USA Swimming Board of Directors Meeting Minutes
September 25, 2018 / Hyatt Regency Jacksonville Riverfront

CALL TO ORDER
USA Swimming Board Chair, Jim Sheehan, called the September 25, 2018 Board of Directors meeting to order at 8:06 a.m. Eastern Time with the following members in attendance:


NOT PRESENT: John Bitter, Van Donkersgoed, Natalie Hall, Don Heidary, Bill Maxson, Dale Neuburger (joined via conference line), Aaron Peirsol, Chip Peterson, Davis Tarwater, Amy Schulz, Marie Scovron, Mark Weber, Garrett Weber-Gale.

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
Jim Sheehan presented the agenda (Attachment 1).

MOTION: To approve the Agenda. Seconded. APPROVED.

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

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

INTRODUCTIONS
GUESTS
Clint Benton (Pacific Swimming), Sandi Blumit (Risk Management Services), Bill Charney (Charney Associates), David Cooper (Risk Management Services), Susan Teeter (New Jersey Swimming), Greg Earhart (College Swimming Coaches Association of America), Greg Eggert (United States Aquatic Sports), Jeff Gudman (Oregon Swimming), Will Indest (Ohio
Swimming), Paris Jacobs (Potomac Valley Swimming), Michael Lawrence (International Relations Committee), Cathy Mendez (Oklahoma Swimming), Deanna Oliphant (Oklahoma Swimming), Kathleen Prindle (Minor Transgender Task Force), Joel Shinofield (College Swimming Coaches Association of America), Paul Thompson (Oklahoma Swimming), Tom Ugast (Potomac Valley Swimming), Lou Valentic (K&K Insurance).

STAFF
Tom Avischious, Paula D’Amico, Cathy Durance, Matt Farrell, Elizabeth Hahn, Jim Harvey, Debbie Hesse, Lindsay Mintenko, Isabelle McLemore, Mick Nelson, Sue Nelson, Mariejo Truex, Mike Unger, George Ward.

RECOGNITION OF RECORDS
Dan McAllen reported that two World Records were set since the last Convention; one by Katie Ledecky in the 1500 meters and one by Kathleen Baker in the 100-meter backstroke this past summer at the National Championships. Mr. McAllen encouraged the Board to notice the achievements of the Scholastic All Americans and also noted a few other records including, 26 American Records (12 relays) and 34 U.S. Open records (seven relays) (Attachment 2).

BOARD CHAIR’S REMARKS
Jim Sheehan welcomed everyone to Convention and thanked them for their support over the last four years.

MINUTES
MOTION: To approve the May 12, 2018 Board of Directors meeting minutes (Attachment 3). Seconded. APPROVED.

FINANCIAL UPDATE/ACTIONS
Bob Vincent reported that USA Swimming is doing well financially.

Jim Harvey submitted a written report (Attachments 4 – 9) and provided verbal highlights, including that balance sheet is strong with over $40 million in cash investments and an operating surplus of $11.3 million. Mr. Harvey reported on the challenges facing the operating budget, including lower membership, no new major sponsors and extra expenses associated with the Phillips 66 National Championships and TYR Pro Swim Series, but that overall the budget for this year was executed as planned.

Mr. Harvey gave an overview of the provisions within Monitoring Policy 3.4: Financial Condition and Activities and reported compliance with each item (Attachment 10).
**MOTION:** To approve Monitoring Policy 3.4: Financial Condition and Activities as reported.

Seconded. **APPROVED.**

Mr. Harvey reported that all five components of Monitoring Policy 3.6 Financial Planning and Budgeting are in compliance (Attachment 11). Mr. Harvey also mentioned that the 2018 projected budget has a deficit of $493,863, which beats the budget by $4,238 and will cover the previously referenced challenges. The updated quad projected surplus will be $409,624 but that will go to zero in the next budget proposal. He also noted an updated Capital budget was provided in the Board materials.

**MOTION:** To approve Monitoring Policy 3.6 Financial Planning and Budgeting as reported.

Seconded. **APPROVED.**

Mr. Vincent remarked on the savings from this past year and thanked Jim Harvey for his 17 years of service to USA Swimming.

Mr. Harvey provided an investment update, including that the second quarter portfolio performance was positive by about half a percent. At the end of June, the portfolio was at about break even, and it has outperformed its benchmark for the 1, 3, and 5-year periods. Finally, Mr. Harvey reported on the Foundation financials, including that there was $930,000 in fundraising – $710,000 in major gifts and grants and $220,000 raised by the annual campaign – and grants to the National Team and Make a Splash local partners were higher than in 2017.

**MONITORING ORGANIZATIONAL PERFORMANCE**

Bill Charney explained when the Board is accepting these Policy reports, they are looking to see if the staff’s interpretations of the policies are reasonable. Mr. Charney went on to explain the structure and purpose of the monitoring reports.

**MANAGEMENT PARAMETERS MONITORING**

Tim Hinchey presented Monitoring Policy 3.10 LSC Reporting Requirements (Attachment 12), and Jim Sheehan highlighted that within the report there is a suggestion to update the target date to January 2020 for agreements between USA Swimming and LSCs to be approved.

**MOTION:** To approve the established target date of January 2020 within the Monitoring Policy 3.10 LSC Reporting Requirements. Seconded. **APPROVED.**
MOTION: To approve Monitoring Policy 3.10 LSC Reporting Requirements. Seconded. APPROVED.

ENDS MONITORING

Mike Unger highlighted aspects of Monitoring Policy 1.1 Competitive Success (Attachment 13) and explained a few areas where USA Swimming is still working to meet its key performance indicators.

MOTION: To approve the suggested language in Provision D of Monitoring Policy 1.1 Competitive Success. Seconded. APPROVED.

MOTION: To approve Monitoring Policy 1.1 Competitive Success as submitted. Seconded. APPROVED.

Matt Farrell presented Monitoring Policy 1.3 Public Engagement with Swimming (Attachment 14) and explained that USA Swimming is using 2018 to set new baseline metrics in areas of sport participation, membership, diversity, and digital swimming engagement.

Tim Hinchey added that the staff is working on the language within Monitoring Policy 1.3 and summarized some of the suggested changes.

MOTION: To approve the five suggested language changes to Monitoring Policy 1.3 Public Engagement with Swimming. Seconded. APPROVED.

MOTION: To approve Monitoring Policy 1.3 Public Engagement with Swimming as submitted. Seconded. APPROVED.

CLOSED SESSION

LITIGATION UPDATE

The Board meeting went into closed session so that USA Swimming Secretary & General Counsel, Lucinda McRoberts, could give a legal update.

The Board remained in closed session to discuss certain financial items related to the USA Swimming Safe Sport program.

MOTION: To designate $1,500,000 of reserves to fund SwimAssist costs that exceed the operating budget. This reserve will come out of the $19,726,196 that was designated by the Board of Directors in 2017 from proceeds of the sale of USSIC. Seconded. APPROVED.
MOTION: To approve the spending of up to $750,000 of undesignated reserves for the purpose of expenses related to abuse investigations by United States Senate and House of Representatives and implementation of unbudgeted Safe Sport expenses in 2018. Seconded.
APPROVED.

BOARD PROCESS

DISCUSSION/UPDATE ON THE NOMINATIONS/ELECTIONS PROCESS
Clark Hammond provided an overview of the Nominating Committee’s process in selecting nominees to the Board of Directors, including applications, interviews, and elections.

COMMITTEE, TASK FORCE, AND OTHER REPORTS REQUIRING BOARD ACTION OR DISCUSSION

U.S. AQUATIC SPORTS

USAS DELEGATE TO UANA EXTRAORDINARY CONGRESS (HANGZHOU, CHINA – DECEMBER 2018) AND UANA CONGRESS AT 2019 PAN AM GAMES IN LIMA, PERU
Jim Sheehan recommended the newly elected Board Chair should attend the UANA Extraordinary Congress in December 2018, as well as the UANA Congress in 2019 during the Pan American Games in Lima, Peru.

MOTION: To approve sending the newly elected Board Chair to the UANA Extraordinary Congress in December 2018 and the UANA Congress in 2019 during the Pan American Games in Lima, Peru. Seconded. APPROVED

USAS OFFICER ELECTIONS
Jim Sheehan expressed his interest in serving as Vice President over the next four years and asked the Board for their support.

MOTION: To support Jim Sheehan as a Vice President of U.S. Aquatic Sports. Seconded. APPROVED.

COLLEGE SWIMMING INITIATIVE UPDATE
Joel Shinofield reported on the success of the Scholar All-America program in which swimming and diving student athletes are thriving academically and increasing in numbers. Mr. Shinofield also updated the Board on other initiatives, including continuing work with the University of Idaho, the National Invitational Championship, program evaluations, and the shortage of female coaches (Attachment 15).
AEC POLICY MANUAL UPDATE
Derek Paul highlighted updates to the Athletes’ Executive Committee Policy Manual, which he noted were driven by the new Board structure (Attachment 16).

MOTION: To approve the changes to the Athletes’ Executive Committee (AEC) and USA Swimming Athletes’ Committee–Operating Policy Manual. Seconded. APPROVED.

SWIMS MANUAL UPDATE
Dan McAllen provided some background on why changes were being made to the SWIMS Manual to include times from Paralympic meets (Attachments 17 – 18).

MOTION: To approve the changes to the Times Module Policy and Guidelines to include paragraph 9.0, which allows times achieved at U.S. Paralympic Meets by USA Swimming members to be included in the SWIMS database. Seconded. APPROVED.

2019-2020 CHAMPIONSHIP SITE PROPOSALS
Mike Unger asked the Board to approve the recommended championship sites for future events (Attachment 19).

MOTION: To approve the recommended championship sites for 2019 and 2020 events. Seconded. APPROVED.

Derek Paul recused himself from voting due to a conflict of interest.

MINOR TRANSGENDER TASK FORCE RECOMMENDATIONS
Kathleen Prindle presented on the recommended changes to the USA Swimming Policies and Procedures Manual to provide more fair and inclusive policies, including clear and consistent criteria for meet qualifications and team selection (Attachments 20 – 21).

MOTION: To approve the proposed changes to Section 27: Athlete Inclusion Procedures of the USA Swimming Policies and Procedures Manual. Seconded. APPROVED.

AGE GROUP TECH SUIT PROJECT RECOMMENDATIONS
Tim Bauer updated the Board on the tech suit recommendations going before the House of Delegates, including working with suit manufactures on what is and isn’t considered a tech suit.
PROGRAM & EVENTS COMMITTEE
Jim Sheehan reported that the Program and Events Committee will be named within the same timeframe as all other national committees.

BYLAWS UPDATE
Lucinda McRoberts presented the proposed Amendments to the Bylaws (Attachment 22).

MOTION: To approve the proposed Amendments to the Bylaws. Seconded. APPROVED.

HURRICANE FLORENCE RESOLUTION
Jim Sheehan presented the Hurricane Florence Resolution (Attachment 23).

MOTION: To approve the Hurricane Florence Resolution. Seconded. APPROVED.

CEO/STAFF UPDATES
Tim Hinchey submitted a written report (Attachment 24).

USA SWIMMING FOUNDATION REPORT
Debbie Hesse reported that the Foundation is ahead of expectations and well on their way to meeting their goals for 2018. Ms. Hesse provided details on sponsor partnerships and emphasized the Foundation's program support through Make a Splash and the local partners who were involved in the Make a Splash tour. Ms. Hesse added that the Foundation will be creating a new Public Service Announcement and that through Building Champions, the Foundation was able to distribute over $750,000 to the National Team and $120,000 to Sport Development in 2018.

STAFF REORGANIZATION UPDATE AND 2018-19 KPI'S
Mike Unger updated the Board on the Sport Development/Technical Division’s key performance indicators (KPIs), including the success at the 2018 Pan Pacific Championships, hiring Jon Urbanchek as the National Team Technical Advisor, the launch of the flex membership, and that a new version of LEARN is progressing. Mr. Unger also provided an update on the 2020 Olympic Trials in Omaha.

Matt Farrell reported on the Commercial Division’s KPIs, including an update on the Customer Relationship Management (CRM) project, an overview of the Phillips 66 National Championships, and the direction of sponsorships.

Lucinda McRoberts recapped Business Affairs' KPIs, including online member services development, the technological developments related to the CRM project, and the creation of a risk management succession planning tool kit for clubs.

Tim Hinchey reported on the process of renovating USA Swimming headquarters.
BOARD SCHEDULE

UPCOMING IN-PERSON BOARD MEETINGS

- Board Meeting, November 18, 2018
- Board Meeting, February 2, 2019
- Board Meeting, April 27, 2019

OTHER MEETINGS/EVENTS

- Board Orientation, October 26 & 27, 2018

SUMMARY OF FOLLOW-UP ITEMS

There were no follow-up items.

CLOSING REMARKS

Jim Sheehan thanked the Board for their dedication and work.

ADJOURN

USA Swimming Board Chair, Jim Sheehan, adjourned this meeting at 11:40 a.m. Eastern Time.

Respectfully submitted:

Lucinda McRoberts, General Counsel & VP Business Affairs   Jim Sheehan, Board Chair
# USA Swimming Board of Directors Minutes Attachments

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