

USA Swimming Board of Directors Meeting Minutes

February 2, 2019 / Colorado Springs, CO

1 **CALL TO ORDER**

2 Bob Vincent, Board Chair, called the February 2, 2019 Board of Directors meeting to order
3 at 9:00 a.m. Mountain Time with the following members in attendance:

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

8
9 **NOT PRESENT:** Chris Brearton, Teri McKeever.

10

11 **GUESTS**

12 Sean Redmond (Western Zone Director), Tristan Formon (Eastern Zone Director), Pam
13 Lowenthal (Central Zone Director), Dave Smith (Southern Zone Director), Bill Charney
14 (Charney Associates).

15

16 **STAFF**

17 Tom Avischious, Paula D'Amico, Jim Harvey, Debbie Hesse, Isabelle McLemore, Lindsay
18 Mintenko, Eric Skufca, Joel Shinofield, MJ Truex, Mike Unger, George Ward.

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 provided an overview of the Rules of Engagement.

29

30 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

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

40 **BOARD CHAIR'S REMARKS**

41 Bob Vincent thanked everyone for attending the Safe Sport Leadership Conference,
42 emphasized the need to always talk about safety at Board meetings, and described the
43 "Four Corners" from *Servant Leadership in Action: How You Can Achieve Great Relationships*
44 *and Results*.

45
46 **MINUTES**

47 **MOTION:** *To approve the November 18, 2018 Board of Directors meeting minutes*
48 *(Attachment 2). Seconded. APPROVED.*

49
50 **WELCOME TO BOARDPAQ**

51 Bob Vincent provided an overview of BoardPaq and how to use it.

52
53 **BOARD WORK PLAN UPDATE (2.3.2)**

54 Davis Tarwater provided an update on the Governance Committee's next steps regarding
55 putting together a Board work plan.

56
57 **CLOSED SESSION (2.3.6)**

58 **LITIGATION UPDATE**

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

61
62 **BOARD PROCESS**

63 **AUDIT COMMITTEE RECOMMENDS AUDITOR ENGAGEMENT TO BOARD BY**
64 **FEBRUARY 28 (2.8.3.A)**

65
66 **MOTION:** *To approve Waugh & Goodwin, LLP as the auditing agency for USA Swimming for*
67 *the year ending December 31, 2019. Seconded. APPROVED.*

68
69 **BOARD ESTABLISHES CURRENT YEAR "CHARGE" WITH TARGETED**
70 **SKILLS/ATTRIBUTES FOR NOMINATING COMMITTEE (2.9.3)**

71 Bob Vincent provided Board and USA Swimming membership demographics to formulate
72 criteria for the Nominating Committee when they consider nominees for the Board and
73 added that Wendy Boglioli is coming off the committee and the Board will be approving a
74 nominee to replace her on the committee.

75 John Bradley recommended someone with an advocacy background for the Board

76 The Board discussed deadlines for applications and the overall time frames for the
77 nominating process.

78 **3.7 - EXECUTIVE COMPENSATION COMMITTEE PROCESS TO UPDATE CEO**
79 **EMPLOYMENT AGREEMENT (2.8.7)**

80 Bob Vincent tasked the Executive Compensation Committee to review Tim Hinchey's
81 contract regarding benefits and length.

82

83 **MEMBER RELATIONS COMMITTEE UPDATE**

84 Bob Vincent reported on the intentions of the Membership Relations Committee and
85 provided tasks for the committee to complete in order to bring recommendations to the
86 Board in April.

87

88 **MANAGEMENT PARAMETERS MONITORING (4.4)**

89 **POLICY 3.3 - TREATMENT OF STAFF**

90 Lucinda McRoberts presented the Policy 3.3 - Treatment of Staff (Attachment 3).
91 Bob Vincent charged the staff to ensure each volunteer committee can answer how they are
92 furthering the goals and vision of USA Swimming, and additionally asked for the roles of
93 Staff Lead and Committee Chair to be defined for each committee.

94

95 Mike Unger provided some background on the committee appointment process.

96

97 **MOTION:** *To approve the performance monitoring report on Policy 3.3, "Treatment of Staff,"*
98 *conveys (a) interpretations of the policy that are reasonable, and (b) that the report*
99 *reasonably substantiates compliance with the policy requirements, consistent with the CEO's*
100 *interpretations. Seconded. APPROVED.*

101

102 **POLICY 3.4 - FINANCIAL CONDITION & ACTIVITIES (INT)**

103 Eric Skufca introduced himself as the new Chief Financial Officer and reported non-
104 compliance on Policy Provision #2. Mr. Skufca explained that while the 2018 total
105 operating projected expenses will be better than budgeted, it did not exceed the shortfall in
106 total revenue (primarily corporate sponsorship and membership). Mr. Skufca added that
107 the 2018 operating deficit is projected to miss budget by \$1.12 million or 3% of 2018
108 projected revenue or 0.5% of the total quad projected revenue. Mr. Skufca noted the goal is
109 to finish the Quad at budget neutral and further explained the variance in missed budget
110 projection is due to an accounting revenue recognition related to the partnership with the
111 Omaha Sports Commission and the choice to conservatively recognize the applicable rights
112 fee revenue consistent with previous quads and our current quad budget (Attachments 4 -
113 5).

114

115 Mr. Skufca summarized the 2018 preliminary budget projection with the expectation to
116 close the books in February 2019.

117

118 Tim Hinchey explained the learning opportunities for staff with regards to the sales process
119 moving forward so that sponsorship sales and projections are better accounted for in the
120 budget. Mr. Hinchey expressed his confidence in reaching the projected 2019 revenue of
121 \$5.5 million and recommended a discussion at the next Board meeting regarding how the
122 organization drives revenue.

123

124 Mike Unger provided background on membership projections from year to year.

125

126 The Board engaged in discussion regarding the quad budget and expenses related to
127 Golden Goggles particularly in relation to giving to the Foundation.

128

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

133

134 **POLICY 3.7 - COMPENSATION & BENEFITS**

135 Tim Hinchey spoke to the compensation for staff as it pertains to market value and
136 succession planning, performance reviews, and a new bonus structure (Attachment 6).

137

138 **MOTION:** To approve the performance monitoring report on Policy 3.7, "Compensation
139 and Benefits," conveys (a) interpretations of the policy that are reasonable, and (b) that the
140 report reasonably substantiates compliance with the policy requirements, consistent with
141 the CEO's interpretations. Seconded. **APPROVED.**

142

143 **STAFF REPORTS**

144 **CHIEF ADMINISTRATIVE OFFICER & GENERAL COUNSEL**

145 Lucinda McRoberts provided the Board with an update regarding the hiring of a new
146 Human Resources Director, the timeline for USA Swimming's office redesign, and the
147 "operating agreement" between LSCs and USA Swimming to memorialize their existing
148 relationships, including the use of intellectual property.

149

150 **CHIEF FINANCIAL OFFICER**

151 Eric Skufca provided an update on fourth quarter investments, including that the
152 investments overall are down, but the organization beat the benchmarks for the quarter,
153 the three year, the five year and the ten year (Attachment 7).

154

155

156

157 **CHIEF OPERATING OFFICER**

158 Lindsay Mintenko provided updates regarding the Coach Incentive Program, which
159 provides money to coaches who put athletes on the podium at Operation Gold competitions
160 and is supported by the USA Swimming Foundation and Carolyn Dirks; highlighted her
161 recent trip to Hangzhou, China for the FINA World Swimming Championships, including
162 appreciation for having the budget to have the team stay longer in order to better prepare
163 for the competition, the quality of the accommodations, and the success of the team; and
164 noted she is currently filling international team coaching staffs for 2019.

165

166 Mike Unger reported that the IRC endorsed Van Donkersgoed as a nominee to the UANA
167 Executive Committee in the role of Vice President and Janet Events as a nominee for FINA
168 Treasurer.

169

170 **MOTION:** *To approve Van Donkersgoed as the nominee for Vice President to the UANA*
171 *Executive Committee. Seconded. APPROVED.*

172

173 **MOTION:** *To approve Janet Evans as a nominee for Treasurer of FINA. Seconded.*

174 **APPROVED.**

175

176 Mr. Unger provided updates on the calmed relationship between FINA and the
177 International Swim League (ISL); FINA's newly created Champions Series in which USA
178 Swimming is hosting the final meet in Indianapolis May 31 - June 1; FINA's decision to sign
179 with the International Testing Agency; 2020 Olympic Trials including a signed contract
180 with Omaha and ticket sales; and, highlighted membership numbers across the country and
181 the overall success of flex membership (Attachments 8 – 9).

182

183 MJ Truex updated the Board on transgender legislation including the creation of two
184 panels, the Intake Panel and the National Eligibility Appeals Panel.

185

186 **MANAGING DIRECTOR, COMMUNICATIONS**

187 Belle McLemore reported that USA Swimming will be streamlining its brand throughout
188 the organization which will include identity standards guidelines to be used by anyone who
189 uses USA Swimming intellectual property, and finally noted some staffing changes
190 including that Amanda Bryant will be working within Event Marketing and taking over the
191 AquaZone at the 2020 Olympic Trials.

192

193 **CEO'S UPDATE**

194 Cecil Gordon reported that the Foundation Task Force will take an in depth look at Board
195 selection, size, and responsibilities with the goal of looking at the relationship between the
196 USA Swimming Foundation and USA Swimming and how the two can better work together.

197 Bob Vincent presented the motion to re-elect Cecil Gordon and Elizabeth Beisel as well as
198 elect David Shackley to the USA Swimming Foundation Board of Directors. Mr. Hinchey
199 provided background on Mr. Shackley.
200

201 **MOTION:** *To re-elect Cecil Gordon and Elizabeth Beisel to a two-year term and to elect David*
202 *Shackley for a term commencing effective immediately until December 31, 2020 to the USA*
203 *Swimming Foundation Board of Directors. Seconded. APPROVED.*
204

205 Mr. Hinchey thanked Paris Jacobs for her time on the Foundation Board as she rolls off the
206 board and noted Jim Wood's contribution to the organization.
207

208 Debbie Hesse announced new trustees, Sara and Steve Schramm.
209

210 Mr. Hinchey reported on signed agreements with Phillips 66, Toyota, Streamline Brands,
211 and Neptune Benson; verbal agreements with Comcast XFINITY, Golden Road Brewery and
212 Marriott; and pending agreements with Counsilman Hunsaker and Beecher Carlson. Mr.
213 Hinchey lastly provided an update on the Chief Commercial Officer position to which he
214 decided to not hire a search firm and gave some background on candidates with the
215 objective of having someone hired by the end of March and start by the beginning of April
216 (Attachment 10).
217

218 **ZONE DIRECTORS PRESENTATION**

219 Tristan Formon presented on what Zones are and how they fit into the governance
220 structure of USA Swimming, including how they are comprised, responsibilities of the Zone
221 Directors, and how Zones build and retain the base of USA Swimming (Attachment 11).
222

223 Dave Smith provided a brief overview of how the Southern Zone has been proactive
224 through their Zone Board of Review process.
225

226 Sean Redmond reported on the strategic priorities of the Zones as well as the strategic
227 focus of the USA Swimming Board from the perspective of the Zones.
228

229 Pam Lowenthal briefly described the partnership between USA Swimming, Local
230 Swimming Committees (LSCs), and inner-city clubs, specifically the Chicago Park District
231 with the focus on promotion and sustainability of their swim programs including open
232 water.
233

234 **"ENDS" MONITORING**

235 **1.0 – BROADEST (GROWTH/SUCCESS OF SWIMMING)**

236 Bob Vincent presented the Policy 1.0 – Broadest End: Growth and Success of Swimming
237 (Attachment 12).
238

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

243

244 **GUEST PRESENTATION**

245 **DAN MCGINN & REX REPASS – MEMBER SURVEY & MISSION VALUES**

246 Belle McLemore introduced Rex Repass, the President of Research America.

247

248 Mr. Repass presented the results of his research on the awareness and opinions of USA
249 Swimming members and non-members regarding our programs, and their understanding
250 and thoughts about our organization as a way to assess USA Swimming's mission, vision
251 and values.

252

253 **CLOSING ROUNDTABLE**

254 **TASK ASSIGNMENTS REVIEW**

255 Bob Vincent reviewed the tasks handed out over the course of the meeting.

256

257 **NEXT MEETING / EVENTS**

- 258 • Friday, April 26, 2019 in Colorado Springs, CO
- 259 • Wednesday, September 11, 2019 in St. Louis, MO
- 260 • Saturday, September 14, 2019 in St. Louis, MO
- 261 • Thursday and Friday, October 3-4, 2019 in Colorado Springs, CO (Board
262 Orientation)

263

264 **MEETING ASSESSMENT**

265 The Board engaged in a round table discussion assessing the days meeting.

266 Bob Vincent asked the Board to reach chapters 2 and 19 of "Servant Leadership" before the
267 next Board meeting.

268

269 **ADJOURN**

270 Bob Vincent, Board Chair, adjourned this meeting at 2:50 p.m. Mountain Time.

271

272 Respectfully submitted:



Lucinda McRoberts, CAO & General Counsel



Bob Vincent, Board Chair

USA Swimming Board of Directors Minutes Attachments

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Attachment 1	Page 1 – Agenda
Attachment 2	Page 2 – DRAFT BOD Minutes November 18, 2018
Attachment 3	Page 3 – Policy 3.3: Treatment of Employees & Volunteers
Attachment 4	Page 3 – Policy 3.4: Financial Condition & Activities
Attachment 5	Page 3 – Financial Update
Attachment 6	Page 4 – Policy 3.7: Compensation and Benefits
Attachment 7	Page 4 – USA Swimming Q4 2018 Investment Summary
Attachment 8	Page 5 – Membership Dashboard
Attachment 9	Page 5 – Flex Dashboard
Attachment 10	Page 6 – CEO Report to the Board
Attachment 11	Page 6 – Zone Directors’ Presentation
Attachment 12	Page 6 – Policy 1.1: Broadest End – Growth & Success of Swimming