

USA Swimming Special Board of Directors Meeting Minutes

July 18, 2022 / Virtual Zoom Conference Call

1 CALL TO ORDER

2 Chris Brearton, Board Chair, called the July 18, 2022 Board of Directors meeting to order at
3 1:32 p.m. Mountain Time with the following members in attendance:

5 PRESENT

6 Chris Brearton, Kenneth Chung, Kathy Fish, Jennifer Gibson, Clark Hammond, Tim Hinchey,
7 Ira Klein, Katie Meili, Kathleen Prindle, Bill Schalz, Michelle Steinfeld, Ashley Twichell, Bob
8 Vincent.

10 NOT PRESENT

11 Maya Andrews, Tony Ervin, Bruce Gemmell, Natalie Hall.

13 GUESTS

14 Bill Charney, Caitlin Leverenz Smith.

16 STAFF

17 Paula D'Amico, Shana Ferguson, Abigail Howard, Corey Manley, Lucinda McRoberts,
18 Lindsay Mintenko, Patrick Murphy, Eric Skufca, Joel Shinofield.

20 DECLARATION OF CONFLICT OF INTEREST (2.5.4)

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

24
25 If a Board member determines there to be a conflict of interest at any point during the
26 course of the meeting when a specific subject is being discussed and/or action is being
27 taken, a declaration of a conflict of interest should be made at that time.

28
29 Michelle Steinfeld, Secretary & General Counsel, informed the Board that per direction from
30 the Ethics Committee, Bill Schalz will recuse himself for a topic presented during Closed
31 Session, due to a potential conflict of interest.

33 BOARD PROCESS

34 2022 USOPC AUDIT

35 Ms. Steinfeld presented the findings of the 2022 USA Swimming United States Olympic and
36 Paralympic Committee (USOPC) Audit, including that the organization had already fulfilled
37 forty-four (44) out of forty-eight (48) standards.

Ms. Steinfeld provided further explanation on the four remaining standards. The first standard was specific to paralympic sports and thus not applicable to USA Swimming. The second standard was a component of the U.S. Center for SafeSport audit which will be left “undetermined” until legislation is passed by in September at the annual meeting of the House of Delegates. The third standard had already been met substantively and will be memorialized upon formal changes to the USA Swimming Bylaws (Attachment 2) at this meeting, as well as at the annual meeting of the House of Delegates. The final standard regarding grievance procedures had been addressed since receiving the Audit report.

Ms. Steinfeld shared audit scores from other National Governing Bodies (NGBs) noting USA Swimming’s score of 92% was the highest of all NGBs.

BYLAW AMENDMENT

Ms. Steinfeld presented the proposed amendment to Bylaw 4.2 memorializing that fifty percent (50%) of 10-Year Athlete representatives to the Board will have obtained 10-Year Athlete representative eligibility through competing at an event that, at the time of election/selection, is on a Delegation Event program (Attachment 3).

MOTION: *To amend Bylaw 4.2, as outlined in Attachment 3, effective immediately. Seconded. APPROVED.*

Ms. Steinfeld presented the proposed amendments to Bylaws 5.2, 5.3, and 5.6 (Attachment 3) to clarify that 10-Year Athlete representatives must comprise at least fifty percent (50%) of the required one-third (1/3) eligible athlete representation on all Designated Committees.

MOTION: *To amend Bylaws 5.2, 5.3, and 5.6, to clarify athlete representation on Standing Committees, as outlined in Attachment 3, effective immediately. Seconded. APPROVED.*

BOARD GOVERNING POLICIES MANUAL AMENDMENT

Ms. Steinfeld presented the proposed amendment to Policy 3.6 of the Board Governing Policies Manual, formally adding language for the Board to review and approve financial statements and financial control policies (Attachment 4).

MOTION: *To amend Policy 3.6 “Financial Planning and Budgeting” of the Board Governing Policies Manual as outlined in Attachment 4, effective immediately. Seconded. APPROVED.*

UPDATE ON NEW HOD WORKING GROUP

Ms. Steinfeld remarked on legislation that was passed in 2021 requiring a House of Delegates (HOD) Working Group to review changes made to the HOD’s composition in 2021. Ms. Steinfeld noted that the Working Group is comprised of six athletes appointed by the Athletes’ Advisory Council.

MOTION: *To approve the below members of the House of Delegates Working Group. Seconded. APPROVED.*

- Ron Van Pool
- Mary Turner
- Julie Bachman
- Tristan Formon
- Jamie Bloom
- Jennifer Gibson

2021 AUDIT REPORT

Eric Skufca, Chief Financial Officer, reported that both the 2021 Consolidated USA Swimming and USA Swimming Foundation audits came back with clean, unqualified opinions requesting no adjustments or recommendations. Mr. Skufca presented the 2021 Consolidated Audit Report as accepted and recommended for Board approval by the Audit Committee. Mr. Skufca noted that 2021 tax returns will utilize the information within the audit and be available later this year (Attachments 5 – 10).

MOTION: *To approve the 2021 Consolidated Audit Report as accepted and recommended for Board approval by the Audit Committee, as outlined in Attachment 10. Seconded.*

APPROVED.

LEGISLATIVE PACKET REVIEW

Tim Hinchey, President & Chief Executive Officer, remarked on how the organization has adjusted its annual cadence to include a Board of Directors virtual summer meeting to review the legislative packet for the HOD and to consider changes that resulted from the Annual Workshop.

Abigail Howard, Senior Director, Legal & Membership Affairs, reviewed the legislative packet (Attachment 11) and Ms. Steinfeld and Mrs. Howard responded to questions and comments.

CLOSED SESSION

FINANCE UPDATE

The Board went into Closed Session to discuss a financial matter. Mr. Schalz was recused during the Financial Update per a directive from the Ethics Committee.

LEGAL UPDATE

The Board remained in Closed Session so that Ms. Steinfeld could give a brief legal update.

USOPC UPDATE

The Board remained in Closed Session so that Mr. Hinchey could give an update on the USOPC.

LONG TERM STRATEGIC PLANNING UPDATE

Lucinda McRoberts, Chief Administrative Officer, reported that from the Board Working Group brainstorming sessions, staff leads were able to narrow down the strategic initiatives for the organization to focus on as part of its long-term strategic planning. Ms.

McRoberts also remarked on developing a high-level plan of what the organization would like to accomplish this year, next year, and beyond. Ms. McRoberts noted that Board Working Groups will continue meeting with a focus on developing the long-term strategic plan and associated metrics, and annual Key Performance Indicators.

MEMBERSHIP UPDATE

Joel Shinofield, Managing Director, Sport Development, briefly remarked on how all the components the organization's digital transformation are working together to better serve the membership.

Patrick Murphy, Director, Data Analytics, provided a brief membership update, noting that membership numbers are trending upwards, with currently 389,000 members. Corey Manley, Data Analyst, further expanded on increased membership numbers while showing a glimpse of the reporting tool that will be available to build detailed membership reports.

NATIONALS UPDATE

Shana Ferguson, Chief Commercial Officer, highlighted aspects of the upcoming 2022 Phillips 66 National Championships, including the broadcast schedule, special guests, and hospitality events.

ADJOURN

Mr. Hinchey adjourned this meeting at 3:42 p.m. Mountain Time

Respectfully submitted:



Michelle Steinfeld, Secretary and General Counsel



Chris Brearton, Board Chair

USA Swimming Board of Directors Minutes Attachments

July 18, 2022 / Virtual Zoom Conference Call

Attachment 1	Agenda: July 18, 2022
Attachment 2	Page 2 – 2022 USOPC Audit
Attachment 3	Page 2 – Bylaw Changes
Attachment 4	Page 2 – Board Governing Policies Manual Update
Attachment 5	Page 3 – USA Swimming – Affiliates Rec Letter
Attachment 6	Page 3 – USA Swimming – Affiliates SAS 114 Letter
Attachment 7	Page 3 – USA Swimming Foundation Final Statements
Attachment 8	Page 3 – USA Swimming Foundation Rec Letter
Attachment 9	Page 3 – USA Swimming Foundation SAS 114 Letter
Attachment 10	Page 3 – USA-S – Affiliates Consolidated Final Stmts.
Attachment 11	Page 3 – 2022 Proposed Legislation



AGENDA

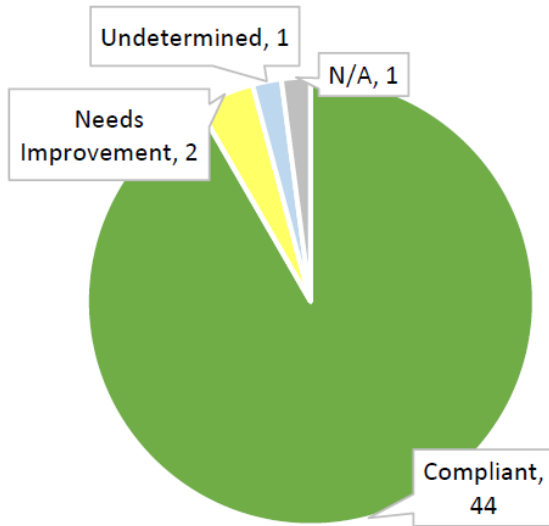
**USA Swimming
Board of Directors
July 2022 Board of Directors - Special Meeting
Monday, July 18, 2022, 1:30 pm - 3:30 pm**

- | | |
|---|------|
| A. Welcome | 1:30 |
| 1. Call to Order / Record of Attendance (2.6.2) | |
| 2. Declaration of Conflict of Interest (2.5.4) | |
| B. Board Process | 1:35 |
| 1. 2022 USOPC Audit | |
| 2. Bylaw Amendment | |
| a. ACTION: Approve the Amendment | |
| 3. Board Governing Policies Manual Amendment | |
| a. ACTION: Approve the Amendment | |
| 4. Update on New HOD Working Group | |
| a. ACTION: Approve Working Group Members | |
| C. 2021 Audit Report | 1:50 |
| a. ACTION: Approve the Report | |
| D. Legislative Packet Review | 1:55 |
| E. Closed Session | 2:50 |
| 1. Finance Update | |
| 2. Legal Update | |
| 3. USOPC Update | |
| F. Long Term Strategic Planning Update | 3:20 |
| G. Membership Update | |
| H. Nationals Update | 3:25 |
| I. Adjournment | 3:30 |

Total Meeting Time: 2h 0m

2022 USA Swimming USOPC Audit Results

Compliance Demonstration Levels



Demonstration Totals by Section



Findings: Compliant on 44/48 standards = 92%

- 2 compliant in practice; Bylaw changes to be reviewed by BOD in July, Rulebook changes to be reviewed by HOD in September
- 1 finding not applicable to USA Swimming
- 1 pending 2022 results from U.S. Center for SafeSport

Athlete Representation Findings

Needs Improvement		
1	Athlete Representation	Management Action Plan
	<p>A.1 a & b:</p> <p>a. NGBs must have at least 33.3% athlete representation on its Board of Directors as required by the Act §220522(a)(10) and further defined by the USOPC Bylaws, Section 8.8.</p> <p>b. NGBs must have at least 33.3% athlete representation on all committees as required and defined by the USOPC Bylaws, Section 8.5.</p> <p>FINDING: While USA Swimming meets requirements in practice, the bylaws or relevant documents do not include the following:</p> <p>A requirement that at least 50% of board and House of Delegates athlete representatives must have obtained eligibility through competing at an event that is on the Delegation Event program.</p> <p>In addition, the bylaws or relevant documents do not state that for every designated committee, at least 50% of the athletes must meet the definition of a 10-year athlete.</p>	<p>USA Swimming updated its bylaws and rulebook to explicitly state the missing athlete representation requirements. The documents will be voted on by the Board of Directors and the House of Delegates on July 18, 2022, and September 24, 2022, respectively.</p> <p>Additionally, the composition requirements for a few designated committees have been updated in the operating policy manual.</p> <p>A copy of the updated bylaws, rulebook, and operating policy manual has been provided to NGB Audit.</p> <p>Due Date: September 24, 2022</p>

Operational Performance Finding

OPERATIONAL PERFORMANCE

NGB Audit Standards Section E				
Title	Standard	Compliant	Needs Improvement	Deficient
Managerial and Board Capability	E.1 a	X		
Insurance Coverage	E.2 a	X		
Revenue Diversification	E.3 a	X		
Grievance Procedure	E.4 a & b		X	
Whistleblower and Anti-Retaliation Policy	E.5 a	X		
USOPC Trademark Protection	E.6 a – d	X		
Diversity and Inclusion Reporting	E.7 a	X		
Gender Equity	E.7 b	X		
Equal Opportunity	E.7 c	X		
Para Inclusive Sport Programs	E.7 d	X		
Diversity – Public Disclosure	E.7 e	X		
Strategic Planning	E.8 a	X		
USOPC Policy Compliance	E.9 a	X		
Total		12	1	0

Needs Improvement		
2	Grievance Procedure	Management Action Plan
	<p>E.4 a & b:</p> <p>a. NGB must provide prompt and equitable resolution of grievances as outlined in the Act §220522(14).</p> <p>b. NGB must provide fair notice and opportunity for a hearing to any amateur athlete, coach, trainer, manager, administrator, or official before declaring the individual ineligible to participate as outlined in the Act §220522(8).</p> <p>FINDING: There are elements missing from USA Swimming's National Board of Review Procedures in the following areas: types of grievances, manner of filing the complaint, and administration of the grievance.</p>	<p>USA Swimming updated its National Board of Review Procedures to include the missing elements. A copy of the updated procedures has been provided to NGB Audit.</p>

Athlete Protection & Rights Undetermined Finding

ATHLETE PROTECTION AND RIGHTS

NGB Audit Standards Section C				
Title	Standard	Compliant	Needs Improvement	Deficient
Child Protection and US Center for SafeSport ¹	C.1 a and C.2	Undetermined		
USOPC Athlete Safety Requirements	C.3 a	X		
Anti-Doping Policies	C.4 a	X		
Anti-Doping Policy Language	C.4 b	X		
Athlete Agreements	C.5 a	X		
Total		4	0	0

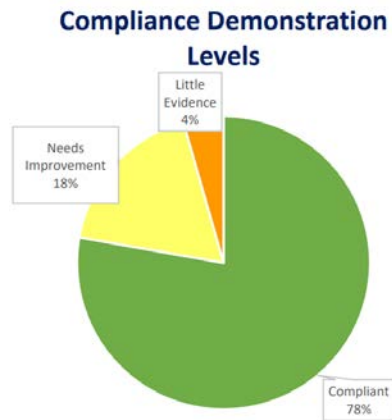
¹The U.S Center for SafeSport (the Center) issued an audit report for USA Swimming on January 5, 2022, which contained findings. USA Swimming is currently in the agreed-upon remediation period with the Center. Until the completion of this period, Audit will be unable to accurately assess Child Protection and US Center for SafeSport (standards C.1 a and C.2). This will be evaluated at a later date and is considered “Undetermined” for the purposes of this report.

Sport Performance Finding

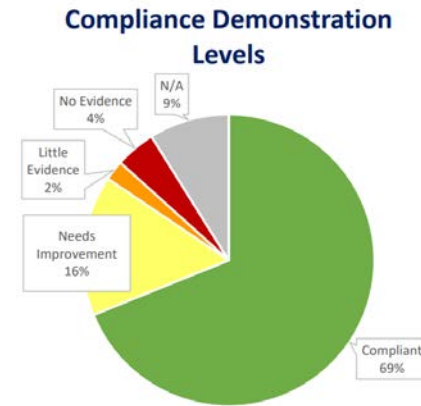
SPORT PERFORMANCE

NGB Audit Standards Section D				
Title	Standard	Compliant	Needs Improvement	Deficient
Selection Procedures and Process	D.1 a - c	X		
Delegation List Submission	D.2 a	X		
High-Performance Plan Submission	D.3 a	X		
Event Sanctioning	D.3 b	X		
Paralympic Classification	D.3 c	N/A		
International Federation Standing	D.4 a	X		
Total		5	0	0

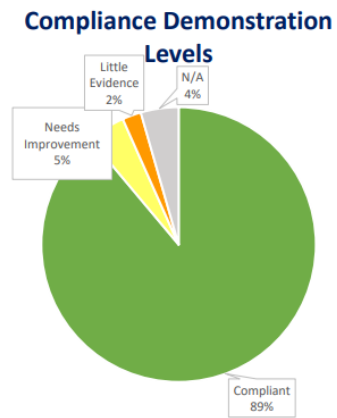
Other National Governing Body Audit Results: 2021



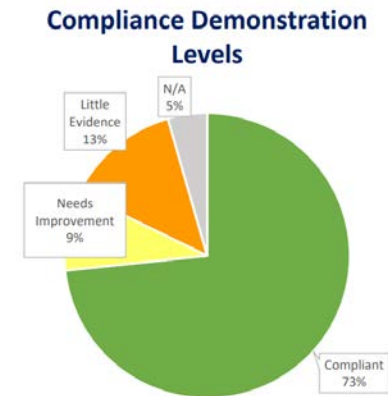
US Equestrian
78%



USA Gymnastics
69%



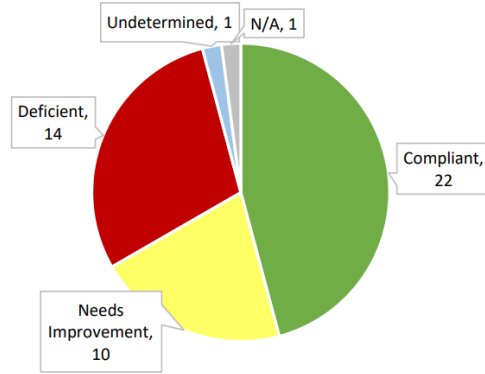
USA Basketball
89%



U.S. Soccer
73%

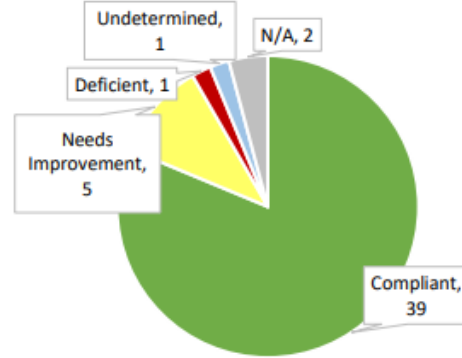
Other National Governing Body Audit Results: 2022

Compliance Demonstration Levels



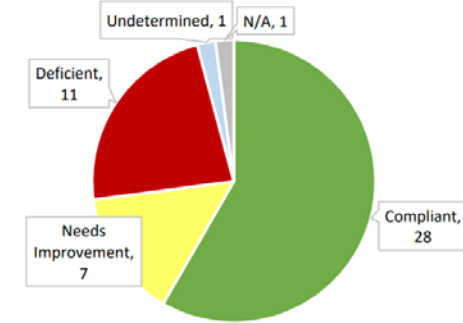
USA Rugby 4/2022
46%

Compliance Demonstration Levels



Artistic Swimming 4/2022
81%

Compliance Demonstration Levels



USA Track & Field 5/2022
58%

ATTACHMENT 1

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: May 12, 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 12 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 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.

.6 All Coach and Junior Coach members of USA Swimming 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.

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

.8 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.

.9 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.

.10 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. At least fifty percent (50%) of these 10-Year Athlete representatives will have obtained 10-Year Athlete representative eligibility through competing at an event that, at the time of election/selection, is on a Delegation Event program.

.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, a 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. At least fifty percent (50%) of the athlete members must meet the requirements of 10-Year Athlete representatives.

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. At least fifty percent (50%) of the athlete members must meet the requirements of 10-Year Athlete representatives.
 - 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 two-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. At least 50% of the athlete members must meet the requirements of 10-Year Athlete representatives.
- 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 nominees¹ 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.

¹ 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.

ARTICLE 7 FINANCIAL

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.



Board of Directors' Governing Policies Manual

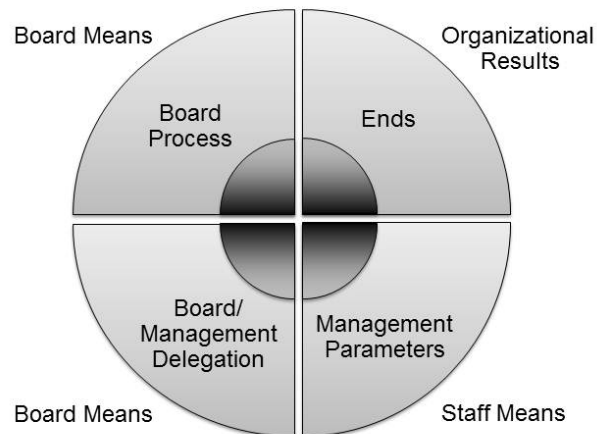


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Introduction

This Board of Directors' Governing Policies Manual (the "Governing Policies") contains the performance standards, values, and expectations of the Board of Directors ("the Board") of USA Swimming ("USA Swimming").

1. **Purpose:** The Governing Policies are designed to help the Board approach decisions from the perspective of its own previously established standards, values, and expectations by:
 - A. Elevating efficiency of having all ongoing Board policies in one place.
 - B. Quickly orienting new Board members to current policies.
 - C. Eliminating redundant or conflicting policies.
 - D. Having greater ease of reviewing current Board policy when considering new issues.
 - E. Providing clear, proactive policies to guide the President & CEO (the "CEO") and staff, as well as Board officers, members, and committees.
2. **Consistency:** The Board will ensure that each policy in this document is consistent with the law, the Articles of Incorporation, and the Bylaws, all of which have precedence over the Governing Policies. The Board will also ensure that the Governing Policies and organizational practices are consistent with and do not contradict the USA Swimming Rules and Regulations (the "Rules and Regulations") as established by the House of Delegates (the "HOD"). Except for time-limited or procedural-only Board decisions (e.g., approving minutes, electing officers, etc.), which are recorded in Board meeting minutes, all standing Board policies shall be included or referred to in the Governing Policies. The CEO is responsible for developing operational and administrative policies and procedures that are consistent with the standards set forth in the Governing Policies.
3. **Transition:** Unless a prior Board resolution or contract obligates the organization regarding a specific matter, the Governing Policies supersede previous Board resolutions. If an actual or apparent conflict arises between the Governing Policies and other policies or Board resolutions, the matter shall be brought to the Board's attention for resolution.
4. **Changes:** The Board will regularly review the Governing Policies and, as appropriate, refine them. Proposed revisions may be submitted for Board consideration by any Board member or by the CEO. Whenever changes are adopted, the updated document should be dated and promptly disseminated to the Board and CEO.
5. **Specificity:** Each new policy will be drafted to fit into the appropriate section of the Governing Policies. For consistency, policies should be drafted starting with the broadest policy statement, then adding specificity to the level of detail at which the Board would accept any reasonable interpretation when delegating further decisions relevant to that policy topic (i.e., to the Board Chair, Board Committees, or the CEO).

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Policy 1.0 Ends/Priority Results

Date of adoption / Last revision: February 11, 2022



1.0 Broadest/Purpose Statement:

**USA Swimming exists for: The growth and success of swimming in the United States.
(with results optimizing use of available resources)**

PRIORITY RESULTS:

1.1 COMPETITIVE SUCCESS: USA Swimmers achieve sustained competitive success at the Olympic Games and other high-level international competitions.

- A. National Team culture and environment promotes and cultivates sustained performance success, positive representation of the USA, and a productive partnership between USA Swimming and its best athletes.
- B. USA Swimming provides strong and identifiable pathways to develop talented athletes and coaches.
- C. USA Swimming is a recognized leader in promoting a clean sport environment.
- D. National Team athletes have financial support while competing and resources that support successful post-competition transitioning out of sport.
- E. National Team athletes receive mental and physical health support, including resources for their health and success.

1.2 SUCCESSFUL ATHLETES, COACHES AND CLUBS: Members have and use resources for sustainable success.

- A. Athlete safety is given highest priority, earning USA Swimming's continued recognition as a leader in Safe Sport.
- B. Athletes have developmental and competitive opportunities to be successful.
- C. Coaches have and use tools and skills to be successful.
- D. Clubs of all sizes and levels have and utilize resources and services for success.
 - i. Clubs have tools and capacity to be welcoming and inclusive environments.
 - ii. Educational opportunities support and engage non-athlete volunteers (e.g., parents, team leaders, and officials).
 - iii. Facilities development and operational expertise contribute to clubs' success.
- E. Local Swimming Committees ("LSCs") have and use resources and services to support the development and achievement of USA Swimming and its athletes, coaches, and clubs.

1.3 PUBLIC ENGAGEMENT WITH SWIMMING: There is growth in swimming participation and interest.

- A. Swimming achieves water safety awareness and swimming skills to save lives.
- B. Swimming achieves sustained growth in participation at all levels.
 - i. Growth in participation in underserved/underrepresented populations.
- C. There is growth in audience engagement.
- D. There is growth in member communication engagement.

1.4 RECOGNITION OF USA SWIMMING: USA Swimming continues to be recognized as the "Best in Class" NGB.

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Policy 2.0 Governance Purpose

Date of adoption / Last revision: *December 6, 2021*



Board Process

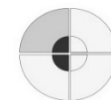
Acting on behalf of the membership, the U.S. Olympic & Paralympic Committee (“USOPC”), and the American public, the purpose of the Board is to ensure that USA Swimming:

1. Achieves appropriate results for or on behalf of the membership, the USOPC, and the American public (as specified in Policies 1.0 through 1.4 (“*Ends/Priority Results Policies*”) at an optimal cost; and
2. Avoids unacceptable actions and situations.

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Policy 2.1 Governing Philosophy and Values

Date of Adoption / Last Revision: *December 6, 2021*



Board Process

The Board will govern lawfully and in compliance with the USOPC's Bylaws. The Board will govern using Policy Governance principles, with an emphasis on: (a) integrity and truthfulness in all its activities and practices, (b) outward vision, (c) encouragement of diversity in viewpoints, (d) strategic leadership more than administrative detail, (e) clear distinction of Board and staff roles, (f) collective decisions, and (g) a focus on the future.

Accordingly:

1. The Board will uphold the Rules and Regulations.
2. The Board will cultivate a sense of group responsibility for its own performance. The Board will lead USA Swimming by proactively setting performance expectations for its own work and for that of USA Swimming.
3. The Board will use the expertise of its members to enhance its understanding of issues, but it will not simply defer to that expertise as the judgment of the entire Board.
4. The Board will set performance standards and expectations for USA Swimming through the careful articulation of written policies. The Board's primary focus will be on the achievement of intended long-term outcomes for and on behalf of the membership, the USOPC, and the American public, not on the administrative/operational means of attaining those outcomes. As such, the Board's activities are strategic in nature and the Board delegates the authority and ability to operate day-to-day activities to the CEO.
5. The Board will establish and adhere to its own performance expectations pertaining to matters such as attendance, meeting preparation and participation, policymaking, respect of roles, speaking to management, the membership, and the public with one voice, and continually building the Board's governance capability and reputation.
 - A. Continual Board development will include periodic discussion of its own performance and orienting new Board members in the Board's governance process and the Governing Policies upon appointment or election.
 - B. Orientation for new Board members will include three primary components:
 - i. Governance process: The Governance Committee, as defined in Policy 2.8 *Board Committee Structure*, will ensure provision of training including the governance principles underlying the Governing Policies and the Bylaws, with particular emphasis on Policy 2.5 *Board Members' Code of Conduct*.
 - ii. Current strategic issues: The Board Chair and the CEO will provide overview and background information on significant issues being addressed and likely to be decided upon early in new Board member's tenure.
 - iii. Operational overview: The CEO will help new Board members achieve a general understanding of USA Swimming (e.g., financials, key personnel, key products/programs/services, etc.).
6. Although the Board may change the Governing Policies at any time, it will diligently observe those currently in effect.
7. All policies of the Board are contained in the Governing Policies, and they remain in effect, unless amended or deleted by Board action.
8. The Board will be accountable to the membership, the USOPC, and the American public for competent, conscientious, and effective fulfillment of its governance obligations. The Board will not allow any officer, individual, or Board Committee to be an obstacle to this commitment.
9. The Board will regularly evaluate and strive to improve its performance. Self-assessment will compare Board activity and discipline to the standards set forth in Policies 2.0 through 2.10 ("*Board Process Policies*") and Policies 4.1 through 4.6 ("*Board-Management Delegation Policies*").

The Board shall exhibit operational and financial transparency; the Board's activities will be open and accessible to reasonable scrutiny by the membership, the USOPC, and the American public, with the exception of personnel or other matters of a sensitive nature. [Back to Table of Contents](#)

Policy 2.2 Board Objectives

Date of adoption / Last revision: March 24, 2022



On behalf of the membership, the USOPC, and the American public, the Board's role is to define and ensure appropriate organizational performance.

To distinguish the Board's own role from those of the CEO and staff, the Board will concentrate its efforts on three primary products or outputs:

1. **Connection with Members, the USOPC, and the American Public:** The Board will connect the interests of the membership and the American public with operational performance.
 - A. **Needs Assessment:** The Board will assess needs and trends affecting the membership, the USOPC, and the American public as they relate to USA Swimming's activities and scope of influence, and it will develop and maintain *Ends/Priority Results* Policies, identifying and prioritizing intended organizational outcomes to address those needs.
 - i. As part of its needs assessment and outreach efforts, the Board will include structured dialogue with key constituent groups, including but not limited to zone, LSC, and committee leadership, as well as representatives of key allied and affiliated entities
 - B. **Advocacy:** The Board will inform the membership, the USOPC, and the American public of USA Swimming's achievements on their behalf and of its expected future results.
 - i. Particular emphasis will be given to ensuring demonstrated leadership, transparency, and accountability to the HOD.
 - ii. The Board will proactively communicate its rationale for and the implications/intended benefits of legislative changes it proposes to the HOD.
2. **Performance Standards:** The Board will maintain written performance standards, as set forth in the Governing Policies, addressing the broadest, and as appropriate, more defined levels of all organizational decisions and situations.
 - A. **Ends:** Strategic results priorities describing intended organizational impacts, benefits, outcomes, and recipients, and their relative worth (what results, for which recipients, at what cost/priority).
 - B. **Management Parameters:** Constraints on executive authority defining the boundaries of prudence and ethics within which all management activity and decisions must take place.
 - C. **Board Process:** Specification of how the Board defines, carries out, and assesses its own work.
 - D. **Board/Management Delegation:** Specification of how the Board delegates authority to management and ensures its proper use; the CEO role, authority, and accountability.
3. **Assurance of Organizational Performance:** The Board maintains responsibility for the selection, compensation, evaluation, and termination of the CEO, and it will ensure Ends fulfillment, financial solvency, and organizational integrity by holding itself accountable for effective governance as defined in the Governing Policies, and it will hold the CEO accountable for successful achievement of *Ends/Priority Results* Policies and adherence to Policies 3.0 through 3.11 ("*Management Parameters* Policies").
 - A. Pending its determination that the proposed budget is compliant with Policy 4.6 *Financial Planning and Budgeting*, the Board will approve the annual operating budget for the subsequent fiscal year at its November meeting.
 - B. Pending its determination that the proposed Key Performance Indicators constitute achievement of the Ends/Priority Results, the Board shall approve the annual KPIs, which, together with the Ends/Priority Results and CEO Interpretations, shall constitute the strategic plan of USA Swimming.
4. In addition, the Board maintains responsibility for:
 - A. Establishing new membership categories and making recommendations to the HOD for changes to fees for Club membership (including seasonal) and the Individual categories of annual, seasonal, outreach, and single meet open water.

- B. Serving as an appellate body for National Board of Review decisions.
 - C. Making decisions outside the boundaries of authority delegated to the CEO (as proscribed in the *Management Parameters Policies*).
5. The Board shall take all reasonable steps to ensure that the governing documents (e.g., Articles of Incorporation, Bylaws, Rules and Regulations, the Governing Policies, etc.) and practices and procedures of USA Swimming meet the Compliance Standards promulgated by the USOPC and the U.S. Center for SafeSport.

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Policy 2.3 Board Work Plan and Agenda Preparation

Date of adoption / Last revision: December 6, 2021



To fulfill its role, the Board will prepare and follow an annual work plan that: (1) re-explores *Ends/Priority Results* Policies and (2) continually improves Board performance through Board education and interactions with members, customers, staff, beneficiaries, and outside experts.

Accordingly:

1. **Annual Cycle:** The Board's annual planning cycle will conclude each year at its last meeting before the HOD's annual meeting in September, so that administrative planning and budgeting for the next fiscal year can be focused on addressing both long and short-term Ends.
2. **Work Plan Development:** At the November meeting, the Board Chair will prepare and present for the Board's consideration and approval a suggested work plan for the following year's meetings. Considerations should include:
 - A. **Board Education:** Identification of topics that will elevate the Board's competencies, primarily of external issues and trends that impact USA Swimming's Ends, and, to a lesser extent, key areas of operations and governance training.
 - B. **Orientation/Training for New Board Members:** Per Policy 2.1.5, to include review of USA Swimming's governance system and documents, overview of key strategic issues to be addressed early in new Board members' tenure, and operational overview. Orientation is to be conducted within three months of new Board members being seated. Board members must also complete training as required by the USOPC.
 - C. **Linkage with Membership, the USOPC, and the American Public:** How the Board will connect with members, the USOPC, and the American public (e.g., through surveys, focus groups, and other methods of gaining input).
 - D. **Determination of Advocacy for Board-Proposed Changes to the Rules and Regulations:** The schedule for the Board review and consideration of proposed changes prior to the annual deadline to amend the Rules and Regulations, and determination of communications strategy to help the HOD make informed decisions, with understanding of the rationale for and implications/intended benefits of Board-proposed legislative changes.
 - E. **Policy Review:** How the Board will systematically review its governing policies, with emphasis on Ends, over the course of the year/quadrennium (e.g., by priority, by topic, or by emphasis of the Board's choosing).
 - F. **Assessment/Evaluation of CEO Performance:** Reviewing the schedule of planned monitoring activities to assure performance on *Ends/Priority Results* Policies and adherence to *Management Parameters* Policies.
 - G. **Self-Assessment:** Methods and timeline for periodic evaluation of how well the Board is fulfilling its role (i.e., in accordance with *Board Process* Policies and *Board-Management Delegation* Policies) and open discussion of how the Board's performance can be improved. At least once per quad, the Board will perform a self-evaluation using a USOPC-provided resource.
 - H. **Meeting Schedule/Locations:** Confirmation of the meeting schedule for the coming year to maximize Board member attendance and participation.
 - I. **Social Engagement:** To build its effectiveness as a leadership team, the Board will include periodic team building activities in conjunction with its meetings.
3. **Meeting Agendas:** The Board Chair will determine the agenda for each Board meeting, although Board members and the CEO may request or recommend any appropriate matters for Board consideration.
 - A. A Board member or the CEO may recommend or request a matter for Board discussion by submitting the item to the Board Chair at least twenty-one (21) days prior to the regularly scheduled Board meeting.
 - B. To ensure Board member preparation and informed participation, meeting agendas and packets (background materials for decision items on the agenda, monitoring reports, etc.) are to be received by Board members at least seven (7) days prior to the regularly scheduled Board meeting.

- C. Additional matters may be added to the agenda of any regularly scheduled Board meeting by the Board Chair and/or the CEO, or by affirmative vote of a majority of those present.
 - D. Meeting minutes from the prior meeting must be approved by the Board at each meeting. Minutes must document attendance for the meeting and include a summary of the discussion topics and content for the meeting. Minutes must include any Conflict of Interest disclosures, which will be requested by the Board Chair at the start of each meeting. Minutes must also include any recusals from discussions, votes, or the meeting (including when a Board member leaves and re-enters the meeting room or videoconference).
4. **CEO Performance Monitoring:** As a core element of the CEO's evaluation process (Policy 4.4 *Monitoring CEO Performance*), the Board will act on the CEO's monitoring reports received prior to the meeting, determining by majority vote whether the report:
- A. Conveys a reasonable interpretation of the respective Policy's provision(s).
 - B. Provides reasonable substantiation of compliance with the Policy's provision(s), as interpreted
5. **CEO Annual Compensation Review:** As part of the Board's annual performance evaluation of the CEO, each year at the November meeting, the Board will summarize and review its judgments of monitoring activities (monitoring reports, audits, etc.) received during the last year and will determine any adjustments of the CEO's compensation and benefits, to be effective as of January 1. After that discussion, and prior to December 15, a subgroup of the Board selected by the Board Chair will meet and share with the CEO the Board's overall judgments of performance, including qualitative feedback. Determinations of any performance bonus/incentive compensation for a calendar year shall be determined at the first meeting of the subsequent calendar year and paid no later than February 28th.
6. **Closed Sessions:** The Board may convene, by majority vote, in closed session whenever it deems such closed session to be in the best interest of the organization, and the closed session will be attended only by Board members and others specifically invited by the Board Chair or the Board by majority vote. Board members, staff, and other persons present shall not discuss or disclose closed session proceedings outside of the closed session without prior authorization of the Board. High-level topics discussed in closed session are to be reflected in meeting minutes.

Policy 2.4 Board Chair's Role and Authority

Date of adoption / Last revision: December 6, 2021



As USA Swimming's chief governance officer, the Board Chair's primary role is to be the presiding officer, ensuring the integrity of the Board's process. The Board Chair also leads meetings of the HOD and represents the Board to outside parties.

Accordingly:

1. The Board Chair's job is to ensure that the Board acts in a manner consistent with its policies and any requirements legitimately imposed upon it from outside the organization.
 - A. Agenda content will include only those issues that clearly (according to Board policy) belong to the Board to decide, consider, or monitor, or to otherwise inform/educate the Board so it can best fulfill its responsibilities.
 - B. Deliberation will be fair, open, thorough, timely, orderly, and kept to the point.
2. The Board Chair is authorized to make decisions consistent with *Board Process* Policies and *Board-Management Delegation* Policies, except for (a) employment/termination of the CEO, or (b) decisions pertaining to matters about which the Board has specifically delegated portions of its authority to others. The Board Chair may use any reasonable interpretation of these policies.
 - A. The Board Chair is empowered to preside at Board meetings with the commonly accepted power of that position, such as ruling and recognizing.
 - B. The Board Chair has no authority to make decisions within the areas of *Ends/Priority Results* Policies and adherence to *Management Parameters* Policies. Therefore, as the CEO is accountable to the Board as a whole, the Board Chair does not have authority to supervise or direct the CEO.
 - C. The Board Chair may represent the Board to outside parties in announcing Board-stated positions and in stating decisions and interpretations within the area delegated to the Board Chair.
 - D. The Board Chair may delegate their authority but remains accountable for its use.
 - E. The Board Chair shall appoint all non-athlete members of Board Committees and their respective chairs unless otherwise designated in the Rules and Regulations, the Bylaws, or the Governing Policies. The Board Chair is an Ex-Officio non-voting member of all Board Committees.
3. The Board Chair will lead and participate in the Board's assessment of its own performance.
 - A. Criteria for assessment will be the Board's adherence to *Board Process* Policies and *Board-Management Delegation* Policies.
 - B. The Board will self-assess its overall performance at least once per year.
 - C. The Board will ensure that there is at least a brief assessment of each meeting prior to adjournment, identifying factors that enhanced its productivity, as well as those that would have made the meeting more successful.

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Policy 2.5 Board Members' Code of Conduct

Date of adoption / Last revision: December 6, 2021



The Board expects ethical, professional, and lawful conduct, of itself and its members, including proper use of authority and appropriate decorum when acting as Board members.

Accordingly:

1. Duty of Care: Board members are to discharge their duties honestly and in good faith. Board members shall exercise the degree of care, diligence, and skill that a reasonably prudent person would exercise in similar circumstances.
2. Duty of Obedience: Board members must abide by USA Swimming's governing documents (i.e., the Articles of Incorporation, the Bylaws, the Rules and Regulations, and the Governing Policies). While vigorous debate is expected and encouraged, Board members are obliged to support the legitimacy and authority of the final determination of the Board on any matter, irrespective of the member's personal position on the issue.
3. Duty of Loyalty: Board members must demonstrate loyalty to the interests of USA Swimming, superseding any conflicting loyalties, such as to segments of the membership, family members, advocacy or interest groups, affiliated entities, staff, other organizations, or any personal interests as a member of the organization.
4. Board members must avoid any conflict of interest with respect to their fiduciary responsibility and abide by the USA Swimming Statement of Ethics and Conflict of Interest Policy. (Appendix C)
5. Board members must not attempt to exercise individual authority over the organization.
 - A. Board members' interactions with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly stipulated by the Board.
 - B. Board members must recognize that in their interaction with the media, the public, or other entities, they are not to speak for the CEO, the Board, or USA Swimming, except to repeat explicitly stated Board decisions.
 - C. Board members will not publicly express individual judgments of the performance of the CEO or of other employees, other than when participating in the Board's monitoring functions.
6. Board members will treat one another and staff members with respect, courtesy, and honesty.
7. Board members must respect the confidentiality appropriate to issues of a sensitive nature.
8. A Board member aware of credible information that suggests that a Board policy has been violated, by the Board, a Board member, or the CEO, has an affirmative obligation to bring the concern to the Board Chair. If the Board Chair is the subject of the concern, it should be brought to the Board Vice-Chair. If the CEO or a staff member is the subject of the concern, the Board will refer to its process in Policy 4.4 *Monitoring CEO Performance*.
9. If a Board member is alleged to have violated the Governing Policies:
 - A. The Board Chair (or Board Vice-Chair, if the Board Chair is the subject of the concern) will have an informal discussion with the individual whose action(s) are questioned. If this is not successful in resolving the concern, then:
 - B. The Board Chair will put the issue on the agenda for closed session. The respondent Board member will be allowed to present their views prior to the Board determining whether the action violated the Governing Policies.
 - C. A Board member found by the Board (by majority vote) to have violated the Governing Policies may be subject to subsequent censure or other Board action, as long as consistent with the Bylaws.

Policy 2.6 Board Members' Individual Responsibilities

Date of adoption / Last revision: *December 6, 2021*



Board member engagement and participation is integral to the Board's leadership. Therefore, each Board member is expected to fulfill the following responsibilities:

1. **Commitment:** Board members are expected to, upon appointment or election to the Board and annually, sign a Letter of Commitment indicating that they have reviewed and commit to abide by the Articles of Incorporation, the Bylaws, future Board resolutions, the Rules and Regulations, including the Code of Conduct, and the Governing Policies.
2. **Attendance:** Board members are expected to attend Board meetings on a regular and punctual basis. Absence from more than one of the 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 HOD annual meeting.
 - A. 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.
3. **Preparation and Participation:** Board members are expected to review agenda materials in advance of Board and committee meetings and to participate productively in discussions.
4. **Stewardship:** Board members are expected to be alert to the concerns of the membership, the USOPC, and the American public that can be addressed through USA Swimming's mission and Ends.
5. **Responsiveness:** Board members will be attentive to Board communications and respond promptly to staff and Board member requests for feedback.
6. **CEO Relationship:** The CEO is accountable to the Board as a whole and not to individual Board members. Therefore, the relationship between the CEO and individual members of the Board, including the Board Chair, is collegial and not hierarchical.
7. **Volunteerism:** Board members may individually volunteer in operational capacities. In such situations, they are subject to the direct supervision of the CEO or responsible staff person.
8. **Members in Good Standing:** As Board members are recognized representatives of USA Swimming, they are expected to remain in good standing within the sport and their respective communities.
9. **Contributions to USA Swimming Foundation:** Each Board member is expected and required to make an annual personal financial contribution to the USA Swimming Foundation. The demonstration of support, rather than the amount of the contribution, is of principal importance.
10. **Participation in Organizational Activities:** Board members are also encouraged to (i) promote and support the activities of the USA Swimming Foundation; and (ii) attend the annual meeting of the HOD, and (iii) attend the USA Swimming National Workshop.

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Policy 2.7 Board Committee Principles

Date of adoption / Last revision: *December 6, 2021*



The Board may establish additional Board Committees (“Additional Board Committees”) to supplement the Board Standing Committees that are set forth in the Bylaws, to help the Board be more effective and/or efficient in its work. Additional Board Committees and Board Standing Committees are collectively referred to as “Board Committees” in the Governing Policies. Board Committees are not to interfere with the Board’s delegation of authority to the CEO or the CEO’s delegation of authority to other staff.

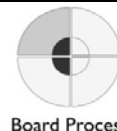
Accordingly:

1. Board Committees are to help the Board do its job, not to help, advise, or exercise authority over staff.
2. Board Committees will ordinarily undertake activities not delegated to the CEO, such as by preparing policy alternatives and implications for Board consideration or performing specific monitoring functions.
3. Board Committees may only speak or act for the Board when formally given such authority for specific and/or time-limited purposes. Expectations and authority will be carefully stated in Policy 2.8 *Board Committee Structure* in order not to conflict with authority delegated to the CEO.
4. As the CEO works for the full Board, they will not be required to seek approval of a Board Committee before taking action.
5. The composition of each Board Committee, as well as the number and purpose of committees, is to be evaluated no less than bi-annually to assure continuity and relevance. Unless otherwise stated in Policy 2.8 *Board Committee Structure*, appointments to Board Committees will take place after the first Board meeting following the annual HOD meeting.
6. This Policy applies to any group formed by Board action, whether or not it is called a committee and regardless of whether it includes Board members. This policy does not apply to committees formed under the authority of the CEO. Working groups and task forces may be established by the Board or the Board Chair.
7. Unless specifically authorized by the Board, a Board Committee may not make any commitment of organizational resources or funds.

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Policy 2.8 Board Committee Structure

Date of adoption / Last revision: *February 11, 2022*



Board Committees are those established by and with authority emanating from the Board or as designated the Rules and Regulations, regardless of whether composition includes non-Board members. The only Board Committees are those set forth below. Unless otherwise specified, the CEO or their staff designee will serve as a non-voting member and resource/liaison for each Board committee. The CEO or their staff designee will attend all committee meetings, including closed sessions.

Board Standing Committees (set forth in Bylaws)

1. Nominating Committee

- A. **Deliverable #1:** Conducts the Nominations process, as stipulated in the Bylaws, and Policy 2.9 *Board Nominations and Election*.
- B. **Authority:** Incurs costs as budgeted and management time as needed.
- C. **Composition:** As outlined in the Bylaws.

2. Investment Committee

- A. **Deliverable #1:** Conducts quarterly performance review of USA Swimming's and the Foundation's portfolios, as reported to the Investment Committee by the Investment Advisor.
Deliverable #2: Recommends revisions to the Board and the Foundation Board concerning each entity's Investment Policy. (See *Appendix B*).
Deliverable #3: Oversees and conducts periodic reporting to the Boards regarding the performance of the investment portfolios, per each respective Investment Policy.
Deliverable #4: Makes recommendations for the selection and retention of the Investment Advisor(s) to both Boards.
- B. **Authority:** To incur costs as budgeted and management time as needed.
- C. **Composition:** As outlined in the Bylaws.

3. Audit Committee

- A. **Deliverable #1:** Confirms auditor's independence and recommends to the Board the engagement of an auditor by no later than end of February each year.
Deliverable #2: Annually specifies the audit scope, consistent with Policy 4.4 *Monitoring CEO Performance*, including approval of any permitted non-audit services to be provided by the independent auditor.
Deliverable #3: Assures that the auditor has unfettered access to organizational management and records.
Deliverable #4: Reviews with the independent auditor of any problems encountered when performing the audit, the audited financial statements, and any management letter provided by the auditor.
Deliverable #5: Recommends for Board consideration any revisions to the Board's fiscal policies.
Deliverable #6: Reviews the annual Form 990 prior to distribution to the Board and subsequent submission to IRS.
Deliverable #7: Reviews and accepts the annual Audit Report and makes recommendations for the Board to accept the audit report prior to the distribution to the Board.
Deliverable #8: "Direct Inspection" (internal audit) monitoring of compliance with the Board's fiscal policies (Financial Condition, Asset Protection, Budget, Compensation and Benefits), as directed/scheduled by the Board per Policy 4.4 *Monitoring CEO Performance*.
- B. **Authority:** Directs work of outside auditors, to use management time as needed for administrative support, and to incur costs as budgeted for all matters related to the audit. No member of the committee shall have check signing authority for USA swimming.

C. **Composition:** As outlined in the Bylaws.

4. **Credentials/Elections Committee**

A. **Deliverable:** Certifies delegates at the annual meeting of the HOD, supervise elections held at the annual meeting, and certifies results of elections held at the annual meeting.

B. **Authority:** Incurs costs as budgeted and management time as needed.

C. **Composition:** As outlined in the Bylaws.

5. **National Board of Review Committee**

A. **Deliverable:** Acts as a hearing body to resolve matters, questions, and disputes involving USA Swimming, the LSCs, or the membership – per the Rules and Regulations.

B. **Authority:** Incurs costs as budgeted and management time as needed.

C. **Composition:** As outlined in the Bylaws.

6. **Ethics Committee**

A. **Deliverable #1:** Makes recommendations for Board consideration regarding revisions to USA Swimming's Statement of Ethics and Conflict of Interest Policy.

Deliverable #2: Reviews Conflict of Interest Disclosure forms filled out annually by all individuals covered by the Conflict of Interest Policy; documents review of disclosures, decides if any potential conflicts of interest do exist and whether any mitigating measures are possible, and determines steps that the individual involved must take to manage or avoid the potential conflict; investigate any reports of alleged violations of the Conflict of Interest Policy.

Deliverable #3: Investigates and makes determinations regarding potential and/or alleged retaliation under USA Swimming's Whistleblower and Anti-Retaliation Policy.

Deliverable #4: Reviews disclosures under USA Swimming's Gifts and Entertainment Policy; makes any appropriate approvals of potential gifts or invitations as required by the Gifts and Entertainment Policy.

B. **Authority:** Directs individuals covered under the Conflict of Interest Policy in order to avoid potential conflicts; investigates reports of any alleged violations of the Conflict of Interest Policy and generates a report of findings; takes appropriate and reasonable disciplinary and corrective action as appropriate for any violations of the Conflict of Interest Policy; investigates any reports of retaliation under the Whistleblower and Anti-Retaliation Policy and files any necessary complaints with the National Board of Review; approves disclosures under the Gifts and Entertainment Policy and requires, as necessary, that any gifts be returned or donated; investigates complaints of campaigning under Bylaw 6.3.3(D), and may issue sanctions, including disqualification from the ballot and, for complaints regarding previously elected Board members, may impose sanctions including but not limited to a suspension and/or a recommendation for removal pursuant to the process in Bylaw 4.5.1; investigates complaints that any Board member has failed to attend to their official duties or responsibilities or has done so improperly and may impose sanctions, including but not limited to suspension and/or a recommendation for removal pursuant to the process in Bylaw 4.5.1.

C. **Composition:** As outlined in the Bylaws.

Additional Board Committees

1. **Governance Committee**

A. **Deliverable #1:** As directed by the Board or requested by the Board Chair, prepares and/or reviews proposed revisions to the Governing Policies, the Bylaws, and Board-proposed revisions to the Rules and Regulations.

Deliverable #2: Orients and trains new Board members.

Deliverable #3: Recommends, for Board consideration, additional Board training opportunities to enhance the Board's governance skills and capabilities.

B. **Authority:** Incurs costs as budgeted and management time as needed.

- C. **Composition:** Three (3) members. To be chaired by the Board Vice-Chair, in addition to one (1) non-athlete Board member, chosen annually by the Board Chair, and one (1) Board athlete representative, decided annually among the Board athlete representatives.

2. **Executive Compensation Committee**

- A. **Deliverable #1:** Recommends, for Board consideration, adjustments to the CEO's compensation and benefits package. Presents to the Board in a timely manner, to allow final action to be taken by the November meeting.
Deliverable #2: Accompanying the recommendations, provides data as to comparable compensation for similarly qualified persons in comparable positions.
Deliverable #3: Contemporaneously documents and records deliberations and decisions regarding CEO compensation.
Deliverable #4: Prepares for Board's consideration in February, and in consultation with the CEO, annual incentive plan goals and metrics for the bonus component of CEO compensation; annually reviews and reports to the Board the CEO's performance results vis-a-vis previously established goals.
- B. **Authority:** Incurs costs as budgeted and management time as needed.
- C. **Composition:** Three (3) Board members. A Board member serving as committee Chair, plus one (1) non-athlete Board member, both chosen annually by the Board Chair, and one (1) Board athlete representative, chosen annually by the Board athlete representatives.

3. **Zone Directors' Council**

- A. **Deliverable:** Provides of advice to inform the Board of issues and opportunities within the four zones.
- B. **Authority:** Incurs costs as budgeted and management time as needed.
- C. **Composition:** The twelve (12) elected Zone Directors, consisting of a Coach Director, a Non-Coach Director, and an athlete representative (approved and appointed by the USA Swimming Athletes' Advisory Council) from each Zone. Chair to be elected by the group from among its members.

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Policy 2.9 Board Nominations and Elections

Date of adoption / Last revision: February 11, 2022



The Board shall ensure that the nominations and elections process is administered in accordance with the Bylaws and the following policies.

1. **Appointment:**

- A. By January 1 of each year, the Secretary & General Counsel shall distribute the current Nominating Committee roster/term matrix, noting that the Board, committees, and councils due to make appointments to the Nominating Committee are to do so by no later than February 1 (the "Appointment Deadline"). The notice is to convey that individuals serving on the Nominating Committee may not run for election.
- B. The incumbent chairperson of the Nominating Committee shall convene the initial meeting of the following year's committee within forty-five (45) days after the Appointment Deadline, and after the January/February Board meeting. If the incumbent chairperson is no longer serving on the Nominating Committee, the Secretary & General Counsel shall convene the meeting. At the initial meeting of the Nominating Committee, the Committee shall select a new chairperson from among its own membership.
- C. The Nominating Committee will be provided with an onboarding training at its first meeting, so that Committee members understand their responsibilities and obligations.

2. **Nominating Criteria:** No later than its January/February meeting each year, the Board will consider its needs for certain competencies, and will identify and provide a charge to the Nominating Committee (the "Board Charge") that specifies experience, skills, and attributes that would constitute "ideal candidates" to complement and augment the composition of the incumbent Board in the upcoming nominations/election cycle. Primary criteria to be considered must at least include:

- A. Past demonstration of commitment to USA Swimming, or a "demonstrable connection to the sport."
- B. Governance experience, e.g. knowledge and skills in policy-making, legal and fiduciary responsibilities.
- C. High-level (board or management) experience in setting standards for and/or overseeing a multi-million-dollar corporation.
- D. Financial literacy.
- E. Demonstrated ability to participate productively in group processes.
- F. Professional relationships/associations that may be beneficial to USA Swimming.
- G. Commitment to support and adhere to the Board's governing documents (Bylaws, these Governing Policies, etc.).
- H. Ensuring diversity within the Board's composition (gender, ethnic, age, geography, etc.).
- I. For incumbent or past Board members seeking re-nomination, fulfillment of individual Board members' responsibilities.
- J. Expertise to drive the mission of USA Swimming.

3. **Call for Nominations:** 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. No nominee may be ultimately placed on the final ballot if they have not gone through this application process, as well as the below screening and interview process. The Call for Nominations shall convey the number and qualifying criteria, per the Bylaws, of Board seats to be elected at the annual meeting of the House of Delegates, and shall include:

- A. The deadline by which nominations must be submitted.
- B. Then-current Board policies on *Board Members' Code of Conduct* and *Board Members' Individual Responsibilities*, highlighting expectations regarding:

- Board meeting attendance.
 - 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.
 - That Board members are not to exercise individual authority over the President & CEO or any member of the USA Swimming staff, unless explicitly Board-authorized for a specific purpose.
 - C. The Board Charge for that nominating cycle.
 - D. An application form addressing prospective nominees' qualifications, skills, and reason(s) for interest in serving on the Board. This application will include eligibility disclosures described in Bylaw 4.6 and below in Paragraph 4. A social media review consent form will be included in the application and must be signed by all applicants.
 - E. A Letter of Commitment, which states that no nominee shall be eligible for election unless they have signed a written 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. The Call for Nominations will include the date by which the signed letter must be received, prior to any nominee being placed on the ballot.
4. **Candidate Screening:** To include the following:
- i. Eligibility. Nominees must meet the requirements of Bylaw 4.6. The Secretary & General Counsel will receive disclosures as part of the application and will resolve questions and disputes in eligibility and the application of these qualifications. Any ineligible nominees will be eliminated at this stage, prior to review by the Nominating Committee.
 - ii. Good Standing. Nominees must be members of USA Swimming in good standing prior to review by the Nominating Committee, throughout the nomination and election process, and during their entire service on the Board, if elected.
5. **Interviews:** Based on the above screening, eligible nominees will be reviewed by the Nominating Committee and the Committee will determine which nominees it wants to invite to participate in an initial recorded interview with a minimum of two Committee members. The Committee will maintain a list of standardized interview questions, and responses will be summarized and presented on a scoring matrix to be shared with all Committee members. All Committee members must watch each interview prior to deciding which nominees it will propose.
- A. Based on initial interviews, those nominees the Nominating Committee wishes to advance for further consideration will be invited to participate in a second recorded interview with a minimum of two Committee members. The Committee will maintain a list of standardized interview questions, and responses will be summarized and presented on a scoring matrix to be shared with all Committee members. All Committee members must watch each interview prior to deciding which nominees it will propose.
6. **Selection of Nominees:** The Nominating Committee shall consider the merit and qualifications of all nominees who have passed the screening and who have fulfilled the interview process. It shall address the Board composition requirements of seats to be filled in the current elections cycle (see Bylaw 4.2.4 regarding required composition). The Committee will recommend at least two, but not more than three, nominees (the "Proposed Nominees") for each open seat.
- A. The list of all nominees and the ballot will be presented to the House of Delegates by August 7, prior to the annual meeting. The list of all nominees will also include a biography/nominee statement, not to exceed 500 words regarding the nominees' contribution to swimming, and nominee photograph, if provided. This communication will include the Board Charge, an overview of the Nominating Committee process, and an explanation of the role of the House of Delegates in the election process. Additionally, the Nominating Committee will provide an explanation as to why it has nominated the Proposed Nominees, including a description of how the Proposed Nominees meet the Board Charge.
 - B. A list of all nominees and a ballot for athlete representatives to the Board will be distributed to athletes who meet the USOPC and USA Swimming definitions of "10-Year Athlete" at least 30 days prior to the annual meeting of the House of Delegates, along with instructions informing these athletes how to vote. The list of all nominees will also include a biography/nominee statement, not to exceed 500 words regarding the

nominees' contribution to swimming and a nominee photograph, if provided. This communication will include the Board Charge, an overview of the Nominating Committee process, and an explanation of the role of 10-Year Athletes in the election process. Additionally, the Nominating Committee will provide an explanation as to why it has nominated the Proposed Nominees, including a description of how the Proposed Nominees meet the Board Charge. The period of the election shall be seven (7) days, commencing eight (8) days prior to the annual meeting of the House of Delegates, and closing the day prior.

- C. All individuals placed on the list of all nominees and the ballot must first participate in the above screening and interview process. However, if the Nominating Committee does not propose a nominee, it will notify that individual by July 22 prior to the annual meeting of the House of Delegates. Any such individuals may self-nominate by submitting their names to the Secretary & General Counsel no later than July 31 before the annual meeting of the House of Delegates. These individuals may also provide the same supplemental information as the Proposed Nominees in Paragraph 6(A) and must do so by July 31 for this information to be included on the list of all nominees. These nominees will have the same campaigning rights and restrictions as Proposed Nominees, as outlined in Bylaw 6.3.3(D). If an individual does not first go through the Nominating Committee application, 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 individuals on the list of all nominees and the ballot must sign the Letter of Commitment no later than July 31.
 - E. All individuals placed on the list of all nominees and the ballot must adhere to the rules on campaigning found in Bylaws 6.3.3.(D). Any complaints of prohibited campaigning will be referred to the Ethics Committee, per Bylaw 6.3.3(E) and may be cause for disqualification from the election.
7. **Election:** The ballots distributed to the House of Delegates and to the 10-Year Athletes shall explicitly state/present:
- A. The names of all nominees, including which nominees were proposed by the Nominating Committee and which were not.
 - B. The number of votes that may be cast by each Delegate or athlete.
 - C. For at-large Board positions, the composition requirements for seats open to election.
 - D. The final date by which all ballots must be received.
 - E. The nominees with the highest number of votes, subject to Board composition requirements which must be fulfilled, shall be elected to the Board.
8. **Timeline:** The annual nominations and election cycle timeline shall be:
- January 1: Secretary & General Counsel distributes the Nominating Committee roster/term matrix.
 - February 1: New Nominating Committee appointees confirmed.
 - January/February: At the January/February Board meeting, the Board determines the Board Charge.
 - February/March: The Nominating Committee selects its chairperson and begins updating the Call for Nominations.
 - Early April: The Call for Nominations is announced and promoted/distributed, including via email to the membership and on the USA Swimming website.
 - May 15: Deadline for all nominations to be submitted.
 - May 15 – June 1: Eligibility and good standing screening.
 - June 1 – July 15: Nominee interviews and Nominating Committee review.
 - July 22: Nominating Committee selects Proposed Nominees and notifies those not selected.
 - July 31: Biography/nominee statement due from all nominees; deadline for individuals not proposed to self-nominate and also provide biographies/nominee statements. Letters of Commitment due from all nominees

to be placed on the ballot.

- August 7: Nominating Committee sends the list of nominees and the ballots sent to the House of Delegates and 10-Year Athletes.
- Eight (8) days prior to the annual meeting of the House of Delegates: Electronic balloting begins for the athlete representative election. Balloting closes the day prior to the meeting, with the election results announced simultaneous to those of the at-large election.
- Three (3) days before the annual meeting of the House of Delegates: Ballot re-sent to final, confirmed members of the House of Delegates.
- Annual meeting of the House of Delegates: Live/pre-taped Meet the Candidates. The at-large election is conducted and the elected at-large and athlete representative(s) are announced.

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Policy 2.10 Budgeting for Board Prerogatives

Date of adoption / Last revision: *December 6, 2021*



The Board will consciously invest in its ability to govern effectively. Accordingly:

1. The Board will allocate resources to ensure that it has sufficient skills, methods, and supports to assure excellence in its leadership.
 - A. Training will be used appropriately to orient new Board members and to increase existing Board members' skills and knowledge.
 - B. Outside monitoring, including fiscal audit, will be arranged as needed to help the Board have confidence that organizational performance meets expectations, as stated in these Governing Policies. This includes, but is not limited to, audits, reviews, or opinions on fiscal, legal, or governance matters.
 - C. Effective communications will be used as needed to ensure the Board understands USA Swimming's members' and public viewpoints and values.
2. Costs will be prudently incurred, but sufficient to ensure the development and provision of superior governance. Annual governance prerogatives to be considered include costs for:
 - A. Board meetings (including Board member travel; USA Swimming must cover travel costs for athlete Board members to attend Board meetings).
 - B. Board member reimbursements for authorized attendance at conferences, workshops, etc.
 - C. Board training (governance consulting, publications, etc.).
 - D. Fiscal audit and other third-party monitoring of organizational performance.
 - A. Opinion surveys, focus groups, and other membership linkage activities.
 - B. Board Committee functions (other than Audit, as described in D above).
 - C. Chair's discretionary expenses.
 - D. Board meeting technology/software platform.
3. The Board will establish its budget for these prerogatives in the next fiscal year each year during the Board meeting normally held in September, so that it may be incorporated into the overall USA Swimming budget prepared by staff for presentation to the Board in November.

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Policy 2.11 Allied Member Director Election Policy

Date of adoption / Last revision: *March 24, 2022*



Pursuant to Bylaw 4.2.5, the Board composition must include one individual directly representing the interests of all organizations that are members of USA Swimming under Bylaw 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"). If there is no individual currently serving in the Allied Member Director position, the House of Delegates will elect an additional individual in accordance with Bylaw 6.3, who shall be an at-large voting member.

1. **Recognition of Organizations:** By January 1 of each year,¹ any organization that satisfies the criteria to be an "Allied Member," as defined by Bylaw 4.2.5, must submit a request to the Board to be identified as such. At the January/February² Board meeting, the Board will determine whether the organization is in fact an Allied Member. The Board will ensure that any such representation reflects the nature, scope, quality, and strength of the programs and competitions of the applicable organization in relation to all other programs and competitions in the sport in the United States. Only Allied Members may nominate individuals for election to fill the Allied Member Director seat.
2. **Call for Nominations:** If the Allied Member Director seat is currently open or an incumbent Allied Member Director's term is in its final year, the Secretary and General Counsel shall, following the January/February³ Board meeting, inform any Allied Member(s) of the opportunity and deadline to nominate individuals to serve as the Allied Member Director. To ensure that prospective nominees are aware of the responsibilities and expectations of USA Swimming Board members, nominated individuals will be expected to complete the application form and review all other information as outlined in Policy 2.9.3.
3. **Nominations:** If this Allied Member Director seat is open, any Allied Member may nominate one individual (an "Allied Member Nominee") to represent its interests and, if there are multiple Allied Members, to serve as a representative of their collective interests. The Allied Member must clearly state that it is submitting an individual for the Allied Member Director seat, by submitting the nominee's name to the Secretary & General Counsel by the application deadline.
 - a. An individual may not be later designated as an Allied Member Nominee if not designated at the application stage by an Allied Member.
 - b. Each Allied Member may only submit one Allied Member Nominee per election cycle.
 - c. An Allied Member Nominee must fill out the application, social media consent form, and the Letter of Commitment, as outlined in Policy 2.9.3.
 - d. An Allied Member Nominee must also undergo the screening outlined in Policy 2.9.4.
 - e. The Secretary & General Counsel will conduct the screening process in Policy 2.9.4 to determine whether any Allied Member Nominee is eligible to serve on the Board. If the screening and eligibility requirements, including those in Bylaw 4.6, are met, the Secretary & General Counsel will inform the Allied Member that its Allied Member Nominee is verified. Otherwise, the Secretary & General Counsel will inform the Allied Member that the Allied Member Nominee has not met the screening and/or eligibility requirements and may not fill the Allied Member Director seat.

¹ For the 2022 election cycle only, this deadline will be extended to April 1, 2022.

² For the 2022 election cycle only, this reference to the January/February Board meeting shall be replaced by the Spring Board meeting.

³ For the 2022 election cycle only, this reference to the January/February Board meeting shall be replaced by the Spring Board meeting.

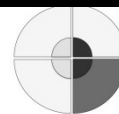
- f. If an Allied Member Nominee does not meet the candidate screening requirements in Policy 2.9.3, they are ineligible to run for or be elected to the Board during that election cycle.
- 4. **Selection of Allied Member Director if Only One Allied Member Nominee:** If the Secretary & General Counsel determines that only one Allied Member Nominee has fulfilled the nominations requirements in Paragraph 3 and has met the screening and eligibility requirements in Policy 2.9.4, the Allied Member Nominee will commence a four-year term at the first meeting of the Board subsequent to the annual meeting of the House of Delegates that September.
- 5. **Election of Nominees if Multiple Allied Member Nominees:** If the Secretary & General Counsel verifies that more than one Allied Member Nominee has fulfilled the nominations requirements in Paragraph 3 and has met the screening and eligibility requirements in Policy 2.9.4, the following rules will apply instead of those in Paragraph 4.
 - a. By June 1, the Secretary & General Counsel will inform all Allied Members that there are multiple verified Allied Member Nominees, and that the Allied Member must collectively agree on who shall serve a 4-year term as the Allied Member Director.
 - b. The Allied Members will be informed that they must convey their collective decision to the Secretary & General Counsel no later than June 15. Failure to do so will forfeit all Allied Members' right to elect a direct representative to the Board in the current election cycle, resulting in the Nominating Committee having one additional at-large seat for which it is to propose at least two, and not more than three nominees, per Policy 2.9.6.
 - c. If there are multiple Allied Member Nominees, any Allied Member Nominee not selected by the Allied Members as the Allied Member Director may not run for any other open Board seats during the same election cycle.
 - d. The Allied Member Director shall not be eligible for election to a Board office, as prohibited by Bylaw 4.4.

If the Allied Member Director relinquishes their seat prior to the end of their term, or is otherwise removed from the Board, the seat will be open in the next election cycle per the terms of this Policy.

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Policy 3.0 General Management Constraint

Date of adoption / Last revision: *December 6, 2021*



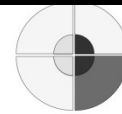
Management Parameters

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

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Policy 3.1 Treatment of Members/Customers

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

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

Further, the CEO will not:

1. Collect, review, transmit, store, or destroy member/customer data without protecting against improper access to that information.
2. Operate without clearly conveying to members/customers what may be expected from the USA Swimming programs and services offered.
3. Operate without exhibiting operational and financial transparency. 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.
4. Operating without ensuring that athlete safety rules, policies, and procedures comply with the requirements of the USOPC, the Fédération Internationale De Natation ("FINA"), and the U.S. Center for SafeSport.
5. Operate without enforcing the USA Swimming Code of Conduct.

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Policy 3.2 External Relations

Date of adoption / Last revision: *December 6, 2021*



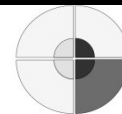
Management Parameters

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: the USOPC, FINA, the National Collegiate Athletic Association, the American Swim Coaches Association, the College Swimming & Diving Coaches Association of America, Association of Chief Executives in Sport, the U.S. Anti-Doping Agency, etc.

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Policy 3.3 Treatment of Employees and Volunteers

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

With respect to the treatment of employees and volunteers, the CEO will not cause or allow conditions that are unfair, unsafe, or undignified.

Pertaining to employees, the CEO will not:

1. Operate without ensuring employees are provided with written personnel policies, reviewed by qualified legal counsel, which clarify personnel rules for employees and provide for effective handling of complaints/grievances.
 - A. Allow employees to be unaware of the Governing Policies including, but not limited to, this Policy 3.3 *Treatment of Employees and Volunteers*, along with the CEO's interpretations of staff's protections under this Policy.
2. Allow employees to be unprepared to deal with reasonably foreseeable emergency situations.
3. Retaliate or allow retaliation against an employee for non-disruptive, internal expression of dissent, or for reporting to management or to the Board (per the processes for handling of grievances in the Employee Handbook or policies) acts or omissions by USA Swimming personnel, management, or the Board that the employee believes, in good faith and based on credible information, constitute a violation of state or federal law or the Governing Policies.
 - A. Prevent employees from grieving to the Board when (a) internal grievance procedures outlined in the USA Swimming Employee Handbook have been exhausted and (b) the employee alleges that the Governing Policies have been violated.
4. Per the Ted Stevens Olympic & Amateur Sports Act, the CEO will not allow any individual who is an employee, contractor, or agent of USA Swimming to assist a member or former member in obtaining a new job, if that individual knows that such member or former member violated the policies or procedures of the U.S. Center for SafeSport related to sexual misconduct or was convicted of a crime involving sexual misconduct with a minor in violation of applicable law. This prohibition is in addition to any restrictions set for in the USA Swimming Employee Handbook.

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Policy 3.4 Financial Condition and Activities

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

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 the Board's Ends priorities.

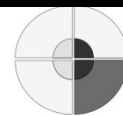
Further, the CEO will not:

1. Manage finances without adherence to applicable Generally Accepted Accounting Principles as promulgated by the Financial Accounting Standards Board.
2. 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.
3. Allow cash and cash equivalents to drop below that amount necessary to meet operating expenditures over a 30-day period.
4. Borrow funds (with exception of credit cards used for normal business purposes paid in full each month).
5. Use Board-designated Operating Reserve funds.
6. Operate without settling payroll obligations and payables in a timely manner.
7. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
8. Execute a purchase commitment, check, or electronic funds transfer for greater than \$250,000 unless such purchase was explicitly itemized in budget monitoring data previously disclosed to the Board. Splitting orders to avoid this limit is not acceptable.
9. Acquire, encumber, lease, or dispose of real property.
10. Operate without aggressively pursuing material receivables after a reasonable grace period.
11. Operate without adequate internal controls over receipts and disbursements to avoid unauthorized payments or material dissipation of assets.
 - A. Operate without clearly delineated procedures and limitations for payment/reimbursement of authorized expenses incurred by Board members and committee members, and others who are entitled to reimbursement from USA Swimming.
 - B. 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.

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Policy 3.5 Asset Protection

Date of adoption / Last revision: December 6, 2021



Management Parameters

The CEO will not cause or allow USA Swimming's assets to be unprotected, inadequately maintained, or unnecessarily risked.

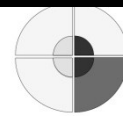
Further, the CEO will not:

1. Allow USA Swimming to be without sufficient insurance coverage, including:
 - A. Casualty losses and property 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.
 - D. Cyber-security.
2. Subject USA Swimming's facilities and equipment to improper wear and tear or insufficient maintenance.
3. Operate without employing risk management practices to minimize exposure of the organization, the Board, staff, or their agents to claims of liability.
4. Allow procurements without reasonable protection against conflicts of interest.
5. Allow a purchase of any material amount without having compared prices and quality.
6. Allow USA Swimming's intellectual property, information, resources, and files to be exposed to loss, improper access, misuse, or significant damage.
7. Operate without adhering to a Records Retention Schedule, approved by the Secretary & General Counsel, for the maintenance of documents and records.
8. Operate without internal controls over receipts and disbursements, and to prevent dissipation of assets, sufficient to meet the Board-appointed auditor's recommendations (as set forth in the auditor's Management Letter and/or other communications).
9. 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.
10. Invest operating capital or reserve funds in a manner inconsistent with the Investment Policy.
11. Endanger USA Swimming's public image or credibility.
12. Substantially alter the organization's corporate identity.

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Policy 3.6 Financial Planning and Budgeting

Date of adoption / Last revision: ~~December 6, 2021~~ July 18, 2022



Management Parameters

Financial planning for any fiscal year, the remaining part of any fiscal year, or any quadrennial cycle will not deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to address multi-year planning needs and considerations. Additionally, the Board is responsible for review and approval of financial statements and financial control policies.

Accordingly, the CEO will not allow budgeting that:

1. Risks incurring those liquidity situations or conditions described as unacceptable in Policy 3.4 *Financial Conditions and Activities*.
2. Omits credible projection of revenues and expenses, separation of capital and operational items, and disclosure of planning assumptions.
 - A. An investment return of up to 4.7% of the previous fiscal year end balance of Undesignated and Board-Designated Operating Reserve funds may be projected as operating revenue.
3. Plans the expenditure in any quadrennial cycle of more funds than are conservatively projected to be received.
4. Fails to allocate appropriate gross cash revenues to the Board Designated Operating Reserve, if that fund level is and has been less than 75% of its targeted threshold of six months (50% of annual) Program Funding and Operating Costs for two consecutive years.
5. Omits allocation for Board activities per the Budgeting for *Board Process Policies*.

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Policy 3.7 Compensation and Benefits

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

With respect to employment, compensation, and benefits for employees, consultants, contractors, or volunteers, the CEO will not cause or allow jeopardy to USA Swimming's fiscal integrity or public image.

The CEO will not:

1. Establish salaries and benefits that deviate materially from the geographic and/or professional market value for the skills employed.
2. Change their own compensation.
3. Change their own benefits, except as consistent with the package for all other employees.
4. Promise or imply anything other than "at-will" employment.
5. Create obligations to consultants or contract vendors that are not consistent with annual/quadrennial budget plans.
6. Establish or change retirement benefits that would cause situations unpredictable for the organization or inequitable for employees.

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Policy 3.8 Emergency Management Succession

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

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

Further, the CEO will not:

1. Have fewer than two (2) other members of the management team sufficiently familiar with Board and CEO issues and processes to enable either member to take over with reasonable proficiency as an interim successor.

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Policy 3.9 Board Awareness and Support

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

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

1. Withhold, impede, or confound information necessary for the Board's informed accomplishment of its job. The CEO will not:
 - A. Neglect to submit monitoring reports (including the CEO's policy interpretations, as well as compliance data) required by the Board (see Policy 4.4 *Monitoring CEO Performance* in a timely, accurate, and understandable fashion.
 - B. Let the Board be unaware of any actual or anticipated noncompliance with *Ends/Priority Results* Policies and adherence to *Management Parameters* Policies, regardless of the monitoring schedule set forth by the Board.
 - C. Let the Board be without objective background/decision information it periodically requests, or unaware of relevant trends or incidental information (e.g., anticipated adverse media coverage, threatened or pending lawsuits, or material external and internal/organizational changes). Notification of planned internal changes is to be provided in advance, when feasible.
 - D. Let the Board be unaware of any Board or Board member actions that, in the CEO's opinion, are not consistent with *Board Process* Policies and *Board-Management Delegation* Policies particularly in the case of Board or Board member behavior that is detrimental to the working relationship between the Board and the CEO.
 - E. Present information in unnecessarily complex or lengthy form or without differentiating among three types of written communications: 1) monitoring, 2) decision preparation or "action item", and 3) incidental/for informational purposes only.
2. Allow the Board to be without logistical and administrative support for official Board, officer, or committee communications and functions.
3. Interact with the Board in a way that favors or privileges certain Board members over others except when:
 - A. Fulfilling individual requests for information, or
 - B. Responding to officers or committees duly charged by the Board.

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without establish

Policy 3.10 LSC REPORTING REQUIREMENTS

Date of adoption / Last revision: *December 6, 2021*



Management Parameters

With respect to relationships with LSCs, the CEO will not operate without establishing and maintaining a cohesive national organizational structure ensuring appropriate alignment between USA Swimming and its LSCs.

Further, the CEO will not:

1. Operate without standardized contractual agreements between USA Swimming and the Boards of Directors of the LSCs, delineating mutual expectations and responsibilities, including but not limited to:
 - A. Alignment with the mission/Ends of USA Swimming.
 - B. Protection of USA Swimming from assumption of financial liability for the activities of the affiliated chapters and regions.
 - C. Use of USA Swimming's name, insignia, logo, and brand.
 - D. Requiring that any revisions to LSC Bylaws are submitted to USA Swimming's Secretary & General Counsel, or their designee, to verify consistency with "Required Bylaws" provisions of USA Swimming's Rules and Regulations.
 - E. Terms and conditions for disbursement of dues.

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Policy 3.11 USA Swimming Foundation Management

Date of adoption / Last revision: *December 6, 2021*



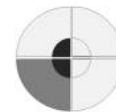
Management Parameters

The CEO will not operate without ensuring the fulfillment of mutual obligations outlined in the Memorandum of Understanding between the USA Swimming Foundation and USA Swimming.

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Policy 4.0 Board/Management Connection

Date of adoption / Last revision: *December 6, 2021*



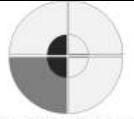
Board/Management Delegation

The Board's official connection to the operating organization, its achievements, and its conduct is through the CEO.

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Policy 4.1 Unity of Control

Date of adoption / Last revision: *December 6, 2021*



Board/Management Delegation

The Board acts with one voice in establishing expectations of the CEO.

Accordingly:

1. No Board member, officer, or committee has authority over the CEO, or any member of the CEO's staff, except in rare instances when the Board member, officer, or committee has been explicitly authorized to direct or use staff resources for a specific issue.
2. Board members and committees may request information, but if such request—in the CEO's judgment—requires a material amount of staff time or funds or is disruptive, it may be declined. The committee or Board member may then refer the request to the full Board for consideration.

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Policy 4.2 Accountability of the CEO

Date of adoption / Last revision: *December 6, 2021*



Board/Management Delegation

All Board authority delegated to management is delegated through the CEO. Therefore, the authority and accountability of staff, as far as the Board is concerned, is the authority and accountability of the CEO.

Accordingly:

1. The Board will not give instructions to any staff other than the CEO (without consent of the CEO).
2. The Board will not evaluate, either formally or informally, any staff other than the CEO.
3. The Board will consider and evaluate CEO performance as synonymous with organizational achievement of Ends and compliance with *Management Parameters* Policies. No performance measure established by the Board or a subset of the Board shall conflict with or modify this measure of performance.
4. Consequently, the CEO's accountability and evaluation will be based on performance in two areas:
 - A. Organizational achievement of *Ends/Priority Results* Policies.
 - B. Organizational operations within the parameters of legality, prudence, and ethics established in *Management Parameters* Policies.

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Policy 4.3 Delegation to the CEO

Date of adoption / Last revision: *December 6, 2021*



Board/Management Delegation

The Board will direct the CEO through written policies setting forth the organizational Ends to be achieved and organizational situations/actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

Accordingly:

1. *Ends/Priority Results* Policies direct the CEO to achieve certain results, for certain recipients at a specified worth or priority. These policies will be systematically developed from the broadest level, to more defined levels.
2. *Management Parameters* Policies define the boundaries of legality, prudence, and ethics within which the CEO is free to operate. These policies describe the practices, activities, decisions, and circumstances that would be unacceptable to the Board, even if effective in producing the desired results. Management Parameters will also be systematically developed from the broadest, most general level to more defined levels. To ensure accountability for performance, the Board will not prescribe organizational means delegated to the CEO.
3. An Ends or Management Parameters policy at a given level does not limit the scope of any preceding level.
4. The CEO is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities, as long as they are consistent with any reasonable interpretation of *Ends/Priority Results* Policies and *Management Parameters* Policies.
5. The Board may change *Ends/Priority Results* Policies and *Management Parameters* Policies, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the latitude of choice and authority given to the CEO. However, as long as any particular policy delegation is in place, the Board will respect and support decisions made by the CEO that are consistent with reasonably interpreted Board policy.

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Policy 4.4 Monitoring CEO Performance

Date of adoption / Last revision: April 22, 2022



Board/Management Delegation

The Board will systematically monitor CEO job performance, determining the extent to which Ends are being achieved and whether operational activities fall within boundaries established in *Management Parameters* Policies.

Accordingly:

1. Monitoring is simply to determine the degree to which the Governing Policies are being met. Information that does not address accomplishment of Ends and compliance with Management Parameters will not be considered in the Board's evaluation of CEO performance.
2. *Ends/Priority Results* Policies and *Management Parameters* Policies may be monitored by one or more of three methods:
 - A. Internal Reports: The CEO discloses in writing their policy interpretations, along with data supporting their assessment of accomplishment of, or compliance with, the Policy under review. As appropriate in a given context, the CEO may present information supporting the "reasonableness" of their interpretation.
 - B. External Reports: An external, disinterested third party selected by and reporting to the Board assesses accomplishment of, or compliance with, the Governing Policies, as reasonably interpreted by the CEO.
 - C. Direct Board Inspections: A designated Board member(s) or committee assesses CEO compliance with a given policy, as reasonably interpreted by the CEO.
3. In every case, the Board is committed to accepting any reasonable CEO interpretation of the Board Policy being monitored. The Board is the judge of reasonableness and will always use the "reasonable person" test (whether what the CEO did was what a reasonably prudent executive would do in that context), even if those choices differ from those the Board or any of its members may have made.
4. In every case, the Board will judge whether:
 - A. The CEO's interpretation is reasonable, and
 - B. Data demonstrates reasonable accomplishment of, or compliance with, the CEO's interpretation.
5. Interpretations determined by the Board not to be reasonable, or data determined not to demonstrate reasonable accomplishment of, or compliance with, a Board Policy as interpreted, will be subject to a remedial process agreed to by the Board. *Such discussions will be in closed session.*
6. All Policies instructing the CEO will be monitored at a frequency and by a method chosen by the Board. The Board may monitor any policy at any time by any method, but will ordinarily depend on the following routine schedule:

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Policy 4.4 Monitoring CEO Performance, continued

Date of adoption / Last revision: April 22, 2022



Board/Management Delegation

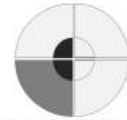
CEO MONITORING SCHEDULE			
POLICY	METHOD	FREQUENCY	SCHEDULE (BY END OF MONTH)
Ends/Priority Results			
1.0 Broadest: (Growth/Success of Swimming)	Internal	Annually	January/February
1.1 Competitive Success	Internal	Annually	Annual Business Meeting
1.2 Successful Athletes, Coaches and Clubs	Internal	Annually	November
1.3 Public Engagement with Swimming	Internal	Annually	January/February
1.4 Recognition of USA Swimming:	Internal	Annually	Annual Business Meeting
Management Parameters			
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	Annual Business Meeting
3.5 Asset Protection	Internal	Annually	Spring
3.6 Financial Planning and Budgeting	Internal	Semi-Annually	Annual Business Meeting – Mid-year update/re-forecast November – Annual forecast
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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Policy 4.5 Board Access to CFO in Internal Auditor Capacity

Date of adoption / Last revision: *December 6, 2021*



Board/Management Delegation

Direct but limited access to the Board by the Chief Financial Officer (“CFO”), in an internal auditor capacity, is an exception to the exclusive role of the CEO in connecting governance and management.

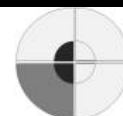
Accordingly:

1. If after having brought to the CEO’s attention any financial impropriety discovered in the course of their own work, the CFO feels that the CEO has failed to address the impropriety, the CFO must report that impropriety to the Vice-Chair Fiscal Oversight.
2. Impropriety in this context means a material deficiency in financial management or a violation of the Governing Policies regarding financial affairs of USA Swimming.
3. Nothing in this Policy impedes the CEO from exercising their Board-granted prerogative to interpret applicable Board policies under the “reasonable interpretation” rule, nor does it remove from the Board the right to judge reasonableness. However, *impropriety* as used above can indicate that in the opinion of the CFO as an internal auditor, an interpretation made by the CEO is not “reasonable.”
4. The CFO is in all other ways subject to the CEO’s managerial authority, as are all other employees, and has no direct access to the Board except as described in this Policy. The CEO may not impede the CFO’s official access as an “internal auditor” as described in this Policy, or seek to inappropriately influence the content of the CFO’s reporting to the Board as set forth in this Policy.
5. Nothing in this Policy shall be deemed to limit or prohibit the Board from hiring external or internal auditors who report to the Board or any audit or other committees established by the Board for such purposes.

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Policy 4.6 Board Relationship w/the Secretary & General Counsel

Date of adoption / Last revision: December 6, 2021



Board/Management Delegation

As USA Swimming's chief legal officer, the role of the Secretary & General Counsel is to ensure that the actions of USA Swimming's Board and its CEO take place with competent and prudent legal counsel and representation.

The following pertains exclusively to the Secretary & General Counsel's capacity as the chief legal officer of USA Swimming:

1. Accountability of the Secretary & General Counsel

- A. The Secretary & General Counsel is accountable to, and serves at the pleasure of the CEO, and shall also provide regular updates pertaining to governance-related issues to the Board Chair.
- B. If Board members or committees request information or assistance without Board authorization, the Secretary & General Counsel may refuse such requests that require, in their opinion, an inappropriate amount of staff time or funds or are disruptive. In such a case, the requestor may choose to bring the request to the Board.
- C. The Secretary & General Counsel is accountable for all resources, including personnel, under their control. Therefore, any accomplishments or violations due to actions of a subordinate of the Secretary & General Counsel are considered accomplishments or violations by the Secretary & General Counsel.
- D. The Secretary & General Counsel may accomplish the "Job Products of the Secretary & General Counsel" of the position in any manner not imprudent, unethical, or in violation of the prohibitions listed below under "Limitations on Secretary & General Counsel Authority."
- E. The Secretary & General Counsel may use any reasonable interpretation of Board policies.

2. Job Products of the Secretary & General Counsel

- A. Timely opinion on:
 - i. Any action or document submitted by the CEO for preparation or opinion.
 - ii. Legal ramifications of pending litigation.
 - iii. Legal process of the Board.
 - iv. Any action or document of the Board or of duly appointed Board Committees submitted for opinion.
 - v. When requested or appropriate, alternate language or action to achieve Board or CEO intentions in a lawful manner.
- B. If after having brought to the CEO's attention any non-financial operational impropriety discovered in the course of their own work, the Secretary & General Counsel feels that the CEO has failed to address the impropriety, the Secretary & General Counsel must report that impropriety to the Board Chair.
 - i. Impropriety in this context means a material deficiency in operational management or a violation of the Governing Policies regarding operational affairs of USA Swimming.
 - ii. Nothing in this Policy impedes the CEO from exercising their Board-granted prerogative to interpret applicable board policies under the "reasonable interpretation" rule, nor does it remove from the Board the right to judge reasonableness. However, *impropriety*, as used in Policy 4.6.2.B above, would indicate that in the opinion of the Secretary & General Counsel, an interpretation made by the CEO is not "reasonable."
- C. The Secretary & General Counsel shall keep, or cause to be kept, at the principal offices of USA Swimming:
 - i. A book of minutes of all meetings, proceedings, and actions of the Board and of the HOD. All minutes for at least the prior three years must be made publicly available by the Secretary & General Counsel on USA Swimming's website; minutes must be published quarterly, at a minimum. The Secretary & General Counsel must also provide any prior Board meeting minutes to the USOPC upon request.
 - ii. A copy of the Articles of Incorporation and the Bylaws, as amended.
 - iii. A record of the membership, showing each member's name, address, and class of membership;

- iv. A notice of all meetings of members and of the Board as required by the Bylaws to be given.
- D. The Secretary & General Counsel shall supervise the activities of the Board when the Board (or a panel thereof) hears an appeal from a National Board of Review decision or in those matters where the Board accepts original jurisdiction.
- E. The Secretary & General Counsel shall provide advice regarding avoidance of litigation or settlement of litigation, including:
 - i. Timely provision to the Board and the CEO on the status of all threatened/actual litigation and the status of any settlement negotiations.
 - ii. Diligent and competent representation of USA Swimming in litigation.
 - iii. Negotiations for settlement.
 - iv. Settlement of litigation, with authority as obtained from the CEO.
- 3. **Limitations on the Secretary & General Counsel Authority.** The Secretary & General Counsel shall not:
 - A. Exercise authority over CEO or staff other than those directly reporting to Secretary & General Counsel.
 - B. Violate applicable codes of professional ethics and conduct.
 - C. Treat the public or staff in a disrespectful or unfair manner.
 - D. Fail to apprise the CEO of the status of settlement negotiations and all threatened/actual litigation.
 - E. Contract out legal services except as justified by excess workload or insufficient expertise of legal staff, and within the Board allocated budget for the Secretary & General Counsel's office.
 - F. Make expenditures or fiscal encumbrances beyond those authorized under Board policy.
 - G. Unreasonably withhold information from the CEO, nor fail to cooperate with the CEO in the performance of their official functions.
- 4. **Evaluation of Secretary & General Counsel Performance.**
 - A. The Secretary & General Counsel accountability shall be established by the CEO, within the guidelines set forth above. The CEO shall be responsible for evaluating and compensating the Secretary & General Counsel.

Appendix A. Governing Principles

To ensure a design of its work that provides for systematic role clarity and accountability for both the Board and the operating organization, the Board acts and makes its governing decisions based on the following Governance Principles:

1. **Ownership:** The Board's authority is derived from, and its accountability is connected to, the membership, the USOPC, and the American public, standing in a position corresponding to shareholders in an equity corporation.
2. **Governance Purpose:** With the membership, the USOPC, and the American public above it and USA Swimming operations below it, the Board's governance role is to exercise its authority and properly empower others rather than to be management's consultant, substitute, or adversary.
3. **"One Voice":** The Board makes authoritative decisions directed toward management and toward itself, its individual members, and its committees, only as a total group, and it speaks to the public with one voice. The Board's authority, therefore, is group authority rather than a summation of individual authorities.
4. **Ends Policies:** The Board defines in writing the strategic results priorities describing intended organizational impacts, benefits, outcomes, recipients, and their relative worth (what results, for which recipients, at what cost/priority). These are not all the possible "side benefits" that may occur, but *those that form the purpose of USA Swimming, the achievement of which constitutes organizational success.*
5. **Board Means Policies:** The Board defines in writing those values-added behaviors, practices, disciplines, and conduct of the Board itself, and of its delegation/accountability relationship with the CEO. These decisions are categorized as *Board Process Policies* and *Board-Management Delegation Policies*.
6. **Management Parameters Policies:** The Board makes decisions with respect to management decisions and actions only in a proscriptive way in order to simultaneously (a) avoid prescribing means (how can it hold staff accountable for results if the Board has mandated the processes by which they are to be achieved?) and (b) put off limits those decisions or circumstances that would be unacceptable even if they work.
7. **Policy "Sizes":** The Board's policy decisions are made beginning at the broadest, most inclusive level and, if necessary, continuing into more detailed levels that narrow the interpretative range of higher levels, one articulated level at a time.
8. **Delegation to Management:** The Board honors the exclusive authority/accountability of the CEO's role as the sole official connection between governance and management.
9. **Any Reasonable Interpretation:** In delegating further decisions – beyond those recorded in board policies – the Board grants the CEO the right to use any reasonable interpretation of *Ends/Priority Results Policies* and *Management Parameters Policies*. With regard to *Board Process Policies* and *Board-Management Delegation Policies*, the Chair is granted such authority, except when the Board has explicitly designated another Board member or party (e.g., committee or task force)
10. **Monitoring:** The Board monitors organizational performance through fair but systematic assessment of whether a reasonable interpretation of *Ends/Priority Results Policies* are being achieved and a reasonable interpretation of *Management Parameters Policies* is being complied with. This constitutes the basis of the CEO's evaluation.

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Appendix B. Investment Policy

Date of adoption May 1990 / Last revision: April 2019

Investment Policy Statement For USA Swimming, Inc. April 2019

Overview

USA Swimming, Inc. is a not-for-profit organization with national headquarters located in Colorado Springs, Colorado. USA Swimming, Inc. maintains an investment portfolio for the benefit of its members and mission.

Purpose of Investment Policy Statement

The purpose of this Investment Policy Statement is to assist the Investment Committee of USA Swimming, Inc. (sometimes referred to herein as the “Committee”) in effectively establishing, supervising, monitoring and evaluating the investments maintained in the portfolio (referred to as “The Portfolio” which includes all USA Swimming portfolio assets, including operating funds, unless specifically stated otherwise).

The Policy:

1. Defines the investment goals and objectives of The Portfolio;
2. Documents the material facts considered and the process used to arrive at the investment decisions reached;
3. Establishes an asset allocation and investment management strategy designed to have a high probability of meeting the goals and objectives of The Portfolio;
4. Establishes a disciplined decision-making process to be followed by the investment advisors and managers in implementing the investment strategies decided upon;
5. Establishes a criterion for evaluating the success of the investment management of The Portfolio; and
6. Documents the procedural prudence followed by the Committee in taking the investment course of action followed.

With respect to the investment portion of the portfolio (referred to as “the Investments”) that are managed by the Investment Advisor “Advisor,” this statement also establishes a clear understanding between the Investment Committee and the Advisor concerning the investment policies and objectives of USA Swimming, Inc. It is contemplated that the Advisor will employ Investment Managers “Manager(s)” to manage specific segments of the Investments. The Advisor will be responsible for overseeing the Investments, monitoring individual manager performance and compliance with this document with respect to the Investments, and making asset allocation recommendations.

Goals and Objectives

Portfolio Goals

It is a primary goal of USA Swimming, Inc. to invest the financial assets of the organization, in excess of funds needed for current operations, and to provide maximum earnings growth, based on a total return, consistent with a policy of prudent investment and protection of assets. It is also the policy of the organization to maintain operating funds to provide for liquidity to meet current operating and capital expenditure needs.

Investment Objectives

A. Investment Funds

The invested assets of USA Swimming, Inc. is invested and maintained in a balanced investment program. The primary objective is to provide maximum growth consistent with a policy of prudent investment and protection of assets. Growth will be attained through appreciation of assets, the inclusion of additional funds when available, and from retention of earnings of the fund except earnings caused to be withdrawn as hereinafter provided.

B. Short Term Operating Account

The Short Term Operating Account is comprised of primarily operating funds that could reasonably be expected to be spent over the next 3 to 12 months. The account will be managed by the Chief Financial Officer. The securities in the account will be limited to the following investment vehicles and restrictions:

	Single Security <u>Limit</u>	Minimum <u>Quality</u>	Maximum <u>Maturity</u>
Money Market Funds	None	N/A	N/A
US Treasuries	None	N/A	1 yr
Agency Discount Notes	None	None	None
Commercial Paper	\$1,000,000	A2/P2	1 yr
Corporate Bonds	\$1,000,000	A3/A-	1 yr

Asset Allocation

The asset allocation under the Investment Policy will meet the stated goals and objectives. The asset allocation is based upon the following:

- A. That it is not productive to “time” the markets. Rather, long-term strategic asset allocation, based upon the principles of Modern Portfolio Theory, is the most prudent investment approach. That is, effective diversification can reduce risk. In utilizing this methodology, it is important to diversify into all the major asset classes as set out below, and to diversify by investment style and money manager.
- B. That gains and losses have a significant impact upon the Investments’ growth objective.
- C. That portfolios with a greater amount of stock allocations and a lesser amount of bond allocations have a higher probability of short-term losses and of long-term higher returns than portfolios with lesser amounts of stocks.

Therefore, since long-term higher returns are very important in meeting the objectives of the Investments, the asset allocation shall contain a mixture of stocks and bonds that subject the portfolio to the potential of moderate, but not devastatingly large short-term losses, and provide the potential for higher long-term returns.

<u>Asset Allocation Mix</u>	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
Stocks	53%	43%	63%
Real Estate	4%	3%	7%
Commodity	3%	0%	7%
Bonds	39%	28%	48%
Cash	1%	0%	5%

Historic* and Expected Returns

The long-term un-audited historic rate of return on the Investments is shown below. It is based on the historic expected long-term total return for each asset class, and then adjusted for interest rate environment and each asset class' percentage weighting in your portfolio. This is compared against the assumed long-term average rate of inflation (as measured by the Consumer Price Index). The difference between the nominal rate of return and the inflation rate is your real (after-inflation) expected return. Actual performance will vary from these assumed rates and there is no guarantee that this return objective will be achieved either in any single year or over the longer term. The portfolio return will also be reduced by the deduction of advisory and money management fees.

	Year 1	Year 3	Year 5	Year 10	Year 20
95th Percentile	21.25	14.22	12.11	10.27	9.07
Expected Value	5.4	5.77	5.88	5.92	5.98
5th Percentile	-5.87	-1.17	0.27	1.87	3.01

*Mathematically calculated returns are based on historic asset class returns. Based on First Western Investment Advisor's capital market assumptions, the expected value returns are believed to be in the 5% - 6% range gross of investment advisory fees.

At least two benchmarks for each asset class shall be selected to compare future performance against. One or more passive indices that are reflective of the universe of securities within that asset class shall be selected. In addition, one or more active manager benchmarks will be used to compare relative performance of the investment vehicle used herein to other managers investing within a particular asset class.

It will be the objective of the Portfolio to outperform a blended benchmark consisting of 53% MSCI All Country World Index, 4% NAREIT Dev Index, 3% Bloomberg Commodity Index and 40% Barclays Aggregate Bond Index over a three year rolling period after fees. A secondary objective of the Portfolio will be to earn inflation (CPI) plus 3%. The Committee recognizes that any particular investment strategy will have periods where it will fall short of achieving its goal. During such period, the Committee expects rational explanations for such under-performance.

Risk will be measured by standard deviation and may be more or less risky than the blended index benchmark. Risk in excess of 15% plus or minus the benchmark may require additional examination. Returns will also be monitored on a risk adjusted basis as measured by the Sharpe Ratio. (Return of the portfolio minus the risk free rate divided (the risk free rate is measured by the 5 year Treasury note) by the standard deviation.

Investment Vehicles

In implementing the asset allocation policy, it is intended that there be extensive diversification by investment style. Actively managed Mutual Funds, Exchange Traded Funds (ETF's), and an individually managed Fixed Income portfolio have been selected as the primary methods of effectively implementing the asset allocation strategy.

First Western Trust Investment Advisors, the registered investment advisor to the Investments, will monitor the performance of each fund or manager and report to the Committee. First Western Trust Investment Advisors will recommend replacement of funds or managers.

Rebalancing

The asset allocation shall be rebalanced to the target allocations set out above after any quarter in which one or more of the minimum or maximum allocations are exceeded. Furthermore, in the event of a sudden or significant change in the asset allocation attributable to market conditions, the asset allocation may be rebalanced between quarters.

Costs

The costs associated with the management of each asset class shall be reviewed at least annually. It is the Investments' objective that the total costs of managing the funds, including the investment advisory fees, shall be average or below when compared to the average fees for a similar mix of mutual funds. Averages from Morningstar Analytical Service shall be used for determining the appropriate average.

Communications

Unless otherwise requested, the Advisor must furnish the Investment Committee with a quarterly account review detailing investment performance (time-weighted), portfolio holdings, an investment strategy, and the value of the Investments. The Investment Committee will also receive timely information about changes in investment philosophy, management, ownership, and key personnel of investment vehicles.

Investment Committee meetings will be held quarterly.

The Investment Committee may call more frequent meetings if significant concerns arise about the Advisor's investment strategy or performance of the Investments.

KEY INFORMATION

ORIGINAL INVESTMENT POLICY ADOPTION: May 1990

REVISED: 5/93, 1/97, 5/97, 10/98, 4/01, 12/01, 10/02, 01/05, 04/07, 6/08, 5/10, 4/11, 12/12, 11/16, 5/18, 4/19

IRS TAX IDENTIFICATION: # 20-4264282

CUSTODIAN: BMO Harris Bank N.A. Trust

INVESTMENT ADVISOR: First Western Trust

Execution

This Investment Policy Statement is hereby approved and adopted on April , 2019.

By: _____

Printed Name: Eric Skufca

Title: CFO

By: _____

Printed Name: Douglas Barker

Title: Sr. Portfolio Manager

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Appendix C. Statement of Ethics and Conflict of Interest Policy

Date of adoption / Last revision: March 24, 2022

USA SWIMMING

STATEMENT OF ETHICS AND CONFLICT OF INTEREST POLICY

SECTION 1. STATEMENT OF ETHICS

USA Swimming, Inc. ("USA Swimming") seeks to promote a culture of ethical conduct within its organization and throughout its membership. USA Swimming is committed to developing and implementing policies and procedures to equip its members with the guidance and resources necessary to navigate ethical issues. This Statement of Ethics and Conflict of Interest Policy are intended to reflect certain organizational values, including respect for others, integrity and honesty, competence and accountability, and teamwork.

SECTION 2: CONFLICT OF INTEREST POLICY PURPOSE AND COVERED INDIVIDUALS

USA Swimming's Board of Directors (the "Board"), officers, committee members, task force members, hearing panel members, volunteers, and employees ("Covered Individuals") have the responsibility of administering the affairs of USA Swimming honestly and prudently, and of exercising their best care, skill, and judgment for the sole benefit of USA Swimming. Those persons shall exercise the utmost good faith in all activities and transactions involved in their duties, and they shall not use their positions within USA Swimming, or knowledge gained there from, for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

USA Swimming requires that Covered Individuals recognize and avoid activities, transactions, relationships, or investments that involve, might appear to involve, or could result in a potential conflict of interest. Additionally, where reasonable, contractors shall be required to comply with this policy in their written contracts.

SECTION 3. CONFLICT OF INTEREST DEFINITION

A conflicting interest may be defined as an interest or relationship, direct or indirect, with any of the following:

1. Persons and firms supplying goods and services to USA Swimming.
2. Persons and firms from whom USA Swimming leases property and equipment.
3. Persons and firms with whom USA Swimming is dealing or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property.
4. Competing or affinity organizations.
5. Donors and others supporting USA Swimming.
6. Agencies, organizations, and associations which affect the operations of USA Swimming.
7. Relatives, friends, close associates, and other employees.

Such an interest might arise through the following activities, including but not limited to:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with USA Swimming.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with USA Swimming.
3. Receiving remuneration for services with respect to individual transactions involving USA Swimming.
4. Using USA Swimming's time, personnel, equipment, supplies, or goodwill for anything other than USA Swimming-approved activities, programs, and purposes.

5. Receiving personal gifts or loans from third parties dealing or competing with USA Swimming.⁴

For example, a member of the USA Swimming Nominating Committee (including athlete members) may have a potential conflict of interest if a family member is applying for nomination to the Board.

In the event an individual is unsure whether they may have a potential conflict of interest, they should contact the Ethics Committee.

SECTION 4. CONFLICT OF INTEREST POLICY INTERPRETATION

The relationships and activities of potentially conflicting interest listed in Section 2 are not exhaustive. Conflicts might arise through other relationships or activities. Covered Individuals must recognize such relationships and activities by analogy.

The fact that one of the interests described in Section 2 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of USA Swimming. However, Covered Individuals must disclose the existence of any of the relationships and/or activities described in Section 2 before any related transaction is consummated. It shall be the continuing responsibility of Covered Individuals to scrutinize their transactions and outside business interests, investments, and relationships for potential conflicts and to immediately make such disclosures to USA Swimming.

Additional guidelines intended to assist Covered Individuals when making personal decisions relating to ethical behavior and conflict of interest include:

1. The business of USA Swimming is to be conducted in observance of both the spirit and letter of applicable federal and state laws.
2. USA Swimming properties, services, opportunities, authority, and influence are not to be used for private benefit.
3. Expenses incurred in furtherance of USA Swimming business are to be reasonable, necessary, and substantiated.
4. All are expected to exhibit honesty, loyalty, candor, and professional competence in their relationships with USA Swimming and with each other.
5. Each Covered Individual has the responsibility to maintain the confidentiality of the organization. This includes both proprietary and sensitive information.

SECTION 5. DISCLOSURE POLICY

Each Covered Individual shall annually sign a Disclosure Statement which affirms such individual:

1. Has received a copy of this Conflict of Interest Policy,
2. Has read and understands this Conflict of Interest Policy,
3. Has agreed to comply with this Conflict of Interest Policy, and
4. Understands that USA Swimming is a charitable organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

As new potential conflicts of interest arise, Covered Individuals must update their written disclosure.

Moreover, Board and committee minutes must include the following when a potential conflict of interest is involved in a discussion:

1. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a

⁴ Additional information regarding the receipt of gifts is outlined in USA Swimming's Gifts and Entertainment Policy.

conflict of interest was present, and the Ethics Committee's decision as to whether a conflict of interest in fact existed.

2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Additionally, the following individuals must complete separate disclosure forms:

1. Members of the Selection Procedure Approval Committee, who are responsible for the creation and enforcement of selection procedures
2. Any staff members involved in the creation and enforcement of selection procedures; and
3. Members of any panel empowered to resolve grievances.

The Secretary & General Counsel will distribute disclosure forms to the individuals listed above prior to (a) creating and enforcing a selection procedure or (b) sitting on a grievance panel. To the extent that any conflicts are identified in these Disclosure Forms, the Ethics Committee will review these Disclosure Forms as outlined above, prior to that individual's service.

SECTION 6. DISCLOSURE PROCEDURE

All Disclosure Statements will be provided to the Ethics Committee for review. The Ethics Committee must document its review of any disclosures, by confirming by signature on the Disclosure Statement that each Disclosure Statement has been considered. After disclosure of the conflict or potential conflict of interest and all material facts, and after any needed discussion with the interested person, the Ethics Committee shall decide if a conflict of interest exists and if there are mitigating measures that could be implemented to permit USA Swimming to move forward with the transaction or activity.

If the Ethics Committee determines that Covered Individuals must take certain steps to manage or avoid their potential conflict, that direction must be provided to the Covered Individual in writing and the Covered Individual must acknowledge receipt and understanding in writing, including recognition that directives must be followed as a condition of membership.

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following, at a minimum, are observed:

1. The conflicting interest is fully disclosed to the Ethics Committee;
2. The Ethics Committee has reviewed the Disclosure Statement and considered alternatives to the proposed transaction or arrangement.
3. If the Ethics Committee determines that a more advantageous transaction or arrangement, free of any potential conflict of interest, is not reasonably possible under circumstances, the Ethics Committee shall determine whether the transaction or arrangement is in USA Swimming's best interest, for its own benefit, and whether it is fair and reasonable.
4. In conformity with the above determination, the Ethics Committee shall inform the Covered Individual and the Board or committee in writing whether there is a conflict of interest precluding USA Swimming from entering into the transaction or arrangement, or if there are mitigating measures that may be implemented to alleviate concerns regarding the potential conflict of interest.
5. The person with the conflict of interest must be excluded from the discussion and approval of such transaction.

SECTION 7. VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY

Members of USA Swimming must report potential conflicts of interest violations to the Ethics Committee; USA Swimming strictly prohibits any retaliation for reporting any alleged violations of this Conflict of Interest policy.

The Ethics Committee will investigate reports of any alleged violation of this Conflict of Interest Policy; if the Ethics Committee has reasonable cause to believe a Covered Individual has failed to disclose an actual or possible conflict of interest, or if the Ethics Committee determines that a Covered Individual has not followed one of its directives subsequent to disclosure, it shall inform the Covered Individual of the basis for such belief and afford the Covered Individual an opportunity to explain the alleged failure to disclose.

After the Ethics Committee reviews the Covered Individual's response, it will generate a report of its investigation and findings, and submit such report to all interested parties, as well as to the President & Chief Executive Officer (the "CEO") of USA Swimming and the Board. If the Ethics Committee determines the Covered Individual has failed to disclose an actual or possible conflict of interest, or violated one of its directives following a disclosure, it will take appropriate and reasonable disciplinary and corrective action, including, but not limited to, retroactive disclosure and/or removal from the Covered Individual's leadership position(s) within the organization. The severity of the disciplinary or corrective action will depend upon the severity of the violation.

In the event a member of the Ethics Committee is the subject of the alleged violation and subsequent investigation, the CEO shall refer the matter to outside counsel.

Any appeal of the Ethics Committee's decision shall be referred to the National Board of Review.

SECTION 8. CONTACT INFORMATION

The USA Swimming Ethics Committee and the Secretary & General Counsel are responsible for the enforcement of this policy. All inquiries and questions should be referred to the Ethics Committee or the Secretary & General Counsel:

ethicscommittee@usaswimming.org

Michelle Steinfeld
msteinfeld@usaswimming.org
719-866-3594

SECTION 9. ADDITIONAL RESOURCES

Athlete Ombuds

The Office of the Athlete Ombuds offers independent, confidential advice to elite athletes regarding their rights and responsibilities in the Olympic and Paralympic Movement, and assists athletes with a broad range of questions, disputes, complaints and concerns.

Athlete Ombuds Confidentiality and Privacy Policy

- (A) In general.—The Office of the Athlete Ombuds shall maintain as confidential any information communicated or provided to the Office of the Athlete Ombuds in confidence in any matter involving the exercise of the official duties of the Office of the Athlete Ombuds. (B) Exception.—The Office of the Athlete Ombuds may disclose information described in subparagraph (A) as necessary to resolve or mediate a dispute, with the permission of the parties involved. (C) Judicial and administrative proceedings.—(i) In general.—The ombudsman and the staff of the Office of the Athlete Ombuds shall not be compelled to testify or produce evidence in any judicial or administrative proceeding with respect to any matter involving the exercise of the duties of the Office of the Athlete Ombuds.
- (B) Work product.—Any memorandum, work product, notes, or case file of the Office of the Athlete Ombuds—(I) shall be confidential; and (II) shall not be—(aa) subject to discovery, subpoena, or any other means of legal compulsion; or (bb) admissible as evidence in a judicial or administrative proceeding. (D) Applicability.—The confidentiality requirements under this paragraph shall not apply to information relating to—(i) applicable federally mandated reporting requirements; (ii) a felony personally witnessed by a member of the Office of the Athlete Ombuds; (iii) a situation, communicated to the Office of the Athlete Ombuds, in which an individual is at imminent risk of serious harm; or (iv) a congressional subpoena.

Contact Information

Phone: 719-866-5000

Email: ombudsman@usathlete.org

Website: usathlete.org

USOPC Ethics & Compliance

The USOPC Ethics and Compliance team seeks to empower athletes, USOPC employees and volunteers, NGB employees and volunteers, and other individuals within the U.S. Olympic and Paralympic Movement to raise and report their concerns. Specifically, the USOPC's Ethics and Compliance team reviews and investigates certain reports regarding NGB compliance with the Ted Stevens Olympic and Amateur Sports Act and the USOPC or NGB Bylaws, including conflicts of interest and governance issues. The team also reviews and investigates allegations of USOPC non-compliance and alleged code of conduct violations.

The USOPC Ethics and Compliance team accepts reports related to NGB compliance with the Ted Stevens Olympic and Amateur Sports Act and the USOPC or NGB Bylaws, including conflicts of interest and governance issues, as well as allegations of USOPC non-compliance and alleged code of conduct violations, including discrimination claims.

Contact Information

Any individual may report concerns confidentially, or anonymously, online using the USOPC Integrity Portal (<https://secure.ethicspoint.com/domain/media/en/gui/53006/index.html>). If preferred, individuals may call the USOPC Integrity Hotline at 1-877-404-9935 to report their concern over the phone.

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Appendix D. Whistleblower and Anti-Retaliation Policy

Date of adoption / Last Revision: March 24, 2022

USA SWIMMING WHISTLEBLOWER AND ANTI-RETALIATION POLICY

PURPOSE: The purpose of this Whistleblower and Anti-Retaliation Policy (the “Policy”) is to

- (i) encourage and provide a mechanism for USA Swimming, Inc. (“USA Swimming”) Board members, officers, employees, members, athletes, committee members, task force members, hearing panel members, and volunteers (“Covered Individuals”) to report alleged Retaliation (defined below);
- (ii) encourage cooperation in inquiries and investigations of reported Retaliation;
- (iii) protect Covered Individuals, including any good faith reporter or other reasonable party (e.g. witnesses, victims, etc.), from (a) intimidation or threats to prevent good faith reporting of violations under the jurisdiction of USA Swimming’s National Board of Review (“NBOR”), the USA Swimming Board of Directors, the U.S. Olympic & Paralympic Committee (the “USOPC”), the U.S. Center for SafeSport (the “Center”), law enforcement or other governmental or administrative body (b) Retaliation for good faith reporting of alleged violations, or (c) any other form of Retaliation; and
- (iv) encourage individuals to report any alleged violations in good faith, as well as alleged Retaliation described in (iii).

Additionally, where reasonable, contractors shall be required to comply with this Policy in their written contracts.

RETALIATION: No Covered Individual shall suffer harassment, intimidation, adverse employment or livelihood consequences, or any other form of retaliation (“Retaliation”) for (i) making a good faith report of a violation⁵ to USA Swimming, the USOPC, the Center, law enforcement or other governmental or administrative body; or (ii) participating in an investigation by USA Swimming, the USOPC, or the Center, or an inquiry or investigation by any court, law enforcement, or other governmental or administrative body. “Retaliation” also includes retaliation as described in Article 307 of the USA Swimming Rulebook⁶ and the definition of retaliation included in Section 220501(b)(11) of the Ted Stevens Olympic and Amateur Sports Act (the “Act”).⁷

Additionally, no employee, contractor, agent, volunteer, or USA Swimming itself shall take or threaten to take any action against an athlete as a reprisal for disclosing information to or seeking assistance from the Office of the Athlete Ombuds as outlined in Section 220509(b)(5) of the Act.

REPORTING PROCEDURE: Covered Individuals have a responsibility to report (in good faith) Retaliation to USA Swimming’s Ethics Committee, at the following email address: ethicscommittee@usaswimming.org. Reports may be submitted anonymously (though it may be more difficult to investigate anonymous reports).

⁵ Violations covered under this Policy include, but are not limited to, compliance with the Act, the USOPC Bylaws and policies, USA Swimming’s Bylaws, policies, and procedures, and state and federal laws.

⁶ ARTICLE 307 PROHIBITIONS AGAINST RETALIATION FOR GOOD FAITH REPORTING OF ABUSE

307.1 No Member shall retaliate against any individual who has made a good faith report under 306.1 or 304.3.14.

307.2 For the purposes of 307.1, there shall be a rebuttable presumption that any adverse action regarding the employment, membership, or other material rights of an individual who has made a good faith report under 306.1 or 304.3.14 within 90 days of a report is retaliatory. An adverse action includes, without limitation: discharge or termination; demotion or reduction in compensation for services; or the removal of or from, or restrictions on, access to facilities, team activities or team membership privileges.

⁷ “Any adverse or discriminatory action, or the threat of an adverse or discriminatory action, including removal from a training facility, reduced coaching or training, reduced meals or housing, and removal from competition carried out against a Protected Individual as a result of any communication, including the filing of a formal complaint, by the Protected Individual or a parent or legal guardian of the Protected Individual relating to the allegation of physical abuse, sexual harassment, or emotional abuse, with the U.S. Center for SafeSport; a coach, trainer, manager, administrator, or official associated with the USOPC; the United States Attorney General; a federal or state law enforcement authority; the Equal Opportunity Employment Commission; or Congress.” *Ted Stevens Olympic and Amateur Sports Act Section 220501(b)(11)*

Complaints of Retaliation that fall under the exclusive jurisdiction of the Center should be directed to the Center. If the Ethics Committee receives a complaint that may fall under the Center's jurisdiction, it must send the complaint to USA Swimming's Program Director, Safe Sport, who will confirm whether the Center has exclusive jurisdiction over the matter and, if so, will make a report with the Center.

INVESTIGATION: The Ethics Committee will review and investigate reports of Retaliation. If a member of the Ethics Committee is allegedly involved in or witness to the Retaliation, they will recuse themselves from the investigation. 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 NBOR Chair and requesting a hearing. 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 NBOR Chair. If the complaining party chooses to go forward with the complaint, the NBOR Chair may then decide to either assign the matter for hearing or dismiss the complaint. Following a hearing and decision of the NBOR, any real party in interest may appeal any decision of the NBOR pursuant to Article 407 of the Rulebook.

USA Swimming may discipline (up to and including by termination of employment or other association with USA Swimming) a Covered Individual for any such Retaliation. A Covered Individual making a report of a Retaliation in bad faith may be subject to disciplinary action.

The Ethics Committee should coordinate with USA Swimming's Director of Human Resources & Employee Engagement if it receives any allegations of retaliation involving employees. If during an investigation, the Ethics Committee finds that an employee has retaliated against a "Protected Individual",⁸ the Ethics Committee must immediately report the retaliation to USA Swimming; USA Swimming must immediately terminate or suspend that individual without pay as required by Section 220509(c)(2) of the Act.

CONFIDENTIALITY: All such reports will be treated as confidentially as possible, given that there may need to be some disclosure to conduct the investigation.

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⁸ As defined by the Act, any amateur athlete, coach, trainer, manager, administrator, or official associated with the USOPC or a National Governing Body. *Ted Stevens Olympic and Amateur Sports Act Section 220509(c)(2)*

Appendix E. Gifts & Entertainment Policy

Date of adoption: December 6, 2021

USA SWIMMING GIFTS & ENTERTAINMENT POLICY

SECTION 1. PURPOSE

USA Swimming is committed to sustaining an ethical workplace free of conflicts of interest and perceived conflicts of interest. USA Swimming therefore has adopted this Gifts & Entertainment Policy to provide instruction to the USA Swimming Board of Directors, officers, committee members, task force members, hearing panel members, volunteers, and employees, and, by extension, their spouses and immediate family members ("Covered Individuals") regarding how to handle offers of gifts or other forms of entertainment from individuals or companies that do business with, or are interested in doing business with, USA Swimming. Additionally, where reasonable, contractors shall be required to comply with this Policy in their written contracts.

This Policy should not be considered in any way as an encouragement to make, solicit, or receive any type of gift or entertainment. Covered Individuals may not, under any circumstances, actively solicit any type of gift or entertainment. Further, USA Swimming will not under any circumstances permit or authorize participation in any gifts or entertainment that might be considered lavish, inappropriate, or illegal.

SECTION 2. RECEIVING BUSINESS COURTESIES

A. Current Business Partners

Covered Individuals may accept gifts from individuals and companies that currently do business with, or make donations to, USA Swimming as follows:

- 1) Partner/sponsor/supplier products and partner/sponsor/supplier-branded products (e.g., logoed jackets) with a total value of under \$1,000 per person, per year, per individual/company;
- 2) Other gifts with a value of no more than \$500 per person, per year, per individual/company;
- 3) Invitations for the Covered Individual to attend sporting events with an individual/company representative (including travel to and from such events only to the extent approved in advance by USA Swimming's Ethics Committee);
- 4) On an infrequent basis, invitations for a spouse or family member to join the Covered Individual at sporting events with an individual/company representative;
- 5) Invitations to attend fundraising events with an individual/company representative at no cost to the Covered Individual;
- 6) Invitations to attend other social, educational, or entertainment events intended to enhance the business relationship, provided that the cost of the event does not exceed \$500 per Covered Individual per event and \$1,000 total per individual/company per year; and
- 7) Perishable or consumable gifts provided that the gift is reasonable and not unduly lavish.

B. Prospective Business Partners

Covered Individuals may accept gifts from individuals and companies that are not current business partners of USA Swimming, but that may or may not be seeking to engage in a business relationship with USA Swimming as follows:

- 1) Gifts with a value of not more than \$500 per Covered Individual, per year, per individual/company;
- 2) Invitations for the Covered Individual to attend sporting events with an individual/company representative (and travel to and from such events, only to the extent approved in advance by USA Swimming's Ethics Committee);
- 3) Invitations to attend fundraising events with an individual/company representative;
- 4) Invitations to attend other social, educational, or entertainment events intended to promote the possible business relationship, provided that the cost of the event does not exceed \$500 per Covered Individual per event, and \$1,000 total per Covered Individual per individual/company per year.

C. Limitations

Covered Individuals may never accept cash or financial instruments, such as checks or stocks. Under the guidelines set forth herein, Covered Individuals may accept gift certificates or gift cards.

SECTION 3: DISCLOSURE AND APPROVAL

All gifts or invitations that exceed the above limits, and all invitations that involve the third party paying for the Covered Individual's travel and/or overnight accommodations, must be promptly reported to the Ethics Committee in advance and in writing, before they may be accepted. Where the gift or invitation is made to a member of the Ethics Committee, that member of the Ethics Committee must recuse themselves from review of the gift or invitation.

In addition, the Ethics Committee shall have the right, in consultation with the Covered Individual, to require that any gift(s) be returned, donated to the USA Swimming Foundation, or donated to another agreed-upon charity if the Ethics Committee believes that such gift(s) is not proper and/or creates an appearance of impropriety.

The Gift Disclosure form is attached hereto.

SECTION 4: EXTENDING BUSINESS COURTESIES

A. General Rules

There may be times when a USA Swimming employee or Board member wishes, as a business matter, to extend to a current or potential USA Swimming business associate (i.e., an individual or company) a gift or an invitation to attend a social event (e.g., reception, meal, sporting event, or theatrical event) to further or develop a business relationship. Additionally, there may be times when a current or potential USA Swimming business associate (i.e., an individual or company) wishes, as a business matter, to extend to a USA Swimming employee or a Board member a gift or an invitation to attend a social event (e.g., reception, meal, sporting event, or theatrical event) to further or develop a business relationship. In such instances, gifts may not exceed \$500 in value per person per year, without the prior written approval of the Ethics Committee.

Invitations to events must be reasonable and appropriate. Topics of a business nature must be discussed at the event, and the USA Swimming employee or Board member must be present. The cost associated with such an event should not exceed \$500 per person/company per year, except with regard to sporting events and fundraising functions, without the prior written approval of the Ethics Committee. Moreover, such business entertainment with respect to any particular individual must be infrequent, which, as a general rule, means not more than four times per year. Frequency beyond the foregoing must be pre-approved in writing by the Ethics Committee. To the extent the USA Swimming employee or Board member has knowledge of applicable restrictions by a recipient's organization on gifts and entertainment, the USA Swimming employee or Board member must undertake best efforts for all business entertainment and gifts to comport with the restrictions imposed by the recipient's organization.

USA Swimming employees or Board members may give gift certificates within the limits set forth in this Policy, but may never give cash or financial instruments, such as checks or stocks.

B. Development Division

USA Swimming recognizes that the limits set forth in Section 4(A) may hamper the ability of the Development Division and

its employees to perform their job functions as they relate to the USA Swimming Foundation. Thus, the foregoing limits will not apply to the Development Division employees if the invitation or event is part of normal and reasonable job duties and the event is not lavish or unreasonable. For Development Division employees only, the cost of gifts and events for which no prior written approval is required is \$1,000 per person per year. To the extent any gift or invitation would exceed that limitation, the Development employees should ensure that such gifts or invitations are disclosed with sufficient advance notice to permit the receipt of prior written approval from the Ethics Committee.

C. Government Employees

The giving of gifts to federal, state, and local government employees is governed by a complex set of rules that is typically agency-specific. Generally, the giving of gifts to government employees is very limited or prohibited. Before offering a gift to a government employee, of any value, a Covered Individual must receive the approval of the Ethics Committee in advance and in writing.

D. Disclosure And Approval

All gifts or invitations offered by a USA Swimming employee or Board member must be covered by the appropriate USA Swimming budget and must be approved in advance by the appropriate USA Swimming supervisor. All gifts or invitations extended that exceed the limits and/or parameters noted above must be disclosed to, and approved in advance and in writing by, the Ethics Committee before they may be offered.

SECTION 5. CONTACT INFORMATION

The USA Swimming Ethics Committee and the Secretary & General Counsel are responsible for the enforcement of this Gifts and Entertainment Policy. All inquiries and questions should be referred to the Ethics Committee or the Secretary & General Counsel:

ethicscommittee@usaswimming.org

Michelle Steinfeld
msteinfeld@usaswimming.org
719-866-3594

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USA SWIMMING GIFT DISCLOSURE FORM

Please complete this form immediately upon receipt of personal gifts received in your capacity as an employee or representative of USA Swimming.

Name: _____

☐ Employee ☐ Board Member ☐ Volunteer

☐ Committee Member ☐ Hearing Panel Member

☐ Task Force Member ☐ Athlete Representative

☐ Other (please specify): _____

Please describe the gift(s) received: _____

The value of the gift is estimated at \$_____.

Note: This is a good faith estimate based on retail value. If the value cannot reasonably be estimated or determined, so state.

Please describe the source of the gift (name and relationship to USA Swimming) and under what circumstances it was received:

Indicate below any matters pending or likely to arise in the future that might involve the donor: _____

Certification: I certify that this gift was not solicited.

SIGNATURE: _____

DATE: _____

Send this completed form to the USA Swimming Ethics Committee, at ethicscommittee@usaswimming.org

Appendix F. Anti-Doping Policy

Date of adoption / Last Revision: March 24, 2022

It is the duty of individual members of USA Swimming, including athletes, athlete support personnel, and other persons to comply with all anti-doping rules of the World Anti-Doping Agency (WADA), FINA, the USOPC, including the USOPC National Anti-Doping Policy, and the U.S. Anti-Doping Agency (USADA), including the USADA Protocol for Olympic and Paralympic Movement Testing (USADA Protocol), and all other policies and rules adopted by WADA, FINA, the USOPC and USADA. Athlete members agree to submit to drug testing by the FINA and/or USADA or their designees at any time and understand that the use of methods or substances prohibited by the applicable anti-doping rules make them subject to penalties including, but not limited to, disqualification and suspension. If it is determined that an individual member may have committed a doping violation, the member agrees to submit to the results management authority and processes of USADA, including arbitration under the USADA Protocol, or to the results management authority of FINA, if applicable or referred by USADA

It is the duty of all Athletes, Athlete Support Personnel and other Persons (as those terms are defined in the World-Anti Doping Code), by virtue of their participation in the Olympic, Paralympic, Pan American, Parapan American or Youth Olympic Games, participation in an Event or Competition organized or sanctioned by an NGB, PSO or HPMO, participation on a national team, utilization of a USOPC Training Center, receipt of benefits from the USOPC or USA Swimming, inclusion in the Registered Testing Pool, or otherwise subject to the World Anti-Doping Code to comply with all anti-doping rules of WADA, FINA, the USOPC, and of USADA, including the USADA Protocol and all other policies and rules adopted by WADA, FINA and USADA. If it is determined that an Athlete, Athlete Support Personnel, or other Person may have committed a doping violation, the individual agrees to submit to the results management authority and processes of USADA, including arbitration under the USADA Protocol, or to the results management authority of FINA, if applicable or referred by USADA. In addition, Athletes agree to submit to drug testing by FINA and/or USADA or their designees at any time and understand that the use of methods or substances prohibited by the applicable anti-doping rules make them subject to penalties including, but not limited to, disqualification and suspension.

May 23, 2022

To the Board of Directors
USA Swimming, Inc.
USA Swimming Foundation, Inc.
Colorado Springs, Colorado

We have audited the financial statements of USA Swimming, Inc. (the Corporation) and USA Swimming Foundation, Inc. (the Foundation) (collectively the Organization), for the year ended December 31, 2021, and have issued our report thereon dated May 23, 2022. As a part of our audit, we made a study and evaluation of the Organization's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluations are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing, and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist us in planning and performing our audit of the financial statements.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

Our audit, including the study and evaluation of Organization's system of internal accounting control that was made for the purposes set forth in the first paragraph of this report, would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data. Such study and evaluation disclosed no conditions that we believe to be material weaknesses.

Recommendations

Lease Accounting Standards Update 2016-02

In February 2016, FASB issued ASU 2016-02 - *Leases*, which created a new topic section of the Accounting Standards Codification (ASC), ASC 842. The update to accounting standards requires one primary change to the reporting of leases: all leases must be presented on the Statement of Financial Position as assets and liabilities of the Organization. For nonpublic entities, the update is effective for fiscal years beginning after December 15, 2021. ASU 2016-02 requires a modified retrospective implementation approach as of the first day of the earliest comparative period presented. We recommend that Management consider the impact of this standard for information needed for financial statements with comparative information covering December 31, 2021.

Contributed Nonfinancial Assets Standards Update 2020-07

In September 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new guidance requires contributed nonfinancial assets to be presented as a separate line item in the Statement of Activities, apart from contributions of cash and other financial assets. Disclosures must include a disaggregation by type of the contributed nonfinancial assets, a description of the valuation techniques and inputs used to arrive at a fair value measure, qualitative information about the use of the assets, policy (if any) about monetizing rather than utilizing contributed nonfinancial assets and any donor-imposed restrictions associated with the contributed nonfinancial assets.

This standard should be applied on a retrospective basis and is effective for annual reporting periods beginning after June 15, 2021. We recommend that management monitor its contributed assets for instances where this ASU may impact financial statement presentation and disclosure in the future.

USA Swimming, Inc.
USA Swimming Foundation, Inc.
May 23, 2022
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* * * * *

The preceding comments are based on observations made incident to our normal auditing procedures.

If you have any questions regarding any of the above comments, please contact us. We will be pleased to assist you in any way with respect to these or other matters.

Sincerely,

Waugh & Goodwin, LLP

May 23, 2022

To the Board of Directors
USA Swimming, Inc.
USA Swimming Foundation, Inc.
Colorado Springs, Colorado

We have audited the consolidated financial statements of USA Swimming, Inc. (the Corporation) and USA Swimming Foundation, Inc. (the Foundation) (collectively the Organization) for the year ended December 31, 2021, and have issued our report thereon dated May 23, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated December 7, 2021. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by USA Swimming, Inc. (the Corporation) and USA Swimming Foundation, Inc. (the Foundation) are described in Note A to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the year ended December 31, 2021. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting

estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The consolidated financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no corrected misstatements of the consolidated financial statements. An attached schedule summarizes uncorrected misstatements of the consolidated financial statements that management has determined the effects of the uncorrected misstatements to be immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 23, 2022.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal

USA Swimming, Inc.
USA Swimming Foundation, Inc.
May 23, 2022
Page 3

course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

* * * * *

This information is intended solely for the use of the Board of Directors and management of USA Swimming, Inc. and USA Swimming Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Waugh & Goodwin, LLP

Client: USA SWIMMING
Engagement: 12/31/21 AUDIT
Current Period: 12/31/2021
Workpaper: Passed Journal Entries Report

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
201		4400.15			
To pass on adjusting prepaid insurance expenses					
15010.0000	PREPAID INSURANCE		0.00	15,323.00	
62008.9413	GENERAL LIABILITY/SML		15,323.00	0.00	
Total			15,323.00	15,323.00	(15,323.00)
GRAND TOTAL			15,323.00	15,323.00	(15,323.00)



USA SWIMMING FOUNDATION, INC.

Financial Statements

For the Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
USA Swimming Foundation, Inc.
Colorado Springs, Colorado

Opinion

We have audited the accompanying financial statements of USA Swimming Foundation, Inc. (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of USA Swimming Foundation, Inc. as of December 31, 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of USA Swimming Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Swimming Foundation, Inc.'s ability to continue as a going concern within

one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of USA Swimming Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Swimming Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited USA Swimming Foundation, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 9, 2021.

In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Waugh & Goodwin, LLP

Colorado Springs, Colorado
May 23, 2022

USA SWIMMING FOUNDATION, INC.
Statement of Financial Position
December 31, 2021
(With Comparative Totals for December 31, 2020)

ASSETS

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,565,291	\$ 2,385,689
Accounts receivable	168,716	155,232
Pledges receivable	830,000	774,600
Prepaid expenses	<u>65,356</u>	<u>49,487</u>
Total current assets	2,629,363	3,365,008
LONG-TERM INVESTMENTS	20,022,280	18,242,539
LONG-TERM PLEDGES RECEIVABLE - net	905,418	850,000
PROPERTY AND EQUIPMENT, at cost:		
Equipment and software	229,963	229,963
Less accumulated depreciation	<u>(229,963)</u>	<u>(229,963)</u>
Property and equipment - net		
OTHER ASSETS:		
Swim-A-Thon	<u>120,000</u>	<u>120,000</u>
TOTAL ASSETS	<u>\$ 23,677,061</u>	<u>\$ 22,577,547</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	\$ 3,182	\$ 5,525
Accrued liabilities	20,583	10,862
Deferred revenue		151,515
Due to USA Swimming, Inc.	<u>125,526</u>	<u>1,068,919</u>
Total current liabilities	149,291	1,236,821
NET ASSETS:		
Without donor restrictions	509,570	1,673
Without donor restrictions - board designated	13,975,856	12,821,618
With donor restrictions	<u>9,042,344</u>	<u>8,517,435</u>
Total net assets	23,527,770	21,340,726
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 23,677,061</u>	<u>\$ 22,577,547</u>

See Notes to Financial Statements

USA SWIMMING FOUNDATION, INC.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Totals	2020 Totals
REVENUE:				
Contributions	\$ 1,426,177	\$ 1,095,000	\$ 2,521,177	\$ 1,179,337
Uncollectible pledges		(120,500)	(120,500)	
Investment income	1,466,756	841,755	2,308,511	2,274,554
Sponsorship	551,516		551,516	520,750
Olympic Trials VIP packages	126,043		126,043	
Swim-A-Thon	48,410		48,410	51,509
Other income	20,891		20,891	
Alumni income	16,100		16,100	
Royalties	785		785	819
Satisfied program restrictions	<u>1,291,346</u>	<u>(1,291,346)</u>		
Total revenue	4,948,024	524,909	5,472,933	4,026,969
EXPENSES:				
Program services:				
Building Champions	1,300,892		1,300,892	4,025,695
Learn to Swim	974,317		974,317	972,315
Alumni and other	<u>80,886</u>		<u>80,886</u>	<u>71,319</u>
Total program services	2,356,095		2,356,095	5,069,329
Supporting services:				
Fundraising	636,578		636,578	513,826
General and administrative	397,930		397,930	420,987
Trials VIP	<u>244,092</u>		<u>244,092</u>	
Total supporting services	<u>1,278,600</u>		<u>1,278,600</u>	<u>934,813</u>
Total expenses	<u>3,634,695</u>		<u>3,634,695</u>	<u>6,004,142</u>
CHANGE IN NET ASSETS	1,313,329	524,909	1,838,238	(1,977,173)
NET ASSETS, beginning of year	12,823,291	8,517,435	21,340,726	22,925,453
In-kind transfer from USA Swimming, Inc.	<u>348,806</u>		<u>348,806</u>	<u>392,446</u>
NET ASSETS, end of year	<u>\$ 14,485,426</u>	<u>\$ 9,042,344</u>	<u>\$ 23,527,770</u>	<u>\$ 21,340,726</u>

See Notes to Financial Statements

USA SWIMMING FOUNDATION, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	Program Services				Supporting Services			2021	2020
	Building Champions	Learn to Swim	Alumni and Other	Total Program Services	Fundraising	General and Administrative	Trials VIP	Totals	Totals
Advertising					450			450	
Apparel					8,768	1,055	20,850	30,673	
Depreciation									2,588
Dues, fees, and tickets	222	3,636	378	4,236	37,630	17,773	67,899	127,538	53,493
Gear, equipment and signage					13,608	109		13,717	977
Grants	1,116,433	482,958		1,599,391				1,599,391	4,197,371
Graphics and artwork		3,123		3,123				3,123	
Management fee	14,000	38,000	14,000	66,000	114,000	20,000		200,000	200,000
Office supplies and expenses	72	393	238	703	28,588	2,574	3,344	35,209	12,203
Printing and duplication	16	33		49	10,334			10,383	7,848
Professional fees and honoraria	71,000	314,318	38,000	423,318	111,559	25,430	46,475	606,782	450,403
Recognition and fulfillment	55,000		293	55,293	11,303	695	3,083	70,374	23,256
Rent						72,380		72,380	71,468
Salaries and benefits	43,605	123,339	20,893	187,837	244,543	226,561		658,941	957,775
Silent auction cost of sales					103,313			103,313	67,153
Telephone and internet					1,386	2,642		4,028	6,305
Travel and hospitality	544	8,517	7,084	16,145	54,409	28,711	102,441	201,706	20,455
Total expenses by function	1,300,892	974,317	80,886	2,356,095	739,891	397,930	244,092	3,738,008	6,071,295
Less expenses included with revenues on the statement of activities:									
Silent auction cost of sales					(103,313)			(103,313)	(67,153)
Total expenses on the statement of activities:	<u>\$ 1,300,892</u>	<u>\$ 974,317</u>	<u>\$ 80,886</u>	<u>\$ 2,356,095</u>	<u>\$ 636,578</u>	<u>\$ 397,930</u>	<u>\$ 244,092</u>	<u>\$ 3,634,695</u>	<u>\$ 6,004,142</u>

See Notes to Financial Statements

USA SWIMMING FOUNDATION, INC.
Statement of Cash Flows
For the Year Ended December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,838,238	\$ (1,977,173)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation		2,588
Uncollected pledges	120,500	
Net realized and unrealized gains on investments	(1,800,779)	(1,942,125)
In-kind transfer from USA Swimming, Inc.	348,806	392,446
Decrease (increase) in operating assets:		
Accounts receivable	(13,484)	(64,424)
Pledges receivable	(286,318)	149,899
Prepaid expenses	(15,869)	(37,750)
Increase (decrease) in operating liabilities:		
Accounts payable	(2,343)	(5,451)
Accrued liabilities	9,721	(30,783)
Deferred revenue	(151,515)	15,775
Due to USA Swimming, Inc.	<u>(943,393)</u>	<u>969,048</u>
Total adjustments	<u>(2,734,674)</u>	<u>(550,777)</u>
Net cash used by operating activities	(896,436)	(2,527,950)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of long-term investments	(9,549,010)	(28,754,454)
Proceeds from long-term investments	<u>9,570,048</u>	<u>32,036,256</u>
Net cash provided by investing activities	21,038	3,281,802
CASH FLOWS FROM FINANCING ACTIVITIES:		
Collection of pledges receivable restricted for endowment	<u>55,000</u>	<u>150,000</u>
Net cash provided by financing activities	<u>55,000</u>	<u>150,000</u>
NET INCREASE (DECREASE) IN CASH	(820,398)	903,852
CASH AND CASH EQUIVALENTS, beginning of year	<u>2,385,689</u>	<u>1,481,837</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 1,565,291</u>	<u>\$ 2,385,689</u>

See Notes to Financial Statements

USA SWIMMING FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2021

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The USA Swimming Foundation, Inc. (the Foundation) is a nonprofit corporation incorporated on January 12, 2004. The purpose of the Foundation is to operate for charitable and educational purposes, to foster national and international amateur sports competition, and to serve as a supporting organization for USA Swimming, Inc.

Income Tax

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. Accordingly, no income tax provision has been recorded.

The Foundation's Form 990, Return of Organization Exempt from Income Tax, is subject to examination by various taxing authorities, generally for three years after the date filed. Management of the Foundation believes that it does not have any uncertain tax positions that are material to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Foundation's checking and money market accounts. The Foundation considers all liquid investments with original maturities of three months or less, and which are not held for investment purposes, to be cash equivalents. Cash and highly liquid financial instruments held for long-term investment purposes, regardless of original length to maturity, are reported as investments and excluded from this definition. The Foundation maintains its cash and cash equivalents at a commercial bank. In the event of a bank failure, the Foundation might only be able to recover the amounts insured.

Accounts Receivable

Accounts receivable include amounts from contracts with customers, contributions postmarked before the end of the year and other miscellaneous amounts. Receivables from contracts with customers at the beginning and end of 2021 were \$819 and \$37,265, respectively.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accounts Receivable - continued

The Foundation considers its accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is considered necessary. The delinquency and collectability of receivables is determined on a case-by-case basis and receivables are charged to bad debt expense when determined to be uncollectible.

Supplemental Cash Flow Disclosure

The Foundation paid no interest or income taxes during either of the years ended December 31, 2021 and 2020.

Pledges Receivable

Pledges receivable consist of unconditional promises to give that are expected to be collected in current and future periods. Pledges expected to be collected within one year are recorded at their estimated net realizable values. Pledges receivable expected to be collected in more than one year are recorded at the present value of their estimated future cash flows, computed using risk-adjusted interest rates. Amortization of the discount is included in contribution revenue. Pledges receivable are reported as donor restricted support unless the donor stipulations or circumstances surrounding the pledge make clear the donor intended it to be used to support activities in the current period. Pledges receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. The delinquency and collectability of pledges receivables is determined on a case-by-case basis and pledges receivables are charged to uncollectible pledges when determined to be bad debts.

Contributions

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. When a restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfied program restrictions. Contributions and grants with donor restrictions are reported as support without donor restrictions if the restriction is met in the same year that the gift is received.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributed Services

The Foundation receives a substantial amount of donated services in carrying out its programs. Contributed services are recognized if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

During the years ended December 31, 2021 and 2020, the Foundation recorded a transfer of equity from USA Swimming, Inc. and the related expense for contributed services in the amount of \$348,806 and \$392,446, respectively. The Foundation measured the services received at the cost recognized by USA Swimming, Inc. for the actual cost incurred for personnel providing those services.

Donated Materials

Donated materials are recorded as both revenues and expenditures in the accompanying statement of activities at their estimated values.

Revenue from Contracts with Customers

Sponsorship - The Foundation recognizes revenue from contracts with both sponsors and suppliers of USA Swimming, Inc. and the Foundation. Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Foundation will recognize revenue over time. The Foundation has concluded that the performance obligations within these contracts are substantially the same in each year and are satisfied ratably over the term of the agreement. Therefore, sponsorship revenue from contracts with customers will be recognized on a straight-line basis over the term of the agreement.

Events - The Foundation receives revenue from sales related to activities at the U.S. Olympic Team Trials (Trials) which typically occur a few months prior to the Summer Olympics. The sales include tickets to an alumni dinner and a VIP experience package including a variety of activities. The VIP experience package fee includes a contribution amount. The contribution is recognized upon receipt, all other amounts are recognized when the performance obligations are met.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue from Contracts with Customers - continued

Swim-A-Thon and royalties - The Foundation receives a royalty and administrative fee from swim clubs for the use of the Swim-A-Thon trademark and prizes and administrative services provided by the Foundation. The fee is 5% of the funds raised by the Swim-A-Thon hosted by the swim club. In April 2020, the Foundation waived the contracted 5% fee for teams completing a Swim-A-Thon through December 31, 2021.

This revenue is recognized at the end of the Swim-A-Thon which is when all performance obligations are considered satisfied by the Foundation. The Foundation also receives royalties for use of its logo or trademark of Swim-A-Thon. The revenue is recognized upon receipt of the royalty.

Functional Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Some of the expenses which are allocated include utilities and supplies, which are allocated on a headcount basis, as well as salaries, which are allocated on the basis of time and effort estimates.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Prior-Year Comparisons

The financial statements include certain prior year summarized comparative information in total but not by net asset or functional expense class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Notes to Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Date of Management's Review

In preparing the financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through May 23, 2022, the date that the financial statements were available to be issued.

B. AVAILABLE RESOURCES AND LIQUIDITY

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose or time restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. In addition, the Foundation receives support without donor restrictions, with the remainder funded by investment income without donor restrictions and appropriated earnings from gifts with donor restrictions.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted and board-designated quasi-endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

Notes to Financial Statements

B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

The Foundation strives to maintain financial assets available to meet general expenditures at a level that represents 100% of annual expenses for administrative, general, and fundraising expenses plus an amount that represents the next expected grant commitment payments, which typically represents approximately 25% of the expected annual grant cash needs. Additionally, in the event the need arises to utilize the Board-designated funds for liquidity purposes, the reserves could be drawn upon through Board resolution.

The table below presents financial assets available for general expenditures within one year at December 31:

	<u>2021</u>	<u>2020</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 1,565,291	\$ 2,385,689
Pledges receivable	1,735,418	1,624,600
Other receivables	<u>168,716</u>	<u>155,232</u>
Total financial assets	3,469,425	4,165,521
Less amounts not available to be used within one year:		
Contribution receivable - for restricted gifts, net	615,000	459,100
Contribution receivable - due over one year, net	<u>905,418</u>	<u>850,000</u>
Financial assets not available to be used within one year	<u>1,520,418</u>	<u>1,309,100</u>
Financial assets available within one year	<u>\$ 1,949,007</u>	<u>\$ 2,856,421</u>

C. FAIR VALUE MEASUREMENTS

The Foundation applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Notes to Financial Statements

C. FAIR VALUE MEASUREMENTS - Continued

The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables present assets that are measured at fair value on a recurring basis at December 31, 2021 and 2020:

Assets at Fair Value as of December 31, 2021

	Level 1	Level 2	Level 3	Total
Equity securities:				
Exchange traded funds	\$ 9,013,258	\$	\$	\$ 9,013,258
Pooled equity funds	3,400,013			3,400,013
Debt securities:				
Corporate		3,970,512		3,970,512
US Treasury and				
Federal agencies		2,170,536		2,170,536
State and municipal				
agencies		440,785		440,785
International		256,345		256,345
Money market	770,831			770,831
	<u>\$ 13,184,102</u>	<u>\$ 6,838,178</u>	<u>\$</u>	<u>\$ 20,022,280</u>

Assets at Fair Value as of December 31, 2020

	Level 1	Level 2	Level 3	Total
Equity securities:				
Exchange traded funds	\$ 7,784,518	\$	\$	\$ 7,784,518
Pooled equity funds	3,386,386			3,386,386
Mutual funds	364,365			364,365
Debt securities:				
Corporate		4,133,411		4,133,411
US Treasury and				
Federal agencies		1,794,903		1,794,903
State and municipal				
agencies		489,306		489,306
International		166,820		166,820
Money market	122,830			122,830
	<u>\$ 11,658,099</u>	<u>\$ 6,584,440</u>	<u>\$</u>	<u>\$ 18,242,539</u>

Notes to Financial Statements

D. INVESTMENT INCOME

Investment income consists of the following for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 554,956	\$ 379,363
Net realized and unrealized gains	1,800,779	1,942,125
Investment fees	<u>(47,224)</u>	<u>(46,934)</u>
	<u>\$ 2,308,511</u>	<u>\$ 2,274,554</u>

E. PLEDGES RECEIVABLE

As of December 31, 2021 and 2020, the Foundation had pledges receivable of \$1,735,418 and \$1,624,600, respectively, representing unconditional promises to give made during the current and prior years. The pledges will be received by the Foundation in future years and have been discounted using the risk-free interest rate for the year in which they were received. The interest rates used range from .11% to .97%.

Total pledges receivable at December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Receivable within one year	\$ 830,000	\$ 774,600
Receivable in one to five years	<u>\$ 905,418</u>	<u>\$ 850,000</u>

At December 31, 2021 and 2020, one donor accounts for 23% and 37% of the pledges receivable, respectively.

F. PROPERTY AND EQUIPMENT

Property and equipment are recorded at cost, if purchased, or if donated, at estimated fair market value at the date the gift was received. Acquisitions in excess of \$1,000 are capitalized. The cost of repairs and maintenance, which do not materially prolong the useful lives of the assets, are charged to expense when incurred.

Depreciation is computed using the straight-line method over an estimated useful life of three to 10 years.

Notes to Financial Statements

F. PROPERTY AND EQUIPMENT - Continued

There was no depreciation expense during the year ended December 31, 2021. Depreciation expense for the year ended December 31, 2020 was \$2,588.

Property and equipment consists of the following at December 31:

	<u>2021</u>	<u>2020</u>
Software	\$ 192,813	\$ 192,813
Website	31,063	31,063
Equipment	6,087	6,087
Less: accumulated depreciation and amortization	<u>(229,963)</u>	<u>(229,963)</u>
	<u>\$</u>	<u>\$</u>

G. OTHER ASSETS

USA Swimming, Inc. sold the rights, title and interest in Swim-A-Thon to the Foundation for \$120,000. This sale includes, but is not limited to, all goodwill and trademarks associated with Swim-A-Thon. The Foundation analyzes its indefinite-lived assets for impairment on an annual basis.

The Foundation has determined there was no impairment as of December 31, 2021 and 2020. Swim-A-Thon is a trademarked program that swim teams utilize as a fundraiser for their competitive programs and activities. Participant teams pay royalties to the Foundation to support its mission.

H. DEFERRED REVENUE

Deferred revenue, which represents contract liabilities for contracts with customers, consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Event packages	<u>\$</u>	<u>\$ 151,515</u>

Notes to Financial Statements

I. RELATED PARTY TRANSACTIONS

During the years ended December 31, 2021 and 2020, USA Swimming, Inc. provided in-kind support to the Foundation in the amounts of \$348,806 and \$392,446, respectively. During the years ended December 31, 2021 and 2020, the Foundation provided grants to USA Swimming, Inc. in the amounts of \$1,116,433 and \$882,649, respectively. The Foundation paid USA Swimming, Inc. office rent of \$70,000 in both of the years ended December 31, 2021 and 2020. At December 31, 2021 and 2020, USA Swimming Foundation, Inc. owed USA Swimming, Inc. \$125,526 and \$1,068,919, respectively.

The Foundation paid USA Swimming, Inc. a management fee of \$200,000 for services provided by employees of USA Swimming Inc. during the years ended December 31, 2021 and 2020. This fee agreement commenced in 2020 and was paid quarterly by the Foundation.

J. AFFILIATION

During the year ended December 31, 2021, the USA Swimming Foundation and U.S. Masters Swimming formed a philanthropic partnership to create greater support for adult learn-to-swim efforts. This partnership brings learn-to-swim fundraising efforts for these two organizations under the USA Swimming Foundation umbrella creating a greater generational impact by providing swim lessons to people of all ages.

K. NET ASSETS WITH DONOR RESTRICTIONS: TEMPORARY IN NATURE

Net assets with donor restrictions are available for the following at December 31:

	<u>2021</u>	<u>2020</u>
Purpose restrictions	\$ 2,862,344	\$ 2,311,935
Time restrictions	<u>385,000</u>	<u>530,500</u>
	<u>\$ 3,247,344</u>	<u>\$ 2,842,435</u>

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose or passage of time.

Notes to Financial Statements

K. NET ASSETS WITH DONOR RESTRICTIONS: TEMPORARY IN NATURE - Continued

Net assets were released from temporary restrictions by satisfying the following restrictions at December 31:

	<u>2021</u>	<u>2020</u>
National Team	\$ 531,433	\$ 352,649
Learn to Swim	289,913	358,852
Time restrictions	265,000	304,000
Fundraising programs and operations	<u>205,000</u>	<u> </u>
	<u>\$ 1,291,346</u>	<u>\$ 1,015,501</u>

L. NET ASSETS WITH DONOR RESTRICTIONS: PERPETUAL IN NATURE

During the years ended December 31, 2008, 2016, 2017, 2020 and 2021, the Foundation received perpetually restricted pledges of \$5,000,000, \$50,000, \$600,000, \$25,000, and \$120,000 respectively. Funds collected under the pledges are recognized as endowment funds. The Foundation only recognizes contributions received as endowment funds. During the years ended December 31, 2021 and 2020, the Foundation received perpetually restricted contributions of \$55,000 and \$150,000, respectively, which were recognized as endowment funds in prior years. During the year ended December 31, 2020, the \$25,000 noted in the first sentence was a reallocation by one donor of their previously time-restricted contribution to the endowment. The \$25,000 is included in the \$150,000 contributions collected as noted above.

M. ENDOWMENTS

Perpetually restricted net assets consist of the following at December 31:

	<u>2021</u>	<u>2020</u>
Endowment funds	\$ 5,705,000	\$ 5,650,000
Pledges receivable	<u>90,000</u>	<u>25,000</u>
	<u>\$ 5,795,000</u>	<u>\$ 5,675,000</u>

The Foundation's endowment funds consist of funds without donor restrictions functioning as endowment through designations by the Board and donor restricted endowment funds. The earnings of the Board-designated endowment are designated for athlete support.

Notes to Financial Statements

M. ENDOWMENTS - Continued

The earnings of the donor restricted endowment support Learn to Swim, National Team initiatives, and the USA Swimming Dirks/Gould Coaches Incentive Program.

The Foundation has adopted investment and spending policies based on the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Foundation classifies as net assets with donor restrictions-perpetual in nature (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time of accumulation is added to the fund. The remaining portion of the donor-restricted endowment funds that is not classified in net assets with donor restrictions-perpetual in nature is classified as net assets with donor restrictions-temporary in nature until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. Each year, the Foundation is required to spend no less than 3% and no more than 5% of the donor restricted endowment funds for specific purposes.

The Foundation does not include uncollected pledges receivable as part of endowment net assets. Amounts are included with endowment net assets as the pledges receivable are collected. As of December 31, 2021 and 2020, perpetually restricted uncollected pledges were \$90,000 and \$25,000, respectively.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. During the years ended December 31, 2021 and 2020, there were no net asset deficiencies present.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period as well as Board-designated funds.

Notes to Financial Statements

M. ENDOWMENTS - Continued

Under this policy, the endowment assets are invested in a manner that is intended to produce maximum results while assuming a moderate level of investment risk.

The Foundation expects its endowment funds, over time, to provide a rate of return sufficient to keep pace with the rate of inflation. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a great emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The following table represents the composition of the endowment fund's net assets during the years ended December 31, 2021 and 2020.

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>
Endowment net assets, January 1, 2020	\$ 13,700,689	\$ 5,500,000
Investment return:		
Investment income	189,695	34,973
Net appreciation (net realized and unrealized)	<u>1,200,234</u>	<u>221,277</u>
Total investment return	1,389,929	256,250
Contributions		150,000
Expenditures	<u>(3,470,000)</u>	<u>(256,250)</u>
Endowment net assets, December 31, 2020	11,620,618	5,650,000
Investment return:		
Investment income	295,323	52,585
Net appreciation (net realized and unrealized)	<u>1,157,842</u>	<u>206,165</u>
Total investment return	1,453,165	258,750
Contributions	171,073	55,000
Expenditures	<u>(470,000)</u>	<u>(258,750)</u>
Endowment net assets, December 31, 2021	<u>\$ 12,774,856</u>	<u>\$ 5,705,000</u>

Notes to Financial Statements

N. UNCERTAINTIES

During the year ended December 31, 2020, the outbreak of a novel strain of coronavirus (COVID-19 outbreak) had been recognized as a pandemic by the World Health Organization, and became increasingly widespread in the United States throughout the year ended December 31, 2021. The COVID-19 outbreak has had a notable impact on general economic conditions, including, but not limited to, the uncertainty in global financial markets, temporary closures of many businesses, suspension or cancelation of events, "shelter in place" and other governmental regulations, and job losses. The extent to which the COVID-19 outbreak will continue to affect the operations, collections or financial results of the Foundation is uncertain.

May 23, 2022

To the Board of Directors
USA Swimming Foundation, Inc.
Colorado Springs, Colorado

We have audited the financial statements of USA Swimming Foundation, Inc. (the Foundation) for the year ended December 31, 2021 and have issued our report thereon dated May 23, 2022. As a part of our examination, we made a study and evaluation of the Foundation's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluations are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist us in planning and performing our audit of the financial statements.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgments, carelessness or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

Our audit, including the study and evaluation of the Foundation's system of internal accounting control that was made for the purposes set forth in the first paragraph of this report, would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data. Such study and evaluation disclosed no conditions that we believe to be material weaknesses.

Recommendations

Lease Accounting Standards Update 2016-02

In February 2016, the FASB issued ASU 2016-02 - *Leases*, which created a new topic section of the Accounting Standards Codification (ASC), ASC 842. The update to accounting standards requires one primary change to the reporting of leases: all leases must be presented on the Statement of Financial Position as assets and liabilities of the Foundation. The standard further defines the proper initial and subsequent recognition and required disclosures of leases based on the type of lease, as defined under the new ASC 842. For nonpublic entities, the update is effective for fiscal years beginning after December 15, 2021, which represents the fiscal year ending as of December 31, 2022 for the Foundation. However, ASU 2016-02 requires a modified retrospective implementation approach as of the first day of the earliest comparative period presented.

Therefore, the Foundation should proactively consider the valuation of the right of use assets and associated liabilities for leases in effect during and as of the fiscal year ending December 31, 2021, for which comparative presentation under ASU 2016-02 will be required upon adopting the standard for the year ending December 31, 2022.

Contributed Nonfinancial Assets Standards Update 2020-07

In September 2020, FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new guidance requires contributed nonfinancial assets to be presented as a separate line item in the Statement of Activities, apart from contributions of cash and other financial assets. Disclosures must include a disaggregation by type of the contributed nonfinancial assets, a description of the valuation techniques and inputs used to arrive at a fair value measure, qualitative information about the use of the assets, policy (if any) about monetizing rather than utilizing contributed nonfinancial assets and any donor-imposed restrictions associated

USA Swimming Foundation, Inc.
May 23, 2022
Page 2

with the contributed nonfinancial assets.

This standard should be applied on a retrospective basis and is effective for annual reporting periods beginning after June 15, 2021, early adoption is permitted. We recommend that management monitor its contributed assets for instances where this ASU may impact financial statement presentation and disclosure in the future.

* * * * *

The preceding comments are based on observations made incident to our normal auditing procedures.

If you have any questions, please contact us. We will be pleased to assist you in any way with respect to these or other matters.

Sincerely,

Waugh & Goodwin, LLP

May 23, 2022

To the Board of Directors
USA Swimming Foundation, Inc.
Colorado Springs, Colorado

We have audited the financial statements of USA Swimming Foundation, Inc. (the Foundation) for the year ended December 31, 2021, and have issued our report thereon dated May 23, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated December 7, 2021. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2021. We noted no transactions entered into by the Foundation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no material uncorrected misstatements as a result of audit procedures. The attached schedule summarizes uncorrected misstatements of the financial statements that management has determined the effects of the uncorrected misstatements to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 23, 2022.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

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USA Swimming Foundation, Inc.
May 23, 2022
Page 3

This information is intended solely for the use of the Board of Directors and management of USA Swimming Foundation, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Waugh & Goodwin, LLP

Client:	USA Swimming Foundation, Inc.
Engagement:	12/31/21 Audit
Current Period:	December 31, 2021
Workpaper:	Passed Journal Entries Report

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
PJE #201		4210.1			
To post estimated long-term pledge receivable					
44070.2110	PRESENT VALUE DISCOUNT EARNED		4,437.00	0.00	
14000.0000	PLEDGES RECEIVABLE-LT		0.00	4,437.00	
Total			4,437.00	4,437.00	(4,437.00)
GRAND TOTAL			4,437.00	4,437.00	(4,437.00)

**USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.**

**Financial Statements and
Supplemental Schedules**

For the Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
USA Swimming, Inc.
USA Swimming Foundation, Inc.
Colorado Springs, Colorado

Opinion

We have audited the accompanying consolidated financial statements of USA Swimming, Inc. and USA Swimming Foundation, Inc. (nonprofit organizations), which comprise the consolidated statement of financial position as of December 31, 2021, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of USA Swimming, Inc. and USA Swimming Foundation, Inc. as of December 31, 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of USA Swimming, Inc. and USA Swimming Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Swimming, Inc.'s and USA Swimming Foundation, Inc.'s ability to continue as a going

concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of USA Swimming, Inc.'s and USA Swimming Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Swimming, Inc.'s and USA Swimming Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited USA Swimming, Inc.'s and USA Swimming Foundation, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 9, 2021.

In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Waugh & Goodwin, LLP

Colorado Springs, Colorado
May 23, 2022

USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Consolidated Statement of Financial Position
December 31, 2021
(With Comparative Amounts for the Year Ended December 31, 2020)

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 6,281,796	\$ 4,695,468
Accounts receivable, net	2,674,098	1,841,835
Short-term pledges receivable	830,000	774,600
Prepaid expenses and deferred charges	<u>1,552,201</u>	<u>2,907,616</u>
Total current assets	11,338,095	10,219,519
PROPERTY AND EQUIPMENT	14,850,700	13,634,720
Less accumulated depreciation	<u>(10,973,586)</u>	<u>(9,751,226)</u>
Property and equipment, net	3,877,114	3,883,494
LONG-TERM INVESTMENTS	63,057,358	54,846,932
LONG-TERM PLEDGES RECEIVABLE, net	905,418	850,000
OTHER ASSETS:		
Prepaid rent	4,717,772	4,825,420
Deposit	140,000	140,000
Olympic trials joint venture		56,482
Swim-A-Thon	<u>120,000</u>	<u>120,000</u>
Total other assets	<u>4,977,772</u>	<u>5,141,902</u>
TOTAL ASSETS	<u>\$ 84,155,757</u>	<u>\$ 74,941,847</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 2,785,009	\$ 763,218
Accrued expenses and other liabilities	959,760	1,365,777
Refundable advances		32,415
PPP loan		182,316
Line of credit	1,821,000	
Deferred revenue	<u>15,051,242</u>	<u>12,714,623</u>
Total current liabilities	20,617,011	15,058,349
LONG-TERM LIABILITIES:		
Line of credit		1,821,000
Loss reserve	<u>760,898</u>	
Total long-term liabilities	<u>760,898</u>	<u>1,821,000</u>
Total liabilities	21,377,909	16,879,349
NET ASSETS:		
Without donor restrictions	39,759,648	36,723,445
Without donor restrictions - board designated	13,975,856	12,821,618
With donor restrictions	<u>9,042,344</u>	<u>8,517,435</u>
Total net assets	<u>62,777,848</u>	<u>58,062,498</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 84,155,757</u>	<u>\$ 74,941,847</u>

See Notes to Consolidated Financial Statements

USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Consolidated Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	<u>2021</u>	<u>2020</u>
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
REVENUE AND SUPPORT:		
Membership	\$ 18,172,313	\$ 20,656,479
Investment income	6,109,340	5,400,154
USOPC grants and contracts	6,841,272	4,090,811
Partnership marketing	5,969,231	2,610,039
Sport and events, net of special event expenses of \$709,232 and \$240,826	2,315,352	486,054
Contributions	1,108,536	387,830
Other income	287,756	184,902
Consumer revenue	201,888	61,250
PPP grant	182,317	1,445,651
Swim-A-Thon	48,410	51,509
Satisfied program restrictions	<u>1,291,346</u>	<u>1,015,501</u>
Total revenue and support	42,527,761	36,390,180
EXPENSES:		
Program services:		
National Team	9,834,834	5,347,183
Commercial	5,864,080	4,334,823
Event Operations	5,296,980	2,815,305
Sport Development	4,578,544	3,714,410
Risk Management	4,347,669	2,935,396
Foundation Programs	<u>1,173,517</u>	<u>4,120,680</u>
Total program services	31,095,624	23,267,797
Supporting services:		
Business Affairs	3,504,929	7,242,748
Executive	1,809,383	1,211,839
Finance	852,639	852,274
Fundraising	<u>1,074,745</u>	<u>730,813</u>
Total supporting services	<u>7,241,696</u>	<u>10,037,674</u>
Total expenses	<u>38,337,320</u>	<u>33,305,471</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	4,190,441	3,084,709
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS:		
Investment income	841,755	859,146
Contributions	974,500	677,000
Satisfied program restrictions	<u>(1,291,346)</u>	<u>(1,015,501)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	<u>524,909</u>	<u>520,645</u>
CHANGE IN NET ASSETS	4,715,350	3,605,354
NET ASSETS, beginning of year	<u>58,062,498</u>	<u>54,457,144</u>
NET ASSETS, end of year	<u>\$ 62,777,848</u>	<u>\$ 58,062,498</u>

See Notes to Consolidated Financial Statements

USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Consolidated Statement of Functional Expense
For the Year Ended December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	National Team	Commercial	Event Operations	Sport Development	Risk Management	Foundation Programs	Total Program Services
Salaries	\$ 1,249,414	\$ 1,523,673	\$ 847,506	\$ 1,825,482	\$	\$ 187,788	\$ 5,633,863
Professional fees and honoraria	267,329	1,254,934	1,019,904	373,918	15	423,318	3,339,418
Travel and hospitality	2,462,709	348,181	516,672	262,381	385	16,145	3,606,473
Direct athlete support	4,061,963						4,061,963
Insurance	24,300		14,198		3,575,124		3,613,622
Employee benefits	278,350	367,697	155,720	446,432		49	1,248,248
Depreciation and amortization	89,056	719,474	53,909	582,667			1,445,106
Bad debt	7,920		1,251,588				1,259,508
Television and production	14,741	294,517	917,229	22,385			1,248,872
Dues, fees, and tickets	88,264	133,572	349,409	308,470	435	4,236	884,386
Grants			65,500	214,090		482,958	762,548
Loss reserves expense					771,000		771,000
Apparel	498,744	83,653	26,301	68,840			677,538
Gear, equipment, and signage	45,856	334,589	246,274	38,368			665,087
Rent and lease expense	100,462	191,299	78,314	170,745			540,820
Office supplies and expense	168,356	107,802	194,438	44,248	42	703	515,589
Payroll taxes	90,295	107,807	44,897	138,985			381,984
Telephone and internet service	27,199	32,367	13,184	34,555	668		107,973
Information technology expenses	2,516	231,652	1,278	5,257			240,703
Awards and gifts	332,824	5,068	66,030	17,254			421,176
Printing and duplication	3,034	74,644	23,754	4,457		49	105,938
Cost of goods sold, silent auction							
Miscellaneous expenses	13,895	36,093	2,735	2,419			55,142
Protocol	7,607	7,618	14,059	17,591			46,875
Recognition and fulfillment						55,293	55,293
Repairs and maintenance		2,298					2,298
Interest expense							
Advertising		7,142				3,123	10,265
Line of credit drawdown							
Total expenses	9,834,834	5,864,080	5,902,899	4,578,544	4,347,669	1,173,662	31,701,688
Less expenses netted against revenue on statement of activities			(605,919)				(605,919)
	<u>\$ 9,834,834</u>	<u>\$ 5,864,080</u>	<u>\$ 5,296,980</u>	<u>\$ 4,578,544</u>	<u>\$ 4,347,669</u>	<u>\$ 1,173,662</u>	<u>\$ 31,095,769</u>

	Business Affairs	Executive Division	Fundraising	Finance	Total Supporting Services	Total Expenses 2021	Total Expenses 2020
Salaries	\$ 1,299,652	\$ 1,054,744	\$ 382,809	\$ 477,475	\$ 3,214,680	\$ 8,848,543	\$ 9,046,572
Professional fees and honoraria	572,945	99,796	183,464	62,772	918,977	4,258,395	3,762,027
Travel and hospitality	69,829	285,172	185,561	9,752	550,314	4,156,787	773,537
Direct athlete support						4,061,963	2,875,490
Insurance						3,613,622	2,957,883
Employee benefits	302,050	92,556	71,448	148,019	614,073	1,862,321	2,154,539
Depreciation and amortization	217,887	14,905		34,778	267,570	1,712,676	1,553,138
Bad debt						1,259,508	
Television and production						1,248,872	637,112
Dues, fees, and tickets	61,467	20,459	123,302	3,812	209,040	1,093,426	801,487
Grants		120,000			120,000	882,548	3,948,438
Loss reserves expense						771,000	
Apparel	8,532	10,352	30,673		49,557	727,095	40,297
Gear, equipment, and signage	10,067	1,047	13,717	3,592	28,423	693,510	177,828
Rent and lease expense	59,877	27,665	2,380	29,991	119,913	660,733	524,338
Office supplies and expense	18,205	6,169	34,506	8,889	67,769	583,358	305,527
Payroll taxes	91,114	28,285	16,847	39,757	176,003	557,987	594,925
Telephone and internet service	356,647	7,783	4,028	4,096	372,554	480,527	209,973
Information technology expenses	176,004	213		5,384	181,601	422,304	656,631
Awards and gifts		608			608	421,784	94,723
Printing and duplication	141,112	262	10,334	708	152,416	258,354	254,845
Cost of goods sold, silent auction			103,313		103,313	103,313	67,153
Miscellaneous expenses	3,103	14,938		21,206	39,247	94,389	200,593
Protocol	2,059	24,411		89	26,559	73,434	33,398
Recognition and fulfillment			15,081		15,081	70,374	700
Repairs and maintenance	58,980	18		2,319	61,317	63,615	
Interest expense	55,399				55,399	55,399	15,934
Advertising			450		450	10,715	38,209
Line of credit drawdown							1,821,000
Total expenses	3,504,929	1,809,383	1,177,913	852,639	7,344,864	39,046,552	33,546,297
Less expenses netted against revenue on statement of activities			(103,313)		(103,313)	(709,232)	(240,826)
	<u>\$ 3,504,929</u>	<u>\$ 1,809,383</u>	<u>\$ 1,074,600</u>	<u>\$ 852,639</u>	<u>\$ 7,241,551</u>	<u>\$ 38,337,320</u>	<u>\$ 33,305,471</u>

See Notes to Consolidated Financial Statements

USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Consolidated Statements of Cash Flows
For the Year Ended December 31, 2021
(With Comparative Amounts for the Year Ended December 31, 2020)

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 4,715,350	\$ 3,605,354
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	1,712,676	1,553,138
Uncollectible pledges	120,500	
Net realized and unrealized gains on investments	(5,256,459)	(5,066,089)
PPP loan proceeds, portion in notes payable		182,316
PPP loan forgiveness	(182,316)	
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable, net	(832,263)	(230,852)
Pledges receivable	(286,318)	149,899
Prepaid expenses and deferred charges	1,355,415	(878,172)
Olympic Trials joint venture	56,482	57,475
Increase (decrease) in liabilities:		
Accounts payable, accrued expenses and other liabilities	1,615,774	(1,961,358)
Refundable advances	(32,415)	32,415
Deferred revenue	2,336,619	(3,278,368)
Loss reserve	<u>760,898</u>	
Total adjustments	<u>1,368,593</u>	<u>(9,439,596)</u>
Net cash provided (used) by operating activities	6,083,943	(5,834,242)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of long-term investments	39,108,086	84,767,263
Purchase of long-term investments	(42,062,053)	(80,851,280)
Prepaid rent	107,648	93,368
Acquisition of property and equipment	<u>(1,706,296)</u>	<u>(1,086,166)</u>
Net cash provided (used) by investing activities	(4,552,615)	2,923,185
CASH FLOWS FROM FINANCING ACTIVITIES:		
Line of credit, net		1,821,000
Collection of pledges receivable restricted for endowment	<u>55,000</u>	<u>150,000</u>
Net cash provided by financing activities	<u>55,000</u>	<u>1,971,000</u>
NET INCREASE (DECREASE) IN CASH	1,586,328	(940,057)
CASH AND CASH EQUIVALENTS, beginning of year	<u>4,695,468</u>	<u>5,635,525</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 6,281,796</u>	<u>\$ 4,695,468</u>

See Notes to Consolidated Financial Statements

USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2021

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The accompanying consolidated financial statements include USA Swimming, Inc. and USA Swimming Foundation, Inc.

USA Swimming, Inc. (the Corporation) is a Colorado non-profit corporation. The Corporation is the national governing body for amateur swimming, making it responsible for the conduct and administration of amateur swimming in the United States.

The USA Swimming Foundation, Inc. (the Foundation), is a Colorado non-profit corporation. The purpose of the Foundation is to operate for charitable and educational purposes, to foster national and international amateur sports competition, and to serve as a supporting organization for the Corporation.

Basis of Presentation

The financial statements of the Corporation are presented on a consolidated basis with the Foundation (collectively the Organization) in order to conform to the requirements of Financial Accounting Standards Board ASC 958.

Transactions between the entities are shown as eliminating entries and removed in order to properly reflect consolidated totals.

Income Taxes

The Corporation and the Foundation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, both entities qualify for the charitable contribution deduction and have been classified as organizations that are not private foundations.

The Corporation's and the Foundation's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by various taxing authorities, generally for three years after the date they were filed.

Management of the Organization believes that it does not have any uncertain tax positions that are material to the financial statements.

Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents

The Organization considers all liquid investments with original maturities of three months or less, and which are not held for long-term investment purposes, to be cash equivalents. Cash and highly liquid financial instruments held for long-term investment purposes, regardless of original length to maturity, are reported as investments and excluded from this definition. In the unlikely event of a bank or brokerage firm failure, the Organization might only be able to recover the amounts insured.

Supplemental Cash Flow Disclosure

The Organization paid interest of \$55,399 and \$15,934 in 2021 and 2020, respectively. The Organization did not pay any income taxes during either of the years ended December 31, 2021 and 2020.

Accounts Receivable

Accounts receivable includes amounts from contracts with customers, contributions postmarked before the end of the year and other miscellaneous amounts. Receivables from contracts with customers at the beginning and end of 2021 were \$1,440,156 and \$1,930,226, respectively.

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that an allowance for doubtful accounts in the amount of \$1,251,588 was necessary at December 31, 2021. There was no allowance of doubtful accounts at December 31, 2020. The delinquency and collectability of receivables is determined on a case by case basis and receivables are charged to bad debt expense when determined to be uncollectible.

Pledges Receivable

Pledges receivable consist of unconditional promises to give that are expected to be collected in current and future periods. Pledges expected to be collected within one year are recorded at their estimated net realizable values. Pledges receivable expected to be collected in more than one year are

Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Pledges Receivable - continued

recorded at the present value of their estimated future cash flows, computed using risk-adjusted interest rates. Amortization of the discount is included in contribution revenue. Pledges receivable are reported as support with donor restrictions unless the donor stipulations or circumstances surrounding the pledge make clear the donor intended it to be used to support activities in the current period. Pledges receivable are considered by management to be fully collectible and, accordingly, no allowance for doubtful accounts is considered necessary. The delinquency and collectability of pledges receivable is determined on a case by case basis and pledges receivable are charged to uncollectible pledges when determined to be bad debts.

Contributions

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. When a restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfied program restrictions. Contributions and grants with donor restrictions are reported as support and revenue without donor restrictions if the restriction is met in the same year that the gift is received.

Contributions include United States Olympic & Paralympic Committee (USOPC) and Small Business Administration (SBA) Paycheck Protection Program (PPP) grants.

Revenue from Contracts with Customers

Membership dues revenue - Revenue from contracts with members for annual dues is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing membership to its members. Revenue is recognized as performance obligations are satisfied, which is ratably over the membership term. Membership dues are nonrefundable.

Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue from Contracts with Customers - continued

Partnership marketing - The Organization recognizes revenue from contracts with both sponsors and suppliers of the Organization. Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Organization will recognize revenue over time. The Organization has concluded that the performance obligations within these contracts are substantially the same in each year and are satisfied ratably over the term of the agreement.

Therefore, partnership marketing revenue from contracts with customers will be recognized on a straight-line basis over the term of the agreement.

Swim-A-Thon and consumer revenue - The Foundation receives a royalty and administrative fee from swim clubs for the use of the Swim-A-Thon trademark and prizes and administrative services provided by the Foundation. The fee is 5% of the funds raised by the Swim-A-Thon hosted by the swim club. In April 2020, the Foundation waived the contracted 5% fee for teams completing a Swim-A-Thon through December 31, 2021.

This revenue is recognized at the end of the Swim-A-Thon which is when all performance obligations are considered satisfied by the Foundation. The Foundation also receives royalties for use of its logo or trademark of Swim-A-Thon. The revenue is recognized upon receipt of the royalty.

Events - The Organization receives revenue from sales related to activities at the U.S. Olympic Team Trials (Trials) which occur a few months prior to the Summer Olympics. The sales include tickets to an alumni dinner and a VIP experience package including a variety of activities. The VIP experience package fee includes a contribution amount. The contribution is recognized upon receipt, all other amounts are recognized when the performance obligations are met at Trials. Trials were held in 2021 and revenues were recognized from the sales. The Organization also receives revenue from various sporting events which are recognized at the time of the event. The Organization receives revenue from an annual Golden Goggles event. The revenue received includes sponsorships, contributions, and tickets to the event. The ticket revenue includes a contribution amount. For the year ended December 31, 2021, contributions in the amount of \$264,636 from Golden Goggles were received.

Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributed Services

The Corporation receives a substantial amount of donated services in carrying out their programs. No amounts have been reflected in the consolidated financial statements for those services since they do not meet the criteria for recognition under FASB ASC 605.

The Foundation receives a substantial amount of donated services in carrying out its programs. Contributed services are recognized if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

During the years ended December 31, 2021 and 2020, the Foundation recognized an in-kind transfer from the Corporation and related expense for contributed services in the amount of \$348,806 and \$392,446, respectively. The Foundation measured the services received at the cost recognized by the Corporation for the actual cost incurred for personnel providing those services.

Donated Materials

Donated materials are recorded as both revenues and expenditures in the accompanying consolidated statements of activities at their estimated values.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Some of the expenses which are allocated include utilities, supplies and depreciation, which are allocated on a headcount basis, as well as salaries, which are allocated on the basis of time and effort estimates.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Notes to Consolidated Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Prior-Year Comparisons

The financial statements include certain prior year summarized comparative information in total but not by net asset or functional expense class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 23, 2022, the date that the financial statements were available to be issued.

B. AVAILABLE RESOURCES AND LIQUIDITY

USA Swimming, Inc.

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds, and other short-term investments.

The table on the following page reflects the Organization's financial assets as of December 31, 2021 and 2020, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date because of contractual restrictions or internal Board designations. Amounts not available include a Board-designated special projects fund that is intended to fund special Board initiatives not considered in the annual operating budget. In the event the need arises to utilize the Board-designated funds for liquidity purposes, the reserves could be drawn upon through Board resolution. Amounts not available to meet general expenditures within one year also may include net assets with donor restrictions.

The Corporation has a line of credit available for cash needs. See note I for information on the line of credit.

Notes to Consolidated Financial Statements

B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

USA Swimming Foundation, Inc.

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose or time restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. In addition, the Foundation receives support without donor restrictions; with the remainder funded by investment income without donor restrictions and appropriated earnings from gifts with donor restrictions.

The Foundation considers investment income without donor restrictions, appropriated earnings from donor-restricted and Board-designated quasi-endowments, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses, and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

The Foundation strives to maintain financial assets available to meet general expenditures at a level that represents 100% of annual expenses for administrative, general, and fundraising expenses plus an amount that represents the next expected grant commitment payments, which typically represents approximately 25% of the expected annual grant cash needs. Additionally, in the event the need arises to utilize the Board-designated funds for liquidity purposes, the reserves could be drawn upon through Board resolution.

Notes to Consolidated Financial Statements

B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

The table below presents financial assets available for general expenditures within one year at December 31:

	<u>2021</u>	<u>2020</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 6,281,796	\$ 4,695,468
Contributions receivable	1,735,418	1,624,600
Other receivables	<u>2,674,098</u>	<u>1,841,835</u>
Total financial assets	10,691,312	8,161,903
Less amounts not available to be used within one year:		
Board - designated special projects fund	2,556,500	1,500,000
Contribution receivable - for restricted gifts, net	615,000	459,100
Contribution receivable - due over one year, net	<u>905,418</u>	<u>850,000</u>
Financial assets not available to be used within one year	<u>4,076,918</u>	<u>2,809,100</u>
Financial assets available within one year	<u>\$ 6,614,394</u>	<u>\$ 5,352,803</u>

C. FAIR VALUE MEASUREMENTS

The Organization applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Notes to Consolidated Financial Statements

C. FAIR VALUE MEASUREMENTS - Continued

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables present assets that are measured at fair value on a recurring basis at December 31, 2021 and 2020:

<u>Assets at Fair Value as of December 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities:				
Corporate and other notes	\$	\$ 21,024,204	\$	\$ 21,024,204
US Treasury and agencies		2,291,430		2,291,430
International		256,345		256,345
State and municipal agencies		440,785		440,785
Equity securities:				
Exchange traded funds	25,726,560			25,726,560
Pooled equity funds	10,282,994			10,282,994
Money market	3,035,040			3,035,040
	<u>\$ 39,044,594</u>	<u>\$ 24,012,764</u>	<u>\$</u>	<u>\$ 63,057,358</u>

<u>Assets at Fair Value as of December 31, 2020</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities:				
Corporate and other notes	\$	\$ 17,861,872	\$	\$ 17,861,872
US Treasury and agencies		2,089,883		2,089,883
International		166,820		166,820
State and municipal agencies		489,306		489,306
Equity securities:				
Exchange traded funds	23,141,221			23,141,221
Pooled equity funds	10,070,838			10,070,838
Mutual funds	364,365			364,365
Money market	662,627			662,627
	<u>\$ 34,239,051</u>	<u>\$ 20,607,881</u>	<u>\$</u>	<u>\$ 54,846,932</u>

Investments are included in the consolidated statements of financial position in long-term investments.

Notes to Consolidated Financial Statements

C. FAIR VALUE MEASUREMENTS - Continued

Investment income included in the consolidated statements of activities for the years ended December 31, 2021 and 2020 consists of the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 1,835,688	\$ 1,322,634
Less investment fees	(141,052)	(129,423)
Net realized and unrealized gains	<u>5,256,459</u>	<u>5,066,089</u>
	<u>\$ 6,951,095</u>	<u>\$ 6,259,300</u>

The Corporation and the Foundation record realized gains and losses in their consolidated financial statements based on historical cost basis.

D. PLEDGES RECEIVABLE

As of December 31, 2021 and 2020, the Foundation had pledges receivable of \$1,735,418 and \$1,624,600, respectively, representing unconditional promises to give made during the current and prior years. The pledges will be received by the Foundation in future years and have been discounted using the risk-free interest rate for the year in which they were received. The interest rates used range from 0.11% to .97%.

Total pledges receivable at December 31, 2021 and 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Receivable within one year	<u>\$ 830,000</u>	<u>\$ 774,600</u>
Receivable from one to five years	<u>\$ 905,418</u>	<u>\$ 850,000</u>

At December 31, 2021 and 2020, one donor accounts for 23% and 37% of the pledges receivable, respectively.

E. PREPAID EXPENSES AND DEFERRED CHARGES

Prepaid expenses and deferred charges consist of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Prepaid insurance	\$ 429,746	\$ 920,390
Deferred charges	<u>1,122,455</u>	<u>1,987,226</u>
	<u>\$ 1,552,201</u>	<u>\$ 2,907,616</u>

Notes to Consolidated Financial Statements

E. PREPAID EXPENSES AND DEFERRED CHARGES - Continued

Expenses incurred in connection with events are recognized in the year the events take place. Membership expenses incurred in connection with the subsequent membership year are deferred.

Other non-current assets include prepaid rent of \$4,717,772 and \$4,825,420 at December 31, 2021 and 2020, respectively.

In 1996 and 1997 the Corporation paid approximately \$3,400,000 to construct a headquarters office building at the Olympic Training Center. The building is owned by the USOPC. In consideration for the Corporation's payment of the construction costs, the USOPC agreed that the Corporation would be allowed to occupy the building free of any obligation to pay rent or operating costs for a 30-year period commencing March 1, 1997. The Corporation paid approximately \$3,000,000 for remodeling the headquarters office building, which was completed in 2019. An updated lease agreement is in progress.

The building construction costs were recorded as prepaid rent, which are being amortized over the 30-year life of the agreement. The Corporation has recorded rent at fair market rates and interest income to reflect the discount received from the prepayment.

Rent expense recorded in 2021 and 2020 amounted to \$366,589 and \$357,648, respectively, and interest income recorded in 2021 and 2020 amounted to \$258,941 and \$264,280, respectively.

F. PROPERTY AND EQUIPMENT

Property and equipment are stated at cost and depreciation is recorded using the straight-line method over the estimated useful lives of three to 10 years. Acquisitions with an initial cost over \$1,000 and a useful life of over one year are capitalized. Expenditures for repairs and maintenance which do not materially prolong the useful lives of the assets are charged to expense as incurred.

Notes to Consolidated Financial Statements

F. PROPERTY AND EQUIPMENT - Continued

Property and equipment consists of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Software and website	\$ 12,479,774	\$ 10,986,463
Building and leasehold improvements	1,955,651	2,153,256
Furniture and equipment	376,125	455,851
Vehicles	<u>39,150</u>	<u>39,150</u>
	14,850,700	13,634,720
Less accumulated depreciation	<u>(10,973,586)</u>	<u>(9,751,226)</u>
	<u>\$ 3,877,114</u>	<u>\$ 3,883,494</u>

Depreciation expense for the years ended December 31, 2021 and 2020 was \$1,712,676 and \$1,553,138, respectively.

G. DEFERRED REVENUE

Deferred revenue, which represents contract liabilities from contracts with customers, consists of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Current:		
Membership	\$ 14,617,742	\$ 8,942,183
Corporate sponsorships	200,000	230,689
Other	146,000	180,551
USOPC Olympics funding	87,500	1,231,200
Olympic Trials	<u> </u>	<u>2,130,000</u>
Total deferred revenue	<u>\$ 15,051,242</u>	<u>\$ 12,714,623</u>

H. REFUNDABLE ADVANCE

As the Corporation satisfies the barriers and conditions set forth in the grant contract, revenue will be recognized accordingly.

Refundable advances consist of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
USOPC special grant	<u>\$</u> _____	<u>\$ 32,415</u>

Notes to Consolidated Financial Statements

I. LINE OF CREDIT

On June 24, 2020, the Corporation obtained a \$3,000,000 line of credit with First Western Trust Bank. The variable interest rate is 0.250 percentage points under the prime rate as published in The Wall Street Journal. The initial interest rate is 3.0%. Payment of principal and interest is not due on the line of credit until the maturity date of June 24, 2022. Subsequent to year end, the Board of Directors approved pursuing a 24 month extension on this line of credit. The line of credit is secured by a pledge agreement secured by an investment account held at First Western Trust Bank. The outstanding balance on the line of credit was \$1,821,000 as of December 31, 2021.

J. NET ASSETS WITH DONOR RESTRICTIONS: TEMPORARY IN NATURE

Net assets with donor restrictions are available for the following purposes at December 31:

	<u>2021</u>	<u>2020</u>
Purpose restrictions	\$ 2,862,344	\$ 2,311,935
Time restrictions	<u>385,000</u>	<u>530,500</u>
	<u>\$ 3,247,344</u>	<u>\$ 2,842,435</u>

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. Net assets were released from temporary restrictions by satisfying the following restricted purposes at December 31:

	<u>2021</u>	<u>2020</u>
National Team	\$ 531,433	\$ 352,649
Learn to Swim	289,913	358,852
Time restrictions	265,000	304,000
Fundraising programs and operations	<u>205,000</u>	<u></u>
	<u>\$ 1,291,346</u>	<u>\$ 1,015,501</u>

K. NET ASSETS WITH DONOR RESTRICTIONS: PERPETUAL IN NATURE

During the years ended December 31, 2008, 2016, 2017, 2020 and 2021, the Foundation received perpetually restricted pledges of \$5,000,000, \$50,000, \$600,000, \$25,000, and \$120,000, respectively. Funds collected under the pledges are recognized as endowment funds. The Foundation only recognizes contributions received as endowment funds. During the years ended December 31, 2021 and 2020, the Foundation received perpetually restricted contributions of \$55,000 and \$150,000, respectively, which were recognized as endowment funds in prior years.

Notes to Consolidated Financial Statements

K. NET ASSETS WITH DONOR RESTRICTIONS: PERPETUAL IN NATURE - Continued

During the year ended December 31, 2020, the \$25,000 noted in the first sentence was a reallocation by one donor of their previously time-restricted contribution to the endowment. The \$25,000 is included in the \$150,000 contributions collected as noted above.

L. ENDOWMENTS

Perpetually restricted net assets consist of the following at December 31:

	<u>2021</u>	<u>2020</u>
Endowment funds	\$ 5,705,000	\$ 5,650,000
Pledges receivable	<u>90,000</u>	<u>25,000</u>
	<u>\$ 5,795,000</u>	<u>\$ 5,675,000</u>

The Foundation's endowment funds consist of funds without donor restrictions functioning as endowment through designations by the Board and donor restricted endowment funds. The earnings of the Board-designated endowment are designated for athlete support. The earnings of the donor restricted endowment support Learn to Swim, National Team initiatives, and the USA Swimming Dirks/Gould Coaches Incentive Program.

The Foundation has adopted investment and spending policies based on the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Foundation classifies as net assets with donor restrictions-perpetual in nature (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time of accumulation is added to the fund. The remaining portion of the donor-restricted endowment funds that is not classified in net assets with donor restrictions-perpetual in nature is classified as net assets with donor restrictions-temporary in nature until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. Each year, the Foundation is required to spend no less than 3% and no more than 5% of the donor restricted endowment funds for specific purposes.

Notes to Consolidated Financial Statements

L. ENDOWMENTS - Continued

The Foundation does not include uncollected pledges receivable as part of endowment net assets. Amounts are included with endowment net assets as the pledges receivable are collected. As of December 31, 2021 and 2020, perpetually restricted uncollected pledges were \$90,000 and \$25,000, respectively.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. During the years ended December 31, 2021 and 2020, there were no net asset deficiencies present.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period as well as Board-designated funds.

Under this policy, the endowment assets are invested in a manner that is intended to produce maximum results while assuming a moderate level of investment risk.

The Foundation expects its endowment funds, over time, to provide a rate of return sufficient to keep pace with the rate of inflation. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a great emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The following table represents the composition of the endowment fund's net assets during the years ended December 31, 2021 and 2020.

Notes to Consolidated Financial Statements

L. ENDOWMENTS - Continued

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>
Endowment net assets, January 1, 2020	\$ 13,700,689	\$ 5,500,000
Investment return:		
Investment income	189,695	34,973
Net appreciation (net realized and unrealized)	<u>1,200,234</u>	<u>221,277</u>
Total investment return	1,389,929	256,250
Contributions		150,000
Expenditures	<u>(3,470,000)</u>	<u>(256,250)</u>
Endowment net assets, December 31, 2020	11,620,618	5,650,000
Investment return:		
Investment income	295,323	52,585
Net appreciation (net realized and unrealized)	<u>1,157,842</u>	<u>206,165</u>
Total investment return	1,453,165	258,750
Contributions	171,073	55,000
Expenditures	<u>(470,000)</u>	<u>(258,750)</u>
Endowment net assets, December 31, 2021	<u>\$ 12,774,856</u>	<u>\$ 5,705,000</u>

M. UNITED STATES SPORTS INSURANCE COMPANY INC. PROVISION FOR LOSSES

United States Sports Insurance Company, Inc. (USSIC) was a wholly owned captive insurer of the Corporation. USSIC provided insurance protection on a run off basis to the Corporation and its committees and clubs located throughout the United States of America. Effective September 22, 2016, the Corporation entered into an Equity Purchase Agreement, selling all of the issued and outstanding equity membership interest in USSIC.

The USSIC provision for insurance losses and loss expenses was based on circumstances reported and a review of individual cases for each respective policy year and an actuarial study which takes into account the past loss experience and the potential of significant losses which might arise.

Notes to Consolidated Financial Statements

M. UNITED STATES SPORTS INSURANCE COMPANY INC. PROVISION FOR LOSSES - Continued

As these provisions are necessarily based on estimates, the ultimate liability may be significantly in excess of or less than the amounts provided. The methods of making such estimates and for establishing the resulting provisions are continually reviewed and any adjustments resulting therefrom are reflected in current earnings. The reserve for losses was transferred as part of the sale of USSIC on September 22, 2016.

In accordance with the Equity Purchase Agreement, the Corporation obtained a letter of credit (the LOC) for benefit of the buyer in the amount of \$5,000,000. The LOC collateralizes indemnity reserves and allows the buyer to draw against the LOC once per quarter for the payment of claims that exceed \$3,265,599, which is the referenced loss reserves as defined in the agreement. If on the fifth anniversary of the date of sale the estimated ultimate losses of USSIC are equal to or greater than \$5,000,000 the Corporation may, but is not obligated to, release the entire LOC to the buyer.

The LOC will be terminated on the tenth anniversary of the date of sale. The unused balance on the LOC is \$3,200,000 as of December 31, 2021.

N. RELATED PARTY TRANSACTIONS

The USOPC provides grants to the Corporation for sports development, international competition, and team preparation. In addition, the USOPC designates a portion of their funding for athlete support, and this amount is paid directly to eligible athletes. On occasion the Corporation will contract with the USOPC to provide services, usually in relation to specific events.

Total grants from the USOPC for the years ended December 31, 2021 and 2020 consist of the following project categories:

	<u>2021</u>	<u>2020</u>
NGB Funding	\$ 3,183,696	\$ 1,851,000
Direct athlete support	2,232,300	2,226,865
Trials - TV revenue	1,260,000	
Other USOPC support	160,095	5,000
International relations	<u>5,181</u>	<u>7,946</u>
	<u>\$ 6,841,272</u>	<u>\$ 4,090,811</u>

Notes to Consolidated Financial Statements

N. RELATED PARTY TRANSACTIONS - Continued

The Trials - TV revenue is considered revenue from contract with customers. All other categories are considered contributions.

During the years ended December 31, 2021 and 2020, NGB funding provided as value-in-kind was \$19,916 and \$0, respectfully. At December 31, 2021 and 2020, payables to the USOPC amounted to \$1,691,106 and \$1,525, respectively.

O. PENSION PLAN

The Corporation and the Foundation's 401(k) retirement plan covers all employees over 18 years of age with one year of service. During the years ended December 31, 2021 and 2020, contributions to the plan were \$664,457 and \$688,683, respectively.

Effective January 1, 2004, the Corporation entered into a deferred compensation agreement under Section 457 of the Internal Revenue Code with its former Chief Executive Officer.

The purpose of the plan is to provide retirement benefits for this individual. This plan contains two components, a Qualified Deferred Compensation account and a Nonqualified account.

All amounts credited to the Qualified Deferred Compensation account are fully vested. In January 2013, all funds held in the non-qualified account were distributed to the former Chief Executive Officer.

As of December 31, 2012, the deferred compensation plan was fully funded, and no additional contributions have been made. However, earnings of 8% are added to the fund annually. At December 31, 2021 and 2020, the vested balance in the Qualified Deferred Compensation account was \$33,991 and \$101,974, respectively.

P. INVESTMENT IN JOINT VENTURE

The Corporation is a party to a joint venture agreement with Omaha Sports Commission (OSC) for the purpose of operating, promoting, and managing the Trials. The two parties agree to share equally the difference between the revenues and the expenses from the operation of the Trials. The joint venture agreement states that any amounts received from the USOPC and certain sponsors will accrue solely to the benefit of the Corporation and likewise any amounts paid to OSC from various Nebraska municipalities will accrue to the benefit of OSC.

Notes to Consolidated Financial Statements

P. INVESTMENT IN JOINT VENTURE - Continued

The following is an unaudited condensed balance sheet of the joint venture as of December 31:

	<u>2021</u>	<u>2020</u>
Cash	\$ 310,724	\$ 133,791
Accounts Receivable	117,435	152,250
Other assets	576,163	908,654
Property and equipment, net	<u>49,960</u>	<u>78,274</u>
Total assets	<u>\$ 1,054,282</u>	<u>\$ 1,272,969</u>
Liabilities	\$ 941,313	\$ 1,160,000
Equity	<u>112,969</u>	<u>112,969</u>
Total liabilities and equity	<u>\$ 1,054,282</u>	<u>\$ 1,272,969</u>

Q. PPP GRANT AND LOAN

In April 2020, the Corporation received a loan in the amount of \$1,627,968 from First Western Trust through the PPP. Under the terms of this program, a portion or all of the loan may be forgiven by the Small Business Administration if certain payroll criteria are met and funds are used for payroll, rent, mortgage interest, or utilities.

The Corporation received forgiveness of \$1,445,651 in 2020 and the remaining \$182,317 was forgiven at December 31, 2021. The remaining amount forgiven is reported as a PPP grant in the accompanying financial statements.

R. LEASES

In March 2021, the Corporation entered into a lease agreement for copier equipment. The lease requires 48 monthly payments of \$535 with the final payment due in March 2025.

Future minimum payments under all of the above operating leases are as follows:

2022	\$ 6,421
2023	6,421
2024	6,421
2025	1,605

Notes to Consolidated Financial Statements

S. CONTINGENCIES

Occasionally, in the normal conduct of business, the Organization may be named defendant in a lawsuit or other form of legal action. In the opinion of management, any pending or threatened claims against the Organization, as of December 31, 2021, are either without merit, will not exceed insurance limits, or will be covered by the letter of credit discussed in Note M.

The Corporation has accrued \$760,898 for the year ending December 31, 2021, for the insurance deductible layer on its general liability insurance policy. The accrual was based on actuarial analysis and will be monitored for adjustment periodically.

T. UNCERTAINTIES

During the year ended December 31, 2020, the outbreak of a novel strain of coronavirus (COVID-19 outbreak) had been recognized as a pandemic by the World Health Organization, and became increasingly widespread in the United States throughout the year ended December 31, 2021. The COVID-19 outbreak has had a notable impact on general economic conditions, including, but not limited to, the uncertainty in global financial markets, temporary closures of many businesses, suspension or cancelation of events, "shelter in place" and other governmental regulations, and job losses. The extent to which the COVID-19 outbreak will continue to affect the operations, collections or financial results of the Organization is uncertain.

USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Consolidating Statement of Financial Position
December 31, 2021
(With Consolidated Totals for 2020)

ASSETS

	<u>USAS</u>	<u>USASF</u>	<u>Eliminations</u>	<u>Consolidated Totals 2021</u>	<u>Consolidated Totals 2020</u>
CURRENT ASSETS:					
Cash and cash equivalents	\$ 4,716,505	\$ 1,565,291	\$	\$ 6,281,796	\$ 4,695,468
Accounts receivable, net	2,505,382	168,716		2,674,098	1,841,835
Due from USA Swimming Foundation, Inc.	125,526		(125,526)		
Short-term pledges receivable		830,000		830,000	774,600
Prepaid expenses and deferred charges	<u>1,486,845</u>	<u>65,356</u>		<u>1,552,201</u>	<u>2,907,616</u>
Total current assets	8,834,258	2,629,363	(125,526)	11,338,095	10,219,519
PROPERTY AND EQUIPMENT	14,620,737	229,963		14,850,700	13,634,720
Less accumulated depreciation	<u>(10,743,623)</u>	<u>(229,963)</u>		<u>(10,973,586)</u>	<u>(9,751,226)</u>
Property and equipment - net	3,877,114			3,877,114	3,883,494
LONG-TERM INVESTMENTS	43,035,078	20,022,280		63,057,358	54,846,932
LONG-TERM PLEDGES RECEIVABLE, net		905,418		905,418	850,000
OTHER ASSETS:					
Prepaid rent	4,717,772			4,717,772	4,825,420
Deposit	140,000			140,000	140,000
Olympic trials joint venture					56,482
Swim-A-Thon		120,000		120,000	120,000
Total other assets	<u>4,857,772</u>	<u>120,000</u>		<u>4,977,772</u>	<u>5,141,902</u>
TOTAL ASSETS	<u>\$ 60,604,222</u>	<u>\$ 23,677,061</u>	<u>\$ (125,526)</u>	<u>\$ 84,155,757</u>	<u>\$ 74,941,847</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts payable	\$ 2,781,827	\$ 3,182	\$ (125,526)	\$ 2,785,009	\$ 763,218
Due to USA Swimming, Inc.		125,526			
Accrued expenses and other liabilities	939,177	20,583		959,760	1,365,777
Refundable advances					32,415
PPP Loan					182,316
Deferred revenue	15,051,242			15,051,242	12,714,623
Line of credit	<u>1,821,000</u>			<u>1,821,000</u>	
Total current liabilities	20,593,246	149,291	(125,526)	20,617,011	15,058,349

LONG-TERM LIABILITIES:

Line of credit					1,821,000
Loss reserve	<u>760,898</u>			<u>760,898</u>	
Total liabilities	21,354,144	149,291	(125,526)	21,377,909	16,879,349

NET ASSETS:

Without donor restrictions	39,250,078	509,570		39,759,648	36,723,445
Without donor restrictions - board designated		13,975,856		13,975,856	12,821,618
With donor restrictions		<u>9,042,344</u>		<u>9,042,344</u>	<u>8,517,435</u>
Total net assets	<u>39,250,078</u>	<u>23,527,770</u>		<u>62,777,848</u>	<u>58,062,498</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 60,604,222	\$ 23,677,061	\$ (125,526)	\$ 84,155,757	\$ 74,941,847
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USA SWIMMING, INC.
USA SWIMMING FOUNDATION, INC.
Consolidating Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2021
(With Consolidated Totals for 2020)

	<u>USAS</u>	<u>USASF</u>	<u>Eliminations</u>	Consolidated Totals <u>2021</u>	Consolidated Totals <u>2020</u>
CHANGES IN NET ASSETS WITHOUT					
DONOR RESTRICTIONS:					
REVENUE AND SUPPORT:					
Membership	\$ 18,172,313	\$	\$	\$ 18,172,313	\$ 20,656,479
USOPC grants and contracts	6,841,272			6,841,272	4,090,811
Investment income	4,642,584	1,466,756		6,109,340	5,400,154
Partnership marketing	5,417,715	551,516		5,969,231	2,610,039
Sport and events, net of special event expenses of \$709,232 and \$240,826	1,997,711	317,641		2,315,352	486,054
Contributions	1,116,433	1,108,536	(1,116,433)	1,108,536	387,830
Other income	394,722	163,034	(270,000)	287,756	184,902
Consumer revenue	201,103	785		201,888	61,250
PPP grant	182,317			182,317	1,445,651
Swim-A-Thon		48,410		48,410	51,509
Satisfied program restrictions		<u>1,291,346</u>		<u>1,291,346</u>	<u>1,015,501</u>
Total revenue and support	38,966,170	4,948,024	(1,386,433)	42,527,761	36,390,180
EXPENSES:					
Program services:					
National Team	9,834,834			9,834,834	5,347,183
Commercial	5,864,080			5,864,080	4,334,823
Event Operations	5,296,980			5,296,980	2,815,305
Sport Development	4,578,544			4,578,544	3,714,410
Risk Management	4,347,669			4,347,669	2,935,396
Foundation Programs	<u>348,806</u>	<u>2,355,950</u>	<u>(1,531,239)</u>	<u>1,173,517</u>	<u>4,120,680</u>
Total program services	30,270,913	2,355,950	(1,531,239)	31,095,624	23,267,797

Supporting services:					
Business Affairs	3,504,929			3,504,929	7,242,748
Executive	1,809,383			1,809,383	1,211,839
Finance	852,639			852,639	852,274
Fundraising		<u>1,278,745</u>	<u>(204,000)</u>	<u>1,074,745</u>	<u>730,813</u>
Total supporting services	<u>6,166,951</u>	<u>1,278,745</u>	<u>(204,000)</u>	<u>7,241,696</u>	<u>10,037,674</u>
Total expenses	<u>36,437,864</u>	<u>3,634,695</u>	<u>(1,735,239)</u>	<u>38,337,320</u>	<u>33,305,471</u>
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	2,528,306	1,313,329	348,806	4,190,441	3,084,709
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS:					
Contributions		974,500		974,500	677,000
Investment income		841,755		841,755	859,146
Satisfied program restrictions		<u>(1,291,346)</u>		<u>(1,291,346)</u>	<u>(1,015,501)</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS		<u>524,909</u>		<u>524,909</u>	<u>520,645</u>
CHANGE IN NET ASSETS	2,528,306	1,838,238	348,806	4,715,350	3,605,354
TRANSFER OF EQUITY		348,806	<u>(348,806)</u>		
NET ASSETS, beginning of year	<u>36,721,772</u>	<u>21,340,726</u>		<u>58,062,498</u>	<u>54,457,144</u>
NET ASSETS, end of year	<u>\$ 39,250,078</u>	<u>\$ 23,527,770</u>	<u>\$</u>	<u>\$ 62,777,848</u>	<u>\$ 58,062,498</u>



**RULES & REGULATIONS COMMITTEE
PROPOSED AMENDMENTS TO
RULES & REGULATIONS
2022**

No.	Description	Location	Recommendation
R-1	To add a Glossary term to create a definition for actively engaged athletes who are not 10-Year or 10-Year+ Athlete representatives.	Official Glossary [new]	Approval
R-2	To set the minimum number of required officials, including marshals for sanctioned events at two.	102.10.3	Approval
R-3	To set the minimum number of required officials, including marshals for development, dual and intra-squad meets at two.	102.10.4	Approval
R-4	To eliminate the Recorder of Records position to align with current practices.	102.16	Approval
R-5	To require a starting light for swimmers who are deaf or hard of hearing be positioned so that the swimmer can see the starting light while in the competitive starting position.	103.23 [new]	Rejection
R-6	To align the rules for swimming records to reflect current practices and requirements.	Article 104	Approval
R-7	To modify Figure 1 to reflect a signal to indicate "stand up".	105.3	Withdrawn
R-8	To modify Figure 1 to add an additional hand signal for swimmers who are deaf or hard of hearing to indicate the "stand" command from the starter (a command commonly verbalized during the starting sequence).	105.3	Approval
R-9	To modify Figure 2 to reflect a signal to indicate "relax".	105.3	Withdrawn
R-10	To modify Figure 2 to add an additional hand signal for swimmers who are deaf or hard of hearing to indicate the "stand" command from the starter (a command commonly verbalized during the starting sequence).	105.3	Approval
R-11	To require use of both a strobe light and the Starter's arm signals.	105.3.1	No Recommendation
R-12	To specify use of arm signals during the entire event in which the swimmer who is deaf or hard of hearing is entered.	105.3.3 [new]	No Recommendation
R-13	To allow a Personal Assistant to be positioned on the pool deck for the purpose of conveying all or part of the start commands or communicating other directions to a swimmer who is deaf or hard of hearing.	105.3.4 [new]	Rejection
R-14	To eliminate the ambiguity of the phrase "it is not judged" and replace it with proactive direction that a necessary accommodation may be applied by a meet referee for a part of the body that is absent or cannot be used by a swimmer with a physical disability, and to assure that all other body parts are judged according to the rules.	105.5.2	Approval
R-15	To comply with requirements from the U.S. Center for SafeSport (the Center) that all meet sanctions at the LSC level follow the	202.4.11 [new] 202.4.12	Approval

	approved quality control system that has been approved by the Center.		
R-16	To require the meet announcement include a statement of the medical supervision which will be available to athletes participating in the competition.	202.4.11	Approval
R-17	To reduce the penalty of the 120-day rule on transferring athletes to ensure an athlete's right to choose and fully participate in their ideal club environment.	203.3	Approval
R-18	To reduce the penalty of the 120-day rule on transferring athletes to ensure an athlete's right to choose and fully participate in their ideal club environment.	203.9.2	Approval
R-19	To permit the Senior Development Committee to develop qualifying time standards 10 months in advance of the specified meets.	207.6.2	Approval
R-20	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.	401-408, 410	Approval
R-21	To specify the Chair of the Athletes' Advisory Council must be selected from the voting members of the AAC.	501.1.1(B)	Approval
R-22	To specify one-half of the athlete representatives on the Coach Advisory Council must meet the definition of a 10-Year Athlete.	501.1.2(A)(2)	Approval
R-23	To specify the Chair of the Senior Development Committee may designate a member of the committee to serve as an ex-officio to the National Team Steering Committee.	501.1.4(A)(5)	Approval
R-24	To specify the athlete representative on the Selection Procedure Approval Committee must meet the definition of a 10-Year Athlete.	501.1.7(A)	Approval
R-25	To require all LSC Board of Directors and LSC House of Delegates members to be members of USA Swimming.	Required LSC Bylaws Template	Approval
R-26	To specify that half of 10-Year and 10-Year+ Athlete representatives in the House of Delegates must have obtained such eligibility through competing in an event that at the time of election/selection is on a USOPC Delegation Event program.	Corporate Bylaws 6.1.12	Approval

No.	Description	Location	Recommendation
HK-1	To reflect current policy which eliminated the National Eligibility Appeal Panel	102.23.2	Approval
HK-2	To eliminate the use of Junior Olympic.	Official Glossary 201.1.2 205.8.1	Approval
HK-3	To reflect terminology currently used by the U.S. Center for SafeSport	202.4.11(M)	Approval
HK-4	To reflect current practice that the President/CEO establishes the sanction fee for national and international meets	202.4.13	Approval
HK-5	To reflect current terminology used for the USA Swimming Summer Championship	206.1.2	Approval
HK-6	To reflect the current corporate name of Phillips 66	207.12.2B	Approval
HK-7	To reflect current policy which eliminated the National Eligibility Appeal Panel	302.1.2A-B	Approval

RES 1	To modify the fee for the Seasonal Membership Category
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RULES & REGULATIONS COMMITTEE
PACKET OF PROPOSED AMENDMENTS TO
THE USA SWIMMING RULES & REGULATIONS
2022

R-1 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 15: OFFICIAL GLOSSARY
Proposed by: Athlete's Executive Committee, Athletes' Advisory Council
Purpose: To add a Glossary term to create a definition for actively engaged athletes who are not 10-Year or 10-Year+ Athlete representatives.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

2-YEAR ATHLETE – an athlete who has been actively engaged in 24 months prior to election/selection in a USA Swimming-sanctioned competition (as defined by the USA Swimming Athletes' Advisory Council and approved by the USA Swimming Athlete Representation Working Group [as defined in the USOPC Bylaws]), which may include events that categorize entrants in age restricted classifications.

R-2 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 35: 102.10.3
Proposed by: Operational Risk Committee, Officials Committee
Purpose: To standardize the minimum number of officials, including meet marshals at sanctioned meets.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: January 1, 2023

102.10

.3 With the exception of development, intra-squad and dual meets, there ~~should~~ shall not be fewer than the following officiating positions filled or approved by the LSC in authority for all swim meets and time trials. Officials other than the Referee and Administrative Official may act in more than one officiating capacity only when sufficient qualified officials are not available, but no one may simultaneously time and judge the order of finish. An LSC House of Delegates may establish additional minimum requirements.

- 1 Referee
- 1 Starter
- 3 Timers per lane (one minimum if automatic equipment with touchpads is used)
- 1 Clerk of Course (if applicable)
- 1 Place Judge (2 are preferred)
- 2 Stroke Judges and 2 Turn Judges or 2 Stroke and Turn Judges
- Relay Take-off Judges (if applicable)
- 1 Administrative Official
- 1 Announcer (if applicable)
- Timing Equipment Operators (as needed)
- 2 Marshal(s) (number determined by LSC), with at least one of each gender

R-3 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 35: 102.10.4
Proposed by: Operational Risk Committee, Officials Committee
Purpose: To standardize the minimum number of officials, including meet marshals at development, dual and intra-squad meets.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: January 1, 2023

102.10

.4 At development, dual and intra-squad meets, there shall be no fewer than the following officiating positions filled or approved by the LSC in authority for all swim meets and time trials.

- 1 Referee, who may also act as a stroke and turn judge
- 1 Starter
- 1 Other Stroke and Turn Judge
- 1 Announcer (if applicable)
- 3 Timers per lane (one minimum if automatic equipment with touchpads is used)
- 1 Administrative Official
- 1 Place Judge
- Relay Take-off Judges (if applicable)
- Timing Equipment Operators (as needed)
- 2 Marshal(s) (number determined by LSC), with at least one of each gender

R-4 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 38: 102.16
Proposed by: Times & Recognition Committee
Purpose: To eliminate the Recorder of Records position to align with current practices.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

~~102.16 RECORDER OF RECORDS~~ Shall obtain from the Administrative Official all times made in each event, including preliminaries and finals, shall have proper application forms and shall duly process all record claims as set forth in Article 104.

R-5 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 52: 103.23
Proposed by: South Texas Swimming
Purpose: To require a starting light for swimmers who are deaf or hard of hearing be positioned so that the swimmer can see the starting light while in the competitive starting position.
Recommendation: *The Rules & Regulations Committee recommends rejection since this proposal is redundant to Article 105.3.2.*
Effective Date: May 1, 2023

103.23 /NC/ START LIGHTS – For swimmers who are deaf or hard of hearing, a starting light shall be placed within the swimmer's lane boundaries at the starting platform to be visible to the swimmer on the platform.

R-6 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Pages 53-56: Article 4
Proposed by: Times & Recognition Committee
Purpose: To align the rules for swimming records to reflect current practices and requirements.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

ARTICLE 104

RULES FOR SWIMMING RECORDS

104.1 WORLD RECORDS

.1 [No changes]

.2 All claims shall be sent ~~by facsimile transmission~~ immediately following the performance to USA Swimming the National Headquarters. Supporting evidence must be filed on official FINA World Record application forms, which must be submitted to the Executive Director of FINA in the National Headquarters within 14 21 days after the following performance. Responsibility for this filing shall rest with the ~~meet recorder of records, official scorer, or LSC Records Chair~~ Meet and/or Administrative Referee.

104.2 USA SWIMMING RECORDS

.1 General Requirements and Conditions for Records

A. [No changes]

B Record times registered by automatic equipment shall be ~~submitted~~ in hundredths of a second (two decimal places). If first place times are tied to a hundredth of a second, the results shall be declared to be a tie and the record shall be shared by each swimmer.

C No record shall be considered ~~which is applied for by or through~~ that results from a meet sanctioned by a conference, league, LSC, allied member, or organizational member whose rules governing performance do not conform to Parts One, Two and Seven of USA Swimming Rules & Regulations unless such swim is observed in accordance with 202.8.

~~Exception: When such rules do not conform to these rules but performance by the swimmer is claimed to conform to them, application may be made to the President/CEO (or his/her designee), for consideration. Such application must be supported by documentary or other evidence of performance as may be requested.~~

D For LSC and local records only, unless prohibited by the LSC, the Referee, if requested, for the purposes of recording record attempts at an initial distance for an individual event or for the lead-off leg of a relay, may for any lane:

(1) Permit the use of ~~the split function of digital manual watches where all three official lane timers on the lane are using digital watches with split functions~~ split times recorded by a fully automatic timing system, or

(2) Assign three (3) additional official timers to the lane to time the record attempt.

Note: Performances in this category require the swimmer(s) to complete the full distance of the scheduled event in compliance with applicable rules including a legal finish at the initial distance.

E-F [No changes]

.2 American and United States Open Records

A-B [No changes]

C Special Requirements and Conditions

(1) Lead-off legs/initial distances of mixed gender relays shall not count for American or U.S. Open records.

(2) American Records established outside of the United States shall be applied for on official record application forms. When an American Record results from a World Record performance outside the United States, it shall be accepted as such upon formal approval by FINA without further certification.

(3) When a record is claimed, an official record application form shall be filled out, signed by the designated officials, and transmitted to USA Swimming Headquarters with all supporting data, including official meet results and official measurement of the lane(s) the primary printout tape for the automatic timing equipment, within 14 days after the performance. Record applications will not be accepted unless certification of course length accompanies them.

(4) ~~Pool Certification~~

(a) ~~Record applications will not be accepted unless certification of course length accompanies them or is on filed with USA Swimming.~~

(b) ~~Pool certification shall be reported on the standard form available from the President/CEO.~~

(c) ~~Certification data need only be filed once unless structural changes have occurred since original certification.~~

(45) Pool Measurement

[(a) – (b)] No changes

(c) Where a moveable bulkhead is used, course measurement of the lane in which the record was set must be confirmed at the conclusion of the session during which the time was achieved and submitted by the meet referee to USA Swimming.

(56) Pending records claims ~~properly documented and approved by the Times & Recognition Committee Chair (or his/her designee) shall be approved upon approval by USA Swimming and shall be declared effective immediately.~~

(67) American and United States Open Records established at the USA Swimming National Championships, the U.S. Open, any World Cup event sponsored by USA Swimming, and at events conducted by FINA, shall, upon receipt of final official results, and proper completion of pool certification, ~~and approval by the Times & Recognition Committee Chair (or his/her designee)~~ be declared effective immediately unless a faster claim is pending.

(8) ~~Record claims not previously accepted and declared effective under (6) and (7) above shall be considered by the Program & Events Coordinator (or his/her designee) for recommendation and acceptance. Applications ruled incomplete may be reconsidered by the Times & Recognition Committee Chair (or his/her designee) and final action recommended to the Board of Directors.~~

(79) Swimmers who establish a record shall be presented with a certificate signed by the Board Chair of USA Swimming and the President/CEO (or his/her designee).

.3 National Age Group Records

A Requirements

(1) [No changes]

(2) Times ~~submitted for~~ uploaded that are Age Group records must comply with all the requirements of the National Age Group Recognition Program as listed in 205.9.

B **Reporting** — When an ~~listed~~ Age Group record is reported ~~bettered~~, an official Age Group Record Application Form (~~provided by Headquarters to the LSC and posted on the USA Swimming website~~) shall be filled out, signed by the designated officials, and transmitted along with proper completion of pool measurement within thirty (30) days. ~~The swimmer's representative shall be responsible for initiating the record validation and reporting procedures established by the Times & Recognition Committee Chair (or his/her designee).~~

C **Recognition** — Upon confirmation of a National Age Group Record by USA Swimming including receipt of the record application and proper completion of pool measurement, a certificate of record achievement will be sent to all swimmers and members of relays whose time meets or betters the current National Age Group Record.

(.4 -.5) [No changes]

R-7 WITHDRAWN PENDING APPROVAL BY THE HOUSE OF DELEGATES
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Location: Page 58: 105.3 Figure 1
Proposed by: South Texas Swimming
Purpose: To modify Figure 1 to reflect a signal to indicate "stand up".
Recommendation: *The Rules & Regulations Committee recommends* _____.
Effective Date: _____

Figure 1: FORWARD START
A-D [No changes]

E. Turn palm up and slowly raise the arm overhead – signal to "stand up"

R-8 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 58: 105.3 Figure 1
Proposed by: Diversity, Equity and Inclusion Committee, South Texas Swimming
Purpose: To modify Figure 1 to add an additional hand signal for swimmers who are deaf or hard of hearing to indicate the "stand" command from the starter (a command commonly verbalized during the starting sequence).
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

Figure 1: FORWARD START
A [No changes]

B. Arm overhead – "long whistle" – swimmer steps onto starting block

C-D [No changes]

E. Arm raised overhead with palm up (at any time after C. ["Take Your Mark"] and prior to D. [starting signal] – swimmer released from "take your mark" command)

R-9 WITHDRAWN PENDING APPROVAL BY THE HOUSE OF DELEGATES
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Location: Page 58: 105.3 Figure 2
Proposed by: South Texas Swimming
Purpose: To modify Figure 2 to reflect a signal to indicate "relax".
Recommendation: *The Rules & Regulations Committee recommends* _____.
Effective Date: _____

Figure 2: BACKSTROKE START
A-E [No changes]

F. Turn palm up and slowly raise the arm overhead – signal to "relax"

R-10 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 58: 105.3 Figure 2
Proposed by: Diversity, Equity and Inclusion Committee, South Texas Swimming
Purpose: To modify Figure 2 to add an additional hand signal for swimmers who are deaf or hard of hearing to indicate the "stand" command from the starter (a command commonly verbalized during the starting sequence).
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

Figure 2: BACKSTROKE START
A. [No changes]

B. Arm overhead – "long whistle" – swimmer enters water; drop arm to side while swimmer enters water

C-E [No changes]

F. Arm raised overhead with palm up (at any time after D. ["Take Your Mark"] and prior to E. [starting signal] – swimmer released from "take your mark" command)

R-11 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 58: 105.3.1

Proposed by: South Texas Swimming

Purpose: To require use of both a strobe light and the Starter's arm signals.

Recommendation: *The Rules & Regulations Committee makes no recommendation.*

Effective Date: May 1, 2023

105.3 DEAF OR HARD OF HEARING

.1 Swimmers who are deaf or hard of hearing require a visual starting signal, i.e., a strobe light and/or Starter's arm signals. ~~The Referee may reassign lanes within the swimmer's heat, i.e., exchanging one lane for another, so that the strobe light or Starter's arm signal can more readily be seen by the swimmer who is deaf or hard of hearing.~~ Standard Starter's arm signals are shown in Figures 1 and 2. A recall rope is required in the event of a recall, provided the meet host is notified by the entry deadline that a swimmer who is deaf or hard of hearing will be participating.

R-12 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 58: 105.3.3

Proposed by: South Texas Swimming

Purpose: To specify use of arm signals during the entire event in which the swimmer who is deaf or hard of hearing is entered.

Recommendation: *The Rules & Regulations Committee makes no recommendation.*

Effective Date: May 1, 2023

105.3.1-.2 [No changes]

.3 When a swimmer who is deaf or hard of hearing is entered in a meet, the arm signals described in 105.3 shall be implemented by the Starter during the entire event in which the swimmer who is deaf or hard of hearing is entered.

R-13 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 58: 105.3.4

Proposed by: South Texas Swimming

Purpose: To allow a Personal Assistant to be positioned on the pool deck for the purpose of conveying all or part of the start commands or communicating other directions to a swimmer who is deaf or hard of hearing.

Recommendation: *The Rules & Regulations Committee recommends rejection as this proposal is redundant to Article 105.1.3C.*

Effective Date: May 1, 2023

105.3.1-.2 [No changes]

.4 Personal Assistant – A Personal Assistant as specified by Article 105.1.3C may be positioned on the pool deck, in a position determined together by the Meet Referee and the swimmer who is deaf or hard of hearing for the purpose of conveying all or part of the start commands or communicating other directions. This shall not take the place of the Starter completing the hand signals at the Start end of the pool.

R-14 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 59: 105.5.2

Proposed by: Diversity, Equity and Inclusion Committee

Purpose: To eliminate the ambiguity of the phrase "it is not judged" and replace it with proactive direction that a necessary accommodation may be applied by a meet referee for a part of the body that is absent or cannot be used by a swimmer with a physical disability, and to assure that all other body parts are judged according to the rules. This is consistent with the protocol that the Stroke & Turn observes and reports, and the meet referee determines the validity of the disqualification.

Recommendation: *The Rules & Regulations Committee recommends approval.*

Effective Date: Immediately

105.5 PHYSICAL DISABILITIES

.1 [No changes]

.2 **Stroke/Kick** – In judging the stroke or kick of a swimmer with a physical disability, the Referee and Stroke & Turn Judge should follow the general rule that: if a part of the body is absent or cannot be used, ~~it is not judged;~~ a necessary stroke or kick accommodation may be applied by the meet referee ~~if it is used during the stroke or kick, it should be judged in accordance with the USA Swimming Rules & Regulations.~~ All other body parts shall be judged in accordance with the USA Swimming Rules & Regulations.

Judgments should be made based on the actual rule – not on the swimmer's technique. For example, the breaststroke of a swimmer with one arm or leg shorter than the other, may have a non-symmetrical stroke or kick, but as long as the arm or leg action is simultaneous, it would meet that portion of the rule. No flotation devices should be permitted.

.3-.4 [No changes]

R-15 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 62: 202.4

Proposed by: Safe Sport Committee

Purpose: To comply with requirements from the U.S. Center for Safe Sport (the "Center") that all meet sanctions at the LSC level follow the approved quality control system that has been approved by the Center.

Recommendation: *The Rules & Regulations Committee recommends approval.*

Effective Date: Immediately

202.4.1-.10 [No changes]

.11 No sanction for domestic competition will be issued without a written quality control system that has been approved by the U.S. Center for SafeSport. USA Swimming shall provide a model written quality control system approved by the U.S. Center for SafeSport, which shall serve as the default for any meet host that fails to establish its own written quality control system.

.12 **A-N** [No changes]

O. The following statement: "A quality control system has been implemented to ensure that individuals who are ineligible for participation are unable to participate in this competition. This includes, without limitation, individuals listed on the U.S. Center for SafeSport's Centralized Disciplinary Database, USA Swimming's List of Individuals Permanently Suspended or Ineligible for Membership, USA Swimming's List of Individuals Suspended or Ineligible – Specific Date, and all adult members (defined by the SafeSport Code for the Olympic and Paralympic Movement as 18 years and over) of USA Swimming who have not completed athlete protection education as required by the U.S. Center for SafeSport."

[re-number remaining]

R-16 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 63: 202.4.11
Proposed by: Operational Risk Committee
Purpose: To require the meet announcement to set forth the medical supervision available to athletes participating in the meet.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: January 1, 2023

202.4.11

A-M [No changes]

N. A description of the medical supervision (e.g., lifeguards, EMT, AED device, etc.) available to athletes participating in the meet.

[re-number remaining]

R-17 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 69: 203.3
Proposed by: Athlete's Executive Committee, Athlete's Advisory Council, Times & Recognition Committee, Registration/Membership Committee
Purpose: To reduce the penalty of the 120-day rule on transferring athletes to ensure an athlete's right to choose and fully participate in their ideal club environment.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

203.3 For a swimmer to represent a USA Swimming club in a competitive event, ~~one hundred twenty (120)~~ thirty (30) consecutive days must have elapsed before the swimmer is permitted to represent any other USA Swimming club in USA Swimming open competition. The ~~120~~ 30-day count shall begin on the day following the last date the athlete represented a USA Swimming club in open competition.

R-18 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 70: 203.9.2
Proposed by: Athlete's Executive Committee, Athlete's Advisory Council, National Team Steering Committee
Purpose: To reduce the penalty of the 120-day rule on transferring athletes to ensure an athlete's right to choose and fully participate in their ideal club environment.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

203.9

.1 [No changes]

.2 A swimmer who has competed for an organization within a foreign federation must provide official documentation from that federation confirming his/her last day representing that organization in competition. ~~Thirty One hundred twenty (120)~~ thirty (30) consecutive days must elapse after a swimmer represents any organization before he/she can represent a USA Swimming club. If documentation is not provided at the time of registration, the ~~thirty one hundred and twenty (120)~~ thirty (30) days will commence from the date of registration. Foreign swimmers who are competing for a secondary school, college or university shall be automatically released, in accordance with 203.4.

R-19 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 78: Article 207.6.2
Proposed by: Senior Development Committee
Purpose: To permit the Senior Development Committee to develop qualifying time standards 10 months in advance of the specified meets.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

207.6 QUALIFYING TIME STANDARDS

[.1] No Changes

.2 The Senior Development Committee shall develop, ~~one (1) year~~ ten (10) months in advance, the qualifying time standards for all National Championship/U.S. Open Championships, Junior National Championships, and Futures Championships. Once approved by the committee, time standards will be announced and made available to the membership. Qualifying time standards shall be specified in hundredths of a second, with nine one-hundredths being the constant.

R-20 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 approval.*
Effective Date: Immediate

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 Matter 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

FULL FAITH AND CREDIT

409.1 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 in the USA Swimming Operating Policy Manual.

4091.2 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.

R-21 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 103: Article 501.1.1(B)

Proposed by: Rules and Regulations Committee

Purpose: To specify the Chair of the Athletes' Advisory Council must be selected from the voting members of the AAC.

Recommendation: The Rules & Regulations Committee recommends approval.

Effective Date: Immediate

727 501.1 OPERATING COMMITTEES
728 .1 ATHLETES' ADVISORY COUNCIL
729 [A] No changes

730
731 B The Chair shall be elected from among the voting members of the AAC by its voting members.
732

R-22 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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733 Location: Page 104: Article 501.1.2(A)(2)
734 Proposed by: Rules and Regulations Committee
735 Purpose: To specify one-half of the athlete representatives on the Coach Advisory Council must meet the
736 definition of a 10-Year Athlete.
737 Recommendation: *The Rules & Regulations Committee recommends approval.*
738 Effective Date: Immediate
739

740 501.1 OPERATING COMMITTEES
741 [.1] No Changes

742
743 .2 COACH ADVISORY COUNCIL
744 [A(1)] No Changes
745

746 (2) Six (6) 10-Year Athlete representatives and/or 10-Year+ Athlete representatives appointed by the AAC. At least 50% of
747 the athletes must meet the requirements of 10-Year Athlete representatives.
748

R-23 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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749 Location: Page 105: Article 501.1.4(A)(5)
750 Proposed by: Senior Development Committee
751 Purpose: To specify the Chair of the Senior Development Committee may designate a member of the
752 committee to serve as an ex-officio to the National Team Steering Committee.
753 Recommendation: *The Rules & Regulations Committee recommends approval.*
754 Effective Date: Immediate
755

756 501.1 OPERATING COMMITTEES
757 [.1-.3] No Changes

758
759 .2 NATIONAL TEAM STEERING COMMITTEE
760 [A(1)-(4)] No Changes
761

762 (5) The Chair of the Senior Development Committee (or his/her designee selected from the voting members of the Senior
763 Development Committee), and the Chair of the Sports Medicine Committee shall be ex-officio members of the
764 Committee with voice but no vote. The Committee may name additional ex-officio members.
765

R-24 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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766 Location: Page 104: Article 501.1.2(A)(2)
767 Proposed by: Rules and Regulations Committee
768 Purpose: To specify the athlete representative on the Selection Procedure Approval Committee must meet the
769 definition of a 10-Year Athlete.
770 Recommendation: *The Rules & Regulations Committee recommends approval.*
771 Effective Date: Immediate
772

773 501.1 OPERATING COMMITTEES
774 [.1-.6] No Changes

775
776 .7 SELECTION PROCEDURE APPROVAL COMMITTEE

(A) The Selection Procedure Approval Committee shall consist of the following: (i) the President/CEO; (ii) the National Team Managing Director; (iii) the AAC Chair, who must meet the requirements of a 10-Year Athlete representative, or their respective designees. The AAC Chair's designee must also meet the requirements of a 10-Year Athlete representative.

R-25 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: 4.1 Members – Required LSC Bylaws Template
6.3 Eligibility – Required LSC Bylaws Template
Proposed by: LSC Development Committee
Purpose: To require all LSC House of Delegates members to be members of USA Swimming.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: January 1, 2023

ARTICLE 4 HOUSE OF DELEGATES

4.1 MEMBERS - The House of Delegates of XXSI shall consist of the Group Member Representatives, the Board of Directors Members, *certain committee chairs and coordinators*¹, the Non-Athlete At-Large House Members, and the Athlete At-Large House Members appointed or elected [select one].

.1 GROUP MEMBER REPRESENTATIVES² - Each Group Member in good standing shall appoint from its membership *a* Group Member Representatives *and one or more alternates for each*. The appointment shall be in writing, addressed to the Secretary of XXSI and duly certified by the chief executive officer or secretary of the appointing Group Member. The appointing Group Member may withdraw *one or more of* its Group Member Representatives or *one or more of* its alternates and substitute *a* new Group Member Representatives or new alternates by written notice, addressed to the Secretary of XXSI and signed by the chief executive officer or secretary of the appointing Group Member. The representatives of any Group Member are ~~not~~ required to be Individual Members of ~~XXSI~~ or USA Swimming.

6.3 ELIGIBILITY - Only Individual Members of ~~XXSI~~ and USA Swimming in good standing with XXSI and USA Swimming shall be eligible to hold office and must maintain their eligibility throughout their term of office.

R-26 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 12: Corporate Bylaws 6.1
Proposed by: Rule and Regulations Committee
Purpose: To specify that half of 10-Year and 10-Year+ Athlete representatives in the House of Delegates must have obtained such eligibility through competing in an event that at the time of election/selection is on a USOPC Delegation Event program.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

ARTICLE 6 HOUSE OF DELEGATES

6.1 MEMBERS – the following shall be the voting members of the House of Delegates
[.1-.12] no changes

.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

¹ *The LSC may add all, none, or specific chairs/coordinators or other members to the House of Delegates.*

² *The LSC may vary the number of representatives accorded Group Members, either by absolute number or by a formula determining the number that is based on the number of swimmers registered to the Group Member relative to the number of swimmers registered in the LSC. The LSC may deny Affiliated Group Members or Seasonal Club Members the right to be represented. The LSC may designate categories of its voting delegates, such as athlete, coach, non-coach.*

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. At least half (50%) of these athlete members of the House of Delegates must have obtained 10-Year Athlete or 10-Year+ Athlete representative eligibility through competing at an event that, at the time of election/selection, is on a USOPC Delegation Event program.

HK-1 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 41: 102.23.2
Proposed by: Rules & Regulations Committee
Purpose: To reflect current policy which eliminated the National Eligibility Appeal Panel.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

102.23 PROTESTS

.1 [No changes]

~~.2 Protests regarding an athlete's competition category may only be heard by the National Eligibility Appeal Panel as outlined in the current USA Swimming Operating Policy Manual. A protest shall not prohibit the athlete from competing in his or her stated competition category until such time as the National Eligibility Appeal Panel has issued a decision.~~

[re-number remaining]

HK-2 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 17: Official Glossary
Page 61: 201.1.2
Page 74: 205.8.1
Proposed by: Rules & Regulations Committee
Purpose: To eliminate the use of "Junior Olympic".
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

~~**Junior Olympic** – a type of Age Group competition conducted by Zones and LSCs~~

201.1 COMPETITIVE CLASSIFICATIONS – Swimming shall be conducted under the following classifications and participation is open to athletes from any country subject to further pertinent regulations in these rules and elsewhere.

.1 [No changes]

~~.2 **Age Group/Junior Olympic** – All athlete members of USA Swimming eighteen (18) years old and younger grouped by ages. Where a program for swimmers ages eight (8) and under is conducted, it shall be for developmental purposes only and shall be subject to LSC procedures.~~

.3-.4 [No changes]

205.8 LSC AGE GROUP CHAMPIONSHIP MEETS

.1 LSC Age Group/Junior Olympic meets shall be in conformance with the contractual obligations of USA Swimming, including the time periods, format and number, sponsorship identification and publicity requirements that may be in effect at the time, and about which the LSC shall be notified.

.2-.5 [No changes]

HK-3 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 63: 202.4.11M

Proposed by: Rules & Regulations Committee

Purpose: To reflect terminology currently used by the U.S. Center for SafeSport

Recommendation: *The Rules & Regulations Committee recommends approval.*

Effective Date: Immediate

202.4 REQUIREMENTS FOR SANCTION – Sanctions are issued, withheld or withdrawn in accordance with the following regulations:

.1-.11L [No changes]

.11(M) The following statement: "All ~~applicable~~ adults participating in or associated with this meet acknowledge that they are subject to the provisions of the USA Swimming Minor Athlete Abuse Prevention Policy ("MAAPP"), and that they understand that compliance with ~~the MAAPP policy~~ is a condition of participation in the conduct of this competition."

.11N-.16 [No changes]

HK-4 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 64: 202.4.13

Proposed by: Rules & Regulations Committee

Purpose: To reflect current practice that the President/CEO establishes the sanction fee for national and international meets

Recommendation: *The Rules & Regulations Committee recommends approval.*

Effective Date: Immediate

202.4 REQUIREMENTS FOR SANCTION – Sanctions are issued, withheld or withdrawn in accordance with the following regulations:

.1-.12 [No changes]

.13 ~~The~~ Sanction fees shall be ~~as~~ established by the LSC; except those for national and international meets which shall be established by the USA Swimming ~~Board of Directors~~ President/CEO.

HK-5 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 75: 206.1.2

Proposed by: Rules & Regulations Committee

Purpose: To reflect current terminology used for the U.S. Open Summer Championship

Recommendation: *The Rules & Regulations Committee recommends approval.*

Effective Date: Immediate

206.1 GENERAL – USA Swimming Championships shall be conducted annually.

.1 [No changes]

.2 A long course National Championship meet shall be conducted every summer, except when there is a Trials Class meet in the summer and that Trials Class meet is not in accordance with 206.4.2 (at the traditional time at the end of summer). The end of summer meet during those summers shall be called the ~~U.S. Open~~ USA Swimming Summer Championship.

.3 [No changes]

HK-6 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 84: 207.12.2D
Proposed by: Rules & Regulations Committee
Purpose: To reflect the current corporate name of Phillips 66
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

207.12 AWARDS

.1-.2C [No changes]

D. The ~~Conoco~~ Phillips 66 Performance of the Meet Award shall be presented at each USA Swimming National Championships. The recipient of this award shall be chosen by representatives of the media who are present at the meet.

HK-7 ACTION:	Adopted	Defeated	Adopted/Amended	Tabled	Postponed	Pulled
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Location: Page 88: 302.1.2B
Proposed by: Rules & Regulations Committee
Purpose: To reflect current policy which eliminated the National Eligibility Appeal Panel.
Recommendation: *The Rules & Regulations Committee recommends approval.*
Effective Date: Immediate

302.1.2 Competition Category

A [No changes]

~~B Protests regarding an athlete's competition category shall not prohibit the athlete from competing in the stated competition category. An athlete may swim under protest until such time as heard by the National Eligibility Appeal Panel as outlined in the current USA Swimming Operating Policy Manual.~~

RESOLUTION OF THE HOUSE OF DELEGATES TO INCREASE THE NATIONAL FEE FOR A SEASONAL MEMBERSHIP
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Proposed by: Board of Directors
Purpose: In 2014, when the current membership fee was set to increase \$2 annually, the Premium Membership fee was \$50 and the Seasonal Membership fee was \$30 (i.e., \$5 more than half of a Premium Membership). The \$2 annual increase resolution did not address a scheduled increase to the Seasonal Membership fee. In the 2024 membership year, without a change, the Seasonal Membership fee will be \$5 less than half of a Premium Membership and has not kept pace with the cost to provide the Seasonal Membership. A Seasonal Membership fee of \$40 keeps pace with rising costs and stays within the original framework of \$5 more than half of the cost of a Premium Membership.
Effective Date: September 1, 2023

Resolution to Increase the Fee for the Seasonal Membership Category

Whereas, USA Swimming has established a Seasonal Membership category of Individual Membership.

Whereas, the national fee for the Seasonal Membership category is \$30.

Whereas, the USA Swimming Board of Directors recommends the national fee for the Seasonal Membership be set at \$40.

Now, therefore, be it resolved that the USA Swimming House of Delegates approves a national membership fee of \$40 for the Seasonal Membership category effective for the 2024 membership year.