

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

USA Swimming Board of Directors Meeting Minutes

February 5, 2021 / Virtual Zoom Conference Call

1 **CALL TO ORDER**

2 Bob Vincent, Board Chair, called the February 5, 2021 Board of Directors meeting to order
3 at 8:46 a.m. Mountain Time with the following members in attendance:

4
5 **PRESENT:** Maya Andrews, Chris Brearton, Kenneth Chung, Kathy Fish, Bruce Gemmell,
6 Jennifer Gibson, Cecil Gordon, Natalie Hall, Tim Hinchey, Lucinda McRoberts, Katie Meili,
7 Kathleen Prindle, Bill Schalz, Jeanette Skow, Jim Sheehan, Jay Thomas, Bob Vincent.

8
9 **GUESTS**

10 Nathan Adrian, Kathleen Baker, Bill Charney, Ellen Colket, Ryan Gibbons, Tim Husson, Pam
11 Lowenthal, Michael McCaffery, Keith Moore, Ellery Parish, Dave Smith, Jack Swanson,
12 Michael White, Aaron Zhu.

13
14 **STAFF**

15 Juan Caraveo, Paula D'Amico, Shana Ferguson, Abigail Howard, Kiki Laino, Jaime Lewis,
16 Isabelle McLemore, Stacy Michael-Miller, Lindsay Mintenko, Patrick Murphy, Eric Skufca,
17 Joel Shinofield, MJ Truex, Mike Unger, Scott Usher.

18
19 **MOMENT OF SILENCE**

20 A moment of silence was observed for USA swimming members who have passed away
21 since the last USA swimming Board of Directors meeting.

22
23 **AGENDA REVIEW**

24 Bob Vincent presented the agenda (Attachment 1).

25
26 **RULES OF ENGAGEMENT / COVENANTS**

27 Bob Vincent provided an overview of the Rules of Engagement/Covenants.

28
29 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

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

33

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

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

37

38 **CEO WELCOME**

39 President and CEO Tim Hinchey began by thanking the Board of Directors for its leadership
40 and support and additionally thanked the staff for their dedication to our membership, by
41 prioritizing communication to all members during the pandemic and moving forward. Mr.
42 Hinchey noted how proud he is for the organization to fully deliver the Olympic Trials for
43 not only for the elite National Team athletes, but the younger athletes as well. Lastly, Mr.
44 Hinchey remarked on the development of the volunteer base through evaluating and
45 elevating the organization's national committees.

46

47 **BOARD CHAIR'S REMARKS**

48 Bob Vincent thanked the Board for their continued support and contributions during the
49 pandemic and noted his pride in the organization continuing to strive to be the best
50 National Governing Body (NGB). Mr. Vincent remarked on the membership's missed and
51 limited opportunities in 2020 due to the pandemic but noted the organization's ability to
52 do "more with less," including being fiscally responsible, being more effective
53 communicators, and listening to membership when they asked for an Olympic Trials that
54 would still allow many athletes to compete. Lastly, Mr. Vincent emphasized the importance
55 of celebrating Black History Month, adding that USA Swimming will be releasing related
56 content all month long.

57

58 **MINUTES**

59 Bob Vincent reported that the news of Kenneth Chung being elected as Vice Chair of Fiscal
60 Oversight was added to the minutes.

61

62 **MOTION:** *To approve the updated November 20, 2020 Board of Directors meeting minutes*
63 *(Attachment 2). Seconded. APPROVED.*

64

65 **FOUNDATION UPDATE**

66 Foundation Chair Cecil Gordon expressed gratitude towards the Board of Directors and
67 staff for their financial, administrative, and public relations support to the USA Swimming
68 Foundation over the past year. Dr. Gordon briefly reiterated that the Foundation Board of
69 Directors has four new members as well as a new partnership with U.S. Masters, which he
70 hopes will expand the Foundation's donor base. Dr. Gordon emphasized three areas of

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

71 focus for the Foundation: data driven finances; marketing, specifically the announcement of
72 the U.S. Masters partnership; and developing program and grant groups.

73

74 **STRATEGIC DISCUSSION: INVESTMENT TOOL FOR GROWTH**

75 Chief Financial Officer (CFO) Eric Skufca introduced Investment Committee members, Ellen
76 Colket and Mike McCaffery (Attachment 3).

77

78 Ellen Colket and Mike McCaffery offered their professional and personal backgrounds and
79 presented tools and strategies for the USA Swimming Operating Reserve Fund, specifically
80 recommending the Board of Directors' set payout goals for the fund to assist with financial
81 strategies.

82

83 The Board engaged in discussion on how to be more strategic with the portfolio and payout
84 of the fund to build for the future and be more financially self-sustainable.

85

86 **ATHLETES' EXECUTIVE COMMITTEE UPDATE**

87 Maya Andrews introduced Ellery Parish, Athletes' Executive Committee (AEC) Chair.

88

89 Ellery Parish reported that athletes believe the two waves for the U.S. Olympic Team Trials
90 – Swimming offers a fantastic solution to ensuring everyone's safety. Ms. Parish also
91 provided an update on AEC's activities, including hosting an athlete orientation for athletes
92 who are members of USA Swimming national committees, organizing Local Swimming
93 Committee (LSC) Leadership Summits, and creating a mentorship program for the athlete
94 representatives. Lastly, Ms. Parish encouraged the Board and staff to utilize the AEC to
95 push communication in all directions as they are building a robust communication
96 network.

97

98 **ZONE DIRECTORS' COUNCIL CHECK-IN**

99 Managing Director of Sport Development Joel Shinofield introduced the Co-Chairs of the
100 Zone Directors' Council (ZDC), Ryan Gibbons and Dave Smith.

101

102 Dave Smith previewed upcoming Sectional and LSC meets within each Zone, including
103 restrictions, challenges, and adjustments due to COVID-19 health and safety protocols. Mr.
104 Smith remarked that the ZDC is working with staff to find ways to progress DEI and Safe
105 Sport initiatives within the Zones and noted that in the past year the ZDC began to engage
106 more athlete representatives (Attachment 4).

107

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

108 Ryan Gibbons reported on the transition process of bringing athletes onto the ZDC,
109 including the athletes' role within the Council, the Zone and as non-voting members of the
110 Athletes' Executive Committee (AEC). Mr. Gibbons briefly described the Council's strategic
111 plans to create a pathway for the Board's goals of bilateral communication between the
112 Board and the grassroots members as well as facilitating best practices in governance
113 operations across Zones.

114

115 **BOARD PROCESS**

116 **BOARD ACTIVITY BALANCING AND WORK PLAN REVIEW**

117 Bob Vincent introduced the Board Activity and Work Plan for the Board to reassess those
118 documents in preparation for transition to a new Board Chair (Attachments 5 - 6).

119

120 **BOARD CHARGE TO NOMINATING COMMITTEE**

121 Bob Vincent thanked Past Chair Jim Sheehan for his work on the Board of Directors as his
122 term on the Board is ending. Mr. Vincent noted that four Board members' terms are also
123 ending but are eligible for an additional term, including Jeannette Skow, Cecil Gordon, Jay
124 Thomas, and Maya Andrews.

125

126 The Board engaged in discussion around the charge for the Nominating Committee,
127 including ensuring diverse representation on the Board, looking at the roles (coach,
128 official) that may be lost, and seeking individuals with a background in strategic
129 communication and technology. The Board also emphasized the need for a strategic
130 approach to recruiting individuals to run for the Board.

131

132 **BOARD POLICY MANUAL**

133 Bob Vincent presented a proposed update to the Board Policy Manual which added in a
134 February due date for the Executive Compensation Committee (Attachment 7).

135

136 **MOTION:** To approve the proposed update to the Board Policy Manual under the charge to
137 the Executive Compensation Committee. Seconded. **APPROVED.**

138

139 **LEGISLATIVE UPDATES**

140 Bob Vincent commented on how the Board can work to progress legislative changes
141 moving forward, including engaging athletes, utilizing national committees for vetting
142 legislation, working closer with the Rules and Regulations Committee, and defining Board
143 advocacy.

144

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

145 **GOVERNANCE USOPC COMPLIANCE TASK FORCE**

146 Vice Chair/Chair Elect Chris Brearton provided an overview on the Governance
147 Committee's task to identify where USA Swimming needs to address and come into
148 compliance with new United States Olympic and Paralympic Committee (USOPC) Bylaws
149 and federal laws. Mr. Brearton reported working groups composed of a representative
150 sample of membership will be formed to address three critical areas.

151
152 Chief Administrative Officer and General Counsel Lucinda McRoberts provided a timeline of
153 when changes should be implemented, including calling a special meeting of the House of
154 Delegates in June 2021. Ms. McRoberts noted that the working groups will provide
155 solutions, which will then be socialized largely among the membership for further input.

156
157 Mr. Brearton added that this will be an opportunity for the Board to show collaboration
158 with the membership to make positive changes for the organization.

159

160 **POLICY AND PROCEDURES MANUAL UPDATE**

161 Lucinda McRoberts highlighted the changes to the Operating Policy Manual, including
162 omitting outdated language and references, aligning the format throughout the document,
163 and making certain substantive changes. Ms. McRoberts presented a timeline for
164 completion with the goal of providing a final version of the Operating Policy Manual on the
165 USA Swimming website by April 1, 2021 with a presentation to the Board of Directors at its
166 May 7, 2021 meeting.

167

168 **COMMITTEE TASK FORCE UPDATE**

169 Jim Sheehan briefly summarized the task force's goals and process for effectively revising
170 national committees to be more beneficial to the organization, specifically the athletes,
171 through discussions with committee chairs and membership feedback.

172

173 **ENDS MONITORING**

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

175 Bob Vincent presented Policy 1.0, Broadest/Growth and Success of Swimming (Attachment
176 8).

177

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

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

182 **UPDATE ON POLICY 1.2: SUCCESSFUL ATHLETES, COACHES AND CLUBS**

183 Joel Shinofield reported that the Key Performance Indicators within Policy 1.2, Successful
184 Athletes, Coaches, and Clubs, will be updated or replaced appropriately now that the
185 purview of the policy lies within Sport Development. Additionally, Mr. Shinofield stated
186 that the updated report will be available prior to the next Board of Directors meeting in
187 May (Attachment 9).

188
189 **MANAGEMENT PARAMETERS MONITORING (4.4)**

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

191 Bob Vincent presented Policy 3.3, Treatment of Employees and Volunteers (Attachment
192 10).

193
194 ***MOTION:** To approve the performance monitoring report on Policy 3.3, "Treatment of*
195 *Employees and Volunteers," conveys (a) interpretations of the policy that are reasonable, and*
196 *(b) that the report reasonably substantiates compliance with the policy requirements,*
197 *consistent with the CEO's interpretations. Secinded. **APPROVED.***

198
199 **POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES**

200 Bob Vincent presented Policy 3.4, Financial Condition & Activities (Attachments 11 - 15).

201
202 ***MOTION:** To approve the performance monitoring report on Policy 3.4, "Financial Condition*
203 *& Activities," conveys (a) interpretations of the policy that are reasonable, and (b) that the*
204 *report reasonably substantiates compliance with the policy requirements, consistent with the*
205 *CEO's interpretations. Secinded. **APPROVED.***

206
207 Kenneth Chung provided an overview of the 2020 financials, specifically noting reductions
208 in both operating revenues and expenses compared to budget (approximately 27% and
209 32% reductions respectively). Mr. Chung commended the staff for managing the budget in
210 a way that not only avoided a deficit but did so without cutting essential services to
211 membership. In fact, Mr. Chung noted the organization increased services to membership
212 during 2020, setting up the organization to build for the future.

213
214 Eric Skufca reported that the finance team is still closing out the 2020 financials but noted
215 that the numbers are tracking and trending materially consistent with the financial
216 projection presented in November 2020. Mr. Skufca reiterated the organization's decision
217 to stop the quarterly investment distributions for operations in 2020 and instead maintain
218 focus on reducing operating expenditures where and when available and appropriate.

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

219 **SWIM TRIALS, LLC LINE OF CREDIT**

220 Kenneth Chung provided background on USA Swimming's financial role for the U.S.
221 Olympic Team Trials - Swimming, including historically fronting operational funds on
222 behalf of the joint venture at times. Mr. Chung noted how the organization explored options
223 and solutions with its partner Omaha Sports Commission whereby USA Swimming would
224 not need to provide direct, upfront, and temporary operating cash on behalf of the joint
225 venture.

226
227 Eric Skufca provided historical reference where and why USA Swimming provided upfront
228 operating cash for the Swim Trials, LLC joint venture and rationale to reduce and or
229 eliminate that practice moving forward (Attachment 16).

230
231 Chief Operating Officer (COO) Mike Unger briefly described the history and details of the
232 joint venture with the city of Omaha.

233
234 The Board engaged in discussion regarding Trials finances, including what USA Swimming
235 provides and receives as well as the financial partnership with the Omaha Sports
236 Commission.

237
238 **MOTION:** To allow USA Swimming to be a 50% guarantor and be collateral for \$1.6M
239 commercial revolving line of credit for Swim Trials, LLC. Seconded. **APPROVED.**

240
241 **PPP ROUND TWO**

242 Eric Skufca briefly introduced the possibility of USA Swimming applying for the second
243 draw of the Paycheck Protection Program (PPP2) after participating in the first draw
244 (Attachment 17).

245
246 Kenneth Chung presented the idea of creating a small working group to look at the nuances
247 of applying for the PPP2, including how the organization could benefit from the fund.

248
249 The Board voiced positive feedback with the organization moving forward with a small
250 working group to research another PPP opportunity.

251
252 **KEEPING ATHLETES FIRST INITIATIVE**

253 Lucinda McRoberts reported that the Keeping Athletes First (KAF) working group added
254 two new members, Katie Meili and Jack Swanson. Ms. McRoberts additionally provided a
255 brief overview of the KAF initiative as well as details from the first meeting of 2021 on

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

256 online member registration. Ms. McRoberts noted that that the second meeting of the year
257 will focus on the Safe Sport Club Recognition program.

258

259 **GUEST SPEAKER:**

260 Natalie Hall introduced National Team athlete and Olympian, Nathan Adrian.

261

262 Nathan Adrian shared his challenges around preparing for the upcoming U.S. Olympic
263 Team Trials – Swimming in Omaha and the Olympic Games in Tokyo.

264

265 **STAFF UPDATES**

266 **CEO'S UPDATE**

267 Tim Hinchey submitted a written report (Attachment 18).

268

269 **MEMBERSHIP UPDATE**

270 Joel Shinofield reported that the organization is ahead of 2021 projected membership
271 numbers, trending close to 70%. Mr. Shinofield remarked on challenges to membership
272 numbers, including the increase in Flex memberships, pool access for member clubs, and
273 opportunities across the spectrum for the sport. Mr. Shinofield presented a membership
274 summary highlighting the increase in flex memberships and the number of inactive clubs.

275

276 **RETURN TO COMPETITION**

277 Joel Shinofield reported that there are significant drops in competition and opportunities to
278 compete compared to years past, specifically noting younger swimmers are not competing.

279

280 **FLEX MOTION**

281 Joel Shinofield shared that the Board approved changes to the Flex Membership in which
282 the implementation was delayed due to COVID-19. Mr. Shinofield once again asked that the
283 implementation be delayed until the 2023 membership year due to the slow incline of
284 returning to 2019 membership numbers, being able to coincide these changes with the
285 launch of Online Member Registration (OMR) and Digital Transformation, and to allow an
286 easier transition for LSC/Club registrars.

287

288 **MOTION:** *To change the effective date for implementation of the approved changes to the*
289 *Flex Membership structure to the 2023 membership year. Seconded. APPROVED.*

290

291

292

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

293 **GUEST SPEAKER**

294 Managing Director of the National Team Lindsay Mintenko introduced National Team
295 athlete and Olympian, Kathleen Baker.

296
297 Kathleen Baker shared her experiences competing during the COVID-19 pandemic,
298 including the importance of having meets for not only her physical training, but also her
299 mental health. Ms. Baker noted the challenges and adjustments needed to compete during
300 this time.

301

302 **OLYMPIC TRIALS**

303 Mike Unger thanked all those involved with providing perspective that led to the plan for
304 the U.S. Olympic Trials - Swimming and reported on the areas that are still being worked
305 out, including the athlete field, tickets and hotels, and a health and safety plan.

306

307 **OLYMPIC GAMES**

308 Lindsay Mintenko reported that little information has been given regarding the Olympic
309 Games in Tokyo but emphasized that swimming athletes will be able to participate in the
310 Olympics with the biggest changes being around the competitive experience, including
311 many restrictions for the athletes, coaches, and team.

312

313 **CLOSING ROUNDTABLE**

314 **NEXT MEETING / EVENTS**

- 315 • TYR Pro Swim Series
 - 316 ○ San Antonio: March 3-7, 2021
 - 317 ○ Mission Viejo: April 8-11, 2021
 - 318 ○ Indianapolis: May 12-15, 2021
- 319 • Board of Directors Meeting: May 7, 2021 – Colorado
- 320 • Foundation Board Meeting: March 9, 2021 – Virtual

321

322 **MEETING ASSESSMENT**

323 The Board engaged in a round table discussion assessing the day's meeting, including how
324 valuable it was to hear from athletes and the focus from staff on communication,
325 membership, competition, and safety. The Board also asked for more time for discussions,
326 additional pre-reading for further context, and to have everyone on individual Zooms.

327

328

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

329 **CLOSED SESSION (2.3.6)**

330 **LITIGATION UPDATE**

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

332

333 **COMMERICAL UPDATE**

334 The Board remained in closed session so USA Swimming’s Chief Commercial Officer, Shana
335 Ferguson, could provide a confidential commercial update.

336

337 **PERSONNEL UPDATE**

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

340

341 **COMPENSATION COMMITTEE UPDATE ON CEO KPIS**

342 The Board remained in closed session for compensation discussions. All remaining staff left
343 the meeting.

344

345 **ADJOURN**

346 Bob Vincent, Board Chair, adjourned this meeting at 3:28 p.m. Mountain Time.

347

348

349 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
May 7, 2021 meeting.

USA Swimming Board of Directors Minutes Attachments

February 5, 2021 / Virtual Zoom Conference Call

Attachment 1	Page 1 – Agenda: February 5, 2021
Attachment 2	Page 2 – DRAFT BOD Minutes November 20, 2020
Attachment 3	Page 3 – USA Swimming Reserve Fund Model 2021
Attachment 4	Page 3 – Zone Directors’ Council’s Report to the Board
Attachment 5	Page 4 – 2020 Board Activities – Balancing Matric
Attachment 6	Page 4 – 2020-21 Board Work Plan
Attachment 7	Page 4 – Board Governing Policy Manual Update
Attachment 8	Page 5 – Policy 1.0 Broadest/Growth and Success of Swimming
Attachment 9	Page 6 – Policy 1.2 Update
Attachment 10	Page 6 – Policy 3.3 Treatment of Employees & Volunteers
Attachment 11	Page 6 – 2020 Budget vs. Projection Summary
Attachment 12	Page 6 – Board Approved Reserve Investments Summary
Attachment 13	Page 6 – Comparative Balance Sheet as of 12.31.20
Attachment 14	Page 6 – USA-S - Foundation Investment Statements Q4 2020
Attachment 15	Page 6 – 3.4: Financial Condition and Activities
Attachment 16	Page 7 – Swim Trials LLC Preliminary Line of Credit Terms
Attachment 17	Page 7 – PPP2 USA Swimming
Attachment 18	Page 8 – Staff Report to the Board of Directors

DRAFT