

# USA Swimming Board of Directors Meeting Minutes

April 22, 2022 / Denver, CO – USA Swimming Workshop

## 1 **CALL TO ORDER**

2 Chris Brearton, Board Chair, called the April 22, 2022 Board of Directors meeting to order  
3 at 8:35 a.m. Mountain Time with the following members in attendance:  
4

## 5 **PRESENT**

6 Maya Andrews (virtual), Chris Brearton, Kenneth Chung, Tony Ervin (virtual), Kathy Fish,  
7 Bruce Gemmell (virtual), Jennifer Gibson, Natalie Hall, Clark Hammond, Tim Hinchey, Ira  
8 Klein, Katie Meili (virtual), Kathleen Prindle, Bill Schalz, Michelle Steinfeld, Ashley Twichell  
9 (virtual), Bob Vincent.  
10

## 11 **GUESTS**

12 Tim Bauer, Anne Berry, Bill Charney, Mike Dilli, Ryan Gibbons, Ken Hayashida, Mark Jones,  
13 Derek Paul, Matthew Rigsby, Dave Smith, Tom Ugast.  
14

## 15 **STAFF**

16 Chloe Adkins, Paula D'Amico, Shana Ferguson, Abigail Howard, Lucinda McRoberts, Lindsay  
17 Mintenko, Eric Skufca, Joel Shinofield.  
18

## 19 **BOARD CHAIR'S WELCOME**

20 Mr. Brearton spoke about the challenges the organization has recently faced and how this  
21 meeting will be more proactive with the future of the sport top of mind through mitigating  
22 risks and forward thinking.  
23

## 24 **RULES OF ENGAGEMENT**

25 Mr. Brearton provided an overview of the Rules of Engagement (Attachment 1).  
26

## 27 **SAFE SPORT MOMENT**

28 Joel Shinofield, Managing Director of Sport Development, reported that USA Swimming's  
29 Safe Sport Department is hiring two coordinator positions so the entire department can be  
30 more strategic in its approach to assisting and educating membership regarding Safe Sport  
31 issues. Mr. Shinofield also encouraged the Board to join upcoming Safe Sport trainings.  
32

33 Abby Howard, Senior Director of Legal & Membership Affairs, briefly described the U.S.  
34 Center for SafeSport's (intake, resolution, reporting and communication processes).  
35

## 36 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

37 *"Is any member aware of any conflict of interest (that is, of a personal interest or direct or*



indirect pecuniary interest) in any matter being considered by this meeting, which should now be reported or disclosed or addressed under the USA Swimming Conflict of Interest Policy?"

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

## MINUTES

**MOTION:** To approve the February 11, 2022 Board of Directors meeting minutes (Attachment 2). Seconded. **APPROVED.**

## BOARD PROCESS

### POLICY 4.4 AMENDMENT TO THE BOARD GOVERNING POLICIES MANUAL

Michelle Steinfeld, Secretary & General Counsel, presented the following proposed changes to the Board Governing Policies Manual: (1) ensuring that Policy 4.4 accurately reflects the semi-annual presentation of Policy 3.6, Financial Planning and Budgeting, and (2) moving the presentation of Policy 3.4 to the Board Meeting at the Annual Business Meeting.

Eric Skufca, Chief Financial Officer, remarked that during the reporting of Monitoring Report 3.4, Financial Condition and Activities, the Board approves an external auditor and explained the need to shift from the spring Board meeting to the Board meeting occurring during the Annual Business Meeting to give the organization appropriate time to review its external auditor and plan for each subsequent year.

**MOTION:** To amend Policy 4.4 of the Board Governing Policies Manual as outlined in Attachment 3, effective immediately. Seconded. **APPROVED.**

### BYLAW 2.6 AMENDMENT

Mrs. Howard presented the changes to Bylaw 2.6 which consolidate and formalize the requirements of those individuals who are required to be non-athlete members of USA Swimming into one place.

**MOTION:** To amend Bylaw 2.6 as outlined in Attachment 4, effective immediately. Seconded. **APPROVED.**

### BYLAWS 5.1.2 AND 5.5.1 AMENDMENTS

Ms. Steinfeld explained the proposed changes which would allow members of the National Board of Review (NBOR) to serve five consecutive term limits with the intent to retain institutional knowledge for NBOR panelists.



The Board discussed adding clarity to Bylaw 5.1.2(F) by including language that NBOR members serve two (2) year terms.

**MOTION:** *To amend Bylaws 5.1.2(F) and 5.5.1 as orally modified by Board discussion, effective immediately (Attachment 4). Seconded. APPROVED.*

### **NBOR RULEBOOK PROPOSALS DISCUSSION**

Ms. Steinfeld presented proposed legislation to modify Article 4 of the Rulebook regarding NBOR procedures, including one proposal which would solidify Board-approved changes to the Ethics Committee's jurisdiction, as well as a few housekeeping items. Ms. Steinfeld also explained a second alternative proposal which would move certain portions of Article 4 to USA Swimming's NBOR Procedures document within its Operating Policy Manual (Attachments 5 - 6). Ms. Steinfeld noted that the rationale for moving these sections of Article 4 was because they are already encompassed in the NBOR Procedures document and because these articles are procedural in nature, as opposed to containing actual rules that would belong in the Rulebook.

Mrs. Howard explained that the NBOR Procedures document offers a comprehensive overview of the NBOR process within the Operating Policies Manual, specifically for those involved in the process.

Derek Paul, Chair of the Rules & Regulations Committee, added his support for the proposal to move portions of Article 4, noting the ease of access to the information the change would allow.

The Board discussed the benefits of moving the procedural portions of Article 4 and agreed that a cross reference should be available in the Article 4 so that members are easily directed to the Grievance Policy on the USA Swimming Website.

**MOTION:** *To submit the legislative proposal regarding Article 4 of the USA Swimming Rulebook to the Rules & Regulations Committee for consideration by the May 15, 2022 deadline, as outlined in Attachment 6. Seconded. APPROVED.*

### **FOUNDATION UPDATE**

Lucinda McRoberts, Chief Administrative Officer and Executive Director of the USA Swimming Foundation, introduced Anne Berry, Vice Chair of the Foundation Board of Directors. Ms. Berry reported that nearly \$900,000 in grants were awarded to learn-to-swim providers so far this year. Ms. Berry expressed special gratitude for Rowdy Gaines and the Pool & Hot Tub Alliance for their generous donation (Attachments 7 - 9).



Ms. Berry described the USA Swimming Supporters Club, which will be highlighted both at the Foundation's luncheon at the USA Swimming Annual Workshop and during the upcoming Phillips 66 International Team Trials in Greensboro, NC.

Ms. Berry commented on the successful fundraising year in 2021 and noted the 2021 surplus of \$483,000 for the Foundation.

Lastly, Ms. Berry announced that the Make-A-Splash tour presented by Phillips 66 kicks off in May with its first stop in Philadelphia, PA.

Ms. McRoberts briefly provided background on prospective Foundation Board of Directors member, Tom Luchsinger.

**MOTION:** *To elect Tom Luchsinger to the Foundation Board of Directors for a 2022-2024 term. Seconded. APPROVED.*

#### **MANAGEMENT PARAMETERS MONITORING (4.4)**

##### **POLICY 3.1 TREATMENT OF MEMBERS / CONSUMERS**

Ms. Steinfeld presented Policy 3.1, Treatment of Members/Consumers (Attachment 10).

**MOTION:** *To approve the performance monitoring report on Policy 3.1, "Treatment of Members/Consumers," 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 3.2: EXTERNAL RELATIONS**

Ms. McRoberts presented Policy 3.2, External Relations (Attachment 11).

**MOTION:** *To approve the performance monitoring report on Policy 3.2, "External Relations," 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**

Mr. Skufca reported that the 2017 – 2021 quad will end with an operating surplus of approximately \$1.86 million and that the annual external financial audit will be completed in the coming weeks.



Mr. Skufca additionally presented the current 2022 projection, as compared to the approved operating budget deficit of approximately \$2.6 million and explained the material budget to projection variances known at the time of this Board meeting. Variance examples include increased expenditures for additional domestic and international events that were not anticipated or on the calendar when the 2022 budget was presented and approved in 2021. Mr. Skufca also noted that some of the increased cost will be offset by less than expected insurance and commercial expenses. Lastly, Mr. Skufca added that Partnership Marketing revenue ended higher than projected for 2021 but is currently trending less than budgeted for 2022.

Mr. Hinchey thanked the staff for their hard work on achieving a surplus and additionally expressed gratitude towards Vice-Chair Fiscal Oversight Kenneth Chung for his contributions and expertise in finances and risk management.

Mrs. Ferguson commented on Partnership Marketing's commitment to investing in partnerships during the coming year.

Mr. Chung presented Policy 3.4, Financial Condition & Activities (Attachments 12 - 19).

**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.*

### **POLICY 3.5: ASSET PROTECTION**

Mr. Chung presented Policy 3.5, Asset Protection (Attachment 20).

**MOTION:** *To approve 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**

Ms. Steinfeld presented Policy 3.8, Emergency Management Succession (Attachment 21).

**MOTION:** *To approve 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.*



193 **MEMBERSHIP REVENUE ANALYSIS**

194 Mr. Shinofield provided both current and historical membership data, noting the deficit in  
195 12 and under membership. Mr. Shinofield additionally reported on what the organization  
196 has learned in the years since the implementation of the Flex membership category, noting  
197 that if the organization does not change the Flex membership category, the organization will  
198 continue to lose membership revenue as athlete growth will continue to be modest and just  
199 under 20% of Flex memberships are taken from Premium and Seasonal memberships. Mr.  
200 Shinofield reminded the Board that in January 2020, it had passed a motion regarding the  
201 Flex membership structure, that had been delayed multiple times due to the pandemic. He  
202 then explained a new proposal regarding membership fees and categories that could  
203 supersede the January 2020 motion.

204  
205 Mr. Shinofield proposed to change the Flex membership by making it for 12 and under  
206 athletes, increasing the fee, and shifting the administrative responsibilities to USA Swimming  
207 staff as opposed to Local Swimming Committees (LSCs).

208  
209 The Board engaged in discussion regarding the nuances of the different memberships and  
210 how the changes to Flex would affect membership as well as revenue and costs.

211  
212 Mr. Brearton asked for an accelerated analysis of how any changes to Flex membership will  
213 impact the organization.

214  
215 Mr. Shinofield additionally asked for the Board to consider putting forward a resolution to  
216 the House of Delegates regarding a fee change to Seasonal membership with the intention of  
217 beginning in the 2024 membership year.

218  
219 Ms. Steinfeld informed the Board that based on this discussion, the staff would draft a  
220 proposed Bylaw change to Flex membership, a proposed Flex membership fee change, and a  
221 proposed resolution to the House of Delegates regarding the Seasonal membership fee. Ms.  
222 Steinfeld explained that these proposals would be circulated to the Board for written  
223 approval via Action Without a Meeting and that they would formally supersede the past  
224 January 2020 motion regarding Flex membership.

225  
226 **CLOSED SESSION (2.3.6)**

227 **LITIGATION UPDATE**

228 The Board went into closed session so Ms. Steinfeld could provide a legal update.

229  
230 **USOPC UPDATE**

231 The Board remained in closed session for an update on the USOPC.



**BOARD CALENDAR**

The Board came out of closed session and Mr. Brearton presented the 2022 Board calendar.

- April 21–22: USA Swimming Annual Workshop, Denver, CO
  - April 21: Board Strategy Session
  - April 22: In-person Board Meeting
- July 26-30: Phillips 66 National Champs, Irvine, CA
  - USA Swimming Alumni Reunion
  - Foundation Trustee Council Meeting
- September 23: In-person Board Meeting @ Annual Business Meeting, Colorado Springs, CO
- November 20: In-person Board Meeting @ Golden Goggle Awards, New York City, NY

**ADJOURN**

Mr. Brearton adjourned this meeting at 12:13 p.m. Mountain Time.

Respectfully submitted:



Michelle Steinfeld, Secretary and General Counsel



Chris Brearton, Board Chair



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

April 22, 2022 / Denver, CO – USA Swimming Workshop

Attachment 1	Page 1 – Agenda: April 22, 2022
Attachment 2	Page 2 – DRAFT BOD Minutes February 11, 2021
Attachment 3	Page 2 – Policy 4.4 Changes
Attachment 4	Page 4 – April Bylaw Edits
Attachment 5	Page 3 – NBOR Legislation Version 1
Attachment 6	Page 3 – NBOR Legislation Version 2
Attachment 7	Page 3 – USA-S Foundation Financial Statement 2021
Attachment 8	Page 3 – USA-S Foundation Financial Summary 2021
Attachment 9	Page 3 – USA-S Foundation Financial Written Report
Attachment 10	Page 4 – Policy 3.1, Treatment of Members/Consumers
Attachment 11	Page 4 – Policy 3.2, External Relations
Attachment 12	Page 5 – USA-S Financial Summary Comparison 2021
Attachment 13	Page 5 – USA-S Financial Statement Report 2021
Attachment 14	Page 5 – USA-S Financial Written Report 2021
Attachment 15	Page 5 – USA-S Q1 2022 Financial Report - Preliminary
Attachment 16	Page 5 – USA-S / Foundation Investment Statements
Attachment 17	Page 5 – USA-S 2022 Budget to Projection
Attachment 18	Page 5 – USA-S Business Plan Summary 2017 - 2021
Attachment 19	Page 5 – Policy 3.4, Financial Condition & Activities
Attachment 20	Page 5 – Policy 3.5, Asset Protection
Attachment 21	Page 5 – Policy 3.8, Emergency Management Succession
Attachment 22	Staff Report to the Board





## AGENDA

USA Swimming  
Board of Directors  
April 2022 Board of Directors Meeting  
Friday, April 22, 2022, 8:30 am - 4:00 pm  
Denver, CO

### A. Welcome

1. Call to Order / Record of Attendance (2.6.2)
2. Board Chair's Welcome
3. Introductions
4. Rules of Engagement
5. Safe Sport Moment
6. Declaration of Conflict of Interest (2.5.4)
7. Approval of Board Minutes
  - a. **ACTION: Approve February 11, 2022 Meeting Minutes**

### B. Board Process

1. Policy 4.4 Amendment to the Board Governing Policies Manual
  - a. **ACTION: Approve the Amendment**
2. Bylaw 2.6 Amendment
  - a. **ACTION: Approve the Amendment**
3. Bylaws 5.1.2 and 5.5.1 Amendments
  - a. **ACTION: Approve the Amendments**
4. Discuss NBOR Rulebook Proposals

### C. Foundation Update

1. New Foundation Board Member
  - a. **ACTION: Approve Tom Luchsinger to the Foundation Board of Directors**

### D. Management Parameters Monitoring

1. 3.1 Treatment of Members / Consumers



- a. **ACTION: Approve the Report**
- 2. 3.2 External Relations
  - a. **ACTION: Approve the Report**
- 3. 3.4 Financial Conditions & Activities
  - a. **ACTION: Approve the Report**
- 4. 3.5 Asset Protection
  - a. **ACTION: Approve the Report**
- 5. 3.8 Emergency Management Succession
  - a. **ACTION: Approve the Report**
- E. Membership Revenue Analysis
- F. **Break for Workshop Sessions / Reconvene at 3:00 p.m.**
- G. Closed Session
  - 1. Litigation Update
  - 2. Executive Session
  - 3. USOPC Update
- H. Adjournment



These minutes will be officially approved by the USA Swimming Board of Directors at its April 22, 2022 meeting.

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

February 11, 2022 / Virtual Zoom Conference Call

### **CALL TO ORDER**

Chris Brearton, Board Chair, called the February 11, 2022 Board of Directors meeting to order at 9:08 a.m. Mountain Time with the following members in attendance:

### **PRESENT**

Maya Andrews, Chris Brearton, Kenneth Chung, Tony Ervin, Kathy Fish, Bruce Gemmell, Jennifer Gibson, Natalie Hall, Clark Hammond, Tim Hinchey, Ira Klein, Katie Meili, Kathleen Prindle, Bill Schalz, Michelle Steinfeld, Ashley Twichell, Bob Vincent.

### **GUESTS**

Bill Charney, Dr. Marc Christian, Mary Turner.

### **STAFF**

Leland Brown, Rebecca Chafin, Paula D'Amico, Shana Ferguson, Abigail Howard, Kiki Laino, Isabelle McLemore, Lucinda McRoberts, Lindsay Mintenko, MJ Truex, Eric Skufca, Joel Shinofield.

### **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?"*

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.

### **BOARD CHAIR'S WELCOME**

Mr. Brearton welcomed everyone to the first Board meeting of 2022, while also noting the various Board calls that took place leading up to the February 11<sup>th</sup> meeting.

### **RULES OF ENGAGEMENT**

Mr. Brearton provided an overview of the Rules of Engagement and emphasized the importance of the Board speaking with "one voice" (Attachment 1).



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### **SAFE SPORT MOMENT**

Michelle Steinfeld, Secretary & General Counsel, reported that Legal will be conducting internal quarterly audits for all employees and committee members to ensure all individuals are current USA Swimming members in good standing, including up-to-date background checks and Athlete Protection Training (APT).

Abby Howard, Senior Director of Legal & Membership Affairs, briefly described the details of the annual U.S. Center for SafeSport (USCSS) audit, to include an administrative audit as well as two on-site event audits. Mrs. Howard reported that the annual audit will review education and training, specifically corrective measures for those who have not completed or stayed up to date on requirements. Additionally, Mrs. Howard explained the USCSS's new quality control system that determines how USA Swimming can ensure that no one who has been banned or suspended or otherwise ineligible is participating in USA Swimming sanctioned, national, and controlled events.

### **MINUTES**

**MOTION:** To approve the December 6, 2021 Board of Directors meeting minutes (Attachment 2). Seconded. **APPROVED.**

### **BOARD PROCESS**

#### **PRESENTATION FROM THE NOMINATING COMMITTEE TASK FORCE**

Kathy Fish, Board Vice-Chair and Nominating Committee Task Force Chair, described the Task Force's composition and process in formulating Nominating Committee recommendations. Mrs. Fish reported that the Task Force identified needs that led to recommendations, such as conducting a Board Gap Analysis, recruiting individuals with skills that fit the strategic vision of the organization, and vetting all nominees placed on the ballot. Mrs. Fish added that the Task Force also recommended specific campaigning rules, along with violations for violating those rules. Mrs. Fish noted additional training recommendations for members of the House of Delegates (HOD) regarding their duty to elect Board members, as well as training for the Nominating Committee to ensure that they understand their responsibilities and the Board Charge.

Lastly, Mrs. Fish provided an overview of the Task Force's recommended composition of the Nominating Committee to better reflect the composition of the HOD.

**MOTION:** To amend the Bylaws to incorporate changes to the Nominating Committee and election process, as outlined in Attachment 3, effective February 11, 2022. Seconded. **APPROVED.**



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**MOTION:** To amend the Board Governing Policies Manual to incorporate changes to the Nominating Committee and election process, as outlined in Attachment 4, effective February 11, 2022. Seconded. **APPROVED.**

**MOTION:** To stagger the terms for the Nominating Committee per Bylaw 5.6.2, the Coach Advisory Council shall appoint two members in 2022, one for a term of two years and one for a term of three years, as the Coach Advisory Council may determine. Seconded. **APPROVED.**

#### **BOARD CHARGE TO THE NOMINATING COMMITTEE**

Mr. Brearton reported on the process and results of a Board Gap Analysis, including strengths and gaps of the Board. Based on the results, Mr. Brearton presented the Board Charge to the Nominating Committee with an emphasis on technology as an identified Gap.

**MOTION:** To approve the Board Charge to the Nominating Committee for the 2022 election cycle, to include the Nominating Criteria in the Board Governing Policy 2.9.2, as well as the following criteria:

- Expertise in risk management and finance;
- Expertise in application of Information Technology to similar or larger-sized organizations; and
- Broadening the Board's demographic diversity.

Seconded. **APPROVED.**

#### **AMENDMENT TO BYLAW 4.5**

Ms. Steinfeld reported on an amended process for removing Board members from the Board of Directors.

**MOTION:** To amend Bylaw 4.5 as outlined as outlined in Attachment 5, effective February 11, 2022. Seconded. **APPROVED.**

#### **NEW ALLIED MEMBER DIRECTOR ELECTION POLICY**

Ms. Steinfeld briefly described a new process and policy for adding an Allied Member to the Board of Directors.

**MOTION:** To amend Bylaw 4.2.5 as outlined in Attachment 6, effective February 11, 2022. Seconded. **APPROVED.**



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**MOTION:** To add Policy 2.11 to the Board Governing Policies Manual, as outlined in Attachment 7, effective February 11, 2022. Seconded. **APPROVED.**

#### **ETHICS COMMITTEE AUTHORITY**

Ms. Steinfeld presented the proposed changes to the Board Governing Policies Manual that memorializes the increased responsibilities that have been given to the Ethics Committee.

**MOTION:** To amend Policy 2.8.6(B) to the Board Governing Policies Manual, as outlined in Attachment 8, effective February 11, 2022. Seconded. **APPROVED.**

#### **FOUNDATION UPDATE**

Tim Hinchey, President & Chief Executive Officer, announced that the Foundation has awarded nearly \$900,000 in learn-to-swim grants, with a special “thank you” to Rowdy Gaines for his contributions. Mr. Hinchey reported that Development Director, Scott Usher, has resigned for another exciting opportunity. Mr. Hinchey noted that Lucinda McRoberts has been appointed as the Foundation’s Executive Director and she will hire a new Development Director and a Major Gifts Officer.

Eric Skufca, Chief Financial Officer, reported that 2021 financials are currently being closed out but that projected financials are trending towards a possible surplus. Mr. Skufca also remarked on higher revenue resulting from the auction at the Golden Goggle Awards, as well as the timing of the distribution of community impact grants in 2022 as opposed to 2021.

#### **ELECTION OF NEW FOUNDATION BOARD OF DIRECTORS**

Lucinda McRoberts, Chief Administrative Officer and Executive Director of the USA Swimming Foundation, presented a motion to re-elect Cecil Gordon to the Foundation Board of Directors.

**MOTION:** To approve the re-election of Cecil Gordon to the Foundation Board, effective January 1, 2022. Seconded. **APPROVED.**

#### **ENDS MONITORING**

#### **ENDS UPDATE AND KPI’S**

Ms. McRoberts explained the recent audit of the organization’s Key Performance Indicators (KPIs) that involved the entire Board, as well as a yearly three-step process in which the Board and staff will strategically determine the direction of the organization as it pertains



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to the organization's Priority Results. Ms. McRoberts presented Priority Results 1.1 – 1.4 and associated KPIs, as well as a revised Monitoring Report schedule that better corresponds with the relevance and timeliness of the material within the Monitoring reports (Attachment 9).

**MOTION:** To approve Priority Results 1.1-1.4 and associated KPIs as the organization's 2022 Strategic Plan. Seconded. **APPROVED.**

**MOTION:** To approve the updated Monitoring Report Schedule/Policy 4.4. Seconded. **APPROVED.**

### **POLICY 1.0: BROADEST - GROWTH/SUCCESS OF SWIMMING**

Ms. McRoberts presented Policy 1.0, Broadest/Growth and Success of Swimming (Attachment 10).

**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.**

### **PRIORITY RESULTS UPDATES & DISCUSSION**

#### **BUSINESS UNITS**

Mr. Hinchey presented the organization's updated business units, along with the leadership, major priorities, and projects within each unit. Mr. Hinchey briefly provided background regarding the cultivation of the business units.

Mr. Hinchey explained USA Swimming Foundation's new structure, including its staff leadership and its four pillars: (i) Fundraising; (ii) Saving Lives, Community Impact, Building Champions; (iii) Alumni Relations; (iv) and Facilities.

#### **DEI STRATEGIC PLAN**

Joel Shinofield, Managing Director of Sport Development, introduced Leland Brown, Program Director of Diversity, Equity, & Inclusion (DEI).

Mr. Brown explained his methodology in determining gaps within the organization's DEI efforts. Mr. Brown reported his findings from membership, including a need for more DEI



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engagement, education that focuses on useful technical and business components, clarity on DEI, useful DEI systems, and lastly, a need to address school aquatic needs.

Mr. Brown presented the organization's action plan called "E4," including engaging with membership through connection and collaboration, educating both internally and externally through facilitating trainings and development of educational DEI resources, empowering through expanding funding for community opportunities, and elevating the sport, culture, and individuals through recommitting to current DEI efforts along with supporting new ones.

#### **UPDATED QUAD EVENT CALENDAR**

Lindsay Mintenko, Managing Director of the National Team, reported that USA Swimming's athletes made over \$480,000 in prize money at FINA's Short Course World Championships and noted that this competition is now an Operation Gold competition, so that NCAA athletes are able to receive prize money they earned during Short Course Worlds. Additionally, Mrs. Mintenko presented the 2022 Competition Calendar, while explaining domestic competition timing based on international competitions.

#### **USA SWIMMING WORKSHOP**

Mr. Shinofield provided a brief overview of the USA Swimming Workshop to be held April 21-24, 2022 in Denver, CO.

#### **MEMBERSHIP UPDATE/REPORT**

Mr. Shinofield presented a brief membership update and reported that 2022 membership is still down (7.5%), but numbers are trending upward post-COVID pandemic.

#### **GOVERNMENT RELATIONS**

Ms. McRoberts provided an overview of the Government Relations division of the organization, including who is involved from staff, as well as involvement from the USA Swimming Foundation to Aquatics Coalition. Ms. McRoberts explained the work that the division will be doing, from mapping and tracking the policy landscape to building relationships with all levels of government, to increasing policy communication and advocacy. Ms. McRoberts also explained the "why" behind Government Relations, including proactively adapting to and influencing the policy landscape, building internal and external institutional knowledge, and having the organization become a trusted advisor to all levels of government.



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Ms. McRoberts provided examples of Government Relations at work, as well the organization's objectives, including event activation at the federal, state and international levels.

#### USA SWIMMING COACH ENGAGEMENT SURVEY

Mr. Shinofield introduced Dr. Marc Christian, Founder of IntelliSport Analytics.

Dr. Christian presented the Coach Engagement Survey that his organization conducted, including his methodology, a summary of the quantitative and qualitative data derived from the 1,467 coach members who participated, and recommendations for the organization based on the data (Attachment 11).

Mr. Shinofield reported on the continued and additional work the National Team and Sport Development are undertaking based on the findings of the survey.

#### AICEEP UPDATE

Mr. Shinofield reported on feedback regarding Policy 19.0 Athlete Inclusion, Competitive Equity, and Eligibility.

#### MANAGEMENT PARAMETERS MONITORING (4.4)

##### POLICY 3.3 TREATMENT OF EMPLOYEES AND VOLUNTEERS

Ms. Steinfeld presented Policy 3.3, Treatment of Employees and Volunteers (Attachment 12).

**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

Mr. Skufca presented Policy 3.4, Financial Condition & Activities (Attachments 13 - 16) and reiterated that 2021 financials are still being reconciled, while noting that primarily, the organization's assets have grown due to portfolio gains netted with portfolio contributions and distributions. Mr. Skufca reported that the 2021 projection is currently trending positively as compared to budget and the November 2021 projection, with a possible 2017-2021 "quad" operating surplus. Mr. Skufca remarked on two items that are finalized, including 2021 portfolio gains of 12.28%, as well as a United States Sports Insurance



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Company Sale Letter of Credit draw that did not happen in 2021 as projected, but will potentially happen in 2022.

Mr. Skufca briefly updated the Board on the material items that are still pending, including the postponed use of a Marriott property in Singapore for a National Team camp.

Kenneth Chung, Vice-Chair Fiscal Oversight, provided additional color on how the organization strategically cultivates and builds its finances.

**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.**

Mr. Skufca reported that USA Swimming's revolving line of credit is continuing to help fund the Board approved reserve investments, without taking distributions from the investment portfolio. As intended, Mr. Skufca noted that the organization is earning a higher expected rate of return on its investment portfolio than it is paying out in interest on the operating line of credit. Mr. Skufca asked the Board to extend the line of credit for two years beyond its current June 2022 maturity date.

**MOTION:** To approve the organization to renew/extend its maturing current line of credit another 2 years with the same \$3,000,000 limit with a floating interest rate to fund Board approved reserve investments. Seconded. **APPROVED.**

Mr. Chung briefly described the various areas of Risk Management beyond insurance coverage. Additionally, Mr. Chung discussed the framework and practice for the organization's Business Continuation Strategy.

### **POLICY 3.9 BOARD AWARENESS AND SUPPORT**

Ms. McRoberts presented Policy 3.9, Board Awareness and Support (Attachment 17).

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



These minutes will be officially approved by the USA Swimming Board of Directors at its April 22, 2022 meeting.

**CLOSED SESSION (2.3.6)****RISK MANAGEMENT**

The Board went into closed session so Mr. Chung could provide a risk management update.

**LITIGATION UPDATE**

The Board remained in closed session so Ms. Steinfeld could provide a legal update.

**U.S. CENTER FOR SAFESPORT**

The Board remained in closed session so Mrs. Howard could provide an update on the U.S. Center for SafeSport.

**COMMERCIAL UPDATE**

The Board remained in closed session so Shana Ferguson, Chief Commercial Officer, could provide a commercial update.

**EXECUTIVE SESSION**

The Board went to Executive Session to discuss compensation for the President & CEO; all members of the staff, including Mr. Hinchey, left the meeting.

**EXECUTIVE COMPENSATION COMMITTEE**

The Board came out of closed session to adopt the Executive Compensation Committee's recommended matrix for KPIs for Mr. Hinchey's 2022 Performance Bonus consideration.

**MOTION:** *To adopt the Executive Compensation Committee's matrix for KPIs for President & CEO, Tim Hinchey's 2022 Performance Bonus consideration. Seconded. APPROVED.*

**BOARD SETTLEMENT**

Ms. Steinfeld reported that (a) USA Swimming received a complaint alleging overt campaigning against Board members Clark Hammond and Ira Klein; (b) USA Swimming conducted an investigation of the complaint; (c) USA Swimming, Mr. Hammond, and Mr. Klein have since reached a settlement in lieu of USA Swimming pursuing the allegations with the National Board of Review (NBOR), and (d) USA Swimming will seek an order issued by the NBOR memorializing this Agreement between the parties.

**BOARD CALENDAR**

Mr. Brearton presented the 2022 Board calendar.



These minutes will be officially approved by the USA Swimming Board of Directors at its April 22, 2022 meeting.

- April 21-22: USA Swimming Workshop, Denver, CO
- April 21: Board Strategy Session
- April 22: In-person Board Meeting
- July 26-30: Social Event @ Phillips 66 National Championships, Irvine, CA
- September 23: In-person Board Meeting at the Annual Business Meeting, Colorado Springs, CO
- November 20: In-person Board Meeting at the Golden Goggle Awards, New York City, NY

**ADJOURN**

Mr. Brearton adjourned this meeting at 3:49 p.m. Mountain Time.

Respectfully submitted:

Michelle Steinfeld, Secretary and General Counsel

Chris Brearton, Board Chair



These minutes will be officially approved by the USA Swimming Board of Directors at its April 22, 2022 meeting.

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

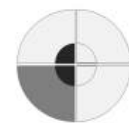
February 11, 2022 / Virtual Zoom Conference Call

Attachment 1	Page 1 – Agenda: February 11, 2022
Attachment 2	Page 2 – DRAFT BOD Minutes December 6, 2021
Attachment 3	Page 2 – Nominating Committee Bylaw Edits
Attachment 4	Page 3 – Nominating Committee BGPM Updates
Attachment 5	Page 3 – New Bylaw 4.5
Attachment 6	Page 3 – Bylaw 4.2.5 Update
Attachment 7	Page 4 – Allied Member Director Draft
Attachment 8	Page 4 – Ethics Committee Update
Attachment 9	Page 5 – USA-S Ends/KPIs
Attachment 10	Page 5 – Policy 1.0: Broadest End
Attachment 11	Page 7 – Coach Engagement Survey Executive Summary
Attachment 12	Page 7 – Policy 3.3: Treatment of Employees & Vols.
Attachment 13	Page 7 – 2021 Budget vs. 2021 Projection Summary
Attachment 14	Page 7 – Comparative Balance Sheet
Attachment 15	Page 7 – Q4 2021 Portfolio Statements
Attachment 16	Page 7 – Policy 3.4: Financial Condition & Activities
Attachment 17	Page 8 – Policy 3.9: Board Awareness & Support
Attachment 18	Staff Update to the Board



## Policy 4.4 Monitoring CEO Performance, continued

Date of adoption / Last revision: February 11, 2022



Board/Management Delegation

CEO MONITORING SCHEDULE			
POLICY	METHOD	FREQUENCY	SCHEDULE (BY END OF MONTH)
<b>Ends/Priority Results</b>			
1.0 Broadest: (Growth/Success of Swimming)	Internal	Annually	January/February
1.1 Competitive Success	Internal	Annually	Annual Business Meeting
1.2 Successful Athletes, Coaches and Clubs	Internal	Annually	November
1.3 Public Engagement with Swimming	Internal	Annually	January/February
1.4 Recognition of USA Swimming:	Internal	Annually	Annual Business Meeting
<b>Management Parameters</b>			
3.0 General Management Constraint	Internal	Annually	November
3.1 Treatment of Members/Consumers	Internal	Annually	Spring
3.2 External Relations	Internal	Annually	Spring
3.3 Treatment of Staff	Internal	Annually	January/February
3.4 Financial Condition and Activities	Internal	Quarterly	January/February Spring Annual Business Meeting November
	External	Annually	<del>Spring (Audit)</del> Annual Business Meeting
3.5 Asset Protection	Internal	Annually	Spring
3.6 Financial Planning and Budgeting	Internal	<del>Quarterly</del> <u>Se mi-Annually</u>	<del>January/February</del> <del>Spring</del> Annual Business Meeting November
3.7 Compensation and Benefits	Internal	Annually	November
3.8 Emergency Management Succession	Internal	Annually	Spring



3.9 Board Awareness and Support	Internal	Annually	January/February
3.10 LSC Reporting Requirements	Internal	Annually	Annual Business Meeting
3.11 USA Swimming Foundation Management	Internal	Annually	Annual Business Meeting

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## CORPORATE BYLAWS OF USA SWIMMING

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## CORPORATE BYLAWS OF USA SWIMMING

Please note that these Bylaws are subject to change at any time  
by the Board of Directors. The most current version can be found on the  
USA Swimming website.

All capitalized terms used but not defined herein shall have the meanings set forth in the USA Swimming Rulebook Official  
Glossary.

Last Updated: ~~February 14~~ April 22, 2022

### ARTICLE 1

#### PREAMBLE

1.1 DESCRIPTION OF ORGANIZATION — USA Swimming, Inc., a Colorado corporation, is the National Governing Body for swimming in the United States and is referred to herein as USA Swimming. USA Swimming is responsible for the conduct and administration of swimming in the United States and is affiliated with the Federation Internationale de Natation (FINA), the international federation for aquatics, through United States Aquatic Sports, Inc. (USAS). USA Swimming may only be a member of one international federation at any given time. As a member National Governing Body (NGB) of the United States Olympic & Paralympic Committee (USOPC), USA Swimming shall submit to binding arbitration conducted in accordance with the Commercial Rules of the American Arbitration Association in any controversy involving its recognition as a NGB or involving the opportunity of any athlete, coach, trainer, manager, administrator or official to participate in international competition, as provided for in the Ted Stevens Olympic & Amateur Sports Act (Act). Additionally, as a member NGB of the USOPC, USA Swimming must fulfill all responsibilities as an NGB set forth in the Act and by the USOPC.

1.2 OPEN MEETINGS — All meetings of USA Swimming, its Local Swimming Committees (LSC), divisions and committees, shall be open to all members of USA Swimming, except in those situations where by majority vote of the meeting body it would be in the best interests of USA Swimming to hold closed session (e.g., those relating to personnel or legal matters).



1.3 ELIGIBILITY — No conditions or restrictions to eligibility for participation in open competitive events may be imposed unless otherwise set forth in these Bylaws or the USA Swimming Rules and Regulations. It is the intent and purpose of USA Swimming to provide an equal opportunity to eligible athletes, coaches, trainers, managers, administrators, and officials to participate in athletic competition within its jurisdiction, without discrimination on the basis of race, color, religion, age, gender, disability, or national origin.

1.4 ROBERT'S RULES OF ORDER — At meetings of the USA Swimming House of Delegates, the current version of Robert's Rules of Order shall be the governing rules, unless suspended by the House of Delegates. At all other meetings of USA Swimming and any of its constituent bodies, boards, committees or other entities, the current version of Robert's Rules of Order may be used, where appropriate, at the discretion of the meeting chair.

## ARTICLE 2 MEMBERSHIP

2.1 REQUIREMENTS OF MEMBERSHIP — All members of the House of Delegates, Board of Directors, and any committee, sub-committee, or division of USA Swimming, appointed or elected, must hold an individual membership pursuant to the provisions of this Article, unless otherwise specified by the Board of Directors. Any person with password access to the USA Swimming database must hold an individual non-athlete membership.

2.2 CLASSES OF MEMBERSHIP — The Corporation shall have no voting members, as defined in the Colorado Revised Nonprofit Corporation Act. However, the membership of USA Swimming shall consist of the following two classes of nonvoting members, whose rights and privileges are as set forth in these Bylaws: group members, including clubs, seasonal clubs and other organizations interested in competitive swimming; and individual members, including athletes and non-athletes.

### 2.3 GROUP MEMBERSHIP

#### .1 Club Membership

A. Club membership is for a calendar year. A club applying for membership on or after September 1 will receive membership valid through December 31 of the following year.

B. An LSC may provide for a seasonal club membership for the period established by the LSC pursuant to these Bylaws. Seasonal clubs may not compete at or above the Zone Championship level.

C. An LSC shall not impose requirements for club membership in addition to those set forth in these Bylaws.

#### .2 Organizational Membership

A. The Board of Directors may establish classes of organizational membership.

B. Any organization which is interested in competitive swimming, on either the national, state, or local level, may join USA Swimming.

### 2.4 INDIVIDUAL MEMBERSHIP

.1 Any individual may join USA Swimming as a member.

.2 Athlete membership consists of five categories:

A. **Premium** (LSCs are required to offer this membership) – Membership is for a calendar year.

B. **Flex** (offered at option of LSC)– Flex memberships may be offered for the same period of time as a Premium Membership. Flex membership is for athletes 18 and under.

C. **Outreach** (LSCs are required to offer this membership) – Premium membership with specially reduced fees. Each LSC House of Delegates shall determine how athletes qualify for outreach membership.

D. **Seasonal** (offered at option of LSC) – Membership may be offered for one or two periods of not more than 150 days per period with a registration year. Seasonal membership may also be offered for an unspecified but continuous period of not more than 150 days commencing on the date of registration. Seasonal membership is not valid for competition at or above the Zone Championship level.



E. **Single Meet Open Water** (offered at option of LSC) – Membership may be offered for the specific date(s) of an open water competition(s). The swimmer must compete unattached. Single-meet membership is not valid for competition at or above the Zone Championship meet.

.3 Athlete members who register with an LSC and USA Swimming are eligible for sanctioned swimming competition. Flex members are eligible to compete in only two sanctioned competitions per registration year. Flex members may not compete at or above the LSC Championship level. An athlete member shall not be registered in more than one LSC simultaneously.

.4 Flex members who transition to the Premium athlete membership category within the same calendar year, will be able to credit the Flex athlete membership cost to the Premium athlete membership cost by paying the difference between the cost of the Flex membership and the Premium membership.

.5 Non-athlete membership consists of two classes: individual and life. Individual non-athlete members are designated as Coaches, Junior Coaches, Officials or Other.

.6 Each class of membership (except life membership, seasonal membership and single-meet open water membership) is for a calendar year period. Individuals applying for calendar year membership on or after September 1 will receive membership valid through December 31 of the following year.

.7 An LSC shall not impose requirements for Individual Membership in addition to those set forth in these Bylaws, except an LSC may require that persons other than Life Members who register as unattached members must reside within the LSC's geographical boundaries. An LSC may require proof of birth date prior to competition in age-classified events.

2.5 **CONDITIONS OF MEMBERSHIP** — As a condition of membership in any category, an individual agrees to submit to the jurisdiction of USA Swimming with respect to any violation of the Rules and Regulations or Code of Conduct of USA Swimming that occurs during a period when that individual was a member or participating in the affairs of USA Swimming, and further agrees that USA Swimming retains jurisdiction over such violations and individual even if such individual ceases to be a member of USA Swimming.

## 2.6 **PRIVILEGES AND RESPONSIBILITIES OF MEMBERSHIP**

.1 A Coach member of USA Swimming must be at least eighteen (18) years of age. Junior Coach members must be age sixteen (16) or seventeen (17).

.2 All non-athlete members of USA Swimming must have satisfactorily completed criminal background checks as required by USA Swimming. The criminal background check requirement is waived for Junior Coach members.

.3 All adult members of USA Swimming, including athletes and junior coach members, must have satisfactorily completed athlete protection education as required by the U.S. Center for SafeSport.

.4 All clubs, including seasonal clubs, shall ensure that all athletes and coaches participating in practices and USA Swimming sanctioned competition are members of USA Swimming.

~~.5 All referees, starters, administrative officials, chief judges, and stroke and turn judges must be non-athlete members of USA Swimming.~~

~~.6~~ The following individuals are required to be non-athlete members of USA Swimming:

A. Adult employees of USA Swimming, LSCs, and member clubs;

B. Adults serving on the board of directors of USA Swimming, LSCs, and member clubs;

C. Individuals in a position of oversight over the operations of a member club;

D. Adults with an ownership interest in a member club;

E. Referees, starters, administrative officials, chief judges and stroke and turn judges, meet directors; and

F. Other volunteers who interact directly and frequently with or have authority over athletes (as defined in the SafeSport Code for the Olympic and Paralympic Movement) as a regular part of their duties.

This does not apply to volunteers such as timers, meet marshals, computer operators, etc., who only have limited contact with athletes during a meet. However, any individual who is banned, currently suspended or ineligible for



membership is prohibited from serving as a timer or computer operator or otherwise being on deck at any time in connection with a USA Swimming activity.

~~.76~~ ~~Anyone who coaches swimmers at a USA Swimming practice or competition must be a Coach member or Junior Coach member.~~ All Coach and Junior Coach members of USA Swimming ~~and~~ must have satisfactorily completed safety training, criminal background checks and other coaches' education as required by USA Swimming. Junior Coach members are not required to complete a criminal background check but are subject to pre-employment screening.

~~.87~~ Junior Coach members must always be under the direct visual supervision of a registered Coach member.

~~.98~~ All clubs which register for the first time as a year-round club member shall comply with the New Club Membership Requirements established by USA Swimming.

~~.109~~ All clubs are required to comply with USA Swimming Pre-Employment Screening Procedures for New Employees for all new employees who are required to be members under these Bylaws.

.11 All clubs must have either (i) at least one member coach and a board of directors or other governing board; or (ii) at least two member coaches.

## 2.7 FEES

.1 The annual fee for each class of membership is composed of the following elements:

A. A national fee established by the Board of Directors, except those changes to fees for Club membership (including seasonal) and the Individual categories of non-athlete (Coach, Official, and Other), premium, seasonal, outreach and single meet open water must be approved by the House of Delegates; and

B. A local fee established by the LSC. The local fee for the Outreach Membership may not exceed \$2 and the local fee for the Flex Membership may not exceed \$10.

.2 An LSC may charge a fee for transfers.

2.8 **DELINQUENT DUES AND FEES** — If any member or the legal representative of any member has secured a court judgment against any other member for non-payment of financial obligations due such member in the normal and usual course of activities or business associated with membership in and of swimming, that member's membership rights may be suspended only after a hearing before the National Board of Review until the judgment is satisfied.

2.9 **TERMINATION OF MEMBERSHIP** — Membership in USA Swimming may be terminated according to the process set forth in Part Four of the USA Swimming Rules and Regulations.

## ARTICLE 3 CORPORATE OFFICERS

### 3.1 CORPORATE OFFICERS

.1 The President & CEO is the chief executive officer of USA Swimming. The President & CEO shall have all the duties incident to that office and those specifically assigned by the Board of Directors. The President & CEO shall serve at the pleasure of the Board of Directors. For international purposes, the President & CEO shall be recognized as the Secretary General of USA Swimming. The President & CEO serves as a non-voting Ex-Officio member of the Board of Directors.

.2 The Vice President is appointed by the President & CEO. The Vice President shall have all the duties incident to that office; those specifically assigned by the President & CEO; and shall perform the duties of and have the authority and exercise the power of the President & CEO when the President & CEO is absent or incapacitated. The Vice President & shall serve at the pleasure of the President & CEO.

.3 The Treasurer & CFO is the chief financial officer of USA Swimming. The Treasurer & CFO shall have all the duties incident to that office; those specifically assigned by the President & CEO; or specifically set forth in these Bylaws. The Treasurer & CFO shall serve at the pleasure of the President & CEO.

.4 The Secretary & General Counsel is the chief legal officer of USA Swimming. The Secretary & General Counsel shall have all the duties incident to that office; those specifically assigned by the President & CEO; and, in addition, shall be responsible for the legal affairs of USA Swimming under the direction of the Board of Directors and the President & CEO. The Secretary & General Counsel shall serve at the pleasure of the President & CEO. The Secretary & General Counsel serves as a non-voting Ex-Officio member of the Board of Directors.



## ARTICLE 4

### BOARD OF DIRECTORS

4.1 **GENERAL MEMBERSHIP** — The Board of Directors shall have fifteen (15) voting members. The President & CEO and Secretary & General Counsel shall be non-voting Ex-Officio members. Board members are volunteers and are not compensated for their services, but they may receive reimbursement for approved expenses reasonably incurred as part of Board duties.

4.2 **VOTING BOARD MEMBERS** shall be as listed herein; a minimum of three (3) coaches shall be maintained.

.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 (5) 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 (5) 10-Year Athlete representatives shall be: The USOPC AAC representative, the USOPC AAC alternative, and three (3) at-large 10-Year Athlete representatives.

.4 Seven (7) individuals elected by the House of Delegates in accordance with 6.3 (Elections) shall be at-large voting members, at least two (2) of whom shall be Independent. A minimum of one (1) 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, they may be included as one (1) of the individuals on the Board to fulfill the Independent requirement and/or as one (1) of the individuals on the board to fulfill the zone geographic area requirement.

.5 One (1) 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 and thus qualifies as an "Allied Member." 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. The nomination and election process for an Allied Member Director is outlined in the Board Governing Policies Manual.

4.3 **TERM OF OFFICE** — Elected Board members shall hold office for terms of four (4) years or until their successors are elected. Their term of office shall commence at the close of the annual meeting of the House of Delegates at which they are elected. Terms shall be staggered such that approximately one-fourth (1/4) of the Board members are elected annually. Each Director is eligible to be nominated for two consecutive terms. A person so elected for successive terms is eligible for re-election to the Board of Directors after the lapse of two years. Terms of less than thirty (30) months served to fill a vacancy on the Board shall not be considered in the computation of time for this purpose.

4.4 **BOARD OFFICERS** — The Board of Directors shall elect its own officers from among its voting members in odd-numbered years, except the Immediate Past Board Chair, the National Team Steering Chair, and the Allied Member Director shall not be eligible for election to an office. The Board of Directors, by a sixty percent (60%) majority vote, may call for an election of a new officer before the relevant term has expired.

.1 **Board Chair** — USA Swimming shall have a Board Chair who shall preside at all meetings of the Board; see to it that the Board fulfills its duties as prescribed by law, the Articles of Incorporation, these Bylaws, and the Board's governing policies then in effect; be the official spokesperson of the Board of Directors; and perform such other duties as the Board may from time to time prescribe.

.2 **Board Vice-Chair** — The Board Vice-Chair shall perform such duties as set forth in these Bylaws or as may be assigned by the Board of Directors and shall perform the duties of the Board Chair in the event of the Board Chair's absence, disability, or refusal to act.

.3 **Vice-Chair Fiscal Oversight** — The Vice-Chair Fiscal Oversight shall perform such duties as outlined in these Bylaws and Board Governing Policies Manual, or as otherwise assigned by the Board of Directors.

.4 **Terms of Board Officers**

A. The term of the Board Chair shall be four (4) years. The Board Chair shall not serve more than one term as Board Chair.

B. The terms of the Board Vice-Chair and Vice-Chair Fiscal Oversight shall be two years. No member shall serve more than two consecutive terms as Vice-Chair Fiscal Oversight.



C. A person elected as Board Vice-Chair in the mid-term cycle of the Board Chair, shall be the Vice-Chair/Chair-Elect and assume the office of Board Chair after two years.

D. Exception to the Term of Office as stipulated in 4.3 above shall be made for the Vice-Chair/Chair-Elect, the Board Chair, and the Immediate Past Board Chair, whose terms shall be automatically extended, (i.e., without having to be re-elected to the Board by the House of Delegates for the duration necessary to fulfill the ascendancy of those three offices).

E. If a Board officer vacates their seat for any reason, the Board shall hold an election to elect another Board member to fill the remainder of the term of that office.

#### 4.5 REMOVAL AND RESIGNATION OF BOARD MEMBERS

1. Any Board member of USA Swimming who has failed to attend to their official duties or responsibilities or has done so improperly will be referred to the Ethics Committee for investigation. The Ethics Committee will conduct its investigation, and may impose sanctions, including but not limited to suspension and/or a recommendation for removal from office, in accordance with the Colorado Revised Nonprofit Corporations Act and the USA Swimming Rules and Regulations. The Ethics Committee may impose sanctions itself, but it may not impose a sanction of removal from office. If the Ethics Committee determines that a removal recommendation is appropriate, it will make the recommendation to the entity that elected the Board member at issue. That Board member may be removed from office by an affirmative vote of at least a majority of a quorum of the body that has the jurisdiction to elect that Board member.

2. Absence from more than one (1) of the five (5) regularly scheduled meetings in the Board's annual planning cycle will constitute that member's resignation from the Board. The annual planning cycle starts upon adjournment of the House of Delegates annual meeting. In case of extenuating circumstances, a Board member may request a waiver to this provision. Waivers may be granted by vote of the Board or at the discretion of the Board Chair. In the latter case, the Board Chair shall inform the Board of such waiver.

Additionally, a Board member will be deemed to have resigned from the Board upon the termination or suspension of such Board member's membership as a result of:

- A Board member's loss of qualifications as required by Bylaw 4.6;
- A finding by the National Board of Review that the Board member has violated the USA Swimming Code of Conduct;
- A Board member's USA Swimming background screen report reveals an automatic disqualifier to membership as set forth in the USA Swimming Background Check policy or a special panel of the National Board of Review determines a Board member is ineligible for membership after a hearing regarding an offense which is a potential disqualifier for membership per the USA Swimming background check policy; and/or
- A finding by a third party with the authority to make such adjudication of the Board member's USA Swimming membership or participation in the United States Olympic and Paralympic Movement (e.g., the U.S. Center for SafeSport).

4.6 QUALIFICATIONS. Board members must be at least 18 years old and have the legal right to work in the United States without sponsorship, and they should have the highest personal values, judgment, and integrity, as well as a commitment to USA Swimming ideals.

1. An individual is ineligible for Board membership if they have:

- a) A felony conviction involving harm to a member of a vulnerable population such as children, elderly, or individuals with a disability;
- b) A felony conviction for sexual abuse or assault of any kind;
- c) A felony conviction for a hate crime;
- d) Served a period of ineligibility for an Anti-Doping Rule Violation as determined by the World Anti-Doping Code; or
- e) Served a period of ineligibility for a SafeSport Code violation as defined by the U.S. Center for SafeSport or USA Swimming's Safe Sport program.

Any other felony conviction must be disclosed in advance of consideration for service as a Board member and may be considered in evaluations. Any misdemeanor, suspension, or ineligibility from a sport or sport organization for



rules violations or otherwise must also be disclosed for similar consideration. Board members have an ongoing duty to disclose. If a potential or existing Board member is under investigation for, or has been formally accused of, any of the above infractions, that individual may be asked to suspend their candidacy or leadership role until the investigation or accusation has been adjudicated. The Secretary & General Counsel will receive disclosures and resolve questions and disputes in eligibility and the application of these qualifications for service.

2. Board members may not be officers at another NGB.
3. Board members must be selected without regard to race, color, religion, national origin, or sex.
4. Independent Board members should have an obvious connection to swimming as a swimmer, parent of a swimmer, coach, official, etc. However, a Board member is not considered "Independent," if in the two years preceding their election or appointment, or at any time during their service on the Board, they:
  - a. Were employed by or held any governance position (whether paid or volunteer position) with USA Swimming, FINA, the international regional sport entity, or any sport family entity connected to USA Swimming, e.g. United States Aquatics Sports, Union Americana de Natacion/PanAm Aquatics, an LSC, etc. Independent Board members are excepted from the requirement prohibiting them from holding any governance office if the only governance position they hold is their Board position or related to their Board position.
  - b. Had an immediate family member employed by or holding any governance position (whether paid or volunteer position) with USA Swimming, FINA, the international regional sport entity, or any sport family entity connected to USA Swimming, e.g. United States Aquatics Sports, Union Americana de Natacion/Amateur Swimming Union of the Americas, an LSC, etc.
  - c. Had been affiliated with or employed by USA Swimming's outside auditor or outside counsel.
  - d. Had an immediate family member affiliated with or employed by USA Swimming's outside auditor or outside counsel.
  - e. Had been a member of USA Swimming's Athletes' Advisory Council (AAC).
  - f. Had been a member of any constituent group with representation on the Board.
  - g. Had received any compensation from USA Swimming, directly or indirectly. Independent Board members are excepted from the requirement prohibiting them from accepting any payment from USA Swimming, provided that all payments received are reimbursements for approved expenses reasonably incurred as part of their Board duties.
  - h. Had been an executive officer, controlling shareholder, or partner of a corporation or partnership or other business entity that does business with USA Swimming.
  - i. Had been the parent or close family member or coach of an athlete that has competed in Protected Competition, as defined by the USOPC Bylaws in effect at the time.
  - j. Had been a member of USA Swimming in a membership category that participates in Protected Competition, as defined by the USOPC Bylaws in effect at the time.

4.7 VACANCIES — If a vacancy occurs on the Board of Directors, and the unexpired term of such Director exceeds six (6) months, a successor shall be appointed to fill the unexpired term of the vacated office, as follows:

- .1 Board Members Elected by the House of Delegates – Any vacancy shall be filled by a majority vote of the remaining Board members.
- .2 Athlete Members – Any vacancy shall be filled by a majority vote of the USA Swimming AAC.
- .3 Immediate Past Board Chair — Any vacancy shall be filled by a majority vote of the remaining Board members.

4.8 AUTHORITY/EMERGENCY POWER — The USA Swimming Board of Directors shall have the authority to act for USA Swimming. The Board may amend the Corporate Bylaws as permitted under 10.1.1 but is not permitted to amend any section of the Rules and Regulations except as follows: The Board shall have the emergency power to adopt, revoke, and amend any rule or regulation in the Rules and Regulations if the Board, with the advice and consent of the Operational Risk Committee, the Rules & Regulations Committee, and legal counsel, shall determine that safety considerations so require. A technical rule which is also a FINA rule, may not be revoked or amended. An action taken under this emergency provision



shall be effective until the next meeting of the House of Delegates. The Board Chair shall make a fully detailed report including findings of fact to the entire membership of the House of Delegates (as last certified) within thirty (30) days of the action taken.

#### 4.9 MEETINGS

.1 **Regular Meetings** — Meetings of the Board of Directors shall be held at any time or place, pursuant to resolution of the Board, or to a call signed by the Board Chair, or upon written request of one-third (1/3) of the members of the Board. Not less than thirty (30) days written notice of such meeting shall be given to each Director. Notice of any meeting may be waived in writing either before or after such meeting. Attendance by any Director not having received written notice shall be deemed a waiver of such notice unless at the beginning of the meeting or promptly upon the Director's later arrival, the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting.

.2 **Special Meetings** — Special meetings of the Board of Directors may be held upon no less than 48 hours' notice. Actions taken during such special meetings shall be limited to those pertaining to issues cited in the meeting notice.

.3 **Quorum** — The presence of a majority of the voting Directors shall constitute a quorum at any meeting of the Board of Directors. Proxy voting is not permitted.

.4 **Minutes** — A summary of the proceedings of the meetings of the Board of Directors as approved by the Secretary & General Counsel and the Board Chair shall be posted on the USA Swimming website within one month of each meeting. The minutes as approved by the Board from all meetings of the Board of Directors from at least the three most recent years must be made publicly available on its website.

4.10 **ACTION WITHOUT A MEETING** — Action without a meeting may be taken by the Board of Directors if notice as described herein (the "Notice") is transmitted to each member of the Board of Directors, and each member of the Board of Directors by the time stated in the Notice either votes in writing for or against such action, abstains in writing from voting, fails to respond or vote, or fails to demand in writing that action not be taken without a meeting. The Notice shall state the action to be taken, the time by which a Director must respond, that failure to respond by the time stated in the notice will have the same effect as abstaining in writing by the time stated in the notice and failing to demand in writing by the time stated in the notice that action not be taken without a meeting, and any other matters the Corporation determines to include. Action is taken under 4.10 only if, at the end of the time stated in the Notice, the affirmative votes in writing for such action received and not revoked equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the Directors then in office were present and voted, and the Corporation has not received a written demand by a Director that such action not be taken without a meeting other than a demand that has been revoked.

A Director's right to demand that action not be taken without a meeting shall be deemed to have been waived unless the Corporation receives such demand from the Director in writing by the time stated in the Notice and such demand has not been revoked. Any Director who in writing has voted, abstained, or demanded action not be taken without a meeting pursuant to 4.10 may revoke such abstention, or demand in writing received by the Corporation by the time stated in the Notice. All communications under 4.10 may be transmitted or received by the Corporation by facsimile, e-mail, or other form of electronic communication. Action taken pursuant to 4.10 has the same effect as action taken at a meeting of Directors and may be described as such in any document.

### ARTICLE 5 STANDING COMMITTEES OF THE USA SWIMMING BOARD OF DIRECTORS

#### 5.1 STANDING COMMITTEES

.1 Standing committees of the USA Swimming Board of Directors shall be as listed in this Article.

.2 Except for those individuals who qualify for a committee via an elected position:

A. Non-athlete committee members shall serve three-year terms, except as noted herein:

(1) A non-athlete member who accumulates two (2) or more unexcused absences within one (1) calendar year may be removed by the Committee Chair with the consent of the Board Chair.

(2) After a warning from the Committee Chair, a non-athlete member who continues to fail to contribute or fulfill assigned duties in a timely manner may be removed from their committee position by the Committee Chair with the consent of the Board Chair.



(3) Committee members shall only be subject to removal for any other reason by the USA Swimming Board of Directors.

(4) A member who has been removed shall be notified in writing by the Chair of the committee. The member shall have two weeks to appeal the decision to the USA Swimming Board of Directors.

B. Athlete committee members shall be appointed by the USA Swimming AAC and serve two-year terms, except as noted herein.

C. Except as noted otherwise in these Bylaws, the terms of members of standing committees shall be staggered so that one-third (33.3%) of all members are appointed each year following the annual meeting of the House of Delegates.

D. In the event of a vacancy on a committee caused by any reason, the person/organization responsible for the appointment shall select the person to fill the vacancy for the remainder of the term. If the vacancy occurs in an elected committee position, the Board Chair, in consultation with the Committee Chair, shall appoint a replacement to serve the remainder of the term.

E. At least one-third (33.3%) of the voting membership of each committee shall be eligible athlete representatives appointed by the USA Swimming AAC.

F. Except as noted otherwise in these Bylaws, Aa committee member shall serve no more than two (2) consecutive terms and may be reappointed following a lapse of one (1) year.

.3 Unless otherwise specified in these Bylaws, the Board Chair shall appoint all standing committee chairs for one-year terms.

.4 The Board of Directors may establish special committees or task forces as it sees fit to assist in its functions and shall delegate to the President & CEO authority to establish operating committees to ensure member/volunteer input and participation in fulfilling USA Swimming's programming needs. Committee and coordinator details shall be outlined in the USA Swimming Operating Policy Manual or the USA Swimming Rules and Regulations.

.5 Standing Committees will be responsible to the Board of Directors for the fulfillment of their responsibilities, which will be reflected in the Board Governing Policies Manual. Reporting to the Board shall be through the Board Chair or the Board officer or member as designated by the Board Chair.

.6 Unless specifically provided elsewhere in these Bylaws, all committee meetings shall be regular committee meetings, unless specifically designated as a special meeting.

## 5.2 INVESTMENT COMMITTEE

.1 Membership: The Investment Committee shall consist of six (6) persons, as follows:

A. The Vice-Chair Fiscal Oversight.

B. The Board Chair, or a representative appointed by the Board Chair with the approval of the Board of Directors.

C. One (1) additional individual appointed by the Board Chair and the Vice-Chair Fiscal Oversight with the approval of the Board of Directors.

D. Two (2) eligible athlete members.

E. One member appointed by the USA Swimming Foundation Board Chair with the approval of the Foundation Board.

None of the members identified in items c – e above may be members of the USA Swimming Board of Directors. Priority is to be given, when making appointments, to individuals with relevant business and/or investment acumen.

.2 Chair: Either the Vice-Chair Fiscal Oversight or the Board Chair's duly appointed representative shall serve as the committee chairperson, as determined by the Board Chair in consultation with the Vice-Chair Fiscal Oversight.

## 5.3 AUDIT COMMITTEE



- .1 Membership: The Audit Committee shall consist of six (6) members, as follows:
- A. Two (2) eligible athlete members.
  - B. The Vice-Chair Fiscal Oversight.
  - C. The USA Swimming Foundation Treasurer.
  - D. Two additional members appointed by the Board Chair, one of whom shall be a non-officer Board member.

Priority is to be given, when making appointments, to individuals with knowledge of financial/audit/tax issues.

- .2 Chair: Vice-Chair Fiscal Oversight

#### 5.4 CREDENTIALS/ELECTIONS COMMITTEE

- .1 Membership: The Credentials/Elections Committee shall consist of seven (7) non-athlete members appointed by the Board Chair and a sufficient number of eligible athlete members so as to constitute at least one third (33.3%).

*[Committee to be replaced by a volunteer Coordinator in September 2022]*

#### 5.5 NATIONAL BOARD OF REVIEW COMMITTEE

- .1 Membership: The National Board of Review Committee shall consist of such number of members as the Board Chair may deem appropriate from time to time; such non-athlete members shall be appointed by the Board Chair, with the advice of the Secretary & General Counsel, who shall serve as a non-voting Ex-Officio member. At least one third (33.3%) of the voting membership of the National Board of Review Committee shall be eligible athlete representatives whose appointments are approved by the Board athlete representatives. The Chair and Vice-Chair(s) of the National Board of Review shall serve as the Chair and Vice-Chair(s), respectively, of the National Board of Review Committee. A member of the National Board of Review Committee may serve up to five (5) consecutive terms two (2) year terms and may be reappointed following a lapse of one (1) year.

#### 5.6 NOMINATING COMMITTEE

- .1 Membership: The Nominating Committee shall consist of nine (9) voting members and one (1) non-voting Ex-Officio member.
- A. Two (2) shall be eligible athlete members.
  - B. One (1) shall be a 10-Year Athlete representative of the Board of Directors, decided by the five (5) 10-Year Athlete representatives of the Board of Directors.
  - C. Two (2) shall be coach members of USA Swimming, appointed by the USA Swimming Coach Advisory Council.
  - D. One (1) shall be a coach member of the Board of Directors, appointed by the Board of Directors.
  - E. One (1) shall be an official appointed by the USA Swimming Officials Committee, from among all official members of USA Swimming.
  - F. Two (2) shall be individuals of independent background intended to enhance and complement the diversity of thought and perspective of the remaining composition of this committee (such as ethnicity, geography, business skills) shall be proposed by the Board Chair and approved by the Board of Directors.
  - G. The Board Chair or Board Vice-Chair, as chosen by the Board Chair, shall be a non-voting Ex-Officio member.
  - H. The Committee shall, at its first meeting of each nominations cycle, select a chairperson from among its own membership.
  - I. Nominating Committee members shall be ineligible for nomination to the Board.
- .2 Duties of the Nominating Committee – The Nominating Committee shall:
- A. issue a call for nominations and prepare a recommended slate of potential Board members in accordance with procedures set forth in the Board Governing Policies Manual.



B. screen proposed candidates to ensure that they meet all requirements for Board membership as set forth in these Bylaws and in applicable Board policies.

C. ensure that prospective Board members are informed about the Board's governing structure and of its expectations for individual Board member participation, including but not limited to: adherence to policies pertaining to Board Members' Code of Conduct; attendance expectations; advocating and voting for what is in the best interests of USA Swimming, its members and the sport, and not for any specific stakeholder groups; and not attempting to exercise individual authority over the President & CEO or any members of staff unless explicitly Board-authorized for a specific purpose.

#### 5.7 ETHICS COMMITTEE

1. Membership: The Ethics Committee shall consist of three (3) voting members and one (1) non-voting Ex-Officio member.

A. One (1) shall be a 10-Year Athlete representative of the Board of Directors, decided by the five (5) 10-Year Athlete representatives of the Board of Directors.

B. One (1) shall be an Independent Board Member, appointed by the Board Chair and approved by the Board.

C. One (1) shall be a semi-independent member of USA Swimming in good standing, appointed by the Board Chair and approved by the Board.

D. The Secretary & General Counsel or their designee shall be a non-voting Ex-Officio member of the Ethics Committee.

The 10-Year Athlete representative of the Board of Directors shall serve as Chair of the Ethics Committee.

## ARTICLE 6 HOUSE OF DELEGATES

[Effective until September 30, 2023 unless the House of Delegates agrees by a majority vote to extend for an additional one-year period prior to the aforementioned date, or adopt as permanent legislation by a two-thirds (2/3) vote. The Board of Directors shall appoint an ad hoc working group by October 1, 2022, which will be comprised of an equal number of coaches, Actively Engaged Athletes, 10-Year Athletes, and non-coach, non-athlete members. Prior to any action to extend or make permanent by the House of Delegates, the ad hoc working group shall review the impact of this legislation and present recommendations or actions to the House of Delegates.]

#### 6.1 MEMBERS – the following shall be the voting members of the House of Delegates:

.1 All voting members of the Board of Directors.

.2 Coach Director, Non-Coach Director, Athlete Director, and the Junior Athlete Representative from each Zone;

.3 Four (4) LSC Athlete Representatives (as defined in the then current Required LSC Bylaws) from each Zone selected by the Athlete Director and the Junior Athlete Representative from each Zone;

.4 Three (3) non-coach, non-athlete members from each Zone selected by each respective Zone's Coach and Non-Coach Directors;

.5 Seven (7) members of the Rules & Regulations Committee to include the Committee Chair, one (1) athlete member, and five (5) non-athlete members selected by the voting members of the Committee;

.6 All coach members of the National Team Steering Committee;

.7 Ten (10) members of the Age Group Development Committee to include at least five (5) coach members, three (3) non-athlete members, and two (2) athlete members selected by the voting members of the Committee;

.8 Ten (10) members of the Senior Development Committee to include at least five (5) coach members, three (3) non-athlete members, and two (2) athlete members selected by the voting members of the Committee;

9. Seven (7) non-athlete coach members of the Coach Advisory Council selected by the voting members of the Council;

.10 Thirteen (13) members of the AEC.

.11 One (1) non-coach, non-athlete member from each LSC as selected by each respective LSC's Board of Directors;



.12 Three (3) non-athlete coach members from each LSC as selected by each respective LSC's Board of Directors, except that the five (5) LSCs with the smallest number of registered athletes shall select two (2) non-athlete coach members and the five (5) LSCs with the largest number of registered athletes shall select four (4) non-athlete coach members. The size of the LSCs shall be determined by the number of registered athletes as of August 31 of the prior calendar year;

.13 A sufficient number of 10-Year Athletes and 10-Year+ Athletes whose voting power shall constitute one-third (33.3%) of the total House of Delegates and shall include the voting members of the AAC, the 10-Year Athlete members of the AEC, and the 10-Year Athlete members of the Board of Directors. This may be achieved by actual votes or by weighted voting. A minimum of twenty percent (20%) must be 10-Year Athlete representatives and the remainder may be 10-Year+ Athlete representatives; any weighted voting must preserve these proportions.

.14 10-Year Athlete representatives and 10-Year+ representatives shall be directly elected by athletes who meet the same standards as 10-Year Athletes.

.15 All members of the House of Delegates shall serve until their successors are selected, except that membership may be terminated by resignation filed with the Secretary & General Counsel or their designee. All members under 6.1 must be elected on or before July 1 of each year and written certification thereof must be sent to the Secretary & General Counsel or their designee on or before July 15. No substitution of a member may be made unless written certification thereof is given to the Secretary & General Counsel or their designee at least 72 hours before the House of Delegates is called to order.

.16 Membership on any committee notwithstanding, USA Swimming employees shall not be members of the House of Delegates.

## 6.2 MEETINGS

.1 The annual meeting of the House of Delegates shall be held at any date, time, and place, including via telecommunication, as may be fixed in the notice of such meeting. Notice shall be posted on the USA Swimming website at least sixty (60) days prior to the meeting.

.2 Special meetings of the House of Delegates may be held at any time, pursuant to a resolution of either the Board of Directors or the House of Delegates. A written notice of any special meeting of members, stating the time, place, and the objectives thereof, shall be e-mailed to each member at least fifteen (15) days before the meeting; such notice may be waived in writing by any member at any meeting before or after such meeting.

.3 The attendance of a member at any meeting without protesting the lack of notice prior to or at the commencement of the meeting shall be deemed a waiver of notice.

.4 The presence of those duly registered and eligible to vote at any meeting of the House of Delegates shall constitute a quorum.

.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.

.6 The numerical outcome of each balloted vote shall be available to the candidates upon request.

.7 Any action which may be taken at any regular or special meeting of the House of Delegates, or any division or committee thereof, except amendment or repeal of the USA Swimming Rules and Regulations, may be taken without a meeting. The Secretary & General Counsel, or their designee, shall distribute a written ballot to every member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of the proposal, and provide a reasonable time within which to return the ballot. Approval by written ballot shall be valid only when the number of votes cast in favor of the proposed action within the time period specified constitutes a majority of the votes entitled to be cast. When the proposed action to be voted upon concerns only a specific Zone(s) or a certain number of LSCs, as determined by the Board of Directors, the matter shall be voted upon only by eligible members within such Zone(s) or LSCs.

.8 Resolutions of a legislative nature presented to the House of Delegates shall be subject to the same process as set forth for Amendments in Part Five of the USA Swimming Rules and Regulations.

## 6.3 ELECTIONS

.1 The House of Delegates shall annually elect the number of members to the Board of Directors necessary to maintain the listed number of voting members, with the exception of the five 10-Year Athlete representatives, the Chair of the National Team Steering Committee and the Allied Member Director.

.2 No individual shall be eligible for election unless they have signed a written Letter of Commitment to adhere to USA Swimming's Articles of Incorporation, Bylaws, future Board resolutions, the Board Governing



Policies Manual, and the Rules and Regulations, including the Code of Conduct, then in effect and have, in the judgment of the Nominating Committee, exhibited a demonstrable connection to swimming.

.3 Process

.1 The Nominating Committee shall issue a Call for Nominations. Applicants may self-nominate or be nominated by a third party with written consent of the applicant. After the screening and interview process outlined in Policy 2.9 of the Board Governing Policies Manual, the Nominating Committee shall present to the House of Delegates a list of all nominees and a ballot by August 7, prior to the annual meeting of the House of Delegates. The list of all nominees will include a biography/nominee statement, as outlined in the Board Governing Policies Manual.

.2 The ballot shall include at least two (2), but no more than three (3) nominees proposed by the Nominating Committee for each seat open for election.

C. Any nominee on the list of all nominees and the ballot must first participate in the Nominating Committee application, screening and interview process. However, if the Nominating Committee does not propose a nominee for placement on the ballot, the nominee may self-nominate by submitting their name to the Secretary & General Counsel no later than July 31 prior to the start of the annual meeting of the House of Delegates. Any such nominees will be indicated on the list of nominees and on the ballot as self-nominated and not proposed by the Nominating Committee. If a nominee does not first go through the Nominating Committee nominating, screening and interview process, they may not be placed on the ballot by any means. Additionally, if a nominee does not pass the screening process (i.e., the nominee does not meet the qualifications in Bylaw 4.6 and/or is not a member of USA Swimming in good standing), they may not be placed on the ballot by any means.

D. All nominees<sup>1</sup> must adhere to the following campaigning rules. All campaigning not expressly permitted below is strictly prohibited. All nominees may engage in the following, but only after August 7:

- (i) Produce a biography of 500 words or less that accompanies a photo to be published on the USA Swimming Website.
- (ii) Use their personal social media accounts to announce their candidacy and post their 500-word biography. Nominees may not engage in discussion on any form of social media (their accounts or others' accounts) about their platform, their stance on issues or any other topic related to their candidacy.
- (iii) Participate in any *Meet the Candidates* forum, whether virtual or in-person, sponsored by USA Swimming.
- (iv) Participate in any virtual *Meet the Candidates* forum sponsored by any Zone, where all questions are presented to the nominees in advance. The Zone must make a reasonable effort to afford the same amount of time to all nominees.
- (v) Participate in any virtual *Meet the Candidates* forum sponsored by any LSC, where all questions are presented to the nominees in advance. The LSC must make a reasonable effort to afford the same amount of time to all nominees.
- (vi) Contact individuals on a one-on-one basis, to share their platform and solicit their vote through telephone, cell phone, emails, text and other electronic communications. To the extent email or other electronic communication is used, the nominee may not copy or blind copy additional individuals.

Any and all campaigning (including any campaigning authorized in Bylaw 6.3.3(D)) is prohibited before August 7, prior to the annual meeting of the House of Delegates, when the list of nominees and the ballot is sent to the House of Delegates. Campaigning may continue up to the start of the annual meeting of the House of Delegates. Nominees may not encourage or solicit others to campaign on their behalf in violation of any of these restrictions.

E. Any violation of the campaigning rules in Bylaw 6.3.3(D) will be referred to the Ethics Committee and may be cause for disqualification; any such decisions will be made prior to the election. If a campaigning violation is alleged after the election has occurred and involves a sitting Board Member, the complaint will be referred to the Ethics Committee for investigation and potential sanctions, pursuant to the process outlined in Bylaw 4.5.1.

## ARTICLE 7 FINANCIAL

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<sup>1</sup> Nominees subject to these campaigning rules include any individual on the list of all nominees and the ballot, regardless of whether they have been proposed by the Nominating Committee.



7.1 FISCAL YEAR — The Corporation shall have a fiscal period for tax and accounting purposes commencing on the first day of January in each year.

7.2 GENERAL FINANCIAL PROCEDURES — The Vice-Chair Fiscal Oversight shall ensure the preparation of the USA Swimming annual budget by the President & CEO and staff and arrange for presentation to the Board of Directors for approval. This annual budget shall be presented to and approved by the Board of Directors before or at the start of the fiscal year. The Vice-Chair Fiscal Oversight shall make available an annual financial report to the members of the House of Delegates. If requested by the Board of Directors or auditors, the Treasurer and the Vice-Chair Fiscal Oversight shall deliver to the requesting party all money, accounts, books, papers, vouchers, and records pertaining to the accounts of USA Swimming or the office of the Treasurer for audit or other purposes.

7.3 ANNUAL AUDIT — The financial records of the corporation shall be audited annually by a CPA firm selected by the Board of Directors. Such annual financial reports shall be made available for inspection by members of the general public at USA Swimming's principal office on request made within one hundred-eighty (180) days after notice of its availability.

7.4 RECEIPT OF SET ASIDES, GIFTS, AND GRANTS — The Corporation may, by action of the Board of Directors, designate, receive, and accept, or otherwise acquire property or funds or any interest therein in the form of set asides, gifts, grants, contributions, and testamentary transfers. The Corporation's use of such property and funds shall be limited to expenditure of its income only for USA Swimming's exempt purposes in furtherance of its support of, or to benefit, USA Swimming athletes and USA Swimming programs while retaining the principal thereof as an endowment to further such purposes.

7.5 ENDOWMENT FUNDS — There shall be established within USA Swimming such special endowment fund accounts as the Board of Directors deems appropriate. The rules governing their respective operations shall be set forth in the Board Governing Policies Manual.

## ARTICLE 8 LSC REPORTING REQUIREMENTS

8.1 REQUIRED LSC BYLAWS — Each LSC, in accordance with its Bylaws, which are based on the "Required LSC Bylaws," adopted and amended from time to time by the House of Delegates, shall meet the reporting requirements to USA Swimming contained within the "Required LSC Bylaws," including, but not limited to a copy of (1) the annual closing Balance Sheet and Statement of Income and Expense and (2) the corresponding federal income tax return (Form 990). The Balance Sheet and Statement of Income and Expense shall be audited or reviewed by an outside auditor or the LSC Finance Committee.

8.2 FINANCIAL CONTROLS AND OTHER LSC REQUIREMENTS — The Board of Directors may set certain requirements, including the adoption of financial controls. Any such requirements shall be published in the minutes and communicated to all LSCs via mail or e-mail. Failure to adopt such requirements may result in a penalty to the LSC.

8.3 FINANCIAL REQUIREMENTS — Annually, a copy of the financial reports listed above shall be forwarded to USA Swimming headquarters within five (5) months after the close of the fiscal year for the LSC. Upon submission of a request to extend the time to file its federal income tax return, an LSC may be granted additional time to meet its financial reporting requirements to USA Swimming equal to the extension period [typically three (3) months], provided that the LSC submit a copy of the request for extension with the IRS to USA Swimming at the time the extension is filed and the IRS grants such an extension.

8.4 SUSPENSION OF LSC VOTING — Should an LSC not be current, including extensions, with its financial reporting requirements to USA Swimming as of forty-five (45) days prior to the annual meeting of the House of Delegates, the Board of Directors may, with written notice, suspend the LSC from voting at the House of Delegates meeting, said suspension of votes applying only to the LSC positions entitled to vote in the House of Delegates, excluding any at-large members of the LSC.

## ARTICLE 9 INDEMNIFICATION

9.1 INDEMNIFICATION — Each person who is or was a director, officer, or employee of USA Swimming (including the heirs, executors, administrators, or estate of such person) shall be indemnified by USA Swimming to the full extent permitted by the Colorado Revised Nonprofit Corporation Act against any liability, cost, or expense incurred by them in their capacity as director, officer, or employee, or arising out of their status as a director, officer, or employee (including serving at the request of USA Swimming as a director, trustee, officer, employee, or agent of another corporation).

9.2 INSURANCE — USA Swimming may maintain insurance, at its expense, to protect itself and any such person against any such liability, cost, or expense. For the purpose of this Article 9, references to "USA Swimming" include all constituents absorbed in a consolidation or merger as well as the resulting or surviving corporation.



## ARTICLE 10 ADMENDMENTS

### 10.1 AUTHORITY TO AMEND AND VOTE REQUIRED

.1 These Corporate Bylaws, excepting those items outlined below in 10.1.4, may be altered, amended or repealed by the Board of Directors by a two-thirds (2/3) majority vote. The Board of Directors shall have no authority to amend the Rules and Regulations except as permitted under 4.7 of these Bylaws (Authority/Emergency Powers).

.2 The Rules & Regulations Committee may alter, amend, or repeal any portion of Part One or Part Seven of the USA Swimming Rules and Regulations at any time to conform to the rules of FINA.

.3 The House of Delegates may amend the Rules and Regulations at its annual meeting as follows:

A. Parts One, Two, Three, Four, Six, and Seven: by a majority vote.

B. Part Five: by a two-thirds (2/3) vote.

.4 By a two-thirds (2/3) vote, the House of Delegates may amend the following provisions of the Corporate Bylaws: the number of Board members, their terms, or the number of which are elected by the House of Delegates, the composition of the House of Delegates, and membership fees for membership classes in existence as of the 2017 registration year (see 2.7.1A and B of these Bylaws).

## ARTICLE 11 DISSOLUTION

11.1 DISSOLUTION — If deemed advisable by the members, USA Swimming may be dissolved pursuant to the applicable provisions of the corporation laws of the State of Colorado.

11.2 DISTRIBUTION OF ASSETS — Upon the dissolution of USA Swimming, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of USA Swimming, dispose of all the assets of USA Swimming exclusively for the purposes of USA Swimming or to such organization or organizations as shall qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

## ARTICLE 12 CONFLICT OF INTEREST

12.1 CONFLICT OF INTEREST — Conflict of interest and ethical practices of USA Swimming shall be outlined in USA Swimming's Statement of Ethics and Conflict of Interest Policy.



## ARTICLE 403

### JURISDICTION

#### 403.1 JURISDICTION OF THE NATIONAL BOARD OF REVIEW

.1 Original and Exclusive Jurisdiction — The National Board of Review has original and exclusive jurisdiction to hear:

- ~~A. Any complaint involving athletes or other members of USA Swimming from more than one Zone and/or one or more Participating Non-Members either residing within more than one Zone (if more than one Participating Non-Member) or within a different Zone from the athlete(s) or other USA Swimming member(s); or~~
- ~~B.~~ A. Any complaint involving athletes or other members, or Participating Non-Members, during a national or international event; ~~or~~
- ~~C.~~ B. Any complaint under 304.3.1 through 304.3.12 against any member of USA Swimming, including any athlete, coach, manager, official, member of any committee, or a Participating Non-Member; ~~or~~
- ~~D.~~ C. Any complaint initiated by USA Swimming, which shall be prosecuted by and may be appealed by the President/CEO; ~~or~~
- D. Any complaint under 304.3.14 that is not heard pursuant to the U.S. Center for SafeSport's ~~SafeSport Practices and Procedures for the U.S. Olympic and Paralympic Movement;~~ SafeSport Code for the Olympic and Paralympic Movement;
- ~~E.~~
- ~~F.~~ E. Any appeal initiated pursuant to adverse action taken by the USA Swimming Board of Directors against an LSC for alleged violations of an LSC Affiliation Agreement; ~~or~~
- F. Any appeal initiated pursuant to adverse action taken against an athlete for alleged violations of the applicable USA Swimming Honor Code; ~~or~~
- G. Any complaint under USA Swimming's Whistleblower and Anti-Retaliation Policy, including those initiated by the Ethics Committee or by the complaining party if the Ethics Committee determines that it will not initiate a complaint in its own name.



**ARTICLE 404**  
**AUTHORITY OF BOARD OF REVIEW**

404.1 NATIONAL BOARD OF REVIEW — The National Board of Review shall have the power and authority to do the following:

.1 Impose and enforce penalties for any violation of the rules and regulations, administrative or technical, of USA Swimming;

.2 Determine the eligibility and right to compete of any athlete;

3 Vacate, modify, sustain, reverse or stay any decision or order properly submitted on appeal, or remand the matter for further action;

~~.4 Investigate any election impropriety or cause for removal of a national officer or national committee member and take corrective action;~~

~~.5~~ 4 Interpret any provision of the rules and regulations of USA Swimming with the exception of the technical rules (Parts One and Seven);

~~.6~~ 5 Review any revocation, suspension, reinstatement of membership or challenge the granting or denial of membership; and

~~.7~~ 6 Issue such interim orders, prohibitory or mandatory in nature, as may be necessary pending a final decision of the Board.

**ARTICLE 405**

**PROCEDURES FOR FILING AND INVESTIGATION OF NATIONAL BOARD OF REVIEW COMPLAINTS**

405.1 FILING COMPLAINTS — All complaints within the exclusive jurisdiction of the National Board of Review as set out in 403.1.1A through ~~4GE~~ above shall set forth the allegations and be filed with the President/CEO of USA Swimming (or his/her designee), who shall promptly perform an initial inquiry and, as appropriate, initiate an investigation of the matter as set forth below

405.2 INVESTIGATION OF COMPLAINTS

1. In those matters occurring during the course of an international meet, the National Team Steering Chair (or his/her designee) shall make the investigation and report.

2. In those matters occurring during the course of a national or regional event, the Program & Events ~~Committee~~ Coordinator (or his/her designee) shall make the investigation and report.

3. In those matters involving allegations of physical abuse of an athlete by a coach, a committee of three coaches appointed by the Board Chair of USA Swimming shall make a determination with such investigative assistance by the President/CEO (or his/her designee) as the committee may request and report as to whether the coach's conduct is outside the customary and acceptable bounds of coaching. In the event such matters are referred to and heard by the U.S. Center for SafeSport, the U.S. Center for SafeSport's SafeSport [Practices and Procedures Code](#) for the U.S. Olympic and Paralympic Movement shall apply.

~~3.4.~~ In those matters involving allegations under USA Swimming's Whistleblower and Anti-Retaliation Policy, USA Swimming's Ethics Committee shall make the investigation and report.



4.5. In all other matters, the President/CEO (or his/her designee) shall make the investigation and report.

405.3 DISPOSITION AFTER INVESTIGATION — After the initial investigation has been completed, the President/CEO (or his/her designee) may decide to initiate a complaint in the name of USA Swimming by filing the complaint with the Chair of the National Board of Review and requesting that a hearing on the complaint be conducted. Any decision of the President/CEO (or his/her designee) not to forward a complaint to the National Board of Review shall be reviewed by the Board Chair of USA Swimming for a final decision. The President/CEO (or his/her designee) may also seek an emergency hearing as set forth in 405.4 below. If the President/CEO (or his/her designee) does not decide to initiate a complaint in the name of USA Swimming, then the President/CEO (or his/her designee) may (i) cause further investigation to be conducted into the alleged violations; (ii) seek to mediate the complaint; or (iii) advise the complaining party that, while USA Swimming will not initiate a complaint in its own name, the complaining party may still file his/her complaint directly with the Chair of the National Board of Review. If the complaining party chooses to go forward with the complaint, the Chair of the National Board of Review may then decide to either assign the matter for hearing or dismiss the complaint.

If the initial investigation is conducted by the Ethics Committee under USA Swimming's Whistleblower and Anti-Retaliation Policy, after the initial investigation is complete, the Ethics Committee may decide to initiate a complaint in the name of the Ethics Committee by filing the complaint with the Chair of the National Board of Review and requesting a hearing. The Ethics Committee may also seek an emergency hearing as set forth in 405.4 below. If the Ethics Committee does not decide to initiate a complaint, it may advise the complaining party that, while the Ethics Committee will not initiate a complaint in its own name, the complaining party may still file their complaint directly with the Chair of the National Board of Review. If the complaining party chooses to go forward with the complaint, the Chair of the National Board of Review may then decide to either assign the matter for hearing or dismiss the complaint.

405.4 EMERGENCY HEARING — After the initial investigation has been completed and upon the request of the President/CEO (or his/her designee) or the Ethics Committee in accordance with 405.3 above, the Chair of the National Board of Review may order an emergency hearing before the National Board of Review to determine if the member should be suspended pending the outcome of a full hearing before the National Board of Review. If an emergency hearing is ordered, the National Board of Review shall conduct the hearing and publish its results within twenty-one (21) days. Until such time as the National Board of Review makes a decision, all proceedings shall be confidential and not subject to disclosure to anyone other than the parties to the review and witnesses



## ARTICLE 407

### APPEAL FROM NATIONAL BOARD OF REVIEW OR ETHICS COMMITTEE TO BOARD OF DIRECTORS

#### 407.1 PROCEDURE

.1 Any real party in interest, including any officer of USA Swimming or the President/CEO (or his/her designee), may appeal any decision of the National Board of Review or the Ethics Committee as follows:

A. Matters heard by the National Board of Review pursuant to its original jurisdiction, heard *de novo* or heard pursuant to its discretionary jurisdiction, may be appealed to the Board of Directors within thirty (30) days of the date of the issuing of its written decision.

~~A.B.~~ Decisions of the Ethics Committee, under USA Swimming's Statement of Ethics and Conflict of Interest Policy, may be appealed to the Board of Directors within thirty (30) days of the date of the issuing of its written decision.

.2 The Petition on appeal is to be served upon the President/CEO (or his/her designee), as well as the other party(ies) to the National Board of Review or Ethics Committee proceeding, and shall be accompanied by a \$250 filing fee payable to USA Swimming.



BOARD OF DIRECTORS  
PROPOSED  
AMENDMENTS TO RULEBOOK

R-X ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Pages 93-101: Articles 401.1-410.5

Proposed by: Board of Directors

Purpose: To update Part Four to move the National Board of Review procedures out of the Rulebook, which can instead be found in the National Board of Review Procedures document on USA Swimming's website and within the USA Swimming Operating Policy Manual.

Recommendation: *The Rules & Regulations Committee recommends \_\_\_\_\_.*

Effective Date: September 24, 2022

**PART FOUR**  
**HEARINGS AND APPEALS**

**ARTICLE 401**

**GENERAL**

~~401.1 As a voluntary membership organization, where membership is a privilege and not a right, USA Swimming and the U.S. Center for SafeSport may censure, enjoin, place on probation, suspend for a definite or indefinite period of time with or without terms of probation, fine, or expel any member of USA Swimming, including any athlete, coach, manager, official, and member of any committee, as well as any person participating in any capacity in the affairs and/or attending activities of USA Swimming, the Zones or LSCs, whether such person is a member of USA Swimming or not (a "Participating Non-Member"), who has violated any of its rules or regulations, or who aids, abets, and encourages another to violate any of its rules or regulations, or who has acted in a manner which brings disrepute upon USA Swimming, the Zone, the LSC or the sport of swimming. USA Swimming may also conduct hearings on any matter affecting USA Swimming as the National Governing Body for swimming. For the purposes of Part Four, the term "days" shall mean calendar days; in the event that an applicable time period ends on a Saturday, Sunday, or any other day which is a national holiday on which United States Postal Service regular postal delivery is not available (collectively, a "Non-Business Day"), such time period shall be extended to the next day which is not a Non-Business Day.~~

**ARTICLE 402**

**BOARD OF REVIEW MEMBERSHIP**

~~402.1 NATIONAL BOARD OF REVIEW — The Chair and one or more Vice Chair(s) of the National Board of Review shall be appointed by the Board Chair, with the advice of the Secretary & General Counsel. The term of the Chair and Vice Chair(s) shall be two years with a limit of five (5) full terms each may serve. Each case submitted to the National Board of Review shall be assigned by the Chair of the National Board~~



~~of Review to a panel consisting of members of the National Board of Review Committee, unless conflicts or other reasons require panel members who are not members of such Committee. Each hearing panel shall consist of not fewer than three (3) members and not more than five (5) members, with a sufficient number of eligible athlete representatives so as to satisfy the requirement that such athletes constitute one-third (33.3%) of the hearing panel, to hear and decide the case. The appointment of any member to a hearing panel who is not a member of the National Board of Review Committee shall be confirmed by the Board Chair and the Secretary & General Counsel.~~

## **~~ARTICLE 403~~**

### **~~JURISDICTION~~**

#### **~~403.1 JURISDICTION OF THE NATIONAL BOARD OF REVIEW~~**

~~.1 Original and Exclusive Jurisdiction — The National Board of Review has original and exclusive jurisdiction to hear:~~

- ~~A Any complaint involving athletes or other members of USA Swimming from more than one Zone and/or one or more Participating Non-Members either residing within more than one Zone (if more than one Participating Non-Member) or within a different Zone from the athlete(s) or other USA Swimming member(s); or~~
- ~~B Any complaint involving athletes or other members, or Participating Non-Members, during a national or international event; or~~
- ~~C Any complaint under 304.3.1 through 304.3.12 against any member of USA Swimming, including any athlete, coach, manager, official, member of any committee, or a Participating Non-Member; or~~
- ~~D Any complaint initiated by USA Swimming, which shall be prosecuted by and may be appealed by the President/CEO; or~~
- ~~E Any complaint under 304.3.14 that is not heard pursuant to the U.S. Center for SafeSport's SafeSport Practices and Procedures for the U.S. Olympic and Paralympic Movement.~~
- ~~F Any appeal initiated pursuant to adverse action taken by the USA Swimming Board of Directors against an LSC for alleged violations of an LSC Affiliation Agreement.~~
- ~~G Any appeal initiated pursuant to adverse action taken against an athlete for alleged violations of the applicable USA Swimming Honor Code.~~

~~.2 Discretionary Jurisdiction~~

- ~~A Upon a majority vote of the USA Swimming Board of Directors, the National Board of Review may be assigned exclusive and immediate jurisdiction at any stage of any matter within the purview of this Article 403 when, in its sole discretion, the best interests of USA Swimming shall be served thereby, or when compliance with regular USA Swimming or Zone procedures would not be likely to produce a sufficiently early decision to do justice to the affected parties.~~
- ~~B If discretionary jurisdiction is so assigned, the National Board of Review shall comply in every instance with all requirements of procedural due process as set forth in these Rules and Regulations. The National Board of Review may set such procedural time limitations as it may deem necessary in order to reach a decision, which shall do justice to the affected parties under particular circumstances.~~
- ~~C The National Board of Review may assess fees and costs against any party other than USA Swimming or any Committee thereof.~~



#### **~~403.2 JURISDICTION OF THE U.S. CENTER FOR SAFESPORT~~**

- ~~.1 Original and Exclusive Jurisdiction — The U.S. Center for SafeSport has original and exclusive jurisdiction to hear any complaint under 304.3.14 against any member of USA Swimming, including any athlete, coach, manager, official, member of any committee, or a Participating Non-Member, involving (a) sexual misconduct; or (b) any other prohibited conduct that is reasonably related to an underlying allegation of sexual misconduct.~~
- ~~.2 Discretionary Jurisdiction — The U.S. Center for SafeSport has discretionary jurisdiction to hear any complaint under 304.3.3 upon a request made by USA Swimming.~~
- ~~.3 U.S. Center for SafeSport Practices and Procedures — For any matter heard pursuant to 403.2, the U.S. Center for SafeSport's SafeSport Practices and Procedures for the U.S. Olympic and Paralympic Movement shall apply.~~

### **~~ARTICLE 404~~**

#### **~~AUTHORITY OF BOARD OF REVIEW~~**

~~**404.1 NATIONAL BOARD OF REVIEW** — The National Board of Review shall have the power and authority to do the following:~~

- ~~.1 Impose and enforce penalties for any violation of the rules and regulations, administrative or technical, of USA Swimming;~~
- ~~.2 Determine the eligibility and right to compete of any athlete;~~
- ~~.3 Vacate, modify, sustain, reverse or stay any decision or order properly submitted on appeal, or remand the matter for further action;~~
- ~~.4 Investigate any election impropriety or cause for removal of a national officer or national committee member and take corrective action;~~
- ~~.5 Interpret any provision of the rules and regulations of USA Swimming with the exception of the technical rules (Parts One and Seven);~~
- ~~.6 Review any revocation, suspension, reinstatement of membership or challenge the granting or denial of membership; and~~
- ~~.7 Issue such interim orders, prohibitory or mandatory in nature, as may be necessary pending a final decision of the Board.~~

### **~~ARTICLE 405~~**

#### **~~PROCEDURES FOR FILING AND INVESTIGATION OF NATIONAL BOARD OF REVIEW COMPLAINTS~~**

~~**405.1 FILING COMPLAINTS** — All complaints within the exclusive jurisdiction of the National Board of Review as set out in 403.1.1A through E above shall set forth the allegations and be filed with the President/CEO of USA Swimming (or his/her designee), who shall promptly perform an initial inquiry and, as appropriate, initiate an investigation of the matter as set forth below.~~

#### **~~405.2 INVESTIGATION OF COMPLAINTS~~**



- ~~.1 — In those matters occurring during the course of an international meet, the National Team Steering Chair (or his/her designee) shall make the investigation and report.~~
- ~~.2 — In those matters occurring during the course of a national or regional event, the Program & Events Coordinator (or his/her designee) shall make the investigation and report.~~
- ~~.3 — In those matters involving allegations of physical abuse of an athlete by a coach, a committee of three coaches appointed by the Board Chair of USA Swimming shall make a determination with such investigative assistance by the President/CEO (or his/her designee) as the committee may request and report as to whether the coach's conduct is outside the customary and acceptable bounds of coaching. In the event such matters are referred to and heard by the U.S. Center for SafeSport, the U.S. Center for SafeSport's SafeSport Practices and Procedures for the U.S. Olympic and Paralympic Movement shall apply.~~
- ~~.4 — In all other matters, the President/CEO (or his/her designee) shall make the investigation and report.~~

~~**405.3 — DISPOSITION AFTER INVESTIGATION —** After the initial investigation has been completed, the President/CEO (or his/her designee) may decide to initiate a complaint in the name of USA Swimming by filing the complaint with the Chair of the National Board of Review and requesting that a hearing on the complaint be conducted. Any decision of the President/CEO (or his/her designee) not to forward a complaint to the National Board of Review shall be reviewed by the Board Chair of USA Swimming for a final decision. The President/CEO (or his/her designee) may also seek an emergency hearing as set forth in 405.4 below. If the President/CEO (or his/her designee) does not decide to initiate a complaint in the name of USA Swimming, then the President/CEO (or his/her designee) may (i) cause further investigation to be conducted into the alleged violations; (ii) seek to mediate the complaint; or (iii) advise the complaining party that, while USA Swimming will not initiate a complaint in its own name, the complaining party may still file his/her complaint directly with the Chair of the National Board of Review. If the complaining party chooses to go forward with the complaint, the Chair of the National Board of Review may then decide to either assign the matter for hearing or dismiss the complaint.~~

~~**405.4 — EMERGENCY HEARING —** After the initial investigation has been completed and upon the request of the President/CEO (or his/her designee) in accordance with 405.3 above, the Chair of the National Board of Review may order an emergency hearing before the National Board of Review to determine if the member should be suspended pending the outcome of a full hearing before the National Board of Review. If an emergency hearing is ordered, the National Board of Review shall conduct the hearing and publish its results within twenty-one (21) days. Until such time as the National Board of Review makes a decision, all proceedings shall be confidential and not subject to disclosure to anyone other than the parties to the review and witnesses.~~

## **ARTICLE 406**

### **NATIONAL BOARD OF REVIEW HEARINGS AND PROCEDURES**

~~**406.1 — PETITION —** Matters under the original jurisdiction of the National Board of Review shall be instituted by a written complaint served upon the President/CEO (or his/her designee). An investigation of the matter shall be conducted in accordance with Article 405. If the results of the investigation warrant referring the case to a National Board of Review, the President/CEO (or his/her designee) shall send a Petition together with the results of the investigation to the Chair of the National Board of Review.~~

~~**406.2 — NOTICE OF HEARING —** The Chair shall set a hearing date, which shall be not less than forty-five (45) nor more than sixty (60) days from the date of issuance of the Notice of Hearing. The Notice of Hearing shall include the following:~~

- ~~.1 — The name of the Respondent(s);~~



- ~~.2 — A statement of charges, which shall be set forth in sufficient detail to give the Respondent(s) reasonable notice of the charges and the facts supporting the charges;~~
- ~~.3 — The name of the Petitioner(s);~~
- ~~.4 — The date the Response is due;~~
- ~~.5 — The date, time and place (or the fact that the hearing shall be conducted by conference call) of the hearing;~~
- ~~.6 — The names of the members of the National Board of Review Panel;~~
- ~~.7 — The possible penalties;~~
- ~~.8 — The right of appeal and the time limit to file for an appeal; and~~
- ~~.9 — Any other general information, including the right to be represented by counsel, to have witnesses testify, and to submit any and all evidence which is relevant to the issues.~~

**406.3 — RESPONSE** — The Chair shall deliver the Notice of Hearing, together with a copy of the Petition received by the President/CEO (or his/her designee) to the Respondent(s) and a copy of the Notice of Hearing to the Petitioner(s). The Respondent(s) shall have thirty (30) days from the date of issuance to submit a written Response to the charges. The Response shall be delivered to the Chair, the President/CEO of USA Swimming (or his/her designee) and the Petitioner(s) or its counsel.

**406.4 — REPLY** — The Petitioner(s) shall have ten (10) days from the date of delivery of the Response to submit a written Reply. The Reply shall be delivered to the Chair, the President/ CEO of USA Swimming (or his/her designee) and the Respondent(s).

**406.5 — TIME LIMITS** — Upon showing of good cause, the Chair may decrease or increase the time limits for any of the foregoing.

#### **406.6 — HEARING**

- ~~.1 — For hearings conducted other than through the receipt of written statements, the National Board of Review shall cause a recording or transcription to be made of the proceedings.~~
- ~~.2 — The hearing may proceed in the absence of any party who fails to be available at the appointed time and judgment shall not be reached merely because of the person's absence. If the National Board of Review determines that the hearing cannot proceed without the absent party, the National Board of Review may adjourn the hearing and reschedule it for such time as the absent party can be present.~~
- ~~.3 — The hearing shall be opened by the recording of the place, time and date of the hearing, and the presence of the National Board of Review panel members, parties, counsel, if any, and any other witnesses or observers.~~
- ~~.4 — Each party may then present an opening statement setting forth generally the party's view of the issues in dispute, the relief sought and what they hope to prove by the presentation of evidence.~~
- ~~.5 — Petitioner may then present his/her claims, proofs, and witnesses, who shall be subject to cross-examination by the other party. Respondent may then present his/her claims, proofs, and witnesses, who shall also be subject to cross-examination by the other party.~~
- ~~.6 — Petitioner(s) may then be allowed an opportunity to rebut any testimony or evidence presented by the Respondent(s) after the Respondent's presentation.~~



~~.7 The National Board of Review panel may question any person at any time. The National Board of Review panel has the discretion to vary these procedures, but shall afford all parties a full and equal opportunity to present any material or relevant evidence.~~

~~.8 Upon the request of either party or the determination of the National Board of Review panel, the hearing may be closed or the witnesses sequestered.~~

~~**406.7 DECISION** — A decision may be rendered by the National Board of Review panel at the time of the hearing and reduced to writing within five (5) days in which event a written decision shall be delivered to the parties within seven (7) days after the hearing. Otherwise, the National Board of Review panel shall reach a decision as soon as administratively practicable (but not more than twenty-one (21) days after the conclusion of the hearing) and shall deliver the written decision within seven (7) days thereafter. The written decision shall set forth the right of appeal.~~

~~**406.8 STAY** — The National Board of Review shall have the authority to stay the enforcement of its decision during the time allowed for appeal, with the decision going into effect automatically if no appeal is perfected during the allowable period.~~

~~**406.9 DELIVERY** — The delivery of all Notices of Hearing to Respondent(s) and all final Decisions to the non-prevailing party(ies) shall be by overnight express delivery. Delivery of all other pleadings, orders and communications may be by electronic mail or other means, as directed by the Chair of the National Board of Review. For purposes of a National Board of Review proceeding, notice is sufficiently given for documents that are to be transmitted by overnight delivery when they are placed with an overnight carrier and directed to the last address on file with USA Swimming. Notice is sufficiently given for documents that may be transmitted by electronic mail if directed to the electronic mail address on file with USA Swimming or provided in the course of the proceedings.~~

## **ARTICLE 407**

### **APPEAL FROM NATIONAL BOARD OF REVIEW TO BOARD OF DIRECTORS**

#### **407.1 PROCEDURE**

~~.1 Any real party in interest, including any officer of USA Swimming or the President/CEO (or his/her designee), may appeal any decision of the National Board of Review as follows: A Matters heard by the National Board of Review pursuant to its original jurisdiction, heard *de novo* or heard pursuant to its discretionary jurisdiction, may be appealed to the Board of Directors within thirty (30) days of the date of the issuing of its written decision.~~

~~.2 The Petition on appeal is to be served upon the President/CEO (or his/her designee), as well as the other party(ies) to the National Board of Review proceeding, and shall be accompanied by a \$250 filing fee payable to USA Swimming.~~

~~.3 The Petition shall set forth the grounds for appeal, including both factual and legal allegations of error in any earlier proceeding.~~

~~.4 Unless the Board of Directors by majority vote decides otherwise, the review by the Board of Directors shall be on the basis of the record and written briefs and shall not be a *de novo* hearing. The Secretary & General Counsel may establish a hearing panel consisting of at least five (5) members (all of whom must be members of the Board of Directors and at least one third (33.3%) of whom must be 10-Year Athlete representatives) to hear any appeal, including appeals conducted as *de novo* hearings. The decision of the hearing panel shall be final with the same force and effect as if the full Board of Directors heard the matter.~~

~~.5 The USA Swimming Board of Directors may assess fees and costs against the losing party.~~



## **ARTICLE 408**

### **CONFIDENTIALITY**

~~408.1~~ Hearings conducted before the National Board of Review or the Board of Directors regarding alleged Code of Conduct violations shall be closed to the public.

~~408.2~~ All investigations conducted by the President/CEO (or his/her designee) regarding alleged Code of Conduct violations and all proceedings before the National Board of Review and the Board of Directors regarding alleged Code of Conduct violations shall be and remain confidential until the National Board of Review, or Board of Directors if an appeal is filed, has rendered its final decision, except:

- ~~.1~~ Information that is necessary to disclose in the course of an investigation to witnesses and other appropriate parties;
- ~~.2~~ Information disclosed pursuant to subpoena or court order;
- ~~.3~~ Information disclosed to complaining parties or victims;
- ~~.4~~ Information disclosed by USA Swimming in response to disclosures by other parties or witnesses in the proceeding; and
- ~~.5~~ Information disclosed to law enforcement.

For the purposes of this Article 408.2, a decision shall be considered final when either: (i) the National Board of Review has rendered its final decision and the 30-day appeal period has run without an appeal being filed; or (ii) a party has appealed the decision of the National Board of Review to the Board of Directors and the Board of Directors has rendered its final decision on such appeal.

~~408.3~~ USA Swimming shall also disclose information, including, but not limited to, the initiation of a National Board of Review proceeding and its outcome, to a member club, LSC or Zone where an employee or volunteer of such club, LSC or Zone has been alleged in a complaint to have violated the Code of Conduct.

~~408.4~~ A redacted summary of each final Decision of the National Board of Review and Board of Directors that includes a finding of a violation of the Code of Conduct may be published at the discretion of USA Swimming.

## **ARTICLE 409<sup>1</sup>**

### **FULL FAITH AND CREDIT**

**409<sup>1.1</sup> DECISION FINAL** — Except as otherwise provided in Article Nine of the Constitution of the United States Olympic & Paralympic Committee and in its Bylaws with respect to binding arbitration in disputes involving the rights of certain individuals to participate in competition, the final decision of the National Board of Review shall be final in all cases, subject to the right of appeal to the Board of Directors as provided herein.

**409<sup>1.2</sup> ENFORCEMENT** — Final decisions rendered by the National Board of Review and the U.S. Center for SafeSport shall, when applicable, be recognized and fully enforced in all Zones and LSCs of USA Swimming.

## **ARTICLE 410**

### **STANDARDS OF CONDUCT FOR MEMBERS OF BOARD OF REVIEW AND APPELLATE BODIES**



**410.1 STANDARDS OF CONDUCT** — Members (the “Review Members”) of the National Board of Review panels and the Board of Directors appeals panels (collectively, the “Review Board”) shall:

- .1 Uphold the integrity and independence of the respective Review Board;
- .2 Avoid any impropriety or the appearance of impropriety in connection with service as a Review Member and swimming-related activities generally; and
- .3 Perform the duties of a Review Member impartially and diligently.

**410.2 GROUNDS FOR RECUSAL** — Review Members shall recuse themselves from participating in any matter pending before their respective Review Board:

- .1 In which their impartiality might reasonably be questioned;
- .2 Where they have a personal bias or prejudice concerning a party in the pending matter or have personal knowledge of disputed evidentiary facts concerning the pending matter (other than knowledge obtained as a Review Member or known generally to a substantial portion of the membership of the respective LSC, the Zone or USA Swimming);
- .3 Where they or a member of their family are a party or are likely to be a material witness in the pending matter;
- .4 Where they or a member of their family have an interest that could be substantially affected by the outcome of the proceeding; or
- .5 Where they or a member of their family have served or are serving as counsel in the pending matter or are members of a law firm that served or is serving as counsel in the pending matter.

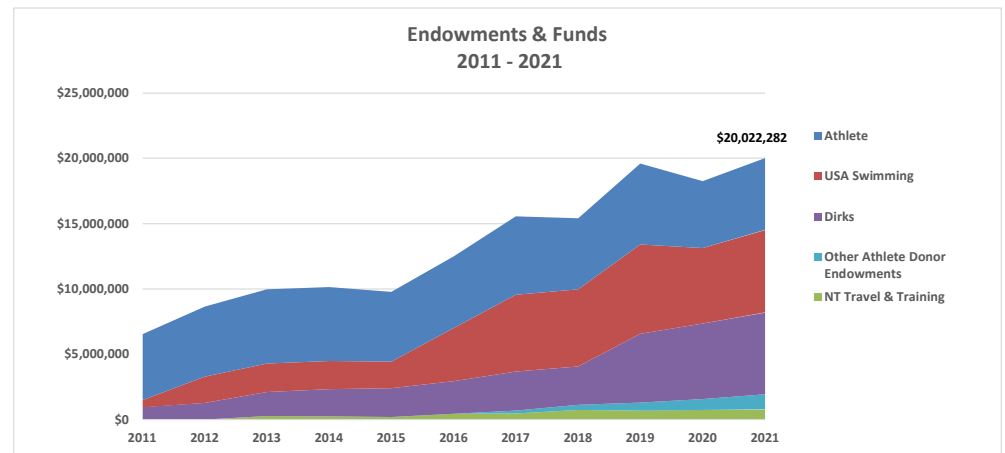
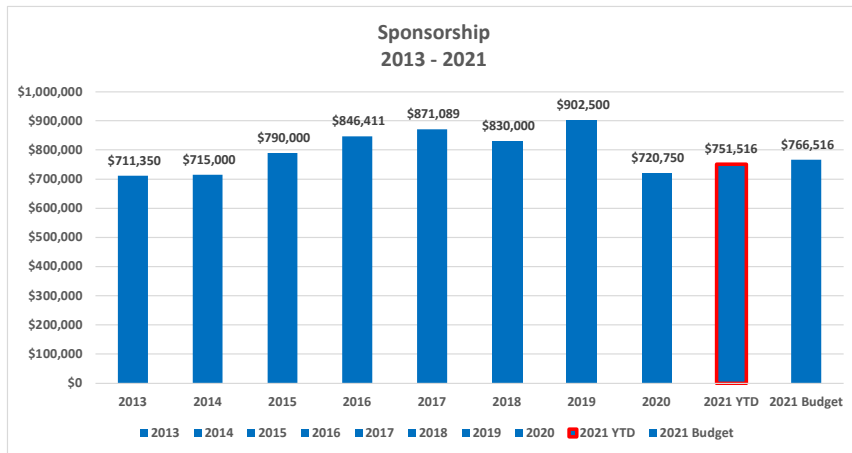
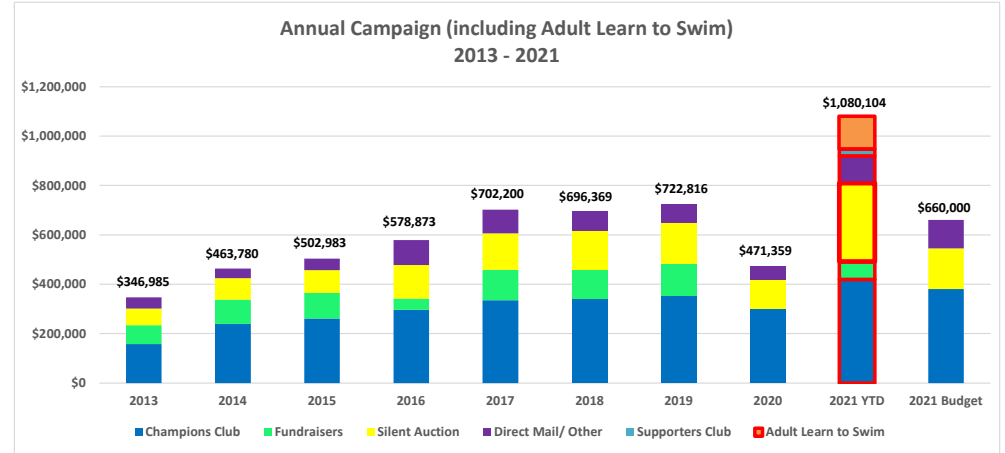
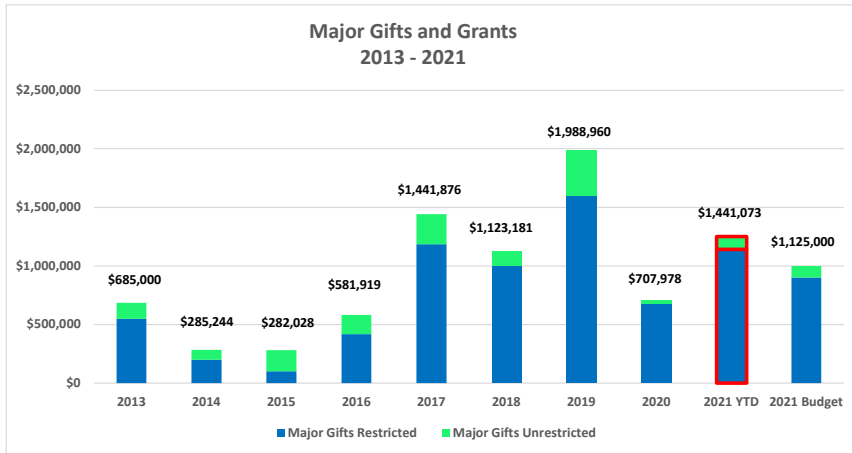
**410.3 RECUSAL BY MEMBER** — Review Members shall recuse themselves as soon as they become aware of facts that give rise to the duty to do so by giving notice to the National Board of Review Chair, or in the case of the Chair of the National Board of Review or Board of Directors appeal panel members, to the Secretary & General Counsel, as applicable.

**410.4 RECUSAL/DISQUALIFICATION REQUESTED BY PARTY** — By written notice to the Chair of the respective Review Board or to the Secretary & General Counsel, in the case of Board of Directors appeal panel members (respectively, the “Review Board Chair”), any party may request that a Review Member recuse himself/herself or be disqualified from serving on the pending matter stating the reasons for recusal or disqualification with specificity. Such notice shall be given at least fourteen (14) days prior to the scheduled date of the hearing on such matter or, if the party sustains the burden of proving good cause for the lateness of the notice, as soon as reasonably possible after discovery of the reason for the need for recusal. The named Review Member shall reach a decision on the matter and notify the Review Board Chair of that decision within seven (7) days of receipt of the party's notice. If the member's decision is not in favor of *2022 Rules & Regulations* 101 **410.4** recusal, then the Review Board Chair may, if appropriate, disqualify the member from participating in the pending matter. If there is no disqualification, the hearing shall be conducted as scheduled and, unless it is a hearing before the Board of Directors, the party giving the notice may appeal the disqualification decision, together with the hearing decision, pursuant to Article 407.

**410.5 SUBSTITUTION FOR RECUSED OR DISQUALIFIED MEMBER** — In the event of a recusal or a disqualification, a substitute Review Member shall be appointed in the same manner as the original Review Members were appointed. 410.



**USA Swimming Foundation**  
**Revenue, Endowments, and Funds**  
**December 31, 2021**





**USA Swimming Foundation, Inc.**  
**Balance Sheet**  
**As of December 31, 2021 and 2020**

	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$1,565,289	\$2,385,689	(\$820,400)
Accounts receivable	268,717	242,732	25,985
Pledges receivable - current	754,999	737,100	17,899
Prepaid expenses and deferred charges	65,356	49,488	15,869
Total Current Assets	<u>2,654,361</u>	<u>3,415,009</u>	<u>(760,647)</u>
<b>FIXED ASSETS:</b>			
Equipment and Software	229,963	229,963	0
Accumulated depreciation & amortization	<u>(229,963)</u>	<u>(229,963)</u>	<u>0</u>
<b>LONG-TERM INVESTMENTS:</b>			
Long-term Investments	20,022,282	18,242,539	1,779,743
<b>OTHER ASSETS:</b>			
Pledges receivable - long-term	905,418	850,000	55,418
Swim-a-Thon	120,000	120,000	0
Total Other Assets	<u>1,025,418</u>	<u>970,000</u>	<u>55,418</u>
<b>TOTAL ASSETS</b>	<b><u>\$23,702,061</u></b>	<b><u>\$22,627,548</u></b>	<b><u>\$1,074,514</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$3,182	\$541,325	(\$538,143)
Due from (to) USA Swimming	50,723	2,497	48,226
Accrued expenses and other liabilities	120,386	591,484	(471,098)
Deferred revenue	0	151,515	(151,515)
Total Current Liabilities	<u>174,291</u>	<u>1,286,821</u>	<u>(1,112,530)</u>
<b>NONCURRENT LIABILITIES:</b>			
Total Liabilities	<u>174,291</u>	<u>1,286,821</u>	<u>(1,112,530)</u>
<b>NET ASSETS:</b>			
Unrestricted:			
Undesignated Operating Funds	484,571	1,675	482,897
Board Designated Operating Reserves	1,201,000	1,201,000	0
Board Designated Endowments	12,603,783	11,620,618	983,166
Total Unrestricted	<u>14,289,355</u>	<u>12,823,292</u>	<u>1,466,063</u>
Temporarily Restricted	3,272,343	2,842,435	429,908
Permanently Restricted	5,966,073	5,675,000	291,073
Total Net Assets	<u>23,527,771</u>	<u>21,340,727</u>	<u>2,187,044</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$23,702,061</u></b>	<b><u>\$22,627,548</u></b>	<b><u>\$1,074,514</u></b>



**USA Swimming Foundation, Inc.**  
**Income Statement**  
For the 12 Months Ended December 31, 2021

	2021 Unrestricted	2021 Board Desig.	2021 Temp Restr	2021 Perm Restr	2021 Actual	2021 Budget	2021 Variance	2020 Actual	2020 Variance
<b>Revenue:</b>									
Annual Campaign	\$948,235	\$0	\$0	\$0	\$948,235	\$660,000	\$288,235	\$471,359	\$476,875
Adult Learn to Swim	131,869	0	0	0	131,869	0	131,869	0	131,869
Major Gifts	110,000	0	850,000	291,073	1,251,073	1,125,000	126,073	682,978	568,095
Grants	40,000	0	150,000	0	190,000	0	190,000	25,000	165,000
Major Gifts - Satisfied Restrictions	733,901	0	(733,901)	0	0	0	0	0	0
Grants - Satisfied Restrictions	86,195	0	(86,195)	0	0	0	0	0	0
Endowment Distributions	741,250	(470,000)	(271,250)	0	0	0	0	0	0
Sponsorship	751,516	0	(200,000)	0	551,516	766,516	(215,000)	520,750	30,766
Swim-a-Thon	48,410	0	0	0	48,410	0	48,410	51,509	(3,099)
Olympic Trials VIP Packages	126,043	0	0	0	126,043	168,060	(42,017)	0	126,043
USA Swimming Support - Staff Allocation	348,806	0	0	0	348,806	335,000	13,806	392,446	(43,640)
Alumni Income	16,100	0	0	0	16,100	35,000	(18,900)	0	16,100
Other Income	21,672	0	0	0	21,672	40,000	(18,328)	819	20,853
Bad Debts	0	0	(120,500)	0	(120,500)	0	(120,500)	0	(120,500)
Investment Income (Loss)	13,591	1,453,166	841,754	0	2,308,511	785,000	1,523,511	2,274,554	33,957
<b>Total Revenue</b>	<b>4,117,588</b>	<b>983,166</b>	<b>429,908</b>	<b>291,073</b>	<b>5,821,735</b>	<b>3,914,576</b>	<b>1,907,159</b>	<b>4,419,416</b>	<b>1,402,319</b>
<b>Expenses:</b>									
<b>Supporting Expenses:</b>									
Annual Campaign	275,928	0	0	0	275,928	175,578	(100,350)	199,265	(76,662)
Major Gifts/Grants	297,549	0	0	0	297,549	423,499	125,950	235,669	(61,881)
Swim-a-Thon	63,100	0	0	0	63,100	115,069	51,969	78,890	15,790
Olympic Trials VIP Packages	244,092	0	0	0	244,092	168,060	(76,032)	0	(244,092)
Marketing	121	0	0	0	121	17,200	17,079	2,909	2,788
Operational and Administrative	397,807	0	0	0	397,807	449,107	51,300	418,079	20,272
<b>Total Supporting Expenses</b>	<b>1,278,598</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,278,598</b>	<b>1,348,513</b>	<b>69,915</b>	<b>934,812</b>	<b>(343,785)</b>
<b>Program Expenses:</b>									
Saving Lives - Youth Learn to Swim Grants	482,958	0	0	0	482,958	500,000	17,042	313,842	(169,116)
Saving Lives - Adult Learn to Swim Grants									
Saving Lives - Programs	491,359	0	0	0	491,359	782,973	291,614	658,473	167,114
<b>Total Saving Lives Expenses</b>	<b>974,317</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>974,317</b>	<b>1,282,973</b>	<b>308,656</b>	<b>972,314</b>	<b>(2,002)</b>
Building Champions - National Team Grants	1,116,433	0	0	0	1,116,433	917,000	(199,433)	822,649	(293,784)
Building Champions - Community Impact Grants	0	0	0	0	0	100,000	100,000	60,000	60,000
Building Champions - Club Relief Grants	0	0	0	0	0	0	0	3,000,880	3,000,880
Building Champions - Other Programs	184,459	0	0	0	184,459	128,663	(55,796)	142,166	(42,293)
Building Champions - Alumni Programs	80,885	0	0	0	80,885	118,505	37,620	71,319	(9,566)
<b>Total Building Champions Expenses</b>	<b>1,381,777</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,381,777</b>	<b>1,264,168</b>	<b>(117,609)</b>	<b>4,097,014</b>	<b>2,715,237</b>
<b>Total Program Expenses</b>	<b>2,356,094</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,356,094</b>	<b>2,547,141</b>	<b>191,047</b>	<b>5,069,329</b>	<b>2,713,235</b>
<b>Total Expenses</b>	<b>3,634,691</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,634,691</b>	<b>3,895,654</b>	<b>260,963</b>	<b>6,004,141</b>	<b>2,369,450</b>
<b>Operating Surplus (Deficit)</b>	<b>482,897</b>	<b>983,166</b>	<b>429,908</b>	<b>291,073</b>	<b>2,187,044</b>	<b>18,922</b>	<b>2,168,122</b>	<b>(1,584,725)</b>	<b>3,771,769</b>
<b>NET CHANGE IN TOTAL NET ASSETS</b>	<b>\$482,897</b>	<b>\$983,166</b>	<b>\$429,908</b>	<b>\$291,073</b>	<b>\$2,187,044</b>	<b>\$18,922</b>	<b>\$2,168,122</b>	<b>(\$1,584,725)</b>	<b>\$3,771,769</b>



**USA Swimming Foundation, Inc.**  
**Income Statement**  
For the 12 Months Ended December 31, 2021 and 2020

	<u>Quarter 4 Actual</u>	<u>Actual 2021</u>	<u>Budget 2021</u>	<u>Budget Remaining</u>	<u>Actual 2020</u>	<u>Fav/(Unfav)... 2020 vs. 2021</u>
<b>UNRESTRICTED:</b>						
<b>Revenue:</b>						
Annual Campaign	\$527,212	\$948,235	\$660,000	\$288,235	\$471,359	\$476,875
Adult Learn to Swim	87,687	131,869	0	131,869	0	131,869
Major Gifts - Unrestricted	0	110,000	225,000	(115,000)	5,978	104,022
Grants - Unrestricted	0	40,000	0	40,000	25,000	15,000
Major Gifts - Satisfied Restrictions	303,718	733,901	954,500	(220,599)	546,751	187,150
Grants - Satisfied Restrictions	50,000	86,195	0	86,195	0	86,195
Endowment Distributions In	740,000	741,250	765,000	(23,750)	738,750	2,500
Endowment Distributions - Club Relief Grants	0	0	0	0	3,000,000	(3,000,000)
Sponsorship	55,000	751,516	766,516	(15,000)	720,750	30,766
Swim-a-Thon	23,869	48,410	0	48,410	51,509	(3,099)
Olympic Trials VIP Packages	0	126,043	168,060	(42,017)	0	126,043
USA Swimming Support - Staff Allocation	348,806	348,806	335,000	13,806	392,446	(43,640)
Alumni Income	0	16,100	35,000	(18,900)	0	16,100
Other Income	823	21,672	40,000	(18,328)	819	20,853
Investment Income (Loss)	(1,710)	13,591	20,000	(6,409)	25,480	(11,889)
<b>Total Unrestricted Revenue</b>	<b>2,135,404</b>	<b>4,117,588</b>	<b>3,969,076</b>	<b>148,512</b>	<b>5,978,843</b>	<b>(1,861,255)</b>
<b>Expenses:</b>						
<b>Supporting Expenses:</b>						
Annual Campaign	128,693	275,928	175,578	(100,350)	199,265	(76,662)
Major Gifts/Grants	258,369	297,549	423,499	125,950	235,669	(61,881)
Swim-a-Thon	54,905	63,100	115,069	51,969	78,890	15,790
Olympic Trials VIP Packages	3,000	244,092	168,060	(76,032)	0	(244,092)
Marketing	0	121	17,200	17,079	2,909	2,788
Operational and Administrative	(49,272)	397,807	449,107	51,300	418,079	20,272
<b>Total Supporting Expenses</b>	<b>395,695</b>	<b>1,278,598</b>	<b>1,348,513</b>	<b>69,915</b>	<b>934,812</b>	<b>(343,785)</b>
<b>Program Expenses:</b>						
Saving Lives - Youth Learn to Swim Grants	(28,955)	482,958	500,000	17,042	313,842	(169,116)
Saving Lives - Programs	194,571	491,359	782,973	291,614	658,473	167,114
<b>Total Saving Lives Expenses</b>	<b>165,616</b>	<b>974,317</b>	<b>1,282,973</b>	<b>308,656</b>	<b>972,314</b>	<b>(2,002)</b>
Building Champions - National Team Grants	722,500	1,116,433	917,000	(199,433)	822,649	(293,784)
Building Champions - Community Impact Grants	0	0	100,000	100,000	60,000	60,000
Building Champions - Club Relief Grants	0	0	0	0	3,000,880	3,000,880
Building Champions - Other Programs	128,855	184,459	128,663	(55,796)	142,166	(42,293)
Building Champions - Alumni Programs	44,393	80,885	118,505	37,620	71,319	(9,566)
<b>Total Building Champions Expenses</b>	<b>895,748</b>	<b>1,381,777</b>	<b>1,264,168</b>	<b>(117,609)</b>	<b>4,097,014</b>	<b>2,715,237</b>
<b>Total Program Expenses</b>	<b>1,061,364</b>	<b>2,356,094</b>	<b>2,547,141</b>	<b>191,047</b>	<b>5,069,329</b>	<b>2,713,235</b>
<b>Total Unrestricted Expenses</b>	<b>1,457,059</b>	<b>3,634,691</b>	<b>3,895,654</b>	<b>260,963</b>	<b>6,004,141</b>	<b>2,369,450</b>
<b>Operating Surplus (Deficit)</b>	<b>678,345</b>	<b>482,897</b>	<b>73,422</b>	<b>409,475</b>	<b>(25,298)</b>	<b>508,195</b>
<b>CHANGE IN UNDESIGNATED FUNDS</b>	<b>\$678,345</b>	<b>\$482,897</b>	<b>\$73,422</b>	<b>\$409,475</b>	<b>(\$25,298)</b>	<b>\$508,195</b>



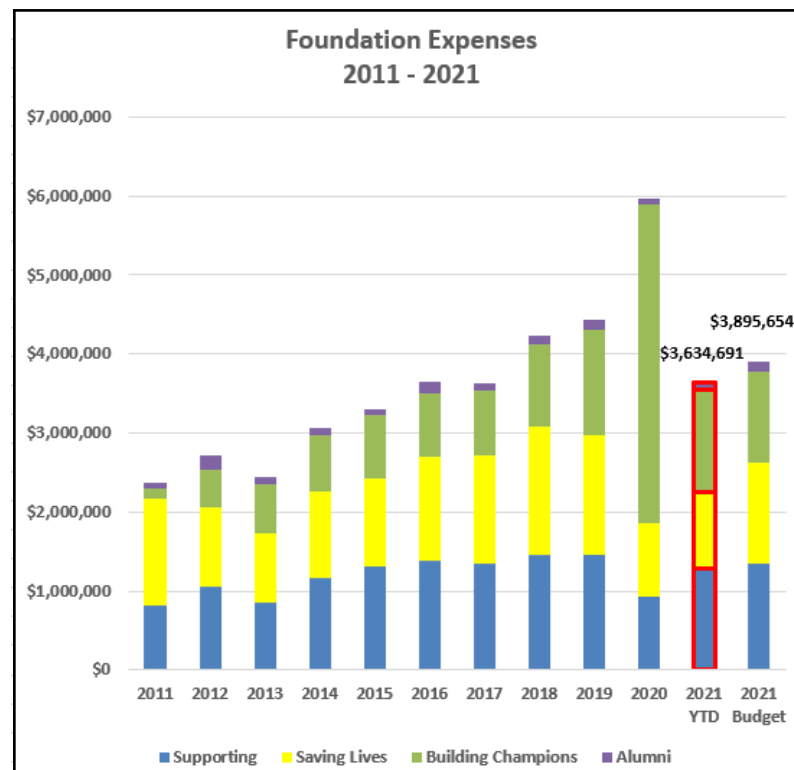
**USA Swimming Foundation, Inc.**  
**Income Statement**  
**For the 12 Months Ended December 31, 2021 and 2020**

	<b>Quarter 4 Actual</b>	<b>Actual 2021</b>	<b>Budget 2021</b>	<b>Budget Remaining</b>	<b>Actual 2020</b>	<b>Fav/(Unfav)... 2020 vs. 2021</b>
<b>BOARD DESIGNATED:</b>						
Endowment Distributions Out	(\$470,000)	(\$470,000)	(\$470,000)	\$0	(\$3,470,000)	\$3,000,000
Investment Income	504,688	1,453,166	470,000	983,166	1,389,928	63,238
<b>Change in Board Designated Net Assets</b>	<b>\$34,688</b>	<b>\$983,166</b>	<b>\$0</b>	<b>\$983,166</b>	<b>(\$2,080,072)</b>	<b>\$3,063,238</b>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<b>\$713,033</b>	<b>\$1,466,063</b>	<b>\$73,422</b>	<b>\$1,392,641</b>	<b>(\$2,105,370)</b>	<b>\$3,571,433</b>
<b>TEMPORARILY RESTRICTED:</b>						
Major Gifts - Temporarily Restricted	\$665,000	\$850,000	\$900,000	(\$50,000)	\$652,000	\$198,000
Grants - Temporarily Restricted	0	150,000	0	150,000	0	150,000
Endowment Distributions Out - Satisfied Restrictions	(270,000)	(271,250)	(295,000)	23,750	(268,750)	(2,500)
Major Gifts - Satisfied Restrictions	(303,718)	(933,901)	(954,500)	20,599	(746,751)	(187,150)
Grants - Satisfied Restrictions	(50,000)	(86,195)	0	(86,195)	0	(86,195)
Write-off of Pledges	(45,500)	(120,500)	0	(120,500)	0	(120,500)
Investment Income	295,642	841,754	295,000	546,754	859,146	(17,392)
<b>Change in Temp. Restricted Net Assets</b>	<b>\$291,424</b>	<b>\$429,908</b>	<b>(\$54,500)</b>	<b>\$484,408</b>	<b>\$495,645</b>	<b>(\$65,737)</b>
<b>PERMANENTLY RESTRICTED:</b>						
Major Gifts - Permanently Restricted	\$120,000	\$291,073	\$0	\$291,073	\$25,000	\$266,073
<b>Change in Perm. Restricted Net Assets</b>	<b>\$120,000</b>	<b>\$291,073</b>	<b>\$0</b>	<b>\$291,073</b>	<b>\$25,000</b>	<b>\$266,073</b>
<b>NET CHANGE IN TOTAL NET ASSETS</b>	<b>\$1,124,457</b>	<b>\$2,187,044</b>	<b>\$18,922</b>	<b>\$2,168,122</b>	<b>(\$1,584,725)</b>	<b>\$3,771,769</b>



**USA Swimming Foundation, Inc.**  
Expense Detail  
For the Year Ended December 31, 2021

	<b>SUPPORTING EXPENSES</b>	<b>PROGRAM EXPENSES</b>	<b>2021 EXPENSES</b>	<b>2020 EXPENSES</b>	<b>Variance</b>
<b>EXPENSES:</b>					
Professional Services	183,465	423,318	606,782	464,818	(141,964)
Salaries and Benefits	\$387,543	\$122,592	\$510,135	\$765,329	\$255,194
Salaries and Benefits - USAS	217,561	131,245	348,806	392,446	43,640
Travel	124,000	10,772	134,772	16,241	(118,531)
Rent and Overhead	70,000	0	70,000	70,000	0
Catering and Entertainment	61,559	5,534	67,094	2,743	(64,351)
Tickets	62,760	1,920	64,680	0	(64,680)
Recognition and Fulfillment	1,058	55,223	56,281	3,572	(52,708)
Apparel	30,673	0	30,673	0	(30,673)
Credit Card Fees	30,154	408	30,562	11,660	(18,903)
Freight and Postage	27,677	191	27,869	11,401	(16,467)
Dues Fees & Subscriptions	16,488	1,867	18,355	18,788	432
Awards and Gifts	14,022	70	14,092	19,684	5,592
Miscellaneous Expenses	13,902	41	13,943	10,172	(3,771)
Repairs and Equipment	13,716	0	13,716	0	(13,716)
Printing and Duplication	10,334	48	10,382	7,848	(2,534)
Office Supplies and Expense	8,445	351	8,796	2,957	(5,839)
Telephone and Internet Service	3,754	0	3,754	4,869	1,116
Graphics and Art Work	0	3,123	3,123	0	(3,123)
Space/Equipment Rental	1,038	0	1,038	678	(359)
Advertising	450	0	450	0	(450)
Depreciation and Amortization	0	0	0	2,589	2,589
Video and Photography	0	0	0	977	977
Subtotal	1,278,598	756,703	2,035,300	1,806,771	(228,530)
Grants - LTS	0	482,958	482,958	313,842	(169,116)
Grants - Club Relief	0	0	0	3,000,880	3,000,880
Grants - USA Swimming	0	1,116,433	1,116,433	882,649	(233,784)
<b>Total Grants</b>	<b>0</b>	<b>1,599,391</b>	<b>1,599,391</b>	<b>4,197,371</b>	<b>2,597,980</b>
<b>TOTAL EXPENSES</b>	<b>\$1,278,598</b>	<b>\$2,356,094</b>	<b>\$3,634,691</b>	<b>\$6,004,141</b>	<b>\$2,369,450</b>





USA Swimming Foundation  
2021 Budget vs. 2021 Projection vs. 2021 Actual  
As of 3/4/2022  
(\$ in 000s)

	Approved Budget 2021	November Projection 2021	Actual 2021	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
UNRESTRICTED:								
REVENUE:								
Annual Campaign	\$ 660	\$ 703	\$ 948	\$ 245	34.9%	\$ 288	43.7%	New unbudg. offerings in 2021 (Supporter's Club, add'l Trials fundraising). Auction outperformed budget.
Adult Learn to Swim	-	60	132	72	119.8%	132		New initiative/collaboration with US Masters (unbudgeted).
Major Gifts - Unrestricted	100	110	110	-	0.0%	10	10.0%	Olympic Team fundraising.
Grants - Unrestricted	125	40	40	-	0.0%	(85)	-68.0%	Budgeted unrestricted and restricted grants here. Projection and Actuals broken out (see below).
Major Gifts - Satisfied Restrictions	955	900	734	(166)	-18.5%	(221)	-23.1%	Timing on TC payments and budg. for new TC that didn't materialize, plus net major gift satisfactions vs. budg.
Grants - Satisfied Restrictions	-	50	86	36	72.4%	86		Budgeted unrestricted and restricted grants here. Projection and Actuals broken out (see above).
Endowment Distributions	765	740	741	1	0.2%	(24)	-3.1%	One donor endowment transaction paused in 2021.
Commercial Sponsorships	767	742	752	10	1.3%	(15)	-2.0%	
Olympic Trials Packages	168	122	126	4	3.0%	(42)	-25.0%	Less volume than budget.
Swim-a-Thon	-	25	48	23	93.6%	48		Some clubs still paid the 5% royalty (unrequired for 2021 per club relief efforts).
USA Swimming Support - Staff Allocation	335	335	349	14	4.1%	14	4.1%	
Miscellaneous	75	46	38	(8)	-18.1%	(37)	-49.6%	Alumni, VIK.
Investment Income / Imputed Interest	20	13	14	1	8.7%	(6)	-32.0%	
Total Revenue	3,969	3,886	4,118	232	6.0%	149	3.7%	
SUPPORTING EXPENSES:								
Annual Campaign	176	312	276	36	11.7%	(100)	-57.2%	Incr in Trials fundraising costs and Supporter's Club promo (unbudg). Offset by decr. in silent auction prog.
Olympic Trials Packages	168	241	244	(3)	-1.4%	(76)	-45.2%	Primarily increase in ticket and lodging cost.
Swim-a-Thon	115	82	63	19	23.4%	52	45.2%	Continuing to honor SAT program expenses and fulfillment without collecting the royalty revenue.
Major Gifts	423	274	298	(23)	-8.5%	126	29.7%	Less projected payroll allocation and travel compared to budget.
Marketing	17	5	0	5	97.6%	17	99.3%	Less than budget.
General and Administrative	449	454	398	56	12.3%	51	11.4%	Subscriptions, software, overhead, rent, BOD, Trustee Counsel, personnel allocations, etc.
Total Supporting Expenses	1,349	1,368	1,279	90	6.6%	70	5.2%	
PROGRAM EXPENSES:								
Saving Lives - Youth Learn to Swim - Grants	500	510	483	27	5.3%	17	3.4%	\$30K of grants returned (unused) in Q4 2021.
Saving Lives - Adult Learn to Swim - Grants	-	-	-	-		-		To begin directly in 2022.
Saving Lives - Programs	783	524	491	33	6.3%	292	37.2%	More virtual than budgeted.
Total Saving Lives	1,283	1,034	974	60	5.8%	309	24.1%	
Building Champions - Community Impact Grants	100	100	-	100	100.0%	100	100.0%	Given the timing of this grant program, no grants distributed in 2021.
Building Champions - Other Programs	129	133	184	(51)	-38.3%	(56)	-43.4%	Athlete honoraria and payroll allocation.
Building Champions - National Team Grants	917	1,128	1,116	11	1.0%	(199)	-21.7%	Contracts and donors (incl add'l, unbudg Olympic Team support, mental health, etc.).
Building Champions - Alumni Programs	119	64	81	(16)	-25.5%	38	31.7%	Less Trials expense and payroll allocation than budgeted.
Total Building Champions	1,264	1,425	1,382	44	3.1%	(118)	-9.3%	
Total Program Expenses	2,547	2,460	2,356	103	4.2%	191	7.5%	
Total Unrestricted Expenses	3,896	3,828	3,635	193	5.0%	261	6.7%	
OPERATING SURPLUS (DEFICIT)	\$ 73	\$ 58	\$ 483	\$ 425		\$ 409		



USA Swimming Foundation  
2021 Budget vs. 2021 Projection vs. 2021 Actual  
As of 3/4/2022  
(\$ in 000s)

	Approved Budget 2021	November Projection 2021	Actual 2021	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	73	58	483	425		409		
BOARD DESIGNATED - ENDOWMENTS:								
Investment Income	470	1,000	1,453	453		983		2021 investment portfolio results.
Endowment Distributions	(470)	(470)	(470)	-		-		No club relief grants projected in 2021.
Incr. (Decr.) in Board Designated Net Assets	-	530	983	453		983		
Incr. (Decr.) in Unrestricted Net Assets	73	588	1,466	878		1,393		
TEMPORARILY RESTRICTED:								
Major Gifts - Temporarily Restricted	900	1,160	850	(310)		(50)		Existing and new contracts (building the pipeline).
Major Gifts Satisfied Restrictions	(955)	(900)	(934)	(34)		21		Existing and new contracts (building the pipeline).
Grants - Temporarily Restricted	-	270	150	(120)		150		Breaking out grants from major gifts above.
Grants Satisfied Restrictions	-	(50)	(86)	(36)		(86)		Breaking out grants from major gifts above.
Endowment Distrib. - Satisfied Restrictions	(295)	(270)	(271)	(1)		24		
Write-Off of Pledges	-	-	(121)	(121)		(121)		
Investment Income	295	500	842	342		547		2021 investment portfolio results.
Incr. (Decr.) in Temporarily Restricted Net Assets	(55)	710	430	(280)		484		
PERMANENTLY RESTRICTED:								
Major Gifts - Permanently Restricted	-	391	291	(100)		291		New endowments (building the pipeline).
Satisfied Restrictions	-	-	-	-		-		
Present Value Discounts Earned	-	-	-	-		-		
Investment Income	-	-	-	-		-		
Incr. (Decr.) in Perm. Restricted Net Assets	-	391	291	(100)		291		
TOTAL INCREASE (DECREASE) IN NET ASSETS	\$ 19	\$ 1,689	\$ 2,187	\$ 498		\$ 2,168		



# USA Swimming Foundation

## 2021 Financial Report

Submitted by: Eric Skufca, CFO 3/4/2022

### **2021 HIGHLIGHTS**

- \$2,521,177 fundraising:
  - \$1,441,073 major gifts/grants exceeded the \$1,125,000 budget by \$316,073 or 28%. Total includes \$291,073 in funds contributed to permanent endowments, \$240,000 in new trustee council agreements, \$150,000 in learn to swim grants, \$110,000 in National Team Olympic Team programming, \$105,000 in Open Water support, \$50,000 in athlete partnerships, \$30,000 in Community Impact support, and others.
  - \$948,235 annual campaign exceeded the \$660,000 budget by \$288,235 or 44%. The Golden Goggles Awards (GGA) Auction raised 93% over budget of \$165,000 for a total of \$317,641. Revenue from Supporters Club of \$28,152 and Trials Fundraising of \$73,111 (Faces in the Crowd, Officials Flag Auction, etc.) was unbudgeted. Champions Club revenue totaled \$419,736 surpassing its budget of \$380,000 by \$39,736 or 10%.
  - \$131,869 raised in support of the Foundation's new partnership with United States Masters Swimming (USMS) in the adult learn to swim space. This was also unbudgeted.
- \$751,516 sponsor support including \$656,516 from the multi-year Phillips 66 contract and others. Sponsorship revenue missed the \$766,516 budget by (\$15,000) or (2%).
- \$48,410 Swim-a-thon (SAT) royalty revenue received was unbudgeted in 2021 as the Foundation continued its suspension of the previously required 5% royalty payment for clubs as a relief effort during the pandemic. All 2021 SAT monies received were sent to the Foundation voluntarily.
- \$482,897 operating surplus exceeded the \$73,422 annual budget and also finished better than the November 2021 projected surplus of \$57,952 by \$424,945. Summarized explanation found in the "Executive Summary" on page 2 herein.
- \$20,022,282 investment portfolio increased \$1,779,743 for the year due to net endowment contributions, distributions, and a +12.61% investment gain for the year.
- \$1,116,433 National Team grants including \$591,250 from donor endowments and internal funds, \$100,000 from Sponsors (Phillips 66) and \$425,183 from other donors. 2021 National Team support surpassed the \$917,000 budget by \$199,433 or 22%.
- \$482,958 Youth Learn to Swim grants missed the \$500,000 annual budget by \$17,042 or 3%. This was due to grants returned by recipients who were not able to utilize their funds in the grant period/year.



## **EXECUTIVE SUMMARY**

### **Operating Surplus:**

The 2021 operating surplus was \$482,897 compared to the budget of \$73,422 and a November projection of \$57,952. The following were the primary contributors to the annual operating surplus compared to budget:

Unrestricted Operating Revenue (better than budget by \$148,512 or 4%):

- Annual campaign was greater than budget by \$288,235 or 43% (includes auction and Trials fundraising).
- USMS Adult Learn to Swim Fundraising was greater than budget by \$131,869 or 100%.
- Swim-a-thon receipts were greater than budget by \$48,410 or 100%.
- Unrestricted Major Gifts/Grants were less than budget by (\$75,000) and Major Gift/Grant satisfied restrictions were less than budget by (\$134,404) for a total of (\$209,404) or (18%).

Unrestricted Operating Expense (less than budget by \$260,963 or 7%):

- Supporting expenses were less than budget by \$69,915 or 5%.
- Program expenses were less than budget by \$191,047 or 7%.

### **Revenue:**

Total unrestricted operating revenue totaled \$4,117,588 for the year, surpassing the budget by \$148,512 or 4%.

\$2,521,177 of total fundraising included \$1,441,073 of major gifts/grants, \$948,235 annual campaign, and \$131,869 in adult learn to swim. Totals exceeded both budget and prior year results.

Sponsorship revenue continued to be a major funding source at \$751,516 for the year, but missed budget by (\$15,000). The Foundation received \$35,000 from new Sponsorships signed by Swimming with contracted monies to the Foundation, short of the \$50,000 in new Sponsorships budgeted.

Endowment distributions totaled \$741,250 for the year and included the scheduled and budgeted transactions from the organization's funds and donor endowments.

### **Expense:**

Total expenses of \$3,634,691 were under budget by \$260,963 or 7%. Total expense breakout was 64.8% program and 35.2% supporting expenses.



USA Swimming staff payroll allocation (net \$0 to Foundation) was lower than 2020 by (\$43,640).

**Endowments:**

The endowment/fund portfolios increased \$1,779,743 year-over-year to \$20,022,282. Additions included scheduled and contracted contributions from donor endowment holders and the +12.61% investment gain. Reductions were the aforementioned distributions of (\$741,250).

**Net Assets:**

Total net assets increased \$2,187,044 year-over-year primarily attributed to the net investment increase of \$1,779,743 and operating surplus of \$482,897.



## **Revenue and Endowment Charts (Page 1)**

- \$1,441,073 major gifts / grants
  - \$1,291,073 restricted (primarily new donor athlete partnerships, community impact partnership, open water support, and trustee commitment).
  - \$150,000 unrestricted (primarily organizational grants and fundraising).
- \$1,080,104 annual campaign (including adult learn to swim) including \$419,736 Champions Club, \$317,641 Golden Goggles Auction, \$131,869 Adult Learn to Swim donations, and others.
- \$751,516 sponsor support including \$656,516 from Phillips 66.
- \$20,022,282 Funds & Endowments:
  - USA Swimming \$6,324,066
  - Gould/Dirks \$6,256,410
  - Athlete \$5,501,448
  - National Team Travel & Training (unclaimed FINA) \$778,268
  - Other Donors \$1,162,090

## **Balance Sheet (Page 2)**

- \$1,565,289 – Cash and cash equivalents decreased (\$820,400) for the year.
- \$20,022,282 – Investments increased \$1,779,743. Additions included scheduled and contracted contributions from donor endowment holders and the +12.61% investment gain. Reductions were distributions of (\$741,250).
- \$14,289,355 – Unrestricted net assets increased \$1,466,063 for the year.
- \$23,527,771 – Total net assets increased \$2,187,044 for the year.

## **Income Statements – Pages 3, 4 and 5**

### **Surplus (Deficit):**

- \$482,897 operating surplus – exceeded 2021 budget of \$73,422.
- \$2,187,044 total net surplus – exceeded 2021 budget of \$18,922.

### **Revenue:**

- \$1,080,104 Annual campaign (including adult learn to swim).
- \$1,441,073 Major gifts / grants – \$1,291,073 restricted and \$150,000 unrestricted.
- \$265,000 Trustee receipts from previous years and new pledges.
- \$741,250 Endowment distributions.
- \$751,516 Sponsorship.
- \$48,410 Swim-a-thon receipts.
- \$126,043 Olympic Trials VIP Packages



- \$348,806 USA Swimming staff allocation (net \$0 to Foundation).
- \$16,100 Alumni income.
- \$35,263 Unrestricted investment and other income – mainly gains on short-term security investments and VIK revenue.

**Expenses (Page 6 additional detail):**

- \$1,278,598 Supporting expenses – greater than 2020 by (\$343,785).
- \$2,356,094 Program expenses – less than 2020 by \$2,713,235.
  - \$1,116,433 National Team athlete support – greater than 2020 by (\$293,784).
  - \$482,958 Youth Learn to Swim grants – greater than 2020 by (\$169,116).




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## Performance Monitoring Report

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TO: USA Swimming Board of Directors  
FR: Tim Hinchey III, President & Chief Executive Officer  
RE: Internal Report – Management Parameters  
Annual Monitoring on **Policy 3.1: Treatment of Members/Customers**  
DA: April 13, 2022

I hereby present the monitoring report on Management Parameters policy 3.1 “Treatment of Members/Customers” 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 13, 2022.

Signed , President & CEO

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

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

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

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

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

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

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

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

### REPORT:

Complaints of disrespectful or undignified treatment of members by staff are infrequent.

Since this report was last submitted in November 2021, we have received one complaint that a member’s voicemail was not responded to in a timely fashion. In that circumstance, the member raised with the Zone Directors Council (ZDC) that a call placed at 7:19 a.m. was not returned until nearly five hours later at 11:39 a.m. The ZDC addressed this matter among its members and acknowledge that five hours was an appropriate response time (and consistent with the commonly accepted timeframe set forth above).

When organizing events, safety is always an utmost concern – both for athletes and volunteers/attendees. Since November 2021, there have been 670 reports of occurrence files in connection with all practices and meets for our ~320,000 members and additional event spectators. Fortunately, none of the injuries were catastrophic.



As to athlete safety/abuse, we have and will continue to elevate and implement ways to make participating in the sport safer. To date, 772 member clubs have achieved Safe Sport Club Recognition and an additional 994 are in the process of applying for recognition accounting for 65% of member clubs engaged in the initiative. While we are proud of this effort, we must consider requiring participation in this program. Finally, our continued commitment to address athlete abuse has resulted in one individual being banned since November 2021, with the list now totaling 188.

Due to the fair, dignified, timely and responsive conduct of our staff, and in light of the aggressive steps taken to mitigate safety concerns, I report **COMPLIANCE**.

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

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

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

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

#### **REPORT:**

As USA Swimming focuses on modernizing and professionalizing our technology capabilities, we continue to make the cyber security program a top priority. Building off prior initiatives, we are currently developing and implementing a comprehensive IT Policy Manual based on the NIST (National Institute of Standards and Technology) framework and aim to achieve the NIST Cybersecurity Framework Standard by the end of 2022 (goal of achieving 800-53 standard, the standard employed within federal information systems and organizations by 2023); this Policy Manual will include data handling and retention guidelines. Additionally, we are contracting with an outside vendor to manage our data retention consistent with applicable state and federal laws.

Attempts by unauthorized users to access our network continue, but through the deployment of various tools, partnership with outside experts, and staff training in recognizing and responding to threats, we remain confident in our ability to manage and respond to these circumstances.

USA Swimming still does not store or process any cardholder data—electronic or otherwise—nor do we transmit cardholder data electronically through our servers or network. Wells Fargo scans the USA Swimming network monthly and requires that an annual security self-assessment be completed to ensure that we comply with the Payment Card Industry Data Security Standards (PCI DSS) for secure credit card processing when using their system via the web.

As USA Swimming progresses through its digital transformation, we are exceptionally mindful to scale up security protections and initiatives proportionately.

I therefore report **COMPLIANCE**.

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

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

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



**REPORT:**

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

I therefore report **COMPLIANCE**.

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**POLICY PROVISION 3: “The CEO will not, pertaining to members, operate without conveying applicable USA Swimming Code of Conduct expectations of members, including but not limited to it being the policy of USA Swimming that its members, including athletes, coaches, officials and volunteers, have the right to participate and compete in an environment that is safe and free from sexual abuse and harassment.”**

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

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

**REPORT:**

Agreeing to abide by the Code of Conduct is a required field in the membership application process, assuring that we have conveyed the expectation to all members. As referenced above, members who are required to complete a criminal background check also must attest to reviewing and agreeing to the Code of Conduct as part of that process. It is also included in the USA Swimming Rulebook, a copy of which is available to all members and the general public on the USA Swimming website and mailed out to each LSC and member club. Reminders related to the Code of Conduct are included in member newsletters and social media posts. Nonetheless, it is our responsibility to continue to seek new methods of communicating the Code of Conduct to members at all levels

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

I therefore report **COMPLIANCE**.

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

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

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

**REPORT:**

Over the past year, the overwhelming majority of alleged Code of Conduct violations involved the U.S. Center for SafeSport’s Code, which are enforced by the U.S. Center for SafeSport (the “Center”). USA Swimming has actively engaged with the Center to ensure that it is responding to such allegations in as effective manner as possible (with respect to timeliness, communication, etc.). All other Code of Conduct violations have been addressed by the staff through informal resolution or National Board of Review (NBOR), consistent with USA Swimming’s rules. In the past year, there were no National Board of Review cases.

I therefore report **COMPLIANCE**.



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## Performance Monitoring Report

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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: 4/13/2022

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 13, 2022.

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 continued to cause 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; Dr. Jonathan Finoff, USOPC; Holly Schick, USOPC; Kathy Carter, USOPP; Janet Evans, LA2028; Brian Lafemina, LA2028; Dawson Hughes, US Masters Swimming; Li Li Leung, USA Gymnastics; Pat Kelleher, USA Hockey; Adam Andrasko, USA Artistic Swimming; Lee Michaud, USA Diving; Max Seigel, USA Track and Field; Renee Washington, USA Track and Field; Dan Payne, USA Rugby; Alan Ostfield, US Sailing; and Aron McGuire, USA Bobsled and Skeleton.
- International Bodies – Brent Nowicki, FINA; Ahmed El-Awadi, Swimming Canada; John Atkinson, Swimming Canada; Suzanne Paulins, Swimming Canada; Jack Buckner, British Swimming; Eugenie Buckley, Swimming Australia; Rohan Taylor, Swimming Australia; Koji Ueno, Japan Swimming; Sayaka Muramatsu, Japan Swimming; and Shigeo Ogata, Member of FINA Technical Swimming Committee (Japan).
- Commercial - Scott Davison, OneAmerica; Oliver Chi, City Manager, City of Irvine; Chris Foy, Impression Sports; Alan Fey, Fanatics; Jason Flaxbeard, Beecher Carlson; Dave Cooper, Risk Management Services; Josh Todd, Omaha Sports; Gary Zenkel, NBC Universal; Jeremy Parrish, University of Iowa; Jon Ram, Hanes; Bob Brennfleck, SportFive; Phillips66; Sigma Gamma Rho; Indiana Sports Corp; Chicago Park District; and First Western Trust.
- Foundation Trustees & Donors - Fred Uytensu; Ron Kaminski; Mike McCaffrey; Tim Buckley;



and Tod Spieker.

- Coaches, Clubs, & Athletes –Dave Durden, University of California, Berkeley; Dave Salo, University of Southern California/Irvine Novaquatics; Greg Meehan, Stanford University; and several athletes, including Ryan Murphy, Natalie Hinds, Chase Kalisz, and Wend Boglioli.

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**.



USA Swimming  
2021 Budget vs. 2021 Projection vs. 2021 Actual Summary  
As of 3/25/2022

	Approved Budget 2021	November Projection 2021	Actual 2021	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
REVENUE:								
Membership	\$ 14,828,111	\$ 18,143,499	\$ 18,174,271	\$ 30,772	0.2%	\$ 3,346,160	22.6%	Membership outpaced initial budgets (e.g., recovered sooner than conservatively projected).
Partnership Marketing	4,068,956	4,803,956	5,618,817	814,861	17.0%	1,549,861	38.1%	New partners, deferred VIK from 2020, and conservative budget given unsigned 2024 quad contracts at time of budget.
USOPC Partnership	5,329,500	5,591,091	5,581,271	(9,820)	-0.2%	251,771	4.7%	Add'l USOPC grants received than were originally contracted (Olympic Games).
Investment Income	20,000	10,500	10,433	(67)	-0.6%	(9,567)	-47.8%	No portfolio distributions for operations in 2021 (just ST investment earnings).
Foundation	1,087,500	1,451,933	1,386,433	(65,500)	-4.5%	298,933	27.5%	Olympic Team donors (+\$112.5K), other unbud donors.
Sport and Events	697,000	301,500	154,834	(146,666)	-48.6%	(542,166)	-77.8%	No OPTC Altitude Camps (-\$240K), GGA (-\$165K), Coach Edu Clinics (-\$60K), other.
Olympic Trials	4,410,000	1,241,500	1,885,808	644,308	51.9%	(2,524,192)	-57.2%	Trials JV underperformed (-\$1.3M), allowed for anticipated Bad Debt of (-\$1.2M) (OSC).
Pandemic Relief	-	182,317	182,317	1	0.0%	182,317	100.0%	Remainder of PPP forgiven.
Other Income	359,541	367,030	383,663	16,633	4.5%	24,122	6.7%	Imputed prepaid rent interest income, NCAA times contract, unclaimed prize money.
Total Revenue	30,800,608	32,093,326	33,377,847	1,284,521	4.0%	2,577,239	8.4%	
EXPENSES:								
Technical/Sport:								
National Team	9,400,649	10,295,162	9,834,833	460,329	4.5%	(434,184)	-4.6%	Olympic Prep Camp (-\$250K), G&A (+\$126K), Covid Testing/Protocols (-\$125K), Jr. Team Programming (-\$100K).
Sport Development	5,683,974	5,135,471	4,578,522	556,949	10.8%	1,105,452	19.4%	OMR Timing (+\$255K), Zone Workshops (+\$225K), Coach Ed & Dev (+\$155K), Zone Select Camps (+\$125K), DEI Camps/Mtgs. (+\$68K), Comm. Swim Team Dev. Timing (+\$60K), Swimposium (+\$48K).
Event Operations	3,185,074	3,803,080	3,814,445	(11,365)	-0.3%	(629,371)	-19.8%	TV/Webcast Production (-\$406K), Pro Swim Series (-\$130K), Officials Programs (+\$107K), ISL Allowance (-\$91K), Futures (-\$71K), ABM (-\$64K), Trials (USA Swimming portion) (-\$61K).
Total Technical/Sport	18,269,697	19,233,713	18,227,800	1,005,913	5.2%	41,897	0.2%	
Other Programs:								
Commercial	5,644,330	6,040,178	5,928,156	112,022	1.9%	(283,826)	-5.0%	Swimming Productions (-\$348K), Splash Mag (+\$110K), BI & Digital Platforms (-\$81K), Partnership Activation (+\$67K).
Risk Management / Insurance	4,347,150	4,445,692	4,348,457	97,235	2.2%	(1,307)	0.0%	Coverages as budgeted.
Foundation Support	449,414	457,385	348,806	108,579	23.7%	100,608	22.4%	Less staff allocation (net \$0 to Swimming P&L).
Total Other Programs	10,440,894	10,943,255	10,625,419	317,836	2.9%	(184,525)	-1.8%	
Administration:								
Executive	1,413,498	1,520,816	1,809,482	(288,666)	-19.0%	(395,984)	-28.0%	G&A (-\$300K), Executive Programming (-\$101K).
Finance	831,207	880,547	852,642	27,905	3.2%	(21,435)	-2.6%	G&A (-\$21K).
Business Affairs	3,014,310	3,001,276	2,890,721	110,555	3.7%	123,589	4.1%	IT Operations Support (+\$70K), G&A (+\$60K).
Total Administration	5,259,015	5,402,640	5,552,845	(150,205)	-2.8%	(293,830)	-5.6%	
Total Expenses	33,969,606	35,579,607	34,406,064	1,173,543	3.3%	(436,458)	-1.3%	
Operating Surplus (Deficit) Before Investment G/(L)	\$ (3,168,998)	\$ (3,486,281)	\$ (1,028,218)	\$ 2,458,063		\$ 2,140,780		
Investment Gains (Losses)	-	2,500,000	4,429,692	1,929,692		4,429,692		Portfolio gains, 12.28% annual gain, always budget market neutral (\$0).
Operating Surplus (Deficit) After Investment G/(L)	\$ (3,168,998)	\$ (986,281)	\$ 3,401,475	\$ 4,387,755		\$ 6,570,472		



USA Swimming  
2021 Budget vs. 2021 Projection vs. 2021 Actual Summary  
As of 3/25/2022

	Approved Budget 2021	November Projection 2021	Actual 2021	Projection to Actual \$ Variance Favorable (Unfavorable)	Budget to Actual \$ Variance Favorable (Unfavorable)	Comment
BOARD APPROVED RESERVE INVESTMENTS - Cash Basis						
Operating Reserves:						
Disaster Donations	\$ (25,000)	\$ (25,000)	\$ -	\$ 25,000	\$ 25,000	N/A in 2021.
Board Designated Funds:						
"Keeping Athletes First" (KAF) Initiative:						KAF Initiatives
Coach Education & LMS	(250,000)	(462,893)	(493,153)	(30,260)	(243,153)	↓
Safe Sport (Club Rec, Staff Res & Prog Dev)	(1,000,000)	(366,490)	(400,034)	(33,544)	599,966	
Online Member Registration	(250,000)	(1,491,527)	(1,374,271)	117,256	(1,124,271)	
Legal & Risk Management	-	(75,000)	(46,699)	28,301	(46,699)	No Letter of Credit drawdown in 2021. Only interest on the line of credit.
USSIC Sale Letter of Credit	(2,500,000)	(775,000)	(55,409)	719,591	2,444,591	
Total Board Approved Reserve Investments	\$ (4,025,000)	\$ (3,195,910)	\$ (2,369,566)	\$ 826,344	\$ 1,655,434	



**USA Swimming**  
**2020 (+2021) Quad Operating Business Plan Summary**  
**As of 3/25/2022**

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	2020 (+2021) Quad Actual
<b>REVENUE:</b>						
Membership	\$ 22,483,811	\$ 22,778,145	\$ 23,203,900	\$ 21,958,981	\$ 18,174,271	\$ 108,599,108
Partnership Marketing	4,892,200	4,439,244	5,384,352	2,149,720	5,618,817	22,484,333
USOPC Partnership	5,134,700	5,294,900	5,305,500	4,090,811	5,581,271	25,407,182
Investment Income	1,001,643	1,070,021	1,804,747	730,683	10,433	4,617,527
Foundation	792,500	963,600	1,193,750	1,152,649	1,386,433	5,488,932
Sport and Events	1,069,626	851,153	1,425,523	427,091	154,834	3,928,227
Olympic Trials	(91,372)	(46,541)	(93,672)	(57,475)	1,885,808	1,596,748
Pandemic Relief	-	-	-	1,445,651	182,317	1,627,968
Other Income	331,745	749,322	505,716	451,113	383,663	2,421,559
<b>Total Revenue</b>	<b>35,614,853</b>	<b>36,099,844</b>	<b>38,729,815</b>	<b>32,349,224</b>	<b>33,377,847</b>	<b>176,171,584</b>
<b>EXPENSES:</b>						
<b>Technical/Sport:</b>						
National Team	8,541,826	9,692,513	11,348,949	5,507,013	9,834,833	44,925,134
Sport Development	5,306,748	5,450,767	5,881,615	4,654,761	4,578,522	25,872,411
Event Operations	7,625,558	6,585,153	6,370,668	2,277,680	3,814,445	26,673,504
Total Technical / Sport	21,474,131	21,728,433	23,601,232	12,439,453	18,227,800	97,471,049
<b>Other Programs:</b>						
Commercial	5,172,794	6,260,256	6,119,540	4,334,824	5,928,156	27,815,570
Risk Management / Insurance	3,004,431	3,063,524	3,195,455	2,935,394	4,348,457	16,547,261
Foundation Support	525,371	996,997	449,414	392,446	348,806	2,713,034
Total Other Programs	8,702,596	10,320,778	9,764,409	7,662,664	10,625,419	47,075,865
<b>Administration:</b>						
Executive	4,013,797	1,530,149	1,600,769	1,211,838	1,809,482	10,166,034
Finance	1,364,162	871,532	1,157,804	852,272	852,642	5,098,412
Business Affairs	807,980	3,102,737	3,742,534	3,955,757	2,890,721	14,499,730
Total Administration	6,185,939	5,504,417	6,501,107	6,019,867	5,552,845	29,764,176
<b>Total Expenses</b>	<b>36,362,666</b>	<b>37,553,628</b>	<b>39,866,748</b>	<b>26,121,984</b>	<b>34,406,064</b>	<b>174,311,090</b>
<b>OPERATING SURPLUS (DEFICIT) Before Investment G/(L)</b>	<b>\$ (747,813)</b>	<b>\$ (1,453,784)</b>	<b>\$ (1,136,933)</b>	<b>\$ 6,227,240</b>	<b>\$ (1,028,218)</b>	<b>\$ 1,860,493</b>
Investment Gains (Losses)	3,816,462	(2,480,166)	4,015,437	2,989,783	4,429,692	12,771,208
<b>OPERATING SURPLUS (DEFICIT) After Investment G/(L)</b>	<b>\$ 3,068,649</b>	<b>\$ (3,933,950)</b>	<b>\$ 2,878,504</b>	<b>\$ 9,217,023</b>	<b>\$ 3,401,475</b>	<b>\$ 14,631,701</b>



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

	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$4,716,508	\$2,309,779	\$2,406,729
Accounts receivable	2,689,280	2,873,971	(184,691)
Prepaid expenses and deferred charges	1,486,845	2,831,664	(1,344,819)
Total Current Assets	<u>8,892,633</u>	<u>8,015,414</u>	<u>877,219</u>
<b>FIXED ASSETS:</b>			
Leasehold Improvements, IT Systems, FF&E, Other	14,760,728	13,544,751	1,215,977
Accumulated depreciation & amortization	(10,743,617)	(9,521,267)	(1,222,350)
Total Fixed Assets	<u>4,017,112</u>	<u>4,023,484</u>	<u>(6,373)</u>
<b>LONG-TERM INVESTMENTS:</b>			
Long-term Investments	42,950,983	36,533,447	6,417,536
<b>OTHER ASSETS:</b>			
Investment - Swim Trials, LLC	0	56,482	(56,482)
Prepaid rent	4,717,772	4,825,420	(107,648)
Total Other Assets	<u>4,717,772</u>	<u>4,881,902</u>	<u>(164,130)</u>
<b>TOTAL ASSETS</b>	<b><u>\$60,578,499</u></b>	<b><u>\$53,454,247</u></b>	<b><u>\$7,124,252</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$2,806,832	\$807,693	\$1,999,139
Accrued expenses and other liabilities	888,455	1,508,269	(619,814)
Line of Credit Payable	1,821,000	0	1,821,000
Deferred revenue	15,051,242	12,595,523	2,455,719
Total Current Liabilities	<u>20,567,529</u>	<u>14,911,485</u>	<u>5,656,043</u>
<b>NONCURRENT LIABILITIES:</b>			
Insurance Liability	760,898	0	760,898
Line of Credit Payable	0	1,821,000	(1,821,000)
Total Noncurrent Liabilities	<u>760,898</u>	<u>1,821,000</u>	<u>(1,060,102)</u>
Total Liabilities	21,328,427	16,732,485	4,595,941
<b>NET ASSETS:</b>			
Unrestricted:			
Undesignated Net Assets	24,391,078	20,989,604	3,401,474
Board Designated - USSIC	14,858,994	15,732,157	(873,163)
Total Unrestricted Net Assets	<u>39,250,073</u>	<u>36,721,761</u>	<u>2,528,311</u>
Total Net Assets	<u>39,250,073</u>	<u>36,721,761</u>	<u>2,528,311</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$60,578,499</u></b>	<b><u>\$53,454,247</u></b>	<b><u>\$7,124,252</u></b>



**USA Swimming**  
**Income Statement - By Division**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>REVENUE:</b>							
Membership	(\$8,175)	\$18,174,271	\$14,828,111	\$3,346,160	22.57%	\$21,958,981	(\$3,784,710)
Partnership Marketing	2,790,934	5,618,817	4,068,956	1,549,861	38.09%	2,149,720	3,469,098
USOPC Partnership	262,992	5,581,271	5,329,500	251,771	4.72%	4,090,811	1,490,460
Investment Income	(227)	10,433	20,000	(9,567)	-47.83%	730,683	(720,250)
Foundation	845,683	1,386,433	1,087,500	298,933	27.49%	1,152,649	233,784
Sport and Events	107,767	154,834	697,000	(542,166)	-77.79%	427,090	(272,257)
Olympic Trials	(744,192)	1,885,808	4,410,000	(2,524,192)	-57.24%	(57,475)	1,943,283
Pandemic Relief	0	182,317	0	182,317	0.00%	1,445,651	(1,263,335)
Other Income	132,592	383,663	359,541	24,122	6.71%	451,113	(67,450)
<b>TOTAL REVENUE</b>	<b>3,387,373</b>	<b>33,377,847</b>	<b>30,800,608</b>	<b>2,577,239</b>	<b>8.37%</b>	<b>32,349,224</b>	<b>1,028,624</b>
<b>EXPENSES:</b>							
<b>Technical/Sport:</b>							
National Team	2,344,972	9,834,833	9,400,649	(434,184)	-4.62%	5,507,013	(4,327,820)
Sport Development	1,468,602	4,578,522	5,683,974	1,105,452	19.45%	4,654,761	76,239
Event Operations	1,392,119	3,814,445	3,185,074	(629,371)	-19.76%	2,277,680	(1,536,766)
Total Technical/Sport	5,205,692	18,227,800	18,269,697	41,897	0.23%	12,439,453	(5,788,347)
<b>Other Programs:</b>							
Commercial	1,313,770	5,928,156	5,644,330	(283,826)	-5.03%	4,334,824	(1,593,333)
Risk Management / Insurance	777,836	4,348,457	4,347,150	(1,307)	-0.03%	2,935,394	(1,413,063)
Foundation Support	348,806	348,806	449,414	100,608	22.39%	392,446	43,640
Total Other Programs	2,440,412	10,625,419	10,440,894	(184,525)	-1.77%	7,662,664	(2,962,756)
<b>Administration:</b>							
Executive	730,372	1,809,482	1,413,498	(395,984)	-28.01%	1,211,838	(597,644)
Finance	187,434	852,642	831,207	(21,435)	-2.58%	852,272	(369)
Business Affairs	752,034	2,890,721	3,014,310	123,589	4.10%	3,955,757	1,065,036
Total Administration	1,669,840	5,552,845	5,259,015	(293,830)	-5.59%	6,019,867	467,022
<b>TOTAL EXPENSES</b>	<b>9,315,944</b>	<b>34,406,065</b>	<b>33,969,606</b>	<b>(436,459)</b>	<b>-1.28%</b>	<b>26,121,984</b>	<b>(8,284,081)</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>(\$5,928,570)</b>	<b>(\$1,028,218)</b>	<b>(\$3,168,998)</b>	<b>\$2,140,780</b>	<b>-67.55%</b>	<b>\$6,227,239</b>	<b>(\$7,255,457)</b>
Investment Gain (Loss)	1,413,557	4,429,692	0	4,429,692	0.00%	2,989,783	1,439,909
<b>OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)</b>	<b>(\$4,515,013)</b>	<b>\$3,401,474</b>	<b>(\$3,168,998)</b>	<b>\$6,570,472</b>	<b>-207.34%</b>	<b>\$9,217,022</b>	<b>(\$5,815,548)</b>



**USA Swimming**  
**Income Statement - By Category**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>REVENUE:</b>							
Membership	(\$8,175)	\$18,174,271	\$14,828,111	\$3,346,160	22.57%	\$21,958,981	(\$3,784,710)
USOPC Partnership	262,992	5,581,271	5,329,500	251,771	4.72%	4,090,811	1,490,460
Partnership Marketing	2,790,934	5,618,817	4,068,956	1,549,861	38.09%	2,149,720	3,469,098
Sport and Events	107,767	154,834	697,000	(542,166)	-77.79%	427,090	(272,257)
Olympic Trials	(744,192)	1,885,808	4,410,000	(2,524,192)	-57.24%	(57,475)	1,943,283
Foundation	845,683	1,386,433	1,087,500	298,933	27.49%	1,152,649	233,784
Investment Income	(227)	10,433	20,000	(9,567)	-47.83%	730,683	(720,250)
Pandemic Relief	0	182,317	0	182,317	0.00%	1,445,651	(1,263,335)
Other Income	132,592	383,663	359,541	24,122	6.71%	451,113	(67,450)
<b>Total Revenue</b>	<b>3,387,373</b>	<b>33,377,847</b>	<b>30,800,608</b>	<b>2,577,239</b>	<b>8.37%</b>	<b>32,349,224</b>	<b>1,028,624</b>
<b>EXPENSES:</b>							
Salaries and Wages	3,217,863	8,626,752	8,454,355	(172,397)	-2.04%	8,591,539	(35,213)
Employee Benefits	494,271	1,790,823	2,053,009	262,186	12.77%	2,031,421	240,599
Employment Taxes	164,314	541,141	573,296	32,155	5.61%	564,243	23,102
Total Payroll and Benefits	3,876,448	10,958,715	11,080,660	121,945	1.10%	11,187,203	228,488
Insurance	777,774	4,384,621	4,366,450	(18,171)	-0.42%	2,957,882	(1,426,739)
Direct Athlete Support	413,061	4,032,463	4,128,220	95,757	2.32%	2,963,948	(1,068,516)
Travel and Hospitality	971,243	3,718,064	3,912,190	194,126	4.96%	726,123	(2,991,941)
Professional Fees & Honoraria	797,346	3,126,554	2,835,132	(291,422)	-10.28%	2,476,533	(650,021)
Depreciation and Amortization	364,937	1,574,281	1,574,200	(81)	-0.01%	1,545,537	(28,745)
Television and Video Production	334,461	1,234,087	651,074	(583,013)	-89.55%	634,404	(599,683)
Dues, Fees & Tickets	223,599	962,566	998,071	35,505	3.56%	638,839	(323,728)
Apparel	375,701	696,422	292,000	(404,422)	-138.50%	40,296	(656,127)
Rent and Lease Expense	177,743	658,052	824,458	166,406	20.18%	516,078	(141,975)
Gear, Equipment, & Signage	92,354	540,522	505,907	(34,615)	-6.84%	166,673	(373,848)
Information Technology Expenses	85,605	515,787	664,398	148,611	22.37%	492,670	(23,117)
Telephone and Internet Service	73,407	444,084	402,145	(41,939)	-10.43%	205,302	(238,782)
Supplies and Expense	175,043	417,280	377,430	(39,850)	-10.56%	293,305	(123,975)
Awards	371,882	406,975	516,426	109,451	21.19%	85,354	(321,621)
Grants	71,590	364,090	422,000	57,910	13.72%	678,716	314,626
Miscellaneous Expenses	122,771	188,269	80,035	(108,234)	-135.23%	198,941	10,673
Printing and Duplication	4,336	105,381	173,210	67,829	39.16%	246,968	141,588
Protocol & Gifts	5,213	63,423	104,350	40,927	39.22%	29,004	(34,419)
Contingency	0	7,286	28,000	20,714	73.98%	0	(7,286)
Advertising	1,429	7,142	33,250	26,108	78.52%	38,209	31,067
<b>Total Expenses</b>	<b>9,315,944</b>	<b>34,406,065</b>	<b>33,969,606</b>	<b>(436,459)</b>	<b>-1.28%</b>	<b>26,121,984</b>	<b>(8,284,081)</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>(\$5,928,570)</b>	<b>(\$1,028,218)</b>	<b>(\$3,168,998)</b>	<b>\$2,140,780</b>	<b>-67.55%</b>	<b>\$6,227,239</b>	<b>(\$7,255,457)</b>
Investment Gains (Losses)	1,413,557	4,429,692	0	4,429,692	0.00%	2,989,783	1,439,909
<b>OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)</b>	<b>(\$4,515,013)</b>	<b>\$3,401,474</b>	<b>(\$3,168,998)</b>	<b>\$6,570,472</b>	<b>-207.34%</b>	<b>\$9,217,022</b>	<b>(\$5,815,548)</b>



**USA Swimming, Inc.**  
**Statement of Revenue**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) Twelve Months 2020 vs. 2021
<b>MEMBERSHIP:</b>							
Athlete Membership	\$2,182	\$14,897,956	\$12,158,080	\$2,739,876	22.54%	\$17,696,050	(\$2,798,094)
Flex	(20)	442,118	320,000	122,118	38.16%	258,830	183,288
Cost of Flex	0	0	0	0	0.00%	1,302,502	(1,302,502)
Outreach Athlete Membership	0	23,660	33,410	(9,750)	-29.18%	42,435	(18,775)
Seasonal Athlete Membership	(510)	412,950	390,630	22,320	5.71%	181,528	231,422
Non-Athlete Membership	123	2,171,943	1,785,600	386,343	21.64%	2,234,062	(62,119)
Life Membership	(10,000)	31,364	15,000	16,364	109.09%	33,334	(1,970)
Club Membership	0	188,580	165,620	22,960	13.86%	206,220	(17,640)
Seasonal Club Membership	40	3,600	2,360	1,240	52.54%	2,520	1,080
Affiliate Membership	0	850	0	850	0.00%	450	400
Single Meet Open Water	0	270	1,000	(730)	-73.00%	320	(50)
Other Membership Income	10	980	(43,589)	44,569	-102.25%	730	250
<b>TOTAL MEMBERSHIP</b>	<b>(8,175)</b>	<b>18,174,271</b>	<b>14,828,111</b>	<b>3,346,160</b>	<b>22.57%</b>	<b>21,958,981</b>	<b>(3,784,710)</b>
<b>PARTNERSHIP MARKETING:</b>							
Corporate Sponsorship	2,594,479	5,074,213	3,651,456	1,422,757	38.96%	1,965,405	3,108,808
Supplier Income	31,187	201,187	172,500	28,687	16.63%	82,500	118,687
Licensee Income	132,637	182,076	100,000	82,076	82.08%	32,714	149,362
Royalty Income	32,485	160,558	125,000	35,558	28.45%	64,041	96,518
Web Advertising and Print Advertising	147	783	20,000	(19,217)	-96.08%	5,060	(4,277)
<b>TOTAL PARTNERSHIP MARKETING</b>	<b>2,790,934</b>	<b>5,618,817</b>	<b>4,068,956</b>	<b>1,549,861</b>	<b>38.09%</b>	<b>2,149,720</b>	<b>3,469,098</b>
<b>USOPC PARTNERSHIP:</b>							
USOPC Performance Funding	388,982	3,183,696	3,082,200	101,496	3.29%	1,851,000	1,332,696
USOPC Direct Athlete Support	586,329	2,232,300	2,232,300	0	0.00%	2,226,865	5,435
USOPC International Relations Grant	5,181	5,181	15,000	(9,819)	-65.46%	7,946	(2,766)
USOPC Other Support	(717,500)	160,095	0	160,095	0.00%	5,000	155,095
<b>TOTAL USOPC PARTNERSHIP</b>	<b>262,992</b>	<b>5,581,271</b>	<b>5,329,500</b>	<b>251,771</b>	<b>4.72%</b>	<b>4,090,811</b>	<b>1,490,460</b>
<b>INVESTMENT INCOME:</b>							
Investment Income - Operating Budget	0	0	0	0	0.00%	704,616	(704,616)
Interest Income - Savings	(227)	(227)	0	(227)	0.00%	(258)	32
Interest Income - Short Term Securities	0	10,660	20,000	(9,340)	-46.70%	26,325	(15,666)
<b>TOTAL INVESTMENT INCOME</b>	<b>(227)</b>	<b>10,433</b>	<b>20,000</b>	<b>(9,567)</b>	<b>-47.83%</b>	<b>730,683</b>	<b>(720,250)</b>
<b>FOUNDATION:</b>							
USA Swimming Foundation	778,183	1,116,433	817,500	298,933	36.57%	882,649	233,784
Foundation Management Fee and Rent	67,500	270,000	270,000	0	0.00%	270,000	0
<b>TOTAL FOUNDATION</b>	<b>845,683</b>	<b>1,386,433</b>	<b>1,087,500</b>	<b>298,933</b>	<b>27.49%</b>	<b>1,152,649</b>	<b>233,784</b>
<b>SPORT AND EVENTS:</b>							
Golden Goggle Awards	37,814	(42,981)	125,000	(167,981)	-134.39%	118,331	(161,312)
Coach Education Clinics	38,160	130,818	190,000	(59,182)	-31.15%	85,465	45,353
Altitude Camps	0	64	240,000	(239,936)	-99.97%	185,937	(185,873)



**USA Swimming, Inc.**  
**Statement of Revenue**  
For the 12 Months Ended December 31, 2021

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) Twelve Months 2020 vs. 2021
Pro Swim Series Host Fees	0	0	0	0	0.00%	25,000	(25,000)
Facilities Conference	0	0	0	0	0.00%	6,868	(6,868)
Custom Visits (BAP)	0	0	0	0	0.00%	1,232	(1,232)
Safe Sport Materials	0	0	12,000	(12,000)	-100.00%	0	0
International TV Rights	0	0	15,000	(15,000)	-100.00%	0	0
Other Registration	31,794	66,933	115,000	(48,067)	-41.80%	4,258	62,675
<b>TOTAL SPORT AND EVENTS</b>	<b>107,767</b>	<b>154,834</b>	<b>697,000</b>	<b>(542,166)</b>	<b>-77.79%</b>	<b>427,090</b>	<b>(272,257)</b>
<b>OLYMPIC TRIALS</b>							
Olympic Trials	(744,192)	1,885,808	4,410,000	(2,524,192)	-57.24%	(57,475)	1,943,283
<b>TOTAL OLYMPIC TRIALS</b>	<b>(744,192)</b>	<b>1,885,808</b>	<b>4,410,000</b>	<b>(2,524,192)</b>	<b>-57.24%</b>	<b>(57,475)</b>	<b>(1,943,283)</b>
<b>OTHER INCOME:</b>							
NCAA Top Times List	50,294	100,589	100,600	(11)	-0.01%	100,589	0
Combined Federal Campaign	0	0	0	0	0.00%	1,931	(1,931)
Forfeited Prize Money	373	373	0	373	0.00%	73,053	(72,680)
Imputed Interest - Prepaid Rent	64,191	258,941	258,941	0	0.00%	264,280	(5,339)
Pandemic Relief	0	182,317	0	182,317	0.00%	1,445,651	(1,263,335)
Other Revenue	17,734	23,760	0	23,760	0.00%	11,260	12,500
<b>TOTAL OTHER INCOME</b>	<b>132,592</b>	<b>565,980</b>	<b>359,541</b>	<b>206,439</b>	<b>57.42%</b>	<b>1,896,764</b>	<b>(1,330,785)</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$3,387,373</b>	<b>\$33,377,847</b>	<b>\$30,800,608</b>	<b>\$2,577,239</b>	<b>8.37%</b>	<b>\$32,349,224</b>	<b>\$1,028,624</b>
<b>INVESTMENT GAINS (LOSSES):</b>							
Investment Income (Loss) less Operating Allocation	1,437,887	4,523,520	75,000	4,448,520	5931.36%	3,072,272	1,451,248
Money Manager Fees	(24,330)	(93,828)	(75,000)	(18,828)	25.10%	(82,489)	(11,339)
<b>TOTAL INVESTMENT GAINS (LOSSES)</b>	<b>1,413,557</b>	<b>4,429,692</b>	<b>0</b>	<b>4,429,692</b>	<b>0.00%</b>	<b>2,989,783</b>	<b>1,439,909</b>
<b>TOTAL REVENUE</b>	<b>\$4,800,930</b>	<b>\$37,807,539</b>	<b>\$30,800,608</b>	<b>\$7,006,931</b>	<b>22.75%</b>	<b>\$35,339,007</b>	<b>\$2,468,532</b>



**USA Swimming, Inc.**  
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	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>TECHNICAL/SPORT:</b>							
<b>NATIONAL TEAM</b>							
<b>Competitions</b>							
3001 Olympic Games	338,898	533,737	425,640	(108,097)	-25.40%	0	(533,737)
3015 World University Games	0	0	142,160	142,160	100.00%	0	0
3023 US Open Championships	0	2,175	0	(2,175)	0.00%	96,449	94,274
3033 Short Course World Championships	207,254	209,494	150,000	(59,494)	-39.66%	0	(209,494)
<b>Program Group Total</b>	<b>546,153</b>	<b>745,406</b>	<b>717,800</b>	<b>(27,606)</b>	<b>-3.85%</b>	<b>96,449</b>	<b>(648,957)</b>
<b>Junior Team Programs</b>							
3009 Jr. Team International Competition	76,105	255,365	0	(255,365)	0.00%	0	(255,365)
3012 Jr. Pan Pacific Championships	0	0	0	0	0.00%	1,375	1,375
3045 Junior Team Camps	1,081	2,333	0	(2,333)	0.00%	2,598	265
3050 FINA World Junior Championships	0	2,240	147,100	144,860	98.48%	0	(2,240)
3051 Jr. Team Pro Swim Series	0	0	0	0	0.00%	16,117	16,117
3053 World 100	0	0	2,000	2,000	100.00%	0	0
3992 Ntl. Jr. Team Program Support	0	0	10,925	10,925	100.00%	6,993	6,993
<b>Program Group Total</b>	<b>77,186</b>	<b>259,938</b>	<b>160,025</b>	<b>(99,913)</b>	<b>-62.44%</b>	<b>27,083</b>	<b>(232,855)</b>
<b>Open Water Programs</b>							
3040 FINA Open Water Jr. Championships	0	2,240	36,025	33,785	93.78%	0	(2,240)
3060 Open Water Olympic Games	37,240	83,881	49,700	(34,181)	-68.77%	0	(83,881)
3065 Open Water World Cup	13,205	13,205	25,000	11,795	47.18%	50,253	37,048
3067 Open Water Camps	0	29,485	5,000	(24,485)	-489.69%	1,617	(27,868)
3495 Open Water Program Support	1,447	15,327	9,650	(5,677)	-58.83%	3,059	(12,268)
<b>Program Group Total</b>	<b>51,892</b>	<b>144,137</b>	<b>125,375</b>	<b>(18,762)</b>	<b>-14.96%</b>	<b>54,929</b>	<b>(89,208)</b>
<b>Camps</b>							
3005 Olympic Games Prep Camps	(12,916)	1,391,706	1,142,260	(249,446)	-21.84%	0	(1,391,706)
3069 National Team Specialty Camps	0	0	15,000	15,000	100.00%	2,750	2,750
3071 Altitude Training Camps	0	375	20,000	19,625	98.13%	9,356	8,981
3073 National Team Camps	0	580	15,000	14,420	96.13%	12,388	11,808
3076 National Team International Camps	0	0	0	0	0.00%	376	376
3518 Altitude Camps	7,920	7,920	250,000	242,080	96.83%	159,834	151,914
3479 Advance Team Visits	0	0	6,170	6,170	100.00%	4,874	4,874
<b>Program Group Total</b>	<b>(4,996)</b>	<b>1,400,581</b>	<b>1,448,430</b>	<b>47,849</b>	<b>3.30%</b>	<b>189,578</b>	<b>(1,211,004)</b>
<b>Athlete Services</b>							
3101 Athlete Support-Stipends & Grants	367,564	2,013,534	1,997,220	(16,314)	-0.82%	2,189,365	175,831
3100 USOPC Covid 19 Support Grant	0	124,084	0	(124,084)	0.00%	0	(124,084)
3103 Athlete Support-Medals & Records	20,313	1,002,500	1,010,000	7,500	0.74%	0	(1,002,500)
3107 Athlete Support-Op Gold Qualification Bonus	(20,313)	550,000	573,000	23,000	4.01%	37,500	(512,500)



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3025 Pro Swim Series Athlete Support	(1,463)	335,590	325,000	(10,590)	-3.26%	274,453	(61,137)
3021 World Cup Athlete Support	(2,219)	358	1,000	642	64.22%	0	(358)
3127 National Team Investment Grant	0	0	0	0	0.00%	136,651	136,651
3028 Miscellaneous Athlete Services	0	0	0	0	0.00%	89,400	89,400
3106 Phillips 66 Athlete Support	35,372	107,882	100,000	(7,882)	-7.88%	101,840	(6,042)
3110 National Team Uniforming (VIK)	220,773	377,064	75,000	(302,064)	-402.75%	0	(377,064)
3120 Athlete Support-Olympic Prep	837	837	0	(837)	0.00%	0	(837)
3130 Foundation Travel & Training	50,704	56,204	50,000	(6,204)	-12.41%	71,400	15,196
3131 Foundation Athlete Endowments	0	135,750	80,000	(55,750)	-69.69%	92,501	(43,249)
3453 Drug Control Program	0	7,113	19,650	12,537	63.80%	3,396	(3,717)
<b>Program Group Total</b>	<b>671,568</b>	<b>4,710,915</b>	<b>4,230,870</b>	<b>(480,045)</b>	<b>-11.35%</b>	<b>2,996,506</b>	<b>(1,714,410)</b>
<b>Coach Services</b>							
3203 Coach Incentive & Reward Program	330,000	330,000	330,000	0	0.00%	0	(330,000)
3210 Olympic Team Prep - Coaches	8,664	59,076	50,000	(9,076)	-18.15%	45,000	(14,076)
3220 Contract Labor - National Team Tech Advisor	0	0	0	0	0.00%	42,087	42,087
3222 National Team Consultant	0	0	0	0	0.00%	26,741	26,741
3010 Coach Education	0	0	0	0	0.00%	5,534	5,534
3077 National Team Coaches Meeting	0	0	500	500	100.00%	0	0
<b>Program Group Total</b>	<b>338,664</b>	<b>389,075</b>	<b>380,500</b>	<b>(8,575)</b>	<b>-2.25%</b>	<b>119,363</b>	<b>(269,713)</b>
<b>High Performance Support</b>							
3301 National Team Performance Support	14,734	75,023	101,320	26,297	25.95%	56,342	(18,681)
3310 USOPC Practitioner Travel Support	0	6,716	18,700	11,984	64.09%	7,289	573
<b>Program Group Total</b>	<b>14,734</b>	<b>81,739</b>	<b>120,020</b>	<b>38,281</b>	<b>31.90%</b>	<b>63,630</b>	<b>(18,109)</b>
<b>Sport Medicine &amp; Science</b>							
3201 Athletes and Coach Wellness Programs	12,226	67,906	50,000	(17,906)	-35.81%	43,459	(24,447)
3353 Sport Medicine & Science Network	1,829	61,580	44,900	(16,680)	-37.15%	56,196	(5,384)
3155 Elite Athlete Accident Coverage	0	24,300	36,000	11,700	32.50%	35,698	11,398
3200 Athlete Life Skills	0	350	0	(350)	0.00%	100	(250)
3351 Athlete Testing & Lab Expenses	0	215	10,000	9,785	97.85%	9,032	8,816
3390 Sport Medicine & Science Program Support	2,542	14,985	19,000	4,015	21.13%	9,142	(5,843)
<b>Program Group Total</b>	<b>16,597</b>	<b>169,336</b>	<b>159,900</b>	<b>(9,436)</b>	<b>-5.90%</b>	<b>153,627</b>	<b>(15,709)</b>
<b>Other Programs and Services</b>							
3481 National Team Equipment	908	10,468	15,500	5,032	32.47%	16,379	5,911
3499 Team Management Technology	0	8,535	0	(8,535)	0.00%	69,149	60,615
<b>Program Group Total</b>	<b>908</b>	<b>19,002</b>	<b>15,500</b>	<b>(3,502)</b>	<b>-22.60%</b>	<b>85,528</b>	<b>66,526</b>
<b>Committees</b>							
3846 Sports Medicine	15	15	500	485	97.00%	0	(15)
3868 Open Water Committee	15	15	500	485	97.00%	35	20
3882 National Steering	0	0	500	500	100.00%	1,441	1,441



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3888 National Team Athlete	0	0	0	0	0.00%	103	103
<b>Program Group Total</b>	<b>30</b>	<b>30</b>	<b>1,500</b>	<b>1,470</b>	<b>98.00%</b>	<b>1,579</b>	<b>1,549</b>
<b>Administration</b>							
3990 Administration & Operational Support	79,952	296,615	266,100	(30,515)	-11.47%	130,017	(166,598)
3999 Salary and Benefits	552,286	1,618,058	1,774,629	156,571	8.82%	1,588,724	(29,334)
<b>Program Group Total</b>	<b>632,238</b>	<b>1,914,673</b>	<b>2,040,729</b>	<b>126,056</b>	<b>6.18%</b>	<b>1,718,741</b>	<b>(195,932)</b>
<b>TOTAL NATIONAL TEAM</b>	<b>2,344,972</b>	<b>9,834,833</b>	<b>9,400,649</b>	<b>(434,184)</b>	<b>-4.62%</b>	<b>5,507,013</b>	<b>(4,327,820)</b>
<b>SPORT DEVELOPMENT</b>							
<b>Athlete Development Programs</b>							
1117 LSC Camps	\$32,712	\$32,801	\$4,700	(\$28,101)	-597.90%	\$336	(\$32,465)
1118 Zone Select Camps	0	27,743	152,960	125,217	81.86%	12,447	(15,296)
1119 National Select Camps	88,971	97,789	107,630	9,841	9.14%	21	(97,768)
1120 Camp (VIK)	42,463	42,463	25,000	(17,463)	-69.85%	1,965	(40,498)
1135 Tech Services Support	0	0	2,900	2,900	100.00%	0	0
<b>Program Group Total</b>	<b>164,146</b>	<b>200,796</b>	<b>293,190</b>	<b>92,394</b>	<b>31.51%</b>	<b>14,769</b>	<b>(186,027)</b>
<b>Coach Education and Development</b>							
1213 Coach Education Development	34,244	57,741	42,800	(14,941)	-34.91%	30,723	(27,018)
1231 USA-S Hosted Coaches Clinics	0	4,266	70,550	66,285	93.95%	4,332	66
1233 Disability Swimming Coaches Workshop	0	0	8,160	8,160	100.00%	0	0
1237 Non-USAS Clinic Participation	0	4,002	15,000	10,998	73.32%	4,109	107
1240 Online Coach Clinics/Podcasts	36	144	8,966	8,822	98.39%	5,009	4,865
1242 Coach Mentoring	4,798	13,093	70,000	56,907	81.30%	25,714	12,621
1245 Master Coach Program	(3,400)	0	0	0	0.00%	2,750	2,750
1290 Travel & Program Support	40,595	60,933	80,000	19,067	23.83%	20,776	(40,157)
<b>Program Group Total</b>	<b>76,272</b>	<b>140,179</b>	<b>295,476</b>	<b>155,297</b>	<b>52.56%</b>	<b>93,412</b>	<b>(46,767)</b>
<b>Club Education and Development</b>							
1302 Club Excellence Program	0	201,472	209,000	7,528	3.60%	461,096	259,624
1305 Club Recognition Program	0	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	0	10,012	12,500	2,488	19.91%	10,374	363
1314 Club Resources	10,289	8,059	8,000	(59)	-0.74%	40,832	32,774
1332 Club Research Technology	0	1,618	10,500	8,882	84.59%	10,420	8,802
1390 Travel & Program Support	5,774	58,722	69,000	10,278	14.90%	15,111	(43,611)
<b>Program Group Total</b>	<b>16,063</b>	<b>279,882</b>	<b>316,500</b>	<b>36,618</b>	<b>11.57%</b>	<b>537,834</b>	<b>257,952</b>
<b>Member Programs</b>							
1411 Member Dues and Services	412	1,995	256,500	254,505	99.22%	9,428	7,433
1418 Legacy SWIMS Depreciation	39,524	225,958	200,000	(25,958)	-12.98%	216,457	(9,501)
1430 Athlete Leadership Camps/Grants	8,900	8,900	18,000	9,100	50.56%	9,454	554
1431 Swimposium	800	5,000	53,000	48,000	90.57%	19,574	14,574
1429 Zone Workshops	756	4,256	229,000	224,744	98.14%	1,250	(3,006)



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1434 Membership Technology	34,154	139,766	140,000	234	0.17%	106,441	(33,325)
<b>Program Group Total</b>	<b>84,546</b>	<b>385,875</b>	<b>896,500</b>	<b>510,625</b>	<b>56.96%</b>	<b>362,604</b>	<b>(23,271)</b>
<b>LSC Development &amp; Education</b>							
1470 LSC Consulting	1,049	46,049	22,900	(23,149)	-101.09%	34,943	(11,106)
1475 LEAP Program	0	0	0	0	0.00%	24,246	24,246
1481 Leadership Workshops	10,799	10,799	8,970	(1,829)	-20.39%	12,437	1,638
<b>Program Group Total</b>	<b>11,848</b>	<b>56,848</b>	<b>31,870</b>	<b>(24,978)</b>	<b>-78.37%</b>	<b>71,626</b>	<b>14,778</b>
<b>Facilities Advocacy &amp; Development</b>							
1505 Build a Pool Conference	0	18	0	(18)	0.00%	24,476	24,458
1590 Travel & Program Support	24,000	96,000	96,000	0	0.00%	120,000	24,000
<b>Program Group Total</b>	<b>24,000</b>	<b>96,018</b>	<b>96,000</b>	<b>(18)</b>	<b>-0.02%</b>	<b>144,476</b>	<b>48,458</b>
<b>DEI Management &amp; Support</b>							
1638 DEI Management Support	7,149	24,621	106,550	81,929	76.89%	95,165	70,545
1640 Community Swim Team Development	6,578	13,103	70,554	57,451	81.43%	13,036	(67)
1645 Regional DEI Camps & Meetings	0	6,941	75,000	68,059	90.75%	10,184	3,243
1651 DEI VIK	4,664	18,615	15,000	(3,615)	-24.10%	3,939	(14,676)
1665 DEI Select Camp	37,332	68,773	75,220	6,447	8.57%	15,734	(53,039)
<b>Program Group Total</b>	<b>55,723</b>	<b>132,052</b>	<b>342,324</b>	<b>210,272</b>	<b>61.42%</b>	<b>138,058</b>	<b>6,006</b>
<b>Safe Sport</b>							
1735 Safe Sport - Background Checks	240	457	600	143	23.86%	585	129
1775 Safe Sport Online Education	30,800	70,193	72,700	2,508	3.45%	63,236	(6,956)
1786 Safe Sport Athlete Fellowship	0	0	0	0	0.00%	3,007	3,007
1785 Safe Sport Programs	17,592	101,199	84,000	(17,199)	-20.47%	140,164	38,965
1787 Safe Sport - USOPC Center for Safe Sport	60,987	243,947	300,000	56,053	18.68%	251,250	7,303
1788 Safe Sport - Leadership Conference	0	0	0	0	0.00%	19	19
1789 Safe Sport - SwimAssist	11,825	50,760	100,000	49,240	49.24%	104,288	53,529
<b>Program Group Total</b>	<b>121,445</b>	<b>466,555</b>	<b>557,300</b>	<b>90,745</b>	<b>16.28%</b>	<b>562,550</b>	<b>95,995</b>
<b>Committees</b>							
1810 Safe Sport	15	15	250	235	94.00%	0	(15)
1823 Workshop Education	0	0	500	500	100.00%	27	27
1830 LSC Development	15	15	550	535	97.27%	0	(15)
1841 Disability Swimming	0	0	250	250	100.00%	55	55
1842 DEI	15	15	250	235	94.00%	34	19
1851 Age Group Development	15	15	250	235	94.00%	0	(15)
1856 Club Development	15	15	250	235	94.00%	0	(15)
1857 Times & Recognition	17,671	17,950	12,500	(5,450)	-43.60%	14,825	(3,125)
1885 Senior Development	15	15	250	235	94.00%	0	(15)
1887 Athletes Executive	27	187	500	313	62.69%	364	177
<b>Program Group Total</b>	<b>17,788</b>	<b>18,227</b>	<b>15,550</b>	<b>(2,677)</b>	<b>-17.21%</b>	<b>15,304</b>	<b>(2,922)</b>
<b>Administration</b>							



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1990 Administration & Operational Support	107,717	395,839	389,030	(6,809)	-1.75%	348,952	(46,887)
1999 Salary and Benefits	789,052	2,406,252	2,450,234	43,982	1.80%	2,365,175	(41,077)
<b>Program Group Total</b>	<b>896,770</b>	<b>2,802,091</b>	<b>2,839,264</b>	<b>37,173</b>	<b>1.31%</b>	<b>2,714,127</b>	<b>(87,964)</b>
<b>TOTAL SPORT DEVELOPMENT</b>	<b>1,468,602</b>	<b>4,578,522</b>	<b>5,683,974</b>	<b>1,105,452</b>	<b>19.45%</b>	<b>4,654,761</b>	<b>76,239</b>

**EVENT OPERATIONS**

**Events**

2005 Olympic Trials	34,391	92,460	31,630	(60,830)	-192.32%	446	(92,014)
2018 US Open (frmly Winter National Champs)	73,955	74,731	118,444	43,713	36.91%	112,822	38,091
2019 National Championships/Trials	1,589	2,466	0	(2,466)	0.00%	1,880	(586)
2022 Non-USA Swimming Support	91,000	91,000	0	(91,000)	0.00%	0	(91,000)
2023 Speedo Summer Champs (Frmly Invitational & US Open)	15,877	77,926	69,923	(8,003)	-11.45%	1,823	(76,103)
2025 Pro Swim Series	18,367	296,305	165,970	(130,335)	-78.53%	144,026	(152,279)
2027 Speedo Sectionals	0	100,536	123,200	22,664	18.40%	99,914	(622)
2028 IM Xtreme Games	2,000	2,000	0	(2,000)	0.00%	4,000	2,000
2029 Zone Championships	7,500	47,500	56,000	8,500	15.18%	12,500	(35,000)
2032 Spring Cup 18-Under	10,000	43,933	0	(43,933)	0.00%	0	(43,933)
2035 Futures Championships	24,000	70,842	0	(70,842)	0.00%	0	(70,842)
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	94,608	97,150	87,941	(9,209)	-10.47%	4,153	(92,997)
2069 Open Water Championships	0	74,470	59,598	(14,872)	-24.95%	10,469	(64,001)
2077 National Events Uniforming VIK	0	0	40,000	40,000	100.00%	0	0
2076 Bag Tags VIK	14,398	18,060	10,000	(8,060)	-80.60%	2,548	(15,512)
2716 Omega Timing Systems VIK	400,000	400,000	400,000	0	0.00%	160,000	(240,000)
<b>Program Group Total</b>	<b>787,686</b>	<b>1,489,379</b>	<b>1,162,706</b>	<b>(326,673)</b>	<b>-28.10%</b>	<b>554,581</b>	<b>(934,798)</b>

**Member Programs - Officials**

2433 Officials Training Sessions	0	0	52,950	52,950	100.00%	555	555
2437 Officials Online Testing	0	0	825	825	100.00%	0	0
2438 Officials Certification Program	0	0	3,900	3,900	100.00%	0	0
2439 Officials Video	0	0	6,000	6,000	100.00%	0	0
2440 Officials Clinic	523	523	29,888	29,365	98.25%	232	(291)
2441 Officials International Travel	0	415	12,600	12,185	96.71%	0	(415)
2450 Officials Mentoring & Training	0	89	1,500	1,411	94.07%	495	406
<b>Program Group Total</b>	<b>523</b>	<b>1,027</b>	<b>107,663</b>	<b>106,636</b>	<b>99.05%</b>	<b>1,282</b>	<b>255</b>

**Other Programs and Services**

2501 Publications and Video Sales	1,831	8,005	24,000	15,995	66.65%	8,655	650
2502 Mailing Service	0	0	200	200	100.00%	0	0
2423 Rulebook	0	23,498	11,200	(12,298)	-109.80%	90,615	67,117
2498 Awards	384	1,209	5,000	3,791	75.81%	5,756	4,547
2505 Trials Hospitality	0	1,728	17,300	15,572	90.01%	560	(1,168)
2519 Times Projects	1,391	9,195	23,400	14,205	60.71%	28,475	19,280
2715 TV/Web Cast Production	220,929	929,138	523,474	(405,664)	-77.49%	404,199	(524,939)
<b>Program Group Total</b>	<b>224,536</b>	<b>972,773</b>	<b>604,574</b>	<b>(368,199)</b>	<b>-60.90%</b>	<b>538,260</b>	<b>(434,513)</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>Committees &amp; Governance</b>							
2801 Annual Business Meeting (formerly Convention)	2,993	109,795	39,900	(69,895)	-175.18%	49,807	(59,988)
2802 Annual Business Meeting - Athletes (formerly Convention-Athletes)	0	0	6,500	6,500	100.00%	0	0
2825 Registration / Membership	15	29	500	471	94.11%	11	(18)
2835 Credentials / Elections	15	15	500	485	97.00%	0	(15)
2836 Rules and Regulations	747	1,181	17,500	16,319	93.25%	2,464	1,283
2860 Program & Events Coordinator (formerly Committee)	15	15	0	(15)	0.00%	0	(15)
2866 Officials	15	15	500	485	97.00%	7,755	7,740
<b>Program Group Total</b>	<b>3,800</b>	<b>111,051</b>	<b>65,400</b>	<b>(45,651)</b>	<b>-69.80%</b>	<b>60,037</b>	<b>(51,014)</b>
<b>Administration</b>							
2990 Administration & Operational Support	51,610	192,093	194,780	2,687	1.38%	130,830	(61,263)
2999 Salary and Benefits	323,965	1,048,123	1,049,951	1,828	0.17%	992,689	(55,434)
<b>Program Group Total</b>	<b>375,574</b>	<b>1,240,216</b>	<b>1,244,731</b>	<b>4,515</b>	<b>0.36%</b>	<b>1,123,519</b>	<b>(116,696)</b>
<b>TOTAL EVENT OPERATIONS</b>	<b>1,392,119</b>	<b>3,814,445</b>	<b>3,185,074</b>	<b>(629,371)</b>	<b>-19.76%</b>	<b>2,277,680</b>	<b>(1,536,766)</b>
<b>TOTAL TECHNICAL/SPORT</b>	<b>5,205,692</b>	<b>18,227,800</b>	<b>18,269,697</b>	<b>41,897</b>	<b>0.23%</b>	<b>12,439,453</b>	<b>(5,788,347)</b>
<b>OTHER PROGRAMS:</b>							
<b>COMMERCIAL</b>							
<b>Partnerships &amp; Event Marketing</b>							
5901 Servicing	48,329	154,552	75,000	(79,552)	-106.07%	64,267	(90,284)
5900 Contractuals	105,457	194,323	220,000	25,677	11.67%	143,910	(50,413)
5905 Sales Development Support	1,650	12,400	17,000	4,600	27.06%	1,650	(10,750)
5916 Sigma Gamma Rho	700	1,376	34,000	32,624	95.95%	4,090	2,714
5620 Family Program	38,061	65,661	25,000	(40,661)	-162.64%	52	(65,609)
5709 Nationals Marketing	0	0	69,520	69,520	100.00%	0	0
5760 Jr Nationals Marketing	0	0	13,000	13,000	100.00%	0	0
5762 Pro Swim Series Marketing	14,385	29,285	81,210	51,925	63.94%	153,936	124,651
5764 US Open Marketing	213	7,856	74,065	66,209	89.39%	15,051	7,195
5902 Merchandise Program	7,862	60,866	54,400	(6,466)	-11.89%	5,128	(55,738)
5911 Aqua Zone - Olympic Trials	(2,794)	970,352	900,000	(70,352)	-7.82%	7,312	(963,039)
<b>Program Group Total</b>	<b>213,864</b>	<b>1,496,670</b>	<b>1,563,195</b>	<b>66,525</b>	<b>4.26%</b>	<b>395,396</b>	<b>(1,101,274)</b>
<b>Communications</b>							
5109 Athlete Partnership Fulfillment	8,122	17,191	60,000	42,809	71.35%	8,634	(8,557)
5711 Splash Magazine	6,800	165,017	275,000	109,983	39.99%	367,372	202,354
5722 Social Media Aggregation	3,083	11,083	20,000	8,917	44.58%	25,787	14,704
5714 PR-USA Swimming Programs	0	0	0	0	0.00%	101,833	101,833
5724 Communication Operations	30,516	264,376	250,000	(14,376)	-5.75%	160,663	(103,714)
<b>Program Group Total</b>	<b>48,522</b>	<b>457,668</b>	<b>605,000</b>	<b>147,332</b>	<b>24.35%</b>	<b>664,289</b>	<b>206,621</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>Creative Services</b>							
5710 Membership/Recruiting Promotion	2,599	3,125	35,000	31,875	91.07%	58,355	55,230
5730 USA Swimming Productions	78,315	588,061	240,000	(348,061)	-145.03%	348,613	(239,448)
<b>Program Group Total</b>	<b>80,914</b>	<b>591,187</b>	<b>275,000</b>	<b>(316,187)</b>	<b>-114.98%</b>	<b>406,968</b>	<b>(184,218)</b>
<b>Business Intelligence &amp; Digital Platforms</b>							
5713 Deck Pass	15,420	61,682	61,000	(682)	-1.12%	66,019	4,338
5716 Swimjitsu	0	3,081	0	(3,081)	0.00%	10,778	7,697
5725 Customer Relations Management	0	1,440	0	(1,440)	0.00%	0	(1,440)
5726 Business Intelligence	77,408	390,194	350,000	(40,194)	-11.48%	1,192	(389,001)
5718 usaswimming.org - Web site	140,343	575,983	540,000	(35,983)	-6.66%	544,657	(31,326)
<b>Program Group Total</b>	<b>233,172</b>	<b>1,032,379</b>	<b>951,000</b>	<b>(81,379)</b>	<b>-8.56%</b>	<b>622,646</b>	<b>(409,732)</b>
<b>Administration</b>							
5990 Administration & Operational Support	94,269	351,076	270,000	(81,076)	-30.03%	277,837	(73,239)
5999 Salary and Benefits	643,029	1,999,177	1,980,135	(19,042)	-0.96%	1,967,687	(31,491)
<b>Program Group Total</b>	<b>737,298</b>	<b>2,350,253</b>	<b>2,250,135</b>	<b>(100,118)</b>	<b>-4.45%</b>	<b>2,245,524</b>	<b>(104,729)</b>
<b>TOTAL COMMERCIAL</b>	<b>1,313,770</b>	<b>5,928,156</b>	<b>5,644,330</b>	<b>(283,826)</b>	<b>-5.03%</b>	<b>4,334,824</b>	<b>(1,593,333)</b>
<b>RISK MANAGEMENT / INSURANCE</b>							
<b>Member Programs</b>							
9413 Member Insurance Premiums & Retention	777,774	4,346,124	4,328,450	(17,674)	-0.41%	2,922,460	(1,423,664)
9415 Other Risk Management	0	0	3,700	3,700	100.00%	10,000	10,000
<b>Program Group Total</b>	<b>777,774</b>	<b>4,346,124</b>	<b>4,332,150</b>	<b>(13,974)</b>	<b>-0.32%</b>	<b>2,932,460</b>	<b>(1,413,664)</b>
<b>Committees</b>							
9827 Operational Risk Committee	15	15	500	485	97.00%	7	(8)
<b>Program Group Total</b>	<b>15</b>	<b>15</b>	<b>500</b>	<b>485</b>	<b>97.00%</b>	<b>7</b>	<b>(8)</b>
<b>Administration</b>							
9490 Administration & Operational Support	48	2,319	14,500	12,181	84.01%	2,928	609
<b>Program Group Total</b>	<b>48</b>	<b>2,319</b>	<b>14,500</b>	<b>12,181</b>	<b>84.01%</b>	<b>2,928</b>	<b>609</b>
<b>TOTAL RISK MANAGEMENT / INSURANCE</b>	<b>777,836</b>	<b>4,348,457</b>	<b>4,347,150</b>	<b>(1,307)</b>	<b>-0.03%</b>	<b>2,935,394</b>	<b>(1,413,063)</b>
<b>FOUNDATION SUPPORT</b>							
6667 USA Swimming Staff Allocation	348,806	348,806	449,414	100,608	22.39%	392,446	43,640
<b>TOTAL FOUNDATION SUPPORT</b>	<b>348,806</b>	<b>348,806</b>	<b>449,414</b>	<b>100,608</b>	<b>22.39%</b>	<b>392,446</b>	<b>43,640</b>
<b>FOUNDATION - OTHER</b>							



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>TOTAL OTHER PROGRAMS</b>	<b>2,440,412</b>	<b>10,625,419</b>	<b>10,440,894</b>	<b>(184,525)</b>	<b>-1.77%</b>	<b>7,662,664</b>	<b>(2,962,756)</b>
<b>SUPPORT DIVISIONS:</b>							
<b>EXECUTIVE</b>							
<b>Other Executive</b>							
7920 CEO Contingency	27,901	80,121	20,000	(60,121)	-300.60%	22,956	(57,165)
7930 Board Chair Travel and Expenses	26,178	82,862	40,000	(42,862)	-107.15%	10,700	(72,162)
7931 Olympic Games Executive Contingency	0	9,073	20,000	10,927	54.64%	0	(9,073)
7945 CSCAA Grant	30,000	120,000	120,000	0	0.00%	120,000	0
7971 Organizational Relations - Domestic	(4,834)	20,018	13,000	(7,018)	-53.99%	19,655	(364)
7984 Organizational Relations - Internat'l	(1,136)	2,197	6,000	3,803	63.39%	2,978	782
7981 International Relations	16,653	25,459	20,000	(5,459)	-27.29%	7,946	(17,513)
<b>Program Group Total</b>	<b>94,763</b>	<b>339,729</b>	<b>239,000</b>	<b>(100,729)</b>	<b>-42.15%</b>	<b>184,235</b>	<b>(155,494)</b>
<b>Committees &amp; Governance</b>							
7803 Board of Directors	25,942	78,508	80,000	1,492	1.86%	14,118	(64,391)
7806 Committee Chairs	(143)	0	0	0	0.00%	0	0
7808 Task Force & Other Committees	25,794	97,649	99,400	1,751	1.76%	146,642	48,994
7811 International Relations Committee	15	15	0	(15)	0.00%	0	(15)
7820 Nominating Committee	0	0	2,500	2,500	100.00%	0	0
<b>Program Group Total</b>	<b>51,608</b>	<b>176,172</b>	<b>181,900</b>	<b>5,728</b>	<b>3.15%</b>	<b>160,760</b>	<b>(15,412)</b>
<b>Administration</b>							
7990 Administration & Operational Support	27,969	117,995	97,710	(20,285)	-20.76%	43,782	(74,213)
7999 Salary and Benefits	556,032	1,175,585	894,888	(280,697)	-31.37%	823,061	(352,524)
<b>Program Group Total</b>	<b>584,001</b>	<b>1,293,580</b>	<b>992,598</b>	<b>(300,982)</b>	<b>-30.32%</b>	<b>866,843</b>	<b>(426,738)</b>
<b>TOTAL EXECUTIVE</b>	<b>730,372</b>	<b>1,809,482</b>	<b>1,413,498</b>	<b>(395,984)</b>	<b>-28.01%</b>	<b>1,211,838</b>	<b>(597,644)</b>
<b>FINANCE</b>							
<b>Other Programs</b>							
8500 LSC/Club Financial Resources	0	0	0	0	0.00%	220	220
<b>Program Group Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>220</b>	<b>220</b>
<b>Committees</b>							
<b>Administration</b>							
8990 Administration & Operational Support	52,661	187,391	175,800	(11,591)	-6.59%	193,617	6,227
8999 Salary and Benefits	134,773	665,251	655,407	(9,844)	-1.50%	658,435	(6,816)
<b>Program Group Total</b>	<b>187,434</b>	<b>852,642</b>	<b>831,207</b>	<b>(21,435)</b>	<b>-2.58%</b>	<b>852,052</b>	<b>(589)</b>
<b>TOTAL FINANCE</b>	<b>187,434</b>	<b>852,642</b>	<b>831,207</b>	<b>(21,435)</b>	<b>-2.58%</b>	<b>852,272</b>	<b>(369)</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the 12 Months Ended December 31, 2021**

	Quarter Actual	2021 Actual	2021 Budget	Variance Actual vs. Budget	Variance Percentage	2020 Actual	Fav/(Unfav) 2020 vs. 2021
<b>BUSINESS AFFAIRS</b>							
<b>Legal and NBR</b>							
9695 Legal	43,406	194,659	200,000	5,341	2.67%	293,550	98,891
9692 National Board of Review	15	15	0	(15)	0.00%	267,959	267,944
9690 Legal - Admin. & Oper. Support	562	2,752	1,500	(1,252)	-83.48%	3,912	1,160
<b>Program Group Total</b>	<b>43,983</b>	<b>197,427</b>	<b>201,500</b>	<b>4,073</b>	<b>2.02%</b>	<b>565,421</b>	<b>367,994</b>
<b>Other Programs</b>							
9280 Human Resources	28,262	91,054	80,000	(11,054)	-13.82%	75,535	(15,520)
9290 Government Relations	0	0	0	0	0.00%	23,428	23,428
9295 Information Technology Support	76,333	609,021	679,148	70,127	10.33%	576,726	(32,295)
9296 IT Capital	(66)	0	0	0	0.00%	0	0
<b>Program Group Total</b>	<b>104,528</b>	<b>700,076</b>	<b>759,148</b>	<b>59,072</b>	<b>7.78%</b>	<b>675,689</b>	<b>(24,387)</b>
<b>Administrative</b>							
9990 Administration & Operational Support	75,722	301,208	253,150	(48,058)	-18.98%	343,709	42,501
9999 Salary and Benefits	527,800	1,692,010	1,800,512	108,502	6.03%	2,370,938	678,928
<b>Program Group Total</b>	<b>603,522</b>	<b>1,993,219</b>	<b>2,053,662</b>	<b>60,443</b>	<b>2.94%</b>	<b>2,714,648</b>	<b>721,429</b>
<b>TOTAL BUSINESS AFFAIRS</b>	<b>752,034</b>	<b>2,890,721</b>	<b>3,014,310</b>	<b>123,589</b>	<b>4.10%</b>	<b>3,955,757</b>	<b>1,065,036</b>
<b>TOTAL SUPPORT DIVISIONS</b>	<b>1,669,840</b>	<b>5,552,845</b>	<b>5,259,015</b>	<b>(293,830)</b>	<b>-5.59%</b>	<b>6,019,867</b>	<b>467,022</b>
<b>GRAND TOTALS</b>	<b>\$9,315,944</b>	<b>\$34,406,065</b>	<b>\$33,969,606</b>	<b>(\$436,459)</b>	<b>-1.28%</b>	<b>\$26,121,984</b>	<b>(\$8,284,081)</b>



## USA Swimming

### 2020 (+2021) Quad Board Approved Reserve Investments Summary

As of 3/25/2022

#### BOARD APPROVED RESERVE INVESTMENTS - Cash Basis

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Revised 2020 (+2021) Quad Actual
<b>Operating Reserves:</b>						
Disaster Donations		\$ (20,606)	\$ (5,000)	\$ -	\$ -	\$ (25,606)
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)
<b>Board Designated Funds:</b>						
"Keeping Athletes First" (KAF) Initiative:						
Safe Sport (Club Rec, Staff Res & Prog Dev)				(562)	(400,034)	(400,596)
Coach Education & LMS				(267,749)	(493,153)	(760,902)
Online Member Registration				(314,302)	(1,374,271)	(1,688,573)
Safe Sport Expenses / Contingency		(719,564)	(30,000)		-	(749,564)
Legal & Risk Management			(966,983)	(274,548)	(46,699)	(1,288,230)
USSIC Sale Letter of Credit				(1,836,975)	(55,409)	(1,892,384)
<b>Other:</b>						
Foundation Fund Donation	(1,000,000)					(1,000,000)
<b>Total Board Approved Reserve Investments</b>	<b>\$ (1,000,000)</b>	<b>\$ (1,333,874)</b>	<b>\$ (2,388,386)</b>	<b>\$ (4,443,586)</b>	<b>\$ (2,369,566)</b>	<b>\$ (11,535,412)</b>



USA Swimming, Inc.  
Statement of Cash Flows  
For the 12 Months Ended December 31, 2021

	<b>December 31, 2021</b>	
	<b>Quarter 4</b>	<b>YTD</b>
<b>Operating activities:</b>		
Change in Net Assets	\$ (4,795,404)	\$ 2,528,311
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	27,557	1,222,350
Net realized and unrealized (gains) losses on investments	(1,157,927)	(3,477,060)
Changes in operating assets and liabilities:		
Accounts receivable	5,474,606	184,691
Prepaid expenses and deferred changes	(332,861)	1,344,819
Olympic Trials Joint Venture	56,482	56,482
Accounts payable, accrued exp and other liabilities	489,450	1,379,325
Deferred revenue	7,804,356	2,455,719
Insurance Payable	182,648	760,898
Net cash provided by/(used in) operating activities	12,544,311	3,927,224
<b>Investing activities:</b>		
(Purchase)/Proceeds of Long-term investments, net	(4,773,900)	(2,940,477)
Decrease in prepaid rent	27,457	107,648
Acquisition/Disposal of property and equipment	(498)	(1,215,977)
Net cash provided by/(used in) investing activities	(4,746,941)	(4,048,806)
<b>Financing activities:</b>		
Proceeds from Line of Credit	-	-
Net cash provided by/(used in) financing activities	-	-
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>3,001,966</b>	<b>2,406,729</b>
<b>Cash &amp; cash equivalents beginning of period</b>	<b>1,714,542</b>	<b>2,309,779</b>
<b>Cash &amp; cash equivalents end of period</b>	<b>\$ 4,716,508</b>	<b>\$ 4,716,508</b>



# USA Swimming 2021 Financial Report

Submitted by: Eric Skufca, CFO 3/25/2022

## **2021 “5-YEAR QUAD” SUMMARY**

- Operating Surplus of \$1,860,493.
- Long-term investments since the end of the 2016 quad increased by \$9,688,105 to \$42,950,983.
- Total net assets since the end of the 2016 quad increased by \$5,009,335 to \$39,250,073 primarily due to the 2017-2021 net of the following:
  - operating surplus
  - non-operating investment portfolio gain
  - non-operating Board approved reserve spend

## **2021 SUMMARY**

- Operating results were better than the (\$3,168,998) deficit budget by \$2,140,780 with an annual operating deficit of (\$1,028,218).
- Overall revenue exceeded budget by \$2,577,239 or 8%, and overall operating expenses were greater than budget by (\$436,459) or (1%).
- Investment portfolio balance increased \$6,417,536, as explained within the ‘Informational Commentary’ section below. Note the organization’s portfolio market gain of +12.28% beat the blended benchmark gain of +10.75%.
- Total net assets year over year increased \$2,528,311.

USA Swimming ended the 2021 “5-year quadrennium” with a \$1,860,493 operating surplus and had \$12,771,208 of non-operating net investment gains. The organization also spent (\$11,535,412) in non-operating, Board approved reserve investments during that same 5-year time period to strategically benefit the organization via initiatives such as “Keeping Athletes First” (Safe Sport investments, digital transformation and online member registration technology, coach education and learning management system), CRM platforms, athlete leadership summits, disaster donations, and others.

## **INFORMATIONAL COMMENTARY**

Below is additional background on our 2021 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 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 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. 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 by many 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 forced the organization to pivot and re-strategize nearly all programs, offerings, and decisions as it navigated through the new “5-year quad” through 2021 and then subsequent “3-year quad” through 2024.

As illustrated through both the 2021 and 2021 “5-year quad” financial results and well as the business plan through 2024, the ultimate and most important strategy has remained consistent: ensure the most valuable and reasonable operations to achieve the organization’s “Ends/Priority Results” given applicable current and projected circumstances.

### **FINANCIAL STATEMENT ANALYSIS**

Accompanying this written summary are the final, unaudited USA Swimming financial statements for 2021. 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 2021 results and overall quad actuals. The organization successfully realized a “5-year quad” operating surplus of \$1,860,493.

**Balance Sheet (page 2)** – The cash and cash equivalent position increased year-over-year by \$2,406,729 to \$4,716,508. See the ‘Statement of Cash Flows’ on page 17 for more detail.



Accounts receivable and prepaid expenses combined decreased (\$1,529,510) year-over-year primarily attributable to business transaction timing, invoicing, and payments including realizing the 2020 deposits and prepayments associated with Trials and or Olympic Games in 2021.

Long-term investments increased by \$6,417,536 to \$42,950,983, given the year's net contributions, distributions, and annualized +12.28% market gain.

Accounts payable and accrued expenses increased \$1,379,325 year-over-year primarily attributable to business transactions and payment timing at yearend (including more overall activity in late 2021 compared to late 2020).

Deferred revenue increased \$2,455,719 year-over-year primarily due to the increase in membership and membership revenue at the respective yearends.

Total net assets increased by \$2,528,311 to \$39,250,073 due to the aforementioned operating deficit of (\$1,028,218) and the year's reserve expense of (\$873,163) offset by the year's "below the line" investment gain of \$4,429,692.

**Income Statements (pages 3 - 4)** – Operating deficit of (\$1,028,218) was better than budget by \$2,140,780. Total operating revenue of \$33,377,847 beat the budget by \$2,577,239 or 8%. Membership revenue produced the largest positive variance compared to budget. Total operating expenses of \$34,406,065 missed the budget by (\$436,459) or (1%). The Sport Development division 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 \$33,337,847 was \$2,577,239 or 8% greater than budget.

Membership dues of \$18,174,271 beat the budget by \$3,346,160 primarily given membership outpacing the realistically conservative budget produced in late 2020 amidst the global pandemic and available, operating clubs and facilities at that time.

Partnership Marketing revenue of \$5,618,817 beat the budget by \$1,549,861 primarily due to new partners, deferred VIK from 2020 (net zero to bottom line), and conservative budget given unsigned 2024 quad contracts at time of budget creation.

USOPC recognizable revenue of \$5,581,271 was greater than the annual budget by \$251,771 given additional grants received compared to the original contract (Olympic Games, prep camp, etc. related).

Olympic Trials net revenue to USA Swimming of \$1,885,808 was less than the budget by (\$2,524,192) given the joint venture's operating underperformance due to running the event amidst the global pandemic and its various restrictions and required adjustments.

USA Swimming Foundation revenue of \$1,386,433 was greater than the annual budget by \$298,933 given additional, unbudgeted donations primarily related to additional support for the Olympic Team.



Sport and Events revenue of \$154,834 was less than budget by (\$542,166) primarily due to no Altitude Camps held at the OPTC in 2021 (net zero to the bottom line).

Investment Income of \$10,433 was less than budget by (\$9,567) as a result from less short-term investment earnings compared to budget. Note the organization did not take any portfolio distributions for operations in 2021.

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

### **National Team (pages 7 - 9)**

Total expenses of \$9,834,833 exceeded the budget by (\$434,184) or (5%). The Olympic Games was the primary event and focus of the division in 2021, including the related athlete support, prep camp, and travel logistics amidst the global pandemic. FINA World Championships (short course) and Junior Team competitions were also key events with material spends in 2021.

- (\$27,606) Competitions (including Olympic Games)
- (\$99,913) Junior Team
- (\$18,762) Open Water
- \$47,849 Camps (including Olympic Prep Camp)
- (\$480,045) Athlete Services (including athlete funding for Olympic Medals & Records)
- \$38,281 High Performance Support
- \$126,056 Payroll and General & Administrative
- (\$20,044) Other
- (\$434,184) Total Variance per above

### **Sport Development (pages 9 - 11)**

Total expenses of \$4,578,522 represented budget savings of \$1,105,452 or 19%. Most of these savings were from reduced travel and physical servicing operations due to the pandemic. The largest areas of reduction came from the pandemic affecting the opportunity/plan to run full schedules of many member programs including Zone Workshops, Zone Select Camps, and other in-person events (e.g., DEI, coach clinics, Swimposium, etc.). Additionally, there were budgeted dollars assigned to the deployment of online membership registration (OMR) in 2021. OMR is currently planned to initiate in September of 2022 along with our new coach education platform. The division is now back to full strength in its Team Services group and back to a full slate of in-person programming for 2022.

- \$92,394 Athlete Development
- \$155,297 Coach Education and Development
- \$36,618 Club Education and Development
- \$510,625 Member Programs
- \$210,272 DEI Management and Support
- \$90,745 Safe Sport
- \$37,173 Payroll and General & Administrative
- (\$27,672) Other
- \$1,105,452 Total Variance per above

### **Event Operations (pages 11 - 12)**

Total expenses of \$3,814,445 exceeded the budget by (\$629,371) or (20%). TYR Pro Swim Series, Speedo Sectionals, Toyota US Open, two Speedo Summer Championships, and the USA Swimming portion of Olympic Trials that included two waves were the main investments for 2021



Event Operations. The addition of TYR 18&U Spring Cup in four sites to provide more competitive opportunities to athletes was an un-forecasted expense. The TV and webcast offerings at many of our events continue to be a material spend of the division.

- (\$326,673) Events
- \$106,636 Officials Programs
- (\$405,664) TV/Webcast Production
- (\$63,395) Annual Business Meeting (formerly Convention)
- \$4,515 Payroll and General & Administrative
- \$55,210 Other
- (\$629,371) Total Variance per above

### **Commercial (page 12 - 13)**

Total expenses of \$5,928,156 exceeded budget by (\$283,826) or (5%). Event marketing, production promotion, and digital platforms all increased in 2021 as compared to 2020. Olympic Trials activations (including Toyota AquaLounge and USA Swimming House) were also material investments in 2021. Greater investment in membership marketing toolkits and communication enhancements also added to Commercial spend.

- (\$63,778) Partner Servicing and Activation (net total of the six programs)
- \$200,654 Event Marketing (net total of the four programs)
- (\$70,352) Toyota AquaLounge and USA Swimming House (Trials)
- \$109,983 Splash Magazine
- (\$316,187) Creative Services (including USA Swimming Productions)
- (\$81,379) Business Intelligence and Digital Platforms
- (\$100,118) Payroll and General & Administrative
- \$37,351 Other
- (\$283,826) Total Variance per above

### **Risk Management / Insurance (page 13)**

Total expenses of \$4,348,457 exceeded budget by (\$1,307) or (0%), as coverages were executed relatively similar to projections and contracts. Total Risk Management / Insurance expense materially increased by (\$1,413,664) compared to 2020.

### **Foundation Support (page 13)**

Total expense of \$348,806 represented budget savings of \$100,608 based on payroll allocations for Foundation initiatives and programs (net zero to Swimming bottom line).

### **Executive (pages 14)**

Total expenses of \$1,809,482 exceeded budget by (\$395,984) or (28%). Executive and Board of Director programming increased compared to 2020 given increased travel and in-person meetings along with Olympic Games related programming.

- (\$100,729) Executive
- \$5,727 Committees & Governance (including Board of Directors)
- (\$300,982) Payroll and General & Administrative
- (\$395,984) Total Variance per above

### **Finance (page 14)**

Total expenses of \$852,642 exceeded budget by (\$21,435) or (3%) primarily attributed to General & Administrative support expenses.



**Business Affairs (pages 15)**

Total expenses of \$2,890,721 were under budget by \$123,589 or 4%.

- \$4,073            Legal & NBR
- \$60,443        Payroll and General & Administrative
- \$59,073        Other (IT Ops, HR)
- \$123,589      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 2021 spends totaling (\$2,369,566) on a cash-basis (\$873,163 on accrual basis), which includes 'Keeping Athletes First' initiatives, interest on our revolving line of credit pertaining to the USSIC Sale Letter of Credit drawdowns, and additional Legal & Risk Management.

**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 increase in cash & cash equivalents on the balance sheet for the year of \$2,406,729 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 increase in total cash and cash equivalents can be primarily explained by the following addition:

- \$2,455,719    Increase in deferred revenue received (primarily due to the growth in membership registration for the 2022 membership year vs. the 2021 membership year).



**USA Swimming, Inc.**  
**Balance Sheet**  
**As of March 31, 2022 and 2021**

	<u>3/31/2022</u>	<u>3/31/2021</u>	<u>\$ Change</u>	<u>Audited 12/31/2021</u>	<u>\$ Change</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	\$1,991,460	\$6,044,731	(\$4,053,271)	\$4,716,508	(\$2,725,048)
Accounts receivable	3,040,650	2,160,905	879,745	2,689,280	351,370
Prepaid expenses and deferred charges	811,633	1,058,905	(247,271)	1,486,845	(675,212)
Total Current Assets	<u>5,843,743</u>	<u>9,264,541</u>	<u>(3,420,797)</u>	<u>8,892,633</u>	<u>(3,048,890)</u>
<b>FIXED ASSETS:</b>					
Leasehold Improvements, IT Systems, FF&E, Other	15,165,193	13,890,409	1,274,783	14,760,728	404,464
Accumulated depreciation & amortization	<u>(11,224,195)</u>	<u>(9,955,805)</u>	<u>(1,268,391)</u>	<u>(10,743,617)</u>	<u>(480,578)</u>
Total Fixed Assets	<u>3,940,997</u>	<u>3,934,605</u>	<u>6,393</u>	<u>4,017,112</u>	<u>(76,114)</u>
<b>LONG-TERM INVESTMENTS:</b>					
Long-term Investments	41,041,982	37,546,693	3,495,290	42,950,983	(1,909,001)
<b>OTHER ASSETS:</b>					
Investment - Swim Trials, LLC	0	56,482	(56,482)	0	0
Prepaid rent	4,687,652	4,799,048	(111,396)	4,717,772	(30,119)
Total Other Assets	<u>4,687,652</u>	<u>4,855,530</u>	<u>(167,878)</u>	<u>4,717,772</u>	<u>(30,119)</u>
<b>TOTAL ASSETS</b>	<u><b>\$55,514,375</b></u>	<u><b>\$55,601,368</b></u>	<u><b>(\$86,993)</b></u>	<u><b>\$60,578,499</b></u>	<u><b>(\$5,064,124)</b></u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$559,056	\$633,060	(\$74,005)	\$2,806,832	(\$2,247,776)
Accrued expenses and other liabilities	1,335,843	1,541,462	(205,619)	888,455	447,389
Line of Credit Payable	3,000,000	0	3,000,000	1,821,000	1,179,000
Deferred revenue	147,750	2,422,050	(2,274,300)	15,051,242	(14,903,492)
Total Current Liabilities	<u>5,042,649</u>	<u>4,596,573</u>	<u>446,076</u>	<u>20,567,529</u>	<u>(15,524,880)</u>
<b>NONCURRENT LIABILITIES:</b>					
Insurance Liability	1,070,148	192,750	877,398	760,898	309,250
Line of Credit Payable	0	1,821,000	(1,821,000)	0	0
Total Noncurrent Liabilities	<u>1,070,148</u>	<u>2,013,750</u>	<u>(943,602)</u>	<u>760,898</u>	<u>309,250</u>
Total Liabilities	<u>6,112,797</u>	<u>6,610,323</u>	<u>(497,526)</u>	<u>21,328,427</u>	<u>(15,215,630)</u>
<b>NET ASSETS:</b>					
Unrestricted:					
Undesignated Net Assets	38,688,327	33,307,593	5,380,734	24,391,078	14,297,249
Board Designated - USSIC	10,713,251	15,683,452	(4,970,201)	14,858,994	(4,145,743)
Total Unrestricted Net Assets	<u>49,401,578</u>	<u>48,991,045</u>	<u>410,533</u>	<u>39,250,073</u>	<u>10,151,506</u>
Total Net Assets	<u>49,401,578</u>	<u>48,991,045</u>	<u>410,533</u>	<u>39,250,073</u>	<u>10,151,506</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$55,514,375</b></u>	<u><b>\$55,601,368</b></u>	<u><b>(\$86,993)</b></u>	<u><b>\$60,578,499</b></u>	<u><b>(\$5,064,124)</b></u>



**USA Swimming**  
**Income Statement - By Division**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>REVENUE:</b>						
Membership	\$20,677,589	\$22,129,990	(\$1,452,401)	-6.56%	\$15,571,968	\$5,105,621
Partnership Marketing	1,725,612	5,297,239	(3,571,627)	-67.42%	1,042,841	682,771
USOPC Partnership	1,036,041	5,327,465	(4,291,424)	-80.55%	2,887,522	(1,851,480)
Investment Income	0	20,000	(20,000)	-100.00%	0	0
Foundation	25,000	1,404,175	(1,379,175)	-98.22%	68,750	(43,750)
Sport and Events	96,952	524,000	(427,048)	-81.50%	41,377	55,575
Olympic Trials	0	(75,000)	75,000	-100.00%	0	0
Other Income	115,354	353,399	(238,045)	-67.36%	115,587	(233)
<b>TOTAL REVENUE</b>	<b>23,676,550</b>	<b>34,981,268</b>	<b>(11,304,718)</b>	<b>-32.32%</b>	<b>19,728,045</b>	<b>3,948,504</b>
<b>EXPENSES:</b>						
<b>Technical/Sport:</b>						
National Team	846,844	8,479,138	7,632,295	90.01%	1,818,242	971,398
Sport Development	1,738,725	6,638,304	4,899,579	73.81%	1,074,645	(664,080)
Event Operations	409,009	4,424,765	4,015,756	90.76%	862,432	453,423
Total Technical/Sport	2,994,578	19,542,208	16,547,630	84.68%	3,755,319	760,741
<b>Other Programs:</b>						
Commercial	1,252,957	6,130,179	4,877,222	79.56%	1,556,522	303,565
Risk Management / Insurance	1,854,213	5,580,610	3,726,397	66.77%	1,773,630	(80,583)
Foundation Support	0	457,385	457,385	100.00%	0	0
Total Other Programs	3,107,170	12,168,174	9,061,004	74.46%	3,330,152	222,982
<b>Administration:</b>						
Executive	322,951	1,509,677	1,186,726	78.61%	301,342	(21,610)
Finance & Operations	645,088	1,744,849	1,099,761	63.03%	190,510	(454,578)
Business Affairs	389,451	2,622,813	2,233,362	85.15%	861,778	472,327
Total Administration	1,357,490	5,877,339	4,519,849	76.90%	1,353,630	(3,860)
<b>TOTAL EXPENSES</b>	<b>7,459,238</b>	<b>37,587,720</b>	<b>30,128,482</b>	<b>80.16%</b>	<b>8,439,101</b>	<b>979,862</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$16,217,311</b>	<b>(\$2,606,452)</b>	<b>\$18,823,764</b>	<b>-722.20%</b>	<b>\$11,288,945</b>	<b>\$4,928,367</b>
Investment Gain (Loss)	(1,920,062)	2,400,000	(4,320,062)	-180.00%	1,029,044	(2,949,107)
<b>OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)</b>	<b>\$14,297,249</b>	<b>(\$206,452)</b>	<b>\$14,503,701</b>	<b>-7025.20%</b>	<b>\$12,317,989</b>	<b>\$1,979,260</b>



**USA Swimming**  
**Income Statement - By Category**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>REVENUE:</b>						
Membership	\$20,677,589	\$22,129,990	(\$1,452,401)	-6.56%	\$15,571,968	\$5,105,621
USOPC Partnership	1,036,041	5,327,465	(4,291,424)	-80.55%	2,887,522	(1,851,480)
Partnership Marketing	1,725,612	5,297,239	(3,571,627)	-67.42%	1,042,841	682,771
Sport and Events	96,952	524,000	(427,048)	-81.50%	41,377	55,575
Olympic Trials	0	(75,000)	75,000	-100.00%	0	0
Foundation	25,000	1,404,175	(1,379,175)	-98.22%	68,750	(43,750)
Investment Income	0	20,000	(20,000)	-100.00%	0	0
Other Income	115,354	353,399	(238,045)	-67.36%	115,587	(233)
<b>Total Revenue</b>	<b>23,676,550</b>	<b>34,981,268</b>	<b>(11,304,718)</b>	<b>-32.32%</b>	<b>19,728,045</b>	<b>3,948,504</b>
<b>EXPENSES:</b>						
Salaries and Wages	1,696,267	8,880,902	7,184,635	80.90%	1,656,529	(39,737)
Employee Benefits	414,126	2,103,517	1,689,391	80.31%	444,490	30,364
Employment Taxes	139,031	561,059	422,028	75.22%	134,503	(4,528)
Total Payroll and Benefits	2,249,424	11,545,478	9,296,054	80.52%	2,235,522	(13,902)
Insurance	1,847,951	5,585,690	3,737,739	66.92%	1,810,860	(37,091)
Grants	556,010	680,000	123,990	18.23%	232,500	(323,510)
Professional Fees & Honoraria	551,688	3,697,979	3,146,291	85.08%	742,373	190,685
Information Technology Expenses	490,308	815,872	325,564	39.90%	329,654	(160,654)
Travel and Hospitality	371,146	4,903,815	4,532,669	92.43%	221,629	(149,517)
Direct Athlete Support	364,067	2,868,000	2,503,933	87.31%	877,038	512,972
Depreciation and Amortization	353,575	1,136,137	782,562	68.88%	430,775	77,201
Telephone and Internet Service	193,805	479,782	285,977	59.61%	184,345	(9,460)
Miscellaneous Expenses	112,774	291,018	178,244	61.25%	18,676	(94,098)
Rent and Lease Expense	103,692	824,293	720,601	87.42%	130,527	26,834
Dues, Fees & Tickets	87,665	1,125,730	1,038,065	92.21%	413,188	325,523
Gear, Equipment, & Signage	50,627	585,495	534,868	91.35%	84,729	34,102
Television and Video Production	39,965	1,358,800	1,318,835	97.06%	312,097	272,132
Printing and Duplication	30,303	265,461	235,158	88.58%	21,692	(8,611)
Supplies and Expense	26,045	408,970	382,925	93.63%	64,153	38,107
Protocol & Gifts	15,779	137,500	121,721	88.52%	60,955	45,176
Awards	8,721	392,250	383,529	97.78%	0	(8,721)
Apparel	5,694	401,700	396,006	98.58%	268,388	262,694
Advertising	0	65,750	65,750	100.00%	0	0
Contingency	0	18,000	18,000	100.00%	0	0
<b>Total Expenses</b>	<b>7,459,238</b>	<b>37,587,720</b>	<b>30,128,482</b>	<b>80.16%</b>	<b>8,439,101</b>	<b>979,862</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$16,217,311</b>	<b>(\$2,606,452)</b>	<b>\$18,823,764</b>	<b>-722.20%</b>	<b>\$11,288,945</b>	<b>\$4,928,367</b>
Investment Gains (Losses)	(1,920,062)	2,400,000	(4,320,062)	-180.00%	1,029,044	(2,949,107)
<b>OPERATING SURPLUS (DEFICIT) AFTER INVESTMENT GAIN (LOSS)</b>	<b>\$14,297,249</b>	<b>(\$206,452)</b>	<b>\$14,503,701</b>	<b>-7025.20%</b>	<b>\$12,317,989</b>	<b>\$1,979,260</b>



**USA Swimming, Inc.**  
**Statement of Revenue**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>MEMBERSHIP:</b>						
Athlete Membership	\$17,770,710	\$18,536,100	(\$765,390)	-4.13%	\$13,090,504	\$4,680,206
Flex	302,160	475,000	(172,840)	-36.39%	313,998	(11,838)
Outreach Athlete Membership	24,155	22,500	1,655	7.36%	15,450	8,705
Seasonal Athlete Membership	66,060	370,950	(304,890)	-82.19%	30,180	35,880
Non-Athlete Membership	2,294,090	2,525,820	(231,730)	-9.17%	1,914,058	380,032
Life Membership	31,334	35,000	(3,666)	-10.47%	27,698	3,636
Club Membership	186,690	204,960	(18,270)	-8.91%	178,360	8,330
Seasonal Club Membership	960	4,360	(3,400)	-77.98%	760	200
Single Meet Open Water	90	300	(210)	-70.00%	20	70
Other Membership Income	1,340	(45,000)	46,340	-102.98%	940	400
<b>TOTAL MEMBERSHIP</b>	<b>20,677,589</b>	<b>22,129,990</b>	<b>(1,452,401)</b>	<b>-6.56%</b>	<b>15,571,968</b>	<b>5,105,621</b>
<b>PARTNERSHIP MARKETING:</b>						
Corporate Sponsorship	1,539,799	4,844,739	(3,304,940)	-68.22%	954,668	585,131
Supplier Income	185,000	225,000	(40,000)	-17.78%	85,000	100,000
Licensee Income	329	102,500	(102,172)	-99.68%	3,173	(2,845)
Royalty Income	485	125,000	(124,515)	-99.61%	0	485
<b>TOTAL PARTNERSHIP MARKETING</b>	<b>1,725,612</b>	<b>5,297,239</b>	<b>(3,571,627)</b>	<b>-67.42%</b>	<b>1,042,841</b>	<b>682,771</b>
<b>USOPC PARTNERSHIP:</b>						
USOPC Performance Funding	748,916	2,995,665	(2,246,749)	-75.00%	2,016,750	(1,267,834)
USOPC Direct Athlete Support	279,625	2,232,300	(1,952,675)	-87.47%	664,092	(384,467)
USOPC International Relations Grant	0	12,000	(12,000)	-100.00%	0	0
USOPC Other Support	7,500	87,500	(80,000)	-91.43%	206,680	(199,180)
<b>TOTAL USOPC PARTNERSHIP</b>	<b>1,036,041</b>	<b>5,327,465</b>	<b>(4,291,424)</b>	<b>-80.55%</b>	<b>2,887,522</b>	<b>(1,851,480)</b>
<b>INVESTMENT INCOME:</b>						
Interest Income - Short Term Securities	0	20,000	(20,000)	-100.00%	0	0
<b>TOTAL INVESTMENT INCOME</b>	<b>0</b>	<b>20,000</b>	<b>(20,000)</b>	<b>-100.00%</b>	<b>0</b>	<b>0</b>
<b>FOUNDATION:</b>						
USA Swimming Foundation	25,000	1,134,175	(1,109,175)	-97.80%	1,250	23,750
Foundation Management Fee and Rent	0	270,000	(270,000)	-100.00%	67,500	(67,500)
<b>TOTAL FOUNDATION</b>	<b>25,000</b>	<b>1,404,175</b>	<b>(1,379,175)</b>	<b>-98.22%</b>	<b>68,750</b>	<b>(43,750)</b>
<b>SPORT AND EVENTS:</b>						
Golden Goggle Awards	(779)	125,000	(125,779)	-100.62%	0	(779)
Coach Education Clinics	30,876	179,000	(148,124)	-82.75%	25,364	5,512
Altitude Camps	38,712	75,000	(36,288)	-48.38%	64	38,648
Pro Swim Series Host Fees	20,000	50,000	(30,000)	-60.00%	0	20,000
International TV Rights	0	15,000	(15,000)	-100.00%	0	0
Other Registration	8,143	80,000	(71,857)	-89.82%	15,949	(7,807)



**USA Swimming, Inc.**  
**Statement of Revenue**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>TOTAL SPORT AND EVENTS</b>	<b>96,952</b>	<b>524,000</b>	<b>(427,048)</b>	<b>-81.50%</b>	<b>41,377</b>	<b>55,575</b>
<b>OLYMPIC TRIALS</b>						
Olympic Trials	0	(75,000)	75,000	-100.00%	0	0
<b>TOTAL OLYMPIC TRIALS</b>	<b>0</b>	<b>(75,000)</b>	<b>(75,000)</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
<b>OTHER INCOME:</b>						
NCAA Top Times List	50,294	100,589	(50,295)	-50.00%	50,294	0
Imputed Interest - Prepaid Rent	63,819	252,810	(188,991)	-74.76%	65,275	(1,456)
Other Revenue	1,241	0	1,241	0.00%	17	1,224
<b>TOTAL OTHER INCOME</b>	<b>115,354</b>	<b>353,399</b>	<b>(238,045)</b>	<b>-67.36%</b>	<b>115,587</b>	<b>(233)</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$23,676,550</b>	<b>\$34,981,268</b>	<b>(\$11,304,718)</b>	<b>-32.32%</b>	<b>\$19,728,045</b>	<b>\$3,948,504</b>
<b>INVESTMENT GAINS (LOSSES):</b>						
Investment Income (Loss) less Operating Allocation	(1,894,723)	2,475,000	(4,369,723)	-176.55%	1,050,525	(2,945,248)
Money Manager Fees	(25,339)	(75,000)	49,661	-66.21%	(21,480)	(3,859)
<b>TOTAL INVESTMENT GAINS (LOSSES)</b>	<b>(1,920,062)</b>	<b>2,400,000</b>	<b>(4,320,062)</b>	<b>-180.00%</b>	<b>1,029,044</b>	<b>(2,949,107)</b>
<b>TOTAL REVENUE</b>	<b>\$21,756,487</b>	<b>\$37,381,268</b>	<b>(\$15,624,781)</b>	<b>-41.80%</b>	<b>\$20,757,090</b>	<b>\$999,397</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

**TECHNICAL/SPORT:**

**NATIONAL TEAM**

**Competitions**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
3001 Olympic Games	0	20,000	20,000	100.00%	99,827	99,827
3015 World University Games	0	340,000	340,000	100.00%	0	0
3023 US Open Championships	0	0	0	0.00%	2,175	2,175
3031 Long Course World Championships	0	607,300	607,300	100.00%	0	0
3033 Short Course World Championships	0	300,950	300,950	100.00%	2,240	2,240
<b>Program Group Total</b>	<b>0</b>	<b>1,268,250</b>	<b>1,268,250</b>	<b>100.00%</b>	<b>104,242</b>	<b>104,242</b>

**Junior Team Programs**

3009 Jr. Team International Competition	81	82,680	82,599	99.90%	0	(81)
3045 Junior Team Camps	28,022	40,700	12,678	31.15%	1,252	(26,770)
3050 FINA World Junior Championships	0	331,610	331,610	100.00%	2,240	2,240
3992 Ntl. Jr. Team Program Support	0	21,950	21,950	100.00%	0	0
<b>Program Group Total</b>	<b>28,103</b>	<b>476,940</b>	<b>448,837</b>	<b>94.11%</b>	<b>3,492</b>	<b>(24,612)</b>

**Open Water Programs**

3040 FINA Open Water Jr. Championships	0	60,330	60,330	100.00%	2,240	2,240
3061 Open Water World Championships	0	120,030	120,030	100.00%	0	0
3065 Open Water World Cup	0	101,500	101,500	100.00%	0	0
3067 Open Water Camps	0	15,600	15,600	100.00%	10,194	10,194
3495 Open Water Program Support	730	18,850	18,120	96.13%	54	(677)
<b>Program Group Total</b>	<b>730</b>	<b>316,310</b>	<b>315,580</b>	<b>99.77%</b>	<b>12,487</b>	<b>11,757</b>

**Camps**

3005 Olympic Games Prep Camps	0	0	0	0.00%	6,084	6,084
3069 National Team Specialty Camps	0	20,000	20,000	100.00%	0	0
3071 Altitude Training Camps	500	30,000	29,500	98.33%	0	(500)
3073 National Team Camps	0	28,000	28,000	100.00%	0	0
3076 National Team International Camps	0	590,000	590,000	100.00%	0	0
3518 Altitude Camps	76,002	95,000	18,998	20.00%	0	(76,002)
3479 Advance Team Visits	0	10,500	10,500	100.00%	0	0
<b>Program Group Total</b>	<b>76,502</b>	<b>773,500</b>	<b>696,998</b>	<b>90.11%</b>	<b>6,084</b>	<b>(70,418)</b>

**Athlete Services**

3101 Athlete Support-Stipends & Grants	279,625	1,700,000	1,420,375	83.55%	664,092	384,467
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**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
3100 USOPC Covid 19 Support Grant	0	0	0	0.00%	45,131	45,131
3103 Athlete Support-Medals & Records	0	500,000	500,000	100.00%	0	0
3107 Athlete Support-Op Gold Qualification Bonus	0	260,000	260,000	100.00%	0	0
3025 Pro Swim Series Athlete Support	90,441	130,000	39,559	30.43%	201,571	111,130
3021 World Cup Athlete Support	0	500	500	100.00%	0	0
3106 Phillips 66 Athlete Support	0	110,000	110,000	100.00%	0	0
3110 National Team Uniforming (VIK)	0	75,000	75,000	100.00%	156,291	156,291
3130 Foundation Travel & Training	0	50,000	50,000	100.00%	5,500	5,500
3131 Foundation Athlete Endowments	0	80,000	80,000	100.00%	104,500	104,500
3453 Drug Control Program	0	23,200	23,200	100.00%	0	0
<b>Program Group Total</b>	<b>370,067</b>	<b>2,928,700</b>	<b>2,558,633</b>	<b>87.36%</b>	<b>1,177,085</b>	<b>807,019</b>
<b>Coach Services</b>						
3203 Coach Incentive & Reward Program	0	330,000	330,000	100.00%	0	0
3210 Olympic Team Prep - Coaches	0	0	0	0.00%	30,620	30,620
3460 Olympic Staff Recognition	0	12,000	12,000	100.00%	0	0
3010 Coach Education	0	20,000	20,000	100.00%	0	0
<b>Program Group Total</b>	<b>0</b>	<b>362,000</b>	<b>362,000</b>	<b>100.00%</b>	<b>30,620</b>	<b>30,620</b>
<b>High Performance Support</b>						
3301 National Team Performance Support	12,610	120,000	107,390	89.49%	16,256	3,646
3310 USOPC Practitioner Travel Support	360	29,000	28,640	98.76%	330	(30)
<b>Program Group Total</b>	<b>12,970</b>	<b>149,000</b>	<b>136,030</b>	<b>91.30%</b>	<b>16,586</b>	<b>3,616</b>
<b>Sport Medicine &amp; Science</b>						
3201 Athletes and Coach Wellness Programs	18,301	112,500	94,200	83.73%	12,257	(6,044)
3353 Sport Medicine & Science Network	1,881	58,500	56,619	96.78%	2,806	925
3155 Elite Athlete Accident Coverage	0	30,000	30,000	100.00%	24,300	24,300
3351 Athlete Testing & Lab Expenses	0	5,000	5,000	100.00%	215	215
3390 Sport Medicine & Science Program Support	11,814	25,050	13,236	52.84%	3,377	(8,437)
<b>Program Group Total</b>	<b>31,995</b>	<b>231,050</b>	<b>199,055</b>	<b>86.15%</b>	<b>42,955</b>	<b>10,960</b>
<b>Other Programs and Services</b>						
3481 National Team Equipment	648	13,515	12,867	95.21%	2,009	1,361
3496 National Team Selection	1,422	10,150	8,728	85.99%	0	(1,422)
3499 Team Management Technology	0	0	0	0.00%	8,535	8,535
<b>Program Group Total</b>	<b>2,070</b>	<b>23,665</b>	<b>21,595</b>	<b>91.25%</b>	<b>10,544</b>	<b>8,474</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>Committees</b>						
3846 Sports Medicine	0	500	500	100.00%	0	0
3868 Open Water Committee	0	500	500	100.00%	0	0
3882 National Steering	0	12,000	12,000	100.00%	0	0
3888 National Team Athlete	0	500	500	100.00%	0	0
<b>Program Group Total</b>	<b>0</b>	<b>13,500</b>	<b>13,500</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
<b>Administration</b>						
3990 Administration & Operational Support	47,487	273,750	226,263	82.65%	73,354	25,866
3999 Salary and Benefits	276,919	1,662,473	1,385,554	83.34%	340,792	63,873
<b>Program Group Total</b>	<b>324,406</b>	<b>1,936,223</b>	<b>1,611,817</b>	<b>83.25%</b>	<b>414,146</b>	<b>89,740</b>
<b>TOTAL NATIONAL TEAM</b>	<b>846,844</b>	<b>8,479,138</b>	<b>7,632,295</b>	<b>90.01%</b>	<b>1,818,242</b>	<b>971,398</b>
<b>SPORT DEVELOPMENT</b>						
<b>Athlete Development Programs</b>						
1117 LSC Camps	\$82	\$6,500	\$6,418	98.73%	\$89	\$7
1118 Zone Select Camps	619	125,530	124,911	99.51%	1,135	517
1119 National Select Camps	2,418	110,300	107,882	97.81%	0	(2,418)
1120 Camp (VIK)	0	25,000	25,000	100.00%	0	0
1135 Tech Services Support	3,250	4,000	750	18.75%	0	(3,250)
1163 Open Water Select Camp	17	0	(17)	0.00%	0	(17)
<b>Program Group Total</b>	<b>6,385</b>	<b>271,330</b>	<b>264,945</b>	<b>97.65%</b>	<b>1,224</b>	<b>(5,161)</b>
<b>Coach Education and Development</b>						
1213 Coach Education Development	31,736	42,800	11,064	25.85%	6,032	(25,704)
1231 USA-S Hosted Coaches Clinics	207	63,200	62,993	99.67%	178	(29)
1237 Non-USAS Clinic Participation	0	27,760	27,760	100.00%	0	0
1240 Online Coach Clinics/Podcasts	0	7,600	7,600	100.00%	36	36
1242 Coach Mentoring	0	97,320	97,320	100.00%	210	210
1245 Master Coach Program	0	0	0	0.00%	900	900
1290 Travel & Program Support	25,236	125,026	99,791	79.82%	4,057	(21,179)
<b>Program Group Total</b>	<b>57,178</b>	<b>363,706</b>	<b>306,528</b>	<b>84.28%</b>	<b>11,413</b>	<b>(45,765)</b>
<b>Club Education and Development</b>						
1302 Club Excellence Program	430,932	480,000	49,068	10.22%	201,228	(229,705)
1305 Club Recognition Program	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	0	16,000	16,000	100.00%	10,012	10,012
1314 Club Resources	6,859	10,000	3,141	31.41%	(10,982)	(17,841)
1332 Club Research Technology	0	15,000	15,000	100.00%	1,618	1,618



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
1390 Travel & Program Support	5,697	116,660	110,963	95.12%	0	(5,697)
<b>Program Group Total</b>	<b>443,489</b>	<b>645,160</b>	<b>201,671</b>	<b>31.26%</b>	<b>201,876</b>	<b>(241,613)</b>
<b>Member Programs</b>						
1411 Member Dues and Services	0	50,000	50,000	100.00%	121	121
1418 Legacy SWIMS Depreciation	39,524	151,325	111,801	73.88%	76,541	37,017
1431 Swimposium	0	74,820	74,820	100.00%	0	0
1429 Zone Workshops	49,090	253,450	204,360	80.63%	3,000	(46,090)
1434 Membership Technology	27,645	271,525	243,880	89.82%	22,675	(4,970)
<b>Program Group Total</b>	<b>116,260</b>	<b>801,120</b>	<b>684,860</b>	<b>85.49%</b>	<b>102,338</b>	<b>(13,922)</b>
<b>LSC Development &amp; Education</b>						
1470 LSC Consulting	4,933	15,750	10,817	68.68%	15,000	10,067
1475 LEAP Program	0	3,000	3,000	100.00%	0	0
1481 Leadership Workshops	1,123	24,950	23,827	95.50%	0	(1,123)
<b>Program Group Total</b>	<b>6,056</b>	<b>43,700</b>	<b>37,644</b>	<b>86.14%</b>	<b>15,000</b>	<b>8,944</b>
<b>Facilities Advocacy &amp; Development</b>						
1505 Build a Pool Conference	0	0	0	0.00%	18	18
1590 Travel & Program Support	12,000	48,000	36,000	75.00%	24,000	12,000
<b>Program Group Total</b>	<b>12,000</b>	<b>48,000</b>	<b>36,000</b>	<b>75.00%</b>	<b>24,018</b>	<b>12,018</b>
<b>DEI Management &amp; Support</b>						
1638 DEI Management Support	106,429	210,000	103,571	49.32%	202	(106,227)
1640 Community Swim Team Development	5,673	43,000	37,327	86.81%	278	(5,395)
1642 DEI Research Study	30,000	35,000	5,000	14.29%	0	(30,000)
1645 Regional DEI Camps & Meetings	885	125,530	124,645	99.29%	1,846	961
1651 DEI VIK	0	25,000	25,000	100.00%	13,951	13,951
1665 DEI Select Camp	1,598	85,000	83,403	98.12%	102	(1,495)
<b>Program Group Total</b>	<b>144,585</b>	<b>523,530</b>	<b>378,945</b>	<b>72.38%</b>	<b>16,380</b>	<b>(128,205)</b>
<b>Safe Sport</b>						
1735 Safe Sport - Background Checks	19	275	256	93.07%	14	(5)
1775 Safe Sport Online Education	15,517	63,000	47,483	75.37%	11,167	(4,351)
1786 Safe Sport Athlete Fellowship	0	3,950	3,950	100.00%	0	0
1785 Safe Sport Programs	14,676	164,585	149,909	91.08%	32,760	18,084
1787 Safe Sport - USOPC Center for Safe Sport	66,393	275,000	208,607	75.86%	60,987	(5,407)
1789 Safe Sport - SwimAssist	5,549	46,510	40,961	88.07%	13,825	8,276
<b>Program Group Total</b>	<b>102,154</b>	<b>553,320</b>	<b>451,166</b>	<b>81.54%</b>	<b>118,753</b>	<b>16,599</b>

**Committees**



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
1810 Safe Sport	0	250	250	100.00%	0	0
1823 Workshop Education	0	250	250	100.00%	0	0
1830 LSC Development	0	250	250	100.00%	0	0
1841 Disability Swimming	0	250	250	100.00%	0	0
1842 DEI	0	250	250	100.00%	0	0
1851 Age Group Development	0	250	250	100.00%	0	0
1856 Club Development	0	250	250	100.00%	0	0
1857 Times & Recognition	160	15,000	14,840	98.93%	41	(119)
1865 Zone Director	0	11,820	11,820	100.00%	0	0
1885 Senior Development	0	250	250	100.00%	0	0
1887 Athletes Executive	0	500	500	100.00%	37	37
<b>Program Group Total</b>	<b>160</b>	<b>29,320</b>	<b>29,160</b>	<b>99.46%</b>	<b>78</b>	<b>(81)</b>
<b>Administration</b>						
1990 Administration & Operational Support	144,437	432,930	288,493	66.64%	99,235	(45,202)
1999 Salary and Benefits	706,022	2,926,188	2,220,166	75.87%	484,332	(221,690)
<b>Program Group Total</b>	<b>850,459</b>	<b>3,359,118</b>	<b>2,508,659</b>	<b>74.68%</b>	<b>583,566</b>	<b>(266,893)</b>
<b>TOTAL SPORT DEVELOPMENT</b>	<b>1,738,725</b>	<b>6,638,304</b>	<b>4,899,579</b>	<b>73.81%</b>	<b>1,074,645</b>	<b>(664,080)</b>
<b>EVENT OPERATIONS</b>						
<b>Events</b>						
2005 Olympic Trials	8,735	6,600	(2,135)	-32.35%	71,817	63,082
2018 US Open (frmly Winter National Champs)	390	173,225	172,835	99.77%	176	(214)
2019 National Championships/Trials	8,022	532,750	524,728	98.49%	0	(8,022)
2023 Speedo Summer Champs (Frmly Invitational & US Open)	0	98,900	98,900	100.00%	0	0
2025 Pro Swim Series	97,021	164,650	67,629	41.07%	159,690	62,670
2027 Speedo Sectionals	10,000	220,000	210,000	95.45%	37,500	27,500
2028 IM Xtreme Games	0	8,000	8,000	100.00%	0	0
2029 Zone Championships	0	100,000	100,000	100.00%	5,000	5,000
2032 Spring Cup 18-Under	0	35,000	35,000	100.00%	0	0
2035 Futures Championships	0	121,030	121,030	100.00%	0	0
2040 Jr. Pan Pacific Championships	25,022	30,000	4,978	16.59%	0	(25,022)
2045 Jr. National Championships (Summer LC)	2,438	0	(2,438)	0.00%	0	(2,438)
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	0	103,315	103,315	100.00%	1,484	1,484
2069 Open Water Championships	13,476	82,120	68,644	83.59%	14,065	590
2077 National Events Uniforming VIK	0	40,000	40,000	100.00%	0	0
2076 Bag Tags VIK	386	10,000	9,614	96.14%	3,266	2,880
2716 Omega Timing Systems VIK	0	400,000	400,000	100.00%	0	0
<b>Program Group Total</b>	<b>165,489</b>	<b>2,125,590</b>	<b>1,960,101</b>	<b>92.21%</b>	<b>292,998</b>	<b>127,510</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>Member Programs - Officials</b>						
2433 Officials Training Sessions	480	83,715	83,235	99.43%	0	(480)
2437 Officials Online Testing	0	1,000	1,000	100.00%	0	0
2438 Officials Certification Program	0	5,000	5,000	100.00%	0	0
2440 Officials Clinic	2,944	23,500	20,557	87.47%	2,944	0
2441 Officials International Travel	0	22,870	22,870	100.00%	178	178
2450 Officials Mentoring & Training	0	1,700	1,700	100.00%	89	89
<b>Program Group Total</b>	<b>3,423</b>	<b>137,785</b>	<b>134,362</b>	<b>97.52%</b>	<b>3,211</b>	<b>(213)</b>
<b>Other Programs and Services</b>						
2501 Publications and Video Sales	782	18,500	17,718	95.77%	6,174	5,392
2502 Mailing Service	0	200	200	100.00%	0	0
2423 Rulebook	27,914	24,800	(3,114)	-12.56%	23,295	(4,619)
2498 Awards	580	14,800	14,220	96.08%	83	(497)
2505 Trials Hospitality	0	0	0	0.00%	1,728	1,728
2519 Times Projects	696	966	270	27.99%	3,630	2,934
2715 TV/Web Cast Production	91,723	1,164,500	1,072,777	92.12%	273,984	182,261
<b>Program Group Total</b>	<b>121,694</b>	<b>1,223,766</b>	<b>1,102,072</b>	<b>90.06%</b>	<b>308,892</b>	<b>187,198</b>
<b>Committees &amp; Governance</b>						
2801 Annual Business Meeting (formerly Convention)	0	48,750	48,750	100.00%	0	0
2802 Annual Business Meeting - Athletes (formerly Convention-Athletes)	0	23,925	23,925	100.00%	0	0
2832 Awards	0	500	500	100.00%	0	0
2860 Program & Events Coordinator (formerly Committee)	0	100	100	100.00%	0	0
2866 Officials	0	15,000	15,000	100.00%	0	0
<b>Program Group Total</b>	<b>0</b>	<b>88,275</b>	<b>88,275</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
<b>Administration</b>						
2990 Administration & Operational Support	17,780	205,300	187,520	91.34%	34,001	16,221
2999 Salary and Benefits	100,624	644,049	543,425	84.38%	223,331	122,707
<b>Program Group Total</b>	<b>118,403</b>	<b>849,349</b>	<b>730,946</b>	<b>86.06%</b>	<b>257,332</b>	<b>138,928</b>
<b>TOTAL EVENT OPERATIONS</b>	<b>409,009</b>	<b>4,424,765</b>	<b>4,015,756</b>	<b>90.76%</b>	<b>862,432</b>	<b>453,423</b>
<b>TOTAL TECHNICAL/SPORT</b>	<b>2,994,578</b>	<b>19,542,208</b>	<b>16,547,630</b>	<b>84.68%</b>	<b>3,755,319</b>	<b>760,741</b>

**OTHER PROGRAMS:**

**COMMERCIAL**



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>Partnerships &amp; Event Marketing</b>						
5901 Servicing	7,846	141,250	133,404	94.45%	4,056	(3,790)
5900 Contractuals	564	207,500	206,936	99.73%	58,180	57,616
5905 Sales Development Support	8,250	50,500	42,250	83.66%	8,250	0
5916 Sigma Gamma Rho	132	79,725	79,593	99.83%	0	(132)
5620 Family Program	0	33,675	33,675	100.00%	161,717	161,717
5709 Nationals Marketing	0	501,000	501,000	100.00%	0	0
5760 Jr Nationals Marketing	0	30,000	30,000	100.00%	0	0
5762 Pro Swim Series Marketing	0	135,000	135,000	100.00%	8,150	8,150
5764 US Open Marketing	0	77,500	77,500	100.00%	7,642	7,642
5770 Event Marketing	0	25,000	25,000	100.00%	0	0
5755 USA Swimming House-Trials	0	0	0	0.00%	9,441	9,441
5902 Merchandise Program	7,685	18,000	10,315	57.30%	0	(7,685)
5911 Aqua Zone - Olympic Trials	0	0	0	0.00%	278,000	278,000
<b>Program Group Total</b>	<b>24,477</b>	<b>1,299,150</b>	<b>1,274,673</b>	<b>98.12%</b>	<b>535,436</b>	<b>510,959</b>
<b>Communications</b>						
5109 Athlete Partnership Fulfillment	5,341	42,500	37,159	87.43%	2,361	(2,980)
5711 Splash Magazine	8,200	390,000	381,800	97.90%	9,657	1,457
5722 Social Media Aggregation	15,417	48,000	32,583	67.88%	0	(15,417)
5714 PR-USA Swimming Programs	0	40,000	40,000	100.00%	0	0
5724 Communication Operations	58,736	240,670	181,934	75.59%	39,895	(18,841)
<b>Program Group Total</b>	<b>87,694</b>	<b>761,170</b>	<b>673,476</b>	<b>88.48%</b>	<b>51,913</b>	<b>(35,781)</b>
<b>Creative Services</b>						
5710 Membership/Recruiting Promotion	0	100,000	100,000	100.00%	0	0
5730 USA Swimming Productions	40,733	342,360	301,627	88.10%	46,903	6,170
<b>Program Group Total</b>	<b>40,733</b>	<b>442,360</b>	<b>401,627</b>	<b>90.79%</b>	<b>46,903</b>	<b>6,170</b>
<b>Business Intelligence &amp; Digital Platforms</b>						
5713 Deck Pass	15,420	61,960	46,540	75.11%	15,420	0
5716 Swimjitsu	0	0	0	0.00%	3,081	3,081
5726 Business Intelligence	396,121	572,506	176,385	30.81%	251,027	(145,094)
5718 usaswimming.org - Web site	143,902	561,044	417,142	74.35%	145,283	1,382
<b>Program Group Total</b>	<b>555,443</b>	<b>1,195,510</b>	<b>640,067</b>	<b>53.54%</b>	<b>414,812</b>	<b>(140,631)</b>
<b>Administration</b>						
5990 Administration & Operational Support	117,109	290,250	173,141	59.65%	78,469	(38,640)
5999 Salary and Benefits	427,501	2,141,739	1,714,238	80.04%	428,989	1,488
<b>Program Group Total</b>	<b>544,610</b>	<b>2,431,989</b>	<b>1,887,379</b>	<b>77.61%</b>	<b>507,458</b>	<b>(37,152)</b>
<b>TOTAL COMMERCIAL</b>	<b>1,252,957</b>	<b>6,130,179</b>	<b>4,877,222</b>	<b>79.56%</b>	<b>1,556,522</b>	<b>303,565</b>



**USA Swimming, Inc.**  
**Quarterly Statement of Expenses - By Program**  
**For the Quarter Ended March 31, 2022**

	Three Months Year To Date Actual	2022 Budget	Variance Three Months vs. Twelve Months Budget	Variance Percentage	Three Months Year To Date 2021	Fav/(Unfav) Three Months 2021 vs. 2022
<b>RISK MANAGEMENT / INSURANCE</b>						
<i>Member Programs</i>						
9413 Member Insurance Premiums & Retention	1,847,951	5,553,990	3,706,039	66.73%	1,772,362	(75,589)
9415 Other Risk Management	710	11,500	10,790	93.82%	0	(710)
<i>Program Group Total</i>	<i>1,848,661</i>	<i>5,565,490</i>	<i>3,716,829</i>	<i>66.78%</i>	<i>1,772,362</i>	<i>(76,299)</i>
<i>Committees</i>						
9827 Operational Risk Committee	0	500	500	100.00%	0	0
<i>Program Group Total</i>	<i>0</i>	<i>500</i>	<i>500</i>	<i>100.00%</i>	<i>0</i>	<i>0</i>
<i>Administration</i>						
9490 Administration & Operational Support	5,552	14,620	9,068	62.02%	1,268	(4,284)
<i>Program Group Total</i>	<i>5,552</i>	<i>14,620</i>	<i>9,068</i>	<i>62.02%</i>	<i>1,268</i>	<i>(4,284)</i>
<b>TOTAL RISK MANAGEMENT / INSURANCE</b>	<b>1,854,213</b>	<b>5,580,610</b>	<b>3,726,397</b>	<b>66.77%</b>	<b>1,773,630</b>	<b>(80,583)</b>
<b>FOUNDATION SUPPORT</b>						
6667 USA Swimming Staff Allocation	0	457,385	457,385	100.00%	0	0
<b>TOTAL FOUNDATION SUPPORT</b>	<b>0</b>	<b>457,385</b>	<b>457,385</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
<b>FOUNDATION - OTHER</b>						
<b>TOTAL OTHER PROGRAMS</b>	<b>3,107,170</b>	<b>12,168,174</b>	<b>9,061,004</b>	<b>74.46%</b>	<b>3,330,152</b>	<b>222,982</b>
<b>SUPPORT DIVISIONS:</b>						
<b>EXECUTIVE</b>						
<i>Other Executive</i>						
7920 CEO Contingency	1,351	25,000	23,650	94.60%	11,778	10,427
7930 Board Chair Travel and Expenses	2,848	27,640	24,792	89.70%	419	(2,428)
7931 Olympic Games Executive Contingency	0	0	0	0.00%	178	178
7945 CSCAA Grant	25,000	100,000	75,000	75.00%	30,000	5,000
7971 Organizational Relations - Domestic	1,000	28,000	27,000	96.43%	1,000	0



**USA Swimming, Inc.**  
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7984 Organizational Relations - Internat'l	452	15,000	14,548	96.99%	0	(452)
7981 International Relations	7,239	10,000	2,761	27.61%	3,915	(3,324)
<b>Program Group Total</b>	<b>37,890</b>	<b>205,640</b>	<b>167,750</b>	<b>81.57%</b>	<b>47,290</b>	<b>9,401</b>
<b>Committees &amp; Governance</b>						
7803 Board of Directors	12,254	77,829	65,575	84.26%	6,628	(5,626)
7808 Task Force & Other Committees	36,973	150,150	113,177	75.38%	24,059	(12,914)
7811 International Relations Committee	0	250	250	100.00%	0	0
7820 Nominating Committee	0	1,940	1,940	100.00%	0	0
<b>Program Group Total</b>	<b>49,227</b>	<b>230,169</b>	<b>180,942</b>	<b>78.61%</b>	<b>30,687</b>	<b>(18,541)</b>
<b>Administration</b>						
7990 Administration & Operational Support	19,944	90,574	70,630	77.98%	13,649	(6,295)
7999 Salary and Benefits	215,890	983,294	767,403	78.04%	209,716	(6,175)
<b>Program Group Total</b>	<b>235,834</b>	<b>1,073,868</b>	<b>838,033</b>	<b>78.04%</b>	<b>223,365</b>	<b>(12,469)</b>
<b>TOTAL EXECUTIVE</b>	<b>322,951</b>	<b>1,509,677</b>	<b>1,186,726</b>	<b>78.61%</b>	<b>301,342</b>	<b>(21,610)</b>
<b>FINANCE &amp; OPERATIONS</b>						
<b>Other Programs</b>						
8295 Information Technology Support	308,970	876,962	567,992	64.77%	0	(308,970)
8500 LSC/Club Financial Resources	0	50	50	100.00%	0	0
<b>Program Group Total</b>	<b>308,970</b>	<b>877,012</b>	<b>568,042</b>	<b>64.77%</b>	<b>0</b>	<b>(308,970)</b>
<b>Committees</b>						
8895 Investment Committee	0	100	100	100.00%	0	0
<b>Program Group Total</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>100.00%</b>	<b>0</b>	<b>0</b>
<b>Administration</b>						
8990 Administration & Operational Support	63,395	176,225	112,830	64.03%	38,025	(25,370)
8999 Salary and Benefits	272,722	691,512	418,790	60.56%	152,485	(120,237)
<b>Program Group Total</b>	<b>336,118</b>	<b>867,737</b>	<b>531,619</b>	<b>61.27%</b>	<b>190,510</b>	<b>(145,608)</b>
<b>TOTAL FINANCE &amp; OPERATIONS</b>	<b>645,088</b>	<b>1,744,849</b>	<b>1,099,761</b>	<b>63.03%</b>	<b>190,510</b>	<b>(454,578)</b>
<b>BUSINESS AFFAIRS</b>						
<b>Legal and NBR</b>						
9695 Legal	80,407	210,000	129,593	61.71%	36,470	(43,938)
9690 Legal - Admin. & Oper. Support	2,223	6,225	4,002	64.29%	27	(2,196)
<b>Program Group Total</b>	<b>82,630</b>	<b>216,225</b>	<b>133,595</b>	<b>61.79%</b>	<b>36,496</b>	<b>(46,134)</b>



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<b>Other Programs</b>						
9280 Human Resources	35,224	80,300	45,076	56.13%	24,299	(10,925)
9290 Government Relations	3,228	100,000	96,772	96.77%	0	(3,228)
9295 Information Technology Support	0	0	0	0.00%	322,249	322,249
<b>Program Group Total</b>	<b>38,452</b>	<b>180,300</b>	<b>141,848</b>	<b>78.67%</b>	<b>346,548</b>	<b>308,096</b>
<b>Administrative</b>						
9990 Administration & Operational Support	29,389	203,950	174,561	85.59%	88,052	58,663
9999 Salary and Benefits	238,980	2,022,338	1,783,358	88.18%	390,682	151,702
<b>Program Group Total</b>	<b>268,369</b>	<b>2,226,288</b>	<b>1,957,919</b>	<b>87.95%</b>	<b>478,734</b>	<b>210,365</b>
<b>TOTAL BUSINESS AFFAIRS</b>	<b>389,451</b>	<b>2,622,813</b>	<b>2,233,362</b>	<b>85.15%</b>	<b>861,778</b>	<b>472,327</b>
<b>TOTAL SUPPORT DIVISIONS</b>	<b>1,357,490</b>	<b>5,877,339</b>	<b>4,519,849</b>	<b>76.90%</b>	<b>1,353,630</b>	<b>(3,860)</b>
<b>GRAND TOTALS</b>	<b>\$7,459,238</b>	<b>\$37,587,720</b>	<b>\$30,128,482</b>	<b>80.16%</b>	<b>\$8,439,101</b>	<b>\$979,862</b>



**USA Swimming**  
**2022 Budget vs. 2022 Projection Summary**  
**As of 4/15/2022**

**BOARD APPROVED RESERVE INVESTMENTS - Cash Basis**

	<b>Approved Budget 2022</b>	<b>Current Projection 2022</b>	<b>\$ Variance Favorable (Unfavorable)</b>
<b>Operating Reserves:</b>			
Disaster Donations	\$ (25,000)	\$ (25,000)	\$ -
<b>Board Designated Funds:</b>			
"Keeping Athletes First" (KAF) Initiative:			
Safe Sport (Club Rec, Staff Res & Prog Dev)	-	-	-
Coach Education & LMS	(729,359)	(933,839)	(204,480)
Online Member Registration	(827,118)	(1,216,091)	(388,973)
Legal & Risk Management	-	(1,800,000)	(1,800,000)
USSIC Sale Letter of Credit	(1,000,000)	(3,500,000)	(2,500,000)
<b>Total Board Approved Reserve Investments</b>	<b>\$ (2,581,477)</b>	<b>\$ (7,474,930)</b>	<b>\$ (4,893,453)</b>





# FIRSTwestern TRUST

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

*1<sup>st</sup> Quarter 2022*



FIRSTwestern  
TRUST



# Your Agenda Items

- I. Economic Outlook
- II. Portfolio Review
- III. General Updates



A single slice of bread is centered on a green, textured surface. The bread is slightly irregular in shape and has a few dark spots. It is surrounded by a yellow, draped fabric that frames the central area. The lighting is soft, creating a slight shadow under the bread.

## *Economic Outlook*



# 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.



# Top of Mind

## The Good

- **Economic Recovery.** 4Q21 GDP of 7.0% exceeded 5.5% estimate. 2022 GDP expected to be 3.6%, down from 5.7% in 2021.
- **Employment.** Unemployment at 3.8%. 19.4M of the 21.4M jobs lost in March and April 2020 now recovered. Worker shortages now appear to be the largest challenge.
- **Vaccination Rates.** 65% of US population now fully vaccinated. Internationally, vaccination efforts continue to lag.
- **Corporate Earnings.** 4Q21 earnings growth up 31%. Similar to GDP, growth slowing as initial rebound subsides.
- **Housing.** Recent surge in home ownership should spur increased consumer activity.

## The Bad

- **Ukraine War.** Russian invasion has led to sell off in equity markets, sharply higher commodity prices, and growing concerns about global economic growth.
- **Supply Chains.** Remain challenged. Delays to persist into 2022. Ukraine war creating additional pressures.
- **Inflation.** At the highest level in 30 to 40 years. Exacerbated by strong demand, and ongoing supply chain issues.
- **Commodity Prices.** Recent spike resulting from Ukraine war, adding further upward pressure to inflation.
- **Volatility.** Heightened to start the year on concerns about inflation, higher interest rates, and more aggressive Fed action. More recently impacted by Russian invasion of Ukraine.

## The Undecided

- **Inflation.** Had been expected to moderate beginning in 2Q22. Fed appears intent on raising rates, however, Ukraine war creates uncertainty as to what degree and how quickly the Fed will now act.
- **Interest Rates.** Short-term rates rising in anticipation of 2022 Fed rate hikes. Prior to Ukraine war, longer-rates had been rising, but more gradually. War has suppressed longer-term yields as investors seek safety.
- **Monetary Policy.** Fed becoming increasingly hawkish in its response to inflation.
- **Stagflation of Stagnation?** Growing concerns that Ukraine war will exacerbate inflation which was already weighing on global economic growth.



# Price Indicators

Monthly Headline CPI (%) Jan. 2015 – Feb. 2022



Annual Headline CPI (%) - Jan. 2015 – Feb. 2022



Annual Headline PPI (%) - Jan. 2015 – Jan. 2021



ISM Prices Paid: Jan. 2015 – Feb. 2022





# Inflation: Where Is It Headed?

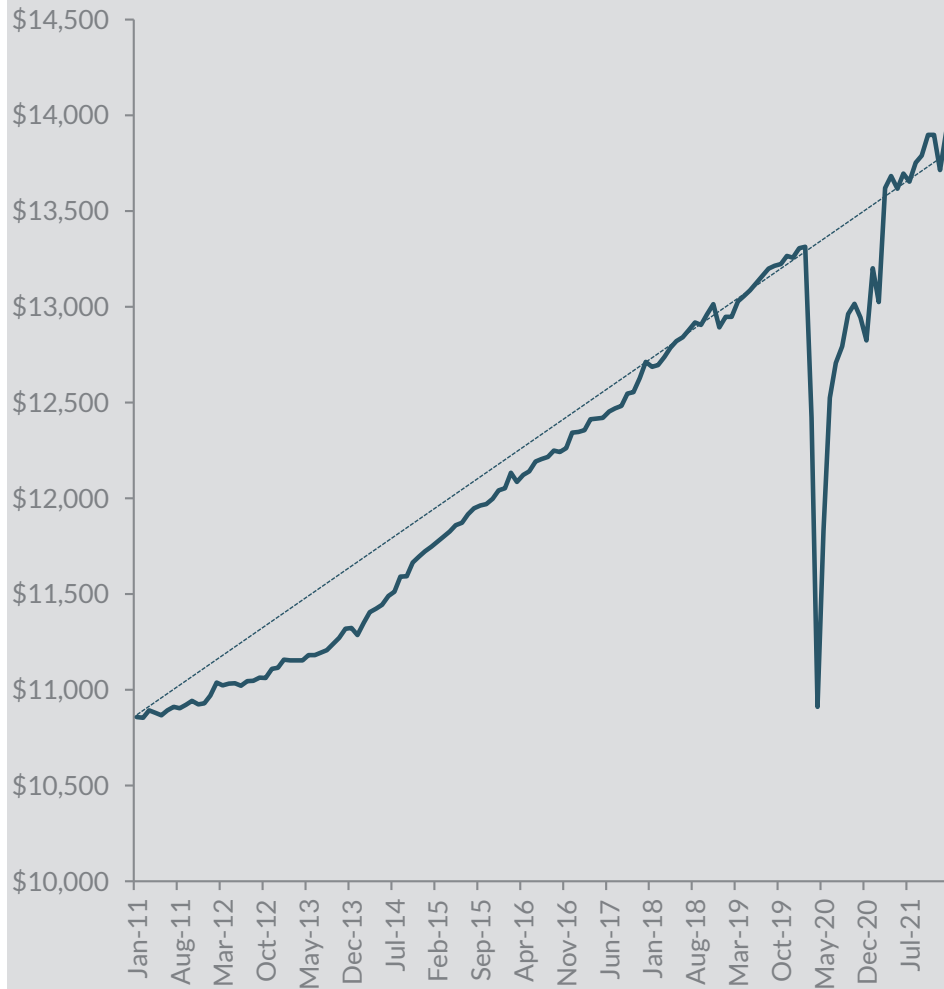
## Inflation Outlook



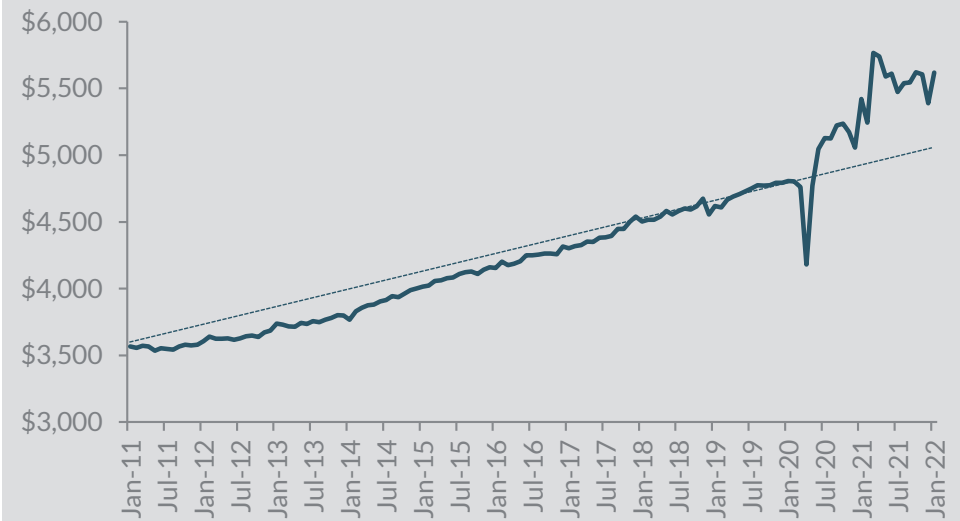


# Inflation: Altered Spending Patterns

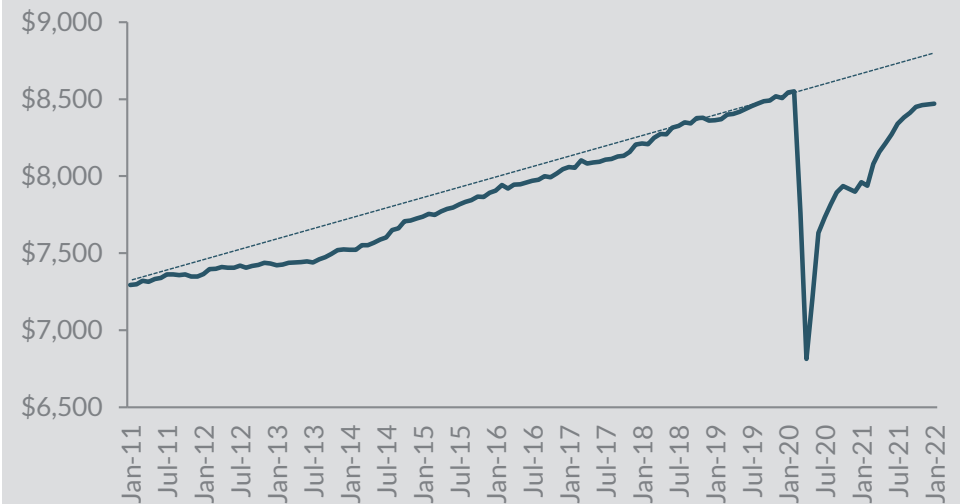
Real Personal Consumption Expenditures  
(PCE): Jan. 2011 – Jan. 2022



Real PCE Goods: Jan. 2011 – Jan. 2022



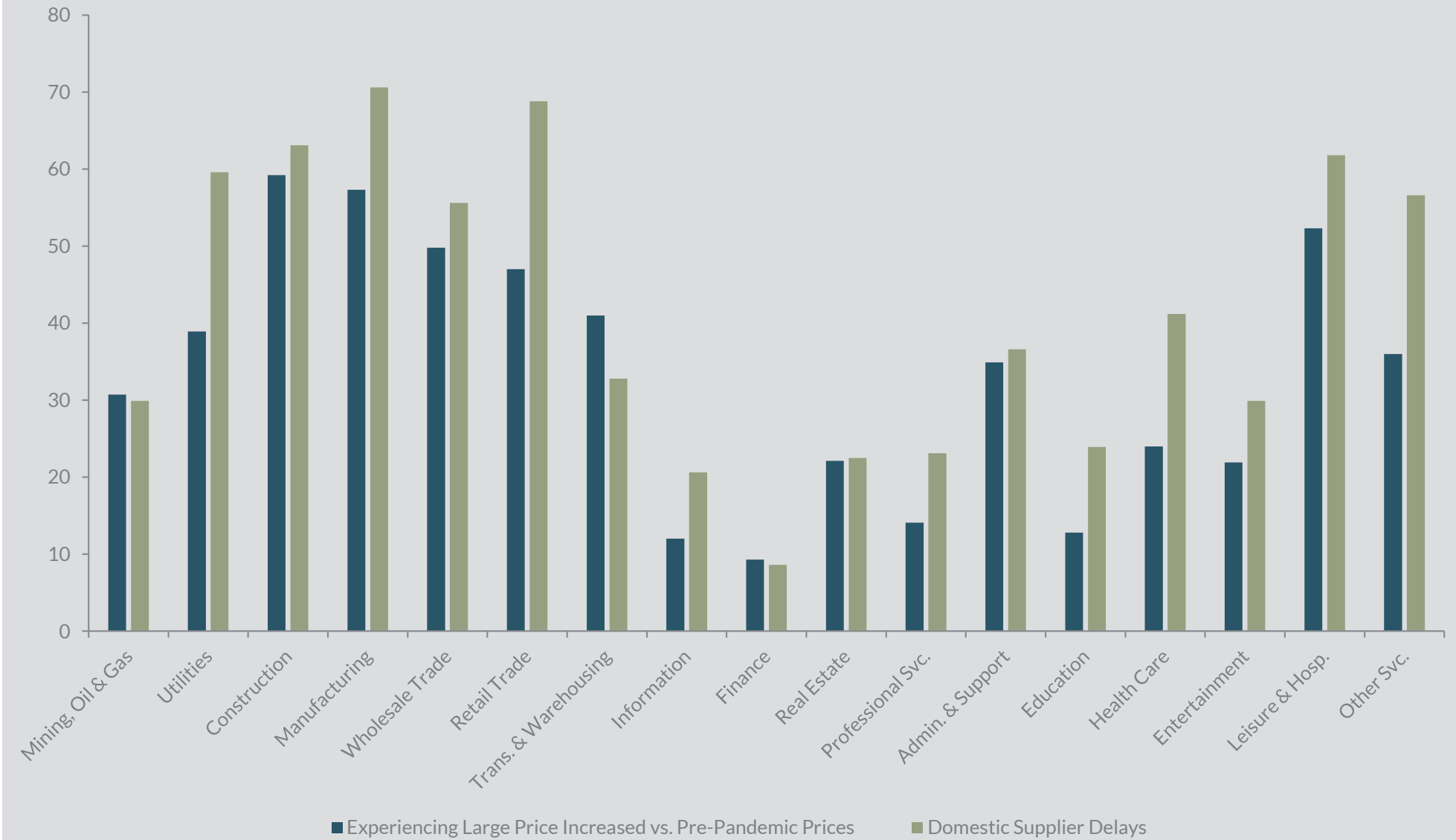
Real PCE Services: Jan. 2011 – Jan. 2022





# Supply Chain Issues Meet Pricing Pressures

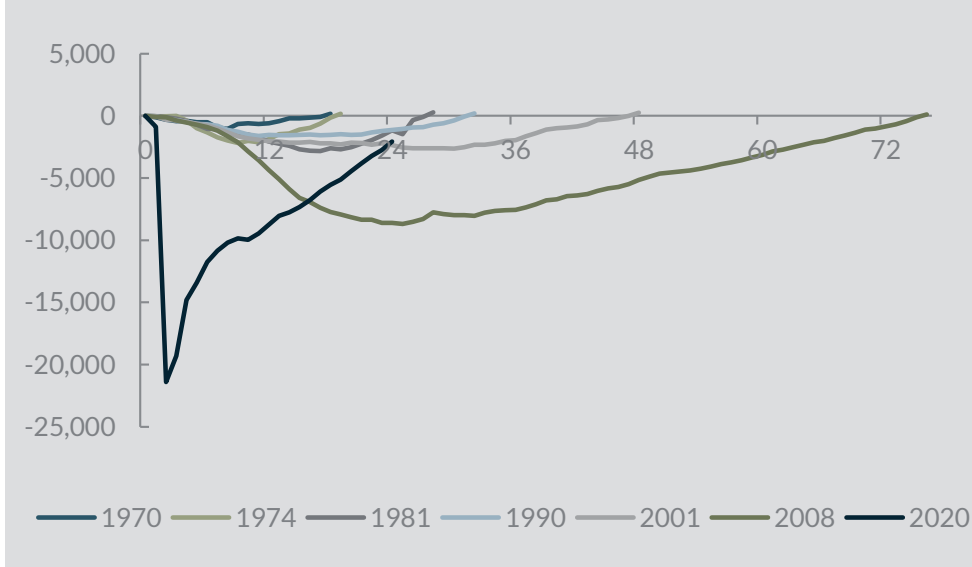
% of Companies Experiencing Higher Prices and Supplier Issues



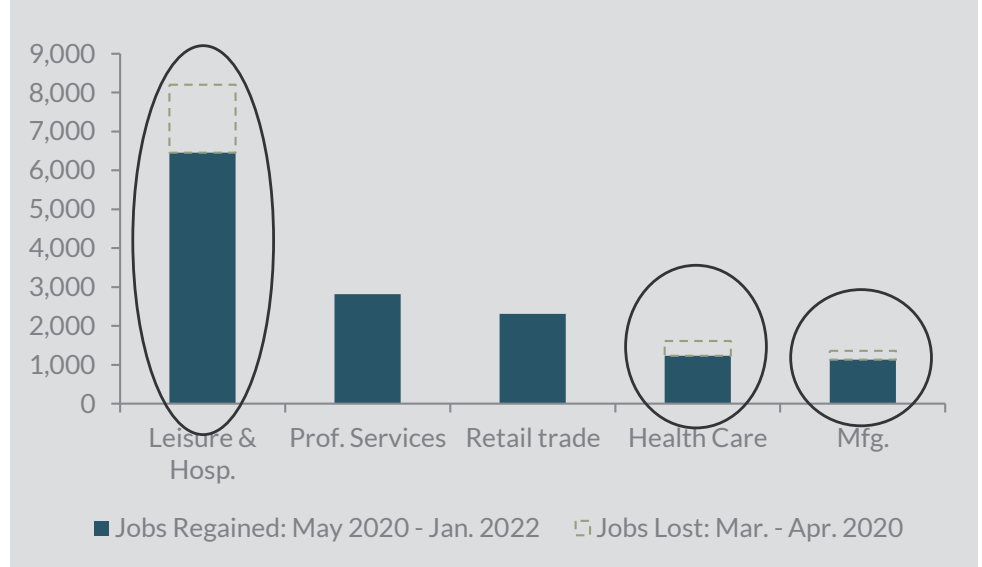


# Labor Conditions: Where Are The Workers?

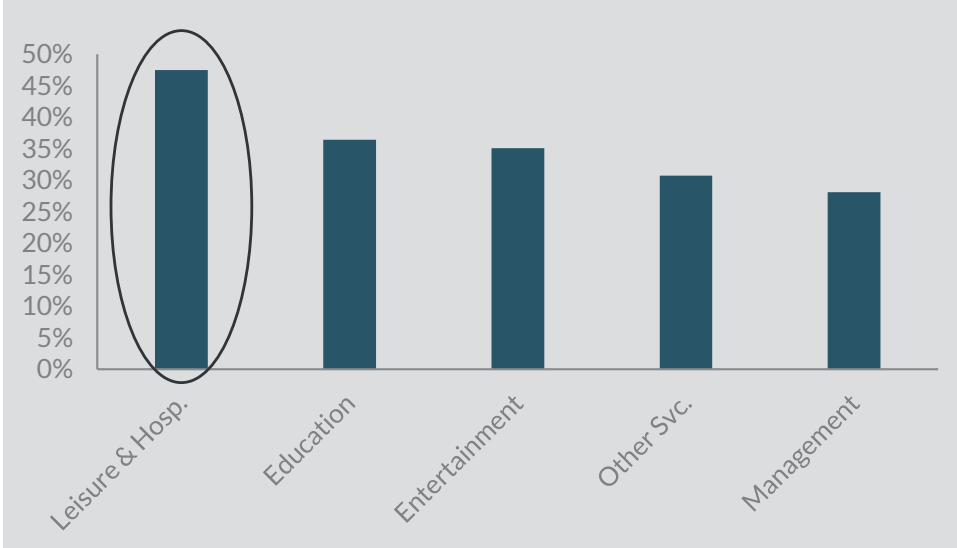
# of Months To Regain Lost Jobs



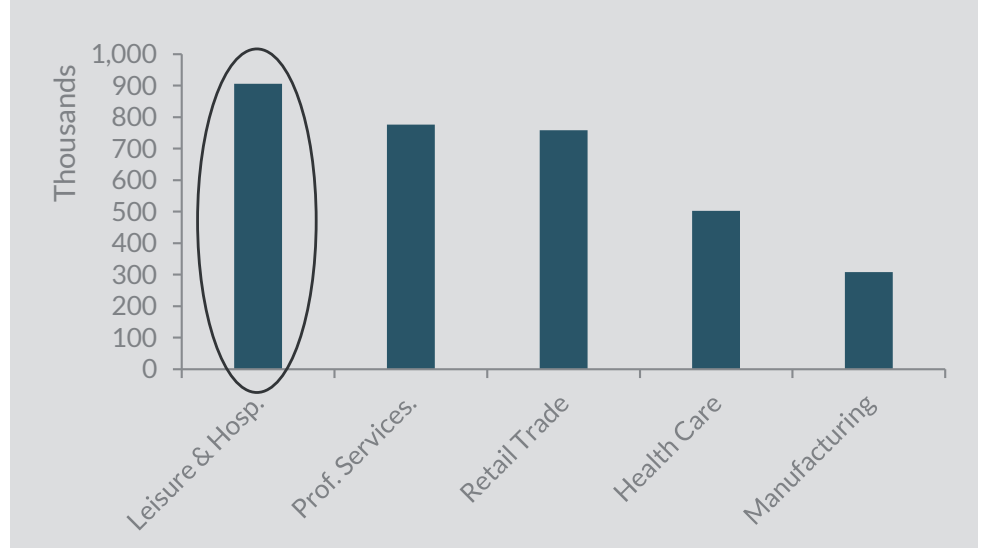
Jobs Lost & Regained: Top 5 Industries



Difficulty Hiring: Top 5 Industries



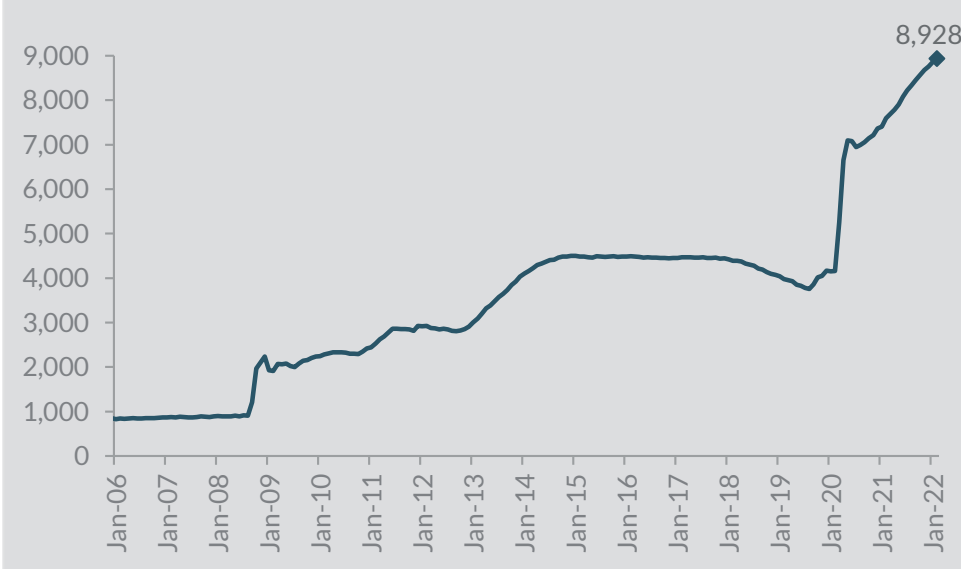
December 2021 Quits: Top 5 Industries





# Monetary Policy

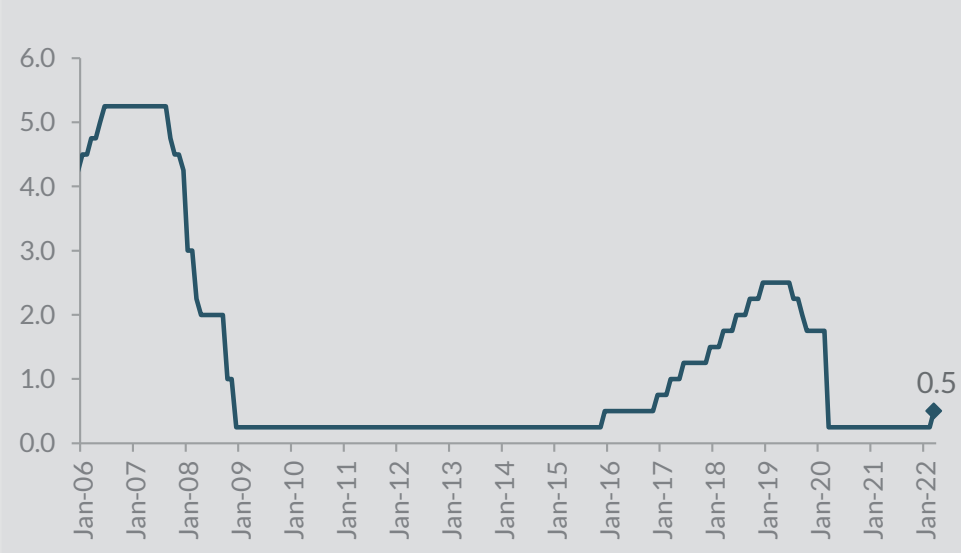
U.S. Fed Balance Sheet (\$B): Jan. 2006 - Feb. 2022



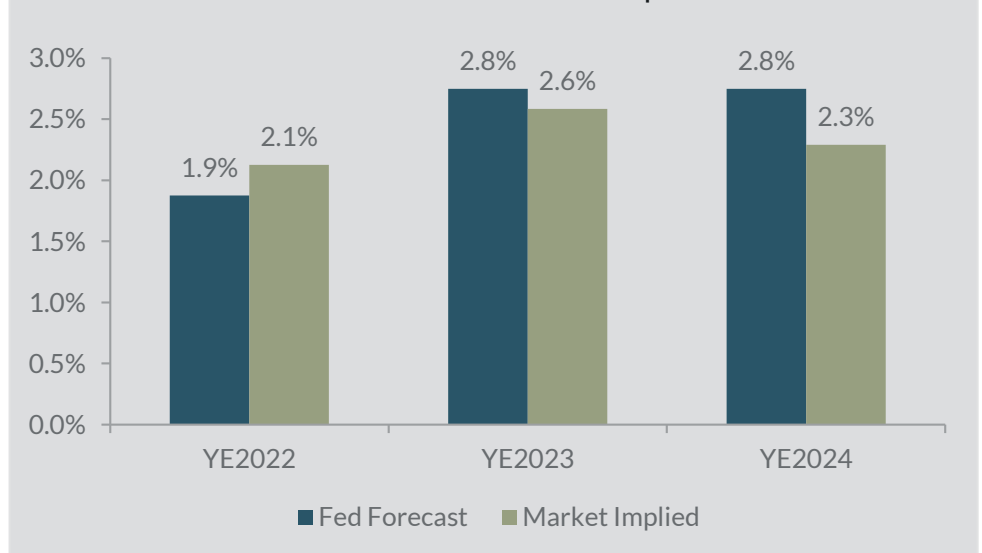
Annual Core PCE (%) - Jan. 2015 - Jan. 2022



U.S. Fed Funds Rate: Jan. 2006 - Mar. 2022



Fed Funds Rate Forecast: Fed. Vs. Market Implied

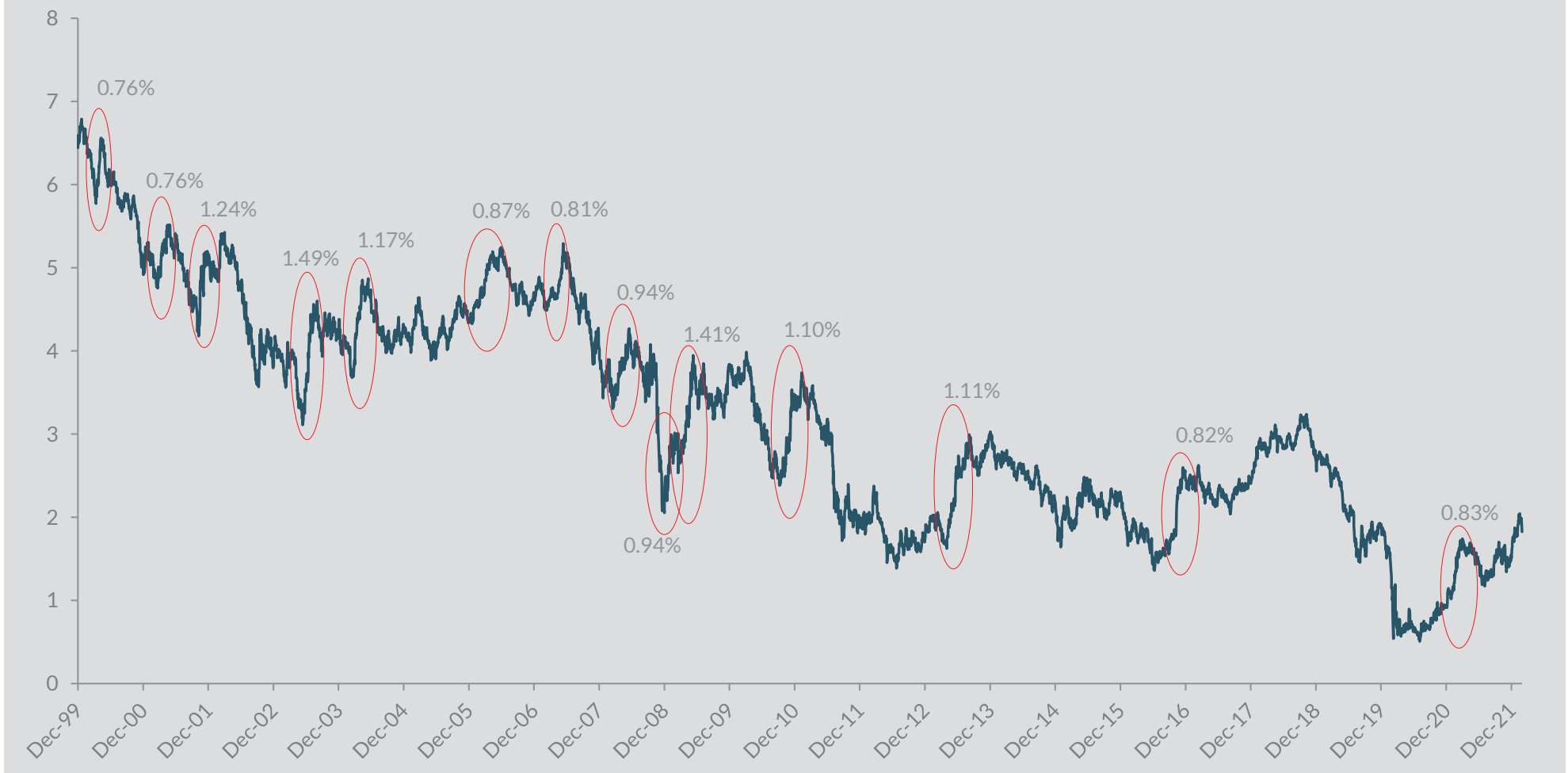




# Interest Rate Spikes

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%.

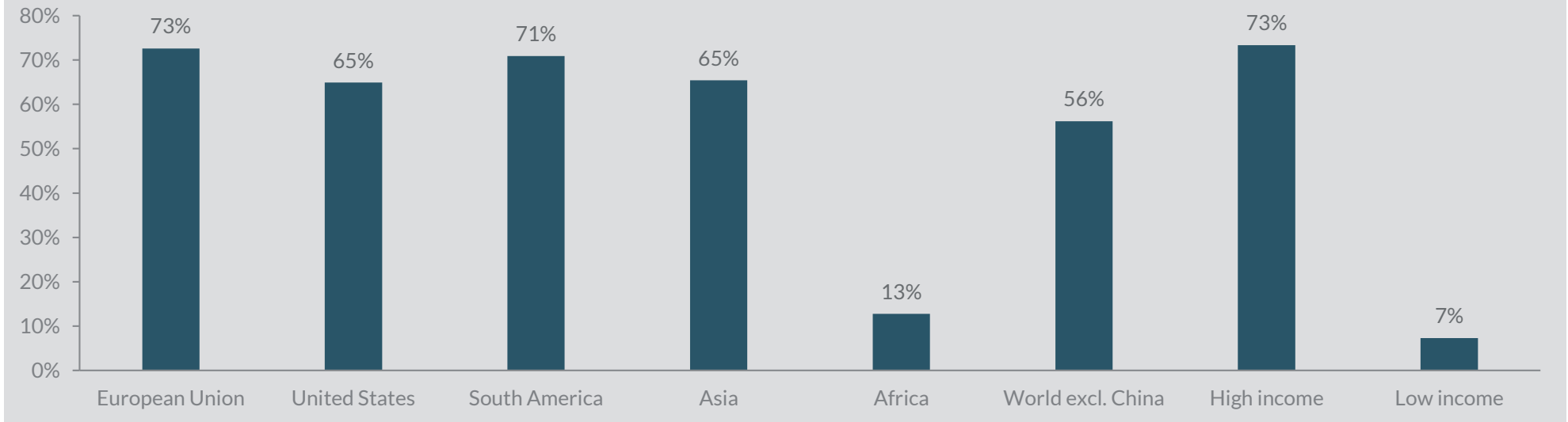
Interest Rate Spikes: Jan. 2000 – Feb. 2022



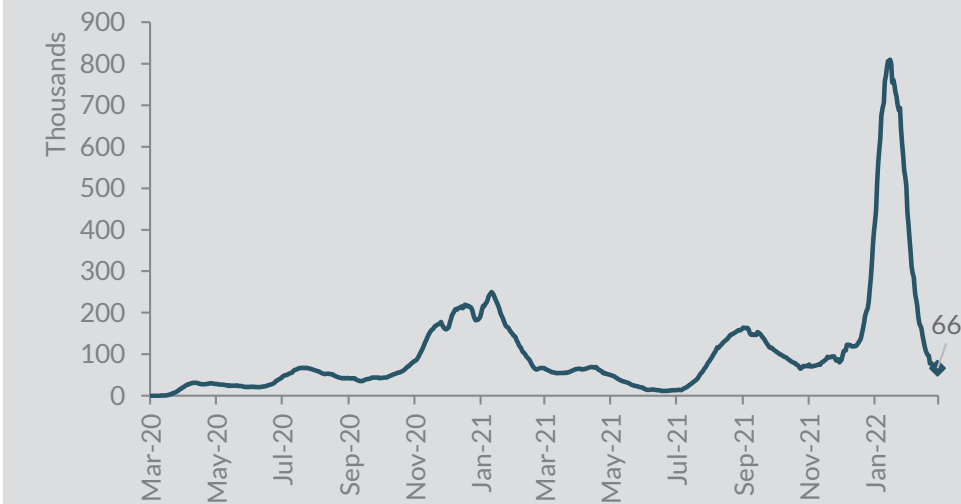


# Coronavirus

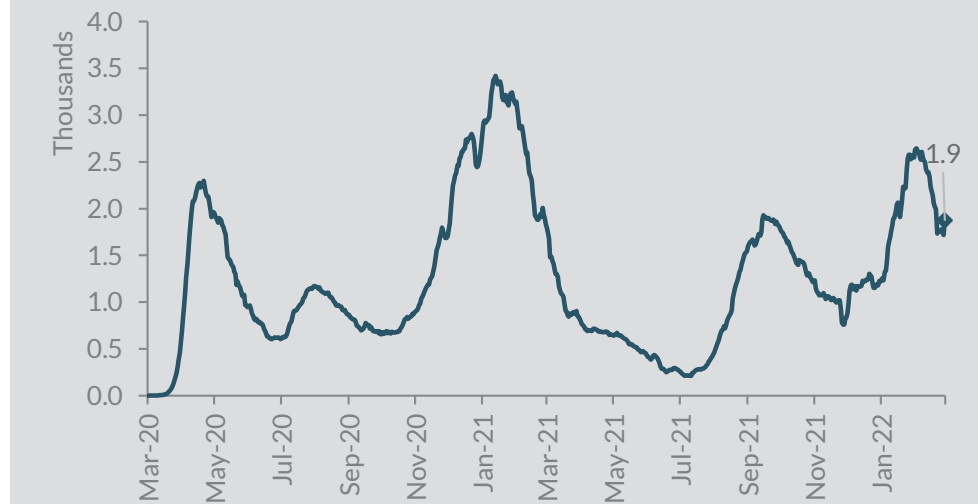
Percent of Population Fully Vaccinated, per 100



US New Coronavirus Cases: 7-Day Moving Avg.



US COVID Deaths 7-Day Moving Avg.



Sources: CDC, The COVID Tracking Project, First Western Trust. \*As of 3/9/22, or most recent data.



# Asset Class Return

															10-Yr (2012-2022)	
2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Annual Return	Annual Standard Deviation
10-Yr Tr. 20.1%	Int'l - EM 78.5%	MLPs 35.9%	10-Yr Tr. 17.2%	REITs 19.7%	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%	REITs 41.3%	MLPs 16.4%	Lg. Cap 14.6%	MLPs 30.0%
FI 5.2%	MLPs 76.4%	REITs 27.9%	MLPs 13.9%	Int'l - EM 18.2%	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%	MLPs 40.2%	Cmdty. 15.6%	Sm. Cap 11.2%	Sm. Cap 18.0%
Cash 1.6%	HY 57.5%	Sm. Cap 26.9%	REITs 8.3%	Int'l - Dev. 17.3%	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%	Lg. Cap 28.7%	Cash 0.0%	REITs 10.3%	Int'l - EM 16.0%
HY -26.4%	Int'l - Dev. 31.8%	Int'l - EM 18.9%	FI 7.8%	Sm. Cap 16.3%	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. 27.1%	Abs. Ret. -0.8%	Int'l - Dev. 6.2%	REITs 15.1%
Sm. Cap -33.8%	REITs 28.0%	Cmdty. 16.8%	Abs. Ret. 4.5%	Lg. Cap 16.0%	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%	Sm. Cap 14.8%	10-Yr Tr. -2.7%	HY 5.8%	Int'l - Dev. 14.1%
Cmdty. -35.6%	Sm. Cap 27.2%	HY 15.2%	HY 4.4%	HY 15.6%	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. 11.3%	FI -3.3%	Int'l - EM 3.2%	Cmdty. 13.7%
MLPs -36.9%	Lg. Cap 26.5%	Lg. Cap 15.1%	Lg. Cap 2.1%	MLPs 4.8%	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%	HY 5.4%	HY -3.6%	FI 2.5%	Lg. Cap 13.2%
Lg. Cap -37.0%	Cmdty. 18.9%	10-Yr Tr. 7.9%	Cash 0.0%	FI 4.2%	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. 4.2%	Int'l - EM -4.8%	10-Yr Tr. 2.2%	HY 6.6%
REITs -37.7%	FI 5.9%	Int'l - Dev. 7.8%	Sm. Cap -4.2%	10-Yr Tr. 4.2%	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%	Cash 0.0%	Int'l - Dev. -6.5%	Abs. Ret. 1.7%	10-Yr Tr. 6.0%
Abs. Ret. -40.3%	Abs. Ret. 4.1%	FI 6.5%	Int'l - Dev. -12.1%	Abs. Ret. 0.9%	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%	FI -1.5%	Lg. Cap -8.0%	MLPs 0.7%	Abs. Ret. 4.6%
Int'l - Dev. -43.4%	Cash 0.1%	Cash 0.1%	Cmdty. -13.3%	Cash 0.1%	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%	Int'l - EM -2.5%	Sm. Cap -8.7%	Cash 0.6%	FI 3.1%
Int'l - EM -53.3%	10-Yr Tr. -9.7%	Abs. Ret. -0.9%	Int'l - EM -18.4%	Cmdty. -1.1%	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. -3.7	REITs -11.5%	Cmdty. -1.9%	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).



# 10-Year Treasury Yield vs. S&P 500

10-Year Treasury Yield vs. S&P 500: Jan. 1980 - Feb. 2022





# Outlook

- **U.S. Economy-** Current Ukraine Russia conflict introduces significant near-term uncertainty, but also reinforces longer-term outlook that growth will likely moderate over the course of 2022 back towards longer-term pre-pandemic run rate of 2.0-2.5%. Additionally, the economy is facing several other headwinds. Fiscal and monetary support provided during the pandemic is being withdrawn. Supply chain issues persist and likely will well into 2022. High inflation is eroding consumers' purchasing power and impacting their economic outlook. The current Ukraine conflict adds to both supply chain and inflation woes. Despite the increased uncertainty resulting from the fighting, the Fed appears determined to increase rates to address inflation.
- **Global Economy-** Current Ukraine - Russia conflict weighing on European and Russian economies. Recently enacted sanctions will be felt most acutely by Russia but will impact European economies to varying, but lesser degrees. Sanctions unlikely to be fully lifted even after the cessation of hostilities. Higher commodity prices resulting from the fighting and sanctions will be additional headwind to global growth.
- **Interest Rates/Inflation-** Despite inflation at 40-year highs, interest rates have been slow to react. Ten-Year U. S. Treasury yield recently reached 2.0%, its highest level since July 2019, yet well below the 3.2% level seen in 2018 when inflation was at 2.2%. Fed rate increases will likely lead to higher rates and lower inflation. Fed walking a tight rope trying to dampen inflation without damaging the economic recovery.
- **Equity Markets-** Ukraine conflict has led to significant volatility. Historically, market returns 6 and 12 months after such heightened volatility tend to be positive. Uncertainty surrounding fighting and monetary policy likely to result in continued heightened price pressure in near-term. Investors should not overlook current strength of corporate fundamentals which is expected to result in earnings growth of ~9% for the year.
- **Fixed Income Markets-** Higher rates will put downward pressure on fixed income markets. Historically, interest rate "spikes" have been short-lived, so 2022 could see short periods of upward pressure on rates followed by periods in which rates plateau or even subside. Trying to time these is not advised. One benefit of higher rates is more attractive reinvestment opportunities.



A photograph of a red cloth draped over a white staircase in a minimalist room with white walls. The red cloth is the central focus, its vibrant color contrasting sharply with the stark white of the stairs and walls. The lighting is soft and even, highlighting the texture of the fabric and the geometric lines of the architecture. The overall mood is clean, modern, and serene.

# *Portfolio Review*



FIRSTwestern  
TRUST



# USA Swimming USA Swimming Foundation

1Q 2022 Review

April 2022

Anthony T. Corallo, CTP®

Managing Director, Senior Client Strategist | 650.401.2239 | [tcorallo@sterlingcapital.com](mailto:tcorallo@sterlingcapital.com)



STERLING  
CAPITAL

For use with USA Swimming only. Not for further distribution.



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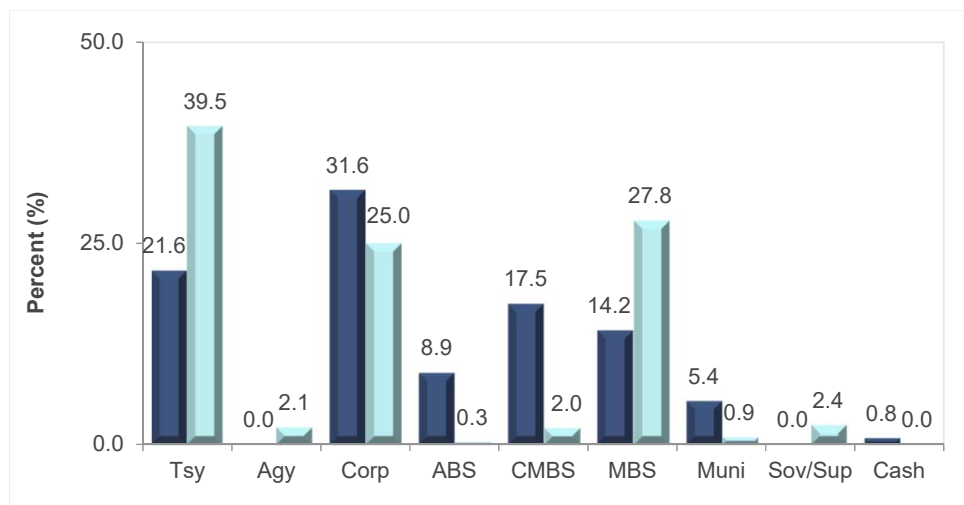
# Characteristics & Performance



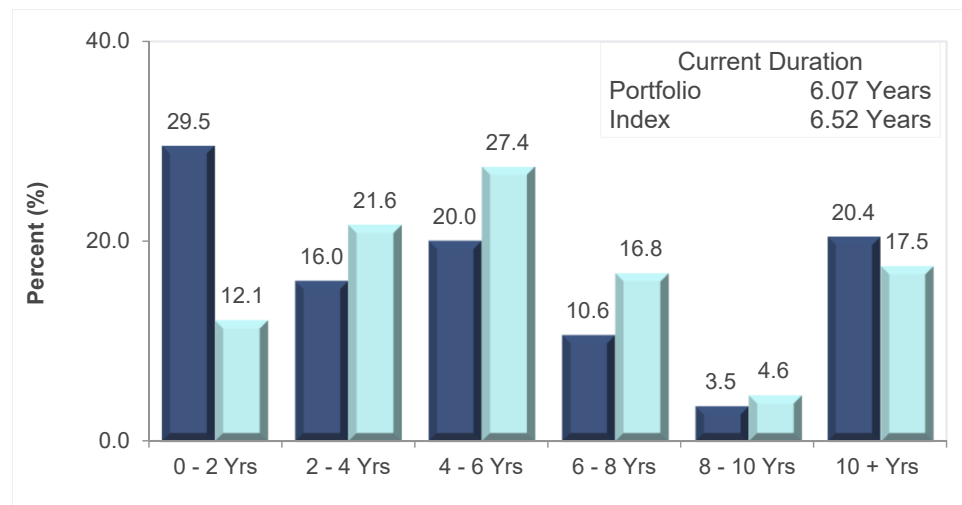
# Fixed Income Characteristics - USA Swimming

3.31.2022

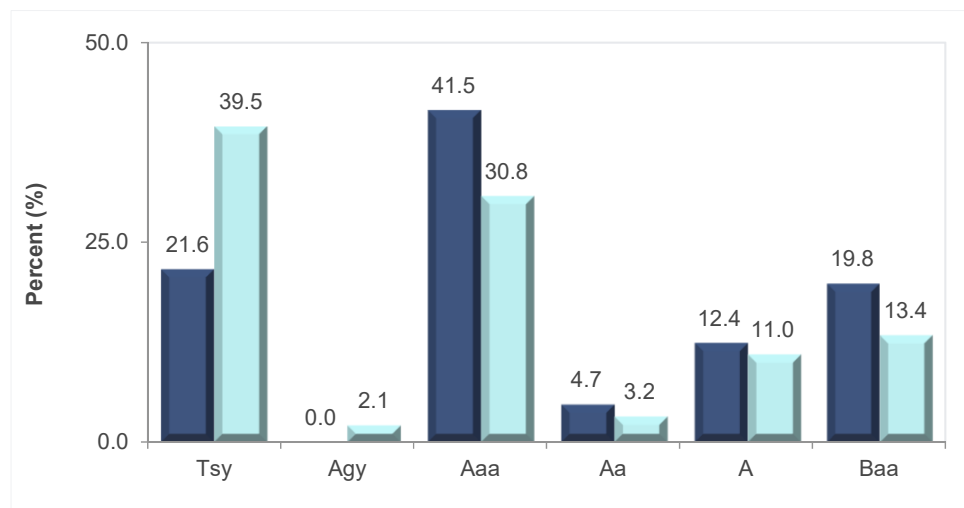
## Sector Allocation



## Duration Distribution



## Ratings



## Characteristics

Duration.....6.07 Years  
 Maturity.....8.34 Years  
 Yield-to-Maturity.....2.88%  
 Benchmark Yield-to-Maturity.....2.91%  
 Credit Rating.....Aa2

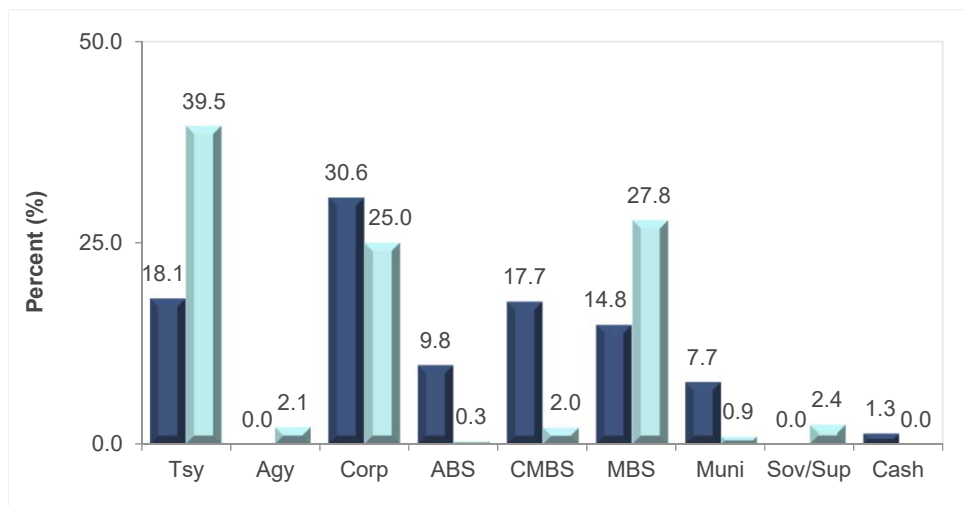
USA Swimming  
 Bloomberg Barclays U.S. Aggregate Bond Index



# Fixed Income Characteristics - USA Swimming Foundation

3.31.2022

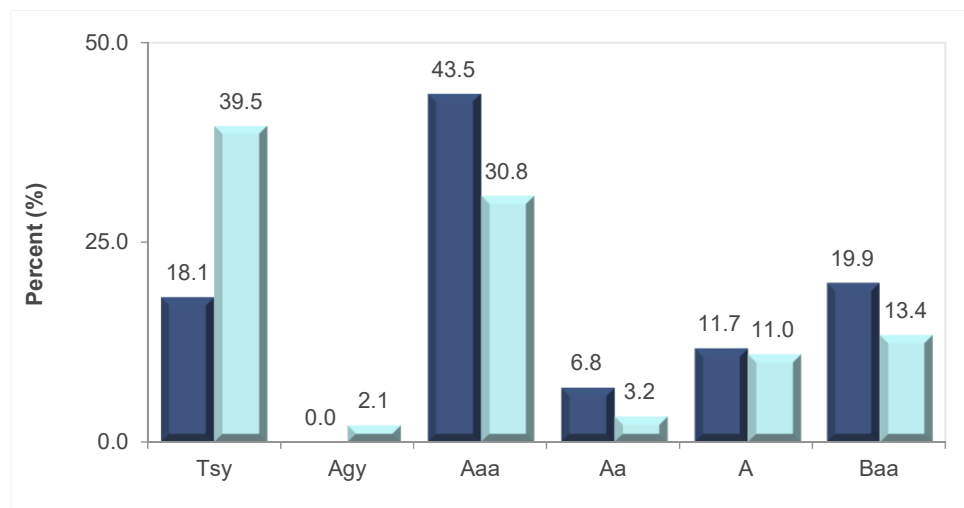
## Sector Allocation



## Duration Distribution



## Ratings



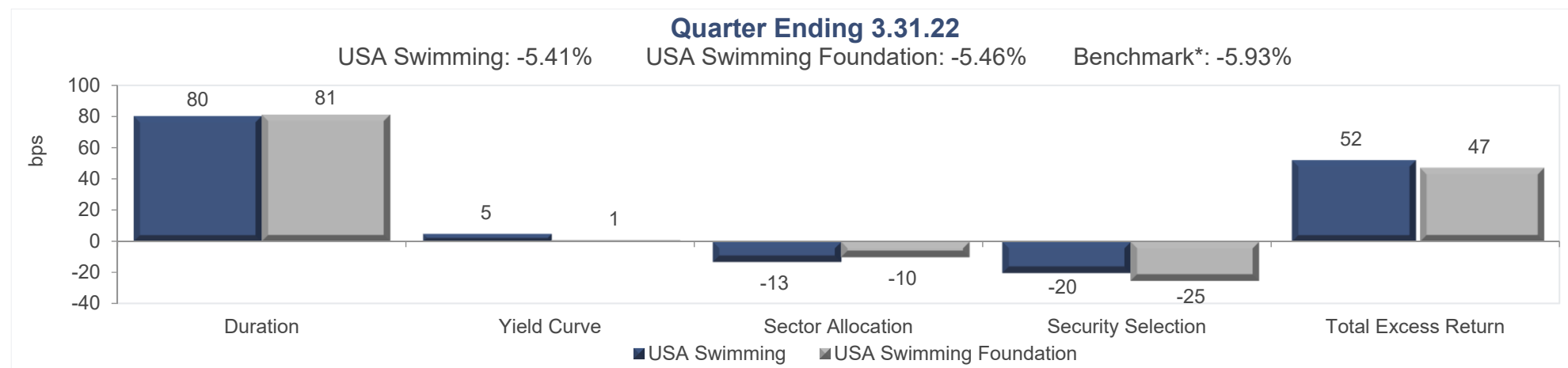
## Characteristics

Duration.....6.09 Years  
Maturity.....8.37 Years  
Yield-to-Maturity.....2.95%  
Benchmark Yield-to-Maturity.....2.91%  
Credit Rating.....Aa2

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



# Performance Attribution



## Active Decision

### Duration/Yield Curve

- Duration managed short versus the index
- Underweight the intermediate segment of the curve

## Comment

- The first quarter of 2022 was dominated by increased inflationary pressures, expedited expectations for Fed rate hikes as the Fed raised rates for the first time since 2018, and the Russian invasion of Ukraine. The combined effect was a significant increase of rates across the yield curve. The 10-year Treasury finished the quarter at approximately 2.34% yield
- The yield curve flattened and inverted as rates increased during the quarter

## Effect

- Positive
- Small Positive

### Sector Allocation

- Overweight corporate and bonds, underweight Treasuries

- With core and headline inflation continuing to surge and interest rates rising quickly, investment grade spreads widened steadily in January and early February. Volatility rose even further when Russian forces entered Ukraine, causing a spike in energy prices that only heightened fears of stagflation. Corporate bonds managed to find some footing following the March FOMC meeting tightening from their widest levels reached earlier in March. The sector underperformed Treasuries on an excess return basis

- Negative

### Security Selection

- Allocation within corporate sector
- Allocation within government related sector
- Allocation within securitized sector

- Selection underperformance within the industrial sector and lower rated corporate bonds which underperformed on a relative basis
- Relative underperformance, including the allocation to the taxable municipal bonds which had negative excess returns
- Selection underperformance, including the allocation to longer CMBS which underperformed on a relative basis

- Negative
- Negative
- Negative



# Strategy & Outlook



# Investment Outlook and Strategic Positioning

## Investment Outlook

- We project growth of 2.5-3.0% for 2022, driven by strong consumer demand for services, healthy growth in wages, and a profit-funded boost to business investment. However, tighter monetary policy means risk is skewed to the downside.
- We look for aggregate demand to shift towards services versus goods expenditures that led the way out of the pandemic. However, supply constraints will likely act as a near-term headwind as the economy contends with shortages of both materials and labor.
- We expect the Federal Reserve to be aggressive with rate hikes to bring inflation under control, and expect balance sheet reduction to begin in May. In our view, the fiscal policy outlook remains murky, as ongoing disagreement among Democrats appears to have cast doubt on a large social spending bill and midterm elections will likely distract from the business of legislation.
- We believe the Russian invasion of Ukraine is a humanitarian tragedy. It has injected significant volatility in both risk assets and interest rates. The imposition of heavy sanctions is likely to reduce global growth and, while we expect the U.S. economy to be fairly well insulated from the conflict, tail risks have certainly increased. There are also risks to supply chains and global growth due to COVID-19 outbreaks in China.

## Strategic Positioning of our Portfolios

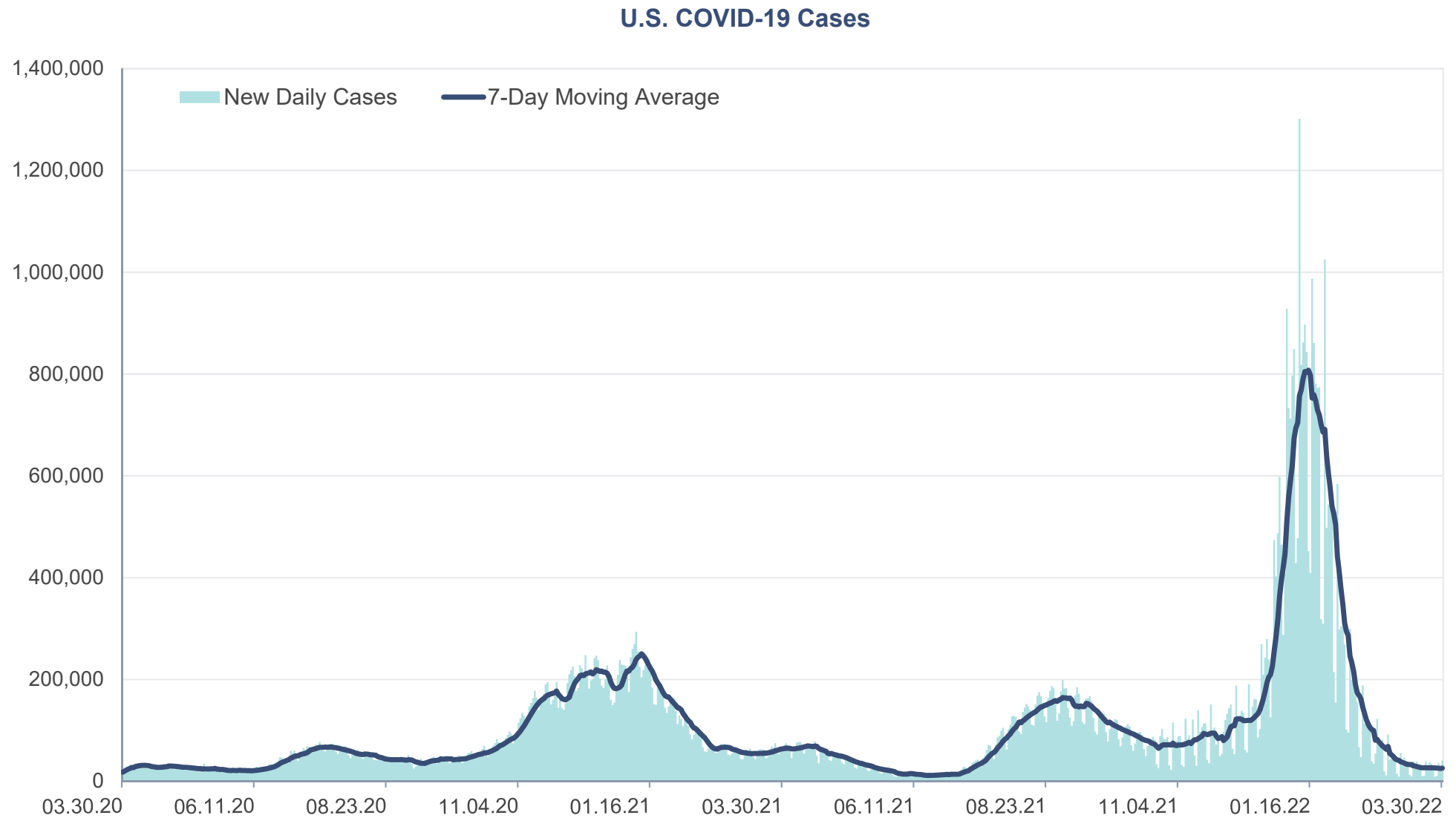
### Intermediate and Core Fixed Income

- Durations will be managed short to benchmark durations.
- Underweight Treasury securities in favor of corporate bonds, taxable municipals, and non-agency securitized products.
- The outlook for agency MBS has improved as the sector has cheapened materially in recent months and prepayment risk has come down. However, there is still significant uncertainty with how the sector will perform once the Fed starts to allow its balance sheet to shrink later this year.



# COVID-19

## Cases

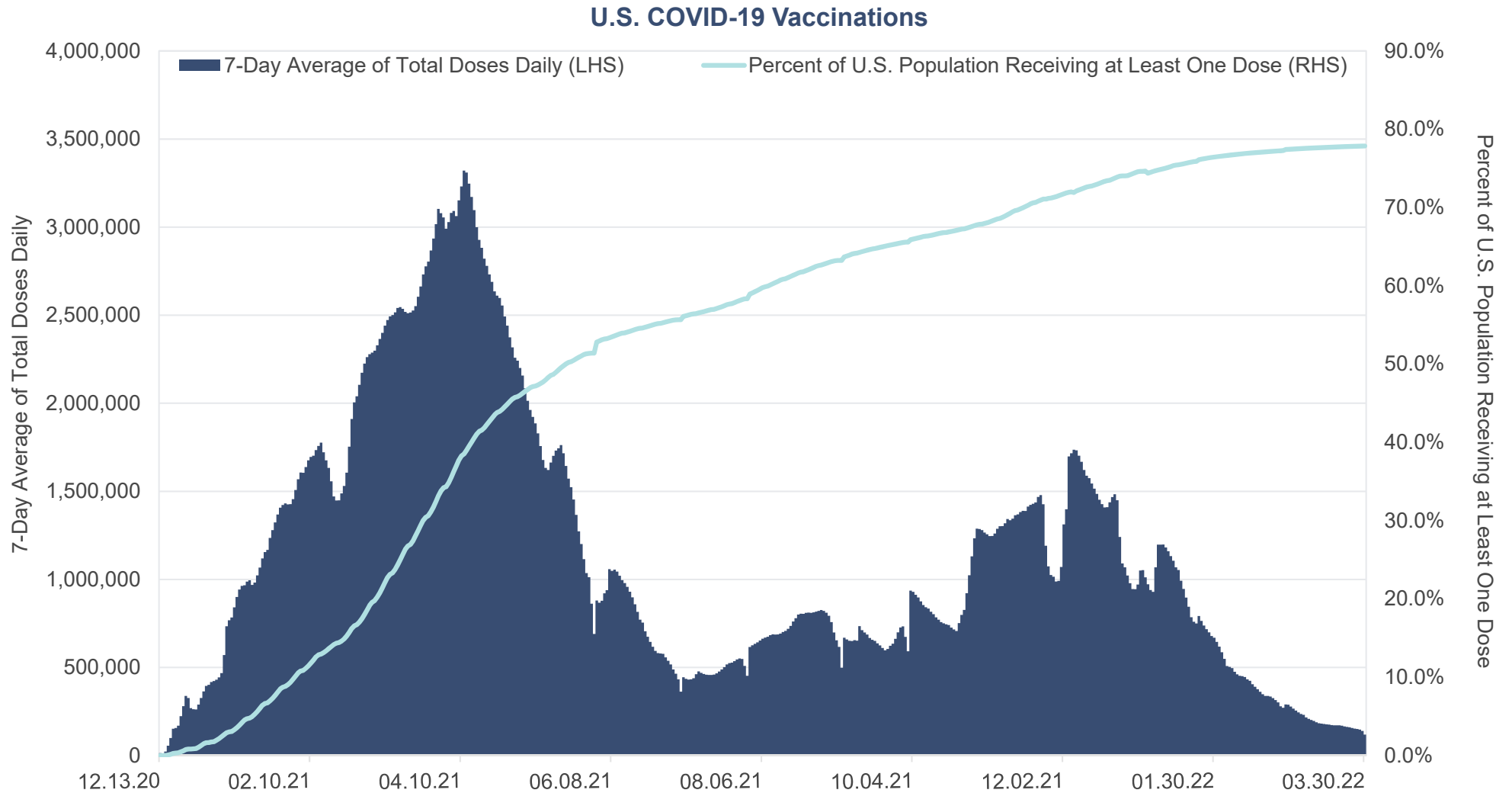


Data is as of 03.30.2022. Source: Centers for Disease Control and Prevention (CDC).



# COVID-19

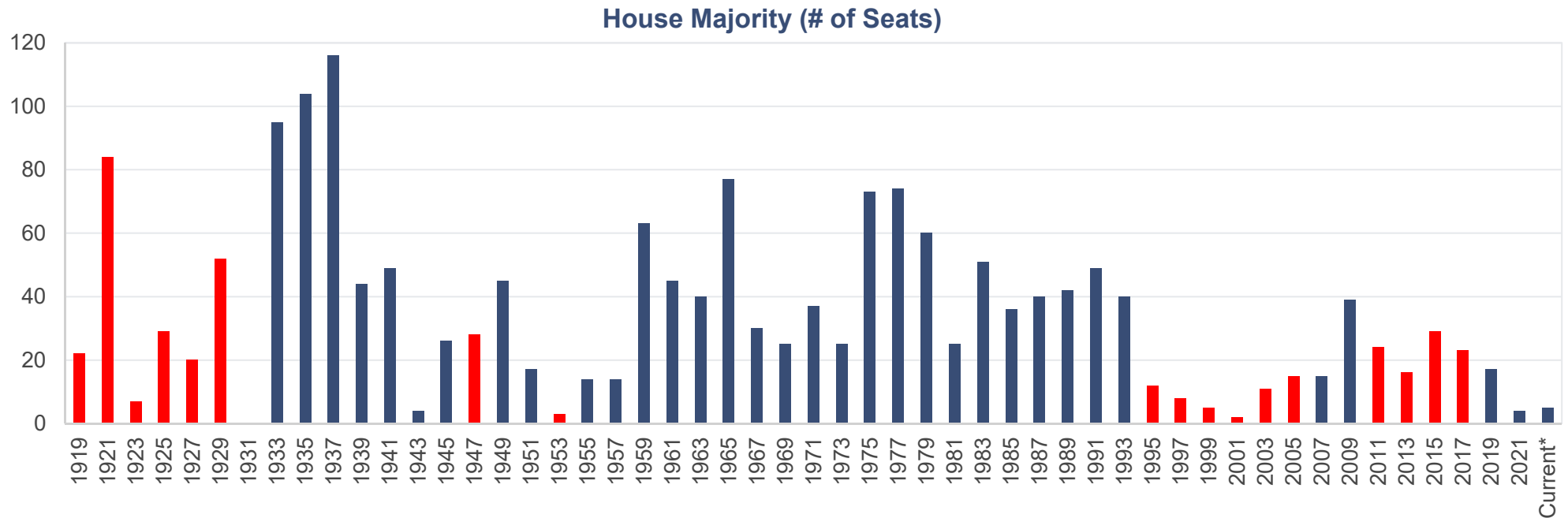
## Vaccinations



Data is as of 03.30.2022. Source: Centers for Disease Control and Prevention (CDC).



# House Majority Seats



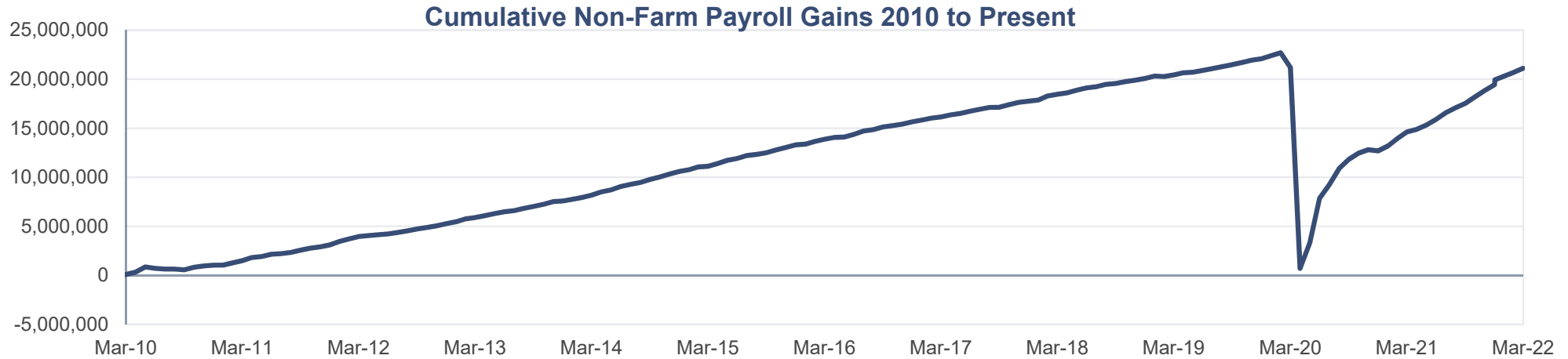
Each data point represents the working majority at the opening session for each session of Congress from the 65th Congress to the current, 117th. It does not adjust the majority for independents who generally align with the majority party. There are currently no independents in the House. Red indicates the Republican party holds the majority while blue indicates the Democratic party holds the majority. At the opening Congress in 1931 Republicans held 218 seats, but a working majority of 0 seats, as 218 votes were needed to pass legislation.

\*The current majority is five seats due to a vacancy in California's 22<sup>nd</sup> district, following the resignation of Rep. Devin Nunes (R-CA) on January 1, 2022. The seat will be filled by a special election in June 2022.

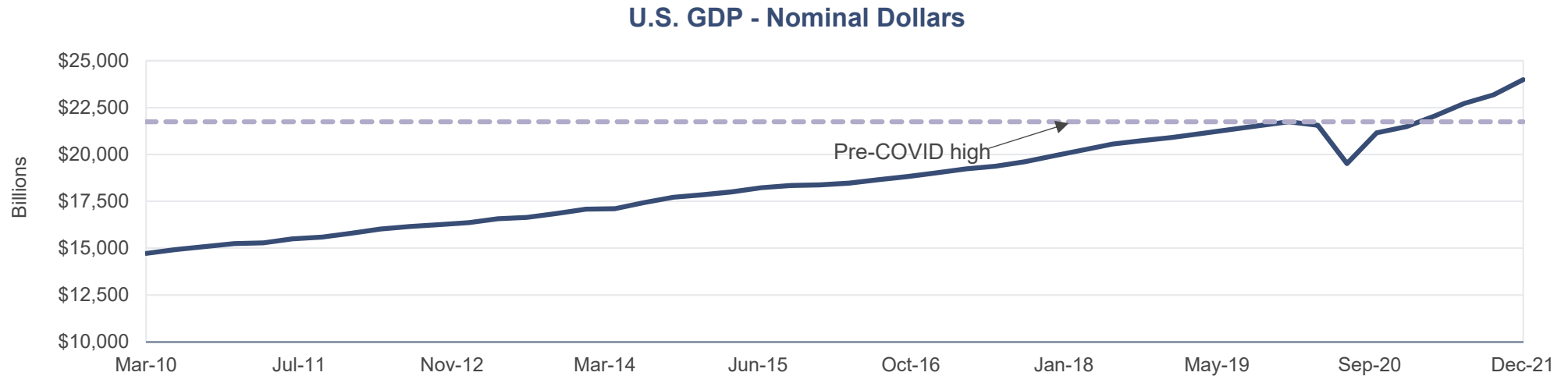
- The majority in the House is one of the slimmest in the last 100 years.
- The slim margin reduces the likelihood of sweeping legislative changes.



# Impact of COVID-19



Data is as of 03.31.2022. Source: Department of Labor.

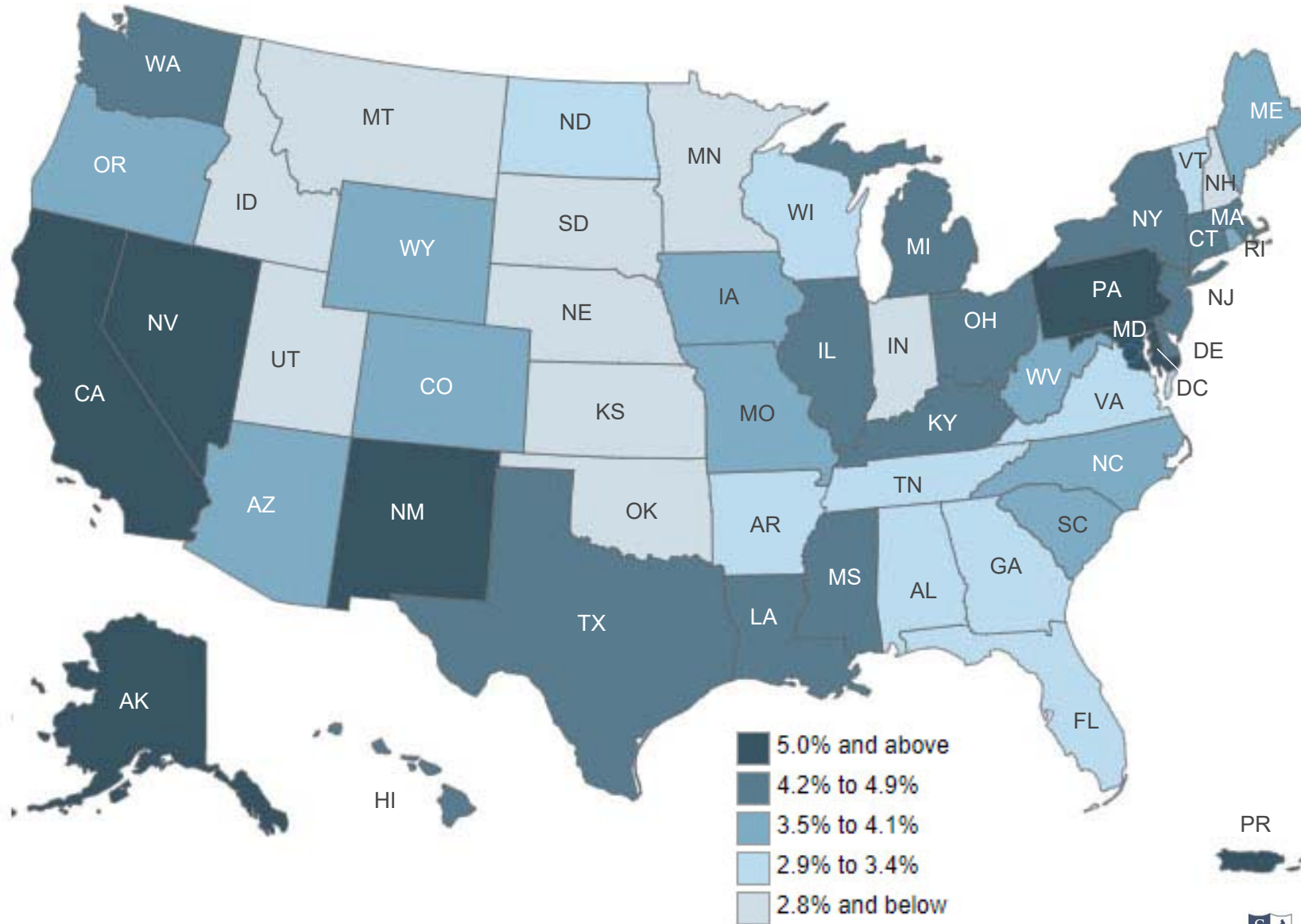


Data is as of 12.31.2021. Source: Bureau of Economic Analysis.



# State Unemployment

February 2022

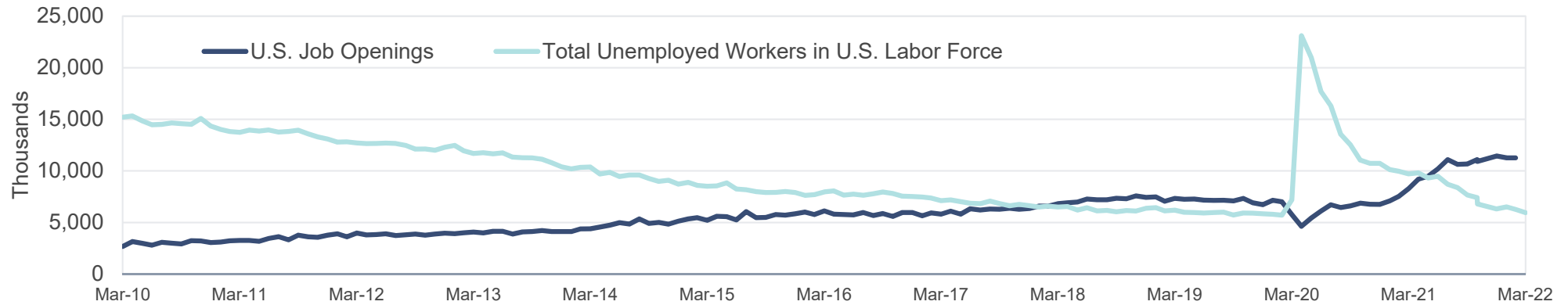


Data as of 02.28.2022. State data is seasonally adjusted Source: Bureau of Labor Statistics.

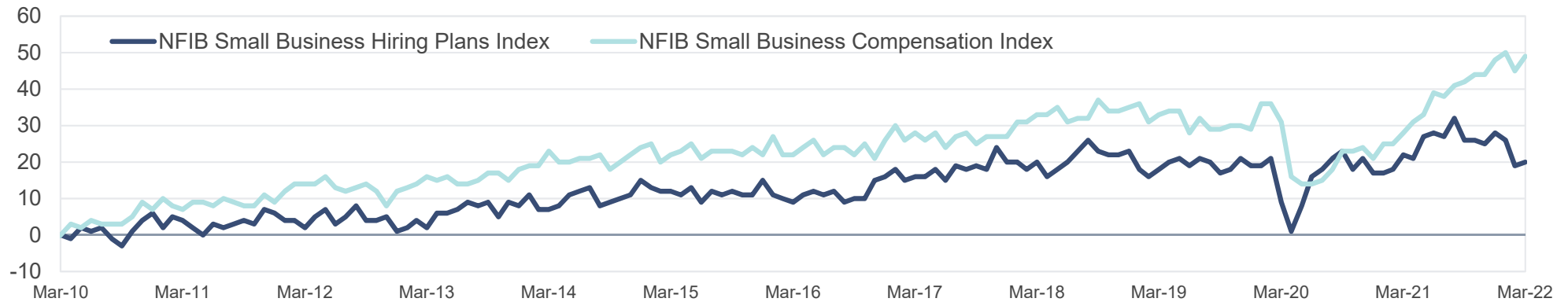


# Wage Pressures

## Job Openings vs. Total U-3 Unemployed Workers



## Small Business Hiring and Compensation Plans



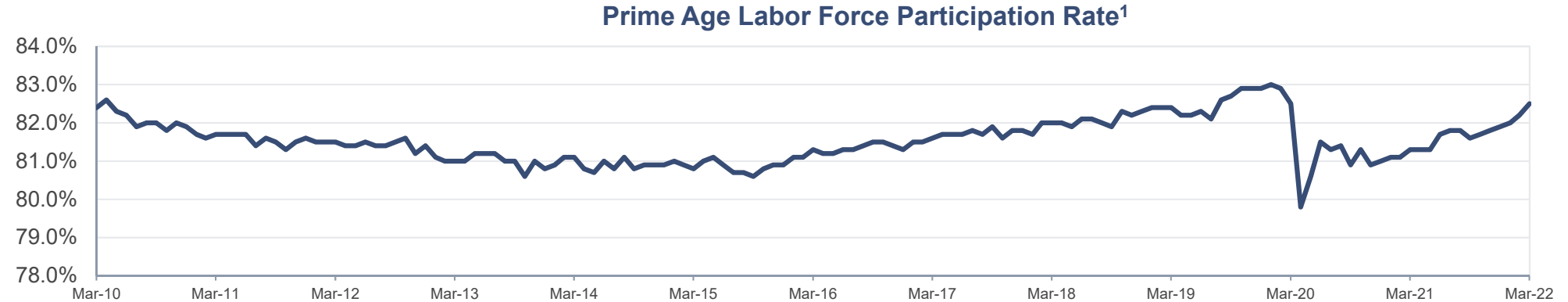
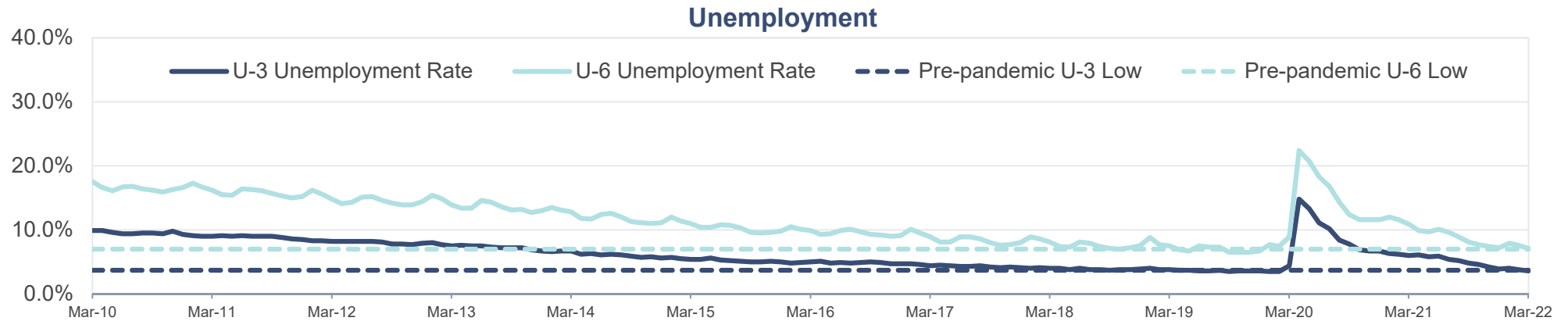
- Demand for workers exceeds the available supply, putting pressure on wages to rise.

Top chart: job openings data is as of 02.28.2022; unemployment data is as of 03.31.2022. Bottom chart: all data is as of 03.31.2022. Source for both charts: Bureau of Labor Statistics, National Federation of Independent Business, Department of Labor. 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.



# Fed's Flexible Average Inflation Targeting

## Labor Markets



- The Fed's Flexible Average Inflation Targeting policy framework seeks to maximize employment.
- Labor force participation remains lower than prior to the pandemic, but unemployment and other measures of labor market slack continue to fall.

Data for both charts is as of 03.31.2022. <sup>1</sup>The prime age labor force is comprised of ages 25-54. Source: Bureau of Economic Analysis. 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.



# Fed's Flexible Average Inflation Targeting

## Inflation

Core Personal Consumption Expenditures



- The Fed's FAIT policy framework seeks to make up for periods when inflation was below the Fed's target by allowing inflation above target for a period of time.
- The Fed no longer describes inflation as transitory and expects inflation to continue to run above target in the coming year, paving the way for rate hikes in 2022.

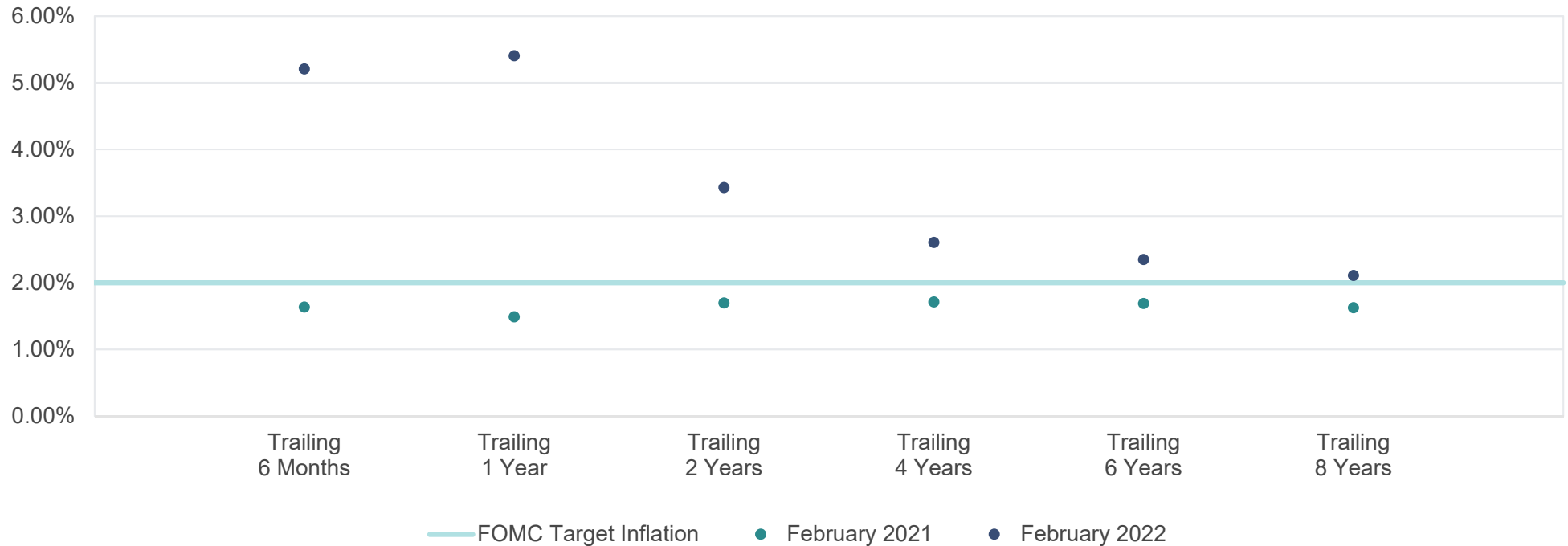
Data is as of 02.28.2022. Source: Bureau of Economic Analysis. The views expressed represent the opinions of Sterling Capital Management. Any type of investing involves risk and there are no guarantees that these methods will be successful.



# Fed's Flexible Average Inflation Targeting

## Inflation Outcomes

Flexible Average Inflation Targeting: CORE PCE



- Flexible Average Inflation Targeting allows inflation above the two percent target to make up for past inflation misses.
- Recent higher-than-target inflation has eliminated this “inflation gap” going back nearly eight years.



# Breakeven Inflation Rate

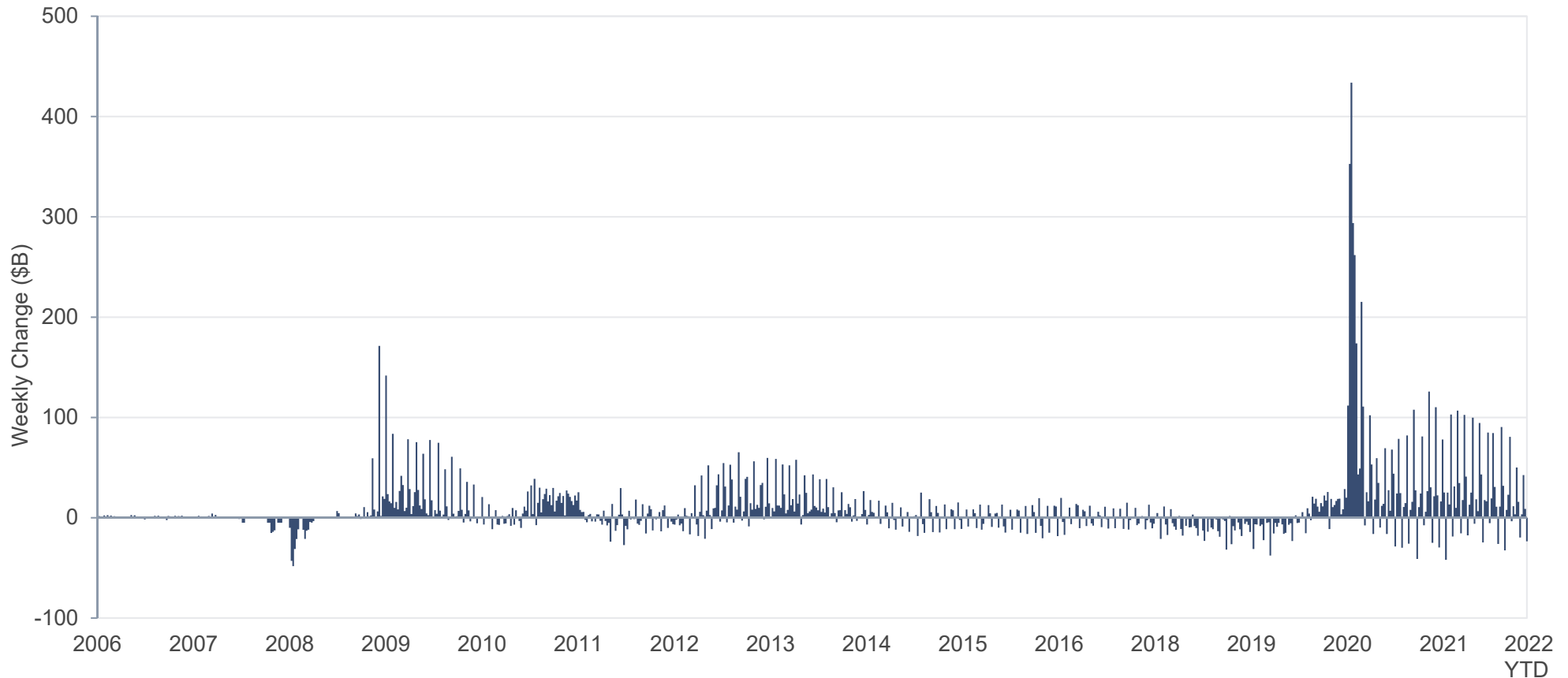


- Measures of inflation expectations climbed due to unprecedented fiscal and monetary stimulus, but have recently fallen slightly after the FOMC acknowledged inflationary pressures, concerning market participants that it would hike prematurely and impede longer term growth.



# Federal Reserve Balance Sheet

Weekly Change in Federal Reserve's Balance Sheet



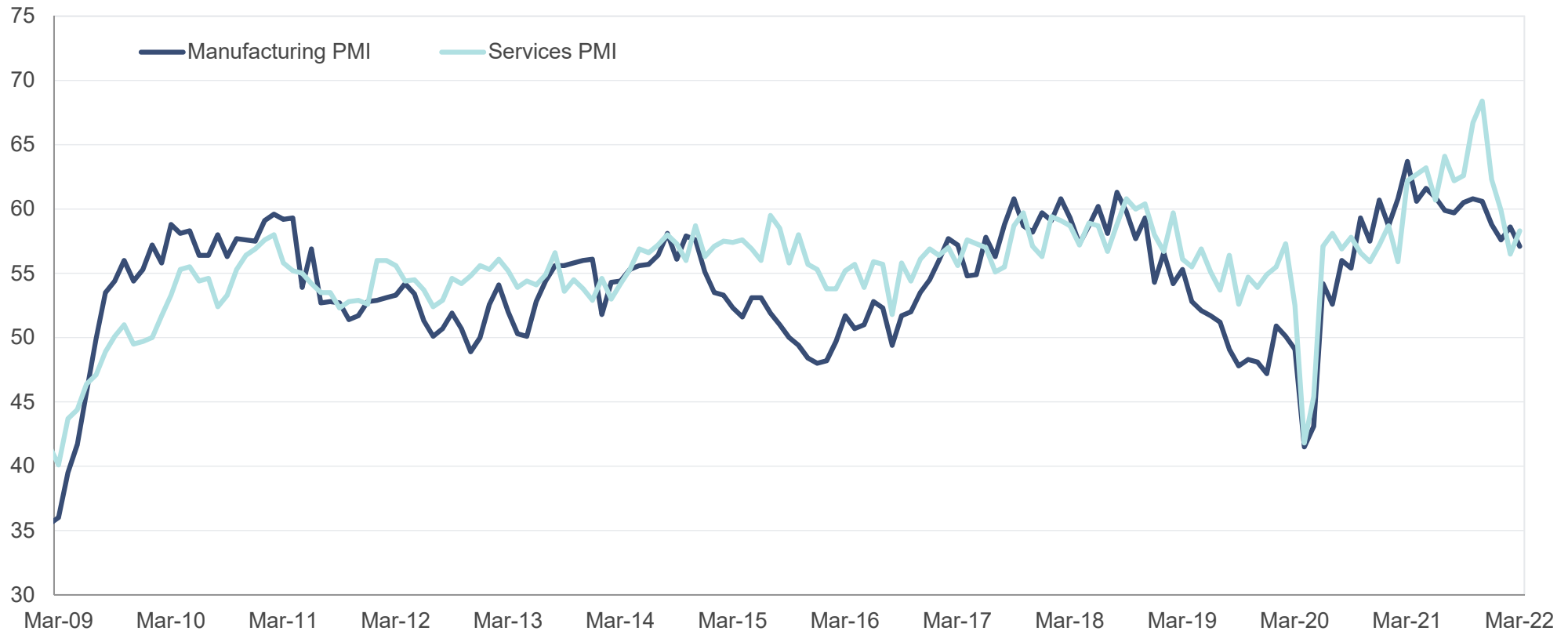
- The Fed has continued to add to its balance sheet in order to support liquidity in financial markets.
- Given significant progress towards maximum employment, the Fed started tapering asset purchases in November and plans to accelerate the process in January in an effort to end net asset purchases by March.

Data is as of 03.30.2022. Source: New York Fed.org. 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.



# Manufacturing and Services Sectors

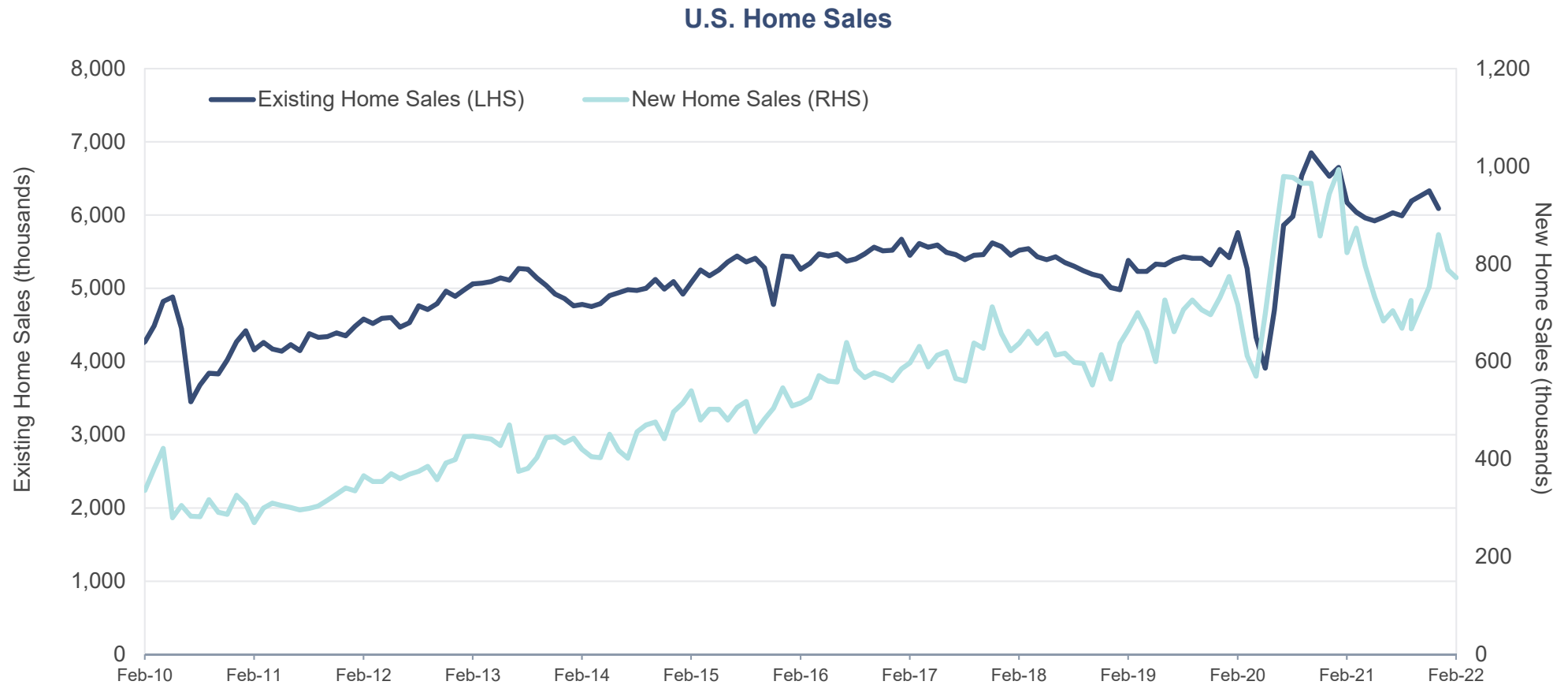
Manufacturing and Services



- The ISM indices would likely be even higher if not for supply-side constraints in both resources and labor.



# U.S. Housing Market

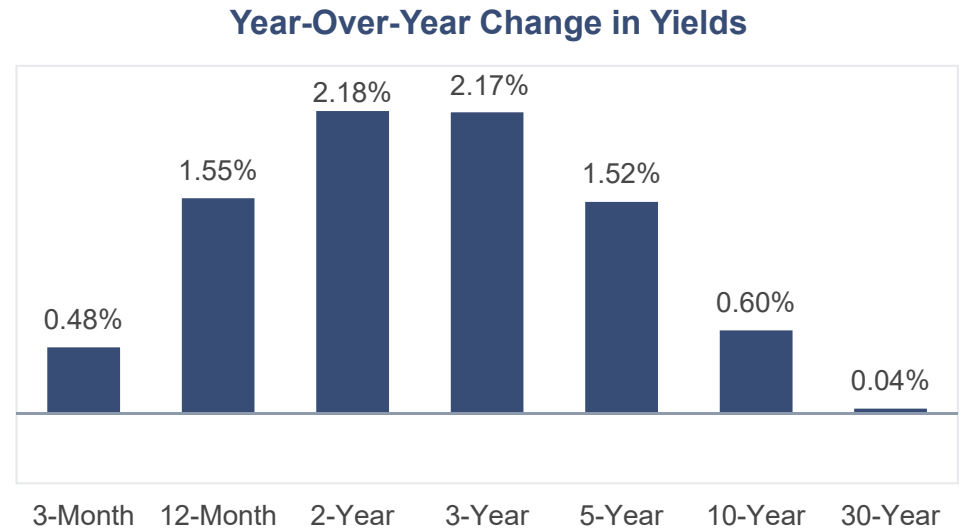
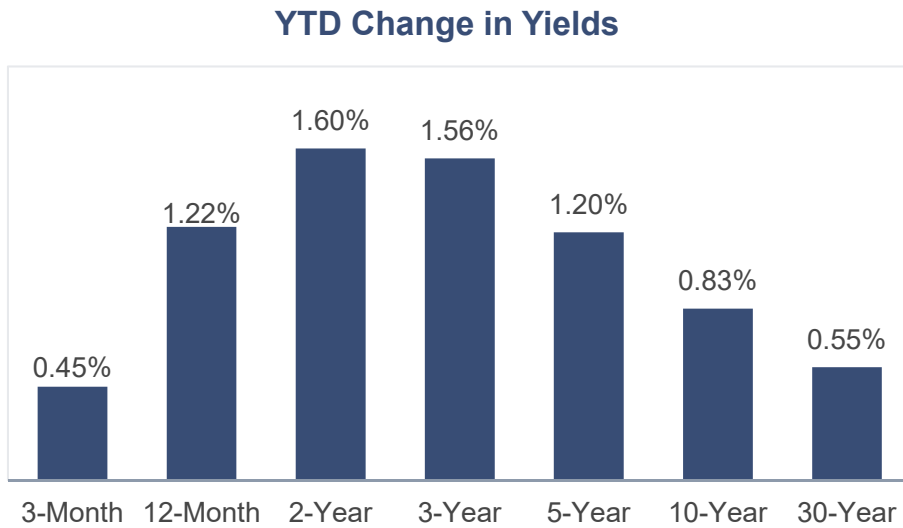


- Housing exhibited a very sharp recovery with levels now well above pre-COVID levels.

Data is as of 02.28.2022. Source: National Association of Realtors, U.S. Census Bureau. 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.



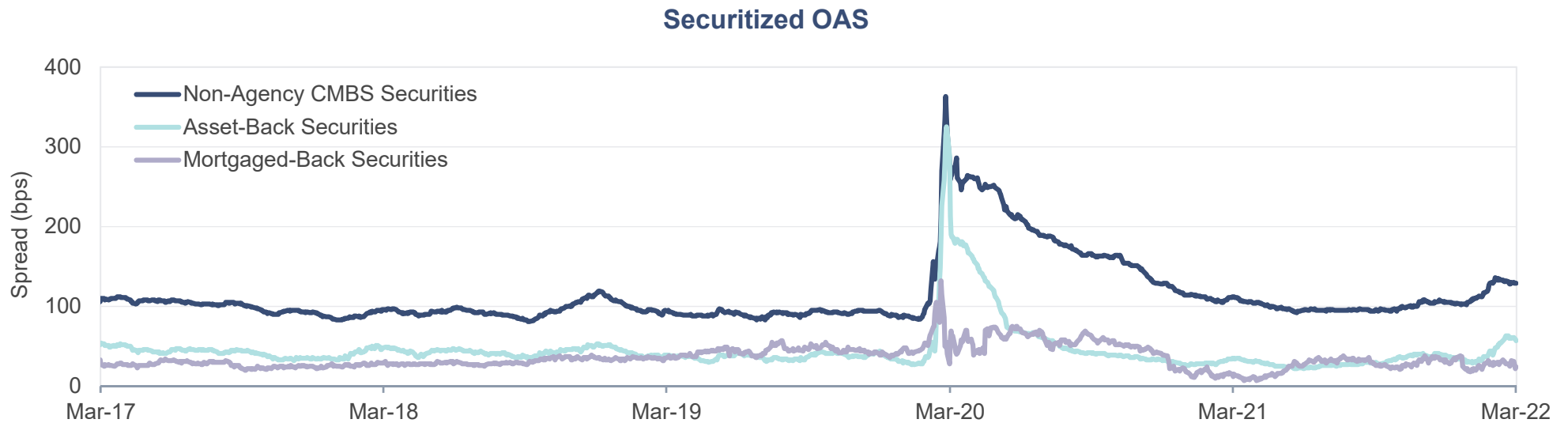
# Treasury Yield Curve Change Over Time



Data is as of 03.31.2022. Source: FactSet. Yields are subject to market conditions and are therefore expected to fluctuate.



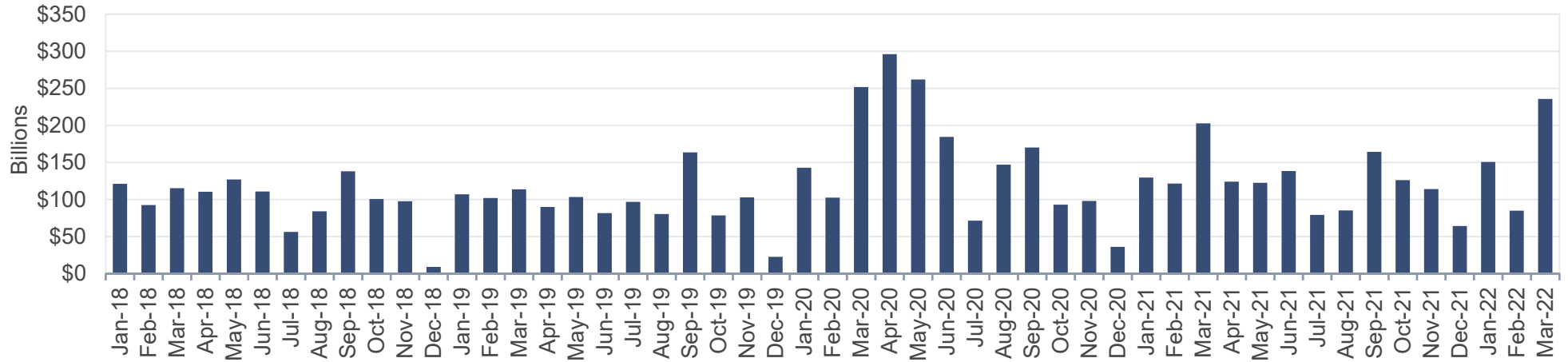
# Corporate and Securitized Spreads



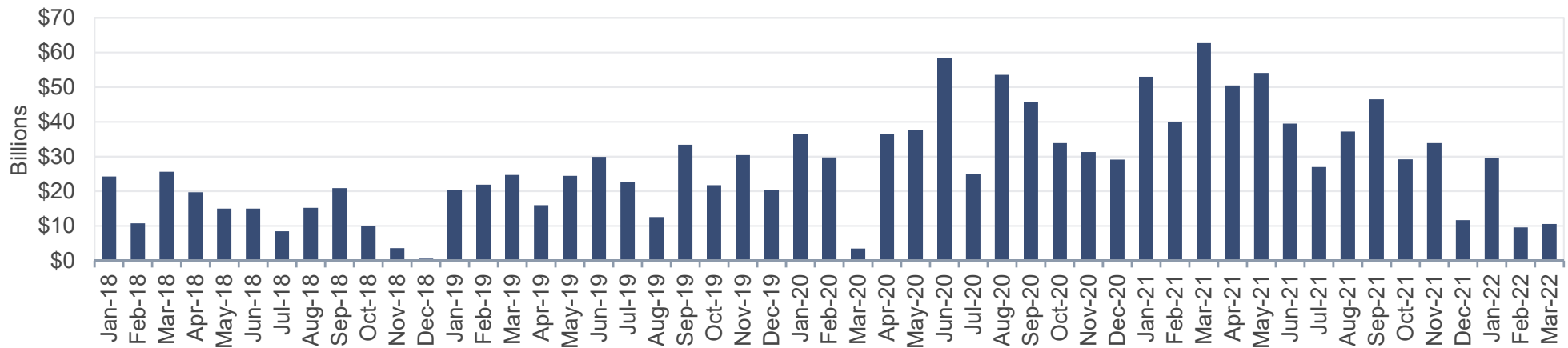


# U.S. Corporate Issuance

## U.S. Corporate Investment Grade Issuance



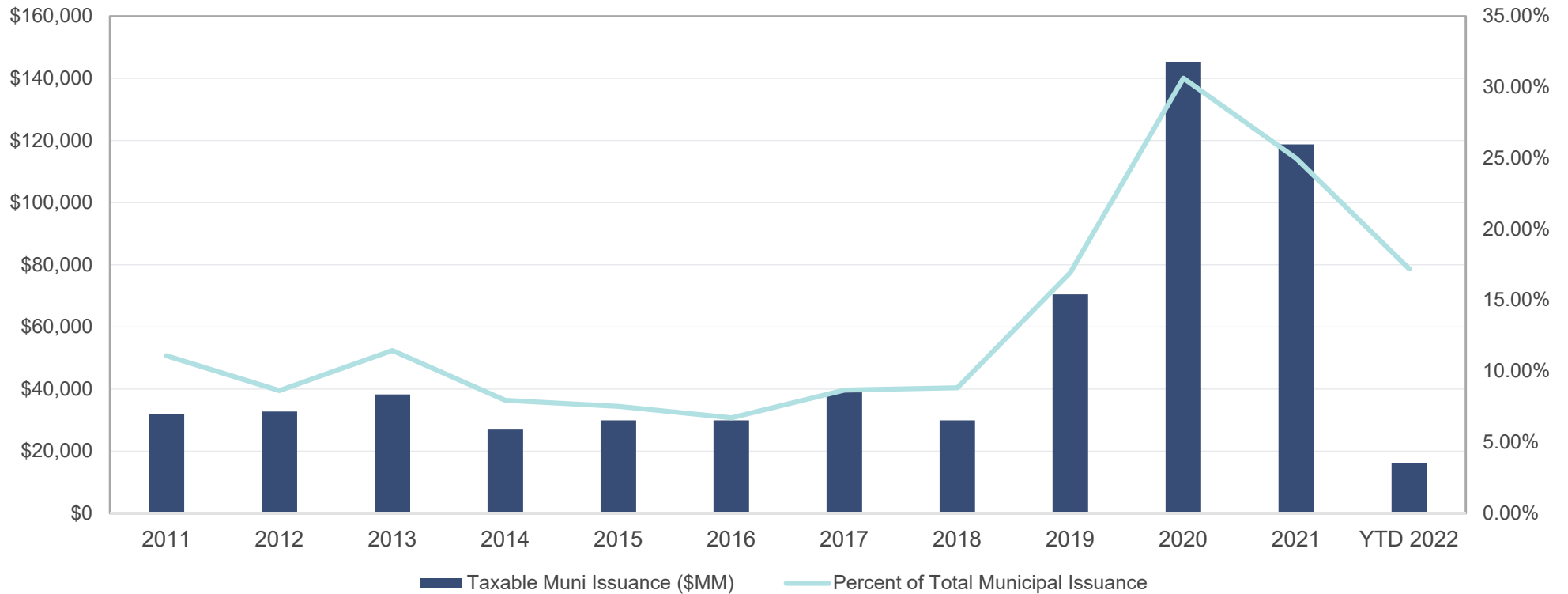
## U.S. High Yield Issuance





# Taxable Municipal Issuance

**Taxable Municipal Issuance (\$MM)**



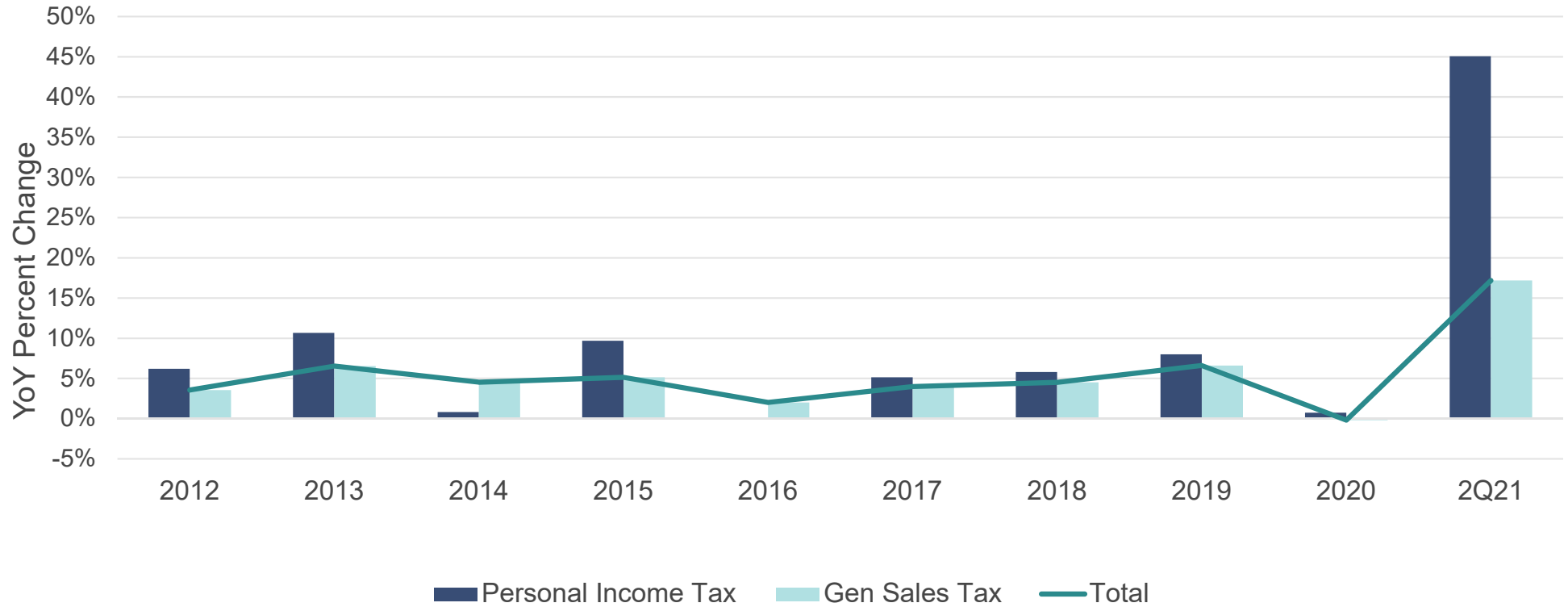
- Taxable issuance remains an above average component of overall municipal issuance.

Data as of 03.31.2022. Source: The Bond Buyer. 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.



# State Tax Revenues

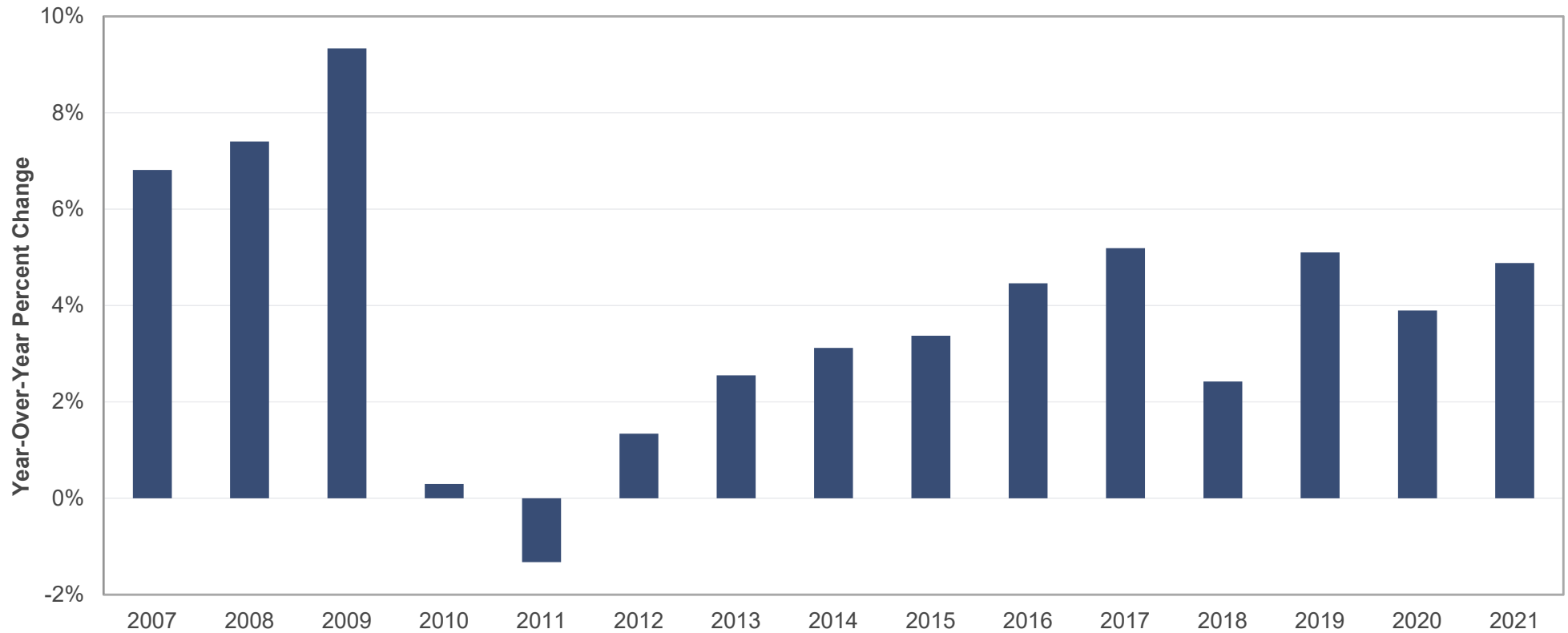
State Tax Revenues as of 06.30.2021



Data as of 06.30.2021. Source: U.S. Census Bureau. 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.



# Annual Property Tax Growth



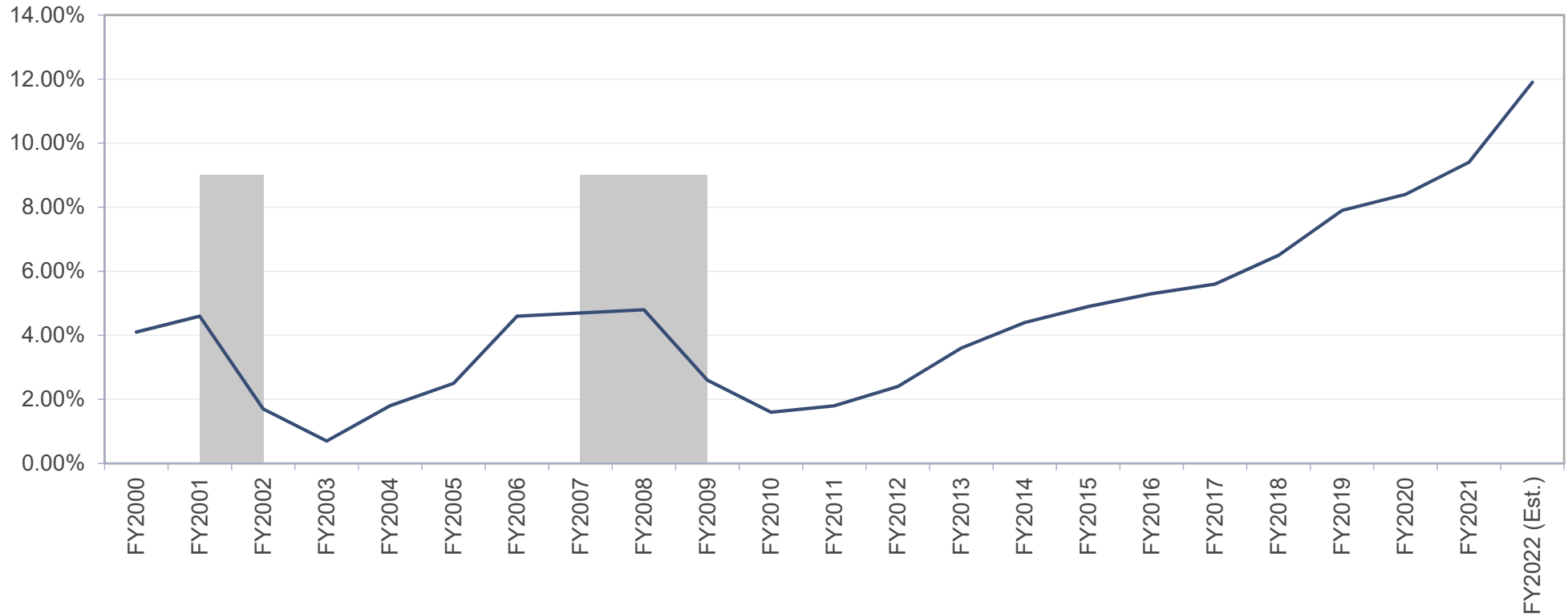
- Historically, property tax revenues lag the housing market.
- We expect continued improvement in the housing market and property values.

Data as of 03.31.2022. Source: U.S. Census Bureau. 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.



# State Reserve Balances are Growing

**Median Rainy Day Fund Balance as a Percentage of Expenditures**



- State reserve levels reached new highs during the pandemic on better-than-expected tax revenue and fiscal aid.

Grey bars represent recessions. Data as of 03.31.22. Source: National Association of State Budget Officers. 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.



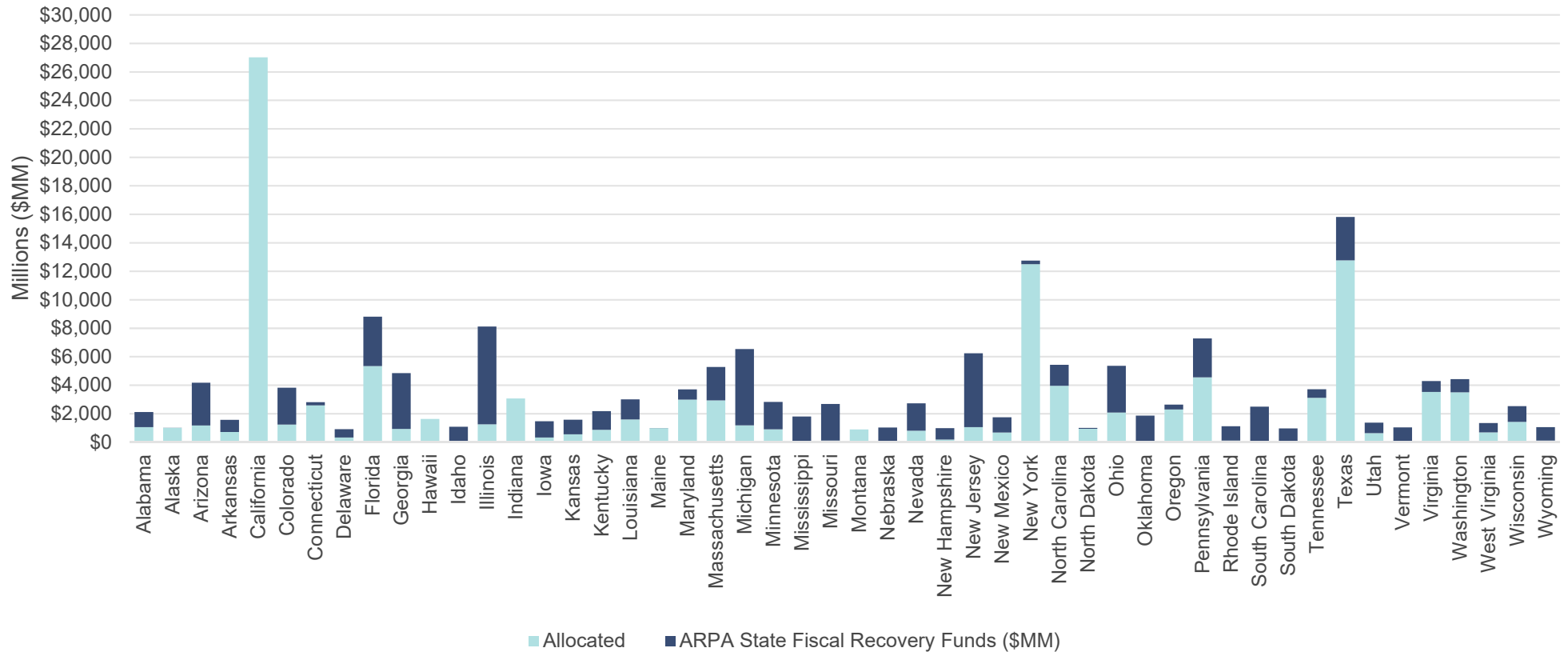
# The American Rescue Plan (ARPA) of 2021

- On March 11, 2021, President Biden signed the \$1.9T economic stimulus bill passed by the 117th Congress.
- \$362.0B of this amount will be appropriated to state and local governments.
- \$195.3B will be directed to state governments.
- \$25.5B will be divided equally among the states with the remainder divided based on the state's share of national unemployment.
- \$130.2B will be directed to local governments.
- Metropolitan cities will receive \$45.6B, smaller cities will receive \$19.5B, and counties will receive \$65.1B, largely based on population estimates.



# ARPA Funds by State

ARPA State Fiscal Recovery Funds



- A large portion of ARPA funds have yet to be allocated and will continue to support credit fundamentals going forward.

Source: Pew Charitable Trusts. 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



# Important Information

## Designations

The **Accredited Asset Management Specialist® (AAMS)** is a professional designation awarded by the College for Financial Planning (CFP) to financial professionals who successfully complete a self-study program, pass an exam, and agree to comply with a code of ethics. To keep the privileges associated with the designation, AAMS professionals must complete 16 hours of continuing education every two years.

The **Associate of the Society of Actuaries (ASA)** is a professional organization for actuaries based in North America. The Society's vision is for actuaries to be recognized as the leading professionals in the modeling and management of financial risk and contingent events. Requirements for membership for the SOA include the actuarial exams, a comprehensive series of competitive exams. Topics covered in the exams include mathematics, finance, insurance, economics, interest theory, life models, and actuarial science.

The **Certified Financial Planner® (CFP)** certification is a graduate-level credential awarded by the CFP Board. To earn the CFP, candidates must: 1) take the required coursework; 2) meet educational requirements; 3) pass the examination; 4) have qualifying experience; and 5) agree to adhere to the CFP Board's standards of ethics and professional conduct.

The **Certified Investment Management Analyst® (CIMA)** credential is a graduate-level investment certification and is awarded by the Investment Management Consultants Association® (IMCA) - that sets global standards for the investment management consulting profession. To earn the CIMA designation, candidates must: 1) have at least three years of qualified financial experience; 2) Pass an extensive background check; 3) complete the two-step program of study; 4) pass the qualification and certification examinations; and 5) adhere to the IMCA's Ethics and other ongoing standards.

The **Certificate in Investment Performance Measurement® (CIPM)** program is a graduate-level investment performance and risk evaluation credential and is awarded by CFA Institute — the largest global association of investment professionals. To earn the CIPM, candidates must: 1) pass two sequential examinations; 2) have at least two years of qualified professional investment experience; 3) join CIPM Association; and 4) commit to comply with the CFA Institute Bylaws and Rules of Procedure.

The **Certified Public Accountant Licensure (CPA)** is a graduate-level accounting license and is awarded by the American Institute of CPAs (AICPA). To earn the CPA licensure, candidates must: 1) have at least two years of public accounting experience; and 2) pass the examination. Please note, every state has its own education and experience requirements that must be met.

The **Certified Regulatory and Compliance Professional™ (CRCP)** designation is a graduate-level compliance certification and is awarded by the Financial Industry Regulatory Authority (FINRA). To earn the CRCP designation, candidates must: 1) pass two weeklong residential courses; 2) pass the two consecutive examinations; and 3) meet continuing education requirements.

The **Certified Treasury Professional® (CTP)** designation is recognized as the leading credential in corporate treasury worldwide and awarded by the Association for Financial Professionals® (AFP). To earn the CTP designation, candidates must: 1) pass the examination, 2) have at least two years of qualified work/education/teaching experience, and 3) meet continuing requirements.

The **Chartered Alternative Investment Analyst® (CAIA)** charter is a graduate-level alternative investment credential awarded by the CAIA Association - a global provider of Alternative Investment education. To earn the CAIA, candidates must: 1) pass two sequential examinations.

The **Chartered Financial Analyst® (CFA)** charter is a graduate-level investment credential awarded by the CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

The **Chartered Financial Consultant® (ChFC)** credential was introduced in 1982 as an alternative to the CFP® mark. This designation has the same core curriculum as the CFP® designation, plus two or three additional elective courses that focus on various areas of personal financial planning. To secure the designation, applicants must have three years of full-time business experience within the preceding five years and must complete nine college-level courses, equivalent to 27 semester credit hours (9 courses).

The **Chartered Retirement Planning Counselor® (CRPC)** designation is a retirement planning credential and is awarded by the College for Financial Planning. To earn the CRPC, candidates must: 1) complete the educational program; 2) pass the final examination; 3) complete the designation application.

The **Certified Trust and Fiduciary Advisor (CTFA)** designation is a professional designation offered by the American Bankers Association (ABA), which provides training and knowledge in taxes, investments, financial planning, trusts, and estates.

The **Accredited Investment Fiduciary® (AIF®)** designation is a professional certification that demonstrates an advisor or other person serving as an investment fiduciary has met certain requirements to earn and maintain the credential. The purpose of the AIF® Designation is to assure that those responsible for managing or advising on investor assets have a fundamental understanding of the principles of fiduciary duty, the standards of conduct for acting as a fiduciary, and a process for carrying out fiduciary responsibility





# Sterling Capital Disclosure

The volatility of an index varies greatly. All indices are unmanaged and investments cannot be made directly in an index.

**The Bloomberg 1-3 Year U.S. Aggregate Bond Index** is the 1-3 year component of the U.S. Aggregate Index. The Bloomberg U.S. Aggregate Bond Index represents securities that are SEC-registered, taxable and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass through securities, and asset-backed securities.

**The Bloomberg U.S. Aggregate Bond Index** is an unmanaged index composed of securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. It is not possible to invest in the Bloomberg U.S. Aggregate Bond Index, which is unmanaged and does not incur fees and charges.

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Past performance is not indicative of future results. Any type of investing involves risk and there are no guarantees that these methods will be successful.

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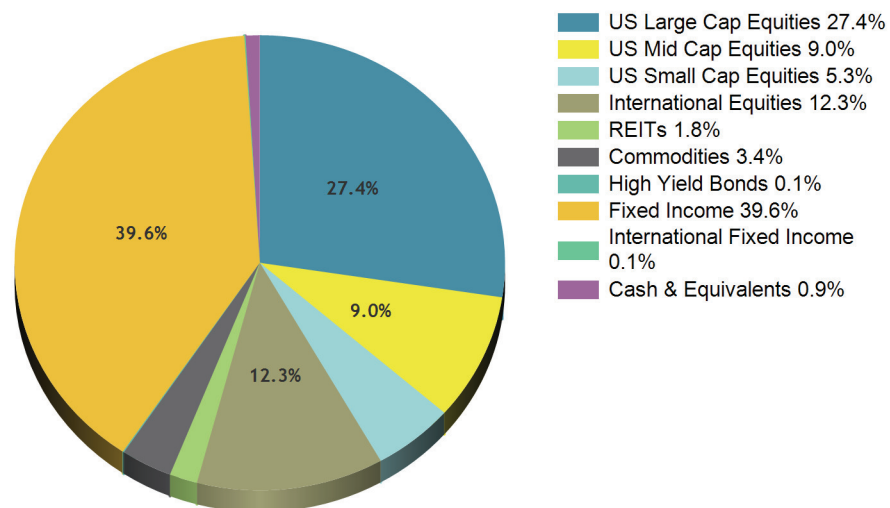
Investment advisory services are available through Sterling Capital Management LLC, an investment adviser registered with the U.S. Securities & Exchange Commission and an independently-operated subsidiary of Truist Financial Corporation. Sterling Capital Management LLC manages customized investment portfolios, provides asset allocation analysis and offers other investment-related services to affluent individuals and businesses. Securities and other investments held in investment management or investment advisory accounts at Sterling Capital Management LLC are not deposits or other obligations of Truist Financial Corporation, Truist Bank or any affiliate, are not guaranteed by Truist Bank or any other bank, are not insured by the FDIC or any other federal government agency, and are subject to investment risk, including possible loss of principal invested.

Sterling Capital does not provide tax or legal advice. You should consult with your individual tax or legal professional before taking any action that may have tax or legal implications.





## Portfolio Sector Allocation as of 3/31/2022



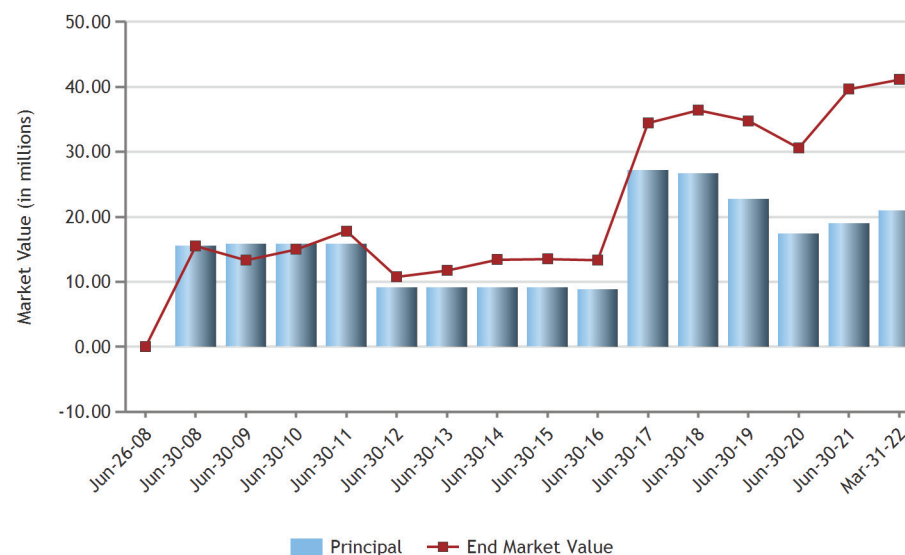
## Performance History

	QTD	YTD	3Yr	Since Inception <sup>(4)</sup> 6/26/2008
<b>Total Portfolio</b>	<b>-4.47</b>	<b>-4.47</b>	<b>9.77</b>	<b>6.25</b>
<b>Index</b>				
Blended Benchmark	-4.65	-4.65	8.95	5.69
Consumer Price Index - All Items <sup>(5)</sup>		2.08	3.88	2.03

## Activity Summary

	Quarter to Date	Year to Date	Since Inception 6/26/2008
<b>Beginning Value<sup>(1),(2)</sup></b>	<b>\$43,026,452</b>	<b>\$43,026,452</b>	<b>\$0</b>
Net Contributions/Withdrawals <sup>(3)</sup>	\$0	\$0	\$20,920,590
Gain/Loss	-\$1,921,319	-\$1,921,319	\$20,184,543
<b>Ending Value<sup>(1),(2)</sup></b>	<b>\$41,105,133</b>	<b>\$41,105,133</b>	<b>\$41,105,133</b>

## Portfolio Growth: 6/26/2008 - 3/31/2022



(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.



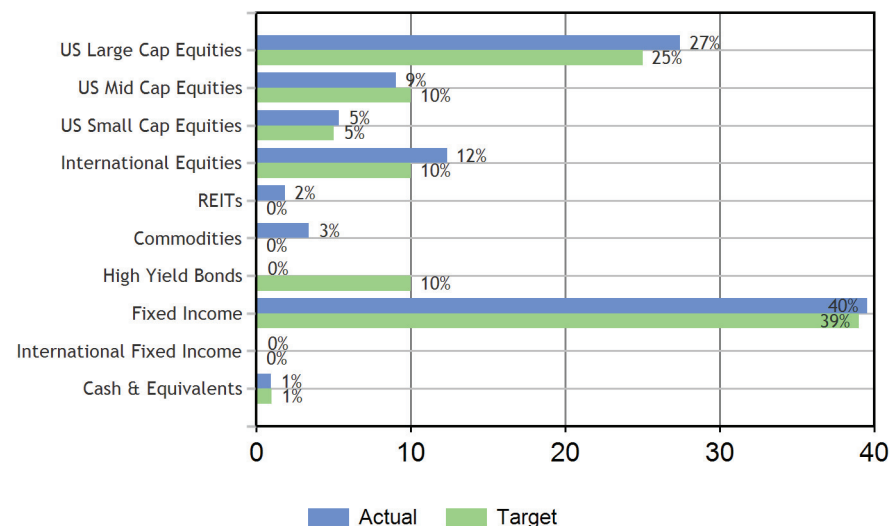
### Portfolio Sector Allocation<sup>(3)</sup>

	Market Value <sup>(1),(2),(3)</sup> As of 3/31/2022	Portfolio Weight
US Large Cap Equities	\$11,273,526	27%
US Mid Cap Equities	\$3,706,011	9%
US Small Cap Equities	\$2,198,453	5%
International Equities	\$5,072,488	12%
REITs	\$755,564	2%
Commodities	\$1,390,220	3%
High Yield Bonds	\$29,800	0%
Fixed Income	\$16,262,772	40%
International Fixed Income	\$30,947	0%
Cash & Equivalents	\$385,351	1%
<b>Total</b>	<b>\$41,105,133</b>	<b>100%</b>

### Portfolio Performance<sup>(2),(3),(6)</sup>

	QTD	YTD	1Yr	3Yr	5Yr	Inception Tq <sup>(4)</sup> 10Yr	Inception Date	Inception Date
US Large Cap Equities	-4.57	-4.57	15.56	18.83	15.97	14.10	11.07	6/26/2008
US Mid Cap Equities	-6.63	-6.63	7.18				25.96	6/23/2020
US Small Cap Equities	-4.63	-4.63	0.18	12.99	10.10	11.02	8.96	6/26/2008
International Equities	-10.25	-10.25	-10.30	4.57	5.98	4.96	2.65	6/26/2008
REITs	-4.81	-4.81	18.98	11.44	11.20	9.16	7.04	6/26/2008
Commodities	24.91	24.91	60.57				57.99	6/23/2020
High Yield Bonds	-13.29	-13.29	-5.56	4.01	3.86	4.50	4.67	7/12/2011
Fixed Income	-5.43	-5.43	-3.19	2.89	3.08	2.95	3.92	6/26/2008
International Fixed Income	-2.39	-2.39	-1.77				2.59	9/15/2019
<b>Portfolio</b>	<b>-4.47</b>	<b>-4.47</b>	<b>4.33</b>	<b>9.77</b>	<b>8.71</b>	<b>7.10</b>	<b>6.25</b>	<b>6/26/2008</b>

### 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, 2022

	Market Value <sup>(1),(2),(4)</sup>	Portfolio <sup>(5)</sup>							Since <sup>(3),(4)</sup>	Inception
	As Of 3/31/2022	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
<b>US Large Cap Equities</b>	\$11,273,526	27%	-4.57	-4.57	15.56	18.83	15.97	14.10	11.07	6/26/2008
S&P 500 Index			-4.60	-4.60	15.65	18.92	15.99	14.64		
<b>US Mid Cap Equities</b>	\$3,706,011	9%	-6.63	-6.63	7.18				25.96	6/23/2020
Russell Midcap Index			-5.68	-5.68	6.92	14.89	12.62	12.85		
<b>US Small Cap Equities</b>	\$2,198,453	5%	-4.63	-4.63	0.18	12.99	10.10	11.02	8.96	6/26/2008
Russell 2000 Index			-7.53	-7.53	-5.79	11.74	9.74	11.04		
<b>International Equities</b>	\$5,072,488	12%	-10.25	-10.25	-10.30	4.57	5.98	4.96	2.65	6/26/2008
MSCI EAFE Index			-5.91	-5.91	1.16	7.78	6.72	6.27		
MSCI Emerging Markets Index			-6.97	-6.97	-11.37	4.94	5.98	3.36		
<b>REITs</b>	\$755,564	2%	-4.81	-4.81	18.98	11.44	11.20	9.16	7.04	6/26/2008
Wilshire U.S. REIT Index			-3.87	-3.87	29.14	11.94	10.04	9.90		
FTSE EPRA/NAREIT Developed Index			-3.96	-3.96	14.46	5.43	6.50	6.91		
<b>Commodities</b>	\$1,390,220	3%	24.91	24.91	60.57				57.99	6/23/2020
Bloomberg Commodity Index			25.55	25.55	49.25	16.12	9.00	-0.70		
<b>High Yield Bonds</b>	\$29,800	0%	-13.29	-13.29	-5.56	4.01	3.86	4.50	4.67	7/12/2011
BofAML HY Master II Index			-4.51	-4.51	-0.29	4.40	4.56	5.70		
<b>Fixed Income</b>	\$16,262,772	40%	-5.43	-5.43	-3.19	2.89	3.08	2.95	3.92	6/26/2008
Barclays Cap Aggregate Bond Index			-5.93	-5.93	-4.15	1.69	2.14	2.24		
Barclays Municipal 1-10 Yr. Blend Index			-4.76	-4.76	-4.00	1.03	1.77	2.00		
Barclays Municipal 1-15 Yr. Blend Index			-5.33	-5.33	-4.20	1.26	2.13	2.40		
<b>International Fixed Income</b>	\$30,947	0%	-2.39	-2.39	-1.77				2.59	9/15/2019
Barclays 1-3 Year Global Majors Index			-4.30	-4.30	-7.16	-0.50	0.44	-1.29		
<b>Cash &amp; Equivalents</b>	\$385,351	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.04	0.04	0.06	0.81	1.13	0.63		
<b>Total Portfolio</b>	<b>\$41,105,133</b>	<b>100%</b>	<b>-4.47</b>	<b>-4.47</b>	<b>4.33</b>	<b>9.77</b>	<b>8.71</b>	<b>7.10</b>	<b>6.25</b>	<b>6/26/2008</b>

(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 <sup>(1),(2)</sup>	Portfolio								Since
		Date	As of 3/31/2022	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception <sup>(3)</sup>	
612422055	USA Swimming, Inc. - Equities - Pledged	6/26/2008	\$24,811,377	60.4%	-3.78	-3.78	9.71	14.66	12.29	9.92		7.86
612422063	USA Swimming, Inc. - Fixed Income	6/26/2008	\$16,293,756	39.6%	-5.50	-5.50	-3.74	2.38	2.60	2.53		5.40
USA Swimming, Inc.			\$41,105,133	100.0%	-4.47	-4.47	4.33	9.77	8.71	7.10		6.25

(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, 2022*

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
<b>CASH AND EQUIVALENTS</b>								
Cash & Equivalents								
	Cash & Equivalents FIGXX	FIDELITY IMM GOV CLASS I FUND #57		415,114.29		415,114.29	1.7	0.0
				415,114.29		415,114.29	1.7	0.0
		Cash & Equivalents Total		415,114.29		415,114.29	1.7	0.0
		CASH AND EQUIVALENTS Total		415,114.29		415,114.29	1.7	0.0
<b>MUTUAL FUNDS</b>								
US Mid Cap Equities								
	US Mid Cap Growth Equities 29,352.987 BMDIX	BAIRD MIDCAP FUND - INST #76	25.18	739,026.62	24.88	730,302.32	2.9	?
				739,026.62		730,302.32	2.9	0.0
		US Mid Cap Equities Total		739,026.62		730,302.32	2.9	0.0
US Small Cap Equities								
	US Small Cap Value Equities 53,927.872 DASCX	DEAN SMALL CAP VALUE FUND CLASS A	13.36	720,652.21	18.13	977,712.32	3.9	1.0
				720,652.21		977,712.32	3.9	1.0
		US Small Cap Equities Total		720,652.21		977,712.32	3.9	1.0
International Equities								
	Int'l Equities - Developed Markets 100,823.815 LISIX	LAZARD INTL STRATEGIC EQUITY PORT INST CL	14.59	1,471,186.74	14.99	1,511,348.99	6.1	6.2
				1,471,186.74		1,511,348.99	6.1	6.2
	Int'l Equities - Emerging Markets 51,051.486 ODVIX	INVESCO DEVELOPING MARKETS FUND CLASS R6	43.93	2,242,707.54	39.63	2,023,170.39	8.2	0.7
				2,242,707.54		2,023,170.39	8.2	0.7
		International Equities Total		3,713,894.28		3,534,519.38	14.2	3.1



First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
***USA Swimming, Inc. - Equities - Pledged***  
***612422055 (Formerly Fidelity 673218332)***  
*March 31, 2022*

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
REITs								
International REITs 19,230.435	VGISX	VIRTUS DUFF & PHELPS GLOBAL REAL ESTATE SECURITIES FUND CLASS I #1860	27.54	529,514.92	39.29	755,563.79	3.0	3.1
				529,514.92		755,563.79	3.0	3.1
		REITs Total		529,514.92		755,563.79	3.0	3.1
Commodities								
Commodities 187,361.234	PCRIX	PIMCO COMMODITY REALRETURN STRATEGY FUND INST #45	5.70	1,067,982.32	7.42	1,390,220.36	5.6	8.6
				1,067,982.32		1,390,220.36	5.6	8.6
		Commodities Total		1,067,982.32		1,390,220.36	5.6	8.6
		MUTUAL FUNDS Total		6,771,070.34		7,388,318.16	29.8	3.5
<b>EXCHANGED TRADED FUNDS</b>								
US Large Cap Equities								
US Large Cap Core Equities 27,154	VOO	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	285.56	7,754,102.90	415.17	11,273,526.18	45.4	1.3
				7,754,102.90		11,273,526.18	45.4	1.3
		US Large Cap Equities Total		7,754,102.90		11,273,526.18	45.4	1.3
US Mid Cap Equities								
US Mid Cap Core Equities 28,575	IWR	ISHARES RUSSELL MID-CAP ETF	60.01	1,714,713.60	78.04	2,229,993.00	9.0	1.1
				1,714,713.60		2,229,993.00	9.0	1.1
US Mid Cap Value Equities 6,233	IWS	ISHARES RUSSELL MID-CAP VALUE ETF	95.38	594,532.11	119.64	745,716.12	3.0	1.5
				594,532.11		745,716.12	3.0	1.5
		US Mid Cap Equities Total		2,309,245.71		2,975,709.12	12.0	1.2

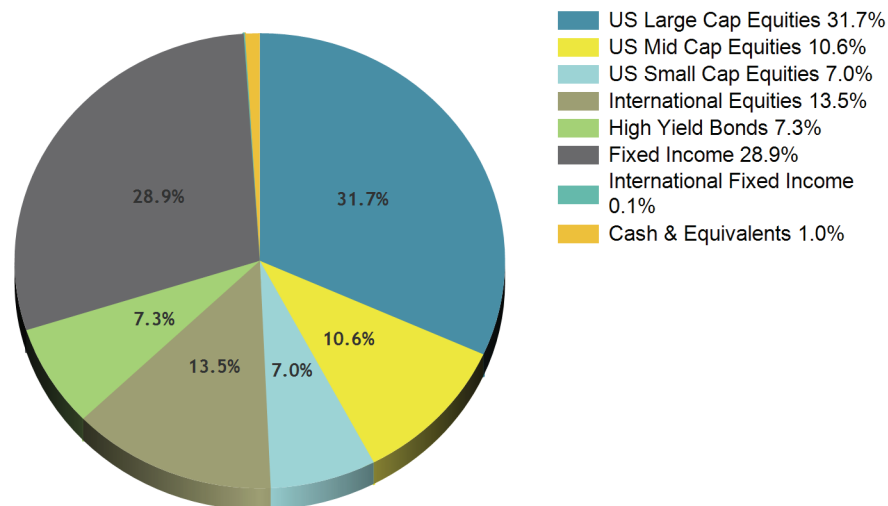


First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
***USA Swimming, Inc. - Equities - Pledged***  
**612422055 (Formerly Fidelity 673218332)**  
*March 31, 2022*

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
US Small Cap Equities								
US Small Cap Core Equities								
5,947	IWM	ISHARES RUSSELL 2000 ETF	178.09	1,059,072.49	205.27	1,220,740.69	4.9	1.0
				1,059,072.49		1,220,740.69	4.9	1.0
		US Small Cap Equities Total		1,059,072.49		1,220,740.69	4.9	1.0
International Equities								
Int'l Equities - Developed Markets								
32,021	VEA	VANGUARD FTSE DEVELOPED MARKETS ETF	41.66	1,333,965.42	48.03	1,537,968.63	6.2	3.1
				1,333,965.42		1,537,968.63	6.2	3.1
		International Equities Total		1,333,965.42		1,537,968.63	6.2	3.1
		EXCHANGED TRADED FUNDS Total		12,456,386.52		17,007,944.62	68.5	1.4
<b>TOTAL PORTFOLIO</b>				<b>19,642,571.16</b>		<b>24,811,377.07</b>	<b>100.0</b>	<b>2.0</b>



### Portfolio Sector Allocation as of 3/31/2022



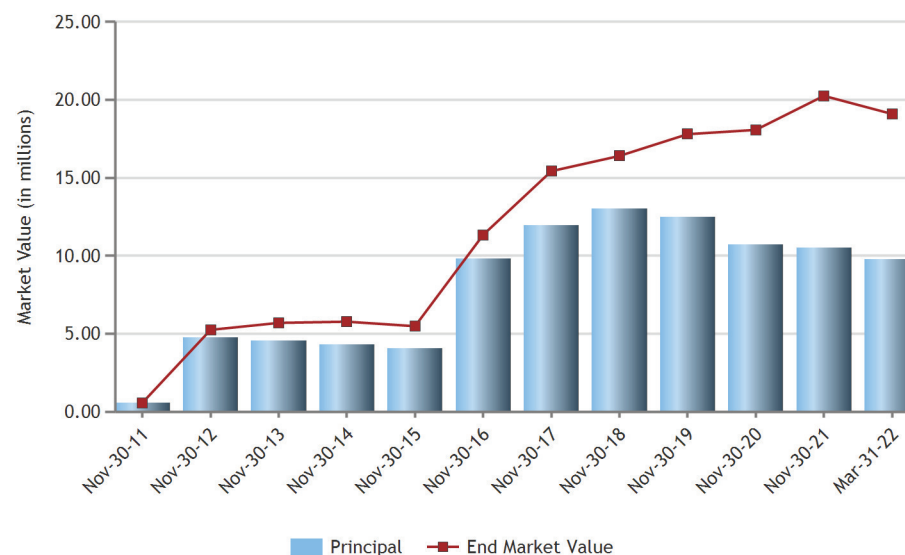
### Performance History

	QTD	YTD	3Yr	Since Inception <sup>(4)</sup> 11/30/2011
<b>Total Portfolio</b>	<b>-4.58</b>	<b>-4.58</b>	<b>10.25</b>	<b>7.82</b>
<b>Index</b>				
Blended Benchmark	-5.44	-5.44	8.91	7.13
Consumer Price Index - All Items <sup>(5)</sup>		2.08	3.88	2.19

### Activity Summary

	Quarter to Date	Year to Date	Since Inception 11/30/2011
<b>Beginning Value<sup>(1),(2)</sup></b>	<b>\$20,014,790</b>	<b>\$20,014,790</b>	<b>\$586,463</b>
Net Contributions/Withdrawals <sup>(3)</sup>	\$612	\$612	\$9,207,582
Gain/Loss	-\$917,585	-\$917,585	\$9,303,772
<b>Ending Value<sup>(1),(2)</sup></b>	<b>\$19,097,817</b>	<b>\$19,097,817</b>	<b>\$19,097,817</b>

### Portfolio Growth: 11/30/2011 - 3/31/2022



(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, 2022



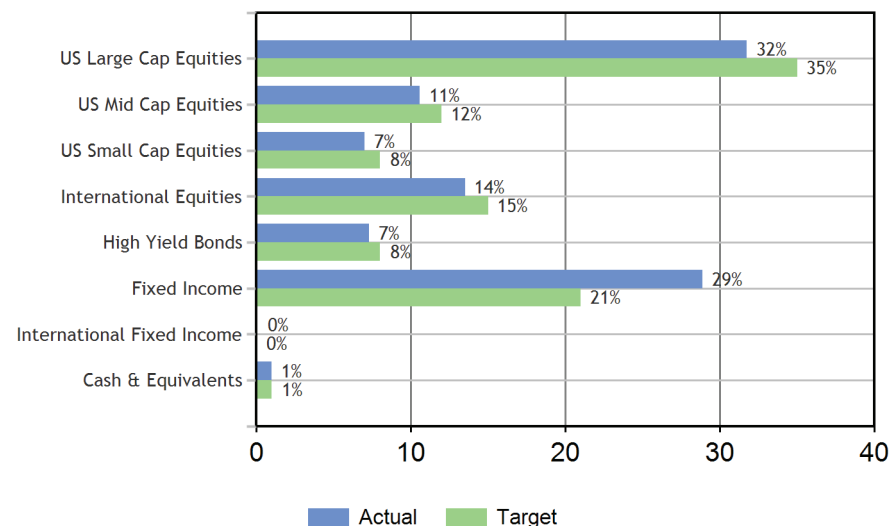
### Portfolio Sector Allocation<sup>(3)</sup>

	Market Value <sup>(1),(2),(3)</sup>	Portfolio
	As of 3/31/2022	Weight
US Large Cap Equities	\$6,061,482	32%
US Mid Cap Equities	\$2,017,490	11%
US Small Cap Equities	\$1,334,871	7%
International Equities	\$2,578,505	14%
High Yield Bonds	\$1,389,213	7%
Fixed Income	\$5,515,842	29%
International Fixed Income	\$15,474	0%
Cash & Equivalents	\$184,941	1%
<b>Total</b>	<b>\$19,097,817</b>	<b>100%</b>

### Portfolio Performance<sup>(2),(3),(6)</sup>

	QTD	YTD	1Yr	3Yr	5Yr	Inception Tq <sup>(4)</sup>	Inception
						10Yr	Date
US Large Cap Equities	-4.55	-4.55	15.57	19.10	16.10	14.06	11/30/2011
US Mid Cap Equities	-6.42	-6.42	7.42			26.18	6/23/2020
US Small Cap Equities	-4.32	-4.32	0.71	13.34	10.50	11.12	11/30/2011
International Equities	-10.13	-10.13	-10.06	4.52	5.99	4.96	11/30/2011
High Yield Bonds	-13.58	-13.58	-5.86	4.18	3.94	4.61	11/30/2011
Fixed Income	-5.50	-5.50	-3.30	2.82	3.00	2.98	12/06/2011
International Fixed Income	-2.39	-2.39	-1.74			2.45	9/15/2019
<b>Portfolio</b>	<b>-4.58</b>	<b>-4.58</b>	<b>4.35</b>	<b>10.25</b>	<b>8.80</b>	<b>7.82</b>	<b>11/30/2011</b>

### 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 <sup>(1),(2),(4)</sup>	Portfolio <sup>(5)</sup>							Since <sup>(3),(4)</sup>	Inception
	As Of 3/31/2022	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception	Date
<b>US Large Cap Equities</b>	\$6,061,482	32%	-4.55	-4.55	15.57	19.10	16.10	14.06	15.18	11/30/2011
S&P 500 Index			-4.60	-4.60	15.65	18.92	15.99	14.64		
<b>US Mid Cap Equities</b>	\$2,017,490	11%	-6.42	-6.42	7.42				26.18	6/23/2020
Russell Midcap Index			-5.68	-5.68	6.92	14.89	12.62	12.85		
<b>US Small Cap Equities</b>	\$1,334,871	7%	-4.32	-4.32	0.71	13.34	10.50	11.12	12.36	11/30/2011
Russell 2000 Index			-7.53	-7.53	-5.79	11.74	9.74	11.04		
<b>International Equities</b>	\$2,578,505	14%	-10.13	-10.13	-10.06	4.52	5.99	4.96	5.85	11/30/2011
MSCI EAFE Index			-5.91	-5.91	1.16	7.78	6.72	6.27		
MSCI Emerging Markets Index			-6.97	-6.97	-11.37	4.94	5.98	3.36		
<b>High Yield Bonds</b>	\$1,389,213	7%	-13.58	-13.58	-5.86	4.18	3.94	4.61	5.07	11/30/2011
BofAML HY Master II Index			-4.51	-4.51	-0.29	4.40	4.56	5.70		
<b>Fixed Income</b>	\$5,515,842	29%	-5.50	-5.50	-3.30	2.82	3.00	2.98	3.10	12/06/2011
Barclays Cap Aggregate Bond Index			-5.93	-5.93	-4.15	1.69	2.14	2.24		
Barclays Municipal 1-10 Yr. Blend Index			-4.76	-4.76	-4.00	1.03	1.77	2.00		
Barclays Municipal 1-15 Yr. Blend Index			-5.33	-5.33	-4.20	1.26	2.13	2.40		
<b>International Fixed Income</b>	\$15,474	0%	-2.39	-2.39	-1.74				2.45	9/15/2019
Barclays 1-3 Year Global Majors Index			-4.30	-4.30	-7.16	-0.50	0.44	-1.29		
<b>Cash &amp; Equivalents</b>	\$184,941	1%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofAML US 3 Month T-Bill Index			0.04	0.04	0.06	0.81	1.13	0.63		
<b>Total Portfolio</b>	<b>\$19,097,817</b>	<b>100%</b>	<b>-4.58</b>	<b>-4.58</b>	<b>4.35</b>	<b>10.25</b>	<b>8.80</b>	<b>7.20</b>	<b>7.82</b>	<b>11/30/2011</b>

(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, 2022



### Individual Account Performance

		Inception	Market Value <sup>(1),(2)</sup>	Portfolio								Since
		Date	As of 3/31/2022	Weight	QTD	YTD	1Yr	3Yr	5Yr	10Yr	Inception <sup>(3)</sup>	
612422022	USA Swimming Foundation, Inc. - Equities	11/30/2011	\$13,530,933	70.9%	-4.50	-4.50	8.84	14.72	12.46	10.10	10.99	
612422071	USA Swimming Foundation, Inc. - Fixed Income	12/6/2011	\$5,566,885	29.1%	-5.48	-5.48	-3.63	2.38	2.58	2.53	2.66	
USA Swimming Foundation, Inc.			\$19,097,817	100.0%	-4.58	-4.58	4.35	10.25	8.80	7.20	7.82	

(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, 2022

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
<b>CASH AND EQUIVALENTS</b>							
Cash & Equivalents							
Cash & Equivalents							
	FIRST WESTERN ICS MONEY MARKET		164,786.16		164,786.16	1.2	0.1
			164,786.16		164,786.16	1.2	0.1
	Cash & Equivalents Total		164,786.16		164,786.16	1.2	0.1
	CASH AND EQUIVALENTS Total		164,786.16		164,786.16	1.2	0.1
<b>MUTUAL FUNDS</b>							
International Equities							
Int'l Equities - Emerging Markets 37,801.411	INVECO DEVELOPING MARKETS FUND CLASS R6	42.00	1,587,695.66	39.63	1,498,069.92	11.1	0.7
			1,587,695.66		1,498,069.92	11.1	0.7
	International Equities Total		1,587,695.66		1,498,069.92	11.1	0.7
High Yield Bonds							
High Yield Bonds 142,658.240	OAKHURST SHORT DURATION HIGH YIELD CREDIT FUND - INSTITUTIONAL #828	9.66	1,378,078.60	9.63	1,373,798.85	10.2	4.6
			1,378,078.60		1,373,798.85	10.2	4.6
	High Yield Bonds Total		1,378,078.60		1,373,798.85	10.2	4.6
	MUTUAL FUNDS Total		2,965,774.26		2,871,868.77	21.2	2.5
<b>EXCHANGED TRADED FUNDS</b>							
US Large Cap Equities							
US Large Cap Core Equities 14,600	VANGUARD INDEX FDS S&P 500 ETF SHS NEW	270.07	3,943,047.51	415.17	6,061,482.00	44.8	1.3
			3,943,047.51		6,061,482.00	44.8	1.3
	US Large Cap Equities Total		3,943,047.51		6,061,482.00	44.8	1.3



First Western Trust Bank  
**PORTFOLIO APPRAISAL**  
*USA Swimming Foundation, Inc. - Equities*  
**612422022**  
**Moderate**  
*March 31, 2022*

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Yield
US Mid Cap Equities							
US Mid Cap Core Equities 25,852	ISHARES RUSSELL MID-CAP ETF	67.48	1,744,610.75	78.04	2,017,490.08	14.9	1.1
			1,744,610.75		2,017,490.08	14.9	1.1
	US Mid Cap Equities Total		1,744,610.75		2,017,490.08	14.9	1.1
US Small Cap Equities							
US Small Cap Core Equities 6,503	ISHARES RUSSELL 2000 ETF	194.97	1,267,867.50	205.27	1,334,870.81	9.9	1.0
			1,267,867.50		1,334,870.81	9.9	1.0
	US Small Cap Equities Total		1,267,867.50		1,334,870.81	9.9	1.0
International Equities							
Int'l Equities - Developed Markets 22,495	VANGUARD FTSE DEVELOPED MARKETS ETF	44.36	997,784.91	48.03	1,080,434.85	8.0	3.1
			997,784.91		1,080,434.85	8.0	3.1
	International Equities Total		997,784.91		1,080,434.85	8.0	3.1
	EXCHANGED TRADED FUNDS Total		7,953,310.67		10,494,277.74	77.6	1.4
<b>TOTAL PORTFOLIO</b>			<b>11,083,871.09</b>		<b>13,530,932.67</b>	<b>100.0</b>	<b>1.7</b>





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**USA Swimming**  
**2022 Budget vs. 2022 Projection Summary**  
**As of 4/15/2022**

	Approved Budget 2022	Current Projection 2022	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	Comment
<b>REVENUE:</b>					
Membership	\$ 22,129,990	\$ 22,129,990	\$ -	0.0%	
Partnership Marketing	5,297,239	4,547,239	(750,000)	-14.2%	Latest from Commercial given current signed contracts and projected new contracts.
USOPC Partnership	5,327,465	5,327,465	-	0.0%	
Investment Income (short-term only)	20,000	-	(20,000)	-100.0%	Not anticipating ST interest earnings given market and cashflow.
Foundation	1,404,175	1,404,175	-	0.0%	
Sport and Events	524,000	524,000	-	0.0%	
Olympic Trials	(75,000)	(75,000)	-	0.0%	
Other Income	353,398	353,398	-	0.0%	
<b>Total Revenue</b>	<b>34,981,267</b>	<b>34,211,267</b>	<b>(770,000)</b>	<b>-2.2%</b>	
<b>EXPENSES:</b>					
<b>Technical/Sport:</b>					
National Team	8,479,138	8,679,138	(200,000)	-2.4%	Schedule updates (net) (e.g., Dual in the Pool, World Cup additions, WUGS postponement), Athlete support increases.
Sport Development	6,638,304	6,638,304	-	0.0%	
Event Operations	4,424,765	5,724,765	(1,300,000)	-29.4%	Event schedule updates (add'l Nationals level event (Irvine), World Cup, Jr. Pan Pacs).
Total Technical / Sport	19,542,208	21,042,208	(1,500,000)	-7.7%	
<b>Other Programs:</b>					
Commercial	6,130,179	5,880,179	250,000	4.1%	Adjust programming to assist with Event Ops calendar updates.
Risk Management / Insurance	5,580,610	4,330,610	1,250,000	22.4%	Final 2022 premiums concluded after budget submission/approval (more favorable terms).
Foundation Support	457,385	457,385	-	0.0%	
Total Other Programs	12,168,174	10,668,174	1,500,000	12.3%	
<b>Administration:</b>					
Executive	1,509,677	1,509,677	-	0.0%	
Finance & Operations	867,887	867,887	-	0.0%	
Business Affairs	3,499,775	3,499,775	-	0.0%	
Total Administration	5,877,339	5,877,339	-	0.0%	
<b>Total Expenses</b>	<b>37,587,720</b>	<b>37,587,720</b>	<b>-</b>	<b>0.0%</b>	
<b>Operating Surplus (Deficit) Before Investment G/(L)</b>	<b>\$ (2,606,453)</b>	<b>\$ (3,376,453)</b>	<b>\$ (770,000)</b>		
Investment Gains (Losses)	2,400,000	-	(2,400,000)	-100.0%	Given Q1 2022 actual activity (\$2M loss) during quarter's volatile market.
<b>Operating Surplus (Deficit) After Investment G/(L)</b>	<b>\$ (206,453)</b>	<b>\$ (3,376,453)</b>	<b>\$ (3,170,000)</b>		



**USA Swimming**  
**2022 Budget vs. 2022 Projection Summary**  
**As of 4/15/2022**

**BOARD APPROVED RESERVE INVESTMENTS - Cash Basis**

	<b>Approved Budget 2022</b>	<b>Current Projection 2022</b>	<b>\$ Variance Favorable (Unfavorable)</b>	<b>Comment</b>
<b>Operating Reserves:</b>				
Disaster Donations	\$ (25,000)	\$ (25,000)	\$ -	
<b>Board Designated Funds:</b>				
"Keeping Athletes First" (KAF) Initiative:				Based on latest KAF projections. Projecting the remainder of the approved \$5M to be spent in 2022.
Safe Sport (Club Rec, Staff Res & Prog Dev)	-	-	-	↓
Coach Education & LMS	(729,359)	(933,839)	(204,480)	
Online Member Registration	(827,118)	(1,216,091)	(388,973)	
Legal & Risk Management	-	(1,800,000)	(1,800,000)	
USSIC Sale Letter of Credit	(1,000,000)	(3,500,000)	(2,500,000)	Notice of drawdown known after budget submission/approval.
<b>Total Board Approved Reserve Investments</b>	<b>\$ (2,581,477)</b>	<b>\$ (7,474,930)</b>	<b>\$ (4,893,453)</b>	



**USA Swimming**  
**2020 (+2021) Quad Operating Business Plan Summary**  
**As of 3/25/2022**

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	2020 (+2021) Quad Actual
<b>REVENUE:</b>						
Membership	\$ 22,483,811	\$ 22,778,145	\$ 23,203,900	\$ 21,958,981	\$ 18,174,271	\$ 108,599,108
Partnership Marketing	4,892,200	4,439,244	5,384,352	2,149,720	5,618,817	22,484,333
USOPC Partnership	5,134,700	5,294,900	5,305,500	4,090,811	5,581,271	25,407,182
Investment Income	1,001,643	1,070,021	1,804,747	730,683	10,433	4,617,527
Foundation	792,500	963,600	1,193,750	1,152,649	1,386,433	5,488,932
Sport and Events	1,069,626	851,153	1,425,523	427,091	154,834	3,928,227
Olympic Trials	(91,372)	(46,541)	(93,672)	(57,475)	1,885,808	1,596,748
Pandemic Relief	-	-	-	1,445,651	182,317	1,627,968
Other Income	331,745	749,322	505,716	451,113	383,663	2,421,559
<b>Total Revenue</b>	<b>35,614,853</b>	<b>36,099,844</b>	<b>38,729,815</b>	<b>32,349,224</b>	<b>33,377,847</b>	<b>176,171,584</b>
<b>EXPENSES:</b>						
<b>Technical/Sport:</b>						
National Team	8,541,826	9,692,513	11,348,949	5,507,013	9,834,833	44,925,134
Sport Development	5,306,748	5,450,767	5,881,615	4,654,761	4,578,522	25,872,411
Event Operations	7,625,558	6,585,153	6,370,668	2,277,680	3,814,445	26,673,504
Total Technical / Sport	21,474,131	21,728,433	23,601,232	12,439,453	18,227,800	97,471,049
<b>Other Programs:</b>						
Commercial	5,172,794	6,260,256	6,119,540	4,334,824	5,928,156	27,815,570
Risk Management / Insurance	3,004,431	3,063,524	3,195,455	2,935,394	4,348,457	16,547,261
Foundation Support	525,371	996,997	449,414	392,446	348,806	2,713,034
Total Other Programs	8,702,596	10,320,778	9,764,409	7,662,664	10,625,419	47,075,865
<b>Administration:</b>						
Executive	4,013,797	1,530,149	1,600,769	1,211,838	1,809,482	10,166,034
Finance	1,364,162	871,532	1,157,804	852,272	852,642	5,098,412
Business Affairs	807,980	3,102,737	3,742,534	3,955,757	2,890,721	14,499,730
Total Administration	6,185,939	5,504,417	6,501,107	6,019,867	5,552,845	29,764,176
<b>Total Expenses</b>	<b>36,362,666</b>	<b>37,553,628</b>	<b>39,866,748</b>	<b>26,121,984</b>	<b>34,406,064</b>	<b>174,311,090</b>
<b>OPERATING SURPLUS (DEFICIT) Before Investment G/(L)</b>	<b>\$ (747,813)</b>	<b>\$ (1,453,784)</b>	<b>\$ (1,136,933)</b>	<b>\$ 6,227,240</b>	<b>\$ (1,028,218)</b>	<b>\$ 1,860,493</b>
Investment Gains (Losses)	3,816,462	(2,480,166)	4,015,437	2,989,783	4,429,692	12,771,208
<b>OPERATING SURPLUS (DEFICIT) After Investment G/(L)</b>	<b>\$ 3,068,649</b>	<b>\$ (3,933,950)</b>	<b>\$ 2,878,504</b>	<b>\$ 9,217,023</b>	<b>\$ 3,401,475</b>	<b>\$ 14,631,701</b>



**USA Swimming**  
**2020 (+2021) Quad Board Approved Reserve Investments Summary**  
**As of 3/25/2022**

**BOARD APPROVED RESERVE INVESTMENTS - Cash Basis**

	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Actual 2021	Revised 2020 (+2021) Quad Actual
<b>Operating Reserves:</b>						
Disaster Donations		\$ (20,606)	\$ (5,000)	\$ -	\$ -	\$ (25,606)
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)
<b>Board Designated Funds:</b>						
"Keeping Athletes First" (KAF) Initiative:						
Safe Sport (Club Rec, Staff Res & Prog Dev)				(562)	(400,034)	(400,596)
Coach Education & LMS				(267,749)	(493,153)	(760,902)
Online Member Registration				(314,302)	(1,374,271)	(1,688,573)
Safe Sport Expenses / Contingency		(719,564)	(30,000)		-	(749,564)
Legal & Risk Management			(966,983)	(274,548)	(46,699)	(1,288,230)
USSIC Sale Letter of Credit				(1,836,975)	(55,409)	(1,892,384)
<b>Other:</b>						
Foundation Fund Donation	(1,000,000)					(1,000,000)
<b>Total Board Approved Reserve Investments</b>	<b>\$ (1,000,000)</b>	<b>\$ (1,333,874)</b>	<b>\$ (2,388,386)</b>	<b>\$ (4,443,586)</b>	<b>\$ (2,369,566)</b>	<b>\$ (11,535,412)</b>



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## Performance Monitoring Report

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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 15, 2022

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, 2022 on a preliminary basis.

Signed , President & CEO

, CFO

Date: April 15, 2022

**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 2022 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 2022 budget and Ends achievement.

We therefore report **COMPLIANCE**.

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

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**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, 2020 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 2021 audit is still being finalized and should be completed, reviewed by the CFO and Audit Committee, and issued in May 2022 (timing reasonably consistent with prior years).

We therefore report **COMPLIANCE**.

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**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 \$23,676,550 with corresponding expenses of \$7,459,238, for a year-to-date excess of \$16,217,311. Current projected forecast for fiscal year end is total revenue of \$34,211,267 and expenses of \$37,587,720, and we thus anticipate an operating deficit of (\$3,376,453) compared to the budgeted operating deficit of (\$2,606,453). Understanding the number of unknowns still at this time, below are some of the material deviations from our original 2022 budget at the time of this monitoring report:

- Operating revenues projected less by an estimated (\$770,000) or (2.2%).
  - Partnership Marketing revenue projected less by an estimated (\$750,000) based on current projections including signed contracts and projected new contracts and/or partnerships.
- Operating expenses projected similar to the original budget (net) given the following anticipated fluctuations.
  - Event Operations division projected more by an estimated (\$1,300,000) primarily due schedule updates and net adjusted meet additions (additional Nationals level event (Irvine), World Cup, Jr. Pan Pacs, etc.).
  - Risk Management / Insurance projected less by an approximate \$1,250,000 primarily given the 2022 renewals and coverage structure.
  - Commercial division projected less by an estimated \$250,000 primarily due to adjusting programming to assist with Event Operations calendar/expense updates and increase.
  - National Team division projected more by an approximate (\$200,000) primarily due to the net adjusted scheduling updates (Dual in the Pool and World Cup additions, WUGS postponement) and athlete support increases.

We report **POTENTIAL NON-COMPLIANCE** on a current, preliminary basis, but note **COMPLIANCE** is currently obtainable depending on the year's final results in many areas. 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 2022 and the 2024 "three-year quad."

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**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 \$1,991,460 at March 31, 2022. Monthly operating expenses are approximately \$3,130,000. Although liquidity was more than the required threshold by this policy for the majority of the quarter, the quarter end (3/31/2022) balance was below threshold. The first quarter is typically not one of the leaner cashflow quarters (like the third quarter), but Q1 2022 has required more cashflow management by the Finance division given material payments for non-operating, Board approved reserve spending on the “Keeping Athletes First” initiative, legal and risk management expenditures, and the USSIC sale letter of credit draws during the quarter. Rather than making distributions from the reserve investment portfolio, Finance has utilized operating cash to fulfill these needs in an effort to incur the least amount of strain on the portfolio until needed. No portfolio distributions have been made year-to-date in 2022.

Given the cyclical nature of the organization’s cashflow, material first quarter non-operating reserve expenses, continuous and proactive management, and the fact that cashflow was available to appropriately and timely meet all the quarter’s expenditure needs, we report **COMPLIANCE**.

**POLICY PROVISION 4: “The CEO will not borrow funds (with exception of credit cards used for normal business purposes and paid in full each month).**

**CEO’S INTERPRETATION:** (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**.

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**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) \$4,372,459 on a preliminary basis thus far in 2022 for three Board approved planned investments: the “Keeping Athletes First” initiative, legal and risk management expenditures, and USSIC sale letter of credit drawdown payments. All initiatives were Board approved to be used out of the Board-designated Reserve.

We therefore report **COMPLIANCE**.

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**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, 2022 and all payables have been paid on time.

We therefore report **COMPLIANCE**.

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**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, 2022. Form 990 was under the annual filing extension to November 15, 2021 and was filed on time. There are no outstanding filings and there have been no late penalties.

We therefore report **COMPLIANCE**.

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**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 2022 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 has been and continues to be many event and schedule changes and updates for 2022 (and beyond) within all levels of the sport, both domestic and international. For example, the 2022 approved budget included one "National Championship" caliber event and the current calendar currently includes two (Phillips 66 International Team Trials in Greensboro, NC and Phillips 66 National Championships in Irvine, CA). Additionally, the planned hosting of FINA World Cup and participation in the USA/Australia "Dual in the Pool" events were not known of or included in the 2022 approved budget. As illustrated above, there are projected material deviations from our original 2022 budget approved in December 2021 at the time of this monitoring report in both operating revenues and expenditures. We anticipate the collective total of these Event Operations and National Team expense deviations to surpass the \$250,000 threshold and would like to discuss with the Board as best practice consistent with prior years and situations.



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**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**.

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**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. “Aggressively” is interpreted to mean that we will seek legal counsel after a “grace period” of 60 days and reasonable collection efforts have been unsuccessful.

**REPORT:**

Primary receivables are membership dues, sponsorship payments, event fees, etc. At the time of this monitoring report, there were two event vendor contracts on our receivables that were both greater than \$10,000 and over 60 days past due (totaling \$1,167,000). We have been monitoring and communicating with these customers regularly and involved legal intervention. Note we have allowed for (financially written off) these receivables in 2021, but continue to actively pursue.

We therefore report **COMPLIANCE**.

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**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 2020 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 2022.

We therefore report **COMPLIANCE**.

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## Performance Monitoring Report

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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 15, 2022

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, 2022.

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.

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**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, 2021, the replacement cost of these assets was estimated at \$1,840,217. The valuation was conveyed to Risk



Management, and our insurance policy appropriately covers said assets. We also carry \$1 Million 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 \$1 Million. 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 Million 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, and then again from \$3 Million to \$5 Million in 2021. In 2022, 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 at the \$5 Million coverage.

I therefore report **COMPLIANCE**.

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**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 in 2020, there are no deferred maintenance issues or liabilities. The Dirks Building exterior is maintained, per the lease, by the USOPC.

I therefore report **COMPLIANCE**.

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**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 February 2022, 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**.

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**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 March 2022, 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**.

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**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 and revised/maintained thereafter.

I therefore report **COMPLIANCE**.

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**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 multifaceted 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**.

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**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 July 9, 2021, reported on our financial position as of December 31, 2020. The applicable Management Representation Letter for the 2020 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**.

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**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 2021, 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. This continuation was allocated for in 2021-2022 budgets, and Board Chair, Chris Brearton, authorized extending our Agreement (through 2022) with Mr. Charney.

I therefore report **COMPLIANCE**.

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**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 August 2021, 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**.

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**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 (Priority Result) 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**.

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**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**.

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## Performance Monitoring Report

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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: 4/13/2022

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:

Lucinda McRoberts, Chief Administrative Officer

Eric Skufca, Chief Financial Officer

Shana Ferguson, Chief Commercial Officer

Michelle Steinfeld, Secretary & General Counsel

Along with Lindsay Mintenko, Managing Director, National Team; Joel Shinofield, Managing Director, Sport Development; and Paula D’Amico, Executive Assistant, these eight 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, CCO, and General Counsel, 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 Managing Director, Communications earlier this month, the organization’s



Communications responsibilities are being supported by Mark Jones, the former USOPC Vice President of Communications & Marketing.

We previously identified developing greater bench strength at the Director level as a top priority, and I am pleased by the additions of Leland Brown, Program Director, Diversity, Equity & Inclusion and Erik Posegay Program Director, National Junior Team and the promotions of Carli Brashier, Director, International Games Operations and Maggie Vail, Program Director, Education & Curriculum to fill this need.

I therefore report **COMPLIANCE**.

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**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:**

Lucinda McRoberts, CAO is designated as our Vice President (i.e., interim CEO) and can ably serve in that role (and would return to Colorado to do so). Lucinda has been with USA Swimming for ten years (the first three as outside counsel and the last seven in-house) and up until last year served as an ex-officio Board member.

Given their experience working with each Business Unit and the Board of Directors, Shana Ferguson and Eric Skufca also have the capability of filling in as an interim CEO if I become unavailable.

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**.

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**TO:** Board of Directors  
**FROM:** Tim Hinchey III  
**COPY:** Staff & Selected Others  
**DATE:** April 15, 2022  
**SUBJECT:** General Update

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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

<b>TECHNICAL/SPORT</b>
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With the 2022 Calendar finally taking shape, the National Team Division has been busy prepping for a calendar that is, suddenly, very busy. In addition to the Phillips 66 International Team Trials at the end of the month, we are preparing for the Olympic Team's visit to Washington D.C. for Team USA Week in May.

**World Championships**

We are preparing for the busy summer ahead, including finalizing details for our training camp in Rijeka, Croatia and competition in Budapest, Hungary for World Championships from June 18-25.

**Athlete Services**

New direct athlete support starts with the World Championship Team in May. With the addition of TYR Pro Swim Series prize money, we have been busy paying athletes again! It is also tax time, so we are answering several tax questions.

The USA Swimming Foundation Donor Athlete Partner Program (DAPP) application is being reviewed and applications will be sent May 2. There has also been quite a bit of movement with Alumni Engagement which includes pointing people to the new LinkedIn group led by a few motivated alumni and supported by staff.

The Olympic and Paralympic Training Center (OPTC) has reopened for non-resident athletes and camps! We are happy to have teams back on campus. We are already scheduling 2023 programs, with May 4 deadlines to register.



As a KPI for this year, we are educating NCAA medical staff members on the WADA code and how it affects their National Team and National Junior Team athletes. We are planning educational initiatives for the NCAA medical staffs in the upcoming months. And with training camps now back on campus, we can educate coaches and athletes on anti-doping measures in person.

As we prep for Phillips 66 International Team Trials and the selection of the Open Water World Championship and World Junior Championship teams, we have been working with USADA to expedite samples for the Open Water Nationals and the Phillips 66 International Team Trials.

### **Open Water**

We currently have the entire Open Water National Team of 6 men and 6 women confirmed to compete at the FINA Marathon Swimming World Series event in Portugal at the end of May. This event will serve as the final stage of the OW World Championship qualification process where we expect 4 men and 4 women to compete in the OW events that follow the pool World Championships.

The OW international camp this summer will take place after World Championships so we can keep our athletes in Europe to race in another FINA Marathon Swimming World Series Event in Paris on July 9-10. Our roster of 6 men and 6 women has also been named for the FINA OW World Junior Championships that will take place in Seychelles on September 1-4. We will be offering an optional OPTC training camp for this team prior to our departure in August and are looking to open this up to other distance athletes.

### **Sports Medicine**

We are building our medical staffs for late spring and summer international and domestic competitions. Like last quad, we are using injury/ epidemiology from the previous years to make sure we are placing the right type of medical personnel with each of the individual teams, not only for the highest level of medical care for the competition but also for long term care throughout the athlete's career. High level, multidisciplinary continuous care proved to be very helpful at delivering healthy teams last quad.

Medical health histories and the Sports Mental Health Assessment Tool have been sent out in advance of the Phillips 66 International Team Trials so that any injury, illness, or mental health issue can be managed earlier as opposed to at the meet. This was a very successful program last year going into the Olympic Trials.

In addition, having Emily Klueh on board to follow up with athletes around their mental health will be critical for long term care for our athletes. Emily will also be traveling with us this summer to World Championship camp.

### **Performance Support**

Kirk Grand has been hired as our High Performance Specialist and starts April 18 in the National Team Division. Kirk has a PhD from Auburn University in Psychophysiology in addition to a strong coaching background. He comes to us from University of North Carolina where he was an assistant coach.

The High Performance team is preparing performance services for the Phillips 66 International Team Trials and will be helping with the selection process.

### **National Junior Team (NJT)**

Erik Posegay started as our new Program Director, National Junior Team on April 11. Erik was previously an assistant coach at the University of Wisconsin. He will move with his wife, two daughters and two dogs to Colorado Springs later this summer. We are thrilled to have Erik join us.



We look forward to selecting our two international trips junior teams the first week of May as well as execute our first in-person NJT Camp since 2019, starting May 9. Longer-term, we have the challenge and task to redefine the NJT Roster selection criteria sans the ability to use World Rankings. Lastly, we are looking to develop a more robust NJT offering for the coaches and athletes in the post-pandemic era. We are so grateful for the ability to be able to host the Junior Pan Pac Championships later this summer. We will not be attending the newly-announced rescheduled World Juniors Championships.

## **Membership Affairs**

### *Safe Sport*

The Safe Sport staff continues to offer training opportunities to membership. In February and March, 1,645 individuals were trained, 1,076 of whom were parents. Training opportunities are provided virtually and in-person. With member clubs traveling to the Colorado Springs OPTC, more in-person training opportunities will become available as every USA Swimming team that comes to the OPTC is required to have Safe Sport training, if schedules permit.

In February, USA Swimming Safe Sport staff met with the Japan Sports Arbitration Agency (JSAA) to assist in research of abuse in sport. The JSAA aims to resolve sports-related disputes by arbitration and mediation in a fair and appropriate manner. The purpose of the meeting was to assist JSAA in examining potential future systems to eradicate harassment and abuse in sport in Japan.

The Safe Sport staff continues its efforts to implement Safe Sport at USA Swimming's national events, which included the TYR Pro Swim Series stops in Westmont, IL and San Antonio, TX. The U.S. Center for SafeSport conducted its pre-audit site visit at the Westmont event and provided valuable insight in advance of the event audit which is anticipated to occur during the Summer of 2022.

### *Diversity, Equity and Inclusion (DEI) and Community Impact*

The DEI staff is developing a toolkit for coaches who have athletes with disabilities, a marketing toolkit for athletes in diverse communities, and a fundraising event to drive revenue for the USA Swimming Foundation's pillar of Community Impact. Applications for Community Impact Grants closed on April 11th, with a total of 40 applicants. Nine additional Community Impact Grants will be awarded this year, bringing the total to 20 clubs supported through the program.

### *Pre-Competitive Programs*

In February 2022, the USA Swimming Foundation announced it awarded \$763,184 in Youth Learn to Swim grants and \$135,000 in Adult Learn to Swim grants to 142 swim lesson providers (102 youth providers; 40 adult providers), with anticipated service of 21,900 students in connection with the USA Swimming Foundation's annual Learn to Swim Grant opportunity. The staff recognizes the USA Swimming Foundation Board for approving an \$80,000 2021 surplus contribution, and to the Pool and Hot Tub Alliance's Step Into Swim gift of \$200,000, bringing the collective award amount to \$898,184. 2022 marks the first year the USA Swimming Foundation has awarded Adult Learn to Swim Grants in connection with the Foundation's partnership with U.S. Masters Swimming and tops the Foundation's previous Youth Learn to Swim Grant high mark of \$702,819 from 2018.

Planning for the 2022 Make a Splash Tour presented by Phillips 66 continues, with Tour stops in Philadelphia, PA on May 9 & 10, Borger, TX on May 18, and Rodeo, CA on May 23. Athletes participating in this year's Tour include Rowdy Gaines, Cullen Jones, Elizabeth Beisel, Missy Franklin, Nathan Adrian. This tour is an annual cross-functional collaboration between Sport Development, Commercial and Business Affairs to serve the interests of the USA Swimming Foundation.



Work on the U.S. National Water Safety Action Plan continues. In addition to finalizing an industry-wide open-comment survey, the Steering Committee is finalizing both an External Review Board and Blue Ribbon Panel, determining an organizational structure for long-term housing and management of the National Water Safety Action Plan, and developing a roll-out strategy for the 2022 launch.

#### *2022 USA Swimming Workshop presented by LiveBarn*

Over 350 membership participants (including nearly 100 athletes) and the Board of Directors will gather together in Denver for the first USA Swimming Workshop from April 21-24 at the Marriott Denver Tech Center. The workshop promises to offer great opportunities for our membership to network, reconnect, interact with staff and participate in education and training for SWIMS 3.0, coach certification, DEI and LSC Leadership. Sessions throughout the workshop in yoga, strength, and swim sessions for athletes and non-athletes will keep us energized and healthy throughout the weekend. Plans are underway to hold the workshop on an annual basis during one of the last two weekends in April, keeping the location at the Denver Marriott Tech Center hotel in 2023 and 2024.

#### *LSC Services*

LSCs are in process of completing the LEAP program. Team Services Advisors are assisting LSCs within their respective zones with completing as well as evaluating their submissions. Monthly LSC Leaders calls are very popular with LSCs and will continue the second Thursday of each month.

#### **Team Services, Coach and Athlete Development**

##### *Coach Education – Online Certification*

The Coach Education team continues to push towards a September 2022 launch. The authors, along with subject matter experts (SMEs) and eLearning team, are wrapping up the ADM Age Group Certification and ADM Senior Certification. These certifications will then enter the storyboarding and video production stage where written form becomes video content. A new look and feel, within our graphic standards, will be used for these certifications to distinguish them from the other levels. Head Coach Certification authoring begins at the end of April, and then we move to completion of the Core Certification builds in both English and Spanish.

The Coach Education team welcomed Mirely Cordova, full-time Instructional Designer on staff in March. Mirely will be responsible for building all courses beyond the Core Certification and updating all courses as needed. She has already begun build of USA Swimming's first continuing education unit (CEU), Children with Challenges. She will begin building ADM Age Group and ADM Senior courses in early May as materials and video become available from our eLearning team.

We plan to enroll our first group of member coaches starting in late May. We continue to collaborate with our IT team to have as much of the system available for testing for our first cohort.

Focus groups consisting of coaches community and LSC leaders to review pricing structure are scheduled in the next two weeks. Internal staff reviewed research and current market trends in the Coach Education space to develop pricing options for which the focus groups will be asked to provide feedback.

##### *Coach Education – In-Person*

The Coach Education Team and the Team Services Advisors held a YMCA coaches' clinic in Greensboro, NC, in conjunction with the YMCA Nationals in March. This served as another opportunity to deliver and practice new content in facilitation format. The first day of the clinic focused on local coaches not coaching in the meet. The second day catered to the coaches who had athletes in the meet. Both days were high energy as coaches discussed and fully engaged in the content. Some coaches even asked if they could come back the next day to participate. The USA Swimming Workshop will feature the Quality Coaching Framework facilitation and the last weekend in April will



be the kick-off for the return of our Regional Coaches Clinics. This event will take place at the United States Olympic and Paralympic Museum in Colorado Springs.

### *Team Services*

Upon restructuring the Team Services staff at the beginning of the year, the staff announced the hires of Beth Winkowski as the Eastern Zone Senior Advisor and Mitch Gold as the Western Zone Senior Advisor. With the team at full strength, the staff quickly relaunched its on-deck presence at Spring Sectionals, NCSAs, YMCA Nationals and LSC Championship meets this spring. The group's upcoming schedule includes full USA Swimming Camp offerings, regional coaches clinics, attendance at LSC Board of Directors meetings, Swimposium Coaches Track support and USA Swimming national events.

### *Programs*

USA Swimming hosted 2022's flagship Women's Leadership Summit in Black Forest early April, co-facilitated by Celia Slater of True North Sports and Kim O'Shea, a certified Positive Coaching Alliance consultant. The age of the coaches ranged from age 22 through 60 years and sessions focused on leadership and mentorship with particular opportunity to discuss common challenges and strategies to address them. We will be hosting another event in November which includes the in-person event, and the additional virtual sessions will lead into it. This upcoming Leadership Summit will be open to all genders and will be also hosted in Black Forest.

Camp season is upon us with nine upcoming camps: National Diversity Select Camp, four Zone Select Camps, and four inaugural Regional Diversity Select Camp. These camps will take place within a seven-week period starting in May and ending mid-to-late June. The National Diversity Select Camp also features a coaches track.

## **Technology, Product and Data Analytics**

### *Digital Transformation*

USA Swimming's organization-wide digital transformation initiative continues to progress full-speed ahead. The digital transformation includes a full re-architecture and design of the SWIMS application/database in addition to the enhancement of legacy website applications (e.g., Club Rec. Program, Safe Sport Rec. Program, Online Meet Entry, etc.), modifications to existing Sitefinity website applications (e.g., Times Searches, Deck Pass, etc.), integration of Coach Education and other member requirements, and the implementation of world-class security.

Because of the scope of this largest software project in USA Swimming's history, we are managing the project as an Agile software development effort with two-week sprint development cycles for the first time ever. The Software team is currently finishing Sprint 31.

Within the next month, the team will transition from a "final functionality building" phase to the intense "testing, bug fixing, and tie-up loose ends" phase. Currently, the team has developed the Minimum Viable Product (MVP) for Member Management, Club Management, Facilities Management, Meets and Times Data Management, Online Club Registration, Online Member Registration, Workflow Administration, National Team Administration, Group Management, Swim-a-thon, Club and Safe Sport Recognition Program, and a future iteration of Deck Pass and Bios. The team has built full Meet Host functionality for Online Meet Entry and is moving into the Team Entry and Athlete/Coach Entry part of the application. A new USA Swimming application ("app") is also in the works for the September launch.

Since February, the team has engaged in weekly conversations with third-party team management vendors on the API integration between the new SWIMS software and third-party software. Development has started for third party vendors, and there is now a published third-party API documentation. We are confident that the third-party vendors will be ready to go for our intended September launch date.



USA Swimming's internal data team has finalized the initial design and development of a modernized Data Warehouse and improved data reporting functionality. During the "testing, bug fixing, and tie-up loose ends" phase, the team will work to build modernized reports and set up access permissions like the software application. In addition, the team continues to fine-tune the migration of data from the legacy databases to the new database.

Internal user testing and LSC champion user testing is now in full swing. We continue to work closely with select LSC "Change Champions" to assist with the training and education of the new software. The Change Champion team is prepared for a full agenda at the USA Swimming Workshop. The Workshop will be the first public reveal of the new software, database, and reporting. Following that, more users will have access to the test environment of the application, and we will transition the training focus towards club users.

USA Swimming has never undertaken a software project as large as this digital transformation. The project has progressed steadily, but it increases in scope every week. The team is working diligently to minimize any potential risks over the next 4 months. As discussed, most Keeping Athletes First initiatives as well as others like the Customer Relationship Management (CRM) project rely on the success of the digital transformation. As the project continues, the team continues to focus on three main goals to ensure this is a worthwhile investment: 1) the simplification of complex business rules, 2) automation wherever possible, and 3) ensure we are collecting data directly from the source to improve data quality. We are still on track to launch SWIMS 3.0 and other applications in September.

### *Membership*

Through April 8, 2022, registration year athlete membership has exceeded 2021 end of year totals by over 12,000 members. Compared to the 2019 membership year, athlete registrations are down approximately 19,600 (6.6%) at the same point in time. We are trending towards a pre-2013 membership year with approximately 345,000 athlete members. Versus last year at this point in time, athlete registrations are up 67,000 (27%). 12 & Under membership continues to trail 13 & Over membership. 12 & Under membership is trailing the 2019 pace by approximately 17,000 members (10%), but it is exceeding last year by 52,000 (43%). Non-athlete membership trails the 2019 pace by just over 600 members. Non-athlete membership is expected to end the year around 38,000 members, consistent with 2016 season numbers.

### **Committee Updates**

#### *Age Group Development Committee*

The committee released the Development Competition season dates set to begin on May 1. The committee met with members of the LSC Development Committee to share the framework and solicit feedback. The April USA Swimming Workshop provides another opportunity to gather information from members outside of the committee. First step goals are to develop ways to promote development competition, determining measurables to assess the program, and identify LSCs that will be using the competition category to solicit lessons learned. The committee is also working to finalize its committee handbook, which will be used to help onboard new members.

#### *Club Development Committee*

The committee working groups have completed the Club Recognition Program (CRP) KPIs which are currently being reviewed by focus groups comprised of USA Swimming members considered to be subject matter expert members on the four key components of the CRP program: business competency, staff development, membership education, inclusion. The next three months will be focused on the build out of these components in SWIMS 3.0 with an anticipated program launch scheduled for Fall 2022.

#### *DEI Committee*



The DEI Committee, DEI Council, and Zone Diversity Coordinators were successfully onboarded. As a part of onboardings, the DEI Committee, DEI Council, and Zone Diversity Coordinators were informed of the National DEI Strategic Plan and provided with committee goals for the year.

#### *LSC Development Committee*

The LSC Development Committee is busy planning the Mighty 2500 workshop for two leaders from each of our 20 smallest LSCs (2500 members or less). The workshop will be held November 4-6 in Colorado Springs with Jon Mann as the Keynote facilitator. The LEAP program is being reviewed and reorganized to fit within the SWIMS 3.0 platform beginning in 2023. Additionally, assisting LSCs identify shared service opportunities in different areas continues to be a priority for the committee.

#### *Membership/Registration Committee*

The Membership/Registration Committee continues to provide information and assistance to LSC registrars as changes to current requirements are made. The committee is highly focused testing on the Online Membership Registration to ensure readiness for launch.

Members of the committee, along with USA Swimming staff, are working to finalize the schedule and presentation of Online Membership Registration and SWIMS 3.0 for the 2022 USA Swimming National Workshop. Committee members also assist staff and meet hosts with membership and certification of coaches and athletes for all national meets (e.g., Futures level and above).

#### *Officials Committee*

The committee leadership continues to work with its subcommittees on testing, recruitment, mentorship, and advancement. The committee will be instrumental in developing national standards for training, education, certification, advancement, discipline and decertification, an initiative which will carry through 2022 and 2023.

#### *Operational Risk Committee*

The committee has worked with the YMCA and the American Red Cross to update its Joint Statement on Hypoxic Blackout, anticipated for release in May. Ten LSCs are piloting the committee's Meet Marshal training and testing with feedback to be provided mid-April to incorporate prior to a full membership launch. The committee also undertook an effort to communicate to each LSC the coach members in its geographic territory with expired coach certifications, the first efforts of its kind.

#### *Safe Sport Committee*

The Safe Sport Committee has been hard at work in the first few months of the year. The committee identified four areas of current focus: Safe Sport Club Recognition, LSC Safe Sport Chairs landing page, Safe Sport training calendar, and Safe Sport Zone Chairs group. Subcommittees have been formed to support this work.

The Safe Sport Club Recognition Program sub-committee is working on updating the SSRP resources for clubs to ensure that clubs are working with the most current information to achieve recognition. Additionally, this group is discussing ways in which to improve the program for the future. The LSC Safe Sport Chairs Landing Page sub-committee has conceptualized a landing page to house all the information that an LSC Safe Sport Chair will need to fulfill their role and implement programs on the local level with the goal to ensure consistency for local Safe Sport champions. The Safe Sport Training Calendar sub-committee has created a tentative training calendar for the 2022 year, identifying specific topics of training for all members with the goal of providing at least one Safe Sport training opportunity every month. The Safe Sport Zone Chairs group consists of the four Safe Sport Zone Chairs. They will continue to discuss their interactions and meetings with the LSC Safe Sport Chairs in their respective zones providing a forum to discuss ideas about Safe Sport and what is needed at the local level.



### *Senior Development Committee*

The committee has confirmed its 2022 senior meets dates. The committee was responsible for setting time standards, meet format and flow, and collaborated with the National Team Steering Committee to make decisions on the Toyota U.S. Open.

### *Times and Recognition Committee*

The committee recently released and published the 2022 Scholastic All-American requirements. Applications will be open to eligible athletes starting June 1. The Committee continues to be a data entry committee that will transition to a data quality committee in the new SWIMS 3.0 environment. The committee plans to act as change champions during the SWIMS transition over the next eight months.

<b>COMMERCIAL</b>
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### **Domestic Events**

#### *TYR Pro Swim Series – Westmont, IL*

The team had a mere three weeks find and plan for a new site after Des Moines withdrew their hosting duties due to low registration numbers. The FMC Natatorium in Westmont stepped up to host an event that surprised us with sellout crowds on Friday and Saturday. There were 120 athletes in the meet, which is a smaller meet than we'd like, but the marquee names (non-collegiate pros) showed up and swam fast. The meet was broadcasted live on The Olympic Channel Thursday and Friday, with taped shows on CNBC Saturday and Sunday.

#### *Open Water Nationals, Fort Myers Beach, FL*

The selection meet saw 205 total entrants power through very rough conditions on Friday but perfect conditions on Saturday and Sunday. All four events were livestreamed on [usaswimming.org](http://usaswimming.org) and 12 athletes were selected for the World Junior Open Water Championships in September.

#### *TYR Pro Swim Series – San Antonio, TX*

With 342 entries, to include a few post-NCAA championships collegiate athletes, the San Antonio meet was a near-full return to star power with live broadcasts on the Olympic Channel Thursday and Friday, and taped shows on CNBC Saturday and Sunday. Lilly King set a new TYR Pro Swim Series record in the women's 100-meter breaststroke and Shaine Casas set a top time in the world this year in the 200m IM.

#### *Phillips 66 International Team Trials – Greensboro, NC*

We are all-hands-on-deck for the biggest domestic meet of the first half of 2022, as American top talent will compete for selection to the World Championships in Budapest, Junior Pan Pacs in Honolulu, and Mel Zajac in Vancouver.

### **Partnerships**



The Partnerships Team welcomes Caitlin Whiteside to the team to the position of Coordinator. Caitlin's primary responsibilities will include sponsor servicing and activation, with additional work to assist in eCommerce and merchandising operations.

We are wrapping up the RFP process with USA Track & Field wherein we have enjoyed engaging conversations and interest from a number of top agencies. An agency will be selected in the coming weeks after final pitches are made.

The team is in full event activation mode for the upcoming Phillips 66 International Team Trials, closing out the 2022 TYR Pro Swim Series and looking even further ahead to the Phillips 66 National Championships which should lend itself to extraordinary hosting opportunities for the Foundation and engagement opportunities for alumni.

On the sales side, we continue our focus on renewing existing partners in Golden Road, Xfinity and Marriott while conversations with the endemics (arena, Speedo and TYR) head into contract finalization. The team is starting work with the Indiana Sports Corp to build out the roadmap for 2024 U.S. Olympic Team Trials – Swimming, in order to generate new revenue and opportunities with the launch of our joint Centennial Partners Program.

### **Communications**

We are thrilled to welcome Will Brethauer to the Communications team as a social content producer starting in early May. Will worked with us this past summer, producing social videos throughout Olympic Trials and Olympic Camp.

#### *Splash Magazine*

We have moved the estimated delivery date of Splash Magazine to early June following the rescheduling of the 2022 FINA World Championships. The magazine will be sent to each household within our membership and the general theme around this edition is USA Swimming's commitment to helping swimmers reach whatever their competitive goals may be.

#### *Email Communications*

We sent out 24 large-distribution campaigns or programs to various membership constituency groups in March, resulting in over 800,000 emails delivered. Some of the programs communicated in March included a push to register for the USA Swimming Workshop presented by LiveBarn, a resource guide to both coaches and swim facilities on how to use the LiveBarn platform, an all-member email about 2024 Olympic Trials and our regular slate of targeted newsletters (Coaching Connection, National Team, Lane Lines and Safe Sport).

#### *Social Media*

- We had a successful Black History Month campaign that featured USA Swimming Trailblazers Jim Ellis and Anthony Nesty, along with other engagements with Natalie Hinds, Cecil Gordon and Shaine Casas, and up-and-coming talent in the Lane Leaders series featuring siblings Tristen and Rye Ulett.
  - o Totals across all our social platforms was ~150,000 engagements.
- Black History Month also included a video from [Kevin Hart from Jim Ellis](#) shared over 460 times on Instagram.
- For Women's History Month, we posted our most commented posts to date, asking our followers to '[Tag a Swimming Woman in your life who inspires you' on Instagram](#), acquiring over 4,800 comments (3x as many as the second most comments with 1,400)

#### *Athlete Partnership Agreement (APA) Update*



In the current APA season (January – April 2022), USA Swimming has signed 26 professional athletes to the program. 48 out of the 56 community appearances have been completed. The remaining appearances are scheduled through the spring 2022.

**Highlighted Appearances:**

- Fan Zone Experience at the TYR Pro Swim Series Westmont with Annie Lazor, Caeleb Dressel, Hali Flickinger, Michael Andrew, Olivia Smoliga, Ryan Held and Shaine Casas
- Fan Zone Experience at the TYR Pro Swim Series San Antonio with Caeleb Dressel, Chase Kalisz, Hali Flickinger, Shaine Casas, Zach Apple and Will Licon
- Colorado Springs elementary school appearance with Leah Smith and Paige Madden
- Colorado Avalanche appearance with Michael Andrew
- Arizona Coyotes appearance with Olivia Smoliga and Ryan Held

**Upcoming Appearances:**

- Harper for Kids Virtual School Appearance – Justin Ress and Emily Escobedo
- Swim a Thon Appearance with the Seward Tsunamis – Nic Fink and Melanie Margalis
- Virtual Appearance for Diversity Select Camp – Ryan Murphy
- Virtual Appearance for Keeping Athletes First – Nic Fink

**Supporters Club**

As the Supporters Club celebrates its one-year anniversary, the internal team completed a rebuild of the membership database. The rebuild simplified the backend tracking of a member's "subscription" year, allowing for an individualized 365-day membership for each member of the Club. The new process will simplify marketing efforts while automating the renewals process.

**Digital Platforms**

We are thrilled to welcome Mariah Carnahan, Front End Developer, to the Business Intelligence team to own all website and app development.

*Website*

The team recently completed an upgrade of the website's Content Management System (CMS). The new version will further optimize the internal search, by updating the "relevance" parameters in search results. The upgrade will also increase speed and overall performance on the site, while adding additional Search Engine Optimization (SEO) tools to internal content managers. This effort is part of a larger strategy to increase performance and reliability across the site.

Editorially, our news articles generated more than 118,000 pageviews in March, which is up 11% from February's total article pageview numbers.

<b>BUSINESS AFFAIRS</b>
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**Risk Management**

The Risk Management division effectively completed and renewed all expiring January 1, 2022 and first quarter 2022 coverage lines prior to policy term ends and has continued its focus to the next round of coverage areas that expire in late May 2022.



Expiring midyear renewals that have been initiated in late 2021 and/or early 2022 include: Crime (LSCs), Cyber/Media Liability Tech Errors & Omissions, Event Medical, Directors & Officers, LSC Directors & Officers, Kidnap & Ransom, Business Travel Accident, and Employed Lawyers.

As communicated to the Board and membership in mid-November, the organization has a new broker and carrier for General Liability and Sexual Abuse and Molestation coverage in 2022. With new partners come new processes and procedures including, but not limited to, reporting claims, requesting insurance certificates, having questions answered, etc. Risk Management continues to work extensively with the new broker, carrier, Sport Development, Business Affairs, Legal, Communications, and the Board Vice Chair, Fiscal Oversight on our continued comprehensive plan (including informational packages, electronic forms, website pages, contact resources, background information, member communication, etc.) with the continued goal of having a smooth, clear, and rationalized transition for membership.

As shown in the 'Human Resources' section herein, the organization has hired Chloe Adkins, its new Risk Manager. Chloe starts with the organization April 20, 2022, and will onboard extensively with the Finance, Legal, and Safe Sport teams among others.

Finally, Risk Management continues to liaise with insurers on all pending claims and litigation.

### **Human Resources**

USA Swimming has decided to transition its Human Resources Information/payroll system from ADP to BambooHR. We selected BambooHR for its ease of use, cost effectiveness, and employee-centered platform. Implementation is currently underway, and we expect to roll out this new system to staff in a phased approach, beginning in July 2022.

Recruitment has been our focus over the last quarter to ensure that USA Swimming is hiring top talent. In addition, Human Resources has further developed its on-boarding process, to ensure that USA Swimming is welcoming new hires and setting them up for success upon arrival.

USA Swimming currently has openings in the following positions:

- Managing Director, Communications
- Director, Development
- Specialist, National Team High Performance
- Coordinator, Operations (National Team)
- Coordinator, Digital Marketing
- Coordinator, Case Management (Safe Sport)

Since February 2022, USA Swimming has welcomed the following new hires:

- Mirely Cordova, Instructional Designer
- David Gardner, Intern
- Beth Winkowski, Senior Advisor
- Erik Posegay, Program Director, National Junior Team
- Mitch Gold, Senior Advisor
- Caitlin Whiteside, Coordinator, Partnership Marketing
- Noah Wilson, Coordinator, DEI
- Will Brethauer, Social Content Producer
- Chloe Adkins, Risk Manager
- Mariah Carnahan, Front End Developer
- Gabi Eckard, Intern

Human Resources will facilitate mid-year evaluations this summer. We will be utilizing the performance management application within BambooHR that will also incorporate goal setting.



The Human Resources Division continues to address COVID-19 mitigation to ensure a safe and healthy work environment for all employees.

### **Additional Initiatives**

Business Affairs continues its Government Relations effort at USA Swimming. Most recently, we secured bipartisan support for the introduction of Every Child a Swimmer legislation during the next session of the Missouri legislature, and we will be meeting with members of the Colorado legislature to discuss the proposed legislation the week of April 18. This work is complemented by leadership of the Government Advocacy Committee on the Aquatics Coalition. Business Affairs also spent a significant portion of Q1 2022 preparing for the 2022 USOPC Audit, which will take place over the course of Q2, by reviewing the USOPC Audit guide, compiling supporting documentation, and drafting necessary changes to various policies.

## **USA SWIMMING FOUNDATION DEVELOPMENT**

The USA Swimming Foundation closed 2021 with a \$483,000 surplus, which surpassed the budgeted amount by \$409,000. The surplus arose from operating revenue exceeding the budget by \$149,000 (4%) and operating expenses coming in less than budgeted by \$260,000 (7%).

As mentioned previously in the Pre-Competitive Programs section, in February the Foundation awarded nearly \$900,000 in Learn-to-Swim grants—a record amount. Included in the total funding was a \$200,000 gift from Step Into Swim, an initiative of the Pool & Hot Tub Alliance (PHTA). This will help support roughly 19,000 youth and 2,000 adults learn to swim.

Year-to-date fundraising is exceeding 2021 Q1 numbers in Major Gifts & Grants, tracking 2021 Q1 numbers in Swim-a-Thon and Adult Learn-to-Swim, and trailing 2021 Q1 amounts in the Annual Campaign.

The Foundation is hosting the upcoming Awards Lunch at the USA Swimming Workshop and activating in Greensboro at the Phillips 66 International Team Trials.

Finally, we are in the final stages of hiring a new Director, Development.

## **FINANCE & OPERATIONS**

### **2021 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 years, Plante Moran, out of their Denver 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 USA Swimming and the USA Swimming Foundation for the first quarter of calendar year 2022. This includes, but is not limited to, ensuring all 2022 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, and 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.

### **2022 Projections and 2023 Budgets**

Final 2022 Budgets for both entities were presented and approved at the December 2021 Board meetings. As we progress through 2022, Finance will begin thorough 2022 projection forecasts as well as 2023 and 2022-2024 “quad” budget preparation and finalization primarily during the late summer to early fall months ahead of the November 2022 Board meeting where budgets will be presented and approved.

### **Form 990s**

Shortly after our audit/tax firm Waugh & Goodwin completes the 2021 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 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.

### **Information Technology**

Collaboration continues in several areas in support of the Keeping Athletes First and Digital Transformation initiatives. IT staff are involved with application testing of SWIMS 3.0, implementation of the Azure Cloud architecture, and ensuring application, data, and API security. Design discussions related to disaster recovery and high availability solutions to be deployed in support of SWIMS 3.0 are underway and plan to be implemented over the next few months.

Cybersecurity efforts continue with a major focus on the Governance, Risk, and Compliance (GRC) project and its training. The continuous efforts in GRC will provide continuity and clear standards for IT operations. A cybersecurity Incident Response Plan will be finalized mid-April and will be effective no later than May 1. Twenty-seven IT security policies have been drafted and reviewed this quarter and will be distributed to staff on a regular cadence and based on their roles beginning in May. The topics that these policies cover are derived from the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF), which provides implementation details, requirements, and controls against which USA Swimming cybersecurity efforts can be measured. Cybersecurity annual training was completed by all staff in March and Phishing tests are ongoing. Additionally, a Cybersecurity Team has been formed consisting of staff members from across the organization. The first meeting is scheduled for April 20 and is focused on discussing oversight of the cybersecurity program, communicating policy to the Strategy Team and staff, developing a cybersecurity risk register, and discussing new initiatives and their potential impact on security and sensitive data.

Operational security improvements completed this quarter include the addition of a patch management tool that automates the remediating of vulnerabilities in software installed on USA Swimming informational/technology resources.

IT Operations has led an effort to improve application support for public-facing applications by adding subject matter experts to the support team. Utilizing the help desk ticketing system, questions from organizational members can be directly routed to SMEs, greatly improving the response time and resolution of these issues. The system is tiered to allow for efficient escalation of an issue to another support technician and ensures continuity when team members are not available to answer questions.



Staff hardware and device deployment continues to be a current material process in accordance with the staff device (e.g., laptops, etc.) refresh schedule. Configuration and delivery of over 50 systems are underway and will be completed by the end of April.