

# **SA Swimming Foundation, Inc. Board of Directors Conference Call Minutes**

May 1, 2020 / Colorado Springs, Colorado

---

## **CALL TO ORDER**

USA Swimming Foundation Board Chair, Dr. Cecil Gordon, welcomed the Board, guests, and staff to the May 1, 2020 Board of Directors conference call (via Zoom) meeting. The meeting was called to order at 8:05 am Mountain Time.

## **Participating Board Members**

Dr. Cecil Gordon – Chair, Dave Wiederecht – Secretary, David Shackley, Bill Maxson, Cynthia Eubanks, Alex Blavatnik, Teresa Lee, Jill Bornstein, Anne Berry, Maya Andrews, Elizabeth Beisel and Jordan Kaplan were in attendance.

## **Participating Staff**

Tim Hinchey, Scott Usher, Shana Ferguson, Nicole Wilson, Eric Skufca, Tina Dessart, Paula D'Amico, Isabelle McLemore, Jill Johnson, Lindsay Rufolo, Mike Unger, Joel Shinofield, Lucinda McRoberts, Lindsay Mintenko and Amanda Nusbaum attended, as did guests Bill Charney and Bob Vincent.

## **AGENDA (Attachment 1)**

No new items added.

## **WELCOME & COMMENTS**

Dr. Gordon welcomed the board, acknowledging how trying these times are in varying ways for not only everyone in this group, but everyone around the world, and emphasized his hope that we ensure our sport not only survives, but comes out better on the other side. He noted that moving to Zoom and BoardPaq should make board meetings a lot easier going forward. He also mentioned that while the planned Board Retreat in April was unfortunately postponed, we are hoping to reschedule it later this year.

CEO Tim Hinchey welcomed the group as well, thanking everyone for participating in the Strategy Team presentation earlier in the week to learn more about the future of the organization. He thanked the staff for their work during the transition, specifically thanking Shana Ferguson and Scott Usher for stepping up, leading the transition, and always thinking about how to make the organization better.

Mr. Hinchey noted that the efforts of the Foundation are going to garner more support than ever before, given the Foundation Board's commitment to the COVID Relief for Teams initiative.

Dr. Gordon also thanked the USA Swimming Board for their continued support of the Foundation's efforts. USA Swimming Board Chair Bob Vincent thanked the Foundation board for their contributions back to the over 400,000 members of USA Swimming and expressed excitement for the renewed partnership between the two organizations.

## **MEETING MINUTES**

***MOTION:** Anne Berry motioned to approve the Feb. 5, 2020 Board of Directors meeting minutes. Jill Bornstein seconded. Approved. (Attachment 2)*

Dr. Gordon also pointed the group's attention to the April 15 special action taken without a meeting (email voting) to approve a \$1 million amount and an additional \$2 million for USA Swimming club relief grants. (Attachment 3)

#### **COVID-19 RELIEF FOR TEAMS PROGRAM (Attachment 4)**

Joel Shinofield explained the goals of the relief program and summarized how Sport Development moved most programming to a virtual space including camps, coaches summits, and educational materials for officials, webinars for teams, mental health support and financial counseling for coaches. Additionally, clubs and LSCs who are not able to pay for their own Zoom licenses have been provided with 90-day logins for free.

With the \$1 million having been approved, Mr. Shinofield explained the grant application and review process, including teams that may provide the only opportunity for swimming in their immediate geographic region will receive highest priority.

A "Return to Pool" plan is in its final stages of review, and will be distributed within the next few days as a guideline for reopening. It has been looked over by a CDC representative, NAH doctor, and a National Team doctor.

Mr. Shinofield responded to board member inquiries regarding; club closures; examples of how clubs maintained engagement; insurance for dry-land/remote workouts; anticipated demand for grants; back-to-pool plans and guidelines; and anticipated impacts on NCAA programs.

#### **ORGANIZATIONAL/LEGAL STRUCTURE**

CFO Eric Skufca outlined and updated the board on the relationship between USA Swimming and the Foundation in regard to the transition to integrate. Mr. Skufca noted that programmatic expenses have stayed very similar to what they had been, as both entities run separately within their own books.

Lucinda McRoberts gave an overview of the main governing documents of the Foundation, including the Articles of Incorporation (Attachment 5), Memorandum of Understanding (Attachment 6), and Bylaws (Attachment 7), Bill Charney noted that the Bylaws give the board authority to act, and the Policy Manual documents the board's performance expectations of itself and the staff organization. .

Ms. McRoberts gave a high-level overview of the fiduciary responsibilities of individual board members (Duty of Care, Duty of Loyalty, Duty of Obedience).

Dr. Gordon asked how often the governance documents needed to be reviewed and/or updated. Ms. McRoberts stated that the documents should be looked at often to make sure they are up to date, but that the updates themselves are only as needed, opposed to in a specific timeframe.

#### **GOVERNANCE DOCUMENT UPDATES/ADOPTION**

Ms. McRoberts outlined the proposed updates to the Bylaws: minor changes that help better align the two organizations going forward. These changes will only be implemented once both BODs have approved.

***MOTION:** Bill Maxson motioned to approve the proposed Bylaw updates. Anne Berry seconded. Approved. (Attachment 8).*

Mr. Charney briefly reviewed the framework of the drafted Board Policy Manual, predicated on the version that the Swimming board has in place, though the Foundation version is simplified significantly based on the differences in its respective functions. The draft "Ends" section includes a pending purpose

statement, interim until the planning retreat can be rescheduled. Mr. Charney also pointed out that the approved “Individual Responsibilities” policy approved in September 2019 is incorporated within this document, with additional language outlining the opportunities for achieving the give/get. Shana Ferguson added that the give/get requirement will be waived for 2020 given the circumstances, but that we will still be pushing for fundraising throughout the rest of the year, even if to a smaller degree.

Mr. Maxson suggested adding getting credit for paying your own way to a meeting or retreat, as it would ultimately reduce the expenses of the Foundation. Ms. Lee expressed that members paying their own way doesn’t give money to the Foundation directly, since it would go to an airline or hotel instead. Ms. Berry expressed favor in the idea as it is budget-relieving, which allows that saved money to be used elsewhere. Ms. Ferguson noted that we would look into it going forward.

***MOTION:*** Anne Berry motioned to approve the Policy Manual with proposed changes. Cynthia Eubanks seconded. Approved. (Attachment 9).

Dr. Gordon inquired as to when donation asks should start up again. Ms. Ferguson replied that it’s a balance between being sensitive and sympathetic as well as knowing when and how it will be okay to ask again. We will look to this board’s expertise, as well as looking at what other nonprofits are doing at this time. Jordan Kaplan shared that his organization is starting to make asks of existing donors or those who have expressed support in the current initiatives they are running. He also noted that they are making sure to communicate often with their top donors and prospects, with the organization/board leadership doing at least most of the communicating. Ms. Bornstein also shared her experiences with three different nonprofits she works with.

#### **FINANCIAL UPDATE (Attachments 10-14)**

Eric Skufca reviewed the final numbers from 2019. He highlighted: four new trustee commitments, new donor-athlete partnerships, and the start of the Phillips 66 five-year agreement and that the charitable portion of the Goldfish agreement was also significantly better than anticipated. 2019 also saw a market gain of over 18% in investments which was just part of a strong year across the board. So far in 2020, Q1 investments saw a close with a 12% loss, though the beginnings of Q2 have seen a shift slightly back in the other direction. 2019 external financial statements are being drafted right now, with review with the audit committee expected to happen in the next couple of weeks.

Asked if there will be a shift in the investment strategy in the short term, Mr. Skufca explained that the committee looks at the investments regularly and while long-term investments and numbers are what they strive for, there are occasionally shifts in the short-term depending on what the advisors may bring to the group. One of the Foundation’s Trustees Council members (Mike McCaffrey) has recently joined and been a great addition to the investment committee as the Foundation representative. Q1 revenues have historically been slower for the Foundation, but it did see a trustee renewal, large learn-to-swim contribution, and one new donor-athlete-partnership agreement.

Mr. Skufca noted that with many things shifted to 2021 or being outright cancelled, we are looking at projected budgets earlier than usual. He pointed out that despite the decrease in revenue and overall lowering of expenses, we’re projecting higher numbers for the National Team and learn-to-swim grants. He also included that the \$1 million for club relief that was approved would be seen in the increase in both the endowment distributions and program expense lines.

Ms. Bornstein asked if there was a specific ratio of revenue to expenses that the Foundation aims for. Mr. Usher explained that we look to work to be rated well via Charity Navigator. Mr. Skufca added that we are

using Charity Navigator as a benchmark, with about 7-8 ratios they look for affecting how we look at our own budgets throughout the year. He also noted that the \$1 million+ for club relief would affect the ratios positively by being housed entirely in program/grant expenses.

### **FUNDRAISING PROGRAMS OVERVIEW/STAFF UPDATES**

Scott Usher explained the Development team's strategy, which has included pausing solicitations that were planned for the last two months, but actively communicating with all of our donors and constituents to keep them up to date. There have been multiple emails, phone calls, and even Zoom presentations by Strategy Team members to give donors a better idea of the direction of the organization during these times and going forward. It has also been a great opportunity to have conversations with National Team Alumni and hear more about their personal experiences within swimming. The team has also been able to focus on building out better-adapted solicitation messaging with the help of the closer partnership with USA Swimming, once solicitations do fully resume. During the pause, the team's focus has shifted toward other projects, including constituent screening and list building, headed up by Jill Johnson.

We also now have access to a website platform called 'DigiDeck' which will move us to digital information sharing. The team has been working on the final steps of the building-wide CRM project, which will put all of the constituents into one database, helping to keep track of interactions better in the future Ms. Ferguson presented a demo of the new website, with one biggest things affecting the Foundation being that the websites will now be combined as a full landing page within the USA Swimming website, instead of being housed separately as it has in the past.

Ms. Ferguson shifted to overview the Swim-a-Thon programming (Attachment 15), highlighting the decision to waive the 5% trademark-usage fee for the remainder of 2020 through 2021. Allowing clubs to keep the 5%, without lessening anything we offer them, is one of the best ways for us to communicate to our teams that we are serious about helping them out during this crisis and immediately after. Mr. Maxson asked about the Sport Development grant given in previous years out of the Swim-a-Thon revenue. Ms. Ferguson stated this had been discussed and the grant would not be given for 2020 or 2021, given that the waiver of the fees directly benefits the clubs already, and there simply won't be the revenue to award it. She also shared that some clubs have still opted to contribute, despite it not being required, and that we hope more teams will participate in Swim-a-Thon now that there is no financial requirement and we will be marketing it so much more heavily building-wide.

There was additional discussion about communications to the general public to let them know everything USA Swimming and the Foundation are doing or offering to our members and clubs. Mr. Hinchey added that we are communicating the resources as often as possible in any avenue we can, including interviews with news outlets.

Tina Dessart explained that since swim lesson grants have already been allocated and awarded, we are working with each provider individually, as some are unable to use the funds in the required time period. Staff is also exploring shifting the purpose of the funds to assist more in operations to help keep the providers afloat, the same way we are providing the club relief grants. Mr. Skufca added that as we can only recognize a grant that is used in the 2020 calendar year, some of the funding can be shifted to 2021 entirely.

Ms. Ferguson noted that we are handling our partnerships with the same flexibility as we are with grant recipients. Most of the Foundation partners have not asked for relief at this time. Some are continuing to make payments as normal, but the conversations for relief are happening with no worries as they're brought up.

Mike Unger provided an update on planning for the Golden Goggle Awards, which are currently slated for November 23. Mr. Unger assured the board that they will continue to assess the situation as new information becomes available, though Mr. Usher added that we would still have the silent auction regardless of the event changing, as it can be run entirely online. Mr. Unger shared with the board that 2021 will be the first time the event strays away from Los Angeles in an odd year, taking place in Miami instead. The Miami venue can only hold 500 people, which may allow for adjustments in pricing based on the demand staying the same with the postponement of the Olympics.

Mr. Usher then gave the board an overview on the Foundation Ambassadors, explaining that they try to play to each ambassador's strengths and interests to best benefit both parties, and the many ways they can be utilized. Elizabeth Beisel shared her own experience as an Ambassador since 2014. She noted that the best part for her has been the personal connections she's made, and how much she enjoys connecting with high-level donors in a small setting, as it helps to portray the message that their support means so much more than just the financial component.

Mr. Usher briefly gave an update on the Trustee Council (currently 15 members total), 3 of whom are on the board. He noted that the main goal right now is keeping them updated and keeping open lines of communication. Going forward, Mr. Blavatnik will share updates or questions the Council members have.

#### **FUNDRAISING/REVIEW OF AVAILABLE PRODUCTS**

Mr. Usher shared that while we hope to have a full brainstorming session in the near future via Zoom, he welcomes any ideas or questions from the board at any time, and that the Executive Team and Development staff members are excited to work with the board and support them in their efforts. Staff can currently provide event hosting support, including communications and help with building attendee lists, and are able to help with prospecting lists. Talking points (attachment 16) are compiled for board members to adapt to their own voice as they are communicating with others. Mr. Usher reiterated that he is happy to participate in phone calls or do visits to help with closing any large asks.

He then provided an overview of the five 'buckets' we currently have to promote to potential donors. The two main unrestricted buckets are Champions Club (Annual Fund) and the Trustee Council. The restricted buckets include: the Donor-Athlete Partnership Program; learn to swim lesson-provider grants, where funding can be directed toward a specific location if requested and planned giving, or the "Legacy Society", in which we promote the idea of leaving contributions to the Foundation in your wills or trusts.

#### **ELECTION OF INTERIM BOARD TREASURER**

Dr. Gordon explained that we will postpone electing a full slate of new officers until we are able to hold the retreat to better understand each member's strengths and interests. There is still a need to elect an interim Treasurer, however, as this officer, per Bylaws, also serves on the USA Swimming Audit Committee in the immediate timeframe.

***ACTION:** Jordan Kaplan nominated David Shackley for the interim Treasurer position. Mr. Shackley accepted the nomination and was elected. Dave Wiederecht also accepted a continuation of his role as Secretary until the full-slate elections.*

#### **BOARD PLANNING/NEXT STEPS**

Dr. Gordon reiterated the decision to delay adding any new members to the board until 2021, allowing more time for the current members to become familiar with each other.

Dr. Gordon shared that we tentatively rescheduled the planning retreat for the day prior to the

Foundation Board meeting the weekend of the Golden Goggle Awards in November. Bill Charney shared the pre-retreat questionnaire responses (attachment 17) were included in the packet for this meeting so that that the members had an idea of what the other responses were that we would have addressed.

A brief discussion on ideal frequency and format of meetings took place, with it being expressed that an in-person Spring meeting, as well as a meeting at the Golden Goggle Awards in November, would be ideal. Virtual meetings could also be added as needed, at least once a quarter. In the short-term, monthly meetings or communications are necessary to allow for updates on the club relief grants progress.

Mr. Hinchey mentioned that he and Dawson Hughes, CEO of Masters Swimming, have expressed mutual interest in exploring the concept Masters Swimming and the Foundation joining forces to expand the swim lesson provider program to those providers that also offer lessons to adults. Merging their database with ours would expand our reach by 65,000+ members and would allow our mission to grow even more.

### **CLOSING ROUNDTABLE**

Dr. Gordon requested that board members share constructive feedback about the meeting, and how the board's performance can be elevated. Input included:

- David Shackley – no changes other than wanting a fundraising brainstorming session
- Alex Blavatnik – no changes other than having smaller meetings to have more time on specific topics
- Elizabeth Beisel – also loves the idea of smaller Zoom meetings to cover more in shorter time lengths
- Dave Wiederecht – would like to have a “state of swimming” at the beginning of each meeting to cover the biggest topics in the sport right now
- Jordan Kaplan – suggests that all action items be presented at the top so that the board knows exactly what they need to accomplish in the meeting; let the BoD what else the Foundation needs from them at the top as well
- Bill Maxson – echoed other comments, likes the individual meeting idea
- Cynthia Eubanks – would love the breakout meetings
- Anne Berry – appreciated having quick breaks throughout

### **ADJOURN**

Dr. Gordon thanked all of the meeting attendees for their patience and participation, as well as everyone's contributions to the forward progress during this crisis.

With no further business to discuss, Dr. Cecil Gordon adjourned this meeting at 12:09 pm Mountain Time.

Respectfully submitted,

---

Dave Wiederecht  
Secretary  
USA Swimming Foundation

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

May 1, 2020 / Colorado Springs, Colorado

---

Attachment 1	Page 1 – Agenda
Attachment 2	Page 2 – DRAFT February 5, 2020 Board of Directors Minutes
Attachment 3	Page 2 – April 15 Special Action without a meeting
Attachment 4	Page 2 – 2020 Recovery Plan
Attachment 5	Page 3 - USA Swimming Foundation Articles of Incorporation
Attachment 6	Page 3 - USA Swimming Foundation and USA Swimming Memorandum of Understanding (Approved)
Attachment 7	Page 3 - USA Swimming Foundation Bylaws (Approved)
Attachment 8	Page 4 - USA Swimming Foundation Bylaws (Redline)
Attachment 9	Page 4 – USA Swimming Foundation Policy Manual
Attachment 10	Page 5 – USA Swimming Foundation 2019 Financial Written Report
Attachment 11	Page 5 – USA Swimming Foundation 2019 Financial Statement Report
Attachment 12	Page 5 – USA Swimming Foundation 2020 Q1 Financial Statement Memo
Attachment 13	Page 5 – USA Swimming Foundation 2020 Q1 Financial Statement Report
Attachment 14	Page 5 – USA Swimming Foundation 2020 Q1 Investment Portfolio
Attachment 15	Page 6 – USA Swimming Foundation Swim-a-Thon Program Overview 2020-2021
Attachment 16	Page 8 – USA Swimming Foundation Talking Points
Attachment 17	Page 8 - USA Swimming Foundation Board Survey Responses 3.3.2020
Attachment 18	USA Swimming Foundation Staff Report
Attachment 19	USA Swimming Foundation Conflict of Interest Disclosure
Attachment 20	USA Swimming Foundation Board Letter of Commitment
Attachment 21	FBOD Contact Sheet as of April 2020
Attachment 22	2019-2020 USA Swimming Board and Strategy Team Roster