

USA Swimming Board of Directors Meeting Minutes

April 20, 2023 / Denver, CO

PRESENT

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

NOT PRESENT

Ashley Twichell Wall.

GUESTS

Tim Bauer, Jamie Bloom, Bill Charney, Ellen Colket, Marco Greico, Tim Husson, Greg Lockard, Derek Paul, John Sawyer, Kathleen Scandary, Zach Toothman.

STAFF

Matt Barbini, Leland Brown, Elaine Calip, Paula D'Amico, Jake Grosser, Shana Ferguson, Courtney Intara, Patrick Murphy, Rachel Olson, Lindsay Mintenko, Eric Skufca, Joel Shinofield, MJ Truex.

CALL TO ORDER

Chris Brearton, Board Chair, called the April 20, 2023 Board of Directors meeting to order at 12:27 p.m. Mountain Time.

BOARD CHAIR'S WELCOME

Mr. Brearton remarked on the importance of personal interactions and discussions that Workshop offers for membership to engage with one another and the USA Swimming organization.

RULES OF ENGAGEMENT/PROTOCOL

Mr. Brearton reiterated that Closed Session items are to remain confidential and noted that with the move to a consent agenda for certain matters, it is even more important that the Board come prepared to Board meetings.

SAFE SPORT MOMENT

Joel Shinofield, Managing Director, Sport Development, commented on the Safe Sport Leadership Conference, noting the focus on peer-to-peer abuse by the conference speakers as more peer-to-peer abuse is being reported to the organization. Mr. Shinofield also reported that the 2021 and 2022 U.S. Center for SafeSport audits are now closed and reminded the Board that they are mandatory reporters.

DECLARATION OF CONFLICT OF INTEREST (2.5.4)

"Is any member aware of any conflict of interest (that is, of a personal interest or direct or indirect pecuniary interest) in any matter being considered by this meeting, which should now

be reported or disclosed or addressed under the USA Swimming Conflict of Interest Policy?"

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

CONSENT AGENDA

Michelle Steinfeld, Secretary & General Counsel, reported that the CEO's Key Performance Indicators were not captured in the January 28, 2023 meeting minutes but now have been added.

Mr. Brearton presented the Consent Agenda items:

- January 28, 2023 Board Meeting Minutes (Attachment 2)
- Bylaw Updates (Attachment 3)
- 3.1 Treatment of Members/Consumers (Attachment 4)
- 3.2 External Relations (Attachment 5)
- 3.5 Asset Protection (Attachment 6)
- 3.8 Emergency Management Succession (Attachment 7)
-

MOTION: To approve the Consent Agenda items. Seconded. Motion passed unanimously.

OPERATING POLICIES MANUAL UPDATE

Ms. Steinfeld reported that the National Board of Review (NBOR) procedures have been revised, with approval from NBOR Chair Jeanette Skow.

FINANCE

POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES

Eric Skufca, Chief Financial Officer, presented Policy 3.4, Financial Condition & Activities and reported that 2022 closed out \$1.3 million better than budgeted, with a smaller deficit due to revenues being better than budgeted by \$653,000 (2%) and expenses being less than budgeted by \$668,000 (2%) (Attachments 8 - 13).

Mr. Skufca reported that for fiscal year 2023, the organization has projected \$375,000 better than originally budgeted, leading to a smaller deficit despite revenues projecting less than budgeted by \$40,000 (-0.1%), as expenses are projected to be less than budgeted by \$415,000 (1.1%). Mr. Skufca noted there will be no budget cuts to membership programming. Mr. Skufca briefly touched on the fixed and variable nuances of the three major revenue sources: membership, partnership marketing, and United States Olympic and Paralympic Committee funding.

Mr. Skufca additionally reported a current projection of a 2024 quad surplus of \$1.335 million.

Mr. Brearton highlighted the growth of partnership marketing and membership revenue, and the Board discussed the nuances of the quad budget.

87
88 **MOTION:** *That the Board approve that the performance monitoring report on Policy 3.4*
89 *"Financial Conditions and Activities" conveys (a) interpretations of the policy that are*
90 *reasonable, and (b) that the report reasonably substantiates compliance with the policy*
91 *requirements, consistent with the CEO's interpretations. Seconded. Motion passed unanimously.*
92

93 **EMPLOYMENT RETENTION CREDIT**

94 Mr. Skufca (Attachment 14) provided context on the Employment Retention Credit (ERC),
95 noting the organization is working with third-party experts to determine whether it may
96 apply for an ERC, due to a significant decline in gross receipts for 2020 and 2021.
97

98 **INVESTMENT ADVISOR**

99 Mr. Skufca introduced John Sawyer, First Western Trust's Chief Investment Officer, and Ellen
100 Colket, USA Swimming's Investment Committee Chair. Mr. Skufca described the two
101 investment portfolios within the organization, with USA Swimming, Inc. focused on
102 operating reserves and USA Swimming Foundation, Inc. being more donor and endowment
103 focused (Attachment 15).
104

105 Mrs. Colket described the composition of the Investment Committee, as well as the
106 Committee's responsibilities, including quarterly reviews of both USA Swimming and the
107 Foundation's investments, reporting to the two Boards, annual reviews of the investment
108 policy statements, and recommending retaining or replacing investment advisors.
109

110 Mr. Sawyer detailed the process of evaluating investment returns, noting two benchmarks
111 used, including performance relative to the market in which the organization performed well
112 and return over inflation in which the organization trailed the inflation benchmark. This has
113 led to deeper conversations regarding the guidelines within the investment policy statement
114 (IPS) and resulted in the decision not to make long-term changes to the IPS.
115

116 Mr. Sawyer additionally described the Foundation's benchmarks and remarked on the
117 collaboration between the advisors and Investment Committee.
118

119 **OFFICIALS' PRESENTATION**

120 Program & Events Coordinator, Kathleen Scandary, reported that the organization is close to
121 the number of Official members compared to pre-pandemic membership years. Mrs.
122 Scandary also spoke about the collaboration occurring to reestablish the Officials Tracking
123 System, which provides mentorship, education, and promotion of Officials. Mrs. Scandary
124 additionally provided details on how her role as Programs & Events Coordinator assists
125 committees and competitions with assigning Officials.
126

127 Board Member Clark Hammond announced that Mrs. Scandary was selected as Meet Referee
128 for the 2024 U.S. Olympic Team Trials – Swimming.
129

130 **STRATEGIC DISCUSSIONS**

131 **KEY STAKEHOLDER UPDATES**

132 **COACH SURVEY FOLLOW UP**

133 Mr. Shinofield reported that this fall there will be a follow-up survey for coaches, with focus
134 groups occurring this summer. Mr. Shinofield noted that based on the previous survey, Team
135 Services has targeted outreach to small clubs and increased 12 and under educational
136 resources, while additionally returning to grassroots visits that were paused during the
137 pandemic.

138
139 **PROVISIONAL COACH UPDATE**

140 Board Member Kathleen Prindle presented the purposed updates to Bylaw 2.6 (Attachments
141 16 - 17).

142
143 ***MOTION:** To amend Bylaw 2.6 to add a Provisional Coach membership category and further*
144 *clarify the requirements for Coach and Junior Coach members, as proposed by Coach Advisory*
145 *Council at 2022 ABM. Seconded. Motion passed unanimously.*
146

147 **LEARN TO SWIM / PRE-COMPETITIVE INSURANCE**

148 Kenneth Chung, Vice-Chair Fiscal Oversight, presented the concept of providing an insurance
149 option to member clubs for learn to swim and pre-competitive swimmers, to enhance
150 membership value and provide a trusted broker and carrier to our member clubs.

151
152 Mr. Shinofield provided further context on the fruition of the idea, in which the carrier could
153 offer affordable and competitive insurance to clubs.

154
155 **DIGITAL TRANSFORMATION**

156 Shana Ferguson, Chief Commercial Officer, briefly described improvements from the
157 organization's digital transformation.

158
159 Mr. Shinofield described SWIMS 3.0 as being the database and software which has allowed a
160 more streamlined process for digital updates and improvements.

161
162 Patrick Murphy, Senior Director, Member Data & Product, reported that the organization is
163 exploring different data reporting tools, with the goal of providing more useful and focused
164 data to membership.

165
166 Jake Grosser, Senior Director, Marketing & Communications, described how the new digital
167 infrastructure allows the organization to save money by cutting out outside vendors and
168 contractors when communicating with membership, as there is now an efficient in-house
169 way of gathering the appropriate data.

170
171 Mr. Brearton briefly provided background on the need and decision to conduct a self-analysis
172 of the organization's digital transformation based on feedback from membership after the
173 digital transformation was rolled out.

174
175 Mr. Brearton presented a preliminary assessment, including that the need to update the
176 organization's digital infrastructure was real and complex. Mr. Brearton also reported that

the analysis showed a poor rollout to users but that post rollout, the system performance improved significantly.

Mr. Brearton explained that there will be continued self-analysis to identify proactive steps to ensure successful future rollouts and to develop an action plan to guide the digital transformation moving forward.

Mr. Murphy shared how the organization will develop best practices by consulting with outside Chief Information Officers and Chief Technology Officers.

Mr. Shinofield shared an example of the Digital Transformation Dashboard used by the organization to communicate with staff and membership on digital transformation progress, including priorities, a roadmap, features, and fixes.

Mr. Grosser presented the USA Swimming Network available on connected TVs, which provides swimming content such as event highlights, swimming archives, and various channels from swimming partners and influencers. Mr. Grosser added that the USA Swimming Network will continue to roll out more content and versions in phases in the future.

CLOSED SESSION (2.3.6)

2024 TRIALS UPDATE

The Board went into Closed Session so the Board to discuss the 2024 U.S. Olympic Team Trials – Swimming.

LITIGATION UPDATE

The Board remained in Closed Session so Ms. Steinfeld could provide a legal update.

COMMISSION ON THE STATE OF U.S. OLYMPICS AND PARALYMPICS

The Board remained in Closed Session so Ms. Steinfeld could provide an update regarding the Commission on the State of U.S. Olympic and Paralympics.

OPEN SESSION

FOUNDATION UPDATE

Elaine Calip, Senior Director, Development, provided a Foundation update, including that there are now nine Foundation ambassadors, with the newest addition of Dara Torres. The Foundation also hired an independent contractor to apply for grants. Mrs. Calip also noted that the Foundation is in the final stages of hiring a Director of Development.

Mrs. Calip additionally reported that \$650,000 in grants were distributed to Learn to Swim providers, with a similar trend in Community Impact Grants. Mrs. Calip remarked on the Donor Athlete Partnership Program, which currently supports 25 athletes, with the hope of supporting any athlete who applies. Lastly, Mrs. Calip commented on the Make a Splash Tour presented by Phillips 66, which will bring a variety of learn to swim programming to four locations in the month of May.

Mr. Skufca reported that 2022 closed \$195,000 better than budgeted, while noting the 2022 support exceeded the previous year's contributions. Mr. Skufca noted that 2023 is trending in the same manner (Attachments 18 - 20).

PERFORMANCE & COMPETITION

Mrs. Ferguson provided a brief overview of the 2023 Phillips 66 National Championships in Indianapolis, noting that there will be between 600 and 800 athletes.

Lindsay Mintenko, Managing Director, National Team, noted that four international teams will be selected at the 2023 Phillips 66 National Championships, including World Aquatics World Championships, World Aquatics Junior National Championships, Pan American Games, and LEN U23 European Championship.

Matt Barbini, Director, National Team Performance, explained that U. S. athletes are still in the midst of their training, as opposed to their international counterparts. Mr. Barbini made note of an upcoming relay camp hosted by USA Swimming.

LONG TERM STRATEGIC PLAN – BOARD WORKING GROUP 1.2 / Membership

Mr. Shinofield provided background on the Board Working Group's process and progress to date.

Board Member Katy Arris-Wilson presented a membership comparison between now and when membership peaked in 2017, noting that membership is currently down 7.4% in total membership and 9.2% in athlete membership.

Mrs. Arris-Wilson shared the Working Group's hypotheses for the membership decline, including declining relationships with athletes, coaches, and clubs, a decrease in competitive opportunities at the Local Swimming Committee level, and changes in the overall sports landscape. Mrs. Arris-Wilson added that the Working Group sees opportunity for growth, as some clubs demonstrated growth during the same period as the membership decline. Mrs. Arris-Wilson noted that the organization could assist by coordinating "best demonstrated practices" for running successful small businesses for coaches and clubs.

The Board further discussed reasons for club growth, decline, and stability.

CAC PRESENTATION

Tim Bauer, Chair of the Coach Advisory Council (CAC) and Jamie Bloom, Vice Chair of the CAC, commented on the ways in which the CAC will focus on encouraging coach delegates to vote at the annual meeting of the House of Delegates, through identifying who is a delegate and assigning CAC members to personally reach out and engage with coach delegates.

ZDC PRESENTATION

Tim Husson and Zach Toothman, Co-Chair of the Zone Directors' Council (ZDC), provided an overview of the ZDC, noting that Mrs. Prindle will be the liaison from the Board to the ZDC, to better facilitate connection and collaboration between the two groups.

267 Mr. Toothman spoke about the ZDC's current initiatives, including creating a Junior Official
268 Task Force and continuing work on a Sectional Manual.

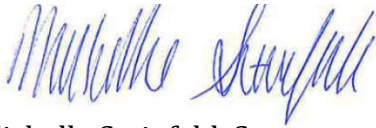
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270 **ADJOURNMENT**

271 Mr. Brearton adjourned the April 20, 2023 meeting of the Board of Directors at 5:39 p.m.
272 Mountain Time.

273

274 Respectfully submitted:



Michelle Steinfeld, Secretary and General Counsel



Chris Brearton, Board Chair

USA Swimming Board of Directors Meeting Minutes

April 20, 2023 / Virtual

Attachment 1	Agenda
Attachment 2	Page 2 – DRAFT BOD Minutes January 28, 2023
Attachment 3	Page 2 – April 2023 Bylaw Edits
Attachment 4	Page 2 – Policy 3.1 Treatment of Members/Customer
Attachment 5	Page 2 – Policy 3.2 External Relations
Attachment 6	Page 2 – Policy 3.5 Asset Protection
Attachment 7	Page 2 – Policy 3.8 Emergency Management Succession
Attachment 8	Page 2 – Policy 3.4 Financial Conditions and Activities
Attachment 9	Page 2 – USA-S Financial Written Report
Attachment 10	Page 2 – USA-S Financial Statement Report
Attachment 11	Page 2 – USA-S Financial Summary Comparison
Attachment 12	Page 2 – USA-S 2023 Budget vs Projection
Attachment 13	Page 2 – USA-S Q1 2023 Financial Statement Report
Attachment 14	Page 3 – Employee Retention Credit
Attachment 15	Page 3 – First Western Trust – Investment Committee Memo
Attachment 16	Page 4 – Provisional Coach Requirements
Attachment 17	Page 4 – Provisional Coach Bylaw Edits
Attachment 18	Page 6 – Foundation Financial Written Report
Attachment 19	Page 6 – Foundation Financial Statement Report
Attachment 20	Page 6 – Foundation Financial Summary Comparison
Attachment 21	Staff Report for the Board



AGENDA

USA Swimming
Board of Directors
Board of Directors Meeting - April 2023
Thursday, April 20, 2023, 12:30 pm - 5:30 pm

- | | |
|--|-------|
| A. Welcome | 12:30 |
| 1. Call to Order / Record of Attendance (2.6.2) | |
| 2. Board Chair's Welcome | |
| 3. Guest Introductions | |
| 4. Rules of Engagement | |
| 5. Safe Sport Moment | |
| 6. Declaration of Conflict of Interest (2.5.4) | |
| B. Consent Agenda | 12:50 |
| 1. ACTION: Approve the Consent Agenda Items | |
| a. January 28, 2023 Board Meeting Minutes | |
| b. Bylaw Updates | |
| c. 3.1 Treatment of Members/Customers | |
| d. 3.2 External Relations | |
| e. 3.5 Asset Protection | |
| f. 3.8 Emergency Management Succession | |
| C. Operating Policies Manual Update | 12:55 |
| D. Finance | |
| 1. 3.4 Financial Conditions & Activities | 1:00 |
| a. ACTION: Approve the Report | |
| 2. Employee Retention Credit (ERC) | 1:20 |
| 3. Investment Advisor | 1:25 |
| E. Officials Presentation | 1:50 |
| F. Strategic Discussions | |
| 1. Key Stakeholder Updates | |

a. Coach Survey Follow Up	2:00
b. Provisional Coach Update	2:10
i. ACTION: Approve the Motion	
c. Learn to Swim / Pre-Competitive Insurance	2:20
2. Digital Transformation Update	2:30
3. Long Term Strategic Planning	3:00
G. Closed Session	3:45
1. 2024 Trials Update	
2. Litigation Update	
3. Commission on the State of U.S. Olympics and Paralympics	
H. Foundation Update	4:15
I. Performance & Competition	4:25
J. CAC Presentation	4:35
K. ZDC Presentation	4:50
L. 2023 BOD Work Plan	5:05
M. Event Calendar	5:10
1. ACTION: Approve the Motion	
N. DEI Presentation	5:15
O. Adjournment	5:30

Total Meeting Time: 5h 0m

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

USA Swimming Board of Directors Meeting Minutes

January 28, 2023 / Virtual

PRESENT

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

GUESTS

Bill Charney, Ellen Colket, Angela Monty, Rich Young.

STAFF

Matt Barbini, Paula D'Amico, Mitch Gold, Jake Grosser, Shana Ferguson, Elizabeth Hahn, Brendan Hansen, Courtney Intara, Terry Jones, Corey Manley, Lucinda McRoberts, Lindsay Mintenko, Patrick Murphy, Molly O'Mara Fillmore, Ellery Parish, Eric Skufca, Joel Shinofield, Eric Stimson.

CALL TO ORDER

Chris Brearton, Board Chair, called the January 28, 2023 Board of Directors meeting to order at 9:04 a.m. Mountain Time.

DECLARATION OF CONFLICT OF INTEREST (2.5.4)

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

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

Per direction from the USA Swimming Ethics Committee, Clark Hammond disclosed that he is assisting a member coach in a dispute with their club, which is a USA Swimming member club.

BOARD CHAIR'S WELCOME

Mr. Brearton remarked on a conversation with Casey Wasserman, Chairman of LA28, and Gene Sykes, Chair of the United States Olympic and Paralympic Committee (USOPC) Board of Directors, highlighting Mr. Wasserman's mention of USA Swimming's anticipated presence at the 2028 Olympic Games and Mr. Sykes' observation that USA Swimming is a pillar of excellence against which all other National Governing Body's (NGB) should be measured. Mr. Brearton stated that the organization should continue to be elite through strategic thinking and focus on long-term goals and objects while not being complacent.

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

RULES OF ENGAGEMENT/PROTOCOL

Mr. Brearton commented on the need for the Board to be prepared at meetings and emphasized the importance of confidentiality during closed sessions. Mr. Brearton also reported that moving forward, there will be more reliance on pre-reading materials to utilize a consent agenda for future Board meetings, allowing for more strategic discussions.

SAFE SPORT MOMENT

Elizabeth Hahn, Program Director, Safe Sport, reported that in conjunction with USA Swimming membership and the U.S. Center for SafeSport (USCSS), a solution is being reached for the organization to fulfill the Center's requirements for a quality control system through the organization's current framework. Additionally, Ms. Hahn noted that USCSS asked for permission to use USA Swimming's information on the Safe Sport Recognition Program (SSRP) as part of best practices for other NGBs.

MINUTES

MOTION: *To approve the November 20, 2022 Board of Directors meeting minutes (Attachment 2). Seconded. Motion passed unanimously.*

BOARD PROCESS

Michelle Steinfeld, Secretary & General Counsel, explained the use of a consent agenda for future Board Meetings.

BYLAW CHANGES

BYLAW 2.9 AMENDMENT

Ms. Steinfeld presented a proposed amendment Bylaw 2.9, which reflects a change passed at the 2022 annual meeting of the House of Delegates (HOD) to move the National Board of Review policies to the USA Swimming Operating Policy Manual (Attachment 3).

MOTION: *To amend Bylaw 2.9, as follows, effective immediately:*

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~~ Policy 26 of the USA Swimming Operating Policy Manual.

Seconded. Motion passed unanimously.

BYLAW AMENDMENT RE FINA NAME CHANGE

Ms. Steinfeld remarked on changes needed to the Bylaws to reflect Federation Internationale de Natation's (FINA) name change to "World Aquatics."

MOTION: *To amend USA Swimming's Corporate Bylaws to replace all references to "Federation Internationale de Natation" and "FINA" to "World Aquatics," due to that entity's name change. Seconded. Motion passed unanimously.*

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

BOARD GOVERNING POLICIES MANUAL

BOARD CHARGE/GAP ANALYSIS REVIEW

Ms. Steinfeld presented the proposed Board Charge based on the Board Gap Analysis to be provided to the Nominating Committee for guidance during the 2023 Board election cycle (Attachment 4). Ms. Steinfeld explained that if passed, she would later send via email more proposed detail on the Board Charge, for the Board to approve via Action Without a Meeting.

MOTION: *To approve the Board Charge to the Nominating Committee for the 2023 election cycle, to include the Nominating Criteria in Board Governing Policy 2.9.2, as well as the following criteria:*

- Diversity;
- Technology; and
- Coach with full program development experience.

Seconded. Motion passed unanimously.

POLICY 2.3: BOARD WORK PLAN

Ms. Steinfeld presented the Board Work Plan that was compiled by Board Chair, Chris Brearton, Board Vice-Chair Fiscal Oversight, Kenneth Chung, and Board Vice-Chair, Kathy Fish.

Mr. Brearton asked Mr. Hammond to coordinate an initiative to identify key stakeholders within membership and assign Board members to routinely connect with each group.

Mr. Brearton also noted that the Board Work Plan reflects how the Board currently conducts itself with few changes made.

MOTION: *To amend Policy 2.3 of the Board Governing Policies manual to reflect changes to the Board Work Plan as reflected in Attachment 5, effective immediately. Seconded. Motion passed unanimously.*

BOARD GOVERNING POLICIES MANUAL: AMENDMENT TO POLICY 2.6 RE ANTI-DISCRIMINATION TRAINING

Ms. Steinfeld reported that the Board (along with USA Swimming staff) will be required to complete the USOPC's anti-discrimination training annually (Attachment 6).

MOTION: *To amend Board Governing Policy 2.6, to include the following language, as required by the USOPC:*

11. Anti-Discrimination Training: Board members must participate in annual anti-discrimination training, provided by the USOPC.

Seconded. Motion passed unanimously.

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

WHISTLEBLOWER & ANTI-RETALIATION POLICY AMENDMENTS

Ms. Steinfeld presented proposed updates to USA Swimming's Whistleblower & Anti-Retaliation Policy as part of the USOPC's annual audit guide update.

MOTION: *To approve amendments to USA Swimming's Whistleblower & Anti-Retaliation Policy, as outlined in Attachment 7, effective immediately. Seconded. Motion passed unanimously.*

STATEMENT OF ETHICS & CONFLICT OF INTEREST POLICY AMENDMENTS

Ms. Steinfeld presented proposed edits to USA Swimming's Statement of Ethics & Conflict of Interest Policy to reflect USOPC audit guide changes.

MOTION: *To approve edits to USA Swimming's Statement of Ethics & Conflict of Interest Policy, as outlined in Attachment 8, effective immediately. Seconded. Motion passed unanimously.*

BGPM AMENDMENT RE FINA NAME CHANGE

Ms. Steinfeld presented proposed amendments to USA Swimming's Board Governing Policies Manual to reflect FINA's name change to "World Aquatics."

MOTION: *To amend USA Swimming's Board Governing Policies Manual to replace all references to "Federation Internationale de Natation" and "FINA" to "World Aquatics," due to that entity's name change. Seconded. Motion passed unanimously.*

OPERATING POLICY MANUAL UPDATE**PRIVACY POLICY & ZONE SANCTION APPEAL PROCESS**

Ms. Steinfeld updated the Board on changes to USA Swimming's Operating Policy Manual, specifically within the Privacy Policy and Zone Sanction Appeal Process (Attachment 9).

BOARD EVENT APPROVAL

Shana Ferguson, Chief Commercial Officer, presented upcoming event locations for Board approval.

MOTION: *Pursuant to USA Swimming Rule 206.3.1, the Board approves the awards of the following events:*

- *2023 Open Water Championships (Sarasota, FL. Sarasota Sharks),*
- *2023 Phillips 66 National Championships (Indianapolis, IN, Indiana University Natatorium),*
- *2023 Toyota U.S. Open (Greensboro, NC, Greensboro Aquatic Center), and*
- *2024 U.S. Olympic Team Trials – Swimming (Indianapolis, IN, Indiana Sports Commission).*

Seconded. Motion passed unanimously.

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

ENDS MONITORING**POLICY 1.0 BROADCAST: GROWTH/SUCCESS OF SWIMMING**

Ms. Steinfeld presented Policy 1.0, Broadcast: Growth and Success of Swimming (Attachment 10).

***MOTION:** That the Board approve that the performance monitoring report on Policy 1.0 "Broadcast: Growth/Success of Swimming" conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO's interpretations. Seconded. Motion passed unanimously.*

POLICY 1.3 PUBLIC ENGAGEMENT WITH SWIMMING

Ms. Steinfeld presented Policy 1.3, Public Engagement with Swimming (Attachment 11).

***MOTION:** That the Board approve that the performance monitoring report on Policy 1.3 "Public Engagement with Swimming" conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO's interpretations. Seconded. Motion passed unanimously.*

MANAGEMENT PARAMETERS MONITORING**POLICY 3.3 TREATMENT OF STAFF**

Ms. Steinfeld presented Policy 3.3, Treatment of Staff (Attachment 12).

***MOTION:** That the Board approve that the performance monitoring report on Policy 3.3 "Treatment of Staff" conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO's interpretations. Seconded. Motion passed unanimously.*

POLICY 3.9 BOARD AWARENESS AND SUPPORT

Ms. Steinfeld presented Policy 3.9, Board Awareness and Support (Attachment 13).

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

INVESTMENT UPDATE

Eric Skufca, Chief Financial Officer, explained the role and objectives of the organization's Investment Committee noting its valuable work in 2022 during a year with increased market volatility. Mr. Skufca presented the comparative balance sheet between 2021 and 2022, highlighting the fluctuation in long-term investments year-over-year. Mr. Skufca noted the decrease was primarily due to portfolio market losses and net portfolio distributions.

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Mr. Skufca remarked on the Committee's role in managing the organization's Investment Policy Statement (IPS) which serves as the guiderails for how the organization would like its third-party investment advisors to manage the organization's assets. (Attachments 14 – 15).

Mr. Skufca introduced the Chair of the Investment Committee, Ellen Colket.

Mrs. Colket provided an overview of the Investment Committee, including its composition and annual commitments of quarterly reviews, reviews of the portfolios and their performance, and reporting updates to the Boards of both USA Swimming and the USA Swimming Foundation. Mrs. Colket noted that in addition to annually reviewing the IPS, the Committee also reviews the organization's investment advisors to provide the Board with a recommendation to retain or change advisors.

Mrs. Colket described the Committee's partnership with the organization's investment advisors, noting discussions with the advisors on how they manage other 501(c)(3) organizations, compared to USA Swimming, which they consider to be the "gold standard," how their management fees compare between USA Swimming and their other clients, noting the organization is average or below average (less fees than average) in fee structures, and lastly, how the organization can manage the market volatility of 2022 in maintaining its long term portfolio goals.

MOTION: *That the Board approve updates to the USA Swimming Investment Policy Statement as reviewed and recommended by the Investment Committee. Seconded. Motion passed unanimously.*

STRATEGIC CONVERSATIONS SWIMS UPDATE/QUESTIONS

Mrs. Ferguson presented an update on Swims 3.0 (Attachment 16).

Joel Shinofield, Managing Director, Sport Development, described Sport Development's outreach campaign to member clubs with a negative registration variance, while also providing data on the outcome of those communications, including what was reported by clubs on why registration numbers are lower at this time than prior years.

Mrs. Ferguson noted outreach has been focused on athlete membership, as non-athlete membership is trending high.

Patrick Murphy, Senior Director, Member Data and Product, stated that the registration concerns are mostly "first time" issues and reported on what the team has learned to better assist membership moving forward to mitigate registration difficulties.

The Board discussed the nuances of the top reasons for diminished registration numbers, including what the organization can and cannot track when clubs fold and consolidate, facilities change, and clubs utilize other insurance opportunities.

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Mr. Shinofield explained the history of membership requirements and regulations and where the organization is now, including increased regulations for membership from the government, the USOPC, and the USCSS. Additionally, Mr. Shinofield provided next steps on addressing SWIMS 3.0 issues, including a working group of clubs to improve the process in 2023, directly addressing technology issues with clubs and coaches, and improving the SWIMS 3.0 overall user experience.

Lastly, Mr. Murphy reported that Online Meet Entry launched January 3, 2023 and is live, with current testing and integration with the NCAA Selection Tool.

MEMBERSHIP

Mrs. Ferguson presented membership data, including general membership trends over a quad, as well as current membership projections and year-over-year membership variances.

Tim Hinchey, Chief Executive Officer, noted the objective for membership registration is to think ahead to the next quad, with the goal of setting a new standard from 2024 – 2028.

The Board discussed registration data, focusing on clubs to grow membership, setting a new standard during the next quad, membership retention and tracking, and membership marketing initiatives.

Mrs. Ferguson presented proposed membership retention and growth goals for the 2023 year and 2024 quad as a whole.

The Board discussed strategies and opportunities to reach membership goals, including providing additional tools and resources for coaches to engage them in the growth and retention of athlete members.

Mrs. Ferguson remarked on the risks to membership numbers, including technology issues, lack of communication, barriers from regulations, COVID-19 after-effects, and the natural ebb and flow of membership numbers which, fortunately, can now be gathered and used to create best practices for coaches and clubs.

Mr. Brearton asked for the 1.2 Working Group to work in collaboration with outside stakeholders to take a deeper look into membership numbers to identify barriers and develop a plan for moving forward.

Mr. Skufca reported on membership registration year to date pacing this year compared to last year noting athlete membership registration is down by -4.86% while non-athlete membership registration is ahead by +8.24%, netting a negative -3.4% in registration overall. From a cashflow perspective given the current membership pacing and rates for 2023 vs. 2022, there's a positive year over year revenue variance of +0.06%.

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

FINANCE

Mr. Skufca reported that the current 2022 financial projection is more favorable than both the original budget and the financial projection from the November 2022 Board meeting due in part from both more revenues and less expenditures which were outlined.

Mr. Skufca spoke to the organization's financial planning procedures to account for situations such as the current membership trend, through an on-going, proactive budgeting process the staff does every year. The annual process includes an analysis of both projecting revenue sources and strategically outlining program investments (expenditures), specifically those that are tied to the organization's Ends and the period's key initiatives.

Mr. Skufca provided a timeline to close out the 2022 financial year to be completed in March 2023 ahead of the annual external financial audit.

POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES

Mr. Skufca presented Policy 3.4, Financial Condition & Activities (Attachments 17 - 20).

MOTION: That the Board approve that the performance monitoring report on Policy 3.4 "Financial Conditions and Activities" conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO's interpretations. Seconded. Motion passed unanimously.

ANNUAL PLAN

Kathy Fish, Board Vice-Chair, reported that the Board working groups are focusing on measuring results and impact within the Annual Board Plan versus processes and tools, which the staff will assess (Attachments 21 - 22).

Natalie Hall presented the Key Performance Indicators (KPIs) within Policy 1.1, highlighting changes relating to relays, Open Water World Championships, the launch of an Athlete Transition Program, and establishing baselines for usage of mental and physical health resources by the National and National Junior Teams.

Kathleen Prindle provided an overview of the KPIs within Policy 1.2 and noted changes, including simplifying Policy 1.2 down to five KPIs from eight, with the ability to have more of a focus on membership growth.

Mrs. Fish added that additional changes will include updating membership growth goals per earlier discussions.

Katie Meili presented the updated Policy 1.3 KPIs, remarking on Policy 1.3's focus on engaging the community with the sport of swimming.

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

Mrs. Ferguson commented on the organization's continued efforts to track event attendance, along with members and public engagement with USA Swimming content and digital media.

Bob Vincent explained changes to Policy 1.4 KPIs that focused on technology, Officials Certification, and strategic financial tools and resources.

MOTION: To approve Priority Results 1.1-1.4 and associated KPIs as the organization's 2023 Strategic Plan. Seconded. Motion passed unanimously.

PRESENTATIONS

USA SWIMMING FOUNDATION UPDATE

Lucinda McRoberts, Chief Administrative Officer and Executive Director of the USA Swimming Foundation, commented on the successes of the Foundation in 2022 and noted the continued momentum with a presence at the Knoxville TYR Pro Swim Series.

Mr. Skufca reinstated the timeline for closing out 2022 financials and provided the Foundation's 2022 Projected Support (Attachments 23 – 24).

COVID VACCINE POLICY

Ms. Steinfeld reported that the current COVID vaccine requirement for USA Swimming events and international team travel will be eliminated on February 1, 2023.

HOUSE OF DELEGATES WORKING GROUP UPDATE

Katie Meili reported that the HOD Working Group recommends keeping the HOD composition the same for another year, while also retaining the Working Group to continue evaluating the HOD overtime (Attachment 25). Ms. Meili noted that the HOD Working Group would be submitting proposed legislation to the Rules & Regulations Committee to memorialize this recommendation, but also to clean up some language in the composition that would otherwise allow one individual to have more than one vote at the annual meeting of the HOD.

Ms. Steinfeld provided data on the engagement of HOD delegates.

WORKSHOP PREVIEW

Brendan Hansen, Director, Team Services, provided an overview of the Annual USA Swimming Workshop that will be held April 20th – 23rd, 2023 in Denver, CO, noting the type of sessions and opportunities that will be available to attendees. Mr. Hansen also mentioned that the Workshop will be widely communicated to the entirety of the membership, not just those attending.

Mr. Shinofield reported there will be a Board Town Hall during the Workshop so the Board can share the organization's priorities and listen to membership.

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

LEGISLATIVE UPDATE

Ms. Steinfeld reported on the Governance Committee's decision to begin the legislation process earlier in the year to allow for a notice and comment period through the USA Swimming website and for richer legislative discussion at the Annual Workshop.

LSC AFFILIATION UPDATE

Ms. Steinfeld explained the financial reporting requirements within the Local Swimming Committee (LSC) Affiliation Agreement, reporting that the following LSCs were currently out of compliance: Florida Gold Coast, Lake Erie, Southeastern, Mississippi, San Diego Imperial, and West Virginia.

UNITED STATES AQUATICS SPORTS & WORLD AQUATICS (FORMALLY FINA) REPRESENTATION

Ms. McRoberts reviewed the various World Aquatics' committees and panels, along with identifying the United States representatives for each.

Ms. McRoberts additionally noted the U.S. and USA Swimming representation within the United States Aquatic Sports.

PERFORMANCE AND COMPETITION UPDATE

Mr. Hansen introduced Corey Manley, Data Analysis.

Mr. Manley provided results data on the 2022 Speedo Winter Juniors (East & West) and the 2022 Toyota U.S. Open, showcasing what kind of reporting the organization can now provide to membership for all USA Swimming meets through the digital transformation efforts (Attachment 26).

Mr. Hansen added how impactful the data reports are with driving performance and engaging with clubs, coaches, and athletes.

Mr. Manley further explained what will be contained within the organization's data warehouse and how coaches and athletes can utilize the data to drive performance.

Matt Barbini, Director, Performance, National Team, commented on the high level of competitiveness at the 2022 FINA Short Course World Championships with the U.S. winning 36 medals while noting the challenges around the high volume of relays in which the U.S. won 10 medals. Mr. Barbini discussed the selection process for the competition and the added benefit of our best athletes racing the best athletes in the world and the experience gained.

CLOSED SESSION (2.3.6)**RELAY INCENTIVES**

DRAFT

DRAFT

DRAFT

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

The Board went into Closed Session so Mrs. Mintenko could provide an update on future relay incentives.

LITIGATION AND RISK MANAGEMENT UPDATE

The Board remained in Closed Session so Ms. Steinfeld could provide a legal update.

FINANCE

The Board remained in Closed Session to discuss finances.

COMMERCIAL UPDATE

The Board remained in Closed Session to discuss commercial updates.

AICEEP UPDATE

The Board remained in Closed Session to discuss the Athlete Inclusion, Competitive Equity, and Eligibility Policy.

EXECUTIVE SESSION: CEO KPIs

The Board remained in Closed Session so it could conduct an Executive Session to discuss Key KPIs for the President & CEO; all members of the staff left the meeting. Board Governance Consultant Bill Charney was present with the Board for the discussion.

The Board came out of Closed Session to approve the following motion.

MOTION: *To approve the Executive Compensation Committee's recommendations, as amended, for CEO performance bonus KPIs for 2023. Seconded. Motion passed unanimously.*

ADJOURNMENT

Mr. Brearton adjourned the January 28, 2023 meeting of the Board of Directors at 5:05 p.m. Mountain Time.

Respectfully submitted:



Michelle Steinfeld, Secretary and General Counsel



Chris Brearton, Board Chair

These minutes will be officially approved by the USA Swimming Board of Directors at its April 20, 2023 meeting.

USA Swimming Board of Directors Meeting Minutes

January 28, 2023 / Virtual

Attachment 1	Agenda
Attachment 2	Page 2 – DRAFT BOD Minutes November 20, 2022
Attachment 3	Page 2 – Bylaw 2.9
Attachment 4	Page 3 – Board Gap Analysis
Attachment 5	Page 3 – Board Chair Work Plan
Attachment 6	Page 3 – BGPM Policy 2.6
Attachment 7	Page 4 – Revised Anti-Retaliation Policy
Attachment 8	Page 4 – Statement of Ethics and Conflict of Interest Policy
Attachment 9	Page 4 – Policy 33.0 Zone Sanction Appeal Process
Attachment 10	Page 5 – Policy 1.0 Broadest End
Attachment 11	Page 5 – Policy 1.3 Public Engagement with Swimming
Attachment 12	Page 5 – Policy 3.3 Treatment of Employees and Volunteers
Attachment 13	Page 5 – Policy 3.9 Board Awareness and Support
Attachment 14	Page 6 – USA Swimming IPS _ Clean
Attachment 15	Page 6 – USA Swimming IPS _ Redline
Attachment 16	Page 6 – SWIMS Update
Attachment 17	Page 8 – USA Swimming 2022 Budget vs 2022 Projection
Attachment 18	Page 8 – USA Swimming Comparative Balance Sheet
Attachment 19	Page 8 – USA-S 2022-2024 Quad Business Plan Summary
Attachment 20	Page 8 – Policy 3.4 Financial Conditions and Activities
Attachment 21	Page 8 – USA-S Ends KPIs_ Clean
Attachment 22	Page 8 – USA-S Ends KPIs_ Redline
Attachment 23	Page 9 – USA-S Foundation IPS_Clean
Attachment 24	Page 9 – USA-S Foundation IPS_Redline
Attachment 25	Page 9 – HOD Working Group Article VI Amendments
Attachment 26	Page 10 – Competitive Summary Report
Attachment 27	Staff Report for the Board

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: ~~January 28~~April 20, 2023

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 World Aquatics, 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, with an arbitral organization designated by the USOPC,~~ 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, Administrators 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, 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. Junior Coach members must always be under the direct visual supervision of a registered Coach member.

. 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 Policy 26 of the USA Swimming Operating Policy Manual.

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, World Aquatics, 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, World Aquatics, 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 World Aquatics 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~~ COORDINATOR

.1 Membership: ~~The Credentials/Elections Committee shall consist of seven (7) non athlete members appointed by the~~ The Board Chair shall appoint a Credentials/Elections Coordinator, 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 appointed are approved by the Board athlete representatives AAC.~~ 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.

E. 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. 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 UOPC Delegation Event program.
- .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 only 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

A. 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.

B. 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.

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.

- (v) Participate in any virtual *Meet the Candidates* forum sponsored by any LSC, where all questions are presented to the nominees in advance. The LSC must make a reasonable effort to afford the same amount of time to all nominees.
- (vi) Contact individuals on a one-on-one basis, to share their platform and solicit their vote through telephone, cell phone, emails, text and other electronic communications. To the extent email or other electronic communication is used, the nominee may not copy or blind copy additional individuals.

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

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

ARTICLE 7 FINANCIAL

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 PENALTIES~~ — Should an LSC not be current, including extensions, with its financial reporting requirements to USA Swimming, the Board of Directors may apply any of the penalties outlined in the LSC Affiliation Agreement, with written notice, in addition to any other remedies available at law or in equity, 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 World Aquatics.

.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.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey III, President & Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.1: Treatment of Members/Customers**
DA: April 20, 2023

I hereby present the monitoring report on Management Parameters Policy 3.1 “Treatment of Members/Customers” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended April 20, 2023.

Signed , President & CEO

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

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

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

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

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

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

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

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

REPORT:

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

We have one complaint from an official participating in a debrief with staff the week of March 6, 2023 stating the official felt they were treated unfairly and disrespectfully. Staff felt the official misunderstood the requests by Staff for information. Staff sent a response to clarify the misunderstanding and to apologize for the perceived disrespect. I have since invited this official to meet during the April Workshop so we can discuss a path forward and the official graciously accepted my invitation.

When organizing events, safety is always an utmost concern – both for athletes and volunteers/attendees. In 2022, there were 1,673 reports of occurrence filed in connection with all practices and meets for our ~320,000 members and additional event spectators. Fortunately, none of the injuries were catastrophic.

As to athlete safety/abuse, we have and will continue to elevate and implement ways to make participating in the sport of swimming safer. To date, 499 member clubs have achieved Safe Sport Club Recognition, and an additional 1,809 are engaged in the recognition process, accounting for 66% of member clubs involved in the initiative. While we are proud of this effort, we will continue to consider requiring participation in this program or an updated structure for how clubs become recognized, making the process more accessible to clubs. Finally,

our continued commitment to addressing athlete abuse has resulted in two individuals being banned since September 2022, with the list now totaling 201.

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

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

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

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

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

REPORT:

As USA Swimming focuses on modernizing and professionalizing our technology capabilities, we continue to make the cyber security program a top priority. Building off prior initiatives, we have implemented a comprehensive IT Policy Manual based on the National Institute of Standards and Technology framework aligned with business objectives of protecting member data. In addition to the IT Policy Manual, an Incident Response Plan has been in effect since January 2022 and data handling and retention guidelines were updated in January 2023. Security Awareness training for staff is a continued focus area for 2023, as it has been estimated that 90% of all data security incidents are linked to phishing attacks, typically utilizing the technique of social engineering. We continue to invest in training systems to promote our cybersecurity culture, as a staff that is well trained and aware is the best control to mitigate cybersecurity risk.

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

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

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

I therefore report **COMPLIANCE**.

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

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

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

REPORT:

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

I therefore report **COMPLIANCE**.

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

CEO’S INTERPRETATION: Updated to reflect new title for National Team honor code. Upon becoming a non-athlete member, and as part of successful completion of a criminal background check, all non-athlete members certify that they have received and commit to abide by the Code of Conduct. (Note: With a few exceptions, the Code of Conduct generally applies to those in positions of power (i.e., non-athlete members), whereas member club codes of conduct or the team rules for the National Team for a USA Swimming international team trip are more applicable to athlete conduct).

REPORT:

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

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

I therefore report **COMPLIANCE**.

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

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

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

REPORT:

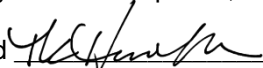
Over the past year, the overwhelming majority of alleged Code of Conduct violations involved the SafeSport Code for the U.S. Olympic & Paralympic Movement, which is enforced by the U.S. Center for SafeSport (the “Center”). USA Swimming has actively engaged with the Center to ensure that it is responding to such allegations in as effective manner as possible (with respect to timeliness, communication, etc.). All other Code of Conduct violations have been addressed by the staff through informal resolution or National Board of Review (“NBOR”) review, consistent with USA Swimming’s rules. In the past year, there were three cases before the NBOR.

I therefore report **COMPLIANCE**.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.2: External Relations**
DA: April 20, 2023

I hereby present the monitoring report on Management Parameters Policy 3.2 “External Relations” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended April 20, 2023.

Signed , President & CEO

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

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

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

REPORT:

I traveled extensively in 2022, finding efficiencies by aligning domestic/international business contacts, commercial prospects, and Foundation donor visits with existing trips where possible. In an effort to drive impact and growth, I encouraged Staff to join me in hosting opportunities at our swim meets for partners, donors, coaches, athletes, officials, Local Swimming Committee and club leadership, and any additional business development contacts.

Below are specific examples of the key influencers Staff and I met with in 2022 and the beginning of 2023:

- U.S. Olympic & Paralympic Committee (“USOPC”) & other USA Affiliates – Sarah Hirshland, Rocky Harris, Fin Kirwan, and Dr. Jonathan Finnoff, USOPC; Kathy Carter, U.S. Olympic & Paralympic Properties; Janet Evans, LA2028; Dexter Paine and Gene Sykes, USOPC Board of Directors; Dawson Hughes, U.S. Masters Swimming; Li Li Leung, USA Gymnastics; Pat Kelleher, USA Hockey; Adam Andrasko, USA Artistic Swimming; ; Max Seigel and Renee Washington, USA Track & Field; Dan Payne, USA Rugby; Tracey Marek, USA Figure Skating; Dr. Tom Crawford, USA Ultimate; Max Cobb, US Biathlon; Victoria Brumfield, USA Triathlon; Jim Leahy, USA Luge; Aron McGuire, USA Bobsled & Skeleton; Samantha Barany, College Swimming & Diving Coaches Association of America; Travis Tygart, U.S. Anti-Doping Agency; and Ju’Riese Colon, U.S. Center for SafeSport.
- International Bodies – Brent Nowicki, Dale Neuberger, and Jay Thomas, World Aquatics; Ahmed El-Awadi, Swimming Canada; Sarah Keane, Swim Ireland; António José Silva, LEN; John Atkinson, Swimming Canada; Suzanne Paulins, Swimming Canada; Jack Buckner, British Swimming; Eugenie Buckley and Rohan Taylor, Swimming Australia; Koji Ueno and Sayaka Muramatsu, Japan Swimming; and Shigeo Ogata, Member of World Aquatics Technical Swimming Committee (Japan).
- Commercial - Scott Davison, OneAmerica; Oliver Chi, City Manager, City of Irvine; Alan Fey, Fanatics; Jason Flaxbeard, Beecher Carlson; Dave Cooper, Risk Management Services; Gary Zenkel, NBC Universal; Bob Brennfleck, SportFive; Brad Nadal, Golden Road; John Burke, Boy Scouts; Matt DiLorenzo, TYR; Troy Franzen, Fluidra; Claudia Kreisle and Neill Weingarten,

Phillips66; Jim Lindell, Direct Sports Network; Richard Gillam, Connected Television Group; Rasheeda Liberty, Sigma Gamma Rho; Patrick Talty, Indiana Sports Corp; Brett McKinnon, SportsEngine; Bill O'Brien, Coca-Cola; Tim O'Connell and Sandra Olson, Chicago Park District; and Doug Hanisch, First Western Trust.

- Foundation Trustees & Donors – John Enquist; Erin and Myles Grant; Fred Uytengsu; Ron Kaminski; Mike McCaffrey; Tim Buckley; Alex Blavatnik; Chris and Fiona Chandler; Russ Meyer and Marcy Shaffer; David and Richelle Fox; Tristin Mannion; and Kevin and Patti Thompson.
- Coaches, Clubs, & Athletes –Dave Durden, University of California, Berkeley; Dave Salo, Irvine Novaquatics; Greg Meehan, Stanford University; Bob Bowman and Rachel Stratton-Mills, Arizona State University; Jack Bauerle, University of Georgia; John Collins, Badger Swimming; Ron Aitken, Sandpipers of Nevada; and several athletes, including Ryan Murphy, Annie Lazor, Gunnar Bentz, Natalie Hinds, Chase Kalisz, Tyler Clary, and Wendy Boglioli.

Since joining USA Swimming in July of 2017, and consistent with this policy, I have invested considerable time and attention to strengthening existing relationships and building new ones. I am confident that we are well-positioned to benefit from the value of those relationships domestically and abroad as we foster international competitive dominance and explore new commercial and philanthropic opportunities.

I therefore report **COMPLIANCE**.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
RE: Internal Report – Management Parameters
Annual Monitoring on **Policy 3.5: Asset Protection**
DA: April 20, 2023

I hereby present the monitoring report on Management Parameters Policy 3.5 “Asset Protection” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the year ended April 20, 2023.

Signed , President & CEO

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

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

It is my obligation to ensure that our organization’s intellectual property, financial assets, facilities, equipment, and other assets are protected in a manner that ensures our ongoing viability and reputation. I interpret “unprotected” to mean assets being easily subject to theft or misuse. I interpret “inadequately maintained” to mean assets, including both physical and intellectual property, not receiving recommended or standard upkeep. And I interpret “unnecessarily risked” to mean assets that are jeopardized in ways that, upon reasonable review and issue identification, can be prudently mitigated. It is my interpretation that this broad policy statement is comprehensively defined by the subsequent provisions, each of which are interpreted and reported on below.

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

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

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

REPORT:

1A:

Regarding property and casualty losses, coverage for our building is carried by the U.S. Olympic & Paralympic Committee (“USOPC”), which surveys the building value on a periodic basis to maintain proper limits of liability. Our responsibility is to cover replacement of our physical assets (furnishings, computers, media, merchandise, etc.). As of December 31, 2022, the replacement cost of these assets was estimated at \$1,870,631. The valuation was conveyed to Risk Management, and our insurance policy appropriately covers said assets. We also carry \$1 million in extra expense coverage for relocation of our office due to a casualty loss. Our current property/inland marine insurance policy provides coverage for full replacement value. I therefore report **COMPLIANCE**.

1B:

As to determination of the amount of D&O/management liability coverage required by this policy, the USOPC requires NGBs to have a minimum of \$1 million. Based on recent assessments, the amount of coverage for other larger NGBs ranges from \$1 million to \$10 million, with an average of \$5 million. Our current coverage amount is \$10 million. I therefore report **COMPLIANCE**.

1C:

As to employee theft and dishonesty, we have coverage of \$1 million per incident, which includes coverage for the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”). These coverage levels have been in place since 2000 and have been assessed annually by Risk Management and Finance. I therefore report **COMPLIANCE**.

1D:

Our cyber liability policy addresses technology solutions liability, media and intellectual property liability, network security and privacy liability, business interruption, increased operational costs, cyber extortion insurance, and media and IP liability. Given the overall scope of cyber liability concerns, and new customer relationship management system, Aggregate Limits were increased from \$1 million to \$3 million in 2018, and then again from \$3 Million to \$5 Million in 2021. In 2023, we renewed our cyber liability policy with Coalition and RSUI, whose cyber insurance offers, at no extra cost, breach monitoring and other tools to identify potential system vulnerabilities at the \$5 million coverage. I therefore report **COMPLIANCE**.

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

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

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

REPORT:

Our office equipment is routinely maintained, updated, and replaced, if necessary, in accordance with a regular maintenance schedule for all capitalized equipment. All major equipment (copiers, computers, etc.) is covered under extended warranties or service agreements. With the office renovation, including new furnishings, completed in 2020, there are no deferred maintenance issues or liabilities. The Dirks Building exterior is maintained, per the lease, by the USOPC. I therefore report **COMPLIANCE**.

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

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

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

REPORT:

Our status as a large NGB, and especially our reach with hundreds of thousands of young athletes, puts risk management at the forefront of our work, operationally and programmatically. Our Risk Management division is augmented by our Operational Risk Committee and professional advisors who consistently focus on identifying areas in which we can minimize risk/liability exposure. USA Swimming provides participant accident insurance of \$25,000 for excess accident medical expenses of our athletes and primary sports accident coverage of \$25,000 for elite athletes. I therefore report **COMPLIANCE**.

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

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

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

REPORT:

The USA Swimming Employee Handbook, last revised in January 2023, has an extensive section, entitled "Statement of Ethics and Conflict of Interest," that explicitly addresses definitions and examples of conflicts of interest, procedures to avoid them, and how violations will be addressed. All employees annually sign a statement affirming that they have received, read, understand, and commit to comply with the policy. All staff involved in purchasing are thoroughly aware and trained in these. A neutral Ethics Committee reviews all disclosures and provides potentially conflicted employees with any necessary mitigating measures.

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

POLICY PROVISION 5: "The CEO will not allow a purchase of any material amount without having compared prices and quality."**CEO'S INTERPRETATION:** (No change since last report)

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

REPORT:

USA Swimming will employ sound business practices when purchasing goods and services to reduce costs and avoid conflicts of interest. The USA Swimming Financial Policies and Procedures Manual, last revised in March 2023, has an extensive section entitled "Purchasing" that explicitly addresses the purchase requisition and bid processes, and outlines the authorization and approval guidelines. In practice, we comparison shop for nearly all purchases above \$5,000 and include appropriate approval signatures and supporting documentation attached to all applicable transactions. I therefore report **COMPLIANCE**.

POLICY PROVISION 6: "The CEO will not allow USAS' intellectual property, information, resources and files to be exposed to loss, improper access, misuse or significant damage."**CEO'S INTERPRETATION:** (No change since last report)

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

REPORT:

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

POLICY PROVISION 7: "The CEO will not operate without adhering to a Records Retention Schedule, approved by the Secretary & General Counsel, for the maintenance of documents and records."**CEO'S INTERPRETATION** (No change since last report)

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

REPORT:

USA Swimming currently employs a multifaceted approach to the maintenance of documents and records by means of a Document Retention Policy and Schedule, which was revised in 2023. The policy and schedule account for (i) financial records; (ii) records subject to pending litigation; and (iii) business records containing personal identifying information. USA Swimming's information technology system maintains a copy of all digital records indefinitely. I therefore report **COMPLIANCE**.

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

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

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

REPORT:

Our last audit, dated May 23, 2022, reported on our financial position as of December 31, 2021. The applicable Management Representation Letter for the 2021 audit was not accompanied by any Management Letter recommendations for changes to our internal controls processes/systems. The auditor has not separately conveyed any concerns or recommendations. I therefore report **COMPLIANCE**.

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

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

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

REPORT:

We have not retained an auditor for operational purposes during the past year. In 2022, we extended our contract with Bill Charney for continued governance support for the Board, and for support to the Strategy Team for Board-related projects. This continuation was allocated for as a specific line item in the 2022 and 2023 budgets, as authorized by the Board. I therefore report **COMPLIANCE**.

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

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

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

REPORT:

We adhere to and comply with USA Swimming's Investment Policy Statement, last revised in January 2023, for all our investing practices (short-term and long-term). Other than our business operating and savings accounts at Wells Fargo Bank and First Western Trust Bank (FDIC insured), at which we keep an average balance of 30 days of operating cash, all other operating funds are invested in market-rate interest bearing investment vehicles (Commercial Paper, Money Market Funds, US Treasuries, Agency Discount Notes, Corporate Bonds) also through Wells Fargo and First Western Trust. Board-designated reserves and all restricted funds are invested as directed by the Board through its Investment Committee. I therefore report **COMPLIANCE**.

POLICY PROVISION 11: "The CEO will not endanger USA-S' public image or credibility."

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

I interpret this provision as emphasizing the importance of protecting the organization's name and reputation as its most vital asset. In addition to commonly accepted ethical business practices, all employees, particularly in

management, must recognize that their actions and public behaviors affect public perception of USA Swimming. Any such behaviors that bear negatively on those perceptions are to be addressed and mitigated.

REPORT:

As emphasized by End 1.4 (Recognition as Best in Class NGB), elevating and protecting our reputation is integral to all aspects of our sustainable success. Whether through courtesies and friendliness exhibited in member/customer service, the building of collaborative relationships with business partners and other entities/NGBs, or our steadfast commitment to leadership in Safe Sport, our Strategy Team and other staff leaders are building a culture of excellence and accountability for performance. I am proud that, to our knowledge, there have been no situations brought to our attention in which the CEO and/or staff's public presentations or demeanor have been alleged to be less than professional. I therefore report **COMPLIANCE**.

POLICY PROVISION 12: "The CEO will not substantially alter the organization's corporate identity."

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

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

REPORT:

No such changes have been made. I therefore report **COMPLIANCE**.

Performance Monitoring Report

TO: USA Swimming Board of Directors

FR: Tim Hinchey, President & Chief Executive Officer

RE: Internal Report – Management Parameters

Annual Monitoring on **Policy 3.8: Emergency Management Succession**

DA: April 20, 2023

I hereby present my monitoring report on Management Parameters Policy 3.8 “Emergency Management Succession,” in accordance with the monitoring schedule set forth in Board policy and certify that the information contained in this report is true for the annual reporting period through April 20, 2023.

Signed , President & CEO

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

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

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

REPORT:

The CEO is primarily supported by three executives:

Eric Skufca, Chief Financial Officer (“CFO”)

Shana Ferguson, Chief Commercial Officer (“CCO”)

Michelle Steinfeld, Secretary & General Counsel (“General Counsel”)

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

As to the CFO, CCO, and General Counsel, their Business Units have reasonable short-term capabilities in-house and we can leverage outside support with relative ease. Notably, with the departure of Chief Administrative Officer Lucinda McRoberts last month, the organization’s administrative responsibilities are being supported by the Strategy Team members and their respective Business Units. I therefore report **COMPLIANCE**.

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

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

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


REPORT:


Given their experience working with each Business Unit and the Board of Directors, CCO Shana Ferguson and CFO Eric Skufca have the capability of filling in as interim CEO if I become unavailable. Operationally, the entire Strategy Team works closely together, is looped in on other Board communications, and shares my commitment to assure its fulfillment. I therefore report **COMPLIANCE**.

Performance Monitoring Report

TO: USA Swimming Board of Directors
FR: Tim Hinchey, President & Chief Executive Officer
Eric Skufca, Chief Financial Officer
RE: Internal Report – Management Limitations
Quarterly Monitoring on **Policy 3.4: Financial Condition and Activities**
DA: April 6, 2023

We hereby present the monitoring report on Policy 3.4 “Financial Condition and Activities” in accordance with the monitoring schedule set forth in Board policy. We certify that the information contained in this report and the accompanying Income Statement and Balance Sheet are true for the quarterly period ending March 31, 2023 on a preliminary basis.

Signed , President & CEO

, CFO

BROADEST POLICY PROVISION: “With respect to financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Ends policies.”

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

I submit that the Board’s concerns about avoiding fiscal jeopardy are comprehensively interpreted in this Policy’s subsequent provisions. Regarding expenditures, I interpret “material deviation from Ends priorities” to mean avoidance of waste, such that all expenditures be viewed and can be correlated as investments towards the achievement of USA Swimming’s Ends.

REPORT:

As to expenditures deviating from Ends policies, anticipated expenditures were itemized in our approved FY 2023 budget and are subject to review by the Board, using its monitoring system, to ensure adherence to our budget (Policy 3.6). All expenditures/procurements during this reporting period have been authorized and determined to be consistent with the FY 2023 budget and Ends achievement. For this quarter, we report **COMPLIANCE**.

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

POLICY PROVISION 1: “The CEO will not manage finances without adherence to applicable Generally Accepted Accounting Principles (GAAP), as promulgated by the Financial Accounting Standards Board (FASB).”

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

I interpret this to be a clearly articulated standard, addressed to the best of our Chief Financial Officer’s (“CFO”) ability throughout the year, with compliance verified at the conclusion of each fiscal year in the report of the independent auditor.

REPORT:

The organization’s financial statements as of and for the year ended December 31, 2021 were audited and issued a clean opinion. The CFO continues to abide by GAAP. Please note as of the date of this monitoring report, the 2022 audit is still being finalized and should be completed, reviewed by the CFO and Audit Committee, and issued in May 2023 (timing reasonably consistent with prior years). We therefore report **COMPLIANCE**.

POLICY PROVISION 2: “The CEO will not expend more funds than have been projected to be received in the fiscal year, except up to the amount of any Board-approved operating deficit for such fiscal year.”

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

This Policy requires that annual operating expenses be less than total projected revenues, with the exception being up to the amount of a deficit-spend that the Board may have approved for a given fiscal year.

REPORT:

Year-to-date revenues were \$23,471,166 with corresponding expenses of \$7,969,680, for a year-to-date excess of \$15,501,486. Current projected forecast for fiscal year end is total revenue of \$37,494,776 and expenses of \$38,488,098, and we thus anticipate an operating deficit of (\$993,322) compared to the budgeted operating deficit of (\$1,368,963). Understanding the number of unknowns still at this time, below are some of the larger deviations from our original 2023 budget at the time of this monitoring report:

- Operating revenues projected less than the original budget (net) by an estimated (\$40,000) or (0.1%).
 - Membership revenue projected less by an estimated (\$260,000) or (1%) based on latest analysis.
 - Partnership Marketing revenue projected less by an estimated (\$280,000) based on current projections including signed contracts and projected new contracts and/or partnerships.
 - The organization is pursuing due diligence on the Employee Retention Credit, a refundable tax credit for businesses that continued to pay employees during the COVID-19 pandemic. Third-party estimates project a \$500,000 potential credit, if applicable to USA Swimming.
- Operating expenses projected less than the original budget (net) by an estimated \$415,000 or 1.1%.
 - Commercial division projected less by \$407,000 primarily due to a decrease in event marketing, digital platforms, and Splash Magazine (given current Partnership Marketing revenue projections).
 - Business Affairs division projected less by \$289,000 primarily due to a decrease in government relations, HR, and personnel expense.
 - National Team division projected more by an approximate (\$275,000) primarily due to the added LEN European U23 meet and increased personnel.
 - Risk Management/Insurance projected less by an approximate \$123,000 primarily given the latest update, as renewals and premiums continue to finalize (net more favorable terms).
 - Sport Development division projected more by an approximate (\$94,000) primarily due to added personnel.

We report **COMPLIANCE** through the first quarter of 2023.

POLICY PROVISION 3: “The CEO will not allow cash and cash equivalents to drop below that amount necessary to meet operating expenditures over a 30-day period.”

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

This policy requires that we maintain liquid investments adequate to meet one month of operating expenses. I interpret these to include cash expenses only (not depreciation).

REPORT:

On a preliminary basis, cash and cash equivalents were \$2,414,277 on March 31, 2023. Monthly operating expenses are approximately \$3,207,000. Although liquidity was more than the threshold required by this Policy for the majority of the quarter, the quarter end (3/31/2023) balance was below threshold. The first quarter is typically not one of the leaner cashflow quarters (like the third quarter), but Q1 2023 (much like Q1 2022) has required more cashflow management by the Finance division given material payments for non-operating, Board approved reserve spending on the “Keeping Athletes First” initiative and legal and risk management expenditures during the quarter. Rather than making distributions from the reserve investment portfolio, Finance has utilized operating cash to fulfill these needs, in an effort to incur the least amount of strain on the portfolio until needed. The year’s first portfolio distribution was made in Q1 2023. Given the cyclical nature of the organization’s cashflow, material 2022 and first quarter 2023 non-operating reserve expenses, continuous and proactive management, and the fact that cashflow was available to appropriately and timely meet all the quarter’s expenditure needs, we report **COMPLIANCE**.

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

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

CEO/Staff are not authorized to borrow funds or use corporate assets as security for any purchase contracts. Use of credit cards by staff is permitted, with each card paid in full on a monthly basis.

REPORT:

Approximately ten staff members have corporate credit cards, with balances paid in full through the last statements. No other debt originated during this reporting period. The organization still maintains its revolving line of credit that

originated in 2020 and has been reported and approved in prior Monitoring Reports. We therefore report **COMPLIANCE**.

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

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

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

REPORT:

The Board-designated Reserve has been tapped (capitalized or expensed) approximately \$400,000 on a preliminary basis thus far in 2023 for three Board approved planned investments: the “Keeping Athletes First” 1.0 initiative, and legal and risk management expenditures (including interest expense on the revolving line of credit balance used to fund a portion of these initiatives). All initiatives were Board approved, to be paid from the Board-designated Reserve. We therefore report **COMPLIANCE**.

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

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

Payroll must meet its obligations every two weeks. For other payables, I interpret “timely” to mean by the date stipulated in agreement with the vendor, or if not explicit, within thirty days of invoice (assuming provision of goods or services has been completed).

REPORT:

Payroll has met the schedule as interpreted above. USA Swimming processes payables weekly. There are no invoices in dispute as of April 6, 2023 (the date of this monitoring report) and all payables have been paid on time. We therefore report **COMPLIANCE**.

POLICY PROVISION 7: “The CEO will not allow tax or other government-ordered payments or filings to be overdue or inaccurately filed.”

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

All tax and governmentally required payments or filings (payroll, Form 990, 1099’s, etc.) must be made in a timely and accurate manner.

REPORT:

All withholding taxes and other such payroll payments and filings have been made by the deadline by our payroll provider, BambooHR. Forms 1099/1096 were filed by January 31, 2023. Form 990 was under the annual filing extension to November 15, 2022 and was filed on time. There are no outstanding filings and there have been no late penalties. We therefore report **COMPLIANCE**.

POLICY PROVISION 8: “The CEO will not execute a purchase commitment, check or electronic funds transfer for greater than \$250,000, unless such expenditure was explicitly itemized in budget monitoring data previously disclosed to the Board. Splitting orders to avoid this limit is not acceptable.”

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

Any expenditure in excess of \$250,000 that was not disclosed as part of our budget plan must be approved by the Board.

REPORT:

No such expenditures in excess of \$250,000 have been incurred that were not part of our approved budget plan through the reporting period (first quarter) of this monitoring report. We therefore report **COMPLIANCE**.

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

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

All decisions regarding the purchase, lease, sale, or other claim of/on land, buildings, office, or warehouse space are at the discretion of the Board.

REPORT:

No decisions or changes with respect to real property were made during this reporting quarter. We therefore report **COMPLIANCE**.

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

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

USA Swimming is not to be lackadaisical regarding collections. “Material” is interpreted to be receivables that, when collected, are of greater value than the cost of collection (including Staff time), but generally anything over \$10,000. “Aggressively” is interpreted to mean that we will seek legal counsel after a “grace period” of 60 days and reasonable collection efforts have been unsuccessful.

REPORT:

Primary receivables are membership dues, sponsorship payments, event fees, etc. At the time of this monitoring report, there was one event vendor contract (totaling \$1,038,158) and three sponsors (totaling \$1,044,348) on our receivables that were both greater than \$10,000 and over 60 days past due. The event vendor is from 2021. We have been monitoring and communicating with these customers regularly and involved legal counsel in the event vendor payment. Note, we allowed for (i.e., financially wrote off) the event vendor receivables in 2021, but we continue to actively pursue their collection. We expect collection from the three sponsors without legal intervention. We therefore report **COMPLIANCE**.

POLICY PROVISION 11: “The CEO will not operate without adequate internal controls over receipts and disbursements to avoid unauthorized payments or material dissipation of assets.”

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

Controls must be in place that ensure that all disbursements are appropriately authorized. Further, all payments (checks, credit card purchases, petty cash, etc.) and capitalized assets must have corresponding documentation sufficient to satisfy the auditor. I interpret fulfillment of this policy to be evidenced by written Policies and Procedures that the auditor considers when performing audit procedures. Complete implementation (or absence) of recommendations brought forth by the auditor in a Management Letter is further evidence of compliance.

REPORT:

Controls in place are consistent with Board policy. The 2021 fiscal audit was not accompanied by any Management Letter recommendations. We therefore report **COMPLIANCE**.

POLICY PROVISION 11A: “The CEO will not operate without clearly delineated procedures and limitations for reimbursement of authorized expenses incurred by board members and committee members, and others who are entitled to reimbursement from USA-S.”

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

Staff is to maintain, disseminate, and ensure adherence to travel/expense reimbursement policies applicable to staff, Board members, and other volunteers.

REPORT:

All travel/expense reimbursement processes have been uniformly applied with minimal exceptions (e.g., a missing cab receipt) that are neither material nor regular. We therefore report **COMPLIANCE**.

POLICY PROVISION 11B: “CEO credit card statements and/or expense reimbursements must be reviewed and authorized for payment by the Vice Chair-Fiscal Oversight. CEO credit card statements must be reviewed and approved within 30 days of payment.”

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

Documentation/receipts for CEO credit card statements and expense reports are to be provided electronically (Concur) to the Vice-Chair Fiscal Oversight for approval before payment.

REPORT:

Vice-Chair Fiscal Oversight reviewed and approved all expense reimbursements (either direct or via CEO credit card) submitted by the CEO during the first quarter 2023. We therefore report **COMPLIANCE**.

USA Swimming

2022 Financial Written Report

Submitted by: Eric Skufca, CFO 4/6/2023

2022 SUMMARY

- Operating results were better than the (\$2,606,452) deficit budget by \$1,320,201 with an annual operating deficit of (\$1,286,252).
- Overall revenue exceeded budget by \$652,536 or 2%, and overall operating expenses were less than budget by \$667,664 or 2%.
- Investment portfolio balance decreased (\$12,982,571) as explained within the 'Financial Statement Analysis' section below. Note the organization's portfolio market loss of -15.12% beat the blended benchmark loss of -16.45%.
- Total net assets year over year decreased (\$17,666,301).

INFORMATIONAL COMMENTARY

Below is additional background on our 2022 financial philosophy and strategy, which is intended as pre-reading to the 'Financial Statement Analysis' that follows.

Organizational Budgeting Philosophy and Strategy:

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

The pre-pandemic 2020 quad followed the pattern mentioned above: 2017-2019 had originally budgeted operating deficits and 2020 had the budgeted surplus to make breakeven. The actual 2021 "five-year quad," including the pandemic and Olympic Games and Olympic Trials postponement, resulted in operating deficits 2017-2019, and operating surplus in 2020, followed by an operating deficit in 2021 equating to a net operating surplus of \$1.8M over the five-year term.

The current 2022-2024 "three-year quad" is following a similar financial operating structure whereby 2022 resulted in an operating deficit, 2023 is projecting an operating deficit, and 2024 is projecting an operating surplus to ultimately produce at least a three-year breakeven operating result (or better/net surplus).

FINANCIAL STATEMENT ANALYSIS

Accompanying this written summary are the final, unaudited USA Swimming financial statements for 2022. The following are key items and variances as highlighted in the statements:

Balance Sheet (page 1) – The cash and cash equivalent position remained relatively similar year-over-year increasing by \$110,545 to \$4,827,053. See the ‘Statement of Cash Flows’ on page 16 for more detail.

Accounts receivable and prepaid expenses combined increased \$95,877 year-over-year primarily attributable to business transaction timing, invoicing, and payments.

Fixed Assets and accompanied Accumulated Depreciation & Amortization saw increased activity in 2022 compared to prior years netting an increase in total net assets of \$377,465. The increased activity is primarily attributable to the technology development work (increase in fixed assets and accumulated depreciation) associated with the organization’s digital transformation and also any related asset disposals (decrease in fixed assets and accumulated depreciation) of any former assets no longer in service given replacements or upgrades via said digital transformation.

Long-term investments decreased by (\$12,982,571) to \$29,968,412 given the year’s net contributions, distributions, and annualized -15.12% market loss.

Accounts payable and accrued expenses increased \$4,521,781 year-over-year primarily attributable to business transactions and payment timing at yearend (including more overall activity in late 2022 compared to late 2021).

Deferred revenue increased \$1,518,313 year-over-year primarily due to the increase in membership revenue and related payment timing at the respective yearends (e.g., old Online Member Registration (OMR) for 12/31/2021 vs. new OMR for 12/31/2022).

The organization’s operating line of credit balance decreased (\$821,000) to \$1,000,000 given net drawdowns in 2022. Additionally, the balance sheet presentation of the line of credit moved from a “current” to “noncurrent” liability as of 12/31/2021 compared to as of 12/31/2022 given the Board approved renewing the loan terms another two years.

Total net assets decreased by (\$17,666,301) to \$21,583,771 due to the year’s aforementioned operating deficit of (\$1,286,252), the year’s reserve expense of (\$10,366,797), and the year’s “below the line” investment portfolio loss of (\$6,013,253).

Income Statements (pages 2 - 3) – Operating deficit of (\$1,286,252) was better than budget by \$1,320,201. Total operating revenue of \$35,633,804 beat the budget by \$652,536 or 2%. Membership revenue produced the largest positive variance compared to budget. Total operating expenses of \$36,920,056 were better (less) than the budget by \$667,664 or 2%. The Risk Management / Insurance and Commercial divisions produced the largest “budget savings.”

Excluded from the operating budget are Board-approved Planned Reserve Investments. Please see page 15 below and attached for more information.

Statement of Revenue (pages 4 - 5) – Total operating revenue of \$35,633,804 was \$652,536 or 2% greater than budget.

Membership revenue of \$23,234,255 beat the budget by \$1,104,265 primarily given membership outpacing the realistically conservative budget produced in late 2021 amidst the global pandemic and available, operating clubs and facilities at that time as well as the new technology fee cover option with the new OMR process.

USOPC recognizable revenue of \$5,341,414 was greater than the annual budget by \$13,949 given additional grants received compared to the original contract/budget (NGB Services, grassroots, etc.).

Partnership Marketing revenue of \$4,369,272 missed the budget by (\$927,967) primarily due to the non-renewal of a partner and new contract terms of others.

USA Swimming Foundation revenue of \$1,753,150 was greater than the annual budget by \$348,975 given additional, unbudgeted donations primarily related to additional National Team athlete support.

Sport and Events revenue of \$593,947 was greater than budget by \$69,947 primarily due to more Altitude Camps held at the OPTC in 2022 than budgeted (net zero to the bottom line) and unbudgeted FINA reimbursement revenue for hosting the United States' leg of the 2022 FINA World Cup (unbudgeted) offset by less Golden Goggle Awards net revenue compared to budget.

Investment Income was near zero for 2022 as the organization did not take any portfolio distributions for operations in 2022 and there was no availability for short-term investment earnings as budgeted.

There was no Olympic Trials (2021 or 2024) activity to USA Swimming in 2022.

Other Income of \$341,765 was less than budget by (\$11,634).

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

National Team (pages 6 - 8)

Total expenses of \$8,394,344 represented budget savings of \$84,795 or 1%. FINA (World Aquatics) Long Course and Short Course World Championships, Duel in the Pool, and Jr. Pan Pacific Championships were some of the larger competitions outside the continental United States during 2022. Expenses for these competitions include the related athlete support, prep camps, and travel, among others.

- \$274,072 Competitions
- \$118,049 Junior Team
- (\$19,879) Open Water
- (\$122,152) Camps
- (\$313,667) Athlete Services (including athlete funding for Worlds Medals & Records)
- (\$24,976) Sport Medicine & Science
- (\$21,584) Other
- \$194,932 Payroll and General & Administrative
- \$84,795 Total Variance per above

Sport Development (pages 8 - 10)

Total expenses of \$7,619,210 exceeded the budget by (\$980,906) or (15%). Sport Development rebuilt much of its team in 2022 including Team Services, Safe Sport, DEI, and Technology Development personnel. The personnel rebuild and restructure led to this division exceeding budget, but note the organization was under budget in total personnel expense for the year as it analyzed and assessed staffing needs in totality recognizing the approved budget. Also, credit card and merchant fees for the new OMR process were expensed to the Sport Development division. The 2022 budget was built and approved without OMR credit card and merchant fees as the original plan included the LSCs continuing to collect USA Swimming membership dues along with their own and would continue to batch pay USA Swimming via ACH with no credit card fees. As USA Swimming continued working with membership and LSC registrars in 2022 (after the 2022 budget was approved), membership preferred to have USA Swimming directly collect membership dues via the new OMR process and thus incur the credit card and merchant fees. Personnel and OMR credit card fee budget overages were partially offset by net savings within other Sport Development program groups as shown below.

- (\$71,905) Athlete Development
- \$92,020 Coach Education and Development
- \$63,244 Club Education and Development
- (\$433,163) Member Programs (including OMR credit card fees explained above)
- (\$13,867) DEI Management and Support
- \$97,041 Safe Sport
- \$9,980 Other
- \$724,256 Payroll and General & Administrative (as explained above)
- (\$980,906) Total Variance per above

Event Operations (pages 10 - 11)

Total expenses of \$6,116,269 exceeded the budget by (\$1,691,504) or (38%). As reported and communicated with the Board throughout 2022, there were many event and schedule changes and updates for 2022 (and beyond) within all levels of the sport, both domestic and international. For example, the 2022 approved budget included one "National Championship" caliber event and the 2022 calendar ultimately included two (Phillips 66 International Team Trials in Greensboro, NC and Phillips 66 National Championships in Irvine, CA). Additionally, the planned hosting of FINA (World Aquatics) World Cup and participation in the USA/Australia "Duel in the Pool" events were not known of or included in the 2022 approved budget. Also, TYR Pro Swim Series, Speedo Sectionals, Toyota US Open, Zone Championships, Futures Championships, among others incurred expenditure in 2022. The TV and webcast offerings at many of our events continue to be a material spend of the division.

- (\$2,109,498) Events (including TV/Webcast Production)
- \$115,212 Officials Programs
- (\$25,585) Other
- \$328,367 Payroll and General & Administrative
- (\$1,691,504) Total Variance per above

Commercial (pages 11 - 12)

Total expenses of \$5,050,408 represented budget savings of \$1,079,771 or 18%. Event marketing, partner servicing, communications, production promotion, and digital platforms all continued in 2022. Understanding the 2022 event calendar and scope increased after budget approval as mentioned above, the Commercial division strategically adjusted/reduced its program spend to account for increased spends in other divisions.

- \$146,727 Partner Servicing and Activation (net total of the six programs)

- \$446,144 Event Marketing (net total of the five programs)
- \$159,754 Splash Magazine
- \$143,347 Creative Services (including USA Swimming Productions)
- \$117,527 Business Intelligence and Digital Platforms
- (\$51,152) Other
- \$117,424 Payroll and General & Administrative
- \$1,079,771 Total Variance per above

Risk Management / Insurance (page 12)

Total expenses of \$3,697,439 represented budget savings of \$1,883,171 or 34% as 2022 premiums were finalized after budget submission/approval (at more favorable terms in certain areas).

Foundation Support (page 12)

Total expense of \$268,740 represented budget savings of \$188,645 based on payroll allocations for Foundation initiatives and programs (net zero to Swimming bottom line).

Executive (page 13)

Total expenses of \$1,723,750 exceeded budget by (\$214,073) or (14%). Executive and Board of Director programming decreased compared to 2021 given the additional programs, meetings, and travel associated with Trials and the Olympics last year. Personnel costs exceeded budget in 2022 due to how the Foundation personnel allocation was budgeted versus booked given payroll allocation and management fee process between USA Swimming and USA Swimming Foundation (net zero to Swimming bottom line as mentioned above).

- (\$5,896) Executive
- (\$24,701) Committees & Governance (including Board of Directors)
- (\$183,476) Payroll and General & Administrative
- (\$214,073) Total Variance per above

Finance & Operations (pages 13-14)

Total expenses of \$2,441,126 exceeded budget by (\$696,277) or (40%) primarily attributable to personnel from IT Operations, Facilities/Shipping & Receiving, and Risk Management being budgeted in the Business Affairs division below, but being transacted in Finance & Operations given the restructure between the two divisions. Please find the corresponding rationale within Business Affairs below.

- \$22,430 IT Operational Support
- \$134 Other (Committees, LSC Support)
- (\$718,841) Payroll and General & Administrative
- (\$696,277) Total Variance per above

Business Affairs (page 14)

Total expenses of \$1,608,771 were under budget by \$1,014,042 or 39% primarily attributable to personnel from IT Operations, Facilities/Shipping & Receiving, Technology Development, and Risk Management being budgeted in the Business Affairs, but being transacted in Finance & Operations or Sport Development given the restructure between the three divisions. Please find the related rationale within Finance & Operations above.

- (\$59,401) Legal & NBR
- \$68,628 Other (Government Relations, HR)
- \$1,004,815 Payroll and General & Administrative
- \$1,014,042 Total Variance per above

2022 Board Approved Reserve Investments Summary (Non-Operating) (page 15)

Excluded from the operating budget and results are Board-approved Planned Reserve Investments. The summary shows 2022 expense totaling (\$10,366,797), which includes 'Keeping Athletes First' initiatives, legal and risk management expenditures, USSIC sale letter of credit drawdown payments, and Disaster Relief Support.

Statement of Cash Flows (page 16)

The statement of cash flows summarizes the amount of cash and cash equivalents entering and leaving the company. This statement agrees to the increase in cash & cash equivalents on the balance sheet for the year of \$110,545 categorizing sources and (uses) of cash for operating, investing, and financing activities. Recognizing the many fluctuations to reconcile cash from operating activities including business timing on current receivables and payables, the increase in total cash and cash equivalents can be primarily explained as:

- (\$6,721,322) Net cash used in operating activities
- \$7,652,867 Net cash provided by investing activities
- (\$821,000) Net cash used in financing activities
- \$110,545 Total annual net increase in cash

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

	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>\$ Change</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$4,827,053	\$4,716,508	\$110,545
Accounts receivable	2,811,312	2,689,280	122,032
Prepaid expenses and deferred charges	1,460,690	1,486,845	(26,155)
Total Current Assets	9,099,055	8,892,633	206,422
FIXED ASSETS:			
Leasehold Improvements, IT Systems, FF&E, Other	13,325,826	14,760,728	(1,434,902)
Accumulated depreciation & amortization	(8,931,250)	(10,743,617)	1,812,367
Total Fixed Assets	4,394,576	4,017,112	377,465
LONG-TERM INVESTMENTS:			
Long-term Investments	29,968,412	42,950,983	(12,982,571)
OTHER ASSETS:			
Prepaid rent	4,594,827	4,717,772	(122,945)
Total Other Assets	4,594,827	4,717,772	(122,945)
TOTAL ASSETS	<u>\$48,056,871</u>	<u>\$60,578,499</u>	<u>(\$12,521,628)</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	\$7,051,819	\$2,806,832	\$4,244,987
Accrued expenses and other liabilities	1,165,248	888,455	276,794
Line of Credit Payable	0	1,821,000	(1,821,000)
Deferred revenue	16,569,555	15,051,242	1,518,313
Total Current Liabilities	24,786,622	20,567,529	4,219,094
NONCURRENT LIABILITIES:			
Insurance Liability	686,478	760,898	(74,420)
Line of Credit Payable	1,000,000	0	1,000,000
Total Noncurrent Liabilities	1,686,478	760,898	925,580
Total Liabilities	26,473,100	21,328,427	5,144,673
NET ASSETS:			
Unrestricted:			
Undesignated Net Assets	17,060,779	24,391,078	(7,330,299)
Board Designated - USSIC	4,522,993	14,858,994	(10,336,002)
Total Unrestricted Net Assets	21,583,771	39,250,073	(17,666,301)
Total Net Assets	21,583,771	39,250,073	(17,666,301)
TOTAL LIABILITIES AND NET ASSETS	<u>\$48,056,871</u>	<u>\$60,578,499</u>	<u>(\$12,521,628)</u>

USA Swimming, Inc.
Income Statement - By Division
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
REVENUE:							
Membership	\$275,626	\$23,234,255	\$22,129,990	\$1,104,265	4.99%	\$18,174,271	\$5,059,984
Partnership Marketing	765,175	4,369,272	5,297,239	(927,967)	-17.52%	5,618,817	(1,249,545)
USOPC Partnership	2,181,739	5,341,414	5,327,465	13,949	0.26%	5,581,271	(239,857)
Investment Income	1	1	20,000	(19,999)	-99.99%	10,661	(10,660)
Foundation	200,000	1,753,150	1,404,175	348,975	24.85%	1,386,433	366,717
Sport and Events	110,061	593,947	524,000	69,947	13.35%	154,834	439,113
Olympic Trials	0	0	(75,000)	75,000	-100.00%	1,885,808	(1,885,808)
Pandemic Relief	0	0	0	0	0.00%	182,317	(182,317)
Other Income	31,899	341,765	353,399	(11,634)	-3.29%	383,436	(41,670)
TOTAL REVENUE	3,564,501	35,633,804	34,981,268	652,536	1.87%	33,377,847	2,255,957
EXPENSES:							
Technical/Sport:							
National Team	2,351,283	8,394,344	8,479,138	84,795	1.00%	9,834,833	1,440,490
Sport Development	2,231,912	7,619,210	6,638,304	(980,906)	-14.78%	4,578,522	(3,040,689)
Event Operations	1,957,376	6,116,269	4,424,765	(1,691,504)	-38.23%	3,814,445	(2,301,824)
Total Technical/Sport	6,540,572	22,129,823	19,542,208	(2,587,616)	-13.24%	18,227,800	(3,902,023)
Other Programs:							
Commercial	1,257,320	5,050,408	6,130,179	1,079,771	17.61%	5,928,156	877,748
Risk Management / Insurance	114,101	3,697,439	5,580,610	1,883,171	33.74%	4,348,457	651,018
Foundation Support	268,740	268,740	457,385	188,645	41.24%	348,806	80,066
Total Other Programs	1,640,162	9,016,587	12,168,174	3,151,587	25.90%	10,625,419	1,608,833
Administration:							
Executive	654,583	1,723,750	1,509,677	(214,073)	-14.18%	1,809,482	85,732
Finance & Operations	663,261	2,441,126	1,744,849	(696,277)	-39.90%	852,642	(1,588,484)
Business Affairs	441,315	1,608,771	2,622,813	1,014,042	38.66%	2,890,721	1,281,951
Total Administration	1,759,159	5,773,646	5,877,339	103,693	1.76%	5,552,845	(220,801)
TOTAL EXPENSES	9,939,893	36,920,056	37,587,720	667,664	1.78%	34,406,065	(2,513,991)
OPERATING SURPLUS (DEFICIT)	(\$6,375,392)	(\$1,286,252)	(\$2,606,452)	\$1,320,201	-50.65%	(\$1,028,218)	(\$258,034)

USA Swimming, Inc.
Income Statement - By Category
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
REVENUE:							
Membership	\$275,626	\$23,234,255	\$22,129,990	\$1,104,265	4.99%	\$18,174,271	\$5,059,984
USOPC Partnership	2,181,739	5,341,414	5,327,465	13,949	0.26%	5,581,271	(239,857)
Partnership Marketing	765,175	4,369,272	5,297,239	(927,967)	-17.52%	5,618,817	(1,249,545)
Sport and Events	110,061	593,947	524,000	69,947	13.35%	154,834	439,113
Olympic Trials	0	0	(75,000)	75,000	-100.00%	1,885,808	(1,885,808)
Foundation	200,000	1,753,150	1,404,175	348,975	24.85%	1,386,433	366,717
Investment Income	1	1	20,000	(19,999)	-99.99%	10,661	(10,660)
Pandemic Relief	0	0	0	0	0.00%	182,317	(182,317)
Other Income	31,899	341,765	353,399	(11,634)	-3.29%	383,436	(41,670)
Total Revenue	3,564,501	35,633,804	34,981,268	652,536	1.87%	33,377,847	2,255,957
EXPENSES:							
Salaries and Wages	3,327,539	8,920,583	8,880,902	(39,681)	-0.45%	8,626,752	(293,831)
Employee Benefits	521,677	1,830,561	2,103,517	272,956	12.98%	1,790,823	(39,739)
Employment Taxes	169,130	578,883	561,059	(17,824)	-3.18%	541,141	(37,742)
Total Payroll and Benefits	4,018,346	11,330,027	11,545,478	215,451	1.87%	10,958,715	(371,312)
Travel and Hospitality	1,378,111	4,865,721	4,903,815	38,094	0.78%	3,718,064	(1,147,657)
Professional Fees & Honoraria	1,336,773	4,810,007	3,697,979	(1,112,028)	-30.07%	3,126,554	(1,683,453)
Insurance	118,775	3,695,278	5,585,690	1,890,412	33.84%	4,384,621	689,343
Direct Athlete Support	595,712	2,990,739	2,868,000	(122,739)	-4.28%	4,032,463	1,041,725
Television and Video Production	431,692	1,564,157	1,358,800	(205,357)	-15.11%	1,234,087	(330,070)
Dues, Fees & Tickets	701,037	1,549,709	1,125,730	(423,979)	-37.66%	962,566	(587,143)
Depreciation and Amortization	161,925	976,859	1,136,137	159,278	14.02%	1,574,281	597,423
Rent and Lease Expense	311,701	790,181	824,293	34,112	4.14%	658,052	(132,128)
Grants	32,500	771,030	680,000	(91,030)	-13.39%	364,090	(406,940)
Information Technology Expenses	58,416	666,557	815,872	149,315	18.30%	515,787	(150,770)
Apparel	113,584	559,800	401,700	(158,100)	-39.36%	696,422	136,623
Awards	397,665	480,074	392,250	(87,824)	-22.39%	406,975	(73,099)
Gear, Equipment, & Signage	106,329	472,269	585,495	113,226	19.34%	540,522	68,253
Telephone and Internet Service	68,356	435,129	479,782	44,653	9.31%	444,084	8,955
Supplies and Expense	54,278	395,274	408,970	13,696	3.35%	417,280	22,006
Miscellaneous Expenses	30,315	309,008	291,018	(17,990)	-6.18%	188,269	(120,740)
Printing and Duplication	4,227	151,661	265,461	113,800	42.87%	105,381	(46,281)
Protocol & Gifts	20,074	106,474	137,500	31,026	22.56%	63,423	(43,052)
Advertising	76	101	65,750	65,649	99.85%	7,142	7,041
Contingency	0	0	18,000	18,000	100.00%	7,286	7,286
Total Expenses	9,939,893	36,920,056	37,587,720	667,664	1.78%	34,406,065	(2,513,991)
OPERATING SURPLUS (DEFICIT)	(\$6,375,392)	(\$1,286,252)	(\$2,606,452)	\$1,320,201	-50.65%	(\$1,028,218)	(\$258,034)

USA Swimming, Inc.
Statement of Revenue
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
MEMBERSHIP:							
Athlete Membership	\$0	\$19,193,412	\$18,536,100	\$657,312	3.55%	\$14,897,956	\$4,295,456
Flex	0	417,600	475,000	(57,400)	-12.08%	442,118	(24,518)
Outreach Athlete Membership	0	30,415	22,500	7,915	35.18%	23,660	6,755
Seasonal Athlete Membership	0	421,020	370,950	50,070	13.50%	412,950	8,070
Non-Athlete Membership	0	2,546,475	2,525,820	20,655	0.82%	2,171,943	374,532
Life Membership	1,000	47,334	35,000	12,334	35.24%	31,364	15,970
Club Membership	0	192,430	204,960	(12,530)	-6.11%	188,580	3,850
Seasonal Club Membership	0	3,800	4,360	(560)	-12.84%	3,600	200
Affiliate Membership	0	0	0	0	0.00%	850	(850)
Single Meet Open Water	0	590	300	290	96.67%	270	320
OMR Adiminstration Fees (LSCs)	155,888	155,888	0	155,888	0.00%	0	155,888
Other Membership Income	118,738	225,291	(45,000)	270,291	-600.65%	980	224,311
TOTAL MEMBERSHIP	275,626	23,234,255	22,129,990	1,104,265	4.99%	18,174,271	5,059,984
PARTNERSHIP MARKETING:							
Corporate Sponsorship	582,184	3,631,108	4,844,739	(1,213,631)	-25.05%	5,074,213	(1,443,105)
Supplier Income	50,918	479,825	225,000	254,825	113.26%	201,187	278,638
Licensee Income	74,953	117,563	102,500	15,063	14.70%	182,076	(64,513)
Royalty Income	53,767	134,025	125,000	9,025	7.22%	160,558	(26,533)
Web Advertising and Print Advertising	3,353	6,751	0	6,751	0.00%	783	5,968
TOTAL PARTNERSHIP MARKETING	765,175	4,369,272	5,297,239	(927,967)	-17.52%	5,618,817	(1,249,545)
USOPC PARTNERSHIP:							
USOPC Performance Funding	761,876	3,008,624	2,995,665	12,959	0.43%	3,183,696	(175,071)
USOPC Direct Athlete Support	1,332,114	2,219,341	2,232,300	(12,959)	-0.58%	2,232,300	(12,959)
USOPC International Relations Grant	(2,251)	10,949	12,000	(1,051)	-8.76%	5,181	5,769
USOPC Other Support	90,000	102,500	87,500	15,000	17.14%	160,095	(57,595)
TOTAL USOPC PARTNERSHIP	2,181,739	5,341,414	5,327,465	13,949	0.26%	5,581,271	(239,857)
INVESTMENT INCOME:							
Interest Income - Savings	1	1	0	1	0.00%	1	0
Interest Income - Short Term Securities	0	0	20,000	(20,000)	-100.00%	10,660	(10,660)
TOTAL INVESTMENT INCOME	1	1	20,000	(19,999)	-99.99%	10,661	(10,660)
FOUNDATION:							
USA Swimming Foundation	132,500	1,483,150	1,134,175	348,975	30.77%	1,116,433	366,717
Foundation Management Fee and Rent	67,500	270,000	270,000	0	0.00%	270,000	0
TOTAL FOUNDATION	200,000	1,753,150	1,404,175	348,975	24.85%	1,386,433	366,717
SPORT AND EVENTS:							
Golden Goggle Awards	(192,547)	(203,085)	125,000	(328,085)	-262.47%	(42,981)	(160,103)
Coach Education Clinics	32,535	119,373	179,000	(59,627)	-33.31%	130,818	(11,444)
Altitude Camps	70,018	359,384	75,000	284,384	379.18%	64	359,320
Pro Swim Series Host Fees	0	20,000	50,000	(30,000)	-60.00%	0	20,000

USA Swimming, Inc.
Statement of Revenue
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
FINA Events	180,146	180,146	0	180,146	0.00%	0	180,146
International TV Rights	0	0	15,000	(15,000)	-100.00%	0	0
Other Sport and Events Revenue	19,909	118,128	80,000	38,128	47.66%	66,933	51,194
TOTAL SPORT AND EVENTS	110,061	593,947	524,000	69,947	13.35%	154,834	439,113
OLYMPIC TRIALS							
Olympic Trials	0	0	(75,000)	75,000	-100.00%	1,885,808	(1,885,808)
TOTAL OLYMPIC TRIALS	0	0	(75,000)	75,000	-100.00%	1,885,808	(1,885,808)
OTHER INCOME:							
NCAA Top Times List	0	100,589	100,589	0	0.00%	100,589	0
Forfeited Prize Money	0	0	0	0	0.00%	373	(373)
Imputed Interest - Prepaid Rent	62,580	252,810	252,810	0	0.00%	258,941	(6,132)
Credit Card Rebate	15,483	15,483	0	15,483	0.00%	0	15,483
Pandemic Relief	0	0	0	0	0.00%	182,317	(182,317)
Other Revenue	(46,164)	(27,116)	0	(27,116)	0.00%	23,533	(50,649)
TOTAL OTHER INCOME	31,899	341,765	353,399	(11,634)	-3.29%	565,752	(223,987)
TOTAL OPERATING REVENUE	\$3,564,501	\$35,633,804	\$34,981,268	\$652,536	1.87%	\$33,377,847	\$2,255,957
INVESTMENT GAINS (LOSSES):							
Investment Income (Loss) less Operating Allocation	1,267,833	(5,919,880)	2,475,000	(8,394,880)	-339.19%	4,523,520	(10,443,400)
Money Manager Fees	(20,190)	(93,373)	(75,000)	(18,373)	24.50%	(93,828)	456
TOTAL INVESTMENT GAINS (LOSSES)	1,247,643	(6,013,253)	2,400,000	(8,413,253)	-350.55%	4,429,692	(10,442,944)
TOTAL REVENUE	\$4,812,144	\$29,620,552	\$37,381,268	(\$7,760,716)	-20.76%	\$37,807,539	(\$8,186,987)

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
TECHNICAL/SPORT:							
NATIONAL TEAM							
Competitions							
3001 Olympic Games	0	16,875	20,000	3,125	15.62%	533,737	516,862
3015 World University Games	0	0	340,000	340,000	100.00%	0	0
3023 US Open Championships	0	0	0	0	0.00%	2,175	2,175
3031 Long Course World Championships	16,115	336,862	607,300	270,438	44.53%	0	(336,862)
3033 Short Course World Championships	372,557	376,057	300,950	(75,107)	-24.96%	209,494	(166,563)
3035 Duel in the Pool	55,113	264,384	0	(264,384)	0.00%	0	(264,384)
Program Group Total	443,786	994,178	1,268,250	274,072	21.61%	745,406	(248,772)
Junior Team Programs							
3009 Jr. Team International Competition	29,940	78,157	82,680	4,523	5.47%	255,365	177,209
3012 Jr. Pan Pacific Championships	195	225,596	0	(225,596)	0.00%	0	(225,596)
3045 Junior Team Camps	0	46,115	40,700	(5,415)	-13.30%	2,333	(43,782)
3050 FINA World Junior Championships	0	0	331,610	331,610	100.00%	2,240	2,240
3992 Ntl. Jr. Team Program Support	5,545	9,024	21,950	12,926	58.89%	0	(9,024)
Program Group Total	35,680	358,891	476,940	118,049	24.75%	259,938	(98,953)
Open Water Programs							
3040 FINA Open Water Jr. Championships	45	77,829	60,330	(17,499)	-29.01%	2,240	(75,589)
3060 Open Water Olympic Games	0	0	0	0	0.00%	83,881	83,881
3061 Open Water World Championships	2,082	107,608	120,030	12,422	10.35%	0	(107,608)
3065 Open Water World Cup	76,565	139,080	101,500	(37,580)	-37.02%	13,205	(125,875)
3067 Open Water Camps	3,288	6,360	15,600	9,240	59.23%	29,485	23,125
3495 Open Water Program Support	0	5,311	18,850	13,539	71.82%	15,327	10,016
Program Group Total	81,981	336,189	316,310	(19,879)	-6.28%	144,137	(192,051)
Camps							
3005 Olympic Games Prep Camps	0	353	0	(353)	0.00%	1,391,706	1,391,353
3069 National Team Specialty Camps	12,339	12,339	20,000	7,661	38.31%	0	(12,339)
3071 Altitude Training Camps	5,570	12,845	30,000	17,155	57.18%	375	(12,470)
3073 National Team Camps	0	0	28,000	28,000	100.00%	580	580
3076 National Team International Camps	(1,410)	491,776	590,000	98,224	16.65%	0	(491,776)
3518 Altitude Camps	89,658	377,279	95,000	(282,279)	-297.14%	7,920	(369,359)
3479 Advance Team Visits	0	1,061	10,500	9,439	89.90%	0	(1,061)
Program Group Total	106,156	895,652	773,500	(122,152)	-15.79%	1,400,581	504,929
Athlete Services							
3101 Athlete Support-Stipends & Grants	449,614	1,336,841	1,700,000	363,159	21.36%	2,013,534	676,694
3100 USOPC Covid 19 Support Grant	0	0	0	0	0.00%	124,084	124,084
3103 Athlete Support-Medals & Records	0	667,500	500,000	(167,500)	-33.50%	1,002,500	335,000

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
3107 Athlete Support-Op Gold Qualification Bonus	2,500	215,000	260,000	45,000	17.31%	550,000	335,000
3025 Pro Swim Series Athlete Support	38,701	305,036	130,000	(175,036)	-134.64%	335,590	30,553
3021 World Cup Athlete Support	63,201	76,254	500	(75,754)	-15150.73%	358	(75,896)
3106 Phillips 66 Athlete Support	27,481	145,867	110,000	(35,867)	-32.61%	107,882	(37,985)
3110 National Team Uniforming (VIK)	33,159	152,713	75,000	(77,713)	-103.62%	377,064	224,351
3120 Athlete Support-Olympic Prep	0	0	0	0	0.00%	837	837
3130 Foundation Travel & Training	54,758	54,758	50,000	(4,758)	-9.52%	56,204	1,446
3131 Foundation Athlete Endowments	0	277,500	80,000	(197,500)	-246.88%	135,750	(141,750)
3453 Drug Control Program	4,567	10,898	23,200	12,302	53.03%	7,113	(3,785)
Program Group Total	673,981	3,242,367	2,928,700	(313,667)	-10.71%	4,710,915	1,468,548
Coach Services							
3203 Coach Incentive & Reward Program	329,999	329,999	330,000	1	0.00%	330,000	0
3210 Olympic Team Prep - Coaches	0	0	0	0	0.00%	59,076	59,076
3460 Olympic Staff Recognition	27,255	27,255	12,000	(15,255)	-127.13%	0	(27,255)
3010 Coach Education	0	0	20,000	20,000	100.00%	0	0
Program Group Total	357,254	357,254	362,000	4,746	1.31%	389,075	31,821
High Performance Support							
3301 National Team Performance Support	22,614	100,078	120,000	19,922	16.60%	75,023	(25,055)
3310 USOPC Practitioner Travel Support	382	30,086	29,000	(1,086)	-3.74%	6,716	(23,370)
3312 Nutrition & Physiology Service	5,027	25,255	0	(25,255)	0.00%	0	(25,255)
Program Group Total	28,023	155,419	149,000	(6,419)	-4.31%	81,739	(73,679)
Sport Medicine & Science							
3201 Athletes and Coach Wellness Programs	18,007	95,526	112,500	16,974	15.09%	67,906	(27,620)
3353 Sport Medicine & Science Network	6,600	110,164	58,500	(51,664)	-88.31%	61,580	(48,584)
3155 Elite Athlete Accident Coverage	0	20,316	30,000	9,684	32.28%	24,300	3,984
3200 Athlete Life Skills	0	0	0	0	0.00%	350	350
3351 Athlete Testing & Lab Expenses	0	0	5,000	5,000	100.00%	215	215
3390 Sport Medicine & Science Program Support	4,396	30,020	25,050	(4,970)	-19.84%	14,985	(15,035)
Program Group Total	29,003	256,026	231,050	(24,976)	-10.81%	169,336	(86,690)
Other Programs and Services							
3481 National Team Equipment	(5,609)	34,550	13,515	(21,035)	-155.64%	10,468	(24,082)
3496 National Team Selection	0	4,783	10,150	5,367	52.87%	0	(4,783)
3499 Team Management Technology	0	0	0	0	0.00%	8,535	8,535
Program Group Total	(5,609)	39,333	23,665	(15,668)	-66.21%	19,002	(20,331)
Committees							
3846 Sports Medicine	0	0	500	500	100.00%	15	15
3868 Open Water Committee	0	0	500	500	100.00%	15	15
3882 National Steering	(338)	17,743	12,000	(5,743)	-47.86%	0	(17,743)
3888 Athlete Advisory Council	0	0	500	500	100.00%	0	0

USA Swimming, Inc.
Quarterly Statement of Expenses - By Program
For the 12 Months Ended December 31, 2022

	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
Program Group Total	(338)	17,743	13,500	(4,243)	-31.43%	30	(17,713)
Administration							
3990 Administration & Operational Support	46,280	209,545	273,750	64,205	23.45%	296,615	87,070
3999 Salary and Benefits	555,087	1,531,746	1,662,473	130,727	7.86%	1,618,058	86,312
Program Group Total	601,368	1,741,291	1,936,223	194,932	10.07%	1,914,673	173,382
TOTAL NATIONAL TEAM	2,351,283	8,394,344	8,479,138	84,795	1.00%	9,834,833	1,440,490
SPORT DEVELOPMENT							
Athlete Development Programs							
1117 LSC Camps	\$2,559	\$7,696	\$6,500	(\$1,196)	-18.40%	\$32,801	\$25,105
1118 Zone Select Camps	(1,386)	190,424	125,530	(64,894)	-51.70%	27,743	(162,681)
1119 National Select Camps	95,028	126,789	110,300	(16,489)	-14.95%	97,789	(29,000)
1120 Camp (VIK)	0	15,076	25,000	9,924	39.70%	42,463	27,387
1135 Tech Services Support	0	3,250	4,000	750	18.75%	0	(3,250)
Program Group Total	96,201	343,235	271,330	(71,905)	-26.50%	200,796	(142,439)
Coach Education and Development							
1213 Coach Education Development	(120)	38,132	42,800	4,668	10.91%	57,741	19,609
1231 USA-S Hosted Coaches Clinics	32,382	64,919	63,200	(1,719)	-2.72%	4,266	(60,653)
1237 Non-USAS Clinic Participation	21	4,375	27,760	23,385	84.24%	4,002	(373)
1240 Online Coach Clinics/Podcasts	0	0	7,600	7,600	100.00%	144	144
1242 Coach Mentoring	19,454	19,567	97,320	77,753	79.89%	13,093	(6,474)
1290 Travel & Program Support	38,729	144,693	125,026	(19,667)	-15.73%	60,933	(83,760)
Program Group Total	90,465	271,686	363,706	92,020	25.30%	140,179	(131,507)
Club Education and Development							
1302 Club Excellence Program	0	458,248	480,000	21,752	4.53%	201,472	(256,776)
1305 Club Recognition Program	0	0	7,500	7,500	100.00%	0	0
1311 Club Governance Programs	0	10,000	16,000	6,000	37.50%	10,012	12
1314 Club Resources	22,805	3,322	10,000	6,678	66.78%	8,059	4,736
1332 Club Research Technology	18,500	40,478	15,000	(25,478)	-169.85%	1,618	(38,860)
1390 Travel & Program Support	35,686	69,867	116,660	46,793	40.11%	58,722	(11,145)
Program Group Total	76,991	581,916	645,160	63,244	9.80%	279,882	(302,033)
Member Programs							
1411 Member Dues and Services	372,426	676,798	50,000	(626,798)	-1253.60%	1,995	(674,803)
1412 Technology Projects	540	540	0	(540)	0.00%	0	(540)
1418 Legacy SWIMS Depreciation	37,321	151,378	151,325	(53)	-0.03%	225,958	74,580
1430 Athlete Leadership Camps/Grants	0	0	0	0	0.00%	8,900	8,900
1431 Swimposium	56,224	74,572	74,820	248	0.33%	5,000	(69,572)
1429 USA Swimming Workshop (frmly Zone Workshops)	0	227,367	253,450	26,083	10.29%	4,256	(223,110)
1434 Membership Technology	25,841	103,629	271,525	167,896	61.83%	139,766	36,137
Program Group Total	492,353	1,234,283	801,120	(433,163)	-54.07%	385,875	(848,408)

USA Swimming, Inc.
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	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
LSC Development & Education							
1470 LSC Consulting	0	12,523	15,750	3,227	20.49%	46,049	33,526
1475 LEAP Program	8	8	3,000	2,992	99.72%	0	(8)
1481 Leadership Workshops	15,309	27,751	24,950	(2,801)	-11.23%	10,799	(16,952)
Program Group Total	15,318	40,282	43,700	3,418	7.82%	56,848	16,566
Facilities Advocacy & Development							
1505 Build a Pool Conference	0	0	0	0	0.00%	18	18
1590 Travel & Program Support	16,000	48,000	48,000	0	0.00%	96,000	48,000
Program Group Total	16,000	48,000	48,000	0	0.00%	96,018	48,018
DEI Management & Support							
1638 DEI Management Support	21,151	283,063	210,000	(73,063)	-34.79%	24,621	(258,442)
1640 Community Swim Team Development	8,717	34,616	43,000	8,384	19.50%	13,103	(21,513)
1642 DEI Research Study	0	30,000	35,000	5,000	14.29%	0	(30,000)
1645 Regional DEI Camps & Meetings	0	89,841	125,530	35,689	28.43%	6,941	(82,900)
1651 DEI VIK	0	33,350	25,000	(8,350)	-33.40%	18,615	(14,736)
1665 DEI Select Camp	0	66,527	85,000	18,473	21.73%	68,773	2,246
Program Group Total	29,868	537,397	523,530	(13,867)	-2.65%	132,052	(405,345)
Safe Sport							
1735 Safe Sport - Background Checks	38	110	275	165	60.11%	457	347
1775 Safe Sport Online Education	10,640	58,119	63,000	4,881	7.75%	70,193	12,073
1786 Safe Sport Athlete Fellowship	0	0	3,950	3,950	100.00%	0	0
1785 Safe Sport Programs	14,119	99,784	164,585	64,801	39.37%	101,199	1,414
1787 Safe Sport - USOPC Center for Safe Sport	66,393	265,574	275,000	9,426	3.43%	243,947	(21,626)
1789 Safe Sport - SwimAssist	7,543	32,692	46,510	13,818	29.71%	50,760	18,067
Program Group Total	98,732	456,279	553,320	97,041	17.54%	466,555	10,276
Committees							
1810 Safe Sport	15	15	250	235	94.00%	15	0
1823 Workshop Education	0	0	250	250	100.00%	0	0
1830 LSC Development	0	0	250	250	100.00%	15	15
1841 Disability Swimming	0	0	250	250	100.00%	0	0
1842 DEI	0	834	250	(584)	-233.74%	15	(819)
1851 Age Group Development	0	0	250	250	100.00%	15	15
1856 Club Development	30	30	250	220	88.00%	15	(15)
1857 Times & Recognition	18,411	21,524	15,000	(6,524)	-43.49%	17,950	(3,574)
1865 Zone Director	0	267	11,820	11,553	97.74%	0	(267)
1885 Senior Development	15	15	250	235	94.00%	15	0
1887 Athletes Executive	0	74	500	426	85.20%	187	113
Program Group Total	18,471	22,759	29,320	6,561	22.38%	18,227	(4,532)
Administration							
1990 Administration & Operational Support	116,196	529,293	432,930	(96,363)	-22.26%	395,839	(133,454)
1999 Salary and Benefits	1,181,318	3,554,081	2,926,188	(627,893)	-21.46%	2,406,252	(1,147,829)

USA Swimming, Inc.
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	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
Program Group Total	1,297,514	4,083,374	3,359,118	(724,256)	-21.56%	2,802,091	(1,281,283)
TOTAL SPORT DEVELOPMENT	2,231,912	7,619,210	6,638,304	(980,906)	-14.78%	4,578,522	(3,040,689)
EVENT OPERATIONS							
Events							
2005 Olympic Trials	(122,430)	(91,692)	6,600	98,292	1489.28%	92,460	184,153
2002 International Team Trials	10,000	428,221	0	(428,221)	0.00%	0	(428,221)
2018 US Open (frmly Winter National Champs)	274,449	276,704	173,225	(103,479)	-59.74%	74,731	(201,973)
2019 National Championships	(391,986)	1,373,551	532,750	(840,801)	-157.82%	2,466	(1,371,085)
2022 Non-USA Swimming Support	0	0	0	0	0.00%	91,000	91,000
2023 Speedo Summer Champs (Frmly Invitational & US Open)	278	278	98,900	98,622	99.72%	77,926	77,648
2025 Pro Swim Series	81,814	823,414	164,650	(658,764)	-400.10%	296,305	(527,109)
2027 Speedo Sectionals	20,000	221,184	220,000	(1,184)	-0.54%	100,536	(120,648)
2028 IM Xtreme Games	0	0	8,000	8,000	100.00%	2,000	2,000
2029 Zone Championships	23,637	80,000	100,000	20,000	20.00%	47,500	(32,500)
2032 Spring Cup 18-Under	0	0	35,000	35,000	100.00%	43,933	43,933
2035 Futures Championships	2,852	166,331	121,030	(45,301)	-37.43%	70,842	(95,489)
2040 Jr. Pan Pacific Championships	55,000	80,000	30,000	(50,000)	-166.67%	0	(80,000)
2045 Jr. National Championships (Summer LC)	496,428	587,066	0	(587,066)	0.00%	0	(587,066)
2050 Jr. NTL. Champ. (Winter SC) & Long Course Inv.	183,972	187,611	103,315	(84,296)	-81.59%	97,150	(90,462)
2055 FINA Jr. World Championships	10,600	10,600	0	(10,600)	0.00%	0	(10,600)
2069 Open Water Championships	17,893	92,111	82,120	(9,991)	-12.17%	74,470	(17,642)
2072 FINA Events	753,298	811,555	0	(811,555)	0.00%	0	(811,555)
2077 National Events Uniforming VIK	0	17,050	40,000	22,950	57.38%	0	(17,050)
2076 Bag Tags VIK	217	15,603	10,000	(5,603)	-56.03%	18,060	2,457
2716 Omega Timing Systems VIK	320,000	320,000	400,000	80,000	20.00%	400,000	80,000
Program Group Total	1,736,022	5,399,588	2,125,590	(3,273,998)	-154.03%	1,489,379	(3,910,209)
Member Programs - Officials							
2433 Officials Training Sessions	0	6,042	83,715	77,673	92.78%	0	(6,042)
2437 Officials Online Testing	0	0	1,000	1,000	100.00%	0	0
2438 Officials Certification Program	0	0	5,000	5,000	100.00%	0	0
2440 Officials Clinic	0	2,944	23,500	20,557	87.47%	523	(2,421)
2441 Officials International Travel	28	13,122	22,870	9,748	42.63%	415	(12,707)
2450 Officials Mentoring & Training	0	466	1,700	1,234	72.60%	89	(377)
Program Group Total	28	22,573	137,785	115,212	83.62%	1,027	(21,546)
Other Programs and Services							
2501 Publications and Video Sales	0	0	18,500	18,500	100.00%	8,005	8,005
2502 Mailing Service	0	0	200	200	100.00%	0	0
2423 Rulebook	46	35,973	24,800	(11,173)	-45.05%	23,498	(12,475)
2498 Awards	1,129	12,745	14,800	2,055	13.89%	1,209	(11,536)
2505 Trials Hospitality	0	0	0	0	0.00%	1,728	1,728
2519 Times Projects	0	696	966	270	27.99%	9,195	8,499
2715 TV/Web Cast Production	0	0	1,164,500	1,164,500	100.00%	929,138	929,138
Program Group Total	1,174	49,413	1,223,766	1,174,353	95.96%	972,773	923,359

USA Swimming, Inc.
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	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
Committees & Governance							
2801 Annual Business Meeting (formerly Convention)	46,776	121,184	48,750	(72,434)	-148.58%	109,795	(11,389)
2802 Annual Business Meeting - Athletes (formerly Convention-Athletes)	0	0	23,925	23,925	100.00%	0	0
2825 Registration / Membership	0	0	0	0	0.00%	29	29
2832 Awards	238	238	500	262	52.40%	0	(238)
2835 Credentials / Elections	0	0	0	0	0.00%	15	15
2836 Rules and Regulations	0	989	0	(989)	0.00%	1,181	192
2860 Program & Events Coordinator (formerly Committee)	0	0	100	100	100.00%	15	15
2866 Officials	0	1,301	15,000	13,699	91.32%	15	(1,286)
Program Group Total	47,014	123,713	88,275	(35,438)	-40.14%	111,051	(12,662)
Administration							
2990 Administration & Operational Support	26,173	83,526	205,300	121,774	59.32%	192,093	108,568
2999 Salary and Benefits	146,965	437,457	644,049	206,592	32.08%	1,048,123	610,666
Program Group Total	173,139	520,982	849,349	328,367	38.66%	1,240,216	719,233
TOTAL EVENT OPERATIONS	1,957,376	6,116,269	4,424,765	(1,691,504)	-38.23%	3,814,445	(2,301,824)
TOTAL TECHNICAL/SPORT	6,540,572	22,129,823	19,542,208	(2,587,616)	-13.24%	18,227,800	(3,902,023)
OTHER PROGRAMS:							
COMMERCIAL							
Partnerships & Event Marketing							
5901 Servicing	26,878	170,410	141,250	(29,160)	-20.64%	154,552	(15,858)
5900 Contractuals	54,200	67,573	207,500	139,927	67.43%	194,323	126,750
5905 Sales Development Support	1,605	9,855	50,500	40,645	80.49%	12,400	2,545
5916 Sigma Gamma Rho	13,857	75,343	79,725	4,382	5.50%	1,376	(73,967)
5620 Family Program	0	19,441	33,675	14,234	42.27%	65,661	46,220
5709 Nationals Marketing	5,023	321,336	501,000	179,664	35.86%	0	(321,336)
5760 Jr Nationals Marketing	0	0	30,000	30,000	100.00%	0	0
5762 Pro Swim Series Marketing	0	0	135,000	135,000	100.00%	29,285	29,285
5764 US Open Marketing	0	1,020	77,500	76,480	98.68%	7,856	6,836
5770 Event Marketing	0	0	25,000	25,000	100.00%	0	0
5902 Merchandise Program	3,569	41,301	18,000	(23,301)	-129.45%	60,866	19,564
5911 Aqua Zone - Olympic Trials	0	0	0	0	0.00%	970,352	970,352
Program Group Total	105,132	706,279	1,299,150	592,871	45.64%	1,496,670	790,391
Communications							
5109 Athlete Partnership Fulfillment	6,313	33,643	42,500	8,857	20.84%	17,191	(16,452)
5711 Splash Magazine	4,807	230,246	390,000	159,754	40.96%	165,017	(65,228)
5722 Social Media Aggregation	21,295	41,654	48,000	6,347	13.22%	11,083	(30,570)
5714 PR-USA Swimming Programs	0	40,915	40,000	(915)	-2.29%	0	(40,915)
5724 Communication Operations	72,210	306,110	240,670	(65,440)	-27.19%	264,376	(41,734)

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	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
<i>Program Group Total</i>	104,624	652,568	761,170	108,602	14.27%	457,668	(194,900)
Creative Services							
5710 Membership/Recruiting Promotion	413	413	100,000	99,587	99.59%	3,125	2,713
5730 USA Swimming Productions	74,192	298,601	342,360	43,759	12.78%	588,061	289,461
<i>Program Group Total</i>	74,605	299,013	442,360	143,347	32.40%	591,187	292,173
Business Intelligence & Digital Platforms							
5713 USA Swimming Digital Applications	180,375	220,286	61,960	(158,326)	-255.53%	61,682	(158,604)
5716 Swimjitsu	0	0	0	0	0.00%	3,081	3,081
5726 Business Intelligence	23,706	500,279	572,506	72,227	12.62%	391,634	(108,645)
5718 usaswimming.org - Website	58,803	357,418	561,044	203,626	36.29%	575,983	218,565
<i>Program Group Total</i>	262,884	1,077,983	1,195,510	117,527	9.83%	1,032,379	(45,604)
Administration							
5990 Administration & Operational Support	62,487	304,302	290,250	(14,052)	-4.84%	351,076	46,773
5999 Salary and Benefits	647,588	2,010,262	2,141,739	131,477	6.14%	1,999,177	(11,085)
<i>Program Group Total</i>	710,076	2,314,565	2,431,989	117,424	4.83%	2,350,253	35,688
TOTAL COMMERCIAL	1,257,320	5,050,408	6,130,179	1,079,771	17.61%	5,928,156	877,748
RISK MANAGEMENT / INSURANCE							
Member Programs							
9413 Member Insurance Premiums & Retention	112,832	3,669,019	5,553,990	1,884,971	33.94%	4,346,124	677,104
9415 Other Risk Management	1,168	18,147	11,500	(6,647)	-57.80%	0	(18,147)
<i>Program Group Total</i>	114,000	3,687,166	5,565,490	1,878,324	33.75%	4,346,124	658,957
Committees							
9827 Operational Risk Committee	0	0	500	500	100.00%	15	15
<i>Program Group Total</i>	0	0	500	500	100.00%	15	15
Administration							
9490 Administration & Operational Support	102	10,273	14,620	4,347	29.73%	2,319	(7,954)
<i>Program Group Total</i>	102	10,273	14,620	4,347	29.73%	2,319	(7,954)
TOTAL RISK MANAGEMENT / INSURANCE	114,101	3,697,439	5,580,610	1,883,171	33.74%	4,348,457	651,018
FOUNDATION SUPPORT							
6667 USA Swimming Staff Allocation	268,740	268,740	457,385	188,645	41.24%	348,806	80,066
TOTAL FOUNDATION SUPPORT	268,740	268,740	457,385	188,645	41.24%	348,806	80,066
FOUNDATION - OTHER							

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	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
TOTAL OTHER PROGRAMS	1,640,162	9,016,587	12,168,174	3,151,587	25.90%	10,625,419	1,608,833
SUPPORT DIVISIONS:							
EXECUTIVE							
Other Executive							
7920 CEO Contingency	18,293	35,287	25,000	(10,287)	-41.15%	80,121	44,834
7930 Board Chair Travel and Expenses	3,298	10,212	27,640	17,428	63.06%	82,862	72,650
7931 Olympic Games Executive Contingency	0	0	0	0	0.00%	9,073	9,073
7945 CSCAA Grant	25,000	100,000	100,000	0	0.00%	120,000	20,000
7971 Organizational Relations - Domestic	3,777	25,239	28,000	2,761	9.86%	20,018	(5,221)
7984 Organizational Relations - Internat'l	1,797	25,314	15,000	(10,314)	-68.76%	2,197	(23,117)
7981 International Relations	779	15,485	10,000	(5,485)	-54.85%	25,459	9,974
Program Group Total	52,943	211,536	205,640	(5,896)	-2.87%	339,729	128,193
Committees & Governance							
7803 Board of Directors	44,635	99,790	77,829	(21,961)	-28.22%	78,508	(21,281)
7808 Board Governance Consultant	39,391	149,864	150,150	286	0.19%	97,649	(52,215)
7811 International Relations Committee	0	0	250	250	100.00%	15	15
7820 Nominating Committee	2,039	5,217	1,940	(3,277)	-168.91%	0	(5,217)
Program Group Total	86,064	254,870	230,169	(24,701)	-10.73%	176,172	(78,698)
Administration							
7990 Administration & Operational Support	36,076	134,876	90,574	(44,302)	-48.91%	117,995	(16,881)
7999 Salary and Benefits	479,499	1,122,467	983,294	(139,173)	-14.15%	1,175,585	53,118
Program Group Total	515,575	1,257,343	1,073,868	(183,476)	-17.09%	1,293,580	36,237
TOTAL EXECUTIVE	654,583	1,723,750	1,509,677	(214,073)	-14.18%	1,809,482	85,732
FINANCE & OPERATIONS							
Other Programs							
8295 Information Technology Support	184,484	854,532	876,962	22,430	2.56%	0	(854,532)
8500 LSC/Club Financial Resources	0	0	50	50	100.00%	0	0
Program Group Total	184,484	854,532	877,012	22,480	2.56%	0	(854,532)
Committees							
8895 Investment Committee	0	0	100	100	100.00%	0	0
8880 Audit Committee	17	17	0	(17)	0.00%	0	(17)
Program Group Total	17	17	100	83	83.41%	0	(17)
Administration							

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	Quarter Actual	2022 Actual	2022 Budget	Variance Actual vs. Budget	Variance Percentage	2021 Actual	Fav/(Unfav) 2022 vs. 2021
8990 Administration & Operational Support	59,834	262,398	176,225	(86,173)	-48.90%	187,391	(75,007)
8999 Salary and Benefits	418,927	1,324,180	691,512	(632,668)	-91.49%	665,251	(658,929)
Program Group Total	478,761	1,586,578	867,737	(718,841)	-82.84%	852,642	(733,936)
TOTAL FINANCE & OPERATIONS	663,261	2,441,126	1,744,849	(696,277)	-39.90%	852,642	(1,588,484)
BUSINESS AFFAIRS							
Legal and NBR							
9695 Legal	58,285	244,475	210,000	(34,475)	-16.42%	194,659	(49,815)
9692 National Board of Review	(153)	(58)	0	58	0.00%	15	73
9690 Legal - Admin. & Oper. Support	1,526	31,210	6,225	(24,985)	-401.37%	2,752	(28,458)
Program Group Total	59,659	275,626	216,225	(59,401)	-27.47%	197,427	(78,200)
Other Programs							
9280 Human Resources	16,873	95,436	80,300	(15,136)	-18.85%	91,054	(4,381)
9290 Government Relations	4,919	16,235	100,000	83,765	83.76%	0	(16,235)
9295 Information Technology Support	0	0	0	0	0.00%	609,021	609,021
Program Group Total	21,792	111,671	180,300	68,629	38.06%	700,076	588,405
Administrative							
9990 Administration & Operational Support	40,036	159,479	203,950	44,471	21.80%	301,208	141,730
9999 Salary and Benefits	319,829	1,061,994	2,022,338	960,344	47.49%	1,692,010	630,016
Program Group Total	359,864	1,221,473	2,226,288	1,004,815	45.13%	1,993,219	771,746
TOTAL BUSINESS AFFAIRS	441,315	1,608,771	2,622,813	1,014,042	38.66%	2,890,721	1,281,951
TOTAL SUPPORT DIVISIONS	1,759,159	5,773,646	5,877,339	103,693	1.76%	5,552,845	(220,801)
GRAND TOTALS	\$9,939,893	\$36,920,056	\$37,587,720	\$667,664	1.78%	\$34,406,065	(\$2,513,991)

USA Swimming
2024 Quad Non-Operating Investment Gains (Losses) Board Approved Reserve Investments
As of 3/30/2023

**NON-OPERATING INVESTMENT GAINS (LOSSES) and
BOARD APPROVED RESERVE INVESTMENTS**

	Actual YE 2022	March Projection YE 2023	March Forecast YE 2024	Current 2024 Quad Budget
Non-Operating Unrealized Investment Gains (Losses)	\$ (6,013,253)	\$ 1,800,000	\$ 1,600,000	\$ (2,613,253)
Operating Reserves:				
"Keeping Athletes First" (KAF) 2.0 Initiative	\$ -	\$ (600,000)	\$ (600,000)	\$ (1,200,000)
Disaster Donations	(30,795)	(25,000)	(25,000)	(80,795)
Total Operating Reserve Investments:	(30,795)	(625,000)	(625,000)	(1,280,795)
Board Designated Funds:				
Multiple Initiatives	(10,336,002)	(3,491,400)	(1,275,000)	(15,102,402)
Total Board Design. Reserve Investments:	(10,336,002)	(3,491,400)	(1,275,000)	(15,102,402)
Total Board Approved Reserve Investments	\$ (10,366,797)	\$ (4,116,400)	\$ (1,900,000)	\$ (16,383,197)

USA Swimming, Inc.
Statement of Cash Flows
For the 12 Months Ended December 31, 2022

	December 31, 2022	
	Quarter 4	YTD
Operating activities:		
Change in Net Assets	\$ (9,591,634)	\$ (17,666,301)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	(2,945,487)	(1,812,367)
Net realized and unrealized (gains) losses on investments	(1,010,451)	6,887,549
Changes in operating assets and liabilities:		
Accounts receivable	1,982,031	(122,032)
Prepaid expenses and deferred changes	(450,969)	26,155
Olympic Trials Joint Venture		
Accounts payable, accrued exp and other liabilities	3,981,156	4,521,781
Deferred revenue	7,215,514	1,518,313
Insurance Payable	(380,656)	(74,420)
Total adjustments	8,391,138	10,944,979
Net cash provided by/(used in) operating activities	(1,200,496)	(6,721,322)
Investing activities:		
(Purchase)/Proceeds of Long-term investments, net	(1,290,363)	6,095,020
Decrease in prepaid rent	31,358	122,945
Acquisition/Disposal of property and equipment	3,098,801	1,434,902
Net cash provided by/(used in) investing activities	1,839,796	7,652,867
Financing activities:		
Proceeds from Line of Credit	(2,000,000)	(821,000)
Net cash provided by/(used in) financing activities	(2,000,000)	(821,000)
Net increase/(decrease) in cash & cash equivalents	(1,360,700)	110,545
Cash & cash equivalents beginning of period	6,187,753	4,716,508
Cash & cash equivalents end of period	\$ 4,827,053	\$ 4,827,053

USA Swimming
2022 Budget vs. 2022 November Projection vs. 2022 Actual Summary
As of 3/30/2023

	Approved Budget YE 2022	November Projection YE 2022	Actual YE 2022	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
REVENUE:								
Membership	\$ 22,129,990	\$ 22,806,397	\$ 23,234,255	\$ 427,858	1.9%	\$ 1,104,265	5.0%	Includes final reconciliation and tech fee cover via new OMR.
Partnership Marketing	5,297,239	4,322,299	4,369,272	46,973	1.1%	(927,967)	-17.5%	Final from Commercial given 2022 contracts and VIK usage.
USOPC Partnership	5,327,465	5,338,665	5,341,414	2,749	0.1%	13,949	0.3%	More IR grant and other grassroots grants than budgeted.
Investment Income (short-term only)	20,000	-	1	1		(19,999)	-100.0%	No short-term interest earnings in 2022.
Foundation	1,404,175	1,723,150	1,753,150	30,000	1.7%	348,975	24.9%	Increased DAPP, other donors.
Sport and Events	524,000	810,000	593,947	(216,053)	-26.7%	69,947	13.3%	FINA World Cup - unbudgeted. Altitude Camps higher volume (net zero to bottom line). GGA behind budget and projection.
Olympic Trials	(75,000)	(25,000)	-	25,000	-100.0%	75,000	-100.0%	No Trials expense to USA Swimming in 2022.
Other Income	353,399	372,892	341,765	(31,127)	-8.3%	(11,634)	-3.3%	
Total Revenue	34,981,268	35,348,403	35,633,804	285,401	0.8%	652,536	1.9%	
EXPENSES:								
Technical/Sport:								
National Team	8,479,138	8,788,625	8,394,344	394,281	4.5%	84,794	1.0%	Schedule updates (net) (e.g., Dual in the Pool, World Cup additions, WUGS postponement, Jr. Pan Pacs), Athlete support increases (Worlds medal money, etc.), USOPC reallocation (maximized).
Sport Development	6,638,304	7,949,522	7,619,210	330,312	4.2%	(980,906)	-14.8%	Credit card fees on OMR, Payroll/G&A.
Event Operations	4,424,765	6,315,678	6,116,269	199,409	3.2%	(1,691,504)	-38.2%	Event schedule updates (-\$2.1M) (primarily larger Nationals/Jr. Nationals (-\$925K), unbudgeted FINA World Cup (-\$810K) and Team Trials (-\$430K)), Payroll/G&A less by +\$330K.
Total Technical / Sport	19,542,208	23,053,825	22,129,823	924,002	4.0%	(2,587,615)	-13.2%	
Other Programs:								
Commercial	6,130,179	5,265,850	5,050,408	215,442	4.1%	1,079,771	17.6%	Partnerships & Event Marketing +\$560K, Splash Mag +\$160K, Marketing Campaign +\$100K, BI & Digital +\$120K, USA Swimming Productions +\$44K, Payroll/G&A less by +\$118K.
Risk Management / Insurance	5,580,610	3,781,467	3,697,439	84,028	2.2%	1,883,171	33.7%	Final 2022 premiums concluded after budget submission/approval (more favorable terms).
Foundation Support	457,385	457,385	268,740	188,645	41.2%	188,645	41.2%	Less Swimming personnel time allocated to Foundation compared to budget (net \$0 to bottom line).
Total Other Programs	12,168,174	9,504,702	9,016,587	488,115	5.1%	3,151,587	25.9%	
Administration:								
Executive	1,509,677	1,593,160	1,723,750	(130,590)	-8.2%	(214,073)	-14.2%	Increased travel (domestic and international), decreased personnel allocation to Foundation (net \$0 to bottom line).
Finance & Operations	1,744,849	2,375,056	2,441,126	(66,070)	-2.8%	(696,277)	-39.9%	Staff/program movement from Business Affairs (see below).
Business Affairs	2,622,813	1,709,847	1,608,771	101,076	5.9%	1,014,042	38.7%	Staff/program movement to Finance & Operations (see above).
Total Administration	5,877,339	5,678,063	5,773,646	(95,584)	-1.7%	103,692	1.8%	
Total Expenses	37,587,720	38,236,590	36,920,056	1,316,533	3.4%	667,664	1.7%	
Operating Surplus (Deficit)	\$ (2,606,452)	\$ (2,888,187)	\$ (1,286,252)	\$ 1,601,935		\$ 1,320,201		

USA Swimming
2022 Budget vs. 2022 November Projection vs. 2022 Actual Summary
As of 3/30/2023

NON-OPERATING INVESTMENT GAINS (LOSSES) and BOARD APPROVED RESERVE INVESTMENTS			Projection to Actual	Budget to Actual	Comment
Approved Budget YE 2022	November Projection YE 2022	Actual YE 2022	\$ Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	
Non-Operating Unrealized Investment Gains (Losses)	<u>\$ 2,400,000</u>	<u>\$ (7,000,000)</u>	<u>\$ (6,013,253)</u>	<u>\$ 986,747</u> <u>\$ (8,413,253)</u>	Per actual 2022 portfolio activity.
Operating Reserves:					
Disaster Donations	\$ (25,000)	\$ (100,000)	\$ (30,795)	\$ 69,205 \$ (5,795)	Hurricane Ian relief grants in 2022 (BOD approved).
Board Designated Funds:	<u>(2,556,477)</u>	<u>(6,910,163)</u>	<u>(10,336,002)</u>	<u>(3,425,839)</u> <u>(7,779,525)</u>	"Keeping Athletes First" (KAF Initiative, Legal & Risk Mgmt, USSIC Sale Letter of Credit).
Total Board Approved Reserve Investments	<u>\$ (2,581,477)</u>	<u>\$ (7,010,163)</u>	<u>\$ (10,366,797)</u>	<u>\$ (3,356,634)</u> <u>\$ (7,785,320)</u>	

USA Swimming
2023 Budget vs. 2023 Projection Summary
As of 3/30/2023

	Approved Budget YE 2023	March Projection YE 2023	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	Comment
REVENUE:					
Membership	\$ 24,268,287	\$ 24,010,620	\$ (257,667)	-1.1%	Latest from Membership.
Partnership Marketing	5,360,598	5,078,998	(281,600)	-5.3%	Latest from Commercial given current signed contracts and projected new contracts.
USOPC Partnership	5,289,965	5,289,965	-	0.0%	
Investment Income (short-term only)	-	-	-		
Foundation	1,554,375	1,554,375	-	0.0%	
Sport and Events	789,400	789,400	-	0.0%	
Olympic Trials	(75,000)	(75,000)	-	0.0%	
Pandemic Relief	-	500,000	500,000		Employee Retention Credit (ERC) estimate.
Other Income	346,418	346,418	-	0.0%	
Total Revenue	37,534,043	37,494,776	(39,267)	-0.1%	
EXPENSES:					
Technical/Sport:					
National Team	9,274,604	9,549,213	(274,609)	-3.0%	Added LEN European U23 meet, increased personnel (Mgr. Mental Health, Admin).
Sport Development	9,065,042	9,158,850	(93,808)	-1.0%	Increased personnel (Sr. Advisor - Membership & Data, Instructional Designer, Dir. Membership Success)
Event Operations	4,285,885	4,304,935	(19,050)	-0.4%	
Total Technical / Sport	22,625,531	23,012,998	(387,467)	-1.7%	
Other Programs:					
Commercial	5,299,214	4,891,848	407,366	7.7%	Decrease in Event Marketing, pausing certain app upgrades (given current Partnership Marketing revenue projections).
Risk Management / Insurance	4,489,515	4,366,691	122,824	2.7%	Latest update as renewals and premiums continue to finalize (net more favorable terms).
Foundation Support	457,385	457,385	-	0.0%	
Total Other Programs	10,246,114	9,715,924	530,190	5.2%	
Administration:					
Executive	1,624,452	1,620,154	4,298	0.3%	
Finance & Operations	2,527,931	2,548,887	(20,956)	-0.8%	
Business Affairs	1,878,978	1,590,135	288,843	15.4%	Decrease in personnel expense, government relations, and HR.
Total Administration	6,031,361	5,759,176	272,185	4.5%	
Total Expenses	38,903,006	38,488,098	414,908	1.1%	
Operating Surplus (Deficit)	\$ (1,368,963)	\$ (993,322)	\$ 375,641		

USA Swimming
2023 Budget vs. 2023 Projection Summary
As of 3/30/2023

**NON-OPERATING INVESTMENT GAINS (LOSSES) and
BOARD APPROVED RESERVE INVESTMENTS**

	Approved Budget YE 2023	March Projection YE 2023	\$ Variance Favorable (Unfavorable)	Comment
Non-Operating Unrealized Investment Gains (Losses)	<u>\$ 1,800,000</u>	<u>\$ 1,800,000</u>	<u>\$ -</u>	Given YTD 2023 activity.
Operating Reserves:				
"Keeping Athletes First" (KAF) 2.0 Initiative	\$ -	\$ (600,000)	\$ (600,000)	
Disaster Donations	(25,000)	(25,000)	-	
Total Operating Reserve Investments:	<u>(25,000)</u>	<u>(625,000)</u>	<u>(600,000)</u>	
Board Designated Funds:				
Multiple Initiatives	(6,770,000)	(3,491,400)	3,278,600	"Keeping Athletes First" (KAF Initiative, Legal & Risk Mgmt, USSIC Sale Letter of Credit).
Total Board Design. Reserve Investments:	<u>(6,770,000)</u>	<u>(3,491,400)</u>	<u>3,278,600</u>	
Total Board Approved Reserve Investments	<u>\$ (6,795,000)</u>	<u>\$ (4,116,400)</u>	<u>\$ 2,678,600</u>	

EMPLOYEE RETENTION CREDIT (ERC)

The Employee Retention Credit is a refundable federal payroll tax credit designed to encourage businesses to retain their employees through the COVID-19 pandemic. Businesses that qualify could take advantage of a potential tax credit total of up to \$26,000 per employee.

USA Swimming can qualify for 2020 and 2021 in 1 of 2 ways:

1. Significant Decline in Gross Receipts
2. Fully or Partially Suspended by Government Orders

USA Swimming worked with our audit/tax firm who partners with Tri-Merit for their ERC work. Tri-Merit specializes in tax credits and the ERC credit to guide clients through documentation of qualification, calculation and applying for the credit.

Tri-Merit is completing our assessment and estimates \$500,000 in potential credit (qualifying Q1 2021 via the decrease in gross receipts test).



THE EMPLOYEE RETENTION CREDIT (ERC)

PPP borrowers now eligible to obtain ERC!

What is the ERC?

The ERC is a refundable federal payroll tax credit designed to encourage businesses to retain their employees through the COVID-19 pandemic. This credit was enhanced in the Consolidated Appropriations Act, 2021. The number of employees does not affect credit eligibility, and it is claimed on quarterly Form 941 of employer's quarterly federal tax return.

Eligible Employer

The ERC applies to any private-sector business or tax-exempt organization that carries on a trade or business that was either:

- Fully or partially suspended due to orders from the federal or state government limiting commerce, travel, or group meetings due to COVID-19 or,
- Experienced a significant decline in gross receipts during any quarter compared to that same quarter in 2019. Defined as a 50% decline in any quarter during 2020 and a 20% decline in 2021.

Shutdown Orders

Orders, proclamations, or decrees from the federal government or a state or local government limiting commerce, travel, or group meetings due to COVID-19.

Suspension of Business

A business is deemed to be fully or partially suspended if an appropriate governmental authority imposes restrictions on the business's operations causing the business to be:

- Fully suspended – Must cease all operations
- Partially suspended – Can still continue to operate with some, but not all normal operations

Qualified Wages

2020 – Compensation provided to an employee from March 13 through December 31, 2020. For businesses with 100 or fewer full-time employees in 2019 - all employees can be used in the credit calculation. For over 100 employees, the credit is only available on employees who are not providing services.

2021 – Compensation provided to an employee from January 1 through December 31, 2021*. For businesses with 500 or fewer full-time employees in 2019 - all employees can be used in the credit calculation. For over 500 employees, the credit is only available on employees who are not providing services.

Maximum Credit per Employee

2020 – 50% of qualified wages up to \$10,000 per year – \$5,000 per employee.

2021 – 70% of qualified wages up to \$10,000 per quarter (Q1, Q2, Q3) - \$21,000 or \$7,000 per employee per quarter.

Potential Tax Credit Total

\$26,000 per employee

Go to tri-merit.com/employee-retention-credit to determine eligibility

*For recovery startup businesses - this credit is available for 3rd and 4th quarters of 2021. If you are not a startup business, these benefits end September 30, 2021.

Tri-Merit | ERC 12/21



Call or go to the website above to determine past or present eligibility.

☎ 847.637.5677 x155 ✉ info@tri-merit.com



INTEROFFICE MEMORANDUM

TO: USA SWIMMING INVESTMENT COMMITTEE
FROM: JOHN SAWYER, FWT CHIEF INVESTMENT OFFICER
SUBJECT: INVESTMENT ACCOUNT CUSTODY
DATE: MARCH 21, 2023
CC:

Committee Attendees: Kenneth Chung, Michael McBroom, Marc Tucci, Jay Definis, Ellen Colket (absent – Ryan Murphy)

USA Swimming Attendees: Eric Skufca, Will Poff

Also attending: John Sawyer with First Western

The Investment Committee met to discuss the evolving market disruption evolving from Silicon Valley Bank's failure as well reviewing the custody arrangement of USA Swimming's and USA Swimming Foundation's investment assets.

Over the past week, US and foreign markets have experienced noticeable volatility stemming from the failure of two US banks: Signature Bank and Silicon Valley Bank. While these banks had unique business models, the rapid increase in interest rates during 2022 has impacted the banking sector more broadly.

In Silicon Valley's case, an industry concentration of depositors within the VC-technology space led to a coordinated withdrawal of deposits that led to a series of events resulting in the bank's failure. Signature Bank focused on specialty lending for low-income housing in NYC along with providing banking services for digital-currency related activities and realized similar deposit pressures over the week leading up to their failure.

The impact of rising rates has resulted in unrealized losses in bank bond holdings more generally and has become an area of focus for investors. As such, the sector has seen ongoing volatility as investors work to tease out which banks, if any, may have additional issues and risk failure.

Given the general unrest related to banks, the Committee asked how USA Swimming's and USA Swimming Foundation's investment assets are held and what exposure, if any, there was to a bank failure.

Supplemental material was provided to the committee addressing how bank custody works with a focus on the segregation of assets held in a “trust department” and how that differs from a brokerage firm where investment clients are creditors of the institution (*please find both documents attached herein*).

USA Swimming and USA Swimming Foundation use First Western Trust for portfolio accounting, portfolio performance, and sub-custodian services in addition to asset management and consultation for account asset allocation and portfolio management. The primary custodian for USA Swimming holdings is Fifth Third Bank based in Cincinnati, OH. For both First Western and Fifth Third, USA Swimming’s and USA Swimming Foundation’s assets are segregated and independent of the related financial institutions. Should either (or both) banks fail, USA Swimming’s and USA Swimming Foundation’s assets are held separately from the respective bank and would not be incumbered or considered assets of the bank.

John Sawyer described a situation in Houston, TX during the Financial Crisis where Stanford Financial failed and he was able to move assets from their trust department the week of seizure by federal authorities. The principal of asset segregation within a bank’s trust department is longstanding and well tested.

The committee adjourned.



Advantages of a Bank Custodian

Choosing who holds your financial assets is a critical decision, as every client has different objectives and unique requirements. Understanding the difference between bank custodians and brokerage custodians is important in deciding where to hold your financial assets. When choosing who to work with, there are many options available. We believe that our bank custodial services, aligned with our ConnectView® approach and held to a fiduciary standard, makes us the preferred option.

Brokerage Custodian

When assets are held at a brokerage firm, they are often used for a variety of brokerage activities and are potentially subject to seizure by creditors in the event of the brokerage firm's insolvency. A brokerage firm's account agreement may also provide permission for the broker-dealer to lend, pledge or otherwise use client securities. While the Securities Investor Protection Corporation (SIPC) was designed to protect against the loss of cash and most depository eligible securities that are held with a SIPC-member brokerage firm, it only provides limited protection. Some brokerage firms provide their clients with additional private insurance, but such coverage may vary and is not required.

If your brokerage firm closes and a SIPC liquidation is initiated, most clients can expect to receive their assets in one to three months. The speed at which client funds and securities are returned depends on a number of factors, including the accuracy of brokerage firm records. Investors should be aware that they may be unable to transfer accounts or execute trades during the liquidation process.¹ For many clients, a brokerage custodian is an option that seems too risky and does not provide enough protection for their financial needs.

Investment and insurance products and services are not a deposit, are not FDIC insured, are not insured by any federal government agency, are not guaranteed by the bank, and may go down in value. First Western Trust cannot provide tax or legal advice.

¹<https://www.finra.org/investors/alerts/if-brokerage-firm-closes-its-doors>



Bank Custodian

Bank custodians are regulated by various federal and state authorities such as the Office of the Comptroller of the Currency (OCC), the Federal Reserve Board (FRB), the Federal Deposit Insurance Corporation (FDIC), and state banking authorities. Client assets held in custody are segregated from the bank's assets and not subject to bank creditors.

Securities held by the bank in custody for clients are kept separate and apart from the bank's assets, are not included on the bank's balance sheet, and are not subject to the claims of that bank's creditors. This means that, unlike brokerage custodians, banks do not "pool" client assets or include them on their balance sheet, removing the risk of seizure by creditors in the event of insolvency.

Overall, a bank custodian holds financial assets for safekeeping to minimize the risk of misappropriation, misuse, theft, or loss. As a fiduciary, we believe that this model is vital to the safety and security of our client's assets, and provides many advantages over a brokerage custodian model.

ConnectView

At First Western Trust we believe that each financial situation is unique and deserves a customized plan, and we work to form close relationships with our clients through a team-based approach. Our unique approach, when combined with our full suite of services, allows us to deliver comprehensive solutions.

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Further Reading

The Custody Services of Banks; The Clearing House, July 2016

[https://www.theclearinghouse.org/research/articles/2016/07/~media/8731fd83fbd34c38ac0aa9d02a9f682d.ashx](https://www.theclearinghouse.org/research/articles/2016/07/~/media/8731fd83fbd34c38ac0aa9d02a9f682d.ashx)

Custody Services Provided by Banks are Important to the Safekeeping and Management of Investments; The Clearing House, July 28, 2016

<https://www.theclearinghouse.org/research/articles/2016/07/20160728-tch-white-paper-the-custody-services-of-banks>

Global Custody Accounts; The Balance, June 2, 2020

<https://www.thebalance.com/how-does-global-custody-work-358169>

If a Brokerage Firm Closes its Doors; Financial Industry Regulatory Authority (FINRA), November 22, 2010

<https://www.finra.org/investors/alerts/if-brokerage-firm-closes-its-doors>

SEC's Oversight of Bear Stearns and Related Entities: The Consolidated Supervised Entity Program; US Securities and Exchange Commission, Office of the Inspector General, Office of Audits, September 25, 2008

<https://www.sec.gov/files/446-a.pdf>

Using Safekeeping and Third-Party Custodian Services; Government Finance Officers Association, February 2020

<https://www.gfoa.org/materials/using-safekeeping-and-third-party-custodian-services>

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Safeguarding your assets in a trust or custody account within a bank trust department

How are assets at Fifth Third Bank within Fifth Third Institutional Services protected?

Assets held in **trust, custody and fiduciary accounts** do not become assets or liabilities of Fifth Third Bank (“the Bank”) because they are segregated from the Bank’s assets. The Bank acts as trustee, fiduciary, or custodian to the account and, in this capacity, provides investment management, investment advice, custody and other services to the account. Account ownership remains vested in the individuals or entities for whose benefit the Bank is acting as trustee, fiduciary, or custodian and the assets are not subject to the claims of creditors of the Bank.

Assets held in **custodial accounts** in the trust department of a bank do not become assets or liabilities of the bank and are segregated from the Bank’s assets. The Bank’s role as custodian is to hold the assets for safekeeping, to collect dividends and interest and provide other similar services. Account ownership in the assets remains vested in the individuals or entities for whose benefit the Bank is acting as custodian and the assets are not subject to the claims of creditors of the Bank.



Helping protect our clients’ assets is our paramount concern.

“We have never allowed ourselves to forget that it is ‘other people’s money’ which is entrusted to us. Nor have we lost sight of the fact that the people whom we serve – their problems, their needs, their well-being – are our paramount concern.”

- G. Carlton Hill, Fifth Third Union Trust Company, President, CEO, Chairman (1955 – 1963)

What happens if the Bank fails?

Since **deposit accounts** become liabilities of the Bank, it follows that the depositor would become a creditor in the event the Bank failed to the extent of Bank deposits held in your accounts at the Bank. However, the Federal Deposit Insurance Corporation (FDIC) insures depositors for up to \$250,000 per individual per bank for Bank deposits.

Since non-deposit assets held in **trust, fiduciary and custodial accounts** do not become assets or liabilities of the Bank (title is held by the account’s owner(s)), it follows that non-deposit assets held in your trust, fiduciary, or custody account are not subject to the claims of the Bank’s creditors. As a result, failure of the Bank would have no adverse effect on trust, fiduciary or custody accounts, except to the extent the account may hold Bank deposits: they remain the property of the account’s owner(s).

In the event the Bank fails, the FDIC will seek to transfer responsibility for administration of the accounts to a successor trust institution as quickly as possible. Provided this effort is successful, the account beneficiaries would need to either accept this new arrangement or make provisions with the successor bank for alternative arrangements. Should the search for a successor trustee to the failed bank be unsuccessful, the FDIC will then promptly notify all affected beneficiaries to either personally reclaim their property or designate an alternate institution to which the trust, fiduciary or custodial property may be conveyed. Therefore, the safety of trust, fiduciary and custodial assets is not dependent upon whether the Bank has assets greater than its liabilities. Property held in these accounts belongs to the owner(s) of the accounts and would be unaffected by the Bank’s failure.

How is SIPC Different than FDIC?

The Securities Investor Protection Corporation (SIPC) is a nonprofit membership corporation that was created by federal statute in 1970 to protect against the loss of clients of brokerage firms that are forced into bankruptcy, thus SIPC is not applicable to bank trust department accounts. **The insurance does not cover declines in value of investment themselves, but only loss of investments due to failure of the firm that manages them.** The FDIC is an independent federal agency that is backed by the full faith and credit of the United States government. Its purpose is to protect depositors’ funds placed in banks and savings associations. Since the FDIC was established in 1933, “no depositor has ever lost a penny of their FDIC-insured deposits.”¹ You can feel assured, knowing that your insured deposits at Fifth Third Bank are protected.

	FDIC	SIPC
Year created	1933	1970
Backed by US Government?	Y	N
Protect assets at face value?	Y	N

Go to www.fdic.gov to learn more about FDIC coverage or www.SIPC.org for information about SIPC.

Fifth Third provides further, non-asset related protection

Fifth Third maintains insurance coverage against major risks. Coverage is maintained at levels, which the Bank considers reasonable, given the scope of its operations. A summary is listed below:

• Financial Institutions Bond Coverage	\$100,000,000 total limit	\$7,500,000 retention
• Combination Safe Depository Coverage	\$10,000,000 total limit	\$50,000 deductible
• Computer Crime Coverage	\$100,000,000 total limit	\$7,500,000 retention

This program also includes ERISA coverage.

Please contact your Fifth Third Institutional Services Relationship Manager for more detailed information regarding coverage and for copies of our Certificate of Liability Insurance.

1. Federal Deposit Insurance Corporation, “Understanding Deposit Insurance,” July 2020.
Additional Sources: American Bankers Association, “Protections for Deposit, Fiduciary, and Custody Accounts,” April 2020.
Investments and investment services are offered through or are made available by one or more of Fifth Third Bancorp’s indirect subsidiaries. Investments and Investment Services are not FDIC insured, offer no bank guarantee, may lose value, are not insured by any federal government agency, and are not a deposit. Copyright © 2023 Fifth Third Bank, National Association

USA Swimming Provisional Coach Requirements

All course requirements are online

- Concussion Training
- Athlete Protection Training
- CANRA, if required state- Currently CA only
- Safety Training for Swim Coaches (STSC) Online, no in-water requirement
- USA Swimming Courses: *Welcome to USA Swimming* and *Quality Coaching Framework* (Both Free)
- Complete the USA Swimming CPR requirement by the end of the first year as a provisional coach
- To have a valid coach membership after three years, all USA Swimming Coach Requirements must be completed

Effective Date: September 1, 2023.

2.6 PRIVILEGES AND RESPONSIBILITIES OF MEMBERSHIP

.1 ~~A~~-Coach members and Provisional Coach members 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, 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.

.7. All Junior Coach members must have satisfactorily completed safety training and other coaches' training as required by USA Swimming. Junior Coach members are not required to complete a criminal background check but are subject to pre-employment screening. Junior Coach members must always be under the direct visual supervision of a ~~registered~~ Coach member in good standing.

.8 All Provisional Coach members must have satisfactorily completed safety training, criminal background checks and other coaches' education as required by USA Swimming. An individual may only register as a Provisional Coach Member for a total of three registration years. Provisional Coach members must always be under the direct visual supervision of a Coach member in good standing. A Coach member may not supervise more than one Provisional Coach member at a time. Only those who have not been Coach or Provisional Coach member in the preceding USA Swimming registration year may register as a Provisional Coach member (i.e., an individual last registered as a Coach member in 2020 may not apply for a Provisional Coach membership until 2022).

~~.89~~ 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.

.910 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.

~~.4011~~ 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.

USA Swimming Foundation 2022 Financial Written Report

Submitted by: Eric Skufca, CFO 4/6/2023

2022 HIGHLIGHTS

- \$2,109,996 fundraising:
 - \$1,157,500 major gifts/grants exceeded the \$1,095,000 budget by \$62,500 or 6%. Total includes \$480,000 in new trustee council agreements, \$320,000 in learn to swim grants, \$312,500 in National Team Athlete support, \$30,000 in funds contributed to permanent donor endowments, and \$15,000 in unrestricted grants.
 - \$851,362 annual campaign exceeded the \$650,000 budget by \$201,362 or 31%. The Golden Goggles Awards (GGA) Auction raised 136% better than the budget of \$125,000 for a total of \$295,476. Donation revenue through USA Swimming's new online member registration (OMR) of \$51,336 was unbudgeted. Champions Club revenue missed its \$400,000 budget by (\$10,505) or (3%). Supporters Club and Donations Under \$1K missed the combined budget of \$125,000 by (\$9,945) or (8%).
 - \$101,134 raised in support of the Foundation's partnership with United States Masters Swimming (USMS) in the adult learn to swim space missing its budget of \$130,000 by (\$28,866) or (22%).
- \$819,799 sponsor support including \$659,799 from the multi-year Phillips 66 contract and others. Sponsorship revenue surpassed the \$791,516 budget by \$28,283 or 4%.
- \$232,707 Swim-a-thon (SAT) royalty revenue received compared to a \$250,000 budget missed by (\$17,293) or (7%) as the program continues to rebound as the Foundation suspended the 5% royalty payment for clubs as a relief effort during the pandemic in 2020 and 2021.
- (\$29,154) operating deficit was better than the (\$225,069) annual budget by \$195,915 and also finished better than the November 2022 projected deficit of (\$145,523) by \$116,369. Summarized explanation found in the "Executive Summary" on page 2 herein.
- \$16,462,974 investment portfolio decreased (\$3,559,308) for the year due to net endowment contributions, distributions, and a -14.93% investment loss for the year.
- \$1,155,000 National Team support including \$665,000 from donor endowments and internal funds, \$100,000 from Sponsors (Phillips 66) and \$390,000 from other donors. 2022 National Team support surpassed the \$984,125 budget by \$170,875 or 17%.
- \$780,155 Youth Learn to Swim grants were greater than the \$580,000 annual budget by (\$200,155) or (35%).

- \$130,000 Adult Learn to Swim grants were less than the \$190,000 annual budget by \$60,000 or 32%.
- \$268,500 Sport Development support including \$160,000 in Community Impact and HBCU grants and support, \$100,000 in club and coach support, and \$8,500 from donor endowments was less than the \$300,000 budget by \$31,500 or 11%.

EXECUTIVE SUMMARY

Operating Surplus:

The 2022 operating deficit was (\$29,154) compared to the budgeted deficit of (\$225,069) and a November projected deficit of (\$145,523). The following were the primary contributors to the annual operating results compared to budget:

Unrestricted Operating Revenue (better than budget by \$35,311 or 1%):

- Annual campaign was greater than budget by \$201,362 or 31% (includes auction and OMR donations).
- USA Swimming staff payroll allocation (net \$0 to Foundation) was lower than budget by (\$66,260).
- Unrestricted Major Gifts/Grants were less than budget by (\$35,000) and Major Gift/Grant satisfied restrictions were less than budget by (\$3,346) for a total of (\$38,346) or (4%).
- USMS Adult Learn to Swim Fundraising was less than budget by (\$28,866) or (22%).
- Sponsorship revenue was greater than budget by \$28,283 or 4%.
- Swim-a-thon receipts were less than budget by (\$17,293) or (7%).

Unrestricted Operating Expense (less than budget by \$160,605 or 4%):

- Supporting expenses were less than budget by \$267,898 or 21%.
- Program expenses were more than budget by (\$107,293) or (4%).

Revenue:

Total unrestricted operating revenue totaled \$4,016,002 for the year, surpassing the budget by \$35,311 or 1%.

\$2,109,996 of total fundraising included \$1,157,500 of major gifts/grants, \$851,362 annual campaign, and \$101,134 in adult learn to swim. Total fundraising exceeded budget.

Sponsorship revenue continued to be a major funding source at \$819,799 for the year surpassing the budget by \$28,283. Included in the total, the Foundation received \$75,000

from new Sponsorships signed by USA Swimming with contracted monies to the Foundation.

Endowment distributions totaled \$773,500 for the year and included the scheduled and budgeted transactions from the organization's funds and donor endowments.

Expense:

Total expenses of \$4,045,155 were under budget by \$160,605 or 4%. Total expense breakout was 75.1% program and 24.9% supporting expenses.

USA Swimming staff payroll allocation (net \$0 to Foundation) was lower than 2021 by (\$80,066).

Endowments:

The endowment/fund portfolios decreased (\$3,559,308) year-over-year to \$16,462,974. Additions included scheduled and contracted contributions from donor endowment holders of \$37,500 and Board approved contributions from the 2021 operating surplus to Board Designated Funds of \$210,000. Reductions were the -14.93% investment loss and the aforementioned distributions of (\$773,500).

Net Assets:

Total net assets decreased (\$3,882,615) year-over-year primarily attributed to the net investment decrease of (\$3,559,308) and the decrease in undesignated operating funds of (\$239,154) (which includes the year's operating deficit of (\$29,154) plus the aforementioned (\$210,000) sent from the 2021 operating surplus to Board Designated Funds).

Revenue and Investment Charts (Page 1)

- \$1,157,500 major gifts / grants
 - \$1,142,500 restricted (primarily new trustee commitments, donor athlete partnerships, gift agreements, and donor endowments).
 - \$15,000 unrestricted (organizational grants and fundraising).
- \$952,496 annual campaign (including adult learn to swim) including \$389,495 Champions Club, \$295,476 Golden Goggles Auction, \$101,134 Adult Learn to Swim donations, and \$166,391 in other donations (donations under \$1K, Supporters Club, and OMR).
- \$819,799 sponsor support including \$659,799 from Phillips 66.
- \$16,462,974 Funds & Endowments:
 - USA Swimming Fund \$5,419,533
 - Gould/Dirks Endowment \$5,053,637
 - Athlete Fund \$4,411,689
 - National Team Travel & Training Fund (unclaimed FINA) \$608,521
 - Other Donor Endowments \$969,594

Balance Sheet (Page 2)

- \$1,456,330 – Cash and cash equivalents decreased (\$108,959) for the year.
- \$16,462,974 – Investments decreased (\$3,559,308). Additions included scheduled and contracted contributions from donor endowment holders and Board approved contributions from the 2021 operating surplus to Board Designated Funds. Reductions were the -14.93% investment loss and scheduled distributions of (\$773,500).
- \$12,057,009 – Unrestricted net assets decreased (\$2,439,515) for the year.
- \$19,645,156 – Total net assets decreased (\$3,882,615) for the year.

Income Statements – Pages 3, 4 and 5

Surplus (Deficit):

- (\$29,154) operating deficit – better than 2022 budget of (\$225,069).
- (\$3,882,615) total net deficit – less than the 2022 budget of (\$441,744) (budget does not include non-operating investment gains/losses).

Revenue:

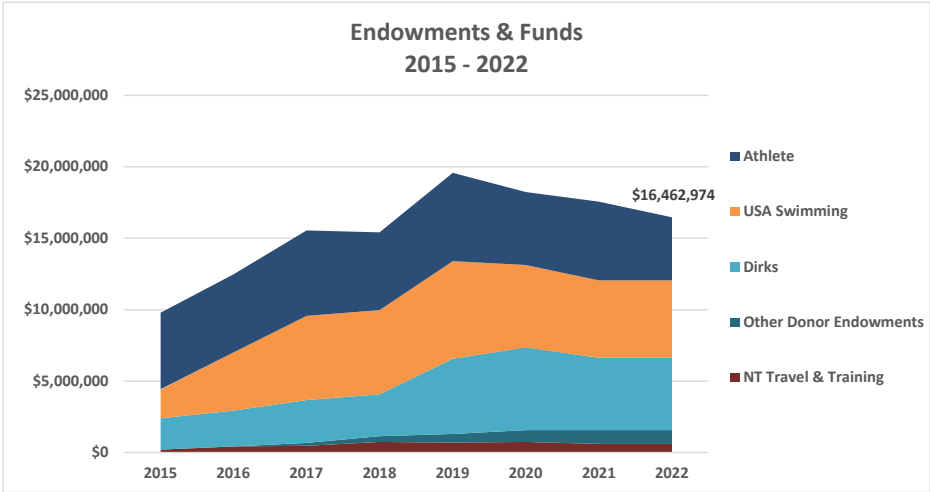
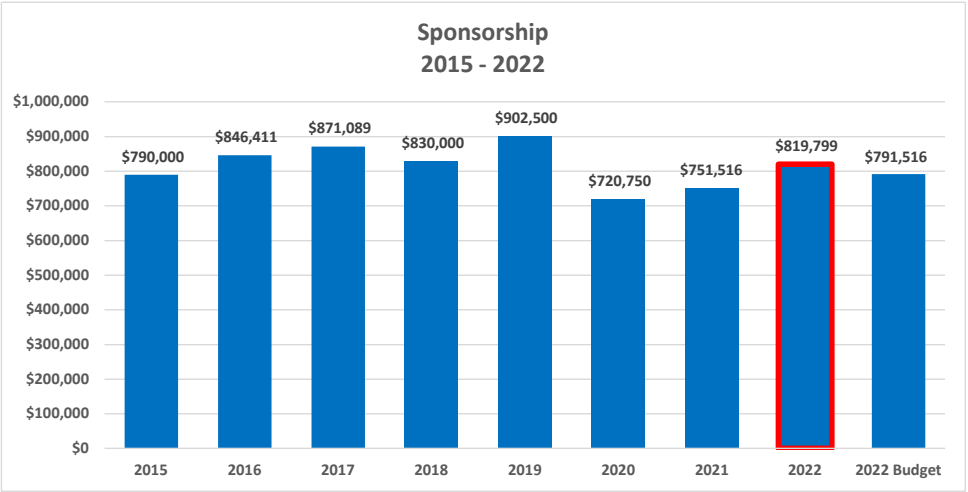
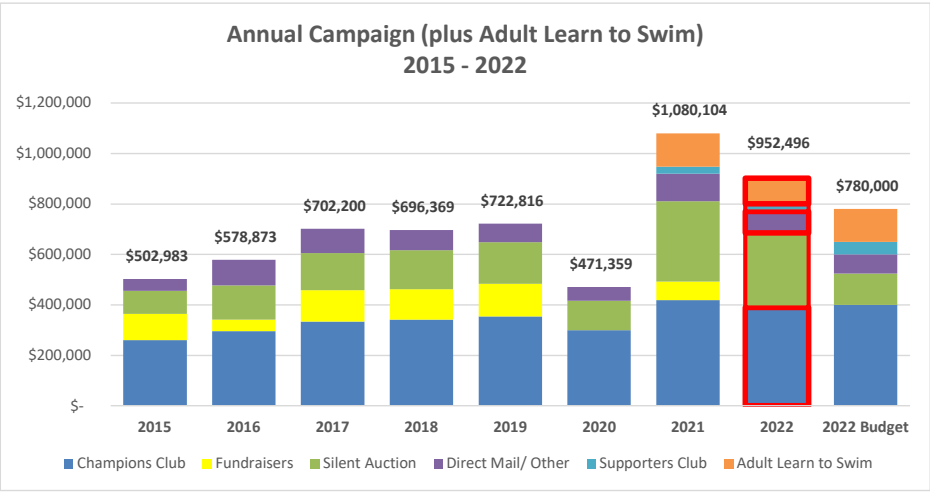
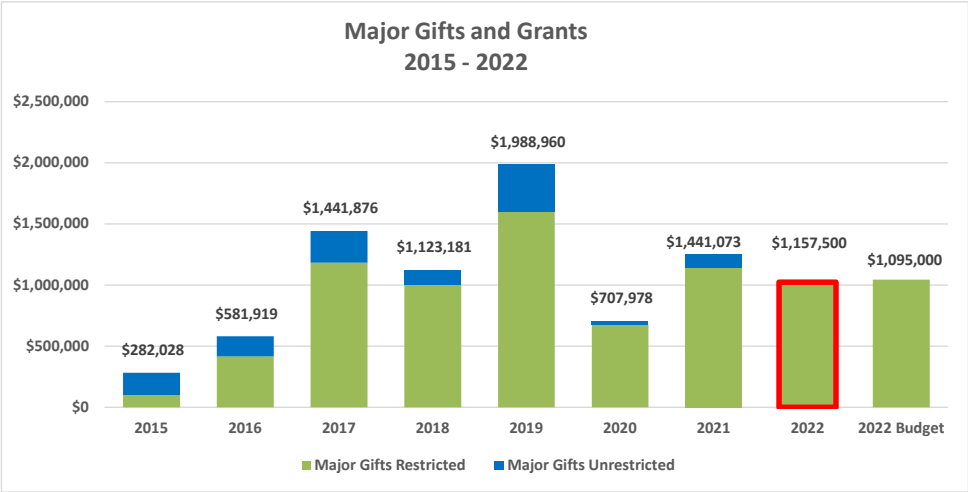
- \$952,496 Annual campaign (including adult learn to swim).
- \$1,157,500 Major gifts / grants – \$1,142,500 restricted and \$15,000 unrestricted.
- \$280,000 Trustee receipts from previous years and new pledges.
- \$773,500 Endowment distributions.

- \$819,799 Sponsorship.
- \$232,707 Swim-a-thon receipts.
- \$268,740 USA Swimming staff allocation (net \$0 to Foundation).
- \$2,107 Other income – mainly royalties on merchandise sales.

Expenses (Page 6 additional detail):

- \$1,007,351 Supporting expenses – less than 2021 by \$271,247.
- \$3,037,804 Program expenses – greater than 2021 by (\$681,710).
 - \$1,155,000 National Team athlete support – greater than 2021 by (\$38,567).
 - \$780,155 Youth Learn to Swim grants – greater than 2021 by (\$297,197).
 - \$130,000 Adult Learn to Swim grants – greater than 2021 by (\$130,000).
 - \$268,500 Sport Development support – greater than 2021 by (\$268,500).

USA Swimming Foundation
 Revenue, Endowments, and Funds
 December 31, 2022



USA Swimming Foundation, Inc.
Balance Sheet
As of December 31, 2022 and 2021

	<u>12/31/2022</u>	<u>Audited 12/31/2021</u>	<u>\$ Change</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$1,456,330	\$1,565,289	(\$108,959)
Accounts receivable	231,964	268,717	(36,752)
Pledges receivable - current	941,174	754,999	186,175
Prepaid expenses and deferred charges	7,837	65,356	(57,519)
Total Current Assets	<u>2,637,306</u>	<u>2,654,361</u>	<u>(17,055)</u>
FIXED ASSETS:			
Equipment and Software	229,963	229,963	0
Accumulated depreciation & amortization	<u>(229,963)</u>	<u>(229,963)</u>	<u>0</u>
LONG-TERM INVESTMENTS:			
Long-term Investments	16,462,974	20,022,282	(3,559,308)
OTHER ASSETS:			
Pledges receivable - long-term	608,804	905,418	(296,614)
Swim-a-Thon	120,000	120,000	0
Total Other Assets	<u>728,804</u>	<u>1,025,418</u>	<u>(296,614)</u>
TOTAL ASSETS	<u>\$19,829,084</u>	<u>\$23,702,061</u>	<u>(\$3,872,977)</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Accounts payable	\$11,881	\$3,182	\$8,700
Due from (to) USA Swimming	45,156	50,723	(5,567)
Accrued expenses and other liabilities	25,991	120,386	(94,395)
Deferred Revenue	50,000	0	50,000
Total Current Liabilities	<u>133,028</u>	<u>174,291</u>	<u>(41,262)</u>
NONCURRENT LIABILITIES:			
Deferred Revenue	50,900	0	50,900
Total Noncurrent Liabilities	<u>50,900</u>	<u>0</u>	<u>50,900</u>
Total Liabilities	183,928	174,291	9,638
NET ASSETS:			
Unrestricted:			
Undesignated Operating Funds	270,418	509,571	(239,154)
Board Designated Operating Reserves	1,201,000	1,201,000	0
Board Designated Funds	10,585,591	12,785,952	(2,200,362)
Total Unrestricted	<u>12,057,009</u>	<u>14,496,524</u>	<u>(2,439,515)</u>
Temporarily Restricted	1,776,674	3,236,247	(1,459,573)
Permanently Restricted	5,811,473	5,795,000	16,473
Total Net Assets	<u>19,645,156</u>	<u>23,527,771</u>	<u>(3,882,615)</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$19,829,084</u>	<u>\$23,702,061</u>	<u>(\$3,872,977)</u>

USA Swimming Foundation, Inc.
Income Statement
For the 12 Months Ended December 31, 2022

	2022 Unrestricted	2022 Board Desig.	2022 Temp Restr	2022 Perm Restr	2022 Actual	2022 Budget	2022 Variance	2021 Actual	2021 Variance
Revenue:									
Annual Campaign	\$851,362	\$0	\$0	\$0	\$851,362	\$650,000	\$201,362	\$958,860	(\$107,498)
Adult Learn to Swim	101,134	0	0	0	101,134	130,000	(28,866)	121,244	(20,110)
Major Gifts	0	0	992,500	30,000	1,022,500	1,045,000	(22,500)	1,251,073	(228,573)
Grants	15,000	0	120,000	0	135,000	50,000	85,000	190,000	(55,000)
Major Gifts - Satisfied Restrictions	871,654	0	(871,654)	0	0	0	0	0	0
Grants - Satisfied Restrictions	80,000	0	(80,000)	0	0	0	0	0	0
Endowment Distributions	773,500	(478,500)	(295,000)	0	0	0	0	0	0
Sponsorship	819,799	0	(200,000)	0	619,799	791,516	(171,717)	551,516	68,283
Swim-a-Thon	232,707	0	0	0	232,707	250,000	(17,293)	48,410	184,296
Olympic Trials VIP Packages	0	0	0	0	0	0	0	126,043	(126,043)
USA Swimming Support - Staff Allocation	268,740	0	0	0	268,740	335,000	(66,260)	348,806	(80,066)
Alumni Income	0	0	0	0	0	0	0	16,100	(16,100)
Other Income	2,106	0	0	0	2,106	30,000	(27,894)	21,672	(19,567)
Bad Debts	0	0	(37,500)	0	(37,500)	0	(37,500)	(120,500)	83,000
Investment Income (Loss)	1	(1,931,862)	(1,087,919)	(13,527)	(3,033,306)	482,500	(3,515,806)	2,308,511	(5,341,817)
Total Revenue	4,016,002	(2,410,362)	(1,459,573)	16,473	162,540	3,764,016	(3,601,476)	5,821,735	(5,659,195)
Expenses:									
Supporting Expenses:									
Annual Campaign	95,269	0	0	0	95,269	207,700	112,431	196,309	101,040
Major Gifts/Grants	104,367	0	0	0	104,367	204,970	100,603	60,068	(44,298)
Swim-a-Thon	43,631	0	0	0	43,631	65,356	21,725	21,657	(21,974)
Olympic Trials VIP Packages	1,043	0	0	0	1,043	0	(1,043)	244,092	243,049
Marketing	6,463	0	0	0	6,463	8,000	1,537	121	(6,342)
Operational and Administrative	211,546	0	0	0	211,546	198,560	(12,986)	151,246	(60,300)
Payroll - Supporting	545,032	0	0	0	545,032	590,663	45,631	605,104	60,072
Total Supporting Expenses	1,007,351	0	0	0	1,007,351	1,275,249	267,898	1,278,598	271,247
Program Expenses:									
Saving Lives - Youth Learn to Swim Grants	780,155	0	0	0	780,155	580,000	(200,155)	482,958	(297,197)
Saving Lives - Adult Learn to Swim Grants	130,000	0	0	0	130,000	190,000	60,000	0	(130,000)
Saving Lives - Programs	312,208	0	0	0	312,208	509,800	197,592	330,069	17,861
Total Saving Lives Expenses	1,222,362	0	0	0	1,222,362	1,279,800	57,438	813,027	(409,336)
Building Champions - National Team Grants	1,155,000	0	0	0	1,155,000	984,125	(170,875)	1,116,433	(38,567)
Building Champions - Sport Dev Grants	268,500	0	0	0	268,500	300,000	31,500	0	(268,500)
Building Champions - Other Programs	119,126	0	0	0	119,126	77,500	(41,626)	126,854	7,728
Building Champions - Alumni Programs	41,579	0	0	0	41,579	46,840	5,261	45,992	4,413
Total Building Champions Expenses	1,584,205	0	0	0	1,584,205	1,408,465	(175,740)	1,289,279	(294,926)
Payroll - Program	231,237	0	0	0	231,237	242,246	11,009	253,788	22,551
Total Program Expenses	3,037,804	0	0	0	3,037,804	2,930,511	(107,293)	2,356,094	(681,710)
Total Expenses	4,045,155	0	0	0	4,045,155	4,205,760	160,605	3,634,691	(410,464)
Operating Surplus (Deficit)	(29,154)	(2,410,362)	(1,459,573)	16,473	(3,882,615)	(441,744)	(3,440,871)	2,187,044	(6,069,659)
Transfers to/from USA Swimming Endowment	(210,000)	210,000	0	0	0	0	0	0	0
NET CHANGE IN TOTAL NET ASSETS	(\$239,154)	(\$2,200,362)	(\$1,459,573)	\$16,473	(\$3,882,615)	(\$441,744)	(\$3,440,871)	\$2,187,044	(\$6,069,659)

USA Swimming Foundation, Inc.
Income Statement
For the 12 Months Ended December 31, 2022 and 2021

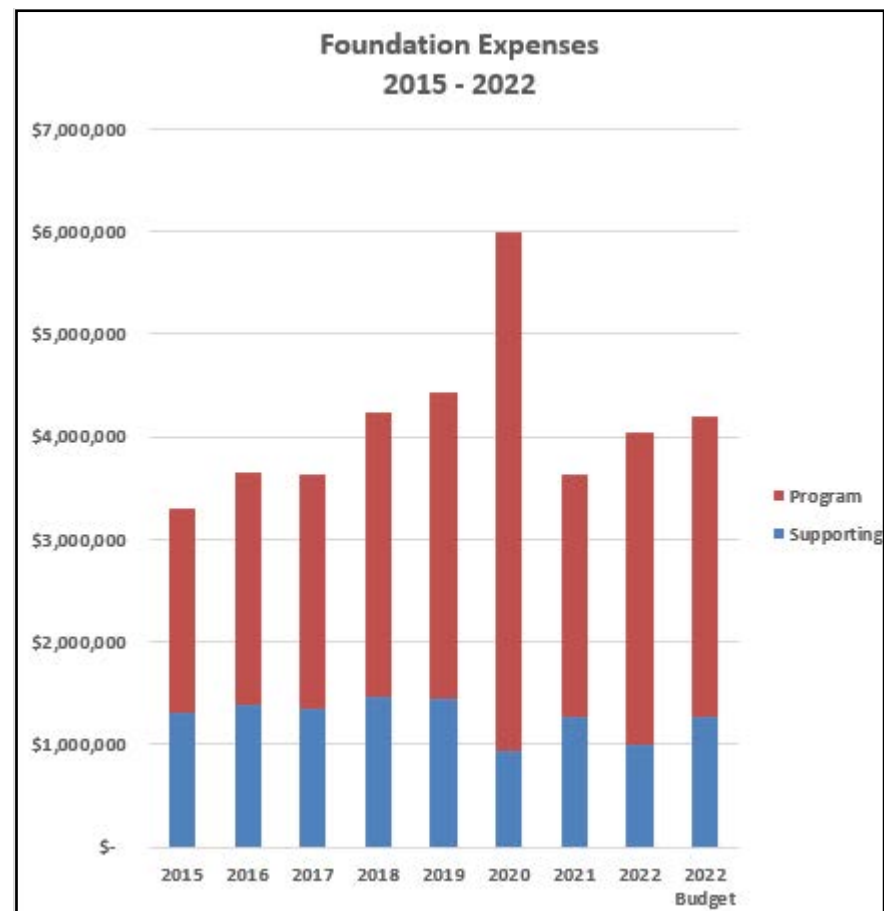
	<u>Quarter 4</u> <u>Actual</u>	<u>Year-To-Date</u> <u>2022</u>	<u>Budget</u> <u>2022</u>	<u>Budget</u> <u>Remaining</u>	<u>Year-To-Date</u> <u>2021</u>	<u>Fav/(Unfav)...</u> <u>2021 vs. 2022</u>
UNRESTRICTED:						
Revenue:						
Annual Campaign	\$532,645	\$851,362	\$650,000	\$201,362	\$958,860	(\$107,498)
Adult Learn to Swim	67,808	101,134	130,000	(28,866)	121,244	(20,110)
Major Gifts - Unrestricted	0	0	0	0	135,000	(135,000)
Grants - Unrestricted	0	15,000	50,000	(35,000)	40,000	(25,000)
Major Gifts - Satisfied Restrictions	179,978	871,654	875,000	(3,346)	733,901	137,753
Grants - Satisfied Restrictions	50,000	80,000	80,000	0	86,195	(6,195)
Endowment Distributions In	0	773,500	776,675	(3,175)	741,250	32,250
Sponsorship	135,000	819,799	791,516	28,283	751,516	68,283
Swim-a-Thon	57,219	232,707	250,000	(17,293)	48,410	184,296
Olympic Trials VIP Packages	0	0	0	0	126,043	(126,043)
USA Swimming Support - Staff Allocation	268,740	268,740	335,000	(66,260)	348,806	(80,066)
Alumni Income	0	0	0	0	16,100	(16,100)
Other Income	2,100	2,106	30,000	(27,894)	21,672	(19,567)
Investment Income (Loss)	1	1	12,500	(12,499)	13,591	(13,590)
Total Unrestricted Revenue	1,293,491	4,016,002	3,980,691	35,311	4,142,588	(126,587)
Expenses:						
Supporting Expenses:						
Annual Campaign	51,743	95,269	207,700	112,431	196,309	101,040
Major Gifts/Grants	14,715	104,367	204,970	100,603	60,068	(44,298)
Swim-a-Thon	9,460	43,631	65,356	21,725	21,657	(21,974)
Olympic Trials VIP Packages	1,043	1,043	0	(1,043)	244,092	243,049
Marketing	63	6,463	8,000	1,537	121	(6,342)
Operational and Administrative	(91,177)	211,546	198,560	(12,986)	151,246	(60,300)
Payroll - Supporting	338,044	545,032	590,663	45,631	605,104	60,072
Total Supporting Expenses	323,890	1,007,351	1,275,249	267,898	1,278,598	271,247
Program Expenses:						
Saving Lives - Youth Learn to Swim Grants	(26,999)	780,155	580,000	(200,155)	482,958	(297,197)
Saving Lives - Adult Learn to Swim Grants	0	130,000	190,000	60,000	0	(130,000)
Saving Lives - Programs	36,702	312,208	509,800	197,592	330,069	17,861
Total Saving Lives Expenses	9,703	1,222,362	1,279,800	57,438	813,027	(409,336)
Building Champions - National Team Grants	102,500	1,155,000	984,125	(170,875)	1,116,433	(38,567)
Building Champions - Sport Development Grants	30,000	268,500	300,000	31,500	0	(268,500)
Building Champions - Other Programs	70,625	119,126	77,500	(41,626)	126,854	7,728
Building Champions - Alumni Programs	13,610	41,579	46,840	5,261	45,992	4,413
Total Building Champions Expenses	216,735	1,584,205	1,408,465	(175,740)	1,289,279	(294,926)
Payroll - Programming	231,237	231,237	242,246	11,009	253,788	22,551
Total Program Expenses	457,675	3,037,804	2,930,511	(107,293)	2,356,094	(681,710)
Total Unrestricted Expenses	781,565	4,045,155	4,205,760	160,605	3,634,691	(410,464)
Operating Surplus (Deficit)	511,925	(29,154)	(225,069)	195,915	507,897	(537,051)
Transfers to/from USA Swimming Endowment	(10,000)	(210,000)	(200,000)	(10,000)	0	(210,000)

USA Swimming Foundation, Inc.
Income Statement
For the 12 Months Ended December 31, 2022 and 2021

	<u>Quarter 4</u> <u>Actual</u>	<u>Year-To-Date</u> <u>2022</u>	<u>Budget</u> <u>2022</u>	<u>Budget</u> <u>Remaining</u>	<u>Year-To-Date</u> <u>2021</u>	<u>Fav/(Unfav)...</u> <u>2021 vs. 2022</u>
CHANGE IN UNDESIGNATED FUNDS	<u>\$501,925</u>	<u>(\$239,154)</u>	<u>(\$425,069)</u>	<u>\$185,915</u>	<u>\$507,897</u>	<u>(\$747,051)</u>
BOARD DESIGNATED:						
Endowment Distributions Out	\$0	(\$478,500)	(\$470,000)	(\$8,500)	(\$470,000)	(\$8,500)
Transfer to/from USA Swimming Endowment	10,000	210,000	200,000	10,000	0	210,000
Investment Income	644,471	(1,931,862)	470,000	(2,401,862)	1,464,262	(3,396,123)
Unrestricted Donor Endowment	0	0	0	0	171,073	(171,073)
Change in Board Designated Net Assets	<u>\$654,471</u>	<u>(\$2,200,362)</u>	<u>\$200,000</u>	<u>(\$2,400,362)</u>	<u>\$1,165,335</u>	<u>(\$3,365,696)</u>
CHANGE IN UNRESTRICTED NET ASSETS	<u>\$1,156,397</u>	<u>(\$2,439,515)</u>	<u>(\$225,069)</u>	<u>(\$2,214,446)</u>	<u>\$1,673,232</u>	<u>(\$4,112,747)</u>
TEMPORARILY RESTRICTED:						
Major Gifts - Temporarily Restricted	\$75,000	\$992,500	\$1,045,000	(\$52,500)	\$825,000	\$167,500
Grants - Temporarily Restricted	120,000	120,000	0	120,000	150,000	(30,000)
Endowment Distributions Out - Satisfied Restrictions	0	(295,000)	(306,675)	11,675	(271,250)	(23,750)
Major Gifts - Satisfied Restrictions	(179,978)	(1,071,654)	(875,000)	(196,654)	(933,901)	(137,753)
Grants - Satisfied Restrictions	(50,000)	(80,000)	(80,000)	0	(86,195)	6,195
Write-off of Pledges	0	(37,500)	0	(37,500)	(120,500)	83,000
Investment Income	94,475	(1,087,919)	0	(1,087,919)	830,658	(1,918,577)
Change in Temp. Restricted Net Assets	<u>\$59,497</u>	<u>(\$1,459,573)</u>	<u>(\$216,675)</u>	<u>(\$1,242,898)</u>	<u>\$393,812</u>	<u>(\$1,853,385)</u>
PERMANENTLY RESTRICTED:						
Major Gifts - Permanently Restricted	\$0	\$30,000	\$0	\$30,000	\$120,000	(\$90,000)
Investment Income	263,585	(13,527)	0	(13,527)	0	(13,527)
Change in Perm. Restricted Net Assets	<u>\$263,585</u>	<u>\$16,473</u>	<u>\$0</u>	<u>\$16,473</u>	<u>\$120,000</u>	<u>(\$103,527)</u>
NET CHANGE IN TOTAL NET ASSETS	<u>\$1,479,479</u>	<u>(\$3,882,615)</u>	<u>(\$441,744)</u>	<u>(\$3,440,871)</u>	<u>\$2,187,044</u>	<u>(\$6,069,659)</u>

USA Swimming Foundation, Inc.
Expense Detail
For the Year Ended December 31, 2022

	SUPPORTING EXPENSES	PROGRAM EXPENSES	2022 EXPENSES	2021 EXPENSES	Variance
EXPENSES:					
Salaries and Benefits	415,092	92,437	507,528	510,135	2,606
Professional Services	\$85,134	\$314,503	\$399,637	\$606,782	\$207,145
Salaries and Benefits - USAS	129,940	138,800	268,740	348,806	80,066
Travel	42,089	69,147	111,235	134,772	23,537
Recognition and Fulfillment	44,355	57,794	102,150	56,281	(45,869)
Rent and Overhead	70,000	0	70,000	70,000	0
Catering and Entertainment	26,462	10,091	36,554	67,094	30,540
Dues Fees & Subscriptions	32,022	2,379	34,400	18,355	(16,045)
Credit Card Fees	27,693	86	27,778	30,562	2,784
Freight and Postage	19,754	1,028	20,782	27,869	7,087
Repairs and Equipment	3,787	12,693	16,480	13,716	(2,764)
Space/Equipment Rental	13,807	2,174	15,980	1,038	(14,943)
Printing and Duplication	8,166	1,988	10,154	10,382	228
Miscellaneous Expenses	8,755	25	8,779	13,943	5,164
Office Supplies and Expense	6,377	779	7,156	8,796	1,640
Advertising	6,037	0	6,037	450	(5,587)
Telephone and Internet Service	3,312	40	3,352	3,754	401
Video and Photography	2,117	0	2,117	0	(2,117)
Awards and Gifts	2,043	0	2,043	14,092	12,049
Apparel	758	188	946	30,673	29,727
Tickets	0	0	0	64,680	64,680
Graphics and Art Work	0	0	0	3,123	3,123
Subtotal	947,701	704,149	1,651,850	2,035,300	383,450
Grants - LTS	0	910,155	910,155	482,958	(427,197)
Grants - USA Swimming	59,650	1,423,500	1,483,150	1,116,433	(366,717)
Total Grants	59,650	2,333,655	2,393,305	1,599,391	(793,914)
TOTAL EXPENSES	\$1,007,351	\$3,037,804	\$4,045,155	\$3,634,691	(\$410,464)



USA Swimming Foundation
2022 Budget vs. 2022 November Projection vs. 2022 Actual
As of 3/28/2023

	Approved Revised Budget 2022*	November Projection 2022	Actual 2022	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
UNRESTRICTED:								
REVENUE:								
Annual Campaign	\$ 650,000	\$ 665,000	\$ 851,361	\$ 186,361	28.0%	\$ 201,361	31.0%	Primarily due to increased auction revenue and donations from Swimming OMR.
Adult Learn to Swim	130,000	100,000	101,134	1,134	1.1%	(28,866)	-22.2%	Less ALTS donations than budgeted.
Major Gifts - Unrestricted	-	-	-	-		-		
Grants - Unrestricted	50,000	15,000	15,000	-	0.0%	(35,000)	-70.0%	Less unrestricted grants than budgeted.
Major Gifts - Satisfied Restrictions	875,000	1,005,000	871,654	(133,346)	-13.3%	(3,346)	-0.4%	Two donors with pledges did not pay on their contractual 2022 amounts.
Grants - Satisfied Restrictions	80,000	80,000	80,000	-	0.0%	-	0.0%	
Endowment Distributions	776,675	773,500	773,500	-	0.0%	(3,175)	-0.4%	
Commercial Sponsorships	791,516	819,799	819,799	-	0.0%	28,283	3.6%	More sponsors signed by USA Swimming with contracted monies to the Foundation than budgeted.
Swim-a-Thon	250,000	200,000	232,707	32,707	16.4%	(17,293)	-6.9%	More volume than projected, less than originally budgeted.
USA Swimming Support - Staff Allocation	335,000	335,000	268,740	(66,260)	-19.8%	(66,260)	-19.8%	Less USA Swimming staff allocation than budgeted (net zero to Foundation bottom line).
Miscellaneous	30,000	-	2,106	2,106		(27,894)	-93.0%	VIK, royalties.
Investment Income / Imputed Interest	12,500	-	1	1		(12,499)	-100.0%	
Total Revenue	3,980,691	3,993,299	4,016,002	22,703	0.6%	35,311	0.9%	
SUPPORTING EXPENSES:								
Annual Campaign	207,700	95,222	95,269	(47)	0.0%	112,431	54.1%	Primarily less Champs Club and Supporters Club programming and activation than budgeted.
Olympic Trials Packages	-	-	1,043	(1,043)		(1,043)		Credit card fees on 2024 Olympic Trials VIP Package sales.
Swim-a-Thon	65,356	38,340	43,631	(5,291)	-13.8%	21,725	33.2%	Less volume/activation than budgeted (see related revenue above).
Major Gifts	204,970	103,970	104,367	(397)	-0.4%	100,603	49.1%	Primarily less events/activation and travel compared to budget.
Marketing	8,000	8,000	6,463	1,537	19.2%	1,537	19.2%	Less than budget.
Administrative & Operational Support	198,560	209,894	211,546	(1,652)	-0.8%	(12,986)	-6.5%	Subscriptions, software, overhead, rent, BOD, Trustee Counsel, etc.
Payroll - Supporting	590,662	600,662	545,032	55,630	9.3%	45,630	7.7%	Less personnel expense than budgeted.
Total Supporting Expenses	1,275,249	1,056,089	1,007,351	48,738	4.6%	267,898	21.0%	
PROGRAM EXPENSES:								
Saving Lives - Youth Learn to Swim - Grants	580,000	799,154	780,155	18,999	2.4%	(200,155)	-34.5%	Actuals decreased from projection due to unused grants returned at year end.
Saving Lives - Adult Learn to Swim - Grants	190,000	130,000	130,000	-	0.0%	60,000	31.6%	Projected and activated same amount as budgeted ALTS revenue above.
Saving Lives - Programs	509,800	329,801	312,209	17,592	5.3%	197,591	38.8%	Primarily less MAS Tour expenses (more virtual/digital) compared to budget.
Total Saving Lives	1,279,800	1,258,955	1,222,364	36,591	2.9%	57,436	4.5%	
Building Champions - Sport Development Grants	300,000	263,500	268,500	(5,000)	-1.9%	31,500	10.5%	Foundation supported one add'l Community Impact grant since Nov projection.
Building Champions - Other Programs	77,500	119,126	119,126	-	0.0%	(41,626)	-53.7%	Primarily more athlete honoraria and donor fulfillment compared to budget.
Building Champions - National Team Grants	984,125	1,155,000	1,155,000	-	0.0%	(170,875)	-17.4%	More donor support (primarily DAPP) than budgeted.
Building Champions - Alumni Programs	46,840	43,906	41,579	2,327	5.3%	5,261	11.2%	Primarily less travel expense compared to budget.
Total Building Champions	1,408,465	1,581,532	1,584,205	(2,673)	-0.2%	(175,740)	-12.5%	
Payroll - Programming	242,246	242,246	231,236	11,010	4.5%	11,010	4.5%	Less personnel expense than budgeted.
Total Program Expenses	2,930,511	3,082,733	3,037,805	44,928	1.5%	(107,294)	-3.7%	
Total Unrestricted Expenses	4,205,760	4,138,822	4,045,156	93,666	2.3%	160,604	3.8%	
OPERATING SURPLUS (DEFICIT)	\$ (225,069)	\$ (145,523)	\$ (29,154)	\$ 116,369		\$ 195,915		

USA Swimming Foundation
2022 Budget vs. 2022 November Projection vs. 2022 Actual
As of 3/28/2023

	Approved Revised Budget 2022*	November Projection 2022	Actual 2022	Projection to Actual		Budget to Actual		Comment
				\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)	
Transfers to/from Operating Reserve	-	-	-	-		-		2022 investment contribution from 2021 operating surplus portion (see below).
Transfers to/from USA Swimming Endowment	(200,000)	(210,000)	(210,000)	-		(10,000)		
Incr. (Decr.) in Undesignated Net Assets	(425,069)	(355,523)	(239,154)	116,369		185,915		
BOARD DESIGNATED - FUNDS:								2022 investment contribution from 2021 operating surplus portion (see above). 2022 investment portfolio results.
Unrestricted, Board Designated Funds	200,000	210,000	210,000	-		10,000		
Investment Income	470,000	(2,500,000)	(1,931,862)	568,138		(2,401,862)		
Fund Distributions	(470,000)	(478,500)	(478,500)	-		(8,500)		
Incr. (Decr.) in Board Designated Net Assets	200,000	(2,768,500)	(2,200,362)	568,138		(2,400,362)		
Incr. (Decr.) in Unrestricted Net Assets	(225,069)	(3,124,023)	(2,439,516)	684,507		(2,214,447)		Existing and new contracts (building the pipeline). Existing and new contracts (building the pipeline). Existing and new contracts (building the pipeline). Existing and new contracts (building the pipeline). 2022 investment portfolio results.
TEMPORARILY RESTRICTED:								
Major Gifts - Temporarily Restricted	1,045,000	1,142,500	992,500	(150,000)		(52,500)		
Major Gifts Satisfied Restrictions	(875,000)	(1,005,000)	(1,071,654)	(66,654)		(196,654)		
Grants - Temporarily Restricted	-	120,000	120,000	-		120,000		
Grants Satisfied Restrictions	(80,000)	(80,000)	(80,000)	-		-		
Endowment Distrib. - Satisfied Restrictions	(306,675)	(295,000)	(295,000)	-		11,675		
Write-Off of Pledges	-	(37,500)	(37,500)	-		(37,500)		
Investment Income	-	(1,100,000)	(1,087,919)	12,081		(1,087,919)		
Incr. (Decr.) in Temporarily Restricted Net Assets	(216,675)	(1,255,000)	(1,459,573)	(204,573)		(1,242,898)		
PERMANENTLY RESTRICTED:								New endowments (building the pipeline). 2022 investment portfolio results.
Major Gifts - Permanently Restricted	-	30,000	30,000	-		30,000		
Satisfied Restrictions	-	-	-	-		-		
Present Value Discounts Earned	-	-	-	-		-		
Investment Income	-	(250,000)	(13,527)	236,473		(13,527)		
Incr. (Decr.) in Perm. Restricted Net Assets	-	(220,000)	16,473	236,473		16,473		
TOTAL INCREASE (DECREASE) IN NET ASSETS	\$ (441,744)	\$ (4,599,023)	\$ (3,882,615)	\$ 716,407		\$ (3,440,872)		

* Revised 2022 Budget utilized the Board approved 2021 Surplus Usage as follows: \$200K to the Board Designated Funds investment portfolio, \$80K to Youth LTS Grants, \$70K Nationals Promotion, \$50K NT DITP Support.



TO: Board of Directors
FROM: Tim Hinchey III
COPY: Staff & Selected Others
DATE: April 12, 2023
SUBJECT: General Update

Dear USA Swimming Board of Directors,

In advance of our busy agenda, please see below some additional updates from our staff regarding current ongoing business at USA Swimming.

Best regards,

Tim Hinchey III
USA Swimming President & CEO

TECHNICAL/SPORT

National Team

Events

The National Team camp was held at the OPTC in March with over 20 athletes participating. We just concluded the National Team coaches seminar in Denver where we hosted over 80 National Team and National Junior Team Coaches. In late April we will be hosting the relay camp in Austin, Texas and then the Sports Medicine conference in early May.

2024 Olympic Games Preparation

We are excited to finally return to Singapore for our training camp prior to World Aquatic Championships in Fukuoka, Japan in July. With Singapore named as the host for 2025 Worlds, this camp will serve as a great opportunity for our athletes looking to compete beyond 2024 to familiarize themselves with the Singapore facility.

A few members of the National Team staff traveled with the US Aquatic Sports (USAS) Chef de Mission, Christine McMaster-Shah, on a site visit to Fukuoka in early March. These site visits not only give us a chance to see the competition venues and hotels firsthand, but also serve as an invaluable opportunity to work directly with members of the local organizing committee to build relationships and provide feedback in person regarding potential challenges prior to competition.

Looking forward to 2024, preparations for the Paris Games are in motion, with our plans for our domestic and international training camps well underway.

Open Water

We will finalize OW team selections at the Italy World Cup on May 21. These team selections are the beginning phases of the Olympic Games Qualification Process. The 2023 OW World Championship Team and the 2023 Pan American Games Team will be selected between now and May 21.

Athletes can directly qualify for the Olympics by either finishing in the top three at the 2023 OW World Championships or top 13 at the 2024 OW World Championships, or by being the continental champion from the 2024 OW World Championships.

Internally, we have prioritized performances in international competition over the performances at our OW National Championship. Athletes can still directly qualify from our National Championships, but the bulk of our international team selections will be based off key international performances throughout 2023.

To help our athletes better prepare for Olympic qualification, we are providing additional international race opportunities in May, August, and December. We are anticipating most, if not all, of the OW National Team to be in Europe for 10-14 days in May taking part in two races with a training camp in between.

National Junior Team

We recently brought 52 athletes and six coaches to Colorado Springs for a one-week camp, which was our longest camp since 2019. In addition to the USOPC tracks on nutrition, performance psychology, and dryland training, we added tracks on sleep, international travel and acclimatization, and two High Performance presentations (one on technique and splitting, and one on relays). We also offered insights into accepting prize money and Name, Image, Likeness (NIL) money as well as how to navigate the social media landscape today.

This was the first year that we offered a health screening for all NJT athletes. Our sports medicine staff along with sports medicine volunteers administered testing over two days to identify areas where we can better support each athlete's long term physical health. These athletes and parents will receive reports from these screens that they can use to help prevent future injury. More information on this can be found below in the sports medicine section.

Netanya, Israel was announced as the host of the 2023 World Aquatics Junior Championships from September 4-9. Selection procedures were recently posted on our website. We will travel on August 30 from Newark, NJ and arrive in Tel Aviv on August 31 with pre-competition training to begin on September 1. We recently named Ken Heis and Ginny Nussbaum as the Men's and Women's Head Coaches.

Performance

April can be a challenging time to evaluate our position in global swimming. Other countries are holding Olympic Trials meets, which can be alarmingly fast by comparison to domestic in-season meets. Some of our best athletes have just finished the short course season while others are in the midst of hard training and are not necessarily showing where they will be at the end of the year. So while our athletes may not currently sit at the top of the world rankings in every event, we must keep in mind this is the middle of the season for American athletes, while much of our international competitors are utilizing current events as primary Worlds qualification opportunities.

We held a successful National Team training camp in Colorado Springs through the month of March and are looking forward to seeing some of our best compete at the TYR Pro Swim Series in Westmont from April 12-15. The end of April brings the aforementioned Relay camp which is a critical component of our organization-wide focus on relays in 2023 and 2024. Beyond that, we look forward to our athletes reaching the focused part of their season and to more accurately evaluate where we stand as we head towards World Championships.

Sports Medicine

As mentioned above, we completed our screen of the National Junior Team during their camp. Back in September we assembled a task force of 6 physical therapists who have traveled with USA Swimming and currently work with a high frequency of age group, high school, and summer league swimmers, to discuss current injuries seen in the 18 and under population and to produce a test that could screen early for risk mitigation. Seven practitioners performed 24 orthopedic test and eight gym (or field tests) on 45 of the Junior Team Camp attendees. Athletes who had yellow and red flag issues will be sent exercises to help rehabilitate or prevent said issues. For those athletes that had red flags, we will make efforts to identify medical providers in their geographical settings to guide the athletes back to health. Long term, athletes can receive check-ups at TYR Pro Swim Series, and with their permission, the medical information can be presented to university settings that some will be competing at in the fall of 2023.

During the March National Team training camp, athletes who participated in the entire camp had a pre-altitude blood panel drawn to make sure there were no preexisting medical or physiological limitations prior to arrival, as well as to have a benchmark to evaluate all the physiological benefits of training at high altitude for the proper amount of time. This will be entered into their athlete specific database to be used serially throughout their training year and the build up to Paris 2024.

In addition, the female athletes who opted into using the FitRWoman service received individually specific training recommendations at altitude based on their blood chemistry results, menstrual cycle, and overall health history. All athletes also had an opportunity to have DEXA scans performed while in Colorado Springs.

Finally, any athletes who took advantage of individual meetings were assisted in creating a training load monitoring dashboard to include sleep monitoring to help navigate the potential of over training and under-recovery. This dashboard modeling has proven successful in 2016 and 2021 at producing repeatable international podium performances.

Clean Sport

In the first quarter of this year, USADA has educated over 250 athletes and 100 coaches. All registered testing pool athletes completed the annual online USADA education in December. During the National Team camp the athletes had a chance to engage with Travis Tygart, the CEO of USADA who also addressed the National Team coaches seminar. Allison Wagner, Director of Athlete and International Relations for USADA presented as well. Upcoming education will be provided at the USA Swimming Sports Medicine Network Meeting, USA Swimming National Diversity Camp, four zone select camps, three regional diversity camps, and three regional coach clinics. We have several USA Swimming clubs who will all get USADA education during their upcoming OPTC camps as well as those attending the USA Swimming Workshop. With four international trips this year, online anti-doping education is also incredibly important for our athletes.

Athlete services

Donor and Athlete Partner Program applications were sent to all eligible athletes. Athletes will be paired with donors in May. Included at the very bottom of this report is the most recent National Team newsletter that is sent bi-weekly to National Team athletes and coaches.

Sport Development

Summary

The first quarter of 2023 brings the first real sense of normalcy to the Sport Development team since the likes of COVID, Digital Transformation, OMR, and several other significant projects forced crucial pivots. The team is motivated by its focused attention on the needs of our clubs, coaches, officials, and volunteers. Most notably, clubs and coaches have made it clear through the CEO Roundtable and frequent outreach to our Team Services group that a narrowing of the officials' pipeline is limiting options and growth of competitive opportunities. With the support of Keeping Athletes First (KAF) 2.0, the team is focused on the process of developing a transparent national education and certification program. We have surveyed hundreds of "early-stage" officials to better understand the changing needs of our volunteers. While growing our officials community is only one part of the equation for overall organizational growth, we recognize that the changing landscape of volunteerism exposes a potential strategic weakness for us in this area.

A major enterprise endeavor is the strengthening of ties to the YMCA, SportsEngine, Swimmingley, Lifetime Fitness, and other organizations where growth in USA Swimming membership is of mutual benefit. Our team advisors attend monthly meetings with these organizations to hear friction points, develop solutions, and provide education. We invest in the YMCA partnership both financially and in-kind through support of the YMCA National Championship with staff advisors and video review. Five staff members attended the 100th Anniversary YMCA Swimming Championship in Greensboro in early April, which included a meeting between Tim Hinchey and YMCA of the USA CEO Suzanne McCormick.

Through our regular meetings with the competitive aquatics group at Lifetime Fitness, we discovered a significant friction point for growth. Most Lifetime facilities do not have the ability to use automatic timing systems, yet they want to host sanctioned USA Swimming competitions. These teams use Swimmingley as their meet solution, so we worked with Swimmingley to ensure compliance with our Safe Sport guidelines and technical compliance with our rules for semi-automatic timing so that Swimmingley can be used for sanctioned meets. In March, Shana Ferguson, Brendan Hansen, and Joel Shinofield met with the Lifetime VP for Aquatics to discuss this and other ways we could work together to grow USA Swimming membership throughout Lifetime Fitness. Swimmingley will conduct an educational webinar for all Lifetime teams this month to educate them on the opportunity to host sanctioned meets.

We have had several positive meetings with SportsEngine, including an in-person meeting in Minneapolis with Tim, Shana, Brendan, Patrick, and Joel and their senior leadership team at the end of March. The focus has been growth, partnership, future opportunities, and alignment. Their Team Unify development team is meeting monthly with ours to implement improvements to OMR to avoid some of the technical challenges we experienced last fall.

Throughout this report you will see the theme of resources, support, and connecting with membership. Our relaunch of the Learning Management System (LMS)/USA Swimming Academy will provide coaches and members with easier and more dynamic access to educational tools. We are on the cusp of completing

the data warehouse so we can provide more information to clubs than ever before, and our team is back on the road engaging with our coaches and volunteers. Once again, we are focused on our core goal of supporting the development of opportunities in the sport.

Safe Sport

Since January, the Safe Sport staff has trained 2,067 individuals including athletes, parents, coaches, and other non-athlete members across 124 clubs and 45 LSCs. Additionally, staff continue to be invited to facilitate in person at Swimposiums and at clubs, which further reflects the engagement our membership chooses to have with Safe Sport.

Safe Sport staff continue to provide best-in-class case management on report response. This includes reports that come directly to USA Swimming in addition to what the U.S. Center for SafeSport (the Center) does not take jurisdiction over. The majority of reports deal with issues between peers/youth and adults not acting professionally. Safe Sport staff maintain their commitment to closing matters within the six-week goal window. Please see the below testimonial from a parent on a matter recently resolved:

"I want to express my gratitude to USA Swimming Safe Sport and Michael for the prompt response to the incident that occurred with my son. Michael's patient inquiries, communication with the Club coach, and several video meetings with us led to the expected results, allowing our child to return to normal learning, training and life quickly. This experience has reinforced our confidence in the values of equality, democracy and diversity that exist in this society. USA Swimming is a trusted organization that not only provides guidance and help to children in their sports performance but also gives young athletes correct guidance and education in their moral character."

USA Swimming clubs continue to initiate the process of becoming Safe Sport Recognized (SSRP). To date, there are 509 Safe Sport Recognized clubs and 1,809, or 66% of all member clubs, are engaged with SSRP. The Safe Sport team and LSC Safe Sport Chairs continue to find ways to support, encourage and motivate clubs to make SSRP a priority. Furthermore, we continue to work in conjunction with our digital transformation team to find additional ways to make the application process user-friendly.

Since January, USA Swimming staff members continued to meet with the U.S. Center for SafeSport regarding corrective actions from our 2021 and 2022 Administrative Audits. After extensive communication, the Center accepted the submitted management response and we are pleased to report USA Swimming is now fully implemented for our 2021 and 2022 Administrative Audits. The final outcome does not require us to ask for legislative changes as we originally planned.

Lastly, April is Child Abuse Prevention and Sexual Assault Awareness Month. We look forward to providing additional communication, education and feature stories spotlighting our members and clubs to bring awareness to such an important month. The first educational article is located here: <https://www.usaswimming.org/news/2023/04/05/child-abuse-prevention-month-what-you-need-to-know>.

Diversity, Equity and Inclusion (DEI) and Community Impact

Since our previous board meeting, the DEI team has reached 1,217 new members and 20 clubs via two in-person programs and six virtual educational webinars. Additional notes on these activations:

- Our voluntary monthly DEI training continues on the second Thursday of each month. Our current three-part series presented by Diversity in Aquatics centers around building community-based water safety programming.
- Community Impact Grant applications closed February 3, with 88 total completed applications. This is a 300% increase of applicants from 2022. Applications are currently under review.
- Our community swim team program has a signed contract with the City of Los Angeles.
- The HBCU Grant closed January 13 with 17 applications. New recipients were sent award letters.
 - Spellman College \$5k
 - Texas Southern \$10k
 - North Carolina Central \$10k
 - Grambling \$10k
 - Delaware State \$5k
 - Morehouse College \$10k
 - Lane College \$10k
 - Norfolk State \$30k

The first of its kind USA Swimming national event community engagement program took place at the TYR Pro Swim Series – Fort Lauderdale pool on March 3. Nearly 100 age group, senior and masters athletes, parents and coaches took advantage of prime on deck seating, goodie bags and the chance to talk to Olympians Cullen Jones and Lindsay Mintenko. Participant groups included USA Swimming Community Impact Grant recipient Tamarac Swimming, Boys and Girls Club of Broward County, Diversity in Aquatics Masters, Fort Lauderdale Aquatics, StreetWaves Corp., Swim Fort Lauderdale, Love our Nation and Stranahan High School. It was the first swim meet many participants had ever seen. The DEI team looks forward to providing opportunities such as these at future national level swim meets. Read the event recap at <https://www.usaswimming.org/news/2023/03/15/eight-teams-and-clubs-hosted-for-tyr-pro-swim-series-fort-lauderdale>.

Pre-Competitive Programs

Pre-competitive strategic planning sessions were held in January and February, with a formal document currently under development.

2023 Learn-to-Swim Grant awards were announced on March 28, with \$647,522 awarded to 104 programs across 29 states. Of the 104 programs, 69 are youth-serving (estimating lessons to 12,000 children) and 35 are adult-serving (estimating lessons to 2,400 adults). The full announcement is located at [https://www.usaswimming.org/news/2023/03/28/usa-swimming-foundation-awards-\\$647-522-in-2023-learn-to-swim-grant-funding](https://www.usaswimming.org/news/2023/03/28/usa-swimming-foundation-awards-$647-522-in-2023-learn-to-swim-grant-funding).

The new Pre-Competitive webinar series, developed to support learn-to-swim and club programs in building relationships at the local level, has garnered great interest. Remaining topics for 2023 include:

1. Best Practices for Connecting with Recreational and Swim Lesson Programs;
2. Pre-team and Pre-competitive Curricula;
3. How to Maximize your Aquatic Relationships: Marketing Strategies; and
4. Best Practices for Establishing and Operating an Internal Feeder Program.

Details and registration links are located at <https://www.usaswimming.org/coaches-leaders/team-leaders/programs-services#pre-competitive---learn-to-swim>.

Discussions continue on the development of incorporating the Swim Lesson Provider Network within the Find a Team/Lesson public search engine via SWIMS. The new search engine landing page will offer families separate finders for swim lessons and USA Swimming teams. The goal is to be operational in time for May's Make a Splash Tour presented by Phillips 66.

The US National Water Safety Action Plan Steering Committee has proposed a June 29 launch with recommendations for community, county and state level considerations in addition to its national implications list. Work continues on an organizational infrastructure to house the final documents. For more information on the US National Water Safety Action Plan, visit <https://www.watersafetyusa.org/nwsap.html>.

2023 USA Swimming Workshop

This year's USA Swimming Workshop presented by LiveBarn will be held April 20-23 in Denver, CO with over 450 USA Swimming members registered, a significant increase from year one. This is the annual event for USA Swimming member leaders to shape the future of the sport, and this year we will have six major educational tracks for attendees:

1. Officials Chairs
2. New Referees
3. Coaches
4. LSC Development
5. SafeSport
6. Athletes.

A Legislative Review session to preview items to be voted on during the Annual Business Meeting in September will be held Saturday morning for all attendees. Also included in this year's Workshop is "The Ready Room," a tradeshow-like experience dedicated to giving key internal departments and external partners a forum to speak with attendees throughout the weekend. For more information on the Workshop, including a full agenda, please visit <https://www.usaswimming.org/coaches-leaders/team-leaders/programs-services#usa-swimming-workshop-presented-by-livebarn>.

Team Services, Coach and Athlete Development

Coach Education – Online Certification

The Education and Curriculum team continues its work on the Head Coach Certification program. Head Coach – Bronze level will be fully authored, scripted and story boarded the week of April 24, and will be handed off to video production before course build begins. The anticipated completion date for Head Coach – Bronze level is set for July 1, with Silver and Gold levels set to launch in Q4.

A Coach Education relaunch is planned for early June to highlight courses introduced during the September 2022 digital transformation. Special features of the relaunch include:

- New and improved user interface which allows individuals to browse and peruse the course catalogue before having to create an account or login.
- Full course descriptions and improved filtering capabilities based on user role.
- Updated Core Certification to be available in Spanish.
- New National Team Pro Series courses offered.

Additional courses set to launch this year outside of the relaunch are Club Leadership and Business Management 101 and Officials' Tests. We are also working on a pilot with ASCA to co-present the CLBMS 201 course to clubs that have experienced coach turnover or significant board change. A Team Services advisor would facilitate and an ASCA board member coach along with a volunteer leader from their club would present "case-study" examples from their club.

During the November 2022 Board of Directors meeting, the Legacy Project (LP) and National Officials' Certification launch was approved via the Keeping Athletes First Initiative. Capacity building to accommodate for two major projects to be completed simultaneously are underway. With an anticipated launch of 2024 Q1, work on identifying and capturing footage for LP is in progress and three coaches have already been identified for the first Legacy class. Planning for the National Officials' Certification course has begun and is currently in phase one: analysis. Feedback, community buy-in, discovery meetings and working group expansion are key activities in this phase.

Team Services

With the short course season coming to an end, Team Service Advisors have been traveling to 13 USA Swimming Sectional meets, several Senior and Age Group NCSAs, YMCA Nationals, and select LSC Age Group Championships. Advisors use this time in the field to connect with coaches and clubs. Feedback received drives and adjusts our summer initiatives for programs and services we plan to offer clubs. Advisor presence on the pool deck continues to be highly valued and sought after by membership. Team Services staff continue to document every interaction and engage with every connected member within 48 hours of the event's conclusion, which has led to a more personal relationship with our clubs and coaches in addition to allowing us to track our travel impact.

In addition to club and coach connection, Team Services Advisors are heavily focused on building stronger relationships with LSCs. Through a strategic communication strategy, the team continues to build valued relationships between USA Swimming staff, LSC board members and USA Swimming membership. Facilitated by Advisors, LSC townhall discussions and zone wide coaches calls with LSC leaders have been highly attended.

Quarterly 10 & Under coach virtual webinars focused on long-term athlete development and our American Development Model (ADM) have reached a record high 1,100 coaches engaged as it continues to grow. Attendance has shifted to include the entire club coaching staff, rather than just the developmental coaches, as discussion topics include stroke and group progression as well as membership retention.

The first of five 2023 Regional Coaches Clinics (RCC) was executed at the end of March. These in-person facilitated clinics allow attendees to learn new materials and build relationships with other coaches within a collaborative environment. Educational offerings touch on stroke technique, quality coaching framework, and mental health, all of which reinforces and builds upon the online coach education curriculum. With two to three Advisors at each RCC, the goal is to have 60-80 coaches in attendance in order to deliver a quality experience. Our first clinic met that mark.

Finally, Team Services Advisors will be facilitating and delivering learning opportunities at our 10 athlete camps.

Programs

Sport Development's 2023 programs kicked off the weekend of March 31-April 2 with the Women's Leadership Summit in Black Forest, CO and a Regional Coaches Clinic in Ocala, FL.

The 2023 Women's Leadership Summit was a resounding success. Thirty six women from across the country, almost half under the age of 30 years old, gathered for a weekend of leadership development, technical discussions and ways to lead and serve the sport both on the performance and governance side. Summit alumni Kathleen Prindle (PAQ), Kathy Mendez (KMS), and Allison Brol (NITRO) helped lead and facilitate discussions and programming throughout the weekend. Virtual sessions prior to and post event help create continued support and networking. Feedback from the Summit:

- *"I wanted to take another moment to thank all of you for the great experience I had over the weekend. I really appreciate all of the work you did and the time you took to make each of us feel seen and special. This weekend has had a huge impact on me both personally and professionally."*
- USA Swimming coach

The Ocala Regional Coaches Clinic provided facilitations for 30 coaches, representing five LSCs. Topics included the ADM, season planning, Age Group and Senior level-specific training as well as technical in-water facilitations. Coaches with experience ranging from seven months to 37 years collaborated and shared ideas to improve their programs, athletes and coaching staff. Upcoming clinics will be held in Kansas City, MO (April 14-16) and Baltimore, MD (June 9-11). Feedback from Ocala:

- *"I learned a lot from both the facilitations and from dialogue with the other coaches."* – USA Swimming coach
- *"I have a better understanding of creating a positive team culture and the importance of being purposely involved in creating it."* – USA Swimming coach
- *"I have a Mission and Vision statement for my team, but it is old and was in place before I came on staff. I now see why it needs to be updated and reviewed over the years to reflect what our program goals are and our long-term vision for our athletes."* – USA Swimming coach

The National Diversity Select Camp will bring in 54 athletes and 25 home coaches to the OPTC May 4-7 for numerous educational and developmental sessions for all.

Zone Select Camps begin on May 18. Fifty-six of the top 12-14 year old athletes in each zone are automatically selected via the SWIMS database to attend a weekend of training with educational facilitations to inspire their continued success in the sport. Session topics include athlete leadership, nutrition, a guest National Team or National Junior Team speaker and more. Upcoming camps, dates and locations:

- May 18-21
 - Eastern: University of Pennsylvania
 - Southern: University of Louisville
- May 25-28
 - Central: Cleveland State University
- June 15-18
 - Western: San Diego State University

Regional Diversity Select Camps aim to further expand the diversity camp pathway by identifying talented, young and diverse athletes in various regions across the United States. Athlete applications closed on March 31, with over 250 applications. Upcoming camps, dates and locations:

- June 1-4
 - University of Houston
- June 8-11
 - San Jose State University
 - University of Maryland- Baltimore County

Technology, Product and Data Analytics

Digital Transformation

In the eight months since launch of the SWIMS database and software application, the team added functionality with the Safe Sport Recognition Program, Swim-A-Thon, two phases of the Officials Tracking System, Online Meet Entry (OME) and NCAA Selections. Additionally, over 400 feature enhancements and bug fixes have been made. Perhaps the biggest successes have come behind the scenes, as the performance of the application continues to improve while we reduce cloud resources to save costs.

On January 3, USA Swimming launched the new OME application. It was then opened up to LSCs and clubs on April 12. Thanks to tremendous user testing and a strategically timed launch, the initial release was smoother than most of our applications.

Operating under an extremely short timeline, the team released a much-improved NCAA selections tool. That worked well for all six NCAA selections, even with rare ties for the last swim invited for Division III Men's, Divisions I Women's and Division I Men's. Following the completion of the Division I Women's selection, the NCAA Committee expressed its pleasure with the "smoothness" of the process.

Meanwhile, the Product and Software team has completed IMX/IMR, certificates creation, records automation and a Records Admin tool. The LMS application is currently in heavy testing and includes new features such as downloading a certificate and proof of course completion. Currently, the team is working on enhancements to Officials Tracking System, Club Renewal, Learn-To-Swim Finder tool, Club Recognition Program and bullet-proofing payments processing. In the works for the 2024 season, the team is establishing new features like Club Bulk Renewal and other enhancements to OMR.

The data team continues to build towards a modern data warehouse. The current process is developing quickly, and the team should have a Minimum Viable Product (MVP) data warehouse within the next 3-4 weeks. Next, the data team looks to find a dashboard Business Intelligence (BI) reporting tool which will fit within the budget while still integrating within SWIMS. Since the new software has dramatically improved data quality, it is time to showcase the benefits of the new data warehouse through modern reporting. The data team is preparing to handle the important teaching element of using the new and exciting reporting tools members have been asking for.

A software project of this size, and arguably any project of any kind, has never been undertaken by USA Swimming. The digital transportation project increased in scope every week, and while there have been some hurdles, the overall success of the project remains true. Most Keeping Athletes First Initiatives, as well as other initiatives like the CRM project, relied on the success of the digital transformation. We continue to release a new version of SWIMS twice a week, and we are finalizing new application development over the next 2.5 months. Following the completion of new development at the end of June, the Product team is planning a 2-3 month period of focusing on scalability and feature improvements versus the current cycle of new development.

Member Support

Arguably the biggest challenge from this project was taking on the technical support of 400,000 users, compared to the 200-250 users in the legacy SWIMS software. We can proudly report that on March 29, the ticket system hit zero unresolved tickets for the first time since August 2022. The team closes the vast majority of tickets submitted each day on that day. As the support team continues to find efficiencies to improve member support, we are consistently improving documentation and other tools to help users. We are aiming to operate in a zero-support world to the best of our ability.

Membership

Through April 2, registration year athlete membership trails 2022 numbers by 12.6K athletes (4%). This delta peaked at 48K and 18% in the middle of December. Due to the drastic changes in registration processes this year, we expect this discrepancy to continue to crawl back to the 2% range over the summer.

<h2>COMMERCIAL</h2>

The Commercial team continues to support front line member services with a firm commitment to technically flawless events, integrated internal and external communications, relentless pursuit of new sponsors while providing personalized support of existing partners, and superior marketing innovation and creative production. Our focus on revenue generation through partnerships, licensing, ticket sales and new strategic alliances drives much of this team's strategic planning.

Technical Events

The TYR Pro Swim Series (TPSS) in Westmont, IL from April 12-15 is the first TPSS event to reach the entry cap and complete ticket sell-out since before the COVID-19 pandemic. The event will stream live on Peacock Thursday and Friday evenings and will be re-broadcast on CNBC on Saturday afternoon. All sessions will also stream live at usaswimming.org. The team then heads to Sarasota from April 21-23 for Open Water National and Junior National Championships with all races streamed live at usaswimming.org.

Together with the Sport Development data team, the Technical Events staff led all four NCAA Swimming committees (Div I Women, Div I Men, Div II, and Div III) through a successful NCAA Championship selection process, which was the culmination of managing the NCAA times database throughout the season.

The team is also focused on planning for Phillips66 National Championships slated for the final week in June in Indianapolis. While the primary goal of this meet is to name four international squads, we will also capitalize on being in Indianapolis just one year out from the 2024 Trials to showcase the draw of the sport in this critical market.

2024 U.S. Olympic Team Trials – Swimming (“2024 Trials”)

Meet operations planning began in summer 2022 and has ramped up to receive daily attention from the team. Major focal points for the beginning of 2023 have included: volunteer staffing, pool construction, procurement of awards and gifts, test event operations, sport presentation, and athlete and coach services.

Partnerships

The Partnerships team has finalized the sales process and strategy for three different corporate experience levels for the 2024 Trials:

1. Centennial Partnerships: base rights package geared towards corporate partners within the regional area who are interested in participating in the full Indy Experience to include in-venue suites, access to USA Swimming House and USA Swimming Live, and activation within the Toyota Aqua Zone.
2. In-venue suites: elevated private hospitality and viewing experience for those only wanting the elevated experience in arena.
3. Premium ticket packages: for companies wanting ticket options that include hospitality but without the commitment of suite purchases.

The goal of the three corporate experience levels is to ensure options available to companies at multiple price points to maximize the event experience for groups. The partnerships team works closely with a very active local team to hit the sales goals of USA Swimming and the host committee for 2024.

Planning continues for sponsors to activate at the Phillips 66 National Championships with brand opportunities at the Toyota Aqua Zone and with elevated hospitality in arena at the IU Natatorium. We expect Toyota, Air Force Special Warfare, TYR, Speedo, arena, and some exciting potential new leads to have significant activations onsite.

Marketing & Communications

Athlete Marketing

Highlighted Appearances:

- Autograph Sessions at TYR Pro Swim Series Ft. Lauderdale and Westmont– Shaine Casas, Erika Brown, Justin Ress, Trenton Julian, Olivia Smoliga, Ryan Held & Kieran Smith
- Team Talk at the TPSS Ft Lauderdale and Westmont - Bobby Finke
- Swim-a-Thon Announcement video with Natalie Hinds
- USA Swimming Coaching Education Video with Regan Smith & Chase Kalisz
- Harper for Kids Virtual School Appearance with Hali Flickinger
- Colorado Mammoth Swim Night with Nic Fink
- Operation Teammate – Month of the Military Child Video with Hali Flickinger

Upcoming Appearances:

- TYR Pro Swim Series Mission Viejo: Autographs - Trenton Julian, Justin Ress, Lilly King, Shaine Casas
- Colorado Torpedo Meet & Greet with Hali Flickinger

Digital Platforms

The Digital Platforms team is excited to announce the launch of the USA Swimming Network during the week of April 17. The Network will extend the USA Swimming digital content library to Smart TVs and connected TV devices. At launch, the Network will be available on Roku, Fire TV, Xbox and select Smart TVs utilizing the Google Play application store. In the coming months, the remainder of connected TV devices and dedicated apps for all mobile phones and tablets will be added. Eventually, the USA Swimming Network will provide revenue generation opportunities through advertising sales. The home of exclusive content and featured content debuts, the USA Swimming Network will be a critical addition to reaching swimming fans on their preferred content platforms.

2024 Trials Ticket Sales

On public sale since February 1, all-session tickets remain the focus of marketing and sales efforts. While the corporate packages mentioned above are a focus of the Partnerships team, the Marketing team is tasked with generating interest with the general public and with membership.

We continue to design integrated marketing campaigns targeting dedicated swim fans and highlighting the Indy experience; internally we delineate this as the Trials *Fan* Experience. Together with the host committee, the Marketing team has also built a Trials *Club* Experience that offers pool space, dorm rooms, transportation options, and group tickets for coaches who want to bring their clubs to Indianapolis to train and to watch.

Three-day ticket packages launch June 15, exactly one year from the competition. A large media event in Indianapolis during that week will feature Tim Hinchey, Shana Ferguson, Lindsay Mintenko, and key Olympians to tout the one-year-out milestone.

Single-day tickets will be available at a date to be determined this fall.

Communications

Major Executions

- New communications and content calendar
- Restructured cadence of organizational newsletters
- 2023 USA Swimming Workshop internal communications
- Black History and Women's History Month content campaigns
- 2023 NCAA Women's and Men's Championships coverage
- Grassroots features on Cullen Jones, Jake Magahey, Helena Dolphins, Matt Sprang, Kate Douglass

Major Announcements

- 2024 Olympic Trials event order
- 2024 Olympic Trials all-session tickets on sale, 500 Days Out
- 2023 event calendar updates
- 2023 National Junior Team Camp coaches

- Emily Klueh hire
- arena partnership
- Speedo partnership
- TYR partnership
- 2023 LEN European U23 Championships
- National Team Relay Incentive program
- 2023 Make-a-Splash dates and cities
- 2023 Learn to Swim grant recipients
- 2023 World Aquatics Junior Championships head coaches
- Dara Torres named as Foundation Ambassador

Social Media

General

- Generated 1.19 million Twitter impressions in March, the second largest total in a single month since the 2022 World Championships.
- Facebook page likes up 32% over the last 28-day period (compared to previous 28-day period) and 104% this calendar year (compared to January-April 2022).
- Reached nearly 600,000 accounts across our platforms with DEI-related content during Black History Month

TPSS Fort Lauderdale

- Garnered 325,000+ likes across Facebook, Twitter and Instagram, which is over 125,000 likes more than the last TYR Pro Series.
- Competition content reached more than 4.5 million accounts.
- Our top-performing post on Instagram had nearly 32,000 likes – making it the most-liked post from a TYR Pro Series meet.

Athlete Content Highlights

- “A Day in the Life” with Bella Sims - 25,000 views in eight days, which is over 18,000 views more than our typical videos in that timeframe.
- “Tiny Mic” episode 2 - combined watch time of 340 hours. That watch time is 79% higher than the average watch time on our videos.

Creative & Productions

The Creative & Productions team completed episodes 1 through 3 of season 4 of Off The Blocks, with release dates for those episodes on April 19 to be offered exclusively as part of the USA Swimming Network launch. Three additional episodes are in production for distribution throughout the year. The Creative team also completed full redesigns for Iowa, Gulf and Maryland LSCs, including Championship Events and Programmatic Identities for Gulf Swimming.

USA SWIMMING FOUNDATION DEVELOPMENT
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The USA Swimming Foundation team is proud to report growth in many areas. Internally, we have added a grant writing consultant and have seen an instant impact through research, applications and reporting. The Foundation also added a new Ambassador in Dara Torres, making our group of nine complete. While our former Executive Director, Lucinda McRoberts, departed in March, we have remained focused on keeping our strong momentum through Tim Hinchey's leadership and Elaine Calip's management of the Foundation team. Our first Development Intern will start in April and we are in the final round of interviews for a Director of Development.

Saving Lives

In March, USA Swimming awarded the 2023 Youth and Adult Learn-to-Swim Grants to 135 providers across the country. With nearly \$3M in asks and \$647,000 in awards distributed, we plan to use this gap as motivation to grow support so we can provide more opportunities in 2024.

Building Champions

With renewed and growing support, we are thrilled to continue support of 25 National Team athletes this year through the Donor Athlete Partnership Program; our 21 mentors include seven women and 13 men. Applications for the new round opened in April and pairings will be identified in May.

Impacting Communities

As we continue to prioritize investments in the Community Impact Grant program, we are excited to report exponential growth in applications and interest. This directly impacts access to competitive opportunities and membership growth. Applications are under review and will be awarded later this Spring.

With the Make a Splash Tour presented by Phillips 66 starting May 2, the Foundation is in a position of strength and eager to gain visibility over the coming months as families across the nation focus their attention on summer opportunities in and around pools.

BUSINESS AFFAIRS

Human Resources

Human Resources partnered with the Venn Collective, a third-party Human Resources consulting group, to provide leadership training and coaching to all our management staff. The Venn Collective has many clients throughout the country and within the sports industry, including the Los Angeles Lakers, Fox Sports, and the PGA of America.

The Venn Collective training will occur in May and June 2023 and will provide four live workshops (2-3 hours each) and two 1:1 spot coaching hours per participant. The leadership training has been divided into two cohorts: new managers and experienced managers. The Venn Collective has also created a training session for all non-managers that will focus on receiving and implementing constructive criticism.

USA Swimming staff and members of the Board of Directors are required to take annual anti-discrimination training. Human Resources is tracking the attendance of the offered trainings in 2023 to ensure all staff have complied.

Recruitment continues to be a focus to ensure USA Swimming is hiring top talent. USA Swimming currently has openings in the following positions:

- Director, Development (supporting the USA Swimming Foundation)
- Director, Member Success
- Instructional Designer I
- Administrative Coordinator, National Team
- Program Director, Risk Management – *(pending hire, starting 4/17)*
- Intern, National Team - *(pending hire, starting 5/15)*

Since January 28, 2023, USA Swimming has welcomed the following new hires:

- Jackson McReynolds, Sport Development Intern
- Deborah Brown, Coordinator, Payroll & Benefits
- Emma Clapp, Intern, Development

Additional Initiatives

As a reminder, the USOPC issued USA Swimming's 2022 USOPC Audit Report on July 6, 2022, and found that USA Swimming was compliant in 44 out of 48 categories, giving us the highest score of all USOPC Audits of National Governing Bodies. Following remediation efforts, of the four remaining categories, only one remained open as of the last Board meeting, pending results of USA Swimming's separate audit with the U.S. Center for SafeSport (the "Center"). On February 7, 2023, the Center sent USA Swimming a closure letter stating that the corrective action was taken and that USA Swimming was now compliant with the Center's audit requirements. On March 2, 2023, the USOPC issued an Addendum Report to USA Swimming, stating that USA Swimming is now compliant with all applicable audit standards.

FINANCE & OPERATIONS

Finance

2022 Audits

The auditors from Stockman Kast Ryan & Co. (SKR) have completed their audit fieldwork and are preparing reports. Once drafts are available, the Audit Committee will review all reports with the Chief Financial Officer and audit partner and those reports will be distributed.

Additionally, and similar to last year, SKR is completing our external audit of the 401(k) Plan. We anticipate fieldwork in June and July with the Plan audit report issued in early fall.

Quarter-End Close Process

The Finance business unit is in the process of closing our books for USA Swimming and the Foundation for the first quarter of calendar year 2023. This includes, but is not limited to, ensuring all 2023 balance sheet accounts and transactions are correctly recorded such as cash and cash equivalents, accounts receivable, prepaid expenditures, fixed assets and related depreciation, investment accounts, accounts payable, accrued expenses, and net asset accounts, among others. All accounts will be fully reconciled and all

applicable quarter-end journal entries will be made to ensure our general ledger and internal financial statements are final at quarter end.

2023 Projections – 2024 Budgets

Final 2023 Budgets for both entities were presented and approved at the November 2022 Board meetings. As we progress through 2023, Finance will begin thorough 2023 projection forecasts, as well as 2024 year and 2022-2024 quad budget preparation and finalization primarily during the late summer to early fall ahead of the November 2023 Board meeting where budgets will be presented for approval.

Form 990s

Shortly after SKR completes the 2022 financial statement audits, they will work with Finance on preparation and completion of both USA Swimming and USA Swimming Foundation Tax Return Form 990s. We expect returns will be finalized, reviewed and issued well in advance of the November 15, 2023 annual deadline. Note as we close the books and finalize the audit each year, we concurrently prepare schedules to be used in preparation of our tax returns to help expedite the process.

Travel

As previously reported, USA Swimming has been reviewing our current travel agent contract and relationship as well as assessing if organizational needs and expectations were met by the current agency.

The organization decided to complete an RFP process for our third-party travel agency services and after a comprehensive analysis and vetting process, has transitioned to a new travel agent provider who has a large presence in our industry and believe will better fulfil the needs and expectations of the organization.

Risk Management

The Risk Management division effectively completed and renewed all expiring January 1, 2023 and first quarter 2023 coverage lines prior to policy term end dates and has continued its focus to the next round of coverage areas that expire in late May 2023.

Expiring mid-year renewals that have been initiated in late 2022 and/or early 2023 include: Crime (LSCs), Cyber/Media Liability Tech Errors & Omissions, Event Medical, Directors & Officers, LSC Directors & Officers, Kidnap & Ransom, Business Travel Accident, and Employed Lawyers.

Risk Management continues to liaise with incumbent and emerging brokers to foster current relationships and build new ones. Additionally, the division has continued discussions with multiple insurance brokers on developing a Learn to Swim insurance marketplace, where members purchase insurance coverage for their Learn to Swim and Pre-Competitive programs that best suits their needs. These insurance programs will be separate from the current USA Swimming insurance portfolio.

We are thrilled to announce we have hired Rachel Olson as Program Director, Risk Management to begin on April 17, 2023. Rachel will onboard extensively with the Finance, Legal, and Safe Sport teams, among others.

Information Technology

Cybersecurity

The IT Policy Manual was distributed to the Technical Team and became effective on April 1, 2023. The IT Policy Manual is a playbook for IT security, aligned with business objectives using high level and functional policies to provide authority, govern the Technical Team's direction, and tangibly demonstrate the organization's commitment to a robust cybersecurity culture. The IT Policy Manual is now a part of the onboarding experience for new Technical Team members and will be reviewed at least annually, unless major changes or new policies are required due to new threats, projects, or business objectives.

In 2022, it was estimated that 90% of worldwide data breaches were linked to phishing attacks, typically utilizing the technique of social engineering. To increase the staff's awareness of cybersecurity threats, USA Swimming continues to invest in Cybersecurity Awareness Training and will be utilizing Arctic Wolf's Managed Security Awareness solution. The organization requires all staff to complete an annual assessment training, coupled with periodic tailored refresher courses. Strong reporting tools built into the program will allow IT Operations and leadership to closely manage staff expectations and guide them on the security awareness journey.

Other cybersecurity initiatives underway in Q1 2023 include:

- Deployment of JAMF, a Mobile Device Management tool, which will further connect, manage, and protect corporate cell phones. Migration of current staff member phones is underway.
- Formalization through policy and procedures relating to change management, vulnerability, and control reviews.
- Incident Response reviews.

IT Operations

Work continues in reducing on-premises infrastructure costs due to the transformation of SWIMS to the Azure cloud. At the Flexential colocation facility, the reduction of physical servers supporting legacy SWIMS provided the opportunity to remove an entire rack of equipment from service reducing costs for 2023 and early 2024.

Azure cloud architecture review is complete and work is underway to standardize the three environments that support the SWIMS application. The goal of this project is to reduce Azure costs, standardize Development, Test, and Production environments, enhance security, and provide deeper visibility into the architecture. This is a collaborative effort between the IT Operations, Development, and Catalyte teams.

Other infrastructure initiatives underway in Q1 2023 include deployment of Rubrik backup solution for on-premises equipment.

See below for National Team newsletter referenced on page 3 above



National Team Newsletter - April 10, 2023

- **Message from National Team Managing Director Lindsay Mintenko**
 - National and National Junior Team, Coaches in Colorado
 - International team selection webinar on April 26 (10 a.m. MT)
- **Mind, Body, Health**
 - Mental Health and Emotional Wellness
 - Nutrition

- USOPC Sports Physiology Services
- USADA
- Hyperice

From National Team Managing Director Lindsay Mintenko

I can't believe it is already April and we are heading to TYR Pro Swim Series Westmont and Open Water Nats in Sarasota. Hope to see you all there!

We just finished a successful National Junior Team camp and are ready to welcome the NT and NJT coaches to Denver this week for our first NT coaches meeting since 2019. It is so exciting to be able to have in-person events again!

USA Swimming has the ability to send four unique teams to four international competitions this year. This model has proved to help us be the best in the world at the Olympic Games. Be sure to tune in on April 26 for our webinar to learn how all of this will be done. All the procedures for this summer - pool and open water - are now posted [here](#).

Preparations for this summer, and next, are in full swing, as we know they are for you. Please be sure to look at the valuable information below about navigating this season, including optimal sleep, nutrition, and recovery.

We look forward to seeing you all soon. Go USA!

From Emily Klueh, Mental Health & Emotional Wellness

Navigating the Variability of In-Season Competing

In season, there are different training phases – high training, low training, recovery and intensity, to name a few. We often discuss the importance of trust and acceptance associated with these phases of the season: focusing on trusting the process, enhanced communication with your coach, and accepting the grind that comes with the work.

The focus on trusting and accepting is believing that the goals you are working towards can be achieved. Not often discussed are the mental highs and lows that come with competing. There are many different philosophies when it comes to racing. No matter what the philosophy to competition, two aspects hold true from a mental standpoint. You can either use competitions to improve, fine tune and learn or use competitions to identify ourselves as good or bad athletes.

I often see athletes return from a competition where they did not perform well, and it shakes their confidence. This can increase questioning about training and progress. On the flip side, the more you can focus on competitions as steppingstones and an opportunity to learn, fine tune and get back to the drawing board, the more enjoyment, confidence and focus an athlete tends to bring back to the next phase of training.

To enhance the focus on growth and learning from competitions, you must be able to ask yourself these questions, no matter how you feel about the outcome:

- What did I do well?
- Where can I improve?
- What did I learn?

The goal is to ask yourself these questions after every race, write down your thoughts and review with your coach (if you want). This will give you tangible directions for training so you can progress forward through the next training phase and the next competition. I remember a coach (Jon Urbanchek) once telling me, the goal in racing is to become an expert in the way you race. To become an expert, you will fail, you will mess up, you will succeed. You cannot let those failures or mistakes define you because then you race out of fear instead of out of hope and belief.

If you have questions, would like help getting connected with a provider, would like to work with me or want further clarification, please feel free to reach out. I am a confidential entity within USA Swimming. If you ask for support, need help securing a provider or would like to work with me directly, your information stays between you and me.

Emily Klueh, MSW, LMSW, CMPC
Manager, Mental Health and Emotional Wellness
eklueh@usaswimming.org, 859-240-2033

From Alicia Glass, USOPC Sr. Sports Dietician

This is the time of year that many athletes start feeling stresses outside of the pool that limit sleep and sleep quality. End of school workload and exams and increased competition travel are just two reasons for limited hours of shut eye. This [Nutrition for Sleep Fact Sheet](#) reviews how sleep deprivation can impact food choices and how you can strategically increase your intake of sleep supporting foods. Happy Zzzzs.

Alicia is available to meet with National Team members individually or in a group setting. Nutrition support can come in the form of general education, training/competition day fueling or recovery strategies, meal preparation and grocery shopping guidance, travel nutrition support, nutrition blood chemistry interpretation, dietary supplement evaluation and everything in between. Please contact [Alicia Glass](#) with any questions or to schedule a consultation.

USOPC Sports Physiology Services

Dr. Randy Wilber, PhD, FACSM is the USOPC's Senior Sport Physiologist with more than 30 years of experience (including 11 Olympic Games). He has worked extensively with some of USA Swimming's top athletes on a variety of physiological support systems and offers a variety of [services](#).

Optimal Sleep for Optimal Recovery: This program uses sleep technology (sleep monitor) and the science of sleep to help athletes and coaches maximize daily recovery and training readiness.

If you and your coach are noticing or are wondering if your sleep hygiene might be impacting your training and racing, reach out to Dr. Wilber to see if the services would be helpful to your training.

Questions? [Dr. Wilber](#) or [Keenan Robinson](#) can help.

Melatonin

Trouble sleeping? You may have considered sleep aids such as melatonin to address that problem, but for athletes subject to anti-doping rules, it's



important to investigate the permitted or prohibited status of those products before use. Read [here](#) for what athletes need to know about the common sleep aid.

Hyperice: USA Swimming's Recovery Partner

As USA Swimming's Recovery partner, Hyperice continues its support of the National Team athletes and coaches. Discounts are offered for the [elite recovery technology products](#). If you wish to place an order and receive this discount, please email [Tristan Essary](#). [Keenan Robinson](#) can assist if you have questions about products.

Questions? Stacy Michael-Miller can help!

smichael@usaswimming.org



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