

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).

MOTION: To approve the performance monitoring report on Policy 3.0, "General Management Constraint," 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.**

TREATMENT OF MEMBERS / CUSTOMERS (3.1)

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

MOTION: To approve the performance monitoring report on Policy 3.1, "Treatment of Members/Customers," 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.**

FINANCIAL CONDITION AND ACTIVITIES (3.4)

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

MOTION: To approve the performance monitoring report on Policy 3.4, "Financial Condition and 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.**

FINANCIAL PLANNING AND BUDGETING (3.6)

Bill Charney provided criteria on approving the budget and report.

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

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

MOTION: To approve the performance monitoring report on Policy 3.6, "Financial Planning and Budgeting," 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.**

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

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

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

BOARD AWARENESS AND SUPPORT (3.9)

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

MOTION: *To approve the performance monitoring report on Policy 3.9, "Board Awareness and Support," 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.**

CLOSED SESSION

LITIGATION UPDATE

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

CUSTOMER RELATIONS MANAGEMENT PRESENTATION

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

SOCIAL MEDIA TRAINING

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

ENDS PERFORMANCE MONITORING / STRATEGIC ENDS DISCUSSION

SUCCESSFUL ATHLETES, COACHES, AND CLUBS (1.2)

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

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

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

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

RECOGNITION OF USA SWIMMING (1.4)

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

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

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

STAFF REPORTS

Tim Hinchey submitted a written report (Attachment 18).

Technical/Sport

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

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

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

Finance

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

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.

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

NEXT MEETING / EVENTS

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

ADJOURNMENT OF REGULAR MEETING

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

CLOSED SESSION

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

ADJOURN

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

Respectfully submitted:



Lucinda McRoberts, General Counsel & VP Business Affairs



Bob Vincent, Board Chair

USA Swimming Board of Directors Minutes Attachments

November 18, 2018 / New York, NY

Attachment 1	Page 1 – Agenda
Attachment 2	Page 2 – DRAFT BOD Minutes September 25, 2018
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



AGENDA

Date: Sunday, November 18, 2018
Time: 9:00am – 3:30pm
Please read: Monitoring Reports (1.2, 1.4, 3.0, 3.1, 3.4, 3.6*, 3.9) *includes budget attachment
 Board Minutes from 9/25, 9/29 and 10/27

Time	Item	Owner
	Welcome	
9:00am – 9:15am	<ol style="list-style-type: none"> 1. Call to Order / Record of Attendance (2.6.2) 2. Introductions 3. Moment of Silence 4. Agenda Review (2.3.3) 5. Rules of Engagement / Covenants 6. Declaration of Conflict of Interest (2.5.4) <i>"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?"</i> 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. 7. Board Chair's Remarks 8. ACTION: Approval of Minutes <ol style="list-style-type: none"> a. 9/25, 9/29 and 10/27 	Mr. Vincent
9:15am – 9:45am	Board Work Plan Development and Approval <ol style="list-style-type: none"> 1. Board Survey Review of Responses <ol style="list-style-type: none"> a. Top Strategic Initiatives b. What Governance Success Looks Like 2. Annual Board Calendar / Work Plan 	Mr. Vincent
9:45am – 10:00am	Board / Standing Committee Assignments <ol style="list-style-type: none"> a. ACTION: Approval by the board 	Mr. Vincent
10:00am – 10:15am	Break	ALL
10:15am – 11:00am	Operations Performance Monitoring <ol style="list-style-type: none"> 1. General Management Constraint (3.0) <ol style="list-style-type: none"> a. ACTION: Motion / Discussion / Approval <i>"SAMPLE MOTION: that the Board approve that the performance monitoring report on Policy 3.0, "General Management Constraint," 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."</i> 2. Treatment of Members/Customers (3.1) <ol style="list-style-type: none"> a. ACTION: Motion / Discussion / Approval 3. Financial Condition and Activities (3.4) <ol style="list-style-type: none"> a. ACTION: Motion / Discussion / Approval 4. Financial Planning and Budgeting (3.6) <ol style="list-style-type: none"> a. ACTION: Motion / Discussion / Approval 5. Board Awareness and Support (3.9) <ol style="list-style-type: none"> a. ACTION: Motion / Discussion / Approval 	Mr. Hinchey





AGENDA

Time	Item	Owner
11:00am – 11:15am	Break	ALL
11:15am – 11:45am	CLOSED SESSION 1. Litigation Update 2. Personnel Update	Ms. McRoberts
11:45am – 12:45pm	Working Lunch a. Buffett Lunch (11:45pm – 12:00pm) b. CRM Presentation (12:00pm – 12:25pm) c. Social Media Training (12:25pm – 1:45pm)	ALL / Staff
12:45pm – 1:00pm	Break	ALL
1:00pm – 1:45pm	ENDS Performance Monitoring / Strategic ENDS Discussion 1. Successful Athletes, Coaches and Clubs (1.2) a. ACTION: Motion / Discussion / Approval “SAMPLE MOTION: that the Board approve that the performance monitoring report on Ends Policy 1.2, “Successful Athletes, Coaches and Clubs” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates achievement with the policy requirements, consistent with the CEO’s interpretations.” 2. Recognition of USA SWIMMING (1.4) a. ACTION: Motion / Discussion / Approval 3. Open Discussion: Ends Priorities and Future Considerations	Mr. Hinchey
1:45pm – 2:00pm	Staff Reports 1. Mike Unger a. Operational Committees Update 2. Lucinda McRoberts a. USA Swimming Athlete Definition 3. Belle McLemore 4. Jim Harvey	Staff
2:00pm – 2:15pm	Break	ALL
2:15pm – 2:30pm	Staff Reports (cont.)	
2:30pm – 2:45pm	Closing Roundtable 1. Meeting Assessment 2. Task Assignments Review 3. Next Meeting/Events (Optional) Safe Sport Leadership Conference – Colorado Springs Thu., January 31 st – 4-8pm Fri., February 1 st – 8am – 4:30pm USA Swimming Board Social – Fri., February 1 st (evening) USA Swimming Board Meeting – Sat., February 2 nd – 8am – 4pm	ALL
2:45pm	Regular Meeting Adjournment	Mr. Vincent
2:45pm – 3:30pm	CLOSED SESSION 1. Executive Compensation Committee (2.8.7) 2. CEO Annual Perf/Comp Review (2.3.5)	Voting Board Members Only



These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

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:

PRESENT: Dale Ammon, Tim Bauer, John Bradley, Robert Broyles, Anthony Ervin, Tristan Formon, Clark Hammond, Tim Hinchey, Amy Hoppenrath, Dan McAllen, Lucinda McRoberts, Derek Paul, Sean Redmond, John Roy, Jim Ryan, Jim Sheehan, Bruce Stratton, Ed Tsuzuki, Mary Turner, Ron Van Pool, Robert Vincent, Jim Wood, Carol Zaleski.

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

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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

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

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.

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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.**

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

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**

Jim Sheehan read USA Swimming's statement in support of U.S. Aquatics Sports' new mission statement.

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**

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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.

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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.

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

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 Urbanek 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:

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These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.



Lucinda McRoberts, General Counsel & VP Business Affairs

Jim Sheehan, Board Chair

DRAFT

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

USA Swimming Board of Directors Minutes Attachments

September 25, 2018 / Hyatt Regency Jacksonville Riverfront

Attachment 1	Page 1 – Agenda
Attachment 2	Page 2 – Vice Chair of Program Operations Report
Attachment 3	Page 2 – DRAFT May 12, 2018 BOD Meeting Minutes
Attachment 4	Page 2 – Vice Chair, Finance Report
Attachment 5	Page 2 – Budget Projection 2018 Mid-Year Report
Attachment 6	Page 2 – Capital Budget Report
Attachment 7	Page 2 – USA Swimming Q2 Financial Report
Attachment 8	Page 2 – USA Swimming Q2 Investment Summary
Attachment 9	Page 2 – USA Swimming Foundation Q2 Financial Report
Attachment 10	Page 3 – Policy 3.4: Financial Conditions & Activities
Attachment 11	Page 3 – Policy 3.6: Financial Planning and Budgeting
Attachment 12	Page 4 – Policy 3.10: LSC Reporting Requirements
Attachment 13	Page 4 – Policy 1.1: Competitive Success
Attachment 14	Page 4 – Policy 1.3: Public Engagement
Attachment 15	Page 6 – CSCAA Infographic
Attachment 16	Page 6 – AEC Policy Manual Update
Attachment 17	Page 6 – SWIMS Time Module Policy and Guidelines
Attachment 18	Page 6 – Policy Manual: Paralympics
Attachment 19	Page 6 – 2019-2020 Championship Sites
Attachment 20	Page 7 – Transgender Task Force Policy & Procedures Proposal
Attachment 21	Page 7 – Transgender Task Force Grid
Attachment 22	Page 7 – 2018 Proposed Bylaw Changes
Attachment 23	Page 7 – Hurricane Florence Resolution
Attachment 24	Page 7 - CEO Report to the Board
Attachment 25	Board Chair's Report
Attachment 26	Administrative Vice Chair Report
Attachment 27	AEC Report
Attachment 28	Eastern Zone Report
Attachment 29	FINA Bureau Report
Attachment 30	FINA Technical Committee Report
Attachment 31	UANA Report
Attachment 32	USOC & NGBC Reports
Attachment 33	YMCA Report

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

USA Swimming Board of Directors Meeting Minutes

September 29, 2018 / Hyatt Regency Jacksonville Riverfront

CALL TO ORDER

Jim Sheehan called the September 29, 2018 Board of Directors meeting to order at 12:00 p.m. Eastern Time with the following members in attendance:

PRESENT: Dale Ammon, John Bradley, Chris Brearton, Cecil Gordon, Tim Hinchey, Lucinda McRoberts, John Roy, Jim Sheehan, Jeanette Skow, Davis Tarwater, Jay Thomas, Mary Turner, Tom Ugast, Robert Vincent.

NOT PRESENT: Maya DiRado, Natalie Hall, Jim Wood.

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 added Office Redesign to the agenda (Attachment 1).

MOTION: *To approve the Agenda as amended. 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.

INTRODUCTION OF NEW BOARD MEMBERS

New and incumbent board members introduced themselves.

INTRODUCTIONS

GUESTS

Bill Charney (Charney Associates), Jeff Gudman (Oregon Swimming), Tristan Formon (Eastern Zone), Sean Redmond (Western Zone), Anthony Ervin, C.J. Fiala, Bill Schalz, David Smith (Southern Zone), Van Donkersgoed.

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

STAFF

Paula D'Amico, Matt Farrell, Elizabeth Hahn, Jim Harvey, Debbie Hesse, Abigail Howard, Lindsay Mintenko, Isabelle McLemore, Mike Unger.

Distribution of Board Binders

Lucinda McRoberts provided an overview of the content in the binders given to each Board member and highlighted travel information and the schedule of upcoming events.

SCHEDULING THE SPECIAL BOARD MEETING TO ELECT BOARD OFFICERS

Jim Sheehan explained that due to one-time transitional issues and change to the Board composition, that the Board Officers will be elected during the Board Orientation on Saturday, October 27, 2018.

MOTION: To approve a special Board of Directors meeting on Saturday, October 27, 2018 to elect Board Officers. Seconded. **APPROVED.**

OFFICER ELECTIONS PROCESS

Lucinda McRoberts provided an overview of Board Officer roles and the election process.

NOMINATING COMMITTEE

Lucinda McRoberts reported on the Nominating Committee composition and process.

RESOLUTION FROM THE INTERNATIONAL RELATIONS COMMITTEE ON ANTI-DOPING

Mike Unger provided background and context for the resolution on behalf of the International Relations Committee.

MOTION: To approve USA Swimming staff and the Board of Directors to contact Travis Tygart and Bill Bock to develop a leadership strategy in anti-doping with FINA, WADA, and the IOC. In addition, that USA Swimming strongly requests to FINA it develop a Swimming Integrity Unit. Seconded. **APPROVED.**

OFFICE REDESIGN

Tim Hinchey provided background intentions to upgrade USA Swimming's facilities and updated the Board on the progress of a formal proposal that will be presented to the Board.

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

BOARD SCHEDULE**UPCOMING IN-PERSON BOARD MEETINGS**

- Board Meeting, November 18, 2018 (New York)
- Board Meeting, February 2, 2019 (Colorado Springs Marriott)
- Board Meeting, April 27, 2019 (Colorado Springs)

OTHER MEETINGS/EVENTS

- Board Orientation, October 26 & 27, 2018 (Denver)
- Safe Sport Leadership Conference (Optional) – January 31 (Colorado Springs)

FOLLOW UP ITEMS

There were no follow up items.

ADJOURN

Jim Sheehan adjourned this meeting at 12:39 p.m. Eastern Time.

Respectfully submitted:



Lucinda McRoberts, General Counsel & VP Business Affairs

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These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

USA Swimming Board of Directors Minutes Attachments

September 29, 2018 / Hyatt Regency Jacksonville Riverfront

Attachment 1

Page 1 – Agenda

Attachment 2

Memo on Election of Officers

DRAFT

These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

USA Swimming Board of Directors Meeting Minutes

October 27, 2018 / Denver, Colorado

CALL TO ORDER

Lucinda McRoberts called the October 27, 2018 Board of Directors meeting to order at 12:45 p.m. Mountain Time with the following members in attendance:

PRESENT: Dale Ammon, John Bradley, Chris Brearton, Cecil Gordon, Tim Hinchey, Lucinda McRoberts, John Roy, Jeanette Skow, Davis Tarwater, Jay Thomas, Mary Turner, Tom Ugast, Robert Vincent.

NOT PRESENT: Maya DiRado, Natalie Hall (via conference line), Jim Sheehan (via conference line), Jim Wood.

GUESTS

Bill Charney (Charney Associates).

STAFF

Paula D'Amico, Matt Farrell, Jim Harvey, Isabelle McLemore, Mike Unger.

OFFICE REDESIGN

Tim Hinchey provide background on the project including those involved and what USA Swimming aims to achieve through redesigning the office space (Attachment 1).

Lucinda McRoberts provided the Board with the most recent cost projection of the project.

The Board discussed the project, including its costs, timelines, the relocation of departments, selection of construction firms, and messaging.

MOTION: To approve the office redesign project materially consistent with the terms and projections stated in the updated memo with \$2.1 million coming out of Board designated reserves. Seconded. **APPROVED.**

ELECTION OF BOARD OFFICERS

Lucinda McRoberts explained the election process based on one candidate for Board Chair, three candidates for Board Chair, and one candidate for Vice Chair Fiscal Oversight.

MOTION: To approve Bob Vincent as Board Chair. Seconded. **APPROVED.**

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These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

The Board engaged in discussion regarding the candidates for the Board Vice Chair position.

The Board elected Davis Tarwater as Board Vice Chair.

MOTION: To approve Tom Ugast as Vice Chair Fiscal Oversight. Seconded. **APPROVED.**

MOTION: To destroy the ballots. Seconded. **APPROVED.**

ADJOURN

Lucinda McRoberts adjourned this meeting at 1:18 p.m. Mountain Time.

Respectfully submitted:



Lucinda McRoberts, General Counsel & VP Business Affairs

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These minutes will be officially approved by the USA Swimming Board of Directors at its November 18, 2018 meeting.

USA Swimming Board of Directors Minutes Attachments

October 27, 2018 / Denver, Colorado

Attachment 1

Page 1 – Memo on the Office Redesign Project

Attachment 2

Memo on Election of Officers

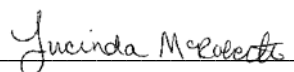
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Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.0: General Management Constraint**
DA: November 13, 2018

I hereby present the monitoring report on Management Parameters policy 3.0 “General Management Constraint” per the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended October 31, 2018.

Signed , President & CEO

, Secretary & General Counsel

Policy 3.0: The CEO will not cause or allow any practice, activity, decision or organizational circumstance that is unlawful, imprudent, in violation of commonly accepted business and professional ethics and practices, or inconsistent with the USOC’s Bylaws or USA Swimming’s Rules and Regulations.

CEO’s INTERPRETATION:

I interpret “*practice, activity, decision or organizational circumstance*” to mean and include all operational activities, methods and decisions under the authority delegated to the CEO (i.e. other than those retained by the Board and/or delegated by the Board to its officers and committees).

The “*unlawful*” provision is interpreted to require organizational compliance all with jurisdictional (i.e. local, state and federal) laws governing the NGB, inclusive of the *Ted Stevens Olympic and Amateur Sports Act*. “...*Inconsistent with the USOC’s Bylaws or USA Swimming’s Rules and Regulations*” is similarly seen as a straightforward expectation.

I interpret “commonly accepted business and professional ethics and practices” to be those that are normative for a high-profile national entity. However, as USA Swimming strives for “Best in Class” recognition, we strive for best management practices and excellence in our field.

As to the Board’s expectations regarding prudence, we have found that, since adoption of the Board’s policy manual early this year, these are comprehensively addressed in the subsequent *Management Parameters* policy titles. If a decision/action arises about which there is not clear Board policy guidance, I interpret this to mean the Board’s standard will determine whether it was consistent with what a reasonably prudent executive would do in similar circumstances.

REPORT:

Per my interpretation above, we address the Board’s expectations about prudent, ethical and professional business practices in the specific monitoring reports provided to and judged by the Board on each of the other Management Parameters policies. I am therefore focusing this report on the policy provision proscribing against actions or situations that are unlawful or inconsistent with the USOC’s Bylaws or USA Swimming’s Rules and Regulations. In addition to my duty as CEO to inform the Board of any actual or anticipated non-compliance with any of its governing policies, our Employee Handbook conveys to employees (per the Treatment of Staff policy) the expectation that they convey, with no fear of retaliation, good faith concerns regarding organizational situations that are unlawful.

There have been no allegations or charges pertaining to organizational noncompliance with any statutes. However, USA Swimming is a defendant in two lawsuits involving alleged sexual abuse of a minor that assert the organization was negligent, which we are actively defending, as well as a number of other smaller personal injury claims. In addition, the auditor verifies with legal counsel the status of any active or known to be pending material litigation, of which, with exception of SafeSport issues noted above, there has been none in this reporting period.

With respect to the USOC Bylaws, the USOC is currently conducting a Compliance Checklist audit to gauge USA Swimming's compliance with USOC Bylaws and the Amateur Sports Act. We are actively working to correct noted deficiencies in a draft of the report and anticipate being fully compliant upon the appointment of appropriate athlete representatives to certain committees. Notably, the USOC has not historically enforced these "athlete representative" requirements, and USA Swimming previously disregarded them.

Finally, I am unaware of any circumstances in which we have acted inconsistent with USA Swimming Rules & Regulations.

In summary, there have been no indications of unethical or unlawful behaviors or conduct in the staff/business organization in this reporting period. We base this on extensive dialogue with our staff, review of feedback and concerns expressed by members and other stakeholders.

Because we are not currently fully compliant with USOC Bylaws, **I am reporting Non-Compliance**; however, I anticipate having this noncompliance rectified in the immediate future.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.1: Treatment of Members/Customers**
DA: November 13, 2018

I hereby present the monitoring report on Management Parameters policy 3.1 “Treatment of Members/Customers” per the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended October 31, 2018.

Signed , President & CEO

Broadest Policy Provision:

With respect to interactions with members/customers, the CEO will not cause or allow conditions or procedures which are unfair, unsafe, untimely, unresponsive, undignified or which fail to provide appropriate confidentiality.

CEO’s Interpretation:

Members include athlete, coaches, officials and others who have joined USA Swimming. I interpret “customers” to mean all others who transact with us, including those who apply for membership, purchase or inquire about resources and services we make available, or attend our events, and sponsors, etc.

I submit that the Board has comprehensively interpreted this policy’s provisions regarding “*confidentiality*” by addressing privacy issues in Policy Provision #1, which is interpreted and reported on below.

“*Unfair*” conditions would be those that would treat members or customers inequitably or with inconsistency in our provision of services, thus favoring some members over others.

“*Undignified*” conditions would be those that would cause embarrassment or are generally inconsistent with a culture of providing a friendly and respectful member/customer experience.

Regarding “*untimely*” and “*unresponsive*,” certain aspects are addressed in Policy Provision #3 below. In addition, I interpret this as meaning that programs, activities and meetings produced by USA Swimming are to be provided as scheduled, and inquiries, applications, registrations, etc. are to be addressed and/or responded to within commonly accepted timeframes (e.g. 1-2 business days for telephone messages and email inquiries).

Finally, “*unsafe*” conditions are those that would risk abuse or jeopardy to the physical safety of members or customers at our offices or while participating in USA Swimming-sponsored events and functions.

REPORT:

Complaints of disrespectful or undignified treatment of members by staff are infrequent. In the past year, we’ve had no more than ten complaints about treatment of members, all of which were addressed and none of which reflected systemic concerns. However, I have received more than several dozen compliments about the way our staff have treated members (via letter, e-mail, telephone and/or in person). I will continue to promote an enhanced culture of servant leadership, as we do have the capacity to be more service-oriented.

When organizing events, safety is always an utmost concern—both for athletes and volunteers/attendees. However, despite the organization’s planning prevention efforts, both accidents and abuse have occurred within membership over the past twelve months. We have and will continue to evaluate and implement ways to make

participating in the sport safer. Safe Sport issues are further addressed in the 3.0 General Management Constraint report.

Due to the fair, dignified, timely and responsive conduct of our staff, and in light of the inherent risk of injury while participating in sport, **I report compliance.**

POLICY PROVISION #1: The CEO will not collect, review, transmit, store or destroy member/customer data without protecting against improper access to that information.

CEO's Interpretation:

Information/data collected from members and customers must be available only to appropriate staff as needed, and are to be stored, shared and, when appropriate, destroyed, in a manner that ensures that documents/data are not accessed by or circulated to any parties other than those with relevant staff duties.

As to storing or destroying data, this is addressed/reported on in the context of all data/files/IP management issues in our Asset Protection policy (3.5) reporting.

REPORT:

Over the past year, Business Affairs (including legal and IT) have updated the organization's Privacy Policy and Terms of Use with respect to accessing SWIMS, the online member database. Additionally, we are updating the authorization members sign with respect to their criminal background check to limit it only to the information the organization actually collects (excluding, for example, credit information). These efforts have been undertaken proactively and were not in response to a data breach or improper access to or distribution of data.

Additionally, as part of the separation of operating and governing policies, the Member Services division will be completing a review of forms required by the Operating Policies to ensure that only pertinent data is requested.

Finally, with respect to credit card transactions, when a customer makes a purchase at www.usaswimming.org, at checkout the customer is directed to a third-party website to manage the credit card transaction. This means we do not store or process any cardholder data—electronic or otherwise—nor do we transmit cardholder data electronically through our servers or network. Additionally, we do an annual security self-assessment to ensure that we are in compliance with the Payment Card Industry Data Security Standards (PCI DSS) for secure credit card processing.

In the past year, we are unaware of any incidents of improper access to member/customer data, and we continue to review and enhance our policies and practices to prevent such incidents; therefore, **I report compliance.**

POLICY PROVISION #2: The CEO will not operate without clearly conveying to members/customers what may be expected from the USA Swimming programs and services offered.

CEO's Interpretation:

It is our responsibility to ensure that we convey to members and customers an accurate portrayal of programs, products and services we provide, including relevant schedules and timeframes, and provide clear responses to any questions asked about such programs. Quite simply, by ensuring that member/customer expectations of the quality and types of services we provide are accurate, we can best meet and exceed them, in turn fostering high member/customer satisfaction.

REPORT:

All program brochures, registration forms, website pages, etc., accurately describe program content, expected outcomes, dates, times, fees and/or any special conditions that may be applicable. In the past year, there have been no member complaints about misrepresentation of any of our products, services or programs.

I believe that, as reasonably interpreted, **we are in compliance with this policy.**

POLICY PROVISION #3: The CEO will not, pertaining to members, operate without conveying applicable USA Swimming Code of Conduct expectations of members, including but not limited to it being the

policy of USA Swimming that its members, including athletes, coaches, officials and volunteers, have the right to participate and compete in an environment that is safe and free from sexual abuse and harassment.

CEO's Interpretation:

Upon becoming a non-athlete member, and as part of successful completion of a criminal background check, all non-athlete members certify that they have received and commit to abide by the Code of Conduct. (Note: With a few exceptions, the Code of Conduct generally applies to those in positions of power (i.e., non-athlete members), whereas member club codes of conduct or the National Team Honor Code are more applicable to athlete conduct).

REPORT:

Agreeing to abide by the Code of Conduct is a required field in the membership application process, assuring that we have conveyed the expectation to all members. It is also included in the USA Swimming Rulebook, a copy of which is mailed out to all non-athlete members and each member club.

While these substantiate that we have conveyed these expectations to members, they do not guarantee that the rules are followed. As 2018 has demonstrated, our commitment to athlete protection is at the forefront of how we operate, and we will continue to train, educate and promote creating safe environments to participate that are free from sexual abuse and harassment.

I report compliance.

POLICY PROVISION #4: The CEO will not operate without enforcing the USA Swimming Code of Conduct.

CEO's Interpretation: It is our obligation to ensure systems are in place that foster identification of violations of the Code of Conduct, and that they are effectively and efficiently adjudicated.

REPORT: Over the past year, the overwhelming majority of alleged Code of Conduct violations involved the U.S. Center for SafeSport's Code, which are enforced by the U.S. Center for SafeSport (the "Center"). USA Swimming has actively engaged with the Center to ensure that it is responding to such allegations in as effective manner as possible (with respect to timeliness, communication, etc.). All other Code of Conduct violations have been addressed by the National Board of Review or Zone Board of Review, consistent with USA Swimming's rules.

As such, **I report compliance.**

"FINANCIAL CONDITION & ACTIVITIES" POLICY MONITORING REPORT

TO: USA Swimming Board of Directors
FR: Tim Hinchey, Chief Executive Officer
Jim Harvey, Chief Financial Officer
RE: INTERNAL MONITORING REPORT — MANAGEMENT LIMITATIONS
Quarterly Monitoring on Policy 3.4: **FINANCIAL CONDITION & ACTIVITIES**
DATE: November 9, 2018

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 P/L and Balance Sheet, are true as of September 30, 2018

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: 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 are 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 2018 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 2018 budget and Ends achievement. We therefore report COMPLIANCE.

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

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: 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, 2017 were audited and issued a clean opinion. The Chief Financial Officer continues to abide by GAAP and issued an unaudited financial report as of and for the quarter ended September 30, 2018. **We report COMPLIANCE.**

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: 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 operating revenues were \$33,091,081 with corresponding expenses of \$28,838,098, for a year-to-date excess of \$4,252,983. Current forecast for fiscal year end is total revenue of \$36,233,500 and expenses of \$36,727,363, and we thus anticipate an operating deficit of (\$493,863) that is \$4,238 better than the deficit of (\$498,100) approved by this body and the House of Delegates in September 2017. **We report COMPLIANCE.**

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: 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 \$360,065 at September 30, 2018. Monthly operating expenses are approximately \$3,160,000. On September 5 and 25, \$2,000,000 and \$500,000, respectively were received from our investment portfolio to meet short-term liquidity needs. It is not unusual to tap investments at the end of a membership cycle. However, the amount tapped was higher due to the operating loss and \$1M Foundation donation of 2017 and reserve spending in 2018. In the normal membership cycle, \$5,748,773 was received on October 10, 2018 and thus liquidity was in excess of the threshold required by this policy. **We report COMPLIANCE.**

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: 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. **We report COMPLIANCE.**

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

CEO's INTERPRETATION: Accessing the Operating Reserve fund is purely at the discretion of, and requires explicit authorization by, the Board of Directors.

REPORT: The CFO calculated the Operating Reserve requirement annually per the policy and has reported \$5,699,753 of excess reserves above the required Operating Reserve of \$18,957,200 (six months budgeted operating expenses) at December 31, 2017. The Operating Reserve has not been tapped in this fiscal year. **We report COMPLIANCE.**

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

CEO's INTERPRETATION: Payroll must meet its obligations every two weeks starting Friday, January 5, 2018. 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 September 30, 2018 and all payables have been paid on time. **We report COMPLIANCE.**

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: 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, 2018. Form 990 was filed prior to November 15, 2018. There are no outstanding filings and there have been no late penalties. **We report COMPLIANCE.**

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: 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 thus far in this fiscal year. **We report COMPLIANCE.**

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

CEO’s INTERPRETATION: 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 report COMPLIANCE.**

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

CEO’s INTERPRETATION: 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 \$100,000.00. “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 two sponsorship receivables over 60 days past due. We anticipate successful resolutions of these receivables without legal intervention. **We report COMPLIANCE.**

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: 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 and the standards prescribed in the auditor’s Management Letter from the 2017 fiscal audit as reported at this meeting. **We report COMPLIANCE.**

#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: 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 (a missing cab receipt). **We report COMPLIANCE.**

#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: 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 third quarter 2018. As to credit card statements, the CEO does not currently utilize a corporate credit card. **We report COMPLIANCE.**

FINANCIAL REPORT

November 17, 2018

In advance of the Board of Directors meeting, the following background information is presented for your review. *Items requiring Board action are italicized.*

1. Financial Condition & Activities – Policy Monitoring Report:

The report dated November 9, 2018 is posted in the Board of Directors Private section of the website.

2. Financial Update:

Final financial reports for the quarter ended September 30, 2018 are posted in the Board of Directors Private section of the website.

3. Investment Performance Update:

The USA Swimming investment portfolio performance for the quarter ended September 30, 2018 prepared by First Western Trust is posted in the Board of Directors Private section of the website. The total portfolio performance of +2.07% for the third quarter trailed the benchmark by (.12%). However, the year-to-date return of +2.04 beat the benchmark by +.64%. The portfolio has outperformed the benchmark for the one, three, five, and ten year periods ended September 30, 2018.

4. 2019 Budget Proposal and Monitoring Report:

Board Action:

Resolved, the Board of Directors of USA Swimming hereby approves the 2019 budget as presented with an operating deficit of (\$2,237,100), a capital budget of \$1,118,800, and a balanced 2020 operating quad projection.

Resolved, the Board of Directors of USA Swimming hereby approves reserve spending as follows:

<i>\$950,000</i>	<i>CRM Project from USSIC reserve</i>
<i>\$1,000,000</i>	<i>Flex Membership from USSIC reserve</i>
<i>\$214,000</i>	<i>Athlete Leadership Summit from excess operating reserve</i>

5. Foundation Financial Update:

Final financial reports for the quarter ended September 30, 2018 are posted in the Private Board Section of the website.

Q3 2018 HIGHLIGHTS (Year-to-Date):

- \$935,000 major gifts/grants including \$500,000 new trustees and \$275,000 athlete support gifts. Exceeded \$850,000 budget for full year.
- \$348,825 annual campaign up 9% from 2017 including \$184,847 Champions Club.
- \$797,500 sponsor support including \$125,000 from apparel sponsors and \$625,000 from Phillips 66.
- \$242,974 Swim-a-Thon receipts, up 4.5% from 2017.
- (\$329,495) operating deficit is within range of (\$200,000) budgeted deficit for 2018*.
- \$16,641,646 investments increased \$1,090,808 for the year including \$500,000 transfer from reserves to USA Swimming Endowment, \$250,000 Dirks annual contribution, less (\$300,000) distributions, and +2.13% investment gain.
- \$425,000 National Team grants including \$300,000 from endowments, \$100,000 from Phillips 66, and \$25,000 from new donor.
- \$675,691 USA Swimming Foundation grants to Make a Splash local partners - \$192,551 more than 2017.

* The Foundation Board of Directors approved \$200,000 of additional grants to MAS Local Partners.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, Chief Executive Officer
Jim Harvey, Chief Financial Officer
RE: Internal Report – Management Parameters

Policy 3.6: Budget

DA: November 9, 2018

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 budget forecast (attached) for fiscal year 2018 is true as of today's date.

BROADEST 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: 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, within these parameters, throughout the year, with it being my obligation to keep the Board apprised of material changes. Any changes not consistent with the criteria in this policy require approval by the Board.

The attached budget projects an operating deficit in 2019 as had been previously anticipated, with the projected budget for 2020 bringing us to at least breakeven for the quadrennium, as required by Board policy.

We report COMPLIANCE.

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 mid-year 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 at 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: Although our forecast projects a previously anticipated operating deficit in 2019 the budget and cash flow projections support our expectations of being able to comply with all other provisions regarding liquidity, payments and collections.

We report COMPLIANCE.

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 Reserve funds may be conservatively projected as operating revenue.**

CEO's INTERPRETATION; *(No change since mid-year 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: *Please refer to the attached budget narrative summary, which conveys the key planning assumptions used in preparation of the 2019 budget.*

Business unit and department management rigorously reviewed planned expenditures to ensure their merit. Projections of revenues were built on assumptions supported by recent history and current developments. Capital and operational items are presented separately. The budget contains sufficient detail for subsequent auditor traceability (as was the case for the 2017 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. As we near the end of 2018, the most substantial deviations from budget have been: membership dues dipping approximately 2.2% (\$622,000), Sponsorship (\$900,000) extra "trializing" expenses for Phillips 66 Summer National Championships and TYR Pro Swim Series of approximately (\$1,200,000), savings in wages and benefits +\$300,000, Sport Development +\$200,000, no USA vs. NCAA +\$178,000, National Team +\$450,000, Commercial +\$800,000, and Business Affairs +\$300,000.

We report COMPLIANCE.

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: *(Italicized portion since mid-year report)* This policy requires that a conservative projection of revenues is to exceed our most realistic projection of **operating** 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 **operating** revenue and expenses for FY 2019 are \$37,994,900 and \$40,232,000, respectively, resulting in a net (DEFICIT) of (\$2,237,100). As we approach the mid-way point of the quad cycle, our 2020 Business Plan (attached) is realistic.

As noted in the attached budget summary, excluded from the operating budget are \$2,284,000 that the Board has approved as expenditures from reserves:

- (\$950,000) CRM project from "USSIC" reserve. *(submitted for approval)*
- (\$120,000) Remodel Depreciation from excess operating reserves. *(Approved by BoD October 2018)*
- (\$1,000,000) Cost of Flex from "USSIC" reserve. *(submitted for approval)*
- (\$214,000) Athlete Leadership Summit from excess operating reserves. *(submitted for approval)*

These items, combined with the projected operating deficit, result in an anticipated total deficit of \$4,521,100. As the quadrennial break-even requirement on an operating basis is met, and the planned expenditures of reserve funds have been previously approved by the Board or pending approval, We report COMPLIANCE.

PROVISION #4: (The CEO will not allow budgeting that...) **Fails to allocate appropriate net operating 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 mid-year 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 Operating Reserve, as of 12/31/17, was \$24,656,953, which is greater than the targeted threshold of \$18,957,200. Therefore, no net revenues (surplus) are needed to replenish the Operating Reserve. The corporation also has \$19,726,196 of Board Designated funds from the sale of USSIC in reserves. Only \$5,000,000 of which is dedicated to a guarantee related to the sale.

We report COMPLIANCE.

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 mid-year 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 we ensure that the annual budget incorporates funding for Board prerogatives related to its governance functions. In the future, allocations for these functions will be addressed by the Board at its September meeting, and will subsequently appear, as approved, in the "Executive" subsection of the budget.

REPORT: The proposed 2019 budget includes Program #7803 Board of Directors in the amount of \$185,300. The budget includes travel and hospitality for board members and staff to attend four meetings in 2019. The budget also provides \$65,000 for professional services for transitioning to the new governance structure.

We report COMPLIANCE

USA Swimming, Inc.
Balance Sheet
As of September 30, 2018 and 2017

	9/30/2018	9/30/2017	\$ Change	Audited 12/31/2017	\$ Change
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$360,065	\$229,364	\$130,701	\$8,300,316	(\$7,940,251)
Accounts receivable	6,966,846	6,647,181	319,665	1,030,969	5,935,877
Prepaid expenses and deferred charges	260,497	290,660	(30,163)	1,584,398	(1,323,902)
Total Current Assets	7,587,407	7,167,204	420,203	10,915,684	(3,328,276)
FIXED ASSETS:					
Leasehold Improvements, IT Systems, FF&E, Other	13,087,548	11,887,961	1,199,588	12,037,734	1,049,814
Accumulated depreciation & amortization	(8,876,268)	(7,783,994)	(1,092,274)	(8,054,468)	(821,801)
Total Fixed Assets	4,211,280	4,103,967	107,313	3,983,266	228,014
LONG-TERM INVESTMENTS:					
Long-term Investments	34,191,370	35,445,053	(1,253,682)	36,995,751	(2,804,381)
OTHER ASSETS:					
Investment - 2016 Trials, LLC	154,170	245,542	(91,372)	154,170	0
Prepaid rent	2,207,278	2,373,036	(165,758)	2,334,832	(127,554)
Total Other Assets	2,361,448	2,618,578	(257,130)	2,489,002	(127,554)
TOTAL ASSETS	\$48,351,506	\$49,334,801	(\$983,295)	\$54,383,702	(\$6,032,197)
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable	\$1,548,669	\$1,354,508	\$194,162	\$1,166,561	\$382,108
Accrued expenses and other liabilities	1,599,532	1,577,391	22,141	2,515,894	(916,362)
Deferred revenue	5,809,874	5,660,341	149,533	14,391,860	(8,581,986)
Total Current Liabilities	8,958,075	8,592,240	365,836	18,074,316	(9,116,240)
NONCURRENT LIABILITIES:					
Total Liabilities	8,958,075	8,592,240	365,836	18,074,316	(9,116,240)
NET ASSETS:					
Unrestricted:					
Undesignated Net Assets	19,667,234	21,016,365	(1,349,131)	16,583,191	3,084,043
Board Designated - USSIC	19,726,196	19,726,196	0	19,726,196	0
Total Unrestricted Net Assets	39,393,430	40,742,561	(1,349,131)	36,309,387	3,084,043
Total Net Assets	39,393,430	40,742,561	(1,349,131)	36,309,387	3,084,043
TOTAL LIABILITIES AND NET ASSETS	\$48,351,506	\$49,334,801	(\$983,295)	\$54,383,702	(\$6,032,197)

USA Swimming
Income Statement - By Division
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
REVENUE:							
Membership	\$278,408	\$22,776,539	\$23,395,000	(\$618,461)	-2.64%	\$22,479,825	\$296,714
Corporate Revenue	1,383,098	3,388,916	5,573,500	(2,184,584)	-39.20%	3,112,266	276,650
Consumer Revenue	59,946	138,347	357,000	(218,653)	-61.25%	344,898	(206,551)
USOC Partnership	1,757,074	4,138,095	5,094,700	(956,605)	-18.78%	4,004,973	133,122
Investment Income	360,261	1,057,357	1,010,500	46,857	4.64%	251,076	806,281
Foundation	145,000	560,000	815,000	(255,000)	-31.29%	535,000	25,000
Sport and Events	381,648	750,670	911,500	(160,830)	-17.64%	1,077,183	(326,513)
Other Income	59,372	281,157	266,600	14,557	5.46%	240,398	40,759
TOTAL REVENUE	4,424,806	33,091,081	37,423,800	(4,332,719)	-11.58%	32,045,619	1,045,462
EXPENSES:							
Technical/Sport:							
Sport Development	955,589	3,524,703	4,847,000	1,322,297	27.28%	3,473,272	(51,431)
Events and Member Services	3,334,202	6,511,310	7,357,300	845,990	11.50%	6,441,761	(69,549)
National Team	3,313,927	6,691,596	9,533,500	2,841,904	29.81%	6,451,114	(240,482)
Total Technical/Sport	7,603,718	16,727,609	21,737,800	5,010,191	23.05%	16,366,147	(361,463)
Other Programs:							
Commercial	1,932,815	4,767,334	6,510,200	1,742,867	26.77%	3,886,377	(880,957)
Risk Management	468,802	2,895,547	3,106,800	211,253	6.80%	2,852,608	(42,939)
Foundation and MAS Support	62,500	187,500	561,000	373,500	66.58%	191,307	3,807
Total Other Programs	2,464,117	7,850,381	10,178,000	2,327,620	22.87%	6,930,291	(920,090)
Administration:							
Executive	352,126	1,095,927	1,552,700	456,773	29.42%	2,419,867	1,323,940
Finance	231,474	682,423	914,000	231,577	25.34%	1,073,957	391,533
Business Affairs	824,490	2,481,758	3,539,400	1,057,642	29.88%	1,015,150	(1,466,608)
Total Administration	1,408,089	4,260,108	6,006,100	1,745,992	29.07%	4,508,974	248,865
TOTAL EXPENSES	11,475,925	28,838,098	37,921,900	9,083,802	23.95%	27,805,411	(1,032,687)
OPERATING SURPLUS (DEFICIT)	(\$7,051,119)	\$4,252,983	(\$498,100)	\$4,751,083	-953.84%	\$4,240,208	\$12,775
Reserves Spending:							
Foundation Donations	0	0	0	0	0.00%	(1,000,000)	1,000,000
Disaster Donations	0	(20,606)	0	(20,606)	0.00%	0	(20,606)
IT Special Projects (CRM)	(33,997)	(83,367)	0	(83,367)	0.00%	0	(83,367)
Safe Sport Contingency	(135,625)	(544,761)	(750,000)	205,239	-27.37%	0	(544,761)
Athlete Leadership Summit	(1,308)	(266,510)	(240,000)	(26,510)	11.05%	0	(266,510)
Total Reserves Spending	(170,930)	(915,244)	(990,000)	74,756	-7.55%	(1,000,000)	84,756
Surplus (Deficit) Before Investment Gain (Loss)	(7,222,049)	3,337,739	(1,488,100)	4,825,839	-324.30%	3,240,208	97,531
Investment Gain (Loss)	415,023	(253,695)	573,000	(826,695)	-144.27%	3,261,616	(3,515,311)
NET SURPLUS (DEFICIT)	(\$6,807,026)	\$3,084,043	(\$915,100)	\$3,999,144	-437.02%	\$6,501,823	(\$3,417,780)

USA Swimming
Income Statement - By Category
For the Periods Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
REVENUE:							
Membership	\$278,408	\$22,776,539	\$23,395,000	(\$618,461)	-2.64%	\$22,479,825	\$296,714
USOC Partnership	1,757,074	4,138,095	5,094,700	(956,605)	-18.78%	4,004,973	133,122
Corporate Revenue	1,383,098	3,388,916	5,573,500	(2,184,584)	-39.20%	3,112,266	276,650
Consumer Revenue	59,946	138,347	357,000	(218,653)	-61.25%	344,898	(206,551)
Sport and Events	381,648	750,670	911,500	(160,830)	-17.64%	1,077,183	(326,513)
Foundation and Swim-A-Thon	145,000	560,000	815,000	(255,000)	-31.29%	535,000	25,000
Investment Income	360,261	1,057,357	1,010,500	46,857	4.64%	251,076	806,281
Other Income	59,372	281,157	266,600	14,557	5.46%	240,398	40,759
Total Revenue	4,424,806	33,091,081	37,423,800	(4,332,719)	-11.58%	32,045,619	1,045,462
EXPENSES:							
Salaries and Wages	2,078,408	5,965,322	8,504,598	2,539,276	29.86%	6,381,611	416,289
Employee Benefits	473,918	1,445,439	2,222,420	776,981	34.96%	1,540,975	95,536
Employment Taxes	125,764	411,169	539,282	128,113	23.76%	400,885	(10,285)
Total Payroll and Benefits	2,678,091	7,821,931	11,266,300	3,444,369	30.57%	8,323,471	501,540
Travel and Hospitality	1,823,462	4,448,192	5,812,313	1,364,121	23.47%	4,839,430	391,237
Direct Athlete Support	1,650,243	2,939,683	3,987,850	1,048,167	26.28%	2,550,662	(389,021)
Insurance	447,024	2,871,081	3,052,100	181,019	5.93%	2,785,581	(85,500)
Professional Fees & Honoraria	1,044,110	2,110,079	3,245,017	1,134,938	34.97%	2,180,552	70,473
Rent and Lease Expense	1,125,326	1,566,887	768,813	(798,074)	-103.81%	439,955	(1,126,932)
Television and Video Production	504,754	1,280,353	2,183,751	903,398	41.37%	1,228,830	(51,522)
Dues, Fees & Tickets	261,463	899,190	1,011,212	112,022	11.08%	815,296	(83,893)
Depreciation and Amortization	296,242	849,494	1,081,983	232,489	21.49%	643,674	(205,820)
Grants	110,204	716,340	942,000	225,660	23.96%	731,559	15,219
Gear, Equipment, & Signage	403,313	658,037	622,396	(35,641)	-5.73%	679,999	21,962
Supplies and Expense	128,768	515,530	794,707	279,177	35.13%	568,955	53,426
Awards	410,910	458,682	468,998	10,316	2.20%	461,334	2,652
Information Technology Expenses	102,141	375,628	358,496	(17,132)	-4.78%	405,316	29,687
Printing and Duplication	105,838	324,618	801,348	476,730	59.49%	429,683	105,065
Apparel	99,176	310,456	661,890	351,434	53.10%	332,088	21,632
Advertising	187,232	283,439	294,500	11,061	3.76%	73,328	(210,111)
Protocol & Gifts	33,854	145,117	140,700	(4,417)	-3.14%	178,442	33,325
Miscellaneous Expenses	11,297	144,473	54,548	(89,925)	-164.85%	57,950	(86,523)
Telephone and Internet Service	52,478	118,892	269,079	150,187	55.82%	79,307	(39,585)
Contingency	0	0	103,900	103,900	100.00%	0	0
Total Expenses	11,475,925	28,838,098	37,921,900	9,083,802	23.95%	27,805,411	(1,032,687)
OPERATING SURPLUS (DEFICIT)	(\$7,051,119)	\$4,252,983	(\$498,100)	\$4,751,083	-953.84%	\$4,240,208	\$12,775
Reserves Spending:							
Foundation Donations	0	0	0	0	0.00%	(1,000,000)	1,000,000
Disaster Donations	0	(20,606)	0	(20,606)	0.00%	0	(20,606)
Athlete Leadership Camp	(1,308)	(266,510)	(240,000)	(26,510)	11.05%	0	(266,510)
Safe Sport Contingency	(135,625)	(544,761)	(750,000)	205,239	-27.37%	0	(544,761)
IT Special Projects (CRM)	(33,997)	(83,367)	0	(83,367)	0.00%	0	(83,367)
Total Reserve Spending	(170,930)	(915,244)	(990,000)	74,756	-7.55%	(1,000,000)	84,756
Surplus (Deficit) Before Investment Gain (Loss)	(7,222,049)	3,337,739	(1,488,100)	4,825,839	-324.30%	3,240,208	97,531
Investment Gains (Losses)	415,023	(253,695)	573,000	(826,695)	-144.27%	3,261,616	(3,515,311)
NET SURPLUS (DEFICIT)	(\$6,807,026)	\$3,084,043	(\$915,100)	\$3,999,144	-437.02%	\$6,501,823	(\$3,417,780)

USA Swimming, Inc.
Statement of Revenue
For the Periods Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
MEMBERSHIP:							
Athlete Membership	\$140,592	\$19,451,170	\$20,136,034	(\$684,864)	-3.40%	\$19,255,544	\$195,626
Outreach Athlete Membership	1,650	56,845	44,450	12,395	27.89%	53,875	2,970
Seasonal Athlete Membership	97,980	741,060	674,190	66,870	9.92%	752,040	(10,980)
Non-Athlete Membership	36,656	2,269,250	2,287,172	(17,922)	-0.78%	2,165,184	104,066
Life Membership	0	37,668	32,000	5,668	17.71%	29,332	8,336
Allied Membership	0	500	1,000	(500)	-50.00%	1,000	(500)
Club Membership	700	212,380	210,700	1,680	0.80%	212,100	280
Seasonal Club Membership	280	4,640	5,080	(440)	-8.66%	5,120	(480)
Affiliate Membership	0	650	800	(150)	-18.75%	800	(150)
Single Meet Open Water	500	1,930	3,440	(1,510)	-43.90%	4,180	(2,250)
Delegate Fees	50	200	100	100	100.00%	350	(150)
Other Membership Income	0	246	34	212	623.53%	300	(54)
TOTAL MEMBERSHIP	278,408	22,776,539	23,395,000	(618,461)	-2.64%	22,479,825	296,714
CORPORATE REVENUE:							
Corporate Sponsorship	1,326,709	3,230,344	5,006,000	(1,775,656)	-35.47%	2,895,958	334,386
Supplier Income	46,875	130,625	372,500	(241,875)	-64.93%	155,625	(25,000)
Licensee Income	0	0	25,000	(25,000)	-100.00%	25,000	(25,000)
Web Advertising	1,260	1,260	135,000	(133,740)	-99.07%	0	1,260
Print Advertising	5,060	22,560	30,000	(7,440)	-24.80%	29,560	(7,000)
List Rental Income/Mailing Service	3,193	4,126	5,000	(874)	-17.48%	6,123	(1,997)
TOTAL CORPORATE REVENUE	1,383,098	3,388,916	5,573,500	(2,184,584)	-39.20%	3,112,266	276,650
CONSUMER REVENUE:							
SwimBiz	0	7,960	10,000	(2,040)	-20.40%	8,400	(440)
SwimJitsu	0	0	127,500	(127,500)	-100.00%	220,000	(220,000)
Phillips 66 Summer Nationals	3,500	3,500	0	3,500	0.00%	0	3,500
Royalties	28,106	75,596	97,500	(21,904)	-22.47%	66,543	9,053
Deck Pass App	2,706	7,299	0	7,299	0.00%	7,091	208
Publication/Video Sales	60	330	0	330	0.00%	5,640	(5,310)
SwimOutlet	25,321	43,076	120,000	(76,924)	-64.10%	36,455	6,621
Splash Magazine Subscriptions	253	586	2,000	(1,414)	-70.70%	675	(89)
Shipping/Handling	0	0	0	0	0.00%	94	(94)
TOTAL CONSUMER REVENUE	59,946	138,347	357,000	(218,653)	-61.25%	344,898	(206,551)
USOC PARTNERSHIP:							
USOC Performance Funding	755,550	2,266,650	3,022,200	(755,550)	-25.00%	2,250,816	15,834
USOC Performance VIK	(94,476)	60,000	60,000	0	0.00%	60,000	0
USOC Direct Athlete Support	1,096,000	1,807,125	1,997,500	(190,375)	-9.53%	1,639,157	167,968
USOC International Relations Grant	0	4,320	15,000	(10,680)	-71.20%	5,000	(680)
USOC Other Support	0	0	0	0	0.00%	50,000	(50,000)
TOTAL USOC PARTNERSHIP	1,757,074	4,138,095	5,094,700	(956,605)	-18.78%	4,004,973	133,122
INVESTMENT INCOME:							
Investment Income - Operating Budget	330,166	990,500	990,500	0	0.00%	225,000	765,500
Interest Income - Savings	1	3	0	3	0.00%	4	(1)
Interest Income - Short Term Securities	30,094	66,854	20,000	46,854	234.27%	26,072	40,782

USA Swimming, Inc.
Statement of Revenue
For the Periods Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
TOTAL INVESTMENT INCOME	360,261	1,057,357	1,010,500	46,857	4.64%	251,076	806,281
FOUNDATION AND SWIM-A-THON:							
USA Swimming Foundation	130,000	515,000	755,000	(240,000)	-31.79%	490,000	25,000
Foundation Rent	15,000	45,000	60,000	(15,000)	-25.00%	45,000	0
TOTAL FOUND. AND SWIM-A-THON	145,000	560,000	815,000	(255,000)	-31.29%	535,000	25,000
SPORT AND EVENTS:							
Golden Goggle Awards	6,146	(43,616)	0	(43,616)	0.00%	150,761	(194,378)
Coach Education Clinics	51,751	150,461	210,000	(59,539)	-28.35%	141,908	8,553
Altitude Camps	261,856	543,482	595,000	(51,518)	-8.66%	437,689	105,793
Facilities Conference	5,534	10,942	8,000	2,942	36.78%	14,191	(3,249)
FINA World Juniors	0	0	0	0	0.00%	263,175	(263,175)
Custom Visits (BAP)	500	500	6,000	(5,500)	-91.67%	3,500	(3,000)
Safe Sport Materials	7,074	14,679	0	14,679	0.00%	9,534	5,145
International TV Rights	0	0	70,000	(70,000)	-100.00%	0	0
Other Registration	48,787	74,223	22,500	51,723	229.88%	56,426	17,797
TOTAL SPORTS AND EVENTS	381,648	750,670	911,500	(160,830)	-17.64%	1,077,183	(326,513)
OTHER INCOME:							
NCAA Top Times List	15,500	93,000	93,000	0	0.00%	93,000	0
Combined Federal Campaign	2,894	4,646	10,000	(5,354)	-53.54%	5,904	(1,258)
Imputed Interest - Prepaid Rent	40,917	122,752	163,600	(40,848)	-24.97%	130,786	(8,034)
Other Revenue	60	60,759	0	60,759	0.00%	10,708	50,051
TOTAL OTHER INCOME	59,372	281,157	266,600	14,557	5.46%	240,398	40,759
TOTAL OPERATING REVENUE	\$4,424,806	\$33,091,081	\$37,423,800	(\$4,332,719)	-11.58%	\$32,045,619	\$1,045,462
INVESTMENT GAINS (LOSSES):							
Investment Income (Loss) less Operating Allocation	438,678	(183,773)	672,800	(856,573)	-127.31%	3,327,944	(3,511,717)
Money Manager Fees	(23,654)	(69,922)	(99,800)	29,878	-29.94%	(66,328)	(3,594)
TOTAL INVESTMENT GAINS (LOSSES)	415,023	(253,695)	573,000	(826,695)	-144.27%	3,261,616	(3,515,311)
TOTAL REVENUE	\$4,839,829	\$32,837,386	\$37,996,800	(\$5,159,414)	-13.58%	\$35,307,235	(\$2,469,849)

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	<u>Quarter Actual</u>	<u>Year To Date Actual</u>	<u>2018 Budget</u>	<u>Remaining Dollars</u>	<u>Remaining Percentage</u>	<u>Year To Date 2017</u>	<u>Favorable (Unfavorable)</u>
TECHNICAL/SPORT:							
SPORT DEVELOPMENT							
<i>Athlete Development Programs</i>							
1117 LSC Camps	\$0	\$6,251	\$10,200	\$3,949	38.71%	\$6,414	\$163
1118 Zone Select Camps	19,830	114,792	100,300	(14,492)	-14.45%	102,302	(12,490)
1119 National Select Camps	11,899	16,940	105,400	88,460	83.93%	85,981	69,041
1120 Camp (VIK)	0	18,781	25,000	6,219	24.88%	29,706	10,925
1135 Tech Services Support	2,828	3,855	2,900	(955)	-32.93%	2,852	(1,003)
1163 Open Water Select Camp	48,586	58,440	55,500	(2,940)	-5.30%	54,028	(4,412)
<i>Program Group Total</i>	<i>83,142</i>	<i>219,059</i>	<i>299,300</i>	<i>80,241</i>	<i>26.81%</i>	<i>281,283</i>	<i>62,224</i>
<i>Coach Education and Development</i>							
1213 Coach Education Development	7,822	24,449	62,800	38,351	61.07%	30,689	6,241
1231 USA-S Hosted Coaches Clinics	38,042	75,499	146,700	71,201	48.53%	74,531	(969)
1233 Disability Swimming Coaches Workshop	0	444	9,200	8,756	95.18%	0	(444)
1237 Non-USAS Clinic Participation	15,189	28,451	36,800	8,349	22.69%	28,863	412
1240 Online Coach Clinics/Podcasts	0	5,581	21,600	16,019	74.16%	14,184	8,603
1242 Coach Mentoring	41,855	84,814	124,600	39,786	31.93%	50,576	(34,238)
1245 Master Coach Program	6,769	59,807	164,500	104,693	63.64%	77,129	17,322
1290 Travel & Program Support	31,003	93,236	117,900	24,664	20.92%	90,077	(3,159)
<i>Program Group Total</i>	<i>140,680</i>	<i>372,281</i>	<i>684,100</i>	<i>311,819</i>	<i>45.58%</i>	<i>366,049</i>	<i>(6,232)</i>
<i>Club Education and Development</i>							
1302 Club Excellence Program	17,704	453,406	464,300	10,894	2.35%	469,180	15,774
1305 Club Recognition Program	0	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	2,387	12,506	35,700	23,194	64.97%	30,135	17,629
1314 Club Resources	0	5,508	13,600	8,092	59.50%	13,517	8,009
1332 Club Research Technology	34,556	91,581	107,200	15,619	14.57%	102,688	11,107
1390 Travel & Program Support	40,775	149,118	157,900	8,782	5.56%	109,255	(39,863)
<i>Program Group Total</i>	<i>95,422</i>	<i>712,120</i>	<i>786,200</i>	<i>74,080</i>	<i>9.42%</i>	<i>724,775</i>	<i>12,655</i>
<i>LSC Development & Education</i>							
1470 LSC Consulting	17,499	65,240	58,000	(7,240)	-12.48%	31,358	(33,882)
1475 LEAP Program	13,734	36,533	59,000	22,467	38.08%	50,756	14,224
1481 Leadership Workshops	1,318	2,254	36,300	34,046	93.79%	1,827	(427)
<i>Program Group Total</i>	<i>32,551</i>	<i>104,026</i>	<i>153,300</i>	<i>49,274</i>	<i>32.14%</i>	<i>83,941</i>	<i>(20,086)</i>
<i>Facilities Advocacy & Development</i>							
1505 Build a Pool Conference	13,865	31,612	62,100	30,488	49.10%	58,842	27,230
1507 Aquatic Industry Relations	1,498	26,179	22,000	(4,179)	-18.99%	22,062	(4,116)
1590 Travel & Program Support	1,702	2,793	11,600	8,807	75.92%	1,936	(857)
<i>Program Group Total</i>	<i>17,065</i>	<i>60,584</i>	<i>95,700</i>	<i>35,116</i>	<i>36.69%</i>	<i>82,840</i>	<i>22,256</i>
<i>Membership Growth and Diversity</i>							

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
1638 Diversity Management Support	20,335	57,875	90,900	33,025	36.33%	50,293	(7,582)
1640 Community Swim Team Development	10,147	48,578	52,200	3,622	6.94%	28,726	(19,852)
1645 Zone Diversity Camps & Meetings	2,158	25,430	28,800	3,370	11.70%	24,748	(682)
1651 Diversity VIK	30	12,973	15,000	2,027	13.51%	14,893	1,920
1665 Diversity Select Camp	582	62,811	68,500	5,689	8.30%	57,600	(5,212)
Program Group Total	33,252	207,667	255,400	47,733	18.69%	176,259	(31,408)
Committees							
1823 Convention Education Committee	2,117	12,753	14,700	1,947	13.25%	8,397	(4,356)
1830 LSC Development Committee	5,036	13,959	34,000	20,041	58.94%	18,713	4,754
1841 Disability Swimming Committee	58	1,635	7,400	5,765	77.90%	4,052	2,417
1842 Diversity Committee	43	9,041	15,700	6,659	42.41%	14,050	5,009
1851 Age Group Development Committee	0	6,226	10,800	4,574	42.35%	685	(5,541)
1856 Club Development Committee	0	8	400	392	97.97%	34	26
1860 Governance Committee	0	81	800	719	89.83%	8,872	8,791
1885 Senior Development Committee	0	3,256	700	(2,556)	-365.18%	83	(3,173)
Program Group Total	7,254	46,961	84,500	37,539	44.43%	54,887	7,926
Administration & Operational Support							
1990 Administration & Operational Support	76,400	220,605	304,200	83,595	27.48%	211,023	(9,582)
1999 Salary and Benefits	469,823	1,581,400	2,184,300	602,900	27.60%	1,492,216	(89,185)
Program Group Total	546,223	1,802,005	2,488,500	686,495	27.59%	1,703,238	(98,766)
TOTAL SPORT DEVELOPMENT	955,589	3,524,703	4,847,000	1,322,297	27.28%	3,473,272	(51,431)

EVENTS AND MEMBER SERVICES

Events

2005 Olympic Trials	1,669	4,087	10,000	5,913	59.13%	250	(3,837)
2015 Pan Pacific Championships	27,589	48,289	5,000	(43,289)	-865.78%	0	(48,289)
2018 Winter National Championships	1,671	8,844	126,000	117,156	92.98%	3,851	(4,994)
2019 National Championships/Trials	979,912	1,044,324	317,400	(726,924)	-229.02%	292,069	(752,255)
2023 US Open	0	29	0	(29)	0.00%	83,313	83,284
2025 Pro Swim Series	89,320	393,300	329,200	(64,100)	-19.47%	159,579	(233,720)
2026 National Team vs NCAA	0	0	178,900	178,900	100.00%	7,300	7,300
2027 Speedo Sectionals	40,000	210,007	215,000	4,993	2.32%	185,000	(25,007)
2028 IM Xtreme Games	0	4,000	24,000	20,000	83.33%	6,000	2,000
2029 Zone Championships	40,000	90,657	110,000	19,343	17.58%	60,395	(30,261)
2035 Futures Championships	99,520	118,104	135,800	17,696	13.03%	104,200	(13,905)
2040 Jr. Pan Pacific Championships	(9,597)	25,000	12,800	(12,200)	-95.31%	0	(25,000)
2045 Jr. National Championships (Summer LC)	136,930	142,965	140,100	(2,865)	-2.05%	68,759	(74,206)
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	1,647	3,131	132,600	129,469	97.64%	19,541	16,410
2055 FINA Jr. World Championships	0	0	0	0	0.00%	1,216,873	1,216,873
2069 Open Water Championships	2,944	75,276	99,600	24,324	24.42%	92,832	17,556
2077 National Events Uniforming VIK	13,414	47,998	40,000	(7,998)	-20.00%	16,200	(31,798)
2076 Bag Tags VIK	0	175	10,000	9,825	98.25%	15,157	14,982
2716 Omega Timing Systems VIK	400,000	400,000	400,000	0	0.00%	24,577	(375,423)
2092 Club Marketing & Event Mgmt. Symposium	0	0	10,000	10,000	100.00%	0	0

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
<i>Program Group Total</i>	<u>1,825,020</u>	<u>2,616,187</u>	<u>2,296,400</u>	<u>(319,787)</u>	<u>-13.93%</u>	<u>2,355,895</u>	<u>(260,291)</u>
Member Programs							
2411 Member Dues and Services	540	7,879	26,500	18,621	70.27%	7,637	(242)
2412 Technology Projects	2,295	3,544	35,000	31,456	89.88%	563	(2,981)
2418 SWIMS 2.0	37,141	72,541	150,000	77,459	51.64%	44,871	(27,670)
2421 Membership Directory	0	0	10,100	10,100	100.00%	5,593	5,593
2423 Rulebook	757	113,683	146,600	32,917	22.45%	100,463	(13,220)
2431 Swimposium	16,165	54,737	137,800	83,063	60.28%	59,909	5,172
2432 Zone Workshops	206	139,508	153,100	13,592	8.88%	209,601	70,093
2434 On-Line Registration	9,444	28,333	100,000	71,668	71.67%	0	(28,333)
2498 Awards	18,353	18,539	13,200	(5,339)	-40.45%	8,168	(10,371)
<i>Program Group Total</i>	<u>84,901</u>	<u>438,762</u>	<u>772,300</u>	<u>333,538</u>	<u>43.19%</u>	<u>436,804</u>	<u>(1,958)</u>
Member Programs - Officials							
2433 Officials Training Sessions	1,583	39,721	123,800	84,079	67.92%	126,009	86,287
2437 Officials On-Line Testing	0	0	5,100	5,100	100.00%	0	0
2438 Officials Certification Program	21,000	21,000	34,400	13,400	38.95%	2,564	(18,436)
2440 Officials Clinic	1	64,456	74,900	10,444	13.94%	1,045	(63,412)
2441 Officials International Travel	12,844	20,625	13,300	(7,325)	-55.08%	10,803	(9,822)
2450 Officials Mentoring & Training	134	994	6,000	5,006	83.43%	302	(692)
<i>Program Group Total</i>	<u>35,563</u>	<u>146,797</u>	<u>257,500</u>	<u>110,703</u>	<u>42.99%</u>	<u>140,722</u>	<u>(6,075)</u>
Other Programs and Services							
2501 Publications and Video Sales	10	18,993	40,000	21,007	52.52%	23,654	4,661
2502 Mailing Service	112	144	500	356	71.12%	263	118
2518 Altitude Camps	307,245	598,452	605,000	6,548	1.08%	461,023	(137,429)
2519 Times Projects	20,290	51,511	60,100	8,589	14.29%	36,258	(15,253)
2715 TV/Web Cast Production	459,503	1,104,420	1,388,800	284,380	20.48%	904,897	(199,524)
<i>Program Group Total</i>	<u>787,161</u>	<u>1,773,521</u>	<u>2,094,400</u>	<u>320,879</u>	<u>15.32%</u>	<u>1,426,094</u>	<u>(347,427)</u>
Committees & Governance							
2801 Convention	78,650	82,853	105,000	22,147	21.09%	68,925	(13,928)
2802 Convention - Athletes	80,760	85,386	122,500	37,114	30.30%	98,315	12,929
2825 Registration / Membership	0	15,280	16,800	1,520	9.05%	12,286	(2,994)
2832 Awards	0	890	300	(590)	-196.68%	0	(890)
2835 Credentials / Elections	1,800	1,800	2,400	600	25.02%	1,599	(200)
2836 Rules and Regulations	0	24,407	37,800	13,393	35.43%	33,612	9,205
2857 Times & Recognition Committee	2,957	4,932	20,900	15,968	76.40%	2,459	(2,474)
2862 Championship Evaluation	0	0	5,500	5,500	100.00%	2,045	2,045
2866 Officials	0	20,589	18,800	(1,789)	-9.51%	17,217	(3,372)
2887 Athletes Executive Committee	0	23,567	18,200	(5,367)	-29.49%	14,964	(8,603)
<i>Program Group Total</i>	<u>164,166</u>	<u>259,703</u>	<u>348,200</u>	<u>88,497</u>	<u>25.42%</u>	<u>251,421</u>	<u>(8,281)</u>
Administration & Operational Support							
2990 Administration & Operational Support	70,697	191,208	179,100	(12,108)	-6.76%	216,689	25,481

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
2999 Salary and Benefits	366,695	1,085,132	1,409,400	324,268	23.01%	1,614,135	529,003
<i>Program Group Total</i>	<i>437,392</i>	<i>1,276,340</i>	<i>1,588,500</i>	<i>312,160</i>	<i>19.65%</i>	<i>1,830,824</i>	<i>554,484</i>
TOTAL EVENTS AND MEMBER SERVICES	3,334,202	6,511,310	7,357,300	845,990	11.50%	6,441,761	(69,549)
NATIONAL TEAM							
Competitions							
3001 Olympic Games	0	0	2,800	2,800	100.00%	9,233	9,233
3007 Pan Pacific Championships	284,970	370,743	367,600	(3,143)	-0.86%	0	(370,743)
3013 Pan American Games	0	0	2,500	2,500	100.00%	0	0
3015 World University Games	0	0	0	0	0.00%	253,706	253,706
3020 NT vs. NCAA	0	350	82,500	82,150	99.58%	4,589	4,239
3031 Long Course World Championships	0	0	0	0	0.00%	329,082	329,082
3033 Short Course World Championships	10,006	10,006	307,500	297,494	96.75%	1,867	(8,138)
<i>Program Group Total</i>	<i>294,976</i>	<i>381,099</i>	<i>762,900</i>	<i>381,801</i>	<i>50.05%</i>	<i>598,476</i>	<i>217,377</i>
Junior Team Programs							
3009 Jr. Team International Competition	2,610	79,937	164,900	84,963	51.52%	10,436	(69,500)
3012 Jr. Pan Pacific Championships	219,201	277,379	290,800	13,421	4.62%	0	(277,379)
3045 Junior Team Camps	305	44,862	64,300	19,438	30.23%	34,598	(10,264)
3050 FINA World Junior Championships	0	0	0	0	0.00%	127,973	127,973
3051 Jr. Team Pro Swim Series	4,375	11,502	40,000	28,498	71.24%	12,383	880
3992 Ntl. Jr. Team Program Support	4,901	20,493	50,400	29,907	59.34%	17,424	(3,069)
<i>Program Group Total</i>	<i>231,393</i>	<i>434,174</i>	<i>610,400</i>	<i>176,227</i>	<i>28.87%</i>	<i>202,814</i>	<i>(231,360)</i>
Open Water Programs							
3040 FINA Open Water Jr. Championships	79,598	83,356	51,800	(31,556)	-60.92%	1,467	(81,889)
3061 Open Water World Championships	0	0	0	0	0.00%	67,775	67,775
3063 Open Water University Games	0	0	0	0	0.00%	3,425	3,425
3065 Open Water World Cup	595	129,114	97,100	(32,014)	-32.97%	33,577	(95,537)
3067 Open Water Camps	0	39	46,200	46,161	99.92%	42,887	42,848
3075 Open Water International Camps	0	0	22,000	22,000	100.00%	73,077	73,077
3495 Open Water Program Support	7,602	33,264	36,500	3,236	8.87%	15,043	(18,221)
<i>Program Group Total</i>	<i>87,794</i>	<i>245,773</i>	<i>253,600</i>	<i>7,827</i>	<i>3.09%</i>	<i>237,250</i>	<i>(8,523)</i>
Camps							
3069 National Team Specialty Camps	240	21,797	46,400	24,603	53.02%	0	(21,797)
3071 Altitude Training Camps	22,929	30,161	55,500	25,339	45.66%	26,530	(3,630)
3073 National Team Camps	0	55,855	137,700	81,845	59.44%	43,323	(12,532)
3076 National Team International Camps	44,559	123,139	221,900	98,761	44.51%	366,366	243,227
3479 Advance Team Visits	5,193	14,417	22,600	8,183	36.21%	30,048	15,630
<i>Program Group Total</i>	<i>72,920</i>	<i>245,369</i>	<i>484,100</i>	<i>238,731</i>	<i>49.31%</i>	<i>466,267</i>	<i>220,898</i>
Athlete Services							
3101 Athlete Support-Stipends & Grants	368,250	1,079,375	1,452,300	372,925	25.68%	938,119	(141,256)

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
3103 Athlete Support-Medals & Records	431,250	431,250	450,000	18,750	4.17%	705,000	273,750
3107 Athlete Support-Op Gold Qualification Bonus	378,171	379,189	430,000	50,811	11.82%	287,250	(91,939)
3024 Swim Squads	25,429	32,076	0	(32,076)	0.00%	0	(32,076)
3025 Pro Swim Series Athlete Support	92,864	518,369	641,600	123,231	19.21%	320,463	(197,906)
3021 World Cup Athlete Support	22,255	22,533	30,000	7,467	24.89%	17,139	(5,394)
3127 National Team Investment Grant	148,923	277,152	600,000	322,848	53.81%	151,782	(125,370)
3106 ConocoPhillips Athlete Support	86,192	102,348	108,000	5,652	5.23%	51,006	(51,341)
3110 National Team Uniforming (VIK)	28,372	120,659	325,000	204,341	62.87%	154,361	33,703
3120 Athlete Support-Olympic Prep	0	0	30,000	30,000	100.00%	13,187	13,187
3130 Foundation Endowment Programs	59,704	74,347	75,000	653	0.87%	17,360	(56,987)
3310 USOC Practitioner Travel Support	4,013	9,966	0	(9,966)	0.00%	38,617	28,651
3453 Drug Control Program	6,776	15,350	51,400	36,050	70.14%	20,875	5,525
Program Group Total	1,652,200	3,062,613	4,193,300	1,130,687	26.96%	2,715,160	(347,453)
Coach Services							
3203 Coach Incentive & Reward Program	330,000	330,000	330,000	0	0.00%	330,000	0
3210 Olympic Team Prep - Coaches	5,000	5,000	35,000	30,000	85.71%	5,540	540
3220 Contract Labor - National Team Tech Advisor	17,622	17,622	0	(17,622)	0.00%	0	(17,622)
3222 National Team Consultant	9,142	21,394	37,000	15,606	42.18%	0	(21,394)
3460 Olympic Staff Recognition	11,760	11,760	27,000	15,240	56.44%	31,110	19,350
3010 Coach Education	3,223	19,963	34,100	14,137	41.46%	18,874	(1,089)
3077 National Team Coaches Meeting	0	109,813	128,900	19,087	14.81%	97,612	(12,201)
3079 Team Logistics Seminar	0	0	4,700	4,700	100.00%	0	0
Program Group Total	376,747	515,552	596,700	81,148	13.60%	483,137	(32,416)
High Performance Support							
3301 National Team Performance Support	22,858	132,701	162,600	29,899	18.39%	101,263	(31,438)
Program Group Total	22,858	132,701	162,600	29,899	18.39%	101,263	(31,438)
Sport Medicine & Science							
3311 Sport Science Grants	0	0	30,000	30,000	100.00%	0	0
3353 Sport Medicine & Science Network	34,609	99,980	91,000	(8,980)	-9.87%	26,165	(73,815)
3155 Elite Athlete Accident Coverage	0	32,825	48,000	15,175	31.61%	9,922	(22,903)
3200 Athlete Life Skills	717	867	40,000	39,133	97.83%	0	(867)
3351 Athlete Testing & Lab Expenses	3,278	13,961	22,100	8,139	36.83%	14,872	911
Program Group Total	38,605	147,633	231,100	83,467	36.12%	50,960	(96,674)
Other Programs and Services							
3481 National Team Equipment	3,006	10,007	28,500	18,493	64.89%	12,402	2,395
3496 National Team Selection	0	0	7,600	7,600	100.00%	2	2
3499 Team Management Technology	64,800	64,800	0	(64,800)	0.00%	0	(64,800)
Program Group Total	67,806	74,807	36,100	(38,707)	-107.22%	12,404	(62,403)
Committees							
3846 Sports Medicine	0	202	5,300	5,098	96.19%	517	315
3850 Open Water Development	0	45	800	755	94.42%	22	(22)

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
3868 Open Water Committee	387	5,525	21,600	16,075	74.42%	6,561	1,036
3882 National Steering Committee	10,177	11,246	13,300	2,054	15.44%	757	(10,489)
3888 National Team Ath Committee	0	3,584	9,800	6,216	63.43%	3,165	(419)
<i>Program Group Total</i>	<i>10,564</i>	<i>20,601</i>	<i>50,800</i>	<i>30,199</i>	<i>59.45%</i>	<i>11,021</i>	<i>(9,580)</i>
Administration & Operational Support							
3990 Administration & Operational Support	19,981	243,734	218,500	(25,234)	-11.55%	175,020	(68,714)
3991 NT Division Travel	0	15	47,400	47,385	99.97%	36,183	36,168
3999 Salary and Benefits	438,082	1,187,525	1,886,000	698,475	37.03%	1,361,160	173,635
<i>Program Group Total</i>	<i>458,063</i>	<i>1,431,274</i>	<i>2,151,900</i>	<i>720,626</i>	<i>33.49%</i>	<i>1,572,363</i>	<i>141,089</i>
TOTAL NATIONAL TEAM	3,313,927	6,691,596	9,533,500	2,841,904	29.81%	6,451,114	(240,482)
TOTAL TECHNICAL/SPORT	7,603,718	16,727,609	21,737,800	5,010,191	23.05%	16,366,147	(361,463)
OTHER PROGRAMS:							
COMMERCIAL							
Corporate Partnerships							
5901 Marketing & Contract Fulfillment	18,996	94,279	220,100	125,821	57.17%	167,045	72,766
5905 Sales Development Support	8,352	40,453	60,000	19,547	32.58%	40,152	(301)
<i>Program Group Total</i>	<i>27,348</i>	<i>134,733</i>	<i>280,100</i>	<i>145,368</i>	<i>51.90%</i>	<i>207,198</i>	<i>72,465</i>
Communications							
5711 Splash Magazine	142,078	438,569	1,129,400	690,831	61.17%	509,762	71,193
5714 PR-USA Swimming Programs	1	5,422	75,000	69,578	92.77%	39,476	34,054
5718 usaswimming.org - Web site	122,980	363,374	535,000	171,626	32.08%	246,208	(117,166)
5724 Communication Operations	82,605	172,994	233,400	60,406	25.88%	107,505	(65,489)
5730 USA Swimming Productions	330,870	707,973	897,500	189,527	21.12%	372,530	(335,443)
<i>Program Group Total</i>	<i>678,534</i>	<i>1,688,332</i>	<i>2,870,300</i>	<i>1,181,968</i>	<i>41.18%</i>	<i>1,275,481</i>	<i>(412,851)</i>
Marketing							
5109 Athlete Partnership Fulfillment	5,306	13,401	50,000	36,599	73.20%	16,849	3,449
5620 Family Program	(861)	27,694	30,000	2,306	7.69%	31,064	3,369
5709 National Event Marketing	367,011	575,967	0	(575,967)	0.00%	0	(575,967)
5710 Membership/Recruiting Promotion (SwimToday)	159,635	353,902	480,000	126,098	26.27%	346,162	(7,739)
5713 Deck Pass	12,165	19,349	185,000	165,651	89.54%	63,139	43,790
5715 SwimBiz	0	70,815	107,000	36,185	33.82%	69,866	(949)
5716 Swimjitsu	3,066	4,749	0	(4,749)	0.00%	215,774	211,025
5720 Video Production Services	3,056	4,431	25,000	20,569	82.28%	8,503	4,072
5913 Multicultural Promotions	41,988	76,068	120,000	43,932	36.61%	135,132	59,064
5902 Merchandise Program	6,353	10,339	25,000	14,661	58.65%	7,419	(2,920)
5904 Marketing Contract Labor	33,376	76,100	25,000	(51,100)	-204.40%	19,212	(56,888)
5911 Aqua Zone - Olympic Trials	0	5,700	0	(5,700)	0.00%	5,408	(292)
<i>Program Group Total</i>	<i>631,095</i>	<i>1,238,514</i>	<i>1,047,000</i>	<i>(191,514)</i>	<i>-18.29%</i>	<i>918,528</i>	<i>(319,986)</i>

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	<u>Quarter Actual</u>	<u>Year To Date Actual</u>	<u>2018 Budget</u>	<u>Remaining Dollars</u>	<u>Remaining Percentage</u>	<u>Year To Date 2017</u>	<u>Favorable (Unfavorable)</u>
<i>Administration & Operational Support</i>							
5990 Administration & Operational Support	78,627	230,512	264,200	33,688	12.75%	149,440	(81,072)
5999 Salary and Benefits	517,211	1,475,243	2,048,600	573,357	27.99%	1,335,730	(139,512)
<i>Program Group Total</i>	<u>595,838</u>	<u>1,705,755</u>	<u>2,312,800</u>	<u>607,045</u>	<u>26.25%</u>	<u>1,485,170</u>	<u>(220,585)</u>
TOTAL COMMERCIAL	<u>1,932,815</u>	<u>4,767,334</u>	<u>6,510,200</u>	<u>1,742,867</u>	<u>26.77%</u>	<u>3,886,377</u>	<u>(880,957)</u>
RISK MANAGEMENT SERVICES							
<i>Member Programs</i>							
9413 Member Insurance Premiums & Retention	447,024	2,838,894	3,003,100	164,206	5.47%	2,764,569	(74,326)
9415 Other Risk Management	0	10,334	16,700	6,366	38.12%	21,626	11,292
<i>Program Group Total</i>	<u>447,024</u>	<u>2,849,228</u>	<u>3,019,800</u>	<u>170,572</u>	<u>5.65%</u>	<u>2,786,194</u>	<u>(63,034)</u>
<i>Committees</i>							
9827 Operational Risk Committee	18,189	33,627	55,000	21,373	38.86%	47,846	14,219
<i>Program Group Total</i>	<u>18,189</u>	<u>33,627</u>	<u>55,000</u>	<u>21,373</u>	<u>38.86%</u>	<u>47,846</u>	<u>14,219</u>
<i>Administration & Operational Support</i>							
9490 Administration & Operational Support	3,588	12,692	32,000	19,308	60.34%	18,567	5,875
<i>Program Group Total</i>	<u>3,588</u>	<u>12,692</u>	<u>32,000</u>	<u>19,308</u>	<u>60.34%</u>	<u>18,567</u>	<u>5,875</u>
TOTAL RISK MANAGEMENT SERVICES	<u>468,802</u>	<u>2,895,547</u>	<u>3,106,800</u>	<u>211,253</u>	<u>6.80%</u>	<u>2,852,608</u>	<u>(42,939)</u>
FOUND. & MAKE A SPLASH SUPPORT							
6666 Foundation Support	62,500	187,500	250,000	62,500	25.00%	191,307	3,807
6667 USA Swimming Staff Allocation	0	0	311,000	311,000	100.00%	0	0
TOTAL FOUNDATION & MAS SUPPORT	<u>62,500</u>	<u>187,500</u>	<u>561,000</u>	<u>373,500</u>	<u>66.58%</u>	<u>191,307</u>	<u>3,807</u>
TOTAL OTHER PROGRAMS	<u>2,464,117</u>	<u>7,850,381</u>	<u>10,178,000</u>	<u>2,327,620</u>	<u>22.87%</u>	<u>6,930,291</u>	<u>(920,090)</u>
ADMINISTRATION:							
EXECUTIVE							
<i>Other Executive</i>							
7920 CEO Contingency	2,777	21,160	70,000	48,840	69.77%	185,328	164,168
7930 Board Chair Travel and Expenses	7,476	24,161	35,000	10,839	30.97%	23,212	(949)
7945 CSCAA Grant	30,000	90,000	125,000	35,000	28.00%	70,005	(19,995)
7971 Organizational Relations - Domestic	11,038	80,184	80,000	(184)	-0.23%	52,244	(27,940)
7984 Organizational Relations - Internat'l	13,898	30,737	65,000	34,263	52.71%	23,682	(7,055)
7981 International Relations	6,287	46,956	70,500	23,544	33.40%	39,798	(7,158)
7937 Splash Makers II	1,536	1,536	0	(1,536)	0.00%	1,321	(215)
<i>Program Group Total</i>	<u>73,013</u>	<u>294,734</u>	<u>445,500</u>	<u>150,766</u>	<u>33.84%</u>	<u>395,590</u>	<u>100,855</u>

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
Committees & Governance							
7803 Board of Directors	14,556	86,858	178,600	91,742	51.37%	97,140	10,282
7805 Executive Committee	0	461	13,000	12,539	96.46%	10,436	9,976
7806 Committee Chairs	0	0	0	0	0.00%	31,149	31,149
7807 Zone Administration	0	17	0	(17)	0.00%	20	3
7808 Task Force & Other Committees	55,944	98,623	43,700	(54,923)	-125.68%	128,792	30,169
7811 International Relations Committee	11	17,838	42,400	24,562	57.93%	28,730	10,891
7820 Nominating Committee	0	149	0	(149)	0.00%	0	(149)
Program Group Total	70,511	203,945	277,700	73,755	26.56%	296,266	92,321
Administration & Operational Support							
7990 Administration & Operational Support	35,417	98,920	56,900	(42,020)	-73.85%	106,455	7,535
7999 Salary and Benefits	173,185	498,327	772,600	274,273	35.50%	1,621,556	1,123,229
Program Group Total	208,602	597,247	829,500	232,253	28.00%	1,728,011	1,130,764
TOTAL EXECUTIVE	352,126	1,095,927	1,552,700	456,773	29.42%	2,419,867	1,323,940
FINANCE							
Other Programs							
8500 LSC/Club Financial Resources	3,993	3,993	33,900	29,907	88.22%	35,914	31,921
Program Group Total	3,993	3,993	33,900	29,907	88.22%	35,914	31,921
Committees							
8895 Investment Committee	19	58	300	242	80.56%	143	85
8880 Audit Committee	0	11	300	289	96.34%	12	1
Program Group Total	19	69	600	531	88.45%	155	86
Administration & Operational Support							
8990 Administration & Operational Support	26,779	106,860	144,700	37,840	26.15%	150,928	44,069
8999 Salary and Benefits	200,683	571,502	734,800	163,298	22.22%	886,959	315,457
Program Group Total	227,462	678,361	879,500	201,139	22.87%	1,037,887	359,526
TOTAL FINANCE	231,474	682,423	914,000	231,577	25.34%	1,073,957	391,533
BUSINESS AFFAIRS							
Legal and NBR							
9695 Legal	(51,657)	59,843	250,000	190,157	76.06%	169,339	109,496
9692 National Board of Review	1,667	33,809	129,000	95,191	73.79%	102,378	68,568
9690 Legal - Admin. & Oper. Support	6,269	16,985	26,700	9,715	36.39%	8,430	(8,555)
Program Group Total	(43,721)	110,638	405,700	295,062	72.73%	280,147	169,509
Safe Sport							
9335 Safe Sport - Background Checks	4,489	18,827	41,200	22,373	54.30%	35,821	16,994
9370 LSC Safe Sport Chairs Workshop	0	344	0	(344)	0.00%	0	(344)

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended September 30, 2018

	Quarter Actual	Year To Date Actual	2018 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2017	Favorable (Unfavorable)
9375 Safe Sport Online Education	412	2,185	0	(2,185)	0.00%	0	(2,185)
9386 Safe Sport Athlete Fellowship	1,483	12,775	0	(12,775)	0.00%	0	(12,775)
9385 Safe Sport Programs	143,972	238,141	270,600	32,459	12.00%	168,777	(69,364)
9387 Safe Sport - USOC Center for Safe Sport	0	42,900	60,000	17,100	28.50%	42,900	0
9388 Safe Sport - Leadership Conference	0	0	2,500	2,500	100.00%	62,373	62,373
9389 Safe Sport - SwimAssist	8,151	18,545	50,000	31,455	62.91%	18,298	(248)
Program Group Total	158,507	333,718	424,300	90,582	21.35%	328,168	(5,550)
Other Programs							
9380 Human Resources	19,482	57,679	47,200	(10,479)	-22.20%	32,588	(25,091)
9295 Information Technology Support	130,853	413,226	510,100	96,874	18.99%	354,343	(58,883)
Program Group Total	150,335	470,905	557,300	86,395	15.50%	386,931	(83,974)
Committees							
9810 Safe Sport Committee	1,873	11,041	25,500	14,459	56.70%	19,904	8,863
Program Group Total	19	69	600	531	88.45%	155	86
Administrative & Operational Support							
9990 Administration & Operational Support	44,279	132,241	213,000	80,759	37.91%	0	(132,241)
9999 Salary and Benefits	513,218	1,423,215	1,913,600	490,385	25.63%	0	(1,423,215)
Program Group Total	557,497	1,555,457	2,126,600	571,143	26.86%	0	(1,555,457)
TOTAL BUSINESS AFFAIRS	824,490	2,481,758	3,539,400	1,057,642	29.88%	1,015,150	(1,466,608)
TOTAL ADMINISTRATION	1,408,089	4,260,108	6,006,100	1,745,992	29.07%	4,508,974	248,865
GRAND TOTALS	\$11,475,925	\$28,838,098	\$37,921,900	\$9,083,802	23.95%	\$27,805,411	(\$1,032,687)



FIRSTwestern

Quarterly Investment Review

USA SWIMMING, INC.

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USA SWIMMING FOUNDATION, INC.

3rd QUARTER 2018

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



PRIVATE BANKING

INVESTMENT MANAGEMENT

PERSONAL TRUST

WEALTH PLANNING

Investment Management products and services are: not FDIC insured; not obligations of the institution; have no bank guarantee; may lose value.

 MEMBER FDIC

Activity Summary

	USA Swimming, Inc. - Equities	USA Swimming, Inc. - Fixed Income	Consolidated Accounts		
	Quarter to Date	Quarter to Date	Quarter to Date	Year to Date	Since Inception 6/26/2008
Beginning Value^{(1),(2)}	\$21,528,105	\$14,872,765	\$36,400,870	\$37,074,806	\$0
Net Contributions/Withdrawals ⁽³⁾	-\$2,830,166	-\$56	-\$2,830,222	-\$3,490,539	\$23,866,144
Gain/Loss	\$715,299	\$27,804	\$743,103	\$729,484	\$10,447,607
Ending Value^{(1),(2)}	\$19,413,238	\$14,900,513	\$34,313,751	\$34,313,751	\$34,313,751

Performance

Time Weighted/Net of Fees	2.07%	2.04%	5.36%
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Asset Allocation

	Market Value	Portfolio %	Target %
US Large Cap Equities	\$7,727,359	22.52%	25.00%
US Small Cap Equities	\$1,289,303	3.76%	5.00%
International Equities	\$8,373,083	24.40%	23.00%
REITs	\$1,052,002	3.07%	4.00%
Commodities	\$797,942	2.33%	3.00%
High Yield Bonds	\$36,421	0.11%	0.00%
Fixed Income	\$14,669,000	42.75%	39.00%
Cash & Equivalents	\$368,641	1.07%	1.00%
	\$34,313,751	100.00%	100.00%

(1) Values include Accrued Income.

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

Performance by Sector: As of September 30, 2018

	Market Value ^{(1),(2),(4)} As Of 9/30/2018	Portfolio ⁽⁵⁾ Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Since ^{(3),(4)} Inception	Inception Date
Broad Equity Market Index										
MSCI ACW Index NR			4.28	3.83	9.77	13.40	8.67	8.19		
US Large Cap Equities	\$7,727,359	23%	7.51	10.34	17.84	17.12	13.56	11.30	9.61	6/26/2008
S&P 500 Index			7.71	10.56	17.91	17.31	13.95	11.97		
Russell 1000 Index			7.42	10.49	17.77	17.07	13.67	12.09		
US Small Cap Equities	\$1,289,303	4%	4.45	10.85	15.32	16.78	10.54	11.01	9.32	6/26/2008
Russell 2000 Index			3.58	11.51	15.24	17.12	11.07	11.11		
International Equities	\$8,373,083	24%	0.21	-1.09	4.06	9.98	4.58	5.00	2.34	6/26/2008
MSCI ACW Index Ex-US			0.71	-3.09	1.76	9.97	4.12	5.18		
MSCI EAFE Index			1.35	-1.43	2.74	9.23	4.42	5.38		
MSCI Emerging Markets Index			-1.09	-7.68	-0.81	12.36	3.61	5.40		
REITs	\$1,052,002	3%	0.60	2.40	7.80	7.39	6.45	5.14	5.39	6/26/2008
FTSE EPRA/NAREIT Developed Index			-0.30	0.06	3.66	6.19	5.43	6.04		
Commodities	\$797,942	2%	-2.26	-2.09	3.14	0.91	-7.28		-6.97	7/11/2013
Bloomberg Commodity Index			-2.02	-2.03	2.59	-0.11	-7.18	-6.24		
High Yield Bonds	\$36,421	0%	-4.33	-9.37	-6.36	1.85	2.59		3.98	7/12/2011
BofAML HY Master II Index			2.44	2.52	2.96	8.19	5.54	9.38		
Fixed Income	\$14,669,000	43%	0.29	-1.13	-0.42	2.08	2.71	4.22	3.96	6/26/2008
Barclays Cap Aggregate Bond Index			0.02	-1.60	-1.22	1.31	2.16	3.77		
Cash & Equivalents	\$368,641	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.49	1.30	1.58	0.84	0.52	0.34		
Total Portfolio	\$34,313,751	100%	2.07	2.04	5.84	8.12	5.83	6.46	5.38	6/26/2008
Blended Benchmark ⁽⁶⁾			2.19	1.40	4.91	7.86	5.55	6.23		
Inflation + 3%			3.52	4.79	5.68	4.90	4.53	4.42		

(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.

(6) Blended Benchmark Index is based on 53% MSCI ACW1 + 4% NAREIT Dev Index + 3% Bloomberg Commodity Index + 40% Barclay AggBond

USA Swimming, Inc. - Equities

Performance by Sector: As of September 30, 2018



	Market Value ^{(1),(2),(4)}	Portfolio ⁽⁵⁾							Since ^{(3),(4)}	Inception
	As Of 9/30/2018	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
US Large Cap Equities	\$7,727,359	40%	7.51	10.34	17.84	17.12	13.56	11.49	9.80	6/26/2008
S&P 500 Index			7.71	10.56	17.91	17.31	13.95	11.97		
US Small Cap Equities	\$1,289,303	7%	4.45	10.85	15.32	16.78	10.54	11.36	9.66	6/26/2008
Russell 2000 Index			3.58	11.51	15.24	17.12	11.07	11.11		
International Equities	\$8,373,083	43%	0.21	-1.09	4.06	9.98	4.58	5.35	2.67	6/26/2008
MSCI EAFE Index			1.35	-1.43	2.74	9.23	4.42	5.38		
MSCI Emerging Markets Index			-1.09	-7.68	-0.81	12.36	3.61	5.40		
REITs	\$1,052,002	5%	0.60	2.40	7.80	7.39	6.45	4.94	5.20	6/26/2008
Wilshire U.S. REIT Index			0.72	2.25	3.99	7.08	9.25	7.38		
FTSE EPRA/NAREIT Developed Index			-0.30	0.06	3.66	6.19	5.43	6.04		
Commodities	\$797,942	4%	-2.26	-2.09	3.14	0.91	-7.28		-6.97	7/11/2013
Bloomberg Commodity Index			-2.02	-2.03	2.59	-0.11	-7.18	-6.24		
Cash & Equivalents	\$173,549	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.49	1.30	1.58	0.84	0.52	0.34		
Total Portfolio	\$19,413,238	100%	3.44	4.37	10.31	12.61	8.10	8.16	6.55	6/26/2008

(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.

First Western Trust Bank
PORTFOLIO APPRAISAL
USA Swimming, Inc. - Equities
612422055 (Formerly Fidelity 673218332)
September 30, 2018

Quantity	Security	Security Symbol	Adjusted Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Yield
US Large Cap Equities								
28,936	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	VOO	190.96	5,525,530.29	267.05	7,727,358.80	39.8	1.17
US Small Cap Equities								
13,234.349	DFA US SMALL CAP PORT INSTL	DFSTX	35.68	472,201.58	38.85	514,154.46	2.6	0.87
3,604	ISHARES RUSSELL 2000 GROWTH ETF	IWO	201.85	727,481.82	215.08	775,148.32	4.0	0.60
				1,199,683.40		1,289,302.78	6.6	0.71
International Equities								
202,757.841	LAZARD INTL STRATEGIC EQUITY PORT INST CL	LISIX	13.37	2,710,531.10	15.92	3,227,904.83	16.6	0.56
47,070.797	OPPENHEIMER DEVELOPING MKTS FD CL I	ODVIX	34.10	1,604,886.25	41.06	1,932,726.92	10.0	0.72
74,242	VANGUARD FTSE DEVELOPED MARKETS ETF	VEA	36.67	2,722,290.43	43.27	3,212,451.34	16.5	3.03
				7,037,707.78		8,373,083.09	43.1	1.55
REITs								
34,673.766	VIRTUS DUFF & PHELPS GLOBAL REAL ESTATE SECURITIES FUND CLASS I #1860	VGISX	27.27	945,614.12	30.34	1,052,002.06	5.4	2.82
Commodities								
124,678.459	PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	PCRIX	6.79	846,432.20	6.40	797,942.14	4.1	6.91
Cash & Equivalents								
	DIVIDENDS DECLARED	DIVACC		47,733.33		47,733.33	0.2	0.00

First Western Trust Bank
PORTFOLIO APPRAISAL
USA Swimming, Inc. - Equities
612422055 (Formerly Fidelity 673218332)
September 30, 2018

Quantity	Security	Security Symbol	Adjusted Unit Cost	Total Adjusted Cost	Price	Market Value	Pct. Assets	Yield
	FIRST WESTERN ICS MONEY MARKET	FWICS		125,815.67		125,815.67	0.6	1.82
				173,549.00		173,549.00	0.9	1.32
TOTAL PORTFOLIO				15,728,516.79		19,413,237.87	100.0	1.63

USA Swimming, Inc. - Fixed Income

Performance by Sector: As of September 30, 2018



	Market Value ^{(1),(2),(4)}	Portfolio ⁽⁵⁾							Since ^{(3),(4)}	Inception
	As Of 9/30/2018	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
High Yield Bonds	\$36,421	0%	-4.33	-9.37	-6.36	2.11	4.09		3.48	1/02/2013
BofAML HY Master II Index			2.44	2.52	2.96	8.19	5.54	9.38		
Fixed Income	\$14,669,000	98%	0.29	-1.13	-0.42	2.26	2.82	7.39	7.21	7/31/2008
Barclays Cap Aggregate Bond Index			0.02	-1.60	-1.22	1.31	2.16	3.77		
Barclays Municipal 1-10 Yr. Blend Index			-0.07	0.03	-0.19	1.39	2.15	3.44		
Barclays Municipal 1-15 Yr. Blend Index			-0.06	-0.13	0.02	1.76	2.72	4.00		
Cash & Equivalents	\$195,092	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.49	1.30	1.58	0.84	0.52	0.34		
Total Portfolio	\$14,900,513	100%	0.19	-1.47	-0.84	1.82	2.38	6.33	6.13	6/26/2008

(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.



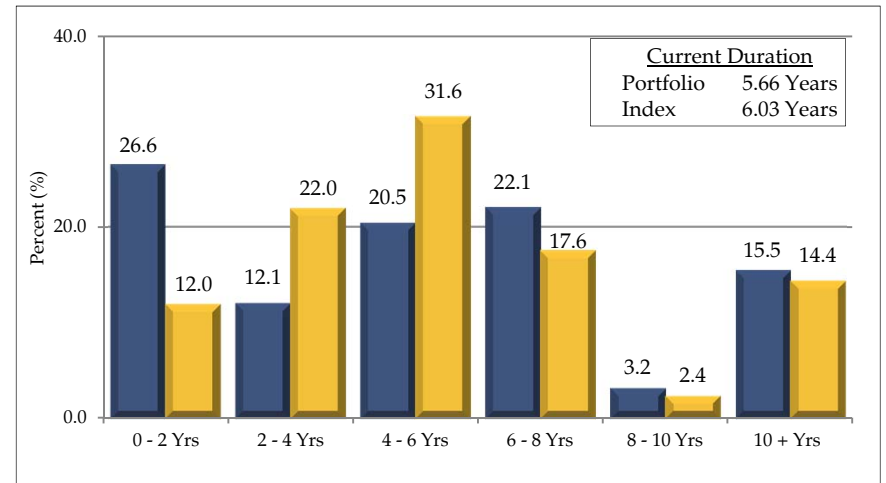
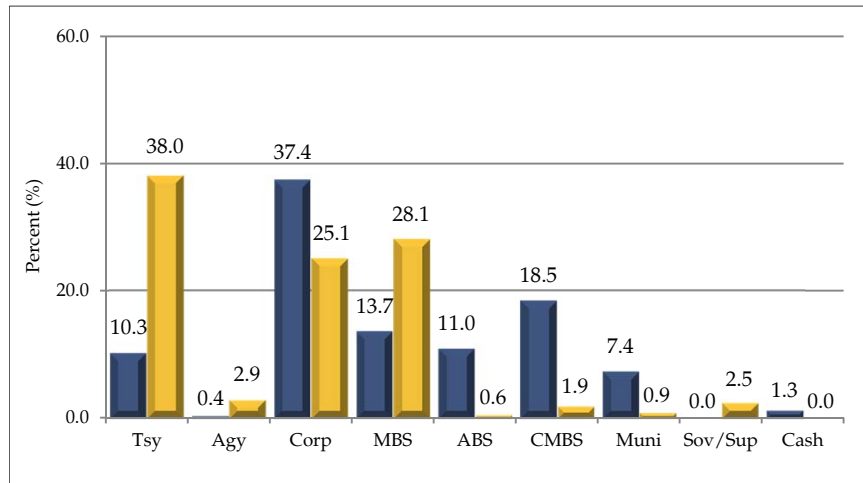
STERLING
CAPITAL

USA Swimming – Fixed Income Characteristics

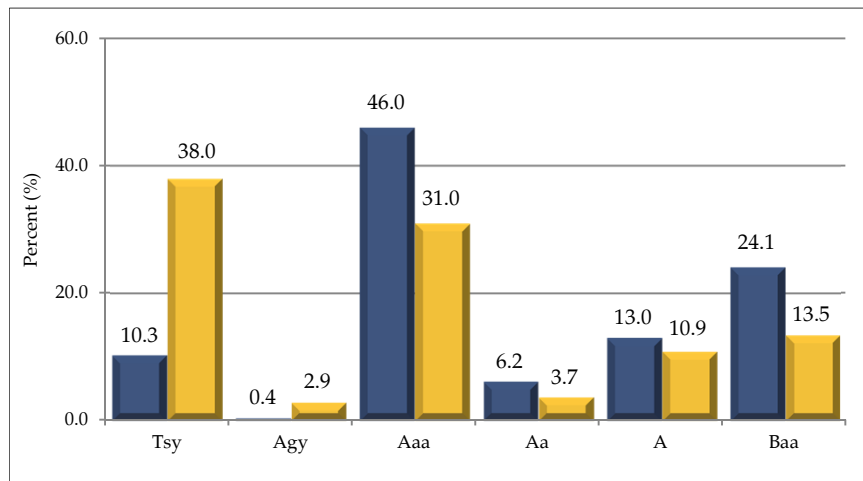
Sector

As of 9/30/18

Duration Distribution



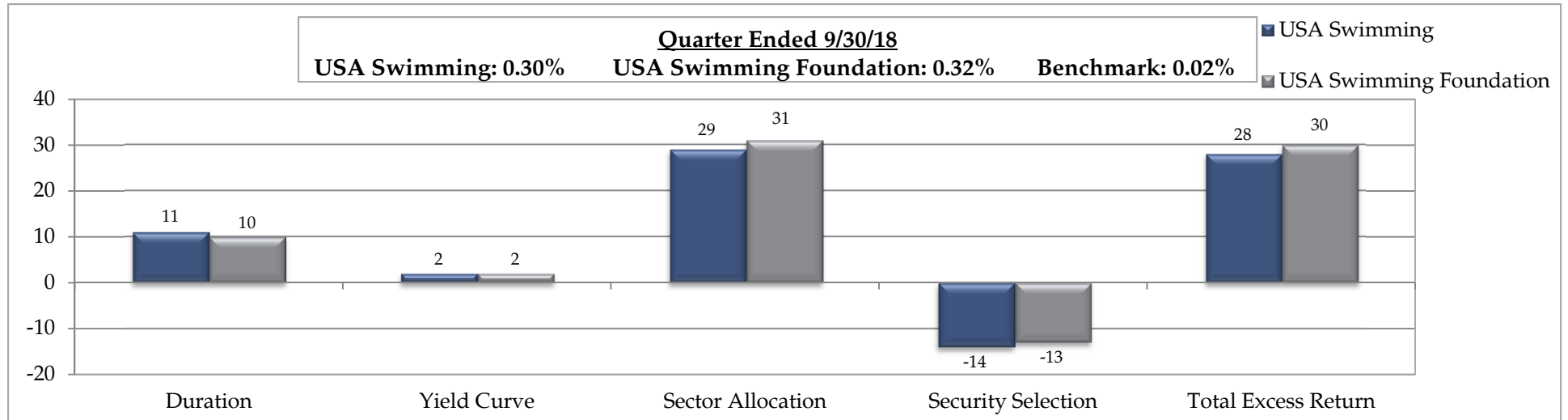
Ratings



Characteristics

Duration..... 5.66 Years
Maturity..... 8.49 Years
Yield-to-Maturity..... 3.58%
Benchmark Yield-to-Maturity..... 3.46%
Credit Rating..... Aa3





Active Decision

Duration

- Duration managed short

Yield Curve

- Barbell curve position

Sector Allocation

- Overweight corporate bonds
- Overweight CMBS bonds

Security Selection & Timing

- Allocation to finance sector
- Allocation to floating rate bonds

Comments

- Interest rates moved higher
- Rates curve flattened
- Outperformance from sector due to strong U.S. fundamentals
- Strong demand for securitized bonds
- Sub-sector underperformed on a relative basis to industrial sector
- Floating rate bonds reset coupons, are short duration and typically outperform in a rising rate environment

Comments

- Positive
- Positive
- Positive
- Positive
- Negative
- Positive



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TO: USA Swimming Board of Directors
FROM: Jim Harvey
DATE: November 9, 2018
SUBJECT: 2019 Proposed Budget

Posted in the Private Board Section of the website is a draft version of the USA Swimming 2019 budget for your review and approval. The 2019 proposed budget is presented in conjunction with a business plan for the 2020 quadrennium.

Format

Increases in revenue and decreases in expenses are shown as “Favorable” variances. Decreases in revenue and increases in expenses are shown as “Unfavorable” variances and are shown as (negative) figures.

Business Plan 2020

The 2020 quadrennial business plan was developed in 2016 and is being implemented with adjustments as circumstances and opportunities arise. The budget is balanced by design and consistent with non-profit philosophies. Dual goals are achieved by spending all revenues on the sport and maintaining adequate operating reserves. While being optimistic in some areas, overall, we have followed our budget philosophy of budgeting our revenues conservatively while maintaining adequate funding for program expenses. Operating deficits are budgeted for 2017-2019 and a large surplus in 2020 balances the quadrennium.

2019 Overview

The following analysis compares the proposed 2019 budget to the approved 2018 budget with an emphasis on material changes between the two years in the far right columns.

The proposed 2019 budget is presented with an operating deficit of (\$2,237,100) which is higher (\$1,739,000) than the 2018 deficit.

Total operating revenue for 2019 is budgeted at \$37,994,900. The \$571,100 increase from 2018 is mostly from an increased investment revenue allocation. 2019 is the first year of the Flex membership category and we have budgeted conservatively for this exciting change. Total operating expenses are budgeted at \$40,232,000 for 2019. The (\$2,310,100) increase from 2018 is largely from

increased investment in the National Team in the pre-Olympic year and substantial increases in Safe Sport spending.

Salaries are budgeted to increase 3% over current positions at current rates with a few exceptions for promotions. Health insurance costs are projected to increase faster than inflation. Eighty-nine (89) staff are budgeted which is a net decrease of one position from 2018.

Below the line, reserve spending includes CRM implementation (\$950,000), Remodel depreciation (\$120,000), Flex membership revenue offset (\$1,000,000), and Athlete Leadership Summit (\$214,000). These items are subtracted from the operating deficit to arrive at a total deficit of (\$4,521,100) for 2019.

Revenue 2019

Membership

- Membership revenue is budgeted at \$23,203,900 or 61% of the total 2019 operating revenue budget. This figure includes \$1,000,000 from reserves to offset the cost of implementing the new Flex membership category. It is also a (\$191,100) decrease from the 2018 budget. The 2018 budget was based on flat membership growth, but we experienced a (2.3%) decrease affecting the 2019 budget. Premium year-round athlete membership rates increase \$2 to \$60 as scheduled.

29,325 members are budgeted to convert to the new Flex category costing (\$1,466,250) = $29,325 \times \$50$ (\$60 vs. \$10). We have also budgeted for 12,000 new Flex members gaining +\$120,000. We had projected that we were going to lose approximately 5,600 members or \$336,000 if we did not implement the Flex program due to alternatives in the marketplace for non-competing athletes. Therefore, the net cost for implementing Flex was approximately \$1,000,000 which is funded by reserves.

Corporate Revenue

- Corporate revenue of \$5,582,500 is a \$9,000 increase from 2018. However, prospect dollars in the 2018 budget are replaced by “real” sponsorships that staff is very confident of finalizing.

Consumer Revenue

- Consumer revenue of \$229,500 is down (\$127,500) from 2018 as a result of suspending the SwimJitsu program.

USOC Partnership

- Support from the USOC of \$5,304,500 is \$209,800 greater than the 2018 budget and reflects a commitment from the USOC for 2018-2020.

Investment Income

- The total investment revenue budget of \$1,788,900 includes \$50,000 of interest on cash balances and \$1,738,900 from our \$37 million portfolio (as of 12/31/17). The portfolio budget assumes a 4.7% total return after fees with a 60/40 composition (equities to fixed income).

Foundation

- The Foundation revenue budget of \$915,700 is a \$100,700 increase from 2018 and includes all sources of revenue from our Foundation including \$635,700 from various endowments, \$120,000 Swim-a-Thon, \$100,000 Phillips 66, and \$60,000 for rent/overhead paid to USA Swimming. The increase is the result of growing disbursements from endowments.

Sport and Events

- The Sport and Events budget of \$721,500 is a (\$190,000) decrease from 2018. We expect a (\$300,000) drop of Altitude Camps (Olympic Training Center) usage due to changes in USOC policies (this is matched dollar-for-dollar in decreased costs). A new business model for the TYR Pro Swim Series requires a \$10,000 rights fee per six events and \$50,000 from 50% of ticket sales resulting in a total increase of \$110,000.

Other Income

- Other revenue of \$248,400 includes \$96,700 from a timing system agreement with the NCAA and \$151,700 imputed interest on prepaid rent (non-cash).

Expenses 2019

Note: Budget increases from 2018 are shown as negative numbers.

Technical/Sport:

Sport Development

The 2019 Sport Development budget of \$4,907,800 is a (\$60,800) increase from 2018. The major variance from 2018 to 2019 is:

- (\$53,100) line 14 – Coach Education and Development travel and program support increases from more trips and \$35,300 fee for video services feed at major events.

Events and Member Services

The 2019 Events and Member Services budget of \$7,245,300 is a \$112,000 decrease from 2018. Major variances from 2018 to 2019 are:

- (\$113,700) line 47 – Winter Nationals has a larger production budget than 2018 as we raise the profile of our domestic events.
- (\$233,000) line 48 - Phillips 66 Summer National Championships reflects an increase from the 2018 budget although substantially more was spent in Irvine and we expect to spend less in 2019 (Stanford) as it will not be a qualifying event.
- +\$178,900) line 51 – National Team vs. NCAA was budgeted for 2018 but is not budgeted for 2019.
- +\$305,000 line 86 – Altitude Camps mentioned above are budgeted to decrease.
- +\$127,800 line 88 – TV/Webcast Production decreases mainly due to the 2018 Pan Pacific Championships \$250,000 not having an equivalent 2019 event.

National Team

The National Team budget of \$10,892,400 is a (\$1,358,900) increase from 2018. Major variances from 2018 to 2019 are:

- (\$116,800) lines 102-109 – Competitions group – These budgets increase because there are three major competitions in 2019 (World Championships, World University Games and Pan American Games), versus just one major competition in 2018 (Pan Pacific Championships).
- (\$117,100) lines 110-116 – Junior Team group – These budgets increase in 2019 because the major competition is the FINA World Junior Championships in Budapest, versus the Junior Pan Pacific Championships in Fiji in 2018.
- (\$125,700) lines 117-125 - Open Water group - In 2019, these budgets increase because the major competition is the FINA World Championships in Korea, versus the 2018 Pan Pacific Championships in Tokyo (and as part of the Pan Pac agreement, a portion of the expenses of the competition were paid by the host nation).
- (\$261,600) lines 126-131 – Camps group - The major reason these budgets increase in 2019 is due to the length of the training camp in Singapore in the lead-up to the FINA World Championships. After the experience in 2018 for the Pan Pacific Championships, it became evident that we had to begin the camp sooner in order to compensate for the time change.
- (\$691,200) lines 132-145 – Athlete Support group - A major portion of the increase in this budget category for 2019 is due to the increased prize money at each of the TYR Pro Swim Series meets. Since 2017, the prize money has increased from \$500, \$300 and \$100 (1st, 2nd and 3rd place) to \$1,000, \$600, \$200 in 2018, and now \$1,500, \$1,000 and \$500 in 2019. This now provides \$84,000 in prize money at each competition.

Commercial

The 2019 Commercial budget of \$6,751,600 is a (\$241,400) increase from 2018. Major variances from 2018 to 2019 are:

- (\$627,100) line 187 – National Events Marketing was a new program started in 2018 to raise the profile of our domestic events.
- +\$316,700 line 196 – Splash Magazine is reduced to four publications per year vs. five budgeted for 2018.

Risk Management

The 2019 Risk Management (of Business Affairs) budget of \$3,184,200 is a (\$77,400) increase from 2018. The major variance is:

- (\$124,700) line 203 - insurance premium renewals from our K&K Insurance Group program increase moderately due to membership growth.

Foundation Support

USA Swimming Foundation support of \$311,000 is the estimated cost of USA Swimming staff time devoted to the Foundation. It should be noted that 2019 is the first year the Foundation will not require cash support from USA Swimming - a significant milestone.

Executive

The 2019 Executive budget of \$1,552,500 is a decrease of \$200 from 2018.

Finance

The 2019 Finance budget of \$1,139,300 is an increase of (\$225,300) from 2018 primarily due to increased salaries and benefits (line 229) resulting from CFO succession overlap.

Business Affairs

The 2019 Business Affairs budget of \$4,247,900 is a (\$708,500) increase from 2018. Major variances from 2018 to 2019 are:

- (\$300,700) lines 233-241 - Safe Sport group reflects a 67% increase (excluding personnel).
- (\$167,700) line 243 – Government Affairs is a new program.
- (\$130,100) line 244 – Information Technology Support reflects an increased investment in IT.

Reserve Spending

The following items are excluded from the operating budget:

- (\$950,000) CRM project from “USSIC” reserve.
- (\$120,000) Remodel Depreciation from excess operating reserves.
- (\$1,000,000) Cost of Flex from “USSIC” reserve.
- (\$214,000) Athlete Leadership Summit from excess operating reserves.

Capital Budget 2019

- Replacement of our information technology (IT) hardware is scheduled to cost \$361,900 in 2019. Out-sourced development of major IT systems are budgeted to cost \$736,900. The total capital budget of \$1,118,800 also includes \$20,000 for furniture and leasehold improvements.

USA Swimming
2020 Quad Business Plan Summary

	Actual 2017	Approved Budget 2018	Proposed Budget 2019	Projected Budget 2020	TOTAL 2020 Quad Budget
REVENUE:					
Membership	\$22,483,811	\$23,395,000	\$23,203,900	\$23,806,500	\$92,889,211
Corporate Revenue	4,364,233	5,573,500	5,582,500	6,145,800	21,666,033
Consumer Revenue	527,967	357,000	229,500	229,500	1,343,967
USOC Partnership	5,134,700	5,094,700	5,304,500	5,304,500	20,838,400
Investment Income	1,001,643	1,010,500	1,788,900	1,813,900	5,614,943
Foundation	792,500	815,000	915,700	933,200	3,456,400
Sport and Events	978,254	911,500	721,500	5,981,500	8,592,754
Other Income	331,745	266,600	248,400	239,100	1,085,845
Total Revenue	35,614,853	37,423,800	37,994,900	44,454,000	155,487,553
EXPENSES:					
Technical/Sport:					
Sport Development	4,455,110	4,847,000	4,907,800	4,922,200	19,132,110
Events and Member Services	8,581,871	7,357,300	7,245,300	6,909,900	30,094,371
National Team Division	8,004,303	9,533,500	10,892,400	11,017,700	39,447,903
Total Technical/Sport	21,041,284	21,737,800	23,045,500	22,849,800	88,674,384
Other Programs:					
Commercial	5,172,794	6,510,200	6,751,600	7,581,600	26,016,194
Risk Management	3,004,431	3,106,800	3,184,200	3,332,900	12,628,331
Foundation & Make a Splash Support	525,371	561,000	311,000	311,000	1,708,371
Total Other Programs	8,702,595	10,178,000	10,246,800	11,225,500	40,352,896
Administration:					
Executive	4,013,797	1,552,700	1,552,500	1,740,500	8,859,497
Finance	1,364,162	914,000	1,139,300	887,400	4,304,862
Business Affairs	1,240,827	3,539,400	4,247,900	4,267,700	13,295,827
Total Administration	6,618,787	6,006,100	6,939,700	6,895,600	26,460,186
Total Expenses	36,362,666	37,921,900	40,232,000	40,970,900	155,487,467
OPERATING SURPLUS (DEFICIT)	(747,813)	(498,100)	(2,237,100)	3,483,100	86
Reserves Spending:					
Special IT Projects (CRM)			(950,000)	(350,000)	(1,300,000)
Remodel Depreciation			(120,000)	(180,000)	(300,000)
Safe Sport Expenses/ Contingency		(750,000)			(750,000)
Cost of Flex			(1,000,000)	(700,000)	(1,700,000)
Athlete Leadership Summit		(240,000)	(214,000)		(454,000)
Foundation Endowment Donation	(1,000,000)				(1,000,000)
Total Reserve Spending	(1,000,000)	(990,000)	(2,284,000)	(1,230,000)	(5,504,000)
Surplus (Deficit) Before Investment Gains (Losses)	(1,747,813)	(1,488,100)	(4,521,100)	2,253,100	(5,503,914)
Investment Gains (Losses)	3,816,462	573,000	0	0	4,389,462
NET SURPLUS (DEFICIT)	\$2,068,649	(\$915,100)	(\$4,521,100)	\$2,253,100	(\$1,114,452)

USA Swimming
2019 Proposed Budget

	Proposed Budget 2019	Approved Budget 2018	Favorable (Unfavorable)	%
REVENUE:				
Membership	\$23,203,900	\$23,395,000	(\$191,100)	-0.82%
Corporate Revenue	5,582,500	5,573,500	9,000	0.16%
Consumer Revenue	229,500	357,000	(127,500)	-35.71%
USOC Partnership	5,304,500	5,094,700	209,800	4.12%
Investment Income	1,788,900	1,010,500	778,400	77.03%
Foundation	915,700	815,000	100,700	12.36%
Sport and Events	721,500	911,500	(190,000)	-20.84%
Other Income	248,400	266,600	(18,200)	-6.83%
Total Revenue	37,994,900	37,423,800	571,100	1.53%
EXPENSES:				
Technical/Sport:				
Sport Development	4,907,800	4,847,000	(60,800)	-1.25%
Events and Member Services	7,245,300	7,357,300	112,000	1.52%
National Team Division	10,892,400	9,533,500	(1,358,900)	-14.25%
Total Technical/Sport	23,045,500	21,737,800	(1,307,700)	-6.02%
Other Programs:				
Commercial	6,751,600	6,510,200	(241,400)	-3.71%
Risk Management	3,184,200	3,106,800	(77,400)	-2.49%
Foundation & Make a Splash Support	311,000	561,000	250,000	44.56%
Total Other Programs	10,246,800	10,178,000	(68,800)	-0.68%
Administration:				
Executive	1,552,500	1,552,700	200	0.01%
Finance	1,139,300	914,000	(225,300)	-24.65%
Business Affairs	4,247,900	3,539,400	(708,500)	-20.02%
Total Administration	6,939,700	6,006,100	(933,600)	-15.54%
Total Expenses	40,232,000	37,921,900	(2,310,100)	-6.09%
OPERATING SURPLUS (DEFICIT)	(2,237,100)	(498,100)	(1,739,000)	
Reserves Spending:				
Special IT Projects (CRM)	(950,000)	0	(950,000)	
Remodel Depreciation	(120,000)	0	(120,000)	
Safe Sport Expenses/ Contingency	0	(750,000)	750,000	
Cost of Flex	(1,000,000)	0	(1,000,000)	
Athlete Leadership Camp	(214,000)	(240,000)	26,000	
Foundation Endowment Donation	0	0	0	
Total Reserve Spending	(2,284,000)	(990,000)	(1,294,000)	
Surplus (Deficit) Before Investment Gains (Losses)	(4,521,100)	(1,488,100)	(3,033,000)	
Investment Gains (Losses)	0	573,000	(573,000)	
NET SURPLUS (DEFICIT)	(\$4,521,100)	(\$915,100)	(\$3,606,000)	

**USA Swimming
Revenue Budget 2017-2020**

						2018 to 2019	
Line #		Actual 2017	Budget 2018	Budget 2019	Budget 2020	TOTAL 2020 Quad Budget	Favorable (Unfavorable) Change \$
MEMBERSHIP:							
1	Athlete Membership	\$19,255,600	\$20,136,034	\$18,361,200	\$19,059,916	\$76,812,750	(\$1,774,834)
2	Flex Membership	0	0	413,250	532,800	946,050	413,250
3	Cost of Flex from Reserves			1,000,000	700,000	1,700,000	1,000,000
4	Seasonal Athlete Membership	755,430	674,190	701,760	666,660	2,798,040	27,570
5	Outreach Athlete Membership	53,885	44,450	56,825	57,395	212,555	12,375
6	Club Membership	212,100	210,700	212,310	212,310	847,420	1,610
7	Seasonal Club Membership	5,120	5,080	4,560	4,560	19,320	(520)
8	Non-Athlete Membership	2,165,184	2,287,172	2,413,860	2,531,708	9,397,924	126,688
9	Family Membership	0	0	0	0	0	0
10	Life Membership	29,332	32,000	36,000	37,000	134,332	4,000
11	Allied Membership	1,000	1,000	1,000	1,000	4,000	0
12	Affiliate Membership	800	800	800	800	3,200	0
13	Delegate Fees	350	100	350	350	1,150	250
14	Single Meet Open Water	4,710	3,440	1,920	1,940	12,010	(1,520)
15	Other	300	34	65	61	460	31
TOTAL MEMBERSHIP		22,483,811	23,395,000	23,203,900	23,806,500	92,889,211	(191,100)
CORPORATE REVENUE:							
16	Sponsorships	4,135,146	5,031,000	5,035,000	5,598,250	19,799,396	4,000
17	Supplier Income	155,000	347,500	352,500	352,500	1,207,500	5,000
18	Licensee Income	25,000	25,000	25,000	25,000	100,000	0
19	Other	49,087	170,000	170,000	170,050	559,137	0
TOTAL CORPORATE REVENUE		4,364,233	5,573,500	5,582,500	6,145,800	21,666,033	9,000
CONSUMER REVENUE:							
20	Publication/Video Sales	0	0	0	0	0	0
21	Ecommerce	72,655	120,000	120,000	120,000	432,655	0
22	SwimJitsu	320,000	127,500	0	0	447,500	(127,500)
23	SwimBiz	8,325	10,000	10,000	10,000	38,325	0
24	Royalties	120,198	97,500	97,500	97,500	412,698	0
25	Shipping/Handling	94	0	0	0	94	0
26	Splash Magazine Subscriptions	955	2,000	2,000	2,000	6,955	0
27	Video Production Sales	5,740	0	0	0	5,740	0
28	Other	0	0	0	0	0	0
TOTAL CONSUMER REVENUE		527,967	357,000	229,500	229,500	1,343,967	(127,500)
USOC PARTNERSHIP:							
29	NGB Funding	3,082,200	3,082,200	3,082,200	3,082,200	12,328,800	0
30	Direct Athlete Support	1,997,500	1,997,500	2,207,300	2,207,300	8,409,600	209,800
31	International Relations Grants	5,000	15,000	15,000	15,000	50,000	0
32	Other USOC Support	50,000	0	0	0	50,000	0
TOTAL USOC PARTNERSHIP		5,134,700	5,094,700	5,304,500	5,304,500	20,838,400	209,800
INVESTMENT INCOME:							
33	Portfolio Income	990,500	990,500	1,738,900	1,738,900	5,458,800	748,400
34	Interest Income - Money Market	11,143	20,000	50,000	75,000	156,143	30,000
TOTAL INVESTMENT INCOME		1,001,643	1,010,500	1,788,900	1,813,900	5,614,943	778,400
FOUNDATION:							
35	USA Swimming Foundation	612,500	635,000	735,700	753,200	2,736,400	100,700
36	Swim-A-Thon	120,000	120,000	120,000	120,000	480,000	0

**USA Swimming
Revenue Budget 2017-2020**

						2018 to 2019	
		Actual	Budget	Budget	Budget	TOTAL	Favorable
Line #		2017	2018	2019	2020	2020 Quad Budget	(Unfavorable) Change \$
37	Foundation Rent and Services	60,000	60,000	60,000	60,000	240,000	0
38	Unrestricted Donations	0	0	0	0	0	0
	TOTAL FOUNDATION	792,500	815,000	915,700	933,200	3,456,400	100,700
	SPORT AND EVENTS:						
39	Duel in the Pool	0	0	0	0	0	0
40	FINA Jr. World Championships	336,074	0	0	0	336,074	0
41	TYR Pro Swim Series	0	0	60,000	60,000	120,000	60,000
42	Golden Goggle Awards	(87,050)	0	0	0	(87,050)	0
43	Olympic Trials	(91,372)	0	0	5,260,000	5,168,628	0
44	International TV Rights	0	70,000	70,000	70,000	210,000	0
45	Coach Education Clinics	50,968	48,000	48,000	48,000	194,968	0
46	Foundations 101 and 201	139,445	162,000	162,000	162,000	625,445	0
47	Altitude Camps	513,099	595,000	295,000	295,000	1,698,099	(300,000)
48	Hotel Rebates	30,438	20,000	20,000	20,000	90,438	0
49	Meet Ticket Revenue - Vendini	22,181	0	50,000	50,000	122,181	50,000
50	Championship Symposium	0	0	0	0	0	0
51	World Championships	0	0	0	0	0	0
52	Youth Team Support	0	0	0	0	0	0
53	Officials Clinic	0	0	0	0	0	0
54	Pan Pacific Championships	0	0	0	0	0	0
55	Facilities Conference	16,258	8,000	8,000	8,000	40,258	0
56	Safe Sport Leadership Conference	14,522	0	0	0	14,522	0
57	On-line Meet Registration	29,532	2,500	2,500	2,500	37,032	0
58	Other	4,159	6,000	6,000	6,000	22,159	0
	TOTAL SPORT AND EVENTS	978,254	911,500	721,500	5,981,500	8,592,754	(190,000)
	OTHER INCOME:						
59	Unclaimed Prize Money	44,310	0	0	0	44,310	0
60	Dividend - USSIC	0	0	0	0	0	0
61	NCAA Time System	93,000	93,000	96,700	100,600	383,300	3,700
62	Imputed Prepaid Rent Income	174,382	163,600	151,700	138,500	628,182	(11,900)
63	FINA Time System	0	0	0	0	0	0
64	Background Checks	0	0	0	0	0	0
65	Combined Federal Campaign	7,935	10,000	0	0	17,935	(10,000)
66	Other Revenue	12,118	0	0	0	12,118	0
	TOTAL OTHER INCOME	331,745	266,600	248,400	239,100	1,085,845	(18,200)
	TOTAL OPERATING REVENUE	35,614,853	37,423,800	37,994,900	44,454,000	155,487,553	571,100
	INVESTMENT GAINS (LOSSES):						
67	Gains (Losses) For Reserves	3,905,552	672,800	111,000	111,000	4,800,352	(561,800)
68	Money Manager Fees	(89,090)	(99,800)	(111,000)	(111,000)	(410,890)	(11,200)
	TOTAL INVESTMENT GAINS (LOSSES)	3,816,462	573,000	0	0	4,389,462	(573,000)
	TOTAL REVENUE	\$39,431,315	\$37,996,800	\$37,994,900	\$44,454,000	\$159,877,015	(\$1,900)

SPORT DEVELOPMENT

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$	Change %
Athlete Development Programs										
1	1117 LSC Camps	7,029	10,200	10,200	10,200	37,629	49,014	11,384	-	0.00%
2	1118 Zone Select Camps	102,340	100,300	120,600	122,600	445,840	397,092	(48,748)	(20,300)	-20.24%
3	1119 National Select Camps	154,059	105,400	108,700	0	368,159	132,896	(235,262)	(3,300)	-3.13%
4	1120 Camp Apparel (VIK)	29,706	25,000	25,000	25,000	104,706	105,053	347	-	0.00%
5	1135 Tech Services Support	6,018	2,900	2,900	2,900	14,718	12,303	(2,415)	-	0.00%
6	1163 Open Water Select Camp	54,028	55,500	60,500	60,500	230,528	196,205	(34,323)	(5,000)	-9.01%
	<i>Program Group Total</i>	353,180	299,300	327,900	221,200	1,201,580	892,563	(309,018)	(28,600)	-9.56%
Coach Education and Development										
7	1213 Coach Education Development	43,025	62,800	62,800	62,800	231,425	277,958	46,533	-	0.00%
8	1231 USA-S Hosted Coaches Clinics	85,712	146,700	100,000	145,200	477,612	559,006	81,394	46,700	31.83%
9	1233 Disability Swimming Coaches Workshop	-	9,200	0	0	9,200	-	(9,200)	9,200	100.00%
10	1237 Non-USAS Clinic Participation	31,144	36,800	38,100	38,100	144,144	127,453	(16,691)	(1,300)	-3.53%
11	1240 Online Coach Clinics/Podcasts	14,272	21,600	15,900	15,900	67,672	72,641	4,969	5,700	26.39%
12	1242 Coach Mentoring	73,585	124,600	116,100	116,100	430,385	136,698	(293,687)	8,500	6.82%
13	1245 Master Coach Program	102,215	164,500	139,400	139,400	545,515	554,398	8,884	25,100	15.26%
14	1290 Travel & Program Support	138,479	117,900	171,000	176,300	603,679	333,689	(269,990)	(53,100)	-45.04%
	<i>Program Group Total</i>	488,433	684,100	643,300	693,800	2,509,633	2,061,844	(447,789)	40,800	5.96%
Club Education and Development										
15	1302 Club Excellence Program	471,753	464,300	463,000	463,000	1,862,053	1,710,590	(151,463)	1,300	0.28%
16	1305 Club Recognition Program	-	7,500	7,500	7,500	22,500	26,690	4,190	-	0.00%
17	1311 Club Governance Programs	37,410	35,700	47,000	36,400	156,510	111,385	(45,125)	(11,300)	-31.65%
18	1314 Club Resources	14,949	13,600	33,600	7,600	69,749	111,813	42,064	(20,000)	-147.06%
19	1332 Club Research Technology	145,833	107,200	50,600	30,500	334,133	271,514	(62,619)	56,600	52.80%
20	1390 Travel & Program Support	148,358	157,900	169,100	169,100	644,458	612,024	(32,434)	(11,200)	-7.09%
	<i>Program Group Total</i>	818,304	786,200	770,800	714,100	3,089,404	2,844,017	(245,387)	15,400	1.96%
LSC Development & Education										
21	1465 LSC & Zone Governance Study	-	0	0	0	0	147,319	147,319	-	0.00%
22	1470 LSC Consulting	45,431	58,000	60,000	60,000	223,431	216,029	(7,402)	(2,000)	-3.45%
23	1475 LEAP Program	64,256	59,000	70,500	70,500	264,256	116,714	(147,542)	(11,500)	-19.49%
24	1481 Leadership Workshops	16,236	36,300	37,300	37,300	127,136	49,124	(78,012)	(1,000)	-2.75%
	<i>Program Group Total</i>	125,923	153,300	167,800	167,800	614,823	529,187	(85,637)	(14,500)	-9.46%
Facilities Advocacy & Development										
25	1505 Build a Pool Conference	68,781	62,100	62,700	61,900	255,481	260,529	5,048	(600)	-0.97%
26	1507 Aquatic Industry Relations	23,355	22,000	22,400	22,400	90,155	76,737	(13,418)	(400)	-1.82%
27	1590 Travel & Program Support	4,345	11,600	11,800	11,800	39,545	38,912	(633)	(200)	-1.72%
	<i>Program Group Total</i>	96,481	95,700	96,900	96,100	385,181	376,177	(9,003)	(1,200)	-1.25%
Membership Growth & Diversity										

SPORT DEVELOPMENT

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable)	
									Change \$	Change %
28	1638 Diversity Management Support	58,164	90,900	113,500	125,100	387,664	270,262	(117,401)	(22,600)	-24.86%
29	1640 Community Swim Team Development	43,164	52,200	65,600	65,600	226,564	47,747	(178,817)	(13,400)	-25.67%
30	1642 Diversity Research Study	-	0	0	0	0	10,000	10,000	-	0.00%
31	1645 Zone Diversity Camps & Meetings	24,748	28,800	45,400	55,400	154,348	42,923	(111,425)	(16,600)	-57.64%
32	1651 Diversity VIK	14,893	15,000	15,000	15,000	59,893	39,682	(20,211)	-	0.00%
33	1665 Diversity Select Camp	57,600	68,500	71,100	71,100	268,300	216,744	(51,555)	(2,600)	-3.80%
<i>Program Group Total</i>		198,568	255,400	310,600	332,200	1,096,768	627,358	(469,410)	(55,200)	-21.61%
Committees										
34	1823 Convention Education Committee	9,680	14,700	13,500	13,500	51,380	45,046	(6,333)	1,200	8.16%
35	1830 LSC Development Committee	23,054	34,000	26,400	36,800	120,254	58,777	(61,477)	7,600	22.35%
36	1841 Disability Swimming Committee	4,421	7,400	600	8,000	20,421	12,859	(7,562)	6,800	91.89%
37	1842 Diversity Committee	18,055	15,700	20,800	20,800	75,355	45,863	(29,492)	(5,100)	-32.48%
38	1851 Age Group Development Committee	1,014	10,800	800	12,200	24,814	21,354	(3,459)	10,000	92.59%
39	1856 Club Development Committee	670	400	600	600	2,270	9,570	7,301	(200)	-50.00%
40	1860 Governance Committee	9,432	800	0	0	10,232	2,512	(7,719)	800	100.00%
41	1885 Senior Development Committee	9,609	700	11,200	700	22,209	16,107	(6,102)	(10,500)	-1500.00%
<i>Program Group Total</i>		75,934	84,500	73,900	92,600	326,934	212,089	(114,845)	10,600	12.54%
Administration & Operational Support										
42	1990 Administration & Operational Support	286,488	304,200	307,100	305,000	1,202,788	1,283,758	80,970	(2,900)	-0.95%
43	1999 Salary and Benefits	2,011,799	2,184,300	2,209,500	2,299,400	8,704,999	7,002,324	(1,702,675)	(25,200)	-1.15%
<i>Program Group Total</i>		2,298,287	2,488,500	2,516,600	2,604,400	9,907,787	8,286,082	(1,621,705)	(28,100)	-1.13%
TOTAL SPORT DEVELOPMENT		4,455,110	4,847,000	4,907,800	4,922,200	19,132,110	15,829,317	(3,302,793)	(60,800)	-1.25%

EVENTS AND MEMBER SERVICES

EVENTS AND MEMBER SERVICES							Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$ Change %	
Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual		
Events									
44	2005 Olympic Trials	250	10,000	14,500	40,500	65,250	134,478	69,228	(4,500) -45.00%
45	2010 Duel in the Pool	-	0	0	0	0	1,642,435	1,642,435	- 0.00%
46	2015 Pan Pacific Championships	-	5,000	0	0	5,000	15,000	10,000	5,000 100.00%
47	2018 Winter National Championships	96,191	126,000	239,700	242,700	704,591	464,768	(239,824)	(113,700) -90.24%
48	2019 National Championships (Summer LC) & NT Trials	332,069	317,400	550,400	0	1,199,869	854,821	(345,049)	(233,000) -73.41%
49	2023 US Open	83,313	0	0	175,000	258,313	175,720	(82,593)	- 0.00%
50	2025 TYR Pro Swim Series	204,616	329,200	344,300	354,400	1,232,516	939,897	(292,619)	(15,100) -4.59%
51	2026 National Team vs. NCAA	165,688	178,900	0	240,000	584,588	169,488	(415,099)	178,900 100.00%
52	2027 Speedo Sectionals	210,000	215,000	215,000	215,000	855,000	807,118	(47,882)	- 0.00%
53	2028 IMXtreme Games	8,000	24,000	24,000	24,000	80,000	62,156	(17,844)	- 0.00%
54	2029 Zone Championships	100,395	110,000	110,000	110,000	430,395	327,034	(103,361)	- 0.00%
55	2035 Futures Championships	124,200	135,800	137,800	140,800	538,600	204,262	(334,338)	(2,000) -1.47%
56	2040 Jr. Pan Pacific Championships	8,337	12,800	0	15,000	36,137	55,000	18,863	12,800 100.00%
57	2045 Jr. Nat'l Championships (Summer LC)	74,147	140,100	138,400	0	352,647	367,160	14,513	1,700 1.21%
58	2050 Speedo Winter Junior Championships	147,960	132,600	144,500	152,600	577,660	254,062	(323,598)	(11,900) -8.97%
59	2055 FINA JR World Championships	1,260,358	0	0	0	1,260,358	1,002	(1,259,356)	- 0.00%
60	2069 Open Water Championships	92,042	99,600	101,500	105,000	398,142	244,968	(153,173)	(1,900) -1.91%
61	2076 Bag Tags VIK	17,175	10,000	10,000	10,000	47,175	61,881	14,705	- 0.00%
62	2077 National Events Uniforming (VIK)	31,500	40,000	40,000	40,000	151,500	106,019	(45,481)	- 0.00%
63	2092 Club Marketing & Event Management Symposium	-	10,000	10,000	10,000	30,000	504	(29,496)	- 0.00%
64	2716 Omega Timing Systems VIK	436,850	400,000	320,000	320,000	1,476,850	1,543,654	66,804	80,000 20.00%
Program Group Total		3,393,090	2,296,400	2,400,100	2,195,000	10,284,590	8,431,425	(1,853,165)	(103,700) -4.52%
Member Programs									
65	2411 Member Dues and Services	7,841	26,500	18,300	26,500	79,141	307,486	228,345	8,200 30.94%
66	2412 Technology Projects	563	35,000	12,500	12,500	60,563	116,050	55,487	22,500 64.29%
67	2418 SWIMS 2.0	62,357	150,000	160,000	250,000	622,357	164,792	(457,565)	(10,000) -6.67%
68	2421 Membership Directory	5,593	10,100	0	10,100	25,793	32,153	6,361	10,100 100.00%
69	2423 Rulebook	100,463	146,600	147,000	146,600	540,663	281,299	(259,363)	(400) -0.27%
70	2430 Athlete Leadership Summit	-	0	0	0	0	-	-	- 0.00%
71	2431 Swimposium	101,113	137,800	134,100	97,100	470,113	306,378	(163,736)	3,700 2.69%
72	2432 Zone Workshops	209,601	153,100	230,000	153,100	745,801	53,847	(691,954)	(76,900) -50.23%
73	2434 On-Line Member Services Project	6,415	100,000	150,000	150,000	406,415	17,376	(389,038)	(50,000) -50.00%
74	2498 Awards	9,939	13,200	13,200	13,200	49,539	56,853	7,314	- 0.00%
Program Group Total		503,885	772,300	865,100	859,100	3,000,385	1,336,235	(1,664,151)	(92,800) -12.02%
Member Programs - Officials									
75	2433 Officials Training Sessions	127,311	123,800	132,000	131,500	514,611	376,872	(137,740)	(8,200) -6.62%
76	2437 Officials On-Line Testing	-	5,100	2,600	5,100	12,800	42	(12,758)	2,500 49.02%
77	2438 Officials Certification Program	2,564	34,400	15,200	15,200	67,364	41,772	(25,592)	19,200 55.81%
78	2439 Officials Video	-	0	0	0	0	46,296	46,296	- 0.00%
79	2440 Officials Clinic	1,045	74,900	2,300	78,700	156,945	51,355	(105,590)	72,600 96.93%
80	2441 Officials International Travel	10,803	13,300	30,100	11,100	65,303	80,483	15,180	(16,800) -126.32%
81	2442 Officials Uniforming (VIK)	-	0	0	0	0	27,782	27,782	- 0.00%
82	2450 Officials Mentoring & Training	502	6,000	4,300	6,400	17,202	10,494	(6,708)	1,700 28.33%

EVENTS AND MEMBER SERVICES

Line #					TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$ Change %	
	2017 Actual	2018 Budget	2019 Budget	2020 Budget					
<i>Program Group Total</i>					834,225	635,096	(199,129)	71,000	27.57%
Other Programs and Services									
83	2501 Publications and Video Sales	23,665	40,000	40,000	143,665	208,166	64,501	-	0.00%
84	2502 Mailing Service	280	500	500	1,780	3,699	1,920	-	0.00%
85	2505 Trials Hospitality	-	0	1,500	62,400	57,458	(4,942)	(1,500)	0.00%
86	2518 Altitude Camps	537,523	605,000	300,000	1,742,523	1,321,928	(420,595)	305,000	50.41%
87	2519 Times Projects	54,368	60,100	38,900	179,968	361,642	181,674	21,200	35.27%
88	2715 TV/Web Cast Production	1,154,685	1,388,800	1,261,000	4,787,585	3,409,815	(1,377,770)	127,800	9.20%
89	2720 Vendini Event Ticketing	-	0	0	0	10,143	10,143	-	0.00%
<i>Program Group Total</i>					6,917,921	5,372,851	(1,545,070)	452,500	21.61%
Committees									
90	2801 Convention	86,771	105,000	112,500	413,771	336,523	(77,248)	(7,500)	-7.14%
91	2802 Convention - Athletes	102,175	122,500	128,200	478,775	365,587	(113,187)	(5,700)	-4.65%
92	2825 Registration / Membership	12,411	16,800	16,200	62,211	56,049	(6,162)	600	3.57%
93	2832 Awards	-	300	300	900	1,152	252	-	0.00%
94	2835 Credentials / Elections	1,952	2,400	3,000	9,352	7,946	(1,406)	(600)	-25.00%
95	2836 Rules and Regulations	37,241	37,800	31,800	144,641	118,824	(25,817)	6,000	15.87%
96	2857 Times & Recognition Committee	15,935	20,900	23,000	82,835	86,694	3,859	(2,100)	-10.05%
97	2862 Championship Evaluation Committee	2,045	5,500	27,400	62,345	3,998	(58,348)	(21,900)	-398.18%
98	2887 Athletes Executive Committee	14,964	18,200	30,500	81,864	33,635	(48,229)	(12,300)	-67.58%
99	2866 Officials	17,540	18,800	19,300	77,140	71,576	(5,564)	(500)	-2.66%
<i>Program Group Total</i>					1,413,834	1,081,984	(331,850)	(44,000)	-12.64%
Administration & Operational Support									
100	2990 Administration & Operational Support	291,477	179,100	208,200	880,077	1,056,590	176,513	(29,100)	-16.25%
101	2999 Salary and Benefits	2,189,640	1,409,400	1,551,300	6,763,340	7,481,028	717,688	(141,900)	-10.07%
<i>Program Group Total</i>					7,643,416	8,537,617	894,201	(171,000)	-10.76%
TOTAL EVENTS AND MEMBER SERVICES					30,094,371	25,395,208	(4,699,163)	112,000	1.52%

NATIONAL TEAM

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$	Change %
Competitions										
102	3001 Olympic Games	9,446	2,800	500	542,000	554,746	636,392	81,646	2,300	82.14%
103	3007 Pan Pacific Championships	-	367,600	0	0	367,600	421,545	53,945	367,600	100.00%
104	3013 Pan American Games	-	2,500	58,100	0	60,600	60,051	(549)	(55,600)	-2224.00%
105	3015 World University Games	254,557	0	363,400	0	617,957	578,831	(39,126)	(363,400)	0.00%
106	3016 Australian Super Series	-	0	0	0	0	134,026	134,026	-	0.00%
107	3020 NT vs. NCAA	97,259	82,500	0	82,000	261,760	78,030	(183,730)	82,500	100.00%
108	3031 Long Course World Championship	329,497	0	457,500	0	786,997	979,977	192,979	(457,500)	0.00%
109	3033 Short Course World Championships	1,867	307,500	0	360,100	669,467	387,267	(282,200)	307,500	100.00%
	<i>Program Group Total</i>	692,627	762,900	879,500	984,100	3,319,127	3,276,118	(43,009)	(116,600)	-15.28%
Junior Team Programs										
110	3009 Junior Team International Competition	76,818	164,900	202,500	76,900	521,118	388,035	(133,083)	(37,600)	-22.80%
111	3012 Jr. Pan Pacs	2,900	290,800	0	301,200	594,900	467,070	(127,830)	290,800	100.00%
112	3045 Junior Team Camps	34,598	64,300	60,200	49,800	208,898	280,887	71,989	4,100	6.38%
113	3050 FINA World Junior Championships	208,847	0	364,700	0	573,547	603,094	29,546	(364,700)	0.00%
114	3051 Jr. Team Pro Swim Series	23,874	40,000	38,500	32,000	134,374	-	(134,374)	1,500	3.75%
115	3053 World 100	-	0	20,600	3,000	23,600	-	(23,600)	(20,600)	0.00%
116	3992 National Jr. Team Program Support	22,747	50,400	41,000	35,200	149,347	-	(149,347)	9,400	18.65%
	<i>Program Group Total</i>	369,784	610,400	727,500	498,100	2,205,784	1,739,086	(466,699)	(117,100)	-19.18%
Open Water Programs										
117	3040 FINA Open Water Junior Championships	23,690	51,800	34,500	51,800	161,790	105,203	(56,587)	17,300	33.40%
118	3061 Open Water World Championships	65,004	0	49,500	0	114,504	164,454	49,950	(49,500)	0.00%
119	3062 Open Water International Competition	-	0	0	15,000	15,000	28,849	13,849	-	0.00%
120	3063 Open Water World University Games	3,427	0	20,500	0	23,927	29,530	5,603	(20,500)	0.00%
121	3065 Open Water World Cup	77,774	97,100	91,500	84,500	350,874	270,458	(80,417)	5,600	5.77%
122	3067 Open Water Camps - Domestic	42,887	46,200	50,200	20,000	159,287	-	(159,287)	(4,000)	-8.66%
123	3068 Open Water - Foundation	-	0	25,000	0	25,000	-	(25,000)	(25,000)	0.00%
124	3075 Open Water International Camps	73,264	22,000	79,100	59,100	233,464	110,181	(123,283)	(57,100)	-259.55%
125	3495 Open Water Program Support	15,086	36,500	29,000	34,900	115,486	158,654	43,168	7,500	20.55%
	<i>Program Group Total</i>	301,131	253,600	379,300	265,300	1,199,331	867,328	(332,003)	(125,700)	-49.57%
Camps										
126	3005 Olympic Prep Camps	-	0	20,000	950,600	970,600	872,459	(98,141)	(20,000)	0.00%
127	3069 Nat. Team Specialty Camps	-	46,400	28,100	34,000	108,500	98,727	(9,773)	18,300	39.44%
128	3071 Altitude Training Camps	31,984	55,500	39,000	42,000	168,484	165,710	(2,774)	16,500	29.73%
129	3073 National Team Camps	43,323	137,700	43,000	19,000	243,023	21,763	(221,261)	94,700	68.77%
130	3076 National Team International Camps	366,532	221,900	594,600	0	1,183,032	547,194	(635,838)	(372,700)	-167.96%
131	3479 Advance Team Visits	29,962	22,600	21,000	20,100	93,662	84,307	(9,355)	1,600	7.08%
	<i>Program Group Total</i>	471,802	484,100	745,700	1,065,700	2,767,302	1,790,160	(977,142)	(261,600)	-54.04%
Athlete Services										
132	3021 World Cup Athlete Support	2,801	30,000	9,500	10,000	52,301	267,441	215,140	20,500	68.33%

NATIONAL TEAM

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable)	
									Change \$	Change %
133	3024 Swim Squads	12,000	0	0	0	12,000	-	(12,000)	-	0.00%
134	3025 Pro Swim Series Athlete Support	352,689	641,600	830,000	690,000	2,514,289	1,244,660	(1,269,630)	(188,400)	-29.36%
135	3101 Athlete Support - Stipends & Grants	1,294,337	1,452,300	1,584,800	1,585,000	5,916,437	6,701,873	785,437	(132,500)	-9.12%
136	3103 Athlete Support - Medals & Records	708,750	450,000	600,000	1,000,000	2,758,750	2,713,536	(45,214)	(150,000)	-33.33%
137	3106 Phillips 66 Athlete Support	94,313	108,000	100,000	100,000	402,313	388,215	(14,099)	8,000	7.41%
138	3107 Athlete Support-Op Gold Qualification Bonus	309,111	430,000	585,000	675,000	1,999,111	-	(1,999,111)	(155,000)	-36.05%
139	3110 National Team Uniforming (VIK)	263,754	325,000	325,000	325,000	1,238,754	1,132,072	(106,682)	-	0.00%
140	3120 Athlete Support - Olympic Prep	13,632	30,000	20,000	20,000	83,632	101,051	17,419	10,000	33.33%
141	3125 Strength & Conditioning Grant	-	0	0	0	0	157,847	157,847	-	0.00%
142	3127 National Team Investment Grant	216,421	600,000	600,000	300,000	1,716,421	-	(1,716,421)	-	0.00%
143	3130 Found Travel & Train Endowment	38,782	75,000	80,000	80,000	273,782	84,000	(189,782)	(5,000)	-6.67%
144	3131 Found Ath Endowments	27,500	0	80,000	105,000	212,500	-	(212,500)	(80,000)	0.00%
145	3453 Drug Control Program	28,515	51,400	70,200	68,700	218,815	72,494	(146,321)	(18,800)	-36.58%
Program Group Total		3,362,605	4,193,300	4,884,500	4,958,700	17,399,105	12,863,188	(4,535,917)	(691,200)	-16.48%
Coach Services										
146	3010 Coach Education	27,986	34,100	34,100	25,500	121,686	85,674	(36,012)	-	0.00%
147	3077 National Team Coaches Meeting	97,612	128,900	114,000	11,600	352,112	287,008	(65,104)	14,900	11.56%
148	3078 Junior Team Coaches Meeting	-	0	0	0	0	22,909	22,909	-	0.00%
149	3079 Team Logistics Seminar	-	4,700	0	4,700	9,400	563	(8,837)	4,700	100.00%
150	3210 Olympic Team Prep Assistance	7,370	35,000	20,000	20,000	82,370	36,443	(45,927)	15,000	42.86%
151	3203 Coach Incentive & Reward Program	330,001	330,000	330,000	330,000	1,320,001	1,323,001	3,000	-	0.00%
152	3220 National Team Tech Advisor	-	0	83,700	80,000	163,700	-	(163,700)	(83,700)	0.00%
153	3222 National Team Consultants	-	37,000	37,100	37,000	111,100	114,718	3,618	(100)	-0.27%
154	3460 Olympic Staff Recognition	31,110	27,000	37,000	40,000	135,110	93,543	(41,567)	(10,000)	-37.04%
Program Group Total		494,080	596,700	655,900	548,800	2,295,480	1,963,859	(331,620)	(59,200)	-9.92%
High Per Support										
155	3310 USOC Practitioner Travel Support	38,617	0	26,700	25,000	90,317	-	(90,317)	(26,700)	0.00%
156	3301 National Team Performance Support	145,877	162,600	155,600	170,100	634,177	578,201	(55,976)	7,000	4.31%
Program Group Total		184,494	162,600	182,300	195,100	724,494	578,201	(146,293)	(19,700)	-12.12%
Sport Med & Science										
157	3311 Sport Science Grants	-	30,000	0	0	30,000	35,349	5,349	30,000	100.00%
158	3353 Sport Medicine & Science Network	48,896	91,000	117,600	101,000	358,496	130,623	(227,873)	(26,600)	-29.23%
159	3155 Elite Athlete Accident Coverage	34,222	48,000	35,000	35,000	152,222	190,884	38,662	13,000	27.08%
160	3200 Athlete Health Programs	50	40,000	40,000	40,000	120,050	1,175	(118,875)	-	0.00%
161	3201 Athletes and Coach Wellness	-	0	0	0	0	-	-	-	0.00%
162	3390 Sport Medicine & Science Program Support	-	0	51,700	52,500	104,200	-	(104,200)	(51,700)	0.00%
163	3351 Athlete Testing & Lab Expenses	22,140	22,100	27,100	27,100	98,440	69,091	(29,349)	(5,000)	-22.62%
Program Group Total		105,309	231,100	271,400	255,600	863,409	427,122	(436,287)	(40,300)	-17.44%
Other Programs and Services										
164	3480 Club Investment	-	0	0	0	0	1,192,518	1,192,518	-	0.00%
165	3481 National Team Equipment	12,402	28,500	18,500	20,000	79,402	95,501	16,099	10,000	35.09%
166	3499 Team Management Technology	-	0	0	0	0	-	-	-	0.00%

NATIONAL TEAM

Line #		2017	2018	2019	2020	TOTAL	TOTAL	Favorable	2018 to 2019	
		Actual	Budget	Budget	Budget	2020 Quad Budget	2016 Quad Actual	(Unfavorable) Over 2016 Quad	Favorable (Unfavorable) Change \$	Change %
167	3496 National Team Selection	164	7,600	0	13,300	21,064	15,450	(5,614)	7,600	100.00%
	<i>Program Group Total</i>	12,566	36,100	18,500	33,300	100,466	1,303,469	1,203,003	17,600	48.75%
	Committees									
168	3850 Open Water Development Committee	1,063	800	800	800	3,463	7,908	4,445	-	0.00%
169	3868 Open Water Committee	11,471	21,600	16,900	18,200	68,171	8,356	(59,814)	4,700	21.76%
170	3846 Sports Medicine	517	5,300	3,300	5,300	14,417	7,490	(6,927)	2,000	37.74%
171	3881 Olympic International Operations	-	0	0	0	0	1,798	1,798	-	0.00%
172	3882 National Steering Committee	4,310	13,300	16,600	10,300	44,510	37,036	(7,474)	(3,300)	-24.81%
173	3884 National Team Evaluation	-	0	0	0	0	708	708	-	0.00%
174	3888 National Team Athlete Committee	3,739	9,800	12,300	9,800	35,639	-	(35,639)	(2,500)	-25.51%
	<i>Program Group Total</i>	21,100	50,800	49,900	44,400	166,200	63,296	(102,904)	900	1.77%
	Administration & Operational Support									
175	3990 Administration & Operational Support	237,761	218,500	222,600	218,500	897,361	921,211	23,850	(4,101)	-1.88%
176	3991 NT Division Travel	36,147	47,400	0	0	83,547	303,790	220,243	47,400	100.00%
177	3999 Salary and Benefits	1,714,898	1,886,000	1,875,300	1,950,100	7,426,298	6,610,342	(815,956)	10,700	0.57%
	<i>Program Group Total</i>	1,988,806	2,151,900	2,097,900	2,168,600	8,407,206	7,835,342	(571,863)	54,000	2.51%
	TOTAL NATIONAL TEAM	8,004,303	9,533,500	10,892,400	11,017,700	39,447,903	32,707,169	(6,740,734)	(1,358,900)	-14.25%

COMMERCIAL

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$	Change %
Corporate Partnerships										
178	5901 Marketing & Contract Fulfillment	189,187	220,100	187,900	325,000	922,187	1,193,373	271,186	32,200	14.63%
179	5905 Sales Development Support	51,690	60,000	50,000	50,000	211,690	186,987	(24,703)	10,000	16.67%
<i>Program Group Total</i>		240,876	280,100	237,900	375,000	1,133,877	1,380,360	246,483	42,200	15.07%
Marketing										
180	5109 APA Appearance	23,083	50,000	50,000	52,600	175,683	188,964	13,280	-	0.00%
181	5620 Family Program	24,183	30,000	34,600	35,000	123,783	172,139	48,356	(4,600)	-15.33%
182	5722 Social Media Aggregation	-	0	0	0	0	60,000	60,000	-	0.00%
183	5710 Membership Recruiting/ Promotion (SwimToday)	364,895	480,000	450,000	450,000	1,744,895	1,789,765	44,871	30,000	6.25%
184	5713 Deck Pass	71,305	185,000	125,000	135,000	516,305	661,227	144,922	60,000	32.43%
185	5715 SwimBiz	71,214	107,000	75,000	75,000	328,214	82,129	(246,085)	32,000	29.91%
186	5716 Swimjitsu	283,423	0	0	0	283,423	476,450	193,027	-	0.00%
187	5709 National Events Marketing	-	0	627,100	260,300	887,400	-	(887,400)	(627,100)	0.00%
188	5740 America's Swim Team/ Membership Card	-	0	0	0	0	732,766	732,766	-	0.00%
189	5755 usa Swimming House-Trials	-	0	10,200	200,000	210,200	214,413	4,213	(10,200)	0.00%
190	5720 Video Production Services	9,418	25,000	25,000	25,000	84,418	64,292	(20,126)	-	0.00%
191	5913 Multicultural Promotions	147,192	120,000	98,600	98,000	463,792	372,836	(90,956)	21,400	17.83%
192	5902 Merchandise Program	20,628	25,000	26,000	60,000	131,628	85,386	(46,242)	(1,000)	-4.00%
193	5904 Marketing Contract Labor	19,212	25,000	0	0	44,212	215,765	171,553	25,000	100.00%
194	5910 Mutual of Omaha Swim 100	-	0	0	0	0	5,672	5,672	-	0.00%
195	5911 Aqua Zone-Olympic Trials	5,408	0	15,000	600,000	620,408	955,218	334,810	(15,000)	0.00%
<i>Program Group Total</i>		1,039,961	1,047,000	1,536,500	1,990,900	5,614,361	6,077,023	462,661	(489,500)	-46.75%
Communications										
196	5711 Splash Magazine	899,812	1,129,400	812,700	728,000	3,569,912	3,972,824	402,911	316,700	28.04%
197	5714 Public Relations	39,476	75,000	75,000	75,000	264,476	220,719	(43,756)	-	0.00%
198	5718 usaswimming.org - Web site	360,683	535,000	527,200	532,900	1,955,783	390,300	(1,565,483)	7,800	1.46%
199	5724 Communication Operations	134,675	233,400	171,200	259,900	799,175	663,849	(135,326)	62,200	26.65%
200	5730 USA Swimming Productions	566,173	897,500	856,200	976,200	3,296,073	33,085	(3,262,989)	41,300	4.60%
<i>Program Group Total</i>		2,000,820	2,870,300	2,442,300	2,572,000	9,885,420	5,280,777	(4,604,642)	428,000	14.91%
Administration & Operational Support										
201	5990 Administration & Operational Support	234,767	264,200	243,500	257,500	999,967	839,420	(160,547)	20,700	7.83%
202	5999 Salary and Benefits	1,656,369	2,048,600	2,291,400	2,386,200	8,382,570	6,134,134	(2,248,436)	(242,800)	-11.85%
<i>Program Group Total</i>		1,891,136	2,312,800	2,534,900	2,643,700	9,382,537	6,973,554	(2,408,983)	(222,100)	-9.60%
TOTAL COMMERCIAL		5,172,794	6,510,200	6,751,600	7,581,600	26,016,194	19,711,714	(6,304,480)	(241,400)	-3.71%

RISK MANAGEMENT

RISK MANAGEMENT							Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$ Change %	
Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual		
Member Programs									
203	9413 Member Insurance Programs	2,909,865	3,003,100	3,127,800	3,258,300	12,299,065	14,718,502	2,419,437	(124,700) -4.15%
204	9415 Other Risk Management	24,270	16,700	16,700	16,700	74,370	57,789	(16,581)	- 0.00%
<i>Program Group Total</i>		2,934,135	3,019,800	3,144,500	3,275,000	12,373,435	14,776,291	2,402,856	(124,700) -4.13%
Committees									
205	9827 Operational Risk Committee	48,050	55,000	16,100	22,400	141,550	78,530	(63,020)	38,900 70.73%
<i>Program Group Total</i>		48,050	55,000	16,100	22,400	141,550	78,530	(63,020)	38,900 70.73%
Administration & Operational Support									
206	9490 Administration & Operational Support	22,246	32,000	23,600	35,500	113,346	151,222	37,875	8,400 26.25%
<i>Program Group Total</i>		22,246	32,000	23,600	35,500	113,346	151,222	37,875	8,400 26.25%
TOTAL RISK MANAGEMENT		3,004,431	3,106,800	3,184,200	3,332,900	12,628,331	15,006,043	2,377,712	(77,400) -2.49%

SECTION 1:

USA Swimming 2019 Program Budget Proposal
FOUNDATION AND MAKE A SPLASH SUPPORT Program:6666
Program Manager: CEO

Program Description: Support for the USA Swimming Foundation and Make a Splash initiatives.

Account Number	Account	2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Budget	(Increase) Decrease Over 2016 Quad	(Increase) Decrease Over 2018
SECTION 2:									
	EXPENSES:								
60100	Grants - Block grant	250,000	250,000	0	0	500,000	1,450,000	950,000	250,000
60100	Grants - MAS other support	0	0	0	0	0	7,500	7,500	0
60100	Grants - MAS staff (2016 Quad)	0	0	0	0	0	539,615	539,615	0
60101	In Kind - USAS staff allocation	231,061	311,000	311,000	311,000	1,164,061	862,071	(301,990)	0
60100	Grants - MAS Tour Adj.	0	0	0	0	0	233,650	233,650	0
60100	Grants - Unclaimed Prize Money	44,310	0	0	0	44,310	491,468	447,158	0
	TOTAL EXPENSES	525,371	561,000	311,000	311,000	1,708,371	3,584,304	1,875,933	250,000

SECTION 3:

EXECUTIVE

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$	Change %
	Other Executive									
208	7920 CEO Contingency	186,358	70,000	60,000	60,000	376,358	209,030	(167,328)	10,000	14.29%
209	7930 Board Chair Travel and Expenses	27,412	35,000	35,000	35,000	132,412	118,093	(14,319)	-	0.00%
210	7931 Olympic Games Executive Contingency	-	0	0	200,000	200,000	115,225	(84,775)	-	0.00%
211	7937 Splash Makers II	1,321	0	0	0	1,321	125,708	124,387	-	0.00%
212	7940 Documentary Film & Education	-	0	0	0	0	1,223,348	1,223,348	-	0.00%
213	7945 CSCAA Grant	120,005	125,000	125,000	125,000	495,005	220,593	(274,411)	-	0.00%
214	7971 Organizational Relations - Domestic	59,302	80,000	80,000	80,000	299,302	377,700	78,399	-	0.00%
215	7981 International Relations	45,743	70,500	69,100	69,100	254,443	249,480	(4,964)	1,400	1.99%
216	7984 Organizational Relations - Internat'l	27,582	65,000	65,000	65,000	222,582	225,968	3,386	-	0.00%
	<i>Program Group Total</i>	467,723	445,500	434,100	634,100	1,981,423	2,865,145	883,722	11,400	2.56%
	Committees									
217	7803 Board of Directors	168,291	178,600	185,300	145,300	677,491	582,598	(94,893)	(6,700)	-3.75%
218	7805 Executive Committee	10,436	13,000	0	0	23,436	61,945	38,508	13,000	100.00%
219	7806 Committee Chairs Meeting	31,149	0	0	0	31,149	63,122	31,973	-	0.00%
220	7807 Zone Administration	2,532	0	0	0	2,532	13,108	10,576	-	0.00%
221	7808 Task Forces	173,306	43,700	34,000	34,000	285,006	69,516	(215,490)	9,700	22.20%
222	7811 International Relations Committee	29,734	42,400	31,000	31,000	134,134	93,741	(40,393)	11,400	26.89%
	<i>Program Group Total</i>	415,448	277,700	250,300	210,300	1,153,748	884,030	(269,718)	27,400	9.87%
	Administration & Operational Support									
223	7990 Administration & Operational Support	149,966	56,900	100,300	100,100	407,266	396,089	(11,176)	(43,400)	-76.27%
224	7999 Salary and Benefits	2,980,660	772,600	767,800	796,000	5,317,061	5,567,001	249,941	4,800	0.62%
	<i>Program Group Total</i>	3,130,626	829,500	868,100	896,100	5,724,326	5,963,091	238,764	(38,600)	-4.65%
	TOTAL EXECUTIVE	4,013,797	1,552,700	1,552,500	1,740,500	8,859,497	9,712,265	852,768	200	0.01%

FINANCE

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$	Change %
	Other Programs									
225	8500 LSC/Club Financial Presentation Resources	36,344	33,900	10,000	10,000	90,244	51,440	(38,804)	23,900	70.50%
	<i>Program Group Total</i>	36,344	33,900	10,000	10,000	90,244	51,440	(38,804)	23,900	70.50%
	Committees									
226	8880 Audit Committee	23	300	300	300	923	495	(428)	-	0.00%
227	8895 Investment Committee	280	300	300	300	1,180	705	(475)	-	0.00%
	<i>Program Group Total</i>	303	600	600	600	2,103	1,200	(903)	-	0.00%
	Administration & Operational Support									
228	8990 Administration & Operational Support	204,697	144,700	133,200	138,800	621,397	733,581	112,184	11,500	7.95%
229	8999 Salary and Benefits	1,122,819	734,800	995,500	738,000	3,591,119	4,285,405	694,285	(260,700)	-35.48%
	<i>Program Group Total</i>	1,327,516	879,500	1,128,700	876,800	4,212,516	5,018,986	806,470	(249,200)	-28.33%
	TOTAL FINANCE	1,364,162	914,000	1,139,300	887,400	4,304,862	5,071,625	766,763	(225,300)	-24.65%

BUSINESS AFFAIRS

Line #		2017 Actual	2018 Budget	2019 Budget	2020 Budget	TOTAL 2020 Quad Budget	TOTAL 2016 Quad Actual	Favorable (Unfavorable) Over 2016 Quad	2018 to 2019 Favorable (Unfavorable) Change \$	Change %
	Legal and NBR									
230	9692 National Board of Review	131,617	129,000	54,000	54,000	368,617	1,483,736	1,115,118	75,000	58.14%
231	9695 Legal	184,469	250,000	150,000	150,000	734,469	1,613,557	879,088	100,000	40.00%
232	9690 Legal-Admin and Oper Support	13,829	26,700	8,400	8,400	57,329	23,950	(33,380)	18,300	68.54%
	<i>Program Group Total</i>	329,916	405,700	212,400	212,400	1,160,416	3,121,242	1,960,826	193,300	47.65%
	Safe Sport									
233	9335 Safe Sport - Background Checks	54,612	41,200	61,200	61,200	218,212	364,582	146,371	(20,000)	-48.54%
234	9370 LSC Safe Sport Chairs Workshop	-	0	0	30,500	30,500	-	(30,500)	-	0.00%
235	9375 Safe Sport Online Education	-	0	77,700	76,700	154,400	-	(154,400)	(77,700)	0.00%
236	9386 Safe Sport Athlete Fellowship	-	0	21,500	21,300	42,800	-	(42,800)	(21,500)	0.00%
237	9385 Safe Sport Programs	228,824	270,600	235,800	263,800	999,024	988,127	(10,897)	34,800	12.86%
238	9387 Safe Sport - USOC Center For Safe Sport	42,900	60,000	158,200	158,200	419,300	-	(419,300)	(98,200)	-163.67%
239	9388 Safe Sport - Leadship Conference	62,373	2,500	63,600	2,500	130,973	99,840	(31,133)	(61,100)	-2444.00%
240	9389 Safe Sport - Swim Assist	23,047	50,000	100,000	100,000	273,047	29,825	(243,222)	(50,000)	-100.00%
241	9810 Safe Sport Committee	21,093	25,500	32,500	32,500	111,593	73,587	(38,006)	(7,000)	-27.45%
	<i>Program Group Total</i>	432,848	449,800	750,500	746,700	2,379,848	1,555,962	(823,886)	(300,700)	-66.85%
	Other									
242	9280 Human Resources	42,626	47,200	97,600	85,200	272,626	156,622	(116,004)	(50,400)	-106.78%
243	9290 Government Affairs	-	0	167,700	117,700	285,400	-	(285,400)	(167,700)	0.00%
244	9295 Information Technology Support	435,438	510,100	640,200	640,200	2,225,938	1,257,787	(968,151)	(130,100)	-25.50%
	<i>Program Group Total</i>	478,064	557,300	905,500	843,100	2,783,964	1,414,409	(1,369,555)	(348,200)	-62.48%
	Administration & Operational Support									
245	9990 Admin and Oper Support	-	213,000	198,500	196,900	608,400	-	(608,400)	14,500	6.81%
246	9999 Salary and Benefits	-	1,913,600	2,181,500	2,268,600	6,363,700	-	(6,363,700)	(267,900)	-14.00%
	<i>Program Group Total</i>	-	2,126,600	2,380,000	2,465,500	6,972,100	-	(6,972,100)	(253,400)	-11.92%
	TOTAL BUSINESS AFFAIRS	1,240,827	3,539,400	4,248,400	4,267,700	13,296,327	6,091,613	(7,204,714)	(709,000)	-20.03%

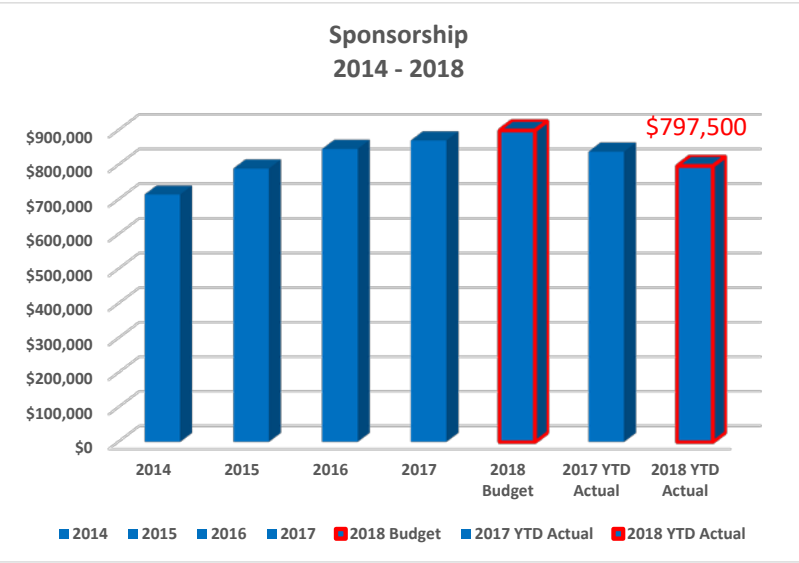
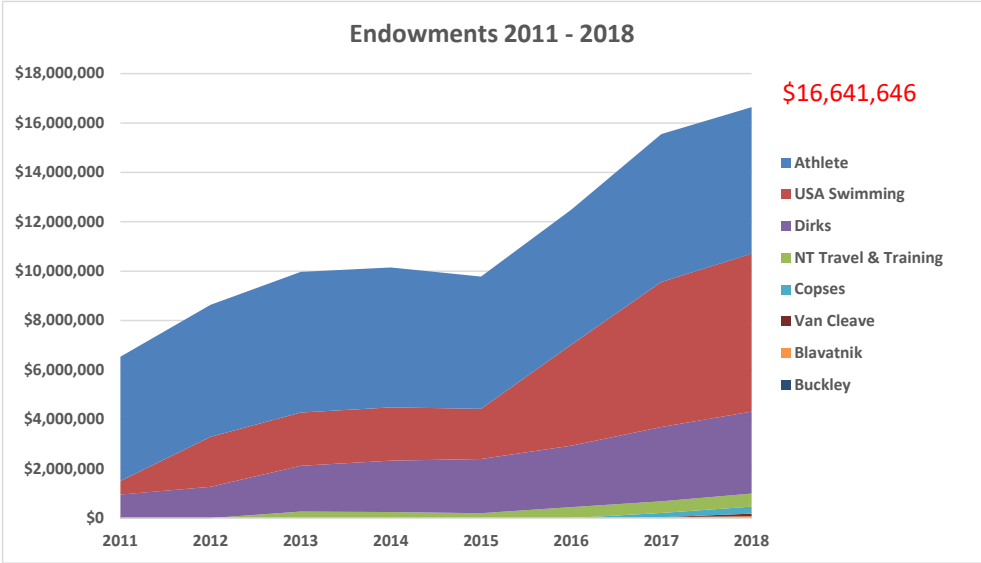
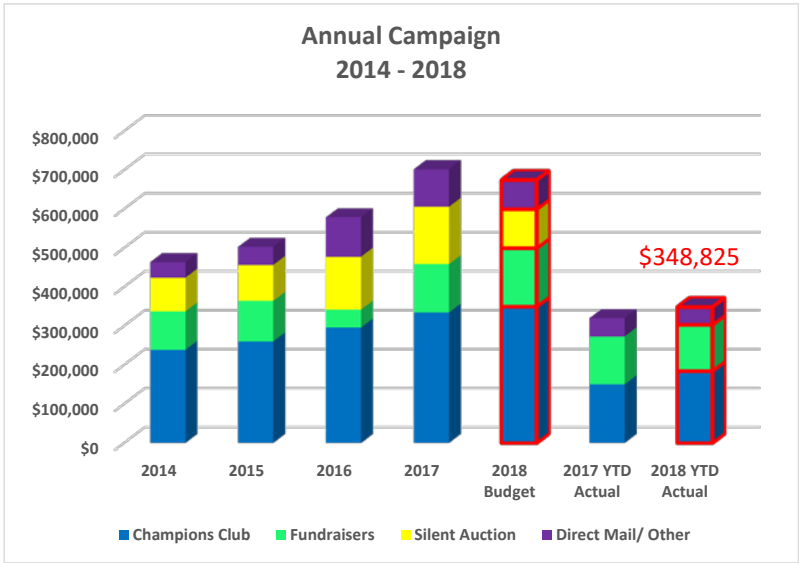
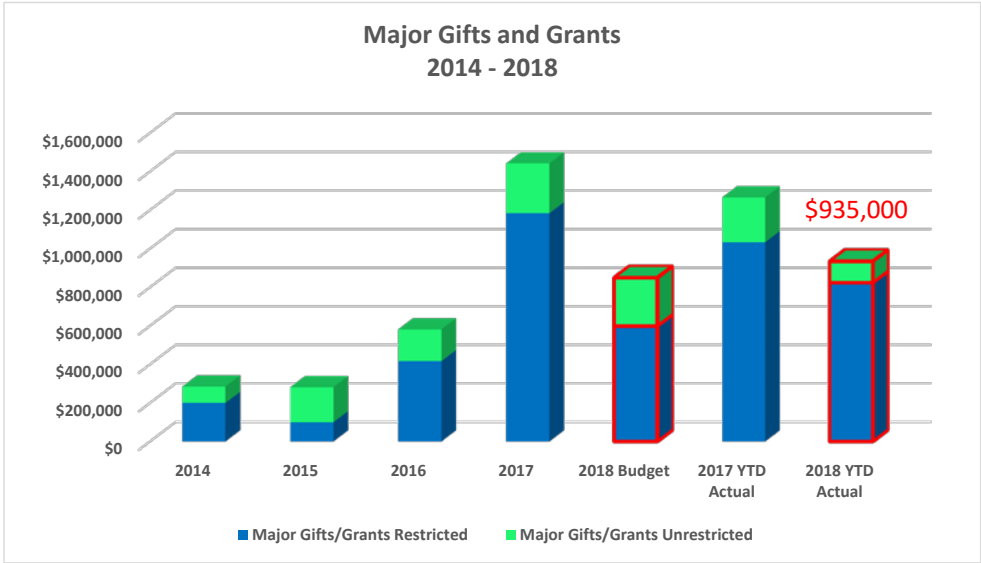
USA Swimming

Capital Budget - 2017/2020

	Cost
2017 - Revised	
Computer Hardware and Equipment	114,500
Office Furniture	10,000
Leasehold Improvements	10,000
	134,500
2018	
Computer Hardware and Equipment	141,400
Office Furniture	10,000
Leasehold Improvements	10,000
	161,400
2019	
Computer Hardware and Equipment	361,900
Office Furniture	10,000
Leasehold Improvements	10,000
	381,900
2020	
Computer Hardware and Equipment	180,700
Office Furniture	10,000
Leasehold Improvements	10,000
	200,700
2019	
USA Swimming Productions	240,000
SWIM 2.0 Project Phase 12	250,000
Motivational Time Standards	23,400
Online Membership-Phase 2	223,500
	736,900
	381,900
TOTAL	1,118,800

Above

USA Swimming Foundation
 Revenue and Endowments
 September 30, 2018



USA Swimming Foundation, Inc.
Balance Sheet
As of September 30, 2018 and 2017

	9/30/2018	9/30/2017	\$ Change	Audited 12/31/2017	\$ Change
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$1,408,249	\$1,573,346	(\$165,097)	\$1,866,742	(\$458,493)
Accounts receivable	10,000	125,159	(115,159)	111,851	(101,851)
Pledges receivable - current	59,965	125,000	(65,035)	1,061,715	(1,001,750)
Due from (to) USA Swimming	(54,952)	(36,064)	(18,887)	31,437	(86,388)
Prepaid expenses and deferred charges	0	2,544	(2,544)	21,840	(21,840)
Total Current Assets	1,423,262	1,789,984	(366,722)	3,093,584	(1,670,322)
FIXED ASSETS:					
Equipment and Software	229,963	227,375	2,589	229,963	0
Accumulated depreciation & amortization	(214,432)	(154,850)	(59,582)	(171,687)	(42,745)
Total Fixed Assets	15,532	72,525	(56,993)	58,277	(42,745)
LONG-TERM INVESTMENTS:					
Long-term Investments	16,641,646	15,234,153	1,407,493	15,550,838	1,090,808
OTHER ASSETS:					
Pledges receivable - long-term	3,180,625	3,641,875	(461,250)	2,680,625	500,000
Swim-a-Thon	120,000	120,000	0	120,000	0
Total Other Assets	3,300,625	3,761,875	(461,250)	2,800,625	500,000
TOTAL ASSETS	\$21,381,065	\$20,858,538	\$522,528	\$21,503,324	(\$122,259)
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable	\$141,172	\$38,943	\$102,229	\$30,358	\$110,814
Accrued expenses and other liabilities	66,993	52,189	14,804	59,581	7,412
Deferred revenue	0	0	0	12,417	(12,417)
Total Current Liabilities	208,165	91,132	117,033	102,356	105,809
NONCURRENT LIABILITIES:					
Total Liabilities	208,165	91,132	117,033	102,356	105,809
NET ASSETS:					
Unrestricted:					
Undesignated Operating Funds	(81,367)	664,653	(746,020)	869,877	(951,245)
Board Designated Operating Reserves	1,201,000	1,080,250	120,750	1,080,250	120,750
Board Designated Endowments	12,856,631	12,018,393	838,238	12,377,495	479,136
Total Unrestricted	13,976,264	13,763,296	212,968	14,327,622	(351,359)
Temporarily Restricted	1,546,637	1,354,110	192,527	1,423,346	123,291
Permanently Restricted	5,650,000	5,650,000	0	5,650,000	0
Total Net Assets	21,172,900	20,767,405	405,495	21,400,968	(228,068)
TOTAL LIABILITIES & NET ASSETS	\$21,381,065	\$20,858,538	\$522,528	\$21,503,324	(\$122,259)

USA Swimming Foundation, Inc.
Income Statement
For the Quarter Ended September 30, 2018

	2018	2018	2018	2018
	Unrestricted	Board Desig.	Temp Restr	TOTAL
Revenue:				
Annual Campaign	\$348,825	\$0	\$0	\$348,825
Major Gifts/Grants	110,000	0	825,000	935,000
Major Gifts - Trustee Satisfied Restrictions	290,500	0	(290,500)	0
Major Gifts/Grants - Other Satisfied Restrictions	84,056	0	(84,056)	0
Endowment Distributions	300,000	(300,000)	0	0
Sponsorship	797,500	0	(350,000)	447,500
Swim-a-Thon	242,974	0	0	242,974
Golden Goggle Awards	50,000	0	(50,000)	0
USA Swimming Support	187,500	0	0	187,500
Other Income	35,609	0	0	35,609
Investment Income (Loss)	21,156	278,136	72,847	372,139
Total Revenue	2,468,120	(21,864)	123,291	2,569,547
Expenses:				
Supporting Expenses:				
Annual Campaign	135,036	0	0	135,036
Major Gifts/Grants	64,252	0	0	64,252
Swim-a-Thon	96,090	0	0	96,090
Marketing	10,608	0	0	10,608
Operational and Administrative	818,575	0	0	818,575
Total Supporting Expenses	1,124,561	0	0	1,124,561
Program Expenses:				
Make a Splash - Grants	675,691	0	0	675,691
Make a Splash - Programs	433,167	0	0	433,167
Total Make A Splash Expenses	1,108,858	0	0	1,108,858
Building Champions - National Team Grants	425,000	0	0	425,000
Building Champions - Sport Dev. Grants	90,000	0	0	90,000
Building Champions - Other Programs	17,762	0	0	17,762
Building Champions - Alumni Programs	31,434	0	0	31,434
Total Building Champions Expenses	564,197	0	0	564,197
Total Program Expenses	1,673,054	0	0	1,673,054
Total Expenses	2,797,615	0	0	2,797,615
Operating Surplus (Deficit)	(329,495)	(21,864)	123,291	(228,068)
Transfers to/from USA Swimming Endowment	(501,000)	501,000	0	0
Transfers to/from - Operating Reserve	(120,750)	120,750	0	0
NET CHANGE IN TOTAL NET ASSETS	(\$951,245)	\$599,886	\$123,291	(\$228,068)

USA Swimming Foundation, Inc.
Income Statement
For the Years Periods Ended September 30, 2018 and 2017

	Quarter Actual	Year-To-Date 2018	Budget 2018	Budget Remaining	Year-To-Date 2017	Favorable (Unfavorable)
UNRESTRICTED:						
Revenue:						
Annual Campaign	\$127,923	\$348,825	\$675,000	(\$326,175)	\$320,142	\$28,683
Major Gifts/Grants - Unrestricted	25,000	110,000	250,000	(140,000)	232,240	(122,240)
Major Gifts - Trustee Satisfied Restrictions	31,000	290,500	275,000	15,500	175,000	115,500
Major Gifts/Grants - Other Satisfied Restrictions	18,422	84,056	86,300	(2,244)	95,318	(11,262)
Endowment Distributions	100,000	300,000	618,700	(318,700)	300,000	0
Sponsorship	157,500	797,500	900,000	(102,500)	838,589	(41,089)
Swim-a-Thon	83,874	242,974	400,000	(157,026)	232,415	10,559
Golden Goggle Awards	0	50,000	150,000	(100,000)	50,000	0
USA Swimming Support	62,500	187,500	250,000	(62,500)	187,500	0
USA Swimming Support - Staff Allocation	0	0	311,000	(311,000)	0	0
Other Income	8,425	35,609	50,000	(14,391)	73,111	(37,501)
Investment Income (Loss)	9,541	21,156	12,000	9,156	8,684	12,473
Total Unrestricted Revenue	624,186	2,468,120	3,978,000	(1,509,880)	2,512,998	(44,878)
Expenses:						
Supporting Expenses:						
Annual Campaign	89,887	135,036	266,600	131,564	124,178	(10,858)
Major Gifts/Grants	22,749	64,252	118,200	53,948	42,905	(21,346)
Swim-a-Thon	30,274	96,090	132,400	36,310	99,777	3,686
Marketing	360	10,608	12,500	1,892	407	(10,201)
Operational and Administrative	289,931	818,575	1,506,100	687,525	839,655	21,080
Total Supporting Expenses	433,201	1,124,561	2,035,800	911,239	1,106,922	(17,639)
Program Expenses:						
Make a Splash - Grants	254,076	675,691	692,500	16,809	483,140	(192,551)
Make a Splash - Programs	104,578	433,167	598,600	165,433	433,180	14
Total Make a Splash Expenses	358,654	1,108,858	1,291,100	182,242	916,320	(192,537)
Building Champions - National Team Grants	100,000	425,000	640,000	215,000	400,000	(25,000)
Building Champions - Sport Development Grants	30,000	90,000	120,000	30,000	90,000	0
Building Champions - Other Programs	7,262	17,762	44,500	26,738	5,000	(12,762)
Building Champions - Alumni Programs	10,028	31,434	46,600	15,166	30,155	(1,279)
Total Building Champions Expenses	147,290	564,197	851,100	286,903	525,155	(39,041)
Total Program Expenses	505,945	1,673,054	2,142,200	469,146	1,441,476	(231,578)
Total Unrestricted Expenses	939,145	2,797,615	4,178,000	1,380,385	2,548,398	(249,217)
Operating Surplus (Deficit)	(314,960)	(329,495)	(200,000)	(129,495)	(35,400)	(294,095)
Transfers to/from USA Swimming Endowment	(1,000)	(501,000)	(500,000)	(1,000)	(220,000)	(281,000)
Transfers to/from - Operating Reserve	0	(120,750)	0	(120,750)	121,300	(242,050)
CHANGE IN UNDESIGNATED FUNDS	(\$315,960)	(\$951,245)	(\$700,000)	(\$251,245)	(\$134,100)	(\$817,145)

USA Swimming Foundation, Inc.
Income Statement
For the Years Periods Ended September 30, 2018 and 2017

	Quarter Actual	Year-To-Date 2018	Budget 2018	Budget Remaining	Year-To-Date 2017	Favorable (Unfavorable)
BOARD DESIGNATED:						
Endowment Distributions	(\$100,000)	(\$300,000)	(\$450,000)	\$150,000	(\$300,000)	\$0
Donation from USA Swimming	0	0	0	0	1,000,000	(1,000,000)
Transfer to/from USA Swimming Endowment	1,000	501,000	500,000	1,000	220,000	281,000
Transfer to/from Operating Reserves	0	120,750	0	120,750	(121,300)	242,050
Investment Income	266,849	278,136	450,000	(171,864)	1,109,435	(831,299)
Change in Board Designated Net Assets	\$167,849	\$599,886	\$500,000	\$99,886	\$1,908,135	(\$1,308,249)
CHANGE IN UNRESTRICTED NET ASSETS	(\$148,110)	(\$351,359)	(\$200,000)	(\$151,359)	\$1,774,035	(\$2,125,394)
TEMPORARILY RESTRICTED:						
Major Gifts/Grants - Temporarily Restricted	\$200,000	\$825,000	\$600,000	\$225,000	\$433,750	\$391,250
Satisfied Restrictions	(49,422)	(774,556)	(930,000)	155,444	(670,318)	(104,238)
Present Value Discount Earned	0	0	0	0	10,605	(10,605)
Investment Income	77,933	72,847	167,500	(94,653)	297,159	(224,312)
Change in Temp. Restricted Net Assets	\$228,511	\$123,291	(\$162,500)	\$285,791	\$71,196	\$52,095
PERMANENTLY RESTRICTED:						
Major Gifts - Permanently Restricted	\$0	\$0	\$0	\$0	\$600,000	(\$600,000)
Change in Perm. Restricted Net Assets	\$0	\$0	\$0	\$0	\$600,000	(\$600,000)
NET CHANGE IN TOTAL NET ASSETS	\$80,401	(\$228,068)	(\$362,500)	\$134,432	\$2,445,232	(\$2,673,299)

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.9: Board Awareness and Support**
DA: November 13, 2018

I hereby present the monitoring report on Management Parameters policy 3.9 “Board Awareness and Support” per the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended October 31, 2018.

Signed , President & CEO

BROADEST POLICY PROVISION: *The CEO will not cause or allow the Board to be uninformed or unsupported in its work.*

CEO’s Interpretation:

One of my primary obligations as CEO is to ensure that the Board has the information, resources and support necessary for the fulfillment of its role, as defined by statute, the Bylaws, and the Board’s governing policies. I submit that the subsequent provisions comprehensively define this policy. My interpretations and reporting data for each are presented below.

REPORT

As discussed at the Board Orientation meeting in late October, the transformation of our governance structure that has taken place over the past 14 months, and particularly the development of the Board’s Governing Policies Manual, provides vastly improved clarity as to the respective roles of the Board and staff.

I again thank Jim Sheehan and last year’s Board for their commitment to this, as I think we now all share confidence that these changes will enhance the value and sense of meaningful contribution that the Board experiences and brings to USA Swimming, as well as the productivity and the mutual trust between the Board and staff.

As the governance role is substantially different from what most Board members have previously experienced here or on other nonprofit boards, extra diligence and support is required on my part to help us utilize, strengthen and maximize the benefits of our new structure. We have extended the engagement of Bill Charney into 2019 to continue to provide guidance and support to Board members and the Strategy Team.

POLICY PROVISION #1: *The CEO will not withhold, impede or confound information necessary for the Board’s informed accomplishment of its job.*

CEO’s Interpretation:

With the active support of the General Counsel, the CEO is to ensure that the Board is aware of all required functions and actions required of it by statute, Bylaws, and the USOC, and that it receives information that is clear and sufficient to make informed decisions and take appropriate actions. Compliance of this standard will be demonstrated by fulfillment of the five sub-provisions of this policy, addressed below:

POLICY PROVISION #1A:

The CEO will not neglect to submit monitoring reports (including the CEO’s policy interpretations, as well as compliance data) required by the Board (see Monitoring Performance policy in Board-Management Delegation) in a timely, accurate and understandable fashion.

CEO's Interpretation:

I am to submit monitoring reports in the month designated in Policy 4.4. Each report is to convey interpretation of each policy provision and factual data sufficient for the Board to make an informed judgment as to whether compliance (Parameters) or achievement (Ends) is sufficiently substantiated

Fulfillment of this policy would be evidenced by the Board action on submitted reports noting that each met the criteria of including interpretations the Board deems reasonable, as well as reporting data the Board accepts as having demonstrated compliance/achievement.

REPORT:

As to being factually complete and understandable, no reports submitted to the Board in the last year were rejected for not meeting the "accurate and understandable" policy criteria, which I submit as evidence of having met that requirement to the Board's satisfaction. Further, the external financial audit in this reporting year, presented at the May 12 meeting, substantiated the veracity of our financial reporting.

One report was not submitted on time. Due to the significant unanticipated workload related to the Congressional investigation into athlete safety, we requested of then-Chair Jim Sheehan to postpone the report for Policy 1.3 (Competitive Success), which had been scheduled for May, to the September meeting. With that exception having been deemed reasonable, I report **COMPLIANCE**.

POLICY PROVISION #1B: The CEO will not let the Board be unaware of any actual or anticipated noncompliance with any Ends or Management Parameters policy, regardless of the monitoring schedule set forth by the Board.

CEO's Interpretation:

I am to notify the Board, on a timely basis, whenever there is an incurred or anticipated violation of a Board Ends or Management Parameters Policy. Timeliness will vary depending on the perceived materiality of the non-compliance issue. Where in my estimation the importance is serious or potentially damaging to USA Swimming, or likely to be deemed that way by multiple members of the Board, actual or anticipated non-compliance issues should be reported as soon as they are known. For issues of lesser importance, and when the period of non-compliance is expected to be brief or related to an ongoing circumstance previously brought to the Board's attention, non-compliance should be at least reported in the regularly (or otherwise) scheduled monitoring report.

REPORT:

Our monitoring reports, provided since the Board's adoption of the policies in February, have provided the Board with substantiation of compliance of Board policies and explanations of circumstances and/or steps taken to rectify exceptions. As a result of these reports, the Board has been kept apprised of policy compliance issues and has been made aware when difficulties are encountered.

I report **COMPLIANCE**.

POLICY PROVISION #1C: The CEO will not let the Board be without objective background/decision information it periodically requests or unaware of relevant trends or incidental information (e.g., anticipated adverse media coverage, threatened or pending lawsuits, or material external and internal/organizational changes). Notification of planned internal changes is to be provided in advance, when feasible.

CEO's Interpretation:

In addition to formal reporting on Board policies, I am to fulfill requests for data and other information the Board may make from time to time, and to keep the Board apprised of material developments, such as with the Congressional investigation, USOC/NGBs, key international bodies, etc. Timelines for such notifications will be based on context - awareness of issues such as negative media coverage or litigation is based on when the material will become public and/or otherwise impact the organization.

When the Board is preparing to make policy decisions, I am to submit background information, as requested by

the Board, on the pros and cons of the options being considered and/or those otherwise available and in my estimation (often based on Strategy Team input) viable for Board consideration.

I interpret *material internal changes* to be issues such as significant revisions to member-facing programs, to revenues or expenditures (that are compliant with our financial policies) or personnel changes at or above the Executive Leadership Team (ELT) level.

In summary, I view this to be a “no surprises” policy, reflecting that when there are surprises about our functions/operations, the Board should maintain confidence that it learns about them from me and/or members of the Strategy Team (not from members, social media, etc.).

REPORT:

- The Board has received litigation and Congressional investigation updates from General Counsel at each regular Board meeting.
- Safe Sport issues received extensive media coverage in the past year, some of which was averse to USA-S. The Board was apprised of our initial strategy, and the Safe Sport Task Force added greatly to our constructively addressing the immediate issues and subsequent program/messaging commitments.
- With the downsizing of the Board now taking effect, I look forward to being able to have at least some degree of individual rapport with all Board members. With an eye to using your time and mine/staff’s wisely, we look forward to establishing some form/frequency of periodic “FYI Updates” between Board meetings, apprising the Board of significant incidental information, as interpreted above, which does not require Board action.

I report **COMPLIANCE**.

POLICY PROVISION #1D: The CEO will not let the Board be unaware of any Board or Board member actions that, in the CEO’s opinion, are not consistent with the Board’s own policies on Board Process and Board-Management Delegation, particularly in the case of Board or Board member behavior that is detrimental to the working relationship between the Board and the CEO.

CEO’s Interpretation:

I am to notify the Board Chair of any Board or Board members’ actions which are inconsistent with the Board’s own policies (*Board Process* and *Board-Management Delegation*), especially if such actions undermine the Board/CEO relationship. A primary example would be individual board members attempting to exert authority over staff, such as by directing staff to engage in activities or work with vendors/volunteers of the Board members’ choosing. In the case of perceived noncompliance by the Board Chair, I will report issues directly to the Board if the perceived noncompliance is not resolved after discussing the perceived noncompliance with the Chair directly.

REPORT:

The previous Board structure, including the operational Vice-Chairs, created significant overlaps in authority that were an impetus to the governance change. Good faith efforts by the Board officers since the policies were adopted earlier this year mitigated most of these issues. There were exceptions, which I brought forth to Jim Sheehan’s attention.

Moving forward, I’m confident that the enhanced role clarity and delineation of Board/staff responsibilities will alleviate much of these concerns. I report **COMPLIANCE**.

POLICY PROVISION #1E: The CEO will not present information in unnecessarily complex or lengthy form or without differentiating among three types of written communications: 1) monitoring, 2) decision preparation or “action item”; and 3) incidental/FYI.

CEO’s Interpretation:

Written correspondence to the Board is to be concise. To assist Board members in making the distinction between information that they “must read” to participate fully and information that is more incidental in nature,

written correspondence is to be labeled/highlighted as one of the three types listed in the policy.

REPORT:

As the Board has seen, emails/written correspondence that I send out are quite concise.

While Board meeting agenda items have been increasingly focused on monitoring and action items, the agenda packets have included a significant amount of “FYI” information and are cumbersome. We are currently collaborating with the Board Chair to restructure the packets to help Board members prioritize in their preparation for meetings.

While making these distinctions will simplify our communications process, they are not yet in effect, so I report **NON-COMPLIANCE**. We will implement this starting with the November Board meeting packet.

POLICY PROVISION #2: The CEO will not allow the Board to be without logistical and administrative support for official Board, officer or committee communications and functions.

CEO’s Interpretation:

As CEO, I am to ensure adequate support for operations of the Board, its officers and committees. I interpret “official” to mean those functions dealing with the carrying out of the Board’s governing responsibilities, including those of its officers and committees. Examples of support include arranging meeting space, phone and communication facilities, distribution of correspondence, recording minutes, providing refreshments, etc.

REPORT:

Staff support for Board functions, including production and uploading/distribution of Board meeting packets, minutes, meeting logistics and refreshments, and similar arrangements for the work of official Board committees is regularly provided. There have been no exceptions.

I therefore report **COMPLIANCE**.

POLICY PROVISION #3: The CEO will not deal with the Board in a way that favors or privileges certain Board members over others except when:

- A. **Fulfilling individual requests for information, or**
- B. **Responding to officers or committees duly charged by the Board**

CEO’s Interpretation:

I interpret this to mean I am to view the Board collectively and am to provide communications about Board issues and policy choices to all Board members, rather than just to the Chair and/or Board members I may view as “sympathetic” to my concerns. The exceptions are the two circumstances stated as “a” and “b.” While I am to pass requests for agenda items to the Chair, the background information supporting my request is to be distributed to all Board members. I interpret this policy as pertinent to business dealings, rather than personal or social relationships.

REPORT:

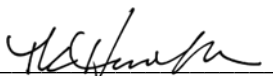
Monitoring reports, FYI information and background information on action items are distributed to all Board members. Correspondence does take place with individual board members, either in casual/social context, or from time to time when seeking input/advice or pursuant to exceptions as set forth in the policy.

I therefore report **COMPLIANCE**.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
RE: Internal Report – **Ends**
Annual Monitoring on **Policy 1.2: Successful Athletes, Coaches and Clubs**
DA: November 13, 2018

I hereby present the monitoring report on the Board's Ends policy 1.2 "Successful Athletes, Coaches and Clubs." The information contained in this report is true for the year ended October 31, 2018.

Signed , President & CEO

NOTE TO BOARD: When the Board did its initial review and adoption of the Ends at its February 3rd meeting, I presented initial broad-level interpretations / visions of success of each Ends policy. My intent with this initial Performance Monitoring Report on this End is to provide baseline information that includes an update to the Board on staff's top-line vision for each statement, the Key Performance Indicators we are using to assess achievement, and a brief assessment of organizational performance vis-à-vis each End in the past year.

For this report, to the extent that current data is available addressing these KPIs in the past year, we have included concise tables indicating achievement (or lack of it). In those instances, without comparative metrics, we have included brief narrative highlighting significant achievements and/or shortcomings in performance in the "Report" sections under each policy provision.

BROADEST PROVISION: SUCCESSFUL ATHLETES, COACHES AND CLUBS: Members have resources for sustainable success.

Policy Consideration: CEO/Strategy Team suggest that the Board revise this to: **Members use resources for sustainable success.**

Rationale: more active terminology, achievement of which would better reflect the value members perceive of resources provided by USA-Swimming.

CEO's VISION OF SUCCESS: *(italicized portion changed February 2018 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.*

Addressing this Ends directive has generated significant commitments (particularly from Mike and the Sport Development team) to assess both utilization and impacts that our programs produce for our members, giving additional priority to our service to coaches and clubs. Our heightened expectations from and of the Sport Development team will contribute to the success of athletes, and, both short and long-term, our achievement of each of the other Ends directives (i.e. Competitive Success, Public Engagement, "Best in Class" NGB, etc.).

Broad application of evaluative tools, such as Net Promoter Score (NPS), in the coming year will produce more effective benchmarking and will provide a strong basis for further prioritization and new KPI development next year.

PROVISION #A: Athletes have motivational, education, financial and leadership supports for success.

Policy Consideration:

CEO/Strategy Team suggest modifying to read **"Athletes have motivational, education and leadership supports for success."**

Rationale: Deleting financial support here, as it is addressed in End 1.1 for National Team athletes.

PROVISION A.i. Participants derive benefits (physical, educational, leadership development, and social) that lead to success in life.

Policy Consideration: CEO/Strategy Team suggest that the Board **delete this secondary (A.i) provision**

Rationale: Redundancy with Provision A above, which became more evident as our vision of success and KPIs for it were developed.

CEO's VISION OF SUCCESS: *(changed since February 2018)*

Clubs and coaches provide an environment centered around the development of life skills, positive character attributes and performance growth that drives sustained athlete participation.

2019 Key Performance Indicators:

1. Maintain at least 88% annual retention for athletes age 13 and older. (ranged 86.5-91.2% over past 10 years)
2. Increased use (within capacity limitations) and valuation of opportunities for athlete education in the areas of performance and character development (videos, camps, leadership summits, AEC, etc.)
3. Video review services available for 7,500 athletes for year ending August 31, 2019 (increase from just over 7,000 in YE 8/31/18, with 13,000 views and downloads).

REPORT:

The KPIs above were recently developed. For this report, our assessment of achievement in the past year in these areas is as follows:

Key Performance Indicators	Results Summary			Achievement
1. Maintain at least 88% annual retention of athletes 13+. (ranged 86.5-91.2% over past 10 years)	2017		2018	
	Overall	74.2%	71.5%	
	12 -Un	60.3%	57.8%	
	13-Ov	90.7%	87.8%	

1. Athlete Retention:

FYI, athlete retention rates for the past decade appear below. They have been very steady overall, with a reliable but slight increase each post-Olympics year.

Retention	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Overall %	70.8%	73.1%	69.4%	70.9%	72.1%	74.6%	70.4%	71.7%	72.7%	74.2%	71.5%
12-Un %	58.1%	59.9%	56.9%	58.4%	59.5%	61.7%	57.5%	58.7%	59.1%	60.3%	57.8%
13-Over %	86.5%	89.6%	85.7%	87.1%	88.2%	91.2%	88.0%	88.6%	89.7%	90.7%	87.8%

2. Use/Valuation of athlete education (performance and character development).

New initiatives in 2018 included the first-ever Athlete Leadership Summit in April in Houston, which brought together athletes and coaches for a focused weekend of learning and leadership. This valuable and successful program will continue in 2019 in Colorado Springs in order to attempt to better manage expenses. Another leadership success in 2018 was the first full year of the "She Leads" workshop, which brought together about 35 young women (ages 15-18) over two separate weekends (70 total).

On two other positive athlete leadership fronts, an athlete was elected to the Vice Chair position of the Board of Directors, and the Athletes' Executive Committee restructured, with the goal of furthering leadership development within the governance of USA Swimming.

3. Video review services:

USA Swimming's efforts over the last 6-7 years in providing video review services at major competitions has been a success. Patterned after the services provided by National Team staff to National Team athletes, this program, led by Sport Development staff, reached over 7,000 athletes at seven separate competitions in 2018. The program is planned to continue in 2019.

SUMMARY: Ensuring that athletes benefit from swimming involvement is at the forefront of all that we do. As there are limitations as to how the national organization can directly serve the athlete membership, leveraging this with resources to coaches and clubs is vital.

While always striving for improvement, we are confident that the services and supports provided to athletes in the past year constitute **ACHIEVEMENT** of this End, as interpreted.

PROVISION B: Coaches have tools and skills to be successful in the pool and in business.

Policy Consideration: CEO/Strategy Team suggest this be revised to: **“Coaches have and use tools and resources to be successful.**

Rationale: Consistency with active “use” of resources conveyed as the expectation.

CEO's VISION OF SUCCESS: *(changed since February 2018)*

Coaches look to USA Swimming for training and resources to professionally lead clubs and athletes, and to provide the technical and interpersonal expertise that drive performance improvement.

Short-term Priority: emphasis on evaluation of the effectiveness of current programs, with an eye to expanding opportunities for coaches to access and benefit from quality coach education – particularly to support clubs with less resources.

Key Performance Indicators:

1. Year-to-Year improvement in evaluation ratings from coaches attending the Regional Coaches Clinics. In 2018, a total of 618 coaches attended these eight clinics. Note: attendance numbers at these clinics is somewhat based upon location, and how near they are to cities (versus rural). There were 837 attendees in 2017 and 730 in 2016.
2. 80 Combined Sports Performance Visits per year, with Y-T-Y increases in participant overall evaluations.
3. Y-T-Y growth in number of coaches attending educational camp tracks, with emphasis on Y-T-Y increases in participant ratings of each experience. There was a 10% growth in the number of coaches attending all USA Swimming-offered educational opportunities from 2017 to 2018. At the National Select Camp, there were 75 coaches who attended in 2018. Coach experience ratings should be at least 4.0 on a 5.0 scale.
4. Coach and athlete in-person training and education for Safe Sport has been steady over the last three years, with 700 trained in 2016, nearly 1,000 in 2017 and 847 thus far this year. The number for 2019 is expected to be slightly less due to some travel budget reductions.

In addition to these anticipated short-term results, longer-term planning to elevate how coaches value USA-S for their professional development will include two significant benchmarking initiatives:

5. Assess valuation/usage of the Athlete Development Model (ADM) with determination of broader roll-out by Q3 2019. Most clubs have not seen or are familiar with this model, therefore a more elaborate metrics assessment will be developed.
6. Survey of coaches Identifies Net Promoter Score (NPS), with targeted subsequent Y-T-Y increases. (“If you met a colleague new to swim coaching, on a 0-10 scale (10 highest) what is the likelihood you would recommend USA Swimming as a resource for professional growth?” Followed by “What one thing could USA Swimming do or offer that will elevate the number in the response above?”
7. Implement use of NPS as a regular tool to assess specific program valuation. Benchmark, and use as evaluative criteria.

REPORT:

Key Performance Indicators	Results	Achievement
1. Y-T-Y improvement in evaluation scores from previous year's Regional Coaches Clinics	Scores at 4.0 in 2018.	Yes
2. 80 Combined Sports Performance Visits per year.	101 visits in 2017-18	Yes

We are committed to USA Swimming being highly relevant as a resource for coaches, and particularly recognize the need to invest in a stronger coach education platform that covers a variety of subjects to help provide more well-rounded resources for coaches.

For the past year, I report **PARTIAL ACHIEVEMENT**.

PROVISION C: Clubs of all sizes and levels have and utilize resources and services for business and professional success.

Policy Consideration: CEO/Strategy Team suggest that the Board revise this to: *Clubs of all sizes and levels have and use resources and services for*

CEO's VISION OF SUCCESS: *(changed since February 2018)*

Clubs look to and value USA Swimming's support and resources, resulting in their success as business entities with increased membership growth.

In addition to achievement of the sub-provisions below, our short-term priority is to do deep-dive qualitative assessments of program effectiveness, from which we can more meaningfully plan and identify how to measure what constitutes "value" to membership.

2019 Key Performance Indicators:

1. Launch of Flex Membership exceeds forecast of 40,700 members as of 8/31/19. Note: through 10/31/2018, Flex Membership for the 2019 membership year is at 10,881.
2. Implement use of NPS as a regular tool to assess specific program valuation. Benchmark, and use as evaluative criteria to ID what members want/need going forward.
3. USA Swimming clubs that achieve Club Recognition levels:

	<u>2017-18</u>	<u>2018-19</u>
Level 1	13.8%	15.0%
Level 2	9.9%	10.5%
Level 3	6.0%	7.0%
Level 4	3.9%	4.5%

REPORT:

As further evaluation of Sport Development services to clubs (and athletes, coaches and LSCs) is completed, we anticipate setting new planning/programming objectives, which will be reflected in FYI updates to the Board, and in subsequent monitoring reports. This current year (2019) is pivotal in this area, in particular due to staff leadership changes and possible modifications in services provided.

Based on our assessment of the key sub-provisions of this policy (below), I report **PARTIAL ACHIEVEMENT**

PROVISION C.i. Clubs are safe and inclusive environments.

CEO's VISION OF SUCCESS: *(Italicized portion changed since February 2018)*

Safe - All clubs are educated, aware and proactive in ensuring a safe environment, with athlete protection being paramount.

Inclusive - USA Swimming is a sport for all where diversity is represented from the grassroots level to the National Team. Inclusion is a cultural norm.

Key Performance Indicators:

1. Y-T-Y increases in utilization of parent and athlete Safe Sport Education. KPI set at 10% of households and 10% of athletes ages 12 and older, as these are the minimum thresholds for a club to become a Safe Sport Recognized Club.
2. Increase to a level of 20% of clubs which have a Safe Sport Club Coordinator by the end of 2019. This is a required item for Safe Sport Recognition. Note: currently, over 700 clubs have started the process to become recognized clubs.
3. Inclusive: Y-T-Y growth of multi-cultural component of USA-S membership (internal demographic guide) recent years 18-19%, 18.61% AS OF 8/17). (SAME AS GROWTH IN PARTICIPATION 1.3.C)
4. Growth in % of LSCs whose leadership participates in D&I education at least every two years (Baseline from 2018 is 65%).
5. 3% Growth of USA Swimming membership through Community Swim Team programs. There are currently 3,500 athlete members in the Chicago Park District program.

Key Performance Indicators	Results	Achievement
1. Y-T-Y growth of multi-cultural participants within USA-Swimming	USOC Scorecard was 17.12% in 2016 and 18.15% in 2017	

REPORT:

Safe Sport: USA Swimming has worked hard in the area of making our clubs safe and inclusive environments, but clearly there is more work to be done. Simply put - one instance of abuse is too many. One focus point to the overall effort of education and awareness is to improve participation numbers from parents and athletes. A second is to improve the number of Safe Sport Coordinators within clubs. It is a high priority that Safe Sport becomes part of the fabric and culture of the sport. Additionally, END 1.4 pinpoints that USA Swimming be an NGB leader in the area of safe sport.

Inclusion: USA Swimming has made solid progress in the area of inclusion, in particular with the passage of legislation in 2018 to further promote opportunities for athletes who identify as transgender. Additionally, the results of the U.S. Olympic Committee scorecard improved from 2016 to 2017.

SUMMARY, with recognition that we have substantial more work to do in helping clubs ensure athlete safety, and to continue in advancing inclusion - I report PARTIAL ACHIEVEMENT.

PROVISION C.ii Educational opportunities support and engage non-athlete volunteers (e.g. parents, team leaders and officials)

CEO's VISION OF SUCCESS: *(changed since February 2018)*

Clubs look to USA Swimming for resources and tools to grow/assist the participation of volunteers who are knowledgeable and supportive.

2019 Key Performance Indicators:

1. Y-T-Y growth in nonprofit club attendance at Club Leadership and Business Management School (CLBMS) and participant ratings. From Sept. 1, 2017 – Aug. 31, 2018, there were 338 participants from 191 clubs that took part in the CLBMS. A hard-copy survey has been given to participants in previous years, but without establishing a baseline. This is something that will be done in 2019.

2. Officials' Education – Train 175 officials using the National Officials' Committee curriculum and have 95% of the LSCs represented at the Officials' workshops. (BASELINE?)
3. Parent Engagement Toolkit - available by 12/19 with trial/evaluations subsequently assessed.
4. ID and develop a plan/program to elevate consistency of standards for officials among LSCs. Review the current training curriculum and materials across LSCs and develop a basic core curriculum and standards for training and certifying officials to give to LSCs to use.

REPORT:

Of note, the following items are critical in the future:

- Continuing education for officials is a high priority in this area.
- Parent education and engagement is being refreshed.
- Sport Development staff leading the Club Leadership and Business Management School continues to provide excellent information and support for clubs in the running of their businesses.

While progress was made in this area, further benchmarks must be established to better measure success.

Per Strategy Team meeting – acknowledge that achievement of efforts here are incomplete, thus **REPORT PARTIAL ACHIEVEMENT.**

PROVISION C.iii Clubs have tools and resources for coach recruitment, development and retention.

Policy Consideration: Strategy team suggests deletion of this provision.

Rationale: Redundant with 1.2.B and 1.3Cii.

PROVISION C.iv Facilities development and usage guidance and support contribute to clubs' success.

Policy Consideration: CEO/Strategy Team suggests this be revised to: **Facilities development and operational expertise contribute to clubs' success.**

Rationale: Verbiage simplicity.

CEO's VISION OF SUCCESS: *(changed since February 2018)*

Clubs and communities look to and value USA-S as a resource for facility development, programming guidance and technical know-how, resulting in improved availability, access to and success of aquatic facilities.

Consultation with member clubs and leveraging relationships with industry-wide leaders such as Myrtha Pools, Counsilman-Hunsaker and Neptune Benson are the core aspects of this effort, with the hopes of increasing the number of aquatic facilities in the U.S.

Key Performance Indicators:

1. Conduct 6 Build a Pool Conferences with Y-T-Y growth in participant evaluation of conference value. Over the last three years, there have been 273 attendees in 2016, 278 in 2017 and 236 in 2018 (numbers to increase for 2018 from November program). Baselines need to be established on conference evaluations.
2. Virtual version of "Build and Program a Pool" developed and available by mid-2020 with over 100 clubs taking advantage of this offering.
3. Y-T-Y improvement in club responses for Facilities Programming consultation and assistance services. (benchmarks not currently in place – to be developed)

REPORT:

The Facilities Services department has been in existence for nearly 15 years and has provided consultation and other resources for hundreds of clubs, facilities and aquatic projects. This upcoming year will provide an opportunity to set benchmarks regarding quality of service. On that basis, we will have a stronger basis to report the extent to which these services have achieved the intended contribution to clubs' success.

PROVISION D: LSCs have resources and services for business and professional success.

PROVISION D.i. LSCs grow through competition programs that are developmentally sound and family friend activities.

Policy Consideration: CEO/Strategy Team suggests these be consolidated to one "D" statement:
"LSCs use resources and services to support the development and achievement of athletes, coaches, and clubs."

Rationale: Active utilization of resources more explicitly conveyed as expectation. Verbiage simplicity.

CEO's INTERPRETATION / VISION OF SUCCESS: (changed since February 2018)

LSCs consistently meet high standards in provision of education, opportunities, funding and support for their members.

Key Performance Indicators:

1. Combine LEAP 1 and 2 as new LEAP 1; LEAP 3 becomes LEAP 2 and an entirely new LEAP 3 will be created – Rollout by September 2020
2. 2019: 100% LEAP 1, 75% LEAP 2, 25% LEAP 3
3. Y-T-Y improvement in overall evaluations of LSC visits for Board Governance, LEAP or Strategic Planning. At least a score of 4.0 (out of 5.0) on all LSC visits.
4. On-track to fulfill policy 3.10 ("Relationships with LSCs") by Q1 2020, as approved by the Board in September 2018.
5. Growth in the % of LSCs that send representatives to USA-S meetings and workshops offered each year. (2018 Baseline: 80% of LSCs that are represented.

REPORT:

USA Swimming staff have provided excellent resources and support for LSCs, however LSCs vary greatly in how successful and efficient they are.

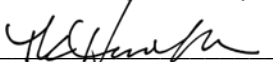
A key element of our "vision of success" is that LSCs "consistently" meet high standard. The variances in LSC structure/expectations/efficiencies is a significant obstacle, recognized by the Board in its establishment of policy 3.10 – relationships with LSCs. Therefore, addressing the LSC structure will be a high priority in 2019.

*We report **PARTIAL ACHIEVEMENT***

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, Chief Executive Officer
RE: Internal Report – Ends
Annual Monitoring on **Policy 1.4: Recognition of USA Swimming**
DA: November 13, 2018

I hereby present the monitoring report on the Board's Ends policy 1.4 "Recognition of USA Swimming." The information contained in this report is true for the year ended October 31, 2018.

Signed , President & CEO

BROADEST PROVISION: RECOGNITION OF USA SWIMMING: USA Swimming is recognized as the "Best in Class" NGB.

CEO's VISION OF SUCCESS:

USA-S will be considered the best-run NGB in the United States. Our vision includes:

- Focus on "right-way = right results" philosophy
- Leader in Safe Sport
- Clean sport
- Become the NGB where smart/talented professionals want a career
- Grow a dynamic organization for the benefit of the American public
- A modern, professional work culture driven to deliver results.
- Strong strategic partnerships -- key influencers seek USA-S input
- Internationally recognized as high-performing and influential in-and-out of the pool
- A recognized global leader in marketing, media and communications.
- Elevate the swimming experience nationally

REPORT:

There are countless actions being taken to strengthen the productivity and workplace culture of USA Swimming; however, our achievement is best demonstrated through results. Applicable results include positive representation of USA Swimming before the United States Congress, attracting great new hires to the Strategy Team and Executive Leadership Team, including Belle McLemore, Abigail Howard, Joel Shinofield, and Eric Skufka, and the office redesign project that is premised on providing a modern, professional work culture.

USA Swimming continues to serve as a model and resources for its NGB peers and international stakeholders. Further, recent developments on the commercial side demonstrate that USA Swimming is a valued brand and desirable commercial partner.

While USA Swimming has had great success in Olympic and international competitions and has long been regarded for its excellence, we are committed to be an organization as known for its commitment to future success as its past. While not ever fully achieved, we believe the past year's activities and productivity constitute **ACHIEVEMENT** of this End.

PROVISION #A: Members recognize the value and impacts of USA Swimming on their lives.

CEO's VISION OF SUCCESS: *Members experience the benefits of a sport for life, and the important life lessons that come from team participation.*

Key Performance Indicators:

1. Y-T-Y increases in membership retention rates
2. Valuation of membership assessed through Net Promoter Score survey, then subsequent targeting of Y-T-Y growth (or maintain, based on benchmarks)

REPORT:

Key Performance Indicators	2018 Results	Achievement
1. Membership Retention rates	2017 – 74.2% 2018 – 71.5%	

As discussed at the October orientation meeting, our value proposition for members is not well defined. Renewals are currently more reliant on members' experience with their local clubs rather than a direct relationship with USA Swimming.

We are not surprised about the current retention rates and would prefer to see them either flat or reflecting growth. Clubs have successfully launched the Flex Membership (just two months ago) to create a nimbler product to help our clubs grow with new members. Early results are favorable!

As shown throughout this report on End 1.2, we are orchestrating a comprehensive membership survey process that will lead us to not only mission/vision determinations, but within those to strengthen the value proposition.

We report **PARTIAL ACHIEVEMENT**.

PROVISION B: USA Swimming is recognized as a leader in Safe Sport.

CEO's VISION OF SUCCESS:

We have a culture of proactivity in addressing SafeSport, including survivor engagement, effective partnering with subject matter experts and weaving SafeSport into the fabric of the organization to define USA Swimming's posture with regard to athlete protection.

Key Performance Indicators:

1. All facets of SafeSport program are, over a continuum of communications, conveyed to USA-S membership.
2. Increased utilization of SwimAssist – increase in utilization.
3. Decreased average response time to complaints submitted to USA-S HQ by at least 10%.

Key Performance Indicators	2018 Results	Achievement
1. Increased utilization of SwimAssist	2017 – 9; \$19,900.55 2018 (to date) – 12; \$19,063.29	Yes
2. Decreased average response time to complaints	7/17 to 7/18: 11 weeks 7/18 to 7/19: TBD	TBD

REPORT:

Over the past ten months, USA Swimming has recommitted to its Safe Sport Program and efforts and has undertaken a number of initiatives to promote education, awareness and prevention of abuse in swimming. While the Safe Sport minimum requirements of NGBs continue to increase, USA Swimming sets itself apart as "Best in Class" by going above and beyond. To that end, USA Swimming has developed and implemented a Safe Sport Recognized Club program, engaged Praesidium to conduct a Safe Sport Content audit and evaluation and increased vetting of coach and Board candidates through the U.S. Center for Safe Sport, among other things. We also recognize the need to do more on the response side, so we will be focusing our efforts, in particular, on the increased utilization of our survivors' assistance program, SwimAssist, and the decreased average response time to complaints when misconduct does occur.

While the past year has had unanticipated challenges that have required substantial attention and resource allocations, I am confident that the way we have responded and committed to future action constitutes reasonable incremental **ACHIEVEMENT**.



TO: Board of Directors
FROM: Tim Hinchey III
COPY: Staff & Selected Others
DATE: November 13, 2018
SUBJECT: General Update

Dear USA Swimming Board of Directors,
Looking forward to our first official board meeting in New York this weekend. 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

Flex Membership Analytics

- There are 10,881 current Flex members through October 2018
 - 10,953 people have signed up for Flex in total
 - 74 have upgraded to Premium (full-time) memberships
 - 12 have downgraded from Premium to Flex
 - 10 have cancelled their Flex memberships
- Of the 10,953 people who have signed up for Flex, 7,131 are new USA Swimming members
 - 3,822 were Premium members in 2018 and have transitioned to Flex for this year
- Almost 76% of Flex members are between the ages of 6 and 12
- Just over 50% of Flex members are between the ages of 7 and 10

Membership Growth Charts (Attached)

2018 Officials' Activity

- Over 18,000 currently registered officials
- Approximately 1,700 officials certified to work national level meets
- Member Services creates and manages 16 National Meet Officiating applications every year
 - Over 120 officials apply to work at each national meet
- Placed seven new officials on FINA and UANA Officials' Lists
- Transferred Officials' Tracking System from legacy website to current website

Other Projects

- Work towards streamlining officials training across LSCs for consistent officiating for athletes
- Exploring possibility of placing YMCA Officials tests on USA Swimming platform, similar to what is done for NCAA officials tests
- Working with Commercial Division and Officials Committee on an officials recognition program to recruit and retain officials – continuing #OfficiallyAwesome theme

International Relations

Leadership of the Israel Swimming Association (Simon Davidson, president, and Amir Tito, CEO) toured the Olympic Training Center on Nov. 14 and also met with USA Swimming staff on a variety of topics. Foundation trustee, Alex Blavatnik, helped organize the tour and joined them in Colorado Springs. Both Simon and Amir will join Alex at the Golden Goggle Awards on Nov. 19.

A handful of USA Swimming National Team members have made a declaration that they will swim in the Energy Standard competition in Torino, Italy on Dec. 20-21. Complicating this is the challenge that FINA has decided not to approve this meet due to the fact that the Italians were improperly basing the invitation on a FINA bylaw. USA Swimming staff leadership has been communicating with our athletes to inform them of their rights around this competition, but also in order to make them aware of all circumstances surrounding this meet. This is a serious issue that we have spent much time reviewing and considering.

USA Swimming has been working with FINA, the USOC and the University of Tennessee on a potential project to host a FINA Scholarship Program in Knoxville. This program would bring 10-14 athletes from developing swimming nations around the world to Knoxville for a year-round training program paid for by FINA leading into the Tokyo Olympic Games. Derek Paul, the CEO of Tennessee Aquatics, is also very involved in putting this project together. There are still a handful of logistical items to work through.

COMMERCIAL

2019 TYR Pro Swim Series

The 2019 TYR Pro Swim Series is in full planning mode, after having awarded sites through a first-time RFP process. The local sports commissions and city visitors' bureaus are active partners for USA Swimming. There is expanded media efforts, ticket sales efforts, and a push in the local communities to bring awareness to these events. Each stop will have a USA Swimming ambassador make an appearance 4-6 weeks in advance to do a media day with our communications team.

At each swimming event we will have expanded VIP events and seating.

The 2019 Swim Squads promotion kicks off with the athlete draft on Sunday, Nov. 18 at Golden Goggles. Captains include Maya DiRado, Elizabeth Beisel, Connor Jaeger and Cammille Adams. You will see one or two of these captains at each stop of the TYR Pro Swim Series hosting clinics and signing autographs to complement the promotional efforts around the series.

#SwimBiz

The fifth annual #SwimBiz: Social Media, Sponsorship & Swimming conference will be held at the Colorado Springs Marriott on April 28-30, 2019. The commercial team is currently working on the official schedule and will release it in January 2019. Registration is now open and the early bird discount will be

applied until November 30, 2018. For more information or to register for the event, please visit www.usaswimming.org/swimbiz.

Athlete Partnership Agreement (APA) Update

Thirty-eight (38) professional athletes signed the APA contract for the 2018-2019 APA season. In Q1, the athletes completed 14 of the overall 76 appearances and 14 appearances are currently planned for Q2.

Q1 – In the Spotlight:

- Kendyl Stewart & Justin Wright mentored athletes at the National Select Camp
- Ashley Twichell & David Heron supported athletes at the Open Water Select Camp
- Margo Geer & Zane Grothe participated in the Jose Cerda Foundation Swim Clinic
- Zane Grothe presented at the USA Swimming Foundation Luncheon at the USAS Convention

Deck Pass

The Commercial, Business Operations and IT divisions are collaborating on next steps and vision of the Deck Pass app. After the research is fully completed and priorities are identified, we will make a decision to continue with a native app or utilize the website with a hybrid app.

Splash Magazine

2018 marks the 25th anniversary of Splash, which started as a tabloid newsletter in 1993 before evolving into a full-color glossy magazine in 1998. A commemorative 25th Anniversary issue will be in mailboxes in December.

BUSINESS AFFAIRS

Safe Sport

The Safe Sport Club Recognition program is live. In its first week of activation, over 700 clubs initiated the process to become Safe Sport recognized. To date, two clubs have achieved recognition status and two more have submitted to be reviewed for recognition status.

The partnership with Praesidium is advancing as anticipated. In October, Praesidium staff conducted a site visit and interviewed seven USA Swimming staff members as a part of its Safe Sport content audit. Additionally, Abigail Howard, Associate Counsel, spent three days with Praesidium completing its Certified Guardian Training. Abigail will also complete an impact project for USA Swimming to complete the Certified Guardian Training requirements.

In October, the Safe Sport staff met with TeamUnify, the largest swim team management platform, to discuss pushing Safe Sport content to team administrators and parents. The staff will continue to work with TeamUnify to develop ways for Safe Sport content to be hosted on team websites.

In an effort to advance our partnership with the U.S. Center for SafeSport, USA Swimming staff met in-person with Center staff in an effort to align and streamline our processes. Lucinda McRoberts is also a member of a small National Governing Body Council (NGBC) Leadership Liaison Group to work with the Center on concerns expressed by the entire Olympic community.

Risk Management

The Risk Management Guide to USA Swimming furnished Insurance and Voluntary Insurance Programs is complete. Updated websites at www.theriskpeople.com and www.usasmarketplace.com provide member clubs easy online access to voluntary insurance programs such as workers compensation, property, crime, and management liability, including directors and officers and employment practices liability.

Club Insurance Packets are being mailed to clubs upon registration with the LSCs. These packets contain club specific certificates of insurance, instructions on using the Certificates Now website, how to obtain special wording requirements required by facilities for additional insured endorsements, and where to purchase voluntary insurance coverages.

Risk Management is working with IT to provide documentation of concussion education required by state laws. The courses are from the National Federation of High Schools (NFHS) or Center for Disease Control (CDC) or a state-required course. There will be an indicator on the SWIMS record to document if the training has been obtained (Yes or No), as well as the date. Many states have required all youth coaches to take concussion education and several are now requiring officials. Once the programming is complete, Risk Management will send a blast to LSCs and clubs. A state-by-state reference guide to concussion laws has been completed and will be posted on the website.

Human Resources

Our new annual review process launched on November 5. We have moved away from the previous process of completing and presenting review forms via our HR system and are instead focusing on facilitating open conversations between leaders and team members about expectations and performance.

Office redesign construction is scheduled to begin on November 26 with major demo beginning December 3. We will work closely with our contractor Hensel Phelps to engage our team during construction. For example, we are planning to host a “team demo day” on November 30 where we can swing a hammer to officially kick off demolition. We will also host scheduled walk-throughs during construction and “get to know our contractors” initiatives. Phase I of construction is scheduled for completion on or around March 29.

Our team’s year-end celebration event will be held on January 21, as we attend the Colorado Avalanche vs. Nashville Predators hockey game at the Pepsi Center in Denver.

Finally, we launched our workplace harassment training in October and, to date, have had 43 percent of our team complete the training. The deadline is yearend, and employees will be required to complete the training annually moving forward.

Online Membership Services Project

The Member Data Validation Service (MDVS) for clubs will help facilitate integration of club databases hosted by third-party swim team management software vendors with the USA Swimming member database called SWIMS. The goals of the service are to improve the quality of data for both the club and USA Swimming and to streamline the athlete member registration process.

A pilot test involving four clubs in a live production environment is complete. System modifications identified during the test are now in place, and we are ready to go live with phase one. We will next

notify the LSC Registrars and clubs that the MDVS is ready for use, and it will initially be available to clubs using TeamUnify and Swim-Smarter team management software. ACTIVE Hy-Tek is in the process of making changes to their software and will announce a launch date when that work is completed.

Several design meetings for phase two of the Online Member Services Project, online registration for non-athlete members, have been held and we will continue to work on this phase.

Customer Relationship Management (CRM) and Digital Marketing

The Discovery phase of the Customer Relationship Management (CRM) and Digital Marketing project is complete. Findings and recommendations have been presented to an executive group for review and acceptance. The project includes the use of three significant software components, including:

- Redpoint for Master Data Management
- Marketo for Campaign Management and Marketing Automation
- Salesforce for Customer Resource Management and Donor Management

The next step of the project is the Design phase to create the technical specifications, architecture, and interfaces required to prepare for the implementation phase of the project. The Amberleaf resources involved in the Discovery phase will stay on to lead the Design phase of the project.

FOUNDATION

As we prepare for the Golden Goggle Awards, the live & silent auctions, and a weekend of meetings and events, the Foundation team has been busy preparing and finalizing its 2019 budget and goals. We are proud to say that in 2019 we have reached a strong operational budget with the reduction of \$200,000 of USA Swimming revenue.

The USA Swimming Foundation distributed \$701,591 to 151 Make a Splash Local Partners in two rounds of 2018 grants serving an anticipated 26,000 children. The 2019 grant application window will open Thursday, November 15. We're proud to say we provided an additional \$80,000 to USA Swimming to support our National Team athletes.

In 2018, we are hitting our goals, with about 50% of our annual fund budget expected in November and December.

Major Gifts & Grants

- \$900,000 secured in major gifts with five (5) new Trustee Council members exceeding the \$750,000 goal
- Secured \$205,000 in grants exceeding the \$100,000 goal

Sponsorships

- Secured \$880,000 of the \$900,000 sponsorship goal
- Phillips 66 renewal going well; SwimWays renewal signed and announced prior to Golden Goggles; Goldfish secured and the announcement made

Annual Fund Overview

As of October 29, 2018, the Annual Fund has received \$360,494 in revenue (53% of the increased \$675,000 goal).

- *Champions Club, donations \$1,000-\$10,000*, is currently at \$197,063 (56% of the increased \$350,000 goal)
- *Fundraising Events, including Performance Camps and the Convention luncheon*, are currently at \$119,520 (92% of the \$130,000 goal). We had 46 attendees over both camps, which was fewer than last year
- *Donations under \$1,000* is currently at \$33,024 (44% of the increased \$75,000 goal)
- *3rd Party donations, dollars raised by donors on our behalf or donated in honor of someone*, are currently at \$10,886 (54% of the \$20,000 goal). This is lower than last year at this time based on the record number of tribute/memorial gifts received in 2017

Swim-a-Thon

- With three more months until the end of the year (January 30), the Swim-a-Thon program has reached 62% of its \$400,000 revenue goal for 2018

New Public Service Announcement

We recently filmed a new PSA with Nathan Adrian, Simone Manuel and Ryan Murphy, highlighting our Foundation national swim lesson finder on our website. The new PSA will be released in the Spring of 2019 with a similar distribution plan to the Missy Franklin PSA.

