

# USA Swimming Board of Directors Meeting Minutes

November 18, 2018 / New York, NY

1 **CALL TO ORDER**

2 Bob Vincent, Board Chair, called the November 18, 2018 Board of Directors meeting to  
3 order at 9:03 a.m. Eastern Time with the following members in attendance:

4  
5 **PRESENT:** Dale Ammon, John Bradley, Maya DiRado, Cecil Gordon, Tim Hinchey, Lucinda  
6 McRoberts, John Roy, Jeanette Skow, Davis Tarwater, Jay Thomas, Mary Turner, Tom Ugast,  
7 Robert Vincent.

8  
9 **NOT PRESENT:** Chris Brearton (via conference line), Natalie Hall (via conference line), Teri  
10 McKeever (via conference line).

11  
12 **GUESTS**

13 Bill Charney (Charney Associates), Tristan Formon (Eastern Zone Director), Paris Jacobs  
14 (Potomac Valley Swimming), Eric Skufca (Kroenke Sports).

15  
16 **STAFF**

17 Paula D'Amico, Cathy Durance, Jake Grosser, Jim Harvey, Debbie Hesse, Isabelle McLemore,  
18 Lindsay Mintenko, Joel Shinofield, Mike Unger.

19  
20 **MOMENT OF SILENCE**

21 A moment of silence was observed for USA swimming members who have passed away  
22 since the last USA swimming board of directors meeting.

23  
24 **AGENDA REVIEW**

25 Bob Vincent presented the agenda (Attachment 1).

26  
27 **RULES OF ENGAGEMENT / COVENANTS**

28 Bob Vincent set expectations for the Board moving forward.

29  
30 **CONFLICT OF INTEREST**

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

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

38

39 **BOARD CHAIR'S REMARKS**

40 Bob Vincent welcomed the group and expressed his excitement with the new governance  
41 structure, including the role of the Board moving forward.

42

43 **MINUTES**

44 **MOTION:** *To approve the September 25, 2018 Board of Directors meeting minutes*  
45 *(Attachment 2). Seconded. APPROVED.*

46

47 **MOTION:** *To approve the September 29, 2018 Board of Directors meeting minutes*  
48 *(Attachment 3). Seconded. APPROVED.*

49

50 **MOTION:** *To approve the October 27, 2018 Board of Directors meeting minutes (Attachment*  
51 *4). Seconded. APPROVED.*

52

53 **BOARD WORK PLAN DEVELOPMENT AND APPROVAL**

54 **BOARD SURVEY REVIEW OF REPSONSES**

55 Bob Vincent provided highlights from the Board Survey and how the results would be used  
56 by the Governance Committee to generate the Board Work Plan.

57

58 **ANNUAL BOARD CALENDAR / WORK PLAN**

59

60 **BOARD / STANDING COMMITTEE ASSIGNMENTS**

61 Bob Vincent presented his recommendations for the nine committees under the Board of  
62 Directors.

63

64 **MOTION:** *To approve Cecil Gordon (2 yr.) and John Bradley (1 yr.) to be on the Nominating*  
65 *Committee. Seconded. APPROVED.*

66

67 **MOTION:** *To approve Tom Ugast and Ellen Colket as additions to the Investment Committee.*  
68 *Seconded. APPROVED.*

69

70 **OPERATIONS PERFORMANCE MONITORING**

71 Bill Charney explained the purpose and significance of the monitoring reports.

72

73 **GENERAL MANAGEMENT CONSTRAINT (3.0)**

74 Tim Hinchey reported on Policy 3.0, "General Management Constraint" and Lucinda  
75 McRoberts provided an update on USA Swimming becoming compliant with the USOC  
76 Bylaws (Attachment 5).

77

78 **MOTION:** To approve the performance monitoring report on Policy 3.0, "General  
79 Management Constraint," conveys (a) interpretations of the policy that are reasonable, and  
80 (b) that the report reasonably substantiates compliance with the policy requirements,  
81 consistent with the CEO's interpretations. Seconded. **APPROVED.**

82

### 83 **TREATMENT OF MEMBERS / CUSTOMERS (3.1)**

84 Tim Hinchey reported on Policy 3.1, "Treatment of Members/Customers," and the Board  
85 discussed auditing, security self-assessment for secure credit card processing, and U.S.  
86 Center for SafeSport response times (Attachment 6).

87

88 **MOTION:** To approve the performance monitoring report on Policy 3.1, "Treatment of  
89 Members/Customers," conveys (a) interpretations of the policy that are reasonable, and (b)  
90 that the report reasonably substantiates compliance with the policy requirements, consistent  
91 with the CEO's interpretations. Seconded. **APPROVED.**

92

### 93 **FINANCIAL CONDITION AND ACTIVITIES (3.4)**

94 Jim Harvey reported on Policy 3.4, "Financial Condition and Activities" and highlighted his  
95 written financial report (Attachments 7-8).

96

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

101

### 102 **FINANCIAL PLANNING AND BUDGETING (3.6)**

103 Bill Charney provided criteria on approving the budget and report.

104

105 Jim Harvey reported on Policy 3.6, "Financial Planning and Budgeting" and highlighted  
106 aspects of the third quarter financial and investment reports (Attachments 9-11). Mr.  
107 Harvey also reported on the USA Swimming 2019 Budget, items that would come out of  
108 excess operating reserves, including the CRM Project, Flex Membership and Athlete's  
109 Leadership Summit, and the Foundation's third quarter financials (Attachments 12 -14).

110

111 **MOTION:** To approve the amended Financial Report to reflect that funding for the CRM  
112 Project, Flex Membership and Athlete's Leadership Summit will come from excess operating  
113 reserves. Seconded. **APPROVED.**

114

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

119

120 Bill Charney explained the Board's duty to approve the budget criteria within Policy 3.6,  
121 not necessarily every line item within the budget.

122  
123 The Board discussed the budgeted deficit, Risk Management premiums in relation to  
124 growth in membership, Trials revenue, and budget increases for Safe Sport and National  
125 Team.

126  
127 **MOTION:** *To approve the 2019 Budget Plan as being consistent with the Board's standards as*  
128 *set forth in Policy 3.6, "Financial Planning and Budgeting." Seconded. APPROVED.*

129  
130 **BOARD AWARENESS AND SUPPORT (3.9)**

131 Tim Hinchey reported on Policy 3.9 "Board Awareness and Support" (Attachment 15).

132  
133 **MOTION:** *To approve the performance monitoring report on Policy 3.9, "Board Awareness*  
134 *and Support," conveys (a) interpretations of the policy that are reasonable, and (b) that the*  
135 *report reasonably substantiates compliance with the policy requirements, consistent with the*  
136 *CEO's interpretations. Seconded. APPROVED.*

137  
138 **CLOSED SESSION**

139 **LITIGATION UPDATE**

140 The Board meeting went into closed session so that USA Swimming's General Counsel,  
141 Lucinda McRoberts, could give a legal update.

142  
143 **CUSTOMER RELATIONS MANAGEMENT PRESENTATION**

144 Jake Grosser gave a presentation on USA Swimming's Customer Relations Management  
145 (CRM) project, including what has been done so far in the implementation process, its  
146 overall function, timeline, budget and next steps.

147  
148 **SOCIAL MEDIA TRAINING**

149 Kara Raney provided an overview of how USA Swimming utilizes social media to engage  
150 stakeholders and suggested ways in which the Board can as well.

151  
152 **ENDS PERFORMANCE MONITORING / STRATEGIC ENDS DISCUSSION**

153 **SUCCESSFUL ATHLETES, COACHES, AND CLUBS (1.2)**

154 Bob Vincent remarked on how this policy allows the staff to engineer how USA Swimming  
155 serves its membership (Attachment 16).

156  
157 Mike Unger provided background on the shaping of Policy 1.2: Successful Athletes, Coaches,  
158 and Clubs, including how USA Swimming plans to evaluate services provided to members  
159 as well as the addition of metrics for those services.

160

161 The Board engaged in discussion around language in Provision A regarding the use of “have  
162 and use,” as well as the policy’s Key Performance Indicators (KPIs).

163

164 **MOTION:** *To approve the performance monitoring report on Policy 1.2, “Successful Coaches*  
165 *and Clubs,” as amended, conveys (a) interpretations of the policy that are reasonable, and (b)*  
166 *that the report reasonably substantiates achievement with the policy requirements, consistent*  
167 *with the CEO’s interpretations. Seconded. APPROVED.*

168

#### 169 **RECOGNITION OF USA SWIMMING (1.4)**

170 Lucinda McRoberts clarified the outdated numbers within Provision B (Attachment 17).

171

172 The Board engaged in discussion around Swim Assist and membership numbers.

173

174 **MOTION:** *To approve the performance monitoring report on Policy 1.4, “Recognition of USA*  
175 *SWIMMING,” as amended, conveys (a) interpretations of the policy that are reasonable, and*  
176 *(b) that the report reasonably substantiates achievement with the policy requirements,*  
177 *consistent with the CEO’s interpretations. Seconded. APPROVED.*

178

#### 179 **STAFF REPORTS**

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

181

#### 182 **Technical/Sport**

183 Mike Unger announced Deanna Paschal’s retirement after 30 years with the organization  
184 and provided various updates, including changes to Winter Nationals; membership  
185 numbers for flex and premium memberships; meeting with other international federations  
186 while at Short Course Worlds in Hangzhou, China; and Board accommodations during  
187 Trials. Mr. Unger also reported on the operating committee composition process, including  
188 the naming and vetting of the chair for each committee.

189

190 Cathy Durance brought forward a motion regarding housekeeping on membership fees for  
191 dual memberships, athlete and nonathlete, for the Policy Manual.

192

193 **MOTION:** *To require members who wish to have a dual membership (athlete and non-*  
194 *athlete) in the same year to pay either a Premium Athlete or a non-athlete membership. The*  
195 *fee for the second membership shall be waived. Individuals may have one athlete and one non-*  
196 *athlete membership per year. Seconded. APPROVED.*

197

#### 198 **Finance**

199 Jim Harvey introduced Eric Skufca as USA Swimming’s new Chief Financial Officer.

200

201

202 **Commercial**

203 Tim Hinchey provided an update on the Commercial Division's organizational restructure  
204 with the departure of Matt Farrell, including the promotion of Isabelle McLemore to  
205 Managing Director of Communications. Mr. Hinchey also provided updates on potential  
206 new sponsorships.

207

208 Jim Fox and Annie White gave a preview of the 2020 U.S. Olympic Swimming Trials and  
209 what to expect in the AquaZone and with USA Swimming Live.

210

211 Mr. Fox updated the Board on the Marriott partnership.

212

213 **Business Affairs**

214 Lucinda McRoberts provided updates on the USA Swimming office redesign and LSC  
215 Operating Agreement.

216

217 **Foundation**

218 Debbie Hesse announced new officers for the Foundation Board of Directors, including  
219 Cecil Gordon as the new Chair and Dave Wiederecht as Secretary. Ms. Hesse reported that  
220 the Foundation Board approved their 2019 goals and budget, which includes a break-even  
221 budget and a stabilizing operating budget. Finally, Ms. Hesse reported that the Foundation  
222 is no longer receiving financial support from USA Swimming.

223

224 Tim Hinchey reported on the restructure of the Foundation Board, including its function as  
225 a true fundraising board, and that a task force will be formed with the objectives of  
226 nominating new members to the Foundation Board of Directors, developing a  
227 memorandum of understanding between USA Swimming and the Foundation, developing  
228 an on-boarding process for new Foundation Board members, and reviewing the operating  
229 and fundraising goals.

230

231 Ms. Hesse wrapped up with an update on annual funds, increased grants to the National  
232 Team and Sport Development, and that the Foundation was able to give additional money  
233 to the Athletes Partnership Agreement (APA).

234

235 Bob Vincent asked the Board to become Champion's Club members.

236

237 **CLOSING ROUNDTABLE**

238 The Board and staff discussed what they enjoyed most about the meeting as well as  
239 recommendations on areas of improvements.

240

241 Bob Vincent made a few closing announcements including that there will be a Board  
242 Orientation for those who could not attend the one in October; a survey will be sent out  
243 regarding the Board meeting; and finally, he asked the Board to read chapter 18 from  
244 “Servant Leadership” and be prepared to answer: “Where are you?”

245

246 **NEXT MEETING / EVENTS**

- 247 • Safe Sport Leadership Conference – Colorado Springs
  - 248 ○ Thursday, January 31 – 4:00 p.m. to 8:00 p.m.
  - 249 ○ Friday, February 1 – 8:00 a.m. to 4:30 p.m.
- 250 • USA Swimming Board Social – Friday, February 1 (evening)
- 251 • USA Swimming Board Meeting – Saturday, February 2 8:00 a.m. – 4:00 p.m.

252

253 **ADJOURNMENT OF REGULAR MEETING**

254 Bob Vincent, Board Chair adjourned the regular meeting at 3:25 p.m. Eastern Time.

255

256 **CLOSED SESSION**

257 The Board went into closed session to discuss the Executive Compensation Committee and  
258 to conduct the annual CEO performance and compensation review.

259

260 **ADJOURN**

261 Bob Vincent, Board Chair, adjourned this meeting at 4:15 p.m. Eastern Time.

262

263 Respectfully submitted:

264



Lucinda McRoberts, General Counsel & VP Business Affairs



Bob Vincent, Board Chair

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

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Attachment 3	Page 2 – DRAFT BOD Minutes September 29, 2018
Attachment 4	Page 2 – DRAFT BOD Minutes October 27, 2018
Attachment 5	Page 2 – Policy 3.0 General Management Constraint
Attachment 6	Page 3 – Policy 3.1 Treatment of Members & Customers
Attachment 7	Page 3 – Policy 3.4 Financial Condition & Activities
Attachment 8	Page 3 – Financial Report
Attachment 9	Page 3 – Policy 3.6 Financial Planning & Budgeting
Attachment 10	Page 3 – USA Swimming Q3 2018 Financial Report
Attachment 11	Page 3 – USA Swimming Q3 2018 Investment Summary
Attachment 12	Page 3 – 2019 Budget Memo
Attachment 13	Page 3 – USA Swimming 2019 Budget Summary
Attachment 14	Page 3 – USA Swimming Foundation Q3 2018 Financial Report
Attachment 15	Page 4 – Policy 3.9 Board Awareness and Support
Attachment 16	Page 4 – Policy 1.2 Successful Athletes, Coaches and Clubs
Attachment 17	Page 5 – Policy 1.4 Recognition of USA Swimming
Attachment 18	Page 5 – CEO Report to the Board