable developments also include:

- The Foundation is a founding member of a collective called Water Safety USA, which has, over the last year, dedicated a Steering Committee, on which the USA Swimming Foundation has a seat, to drive and manage the development and eventual implementation of the U.S. National Water Safety Action Plan. This Plan is a strategic roadmap towards the achievement of a collective mission to reduce drowning fatalities in the United States by prompting meaningful changes in behaviors, policies and funding and by creating space for government, multilateral organizations and civil society to work together. The plan has a three-phase development process, and phase one—establishing scope and selecting a framework that supports both development and implementation—is now complete. The Steering Committee is now overseeing the implementation of phase two—establishing multi-sectoral working groups to develop goals, objectives and actions for each of the identified evidence-based strategies which will be the focus of each working group. The Steering Committee is approaching this project as a 10-year Action Plan with progress monitored in the form of a report card every five years. The two largest challenges to date are: (i) funding the development of the plan, which has significantly impacted the timeline to date; and (ii) optics with respect to plan development/ownership such that the majority of the work and recommendations come from the working groups and their area experts, while allowing for stakeholder input throughout the process. Visit the Water Safety USA [website](#) under “National Plan” to learn more, and to follow the Plan’s progress.
- The Swim Lesson Finder on the USA Swimming Foundation website is showing growth in utilization YOY with 25,058 page views in 2019, up from 8,433 page views in 2018.
- As part of our Foundation restructuring in 2019, its staff was integrated into the USA-S team, with the development staff becoming part of the Commercial business unit and Learn-to-Swim now working in Sport Development. This integration, visualized as the base of the USA Swimming Pyramid, reflects our expectation that Learn-to-Swim should feed the club development pipeline.

I report **PARTIAL ACHIEVEMENT**.

## PROVISION B: Swimming is recognized as a “Sport for Life” for all.

**CEO’s VISION OF SUCCESS:** (No change since last report)

Swimming is widely viewed as both an essential life skill and a lifelong sport, a “cradle to grave” ability that also opens doors to other benefits e.g. competitive, health/fitness, family time, etc.

Our highest priority to address “essential life skill” is swimming introduction at early age. “For all” is further defined in Ends provision 1.3.C.

Longer term priority: Convert Learn-to-Swim graduates to USA Swimming programs (e.g., Flex or Premium membership)

### Key Performance Indicators:

1. Make a Splash Local Partner Network annual growth – *152 partners/year*
2. Sports & Fitness Industry Association’s (SFIA) annual “aspiration” research data (which looks at all age groups’ desire, or aspiration, to get involved in swimming activity) shows aggregate Y-T-Y elevation of combined ranking of fitness/team swimming among 6-12 year olds.

Key Performance Indicators	2019 Results					Achievement
1. Year-to-year growth in the Make a Splash Local Partner Network	Make A Splash	2016	2017	2018	2019	Yes
	New Local Partners Added	167	252	195	301	
	Total # of Active/Reporting Local Partners	491 (as of 12/31/16)	645 (as of 12/31/17)	955 (as of 12/31/18)	1227 (as of 12/31/19)	
2. Growth in “aspiration” to participate in Swimming for Fitness and Swimming on a Team from individuals not currently involved in swimming, according to SFIA research.						No
	SFIA DATA: ASPIRE to participate	(BASELINE) 2018	2019			
	Ages 6-12 Swimming for Fitness	Rank # 7	Rank #8			
	Ages 6-12 Swimming on a Team	Rank # 9	Rank #9			
	Ages 13-17 Swimming for Fitness	Rank # 3	Rank #8			

### **REPORT:**

#### Make a Splash Local Partner Network:

Actively reporting Local Partners increased by 301 in 2019 over 2018, with an increase in total enrollments of 1,288,042 students. USA Swimming Foundation provided funding for 20,600 children (vs.19,028 in 2018). Trends in statistics showing participation by race/ethnicity remain consistent with “Other” (which includes Caucasian) the highest, followed by African American and Hispanic/Latina, respectively. It should be noted that neither we, nor our network of swim lesson providers, can legally require this information at registration; therefore, our data is intended for observation rather than statistical accuracy.

Positive developments in the past year include: A finalized agreement with Aqua-Tots Swim Schools and continued conversations with SwimAmerica and British Swim Schools for participation in the provider network on behalf of all franchise or owned operations.

While we continue to recruit individual swim lesson programs, relationships with larger agencies, such as Starfish Aquatics Institute, Goldfish Swim Schools, Aqua-Tots, and Bear Paddle Swim Schools provide a stronger tie to the individual programs, providing more comprehensive enrollment data and additional opportunities to secure and distribute funding with service to targeted audiences.

Effective January 1, 2020, the “Make a Splash Local Partner network” has been redefined as the “Swim Lesson Provider Network.” The Make a Splash brand is now limited to the Make a Splash Tour presented by Phillips 66, and all other Make a Splash marks and references have been retired in order to complete the programs and services merger between the Foundation and Sport Development and to better represent the full spectrum of the sport from grassroots to the top of the pyramid.

Based on the year-to-year growth in Make A Splash Local Partners, I report **ACHIEVEMENT**.

## PROVISION C: Swimming achieves sustained growth in participation at all levels.

**CEO’s VISION OF SUCCESS:** (No change since last report)

Growth in participation is interpreted to emphasize all levels nationally. Participants in swim schools, recreational swimming, etc. will engage on a continuum that will convert into membership growth.

### Key Performance Indicators:

1. Sports and Fitness Industry Association (SFIA) data shows average annual growth (AAG) in age 6-17 team swimming participation.
2. SFIA data shows AAG in age 6-17 core (> 50x per year) team swimming participation.
3. SFIA data shows year-to-year growth age 6-12 (both overall and core) team swimming participation.
4. USA Swimming athlete membership to finish with Y-T-Y growth. (Updated KPI as of April 2020)

### REPORT:

Key Performance Indicators		2019 Results		Achievement
1. SFIA data shows average annual growth (AAG) in Swimmers on a Team participation for ages 6-17	SFIA DATA: Swimmers/Team Participation	2018 BASELINE	2019	No
	Ages 6-17 3-year growth	+3.6%	+0.8%	
	Ages 6-17: 5-year growth	+2.6%	+2.4%	
	Previous year growth	2016-2017 +8.9%	-7.5%	
	The Annual SFIA Swimming on a Team Participation report does not include Average Annual Growth (AAG) Rates for specific age groups. Therefore, the historical AAG Rates reported above are the result of internal calculations. We have been unable to replicate past data; there is a discrepancy between historical and updated historical data. This discrepancy could potentially be attributed to the fact that this Monitoring Report was previously submitted in the Spring, prior to the official release of SFIA data and thus that the data sets used for these internal calculations were incomplete.			
Moving forward we would like to request that this Monitoring Report be moved to the September Board of Directors meeting.				
We are optimistic that our current methodology for calculation will yield consistently accurate and comparable results in the future.				

	<p>By looking back at historical SFIA reports (through 2014), we can calculate the 3-year AAG for ages 6-17 for this year as 0.8% and the 5-year AAG for ages 6-17 as 2.4%. These are slightly lower than the 3.6% (previously 4.1%) and 2.6% (previously 4.1%) calculated for last year.</p> <p>The Swimmers on a Team participation for ages 6-17 showed a 1-year decrease of 7.5%, much different than the calculated increase last year of 8.9% (previously -10.7%).</p>													
<p>2. SFIA data shows average annual growth (AAG) in <b>core</b> (&gt; 50x per year) Swimmers on a Team participation for ages 6-17</p>	<table border="1"> <thead> <tr> <th>SFIA DATA: Swimming on a Team Participation Core (&gt;50X/year)</th><th>2018 BASELINE</th><th>2019</th></tr> </thead> <tbody> <tr> <td>Team Swimmers 6-17: <b>CORE</b> - 3-year growth</td><td>-1.9%</td><td>-3.4%</td></tr> <tr> <td>Team Swimmers 6-17: <b>CORE</b> - 5-year growth</td><td>-1.4%</td><td>-3.3%</td></tr> <tr> <td>Previous year growth</td><td>2016-2017 Down 9.8%</td><td>-6.2%</td></tr> </tbody> </table> <p>The Annual SFIA Swimming on a Team Participation report does not include Average Annual Growth (AAG) Rates for specific age groups. Therefore, the historical AAG Rates reported above are the result of internal calculations. We have been unable to replicate past data; there is a discrepancy between historical and updated historical data. This discrepancy could potentially be attributed to the fact that this Monitoring Report was previously submitted in the Spring, prior to the official release of SFIA data and thus that the data sets used for these internal calculations were incomplete.</p> <p>Moving forward we would like to request that this Monitoring Report be moved to the September Board of Directors meeting.</p> <p>We are optimistic that our current methodology for calculation will yield consistently accurate and comparable results in the future.</p> <p>By looking back at historical SFIA reports (through 2014), we can calculate the 3-year AAG for Core participation ages 6-17 for this year as -3.4% and the 5-year AAG for ages 6-17 as -3.3%. These are slightly worse than the -1.9% (previously reported as -2.6%) and -1.4% (previously reported as -1.2%) calculated for last year.</p> <p>The Swimmers on a Team Core participation for ages 6-17 showed a 1-year decrease of 6.2%, much different than the calculated increase last year of 0.5%</p>	SFIA DATA: Swimming on a Team Participation Core (>50X/year)	2018 BASELINE	2019	Team Swimmers 6-17: <b>CORE</b> - 3-year growth	-1.9%	-3.4%	Team Swimmers 6-17: <b>CORE</b> - 5-year growth	-1.4%	-3.3%	Previous year growth	2016-2017 Down 9.8%	-6.2%	No
SFIA DATA: Swimming on a Team Participation Core (>50X/year)	2018 BASELINE	2019												
Team Swimmers 6-17: <b>CORE</b> - 3-year growth	-1.9%	-3.4%												
Team Swimmers 6-17: <b>CORE</b> - 5-year growth	-1.4%	-3.3%												
Previous year growth	2016-2017 Down 9.8%	-6.2%												
<p>3. SFIA data shows year-to-year growth in age 6-12 (both</p>		No												

overall and core) team swimming participation	SFIA DATA: Swimming on a Team Participation Total (Both overall and core)			2018 BASELINE (2019 report on 2018 data)	2019 (2020 report on 2019 data)			
	ges 6-12 – Total Participants			802,000	737,000			
	Participation rate by group*			2.7%	2.6%			
	*% of total U.S. population age 6-12 who are participants							
4. Updated KPIs for 8/31/20 (as of April 2019): • Y-T-Y Growth in Athlete Membership							No	
	Athlete Members	8/31/16	8/31/17	8/31/18	8/31/19	8/31/20 Revised Proj.		
	Premium – Full year	327,595	343,850	335,345	316,698	285,157		
	Flex	0	0	0	25,175	25,987		
	Total*	363,141	383,431	374,672	374,549	325,283		
	* Includes Premium, Flex, Open Water Single Meet, Athlete Outreach, Athlete Seasonal and Club memberships.							

#### Growth in Swimming Participation:

The decline in growth of swimming participation mirrors the decline in overall youth sport participation and is also reflected in the decline of 10 and under swimmers.

#### USA Swimming Athlete Membership:

Growing Premium and Flex membership will be priorities. Once the new CRM platform is in operation in June of 2020, we will be able to engage in more robust analysis of opportunities to engage with and build our audience. This is an area in which we anticipate revisiting and being more aggressive with growth targets/KPIs.

2019 total membership (as of 8/31/19) was approximately even. The forecasted drop for 8/31/20 is due to COVID-19.

I therefore report **NO ACHIEVEMENT**.

### **PROVISION C.i: Priority: Growth in participation in all cultures, ages, genders, economic backgrounds, and levels of ability.**

**CEO's VISION OF SUCCESS:** (No change since last report)

Swimming participation reflects society from a demographic standpoint. Shorter term priorities are demographic targets identified in the USOPC Diversity Study, with primary focus on ages 6-12, then 13-17.

Key Performance Indicator: Year-to-year growth of the multi-cultural component of USA Swimming's membership (internal demographic guide).

**REPORT:**

Key Performance Indicators		2019 Updated Results			Achievement
1. Year-to-year growth of the multi-cultural component of USA Swimming's membership (internal demographic guide).		As of August 2017	As of August 2018	As of August 2019	Yes
	Multi-cultural component of USA-S membership	18.61%	18.79%	21.7%	

The gain in 2019 is significant. Our aim is to see a trend showing sustained incremental growth in this statistic. While Y-T-Y assessment is helpful, trends over 4-year cycles will be more telling as to success in diversifying the swimming population. Our multi-cultural membership for seasonal athletes is 13.3%. Our multi-cultural membership for non-athletes is 14.5%.

A positive development in the past few years is the addition of new of Community Swim Teams. We have re-signed another three-year commitment with the Chicago Park District program and launched a new program in Los Angeles. We have also signed a memorandum of understanding with the Indianapolis Park and Recreation department, but we are on hold due to COVID-19. We are exploring CST options in Minneapolis and Oakland.

Having integrated our Learn-to-Swim staff into Sport Development as part of the Foundation restructuring, we've taken a key step to being more purposeful in attracting and tracking these program participants athletes into the USA Swimming system.

I report ACHIEVEMENT.

**PROVISION D: There is growth in audience engagement.**

**CEO's INTERPRETATION / VISION OF SUCCESS:** (No change since last report)

Growth of swimming audience engagement through attending swimming events and an array of platforms (reading, listening, viewing). A key strategy and impact towards this will be showcasing swimming stars and events.

Key Performance Indicators:

1. TV/Digital Viewership: Annual growth in Digital Swimming Index (DSI), which is an internal measure that aggregates total engagement (e.g., followers and users) with USA Swimming digital and media properties (e.g., website visitors, webcast viewers, social media followers, email subscribers and Deck Pass accounts) in combined indexes.
2. Event attendance at USA-S events (e.g., TYR Pro Swim Series, Nationals and Winter Nationals): Finals attendance as a percentage of venue capacity (aggregate per event).
  - a. Targets: Trials and Nationals – 90%; TYR Pro Swim Series – 80%.

## REPORT:

Key Performance Indicators	2019 Report				Achievement	
<div>1. TV/Digital Viewership: Annual growth in Digital Swimming Index (DSI), which is an internal measure that aggregates total engagement (e.g., followers and users) with USA Swimming digital &amp; media properties (e.g., website visitors, webcast viewers, social media followers, email subscribers and Deck Pass accounts) in combined indexes.</div> <div>*Broadcast numbers provided by NBC are only for broadcasts in which USA Swimming sponsors have inventory. We do not have viewership statistics for all sessions that are broadcast</div>		2017	2018	2019	Yes	
	DSI - Individuals	5.4M	4.6M	5.1M		
	.org unique visitors	5,426,775	2,243,083	2,459,550		
	Social Media followers	1,246,810	1,321,568	1,413,924		
	Unique Email subscribers	340,000	408,441	500,000		
	Total Deck Pass Accounts	611,331	648,424	715,687		
		2017	2018	2019		
	DSI - Interactions	9.4M	9.6M	11.6M		
	.org unique sessions	4,490,844	4,989,870	5,754,278		
	Deck Pass live views	331,161	327,849	243,853		
	Competition Live Stream Views	N/A	275,036	248,167		
	Total HH Broadcast views *	4,601,000	3,959,000	5,373,000		
	<div>2. Growth in attendance as % of venue capacity</div>		Total Tickets Sold	Tickets Sold - Finals Session Avg.		Capacity
2019 TPSS - 2 day / weekend view						
Knoxville		1,207	516	1,000	51.6%	
Des Moines		2,374	826	800	103.3%	
Richmond		1,266	344	700	49.1%	
Bloomington		940	373	700	53.2%	
Clovis		368	188	800	23.5%	
TPSS Total			449		56.1%	
Phillips 66 Nationals		5902	1180	1192	99%	
Toyota US Open		3,225	806	1950	41.30%	

## REPORT:

Digital Swimming Index: In 2018, USA Swimming developed and introduced these aggregate measures of total engagement with our digital and media properties.

The Individuals DSI dropped from 2017 to 2018, primarily due to a decline in website visitors, but saw growth in 2019. Total Interactions DSI have gone up each year, setting an all-time high in 2019. By examining both sets of metrics, we see that while we are averaging a similar amount of individuals engaged digitally with the brand each year, the amount of interactions each individual has with our digital platforms is consistently growing (interactions/individual-2017: 1.7, 2018: 2.1, 2019: 2.3).

Seeing an 11% increase in the Individuals DSI and a 21% increase in the Interactions DSI, I report **achievement** with regard to digital fan engagement.

#### Event Attendance at USA-S Events:

**TYR PRO Swim Series** – In 2019, USA Swimming moved the TYR Pro Swim Series to five new host cities. Some of these venues have smaller seating capacities, but there is still great interest in swimming in those communities. Since our last 1.3 Ends report, we received complete data on sales at Richmond and we've returned to Greensboro, Knoxville and Des Moines. The scheduled events in Mission Viejo and Indianapolis were cancelled due to COVID-19.

In the aggregate, attendance at the five 2019 TYR Pro Swim Series events, as a percent of capacity, averaged 56%. Our KPI for the series targets at least 80%.

**Phillips 66 Nationals** – In 2019, USA Swimming moved the Phillips 66 Nationals to Palo Alto, CA. The facility offered a smaller seating capacity and the field of athletes suffered on the heels of World Championships. Nonetheless, we averaged a 99% capacity crowd. Our KPI for Nationals targets at least 90%.

**Toyota US Open** – In 2019, USA Swimming hosted the Toyota US Open at the Georgia Tech Campus Recreation Center in Atlanta, GA. We averaged a 41% capacity crowd. Our KPI for the US Open targets at least 90%. We will work with host cities to devise much more aggressive ticket sales marketing strategies.

Although we need to achieve marked improvement at our attendance at the TYR Pro Swim Series and the Toyota US Open, due to the success at the Phillips 66 Nationals, **I report partial achievement.**





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**TO:** Board of Directors  
**FROM:** Tim Hinchey III  
**COPY:** Staff & Selected Others  
**DATE:** September 17, 2020  
**SUBJECT:** General Update

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Dear USA Swimming Board of Directors,

In advance of our busy agenda, please see below some additional updates from our staff regarding current ongoing business at USA Swimming.

Best regards,

Tim Hinchey III  
USA Swimming President & CEO

## **TECHNICAL/SPORT**

### **Golden Goggle Awards**

Plans continue to unfold for the 2020 Golden Goggle Awards, which will be held virtually on Thursday, Nov. 19. The event will be a few days earlier than normal to give more space before Thanksgiving. This year's event will honor the 1980 Olympic team, which is celebrating its 40th anniversary. As you likely know, this team was selected in Irvine, Calif., but never competed at the 1980 Moscow Olympic Games. This is one of the greatest disappointments athletes in our sport have faced. Additionally, as part of the evening, we will be honoring frontline workers who have made a difference over the last six months in dealing with the COVID-19 pandemic. The show will air live on the USA Swimming website, and well as NBC's Olympic Channel on Nov. 24 and Peacock, NBC's streaming service.

### **United States Aquatic Sports (USAS)**

USAS will be meeting on October 3, and one of the key topics that its board will be facing will be the re-write of the USAS Articles of Incorporation and Bylaws, which were in need of updating. As part of this re-write, USAS will shift from having two separate leadership boards to one. Bob Vincent and Tim Hinchey will represent USA Swimming at this meeting.

### **National Team**

In addition to our ENDS report this month we have several items going on in the National Team Division.

## **Open Water**

At the end of August we hosted the Open Water Summit, an educational opportunity provided to our membership around the sport of open water. Topics included open water psychology, fueling for open water (nutrition), technique tips, race strategy and a panel with National Team coaches and athletes.

## **Onboarding**

The National Team Onboarding will go live in October. After having to pivot to a virtual onboarding, we will be able to provide online educational tools for our National Team athletes on an ongoing basis, not just for one weekend. Long term, we are hoping to engage National Team athletes, past and current via these educational opportunities.

## **Direct Athlete Support**

After many months of back and forth with the USOPC we have finally been able to offer the increased Direct Athlete Support stipend amount to National Team athletes who have a top-16 world ranking.

## **High Performance Plan**

Earlier this month, we presented to the USOPC our 2021 High Performance Plan. Each year this plan is provided to the USOPC as a guideline for funding. While there is a lot of uncertainty, the plan covered all the unknowns with a clear focus on the Games as well as mental health and increased direct athlete support.

## **Mental Health**

Mental health continues to be a priority for us in the National Team Division. As mentioned in our ENDS report we have been able to expand our offerings since March and will continue to focus on providing education and support to coaches and athletes. In addition, we are working on a strategic plan to help support mental health for our membership through 2028.

## **National Team and National Junior Team Coach Education**

Since we are unable to talk organically on the pool deck, we have started a coach education series to connect with our National Team and National Junior Team Coaches. The first monthly topic was underwater dolphin kick with Jonty Skinner. We plan to run this series monthly as we head into Trials.

## **Games Planning**

Lastly, while we have little information from the Tokyo Organizing Committee about changes to the Olympic Games, we are working on several plan B's to be prepared with any given scenario.

## **Sport Development**

### **COVID Club Relief Grants**

With the support of the USA Swimming Foundation, USA Swimming awarded \$3 million to 722 clubs through two rounds of COVID grants.

## **Education & Programs**

### **LEARN**

Learning Management System (LMS)/Platform

The contract with Canvas has been executed. October 1 we will begin training on the platform with a small internal staff group. Training is to last six weeks, at which time we will build our first courses,

which is a significant project from an IT perspective. Two main/critical components relating to IT remain: building the single sign-on, registration portal from Canvas to SWIMS (eCommerce), and the native, USA Swimming branded mobile app. Both must be complete well before launch to allow testing.

#### eLearning

We have contracted with Ninja Tropic for the production/editing of content. We are also working with their Instructional Designer to build Key Learning Objectives, scripts, and storyboards. We are currently in the scripting phase of the Core Certification level. *Children with Challenges* (pilot) is complete, the Quality Coaching Framework, and *What is USA Swimming* is wrapping up. The final pre-deck course: *How to Coach Kids*, will be pushed to later in the timeline but still ready for launch. We are starting to engage script reviewers in both English and Spanish.

#### Curriculum

We are engaging with an outside Task Force to review the first-pass curriculum for Core curriculum. We contracted three curriculum writers: head curriculum writer, a subject matter expert, and an expert in adult learning. They are continuing to work on Core Curriculum and mapping out the outline for AG and SR levels. One area of concern is the ability to film live-action footage for the course. We are waiting to see what COVID will allow and hope to capture needed footage in 2020.

#### Timeline and Budget

We continue to target the fall of 2021 as our launch date, through a graduated, scaled rollout to ensure quality testing and control. This rollout will enlist up to 2,000 coaches, including new coaches, coaches in the queue for our existing Foundations courses, and a robust number of coaches in each certification level. The full launch, open to all, will follow in the Fall of 2022. We continue to project on target with our spending with the bulk of the expenses to post to the 2021 budget.

#### **Diversity, Equity and Inclusion (DEI)**

Planning for the Quad strategic plan will start in October, culminating in the annual planning session in December.

We are thrilled to announce the formation of the DEI Council and the Black Leadership in Aquatics Coalition (Team BLAC). The purpose of the Council is to bring together a group of diverse individuals to consult, deliberate, and provide strategic feedback to USA Swimming, while Team BLAC, chaired by Olympian Maritza Correia McClendon, are striving to be the aquatic leaders of the Black voice and impact the sport of swimming through exposure, resources, and mentorship.

An internal DEI staff leadership group was reborn to address DEI education and positive work culture in the office.

Coach Jim Ellis is set to be the first Black coach to serve as Mentor Coach for USA Swimming. We will celebrate this milestone with the distribution of Pride movie licenses to our membership.

Education continues to be a main focal point for staff and membership. USA Swimming leads NGB Champion Calls, which bring together all NGBs to discuss challenges and strategies with fellow national governing bodies.

Regional Diversity Select Camps created for 2021, formally known as Zone Diversity Select Camp. Two USA Swimming hosted camps will take place in early June 2021 and will mirror both Zone Select Camp and National Diversity Select Camp models.

There is a full 18-month schedule for DEI monthly virtual offerings in development, including a mental health series specific to diverse populations and a Real Talk series to address common questions that are often difficult to ask.

The new Disability Committee staff leads are MJ Truex and Tina Dessart, further bringing Disability into the DEI fold.

#### 2020 Community Swim Team Program MOUs

1. Chicago Park District
2. LA Recreation and Park
3. Indy Park and Recreation (in development)
4. Oakland Park and Recreation (in development)
5. Club Focused Community Swim Team Grants (In Development)

#### **Virtual Leadership Offerings**

In 2020, there have been six virtual athlete leadership summits, including one She LEADS and five We LEAD events. Programming has varied for each session and utilized a variety of facilitators as well as National Team athletes through APA appearances.

For coach leadership, we hosted one virtual Women's Leadership Summit and an eight-part leadership series open to all coaches regardless of gender.

Athletes reached: ~300

Coaches reached: ~450

Also, the LSC Athlete Leadership Summit program is still ongoing, with many LSCs choosing to host their events virtual. So far, there has been one in-person summit held (pre-COVID) and three virtual summits held with many more coming in the fall.

#### **Virtual Camp Offerings**

In 2020, we canceled all in-person camps and moved to a virtual format.

We hosted a virtual Zone Select Camp in May that included programming by James Leath, Founder of Unleash the Athlete, and a panel by elite athletes Kelsi Dahlia, Sean Ryan, Hannah Moore, and Tom Luchsinger.

We hosted a virtual Zone Diversity Select Camp in June that included programming by Dr. Regina Lewis, a DEI expert, and Cathy Wright-Eger, a former University of Purdue head swim coach.

We will host a virtual National Diversity Select Camp in November that will include both DEI education as well as technical topics including stroke technique/imagery, nutrition, and goal setting/Olympic progressions.

For 2021, we have adjusted camp selection criteria to consider the lack of a long course 2020 season and expanded capacity to accommodate more athletes. Any camp staff selected for 2020 will automatically be re-invited to their respective 2021 camp.

### **Webinars/Presentations**

Since the onset of COVID-19, we ramped up our webinar schedule to fit the demand of coaches, athletes, and parents looking for education. We've offered more than 30+ webinars with education for coaches, parents, team leaders, officials, and athletes. All recordings of previous webinars can be found on [usaswimming.org](https://usaswimming.org).

### **Events**

#### **Non-Sanctioned Virtual Meets**

In late June/early July, Sport Development and IT developed a virtual meet solution to ensure as many clubs as possible could host and participate in competitions in a virtual format. As of September 10, 46 non-sanctioned meets have been loaded into the database. These meets included 88 clubs and almost 3,000 athletes who otherwise would not have had an opportunity to compete. The virtual meet simulator widget on the website received positive reviews as clubs began to navigate the idea of virtual competitions. The non-sanctioned times searches on the website provide an additional member service for athletes/coaches/parents to search non-sanctioned times.

#### **Speedo Swim Again Series**

In collaboration with the Commercial division, Sport Development recently launched the Speedo Swim Again Series. Throughout the five-week virtual competition (from September 7-October 11), athletes around the country have the opportunity to compete in all IMR/IMX events along with some fun, long-distance events. Clubs can participate in SCY, LCM, or SCM in sanctioned or non-sanctioned meets to encourage maximum participation. Clubs have been split into three divisions based on historical performance and team size and have the opportunity to earn awards from Speedo if they land at the top of the final Leaderboard on October 14.

### **Club Excellence 2021**

In light of COVID, the Senior Development Committee convened a sub-committee of club coaches that consistently produce athletes at the top level to develop a plan for Club Excellence in 2020/2021. The program relies on long course results through the end of the season to measure team eligibility/rank. Without a season, the program required recalibration. We reduced financial support for the program to provide more direct dollars to support athletes attending Select and National Diversity camps.

Coaches identified that the USA Swimming IP component of Club Excellence is the most valuable- i.e., the ability to utilize the logo and marketing resources as a Gold/Silver/Bronze level USA Swimming Club.

Similar to the National Team decision regarding the composition of their 2020/2021 NT, teams will maintain their 2020 Club Excellence status for 2021. Using meet results from 7/1/2019- 8/31/2020, we will add teams that have newly qualified. A total of 227 teams will be recognized, with 27 new teams. Teams will **not** need to submit an application. With limited funding, we will direct funds to teams with athletes with a increased chance at making the Olympic Team. This will include 18&under athletes (at the time of the swim) ranked in the Top-40 in their respective events at the U.S. Olympic Team Trials -

Swimming. The competitive window for rankings is July 1, 2019, to August 31, 2020. There will be no stipends to clubs based on Open Water, since the Olympic Open Water team has already been selected.

### **Team Services**

In June, four members of Team Services accepted the Voluntary Separation Package (VSP), which required a quick reorganization of the remaining working group to ensure a strategic approach to delivering first-class service.

#### **Team Service Zone Assignments**

Jay Chambers – Central Zone  
Brendan Hansen – Eastern Zone  
Juan Caraveo – Western Zone  
Jaime Lewis – Southern Zone

#### **Team Service Staff Liaison to Committees**

Juan Caraveo – Age Group Committee  
Brendan Hansen – Club Development Committee  
Jaime Lewis – Senior Age Group Committee

#### **Coaches Connection Newsletter**

The Coaches Connection newsletter moved to a biweekly distribution in May, adding recipients to include LSC offices, LSC General Chairs, club team leaders along with USA Swimming coaches to ensure resources were being shared broadly during COVID. The newsletter open rate continues to rise as we have seen local leadership redistribute the document to teams and members.

#### **Coach Member Engagement**

Team Services began weekly calls with coach membership in all four zones. Topics centered on those submitted by coaches and allowed us to share relevant education and increase a sense of community between staff and coaches. The calls allowed coaches and our staff to share “best practices” for returning to the pool, team budgeting, athlete/coach mental wellness, return to competition, etc.

#### **Team Services Educational Offerings**

With Team Service travel grounded for the rest of 2020, we have moved all fall educational offerings to the virtual space.

- **Regional Coaches Clinics** are scheduled across three weeks in October. This virtual offering will allow us to reach more coaches and first-rate speakers. Recordings of presentations also offer an additional option for coaches who cannot attend live.
- **Club Leadership and Business Management School 201** have been moved entirely to the virtual space. Team Services has offered classes in April, June, and September with roughly 250 teams taking the course. This course is a requirement for new teams within the first two years of operation and needed to achieve a level 2 or higher Club Recognition Program certification. Participants have remarked that the online version is more cost-effective for them and has allowed them to include multiple coaches and board members in this critical educational offering.
- **National Age Group Summit** will also be virtual and is scheduled for November. This Summit historically has served 40 of our best Age Group coaches every other year, can now accommodate 150-200 coaches, broadening the circle of coaching talent and diversity.

- **USA Swimming Special Projects:** Team Service members have also collaborated with other departments and membership to help deliver the following special projects: working with Business Affairs/Human Resources to provide health insurance access for coach members through a strategic partnership with US Equestrian and working with CFO Eric Skufca and One America to provide financial services for coach members.

### **Learn-to-Swim**

The Make a Splash initiative, having transitioned to the Sport Development business unit in January, continues to work towards full integration within USA Swimming. This integration, visualized as the base of the USA Swimming Pyramid, reflects the expectation that Learn-to-Swim should feed the club development pipeline. With this, the “Make a Splash” brand has been retired (with the exception of the Make a Splash Tour presented by Phillips 66), the “Local Partner network” is now a “swim lesson provider network,” and all learn-to-swim provider network and water safety information has been moved from the Foundation website and integrated into the new USA Swimming site in the appropriate areas.

Key areas of current focus include:

Bridging the gap between Learn-to-Swim and USA Swimming

- Community Swim Programs: Learn-to-Swim is now a vital component of each MOU.
- Updating grant structures and opportunities to establish local relationships between swim lesson providers and swim teams as part of the requirements for application.
  - 2020 USA Swimming Foundation grants for Learn-to-Swim providers: \$411,155 awarded in March; however, due to limited access to facilities, an amendment is being finalized to allow funds to be used for classroom-based or virtual water safety education instead of swimming lessons where access to water and programming has been, or remains limited, and providing use extensions into 2021 where necessary
  - 2021 Learn-to-Swim grant application slated for release in early October
  - Designing Instructor Coach membership opportunities, providing a pathway to develop and educate instructors who have an affinity for the sport
    - Children with Challenges course, for those coaching or teaching children with special needs, to relaunch on the USA Swimming LEARN platform shortly; long-term CEU opportunity under new Coaching Ed

Development of infrastructure to support USA Swimming membership opportunities for Learn-to-Swim programs

The development of the Aquatics Coalition has deepened and expanded relationships within the industry, allowing for the dissolution of the previous USA Swimming Foundation Affiliate Coalition and provides for long-term, action-oriented relationships

<b>COMMERCIAL</b>
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Our focus as a Commercial team throughout the summer of 2021 has been on direct support to membership more than ever before. Our communications have become less universal and more targeted on our 3,000 clubs and 400,000 members, our marketing efforts have shifted away from brand

awareness and celebration of the sport towards supporting back-to-water and back-to-competition needs, and our digital platforms remain agile in responding to the immediate needs of all USA Swimming internal teams through this crisis. As well, our philosophy in the short term for corporate partnerships and Foundation development has been rooted in providing immediate relief to our sponsors and donors in the hopes of relationship building for richer long-term deals and commitments.

In May, USA Swimming took a leadership position in the aquatics industry by forming the Aquatics Coalition. To date, we have pulled together over 30 non-profit and for-profit organizations in North America across competitive sport, learn to swim, rehabilitative fitness, and facilities construction/management with the collective goal to advocate for a safer return to water through the COVID-19 crisis. USA Swimming continues to shoulder the burden of funding for this organization in the near term, with plans to transition leadership and management of the Aquatics Coalition to other members in 2021. We are proud of the efforts taken by this organization to appeal to national and local health officials in the fight to preserve the safety and mental and physical health of those who participate in aquatics.

### **Business Intelligence**

#### **CRM (Customer Relationship Management) System**

After some frustrating delays, the CRM team is happy to report that the migration of the USA Swimming Foundation donor database into Salesforce is complete and fully operational within the new CRM system. We now have up-to-date contact records for every USA Swimming Foundation donor, event attendee and email contact. Contact records include over 30 different individual data points including name, preferred listings, addresses, phone numbers, emails, relationships (householding), individual donation history, membership status, alumni designations, BOD designations, corporate organization affiliations, financial prospecting scores, notes, and contact activity history, among others. With data live in the system, we have begun work on custom reporting dashboards and reports for internal and external use.

Crucially, getting the Foundation live in Salesforce was the final task in the “Build” phase of our roadmap. With each individual system now live (RedPoint MDM, Marketo, and Salesforce) we have begun the “Productionalize” phase of the project wherein we connect all the individual live systems into a connected architecture. After completing the connection process we will launch our first organization-wide campaign with an opt-in/opt-out program that will allow all of our email contacts to select specific types of communications from USA Swimming (newsletters, promotional, event, Foundation). After our contacts have personalized their communication preferences, we will distribute our initial campaigns and design new campaigns aimed at capitalizing on Olympic year excitement.

#### **Website**

As we continue to customize content and navigation paths on the new website, we have seen some encouraging preliminary analytics on user behavior. While overall traffic has had a predictable drop with a lack of events, we have seen a 91% improvement in pages per session, a 97% improvement in bounce rate, and a 5% reduction in session duration. All of those stats indicate that people are finding the pages they are looking for much quicker (pages per session and session time reduced because they are not spending time clicking around looking for something), and once they arrive on a page they are finding the resources they were expecting to find (reduced bounce rate from a page). Most of the traffic decreases are a result of an event-less summer, and more recently we have been surprised to see traffic numbers equaling or exceeding the same time period last year. With the launch of virtual events we are



now turning our attention to improving overall traffic numbers to mirror the improvements in usability analytics.

## **Partnerships**

We continue to look for unique solutions to save and build upon our corporate sponsor relationships during the COVID-19 pandemic. While most of our partner family is struggling financially, there is a notable difference between our endemic (swimming-specific) and non-endemic partners as we work to find a solution that works for all regarding assets used and payment terms. For example, Phillips 66 continues to be a great partner and not ask for a price reduction, even when majority of their assets (Make a Splash Tour and Phillips 66 Nationals) are postponed or altered from now through 2021. Alternately, we are not enjoying the same success in collecting sponsorship dollars from our suit partners and swim lesson franchises who are suffering from pool closures and event postponements.

Just as we have always looked to sell unique marketing assets, our team continues to focus on new opportunities. With the recent technological approach to virtual meets in September, we successfully sold and launched the Swim Again Virtual Series to Speedo as a quasi-replacement to Sectionals. Further, we are in verbal negotiations with Toyota to sign a four-year renewal above our initial two-year sponsorship deal. We have seen some movement on the U.S. Olympic Team Trials – Swimming and have agreed to terms with Golden Road to entitle the first-ever “Dive Bar” and partner with us on our therapy dogs effort in a fun cross-promotion with their Hazy Pup IPA.

We continue to support the 2020/2021 “We’ll Be Ready” merchandise campaign with our partners at SwimOutlet.com, arena, Speedo and SwapOnz. To date, the campaign has reached over \$41,000 in retail sales and we are approaching close to \$15,000 in proceeds going back to the National Team. We will ramp up this effort through the holidays to capitalize on gift-giving season, and again in the spring lead-in to Omaha and Tokyo.

Finally, we have updated our lead-generation decks via Digideck and have been surprised to enjoy some new partnership interest from large companies in the sport sponsorship space. We will share more details on these brands when we are victorious in landing those deals. For the first time ever, the team has created and pitched digital-only media packages that can be purchased by companies looking for revenue-shares or straight ad-buys; we believe this new customizable package will be a big win for 2021 and beyond as we implement our new media and CRM platforms.

## **Communications**

Much of the last few months has been focused on continuing to support every division in effectively communicating messaging, important updates and initiative developments to all internal and external stakeholder groups.

We signed a new partnership agreement with SocialVenu, a fan engagement platform that focuses on driving revenue to our organization by making our fans and members the “star” at live events or in campaign series. This platform allows our fans and members to collaborate with us and create genuine, creative content from wherever they are.

The distribution of organizational newsletters was successfully updated using the new Marketo system. Additionally, in our continued effort to streamline organizational messages, oversight of website editorial was moved to the communications department and will now be overseen by Kyle Sagendorph.

### **Athlete Marketing**

The 2019-2020 APA season closed with 109 community appearances completed and approximately 47 of those conducted as virtual opportunities – i.e. club meet and greets, virtual presentations or videos. The final remaining appearance has been scheduled for the end of October to support USA Swimming's DEI initiatives.

The next APA season is slated to begin shortly, through December 2020, and we estimate having approximately 60 athletes committed to the program with more than 120 appearances to fulfill.

<b>BUSINESS AFFAIRS</b>
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### **Safe Sport**

Over the past four months, the Safe Sport team has focused on engaging clubs and members at the local level, including by increasing the number of clubs that become Safe Sport Recognized.

Safe Sport Club Recognition gives clubs the opportunity to demonstrate their commitment to athlete safety by going above and beyond current Safe Sport requirements. To date, we have 544 USA Swimming clubs that are Safe Sport Recognized. Additionally, 562 clubs have initiated the Safe Sport Club Recognition process. This accounts for almost 37% of our USA Swimming clubs across the country. Additionally, 357 of the 544 recognized clubs received their recognition between April and August of this year. As an incentive to clubs to become Safe Sport Recognized, once a month a club that has become recognized is selected to receive a visit from a National Team member. We have had two visits (virtually) and they both have been extremely successful. Mallory Comerford had a visit with Flagler Fluid Swim Team out of Florida, and Emily Escobedo had a visit with the Buckeye Swim Club out of Ohio Swimming. This incentive was supported by the Keeping Athletes First Initiative and we look forward to selecting a team every month through the end of 2021.

Since April, the Safe Sport team has also conducted regular Zoom training for athletes, parents, coaches, clubs and LSCs. To date, the Safe Sport team has trained 7,053 people in 2020, and 6,311 of those individuals have been trained since April, which doubles the number of people the Safe Sport team has trained in any full year in the past. Being mindful of athletes starting school and clubs working on getting back in the water, the Safe Sport team will continue to provide these Zoom trainings.

The Safe Sport team also continues to provide resources to clubs. In August, our partnership with Coaching Boys Into Men and Athletes as Leaders was released. These two programs are scenario-based curriculums that coaches and mentors can conduct with their athletes. By sparking meaningful conversations across the country, our sport, and in our clubs, we can strengthen values and open productive communication channels. By talking about behaviors that are acceptable and not acceptable, and what steps someone should take to stop the inappropriate behavior and get help from a trusted adult, we can help prevent an inappropriate situation now or in the future.

Additionally, the Safe Sport team has been working with Team Unify to include the Safe Sport information that is on our parent website on to their club sites. When this launches (later this month), there will be an automatic Safe Sport tab on the user/login side of Team Unify with all the same information that is on the parent page of the USA Swimming website. This will include information about reporting, training, educational opportunities, policies and more. This is the first time that a collaboration like this has taken place between Team Unify and Safe Sport and is a tremendous step in our goal of reaching member athletes' parents.

### **Risk Management**

The second quarter of 2020 marked a transitional period for the Risk Management division as George Ward retired and provided his replacement, Steve Levine, general introductions of vendors and systems.

Due to COVID-19, certain action plans were modified to reflect organizational needs. Risk Management took an active role in bi-weekly LSC calls to provide guidance concerning insurance implications regarding any re-opening plans. Successes included having the insurer accept a virtual dryland extension in recognition of the infeasibility of in-person observation during training. Other key elements of Risk Management engagement included collaboration with Sport Development, Legal and Safe Sport in developing pool re-open guidelines and providing guidance on the drafting and use of waivers throughout each jurisdiction.

Risk Management was also asked to engage in several organizational initiatives, including the initial stages of a cyber security assessment being facilitated by a third party vendor, and to provide input regarding an international project in which USA Swimming may be partnering with international entities to provide standardized technologies for use in timing protocol.

During the second quarter, the Management insurance program (D&O, Fiduciary, EPL) renewed at a premium 69% of budget. The program was the first renewal offered following a 2019 broker change and was a surprising success considering overall hardening insurance market conditions. Additionally, two event cancellation policies for coverage of the Olympic Trials in Omaha were extended through June 2021.

Finally, three Operational Risk Committee meetings were conducted. The committee played an active role regarding the aforementioned dryland training and coach to athlete ratio. Further, two sub-committees were established for the purposes of providing guidance and review regarding Open Water procedures and In-person Coaching certification extensions, which were granted through the end of 2020.

### **Human Resources**

There has been considerable change in the Human Resources division over the past few months, as both the Director, Human Resources & Employee Engagement and Manager, Payroll & Benefits left the organization to pursue other opportunities.

As a result, the focus has been on critical functions, including office management and response to COVID-19 related risks and the mid-year check-in review. We have also begun the insurance renewal process in anticipation of open enrollment.

Sara Atkins began on September 14 as the new Director, Human Resources & Employee Engagement and is quickly getting up to speed.

### **Information Technology**

Since the last Board meeting, the development arm of the Information Technology team has been incorporated into the Commercial and Sport Development teams, respectively, with each employing a dedicated developer. The rationale behind the move was to promote greater efficiencies, prioritizations, and communication among IT development and their two largest internal stakeholders. We also developed procedures for other divisions within the organization to have development needs met.

As part of the Keeping Athletes First initiative and online member registration, USA Swimming engaged Optiv Security to conduct a strategic review of our security program and assist with developing a strategy that matches business objectives and/or addresses specific security concerns.

The assessment was organized into 10 Security Focus Areas and 53 Program capabilities, which were measured in their current state. Optiv utilizes a proprietary algorithm for scoring; however, they also mapped the security program against the NIST (National Institute of Standards and Technology) standards. The NIST framework will be the measurement standard with which we can score the program moving forward.

The assessment concluded with the following high-level themes:

It is critical for USA Swimming-collected Personally Identifiable Information (PII) and other sensitive data collected in the SWIMS application meet global and local privacy requirements.

Data handling requirements that are in alignment with compliance requirements should be developed and strategies developed to stop data leakage and protect USA Swimming sensitive information.

Reliance on third party vendors and cloud-based solutions require an integration of the security strategy into these environments with clearly understood accountability and a keen focus on contractual, service, and data privacy protections.

Penetration testing should be performed on the SWIMS application and the USA Swimming website, network, and system components to have a better understanding of exposures.

To address the themes mentioned above, a Cybersecurity Roadmap was developed by Optiv Security that should be completed by the 2024 Olympic Team Trials – Swimming. To meet this objective the project is separated into three phases.

Phase 1 – Strengthen Foundational Capabilities & Test Network & Applications

Phase 2 – Develop Secure Processes & Increase Business Resilience

Phase 3 – Increase Data Protection Capabilities & Enhance Visibility

Phase 1 activities have started and are on track to be completed prior to the 2021 U.S. Olympic Team Trials - Swimming. Some examples of these activities are the Data Mapping project, Identity Management for the OMR and SWIMS 3.0 development projects (which will include the legacy SWIMS,

and website applications), and the development of a Security Training program which will be rolled out to staff the last quarter of 2020.

## FINANCE

Waugh & Goodwin, LLP, our audit and tax firm, completed the 2019 external audits during the second quarter of this year. Both audits were issued clean opinions. Waugh & Goodwin, in collaboration with Finance, is also nearing completion on both 2019 Form 990 tax returns which are scheduled to be issued in September or October ahead of the November 15 deadline. Additionally, Plante Moran, PLLC, out of their Denver, CO office, is completing our inaugural external audit of the 401(k) Plan. We anticipate a clean opinion to be issued in September or October.

The Finance department is in the process of preparing our financial close for Q3 2020 for both entities, which includes, but is not limited to, ensuring all balance sheet accounts and transactions are correctly recorded such as cash and cash equivalents, accounts receivable, prepaid expenditures, fixed assets and related depreciation, investment accounts, accounts payable, accrued expenses, net asset accounts, among others. All accounts will be fully reconciled, and all applicable month-end and quarter-end journal entries will be made to ensure our general ledger and internal financial statements are accurate and complete. We anticipate finalizing our close by late October ahead of both the board meetings as well as the auditor annual interim fieldwork in November.

This year has brought many rewarding challenges and nuances to the Finance department including staffing adjustments and a retirement, newly created and or pivoted operating programs, new relief grant programs, and governmental pandemic relief programs just to name a few. These are all related to the largest distinction of this year for us – continuous forecasting, reforecasting, and financial scenario creations. “Budget season” has been in full force since March as we collectively continue to financially strategize, prioritize, and execute our mission, vision, and “Ends” during these unique times.

## USA SWIMMING FOUNDATION DEVELOPMENT

The USA Swimming Foundation provided much needed financial support during the COVID-19 pandemic and resulting economic decline that continues to challenge members of USA Swimming. To date, the Foundation has awarded nearly \$3 million in support to USA Swimming member clubs, awarded more than \$400,000 to swim lesson providers across the country, and continues financial support of National Team athletes and coaches.

The Foundation Board of Directors and Development team staff continue to craft governance structures and strategies that will provide clear directives, ends, and KPIs to provide transformational support to USA Swimming programs. One such measure is the creation of strategy groups focused on the Four Pillars of the Foundation, led by Tim Hinchey, Mike Unger, Shana Ferguson and Joel Shinofield. These working groups will include Foundation Board members, staff, members of the Foundation Trustee Council, Corporate Partners, and others.

The Four Pillars are:

- **Raise Money/Fundraise:** First and foremost, we must remember that the USA Swimming Foundation exists to raise money in support of USA Swimming. Those involved in this pillar will create initiatives and goals that make a long-term impact on fundraising.

- **Make a Difference in Communities:** Enhance our efforts in the areas of learn-to-swim, membership and clubs, and the National Team.
- **Engage Alumni:** Grow alumni engagement by fostering relationships with all levels of USA Swimming alumni.
- **Support Facilities and Pools:** One lesson learned through the COVID-19 crisis is that our member clubs rely too heavily on others for the use of facilities. This pillar will focus on the need to build, maintain, and sustain aquatics facilities independent of universities and public schools.

From January 1 to September 14, 2020, the Foundation has awarded \$3,720,455 in funding to swim lesson providers, USA Swimming member clubs and the National Team.

- Swim lesson providers were awarded \$411,000.
- USA Swimming member clubs received \$2,999,455.
- National Team has received \$310,000.

As of September 14, 2020, the Foundation has raised \$832,968 (versus \$2,457,203 YTD in 2019)

- Major Gifts total \$630,828 (versus \$1,849,118 YTD in 2019)
  - New P66 contract signed in 2019 included a \$1,000,000 charitable piece that was recorded as restricted revenue in 2019 per accounting standards and will be satisfied ratably over the life of the contract (\$200K/yr for 5 years)
- Annual Fund total \$152,040 (versus \$359,093 YTD in 2019)
  - 2019 numbers included convention luncheon and performance camps which will not take place in 2020
- Swim-a-Thon total \$50,100 (versus \$248,992 YTD in 2019)
  - For 2020 and 2021 the 5% fee has been waived

## FINA COMMITTEE PANEL NOMINATIONS

<u>COMMITTEE/PANEL</u>	<u>SELECTED BY</u>	<u>INCUMBENT</u>	<u>REPLACE</u>	<u>LEADERSHIP</u>	<u># on</u> <u>COMMITTEE</u>	<u>NOMINEES</u>	<u>NOTES</u>
Athletes Committee	USAS	Aaron Peirsol	Yes		17	<b>Maya DiRado Andrews</b>	Will be elected by FINA athletes 5/2022
Coaches Committee					28		
- Swimming	USA Swimming/USAS					<b>Bruce Gemmell</b> Bob Bowman	Limited number on committee from each discipline
- Open Water	USA Swimming/USAS	Catherine Kase				<b>Catherine Kase</b>	Limited number on committee from each discipline
Disciplinary Panel	USAS				5	<b>Megan Ryther</b>	
Doping Contol Review Panel	USAS	Daniel Eichner			9	<b>Daniel Eichner</b>	
Doping Panel	USAS	Bill Bock			6	<b>Bill Bock</b>	
Ethics Committee	USAS	Bill Hybl		Chair	6	<b>Bill Hybl</b>	
Facilities Committee	USA Swimming	Mick Nelson	Yes		4	<b>Dean Ekeren</b>	
Finance Committee	USAS				4	<b>Bob Vincent</b>	
Legal Committee	USAS	Joe DeGroff			5	<b>Joe DeGroff</b>	
Media Committee	USAS	Greg Eggert		Secretary	13	<b>Greg Eggert</b>	
National Federations Relations Committee	USAS	Ron Van Pool		Secretary	7	<b>Ron Van Pool</b>	
Sports Medicine	USAS	Dr. Jim Miller			11	<b>Dr. Jim Miller</b> <b>Dr. Danny Mistry</b>	
Swimwear Approval Committee	USA Swimming	Dave Pendergast	Yes		5	<b>Dr. Lloyd Smith</b>	
Technical Open Water Swimming Committee	USA Swimming	Sid Cassidy		Vice-Chair	14	<b>Sid Cassidy</b>	
Technical Swimming Committee	USA Swimming	Carol Zaleski	Yes	Chair	13	<b>Jay Thomas</b> Cecil Gordon	
Audit Committee	USAS				3		Not likely to have an opening

**NOTES:** \* **Bold indicated International Relations Committee recommendation**

\* **All recommended nominees were confirmed by majority votes of the International Relations Committee**