

USA Swimming Board of Directors Meeting Minutes

May 7, 2021 / Denver, CO & Virtual Zoom Conference Call

CALL TO ORDER

Bob Vincent, Board Chair, called the May 7, 2021 Board of Directors meeting to order at 8:04 a.m. Mountain Time with the following members in attendance:

PRESENT: Maya Andrews, Chris Brearton, Kenneth Chung, Kathy Fish, Bruce Gemmell, Jennifer Gibson, Cecil Gordon, Natalie Hall, Tim Hinchey, Lucinda McRoberts, Katie Meili, Kathleen Prindle, Bill Schalz, Jeanette Skow, Jim Sheehan, Jay Thomas, Bob Vincent.

GUESTS

Jerry Adams, Julissa Arzave, Bill Charney, Joan Choi, Corey Coon-Cassily, Maria Davila, Tristan Formon, Ryan Gibbons, John Gibson, Tim Husson, Bradley Jacobs, Paris Jacobs, Jim Kelly, Jennifer LaMont, Pam Lowenthal, Michael McCaffery, Brian McGuire, Kevin Milak, Keith Moore, Mike Murray, Kent Nelson, Ellery Parish, Dr. David Patterson, Taylor Rogers, Dave Smith, Shawn Smith, Jack Swanson, Zack Toothman, Mary Turner, Matt Webber, Michael White, Aaron Zhu.

STAFF

Leland Brown III, Juan Caraveo, Jay Chambers, Paula D'Amico, Tina Dessart, Shana Ferguson, Jane Grosser, Elizabeth Hahn, Brendan Hansen, Abigail Howard, Trish Hughes, Kiki Laino, Jaime Lewis, Isabelle McLemore, Stacy Michael-Miller, Lindsay Mintenko, Patrick Murphy, Kaitlin Pawlowicz, Hilary Perez, Devonie Pitre, Ashanee Player, Eric Skufca, Joel Shinofield, Michelle Steinfeld, Denise Thomas, MJ Truex, Mike Unger, Scott Usher, Maggie Vail.

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.

SPECIAL RECOGNITION OF DAN MCALLEN

Jim Sheehan honored the passing of Dan McAllen with brief remarks regarding his contributions to USA Swimming as an official and mentor.

AGENDA REVIEW

Mr. Vincent presented the agenda (Attachment 1).

RULES OF ENGAGEMENT / COVENANTS

Mr. Vincent provided an overview of the Rules of Engagement/Covenants.

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

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

41
42 If a Board member determines there to be a conflict of interest at any point during the course
43 of the meeting when a specific subject is being discussed and/or action is being taken, a
44 declaration of a conflict of interest should be made at that time.

45
46 **CEO WELCOME**

47 President and CEO Tim Hinchey began by welcoming everyone and emphasized the
48 connectivity between staff and the Board over the last several months, specifically with
49 regard to United States Olympic and Paralympic Committee (USOPC) compliance efforts and
50 the corresponding Board Working Groups. Mr. Hinchey stated that it is the organization's
51 responsibility to be a safe, inclusive, best in class National Governing Body (NGB). Mr.
52 Hinchey then announced that there will be an Annual Business Meeting (ABM) held each
53 September, which will include the annual meeting of the House of Delegates, as well as
54 meetings of the Board of Directors for both USA Swimming and the Foundation.

55
56 Mr. Hinchey also previewed new marketing partnerships, as well as several campaigns
57 benefiting the USA Swimming Foundation through a Supporter's Club. Mr. Hinchey
58 discussed engagement opportunities for fans during the U.S. Olympic Team Trial –
59 Swimming in Omaha. Mr. Hinchey concluded by commending the organization on a safe
60 return to competition and expressed his excitement for upcoming competitions.

61
62 **BOARD CHAIR'S REMARKS**

63 Mr. Vincent remarked on how well the organization has navigated challenging issues during
64 the pandemic, including investment in member clubs through additional funding. Mr.
65 Vincent also highlighted continued support of the Keeping Athletes First initiative, which
66 supports athletes at every level. Mr. Vincent also communicated the importance of the
67 upcoming governance changes and urged the Board to come together to dispel unfortunate
68 miscommunications/misunderstandings. Finally, Mr. Vincent commended the
69 organization's fiscal responsibility and management of staff as important components of the
70 organization's financial health during the pandemic.

71
72 **MINUTES**

73 Mr. Vincent presented the February 5, 2021 Board of Directors meeting minutes.

74
75 **MOTION:** *To approve the February 5, 2021, Board of Directors meeting minutes (Attachment*
76 *2). Seconded. APPROVED.*

78 **BOARD APPROVAL OF EXTERNAL AUDITOR**

79 Vice Chair Fiscal Oversight Kenneth Chung asked the Board to extend the contract for the
80 organization's external auditor for one year, to avoid introduction of a new auditor during a
81 quad.
82

83 **MOTION:** *To approve Waugh & Goodwin, LLP as the external auditor for USA Swimming for*
84 *the year ending December 31, 2021. Seconded. APPROVED.*
85

86 **CENTER FOR SAFE SPORT REQUIRED UPDATES**

87 Mr. Vincent presented updates to the Rulebook required by the U.S. Center for Safe Sport,
88 which mandates that all staff of member clubs and Local Swimming Committees (LSCs) be
89 USA Swimming members.
90

91 **2.6 PRIVILEGES AND RESPONSIBILITIES OF MEMBERSHIP**

92 *Employees and individuals serving on the board of directors of ~~volunteers of~~ USA Swimming,*
93 *Zones, LSCs and member clubs, volunteers of USA Swimming, Zones, LSCs and member clubs*
94 *who interact directly and frequently with or have authority over athletes as a regular part of*
95 *their duties, and individuals with any ownership interest in a member club ~~or serving on the~~*
96 *~~board of directors for a member club~~ must be non-athlete members of USA Swimming. This does*
97 *not apply to volunteers such as timers, marshals, computer operators, etc., who only have*
98 *limited contact with athletes during a meet; however, any individual who is banned, currently*
99 *suspended or ineligible for membership is prohibited from serving as a timer, marshal, or*
100 *computer operator, or otherwise being on deck at any time in connection with a USA Swimming*
101 *activity.*
102

103 **MOTION:** *To approve changes in accordance with the Center for Safe Sport. Seconded.*
104 **APPROVED.**
105

106 **SPECIAL MEETING LOGISTICS**

107 Chief Administrative Officer Lucinda McRoberts asked the Board of Directors to pass a
108 resolution to hold a Special Meeting of the House of Delegates.
109

110 **RESOLVED:** *To call a Special Meeting of the USA Swimming House of Delegates for 3:00 p.m.*
111 *Mountain Time on June 30, 2021, and that it be held virtually to vote on legislative approvals*
112 *necessary to bring USA Swimming into compliance with the USOPC Bylaws and federal law.*
113 *Seconded. APPROVED.*
114

Ms. McRoberts reported that the organization will provide a written notice to all members of the House of Delegates, noting the House of Delegates will be the same that convened in September 2020.

Ms. McRoberts presented an amendment to the organization's Bylaws which clarifies that votes will be counted from those present and voting, with "present" including those attending virtually.

6.2.5 Each member shall have one (1) vote on each matter submitted to the House of Delegates. There shall be no voting by proxy. At all meetings of the House of Delegates only those members duly certified and present (including virtually present at all meetings conducted via telecommunication) shall be permitted to vote. Vote outcomes shall be determined by those members of the House of Delegates present and voting.

MOTION: To amend Bylaw 6.2.5 as follows, effective immediately. Seconded. **APPROVED.**

Ms. McRoberts presented Bylaw 6.1.9, which requires LSC members to be elected by July 1 of each year and asked the Board to extend the deadline for 2021, since the composition of the House of Delegates may be decided on June 30, 2021.

MOTION: For 2021 only, to extend the deadline to elect LSC members to the USA Swimming House of Delegates and to provide written certification thereof until September 1, 2021. Seconded. **APPROVED.**

Ms. McRoberts noted that the Board Governing Policy Manual will need updates to comply with the 33.3% athlete representation federal mandate, which will be on the agenda at the September 2021 Board of Directors meeting.

FINA UPDATE

Dale Neuburger reported that FINA is currently conducting a search for an Executive Director, with hopes to announce that individual during the FINA Congress in June 2021. Mr. Neuburger additionally noted that FINA is likely to elect Hussan Al-Wusallam as its next President.

Mr. Neuburger remarked on the difficulties across all aquatic disciplines in preparation for the Olympic Games but expressed his confidence in USA Swimming's National Team to be prepared. Mr. Neuburger reported that he is unsure as to whether the Junior World Championships scheduled for August 2021 in Kazan, Russia will occur, due to concerns regarding young athletes traveling during this time. Mr. Neuburger additionally noted the

scheduling challenges for future events due to the date change of the FINA World Championships from July 2021 to May 2022.

Mr. Neuburger emphasized the importance of relationship building between USA Swimming and FINA leadership, to ensure that the organizations support one another. Mr. Neuburger reported on FINA committee succession planning, specifically that Carol Zaleski is stepping down from her role on the FINA Technical Committee; Mr. Neuburger stated his hopes for American succession planning within the FINA leadership. Mr. Neuburger stressed the significance of American representation on FINA committees, in order for the U.S. to play a role in decision-making. He also noted that Mr. Al-Wusallam is looking for American leadership within FINA's future governance structure.

Mike Unger added that the Board and the International Relations Committee (IRC) have already begun looking for candidates to represent the U.S. on FINA committees.

NOMINATING COMMITTEE UPDATE

Ms. McRoberts reported that the Nominating Committee is currently accepting Board applications, due May 15, 2021. The Nominating Committee has been apprised of possible changes to Board composition following the June 30, 2021 Special Meeting of the House of Delegates.

POLICY AND PROCEDURES MANUAL UPDATE

Ms. McRoberts announced that the Operating Policy Manual has been updated and will be emailed to the Board for review. The updates will include a Motion without a Meeting to approve legislation which shifts responsibility for the Policy Manual from the Board to the USA Swimming President & CEO.

UPDATED WORK PLAN

KPIs UPDATE ON SUCCESSFUL ATHLETES, COACHES, AND CLUBS, POLICY 1.2

Mr. Vincent reported that the Key Performance Indicators (KPIs) for Policy 1.2 have been updated (Attachment 3).

PUBLIC ENGAGEMENT WITH SWIMMING, POLICY 1.3

Mr. Vincent reminded the Board of the November 2020 Board of Directors' meeting agreement to move the reporting of Policy 1.3 to November Board meetings to allow for greater availability of data for the report.

193 **MANAGEMENT PARAMETERS MONITORING (4.4)**

194 **POLICY 3.2: EXTERNAL RELATIONS**

195 Mr. Vincent presented Policy 3.2, External Relations (Attachment 4).

196
197 **MOTION:** *that the Board approve that the performance monitoring report on Policy 3.2,*
198 *"External Relations," conveys (a) interpretations of the policy that are reasonable, and (b) that*
199 *the report reasonably substantiates compliance with the policy requirements, consistent with*
200 *the CEO's interpretations. Seconded. APPROVED.*

201
202 **POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES**

203 Mr. Vincent presented Policy 3.4, Financial Condition & Activities (Attachments 5-13).

204
205 Chief Financial Officer Eric Skufca presented the 2020 financial results, in which he
206 highlighted the expense reduction to budget of over \$14.6 million. Mr. Skufca noted that
207 approximately half of this reduction resulted from active decisions made by staff and the
208 other half was a byproduct of postponement of events primarily caused by the global
209 pandemic. Mr. Skufca noted the 2020 operating surplus was larger than budgeted, but the
210 surplus will be needed for the remainder of the "quad" and beyond.

211
212 Mr. Skufca provided the 2021 budget to current projection summary, highlighting material
213 variances in both revenues and expenses. Revenue variances include membership trending
214 more positively than budgeted, but Olympic Trials net revenue projecting less than budget.
215 Expense variances primarily include increases around COVID testing and mitigation at
216 events, as well as travel logistics for the National Team.

217
218 The Board engaged in discussion regarding membership projections and pathways.

219
220 Mr. Skufca provided a high-level overview of the budget process for 2022 and through the
221 next 2024 three-year "quad."

222
223 Mr. Skufca highlighted Provisions 2 and 8 within Policy 3.4, noting anticipated increased
224 expenditures in certain areas of the budget primarily due to unknowns at the time of the
225 2021 budget approval in November 2020; that budget could only reasonably anticipate the
226 scale of program expenses within the National Team Division for travel logistics and COVID
227 testing and mitigation expenses throughout the year.

228
229 Mr. Chung summarized the financials by remarking on the continued efforts of the staff to
230 strategically navigate the organization through these unique times by ensuring we tighten
231 finances where needed, but still execute our membership programming and resources. Mr.

Chung reported that the Paycheck Protection Program 2 (PPP2) working group recommends that the organization not apply for PPP2 at this time given the current status and interpretations of the program as they relate to the organization.

MOTION: that the Board approve that the performance monitoring report on Policy 3.4, "Financial Condition & 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.**

POLICY 3.5: ASSET PROTECTION

Mr. Vincent presented Policy 3.5, Asset Protection (Attachment 14).

Mr. Skufca reported full compliance at this time.

MOTION: that the Board approve that the performance monitoring report on Policy 3.5, "Asset Protection," 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.**

POLICY 3.8: EMERGENCY MANAGEMENT SUCCESSION

Mr. Vincent presented Policy 3.8, Emergency Management Succession (Attachment 15).

Mr. Hinchey explained that the report is unchanged.

MOTION: that the Board approve that the performance monitoring report on Policy 3.8, "Emergency Management Succession," 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.**

LEGISLATION – THE PATH TO COMPLIANCE

A RESPECTFUL & LEARNED PROCESS

Mr. Vincent provided an overview of the legislative process for the Board and stated that the comment and question period for membership will remain open (Attachment 16).

Mr. Vincent emphasized the importance of the governance process and asked the Board to ensure that USA Swimming is compliant with USOPC and federal mandates. Mr. Vincent expressed that compliance is intended to protect athletes and explained that a lack of compliance could result in the dissolution of the Board of Directors, as well as the

decertification of USA Swimming as a National Governing Body. Mr. Vincent presented an overview of the required rule changes and a timeline of events leading to the rule changes.

Q&A SESSION W/DR. DAVE PATTERSON (USOPC)

Dr. Dave Patterson of the USOPC answered the Board's questions concerning a variety of compliance topics. Dr. Patterson reported that he is working with other NGBs that are also changing the composition of their voting bodies to comply with federal law; he stated that every NGB with a House of Delegates or assembly body either has made or will make commensurate changes to the USA Swimming compliance legislative proposals.

Additionally, Dr. Patterson explained that Congress has demanded that certification is no longer a default position; specifically, Dr. Patterson explained that if USA Swimming knowingly does not comply with the 33.3% athlete representation requirement, it will not go unnoticed. Moreover, given that athlete voice is so fundamental, the USOPC would consider a lack of compliance to be an egregious, material breach with grave consequences, up to and including the USOPC's recognition of another organization as the NGB for U.S. swimming. Dr. Patterson noted that the need to comply is not only a message from the USOPC, but from Congress. Dr. Patterson advised that if USA Swimming loses its status as an NGB, there is substantial risk that it will not be re-certified as the NGB. He added that there is no guarantee that USA Swimming would even be allowed to re-apply for certification.

Dr. Patterson remarked on the specific pool of athletes needed for compliance, as defined as athletes competing on behalf of the United States at the elite level. Dr. Patterson spoke to other ways beyond House of Delegates representation for USA Swimming to ensure that all athletes have a voice—for example by inviting other athletes to attend meetings of the USA Swimming Athletes' Advisory Council, once formed.

Dr. Patterson reminded the Board that the definition of "10-Year Athlete" existed prior to the new federal mandate and noted that these athletes who have lived the entire swimming journey and who have reached all levels of the sport can provide a unique and comprehensive perspective.

Dr. Patterson stated it is imperative for the House of Delegates to pass all three pieces of legislation to be compliant. Dr. Patterson emphasized that doing so sends a positive message to the entire community that USA Swimming is putting athletes first.

LEGISLATION - WORKING GROUP UPDATES

Vice Chair / Chair Elect Chris Brearton provided a brief overview of the formation and operations of the Working Groups. Mr. Brearton noted that each Working Group was led by

a Board member and included representation from all levels of membership. Mr. Brearton remarked on the intentional process of communicating with the membership.

COMMITTEES WORKING GROUP UPDATE & DISCUSSION

Katie Meili provided an overview of the Committees Working Group's legislation, including ensuring the National Team Steering and Rules & Regulations Committees are Designated Committees, as defined by the USOPC, and that these Committees have 1/3 athlete representation. Additionally, Ms. Meili indicated that the legislation updates the composition of the Senior Development Committee and Age Group Development Committee by providing 1/3 athlete representation.

Ms. Meili reported that the Committees Working Group also recommends adoption of a USA Swimming Athletes' Advisory Council (AAC) as the advocacy body for all 10-Year Athletes. Ms. Meili noted that three members from the Athletes Executive Committee (AEC) will sit on the AAC with voice but no vote. Ms. McRoberts provided an overview of the process to seat the AAC, including the need for nomination and election periods.

Ms. Meili stated the final recommendation from the Committees Working Group is to form a Selection Procedure Approval Committee to memorialize a process which already occurs in practice.

MOTION: *To submit the Committees legislative proposals to the Rules & Regulations Committee for consideration in advance of the June 30 Special Meeting of the House of Delegates. Seconded. APPROVED.*

BOARD WORKING GROUP UPDATE & DISCUSSION

Jeanette Skow described the current Board structure and presented the recommendation of the Board Working Group, including adding two athletes to the Board of Directors: the USOPC AAC Representative and Alternate, to replace two at-large positions. Ms. Skow reported that these were the only proposed changes to the Board's composition. Ms. Skow additionally noted the proposed legislation includes clarifying language regarding the Past Chair's geographical and semi-independent representation.

Ms. Skow addressed the concerns surrounding grassroots athlete representation and the proportionate reduction of representation of coaches, by stating that the Working Group believes that the at-large positions on the Board provide all USA Swimming members an opportunity for election.

347 **MOTION:** *To submit the Board of Directors legislative proposals to the Rules & Regulations*
348 *Committee for consideration in advance of the June 30 Special Meeting of the House of*
349 *Delegates. Seconded. Seconded. APPROVED.*

350
351 Ms. Skow commented on the importance of ensuring that the Board nominating process has
352 a means for recognizing grassroots athletes; thus the Board Working Group proposed a new
353 charge to the Nominating Committee, specifically regarding athletes who have experience at
354 local competitions and with governance.

355
356 The Board engaged in discussion regarding the word “seeking” within the motion.

357
358 **MOTION:** *To approve the BOD to expand its charge to the Nominating Committee to include*
359 *that special emphasis should be placed on seeking considering athletes, for both 10 Year Athlete*
360 *and At-Large positions, who have insight and experience in local and regional competition and*
361 *governance. Seconded. APPROVED.*

362 363 **HOUSE OF DELEGATES WORKING GROUP UPDATE & DISCUSSION**

364 Bill Schalz provided an overview of the House of Delegates Working Group’s process. Mr.
365 Schalz reported that the House of Delegates Working Group recommends reducing the size
366 of the House of Delegates to 390, while also ensuring that there is 33.3% 10 Year Athlete
367 representation.

368
369 Mr. Schalz summarized the changes that the House of Delegates Working Group made to its
370 proposal after feedback from membership, including specifying three votes from each LSC,
371 removing UANA and FINA members as voting members, reducing the Board Chair’s selected
372 number of coaches from 25 to 15, allowing the 18 largest LSCs an additional coach vote, and
373 allowing the Chairs of the Age Group Development Committee and Senior Development
374 Committee to elect an additional coach member to receive a vote.

375
376 Mr. Schalz addressed the concerns regarding constituencies losing representation in the
377 House of Delegates by stressing that the House of Delegates Working Group attempted to
378 reduce the numbers evenly to comply with the federal mandate.

379
380 The Board engaged in discussion regarding several topics, including ways to encourage
381 athlete participation from the AEC, incentivizing LSCs to involve their athletes, ensuring
382 specific measures are in place during the committee application period for athletes, and
383 continuing to give grassroots athletes a voice.

Mr. Brearton highlighted the progress made by the House of Delegates Working Group and stated that while there is a reduction in the number of delegates, representation is clear and even across the board.

Board members recognized that complying with the federal mandate is in the best interest of the membership, specifically athletes, and committed to bringing the best possible legislation on behalf of the membership to the House of Delegates on June 30, 2021.

Mr. Hinchey noted the hard work done by staff and volunteers to keep USA Swimming moving forward but stated that hard work would be negated if the organization is not compliant.

MOTION: *To submit the House of Delegates legislative proposal to the Rules & Regulations Committee for consideration in advance of the June 30 Special Meeting of the House of Delegates. Seconded. APPROVED.*

WORKING LUNCH - CLOSED SESSION

LITIGATION UPDATE

The Board went into closed session so Ms. McRoberts, General Counsel, could provide a legal update.

PERSONNEL UPDATE

The Board remained in closed session to discuss personnel. All staff except Mr. Hinchey left the meeting.

STAFF UPDATES

CEO'S UPDATE

Mr. Hinchey submitted a written report (Attachment 17).

DIGITAL TRANSFORMATION (KEEPING ATHLETES FIRST)

Managing Director of Sport Development Joel Shinofield expressed his enthusiasm for how the digital transformation will assist the membership.

Director of Data Analytics Patrick Murphy reported that the organization is in the process of updating the SWIMS database to improve data collection and to better support the membership, specifically the Keeping Athletes First initiative. Mr. Murphy described the method his team is using and the work completed thus far. Mr. Murphy shared that the system will allow members to manage their accounts, modernizing the system to better communicate with all membership. Mr. Murphy noted that the new system is built for

longevity. Mr. Murphy provided a demonstration of what the membership database will feature.

Mr. Shinofield commented on the benefits of the new system, including ensuring that club coaches and athletes are compliant with regards to Athlete Protection Training (APT) and other certifications prior to competitions, and ultimately allowing for safer environments. Mr. Shinofield added that the new system will provide clubs with valuable data points, including retention rates, that can be shared broadly.

Mr. Murphy showed how facility data will be collected and Mr. Shinofield added that this will help parents find our clubs and learn-to-swim programs, all leading to the possible growth of clubs and overall membership.

Mr. Murphy touched on modernizing the interface between the data warehouse and reports for clubs to access data without needing to go through a staff member.

OLYMPIC TRIALS

Mr. Unger provided an update on the Olympic Trials, including that the competition pool construction will begin in mid-May and that there are approximately 820 athletes qualified for Wave I and just under 600 athletes qualified for Wave II.

Mr. Unger discussed the COVID mitigation plan, including COVID testing at the venue, plans for those fully vaccinated, and the various tiers of individuals attending the Trials. Mr. Unger stated that the plan was compiled after collaborating with several entities on their experiences, including other NGBs, professional sports organizations, and National Team doctors. Mr. Unger noted that a COVID Officer and Medical Director will be available.

Mr. Unger reported that revenue will come from three sources: the USOPC, the rights fee from Omaha, and the joint venture with the Omaha Sports Commission. Mr. Unger noted that the revenue from the joint venture may be lower than anticipated due to ticket sales.

Mr. Unger reported that Wave I will be broadcast on the Olympic Channel, with the USOPC providing half of the production revenue. Mr. Unger added that Wave II will be on NBC some nights and paid for by NBC.

Chief Commercial Officer Shana Ferguson added that while COVID will impact all aspects of Trials, there will still be plenty of engagement and entertainment for spectators.

463 **FOUNDATION UPDATE**

464 Chair Dr. Cecil Gordon provided a Foundation Board of Directors' update, including that the
465 Board met with its new members in March 2021. The Foundation Board designated Anne
466 Berry as its representative on the Nominating Committee, and it was able to fulfill a request
467 from the National Team to provide \$1 million for the Team to compete in Tokyo. Dr. Gordon
468 additionally noted that the Foundation is financially sound, even after awarding \$4.2 million
469 to swim lesson providers, USA Swimming clubs, and the National Team.

470
471 Mr. Shinofield reported that the Community Outreach Program has provided 12 grants to
472 clubs, including clubs led by women or multicultural coaches, clubs partnering with
473 Historically Black Colleges and Universities (HBCUs), and clubs creating programming
474 within a community that has an existing pool but limited, or no, competitive programming.
475 Mrs. Ferguson stated that the Make-A-Splash tour is virtual again this year and kicked off
476 with a Facebook Live event with Cullen Jones and Nathan Adrian. The tour will continue in
477 markets across the U.S. via print, digital, social media, and radio.

478
479 Mr. Hinchey remarked that the concept of New Fundraising is to find ways to get more people
480 to take part in swimming.

481
482 Mrs. Ferguson reported that the Supporters Club now has 284 members, with over \$17,000
483 in donations, and she emphasized that 84% of those donors have never given to the
484 Foundation previously.

485
486 Mrs. Ferguson reported on the launch of the Faces in the Crowd campaign, which will help
487 fill empty seats at Trials; the proceeds from this campaign will go towards the Foundation.
488 Lastly, Mr. Hinchey described the opportunity for individuals to join the Champions Club
489 Swim by swimming at Trials, with the goal of obtaining 50 new members.

490
491 **TOKYO PLANNING UPDATE**

492 Managing Director of the National Team Lindsay Mintenko reported that the draft of the
493 procedure for the Olympic Swimming Team selection is complete in preparation for the
494 Olympic Trials. Mrs. Mintenko also noted that the Olympic Swimming Team camp will be
495 held in Hawaii, prior to heading into the Athlete Village five days before competition.

496
497 Mrs. Mintenko remarked on changes for the Olympic Games, noting that more changes are
498 likely to come. Mrs. Mintenko reported that an accreditation is required for entry into Japan,
499 as well as two negative COVID tests; vaccination does not exempt an individual from testing.
500 Mrs. Mintenko stated that the athletes are only allowed to move between the Athlete Village
501 and the swimming venue, but she added that the Olympic Swimming Team has been allowed

to stay through the end of the swimming competition as opposed to leaving after individual events.

Mrs. Mintenko stated that she has asked the USOPC to build a mental health registry, so USA Swimming staff know where to direct athletes who need assistance. Mrs. Mintenko mentioned that \$37,000 has been given to athletes within the athlete assist program and additionally, 37 athletes have registered with Talk Space.

2021 & 2022 EVENTS AND COMPETITIONS

Mr. Shinofield spoke to the organization's collaboration with the Senior Development Committee to host competitive events for developmental athletes. He noted that USA Swimming was able to launch the TYR 18 & Under Spring Cup. Mr. Shinofield reported that over 1,100 athletes participated, along with 229 clubs and 49 LSCs. Mr. Shinofield added that the organization, along with the Senior Development Committee, is continuing to look for opportunities to create long course meets.

Mrs. Mintenko remarked that there are still plenty of competitions after the Olympic Games and that a focus will be on the Juniors athletes, as they have not had a competition in some time.

CLOSING ROUNDTABLE

NEXT MEETING / EVENTS

- TYR Pro Swim Series
 - Indianapolis: May 12–15
- Foundation Board of Directors Meeting
 - Colorado Springs/Virtual: September 23
- Board of Directors Meetings
 - Colorado Springs/Virtual: September 24 & 25

MEETING ASSESSMENT

The Board engaged in a round table discussion assessing the meeting, which included appreciation for facilitating hard but valuable conversations, as well as gratitude for the good progress of the Working Groups. The Board also expressed the need to communicate further on the legislative changes, while stressing the importance of compliance.

ADJOURN

Mr. Vincent adjourned the meeting at 4:01 p.m. Mountain Time.

540 Respectfully submitted:

A handwritten signature in black ink that reads "Lucinda McRoberts". The signature is written in a cursive style with a large initial 'L'.

Lucinda McRoberts, CAO & General Counsel

A handwritten signature in blue ink that reads "Bob Vincent". The signature is written in a cursive style with a large initial 'B'.

Bob Vincent, Board Chair

USA Swimming Board of Directors Minutes Attachments

May 7, 2021 / Denver, CO & Virtual Zoom Conference Call

Attachment 1	Page 1 – Agenda: May 7, 2021
Attachment 2	Page 2 – DRAFT BOD Minutes February 5, 2021
Attachment 3	Page 5 – END 1.2 Successful Athletes, Coaches & Clubs – Proposed KPIs
Attachment 4	Page 6 – Policy 3.2 External Relations
Attachment 5	Page 6 – USA-S Policy 3.4 Financial Condition and Activities
Attachment 6	Page 6 – USA-S Q1 2021 Financial Report
Attachment 7	Page 6 – USA-S Financial Statement Report 2020
Attachment 8	Page 6 – USA-S & Foundation Q1 2021 Investment Statements
Attachment 9	Page 6 – USA-S Financial Summary Comparison 2020
Attachment 10	Page 6 – USA-S Financial Written Report - 2020
Attachment 11	Page 6 – Foundation Financial Statement Report - 2020
Attachment 12	Page 6 – Foundation Financial Summary Comparison - 2020
Attachment 13	Page 6 – Foundation Financial Written Report - 2020
Attachment 14	Page 7 – Policy 3.5 Asset Protection
Attachment 15	Page 7 – Policy 3.8 Emergency Management Succession
Attachment 16	Page 7 – Working Group Legislative Proposals
Attachment 17	Page 11 – Staff Update for the Board



AGENDA

USA Swimming
Board of Directors
April Board Meeting
Friday, May 7, 2021, 8:00 am - 4:00 pm
Denver, Colorado

- | | | |
|--|---------|------|
| A. Welcome | Bob | 8:00 |
| 1. Call to Order / Record of Attendance (2.6.2) | | |
| 2. Introductions | | |
| 3. Moment of Silence | | |
| a. Special Recognition of Dan McAllen | Jim | |
| 4. Agenda Review (2.3.3) | | |
| 5. Rules of Engagement | | |
| 6. Declaration of Conflict of Interest (2.5.4) | | |
| 7. CEO Welcome | Tim | |
| 8. Board Chair's Welcome | Bob | |
| B. Board Process | | |
| 1. ACTION: Approve February 5, 2021 Meeting Minutes | Bob | 8:20 |
| 2. ACTION: Approve External Auditor | | |
| 3. ACTION: Center for Safe Sport Required Update | | |
| 4. Special Meeting Logistics | | 8:25 |
| a. ACTION: Special Meeting Resolution | | |
| b. ACTION: Bylaw 6.2.5 Amendment | | |
| c. ACTION: HOD Deadline Extension | | |
| 5. FINA Update - Dale Neuburger | | 8:35 |
| 6. Nominating Committee Update | Lucinda | 8:50 |
| 7. Policy & Procedures Manual Update | Lucinda | 9:00 |
| 8. Break | | 9:05 |
| 9. Updated Work Plan | Bob | 9:15 |

a. KPI's Update on Successful Athletes, Coaches and Clubs (1.2)	Joel	
b. Public Engagement with Swimming (1.3)	Bob	
10. Management Parameters Monitoring		
a. External Relations (3.2)	Tim	9:20
i. ACTION: Approve the Report		
b. Financial Conditions & Activities (3.4)	Eric	9:25
i. ACTION: Approve the Report		
c. Asset Protection (3.5)	Eric	9:40
i. ACTION: Approve the Report		
d. Emergency Management Succession (3.8)	Tim	9:45
i. ACTION: Approve the Report		
11. Legislation - The Path to Compliance	Bob	9:50
a. A Respectful & Purposeful Process	Chris	10:00
b. Q&A Session w/Dave Patterson (USOPC)		10:10
12. Break		10:40
13. Legislation - Working Group Updates		
a. Committee Working Group Update & Discussion	Katie	10:50
b. Break		11:40
14. Working Lunch Closed Session		
a. Personnel Update	Jim Lucinda	11:55
b. Litigation Update	Lucinda	12:05
c. Board Performance Assessment	Bob	12:15
d. Break		12:20
15. Legislation Working Groups (cont.)		
a. Board Working Group Update & Discussion	Jeanette	12:25
b. Break		1:15
c. House of Delegates Working Group Update & Discussion	Bill	1:25
d. Break		2:15
C. Staff Reports	Tim	

1. Trials Update	Mke Shana	2:25
2. Digital Transformation (Keeping Athletes First)	Joel	2:35
a. "New" SWIMS 3.0		
3. Break		2:45
4. Trials Update		2:55
a. COVID Mitigation Update and Plans/Requirements		
b. USOPC Support		
c. Vaccine Requirements		
d. TicketSales & Spectator Plans		
5. Foundation Update	Cecil Shana Tim	3:05
a. New "Supporters Club" Program		
6. Tokyo Planning Update	Lindsay Tim	3:15
7. 2021 & 2022 Events and Competitions	Joel Lindsay Mike	
D. Closing Roundtable / Meeting Assessment	Bob	3:25
E. Adjournment		3:40

Total Meeting Time: 7h 40m

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

USA Swimming Board of Directors Meeting Minutes

February 5, 2021 / Virtual Zoom Conference Call

CALL TO ORDER

Bob Vincent, Board Chair, called the February 5, 2021 Board of Directors meeting to order at 8:46 a.m. Mountain Time with the following members in attendance:

PRESENT: Maya Andrews, Chris Brearton, Kenneth Chung, Kathy Fish, Bruce Gemmell, Jennifer Gibson, Cecil Gordon, Natalie Hall, Tim Hinchey, Lucinda McRoberts, Katie Meili, Kathleen Prindle, Bill Schalz, Jeanette Skow, Jim Sheehan, Jay Thomas, Bob Vincent.

GUESTS

Nathan Adrian, Kathleen Baker, Bill Charney, Ellen Colket, Ryan Gibbons, Tim Husson, Pam Lowenthal, Michael McCaffery, Keith Moore, Ellery Parish, Dave Smith, Jack Swanson, Michael White, Aaron Zhu.

STAFF

Juan Caraveo, Paula D'Amico, Shana Ferguson, Abigail Howard, Kiki Laino, Jaime Lewis, Isabelle McLemore, Stacy Michael-Miller, Lindsay Mintenko, Patrick Murphy, Eric Skufca, Joel Shinofield, MJ Truex, Mike Unger, Scott Usher.

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

Bob Vincent presented the agenda (Attachment 1).

RULES OF ENGAGEMENT / COVENANTS

Bob Vincent provided an overview of the Rules of Engagement/Covenants.

DECLARATION OF CONFLICT OF INTEREST (2.5.4)

"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?"

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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.

CEO WELCOME

President and CEO Tim Hinchey began by thanking the Board of Directors for its leadership and support and additionally thanked the staff for their dedication to our membership, by prioritizing communication to all members during the pandemic and moving forward. Mr. Hinchey noted how proud he is for the organization to fully deliver the Olympic Trials for not only for the elite National Team athletes, but the younger athletes as well. Lastly, Mr. Hinchey remarked on the development of the volunteer base through evaluating and elevating the organization's national committees.

BOARD CHAIR'S REMARKS

Bob Vincent thanked the Board for their continued support and contributions during the pandemic and noted his pride in the organization continuing to strive to be the best National Governing Body (NGB). Mr. Vincent remarked on the membership's missed and limited opportunities in 2020 due to the pandemic but noted the organization's ability to do "more with less," including being fiscally responsible, being more effective communicators, and listening to membership when they asked for an Olympic Trials that would still allow many athletes to compete. Lastly, Mr. Vincent emphasized the importance of celebrating Black History Month, adding that USA Swimming will be releasing related content all month long.

MINUTES

Bob Vincent reported that the news of Kenneth Chung being elected as Vice Chair of Fiscal Oversight was added to the minutes.

MOTION: To approve the updated November 20, 2020 Board of Directors meeting minutes (Attachment 2). Seconded. **APPROVED.**

FOUNDATION UPDATE

Foundation Chair Cecil Gordon expressed gratitude towards the Board of Directors and staff for their financial, administrative, and public relations support to the USA Swimming Foundation over the past year. Dr. Gordon briefly reiterated that the Foundation Board of Directors has four new members as well as a new partnership with U.S. Masters, which he hopes will expand the Foundation's donor base. Dr. Gordon emphasized three areas of

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focus for the Foundation: data driven finances; marketing, specifically the announcement of the U.S. Masters partnership; and developing program and grant groups.

STRATEGIC DISCUSSION: INVESTMENT TOOL FOR GROWTH

Chief Financial Officer (CFO) Eric Skufca introduced Investment Committee members, Ellen Colket and Mike McCaffery (Attachment 3).

Ellen Colket and Mike McCaffery offered their professional and personal backgrounds and presented tools and strategies for the USA Swimming Operating Reserve Fund, specifically recommending the Board of Directors' set payout goals for the fund to assist with financial strategies.

The Board engaged in discussion on how to be more strategic with the portfolio and payout of the fund to build for the future and be more financially self-sustainable.

ATHLETES' EXECUTIVE COMMITTEE UPDATE

Maya Andrews introduced Ellery Parish, Athletes' Executive Committee (AEC) Chair.

Ellery Parish reported that athletes believe the two waves for the U.S. Olympic Team Trials – Swimming offers a fantastic solution to ensuring everyone's safety. Ms. Parish also provided an update on AEC's activities, including hosting an athlete orientation for athletes who are members of USA Swimming national committees, organizing Local Swimming Committee (LSC) Leadership Summits, and creating a mentorship program for the athlete representatives. Lastly, Ms. Parish encouraged the Board and staff to utilize the AEC to push communication in all directions as they are building a robust communication network.

ZONE DIRECTORS' COUNCIL CHECK-IN

Managing Director of Sport Development Joel Shinofield introduced the Co-Chairs of the Zone Directors' Council (ZDC), Ryan Gibbons and Dave Smith.

Dave Smith previewed upcoming Sectional and LSC meets within each Zone, including restrictions, challenges, and adjustments due to COVID-19 health and safety protocols. Mr. Smith remarked that the ZDC is working with staff to find ways to progress DEI and Safe Sport initiatives within the Zones and noted that in the past year the ZDC began to engage more athlete representatives (Attachment 4).

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Ryan Gibbons reported on the transition process of bringing athletes onto the ZDC, including the athletes' role within the Council, the Zone and as non-voting members of the Athletes' Executive Committee (AEC). Mr. Gibbons briefly described the Council's strategic plans to create a pathway for the Board's goals of bilateral communication between the Board and the grassroots members as well as facilitating best practices in governance operations across Zones.

BOARD PROCESS

BOARD ACTIVITY BALANCING AND WORK PLAN REVIEW

Bob Vincent introduced the Board Activity and Work Plan for the Board to reassess those documents in preparation for transition to a new Board Chair (Attachments 5 – 6).

BOARD CHARGE TO NOMINATING COMMITTEE

Bob Vincent thanked Past Chair Jim Sheehan for his work on the Board of Directors as his term on the Board is ending. Mr. Vincent noted that four Board members' terms are also ending but are eligible for an additional term, including Jeannette Skow, Cecil Gordon, Jay Thomas, and Maya Andrews.

The Board engaged in discussion around the charge for the Nominating Committee, including ensuring diverse representation on the Board, looking at the roles (coach, official) that may be lost, and seeking individuals with a background in strategic communication and technology. The Board also emphasized the need for a strategic approach to recruiting individuals to run for the Board.

BOARD POLICY MANUAL

Bob Vincent presented a proposed update to the Board Policy Manual which added in a February due date for the Executive Compensation Committee (Attachment 7).

MOTION: To approve the proposed update to the Board Policy Manual under the charge to the Executive Compensation Committee. Seconded. **APPROVED.**

LEGISLATIVE UPDATES

Bob Vincent commented on how the Board can work to progress legislative changes moving forward, including engaging athletes, utilizing national committees for vetting legislation, working closer with the Rules and Regulations Committee, and defining Board advocacy.

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GOVERNANCE USOPC COMPLIANCE TASK FORCE

Vice Chair/Chair Elect Chris Brearton provided an overview on the Governance Committee's task to identify where USA Swimming needs to address and come into compliance with new United States Olympic and Paralympic Committee (USOPC) Bylaws and federal laws. Mr. Brearton reported working groups composed of a representative sample of membership will be formed to address three critical areas.

Chief Administrative Officer and General Counsel Lucinda McRoberts provided a timeline of when changes should be implemented, including calling a special meeting of the House of Delegates in June 2021. Ms. McRoberts noted that the working groups will provide solutions, which will then be socialized largely among the membership for further input.

Mr. Brearton added that this will be an opportunity for the Board to show collaboration with the membership to make positive changes for the organization.

POLICY AND PROCEDURES MANUAL UPDATE

Lucinda McRoberts highlighted the changes to the Operating Policy Manual, including omitting outdated language and references, aligning the format throughout the document, and making certain substantive changes. Ms. McRoberts presented a timeline for completion with the goal of providing a final version of the Operating Policy Manual on the USA Swimming website by April 1, 2021 with a presentation to the Board of Directors at its May 7, 2021 meeting.

COMMITTEE TASK FORCE UPDATE

Jim Sheehan briefly summarized the task force's goals and process for effectively revising national committees to be more beneficial to the organization, specifically the athletes, through discussions with committee chairs and membership feedback.

ENDS MONITORING

POLICY 1.0: BROADEST - GROWTH/SUCCESS OF SWIMMING

Bob Vincent presented Policy 1.0, Broadest/Growth and Success of Swimming (Attachment 8).

MOTION: *To approve the performance monitoring report on Policy 1.0, "Broadest End – Growth and Success of Swimming," 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.*

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UPDATE ON POLICY 1.2: SUCCESSFUL ATHLETES, COACHES AND CLUBS

Joel Shinofield reported that the Key Performance Indicators within Policy 1.2, Successful Athletes, Coaches, and Clubs, will be updated or replaced appropriately now that the purview of the policy lies within Sport Development. Additionally, Mr. Shinofield stated that the updated report will be available prior to the next Board of Directors meeting in May (Attachment 9).

MANAGEMENT PARAMETERS MONITORING (4.4)

POLICY 3.3 TREATMENT OF EMPLOYEES AND VOLUNTEERS

Bob Vincent presented Policy 3.3, Treatment of Employees and Volunteers (Attachment 10).

MOTION: To approve the performance monitoring report on Policy 3.3, "Treatment of Employees and Volunteers," 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.**

POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES

Bob Vincent presented Policy 3.4, Financial Condition & Activities (Attachments 11 - 15).

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

Kenneth Chung provided an overview of the 2020 financials, specifically noting reductions in both operating revenues and expenses compared to budget (approximately 27% and 32% reductions respectively). Mr. Chung commended the staff for managing the budget in a way that not only avoided a deficit but did so without cutting essential services to membership. In fact, Mr. Chung noted the organization increased services to membership during 2020, setting up the organization to build for the future.

Eric Skufca reported that the finance team is still closing out the 2020 financials but noted that the numbers are tracking and trending materially consistent with the financial projection presented in November 2020. Mr. Skufca reiterated the organization's decision to stop the quarterly investment distributions for operations in 2020 and instead maintain focus on reducing operating expenditures where and when available and appropriate.

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SWIM TRIALS, LLC LINE OF CREDIT

Kenneth Chung provided background on USA Swimming's financial role for the U.S. Olympic Team Trials - Swimming, including historically fronting operational funds on behalf of the joint venture at times. Mr. Chung noted how the organization explored options and solutions with its partner Omaha Sports Commission whereby USA Swimming would not need to provide direct, upfront, and temporary operating cash on behalf of the joint venture.

Eric Skufca provided historical reference where and why USA Swimming provided upfront operating cash for the Swim Trials, LLC joint venture and rationale to reduce and or eliminate that practice moving forward (Attachment 16).

Chief Operating Officer (COO) Mike Unger briefly described the history and details of the joint venture with the city of Omaha.

The Board engaged in discussion regarding Trials finances, including what USA Swimming provides and receives as well as the financial partnership with the Omaha Sports Commission.

MOTION: To allow USA Swimming to be a 50% guarantor and be collateral for \$1.6M commercial revolving line of credit for Swim Trials, LLC. Seconded. **APPROVED.**

PPP ROUND TWO

Eric Skufca briefly introduced the possibility of USA Swimming applying for the second draw of the Paycheck Protection Program (PPP2) after participating in the first draw (Attachment 17).

Kenneth Chung presented the idea of creating a small working group to look at the nuances of applying for the PPP2, including how the organization could benefit from the fund.

The Board voiced positive feedback with the organization moving forward with a small working group to research another PPP opportunity.

KEEPING ATHLETES FIRST INITIATIVE

Lucinda McRoberts reported that the Keeping Athletes First (KAF) working group added two new members, Katie Meili and Jack Swanson. Ms. McRoberts additionally provided a brief overview of the KAF initiative as well as details from the first meeting of 2021 on

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online member registration. Ms. McRoberts noted that that the second meeting of the year will focus on the Safe Sport Club Recognition program.

GUEST SPEAKER:

Natalie Hall introduced National Team athlete and Olympian, Nathan Adrian.

Nathan Adrian shared his challenges around preparing for the upcoming U.S. Olympic Team Trials – Swimming in Omaha and the Olympic Games in Tokyo.

STAFF UPDATES

CEO'S UPDATE

Tim Hinchey submitted a written report (Attachment 18).

MEMBERSHIP UPDATE

Joel Shinofield reported that the organization is ahead of 2021 projected membership numbers, trending close to 70%. Mr. Shinofield remarked on challenges to membership numbers, including the increase in Flex memberships, pool access for member clubs, and opportunities across the spectrum for the sport. Mr. Shinofield presented a membership summary highlighting the increase in flex memberships and the number of inactive clubs.

RETURN TO COMPETITION

Joel Shinofield reported that there are significant drops in competition and opportunities to compete compared to years past, specifically noting younger swimmers are not competing.

FLEX MOTION

Joel Shinofield shared that the Board approved changes to the Flex Membership in which the implementation was delayed due to COVID-19. Mr. Shinofield once again asked that the implementation be delayed until the 2023 membership year due to the slow incline of returning to 2019 membership numbers, being able to coincide these changes with the launch of Online Member Registration (OMR) and Digital Transformation, and to allow an easier transition for LSC/Club registrars.

MOTION: To change the effective date for implementation of the approved changes to the Flex Membership structure to the 2023 membership year. Seconded. **APPROVED.**

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GUEST SPEAKER

Managing Director of the National Team Lindsay Mintenko introduced National Team athlete and Olympian, Kathleen Baker.

Kathleen Baker shared her experiences competing during the COVID-19 pandemic, including the importance of having meets for not only her physical training, but also her mental health. Ms. Baker noted the challenges and adjustments needed to compete during this time.

OLYMPIC TRIALS

Mike Unger thanked all those involved with providing perspective that led to the plan for the U.S. Olympic Trials - Swimming and reported on the areas that are still being worked out, including the athlete field, tickets and hotels, and a health and safety plan.

OLYMPIC GAMES

Lindsay Mintenko reported that little information has been given regarding the Olympic Games in Tokyo but emphasized that swimming athletes will be able to participate in the Olympics with the biggest changes being around the competitive experience, including many restrictions for the athletes, coaches, and team.

CLOSING ROUNDTABLE**NEXT MEETING / EVENTS**

- TYR Pro Swim Series
 - San Antonio: March 3-7, 2021
 - Mission Viejo: April 8-11, 2021
 - Indianapolis: May 12-15, 2021
- Board of Directors Meeting: May 7, 2021 – Colorado
- Foundation Board Meeting: March 9, 2021 – Virtual

MEETING ASSESSMENT

The Board engaged in a round table discussion assessing the day's meeting, including how valuable it was to hear from athletes and the focus from staff on communication, membership, competition, and safety. The Board also asked for more time for discussions, additional pre-reading for further context, and to have everyone on individual Zooms.

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CLOSED SESSION (2.3.6)

LITIGATION UPDATE

The Board went into closed session so Lucinda McRoberts could provide a legal update.

COMMERICAL UPDATE

The Board remained in closed session so USA Swimming's Chief Commercial Officer, Shana Ferguson, could provide a confidential commercial update.

PERSONNEL UPDATE

The Board remained in closed session so Lucinda McRoberts could provide a personnel update. All staff except Tim Hinchey and Lucinda McRoberts left the meeting.

COMPENSATION COMMITTEE UPDATE ON CEO KPIS

The Board remained in closed session for compensation discussions. All remaining staff left the meeting.

ADJOURN

Bob Vincent, Board Chair, adjourned this meeting at 3:28 p.m. Mountain Time.

Respectfully submitted:



Lucinda McRoberts, CAO & General Counsel



Bob Vincent, Board Chair

These minutes will be officially approved by the USA Swimming Board of Directors at its May 7, 2021 meeting.

USA Swimming Board of Directors Minutes Attachments

February 5, 2021 / Virtual Zoom Conference Call

Attachment 1	Page 1 – Agenda: February 5, 2021
Attachment 2	Page 2 – DRAFT BOD Minutes November 20, 2020
Attachment 3	Page 3 – USA Swimming Reserve Fund Model 2021
Attachment 4	Page 3 – Zone Directors' Council's Report to the Board
Attachment 5	Page 4 – 2020 Board Activities – Balancing Matric
Attachment 6	Page 4 – 2020-21 Board Work Plan
Attachment 7	Page 4 – Board Governing Policy Manual Update
Attachment 8	Page 5 – Policy 1.0 Broadest/Growth and Success of Swimming
Attachment 9	Page 6 – Policy 1.2 Update
Attachment 10	Page 6 – Policy 3.3 Treatment of Employees & Volunteers
Attachment 11	Page 6 – 2020 Budget vs. Projection Summary
Attachment 12	Page 6 – Board Approved Reserve Investments Summary
Attachment 13	Page 6 – Comparative Balance Sheet as of 12.31.20
Attachment 14	Page 6 – USA-S - Foundation Investment Statements Q4 2020
Attachment 15	Page 6 – 3.4: Financial Condition and Activities
Attachment 16	Page 7 – Swim Trials LLC Preliminary Line of Credit Terms
Attachment 17	Page 7 – PPP2 USA Swimming
Attachment 18	Page 8 – Staff Report to the Board of Directors

END 1.2: Successful Athletes, Coaches and Clubs – Proposed New KPIs

POLICY PROVISION A: “Athletes have and use motivational, education, financial and leadership supports for success.”

Proposed Key Performance Indicators:

1. Establish baseline NPS across athlete-specific events/offerings.
 - a. 2022: NPS reaches score of X for all programs
 - b. 2023-24: NPS improves by X%
2. Conduct a five-year historical data review of athletes advancing through camp system (e.g., Zone Select Camp → National Select Camp → National Junior Team).
 - a. 2022: X% of athletes advance to the next level in the camp system.
3. Conduct a five-year historical data review of athletes advancing through meet championship levels (e.g., Sectionals → Futures → Junior National Championships → National Championships).
 - a. 2022: X% of athletes advance through meet championship levels.
4. Y-T-Y analysis of financial investment in athlete programming.

Previous KPIs:

1. *Maintain at least 88% annual retention for athletes age 13 and older (ranged 83.8 – 89.6 % over past 10 years). (Note: this retention calculation previously only included Premium and Outreach Athletes. We are now looking at our entire athlete membership for Retention rates.)*
 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 (with views and downloads) available for athletes (with an increase from 2019).*
-

POLICY PROVISION B: “Coaches have and use tools and skills to be successful.”

Proposed Key Performance Indicators:

1. Establish a baseline NPS across coach-specific events/offerings.
 - a. 2022: NPS reaches score of X for all programs
 - b. 2023-24: NPS improves X%
2. Team services activation at identified Tier 1 (e.g., Futures, TYR Pro Swim Series and Junior Nationals) and Tier 2 (e.g., camps, YMCA and CST meets, and NCSA) events with a baseline NPS score of X.
 - a. 2022: NPS reaches score of X for all programs
 - b. 2023-24: NPS improves X%
3. Safe Sport in-person trainings: Continue Safe Sport in-person coach training opportunities for with at least one opportunity per month with Y-T-Y growth in % of non-athlete coach members trained by Safe Sport staff.

2022

4. Launch Coach Education Certification with Y-T-Y growth in percentage of non-athlete coach members obtaining higher certification levels.

Previous KPIs:

1. Year-to-year improvement in evaluation ratings from coaches attending the Regional Coaches Clinics. Note: attendance numbers at these clinics are somewhat based upon location, and how near they are to cities (versus rural).
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. Coach experience ratings should be at least 4.0 on a 5.0 scale.
4. Y-T-Y growth of Safe Sport trainings:

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). Track usage of ADM by USA Swimming Coaches in order to establish relevant and realistic KPIs.
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.

POLICY PROVISION C: "Clubs of all sizes and levels have and utilize resource and services for success."

Proposed Key Performance Indicators:

1. 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.
2. Update the following club resources, programs, and offerings: Club Recognition Program (2022), Club Leadership & Business Management School (2021), Coach Education Certification (2022) and new club application (2022).
 - a. 2022: Establish benchmarks to measure success for each.
 - b. 2023-2024: Y-T-Y growth

Previous KPIs:

1. The Flex membership base grows year-over-year.
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. Growth in USA Swimming clubs that achieve Club Recognition levels:

	<u>2018 -2019</u>	<u>2019-2020</u>
Level 1	4%	-1.4%
Level 2	5%	7.4%
Level 3	2.1%	12%
Level 4	10%	13.6%

POLICY PROVISION C (i): “Clubs are safe and inclusive environments.”

Proposed 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 achieve Safe Sport Club Recognition.
2. Y-T-Y growth in clubs which have achieved Safe Sport Club Recognition with a target of 50% clubs achieving recognition in 2021, 60% in 2022 and 80% in 2023.
3. Y-T-Y growth of multi-cultural component of USA-S membership.
4. 3% growth of USA Swimming membership through Community Swim Team programs.
5. Y-T-Y growth of financial investment in Community Impact Grant funding.

Previous KPIs:

1. *Increase reach in Safe Sport training and education opportunities to 3,000 individuals receiving in-person training with at least one in-person training opportunity per month.*
2. *Increase to 20% clubs achieving Safe Sport Recognized Program status and show growth in the number of Safe Sport Recognized Clubs.*
3. *Inclusive: Y-T-Y growth of multi-cultural component of USA-S membership (per USOPC Scorecard).*
4. *Growth in % of LSCs whose leadership participates in DEI education at least every two years.*
5. *3% Growth of USA Swimming membership through Community Swim Team programs.*

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

Proposed Key Performance Indicators:

1. Update Club Leadership & Business Management School curriculum and achieve Y-T-Y growth in nonprofit club attendance and NPS.
2. Provide Safe Sport education resource to all households and provide Safe Sport training education to 10% of registered households.
3. Identify 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 LSCs to use.

Previous KPIs:

1. *Y-T-Y growth in nonprofit club attendance at Club Leadership and Business Management School (CLBMS) and participant ratings.*
2. *Officials’ Education – Train 175 officials using the National Officials’ Committee curriculum and have 95% of the LSCs represented at the Officials’ workshops.*
3. *Parent Engagement Toolkit – Toolkit is made available by 12/19 with trial/evaluations subsequently assessed.*
4. *Identify 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.*

POLICY PROVISION C (iii): “Facilities development and operational expertise contribute to clubs’ success.”

Proposed Key Performance Indicators:

1. TBD based on future facilities services solution.
2. Improve means to populate and track member club and lesson provider facilities.
3. Develop educational opportunities with corporate partners.

Previous KPIs:

1. *Conduct six Build a Pool Conferences with Y-T-Y growth in participant evaluation of conference value. Baselines need to be established on conference evaluations. (NOTE: Baseline was established in 2019, with conference satisfaction ratings of 98.7%. Future KPI likely “to maintain 95%+ satisfaction ratings.)*
 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)*
-

POLICY PROVISION D: “LSCs have and use resources and services to support the development and achievement of athletes, coaches and clubs.”

Proposed Key Performance Indicators:

1. Achieve full compliance with newly launched LEAP program.
2. Fulfill policy 3.10 (“Relationships with LSCs”) by maintaining full compliance with and renewal of the LSC Affiliation Agreement by Q1 2022.
3. Maintain full LSC participation in USA Swimming meetings and workshops.
4. Develop and release LSC shared services framework.
5. Growth in % of LSCs whose leadership participates in DEI education at least every two years.

Pre-Competitive Programs

Proposed Key Performance Indicators:

1. Maximize learn-to-swim opportunities through USA Swimming Foundation and USA Swimming grant funding, scholarship opportunities and outreach programming.
 - a. 2022: Y-T-Y increase in learn-to-swim scholarship and Outreach member programming opportunities contingent on USA Swimming Foundation grant funding available.
2. Establish programming to bridge learn-to-swim opportunities to USA Swimming membership.
 - a. Future phases: Establish and increase learn-to-swim program membership, learn-to-swim instructor membership and rate of transition to USA Swimming membership. Y-T-Y increases in each once established.
3. Establish standards for USA Swimming learn-to-swim lesson programming or partnership between USA Swimming member clubs and local provider(s).

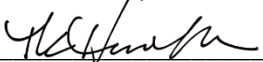
Previous KPIs:

1. *Last year we reported that our intent was to restructure the LEAP Program - combine LEAP 1 and 2 as new LEAP 1; LEAP 3 becomes LEAP 2 and an entirely new LEAP 3 will be created – with an anticipated rollout by September 2020. However, during this effort a better option was decided upon – the LEAP Program will be completely redeveloped into one level with new categories and items with an anticipated rollout in Q1 2021.*
2. *2020: 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.*

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.2: External Relations**
DA: 4/28/2021

I hereby present the monitoring report on Management Parameters Policy 3.2 “External Relations” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended April 15, 2021.

Signed , President & CEO

POLICY PROVISION: “With respect to USA Swimming's interactions with other entities, the CEO will not operate without cultivating and maintaining senior leadership level relationships with all relevant national and international organizations, including but not limited to: USOPC, FINA, NCAA, ASCA, CSCAA, ACES, USADA, etc.”

CEO'S INTERPRETATION: (No change since previous report)

Maintaining the respect of and positive relations with key agencies is integral to long-term fulfillment of our Ends. I interpret this to also include local and swimming related media entities. While I am the official spokesperson for the operating organization, I also rely on and expect key staff members to actively contribute to and guide necessary relationship development.

REPORT:

The COVID-19 pandemic and subsequent restrictions on travel caused many of my go-to opportunities to cultivate and develop relationships (e.g., meets, meetings, and conferences) to be cancelled. However, Zoom has facilitated increased opportunities for virtual connectivity. Although a videoconference will never replace an in-person connection, the staff and I remained fully committed to maintaining and growing relationships both within and outside of the Olympic Community.

Specific examples appear below:

- USOPC & other USA Affiliates –Sarah Hirshland, USOPC; Rick Adams, USOPC; Fin Kirwan, USOPC; Dr. Tod Olin, USOPC; Bahati VanPelt, USOPC; Kathy Carter, USOPP; Dawson Hughes, US Masters Swimming; Li Li Leung, USA Gymnastics; Jeff Plush, USA Curling; Pat Kelleher, USA Hockey; Adam Andrasko, USA Artistic Swimming; and Will Wilson, US Soccer.
- International Bodies – Cornel Marculescu, FINA; Ahmed El-Awadi, Swimming Canada; John Atkinson, Swimming Canada; Jack Buckner, British Swimming; Leigh Russell, Swimming Australia; Alex Baumann, Swimming Australia; and Shigeo Ogata, Member of FINA Technical Swimming Committee (Japan).
- Commercial - Scott Davison, OneAmerica; John Russo, City Manager, City of Irvine; Chris Foy, Impression Sports; Steve Lockton, TYR; Larry Meltzer, Speedo; Peter Carlisle, Octagon; Alan Fey, Fanatics; Jason Flaxbeard, Beecher Carlson; Chris Pearlman, Aggregate Sports; Matt Wolf, NBA; Valerie Waller, YMCA; Janet Kafkas, YMCA; Shawn Borzelleri, YMCA; Dave Cooper, Risk Management Services; Josh Todd, Omaha Sports; Gary Zenkel, NBC Universal; Jeremy Parrish, University of Iowa; Jon Ram, Hanes; and First Western Trust.
- Foundation Trustees & Donors - Alex Blavatnik; Mike McCaffrey; Julie and Jay Van Cleave; Jelena Kunovac; Tim Buckley; and Tod Spieker.
- Coaches & Clubs –Dave Durden, University of California, Berkeley; Dave Salo, University of Southern California/Irvine Novaquatics; Bruce Gemmell, Nation's Capital Swim Club (NCAP);

and several club CEO's during roundtable discussions as well as athletes regarding social justice.

Since joining USA Swimming in July of 2017, and consistent with this policy, I have invested considerable time and attention to strengthening existing relationships and building new ones. I am confident that we are well-positioned to benefit from the value of those relationships, especially with FINA and the USOPC, as we in the Olympic Community have regrouped and prepared for this year's Olympic Games.

I therefore report **COMPLIANCE**.


Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
Eric Skufca, Chief Financial Officer
RE: Internal Report – Management Limitations
Quarterly Monitoring on **Policy 3.4: Financial Condition and Activities**
DA: April 28, 2021

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 Income Statement and Balance Sheet are true for the quarterly period ending March 31, 2021 on a preliminary basis.

Signed , President & CEO

, CFO

Date: April 28, 2021

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: (No change since previous report)

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 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 2021 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 2021 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: (No change since previous report)

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, 2019 were audited and issued a clean opinion. The Chief Financial Officer continues to abide by GAAP. Please note as of the date of this monitoring report, the 2020 audit is still being finalized and should be completed, reviewed by the CFO and Audit Committee, and issued in May 2021 (timing reasonably consistent with prior years).

We therefore 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: (No change since previous report)

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 revenues were \$19,652,959 with corresponding expenses of \$7,547,584, for a year-to-date excess of \$12,105,375. Current forecast for fiscal year end is total revenue of \$30,167,108 and expenses of \$34,969,606, and we thus anticipate an operating deficit of (\$4,802,498). Understanding the number of unknowns still at this time, below are some of the material deviations from our original 2021 budget at the time of this monitoring report:

- Operating revenues projected less by an estimated (\$633,500) or (2.1%).
 - Sport & Events revenue projected less by an estimated (\$1,673,500) due to reduced Trials joint venture operating projections primarily caused by current uncertainties (anticipated reductions) in venue capacity and increased expenditures related to Covid-19 mitigation/testing protocols.
 - Membership revenue projected more by an estimated \$750,000 due to the latest analysis and year-to-date actuals.
 - Foundation revenue projected more by an estimated \$110,000 due to increased donor support for the Olympic Team travel logistics.
 - Pandemic Relief projected more by an estimated \$180,000 due to remaining PPP funding from 2020 that is expected to be forgiven in 2021.
- Operating expenses more than original budget by an estimated (\$1,000,000) or (2.9%).
 - National Team division projected more by an approximate (\$800,000) primarily due to the net adjusted Olympic Team travel logistics, net adjusted Olympic Team training camp(s) location, and Covid-19 mitigation/testing protocols.
 - Event Operations division projected more by an estimated (\$200,000) primarily due to the increased expenditures related to Covid-19 mitigation/testing protocols.

We report **NON-COMPLIANCE** based on the current 2021 projection compared to the original 2021 budget approved in November 2020. We note the ongoing concerted efforts by the Strategy Team and Division Directors to strategically make operational decisions that can position us as well as possible throughout the 2021 "five-year quad and beyond."

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: (No change since previous report)

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:

On a preliminary basis, cash and cash equivalents were \$6,044,731 at March 31, 2021. Monthly operating expenses are approximately \$2,915,000. Liquidity was in excess of the threshold required by this policy throughout the quarter.

We therefore 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: (No change since previous report)

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:

Approximately ten staff have corporate credit cards, with balances paid in full through the last statements. No other debt was originated during this reporting period and the two forms of debt originated in 2020 (PPP and revolving line of credit) have been reported and approved in prior Monitoring Reports.

We therefore report **COMPLIANCE**.

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

CEO’S INTERPRETATION: (No change since previous report)

Accessing the reserve funds is purely at the discretion of, and requires explicit authorization by, the Board of Directors.

REPORT:

The Board-designated Reserve has been tapped (capitalized or expensed) \$468,400 on a preliminary basis thus far in 2021 for three Board approved planned investments: the “Keeping Athletes First” initiative, legal expenditures, and USSIC sale letter of credit drawdown interest payments. All initiatives were Board approved to be used out of the Board-designated Reserve.

We therefore report **COMPLIANCE**.

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

CEO’S INTERPRETATION: (No change since previous report)

Payroll must meet its obligations every two weeks. 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 March 31, 2021 and all payables have been paid on time.

We therefore 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: (No change since previous report)

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, 2021. Form 990 was under the annual filing extension to November 15, 2020 and was filed on time. There are no outstanding filings and there have been no late penalties.

We therefore 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: (No change since previous report)

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 that were not part of our approved budget plan through the reporting period (first quarter) of this monitoring report.

We therefore report **COMPLIANCE** through the first quarter of 2021 but anticipate **probable non-compliance** as we make our way through the remainder of the year.

As reported throughout this monitoring report and specifically in Policy Provision #2 above, there continues to be a number of unknowns at this time financially and operationally as we make our way through the 2021 five-year “quad.” As illustrated above, there are projected material deviations from our original 2021 budget approved in November 2020 at the time of this monitoring report in both operating revenues and expenditures. Two particular programmatic expense deviations are within the National Team and Event Operations divisions with respect to the Olympic Team travel game plan to and from the Olympic prep camp(s) and Olympic Games as well as increased expenditures related to Covid-19 mitigation/testing protocols at our events across the organization (including Olympic Trials). We anticipate the collective total of both these expense deviations to surpass the \$250,000 threshold and would like to discuss with the Board our best practice navigating the remainder of 2021 (and beyond) as it relates to this policy provision.

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

CEO’S INTERPRETATION: (No change since previous report)

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 therefore report **COMPLIANCE**.

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

CEO’S INTERPRETATION: (No change since previous report)

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 \$10,000.00. “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. On a preliminary basis at quarter end, there were two sponsor contracts, one event vendor contract, and one swim club on our receivables that were both greater than \$10,000 and over 60 days past due (totaling \$320,372). We are monitoring and communicating with these customers regularly and either anticipate successful resolution or contract amendments without legal intervention at this time.

We therefore 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: (No change since previous report)

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. The 2019 fiscal audit was not accompanied by any Management Letter recommendations.

We therefore report **COMPLIANCE**.

POLICY PROVISION 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: (No change since previous report)

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 (e.g., a missing cab receipt) that are neither material nor regular.

We therefore report **COMPLIANCE**.

POLICY PROVISION 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: (No change since previous report)

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 first quarter 2021.

We therefore report **COMPLIANCE**.

USA Swimming, Inc.
Balance Sheet
As of March 31, 2021 and 2020

	<u>3/31/2021</u>	<u>3/31/2020</u>	<u>\$ Change</u>	<u>Audited 12/31/2020</u>	<u>\$ Change</u>
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	\$6,044,731	\$4,730,350	\$1,314,382	\$2,309,779	\$3,734,952
Accounts receivable	2,093,405	1,980,467	112,938	2,873,971	(780,566)
Prepaid expenses and deferred charges	1,788,417	1,388,135	400,283	2,831,664	(1,043,246)
Total Current Assets	9,926,554	8,098,951	1,827,603	8,015,414	1,911,140
FIXED ASSETS:					
Leasehold Improvements, IT Systems, FF&E, Other	13,870,097	13,452,642	417,455	13,544,751	325,346
Accumulated depreciation & amortization	(9,935,493)	(9,163,572)	(771,921)	(9,521,267)	(414,226)
Total Fixed Assets	3,934,605	4,289,070	(354,466)	4,023,484	(88,879)
LONG-TERM INVESTMENTS:					
Long-term Investments	37,546,693	29,170,250	8,376,443	36,533,447	1,013,246
OTHER ASSETS:					
Investment - Swim Trials, LLC	56,482	113,957	(57,475)	56,482	0
Prepaid rent	4,799,048	4,895,915	(96,867)	4,825,420	(26,372)
Total Other Assets	4,855,530	5,009,872	(154,342)	4,881,902	(26,372)
TOTAL ASSETS	<u>\$56,263,381</u>	<u>\$46,568,142</u>	<u>\$9,695,238</u>	<u>\$53,454,247</u>	<u>\$2,809,134</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES:					
Accounts payable	\$485,905	\$1,009,796	(\$523,891)	\$807,693	(\$321,788)
Accrued expenses and other liabilities	1,548,917	1,509,392	39,526	1,508,359	40,559
Deferred revenue	2,422,050	2,140,370	281,680	12,595,523	(10,173,473)
Total Current Liabilities	4,456,873	4,659,558	(202,685)	14,911,575	(10,454,703)
NONCURRENT LIABILITIES:					
Insurance Payable	192,750	0	192,750	0	192,750
Line of Credit Payable	1,821,000	0	1,821,000	1,821,000	0
Total Noncurrent Liabilities	2,013,750	0	2,013,750	1,821,000	192,750
Total Liabilities	6,470,623	4,659,558	1,811,065	16,732,575	(10,261,953)
NET ASSETS:					
Unrestricted:					
Undesignated Net Assets	34,123,933	24,042,012	10,081,921	20,989,514	13,134,419
Board Designated - USSIC	15,668,825	17,866,572	(2,197,748)	15,732,157	(63,333)
Total Unrestricted Net Assets	49,792,758	41,908,585	7,884,174	36,721,671	13,071,087
Total Net Assets	49,792,758	41,908,585	7,884,174	36,721,671	13,071,087
TOTAL LIABILITIES AND NET ASSETS	<u>\$56,263,381</u>	<u>\$46,568,142</u>	<u>\$9,695,238</u>	<u>\$53,454,247</u>	<u>\$2,809,134</u>

USA Swimming
Income Statement - By Division
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
REVENUE:						
Membership	\$15,571,968	\$14,828,111	\$743,857	5.02%	\$20,505,664	(\$4,933,696)
Partnership Marketing Revenue	1,040,418	3,943,956	(2,903,538)	-73.62%	1,339,093	(298,674)
Consumer Revenue	0	125,000	(125,000)	-100.00%	1,243	(1,243)
USOPC Partnership	2,887,522	5,329,500	(2,441,978)	-45.82%	1,183,579	1,703,943
Investment Income	0	20,000	(20,000)	-100.00%	20,451	(20,451)
Foundation	1,250	1,087,500	(1,086,250)	-99.89%	302,500	(301,250)
Sport and Events	36,214	5,107,000	(5,070,786)	-99.29%	245,623	(209,409)
Other Income	115,587	359,541	(243,954)	-67.85%	118,251	(2,664)
TOTAL REVENUE	19,652,959	30,800,608	(11,147,649)	-36.19%	23,716,404	(4,063,444)
EXPENSES:						
Technical/Sport:						
Sport Development	850,717	4,216,924	3,366,207	79.83%	961,996	111,279
Events and Member Services	888,397	4,344,574	3,456,177	79.55%	1,213,602	325,205
National Team	2,159,187	9,150,649	6,991,462	76.40%	1,573,966	(585,221)
Total Technical/Sport	3,898,302	17,712,147	13,813,845	77.99%	3,749,564	(148,738)
Other Programs:						
Commercial	1,553,302	5,644,330	4,091,028	72.48%	1,596,390	43,088
Risk Management	645,145	4,347,150	3,702,005	85.16%	1,312,020	666,875
Foundation and MAS Support	0	449,414	449,414	100.00%	0	0
Foundation - Other	257	0	(257)	0.00%	144,954	144,697
Total Other Programs	2,198,704	10,440,894	8,242,190	78.94%	3,053,364	854,660
Administration:						
Executive	299,260	1,413,498	1,114,238	78.83%	357,952	58,692
Finance	189,958	831,207	641,249	77.15%	247,615	57,657
Business Affairs	961,361	3,571,860	2,610,499	73.09%	1,232,167	270,806
Total Administration	1,450,579	5,816,565	4,365,986	75.06%	1,837,734	387,155
TOTAL EXPENSES	7,547,584	33,969,606	26,422,022	77.78%	8,640,662	1,093,078
OPERATING SURPLUS (DEFICIT)	\$12,105,375	(\$3,168,998)	\$15,274,373	-481.99%	\$15,075,742	(\$2,970,367)
Investment Gain (Loss)	1,029,044	0	1,029,044	0.00%	(4,168,945)	5,197,989
OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)	\$13,134,419	(\$3,168,998)	\$16,303,417	-514.47%	\$10,906,797	\$2,227,623

USA Swimming
Income Statement - By Category
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
REVENUE:						
Membership	\$15,571,968	\$14,828,111	\$743,857	5.02%	\$20,505,664	(\$4,933,696)
USOPC Partnership	2,887,522	5,329,500	(2,441,978)	-45.82%	1,183,579	1,703,943
Partnership Marketing Revenue	1,040,418	3,693,956	(2,653,538)	-71.83%	1,339,093	(298,674)
Consumer Revenue	0	375,000	(375,000)	-100.00%	1,243	(1,243)
Sport and Events	36,214	5,107,000	(5,070,786)	-99.29%	245,623	(209,409)
Foundation and Swim-A-Thon	1,250	1,087,500	(1,086,250)	-99.89%	302,500	(301,250)
Investment Income	0	20,000	(20,000)	-100.00%	20,451	(20,451)
Other Income	115,587	359,541	(243,954)	-67.85%	118,251	(2,664)
Total Revenue	19,652,959	30,800,608	(11,147,649)	-36.19%	23,716,404	(4,063,444)
EXPENSES:						
Salaries and Wages	1,656,529	8,454,355	6,797,826	80.41%	2,218,980	562,451
Employee Benefits	445,938	2,053,009	1,607,071	78.28%	590,875	144,937
Employment Taxes	134,503	573,296	438,793	76.54%	161,974	27,472
Total Payroll and Benefits	2,236,970	11,080,660	8,843,690	79.81%	2,971,830	734,859
Direct Athlete Support	869,775	4,128,220	3,258,445	78.93%	681,109	(188,666)
Professional Fees & Honoraria	712,912	2,835,132	2,122,220	74.85%	827,580	114,668
Insurance	668,261	4,366,450	3,698,189	84.70%	1,345,288	677,027
Travel and Hospitality	570,507	3,912,190	3,341,683	85.42%	706,097	135,590
Dues, Fees & Tickets	433,108	998,071	564,963	56.61%	201,984	(231,125)
Depreciation and Amortization	416,148	1,574,200	1,158,052	73.56%	390,382	(25,766)
Information Technology Expenses	329,654	664,398	334,744	50.38%	190,159	(139,495)
Apparel	268,388	292,000	23,612	8.09%	65,413	(202,975)
Television and Video Production	254,594	651,074	396,480	60.90%	349,759	95,165
Grants	232,500	422,000	189,500	44.91%	75,000	(157,500)
Telephone and Internet Service	178,497	402,145	223,648	55.61%	86,929	(91,568)
Rent and Lease Expense	130,527	824,458	693,931	84.17%	144,475	13,948
Gear, Equipment, & Signage	84,729	505,907	421,178	83.25%	88,535	3,806
Supplies and Expense	61,485	377,430	315,945	83.71%	167,061	105,576
Protocol & Gifts	60,955	104,350	43,395	41.59%	23,829	(37,126)
Printing and Duplication	21,692	173,210	151,518	87.48%	158,295	136,603
Miscellaneous Expenses	16,882	80,035	63,153	78.91%	110,057	93,175
Awards	0	516,426	516,426	100.00%	21,214	21,214
Advertising	0	33,250	33,250	100.00%	35,666	35,666
Contingency	0	28,000	28,000	100.00%	0	0
Total Expenses	7,547,584	33,969,606	26,422,022	77.78%	8,640,662	1,093,078
OPERATING SURPLUS (DEFICIT)	\$12,105,375	(\$3,168,998)	\$15,274,373	-481.99%	\$15,075,742	(\$2,970,367)
Investment Gains (Losses)	1,029,044	0	1,029,044	0.00%	(4,168,945)	5,197,989
OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)	\$13,134,419	(\$3,168,998)	\$16,303,417	-514.47%	\$10,906,797	\$2,227,623

USA Swimming, Inc.

Statement of Revenue

For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
MEMBERSHIP:						
Athlete Membership	\$13,090,504	\$12,158,080	\$932,424	7.67%	\$17,666,198	(\$4,575,694)
Flex	313,998	320,000	(6,002)	-1.88%	258,920	55,078
Outreach Athlete Membership	15,450	33,410	(17,960)	-53.76%	42,290	(26,840)
Seasonal Athlete Membership	30,180	390,630	(360,450)	-92.27%	79,920	(49,740)
Non-Athlete Membership	1,914,058	1,785,600	128,458	7.19%	2,218,912	(304,854)
Life Membership	27,698	15,000	12,698	84.65%	33,334	(5,636)
Club Membership	178,360	165,620	12,740	7.69%	203,840	(25,480)
Seasonal Club Membership	760	2,360	(1,600)	-67.80%	1,240	(480)
Affiliate Membership	0	0	0	0.00%	450	(450)
Single Meet Open Water	20	1,000	(980)	-98.00%	220	(200)
Other Membership Income	940	(43,589)	44,529	-102.16%	340	600
TOTAL MEMBERSHIP	15,571,968	14,828,111	743,857	5.02%	20,505,664	(4,933,696)
PARTNERSHIP MARKETING REVENUE:						
Corporate Sponsorship	954,668	3,651,456	(2,696,788)	-73.86%	1,283,558	(328,889)
Supplier Income	85,000	172,500	(87,500)	-50.72%	44,375	40,625
Licensee Income	750	100,000	(99,250)	-99.25%	0	750
Print Advertising	0	20,000	(20,000)	-100.00%	11,160	(11,160)
TOTAL PARTNERSHIP MARKETING REVENUE	1,040,418	3,943,956	(2,903,538)	-73.62%	1,339,093	(298,674)
CONSUMER REVENUE:						
Royalties	0	125,000	(125,000)	-100.00%	1,243	(1,243)
TOTAL CONSUMER REVENUE	0	125,000	(125,000)	-100.00%	1,243	(1,243)
USOPC PARTNERSHIP:						
USOPC Performance Funding	2,016,750	3,082,200	(1,065,450)	-34.57%	770,550	1,246,200
USOPC Direct Athlete Support	664,092	2,232,300	(1,568,208)	-70.25%	413,029	251,063
USOPC International Relations Grant	0	15,000	(15,000)	-100.00%	0	0
USOPC Other Support	206,680	0	206,680	0.00%	0	206,680
TOTAL USOPC PARTNERSHIP	2,887,522	5,329,500	(2,441,978)	-45.82%	1,183,579	1,703,943
INVESTMENT INCOME:						
Interest Income - Savings	0	0	0	0.00%	1	(1)
Interest Income - Short Term Securities	0	20,000	(20,000)	-100.00%	20,450	(20,450)
TOTAL INVESTMENT INCOME	0	20,000	(20,000)	-100.00%	20,451	(20,451)
FOUNDATION AND SWIM-A-THON:						
USA Swimming Foundation	1,250	817,500	(816,250)	-99.85%	235,000	(233,750)
Foundation Rent	0	270,000	(270,000)	-100.00%	67,500	(67,500)
TOTAL FOUND. AND SWIM-A-THON	1,250	1,087,500	(1,086,250)	-99.89%	302,500	(301,250)

USA Swimming, Inc.

Statement of Revenue

For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
SPORT AND EVENTS:						
Golden Goggle Awards	0	125,000	(125,000)	-100.00%	(357)	357
Coach Education Clinics	25,364	190,000	(164,636)	-86.65%	39,435	(14,071)
Altitude Camps	64	240,000	(239,936)	-99.97%	155,067	(155,003)
Olympic Trials	910	4,410,000	(4,409,090)	-99.98%	0	910
Pro Swim Series Host Fees	0	0	0	0.00%	25,000	(25,000)
Facilities Conference	0	0	0	0.00%	2,846	(2,846)
Custom Visits (BAP)	0	0	0	0.00%	1,667	(1,667)
Safe Sport Materials	0	12,000	(12,000)	-100.00%	0	0
International TV Rights	0	15,000	(15,000)	-100.00%	0	0
Other Registration	9,876	115,000	(105,124)	-91.41%	21,966	(12,090)
TOTAL SPORTS AND EVENTS	36,214	5,107,000	(5,070,786)	-99.29%	245,623	(209,409)
OTHER INCOME:						
NCAA Top Times List	50,294	100,600	(50,306)	-50.01%	50,295	0
Combined Federal Campaign	0	0	0	0.00%	13	(13)
Imputed Interest - Prepaid Rent	65,275	258,941	(193,666)	-74.79%	66,538	(1,263)
Other Revenue	17	0	17	0.00%	1,405	(1,388)
TOTAL OTHER INCOME	115,587	359,541	(243,954)	-67.85%	118,251	(2,664)
TOTAL OPERATING REVENUE	\$19,652,959	\$30,800,608	(\$11,147,649)	-36.19%	\$23,716,404	(\$4,063,444)
INVESTMENT GAINS (LOSSES):						
Investment Income (Loss) less Operating Allocation	1,050,525	0	1,050,525	0.00%	(4,148,051)	5,198,576
Money Manager Fees	(21,480)	0	(21,480)	0.00%	(20,894)	(586)
TOTAL INVESTMENT GAINS (LOSSES)	1,029,044	0	1,029,044	0.00%	(4,168,945)	5,197,989
TOTAL REVENUE	\$20,682,004	\$30,800,608	(\$10,118,604)	-32.85%	\$19,547,459	\$1,134,545

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	<u>Year To Date Actual</u>	<u>2021 Budget</u>	<u>Remaining Dollars</u>	<u>Remaining Percentage</u>	<u>Year To Date 2020</u>	<u>Favorable (Unfavorable)</u>
TECHNICAL/SPORT:						
SPORT DEVELOPMENT						
<i>Athlete Development Programs</i>						
1117 LSC Camps	\$89	\$4,700	\$4,611	98.11%	\$663	\$574
1118 Zone Select Camps	1,135	152,960	151,825	99.26%	4,360	3,225
1119 National Select Camps	0	107,630	107,630	100.00%	497	497
1120 Camp (VIK)	0	25,000	25,000	100.00%	0	0
1135 Tech Services Support	0	2,900	2,900	100.00%	0	0
Program Group Total	1,224	293,190	291,966	99.58%	5,521	4,296
<i>Coach Education and Development</i>						
1213 Coach Education Development	6,032	42,800	36,768	85.91%	19,568	13,536
1231 USA-S Hosted Coaches Clinics	178	70,550	70,372	99.75%	3,713	3,535
1233 Disability Swimming Coaches Workshop	0	8,160	8,160	100.00%	0	0
1237 Non-USAS Clinic Participation	0	15,000	15,000	100.00%	4,109	4,109
1240 Online Coach Clinics/Podcasts	36	8,966	8,930	99.60%	4,969	4,933
1242 Coach Mentoring	210	70,000	69,790	99.70%	7,866	7,656
1245 Master Coach Program	900	0	(900)	0.00%	0	(900)
1290 Travel & Program Support	3,773	80,000	76,227	95.28%	26,025	22,252
Program Group Total	11,130	295,476	284,346	96.23%	66,251	55,121
<i>Club Education and Development</i>						
1302 Club Excellence Program	201,228	209,000	7,772	3.72%	21,916	(179,311)
1305 Club Recognition Program	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	10,000	12,500	2,500	20.00%	10,000	0
1314 Club Resources	(10,982)	8,000	18,982	237.27%	5,688	16,670
1332 Club Research Technology	1,618	10,500	8,882	84.59%	10,420	8,802
1390 Travel & Program Support	0	69,000	69,000	100.00%	20,240	20,240
Program Group Total	201,864	316,500	114,636	36.22%	68,265	(133,599)
<i>LSC Development & Education</i>						
1470 LSC Consulting	15,000	22,900	7,900	34.50%	13,380	(1,620)
1475 LEAP Program	0	0	0	0.00%	5,000	5,000
1481 Leadership Workshops	0	8,970	8,970	100.00%	0	0
Program Group Total	15,000	31,870	16,870	52.93%	18,380	3,380
<i>Facilities Advocacy & Development</i>						
1505 Build a Pool Conference	18	0	(18)	0.00%	21,035	21,017
1590 Travel & Program Support	24,000	96,000	72,000	75.00%	30,000	6,000
Program Group Total	24,018	96,000	71,982	74.98%	51,035	27,017

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
Membership Growth and Diversity						
1638 Diversity Management Support	202	106,550	106,348	99.81%	8,081	7,879
1640 Community Swim Team Development	278	70,554	70,276	99.61%	8,687	8,409
1645 Zone Diversity Camps & Meetings	1,846	75,000	73,154	97.54%	4,954	3,108
1651 Diversity VIK	13,951	15,000	1,049	6.99%	13,951	0
1665 Diversity Select Camp	102	75,220	75,118	99.86%	26,001	25,899
Program Group Total	16,380	342,324	325,944	95.22%	61,674	45,295
Committees						
1823 Convention Education Committee	0	500	500	100.00%	0	0
1830 LSC Development Committee	0	550	550	100.00%	446	446
1841 Disability Swimming Committee	0	250	250	100.00%	55	55
1842 Diversity Committee	0	250	250	100.00%	0	0
1851 Age Group Development Committee	0	250	250	100.00%	0	0
1856 Club Development Committee	0	250	250	100.00%	0	0
1885 Senior Development Committee	0	250	250	100.00%	0	0
Program Group Total	0	2,300	2,300	100.00%	501	501
Administration						
1990 Administration & Operational Support	96,586	389,030	292,444	75.17%	106,522	9,936
1999 Salary and Benefits	484,516	2,450,234	1,965,718	80.23%	583,848	99,331
Program Group Total	581,102	2,839,264	2,258,162	79.53%	690,369	109,267
TOTAL SPORT DEVELOPMENT	850,717	4,216,924	3,366,207	79.83%	961,996	111,279
EVENTS AND MEMBER SERVICES						
Events						
2005 Olympic Trials	57,619	31,630	(25,989)	-82.17%	318	(57,301)
2006 Joint Venture	0	0	0	0.00%	1,641	1,641
2018 US Open (frmly Winter National Champs)	176	118,444	118,268	99.85%	1,997	1,821
2019 National Championships/Trials	0	0	0	0.00%	2,281	2,281
2023 USA Swimming Summer Invitational (frmly US Open)	0	69,923	69,923	100.00%	1,823	1,823
2025 Pro Swim Series	138,471	165,970	27,499	16.57%	144,881	6,410
2027 Speedo Sectionals	32,500	123,200	90,700	73.62%	100,000	67,500
2028 IM Xtreme Games	0	0	0	0.00%	4,000	4,000
2029 Zone Championships	5,000	56,000	51,000	91.07%	15,000	10,000
2035 Futures Championships	0	0	0	0.00%	5,000	5,000
2040 Jr. Pan Pacific Championships	25,000	0	(25,000)	0.00%	0	(25,000)
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	1,484	87,941	86,457	98.31%	126	(1,357)
2069 Open Water Championships	14,065	59,598	45,533	76.40%	7,670	(6,396)
2077 National Events Uniforming VIK	0	40,000	40,000	100.00%	0	0
2076 Bag Tags VIK	843	10,000	9,157	91.57%	18	(825)
2716 Omega Timing Systems VIK	0	400,000	400,000	100.00%	0	0
Program Group Total	275,159	1,162,706	887,547	76.33%	284,754	9,596

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	<u>Year To Date Actual</u>	<u>2021 Budget</u>	<u>Remaining Dollars</u>	<u>Remaining Percentage</u>	<u>Year To Date 2020</u>	<u>Favorable (Unfavorable)</u>
Member Programs						
2411 Member Dues and Services	110	256,500	256,390	99.96%	4,539	4,429
2418 SWIMS 2.0	76,541	200,000	123,459	61.73%	42,684	(33,857)
2423 Rulebook	23,295	11,200	(12,095)	-107.99%	89,331	66,037
2430 Athlete Leadership Camp	0	18,000	18,000	100.00%	0	0
2431 Swimposium	0	53,000	53,000	100.00%	5,673	5,673
2432 Zone Workshops	3,000	229,000	226,000	98.69%	1,250	(1,750)
2434 On-Line Registration	22,675	140,000	117,325	83.80%	28,971	6,296
2498 Awards	83	5,000	4,917	98.34%	340	257
Program Group Total	125,704	912,700	786,996	86.23%	172,789	47,085
Member Programs - Officials						
2433 Officials Training Sessions	0	52,950	52,950	100.00%	962	962
2437 Officials On-Line Testing	0	825	825	100.00%	0	0
2438 Officials Certification Program	0	3,900	3,900	100.00%	0	0
2439 Officials Video	0	6,000	6,000	100.00%	0	0
2440 Officials Clinic	2,944	29,888	26,945	90.15%	232	(2,711)
2441 Officials International Travel	178	12,600	12,422	98.59%	2,337	2,159
2450 Officials Mentoring & Training	89	1,500	1,411	94.07%	254	165
Program Group Total	3,211	107,663	104,453	97.02%	3,785	574
Other Programs and Services						
2501 Publications and Video Sales	6,174	24,000	17,826	74.28%	8,624	2,451
2502 Mailing Service	0	200	200	100.00%	0	0
2505 Trials Hospitality	1,728	17,300	15,572	90.01%	1,447	(280)
2518 Altitude Camps	0	250,000	250,000	100.00%	159,512	159,512
2519 Times Projects	3,630	23,400	19,770	84.49%	20,381	16,752
2715 TV/Web Cast Production	216,481	523,474	306,993	58.65%	225,426	8,945
Program Group Total	228,012	838,374	610,362	72.80%	415,390	187,378
Committees & Governance						
2801 Convention	0	39,900	39,900	100.00%	783	783
2802 Convention - Athletes	0	6,500	6,500	100.00%	0	0
2825 Registration / Membership	0	500	500	100.00%	11	11
2835 Credentials / Elections	0	500	500	100.00%	0	0
2836 Rules and Regulations	0	17,500	17,500	100.00%	3,989	3,989
2857 Times & Recognition Committee	41	12,500	12,459	99.67%	2,125	2,084
2866 Officials	0	500	500	100.00%	7,755	7,755
2887 Athletes Executive Committee	37	500	463	92.58%	200	163
Program Group Total	78	78,400	78,322	99.90%	14,862	14,784
Administration						
2990 Administration & Operational Support	32,696	194,780	162,084	83.21%	55,472	22,776

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
2999 Salary and Benefits	223,538	1,049,951	826,413	78.71%	266,551	43,012
<i>Program Group Total</i>	<i>256,234</i>	<i>1,244,731</i>	<i>988,497</i>	<i>79.41%</i>	<i>322,023</i>	<i>65,789</i>
TOTAL EVENTS AND MEMBER SERVICES	888,397	4,344,574	3,456,177	79.55%	1,213,602	325,205
NATIONAL TEAM						
Competitions						
3001 Olympic Games	99,827	425,640	325,813	76.55%	2,131	(97,697)
3015 World University Games	0	142,160	142,160	100.00%	0	0
3023 US Open Championships	2,175	0	(2,175)	0.00%	0	(2,175)
3033 Short Course World Championships	2,240	150,000	147,760	98.51%	0	(2,240)
<i>Program Group Total</i>	<i>104,242</i>	<i>717,800</i>	<i>613,558</i>	<i>85.48%</i>	<i>2,131</i>	<i>(102,111)</i>
Junior Team Programs						
3012 Jr. Pan Pacific Championships	0	0	0	0.00%	1,375	1,375
3045 Junior Team Camps	1,252	0	(1,252)	0.00%	168	(1,084)
3050 FINA World Junior Championships	2,240	147,100	144,860	98.48%	0	(2,240)
3051 Jr. Team Pro Swim Series	0	0	0	0.00%	3,945	3,945
3053 World 100	0	2,000	2,000	100.00%	0	0
3992 Ntl. Jr. Team Program Support	0	10,925	10,925	100.00%	7,430	7,430
<i>Program Group Total</i>	<i>3,492</i>	<i>160,025</i>	<i>156,533</i>	<i>97.82%</i>	<i>12,918</i>	<i>9,427</i>
Open Water Programs						
3040 FINA Open Water Jr. Championships	2,240	36,025	33,785	93.78%	0	(2,240)
3060 Open Water Olympic Games	0	49,700	49,700	100.00%	0	0
3065 Open Water World Cup	0	25,000	25,000	100.00%	41,878	41,878
3067 Open Water Camps	10,194	5,000	(5,194)	-103.88%	1,617	(8,577)
3075 Open Water International Camps	0	0	0	0.00%	102	102
3495 Open Water Program Support	54	9,650	9,596	99.45%	3,134	3,081
<i>Program Group Total</i>	<i>12,487</i>	<i>125,375</i>	<i>112,888</i>	<i>90.04%</i>	<i>46,731</i>	<i>34,244</i>
Camps						
3005 Olympic Games Prep Camps	361,011	1,142,260	781,249	68.39%	442	(360,569)
3069 National Team Specialty Camps	0	15,000	15,000	100.00%	15,000	15,000
3071 Altitude Training Camps	0	20,000	20,000	100.00%	8,481	8,481
3073 National Team Camps	0	15,000	15,000	100.00%	319	319
3479 Advance Team Visits	0	6,170	6,170	100.00%	4,874	4,874
<i>Program Group Total</i>	<i>361,011</i>	<i>1,198,430</i>	<i>837,419</i>	<i>69.88%</i>	<i>29,117</i>	<i>(331,895)</i>
Athlete Services						
3101 Athlete Support-Stipends & Grants	664,092	1,997,220	1,333,128	66.75%	413,029	(251,063)
3100 USOPC Covid 19 Support Grant	45,131	0	(45,131)	0.00%	0	(45,131)
3103 Athlete Support-Medals & Records	0	1,010,000	1,010,000	100.00%	0	0

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
3107 Athlete Support-Op Gold Qualification Bonus	0	573,000	573,000	100.00%	6,000	6,000
3025 Pro Swim Series Athlete Support	194,308	325,000	130,692	40.21%	229,321	35,013
3021 World Cup Athlete Support	0	1,000	1,000	100.00%	0	0
3127 National Team Investment Grant	0	0	0	0.00%	22,608	22,608
3106 Phillips 66 Athlete Support	0	100,000	100,000	100.00%	2,500	2,500
3110 National Team Uniforming (VIK)	156,291	75,000	(81,291)	-108.39%	25,422	(130,869)
3130 Foundation Travel & Training	5,500	50,000	44,500	89.00%	0	(5,500)
3131 Foundation Athlete Endowments	104,500	80,000	(24,500)	-30.63%	20,001	(84,499)
3453 Drug Control Program	0	19,650	19,650	100.00%	3,780	3,780
Program Group Total	1,169,822	4,230,870	3,061,048	72.35%	722,661	(447,162)
Coach Services						
3203 Coach Incentive & Reward Program	0	330,000	330,000	100.00%	0	0
3210 Olympic Team Prep - Coaches	30,620	50,000	19,380	38.76%	46,938	16,318
3220 Contract Labor - National Team Tech Advisor	0	0	0	0.00%	17,087	17,087
3222 National Team Consultant	0	0	0	0.00%	6,941	6,941
3010 Coach Education	0	0	0	0.00%	4,110	4,110
3077 National Team Coaches Meeting	0	500	500	100.00%	0	0
Program Group Total	30,620	380,500	349,880	91.95%	75,077	44,457
High Performance Support						
3301 National Team Performance Support	16,256	101,320	85,064	83.96%	45,352	29,096
3310 USOPC Practitioner Travel Support	330	18,700	18,370	98.24%	5,542	5,212
Program Group Total	16,586	120,020	103,434	86.18%	50,894	34,308
Sport Medicine & Science						
3201 Athletes and Coach Wellness Programs	12,257	50,000	37,743	75.49%	10,945	(1,313)
3353 Sport Medicine & Science Network	2,806	44,900	42,094	93.75%	10,853	8,047
3155 Elite Athlete Accident Coverage	24,300	36,000	11,700	32.50%	35,698	11,398
3351 Athlete Testing & Lab Expenses	215	10,000	9,785	97.85%	6,704	6,489
3390 Sport Medicine & Science Program Support	3,377	19,000	15,623	82.23%	8,445	5,068
Program Group Total	42,955	159,900	116,945	73.14%	72,645	29,690
Other Programs and Services						
3481 National Team Equipment	2,009	15,500	13,491	87.04%	5,416	3,407
3496 National Team Selection	0	0	0	0.00%	1,540	1,540
3499 Team Management Technology	8,535	0	(8,535)	0.00%	69,149	60,615
Program Group Total	10,544	15,500	4,956	31.98%	76,106	65,562
Committees						
3846 Sports Medicine	0	500	500	100.00%	0	0
3868 Open Water Committee	0	500	500	100.00%	35	35
3882 National Steering Committee	0	500	500	100.00%	2,326	2,326
3888 National Team Ath Committee	0	0	0	0.00%	21	21

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
<i>Program Group Total</i>	<u>0</u>	<u>1,500</u>	<u>1,500</u>	<u>100.00%</u>	<u>2,383</u>	<u>2,383</u>
Administration						
3990 Administration & Operational Support	66,324	266,100	199,776	75.08%	70,591	4,267
3999 Salary and Benefits	341,104	1,774,629	1,433,525	80.78%	412,714	71,611
<i>Program Group Total</i>	<u>407,427</u>	<u>2,040,729</u>	<u>1,633,302</u>	<u>80.04%</u>	<u>483,305</u>	<u>75,878</u>
TOTAL NATIONAL TEAM	<u>2,159,187</u>	<u>9,150,649</u>	<u>6,991,462</u>	<u>76.40%</u>	<u>1,573,966</u>	<u>(585,221)</u>
TOTAL TECHNICAL/SPORT	<u>3,898,302</u>	<u>17,712,147</u>	<u>13,813,845</u>	<u>77.99%</u>	<u>3,749,564</u>	<u>(148,738)</u>
OTHER PROGRAMS:						
COMMERCIAL						
Partnerships & Event Marketing						
5901 Servicing	4,056	75,000	70,944	94.59%	164,304	160,248
5900 Contractuals	58,180	220,000	161,820	73.55%	0	(58,180)
5905 Sales Development Support	8,250	17,000	8,750	51.47%	12,750	4,500
5916 Sigma Gamma Rho	0	34,000	34,000	100.00%	4,109	4,109
5620 Family Program	161,717	25,000	(136,717)	-546.87%	4,881	(156,836)
5709 Nationals Marketing	0	69,520	69,520	100.00%	52,567	52,567
5760 Jr Nationals Marketing	0	13,000	13,000	100.00%	0	0
5762 Pro Swim Series Marketing	8,150	81,210	73,060	89.96%	103,187	95,037
5764 US Open Marketing	7,642	74,065	66,423	89.68%	0	(7,642)
5770 Event Marketing	0	0	0	0.00%	861	861
5755 USA Swimming House-Trials	9,441	0	(9,441)	0.00%	0	(9,441)
5902 Merchandise Program	0	54,400	54,400	100.00%	592	592
5911 Aqua Zone - Olympic Trials	278,000	900,000	622,000	69.11%	2,272	(275,728)
<i>Program Group Total</i>	<u>535,436</u>	<u>1,563,195</u>	<u>1,027,759</u>	<u>65.75%</u>	<u>345,524</u>	<u>(189,912)</u>
Communications						
5109 Athlete Partnership Fulfillment	2,359	60,000	57,641	96.07%	6,483	4,124
5711 Splash Magazine	8,548	275,000	266,452	96.89%	200,301	191,753
5722 Social Media Aggregation	0	20,000	20,000	100.00%	922	922
5714 PR-USA Swimming Programs	0	0	0	0.00%	1,463	1,463
5724 Communication Operations	39,895	250,000	210,105	84.04%	70,905	31,010
<i>Program Group Total</i>	<u>50,802</u>	<u>605,000</u>	<u>554,198</u>	<u>91.60%</u>	<u>280,074</u>	<u>229,272</u>
Creative Services						
5710 Membership/Recruiting Promotion (SwimToday)	0	35,000	35,000	100.00%	35,692	35,692
5720 Video Production Services	31,982	0	(31,982)	0.00%	282	(31,700)
5730 USA Swimming Productions	14,921	240,000	225,079	93.78%	150,221	135,300
<i>Program Group Total</i>	<u>46,903</u>	<u>275,000</u>	<u>228,097</u>	<u>82.94%</u>	<u>186,195</u>	<u>139,292</u>

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
Business Intelligence & Digital Platforms						
5713 Deck Pass	15,420	61,000	45,580	74.72%	17,377	1,957
5716 Swimjitsu	3,081	0	(3,081)	0.00%	2,583	(498)
5726 Business Intelligence	251,027	350,000	98,973	28.28%	0	(251,027)
5718 usaswimming.org - Web site	145,283	540,000	394,717	73.10%	150,046	4,763
	<u>414,812</u>	<u>951,000</u>	<u>536,188</u>	<u>56.38%</u>	<u>170,006</u>	<u>(244,806)</u>
Administration						
5990 Administration & Operational Support	76,031	270,000	193,969	71.84%	86,821	10,790
5999 Salary and Benefits	429,318	1,980,135	1,550,817	78.32%	527,770	98,451
Program Group Total	<u>505,349</u>	<u>2,250,135</u>	<u>1,744,786</u>	<u>77.54%</u>	<u>614,591</u>	<u>109,241</u>
TOTAL COMMERCIAL	<u>1,553,302</u>	<u>5,644,330</u>	<u>4,091,028</u>	<u>72.48%</u>	<u>1,596,390</u>	<u>43,088</u>
RISK MANAGEMENT SERVICES						
Member Programs						
9413 Member Insurance Premiums & Retention	643,961	4,328,450	3,684,489	85.12%	1,309,866	665,905
9415 Other Risk Management	0	3,700	3,700	100.00%	0	0
Program Group Total	<u>643,961</u>	<u>4,332,150</u>	<u>3,688,189</u>	<u>85.14%</u>	<u>1,309,866</u>	<u>665,905</u>
Committees						
9827 Operational Risk Committee	0	500	500	100.00%	0	0
Program Group Total	<u>0</u>	<u>500</u>	<u>500</u>	<u>100.00%</u>	<u>0</u>	<u>0</u>
Administration						
9490 Administration & Operational Support	1,184	14,500	13,316	91.83%	2,154	970
Program Group Total	<u>1,184</u>	<u>14,500</u>	<u>13,316</u>	<u>91.83%</u>	<u>2,154</u>	<u>970</u>
TOTAL RISK MANAGEMENT SERVICES	<u>645,145</u>	<u>4,347,150</u>	<u>3,702,005</u>	<u>85.16%</u>	<u>1,312,020</u>	<u>666,875</u>
FOUND. & MAKE A SPLASH SUPPORT						
6667 USA Swimming Staff Allocation	0	449,414	449,414	100.00%	0	0
TOTAL FOUNDATION & MAS SUPPORT	<u>0</u>	<u>449,414</u>	<u>449,414</u>	<u>100.00%</u>	<u>0</u>	<u>0</u>
FOUNDATION - OTHER						
6990 Administration & Operational Support	257	0	(257)	0.00%	175	(82)
6999 Salaries and Benefits	0	0	0	0.00%	144,779	144,779
TOTAL FOUNDATION - OTHER	<u>257</u>	<u>0</u>	<u>(257)</u>	<u>0.00%</u>	<u>144,954</u>	<u>144,697</u>

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
TOTAL OTHER PROGRAMS	2,198,704	10,440,894	8,242,190	78.94%	3,053,364	854,660

SUPPORT DIVISIONS:

EXECUTIVE

Other Executive

7920 CEO Contingency	11,778	20,000	8,222	41.11%	11,999	221
7930 Board Chair Travel and Expenses	419	40,000	39,581	98.95%	4,368	3,949
7931 Olympic Games Executive Contingency	178	20,000	19,822	99.11%	2,689	2,511
7945 CSCAA Grant	30,000	120,000	90,000	75.00%	30,000	0
7971 Organizational Relations - Domestic	1,000	13,000	12,000	92.31%	19,000	18,000
7984 Organizational Relations - Internat'l	0	6,000	6,000	100.00%	6,798	6,798
7981 International Relations	3,915	20,000	16,085	80.43%	4,296	381
Program Group Total	47,290	239,000	191,710	80.21%	79,150	31,860

Committees & Governance

7803 Board of Directors	4,834	80,000	75,166	93.96%	4,195	(639)
7808 Task Force & Other Committees	24,059	99,400	75,341	75.80%	39,905	15,846
7820 Nominating Committee	0	2,500	2,500	100.00%	0	0
Program Group Total	28,893	181,900	153,007	84.12%	44,100	15,208

Administration

7990 Administration & Operational Support	13,327	97,710	84,383	86.36%	22,990	9,664
7999 Salary and Benefits	209,750	894,888	685,138	76.56%	211,712	1,962
Program Group Total	223,077	992,598	769,521	77.53%	234,702	11,625

TOTAL EXECUTIVE

	299,260	1,413,498	1,114,238	78.83%	357,952	58,692
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FINANCE

Other Programs

8500 LSC/Club Financial Resources	0	0	0	0.00%	220	220
Program Group Total	0	0	0	0.00%	220	220

Committees

Administration

8100 Allocated Expenses	0	0	0	0.00%	433	433
8990 Administration & Operational Support	37,369	175,800	138,431	78.74%	66,726	29,356
8999 Salary and Benefits	152,589	655,407	502,818	76.72%	180,236	27,648
Program Group Total	189,958	831,207	641,249	77.15%	247,395	57,437

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the Quarter Ended March 31, 2021

	Year To Date Actual	2021 Budget	Remaining Dollars	Remaining Percentage	Year To Date 2020	Favorable (Unfavorable)
TOTAL FINANCE	189,958	831,207	641,249	77.15%	247,615	57,657
BUSINESS AFFAIRS						
<i>Legal and NBR</i>						
9695 Legal	36,293	200,000	163,707	81.85%	92,673	56,380
9692 National Board of Review	0	0	0	0.00%	48	48
9690 Legal - Admin. & Oper. Support	27	1,500	1,473	98.21%	3,367	3,340
<i>Program Group Total</i>	36,319	201,500	165,181	81.98%	96,087	59,768
<i>Safe Sport</i>						
9335 Safe Sport - Background Checks	14	600	586	97.62%	230	215
9375 Safe Sport Online Education	11,167	72,700	61,533	84.64%	15,925	4,758
9386 Safe Sport Athlete Fellowship	0	0	0	0.00%	3,007	3,007
9385 Safe Sport Programs	32,759	84,000	51,241	61.00%	51,024	18,264
9387 Safe Sport - USOPC Center for Safe Sport	60,987	300,000	239,013	79.67%	0	(60,987)
9389 Safe Sport - SwimAssist	13,825	100,000	86,175	86.18%	41,998	28,173
<i>Program Group Total</i>	118,752	557,300	438,548	78.69%	112,184	(6,568)
<i>Other Programs</i>						
9380 Human Resources	21,789	80,000	58,211	72.76%	33,147	11,358
9290 Government Relations	0	0	0	0.00%	3,428	3,428
9295 Information Technology Support	307,622	679,148	371,526	54.70%	285,498	(22,124)
<i>Program Group Total</i>	329,411	759,148	429,737	56.61%	322,072	(7,339)
<i>Committees</i>						
9810 Safe Sport Committee	0	250	250	100.00%	0	0
<i>Program Group Total</i>	0	250	250	100.00%	0	0
<i>Administrative</i>						
9990 Administration & Operational Support	85,919	253,150	167,231	66.06%	69,477	(16,442)
9999 Salary and Benefits	390,960	1,800,512	1,409,552	78.29%	632,347	241,387
<i>Program Group Total</i>	476,879	2,053,662	1,576,783	76.78%	701,824	224,945
TOTAL BUSINESS AFFAIRS	961,361	3,571,860	2,610,499	73.09%	1,232,167	270,806
TOTAL SUPPORT DIVISIONS	1,450,579	5,816,565	4,365,986	75.06%	1,837,734	387,155
GRAND TOTALS	\$7,547,584	\$33,969,606	\$26,422,022	77.78%	\$8,640,662	\$1,093,078

USA Swimming
2021 Budget vs. 2021 Projection Summary
For the Quarter Ended March 31, 2021

BOARD APPROVED RESERVE INVESTMENTS - Cash Basis

	Year To Date Actual 2021	Current Projection 2021	\$ Variance Favorable (Unfavorable)
Operating Reserves:			
Disaster Donations	\$ -	\$ (25,000)	\$ 25,000
Board Designated Funds:			
"Keeping Athletes First" (KAF) Initiative:			
Safe Sport Club Recognition Asst.	(100)	(500,000)	499,900
Coach Education & LMS	(137,811)	(1,000,000)	862,189
Safe Sport Staff Resources & Prog. Dev.	-	(250,000)	250,000
Online Member Registration	(314,739)	(1,300,000)	985,261
Legal	(2,082)	(25,000)	22,918
USSIC Sale Letter of Credit	(13,668)	(1,100,000)	1,086,332
Total Board Approved Reserve Investments	\$ (468,400)	\$ (4,200,000)	\$ 3,731,600

USA Swimming
2020 (+2021) Quad Operating Business Plan Summary
As of 4/22/2021

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Projection 2021	Current 2021 Quad Budget
REVENUE:						
Membership	\$ 22,483,811	\$ 22,778,145	\$ 23,203,900	\$ 21,958,981	\$ 15,578,111	\$ 106,002,948
Partnership Marketing	4,364,233	4,203,495	5,098,325	2,089,289	3,858,956	19,614,298
Consumer Revenue	527,967	235,749	286,027	60,431	210,000	1,320,174
USOPC Partnership	5,134,700	5,294,900	5,305,500	4,090,811	5,329,500	25,155,411
Investment Income	1,001,643	1,070,021	1,804,747	730,683	20,000	4,627,094
Foundation	792,500	963,600	1,193,750	1,152,649	1,197,500	5,299,999
Sport and Events	978,254	804,612	1,331,853	369,615	3,433,500	6,917,834
Pandemic Relief	-	-	-	1,445,561	180,000	1,625,561
Other Income	331,745	749,322	505,716	451,113	359,541	2,397,437
Total Revenue	35,614,853	36,099,844	38,729,817	32,349,133	30,167,108	172,960,755
EXPENSES:						
Technical/Sport:						
Sport Development	4,455,110	4,653,677	4,544,558	3,714,418	4,216,924	21,584,687
Events and Member Services	8,581,871	7,715,136	7,692,830	2,815,306	4,544,574	31,349,717
National Team	8,004,303	9,013,587	10,699,839	5,347,180	9,950,649	43,015,558
Total Technical/Sport	21,041,284	21,382,400	22,937,228	11,876,903	18,712,147	95,949,962
Other Programs:						
Commercial	5,172,794	6,260,256	6,119,542	4,334,824	5,644,330	27,531,746
Risk Management	3,004,431	3,063,524	3,195,455	2,935,394	4,347,150	16,545,954
Foundation Support	525,371	996,997	449,414	392,446	449,414	2,813,642
Total Other Programs	8,702,595	10,320,777	9,764,411	7,662,664	10,440,894	46,891,341
Administration:						
Executive	4,013,797	1,530,149	1,600,769	1,211,838	1,413,498	9,770,051
Finance	1,364,162	871,532	1,157,804	852,272	831,207	5,076,977
Business Affairs	1,240,827	3,448,770	4,406,539	4,518,307	3,571,860	17,186,303
Total Administration	6,618,787	5,850,451	7,165,112	6,582,418	5,816,565	32,033,333
Total Expenses	36,362,666	37,553,628	39,866,750	26,121,984	34,969,606	174,874,634
Operating Surplus (Deficit)						
Before Investment G/(L)	\$ (747,813)	\$ (1,453,784)	\$ (1,136,933)	\$ 6,227,149	\$ (4,802,498)	\$ (1,913,879)
Investment Gains (Losses)	3,816,462	(2,480,166)	4,015,437	2,989,783	1,200,000	9,541,516
Operating Surplus (Deficit)						
After Investment G/(L)	\$ 3,068,649	\$ (3,933,950)	\$ 2,878,504	\$ 9,216,932	\$ (3,602,498)	\$ 7,627,637

USA Swimming, Inc.
Balance Sheet
As of December 31, 2020 and 2019

	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>\$ Change</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$2,309,779	\$4,153,690	(\$1,843,911)
Accounts receivable	2,873,971	1,647,025	1,226,946
Prepaid expenses and deferred charges	2,831,664	2,017,707	813,956
Total Current Assets	<u>8,015,414</u>	<u>7,818,423</u>	<u>196,991</u>
FIXED ASSETS:			
Leasehold Improvements, IT Systems, FF&E, Other	13,544,751	14,224,901	(680,149)
Accumulated depreciation & amortization	<u>(9,521,267)</u>	<u>(9,737,034)</u>	<u>215,766</u>
Total Fixed Assets	<u>4,023,484</u>	<u>4,487,867</u>	<u>(464,383)</u>
LONG-TERM INVESTMENTS:			
Long-term Investments	36,533,447	34,037,760	2,495,686
OTHER ASSETS:			
Investment - Swim Trials, LLC	56,482	113,957	(57,475)
Prepaid rent	4,825,420	4,918,788	(93,368)
Total Other Assets	<u>4,881,902</u>	<u>5,032,745</u>	<u>(150,843)</u>
TOTAL ASSETS	<u>\$53,454,247</u>	<u>\$51,376,796</u>	<u>\$2,077,451</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	\$807,693	\$2,461,894	(\$1,654,201)
Accrued expenses and other liabilities	1,508,359	1,525,970	(17,611)
Deferred revenue	12,595,523	15,857,251	(3,261,728)
Total Current Liabilities	<u>14,911,575</u>	<u>19,845,115</u>	<u>(4,933,540)</u>
NONCURRENT LIABILITIES:			
Line of Credit Payable	1,821,000	0	1,821,000
Total Noncurrent Liabilities	<u>1,821,000</u>	<u>0</u>	<u>1,821,000</u>
Total Liabilities	16,732,575	19,845,115	(3,112,540)
NET ASSETS:			
Unrestricted:			
Undesignated Net Assets	20,989,514	13,522,032	7,467,482
Board Designated - USSIC	15,732,157	18,009,649	(2,277,492)
Total Unrestricted Net Assets	<u>36,721,671</u>	<u>31,531,681</u>	<u>5,189,991</u>
Total Net Assets	<u>36,721,671</u>	<u>31,531,681</u>	<u>5,189,991</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$53,454,247</u>	<u>\$51,376,796</u>	<u>\$2,077,451</u>

USASwimming
Income Statement - By Division
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
REVENUE:							
Membership	\$1,302,092	\$21,958,981	\$23,806,500	(\$1,847,519)	-7.76%	\$23,203,900	(\$1,244,919)
Partnership Marketing Revenue	(1,410,759)	2,089,289	5,615,475	(3,526,186)	-62.79%	5,098,325	(3,009,037)
Consumer Revenue	34,695	60,431	185,000	(124,569)	-67.33%	286,027	(225,596)
USOPC Partnership	448,995	4,090,811	5,389,500	(1,298,689)	-24.10%	5,305,500	(1,214,689)
Investment Income	(260)	730,683	2,173,848	(1,443,165)	-66.39%	1,804,747	(1,074,064)
Foundation	535,149	1,152,649	1,245,000	(92,351)	-7.42%	1,193,750	(41,101)
Sport and Events	80,749	369,615	6,062,000	(5,692,385)	-93.90%	1,331,853	(962,237)
Pandemic Relief	1,445,561	1,445,561	0	1,445,561	0.00%	0	1,445,561
Other Income	145,201	451,113	239,122	211,991	88.65%	505,716	(54,603)
TOTAL REVENUE	2,581,422	32,349,134	44,716,445	(12,367,311)	-27.66%	38,729,817	(6,380,684)
EXPENSES:							
Technical/Sport:							
Sport Development	580,687	3,714,418	5,364,094	1,649,677	30.75%	4,544,558	830,141
Events and Member Services	868,413	2,815,306	5,577,265	2,761,959	49.52%	7,692,830	4,877,524
National Team	1,515,690	5,347,180	11,124,500	5,777,320	51.93%	10,699,839	5,352,659
Total Technical/Sport	2,964,790	11,876,903	22,065,859	10,188,956	46.18%	22,937,228	11,060,325
Other Programs:							
Commercial	724,812	4,334,824	7,664,380	3,329,557	43.44%	6,119,542	1,784,718
Risk Management	547,977	2,935,394	3,330,687	395,293	11.87%	3,195,455	260,061
Foundation and MAS Support	392,446	392,446	311,000	(81,446)	-26.19%	449,414	56,968
Total Other Programs	1,665,235	7,662,664	11,306,067	3,643,403	32.23%	9,764,411	2,101,747
Administration:							
Executive	304,335	1,211,838	1,849,578	637,740	34.48%	1,600,769	388,931
Finance	103,959	852,272	946,515	94,243	9.96%	1,157,804	305,531
Business Affairs	927,029	4,518,307	4,589,662	71,354	1.55%	4,406,539	(111,768)
Total Administration	1,335,323	6,582,418	7,385,755	803,337	10.88%	7,165,112	582,694
TOTAL EXPENSES	5,965,348	26,121,984	40,757,681	14,635,697	35.91%	39,866,750	13,744,766
OPERATING SURPLUS (DEFICIT)	(\$3,383,925)	\$6,227,149	\$3,958,764	\$2,268,385	57.30%	(\$1,136,933)	\$7,364,082
Investment Gain (Loss)	2,974,246	2,989,783	0	2,989,783	0.00%	4,015,437	(1,025,654)
OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)	(\$409,679)	\$9,216,932	\$3,958,764	\$5,258,168	132.82%	\$2,878,504	\$6,338,428

USA Swimming
Income Statement - By Category
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
REVENUE:							
Membership	\$1,302,092	\$21,958,981	\$23,806,500	(\$1,847,519)	-7.76%	\$23,203,900	(\$1,244,919)
USOPC Partnership	448,995	4,090,811	5,389,500	(1,298,689)	-24.10%	5,305,500	(1,214,689)
Partnership Marketing Revenue	(1,410,759)	2,089,289	5,365,475	(3,276,186)	-61.06%	5,098,325	(3,009,037)
Consumer Revenue	34,695	60,431	435,000	(374,569)	-86.11%	286,027	(225,596)
Sport and Events	80,749	369,615	6,062,000	(5,692,385)	-93.90%	1,331,853	(962,237)
Foundation and Swim-A-Thon	535,149	1,152,649	1,245,000	(92,351)	-7.42%	1,193,750	(41,101)
Investment Income	(260)	730,683	2,173,848	(1,443,165)	-66.39%	1,804,747	(1,074,064)
Pandemic Relief	1,445,561	1,445,561	0	1,445,561	0.00%	0	1,445,561
Other Income	145,201	451,113	239,122	211,991	88.65%	505,716	(54,603)
Total Revenue	2,581,422	32,349,134	44,716,445	(12,367,311)	-27.66%	38,729,817	(6,380,684)
EXPENSES:							
Salaries and Wages	1,914,320	8,591,539	9,630,147	1,038,608	10.78%	9,445,205	853,666
Employee Benefits	475,520	2,031,421	2,039,511	8,090	0.40%	2,017,811	(13,610)
Employment Taxes	104,766	564,243	614,201	49,958	8.13%	600,571	36,328
Total Payroll and Benefits	2,494,607	11,187,203	12,283,859	1,096,656	8.93%	12,063,587	876,384
Direct Athlete Support	1,205,201	2,963,948	4,893,000	1,929,052	39.42%	4,503,223	1,539,275
Insurance	537,553	2,957,882	3,317,732	359,850	10.85%	3,189,429	231,548
Professional Fees & Honoraria	594,085	2,476,533	3,595,891	1,119,358	31.13%	3,753,102	1,276,569
Depreciation and Amortization	397,027	1,545,537	1,500,600	(44,937)	-2.99%	1,364,762	(180,774)
Travel and Hospitality	35,391	726,123	6,133,942	5,407,819	88.16%	6,105,346	5,379,223
Grants	114,325	678,716	721,000	42,284	5.86%	621,347	(57,369)
Dues, Fees & Tickets	210,311	638,839	1,019,038	380,199	37.31%	1,275,061	636,222
Television and Video Production	240,444	634,404	1,273,190	638,786	50.17%	1,767,763	1,133,359
Rent and Lease Expense	110,409	516,078	1,127,080	611,002	54.21%	1,067,566	551,489
Information Technology Expenses	71,435	492,670	310,200	(182,470)	-58.82%	482,933	(9,737)
Supplies and Expense	26,529	293,305	784,763	491,458	62.62%	603,682	310,377
Printing and Duplication	5,164	246,968	597,245	350,277	58.65%	357,066	110,097
Telephone and Internet Service	39,921	205,302	439,893	234,591	53.33%	194,164	(11,138)
Miscellaneous Expenses	22,388	198,941	147,614	(51,327)	-34.77%	143,636	(55,305)
Gear, Equipment, & Signage	26,219	166,673	797,980	631,307	79.11%	629,186	462,513
Awards	25,463	85,354	457,626	372,272	81.35%	565,719	480,364
Apparel	(193,689)	40,296	666,470	626,174	93.95%	684,538	644,242
Advertising	899	38,209	264,600	226,391	85.56%	316,723	278,515
Protocol & Gifts	1,665	29,004	267,958	238,954	89.18%	177,916	148,913
Contingency	0	0	158,000	158,000	100.00%	0	0
Total Expenses	5,965,348	26,121,984	40,757,681	14,635,697	35.91%	39,866,750	13,744,766
OPERATING SURPLUS (DEFICIT)	(\$3,383,925)	\$6,227,149	\$3,958,764	\$2,268,385	57.30%	(\$1,136,933)	\$7,364,082
Investment Gains (Losses)	2,974,246	2,989,783	0	2,989,783	0.00%	4,015,437	(1,025,654)
OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)	(\$409,679)	\$9,216,932	\$3,958,764	\$5,258,168	132.82%	\$2,878,504	\$6,338,428

USA Swimming, Inc.
Statement of Revenue
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
MEMBERSHIP:							
Athlete Membership	\$990	\$17,696,050	\$18,831,446	(\$1,135,396)	-6.03%	\$18,987,846	(\$1,291,796)
Flex	(1,880)	258,830	377,540	(118,710)	-31.44%	252,400	6,430
Cost of Flex	1,302,502	1,302,502	1,276,342	26,160	2.05%	722,216	580,286
Outreach Athlete Membership	0	42,435	51,500	(9,065)	-17.60%	53,210	(10,775)
Seasonal Athlete Membership	480	181,528	609,360	(427,832)	-70.21%	561,540	(380,012)
Non-Athlete Membership	0	2,234,062	2,463,756	(229,694)	-9.32%	2,368,610	(134,548)
Life Membership	0	33,334	40,000	(6,666)	-16.67%	37,334	(4,000)
Allied Membership	0	0	1,000	(1,000)	-100.00%	500	(500)
Club Membership	0	206,220	212,310	(6,090)	-2.87%	212,310	(6,090)
Seasonal Club Membership	0	2,520	4,680	(2,160)	-46.15%	4,800	(2,280)
Affiliate Membership	0	450	800	(350)	-43.75%	500	(50)
Single Meet Open Water	0	320	1,500	(1,180)	-78.67%	1,510	(1,190)
Delegate Fees	0	0	350	(350)	-100.00%	500	(500)
Other Membership Income	0	730	(64,084)	64,814	-101.14%	624	106
TOTAL MEMBERSHIP	1,302,092	21,958,981	23,806,500	(1,847,519)	-7.76%	23,203,900	(1,244,919)
PARTNERSHIP MARKETING REVENUE:							
Corporate Sponsorship	(1,320,637)	1,965,405	5,335,475	(3,370,070)	-63.16%	4,805,468	(2,840,063)
Supplier Income	(115,625)	82,500	225,000	(142,500)	-63.33%	215,000	(132,500)
Licensee Income	25,503	36,324	30,000	6,324	21.08%	54,000	(17,676)
Print Advertising	0	5,060	25,000	(19,940)	-79.76%	20,330	(15,270)
List Rental Income/Mailing Service	0	0	0	0	0.00%	3,527	(3,527)
TOTAL PARTNERSHIP MARKETING REVENUE	(1,410,759)	2,089,289	5,615,475	(3,526,186)	-62.79%	5,098,325	(3,009,037)
CONSUMER REVENUE:							
SwimBiz	0	0	0	0	0.00%	6,530	(6,530)
Royalties	23,263	31,647	100,000	(68,353)	-68.35%	195,415	(163,768)
Publication/Video Sales	0	0	0	0	0.00%	180	(180)
SwimOutlet	11,433	28,784	85,000	(56,216)	-66.14%	83,901	(55,118)
TOTAL CONSUMER REVENUE	34,695	60,431	185,000	(124,569)	-67.33%	286,027	(225,596)
USOPC PARTNERSHIP:							
USOPC Performance Funding	(460,650)	1,851,000	3,082,200	(1,231,200)	-39.95%	3,022,200	(1,171,200)
USOPC Performance VIK	0	0	60,000	(60,000)	-100.00%	60,000	(60,000)
USOPC Direct Athlete Support	896,698	2,226,865	2,232,300	(5,435)	-0.24%	2,207,300	19,565
USOPC International Relations Grant	7,946	7,946	15,000	(7,054)	-47.03%	16,000	(8,054)
USOPC Other Support	5,000	5,000	0	5,000	0.00%	0	5,000
TOTAL USOPC PARTNERSHIP	448,995	4,090,811	5,389,500	(1,298,689)	-24.10%	5,305,500	(1,214,689)
INVESTMENT INCOME:							
Investment Income - Operating Budget	0	704,616	2,113,848	(1,409,232)	-66.67%	1,738,899	(1,034,283)
Interest Income - Savings	(260)	(258)	0	(258)	0.00%	(705)	447
Interest Income - Short Term Securities	0	26,325	60,000	(33,675)	-56.12%	66,553	(40,227)
TOTAL INVESTMENT INCOME	(260)	730,683	2,173,848	(1,443,165)	-66.39%	1,804,747	(1,074,064)

USA Swimming, Inc.
Statement of Revenue
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
FOUNDATION AND SWIM-A-THON:							
USA Swimming Foundation	467,649	882,649	975,000	(92,351)	-9.47%	1,133,750	(251,101)
Foundation Rent	67,500	270,000	270,000	0	0.00%	60,000	210,000
TOTAL FOUND. AND SWIM-A-THON	535,149	1,152,649	1,245,000	(92,351)	-7.42%	1,193,750	(41,101)
SPORT AND EVENTS:							
Golden Goggle Awards	119,083	118,331	125,000	(6,669)	-5.34%	69,678	48,653
Coach Education Clinics	21,000	85,465	188,000	(102,536)	-54.54%	195,473	(110,009)
Altitude Camps	0	185,937	290,000	(104,063)	-35.88%	606,339	(420,403)
Olympic Trials	(57,475)	(57,475)	5,160,000	(5,217,475)	-101.11%	(93,672)	36,197
Pro Swim Series Host Fees	0	25,000	75,000	(50,000)	-66.67%	65,000	(40,000)
International Swim League (ISL)	0	0	50,000	(50,000)	-100.00%	241,000	(241,000)
Facilities Conference	428	6,868	8,000	(1,132)	-14.15%	11,964	(5,096)
Club Governance Programs	0	0	0	0	0.00%	235	(235)
Custom Visits (BAP)	(2,935)	1,232	6,000	(4,768)	-79.47%	9,300	(8,068)
Safe Sport Leadership Conference	0	0	0	0	0.00%	3,275	(3,275)
Safe Sport Materials	0	0	0	0	0.00%	12,348	(12,348)
International TV Rights	0	0	25,000	(25,000)	-100.00%	0	0
Other Registration	647	4,258	135,000	(130,742)	-96.85%	210,912	(206,654)
TOTAL SPORTS AND EVENTS	80,749	369,615	6,062,000	(5,692,385)	-93.90%	1,331,853	(962,237)
OTHER INCOME:							
NCAA Top Times List	0	100,589	100,600	(11)	-0.01%	96,720	3,869
Combined Federal Campaign	97	1,931	0	1,931	0.00%	5,419	(3,488)
Forfeited Prize Money	73,053	73,053	0	73,053	0.00%	56,951	16,102
Imputed Interest - Prepaid Rent	65,597	264,280	138,522	125,758	90.79%	228,912	35,368
Pandemic Relief	1,445,561	1,445,561	0	1,445,561	0.00%	0	1,445,561
Other Revenue	6,454	11,260	0	11,260	0.00%	117,714	(106,454)
TOTAL OTHER INCOME	1,590,762	1,896,674	239,122	1,657,552	693.18%	505,716	1,390,958
TOTAL OPERATING REVENUE	\$2,581,422	\$32,349,134	\$44,716,445	(\$12,367,311)	-27.66%	\$38,729,817	(\$6,380,684)
INVESTMENT GAINS (LOSSES):							
Investment Income (Loss) less Operating Allocation	2,994,284	3,072,272	0	3,072,272	0.00%	4,101,709	(1,029,436)
Money Manager Fees	(20,038)	(82,489)	0	(82,489)	0.00%	(86,272)	3,782
TOTAL INVESTMENT GAINS (LOSSES)	2,974,246	2,989,783	0	2,989,783	0.00%	4,015,437	(1,025,654)
TOTAL REVENUE	\$5,555,668	\$35,338,917	\$44,716,445	(\$9,377,528)	-20.97%	\$42,745,254	(\$7,406,338)

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2020

	<u>Quarter Actual</u>	<u>2020 Actual</u>	<u>2020 Budget</u>	<u>Favorable (Unfavorable)</u>	<u>Percentage</u>	<u>2019 Actual</u>	<u>Favorable (Unfavorable)</u>
TECHNICAL/SPORT:							
SPORT DEVELOPMENT							
<i>Athlete Development Programs</i>							
1117 LSC Camps	\$57	\$336	\$10,200	\$9,864	96.70%	\$9,180	\$8,843
1118 Zone Select Camps	5,730	12,447	127,844	115,397	90.26%	118,240	105,793
1119 National Select Camps	0	21	0	(21)	0.00%	105,220	105,199
1120 Camp (VIK)	0	1,965	25,000	23,035	92.14%	19,125	17,160
1135 Tech Services Support	0	0	2,900	2,900	100.00%	2,333	2,333
1163 Open Water Select Camp	0	0	62,460	62,460	100.00%	62,555	62,555
Program Group Total	5,787	14,769	228,404	213,635	93.53%	316,653	301,884
<i>Coach Education and Development</i>							
1213 Coach Education Development	12,714	30,723	62,800	32,077	51.08%	37,792	7,070
1231 USA-S Hosted Coaches Clinics	144	4,332	138,236	133,904	96.87%	69,268	64,936
1233 Disability Swimming Coaches Workshop	0	0	8,160	8,160	100.00%	0	0
1237 Non-USAS Clinic Participation	0	4,109	38,100	33,991	89.21%	26,442	22,333
1240 Online Coach Clinics/Podcasts	40	5,009	10,100	5,091	50.40%	5,032	23
1242 Coach Mentoring	8,164	25,714	129,322	103,608	80.12%	102,036	76,323
1245 Master Coach Program	2,750	2,750	25,000	22,250	89.00%	98,759	96,009
1290 Travel & Program Support	0	20,776	191,680	170,904	89.16%	162,981	142,205
Program Group Total	23,812	93,412	603,398	509,986	84.52%	502,311	408,899
<i>Club Education and Development</i>							
1302 Club Excellence Program	7,185	461,096	463,000	1,904	0.41%	445,851	(15,244)
1305 Club Recognition Program	0	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	350	10,374	31,154	20,780	66.70%	18,905	8,530
1314 Club Resources	13,429	40,832	13,734	(27,098)	-197.31%	11,747	(29,085)
1332 Club Research Technology	0	10,420	30,500	20,080	65.84%	30,549	20,129
1390 Travel & Program Support	0	15,111	169,382	154,271	91.08%	135,849	120,738
Program Group Total	20,964	537,834	715,270	177,436	24.81%	642,902	105,068
<i>LSC Development & Education</i>							
1470 LSC Consulting	2,620	34,943	67,902	32,959	48.54%	67,850	32,907
1475 LEAP Program	2,500	24,246	53,500	29,254	54.68%	37,108	12,862
1481 Leadership Workshops	10,629	12,437	26,971	14,534	53.89%	20,671	8,233
Program Group Total	15,749	71,626	148,373	76,747	51.73%	125,629	54,003
<i>Facilities Advocacy & Development</i>							
1505 Build a Pool Conference	1,733	24,476	60,200	35,724	59.34%	53,216	28,740
1507 Aquatic Industry Relations	0	0	22,400	22,400	100.00%	18,990	18,990
1590 Travel & Program Support	30,000	120,000	146,800	26,800	18.26%	10,448	(109,552)
Program Group Total	31,733	144,476	229,400	84,924	37.02%	82,655	(61,822)
<i>Membership Growth and Diversity</i>							
1638 Diversity Management Support	87,967	95,165	106,550	11,385	10.68%	58,895	(36,270)
1640 Community Swim Team Development	5,200	13,036	70,500	57,464	81.51%	34,413	21,377
1645 Zone Diversity Camps & Meetings	321	10,184	35,400	25,217	71.23%	29,153	18,970
1651 Diversity VIK	(13,951)	3,939	15,000	11,061	73.74%	12,431	8,491

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
1665 Diversity Select Camp	7,777	15,734	75,256	59,522	79.09%	72,877	57,143
Program Group Total	87,314	138,058	302,706	164,648	54.39%	207,769	69,712
Committees							
1823 Convention Education Committee	27	27	500	473	94.69%	8,955	8,928
1830 LSC Development Committee	0	0	4,550	4,550	100.00%	25,539	25,539
1841 Disability Swimming Committee	0	55	500	445	89.00%	292	237
1842 Diversity Committee	34	34	500	466	93.24%	24,063	24,030
1851 Age Group Development Committee	0	0	500	500	100.00%	0	0
1856 Club Development Committee	0	0	500	500	100.00%	0	0
1865 Zone Director Committee	0	0	0	0	0.00%	484	484
1885 Senior Development Committee	0	0	500	500	100.00%	0	0
Program Group Total	60	115	7,550	7,435	98.47%	59,333	59,218
Administration							
1990 Administration & Operational Support	82,596	348,952	471,718	122,766	26.03%	331,224	(17,728)
1999 Salary and Benefits	312,672	2,365,175	2,657,275	292,101	10.99%	2,276,082	(89,093)
Program Group Total	395,268	2,714,127	3,128,993	414,867	13.26%	2,607,306	(106,821)
TOTAL SPORT DEVELOPMENT	580,687	3,714,418	5,364,094	1,649,677	30.75%	4,544,558	830,141

EVENTS AND MEMBER SERVICES

Events

2005 Olympic Trials	0	446	40,000	39,554	98.88%	9,401	8,955
2006 Joint Venture	0	0	0	0	0.00%	330	330
2018 US Open (frmly Winter National Champs)	110,825	112,822	213,836	101,014	47.24%	230,657	117,835
2019 National Championships/Trials	0	1,880	0	(1,880)	0.00%	793,526	791,646
2022 International Swimming League Events	0	0	25,000	25,000	100.00%	13,896	13,896
2023 USA Swimming Summer Invitational (frmly US Open)	0	1,823	116,013	114,190	98.43%	4,008	2,185
2025 Pro Swim Series	3,280	144,026	280,348	136,322	48.63%	389,426	245,400
2027 Speedo Sectionals	0	99,914	220,000	120,086	54.58%	220,000	120,086
2028 IM Xtreme Games	0	4,000	24,000	20,000	83.33%	8,000	4,000
2029 Zone Championships	0	12,500	100,000	87,500	87.50%	100,000	87,500
2035 Futures Championships	0	0	90,574	90,574	100.00%	121,662	121,662
2040 Jr. Pan Pacific Championships	0	0	25,000	25,000	100.00%	0	0
2045 Jr. National Championships (Summer LC)	0	0	0	0	0.00%	141,912	141,912
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	4,026	4,153	138,256	134,103	97.00%	127,665	123,512
2069 Open Water Championships	0	10,469	102,117	91,648	89.75%	102,056	91,588
2077 National Events Uniforming VIK	0	0	40,000	40,000	100.00%	14,820	14,820
2076 Bag Tags VIK	2,530	2,548	10,000	7,452	74.52%	15,000	12,452
2716 Omega Timing Systems VIK	160,000	160,000	400,000	240,000	60.00%	400,000	240,000
Program Group Total	280,661	554,581	1,825,144	1,270,563	69.61%	2,692,358	2,137,778

Member Programs

2411 Member Dues and Services	225	9,428	9,136	(292)	-3.19%	11,073	1,645
2412 Technology Projects	0	0	25,000	25,000	100.00%	0	0
2418 SWIMS 2.0	75,616	216,457	189,500	(26,957)	-14.23%	169,508	(46,949)
2423 Rulebook	0	90,615	108,800	18,185	16.71%	99,565	8,949
2430 Athlete Leadership Camp	9,454	9,454	30,000	20,546	68.49%	0	(9,454)
2431 Swimposium	13,124	19,574	96,188	76,614	79.65%	83,184	63,610

4/8/2021

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
2432 Zone Workshops	0	1,250	202,036	200,786	99.38%	268,601	267,351
2434 On-Line Registration	19,527	106,441	106,500	59	0.06%	96,358	(10,083)
2498 Awards	529	5,756	12,290	6,534	53.16%	18,270	12,514
Program Group Total	118,475	458,975	779,450	320,475	41.12%	746,558	287,583
Member Programs - Officials							
2433 Officials Training Sessions	0	555	89,055	88,500	99.38%	94,272	93,717
2437 Officials On-Line Testing	0	0	1,100	1,100	100.00%	0	0
2438 Officials Certification Program	0	0	5,200	5,200	100.00%	0	0
2440 Officials Clinic	0	232	48,960	48,728	99.53%	699	467
2441 Officials International Travel	0	0	23,467	23,467	100.00%	19,876	19,876
2450 Officials Mentoring & Training	0	495	4,068	3,573	87.82%	778	282
Program Group Total	0	1,282	171,850	170,568	99.25%	115,625	114,342
Other Programs and Services							
2501 Publications and Video Sales	31	8,655	30,000	21,345	71.15%	27,964	19,309
2502 Mailing Service	0	0	500	500	100.00%	123	123
2505 Trials Hospitality	0	560	40,768	40,208	98.63%	0	(560)
2518 Altitude Camps	0	159,834	300,000	140,166	46.72%	649,110	489,277
2519 Times Projects	2,087	28,475	34,400	5,925	17.22%	38,368	9,894
2535 Pool Environment Research & Education	0	0	30,000	30,000	100.00%	0	0
2715 TV/Web Cast Production	178,012	404,199	881,640	477,441	54.15%	1,328,938	924,739
Program Group Total	180,129	601,722	1,317,308	715,586	54.32%	2,044,504	1,442,782
Committees & Governance							
2801 Convention	7,332	49,807	110,522	60,714	54.93%	126,531	76,724
2802 Convention - Athletes	0	0	78,009	78,009	100.00%	91,065	91,065
2825 Registration / Membership	0	11	500	489	97.77%	14,346	14,335
2832 Awards	0	0	300	300	100.00%	478	478
2835 Credentials / Elections	0	0	500	500	100.00%	3,263	3,263
2836 Rules and Regulations	1,293	2,464	19,490	17,026	87.36%	22,356	19,892
2857 Times & Recognition Committee	12,202	14,825	500	(14,325)	-2865.07%	24,883	10,058
2860 Program & Events Committee	0	0	500	500	100.00%	0	0
2862 Championship Evaluation Committee	0	0	0	0	0.00%	750	750
2866 Officials	0	7,755	8,498	743	8.74%	19,269	11,515
2887 Athletes Executive Committee	33	364	500	136	27.27%	19,445	19,082
Program Group Total	20,859	75,226	219,319	144,092	65.70%	322,387	247,161
Administration							
2990 Administration & Operational Support	27,240	130,830	210,200	79,370	37.76%	257,746	126,915
2999 Salary and Benefits	241,048	992,689	1,053,994	61,305	5.82%	1,513,652	520,963
Program Group Total	268,288	1,123,519	1,264,194	140,675	11.13%	1,771,398	647,878
TOTAL EVENTS AND MEMBER SERVICES	868,413	2,815,306	5,577,265	2,761,959	49.52%	7,692,830	4,877,524
NATIONAL TEAM Competitions							
3001 Olympic Games	0	0	458,150	458,150	100.00%	150	150
3013 Pan American Games	0	0	0	0	0.00%	101,898	101,898

USA Swimming, Inc.
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	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
3015 World University Games	0	0	0	0	0.00%	489,750	489,750
3022 International Swimming League	0	0	0	0	0.00%	8,133	8,133
3023 US Open Championships	96,449	96,449	0	(96,449)	0.00%	0	(96,449)
3031 Long Course World Championships	0	0	0	0	0.00%	344,510	344,510
3033 Short Course World Championships	0	0	352,360	352,360	100.00%	0	0
Program Group Total	96,449	96,449	810,510	714,061	88.10%	944,442	847,993
Junior Team Programs							
3009 Jr. Team International Competition	0	0	122,500	122,500	100.00%	117,635	117,635
3012 Jr. Pan Pacific Championships	0	1,375	335,070	333,695	99.59%	0	(1,375)
3045 Junior Team Camps	0	2,598	52,200	49,602	95.02%	41,638	39,041
3050 FINA World Junior Championships	0	0	0	0	0.00%	325,303	325,303
3051 Jr. Team Pro Swim Series	11,072	16,117	25,000	8,883	35.53%	12,100	(4,017)
3053 World 100	0	0	3,000	3,000	100.00%	11,654	11,654
3992 Ntl. Jr. Team Program Support	0	6,993	25,660	18,667	72.75%	29,824	22,831
Program Group Total	11,072	27,083	563,430	536,347	95.19%	538,155	511,071
Open Water Programs							
3040 FINA Open Water Jr. Championships	0	0	63,845	63,845	100.00%	7,948	7,948
3060 Open Water Olympic Games	0	0	54,300	54,300	100.00%	0	0
3061 Open Water World Championships	0	0	0	0	0.00%	30,591	30,591
3065 Open Water World Cup	0	50,253	81,910	31,657	38.65%	84,218	33,965
3067 Open Water Camps	0	1,617	9,000	7,383	82.04%	15,499	13,882
3068 Open Water - Foundation	0	0	0	0	0.00%	20,427	20,427
3075 Open Water International Camps	0	0	0	0	0.00%	102,680	102,680
3495 Open Water Program Support	0	3,059	27,306	24,247	88.80%	22,264	19,204
Program Group Total	0	54,929	236,361	181,432	76.76%	283,627	228,698
Camps							
3005 Olympic Games Prep Camps	0	0	1,024,295	1,024,295	100.00%	0	0
3069 National Team Specialty Camps	(15,000)	2,750	109,000	106,250	97.48%	4,885	2,135
3071 Altitude Training Camps	180	9,356	32,000	22,644	70.76%	29,991	20,635
3073 National Team Camps	50	12,388	20,000	7,612	38.06%	55,049	42,661
3076 National Team International Camps	376	376	0	(376)	0.00%	454,003	453,628
3479 Advance Team Visits	0	4,874	16,800	11,926	70.99%	24,381	19,506
Program Group Total	(14,394)	29,744	1,202,095	1,172,351	97.53%	568,310	538,566
Athlete Services							
3101 Athlete Support-Stipends & Grants	859,198	2,189,365	1,725,000	(464,365)	-26.92%	1,731,509	(457,856)
3103 Athlete Support-Medals & Records	0	0	1,010,000	1,010,000	100.00%	472,500	472,500
3107 Athlete Support-Op Gold Qualification Bonus	31,500	37,500	670,000	632,500	94.40%	582,832	545,332
3025 Pro Swim Series Athlete Support	13,960	274,453	622,000	347,547	55.88%	804,823	530,369
3021 World Cup Athlete Support	0	0	0	0	0.00%	(376)	(376)
3127 National Team Investment Grant	33,715	136,651	300,000	163,349	54.45%	546,867	410,216
3028 Miscellaneous Athlete Services	89,400	89,400	0	(89,400)	0.00%	0	(89,400)
3106 Phillips 66 Athlete Support	99,340	101,840	100,000	(1,840)	-1.84%	128,915	27,075
3110 National Team Uniforming (VIK)	(156,291)	0	325,000	325,000	100.00%	324,429	324,429
3120 Athlete Support-Olympic Prep	0	0	15,000	15,000	100.00%	2,132	2,132
3130 Foundation Travel & Training	29,000	71,400	50,000	(21,400)	-42.80%	54,970	(16,430)
3131 Foundation Athlete Endowments	53,750	92,501	80,000	(12,501)	-15.63%	114,999	22,498
3453 Drug Control Program	0	3,396	47,450	44,054	92.84%	9,557	6,161

USA Swimming, Inc.
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	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
Program Group Total	1,053,572	2,996,506	4,944,450	1,947,944	39.40%	4,773,157	1,776,652
Coach Services							
3203 Coach Incentive & Reward Program	0	0	330,000	330,000	100.00%	330,001	330,001
3210 Olympic Team Prep - Coaches	0	45,000	86,440	41,440	47.94%	50,283	5,283
3220 Contract Labor - National Team Tech Advisor	0	42,087	75,628	33,541	44.35%	80,682	38,595
3222 National Team Consultant	6,600	26,741	36,623	9,882	26.98%	34,523	7,782
3460 Olympic Staff Recognition	0	0	30,000	30,000	100.00%	29,370	29,370
3010 Coach Education	749	5,534	26,716	21,182	79.28%	32,270	26,736
3077 National Team Coaches Meeting	0	0	5,000	5,000	100.00%	113,624	113,624
Program Group Total	7,349	119,363	590,407	471,044	79.78%	670,753	551,391
High Performance Support							
3301 National Team Performance Support	7,527	56,342	170,145	113,803	66.89%	131,894	75,552
3310 USOPC Practitioner Travel Support	0	7,289	49,500	42,211	85.28%	61,388	54,099
Program Group Total	7,527	63,630	219,645	156,015	71.03%	193,282	129,651
Sport Medicine & Science							
3201 Athletes and Coach Wellness Programs	12,200	43,459	75,000	31,542	42.06%	13,908	(29,551)
3353 Sport Medicine & Science Network	2,974	56,196	96,000	39,804	41.46%	115,046	58,851
3155 Elite Athlete Accident Coverage	0	35,698	35,550	(148)	-0.42%	35,500	(198)
3200 Athlete Life Skills	0	100	0	(100)	0.00%	14,508	14,408
3351 Athlete Testing & Lab Expenses	215	9,032	24,100	15,068	62.52%	21,135	12,103
3390 Sport Medicine & Science Program Support	698	9,142	38,688	29,546	76.37%	25,228	16,086
Program Group Total	16,087	153,627	269,338	115,711	42.96%	225,325	71,698
Other Programs and Services							
3481 National Team Equipment	3,654	16,379	25,500	9,121	35.77%	14,389	(1,990)
3496 National Team Selection	0	0	19,500	19,500	100.00%	3,250	3,250
3499 Team Management Technology	0	69,149	69,415	266	0.38%	58,799	(10,350)
Program Group Total	3,654	85,528	114,415	28,887	25.25%	76,438	(9,090)
Committees							
3846 Sports Medicine	0	0	500	500	100.00%	0	0
3868 Open Water Committee	0	35	300	265	88.25%	7,228	7,193
3882 National Steering Committee	0	1,441	10,350	8,909	86.08%	15,065	13,624
3888 National Team Ath Committee	0	103	500	397	79.33%	65	(38)
Program Group Total	0	1,579	11,650	10,071	86.44%	22,358	20,778
Administration							
3990 Administration & Operational Support	(44,386)	130,017	332,162	202,145	60.86%	620,982	490,965
3999 Salary and Benefits	378,760	1,588,724	1,830,037	241,313	13.19%	1,783,011	194,287
Program Group Total	334,374	1,718,741	2,162,199	443,458	20.51%	2,403,993	685,252
TOTAL NATIONAL TEAM	1,515,690	5,347,180	11,124,500	5,777,320	51.93%	10,699,839	5,352,659
TOTAL TECHNICAL/SPORT	2,964,790	11,876,903	22,065,859	10,188,956	46.18%	22,937,228	11,060,325

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2020

	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
OTHER PROGRAMS:							
COMMERCIAL							
Partnerships & Event Marketing							
5901 Servicing	12,959	64,267	373,375	309,108	82.79%	265,738	201,471
5900 Contractuals	4,180	143,910	0	(143,910)	0.00%	0	(143,910)
5905 Sales Development Support	1,650	1,650	50,000	48,350	96.70%	30,709	29,059
5916 Sigma Gamma Rho	400	4,090	0	(4,090)	0.00%	0	(4,090)
5620 Family Program	(27,600)	52	77,960	77,908	99.93%	47,348	47,296
5715 SwimBiz	0	0	0	0	0.00%	84,153	84,153
5709 Nationals Marketing	0	0	95,000	95,000	100.00%	565,702	565,702
5760 Jr Nationals Marketing	0	0	0	0	0.00%	40,166	40,166
5762 Pro Swim Series Marketing	0	153,936	176,606	22,670	12.84%	226,027	72,091
5764 US Open Marketing	15,051	15,051	42,950	27,899	64.96%	86,194	71,143
5770 Event Marketing	0	0	23,466	23,466	100.00%	2,110	2,110
5755 USA Swimming House-Trials	0	0	250,000	250,000	100.00%	1,716	1,716
5902 Merchandise Program	0	5,128	79,205	74,077	93.53%	13,434	8,306
5911 Aqua Zone - Olympic Trials	0	7,312	1,000,200	992,888	99.27%	13,639	6,326
Program Group Total	6,640	395,396	2,168,762	1,773,366	81.77%	1,376,935	981,539
Communications							
5109 Athlete Partnership Fulfillment	2,751	8,634	58,700	50,066	85.29%	33,894	25,260
5711 Splash Magazine	6,213	367,372	736,000	368,628	50.09%	633,834	266,462
5722 Social Media Aggregation	0	25,787	35,000	9,213	26.32%	6,471	(19,316)
5714 PR-USA Swimming Programs	25,370	101,833	25,000	(76,833)	-307.33%	29,269	(72,564)
5724 Communication Operations	24,376	160,663	271,596	110,933	40.84%	246,957	86,295
Program Group Total	58,710	664,289	1,126,296	462,007	41.02%	950,425	286,136
Creative Services							
5710 Membership/Recruiting Promotion (SwimToday)	0	58,355	249,600	191,245	76.62%	209,130	150,774
5720 Video Production Services	(80)	0	14,675	14,675	100.00%	5,405	5,405
5730 USA Swimming Productions	63,426	348,613	699,325	350,712	50.15%	863,172	514,559
5904 Marketing Contract Labor	0	0	25,000	25,000	100.00%	6,500	6,500
Program Group Total	63,346	406,968	988,600	581,632	58.83%	1,084,207	677,239
Business Intelligence & Digital Platforms							
5713 Deck Pass	16,272	66,019	136,000	69,981	51.46%	25,271	(40,749)
5716 Swimjitsu	2,626	10,778	10,780	2	0.02%	11,006	228
5726 Business Intelligence	1,192	1,192	25,880	24,688	95.39%	0	(1,192)
5718 usaswimming.org - Web site	156,458	544,657	662,180	117,523	17.75%	484,773	(59,884)
	176,548	622,646	834,840	212,194	25.42%	521,050	(101,596)
Administration							
5990 Administration & Operational Support	63,763	277,837	350,087	72,250	20.64%	345,990	68,153
5999 Salary and Benefits	355,805	1,967,687	2,195,795	228,108	10.39%	1,840,934	(126,753)
Program Group Total	419,568	2,245,524	2,545,882	300,358	11.80%	2,186,924	(58,600)
TOTAL COMMERCIAL	724,812	4,334,824	7,664,380	3,329,557	43.44%	6,119,542	1,784,718

RISK MANAGEMENT SERVICES

USA Swimming, Inc.
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	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
Member Programs							
9413 Member Insurance Premiums & Retention	537,553	2,922,460	3,279,732	357,272	10.89%	3,148,050	225,590
9415 Other Risk Management	10,000	10,000	19,700	9,700	49.24%	10,330	330
Program Group Total	547,553	2,932,460	3,299,432	366,972	11.12%	3,158,380	225,920
Committees							
9827 Operational Risk Committee	7	7	500	493	98.66%	20,777	20,770
Program Group Total	7	7	500	493	98.66%	20,777	20,770
Administration							
9490 Administration & Operational Support	417	2,928	30,755	27,827	90.48%	16,299	13,371
Program Group Total	417	2,928	30,755	27,827	90.48%	16,299	13,371
TOTAL RISK MANAGEMENT SERVICES	547,977	2,935,394	3,330,687	395,293	11.87%	3,195,455	260,061
FOUND. & MAKE A SPLASH SUPPORT							
6667 USA Swimming Staff Allocation	392,446	392,446	311,000	(81,446)	-26.19%	449,414	56,968
TOTAL FOUNDATION & MAS SUPPORT	392,446	392,446	311,000	(81,446)	-26.19%	449,414	56,968
FOUNDATION - OTHER							
TOTAL OTHER PROGRAMS	1,665,235	7,662,664	11,306,067	3,643,403	32.23%	9,764,411	2,101,747
SUPPORT DIVISIONS:							
EXECUTIVE							
Other Executive							
7920 CEO Contingency	2,259	22,956	60,000	37,044	61.74%	68,825	45,869
7930 Board Chair Travel and Expenses	2,453	10,700	44,797	34,097	76.12%	43,612	32,912
7931 Olympic Games Executive Contingency	0	0	100,000	100,000	100.00%	0	0
7945 CSCAA Grant	30,000	120,000	120,000	0	0.00%	120,000	0
7971 Organizational Relations - Domestic	0	19,655	67,500	47,845	70.88%	53,609	33,954
7984 Organizational Relations - Internat'l	0	2,978	40,000	37,022	92.55%	26,203	23,225
7981 International Relations	3,553	7,946	44,274	36,328	82.05%	30,917	22,971
Program Group Total	38,265	184,235	476,571	292,336	61.34%	343,165	158,930
Committees & Governance							
7803 Board of Directors	7,197	14,118	154,643	140,525	90.87%	132,316	118,199
7808 Task Force & Other Committees	34,637	146,642	166,670	20,028	12.02%	182,985	36,342
7811 International Relations Committee	0	0	500	500	100.00%	8,778	8,778
7820 Nominating Committee	0	0	8,892	8,892	100.00%	2,068	2,068
Program Group Total	41,835	160,760	330,705	169,945	51.39%	326,146	165,386
Administration							

USA Swimming, Inc.
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	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
7990 Administration & Operational Support	8,548	43,782	166,880	123,098	73.76%	123,454	79,672
7999 Salary and Benefits	215,688	823,061	875,422	52,361	5.98%	808,003	(15,058)
Program Group Total	224,236	866,843	1,042,302	175,459	16.83%	931,457	64,615
TOTAL EXECUTIVE	304,335	1,211,838	1,849,578	637,740	34.48%	1,600,769	388,931

FINANCE

Other Programs

8500 LSC/Club Financial Resources	0	220	10,112	9,892	97.82%	5,056	4,836
Program Group Total	0	220	10,112	9,892	97.82%	5,056	4,836

Committees

8895 Investment Committee	0	0	200	200	100.00%	139	139
8880 Audit Committee	0	0	100	100	100.00%	0	0
Program Group Total	0	0	300	300	100.00%	139	139

Administration

8100 Allocated Expenses	(47)	0	0	0	0.00%	0	0
8990 Administration & Operational Support	33,266	193,617	215,946	22,329	10.34%	182,541	(11,077)
8999 Salary and Benefits	70,740	658,435	720,157	61,722	8.57%	970,068	311,633
Program Group Total	103,959	852,052	936,103	84,051	8.98%	1,152,609	300,556
TOTAL FINANCE	103,959	852,272	946,515	94,243	9.96%	1,157,804	305,531

BUSINESS AFFAIRS

Legal and NBR

9695 Legal	55,995	293,550	200,000	(93,550)	-46.78%	435,168	141,618
9692 National Board of Review	28,245	267,959	20,000	(247,959)	-1239.79%	24	(267,935)
9690 Legal - Admin. & Oper. Support	282	3,912	8,358	4,446	53.20%	18,705	14,793
Program Group Total	84,523	565,421	228,358	(337,063)	-147.60%	453,897	(111,524)

Safe Sport

9335 Safe Sport - Background Checks	0	585	1,200	615	51.22%	34,500	33,914
9375 Safe Sport Online Education	20,867	63,236	72,700	9,464	13.02%	60,000	(3,236)
9386 Safe Sport Athlete Fellowship	0	3,007	5,826	2,819	48.39%	11,956	8,949
9385 Safe Sport Programs	20,754	139,714	309,396	169,682	54.84%	210,202	70,487
9387 Safe Sport - USOPC Center for Safe Sport	62,813	251,250	296,000	44,750	15.12%	155,205	(96,045)
9388 Safe Sport - Leadership Conference	0	19	2,500	2,481	99.23%	47,829	47,809
9389 Safe Sport - SwimAssist	12,559	104,738	100,000	(4,738)	-4.74%	132,782	28,044
Program Group Total	116,993	562,550	787,622	225,072	28.58%	652,474	89,923

Other Programs

9380 Human Resources	11,169	75,535	122,147	46,612	38.16%	113,439	37,904
9290 Government Relations	0	23,428	58,916	35,488	60.24%	8,640	(14,788)
9295 Information Technology Support	67,270	576,726	564,310	(12,416)	-2.20%	541,142	(35,584)
Program Group Total	78,440	675,689	745,373	69,684	9.35%	663,221	(12,468)

Committees

USA Swimming, Inc.
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	Quarter Actual	2020 Actual	2020 Budget	Favorable (Unfavorable)	Percentage	2019 Actual	Favorable (Unfavorable)
9810 Safe Sport Committee	0	0	500	500	100.00%	11,531	11,531
<i>Program Group Total</i>	<i>0</i>	<i>0</i>	<i>500</i>	<i>500</i>	<i>100.00%</i>	<i>11,531</i>	<i>11,531</i>
Administrative							
9990 Administration & Operational Support	131,564	343,709	280,530	(63,179)	-22.52%	236,422	(107,287)
9999 Salary and Benefits	515,510	2,370,938	2,547,279	176,340	6.92%	2,388,995	18,057
<i>Program Group Total</i>	<i>647,073</i>	<i>2,714,648</i>	<i>2,827,809</i>	<i>113,161</i>	<i>4.00%</i>	<i>2,625,417</i>	<i>(89,231)</i>
TOTAL BUSINESS AFFAIRS	927,029	4,518,307	4,589,662	71,354	1.55%	4,406,539	(111,768)
TOTAL SUPPORT DIVISIONS	1,335,323	6,582,418	7,385,755	803,337	10.88%	7,165,112	582,694
GRAND TOTALS	\$5,965,348	\$26,121,984	\$40,757,681	\$14,635,697	35.91%	\$39,866,750	\$13,744,766

USA Swimming
2020 (+2021) Quad Board Approved Reserve Investments Summary
As of 4/22/2021

BOARD APPROVED RESERVE INVESTMENTS - Cash Basis

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Projection 2021	Current 2021 Quad Budget
Operating Reserves:						
Disaster Donations		\$ (20,606)	\$ (5,000)	\$ -	\$ (25,000)	\$ (50,606)
Special IT Projects (CRM)		(327,086)	(502,229)	(446,948)		(1,276,263)
Cost of Flex			(722,216)	(1,302,502)		(2,024,718)
Athlete Leadership Summit		(266,618)	(161,958)			(428,576)
Board Designated Funds:						
"Keeping Athletes First" (KAF) Initiative:						
Safe Sport Club Recognition Asst.				(562)	(500,000)	(500,562)
Coach Education & LMS				(267,749)	(1,000,000)	(1,267,749)
Safe Sport Staff Resources & Prog. Dev.				-	(250,000)	(250,000)
Online Member Registration				(314,302)	(1,300,000)	(1,614,302)
Safe Sport Expenses / Contingency		(719,564)	(30,000)			(749,564)
Legal			(966,983)	(274,548)	(25,000)	(1,266,531)
USSIC Sale Letter of Credit				(1,836,975)	(1,100,000)	(2,936,975)
Other:						
Foundation Endowment Donation	(1,000,000)					(1,000,000)
Total Board Approved Reserve Investments	\$ (1,000,000)	\$ (1,333,874)	\$ (2,388,386)	\$ (4,443,586)	\$ (4,200,000)	\$ (13,365,846)

USA Swimming, Inc.
Statement of Cash Flows
For the Twelve Months Ended December 31, 2020

	December 31, 2020	
	Quarter 4	YTD
Operating activities:		
Change in Net Assets	\$ (3,679,088)	\$ 5,189,991
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	(376,045)	(215,766)
Net realized and unrealized (gains) losses on investments	(2,793,667)	(3,123,964)
Changes in operating assets and liabilities:		
Accounts receivable	4,433,750	(1,226,946)
Prepaid expenses and deferred changes	(1,082,242)	(813,956)
Olympic Trials Joint Venture	57,475	57,475
Accounts payable, accrued exp and other liabilities	(1,124,971)	(1,671,812)
Deferred revenue	6,701,817	(3,261,728)
Net cash provided by/(used in) operating activities	<u>5,816,117</u>	<u>(10,256,697)</u>
Investing activities:		
(Purchase)/Proceeds of Long-term investments, net	(4,710,894)	628,278
Decrease in prepaid rent	23,815	93,368
Acquisition/Disposal of property and equipment	<u>425,565</u>	<u>680,149</u>
Net cash provided by/(used in) investing activities	<u>(4,261,514)</u>	<u>1,401,795</u>
Financing activities:		
Proceeds from Line of Credit	<u>-</u>	<u>1,821,000</u>
Net cash provided by/(used in) financing activities	<u>-</u>	<u>1,821,000</u>
Net increase/(decrease) in cash & cash equivalents	(2,124,485)	(1,843,911)
Cash & cash equivalents beginning of period	<u>4,434,264</u>	<u>4,153,690</u>
Cash & cash equivalents end of period	<u><u>\$ 2,309,779</u></u>	<u><u>\$ 2,309,779</u></u>



FIRSTwestern
TRUST

USA Swimming, Inc.
&
USA Swimming Foundation, Inc.

1st Quarter 2021



FIRSTwestern
TRUST

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



The Good

- **Vaccine Approval.** As of Apr. 8, 33.7% of the US population had received at least one vaccination dose.
- **Fiscal Stimulus-** Congress passed \$1.9T relief bill.
- **Monetary Policy.** The Fed and ECB remain committed to easy monetary for now.
- **Corporate Earnings.** Fourth quarter earnings increased 4%, far better than the expected 9% decline.
- **Economic Data.** US data improving rapidly. Manufacturing activity at 37 year high. Services activity at record high. Nonfarm payrolls added 916K new jobs in March. Consumer confidence at highest level in a year.

The Bad

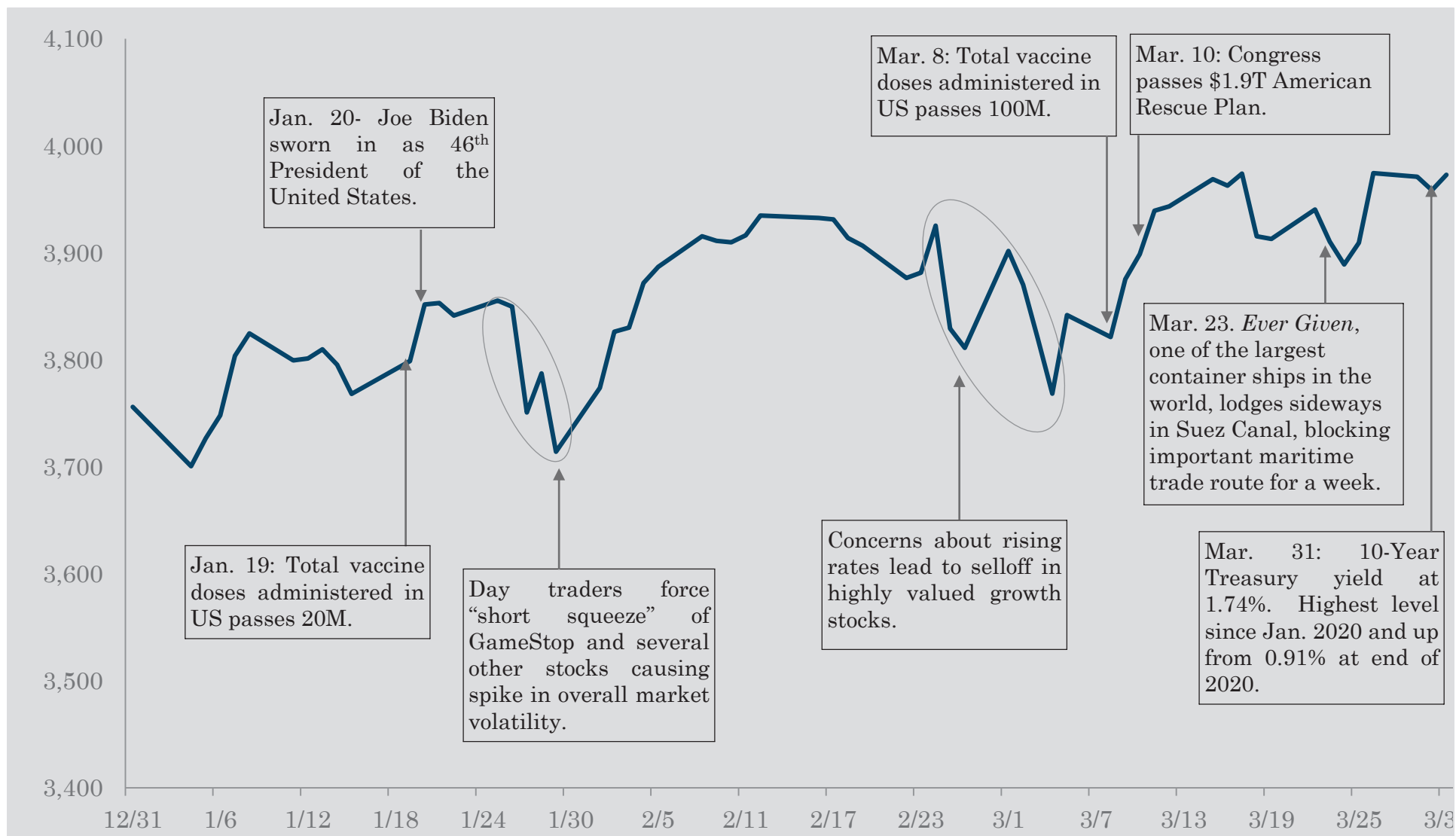
- **Coronavirus.** Global deaths at 2.9M. U.S. deaths 560K.
- **European Recovery.** Trailing the US and China as region's vaccination efforts have been slow to materialize and new variants continue to spread.
- **Chinese Vaccination.** China's admits that efficacy rates of vaccines developed by Chinese companies is not very high. China has shipped hundred of millions of doses globally to dozens of countries.
- **Employment.** Trending in the right direction, but as of March economy still has 8.8M jobs to recover to return to pre-pandemic levels.
- **Valuations.** Equity valuations remain significantly elevated.

The Undecided

- **Inflation.** Talk of additional stimulus and infrastructure spending has revived talk of inflation. However, core inflation has not exceeded 3.0% since 1995.
- **Rising Rates.** Rates rose 0.83% in 1Q21, nearly doubling from YE20 level of 0.91%. However, market returns for the quarter were positive.
- **Monetary Policy.** How might Fed react to further rise in interest rates?
- **Fiscal Stimulus.** Beneficial to economic growth. Unclear to what extent it will result in higher inflation and how transitory the inflation will be.

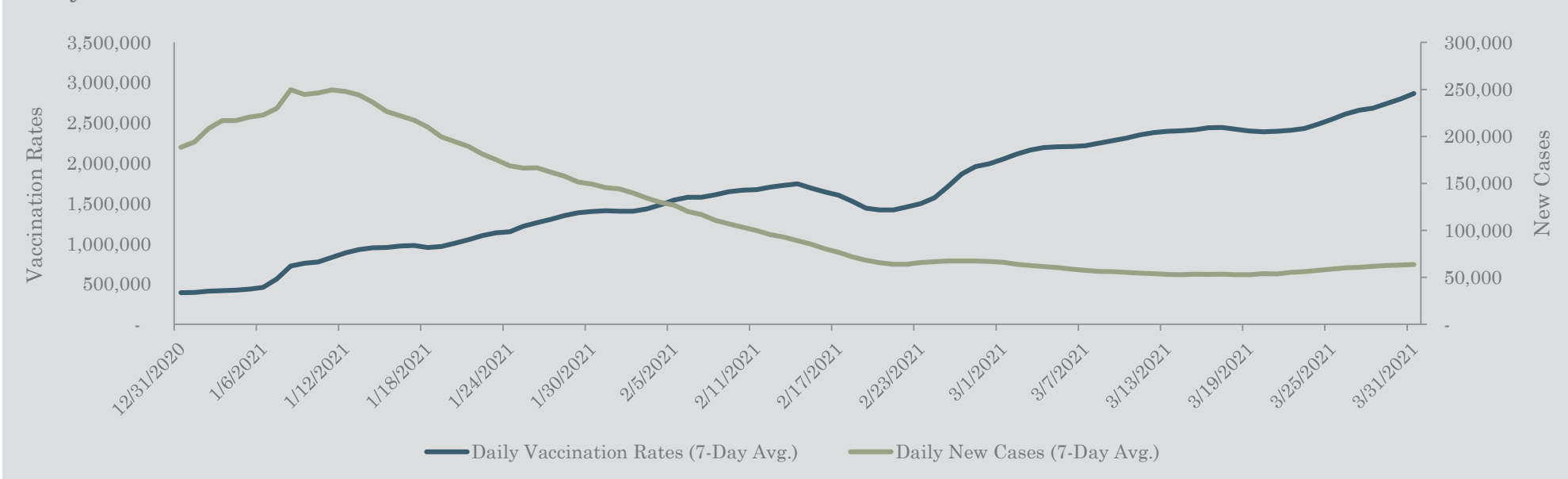
S&P 500 1Q21 Chronology

Optimism regarding accelerating vaccination efforts and additional stimulus helped propel the S&P 500 to new record highs. Rising interest rates presented a headwind, especially for highly valued growth stocks.

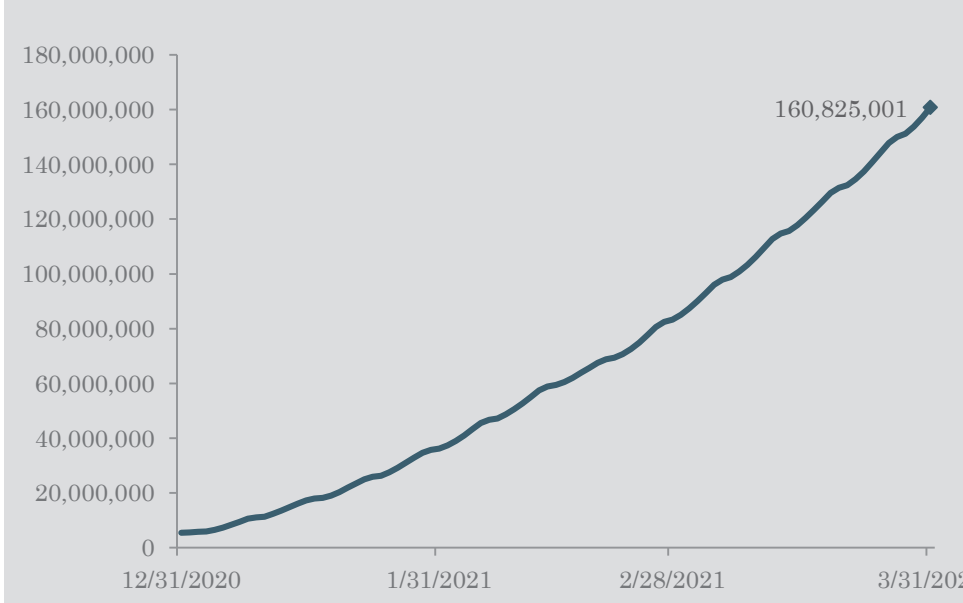


Coronavirus

Daily Vaccinations vs. New Cases



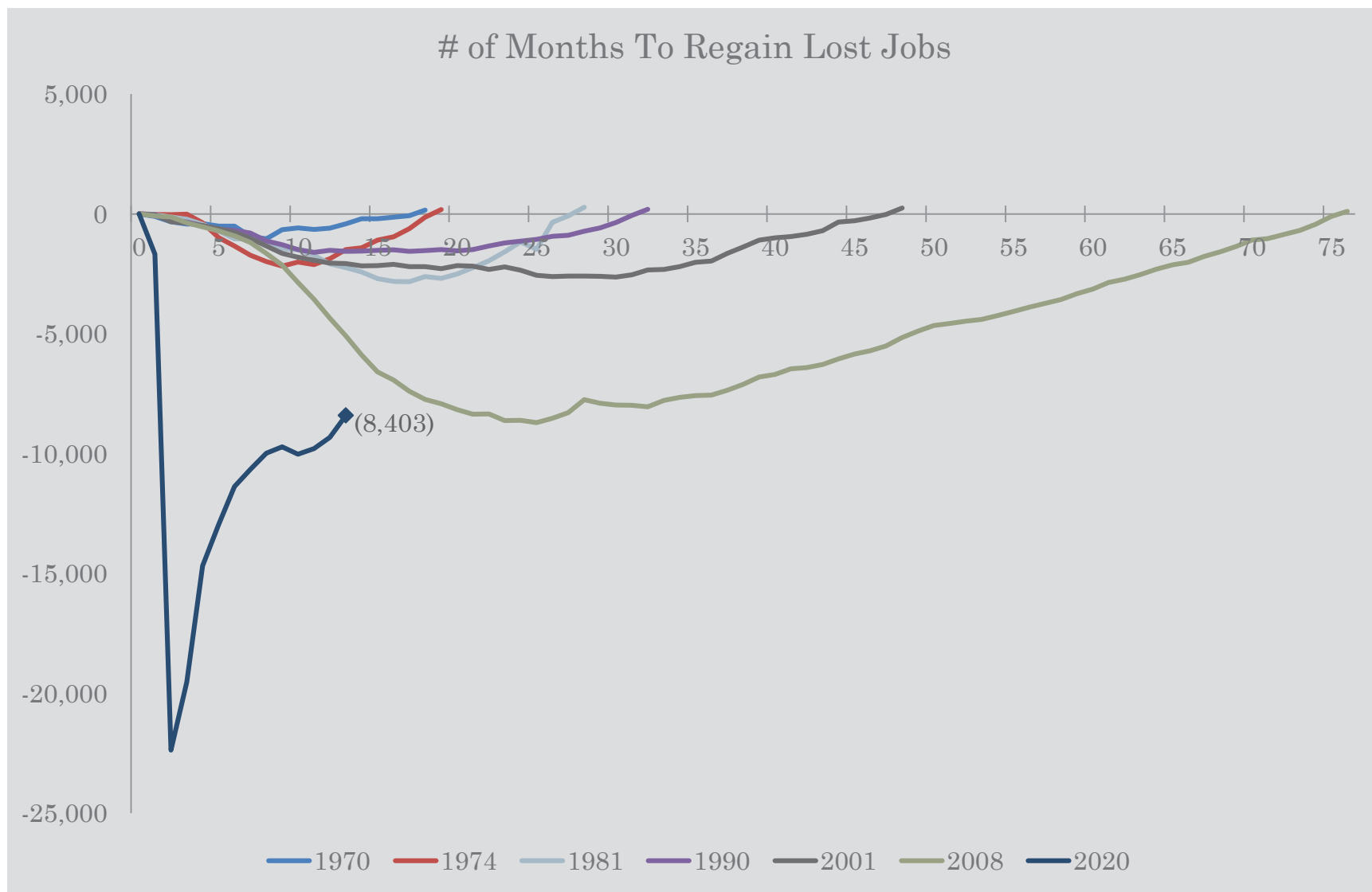
Total Cumulative Doses Administered



Deaths: Total and 7-Day Moving Avg.



Employment Recovery



Inflation



Interest Rate Spikes

Despite news headlines to the contrary, sudden interest rate spikes are neither unusual nor a guarantee for market selloffs. Since 2000, there have been 14 occasions in which the 10-Year Treasury yield has increased 0.75%, or more, in less than 90 trading days. Over those same periods, the average S&P 500 return was 4.6%.

Interest Rate Spikes Since 2000



Economic Scorecard

Indicator	Level	Outcome	Trend*	Comment
4Q20 GDP	4.3%%	Above Expectation	↑	Consumer spending increased 2.3%, while business spending rose 27.8%. Full year GDP fell 3.5%.
U.S. Unemployment (Mar.)	6.0%	In-line with Expectation	↔	Nonfarm payrolls added 916K new jobs. Strongest month since last August. Gains in leisure and hospitality were particularly strong.
Housing Starts (Feb.)	1.42M	Below Expectation	↓	Down for a second consecutive month, impacted by severe winter weather. Housing starts recorded their strongest year in 2020 since 2006.
ISM Manufacturing (Mar.)	63.7	Above Expectation	↑	Highest level on record dating back to 1997. Fueled by strong increases in activity, new orders, backlog orders, and employment.
ISM Services (Mar.)	64.7	Above Expectation	↑	Highest level in 37 years. Strong gains in employment and new orders. Many companies struggling to meet surging demand.
Consumer Spending (Feb.)	-1.0%	Below Expectation	↓	Down, following 3.4% gain in Jan. which benefitted from fiscal stimulus passed in December. Passage of additional stimulus in March likely to boost March spending.
Personal Income (Feb.)	-7.1%	Above Expectation	↓	Down, following 10.1% increase in Jan. which benefitted from fiscal stimulus passed in December. Likely to rebound in March following passage of \$1.9T stimulus bill.
Consumer Confidence (Mar.)	109.7	Above Expectation	↑	Largest monthly gain since 2003. Highest level in a year. Boosted by acceleration of vaccines and passage of additional fiscal stimulus.
Core CPI (Mar.)	0.3%	Above Expectation	↑	Compared to a year ago, up 1.6%. Headline CPI up 2.6%. Both measures will increase noticeably in the coming months given the weakness experienced in 2020.

Outcome: Relative to consensus expectation. * Trend reflects month-over-month change, except GDP which is quarter-over-quarter; ↑ indicates improvement from prior month; ↓ indicates deterioration from prior month; ↔ indicates no change from prior month.

Asset Class Return

2013	2014	2015	2016	2017	2018	2019	2020	2021	10-Yr (2011-2021)	
									Annual Return	Annual Standard Deviation
Sm. Cap 38.8%	REITs 28.0%	REITs 2.8%	Sm. Cap 21.3%	Int'l - EM 37.3%	Cash 1.8%	Lg. Cap 31.5%	Sm. Cap 20.0%	MLPs 22.0%	Lg. Cap 13.4%	MLPs 29.6%
Lg. Cap 32.4%	Lg. Cap 13.7%	Abs. Ret. 1.7%	MLPs 18.3%	Int'l - Dev. 25.0%	FI .01%	REITs 28.7%	Lg. Cap 18.4%	Sm. Cap 12.7%	Sm. Cap 11.7%	Sm. Cap 18.9%
MLPs 27.6%	10-Yr Tr. 10.7%	Lg. Cap 1.4%	HY 17.5%	Lg. Cap 21.8%	10-Yr Tr. -0.03%	Sm. Cap 25.5%	Int'l - EM 18.3%	REITs 8.3%	REITs 9.4%	Int'l - EM 17.7%
Int'l - Dev. 22.8%	FI 6.0%	10-Yr Tr. 0.9%	Lg. Cap 12.0%	Sm. Cap 14.6%	HY -2.3%	Int'l - Dev. 22.0%	10-Yr Tr. 10.6%	Cmdty. 6.9%	HY 6.3%	REITs 15.6%
Abs. Ret. 9.3%	Sm. Cap 4.9%	FI 0.6%	Cmdty. 11.8%	REITs 8.7%	REITs -4.0%	Int'l - EM 18.4%	Int'l - Dev. 7.8%	Lg. Cap 6.2%	Int'l - Dev. 5.5%	Int'l - Dev. 15.1%
HY 7.4%	MLPs 4.8%	Cash 0.0%	Int'l - EM 11.2%	Abs. Ret. 8.5%	Lg. Cap -4.4%	HY 14.4%	FI 7.5%	Int'l - Dev. 3.5%	10-Yr Tr. 3.7%	Cmdty. 13.9%
REITs 2.9%	HY 2.5%	Int'l - Dev. -0.8%	REITs 8.6%	HY 7.5%	Abs. Ret. -6.44%	10-Yr Tr. 8.9%	HY 6.2%	Int'l - EM 2.3%	Int'l - EM 3.7%	Lg. Cap 13.5%
Cash 0.0%	Abs. Ret. 0.8%	Sm. Cap -4.4%	FI 2.7%	FI 3.5%	Sm. Cap -11.0%	FI 8.7%	Cash 0.4%	Abs. Ret. 1.4%	FI 3.4%	HY 7.1%
FI -2.0%	Cash 0.0%	HY -4.6%	Int'l - Dev. 1.0%	10-Yr Tr. 2.1%	Cmdty. -11.3%	Cmdty. 7.7%	Abs. Ret. -0.1%	HY 0.9%	Abs. Ret. 1.5%	10-Yr Tr. 6.4%
Int'l - EM -2.6%	Int'l - EM -2.2%	Int'l - EM -14.9%	Cash 0.2%	Cmdty. 1.7%	MLPs -12.4%	MLPs 6.6%	Cmdty. -3.1%	Cash 0.0%	Cash 0.6%	Abs. Ret. 4.7%
10-Yr Tr. -7.8%	Int'l - Dev. -4.9%	Cmdty. -24.7%	10-Yr Tr. -0.2%	Cash 0.8%	Int'l - Dev. -13.8%	Cash 2.1%	REITs -5.1%	FI -3.4%	MLPs -0.9%	FI 3.0%
Cmdty. -9.5%	Cmdty. -17.0%	MLPs -32.6%	Abs. Ret. -4.6%	MLPs -11.1%	Int'l - EM -14.6%	Abs. Ret. 0.1%	MLPs -28.7%	10-Yr Tr. -7.1%	Cmdty. -6.3%	Cash 0.2%

Past performance is not indicative of future results. Large Cap (S&P 500 TR USD). Small Cap (Russell 2000 TR USD). International - Developed (MSCI EAFE NR USD). International - Emerging Markets (MSCI EM NR USD). REITs (FTSE NAREIT All Equity REITs TR). Commodities (Bloomberg Commodity TR USD). High Yield (BofAML US HY Master II TR USD). Absolute Return on one-month lag (Credit Suisse Equity Market Neutral USD). 10-Yr Treasury (US Treasury Current 10 Yr TR). Fixed Income (Barclays US Agg Bond TR USD). MLPs (Alerian MLP TR USD). Cash (IA SBBI US 30 Day TBill TR USD).

Sources: Morningstar Direct, Morningstar. As of 3/31/2021.

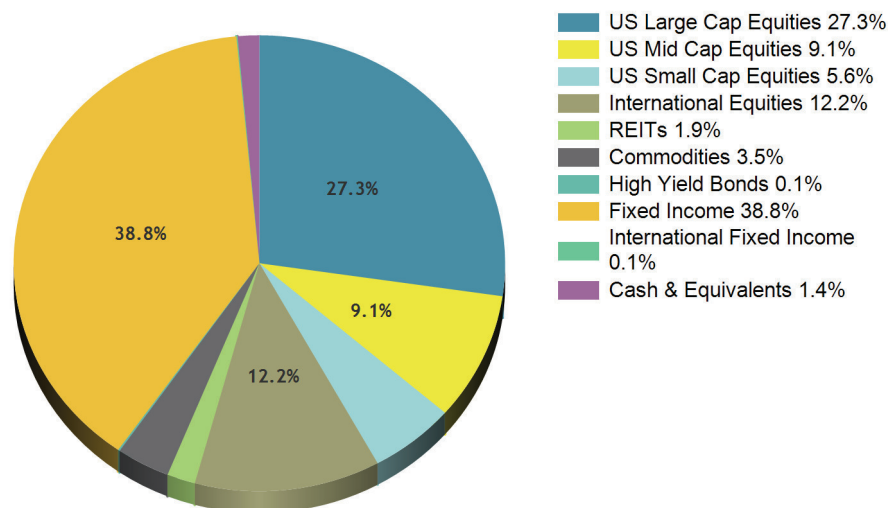
- **U.S. Economy-** Economic activity will continue to accelerate, benefitting from increasing vaccination rates, fiscal stimulus, and current easy monetary policy. Passage of an infrastructure bill would provide economic benefits beyond 2021.
- **Global Economy-** Near term, economic activity will continue to experience varying rates of recovery. While China's economic activity appears to have largely normalized, slow/disjointed vaccination efforts in Europe are hampering economic recovery. Given the economic toll of the virus, it will take time for global economic activity to fully return to pre-pandemic levels.
- **Interest Rates/Inflation-** Interest rates likely to continue moving higher in the near-term. Markets should be able to handle a slow "orderly" rise in rates. Overseas demand should help dampen any near-term spikes in interest rates. Headline inflation could easily exceed 3% in the coming months given 2020 weakness and current economic rebound. Fed currently seems committed to idea of letting inflation run above 2%, in order to achieve longer-term average of 2%.
- **Equity Markets-** U.S. equities likely to increase from current levels, propelled by incrementally positive economic data and corporate fundamentals. However, elevated valuations present a headwind, as do rising rates, particularly for more highly valued growth stocks. International developed markets (Europe) likely to lag until vaccinations become more widespread. Emerging markets, led by China, likely to outperform developed markets in the near-term.
- **Fixed Income Markets-** Rising rates will continue to pressure existing bond prices, particularly longer-dated securities. However, higher rates will likely attract new money. Yield curve likely to experience further steepening given current monetary policy.

Disclosures



- Investment and insurance products and services are not a deposit, are not FDIC-insured, are not insured by any federal government agency, are not guaranteed by the bank and may go down in value.
- Information and research contained herein do not represent a recommendation of investment advice to buy or sell stocks or any financial instrument nor is it intended as an endorsement of any security or investment and it does not constitute an offer or solicitation to buy or sell any securities.
- It is not possible to invest directly in an index. There is no assurance that investment products based on the index will accurately track index performance or provide positive investment returns.
- Past performance is not a guarantee of future results.
- These materials have been prepared solely for informational purposes based upon information generally available to the public from sources believed to be reliable.
- Any forecasts, figures, or opinions set out are for information purposes only, based on certain assumptions and current market conditions and are subject to change without prior notice.

Portfolio Sector Allocation as of 3/31/2021



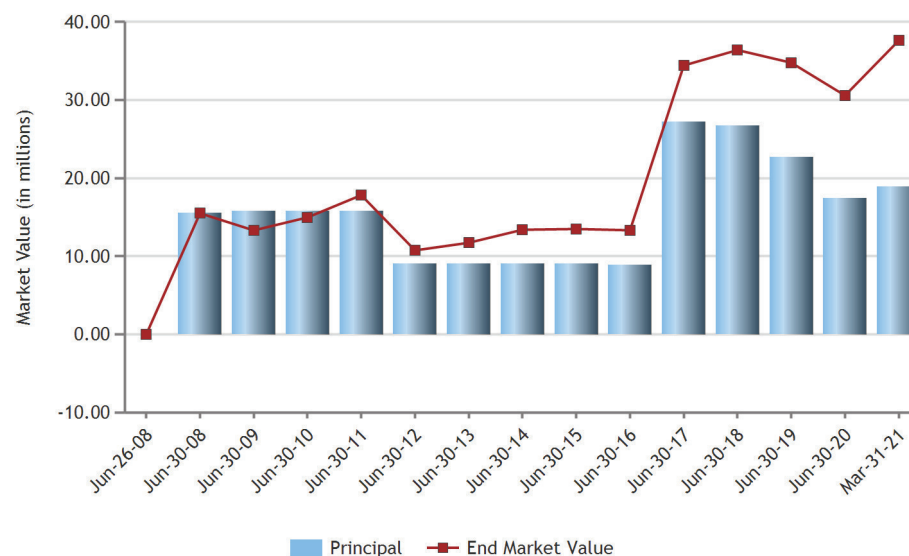
Performance History

	QTD	YTD	3Yr	Since Inception ⁽⁴⁾ 6/26/2008
Total Portfolio	2.81	2.81	9.76	6.40
Index				
Blended Benchmark	1.48	1.48	8.84	
Consumer Price Index - All Items ⁽⁵⁾		0.90	1.78	1.59

Activity Summary

	Quarter to Date	Year to Date	Since Inception 6/26/2008
Beginning Value^{(1),(2)}	\$36,595,728	\$36,595,728	\$0
Net Contributions/Withdrawals ⁽³⁾	\$339	\$339	\$18,920,724
Gain/Loss	\$1,028,021	\$1,028,021	\$18,703,363
Ending Value^{(1),(2)}	\$37,624,087	\$37,624,087	\$37,624,087

Portfolio Growth: 6/26/2008 - 3/31/2021



(1) Values include Accrued Income.

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

(3) As accounts are added to or removed from the relationship, they are displayed as a contribution/withdrawal.

(4) Returns are Annualized for periods over 1 year.

(5) YTD reflects year-over-year change in inflation; Inception reflects annualized rate of inflation since inception. The CPI period-end is the prior month-end.

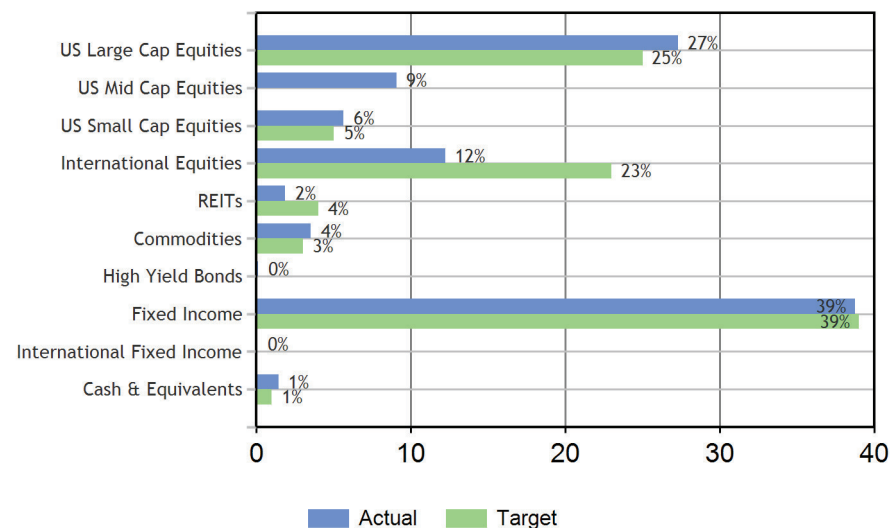
Portfolio Sector Allocation⁽³⁾

	Market Value ^{(1),(2),(3)} As of 3/31/2021	Portfolio Weight
US Large Cap Equities	\$10,275,082	27%
US Mid Cap Equities	\$3,410,875	9%
US Small Cap Equities	\$2,120,911	6%
International Equities	\$4,598,606	12%
REITs	\$700,775	2%
Commodities	\$1,328,296	4%
High Yield Bonds	\$44,228	0%
Fixed Income	\$14,581,724	39%
International Fixed Income	\$27,187	0%
Cash & Equivalents	\$536,405	1%
Total	\$37,624,087	100%

Portfolio Performance^{(2),(3),(6)}

	QTD	YTD	1Yr	3Yr	5Yr	Inception Tq ⁽⁴⁾ 10Yr	Inception Date	Inception Date
US Large Cap Equities	6.37	6.37	56.23	16.78	16.35	13.20	10.72	6/26/2008
US Mid Cap Equities	7.75	7.75					40.36	6/23/2020
US Small Cap Equities	16.20	16.20	95.08	13.39	15.15	11.10	9.68	6/26/2008
International Equities	2.62	2.62	51.51	7.17	10.45	5.31	3.74	6/26/2008
REITs	5.36	5.36	37.76	9.88	7.51	7.43	6.16	6/26/2008
Commodities	8.63	8.63					39.93	6/23/2020
High Yield Bonds	-10.84	-10.84	8.11	7.09	6.12		5.79	7/12/2011
Fixed Income	-2.98	-2.98	5.05	5.65	4.05	4.10	4.50	6/26/2008
International Fixed Income	-0.88	-0.88	30.74				5.52	9/15/2019
Portfolio	2.81	2.81	31.90	9.76	9.51	7.01	6.40	6/26/2008

Actual vs. Target Allocation



(1) Values include Accrued Income.

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

(3) Certain Sectors may not have been held for the entire reporting period of the Portfolio.

(4) Returns are Annualized for periods over 1 year.

(5) Securities not included in Total Market Value or Performance calculations, but may be included in Target Allocation.

(6) Managed Alternatives are included in Market Value but not in Performance due to the nature of the investment.

Performance by Sector: As of March 31, 2021

	Market Value ^{(1),(2),(4)}	Portfolio ⁽⁵⁾							Since ^{(3),(4)}	Inception
	As Of 3/31/2021	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
US Large Cap Equities	\$10,275,082	27%	6.37	6.37	56.23	16.78	16.35	13.20	10.72	6/26/2008
S&P 500 Index			6.17	6.17	56.35	16.78	16.29	13.91		
US Mid Cap Equities	\$3,410,875	9%	7.75	7.75					40.36	6/23/2020
Russell Midcap Index			8.14	8.14	73.64	14.73	14.67	12.47		
US Small Cap Equities	\$2,120,911	6%	16.20	16.20	95.08	13.39	15.15	11.10	9.68	6/26/2008
Russell 2000 Index			12.70	12.70	94.85	14.76	16.35	11.68		
International Equities	\$4,598,606	12%	2.62	2.62	51.51	7.17	10.45	5.31	3.74	6/26/2008
MSCI EAFE Index			3.48	3.48	44.57	6.02	8.85	5.52		
MSCI Emerging Markets Index			2.29	2.29	58.39	6.48	12.07	3.65		
REITs	\$700,775	2%	5.36	5.36	37.76	9.88	7.51	7.43	6.16	6/26/2008
Wilshire U.S. REIT Index			8.81	8.81	34.74	9.04	4.96	8.48		
FTSE EPRA/NAREIT Developed Index			5.80	5.80	34.65	5.06	3.86	5.73		
Commodities	\$1,328,296	4%	8.63	8.63					39.93	6/23/2020
Bloomberg Commodity Index			6.92	6.92	35.04	-0.20	2.31	-6.28		
High Yield Bonds	\$44,228	0%	-10.84	-10.84	8.11	7.09	6.12		5.79	7/12/2011
BofAML HY Master II Index			0.90	0.90	23.31	6.53	7.94	6.31		
Fixed Income	\$14,581,724	39%	-2.98	-2.98	5.05	5.65	4.05	4.10	4.50	6/26/2008
Barclays Cap Aggregate Bond Index			-3.37	-3.37	0.71	4.65	3.10	3.44		
Barclays Municipal 1-10 Yr. Blend Index			-0.26	-0.26	4.54	3.97	2.65	3.16		
Barclays Municipal 1-15 Yr. Blend Index			-0.33	-0.33	4.91	4.43	3.03	3.72		
International Fixed Income	\$27,187	0%	-0.88	-0.88	30.74				5.52	9/15/2019
Barclays 1-3 Year Global Majors Index			-3.39	-3.39	2.89	0.96	1.43	-0.49		
Cash & Equivalents	\$536,405	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.03	0.03	0.12	1.49	1.19	0.63		
Total Portfolio	\$37,624,087	100%	2.81	2.81	31.90	9.76	9.51	7.01	6.40	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.

Individual Account Performance

		Inception	Market Value ^{(1),(2)}	Portfolio								Since
		Date	As of 3/31/2021	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception ⁽³⁾	
612422055	USA Swimming, Inc. - Equities - Pledged	6/26/2008	\$22,729,806	60.4%	6.62	6.62	54.16	12.08	13.02	9.10	7.71	
612422063	USA Swimming, Inc. - Fixed Income	6/26/2008	\$14,894,281	39.6%	-3.05	-3.05	4.48	5.17	3.70	6.51	6.15	
USA Swimming, Inc.			\$37,624,087	100.0%	2.81	2.81	31.90	9.76	9.51	7.01	6.40	

(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.

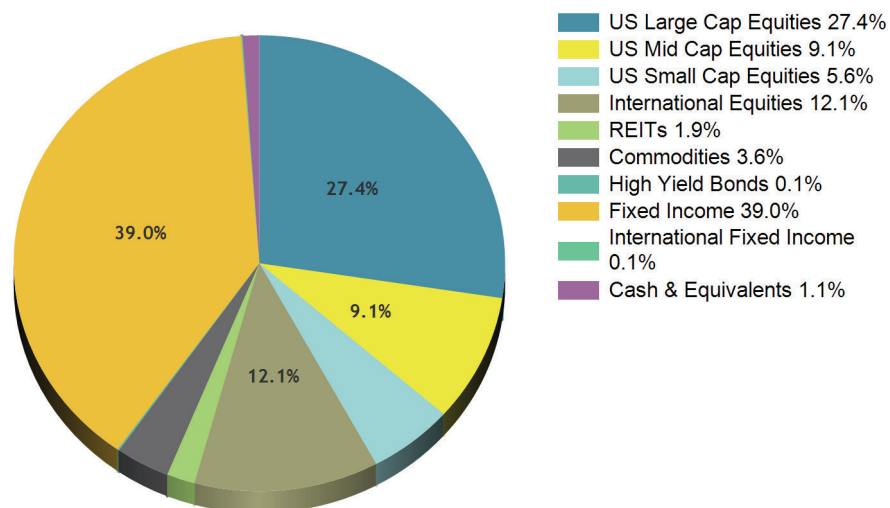
First Western Trust Bank
PORTFOLIO APPRAISAL
USA Swimming, Inc. - Equities - Pledged
612422055 (Formerly Fidelity 673218332)
March 31, 2021

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
US Large Cap Equities								
28,205	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	VOO	276.30	7,792,984.00	364.30	10,275,081.50	45.2	1.48
US Mid Cap Equities								
22,938.108	BAIRD MIDCAP FUND - INST #76	BMDIX	25.31	580,633.38	28.56	655,112.36	2.9	?
27,633	ISHARES RUSSELL MID-CAP ETF	IWR	58.00	1,602,717.73	73.93	2,042,907.69	9.0	1.08
6,522	ISHARES RUSSELL MID-CAP VALUE ETF	IWS	94.52	616,436.24	109.30	712,854.60	3.1	1.47
				2,799,787.35		3,410,874.65	15.0	0.96
US Small Cap Equities								
58,563.265	DEAN SMALL CAP VALUE FUND CLASS A	DASCX	13.30	779,085.26	16.96	993,232.97	4.4	1.34
5,104	ISHARES RUSSELL 2000 ETF	IWM	173.65	886,320.33	220.94	1,127,677.76	5.0	0.92
				1,665,405.59		2,120,910.73	9.3	1.11
International Equities								
33,068.312	INVESCO DEVELOPING MARKETS FUND CLASS R6	ODVIX	44.09	1,458,001.57	53.91	1,782,712.70	7.8	0.34
81,680.119	LAZARD INTL STRATEGIC EQUITY PORT INST CL	LISIX	14.50	1,184,082.26	17.30	1,413,066.06	6.2	0.98
28,565	VANGUARD FTSE DEVELOPED MARKETS ETF	VEA	40.91	1,168,613.91	49.11	1,402,827.15	6.2	2.17
				3,810,697.74		4,598,605.91	20.2	1.10
REITs								
20,526.505	VIRTUS DUFF & PHELPS GLOBAL REAL ESTATE SECURITIES FUND CLASS I #1860	VGISX	26.41	542,146.59	34.14	700,774.88	3.1	5.11

First Western Trust Bank
PORTFOLIO APPRAISAL
USA Swimming, Inc. - Equities - Pledged
612422055 (Formerly Fidelity 673218332)
March 31, 2021

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
Commodities								
206,899.618	PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	PCRIX	5.44	1,126,258.24	6.42	1,328,295.55	5.8	1.15
Cash & Equivalents								
	FIDELITY IMM GOV CLASS I FUND #57	FIGXX		295,262.99		295,262.99	1.3	0.01
TOTAL PORTFOLIO				18,032,542.51		22,729,806.22	100.0	1.36

Portfolio Sector Allocation as of 3/31/2021



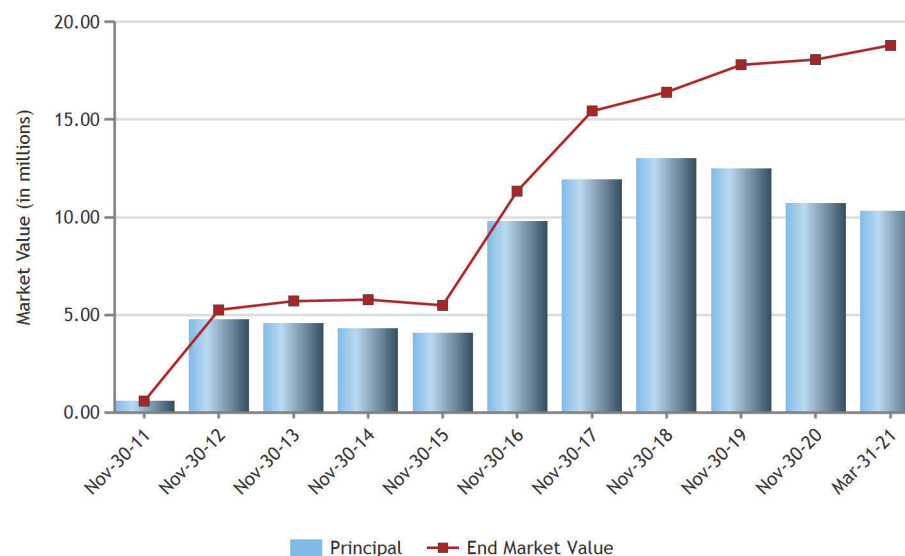
Performance History

	QTD	YTD	3Yr	Since Inception ⁽⁴⁾ 11/30/2011
Total Portfolio	2.97	2.97	9.88	8.20
Index				
Blended Benchmark	1.48	1.48	8.84	7.47
Consumer Price Index - All Items ⁽⁵⁾		0.90	1.78	1.61

Activity Summary

	Quarter to Date	Year to Date	Since Inception 11/30/2011
Beginning Value^{(1),(2)}	\$18,238,451	\$18,238,451	\$586,463
Net Contributions/Withdrawals ⁽³⁾	\$23,829	\$23,829	\$9,745,914
Gain/Loss	\$542,360	\$542,360	\$8,472,263
Ending Value^{(1),(2)}	\$18,804,640	\$18,804,640	\$18,804,640

Portfolio Growth: 11/30/2011 - 3/31/2021



(1) Values include Accrued Income.

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

(3) As accounts are added to or removed from the relationship, they are displayed as a contribution/withdrawal.

(4) Returns are Annualized for periods over 1 year.

(5) YTD reflects year-over-year change in inflation; Inception reflects annualized rate of inflation since inception. The CPI period-end is the prior month-end.

USA Swimming Foundation, Inc.

Sector Overview: As of March 31, 2021

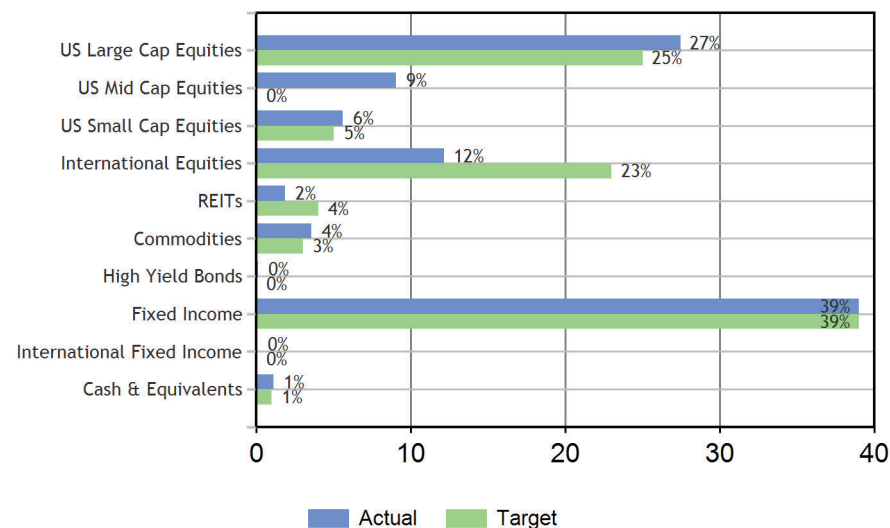
Portfolio Sector Allocation⁽³⁾

	Market Value ^{(1),(2),(3)} As of 3/31/2021	Portfolio Weight
US Large Cap Equities	\$5,161,038	27%
US Mid Cap Equities	\$1,702,467	9%
US Small Cap Equities	\$1,055,050	6%
International Equities	\$2,284,243	12%
REITs	\$349,800	2%
Commodities	\$669,885	4%
High Yield Bonds	\$21,547	0%
Fixed Income	\$7,336,590	39%
International Fixed Income	\$16,312	0%
Cash & Equivalents	\$207,707	1%
Total	\$18,804,640	100%

Portfolio Performance^{(2),(3),(6)}

	QTD	YTD	1Yr	3Yr	5Yr	Inception Tq ⁽⁴⁾ 10Yr	Inception Date
US Large Cap Equities	6.36	6.36	56.61	16.99	16.28	15.14	11/30/2011
US Mid Cap Equities	7.75	7.75				40.49	6/23/2020
US Small Cap Equities	16.26	16.26	95.13	13.83	15.26	13.68	11/30/2011
International Equities	2.64	2.64	50.71	7.07	10.41	7.71	11/30/2011
REITs	5.36	5.36	37.88	10.04	7.60	9.39	11/30/2011
Commodities	8.63	8.63				39.60	6/24/2020
High Yield Bonds	-10.88	-10.88	8.82	7.35	6.36	6.32	11/30/2011
Fixed Income	-2.95	-2.95	5.42	5.58	4.08	3.81	12/06/2011
International Fixed Income	-0.88	-0.88	30.72			5.26	9/15/2019
Portfolio	2.97	2.97	33.58	9.88	9.72	8.20	11/30/2011

Actual vs. Target Allocation



(1) Values include Accrued Income.

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

(3) Certain Sectors may not have been held for the entire reporting period of the Portfolio.

(4) Returns are Annualized for periods over 1 year.

(5) Securities not included in Total Market Value or Performance calculations, but may be included in Target Allocation.

(6) Managed Alternatives are included in Market Value but not in Performance due to the nature of the investment.

	Market Value ^{(1),(2),(4)}	Portfolio ⁽⁵⁾							Since ^{(3),(4)}	Inception
	As Of 3/31/2021	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
US Large Cap Equities	\$5,161,038	27%	6.36	6.36	56.61	16.99	16.28		15.14	11/30/2011
S&P 500 Index			6.17	6.17	56.35	16.78	16.29	13.91		
US Mid Cap Equities	\$1,702,467	9%	7.75	7.75					40.49	6/23/2020
Russell Midcap Index			8.14	8.14	73.64	14.73	14.67	12.47		
US Small Cap Equities	\$1,055,050	6%	16.26	16.26	95.13	13.83	15.26		13.68	11/30/2011
Russell 2000 Index			12.70	12.70	94.85	14.76	16.35	11.68		
International Equities	\$2,284,243	12%	2.64	2.64	50.71	7.07	10.41		7.71	11/30/2011
MSCI EAFE Index			3.48	3.48	44.57	6.02	8.85	5.52		
MSCI Emerging Markets Index			2.29	2.29	58.39	6.48	12.07	3.65		
REITs	\$349,800	2%	5.36	5.36	37.88	10.04	7.60		9.39	11/30/2011
Wilshire U.S. REIT Index			8.81	8.81	34.74	9.04	4.96	8.48		
FTSE EPRA/NAREIT Developed Index			5.80	5.80	34.65	5.06	3.86	5.73		
Commodities	\$669,885	4%	8.63	8.63					39.60	6/24/2020
Bloomberg Commodity Index			6.92	6.92	35.04	-0.20	2.31	-6.28		
High Yield Bonds	\$21,547	0%	-10.88	-10.88	8.82	7.35	6.36		6.32	11/30/2011
BofAML HY Master II Index			0.90	0.90	23.31	6.53	7.94	6.31		
Fixed Income	\$7,336,589	39%	-2.95	-2.95	5.42	5.58	4.08		3.81	12/06/2011
Barclays Cap Aggregate Bond Index			-3.37	-3.37	0.71	4.65	3.10	3.44		
Barclays Municipal 1-10 Yr. Blend Index			-0.26	-0.26	4.54	3.97	2.65	3.16		
Barclays Municipal 1-15 Yr. Blend Index			-0.33	-0.33	4.91	4.43	3.03	3.72		
International Fixed Income	\$16,312	0%	-0.88	-0.88	30.72				5.26	9/15/2019
Barclays 1-3 Year Global Majors Index			-3.39	-3.39	2.89	0.96	1.43	-0.49		
Cash & Equivalents	\$207,707	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.03	0.03	0.12	1.49	1.19	0.63		
Total Portfolio	\$18,804,640	100%	2.97	2.97	33.58	9.88	9.72		8.20	11/30/2011

(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.

USA Swimming Foundation, Inc.

Quarterly Performance Report: As of March 31, 2021



Individual Account Performance

		Inception	Market Value ^{(1),(2)}	Portfolio							Since
		Date	As of 3/31/2021	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception ⁽³⁾
612422022	USA Swimming Foundation, Inc. - Equities	11/30/2011	\$11,331,589	60.3%	6.63	6.63	55.69	12.61	13.58		11.22
612422071	USA Swimming Foundation, Inc. - Fixed Income	12/6/2011	\$7,473,051	39.7%	-2.94	-2.94	4.78	5.10	3.67		3.36
USA Swimming Foundation, Inc.			\$18,804,640	100.0%	2.97	2.97	33.58	9.88	9.72		8.20

(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.

First Western Trust Bank
PORTFOLIO APPRAISAL
USA Swimming Foundation, Inc. - Equities
612422022
Moderate
March 31, 2021

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
US Large Cap Equities								
14,167	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	VOO	265.45	3,760,663.58	364.30	5,161,038.10	45.5	1.48
US Mid Cap Equities								
11,463.038	BAIRD MIDCAP FUND - INST #76	BMDIX	25.78	295,565.94	28.56	327,384.37	2.9	?
13,789	ISHARES RUSSELL MID-CAP ETF	IWR	57.32	790,427.45	73.93	1,019,420.77	9.0	1.08
3,254	ISHARES RUSSELL MID-CAP VALUE ETF	IWS	94.49	307,478.59	109.30	355,662.20	3.1	1.47
				1,393,471.98		1,702,467.34	15.0	0.96
US Small Cap Equities								
29,457.974	DEAN SMALL CAP VALUE FUND CLASS A	DASCX	13.28	391,237.76	16.96	499,607.24	4.4	1.34
2,514	ISHARES RUSSELL 2000 ETF	IWM	173.71	436,716.66	220.94	555,443.16	4.9	0.92
				827,954.41		1,055,050.40	9.3	1.12
International Equities								
16,346.557	INVESCO DEVELOPING MARKETS FUND CLASS R6	ODVIX	44.38	725,425.08	53.91	881,242.89	7.8	0.34
40,720.199	LAZARD INTL STRATEGIC EQUITY PORT INST CL	LISIX	14.32	583,291.68	17.30	704,459.44	6.2	0.98
14,224	VANGUARD FTSE DEVELOPED MARKETS ETF	VEA	41.75	593,787.92	49.11	698,540.64	6.2	2.17
				1,902,504.68		2,284,242.97	20.2	1.10
REITs								
10,246.060	VIRTUS DUFF & PHELPS GLOBAL REAL ESTATE SECURITIES FUND CLASS I #1860	VGISX	27.44	281,159.43	34.14	349,800.49	3.1	5.11

First Western Trust Bank
PORTFOLIO APPRAISAL
USA Swimming Foundation, Inc. - Equities
612422022
Moderate
March 31, 2021

Quantity	Security	Security Symbol	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
Commodities								
104,343.482	PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	PCRIX	5.45	568,351.35	6.42	669,885.15	5.9	1.15
Cash & Equivalents								
	FIRST WESTERN ICS MONEY MARKET	FWICS		109,104.34		109,104.34	1.0	0.01
TOTAL PORTFOLIO				8,843,209.79		11,331,588.79	100.0	1.37



USA Swimming
USA Swimming Athletes Foundation

1st Quarter 2021

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Characteristics & Performance



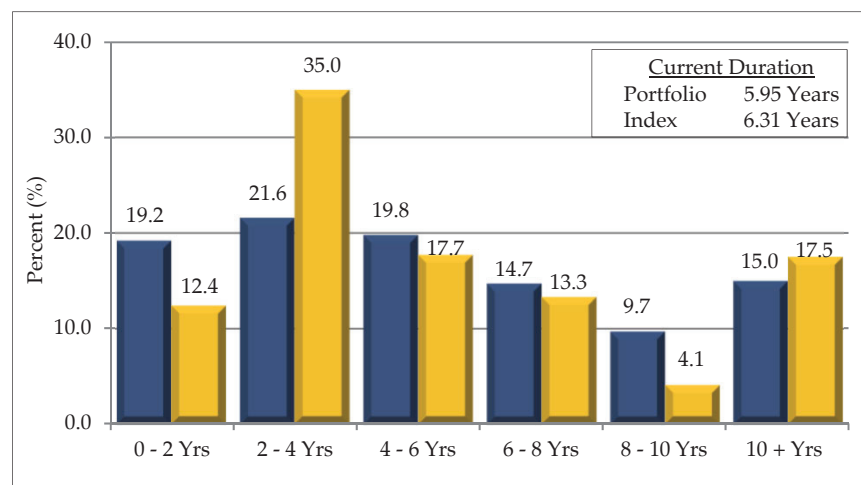
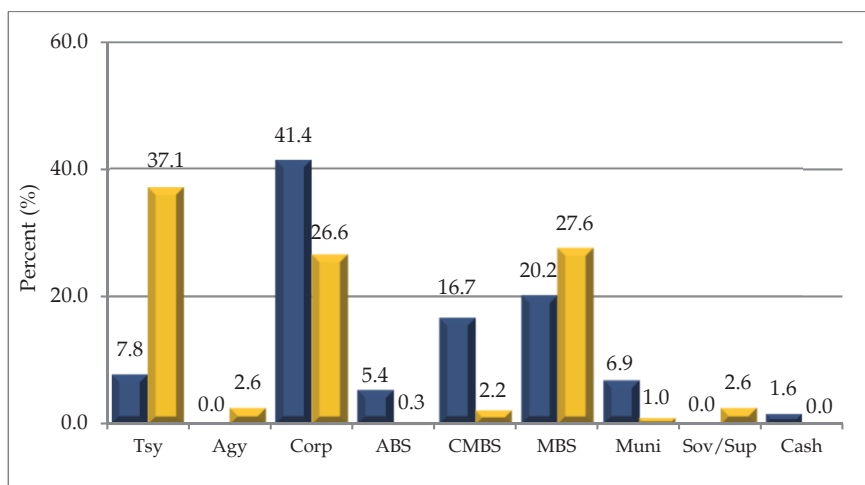
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USA Swimming – Fixed Income Characteristics

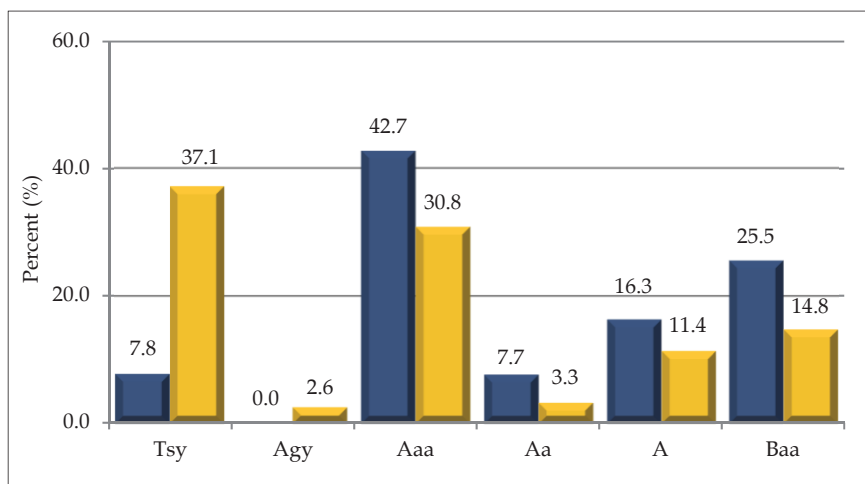
Sector

As of 3/31/21

Duration Distribution



Ratings



Characteristics

Duration..... 5.95 Years
Maturity..... 7.86 Years
Yield-to-Maturity..... 1.87%
Benchmark Yield-to-Maturity..... 1.61%
Credit Rating..... Aa3





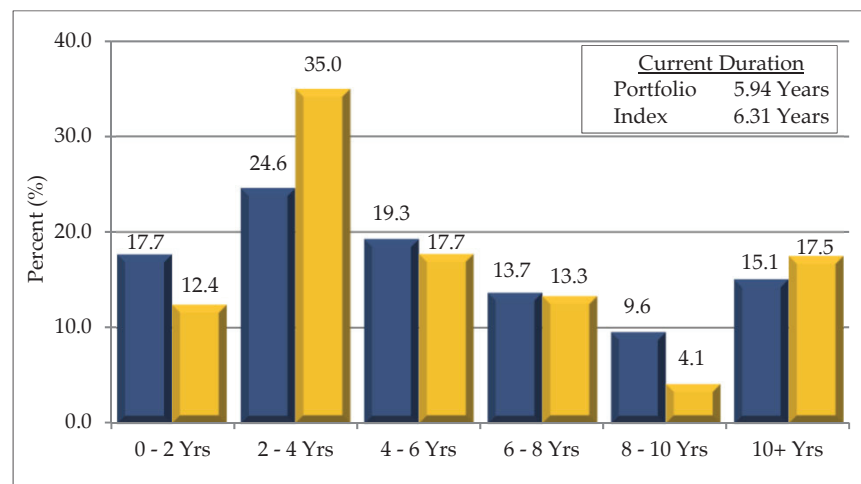
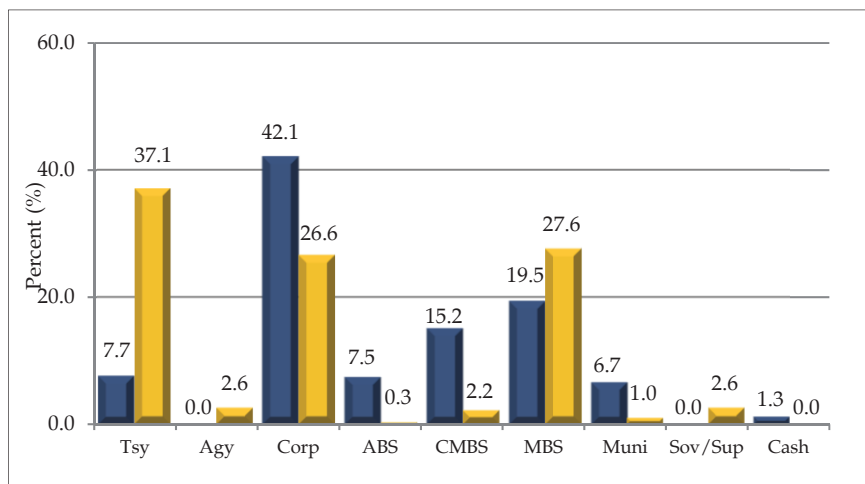
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USA Swimming Foundation – Fixed Income Characteristics

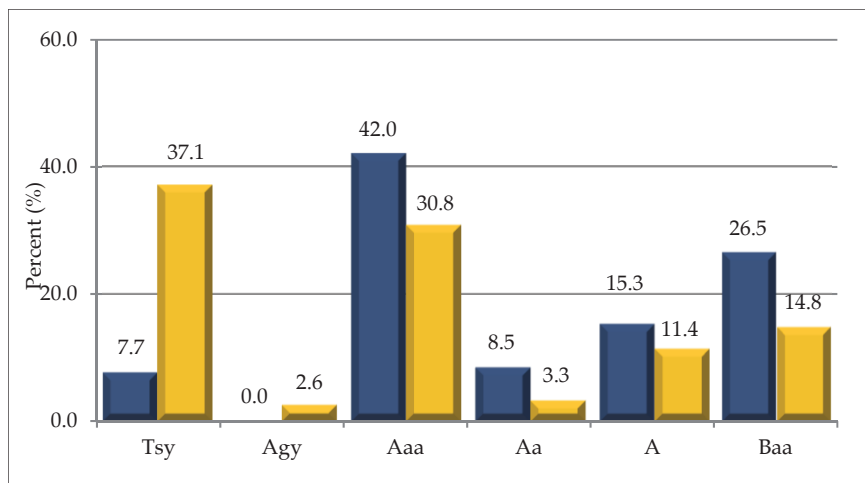
Sector

As of 3/31/21

Duration Distribution



Ratings



Characteristics

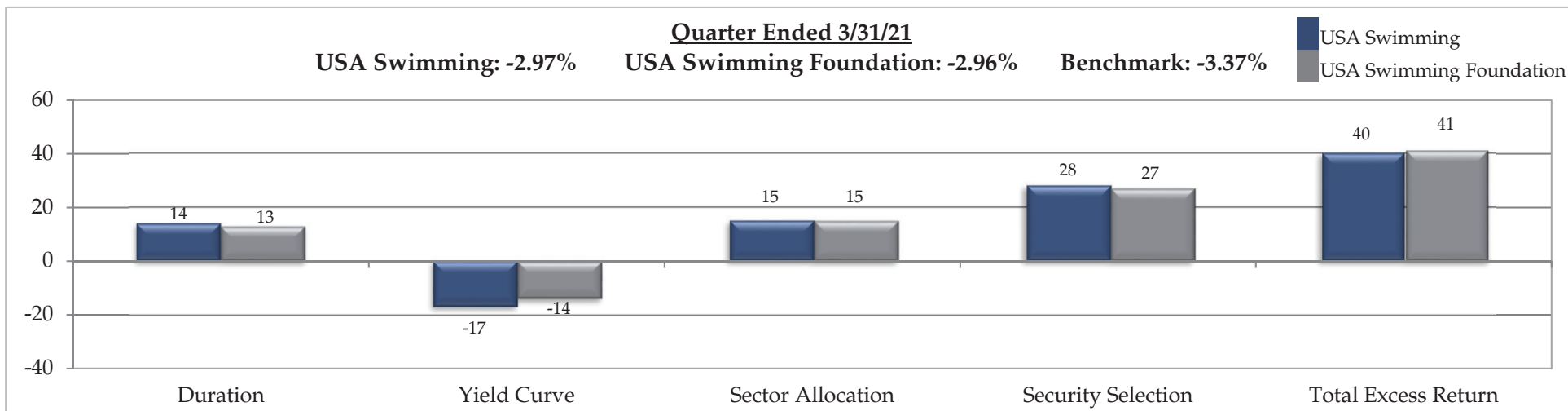
Duration	5.94 Years
Maturity	7.90 Years
Yield-to-Maturity	1.88%
Benchmark Yield-to-Maturity	1.61%
Credit Rating	Aa3

USA Swimming Foundation
Bloomberg Barclays U.S. Aggregate Bond Index



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Performance Attribution



Active Decision

Duration & Yield Curve

- Duration managed short versus the index
- Overweight the 4-10 year segment of the curve

Comments

- Rates in the intermediate and long segment were significantly higher with the 10-year Treasury finishing at 1.74%
- During the quarter, the curve steepened materially

Effect

- Positive
- Negative

Sector Allocation

- Overweight corporate bonds

- The corporate bond market continued its strong performance in the quarter, outperforming on an excess return basis

- Positive

Security Selection & Timing

- Allocation within energy, technology and communications bonds
- Allocation to taxable municipal bonds
- Overweight lower rated bonds

- Relative outperformance within sub-sectors
- Strong demand from investors driving relative outperformance
- Continued demand for lower rated bonds and higher yields

- Positive
- Positive
- Positive

Strategy & Outlook



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Investment Outlook and Strategic Positioning

INVESTMENT OUTLOOK

- We expect robust economic growth, likely higher than 6 percent in 2021, driven by re-openings across the country as vaccine distribution reaches a critical mass.
- A healing labor market, solid demand for housing, and an already healthy consumer boosted by massive fiscal stimulus should drive economic growth. We look for sectors hardest hit by the pandemic like travel and leisure to experience rapid growth as consumers look to spend again after more than a year stuck at home.
- The policy outlook will remain highly accommodative with the Federal Reserve on hold at the zero bound for 2021 and likely beyond as its new flexible average inflation targeting program commits the Fed to not raise rates until inflation modestly exceeds 2% for some time.
- With narrow majorities in both the House and the Senate, the most controversial parts of the Biden agenda will be difficult to move forward, though the potential for higher taxes and increased regulation remain headwinds to corporate profitability and risk asset outperformance.

STRATEGIC POSITIONING OF OUR PORTFOLIOS

Intermediate and Core Fixed Income

- Durations will be managed modestly short to benchmark durations.
- Underweight Treasury securities in favor of corporate bonds, taxable municipals, and non-agency securitized products.
- Balanced outlook on agency MBS as strong support from the Fed is offset by historically tight valuations. Our holdings remain biased towards seasoned collateral that should exhibit more stability in prepayment speeds in the face of elevated interest rate volatility.

The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful. Parameters set by the Adviser are subject to change.

Appendix



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Disclosures

Market values contained in this report are based on pricing provided by Sterling's third party pricing vendor(s) and in accordance with Sterling's Valuation Policy. It is possible that these values may not reflect current market conditions, as third party pricing valuations rely on historic prices or a matrix of factors modeled to most closely represent the security's approximate valuation.



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Loans

Loan	Borrower	Guarantors	Type	Commitment	Balance	Origination Date	Maturity Date	Rate	Collateral
xx-985	USA Swimming	N/A	Ltr of Credit	\$ 3,200,000	\$ -	9/22/2016	6/22/2026	WSJP - .50%, v floor of 3.0%	FW IM Account
xx-373	USA Swimming	N/A	RLOC	\$ 3,000,000	\$ 1,821,000	6/24/2020	6/24/2022	WSJP - .25%, v floor of 3.0%	FW IM Account
xx-937	USA Swimming	N/A	PPP	\$ 1,627,969	\$ 182,317	4/20/2020	4/20/2025	1.00%	Unsecured
xx-596	Swim Trials, LLC	USA Swimming Omaha Sports Commission	RLOC	\$ 1,600,000	\$ 1,558,497	3/18/2021	6/18/2022	WSJP - .25%, v floor of 3.0%	FW IM Account
Subtotal				\$ 9,427,969	\$ 3,561,814				

Deposits

Account	Type	Account Owner	Signers	Average YTD Balance	Current Balance
xx-568	Business Checking	USA Swimming	Tim Hinchey Eric Skufca Lucinda McRoberts	\$ 27,372	\$ 20,353
xx-869	Business Checking	USA Swimming	Tim Hinchey Eric Skufca Lucinda McRoberts	\$ 749,283	\$ 182,377
xx-805	Business Checking	Swim Trials, LLC	Tim Hinchey Eric Skufca	\$ 50	\$ 50
Subtotal				\$ 776,705	\$ 202,779

Disclosures

- Investment and insurance products and services are not a deposit, are not FDIC- insured, are not insured by any federal government agency, are not guaranteed by the bank and may go down in value.
- First Western Trust cannot provide tax or legal advice. This is provided for informational purposes only. Please consult your tax advisor or attorney for guidance on how the information contained within may apply to your specific situation.
- Information and research contained herein do not represent a recommendation of investment advice to buy or sell stocks or any financial instrument nor is it intended as an endorsement of any security or investment and it does not constitute an offer or solicitation to buy or sell any securities.
- It is not possible to invest directly in an index. There is no assurance that investment products based on the index will accurately track index performance or provide positive investment returns.
- Past performance is not a guarantee of future results.
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USA Swimming
2020 Budget vs. 2020 Projection vs. 2020 Actual Summary

	Approved Budget 2020	November Projection 2020	Actual 2020	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
REVENUE:								
Membership	\$ 23,806,500	\$ 21,922,025	\$ 21,958,981	\$ 36,956	0.2%	\$ (1,847,519)	-7.8%	Based on YTD actuals (no Spring/Summer memberships as originally budgeted).
Partnership Marketing Revenue	5,615,475	2,590,490	2,089,289	(501,201)	-19.3%	(3,526,186)	-62.8%	Many contracts affected and amended with pandemic (e.g. available activations, make goods, etc.).
Consumer Revenue	185,000	25,000	60,431	35,431	141.7%	(124,569)	-67.3%	Royalties and e-commerce.
USOPC Partnership	5,389,500	4,158,300	4,090,811	(67,489)	-1.6%	(1,298,689)	-24.1%	Assumes deferral of Olympic-related programs to 2021 (\$1.2M).
Investment Income	2,173,848	730,616	730,683	67	0.0%	(1,443,165)	-66.4%	Discontinued Q2-Q4 distribution from our portfolio for operations.
Foundation	1,245,000	1,220,000	1,152,649	(67,351)	-5.5%	(92,351)	-7.4%	No \$120K SAT grant from Foundation. Some donor funded programs deferred to 2021.
Sport and Events	6,062,000	328,365	369,615	41,250	12.6%	(5,692,385)	-93.9%	Trials deferred to 2021.
Pandemic Relief		1,400,000	1,445,561	45,561	3.3%	1,445,561	100.0%	PPP forgiven.
Other Income	239,122	364,880	451,113	86,233	23.6%	211,991	88.7%	Imputed prepaid rent interest income, NCAA times contract, unclaimed prize money.
Total Revenue	44,716,445	32,739,676	32,349,134	(390,543)	-1.2%	(12,367,311)	-27.7%	
EXPENSES:								
Technical/Sport:								
Sport Development	5,364,094	4,136,102	3,714,418	421,684	10.2%	1,649,676	30.8%	Athlete, Club, and Coach Edu & Dev. +\$901K (primarily travel and hosted events), Payroll/G&A +\$415K.
Events and Member Services	5,577,265	2,670,214	2,815,306	(145,092)	-5.4%	2,761,959	49.5%	Events cancelled/postponed +\$1.27M, TV/Webcast +\$477K, Zone workshops +\$200K, Officials programming (cancelled/postponed) +\$170K, Convention +\$139K, Payroll/G&A +\$141K.
National Team	11,124,500	6,290,827	5,347,180	943,647	15.0%	5,777,320	51.9%	Olympic Games Camp +\$1.025M, Olympic Prize/Medal money +\$1.01M, Jr. Team programming +\$536K, Coach Services +\$471K, Olympic Games program +\$458K, Short Course Worlds +352K, Open Water programming +\$181K, Payroll/G&A +\$443K.
Total Technical/Sport	22,065,859	13,097,143	11,876,903	1,220,240	9.3%	10,188,956	46.2%	
Other Programs:								
Commercial	7,664,380	4,577,662	4,334,824	242,838	5.3%	3,329,556	43.4%	Aquazone +\$993K, Servicing and Event Marketing +\$456K, Splash Magazine +\$368K, Swimming Productions +\$351K, Swimming House +\$250K, BI & Digital Platforms +\$212K, Membership Promo +\$191K, Payroll/G&A +\$300K.
Risk Management	3,330,687	2,873,367	2,935,394	(62,027)	-2.2%	395,293	11.9%	Pandemic related rebates/discounts.
Foundation Support	311,000	449,414	392,446	56,968	12.7%	(81,446)	-26.2%	Similar allocation to 2019 (nets zero).
Total Other Programs	11,306,067	7,900,443	7,662,664	237,779	3.0%	3,643,403	32.2%	
Administration:								
Executive	1,849,578	1,089,237	1,211,838	(122,601)	-11.3%	637,740	34.5%	BOD +\$141K, Organizational Relations +\$120K, Olympic Games contingency +\$100K, Payroll/G&A +\$175K.
Finance	946,515	874,856	852,272	22,584	2.6%	94,243	10.0%	Payroll/G&A +\$84K.
Business Affairs	4,589,662	4,687,538	4,518,307	169,231	3.6%	71,355	1.6%	NBOR -(\$248K), Legal -(\$94K), Safe Sport (primarily travel and Aquazone presence) +\$225K, Human Resources +\$47K, Government Affairs +\$35K, Payroll/G&A +\$113K.
Total Administration	7,385,755	6,651,631	6,582,418	69,213	1.0%	803,337	10.9%	
Total Expenses	40,757,681	27,649,217	26,121,984	1,527,233	5.5%	14,635,697	35.9%	
Operating Surplus (Deficit) Before Investment G/(L)	\$ 3,958,764	\$ 5,090,459	\$ 6,227,149	\$ 1,136,690		\$ 2,268,385		
Investment Gains (Losses)	0	2,980,000	2,989,783	9,783		2,989,783		2020 portfolio gains (+12.73%). In addition to what is taken to Investment Income "above the line."
Operating Surplus (Deficit) After Investment G/(L)	\$ 3,958,764	\$ 8,070,459	\$ 9,216,932	\$ 1,146,473		\$ 5,258,168		

USA Swimming
2020 Budget vs. 2020 Projection vs. 2020 Actual Summary

				Projection to Actual	Budget to Actual	
	Approved Budget 2020	November Projection 2020	Actual 2020	\$ Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	Comment
BOARD APPROVED RESERVE INVESTMENTS - Cash Basis						
Operating Reserves:						
Disaster Donations	\$ (25,000)	\$ (5,000)	\$ -	\$ 5,000	\$ 25,000	\$1.3M approved. Given current spends from 2018-2020, this will bring us to approved total.
Special IT Projects (CRM)	(350,000)	(470,685)	\$ (446,948)	23,737	(96,948)	
Cost of Flex	(1,300,000)	(1,302,502)	\$ (1,302,502)	-	(2,502)	
Board Designated Funds:						
"Keeping Athletes First" (KAF) Initiative:						Updated based on actual 2020 spends. ↓
Safe Sport Club Recognition Assistance	(1,000,000)	(5,000)	(562)	4,438	999,438	
Coach Education & LMS	(1,750,000)	(275,000)	(267,749)	7,251	1,482,251	
Safe Sport Staff Resources & Program Dev.	(500,000)	-	-	-	500,000	
Online Member Registration	(250,000)	(250,000)	(314,302)	(64,302)	(64,302)	
Legal	(250,000)	(300,000)	(274,548)	25,452	(24,548)	Liability since the USSIC sale in 2016. First draws in 2020.
USSIC Sale Letter of Credit	(2,500,000)	(1,825,000)	(1,836,975)	(11,975)	663,025	
Total Board Approved Reserve Investments	\$ (7,925,000)	\$ (4,433,187)	\$ (4,443,586)	\$ (10,399)	\$ 3,481,414	

USA Swimming

2020 Annual Financial Report – Final

Submitted by: Eric Skufca, CFO 4/8/2021

2020 SUMMARY

- Operating results were better than the \$3,958,764 surplus budget by \$2,268,385 with an annual operating surplus of \$6,227,149.
- Overall revenue missed budget by (\$12,367,311) or (28%), and overall operating expenses were less than budget by \$14,635,697 or 36%.
- Investment portfolio balance increased \$2,495,686, as explained within the 'Informational Commentary' section below. Note the organization's portfolio market gain of +12.73% beat the blended benchmark gain of +11.84%.
- Total net assets year over year increased \$5,189,991.

INFORMATIONAL COMMENTARY

Below is additional background on our 2020 financial philosophy and strategy, which is intended as pre-reading to the 'Financial Statement Analysis' that follows.

Organizational Budgeting Philosophy and Strategy:

Historically, USA Swimming has budgeted and operated on a four-year (Olympic/Trials quad) basis with a goal of breakeven operating results over that term. For example, years 1-3 of a quad could be budgeted at a deficit, and a surplus in year 4 was anticipated to bring the organization back to breakeven with our Olympic Trials and other Olympic Games related opportunities. This strategy makes sense on many levels (e.g., not wanting to sacrifice programming in years 1-3 knowing a potential surplus could be coming in year 4), but can also prove difficult given various uncertainties (e.g., revenue, expense, markets, landscape, etc.) between year 1 and year 4 that can put potential strain on the latter years of a quad.

The pre-pandemic 2020 quad followed the pattern mentioned above: 2017-2019 had originally budgeted operating deficits and 2020 had the budgeted surplus to make breakeven. Entering 2020 (pre-pandemic), with a cumulative deficit from the first three years of the quad as budgeted, executive management originally budgeted 2020, the final year of the anticipated quad, as an operating surplus to effectively finish the quad in breakeven fashion.

The COVID-19 global pandemic materially adjusted the "original 2020 4-year quad plan" as explained directly below.

COVID-19 Global Pandemic:

The COVID-19 global pandemic has materially affected the organization to date and will continue to affect the organization for years to come (and most likely indefinitely in certain

areas of the business). From the postponement of the 2020 Olympic Games and Olympic Trials to the postponement or cancellation of many other organizational events and programming to the adjustments and limitations to many of the member clubs and members to the pandemic's effect on many of our partners and vendors, there is clear rationale as to why both revenues and expenditures had significant variances from the original "pre-pandemic" 2020 budget. The pandemic has forced the organization to pivot and re-strategize nearly all programs, offerings, and decisions as it navigates through the new "5-year quad" through 2021 and then subsequent "3-year quad" through 2024.

As illustrated through the 2020 financial results, 2021 budget, and business plan through 2024, the ultimate and most important strategy has remained consistent: ensure the most valuable and reasonable operations to achieve the organizations "Ends" given applicable current and projected circumstances.

FINANCIAL STATEMENT ANALYSIS

Accompanying this written summary are the final, unaudited USA Swimming financial statements for 2020. The following are key items and variances as highlighted in the statements:

2020 (+2021) Quad Update (page 1) – The 2020 (+2021) Operating Business Plan has been updated with the 2020 results and 2021 latest projection. Using 2017-2020 actuals and the current 2021 projection, the organization continues to strive towards a breakeven "5-year quad" and continues to proactively manage 2021 budgets realizing the potential for financial unknowns throughout 2021 (and beyond).

Balance Sheet (page 2) – The cash and cash equivalent position decreased year-over-year by (\$1,843,911) to \$2,309,779. See the 'Statement of Cash flows' on page 17 for more detail.

Accounts receivable and prepaid expenses combined increased \$2,040,902 year-over-year primarily attributable to business transaction timing, invoicing, and payment including continued deposits and prepayments associated with Trials and or Olympic Games in 2021.

Long-term investments increased by \$2,495,686 to \$36,533,447, given the year's net contributions, distributions, and annualized +12.73% market gain.

Accounts payable decreased (\$1,654,201) year-over-year primarily attributable to business transactions and payment timing at yearend (including overall less activity in late 2020 compared to late 2019).

Deferred revenue decreased (\$3,261,728) year-over-year primarily due to the anticipated decline in membership and membership revenue at the respective yearends.

Total net assets increased by \$5,189,991 to \$36,721,671 due to the aforementioned operating surplus of \$6,227,149, "below the line" investment gain of \$2,989,783 offset by the year's reserve expense of (\$4,026,942).

Income Statements (pages 3 - 4) – Operating surplus of \$6,227,149 was better than budget by \$2,268,385. Total operating revenue of \$32,349,134 missed the budget by (\$12,367,311) or

(28%). Total operating expenses of \$26,121,984 beat the budget by \$14,635,697 or 36%. The National Team and Commercial divisions produced the largest “budget savings.”

Excluded from the operating budget are Board-approved Planned Reserve Investments. Please see page 16 below and attached for more information.

Statement of Revenue (pages 5 - 6) – Total operating revenue of \$32,349,134 was (\$12,367,311) or (28%) less than budget.

Membership dues of \$21,958,981 missed the budget by (\$1,847,519) primarily due to the large decline in Spring/Summer membership volume given the decrease in available, operating clubs and facilities at that time.

USOPC recognizable revenue of \$4,090,811 was less than the annual budget by (\$1,298,689) given amendments to the Performance Partnership Agreement primarily within the funding attributable to Olympic Games specific programming which is deferred until 2021.

Partnership Marketing revenue of \$2,089,289 missed the budget by (\$3,526,186) primarily due to large amounts of sponsor contract amendments given applicable contract terms, activation opportunities, partner circumstances, among others.

Investment Income of \$730,683 was less than budget by (\$1,443,165) as a result from the organization discontinuing portfolio distributions to be used for operations from April - December 2020 to reduce additional strain on the reserves during uncertain and highly volatile times knowing total expenditures were also significantly decreased.

Sport and Events revenue of \$369,615 was less than budget by (\$5,692,385) primarily due the postponement of Olympic Trials. All related Trials revenue will now be recognized in 2021.

Statement of Operating Expense by Business Unit or Division (with Budget to Actual variance explanations)

Sport Development (pages 7 - 8)

Total expenses of \$3,714,418 represented budget savings of \$1,649,677 or 31%. The majority of these savings were due to reduced travel and physical servicing operations due to the pandemic. The largest areas of reduction came from the coach, athlete, and club education and development programs through travel, contract labor, and event savings on the hosted coaches clinics, coach mentoring, Zone Select Camps, among others. Additionally, membership growth and diversity programs were under budget primarily due to travel and event postponement or cancellation due to the pandemic.

- \$213,635 Athlete Development (program group)
- \$509,986 Coach Education and Development (program group)
- \$177,436 Club Education and Development (program group)
- \$164,648 Membership Growth and Diversity (program group)
- \$414,867 Payroll and General & Administrative
- \$169,105 Other
- \$1,649,677 Total Variance per above

Events & Member Services (pages 8 - 9)

Total expenses of \$2,815,306 were under budget by \$2,761,959 or 50%. Major reduction, postponement, and or cancellation of the majority of the year's events and programming caused the reduction in expenditures. Virtual events and activations also led to expense savings.

- \$1,270,563 Events (program group)
- \$320,475 Member Programs (including Zone Workshops) (program group)
- \$170,568 Officials Programs (program group)
- \$477,441 TV/Webcast Production
- \$138,723 Convention (virtual in 2020)
- \$140,675 Payroll and General & Administrative
- \$243,514 Other
- \$2,761,959 Total Variance per above

National Team (pages 9 - 11)

Total expenses of \$5,347,180 represented a budget savings of \$5,777,320 or 52%. From competitions to camps to Olympic medals and records to Junior Team to Open Water to travel and servicing, the majority of National Team programming saw significant reductions or postponements primarily due to the pandemic.

- \$714,061 Competitions (including Olympic Games) (program group)
- \$536,347 Junior Team (program group)
- \$181,432 Open Water (program group)
- \$1,172,351 Camps (including Olympic Prep Camp) (program group)
- \$1,947,944 Athlete Services (including Olympic Medals & Records) (program group)
- \$471,044 Coach Services (program group)
- \$156,015 High Performance Support (program group)
- \$115,711 Sport Medicine & Science (program group)
- \$443,458 Payroll and General & Administrative
- \$38,957 Other
- \$5,777,320 Total Variance per above

Commercial (page 12)

Total expenses of \$4,334,824 represented a budget savings of \$3,329,557 or 43%. Event postponements and cancellations (especially Trials) directly drove a reduction in Commercial expense from event marketing and promotion to contract fulfillment to production and creative.

- \$287,366 Partner Servicing and Activation (net total of the five programs)
- \$169,035 Event Marketing (net total of the five programs)
- \$1,242,888 Aqua Zone and Swimming House (Trials)
- \$368,628 Splash Magazine
- \$581,632 Creative Services (including USA Swimming Productions) (program group)
- \$212,194 Business Intelligence and Digital Platforms (program group)
- \$300,358 Payroll and General & Administrative
- \$167,456 Other
- \$3,329,557 Total Variance per above

Risk Management (pages 12 - 13)

Total expenses of \$2,935,394 represented budget savings of \$395,293 or 12% primarily due to pandemic-related rebates given lower activity levels and volume.

Foundation & Make a Splash Support (page 13)

Total expenses of \$392,446 was greater than the original budget, but less than 2019 by \$56,968 based on payroll allocations for Foundation initiatives and programs.

Executive (pages 13 - 14)

Total expenses of \$1,211,838 were less than budget by \$637,740 or 35%. Executive programming was under budget primarily due to travel and event volume reduction. Board of Directors and other groups/committees also saw less expenditure given less travel and more virtual meetings.

- \$292,336 Executive (program group)
- \$169,945 Committees & Governance (including Board of Directors) (program group)
- \$175,459 Payroll and General & Administrative
- \$637,740 Total Variance per above

Finance (page 14)

Total expenses of \$852,272 were under budget by \$94,243 or 10% primarily attributed to Payroll and General & Administrative.

Business Affairs (pages 14 - 15)

Total expenses of \$4,518,307 were under budget by \$71,354 or 2%. Legal and National Board of Review (NBR) are dependent upon the legal needs that arise during the year, and there was greater need than expected for outside counsel due to a variety of circumstances. Safe Sport programming is utilizing a large portion of the Board Approved "Keeping Athletes First" initiative and \$5M investment which is being funded by non-operating, Board designated reserve funds.

- (\$337,063) Legal & NBR (program group)
- \$225,072 Safe Sport (program total, operating programming only)
- \$113,161 Payroll and General & Administrative
- \$70,184 Other
- \$71,354 Total Variance per above

2020 (+2021) Board Approved Reserve Investments Summary (Non-Operating) (page 16)

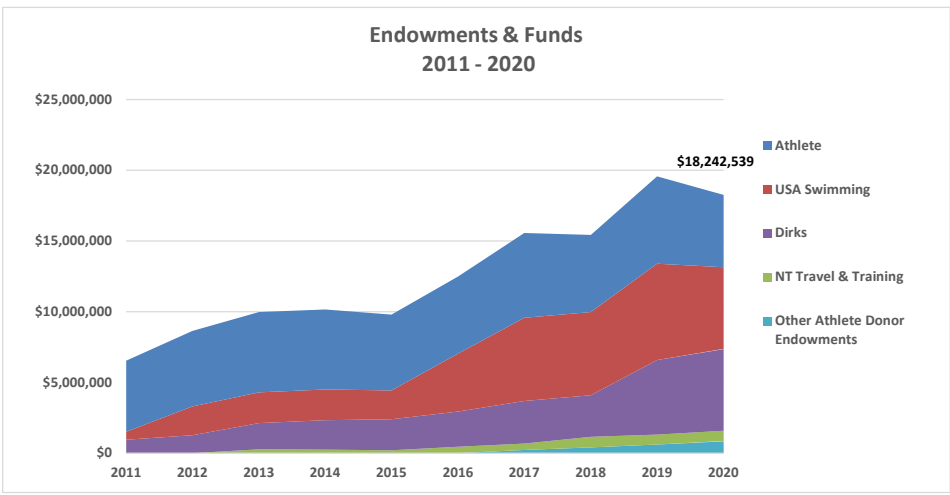
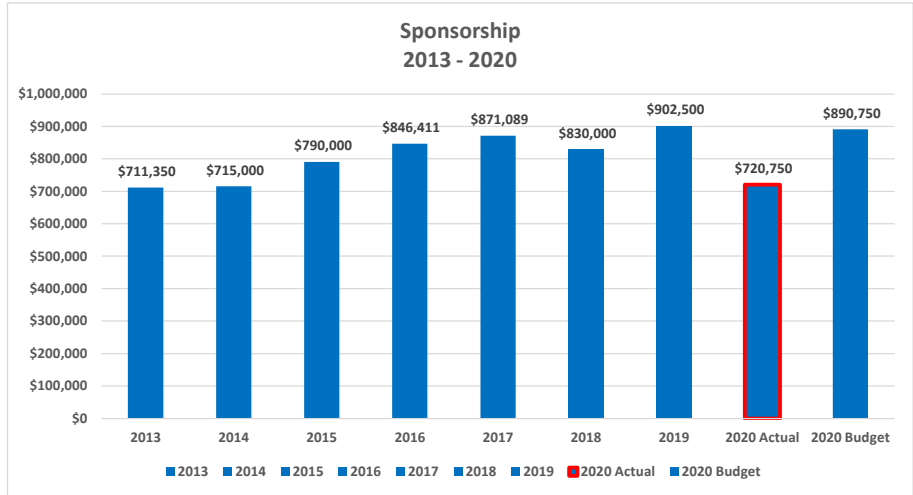
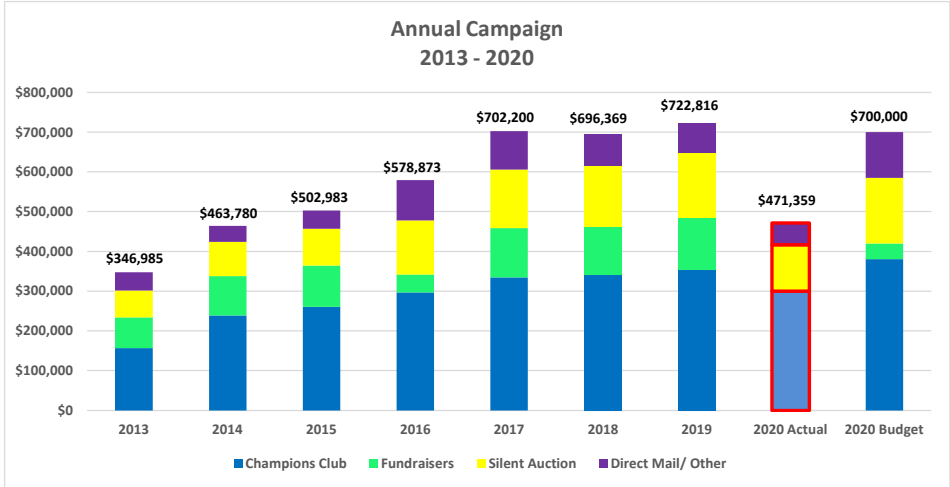
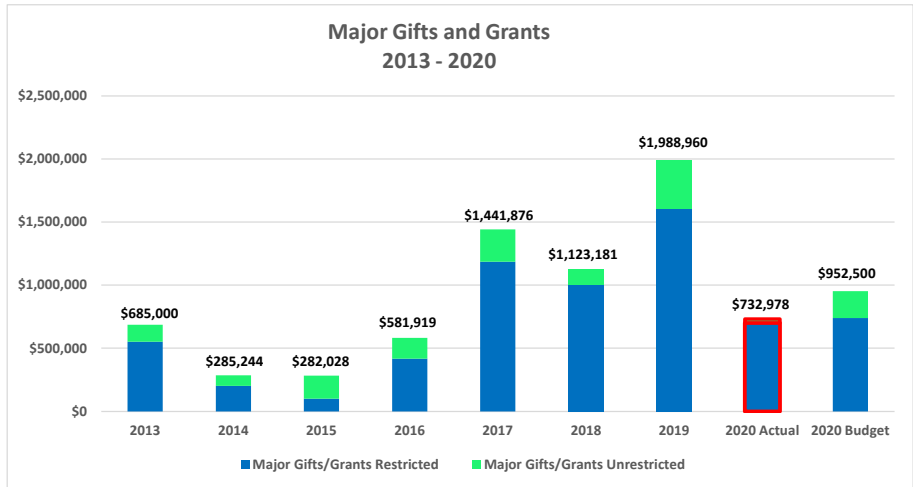
Excluded from the operating budget and results are Board-approved Planned Reserve Investments. The summary shows 2020 spends totaling (\$4,443,586) on a cash-basis (\$4,026,942 on accrual basis), which includes a drawdown on the USSIC Sale Letter of Credit, 'Keeping Athletes First' initiatives, 'Cost of Flex,' CRM project, and Legal.

Statement of Cash flows (page 17)

The statement of cash flows summarizes the amount of cash and cash equivalents entering and leaving the company. This statement agrees to the (decrease) in cash & cash equivalents on the balance sheet for the year of (\$1,843,911) categorizing sources and (uses) of cash for operating, investing, and financing activities. Recognizing the many fluctuations to reconcile cash from operating activities including business timing on current receivables and payables, the decrease in total cash and cash equivalents can be primarily explained by the following reduction and addition:

- (\$3,261,728) Decrease in deferred revenue received (primarily due to the reduction in membership registration for the 2021 membership year vs. the 2020 membership year).
- \$1,821,000 Increase due to the new low interest rate line of credit to assist with Board approved reserve investments. The line of credit was taken out to alleviate additional strain on the investment portfolio in times of increased market volatility in 2020.

USA Swimming Foundation
 Revenue, Endowments, and Funds
 December 31, 2020



USA Swimming Foundation, Inc.
Balance Sheet
As of December 31, 2020 and 2019

	<u>12/31/2020</u>	<u>12/31/2019</u>	<u>\$ Change</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$2,385,689	\$1,481,836	\$903,853
Accounts receivable	242,732	160,808	81,923
Pledges receivable - current	737,100	851,999	(114,899)
Prepaid expenses and deferred charges	49,488	11,737	37,751
Total Current Assets	<u>3,415,009</u>	<u>2,506,380</u>	<u>908,628</u>
FIXED ASSETS:			
Equipment and Software	229,963	229,963	0
Accumulated depreciation & amortization	<u>(229,963)</u>	<u>(227,375)</u>	<u>(2,589)</u>
Total Fixed Assets	<u>0</u>	<u>2,589</u>	<u>(2,589)</u>
LONG-TERM INVESTMENTS:			
Long-term Investments	18,242,539	19,582,215	(1,339,676)
OTHER ASSETS:			
Pledges receivable - long-term	850,000	1,052,500	(202,500)
Swim-a-Thon	120,000	120,000	0
Total Other Assets	<u>970,000</u>	<u>1,172,500</u>	<u>(202,500)</u>
TOTAL ASSETS	<u>\$22,627,548</u>	<u>\$23,263,684</u>	<u>(\$636,137)</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	\$541,325	\$60,976	\$480,349
Due from (to) USA Swimming	2,497	99,871	(97,374)
Accrued expenses and other liabilities	591,484	41,646	549,838
Deferred revenue	151,515	135,740	15,775
Total Current Liabilities	<u>1,286,821</u>	<u>338,232</u>	<u>948,589</u>
NONCURRENT LIABILITIES:			
Total Liabilities	<u>1,286,821</u>	<u>338,232</u>	<u>948,589</u>
NET ASSETS:			
Unrestricted:			
Undesignated Operating Funds	1,675	26,972	(25,298)
Board Designated Operating Reserves	1,201,000	1,201,000	0
Board Designated Endowments	11,620,618	13,700,689	(2,080,072)
Total Unrestricted	<u>12,823,292</u>	<u>14,928,662</u>	<u>(2,105,370)</u>
Temporarily Restricted	2,842,435	2,346,790	495,645
Permanently Restricted	5,675,000	5,650,000	25,000
Total Net Assets	<u>21,340,727</u>	<u>22,925,452</u>	<u>(1,584,725)</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$22,627,548</u>	<u>\$23,263,684</u>	<u>(\$636,137)</u>

USA Swimming Foundation, Inc.
Income Statement
For the 12 Months Ended December 31, 2020

	2020 Unrestricted	2020 Board Desig.	2020 Temp Restr	2020 Perm Restr	2020 TOTAL	2020 Budget	2020 Variance	2019 TOTAL	2019 Variance
Revenue:									
Annual Campaign	\$471,359	\$0	\$0	\$0	\$471,359	\$700,000	(\$228,641)	\$722,816	(\$251,457)
Major Gifts/Grants	30,978	0	677,000	25,000	732,978	952,500	(219,522)	1,988,960	(1,255,981)
Major Gifts - Trustee Satisfied Restrictions	304,000	0	(304,000)	0	0	0	0	0	0
Major Gifts/Grants - Other Satisfied Restrictions	242,751	0	(242,751)	0	0	0	0	0	0
Endowment Distributions	738,750	(470,000)	(268,750)	0	0	0	0	0	0
Endowment Distributions - Club Relief Grants	3,000,000	(3,000,000)	0	0	0	0	0	0	0
Sponsorship	720,750	0	(200,000)	0	520,750	890,750	(370,000)	702,500	(181,750)
Swim-a-Thon	51,509	0	0	0	51,509	375,000	(323,491)	358,711	(307,201)
Olympic Trials VIP Packages	0	0	0	0	0	168,060	(168,060)	0	0
Golden Goggle Awards	0	0	0	0	0	0	0	50,000	(50,000)
USA Swimming Support - Staff Allocation	392,446	0	0	0	392,446	335,000	57,446	449,414	(56,968)
Other Income	819	0	0	0	819	40,000	(39,181)	25,425	(24,606)
Investment Income (Loss)	25,480	1,389,928	834,146	0	2,249,554	785,000	1,464,554	2,938,313	(688,759)
Total Revenue	5,978,843	(2,080,072)	495,645	25,000	4,419,416	4,246,310	173,106	7,236,138	(2,816,722)
Expenses:									
Supporting Expenses:									
Annual Campaign	199,265	0	0	0	199,265	367,331	168,066	342,926	143,660
Major Gifts/Grants	235,669	0	0	0	235,669	428,958	193,289	483,336	247,667
Swim-a-Thon	78,890	0	0	0	78,890	168,144	89,254	131,837	52,947
Olympic Trials VIP Packages	0	0	0	0	0	168,060	168,060	0	0
Marketing	2,909	0	0	0	2,909	52,200	49,291	11,267	8,358
Operational and Administrative	418,079	0	0	0	418,079	467,291	49,212	482,379	64,300
Total Supporting Expenses	934,812	0	0	0	934,812	1,651,984	717,172	1,451,745	516,933
Program Expenses:									
Make a Splash - Grants	313,842	0	0	0	313,842	378,655	64,813	608,555	294,713
Make a Splash - Programs	658,473	0	0	0	658,473	899,121	240,648	917,173	258,700
Total Make A Splash Expenses	972,314	0	0	0	972,314	1,277,776	305,462	1,525,728	553,414
Building Champions - National Team Grants	822,649	0	0	0	822,649	900,000	77,351	1,013,750	191,101
Building Champions - Sport Dev. Grants	60,000	0	0	0	60,000	120,000	60,000	120,000	60,000
Building Champions - Club Relief Grants	3,000,880	0	0	0	3,000,880	0	(3,000,880)	0	(3,000,880)
Building Champions - Other Programs	142,166	0	0	0	142,166	118,990	(23,176)	187,892	45,726
Building Champions - Alumni Programs	71,319	0	0	0	71,319	107,060	35,741	127,056	55,737
Total Building Champions Expenses	4,097,014	0	0	0	4,097,014	1,246,050	(2,850,964)	1,448,698	(2,648,316)
Total Program Expenses	5,069,329	0	0	0	5,069,329	2,523,826	(2,545,503)	2,974,426	(2,094,903)
Total Expenses	6,004,141	0	0	0	6,004,141	4,175,810	(1,828,331)	4,426,172	(1,577,970)
Surplus (Deficit)	(25,298)	(2,080,072)	495,645	25,000	(1,584,725)	70,500	(1,655,225)	2,809,966	(4,394,692)
NET CHANGE IN TOTAL NET ASSETS	(25,298)	(2,080,072)	\$495,645	\$25,000	(\$1,584,725)	\$70,500	(\$1,655,225)	\$2,809,966	(\$4,394,692)

USA Swimming Foundation, Inc.
Income Statement
For the 12 Months Ended December 31, 2020 and 2019

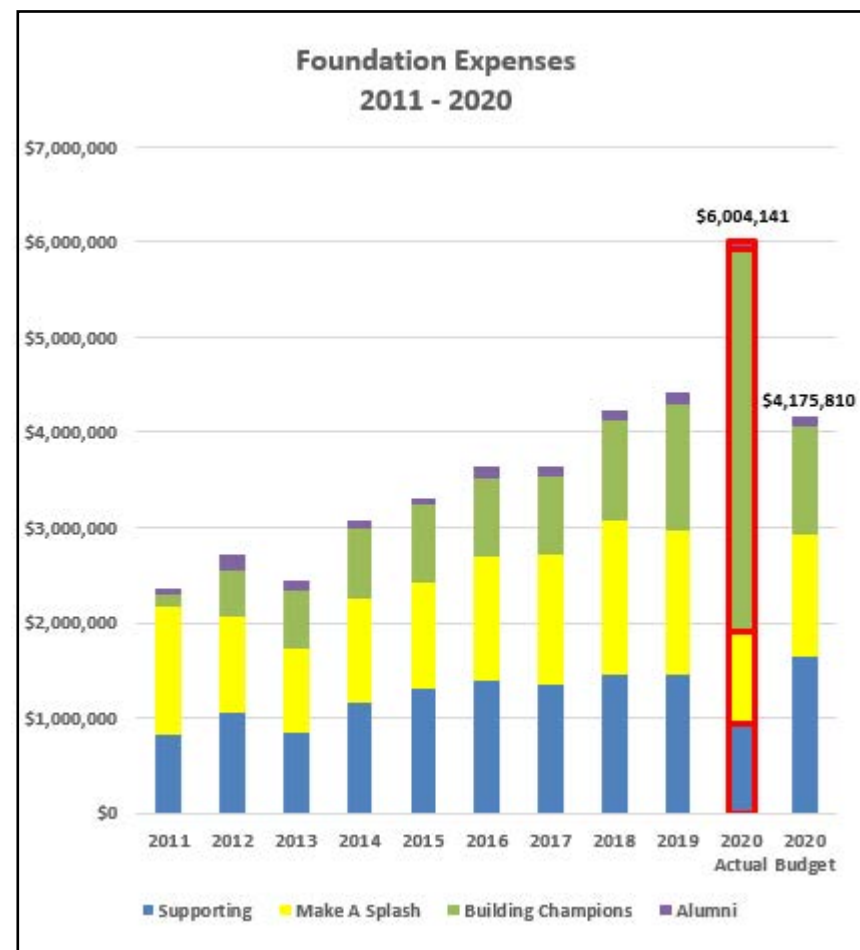
	<u>Quarter Actual</u>	<u>Year-To-Date 2020</u>	<u>Budget 2020</u>	<u>Budget Remaining</u>	<u>Year-To-Date 2019</u>	<u>Favorable (Unfavorable)</u>
UNRESTRICTED:						
Revenue:						
Annual Campaign	\$313,097	\$471,359	\$700,000	(\$228,641)	\$722,816	(\$251,457)
Major Gifts/Grants - Unrestricted	(14,850)	30,978	215,000	(184,022)	385,950	(354,971)
Major Gifts - Trustee Satisfied Restrictions	76,000	304,000	450,000	(146,000)	350,000	(46,000)
Major Gifts/Grants - Other Satisfied Restrictions	113,837	242,751	217,000	25,751	315,338	(72,587)
Endowment Distributions In	423,750	738,750	765,000	(26,250)	887,500	(148,750)
Endowment Distributions - Club Relief Grants	0	3,000,000	0	3,000,000	0	3,000,000
Sponsorship	(156,875)	720,750	890,750	(170,000)	902,500	(181,750)
Swim-a-Thon	1,143	51,509	375,000	(323,491)	358,711	(307,201)
Olympic Trials VIP Packages	0	0	168,060	(168,060)	0	0
Golden Goggle Awards	0	0	0	0	50,000	(50,000)
USA Swimming Support - Staff Allocation	392,446	392,446	335,000	57,446	449,414	(56,968)
Other Income	(20,031)	819	40,000	(39,181)	25,425	(24,606)
Investment Income (Loss)	13,425	25,480	20,000	5,480	25,094	386
Total Unrestricted Revenue	1,141,941	5,978,843	4,175,810	1,803,033	4,472,747	1,506,096
Expenses:						
Supporting Expenses:						
Annual Campaign	188,880	199,265	367,331	168,066	342,926	143,660
Major Gifts/Grants	218,782	235,669	428,958	193,289	483,336	247,667
Swim-a-Thon	47,136	78,890	168,144	89,254	131,837	52,947
Olympic Trials VIP Packages	(20,850)	0	168,060	168,060	0	0
Marketing	0	2,909	52,200	49,291	11,267	8,358
Operational and Administrative	(282,922)	418,079	467,291	49,212	482,379	64,300
Total Supporting Expenses	151,026	934,812	1,651,984	717,172	1,451,745	516,933
Program Expenses:						
Make a Splash - Grants	(84,961)	313,842	378,655	64,813	608,555	294,713
Make a Splash - Programs	541,621	658,473	899,121	240,648	917,173	258,700
Total Make a Splash Expenses	456,661	972,314	1,277,776	305,462	1,525,728	553,414
Building Champions - National Team Grants	370,000	822,649	900,000	77,351	1,013,750	191,101
Building Champions - Sport Development Grants	60,000	60,000	120,000	60,000	120,000	60,000
Building Champions - Club Relief Grants	875	3,000,880	0	(3,000,880)	0	(3,000,880)
Building Champions - Other Programs	95,522	142,166	118,990	(23,176)	187,892	45,726
Building Champions - Alumni Programs	41,889	71,319	107,060	35,741	127,056	55,737
Total Building Champions Expenses	568,286	4,097,014	1,246,050	(2,850,964)	1,448,698	(2,648,316)
Total Program Expenses	1,024,947	5,069,329	2,523,826	(2,545,503)	2,974,426	(2,094,903)
Total Unrestricted Expenses	1,175,973	6,004,141	4,175,810	(1,828,331)	4,426,172	(1,577,970)
Operating Surplus (Deficit)	(34,031)	(25,298)	0	(25,298)	46,576	(71,874)
CHANGE IN UNDESIGNATED FUNDS	(\$34,031)	(\$25,298)	\$0	(\$25,298)	\$46,576	(\$71,874)

USA Swimming Foundation, Inc.
Income Statement
For the 12 Months Ended December 31, 2020 and 2019

	<u>Quarter Actual</u>	<u>Year-To-Date 2020</u>	<u>Budget 2020</u>	<u>Budget Remaining</u>	<u>Year-To-Date 2019</u>	<u>Favorable (Unfavorable)</u>
BOARD DESIGNATED:						
Endowment Distributions Out	(\$155,000)	(\$3,470,000)	(\$470,000)	(\$3,000,000)	(\$600,000)	(\$2,870,000)
Investment Income	1,042,325	1,389,928	470,000	919,928	2,231,402	(841,474)
Change in Board Designated Net Assets	\$887,325	(\$2,080,072)	\$0	(\$2,080,072)	\$1,631,402	(\$3,711,474)
CHANGE IN UNRESTRICTED NET ASSETS	\$853,294	(\$2,105,370)	\$0	(\$2,105,370)	\$1,677,978	(\$3,783,348)
TEMPORARILY RESTRICTED:						
Major Gifts/Grants - Temporarily Restricted	\$65,000	\$677,000	\$737,500	(\$60,500)	\$1,603,010	(\$926,010)
Endowment Distributions Out - Satisfied Restrictions	(268,750)	(268,750)	(295,000)	26,250	(287,500)	18,750
Satisfied Restrictions	(189,837)	(746,751)	(667,000)	(79,751)	(865,338)	118,587
Investment Income	601,442	834,146	295,000	539,146	586,046	248,101
Change in Temp. Restricted Net Assets	\$207,855	\$495,645	\$70,500	\$425,145	\$1,036,218	(\$540,572)
PERMANENTLY RESTRICTED:						
Major Gifts - Permanently Restricted	\$25,000	\$25,000	\$0	\$25,000	\$0	\$25,000
Investment Income	(25,000)	0	0	0	95,771	(95,771)
Change in Perm. Restricted Net Assets	\$0	\$25,000	\$0	\$25,000	\$95,771	(\$70,771)
NET CHANGE IN TOTAL NET ASSETS	\$1,061,149	(\$1,584,725)	\$70,500	(\$1,655,225)	\$2,809,966	(\$4,394,692)

USA Swimming Foundation, Inc.
Expense Detail
For the Year Ended December 31, 2020

	SUPPORTING EXPENSES	PROGRAM EXPENSES	2020 EXPENSES	2019 EXPENSES	Variance
EXPENSES:					
Salaries and Benefits	\$493,770	\$271,559	\$765,329	\$1,047,729	\$282,400
Professional Services	49,500	415,318	464,818	469,273	4,455
Salaries and Benefits - USAS	214,218	178,228	392,446	449,414	56,968
Rent and Overhead	70,000	0	70,000	85,000	15,000
Awards and Gifts	19,684	0	19,684	29,734	10,050
Dues Fees & Subscriptions	18,031	757	18,788	20,275	1,488
Travel	13,513	2,728	16,241	206,962	190,721
Credit Card/ Blackbaud Fees	10,801	858	11,660	24,117	12,457
Freight and Postage	10,740	661	11,401	57,691	46,290
Miscellaneous Expenses	10,172	0	10,172	16,183	6,011
Printing and Duplication	7,848	0	7,848	96,013	88,165
Telephone and Internet Service	4,821	48	4,869	7,652	2,783
Recognition and Fulfillment	3,015	557	3,572	57,303	53,730
Office Supplies and Expense	2,957	0	2,957	10,239	7,282
Catering and Entertainment	2,730	13	2,743	35,457	32,714
Depreciation and Amortization	2,589	0	2,589	10,354	7,766
Video and Photography	425	552	977	10,488	9,511
Space/Equipment Rental	0	678	678	12,512	11,833
Apparel	0	0	0	18,752	18,752
Repairs and Equipment	0	0	0	13,083	13,083
Advertising	0	0	0	1,568	1,568
Graphics and Art Work	0	0	0	4,070	4,070
Subtotal	934,812	871,958	1,806,771	2,683,867	877,096
Grants - MAS	0	313,842	313,842	608,555	294,713
Grants - Club Relief	0	3,000,880	3,000,880	0	(3,000,880)
Grants - USA Swimming	0	882,649	882,649	1,133,750	251,101
Total Grants	0	4,197,371	4,197,371	1,742,305	(2,455,066)
TOTAL EXPENSES	\$934,812	\$5,069,329	\$6,004,141	\$4,426,172	(\$1,577,970)



USA Swimming Foundation
2020 Budget vs. 2020 Projection vs. 2020 Actual
As of 4/8/2021

	Approved Budget 2020	November Projection 2020	Actual 2020	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
UNRESTRICTED:								
REVENUE:								
Annual Campaign	\$ 700,000	\$ 508,500	\$ 471,359	\$ (37,141)	-7.3%	\$ (228,641)	-32.7%	Trials luncheon/fundraising postponed. ↓ in both Champions Club and donations under \$1,000. Silent auction less than projected.
Major Gifts/Grants	215,000	65,000	30,978	(34,022)	-52.3%	(184,022)	-85.6%	Goldfish fundraising commitment on pause for 2020.
Major Gifts - Trustee Satisfied Restrictions	450,000	400,000	304,000	(96,000)	-24.0%	(146,000)	-32.4%	Existing Trustee commitment was diverted to their endowment. One Trustee extension in 2020.
Major Gifts/Grants - Other Satisfied Restrictions	217,000	302,500	242,751	(59,749)	-19.8%	25,751	11.9%	Additional restricted donor gifts than budgeted, projected more grants at year end.
Endowment Distributions	765,000	3,765,000	3,738,750	(26,250)	-0.7%	2,973,750	388.7%	Increased distributions due to BOD approved \$3 million for club relief grants.
Commercial Sponsorships	890,750	681,750	720,750	39,000	5.7%	(170,000)	-19.1%	No money transferred from Swimming in suit contracts given 2020 contract amendments. Goldfish needed to pause for 2020.
Olympic Trials Packages	168,060	-	-	-	0.0%	(168,060)	-100.0%	Postponed until 2021.
Swim-a-Thon	375,000	50,000	51,509	1,509	3.0%	(323,491)	-86.3%	5% "royalty" fee waived through 2021 as a club relief effort.
USA Swimming Support - Staff Allocation	335,000	335,000	392,446	57,446	17.1%	57,446	17.1%	Nets zero with expenses below.
Other Income	40,000	30,000	819	(29,181)	-97.3%	(39,181)	-98.0%	Minimal apparel VIK utilized (nets zero with expenses below).
Investment Income / Imputed Interest	20,000	20,000	25,480	5,480	27.4%	5,480	27.4%	Short term investment earnings.
Total Revenue	4,175,810	6,157,750	5,978,843	(178,908)	-2.9%	1,803,033	43.2%	
SUPPORTING EXPENSES:								
Annual Campaign	367,331	126,034	199,265	(73,231)	-58.1%	168,066	45.8%	Reduction primarily due to Trials luncheon, virtual silent auction, revised direct mail strategy, payroll reduced due to VSP.
Olympic Trials Packages	168,060	-	-	-	0.0%	168,060	100.0%	Postponed until 2021.
Swim-a-Thon	168,144	115,982	78,890	37,092	32.0%	89,254	53.1%	Payroll reduced due to VSP. Foundation is continuing to honor SAT fulfillment even without collecting the royalty revenue.
Major Gifts	428,958	297,994	235,669	62,325	20.9%	193,289	45.1%	Savings in travel, hospitality and space rental for cancelled in person events.
Marketing	52,200	7,200	2,909	4,291	59.6%	49,291	94.4%	Reductions tied to Trials campaigns and booth.
Salaries and Benefits	47,401	31,917	78,034	(46,117)	-144.5%	(30,633)	-64.6%	Increased internal allocation to "back of house"/technology/structure projects.
Board of Directors	35,125	3,729	4,883	(1,154)	-30.9%	30,242	86.1%	Reductions in travel/meetings (no in person meetings).
Trustee Council	15,160	3,790	-	3,790	100.0%	15,160	100.0%	Reductions in travel (no in person events).
General and Administrative	369,605	366,605	335,162	31,442	8.6%	34,442	9.3%	
Total Supporting Expenses	1,651,983	953,250	934,812	18,438	1.9%	717,172	43.4%	
PROGRAM EXPENSES:								
Make a Splash - Grants	378,655	411,155	313,842	97,313	23.7%	64,813	17.1%	Managed recipients of who could utilize 2020 funding and who could not.
Make a Splash - Programs	899,122	681,904	658,473	23,431	3.4%	240,648	26.8%	Revised "virtual tour" and programming including PR initiatives.
Total Make A Splash	1,277,777	1,093,059	972,314	120,744	11.0%	305,462	23.9%	
Building Champions - Sport Development Grants	120,000	50,000	60,000	(10,000)	-20.0%	60,000	50.0%	Budgeted \$120K not distributed as the SAT 5% royalty will not be collected through 2021. New Community Swim Team Program.
Building Champions - Other Programs	118,990	132,942	142,166	(9,224)	-6.9%	(23,176)	-19.5%	Athlete honoraria and payroll allocation.
Building Champions - National Team Grants	900,000	925,000	822,649	102,351	11.1%	77,351	8.6%	Some NT activations and initiatives postponed until Olympics/Trials year.
Building Champions - Alumni Programs	107,060	79,070	71,319	7,751	9.8%	35,741	33.4%	Reductions due to cancellation of all alumni socials and postponement of alumni events at Trials.
Building Champions - Club Relief Grants	-	3,000,000	3,000,880	(880)	0.0%	(3,000,880)	-100.0%	One time Foundation BOD approved spend on Club Relief Grants.
Total Building Champions	1,246,050	4,187,012	4,097,014	89,998	2.1%	(2,850,964)	-228.8%	
Total Program Expenses	2,523,827	5,280,071	5,069,329	210,742	4.0%	(2,545,503)	-100.9%	
Total Unrestricted Expenses	4,175,810	6,233,321	6,004,141	229,180	3.7%	(1,828,331)	-43.8%	
OPERATING SURPLUS (DEFICIT)	\$ (0)	\$ (75,571)	\$ (25,298)	\$ 50,272		\$ (25,298)		Unrestricted Revenues ↓ 2.9% to projection, Expenses ↓ 3.7% to projection.

USA Swimming Foundation
2020 Budget vs. 2020 Projection vs. 2020 Actual
As of 4/8/2021

	Approved Budget 2020	November Projection 2020	Actual 2020	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
Transfers to/from Operating Reserve	-	-	-	-		-		
Transfers to/from USA Swimming Endowment	-	-	-	-		-		
Incr. (Decr.) in Undesignated Net Assets	(0)	(75,571)	(25,298)	50,272		(25,298)		
BOARD DESIGNATED - ENDOWMENTS:								
Investment Income	470,000	470,000	1,389,928	919,928		919,928		Strong portfolio performance (+14.05% investment gains).
Endowment Distributions	(470,000)	(3,470,000)	(3,470,000)	-		(3,000,000)		\$3M Club Relief Grants + schedule distributions from Board designated funds.
Incr. (Decr.) in Board Designated Net Assets	-	(3,000,000)	(2,080,072)	919,928		(2,080,072)		
Incr. (Decr.) in Unrestricted Net Assets	(0)	(3,075,571)	(2,105,370)	970,200		(2,105,370)		
TEMPORARILY RESTRICTED:								
Major Gifts - Temporarily Restricted	737,500	712,500	677,000	(35,500)		(60,500)		
Satisfied Restrictions	(667,000)	(702,500)	(746,751)	(44,251)		(79,751)		
Endowment Distrib. - Satisfied Restrictions	(295,000)	(295,000)	(268,750)	26,250		26,250		
Investment Income	295,000	295,000	834,146	539,146		539,146		Strong portfolio performance (+14.05% investment gains).
Incr. (Decr.) in Temporarily Restricted Net Assets	70,500	10,000	495,645	485,645		425,145		
PERMANENTLY RESTRICTED:								
Major Gifts - Permanently Restricted	-	-	25,000	25,000		25,000		Redirection of existing trustee commitment to their respective endowment.
Satisfied Restrictions	-	-	-	-		-		
Present Value Discounts Earned	-	-	-	-		-		
Investment Income	-	-	-	-		-		
Incr. (Decr.) in Perm. Restricted Net Assets	-	-	25,000	25,000		25,000		
TOTAL INCREASE (DECREASE) IN NET ASSETS	\$ 70,500	\$ (3,065,571)	\$ (1,584,725)	\$ 1,480,845		\$ (1,655,225)		

USA Swimming Foundation

2020 Financial Report – Final

Submitted by: Eric Skufca, CFO 4/8/2021

2020 HIGHLIGHTS

- \$1,204,337 fundraising:
 - \$732,978 major gifts/grants missed the \$952,500 budget by (\$219,522) or (23%). Total includes \$200,000 in athlete partnerships, \$200,000 in a Make A Splash/Learn to Swim partnership, \$112,000 in National Team programming and mental health partnerships, \$100,000 in a family trust, and \$50,000 in a new trustee agreement extension.
 - \$471,359 annual campaign missed the \$700,000 budget by (\$228,641) or (33%). Shortfalls to budget from Champions Club, Silent Auction, campaigns, as well as the postponed Trials luncheon and performance camps.
- \$720,750 sponsor support including \$653,250 from the multi-year Phillips 66 contract. Missed the \$890,750 budget by (\$170,000) or (19%) of which (\$125,000) was budgeted from our endemic suit sponsors.
- \$51,509 Swim-a-thon receipts missed the \$375,000 annual budget by (\$323,491) due to the organization discontinuing the royalty payment requirement for clubs as a relief effort during the pandemic.
- (\$25,298) operating deficit exceeded the breakeven \$0 annual budget (approved pre-COVID) but finished better than the November 2020 projected deficit of (\$75,571) by \$50,273.
- \$18,242,539 investments decreased (\$1,339,676) for the year due to net endowment contributions, distributions (including the (\$3,000,000) total distribution for Club Relief grants as summarized below), and a +14.05% investment gain for the year.
- \$3,000,880 Club Relief grants awarded to member clubs via an application and review process within our two rounds of pandemic-related relief efforts. This Board approved initiative was funded from the organization's invested portfolio.
- \$822,649 National Team grants including \$588,750 from endowments, \$150,000 from Sponsors (Phillips 66 and Toyota) and \$83,899 from donors. Missed the \$900,000 budget by \$77,351 or 8.6%.
- \$313,842 Make A Splash/Learn to Swim grants missed the \$378,655 annual budget by \$64,813 or 17%.

EXECUTIVE SUMMARY

Operating Surplus:

The 2020 operating deficit was (\$25,298) compared to the breakeven budget of \$0 and a November deficit projection of (\$75,571). The following were the primary contributors to the annual operating deficit compared to budget:

Unrestricted Operating Revenue (better than budget by \$1,803,033 or 43%):

- Endowment distributions were greater than budget by \$2,973,750 (\$3M distributed for Club Relief grants).
- Swim-a-thon receipts were less than budget by (\$323,491) or (86%).
- Major Gifts/Grants were less than budget by (\$304,271) or (34%).
- Annual campaign was less than budget by (\$228,641) or (33%).
- Sponsorship revenue missed budget by (\$170,000) or (19%).

Unrestricted Operating Expense (greater than budget by (\$1,828,331) or (44%)):

- Supporting expenses were less than budget by \$717,172 or 43%.
- Program expenses were greater than budget by (\$2,545,503) primarily given the \$3M in Club Relief grants.

Revenue:

Total unrestricted operating revenue totaled \$5,978,843 for the year, surpassing the budget by \$1,803,033 or 43%.

\$1,204,337 of total fundraising included \$732,978 of major gifts/grants and \$471,359 annual campaign. Totals trailed both budget and prior year results.

Sponsorship revenue continued to be a major funding source at \$720,750 for the year, but missed budget by (\$170,000) primarily due to the USA Swimming deals Arena, Speedo, and TYR who had budgeted Foundation components, but required 2020 contract amendments. Additionally, the Goldfish sponsorship required contract amendments in 2020.

Endowment distributions totaled \$3,738,750 for the year and included the scheduled and budgeted transactions from the organization's funds and donor endowments, but also included the \$3,000,000 in Club Relief grants as a Board approved pandemic relief initiative.

Expense:

Total expenses of \$6,004,141 were over budget by (\$1,828,331) or (44%). Total expense breakout was 84.4% program and 15.6% supporting expenses. Club Relief grants of \$3,000,880 comprised the largest budget to actual expense variance as it was unbudgeted with the pre-pandemic approved budget. The club grants provided relief due

to adjusted club operations, accessibility, or opportunity during 2020 with the global pandemic.

USA Swimming staff payroll allocation (net \$0 to Foundation) was lower than 2019 by \$56,968.

Endowments:

The endowment/fund portfolios decreased (\$1,339,676) year-over-year to \$18,242,539. Additions included scheduled and contracted contributions from donor endowment holders and the +14.05% investment gain. Reductions were distributions of (\$3,738,750) which includes the (\$3,000,000) of Club Relief grants.

Net Assets:

Total net assets decreased (\$1,584,725) year-over-year primarily attributed to the net investment decrease of (\$1,339,676) and operating deficit of (\$25,298).

Revenue and Endowment Charts (Page 1)

- \$732,978 major gifts / grants
 - \$702,000 restricted (primarily new donor athlete partnerships, learn to swim partnerships, athlete wellness initiatives, and trustee commitment).
 - \$30,978 unrestricted (primarily organizational grants and fundraising).
- \$471,359 annual campaign including \$300,442 Champions Club.
- \$720,750 sponsor support including \$653,250 from Phillips 66.
- \$18,242,539 Funds & Endowments:
 - USA Swimming \$5,772,244
 - Athlete \$5,112,169
 - Gould/Dirks \$5,783,216
 - National Team Travel & Training (unclaimed FINA) \$736,205
 - Other Athlete Donors \$838,705

Balance Sheet (Page 2)

- \$2,385,689 – Cash and cash equivalents increased \$903,853 for the year.
- \$18,242,539 – Investments decreased (\$1,339,676). Additions included scheduled and contracted contributions from donor endowment holders and the +14.05% investment gain. Reductions were distributions of (\$3,738,750) which includes the (\$3,000,000) of Club Relief grants.
- \$12,823,292 – Unrestricted net assets decreased (\$2,105,370) for the year.
- \$21,340,727 – Total net assets decreased (\$1,584,725) for the year.

Income Statements – Pages 3, 4 and 5

Surplus (Deficit):

- (\$25,298) operating deficit – worse than 2020 breakeven budget.
- (\$1,584,725) total net deficit – worse than 2020 budget.

Revenue:

- \$471,359 annual campaign.
- \$732,978 major gifts / grants – \$702,000 restricted and \$30,978 unrestricted.
- \$304,000 trustee receipts from previous years and new pledges.
- \$3,738,750 endowment distributions.
- \$720,750 sponsorship.
- \$51,509 Swim-a-thon receipts.
- \$392,446 USA Swimming staff allocation (net \$0 to Foundation).

- \$26,299 unrestricted investment and other income – mainly interest on short-term security investments.

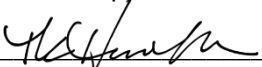
Expenses (Page 6 additional detail):

- \$934,812 supporting expenses – less than 2019 by \$516,933.
- \$5,069,329 program expenses – greater than 2019 by (\$2,094,903).
 - \$3,000,880 Club Relief grants – unbudgeted, Board approved for pandemic relief to member clubs.
 - \$822,649 National Team athlete support – less than 2019 by \$191,101.
 - \$313,842 Make A Splash/Learn to Swim grants – less than 2019 by \$294,713.
 - \$60,000 Community Swim Team grants – unbudgeted, new initiative in 2020 to grow in subsequent years.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.5: Asset Protection**
DA: April 28, 2021

I hereby present the monitoring report on the Management Parameters Policy 3.5 “Asset Protection” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended April 15, 2021.

Signed , President & CEO

BROADEST PROVISION: “The CEO will not cause or allow USA Swimming’s assets to be unprotected, inadequately maintained or unnecessarily risked.”

CEO’S INTERPRETATION: (No change since last report)

It is my obligation to ensure that our organization’s intellectual property, financial assets, facilities, equipment, and other assets are protected in a manner that ensures our ongoing viability and reputation. I interpret “unprotected” to mean assets being easily subject to theft or misuse. I interpret “inadequately maintained” to mean assets, including both physical and intellectual property, not receiving recommended or standard upkeep. And I interpret “unnecessarily risked” to mean assets that are jeopardized in ways that, upon reasonable review and issue identification, can be prudently mitigated.

It is my interpretation that this Broad policy statement is comprehensively defined by the subsequent provisions, each of which are interpreted and reported on below.

POLICY PROVISION 1: “The CEO will not allow USA Swimming to be without sufficient insurance coverage, including (A) casualty losses and properly losses to at least replacement value; (B) liability losses to Board members, staff and the organization itself in an amount equal to or greater than the average for comparable organizations; (C) employee theft and dishonesty; and (D) cyber-security.”

CEO’S INTERPRETATION: (No change since last report)

The property and casualty expectation is explicit, but I interpret it as meaning that we have some leeway in determining what our deductible should be, with discretion based upon the best value for insurance premiums paid. As to liability insurance, I interpret this to require that we be insured in an amount at least equal to the average of comparably large NGBs. I interpret the provision on employee theft and dishonesty as requiring coverage that meets or exceeds the risks given the levels of access to cash and giving us the option of carrying such a rider on our theft and casualty policy, or to protect our interests by purchasing a fidelity bond on all employees having access to our cash and bank accounts. I also interpret this policy to mean that we must maintain cyber liability insurance coverage and implement best practices to protect our digital files, website, email, and other digital assets.

REPORT:

1A:

Regarding property and casualty losses, coverage for our building is carried by the USOPC. They survey the building value on a periodic basis to maintain proper limits of liability. Our responsibility is to cover replacement of our physical assets (furnishings, computers, media, merchandise, etc.). As of December 31, 2020, the replacement cost of these assets was estimated at \$2,084,748. The valuation was conveyed to Risk Management, and our insurance policy appropriately covers said assets. We also carry \$1,000,000 extra

expense coverage for relocation of our office due to a casualty loss. Our current property/inland marine insurance policy provides coverage for full replacement value.

I therefore report **COMPLIANCE**.

1B:

As to determination of the amount of D&O/Management Liability coverage required by this policy, our former Senior Director, Risk Management, Steve Levine, corresponded with his counterparts at the USOPC and other large NGBs. The USOPC requires NGBs to have a minimum of \$1M. Based on recent assessments, the amount of coverage for other larger NGBs ranges from \$1 Million to \$10 Million, with an average of \$5 Million. Our current coverage amount is \$10 million.

I therefore report **COMPLIANCE**.

1C:

As to employee theft and dishonesty, we have coverage of \$1,000,000 per incident, which includes coverage for the CEO and CFO. These coverage levels have been in place since 2000 and have been assessed annually by Risk Management and Finance.

I therefore report **COMPLIANCE**.

1D:

Our cyber liability policy addresses technology solutions liability, media and intellectual property liability, network security and privacy liability, business interruption, increased operational costs, cyber extortion insurance, and media and IP liability. Given overall scope of cyber-liability concerns, and new CRM, Aggregate Limits were increased from \$1 million to \$3 million in 2018. In 2021, USA Swimming's Risk Management team renewed its cyber liability policy with Coalition and Markel, whose cyber insurance offers, at no extra cost, breach monitoring and other tools to identify potential system vulnerabilities and increased coverage from \$3 million to \$5 million.

I therefore report **COMPLIANCE**.

POLICY PROVISION 2: "The CEO will not subject USA-S' facilities and equipment to improper wear and tear or insufficient maintenance."

CEO'S INTERPRETATION: (No change since last report)

Our facilities and equipment must be maintained in a manner that protects their longevity and long-term value. Capitalized equipment is to be maintained according to manufacturers' specifications and the opinions of vetted experts.

REPORT:

Our office equipment is routinely maintained, updated, and replaced if necessary, in accordance with a regular maintenance schedule for all capitalized equipment. All major equipment (copiers, computers, etc.) is covered under extended warranties or service agreements. With the office renovation, including new furnishings, completed last summer, there are no deferred maintenance issues or liabilities. The Dirks Building exterior is maintained, per the lease, by the USOPC.

I therefore report **COMPLIANCE**.

POLICY PROVISION 3: "The CEO will not operate without employing risk management practices to minimize exposure of the organization, the Board, staff or their agents to claims of liability."

CEO'S INTERPRETATION: (No change since last report)

Recognizing that any organization is subject to litigation, efforts must be made to minimize our vulnerability to liability claims, whether they be due to personnel issues, programs, services, access to/use of our facilities, and especially athlete safety, which as the last year has demonstrated, will remain an utmost priority.

REPORT:

Our status as a large NGB, and especially our reach with hundreds of thousands of young athletes, puts risk management at the forefront of our work, operationally and programmatically. Our Risk Management division is also augmented by our Operational Risk Committee and professional advisors who consistently focus on identifying areas in which we can minimize risk/liability exposure. USA Swimming provides participant accident insurance of \$25,000 for excess accident medical expenses of our athletes and primary sports accident coverage of \$25,000 for elite athletes. With respect to COVID-19, Risk Management worked with its insurance carrier to offer an accommodation relative to online training offered by clubs, subject to coaches monitoring the training directly through a streaming mechanism (e.g., Zoom).

I therefore report **COMPLIANCE**.

POLICY PROVISION 4: "The CEO will not allow procurements without reasonable protection against conflicts of interest."

CEO'S INTERPRETATION: (No change since last report)

Staff are to be aware of and use clearly delineated purchase requisition procedures and understand that conflict of interest situations are to be identified and either avoided or resolved by non-conflicted parties in a transparent manner. Definitions of related-party transactions are to be included in the Employee Handbook, as are procedures to ensure avoidance or resolution of conflicts of interest. We are to avoid anything the auditor would consider to be a related-party transaction, such as buying products/services from companies with which a staff/Board member has a close association/relationship, unless there has been an open process through which multiple quotes have been solicited.

REPORT:

The USA Swimming Employee Handbook, last revised in January 2021, has an extensive section, entitled "Ethical Behavior and Conflict of Interest," that explicitly addresses definitions and examples of conflicts of interest, procedures to avoid them, and how violations will be addressed. All employees annually sign a statement affirming that they have received, read, understand, and commit to comply with the policy. All staff involved in purchasing are thoroughly aware and trained in these.

There are a number of parties with whom we do business which are "related-parties," but in all cases the process was an open selection, per Board policy, with no disclosure of privileged information. The USA Swimming Foundation and the USOPC are the organization's two largest "related-parties." The annual audit references both of these "related-parties" and concludes appropriate interaction and reporting

I therefore report **COMPLIANCE**.

POLICY PROVISION 5: "The CEO will not allow a purchase of any material amount without having compared prices and quality."

CEO'S INTERPRETATION: (No change since last report)

All purchases over \$50,000 of commonly available items must be comparative shopped through at least two reputable and approved vendors. Price and quality should be taken into account. I interpret this provision to exclude "sole source" vendors that provide products or services recognized as otherwise not commonly available. I interpret this provision to mean that it is my duty to ensure that all staff who have authority for making purchases are aware of these purchase requirements.

REPORT:

USA Swimming will employ sound business practices when purchasing goods and services to reduce costs and avoid conflicts of interest. The USA Swimming Accounting Policies and Procedures Manual, last revised in December 2020, has an extensive section entitled "Purchasing" that explicitly addresses the purchase requisition, bid processes, and outlines the authorization and approval guidelines. In practice, we comparison shop for nearly all purchases above \$5,000 and include appropriate approval signatures and supporting documentation attached to all applicable transactions.

I therefore report **COMPLIANCE**.

POLICY PROVISION 6: "The CEO will not allow USAS' intellectual property, information, resources and files to be exposed to loss, improper access, misuse or significant damage."

CEO'S INTERPRETATION: (No change since last report)

Steps must be taken to ensure that our files and intellectual property are protected against theft, loss, damage, or disclosure to inappropriate parties. I interpret "intellectual property, information, resources and files" to be proprietary programs, processes, or services for which our organization holds a trademark, trade name, service mark, or registered logo, and all digital files, emails, websites, and social media accounts held in our name.

REPORT:

All computer systems are protected by an in-depth security strategy that includes next-generation firewalls, web application firewalls, endpoint security, and a backup system to keep electronic data protected. Network systems are actively monitored for security events and incidents (24/7/365), as well as for common vulnerabilities and exposures. Our staff members are required to use complex passwords and use two-factor authorization where applicable. Computer systems are updated with security patches within 30 days of publishing. Security settings and software on mobile devices and computers are configured to protect against remote access and ensure security can be maintained in the case of employee termination. Hardcopy information and files are kept in locked, fire-safe filing cabinets.

We previously reported concerns regarding misuse due to lack of consistency in the terms of agreement between USA-S and LSCs. In response to the Board's policy 3.10 (LSC Reporting Requirements), a "cohesive national organizational structure," including a license for the use of the USA Swimming name, insignia logo and brand, was established, with new LSC Affiliation Agreements executed with all 59 LSCs in 2020.

I therefore report **COMPLIANCE**.

POLICY PROVISION 7: "The CEO will not operate without adhering to a Records Retention Schedule, approved by the Secretary & General Counsel, for the maintenance of documents and records."

CEO'S INTERPRETATION (No change since last report)

I interpret this policy to mean that we must maintain and adhere to a written policy/schedule for the retention, protection, and discard of all sensitive records.

REPORT:

USA Swimming currently employs a multifaced approach to the maintenance of documents and records that accounts for (i) financial records; (ii) records subject to pending litigation; and (iii) business records containing personal identifying information. USA Swimming also maintains an information technology system that maintains a copy of all digital records indefinitely. Nonetheless, in connection with the online member registration component of the Keeping Athletes First initiative, which will result in USA Swimming collecting and maintain additional personally identifiable information, USA Swimming is currently working with outside counsel and industry experts to maintain and enhance current schedules and practices to better position the organization in this space.

I therefore report **COMPLIANCE**.

POLICY PROVISION 8: "The CEO will not operate without internal controls over receipts and disbursements, and to prevent dissipation of assets, sufficient to meet the Board-appointed auditor's standards (as set forth in the auditor's Management Letter and/or other communications)."

CEO'S INTERPRETATION: (No change since last report)

Internal controls recommendations brought forth by our auditing firm, Waugh & Goodwin, LLP, whether in a Management Letter (if provided) or in other correspondence, are to be implemented. If staff disagrees with any of the suggestions, the decision not to implement, or to adopt alternative recommendations, is to be made by the Board.

REPORT:

Our last audit, dated April 21, 2020, reported on our financial position as of December 31, 2019. The applicable Management Representation Letter for the 2019 audit was not accompanied by any Management Letter recommendations for changes to our internal controls processes/systems. The auditor has not separately conveyed any concerns or recommendations.

I therefore report **COMPLIANCE**.

POLICY PROVISION 9: "The CEO will not compromise the independence and transparency of the Board's relationships with auditors or other providers of governance support. Such entities may not be engaged by the CEO unless explicitly Board authorized."

CEO'S INTERPRETATION: (No change since last report)

This policy requires that the Board has the basis for confidence in the independence of its auditors and advisers, and that any of those entities are not also benefiting from undisclosed business dealings with the CEO or staff. If, as CEO, I wish to engage a party already retained by the Board for any operational purpose, such engagement must first be explicitly authorized by the Board.

REPORT:

We have not retained the auditor for operational purposes during the past year. In 2020, we extended our contract with Bill Charney for continued governance support for the Board, and for support to me and the Strategy Team related to Board issues and other special projects (e.g., Foundation Board restructuring). This continuation was allocated for in 2019-2021 budgets, and Board Chair, Bob Vincent, authorized extending our Agreement (through 2021) with Bill.

I therefore report **COMPLIANCE**.

POLICY PROVISION 10: “The CEO will not invest operating capital or reserve funds in a manner inconsistent with the Investment Policy.”

CEO’S INTERPRETATION: (No change since last report)

I interpret “operating capital” to mean the Short-Term Operating Account, which, per the Investment Policy, is operating funds that could reasonably be expected to be spent over the next 3-12 months, management of which is assigned to the Chief Financial Officer.

REPORT:

We adhere to and comply with USA Swimming’s Investment Policy Statement, last revised in June 2020, for all our investing practices (short-term and long-term). Other than our business operating and savings accounts at Wells Fargo Bank and First Western Trust Bank (FDIC insured), at which we keep an average balance of 30 days of operating cash, all other operating funds are invested in market-rate interest bearing investment vehicles (Commercial Paper, Money Market Funds, US Treasuries, Agency Discount Notes, Corporate Bonds) also through Wells Fargo and First Western Trust. Board designated reserves and all restricted funds are invested as directed by the Board through its Investment Committee.

I therefore report **COMPLIANCE**.

POLICY PROVISION 11: “The CEO will not endanger USA-S’ public image or credibility.”

CEO’S INTERPRETATION: (No change since last report)

I interpret this provision as emphasizing the importance of protecting the organization’s name and reputation as its most vital asset. In addition to commonly accepted ethical business practices, all employees, particularly in management, must recognize that their actions and public behaviors affect public perception of USA Swimming. Any such behaviors that bear negatively on those perceptions are to be addressed and mitigated.

REPORT:

As emphasized by End 1.4 (Recognition as Best In Class NGB), elevating and protecting our reputation is integral to all aspects of our sustainable success. Whether through courtesies and friendliness exhibited in member/customer service, the building of collaborative relationships with business partners and other entities/NGBs, or our steadfast commitment to leadership in Safe Sport, our Strategy Team and other staff leaders are building a culture of excellence and accountability for performance.

I am proud that, to our knowledge, there have been no situations brought to our attention in which the CEO and/or staff’s public presentations or demeanor have been alleged to be less than professional.

I therefore report **COMPLIANCE**.

POLICY PROVISION 12: “The CEO will not substantially alter the organization’s corporate identity.”

CEO'S INTERPRETATION: (No change since last report)

I interpret this policy to mean that it is not within my latitude to change our name or make any material changes to our corporate identity or well-earned "brand" image. If I am contemplating any such changes, I must first notify the Board, and I must receive Board input in the form of policy parameters or expectations for such an action.

REPORT:

No such changes have been made.

I therefore report **COMPLIANCE**.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.8: Emergency Management Succession**
DA: 4/28/2021

I hereby present my monitoring report on Management Parameters Policy 3.8 “Emergency Management Succession,” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the annual reporting period through this date.

Signed , President & CEO

BROADEST POLICY PROVISION: “The CEO will not operate without management succession planning processes to facilitate smooth and competent operation of the organization during key personnel transitions.”

CEO’S INTERPRETATION: (No change since previous report)

For purposes of this policy, “key personnel” is interpreted to include the four Business Unit leaders (see below).

“Management succession planning processes” are interpreted as those that ensure personnel support and documentation is in place to preserve continuity of the responsibilities and key functions if and when any of these positions becomes vacant (either planned or unplanned). This capability is to guide and lead the respective business units, and to support and communicate with other staff and the CEO, with ability to maintain regular operations without material disruption if we experience departure or unavailability of a key staff member.

REPORT:

The CEO is primarily supported by four executives. These include:

Mike Unger, Chief Operating Officer
Lucinda McRoberts, Chief Administrative Officer
Eric Skufca, Chief Financial Officer
Shana Ferguson, Chief Commercial Officer

Along with Belle McLemore, Managing Director, Communications; Lindsay Mintenko, Managing Director, National Team; Joel Shinofield, Managing Director, Sport Development; and Paula D’Amico, Executive Assistant, these nine individuals make up the Strategy Team. Each Strategy Team member is supported by directors and managers who can work independently and function in a supporting role to their business unit executive. In the instance of sudden unavailability of an executive, the circumstances will dictate whether the workload would be temporarily assigned to/shared by other executives/business units and/or directors/managers in their respective divisions.

As to CAO, CFO, and CCO, their business units have reasonable short-term capabilities in-house, and/or we can leverage outside support with relative ease. Notably, with the departure of the Senior Director,

Risk Management earlier this year, the organization's Risk Management responsibilities are now being successfully managed among the CFO, CAO, and Sport Development division.

Similarly, when the Sport Development team was disproportionately impacted by employees utilizing the Voluntary Separation Program last Summer, the institutional knowledge and skillsets already present on staff allowed these vacant roles and responsibilities to be filled, while an updated Sport Development Division was mapped.

Finally, the previously identified susceptibility of an unanticipated departure of Mike Unger as COO has been addressed via the continued growth of Joel Shinofield and Lindsay Mintenko and their respective teams, as well as my increased engagement on the international stage.

The Strategy Team has remained consistent over the past year, and though repeatedly tested by the challenges presented by COVID-19, we have continued to grow and evolve the programs and services we offer our membership. With stability and succession planning in place at the Strategy Team level, our focus has now shifted to developing greater bench strength at the Director level.

I therefore report **COMPLIANCE**.

POLICY PROVISION 1: "The CEO will not have fewer than two (2) other members of the management team sufficiently familiar with Board and CEO issues and processes to enable either take over with reasonable proficiency as an interim successor."

CEO's INTERPRETATION: (No change since previous report)

I interpret this as meaning I am to ensure that at least two senior executives (i.e., Strategy Team members) have the capability of filling in as an interim CEO, as may be designated by the Board of Directors, if I become unavailable. This capability is to lead the operational organization and support and communicate with the Board with ability to fulfill the Board's expectations of the CEO (i.e., the Ends and Management Parameters policies) on an interim basis.

REPORT:

Mike Unger, COO is already designated in our Bylaws as Interim CEO and can (and has) ably served in that role.

Our CAO and General Counsel, Lucinda McRoberts, is also capable of filling in on an interim basis in the event of my unavailability. Lucinda has been with USA Swimming for nine years (the first three as outside counsel and the last six in-house) and serves as an ex-officio Board member.

Operationally, the entire Strategy Team works closely together, is looped in on other Board communications, and shares my commitment to assure its fulfillment.

I therefore report **COMPLIANCE**.

Working Group Legislative Proposals (2021)

Board of Directors Working Group Proposal 1

Location: Bylaws page 5: 4.2

Purpose: To provide for 33.3% athlete representation on the Board of Directors, including USA Swimming's USOPC AAC representative and alternate, in compliance with federal law and the USOPC Bylaws.

Effective Date: September 25, 2021

4.1 GENERAL MEMBERSHIP —The Board of Directors shall have fifteen (15) voting members. The President/CEO and Secretary/General Counsel shall be ex-officio members with no vote.

4.2 VOTING BOARD MEMBERS shall be as listed herein; ~~a minimum of one individual from each zone's geographic area shall be maintained among the members who are elected by the House of Delegates;~~ a minimum of three coaches shall be maintained, ~~inclusive of the Chair of the National Team Steering Committee.~~

.1 The Immediate Past Board Chair shall be a voting member.

.2 The Chair of the National Team Steering Committee shall be a voting member.

.3 Five 10 Year Athlete representatives shall be voting members and shall be directly elected by athletes who meet the same standards as 10 Year Athletes. The five 10 Year Athlete representatives shall be: The USOPC AAC representative, the USOPC AAC alternate, and three at-large 10 Year Athlete representatives. Three "athlete representatives (as defined in the then current USOPC Bylaws) directly elected by athletes who meet the same standards as an "athlete representative" shall be voting members.

.4 ~~Nine~~ Seven individuals elected by the House of Delegates in accordance with 6.3 (Elections) shall be at-large voting members, at least two of whom shall be semi-independent (i.e., prior to election on the Board, have not been members of a House of Delegates at the national level, but who at present or in the past, have/had an obvious connection to swimming as swimmers, parents of a swimmer, coaches, officials, etc.). A minimum of one individual from each zone's geographic area shall be maintained among the members who are elected by the House of Delegates. NOTE: If the Immediate Past Board Chair was originally elected by the House of Delegates as an at-large voting member, he or she may be included as one of the individuals on the Board to fulfill the semi-independent requirement and/or as one of the individuals on the Board to fulfill the zone geographic area requirement.

.5 One individual directly representing the interests of all organizations that are members of USA Swimming pursuant to 2.3 and which conduct a national program or regular national athletic competition on a level of proficiency appropriate for the selection of swimmers to represent the United States in international swimming competition ("Allied Member Director") shall be a voting member. The Board of Directors shall determine whether an organization satisfies the criteria of this Article. If there is no Allied Member Director, there will be an additional individual elected by the House of Delegates in accordance with 6.3 (Elections), who shall be an at-large voting member.

Board of Directors Working Group Proposal 2

Location: Rulebook page 15: Glossary

Purpose: To define terms used in governance legislative proposals.

Effective Date: Immediately

ACTIVELY ENGAGED ATHLETE REPRESENTATIVE – an athlete who qualifies as a 10 Year or 10 Year+ Athlete representative, or who has been actively engaged in 24 months prior to election/selection in an NGB-sanctioned competition (as defined by the NGB AAC and approved by the NGB Athlete Representation Working Group (as defined in the USOPC Bylaws)), which may include events that categorize entrants in age-restricted classifications.

DELEGATION EVENT – individually or collectively as applicable, the Olympic Games, the Olympic Winter Games, the Paralympic Games, the Paralympic Winter Games, the Pan American Games, and the Parapan Am Games.

SEMI-INDEPENDENT – an individual who (prior to the election to the Board of Directors) has not been a member of a House of Delegates at the national level, but who at present or in the past, has/had an obvious connection to swimming as a swimmer, parent of a swimmer, coach, official, etc.

10 YEAR ATHLETE – an athlete who has represented the United States in a Delegation Event, World Championships, or another event designated by the USOPC (together with the USOPC AAC) and the relevant NGB (together with that NGB's athlete advisory council) as an elite-level event for purposes of this definition, within the previous 10 years.

10 YEAR+ ATHLETE – an athlete who has represented the United States in a Delegation Event, World Championships, or another event designated by the USOPC (together with the USOPC AAC) and the relevant NGB (together with that NGB's athlete advisory council) as an elite-level event for purposes of this definition, but not within the previous 10 years.

Committee Working Group Proposal 1

Location: Rulebook page 103: 501.1.1

Purpose: To update the composition and athlete representative requirements of the Rules & Regulations Committee to reflect its status as a Designated Committee and to provide for 1/3 athlete representatives

Effective Date: September 25, 2021

501.1 OPERATING COMMITTEES – the following committees shall report to the President/CEO (or his/her designee):

.1 RULES & REGULATIONS COMMITTEE

A The Rules & Regulations Committee shall consist of the following:

- (1) The Officials Committee Chair (or designee) and, ~~the Director of Sport – Swimming and Diving of the National Federation of State High School Associations (NFHS) (or his/her designee), the Program & Events Committee Coordinator, the immediate past Chair of the Rules & Regulations Committee, the USA Swimming representative to the FINA Open Water Swimming Technical Committee, and the USA Swimming representative to the FINA Technical Swimming Committee, or their representatives;~~
- (2) ~~A sufficient number of active athletes appointed by the Athletes' Executive Committee so as to constitute at least twenty percent (20%) of the voting membership of the Committee; Three (3) Actively Engaged Athlete Representatives appointed by the Athletes' Executive Committee;~~
- ~~(3) A representative (or his/her designee) from the NCAA and a representative (or his/her designee) from the YMCA;~~
- (4) Eight (8) non-athlete members appointed by the President/CEO (or his/her designee), at least three (3) of whom shall be coaches; and
- (5) Seven 10 Year Athlete representatives appointed by the Athletes Advisory Council.
- (6) The immediate past chair of the Rules & Regulations Committee, the USA Swimming representative to the FINA Open Water Swimming Committee, the USA Swimming representative to the FINA Technical Swimming Committee, and one (1) representative (or designee) from each of the following: the NCAA, the YMCA, and the National Federation of State High School Associations (NFHS), as ex-officio members with voice but no vote.
- (7) The President/CEO and the Secretary & General Counsel of the Corporation, or their respective designees, and others appointed by the Rules & Regulations Committee Chair, as ex-officio members with voice but no vote.

Committee Working Group Proposal 2

Location: Rulebook page 104: 501.1.2

Purpose: To update the composition and athlete representative requirements of the National Team Steering Committee to reflect its status as a Designated Committee and to provide for 1/3 athlete representatives

Effective Date: September 25, 2021

501.1 OPERATING COMMITTEES – the following committees shall report to the President/CEO (or his/her designee):

.2 NATIONAL TEAM STEERING COMMITTEE

A Membership: The National Team Steering Committee shall consist of:

(1) Eight (8) coaches selected as follows;

Preceding Head Men's Olympic Coach (1)

Preceding Head Women's Olympic Coach (1)

The Head Women's Coach for the two (2) Long Course World Championships preceding the Olympic Games (2)

The Head Men's Coach for the two (2) Long Course World Championships preceding the Olympic Games (2)

Two coaches appointed by the President/CEO (or his/her designee) in consultation with the National Team Managing Director (2)

Any vacancies on the committee shall be filled by appointment by the President/ CEO (or his/her designee) in consultation with the National Team Managing Director.

(2) The Chair of the committee shall be elected by its voting members.

(3) Once the new Head Olympic Coaches are named, they shall become ex-officio members of the National Team Steering Committee, if not already on the Committee with voice and vote.

(4) A sufficient number of 10 Year Athlete representatives appointed by the Athletes Advisory Council so as to satisfy the requirement that such athletes constitute one third (33.3%) of the voting membership of the Committee ~~Two (2) athletes (different genders) appointed by the Athletes' Executive Committee, both former USA National Team members; and~~

(5) The Chair of the Senior Development Committee, and the Chair of the Sports Medicine Committee shall be ex-officio members of the Committee with voice but no vote. The Committee may name additional ex-officio members.

Committee Working Group Proposal 3

Location: Rulebook pages 104-105: 501.1.3

Purpose: To update the composition of the Senior Development Committee to provide for 1/3 athlete representatives

Effective Date: September 25, 2021

501.1 OPERATING COMMITTEES – the following committees shall report to the President/CEO (or his/her designee):

.3 SENIOR DEVELOPMENT COMMITTEE

A The Senior Development Committee shall consist of ~~ten (10)~~ twelve (12) members. The President/CEO (or his/her designee) shall appoint eight (8) members, at least five (5) of whom shall be coaches, and the Athletes' ~~Executive Committee~~ Advisory Council shall appoint (in consultation with the AEC) two (2) four (4) athlete members. The Age Group Development Committee Chair (or his/her designee) shall be an ex-officio member with voice but no vote.

Committee Working Group Proposal 4

Location: Rulebook pages 105: 501.1.4

Purpose: To update the composition of the Age Group Development Committee to provide for 1/3 athlete representatives

Effective Date: September 25, 2021

501.1 OPERATING COMMITTEES – the following committees shall report to the President/CEO (or his/her designee):

.4 AGE GROUP DEVELOPMENT COMMITTEE

A The Age Group Development Committee shall consist of ~~ten (10)~~ twelve (12) members. The President/CEO (or his/her designee) shall appoint eight (8) members, with at least one (1) representative from each Zone and at least five (5) coach members. The Athletes' ~~Executive Committee~~ Advisory Council (in consultation with the AEC) shall appoint ~~two (2)~~ four (4) athlete members. The Senior Development Committee Chair (or his/her designee) shall be an ex-officio member with voice but no vote.

Committee Working Group Proposal 5

Location: Rulebook page 105: 501.1.5

Purpose: To provide for a USA Swimming Athlete Advisory Council

Effective Date: Immediately

501.1 OPERATING COMMITTEES – the following committees shall report to the President/CEO (or his/her designee):

.5 ATHLETES ADVISORY COUNCIL

A The Athletes Advisory Council (AAC) shall consist of nine (9) voting members who meet the requirements of 10 Year Athlete representatives directly elected by athletes who meet the same standards as 10 Year Athletes. The voting members may include: The USOPC AAC representative, the USOPC AAC alternate, and at least seven at-large 10 Year Athlete representatives.

B The Chair of the Committee shall be elected by its voting members.

C The Athletes Executive Committee (AEC) Chair shall serve as an ex-officio member with voice but no vote. Up to two additional Actively Engaged Athlete Representatives may be appointed by the AAC Chair, in consultation with the AEC Chair, as non-voting members.

D Each Committee member shall serve a two (2) year term, staggered so that one-half (1/2) of such members are elected each year. There shall be no term limits, but Committee members must be eligible to serve pursuant to the USOPC Bylaws at the time of election.

E The AAC shall be responsible for: (i) reviewing the programs and services offered by the USA Swimming National Team division; (ii) evaluating and proposing rules and regulations that directly affect the National Team Athletes; (iii) addressing the specific needs of the National Team Athletes in preparation for major international events; (iv) evaluating and developing projects and conducting long term plans in all areas concerning National Team Athletes; (v) reporting to the members of the National Team Steering Committee and Open Water Steering Subcommittee any issues that warrant attention from those groups; and (vi) and fulfilling its duties set forth in the USOPC Bylaws, including: selecting athlete representatives to serve on committees and defining sanctioned competition for purposes of athlete representative eligibility.

Committee Working Group Proposal 6

Location: Rulebook page 105: 501.1.6

Purpose: To memorialize the existing Selection Procedure Approval Committee

Effective Date: Immediately

501.1 OPERATING COMMITTEES – the following committees shall report to the President/CEO (or his/her designee):

.6 SELECTION PROCEDURE APPROVAL COMMITTEE

A The Selection Procedure Approval Committee shall consist of the following: (i) the USA Swimming President and CEO; (ii) the USA Swimming National Team Managing Director; and (iii) the USA Swimming Athlete Advisory Committee Chair, or their respective designee(s).

B The Selection Procedure Approval Committee shall develop, approve, and implement selection criteria for the selection of athletes, coaches and/or staff for Delegation Event teams and Protected Competition (as defined in the USOPC Bylaws).

House of Delegates Working Group Proposal 1

Location: Bylaws pages 13-14: 6.1

Purpose: To update the composition and athlete representation requirements of the House of Delegates to comply with USOPC requirements.

Effective Date: Immediately

6.1 ORGANIZATION –

.1 All voting members of the Board of Directors, all Zone Directors (four (4) coach, four (4) non-coach, and four (4) athlete), the four (4) Zone Junior Athlete Representatives, the National Team Steering Committee, the National Team Athletes Committee, and the Rules & Regulations Committee Chair, the Registration/Membership Committee, the Credentials/Elections Committee, and past USA Swimming Presidents or Board Chairs (as applicable) shall be members of the House of Delegates. Membership on any committee notwithstanding, USA Swimming employees shall not be members of the House of Delegates. The total delegates named pursuant to 6.1.1 shall not exceed thirty-two (32).

.2 The Age Group Development Committee Chair and one (1) additional coach member of the Age Group Development Committee elected by the Committee and the Senior Development Committee Chair and one (1) additional coach member of the Senior Development Committee elected by the Committee shall be members of the House of Delegates. The total delegates named pursuant to 6.1.2 shall not exceed four (4).

.3 The eleven (11) members of the Athletes' Executive Committee and ten (10) National Representatives, five (5) being appointed each year by the Athletes Chair and each serving a two (2) year term, shall be members of the House of Delegates. Eight (8) additional LSC Athlete Representatives, with two (2) selected by each Zone Athlete Director with advice and consent from the Coach and Non-Coach Zone Director, shall be members of the House of Delegates. The total delegates named pursuant to 6.1.3 shall not exceed nineteen (19). The National Representatives and their alternates must at the time of their appointment be engaged in senior swimming, or have competed in USA Swimming Championships within five (5) years preceding their appointment. The Board Chair may appoint, from a slate of nominees submitted by the Athletes Committee, such further at large athlete members so as to bring the total athlete representation in the House of Delegates to at least twenty percent (20%).

.4 Each LSC shall annually appoint three (3) members to the House of Delegates. The following from each LSC shall be members: the General Chair, a coach member of the LSC Board of Directors selected by the LSC, and an additional non-coach member of the LSC Board of Directors selected by the LSC. An alternate for each of the delegates may also be selected. The total delegates named pursuant to 6.1.4 shall not exceed 177. The following from each LSC shall be members of the USA Swimming House of Delegates: the chair of its Administrative, Senior, and Age Group divisions; the athletes' representative to the LSC; the coaches' representative to the LSC; and its General Chair. An alternate for each of the delegates may also be elected. Information that may be of assistance to the House of Delegates at its next meeting shall be provided in a conspicuous place on the website.

.5 The eighteen (18) LSCs with the greatest number of athlete members shall each select one (1) additional coach member of the LSC to be a member of the House of Delegates. The total delegates named pursuant to 6.1.5 shall not exceed 18.

.6 A sufficient number of 10 Year Athlete representatives and 10 Year+ Athlete representatives to constitute one-third (33.3%) of the total House of Delegates shall be directly elected by athletes who meet the same standard as 10 Year Athletes, inclusive of the five athlete representatives on the Board of Directors. A minimum of twenty percent (20%) must be 10 Year Athlete representatives and up to the remainder may be 10 Year+ Athlete representatives. The total

~~delegates named pursuant to 6.1.6 shall not exceed 125. Any organization, as set forth in 2.3.2 of these Bylaws, which conducts a program in competitive swimming, or which is composed of persons joined together in support of swimming or some aspect of it, may make application for membership to USA Swimming. The Board of Directors or its designee shall determine whether an organization meets the criteria set forth in this Article and may recommend ratification of membership by the House of Delegates. Additionally, if the organization is national in character, the Board of Directors or its designee may recommend to the House of Delegates that the organization be allowed to appoint a maximum of five (5) members to the House of Delegates.~~

~~.6 Each of the Armed Forces may appoint one (1) member, provided it is actively engaged in senior swimming activity.~~

~~.77 The Board Chair, in consultation with the National Team Steering Chair, shall appoint, on an annual basis, twenty-five (25) fifteen (15) members selected from coaches who had athletes that qualified for the preceding Olympic Trials and from members that served as the manager or assistant manager on a national team or junior national team trip within the past four (4) years. The appointments shall provide for a reasonable geographic representation of USA Swimming Membership. The total delegates named pursuant to 6.1.7 shall not exceed fifteen (15).~~

~~.86 The Board Chair shall be empowered to appoint up to twenty additional ten percent (10%) of the total membership as members of the House of Delegates. The total delegates appointed pursuant to 6.1.7 shall not exceed twenty (20).~~

~~One fourth (1/4) of all those appointed shall be appointed in equal numbers from members, other than athletes, of the five (5) LSCs having the largest number of registered athletes as of August 31 of the prior calendar year.~~



TO: Board of Directors
FROM: Tim Hinchey III
COPY: Staff & Selected Others
DATE: April 30, 2021
SUBJECT: General Update

Dear USA Swimming Board of Directors,

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

Membership Affairs

Diversity, Equity and Inclusion (DEI) and Community Impact

USA Swimming announced the hire of Leland Brown, III, its first Program Director, Diversity, Equity and Inclusion. Leland will focus his efforts on DEI strategic membership initiatives and will serve as the staff leader for the DEI Committee, the DEI Council and Team BLAC. The DEI Council continues to meet quarterly and has created the following subcommittees: Policy and Rule Reform; Influence & Engagement; Education; Events & Recognition; and Accessibility & Outreach. In advance of the next meeting, subcommittees are meeting with USA Swimming staff to develop areas of focus and action items. Team BLAC is also launching Illuminating Lanes, a mentorship program for athletes from an underrepresented community and/or an ethnically underrepresented population defined as less than 10% of the current USA Swimming membership.

USA Swimming launched its Community Impact Grants programs. These grants provide our clubs \$5,000 annually for three years to create opportunities at facilities in communities that do not currently have competitive swimming programs. To date, we have partnered with 12 clubs around the country for our first round of funding in 2021. We have received funds to expand the program in 2022 to Boston and New Jersey. Additionally, we are in discussions with programs in California, North Carolina, and Milwaukee. Our goal is to secure funding for 150 programs by 2028.

USA Swimming announced in April that \$509,913 has been awarded to 68 learn-to-swim programs across 27 states as part of the USA Swimming Foundation's Learn to Swim Grant opportunity. These grants will support programs offering free or reduced-cost swim lessons, providing an estimated 13,800 children with the opportunity to learn how to swim. A total of 243 applications were received and vetted by a Grant Review Committee, with a total ask of \$7.7M to serve approximately 96,000 children.

Safe Sport

Safe Sport staff continues to move forward with the goal of every member club achieving Safe Sport Club Recognition. In April, USA Swimming released incentives to encourage LSC's to take a leadership position in encouraging clubs within the LSC's geographic territory to achieve Safe Sport Club Recognition. LSCs with a percentage of clubs within its territory achieving recognition by specific dates will receive both a cash incentive and a promotional code for Match Up Promotions. LSCs are encouraged to utilize the money for programs which directly benefit athletes. Additionally, each club which achieves Safe Sport Club Recognition will receive a USA Swimming Safe Sport branded pop-up changing tent. Clubs will receive an additional tent upon renewing its Safe Sport Club Recognition in subsequent years.

USA Swimming also hosted its fourth Safe Sport Leadership Conference on April 20, 2021. The over 200 registrants included USA Swimming staff, member clubs, LSCs, other National Governing Bodies, the U.S. Center for SafeSport, the United States Olympic and Paralympic Committee and other professions. Sessions were presented by Dr. Bruce Perry, Megan Bartlett, Dr. Chris Renjilian and Cassandra Willson and focused on Adverse Childhood Experiences, resilience training and suicide prevention.

2021 Zone Workshop

Over 450 participants are registered for the 2021 Zone Workshops scheduled for April 30-May 1, 2021. Additionally, over 100 registrants are expected to attend pre-Zone Workshop committee meetings. This year's Zone Workshop will highlight the Board of Directors Governance Committee working group proposed legislation, DEI and Safe Sport updates as well as a coach education platform demonstration.

Team Services, Coach and Athlete Development

Coach Education

Starting in March 2020, the staff began its National Committee tour to socialize the Coach Education program among key constituent membership groups. The staff has presented to the Age Group Development, Senior Development, Steering, LSC Development, LSC Leaders and Club Development committees. As mentioned above, the staff will present an hour-long session at the Zone Workshop to further provide more information about the program to LSC leaders. USA Swimming will continue to provide regular membership updates on the Coach Education program leading up to the Fall 2022 launch of the platform.

There are currently three Head Coach Focus Groups occurring in April 2021 to help develop the Head Coach Certification curriculum. The next focus group is the Continuing Education Unit Focus Group planned for mid-May 2021.

USA Swimming has contracted with GoSwim for all live-action video shooting. The first shoot began in April 2021 in Arizona with additional videos planned for May 2021 with coach Jimmy Ellis and the Philadelphia Department of Recreation (PDR).

American Development Model

USA Swimming has continued its focus on the America Development Model (ADM), introduced in 2020. A new mobile-friendly website landing page was launched, and an educational campaign was included in the monthly Coaching Connection newsletter. Each month the newsletter focused on one of the “4 Cs” of ADM: Connection, Competence, Character and Confidence to educate coaches and team leaders on long-term athlete development.

The staff continues to embed ADM into all Sport Development Division membership touch points, including the National Age Group Summit, Team Service quarterly coaches calls, Swimposium curriculum, and Coach Education curriculum with the goal of fostering an environment where the ADM is embedded all that we do not just as a stand-alone resource document.

Programs

While many programs continue as virtual offerings, USA Swimming is excited to announce the return of in-person camps and programming. The staff has engaged Jon Mann to capitalize on his experiential learning expertise. Mr. Mann will assist Sport Development on the audit, restructure, and implementation of multiple in-person programs such as the formally known Regional Coaches Clinics and Leadership programs.

Coaches Clinics will be offered prior to and during major swim competitions (e.g., Futures, Speedo Junior Nationals, TYR Pro Swim Series, Phillips 66 Nationals) to establish an “event activation” approach to these educational offerings.

National Select Camp and National Diversity Select Camps are planned for October 2021 at the Olympic and Paralympic Training Center in Chula Vista, California, as well as additional camps planned for January 2022 to offset the cancellation of the 2020 camps.

The fourth edition of the Women’s Leadership Workshop Series will take place in November 2021 in Black Forest, Colorado. This offering will be a culmination of the three previous virtual offerings that participants have engaged in throughout 2021.

USA Swimming very much looks forward to expanding in-person engagement opportunities in 2022, while also offering virtual opportunities for increased reach to the membership.

Committee Updates

The Operational Risk Committee recommended extending required safety trainings for non-athlete members through July 1, 2021, for current members with certifications expiring after March 1, 2020. Additionally, the Operational Risk Committee published a revised list of approved providers for the required safety trainings for non-athlete members. This revision was published after a six-month review by the committee to ensure the approved vendors either issue certificates for the American Red Cross or American Heart Association or are deemed to be the equivalent trainings by those entities.

Membership Affairs is working with LSC Registrars to implement the above and the changes have been communicated to priority groups individually, in addition to including the information in newsletters and on the website.

The Club Development Committee has formed two working groups. One working group is auditing the current Club Recognition Program through four new focused areas: Business Competency, Community Integration, Staff Development, Membership Education. The second working group is creating a strategic communication and implementation plan to ensure the new Club Recognition Program is properly utilized by clubs. This expected launch date of the new Club Recognition Program is in January 2022.

The LSC Development Committee along with the DEI Committee and Athletes Executive Committee is sponsoring a legislative amendment to require the LSC DEI Chair to be a voting position on the LSC Board of Directors.

The DEI Committee has been working in close collaboration with National Disability Committee. The chairs of each respective committee are conferring and plan to lead at least one meeting of the other committee in 2021. Reducing the size of the committee has proven to be successful in leading to more focused work.

Technology and Data Analytics

Digital Transformation

USA Swimming's organization-wide digital transformation initiative continues the work begun in 2020. The digital transformation includes a full re-architecture and design of the SWIMS database in addition to the development of a modern application in the cloud. It also includes the re-design and development of all other legacy software applications like Online Meet Entry (OME), Club Portal, LSC Portal, and the Club Recognition Program.

The transformation began with a six-week requirements-gathering effort and has progressed into the largest software project ever at USA Swimming. For the first time in USA Swimming history, we are managing this project as an Agile software development effort with two-week sprint development cycles followed by full demos. The Software team is wrapping up Sprint 7 and will work on user permissions and Security during Sprint 8.

The team has developed most of the Membership, Online Member Registration (OMR), and Club functionality at a much quicker pace than expected. The team is working diligently on Meets, Times, and Online Club Registration for the next couple of sprint cycles before moving on to additional legacy software applications like the Club Recognition Program and Club Excellence.

Overall, the digital transformation has increased in scope and importance. Most Keeping Athletes First Initiatives as well as other initiatives like the CRM project rely on the success of the digital transformation. As the project continues, the team continues to focus on two main goals to ensure this is a worthwhile investment: 1) the simplification of complex business rules and 2) ensure we are collecting data directly from the source to improve data quality.

Membership

Wholistically, membership registrations and revenue have exceeded baseline projections heading into the 2021 Membership season. On the surface, 25% decrease in membership compared to 2019 is better than expected with over 2,500 registered clubs.

When drilling in a little deeper, 12&Under Membership numbers continue to be a growth opportunity area. The 12&Under membership is down 37% compared to 2019 while 13&Over is down 13%. The 12&Under membership has not grown year-over-year since 2013, and that lack of growth is now being exacerbated by the pandemic.

Continued Focus and Growth Opportunities

Our biggest challenge going forward is ensuring every person who wants to participate in our sport has that opportunity. The Sport Development staff will continue to focus on strategic initiatives in the areas of coach, athlete, and club membership as we emerge from the effects of COVID-19. Specifically, in assisting clubs in becoming operational after COVID-19-related shutdowns. The staff continues to monitor local and state legislation targeted to transgender athlete participation and will communicate its inclusion policies to support local clubs and LSCs challenged by these potential legislative acts.

The data and technology staff continue to manage the “legacy” IT infrastructure, while focusing on building out the new systems. Technology and operations changes will be monitored and managed for effective communication and launch.

The staff is working to increase capacity and resources to accomplish its goals through the expected pause on some project-based items due to staffing the U.S. Olympic Team Trials – Swimming and the Olympic Games. We are excited to onboard and transition new staff and staff functions in order to continue to serve the membership and accomplish organizational goals.

COMMERCIAL

Olympic Trials Support

The Commercial Team is a support agency to Technical Events, National Team, and Sport Development in the conduct of the Olympic Trials. Outside of the competition pool, the Commercial Team conducts television productions, media and public relations, consumer activations and retail sales, and donor and partner hospitality. This year’s event will naturally look and feel much different than previous Trials events, but we still have hundreds of media, donors, consumers, and alumni athletes to host. We will also be offering a new and unique program called Faces in the Crowd, for fans to “come to Trials” by placing cardboard cutouts of themselves or their loved ones in the empty seats, while donating to the USA Swimming Foundation.

Supporters Club

On April 19 we launched the USA Swimming Supporters Club in a joint effort between USA Swimming, the USA Swimming Foundation and U.S. Masters Swimming, with all Club fees directed to the USA Swimming Foundation. The campaign focuses on swimming as a lifelong sport and hopes to illustrate that while individual reasons may vary, we all #LoveThisSport. While the Supporters Club will be a multi-year effort, early results are very promising, with 85% of Supporters Club sign-ups coming from those that have never previously donated to the Foundation. Supporters Club members will drive additional value as part of our promotional email database and as Foundation leads for other donation solicitations. We will continue promoting the Supporters Club throughout the summer/fall with particular attention around Olympic Trials.

Business Intelligence

CRM (Customer Relationship Management) System

While the CRM team continues to work through individual platform efficiencies, the launch of the Supporters Club illustrates the value our new interconnected data architecture can provide. Our CRM system is processing and tracking all sign ups to the Club, while segmenting funds into a specific campaign for our Accounting team. Backend automations automatically distribute redemption codes in confirmation emails once the CRM system adds a new member to the Club, and our email marketing system is tracking responses to email promotions to follow up with non-responders. While there are certainly other applications for the CRM system, the Supporters Club is a great early example of how it can add value and functionality to organizational campaigns.

Partnerships

It has been a wonderfully wild quarter for the Partnerships team, as we have signed new deals with Fanatics, Hyperice and the United States Air Force. Fanatics, a world-renowned eCommerce platform, becomes the Official Fan Shop of USA Swimming. Together with a stable of licensees, Fanatics is charged with producing and selling USA Swimming product direct-to-consumer online beginning on or around May 31 at www.fanshop.usaswimming.org. As the Official Performance & Recovery Technology Supplier of USA Swimming, Hyperice has supplied our nation's best swimmers with recovery products and is outfitting a recovery room at One Olympic Plaza for athletes to utilize upon their exit from the training pool. As the Official Armed Service of USA Swimming, the U.S. Air Force will bring its commitment to recruiting excellence to swimming events throughout the country.

Communications

In the spring, we welcomed Will Brethauer as a new contracted in-house producer and videographer. He will assist us through the summer to create visual content to excite our fans for Olympic Trials and the Games.

Will's work from the TYR Pro Swim Series at San Antonio can be viewed below:

- https://www.instagram.com/p/CMCm96Gntdw/?utm_source=ig_web_copy_link
- https://www.instagram.com/p/CMGICO3nzhA/?utm_source=ig_web_copy_link
- <https://fb.watch/4ZwBZUMeEi/>

Splash Magazine

For the first time ever, in June, we will engage fans at home by providing them with an official Olympic Trials Program as this year's premium printed issue of Splash Magazine. The 72-page Splash magazine will be sent to nearly 180,000 homes.

Social Media

We recently renewed our agreement with Tagboard, USA Swimming's social media aggregator company. Tagboard is used at events and on our website to showcase USA Swimming and fan social media posts around a given topic or hashtag. We will utilize this in 2021 in the Trials venue to stimulate in-venue conversation and engagement across our social platforms.

Facebook has recently rolled out a new feature that allows businesses such as USA Swimming to monetize video content by allowing ads to play on our videos. We started utilizing and testing this feature in February 2021 and hope to continue an upward trend this summer, capitalizing on Trials and the Games, as we start utilizing original video content.

Athlete Partnership Agreement (APA)

Fifty-five professional athletes committed to the Athlete Partnership program in 2021. The athletes have 112 appearances to fulfill to meet their 2021 APA obligations. Of those appearances, 55 opportunities will support USA Swimming and USA Swimming Foundation programs and initiatives.

To date, 51 appearances have been completed through virtual opportunities with USA Swimming clubs, elementary & middle schools, military families and digital content to support USA Swimming programs.

Make a Splash Integrated Marketing Campaign

In early May, we launched the Make a Splash Virtual Tour presented by Phillips 66, a second integrated marketing campaign to create general public awareness of the critical need for learn to swim opportunities year-round. The campaign kicked off with a Facebook live event featuring Olympians Nathan Adrian and Cullen Jones talking candidly about the importance of learning to swim, why they are teaching their kids to swim and allaying parent nerves about getting their kids into swimming lessons during COVID-19. The campaign will target guardians/parents/grandparents of children ages 0-10 in the following markets: Philadelphia, Boston, Berkley/Rodeo, CA, Albuquerque, Omaha, and Denver.

USA SWIMMING FOUNDATION DEVELOPMENT

The Foundation Development group continues to seek new fundraising opportunities, to include the Supporters Club, Faces in the Crowd, and emerging joint efforts with U.S. Masters Swimming.

As of April 21, 2021, the Foundation has raised \$665,474.

- Major Gifts & Grants total \$561,248 (*Q1 2020 \$330,703*)
 - Annual Campaign total \$81,729 (*Q1 2020 \$77,445*)
 - Adult Learn-to-swim total \$16,639
 - Swim-a-Thon total \$5,858 (*2019 total \$358,711*)
 - For 2020 and 2021 the 5% fee has been waived

The USA Swimming Foundation is now delivering an impact across all levels of swimming. Whether it is children learning to swim, or member clubs creating opportunities through outreach, growth & diversification, or national team athletes are pursuing their dreams, or teaching adults to swim, the Foundation will look to support all these areas in 2021.

BUSINESS AFFAIRS

Risk Management

The Risk Management division has been processing coverage renewals over the past few months with many coverages renewed to date and others in the preparation stage to be renewed later this year.

Commercial Property, Crime (both USA Swimming and LSCs), Participant Accident, Foreign General Liability, Elite Athlete Health Insurance, Workers' Compensation, Cyber/Media Liability Tech Errors & Omissions, and Event Medical policies have all recently been placed with either the same premiums as prior year or premiums within our budgeted projections.

Coverages currently being prepared, or those that have required renewals in the near term, include Directors & Officers, LSC Directors & Officers, Business Travel Accident, Employed Lawyers, and Event Cancellation. We anticipate year-over-year premium increases in Directors & Officers and Business Travel Accident coverages given the marketplace and increased travel.

Finally, Risk Management has started conversations with our brokers and carriers for next year's General Liability and Sexual Abuse and Molestation coverage and continues to liaise with insurers on all pending claims and litigation.

Human Resources

USA Swimming continues to follow COVID-19 safety guidelines in accordance with local, state, and federal safety guidelines. Employees are working in the office two days per week, and the Human Resources division, in conjunction with the IT team, have worked to ensure safety guidelines and social distancing to allow more staff access to the office as capacity restrictions lighten in El Paso County.

2020 end-of-year performance reviews have been completed and Human Resources is now focused on developing and documenting the latest version of HR policies and procedures.

Personnel conversations continue to take place as USA Swimming seeks to do more with less. Three employees from the first round of furloughs have been permanently laid off, and one employee returned to USA Swimming in a revised role within our Commercial team. Three additional employees were furloughed, and one employee terminated. Currently furloughed employees will remain furloughed until May 2021, when final decisions will be made regarding next steps. USA Swimming is currently actively recruiting for the following positions:

- Manager, Program Operations
- Intern, Data Analytics
- Intern, Sport Development

USA Swimming is proud to announce three new additions to the team:

- Leland Brown III – Program Director, DEI
- Nick Gold – Coordinator, Development
- Michelle Steinfeld – General Counsel

Information Technology

Collaboration continues in several areas in support of the Keeping Athletes First and Digital Transformation initiatives.

IT is focused on wireframe reviews, which are design tools used to validate that USA Swimming's business logic matches the design of the new applications. Additionally, efforts have commenced in developing strategies and testing for securing member data that will be stored in the SWIMS 3.0 environment, including a recent Data Mapping project, which emphasizes best practices around Personally Identifiable Information (PII) and data encryption.

Planning has started to establish governance, compliance and security policies for any assets deployed within USA Swimming's Microsoft Azure Tenant. Baseline security and compliance policies, auditing policies, and a roadmap for remediation that aligns with the timing of the deployment of the SWIMS 3.0 applications will be products of this effort.

IT, IT Development, and Finance are working together with third parties to select a new online payment card processor and gateway vendor for e-commerce at USA Swimming. The goal is to select a toolset that will streamline and consolidate online processing activities, address the current areas for improvement that the Finance and IT Development teams encounter with our current processing tools, and to reduce fees charged to USA Swimming. Initial proposals are in review.

The IT Security team completed an internal analysis of the findings from the aforementioned Data Mapping project by Faegre Drinker. With assistance from other key staff, this analysis will be used to develop a roadmap to remediate critical findings, and to develop policies and procedures regarding the handling of sensitive data throughout the organization moving forward. Tactically, IT Security has begun

the deployment of CrowdStrike Falcon, the new endpoint protection product for USA Swimming assets. The team expects full deployment prior to the Olympic Trials.

Additional Initiatives

Over the past few months, Kiki Laino, Director of Business Affairs, has been largely focused on the Governance Committee effort, supporting the Committee, as well as the three Working Groups in their work. This has included creating supplementary resources and materials, doing research, drafting communications, reviewing legislation, and generally coordinating efforts. Furthermore, Kiki has completed the Operating Policy Manual, which is now ready to be posted to the USA Swimming website. Additionally, Kiki now leads the Government Advocacy Committee on the Aquatics Coalition.

FINANCE

2020 Audits

The auditors from Waugh & Goodwin have completed their audit fieldwork and are preparing reports. Once drafts are available, the Audit Committee will review all reports with the CFO and audit partner and said reports will be distributed.

Additionally, and similar to prior year, Plante Moran, out of their Denver, CO office, is completing our external audit of the 401(k) Plan. We anticipate fieldwork in June and July with the Plan audit report issued in early fall.

Quarter-End Close Process

The Finance business unit is in the process of closing our books for both entities for the first quarter of calendar year 2021. This includes, but is not limited to, ensuring all 2021 balance sheet accounts and transactions are correctly recorded such as cash and cash equivalents, accounts receivable, prepaid expenditures, fixed assets and related depreciation, investment accounts, accounts payable, accrued expenses, net asset accounts, among others. All accounts will be fully reconciled, and all applicable quarter-end journal entries will be made to ensure our general ledger and internal financial statements are final at quarter end.

2021 Projections and 2022 Budgets

Final 2021 Budgets for both entities were presented and approved at the November 2020 Board meetings. As we progress through 2021, Finance will begin thorough 2021 projection forecasts as well as 2022 (and 2022-2024 “quad”) budget preparation and finalization primarily during the late summer – early fall months ahead of the fall 2021 Board meeting where budgets will be presented and approved.

Form 990s

Shortly after our audit/tax firm Waugh & Goodwin completes the 2020 financial statement audits, they will work with Finance on preparation and completion of both the USA Swimming and USA Swimming Foundation Tax Return Form 990s. We expect returns will be finalized, reviewed, and issued well in

advance of the November 15, 2021 annual deadline. Note as we close the books and finalize the audit each year, we concurrently prepare schedules to be used in preparation of our tax returns which helps to expedite the process.

Travel Department Update

Given staffing adjustments in 2020, we continue to work directly with our contracted travel agency, Shorts Travel Management, via their remote headquarters as opposed to the full-time agent in our office. Our contract with Shorts currently terms October 31, 2021. We plan to get through Trials and the Olympics and then discuss next steps as far as future travel management to ensure all needs are effectively met in 2021 and beyond.