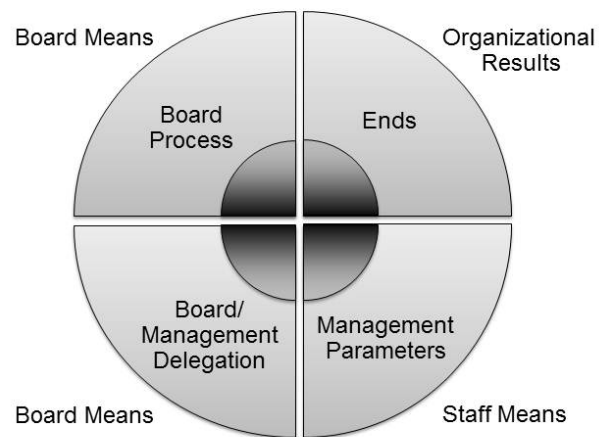




## Board of Directors' Governing Policies Manual



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## Introduction

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

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

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## Policy 1.0 Ends/Priority Results

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



### 1.0 Broadest/Purpose Statement:

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

### PRIORITY RESULTS:

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

- A. National Team culture and environment promote and cultivate sustained performance success, positive representation of the USA, and a productive partnership between USA Swimming and its best athletes.
- B. Strong and identifiable pathways and systems retain and develop talented athletes and coaches.
- C. USA Swimming is a recognized leader in promoting a clean sport environment.
- D. National Team athletes have financial support while competing, and resources that support successful post-competition transitioning out of the sport.

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

- A. Athletes have and use motivational, educational, and leadership supports for success.
- B. Coaches have and use tools and skills to be successful.
- C. Clubs of all sizes and levels have and use resources and services for success.
  - i. Clubs are safe and inclusive environments.
  - ii. Educational opportunities support and engage non-athlete volunteers (e.g., parents, team leaders, and officials).
  - iii. Facilities development and operational expertise contribute to clubs' success.
- D. Local Swimming Committees ("LSCs") have and use resources and services to support the development and achievement of athletes, coaches, and clubs.

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

- A. Water safety awareness and swimming skills save lives.
- B. Swimming is recognized as a "Sport for Life" for all.
- C. Swimming achieves sustained growth in participation at all levels.
  - i. Priority: Growth in participation in all cultures, ages, genders, economic backgrounds, and levels of ability.
- D. There is growth in audience engagement.

#### 1.4 **RECOGNITION OF USA SWIMMING: USA Swimming is recognized as the "Best in Class" National Governing Body.**

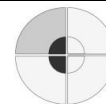
- A. Members recognize the value and impacts of USA Swimming on their lives.
- B. USA Swimming is recognized as a leader in Safe Sport.

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## Policy 2.0 Governance Purpose

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



Board Process

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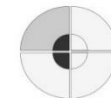
Acting on behalf of the membership, the U.S. Olympic & Paralympic Committee (“USOPC”), and the American public, the purpose of the Board is to ensure that USA Swimming:

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

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## Policy 2.1 Governing Philosophy and Values

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



Board Process

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

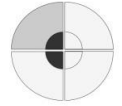
Accordingly:

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

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

## Policy 2.2 Board Objectives

Date of adoption / Last revision: December 6, 2021



Board Process

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

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

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

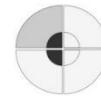
5. The Board shall take all reasonable steps to ensure that the governing documents (e.g., Articles of Incorporation, Bylaws, Rules and Regulations, the Governing Policies, etc.) and practices and procedures of USA Swimming meet the Compliance Standards promulgated by the USOPC.

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## Policy 2.3 Board Work Plan and Agenda Preparation

Date of adoption / Last revision: December 6, 2021



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

Accordingly:

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

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

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## Policy 2.4 Board Chair's Role and Authority

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



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

Accordingly:

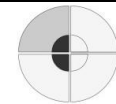
1. The Board Chair's job is to ensure that the Board acts in a manner consistent with its policies and any requirements legitimately imposed upon it from outside the organization.
  - A. Agenda content will include only those issues that clearly (according to Board policy) belong to the Board to decide,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

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## Policy 2.5 Board Members' Code of Conduct

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



Board Process

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

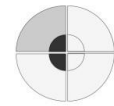
Accordingly:

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

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## Policy 2.6 Board Members' Individual Responsibilities

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



Board Process

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

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

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## Policy 2.7 Board Committee Principles

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



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

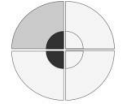
Accordingly:

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

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## Policy 2.8 Board Committee Structure

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



Board Process

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

### Board Standing Committees (set forth in Bylaws)

#### 1. Nominating Committee

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

#### 2. Investment Committee

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

#### 3. Audit Committee

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

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

4. **Credentials/Elections Committee**

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

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

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

5. **National Board of Review Committee**

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

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

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

6. **Ethics Committee**

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

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

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

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

B. **Authority:** Directs individuals covered under the Conflict of Interest Policy in order to avoid potential conflicts; investigates reports of any alleged violations of the Conflict of Interest Policy and generates a report of findings; takes appropriate and reasonable disciplinary and corrective action as appropriate for any violations of the Conflict of Interest Policy; investigates any reports of retaliation under the Whistleblower and Anti-Retaliation Policy and files any necessary complaints with the National Board of Review; approves disclosures under the Gifts and Entertainment Policy and requires, as necessary, that any gifts be returned or donated.

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

**Additional Board Committees**

1. **Governance Committee**

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

**Deliverable #2:** Orients and trains new Board members.

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

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

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

2. **Executive Compensation Committee**

A. **Deliverable #1:** Recommends, for Board consideration, adjustments to the CEO's compensation and



benefits package. Presents to the Board in a timely manner, to allow final action to be taken by the November meeting.

**Deliverable #2:** Accompanying the recommendations, provides data as to comparable compensation for similarly qualified persons in comparable positions.

**Deliverable #3:** Contemporaneously documents and records deliberations and decisions regarding CEO compensation.

**Deliverable #4:** Prepares for Board's consideration in February, and in consultation with the CEO, annual incentive plan goals and metrics for the bonus component of CEO compensation; annually reviews and reports to the Board the CEO's performance results vis-a-vis previously established goals.

- B. **Authority:** Incurs costs as budgeted and management time as needed.
- C. **Composition:** Three (3) Board members. A Board member serving as committee Chair, plus one (1) non-athlete Board member, both chosen annually by the Board Chair, and one (1) Board athlete representative, chosen annually by the Board athlete representatives.

### 3. **Zone Directors' Council**

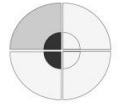
- A. **Deliverable:** Provides of advice to inform the Board of issues and opportunities within the four zones.
- B. **Authority:** Incurs costs as budgeted and management time as needed.
- C. **Composition:** The twelve (12) elected Zone Directors, consisting of a Coach Director, a Non-Coach Director,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

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## Policy 2.9 Board Nominations and Elections

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



Board Process

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

1. **Appointment:**

- A. By January 1 of each year, the Secretary & General Counsel shall distribute the current Nominating Committee roster/term matrix, noting that the Board, the USA Swimming Foundation Board of Directors, and committees due to make appointments to the Nominating Committee are to do so by no later than February 1 (the "Appointment Deadline"). The notice is to convey that individuals serving on the Nominating Committee may not be presented on the slate of Board nominees.
- B. The incumbent Chair of the Nominating Committee shall convene the initial meeting of the following year's committee within forty-five (45) days after the appointment deadline, and after the January/February Board meeting. At the initial meeting, the committee shall select a chairperson from among its own membership.

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

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

3. **Call for Nominations:** The Nominating Committee shall issue a Call for Nominations, which may be self-nominating or by third party with written consent of the proposed nominee. The Call for Nominations shall convey the number and qualifying criteria, per the Bylaws, of Board seats to be elected at the subsequent House of Delegates meeting, and shall include:

- The deadline by which nominations must be submitted.

- Then-current Board policies on *Board Members' Code of Conduct* and *Board Members' Individual Responsibilities*, highlighting expectations regarding:
    - Board meeting attendance.
    - Advocating and voting for what's in the best interests of USA Swimming, its members and the sport, and not for any specific stakeholder groups.
    - That Board members are not to exercise individual authority over the President & CEO or any member of the USA Swimming staff, unless explicitly Board-authorized for a specific purpose.
  - Profile highlighting the “ideal candidate” skills and attributes as identified by the Board of Directors for that nominating cycle.
  - An application form addressing prospective candidates' qualifications, skills and reason(s) for interest in serving on the USA-S Board.
4. **Candidate Screening:** The Nominating Committee will screen proposed candidates to ensure that they meet all requirements for Board membership.
- A. Based on candidate applications and membership status, those candidates the Nominating Committee wishes to advance for further consideration will be invited to participate in an initial videoconference interview with a minimum of two Nominating Committee members. The Committee will maintain a list of standardized interview questions, and responses will be summarized and presented on a scoring matrix to be shared with all Nominating Committee members.
  - B. Based on initial videoconference interviews, those candidates the Nominating Committee wishes to advance for further consideration will be provided with USA-S' Bylaws and its then-in-effect Governing Policies Manual, and invited to a second interview with at least two other Nominating Committee members. Candidates will be invited to ask questions pertaining to the Governing Policies and structure of the Board and organization.
  - C. To be placed on the ballot, candidates will be required to sign, and submit by a specific deadline, a written commitment to serve in accordance with said Bylaws and Governing Policies.

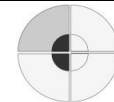
5. **Selection of Nominees:** The Nominating Committee shall consider the merit and qualifications of all candidates who have fulfilled the screening process set forth above. It shall address the Board composition requirements of seats to be filled in the current nominations/elections cycle (see Bylaws Article 504.2 re: athletes, coaches, zone geography, semi-independent status, etc.). Overlaying these needs and the pool of vetted candidates, the Nominating Committee will recommend at least two, but not more than three, nominees for each seat open for election.
  - A. The list of proposed nominees for at-large Board positions will be presented to the House of Delegates at least thirty (30) days prior to its annual meeting. Accompanying the list, and in related correspondence sent to the Delegates, a biography/nominee statement, not to exceed 250 words, for each proposed nominee shall be distributed. A photo, if provided by the nominee, shall also be included.
  - B. The list of proposed nominees for Athlete Representative(s) to the Board will be distributed to athletes who meet the USOPC definition of “athlete representatives” at least 30 days prior to the annual meeting of the House of Delegates, along with instructions informing athletes how to vote in the electronic/virtual election. The period of the electronic election shall be seven (7) days, commencing eleven (8) days prior to the annual meeting of the House of Delegates, and closing the day prior.
  - C. In addition to the Call for Nominations and vetting process, other members may self-nominate or be nominated by a third party with written consent of the proposed nominee by submitting their names to the Credentials/Elections Committee no later than fourteen (14) days prior to the start of the meeting of the House of Delegates.
6. **Election:** The ballots distributed to the House of Delegates and to the athlete representatives shall explicitly state/present:
  - A. The list of vetted and proposed nominees shall be prominently highlighted as such on the respective ballots. Any other nominees will have their names listed with no supporting information.
  - B. The number of nominees Delegates or athlete representatives may vote for; and
  - C. For at-large Board positions, the composition requirements for seats open to election (e.g. of coaches, zone geography, semi- independents, etc.).
  - D. The candidates with the highest number of votes subject to Board composition requirements shall be elected to the Board.
7. **Timeline:** The annual nominations and election cycle timeline shall be:

- January: Secretary & General Counsel distributes Nominating Committee Roster/Matrix, highlighting positions to be appointed for the subsequent cycle.
- January 15: Nominating Committee appointees confirmed by January 15<sup>th</sup>.
- Jan/Feb: At the January/February Board meeting, Board determines “ideal candidate” attributes and skills charge to the Nominating Committee.
- February: Nominating Committee selects its chairperson. Begins updating Call for Nominations materials, forms and communications plan.
- April: First week of April: Call for Nominations announced and promoted/distributed via email and on USA-S website.
- May: May 15<sup>th</sup>: Deadline for nominations to be submitted (electronic)
- May-July: Nominating Committee screens candidates. Develops recommended slate of vetted candidates.
- August: List of proposed nominees, with accompanying biographical information/nominee statement and photograph, distributed at least 30 days prior to the meeting of the House of Delegates
- September: 14 days prior to the meeting of the House of Delegates, Credentials & Elections committee adds any names of individuals to the respective ballots who were not screened and recommended by the nominating committee, but who, per USA Swimming Corporate Bylaws Article 6.3.3.C, self-nominated or consented to be nominated separate from the Nominating Committee process. Such names are to be presented “below the line” as such, and with no supporting information.
  - Eight days prior to the meeting of the House of Delegates, electronic balloting begins for Athlete Representative. Balloting closes the day prior to the House of Delegates meeting, with the election results announced to the House of Delegates simultaneous to those of the at-large election.

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## Policy 2.10 Budgeting for Board Prerogatives

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



Board Process

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

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

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## **Policy 3.0 General Management Constraint**

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



Management Parameters

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

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## Policy 3.1 Treatment of Members/Customers

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



Management Parameters

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

Further, the CEO will not:

1. Collect, review, transmit, store, or destroy member/customer data without protecting against improper access to that information.
2. Operate without clearly conveying to members/customers what may be expected from the USA Swimming programs and services offered.
3. Operate without exhibiting operational and financial transparency. Pertaining to members, operate without conveying applicable USA Swimming Code of Conduct expectations of members, including, but not limited, to it being the policy of USA Swimming that its members, including athletes, coaches, officials, and volunteers have the right to participate and compete in an environment that is safe and free from sexual abuse and harassment.
4. Operating without ensuring that athlete safety rules, policies, and procedures comply with the requirements of the USOPC, the Fédération Internationale De Natation ("FINA"), and the U.S. Center for SafeSport.
5. Operate without enforcing the USA Swimming Code of Conduct.

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## Policy 3.2 External Relations

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



Management Parameters

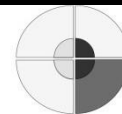
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With respect to USA Swimming's interactions with other entities, the CEO will not operate without cultivating and maintaining senior leadership level relationships with all relevant national and international organizations, including but not limited to: the USOPC, FINA, the National Collegiate Athletic Association, the American Swim Coaches Association, the College Swimming & Diving Coaches Association of America, Association of Chief Executives in Sport, the U.S. Anti-Doping Agency, etc.

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## Policy 3.3 Treatment of Employees and Volunteers

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



Management Parameters

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

Pertaining to employees, the CEO will not:

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

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## Policy 3.4 Financial Condition and Activities

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



Management Parameters

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With respect to financial condition and activities, the CEO will not cause or allow the development of fiscal jeopardy, or a material deviation of actual expenditures from the Board's Ends priorities.

Further, the CEO will not:

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

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## Policy 3.5 Asset Protection

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



Management Parameters

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

Further, the CEO will not:

1. Allow USA Swimming to be without sufficient insurance coverage, including:
  - A. Casualty losses and property losses to at least replacement value.
  - B. Liability losses to Board members, staff, and the organization itself in an amount equal to or greater than the average for comparable organizations.
  - C. Employee theft and dishonesty.
  - D. Cyber-security.
2. Subject USA Swimming's facilities and equipment to improper wear and tear or insufficient maintenance.
3. Operate without employing risk management practices to minimize exposure of the organization, the Board, staff, or their agents to claims of liability.
4. Allow procurements without reasonable protection against conflicts of interest.
5. Allow a purchase of any material amount without having compared prices and quality.
6. Allow USA Swimming's intellectual property, information, resources, and files to be exposed to loss, improper access, misuse, or significant damage.
7. Operate without adhering to a Records Retention Schedule, approved by the Secretary & General Counsel, for the maintenance of documents and records.
8. Operate without internal controls over receipts and disbursements, and to prevent dissipation of assets, sufficient to meet the Board-appointed auditor's recommendations (as set forth in the auditor's Management Letter and/or other communications).
9. Compromise the independence and transparency of the Board's relationships with auditors or other providers of governance support. Such entities may not be engaged by the CEO unless explicitly Board authorized.
10. Invest operating capital or reserve funds in a manner inconsistent with the Investment Policy.
11. Endanger USA Swimming's public image or credibility.
12. Substantially alter the organization's corporate identity.

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## Policy 3.6 Financial Planning and Budgeting

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



Management Parameters

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

Accordingly, the CEO will not allow budgeting that:

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

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## Policy 3.7 Compensation and Benefits

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



Management Parameters

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

The CEO will not:

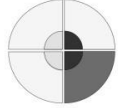
1. Establish salaries and benefits that deviate materially from the geographic and/or professional market value for the skills employed.
2. Change their own compensation.
3. Change their own benefits, except as consistent with the package for all other employees.
4. Promise or imply anything other than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

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## Policy 3.8 Emergency Management Succession

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



Management Parameters

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

Further, the CEO will not:

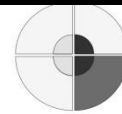
1. Have fewer than two (2) other members of the management team sufficiently familiar with Board and CEO issues and processes to enable either member to take over with reasonable proficiency as an interim successor.

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## Policy 3.9 Board Awareness and Support

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



Management Parameters

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

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

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## Policy 3.10 LSC REPORTING REQUIREMENTS

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



Management Parameters

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

Further, the CEO will not:

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

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## Policy 3.11 USA Swimming Foundation Management

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



Management Parameters

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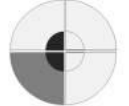
The CEO will not operate without ensuring the fulfillment of mutual obligations outlined in the Memorandum of Understanding between the USA Swimming Foundation and USA Swimming.

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## Policy 4.0 Board/Management Connection

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



Board/Management Delegation

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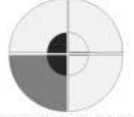
The Board's official connection to the operating organization, its achievements, and its conduct is through the CEO.

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## Policy 4.1 Unity of Control

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



Board/Management Delegation

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

Accordingly:

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

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## Policy 4.2 Accountability of the CEO

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



Board/Management Delegation

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

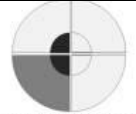
Accordingly:

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

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## Policy 4.3 Delegation to the CEO

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



Board/Management Delegation

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

Accordingly:

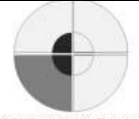
1. *Ends/Priority Results* Policies direct the CEO to achieve certain results, for certain recipients at a specified worth or priority. These policies will be systematically developed from the broadest level, to more defined levels.
2. *Management Parameters* Policies define the boundaries of legality,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

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## Policy 4.4 Monitoring CEO Performance

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



Board/Management Delegation

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

Accordingly:

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

**Policy 4.4 Monitoring CEO Performance, continued**

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

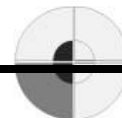


Board/Management Delegation

| <b>CEO MONITORING SCHEDULE</b>             |               |                  |   |
|--|---------------|------------------|---|
| <b>POLICY</b>                              | <b>METHOD</b> | <b>FREQUENCY</b> | <b>SCHEDULE<br/>(BY END OF MONTH)</b>   |
| <b>Ends/Priority Results</b>               |               |                  |   |
| 1.0 Broadest: (Growth/Success of Swimming) | Internal      | Annually         | January/February  |
| 1.1 Competitive Success                    | Internal      | Annually         | Annual Business Meeting   |
| 1.2 Successful Athletes, Coaches and Clubs | Internal      | Annually         | November  |
| 1.3 Public Engagement with Swimming        | Internal      | Annually         | Spring  |
| 1.4 Recognition of USA Swimming:           | Internal      | Annually         | November  |
| <b>Management Parameters</b>               |               |                  |   |
| 3.0 General Management Constraint          | Internal      | Annually         | November  |
| 3.1 Treatment of Members/Consumers         | Internal      | Annually         | November  |
| 3.2 External Relations                     | Internal      | Annually         | Spring  |
| 3.3 Treatment of Staff                     | Internal      | Annually         | January/February  |
| 3.4 Financial Condition and Activities     | Internal      | Quarterly        | January/February /Spring/Annual Business Meeting/November                           |
|  | External      | Annually         | Spring (Audit)  |
| 3.5 Asset Protection                       | Internal      | Annually         | Spring  |
| 3.6 Financial Planning and Budgeting       | Internal      | Semi-annually    | Annual Business Meeting – Mid-year update/re-forecast<br>November – Annual Forecast |
| 3.7 Compensation and Benefits              | Internal      | Annually         | November  |
| 3.8 Emergency Management Succession        | Internal      | Annually         | Spring  |
| 3.9 Board Awareness and Support            | Internal      | Annually         | January/February  |
| 3.10 LSC Reporting Requirements            | Internal      | Annually         | Annual Business Meeting   |
| 3.11 USA Swimming Foundation Management    | Internal      | Annually         | November  |

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Board/Management Delegation

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## Policy 4.5 Board Access to CFO in Internal Auditor Capacity

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

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

Accordingly:

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

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## Policy 4.6 Board Relationship w/the Secretary & General Counsel

Date of adoption / Last revision: December 6, 2021



Board/Management Delegation

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

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

### 1. Accountability of the Secretary & General Counsel

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

### 2. Job Products of the Secretary & General Counsel

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

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

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## Appendix A. Governing Principles

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

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

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## Appendix B. Investment Policy

Date of adoption May 1990 / Last revision: April 2019

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### Investment Policy Statement For USA Swimming, Inc. April 2019

#### Overview

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

#### Purpose of Investment Policy Statement

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

#### The Policy:

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

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

#### Goals and Objectives

##### Portfolio Goals

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

Investment Objectives

A. Investment Funds

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

B. Short Term Operating Account

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

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

**Asset Allocation**

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

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

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

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

### **Historic\* and Expected Returns**

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

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

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

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

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

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

## **Investment Vehicles**

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

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

## **Rebalancing**

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

## **Costs**

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

## **Communications**

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

Investment Committee meetings will be held quarterly.

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

## **KEY INFORMATION**

ORIGINAL INVESTMENT POLICY ADOPTION: May 1990

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

IRS TAX IDENTIFICATION: # 20-4264282

CUSTODIAN: BMO Harris Bank N.A. Trust

INVESTMENT ADVISOR: First Western Trust



**Execution**

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

By: \_\_\_\_\_

Printed Name: Eric Skufca

Title: CFO

By: \_\_\_\_\_

Printed Name: Douglas Barker

Title: Sr. Portfolio Manager

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## **Appendix C. Statement of Ethics and Conflict of Interest Policy**

Date of adoption / Last revision: December 6, 2021

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### **USA SWIMMING**

#### **STATEMENT OF ETHICS AND CONFLICT OF INTEREST POLICY**

##### **SECTION 1. STATEMENT OF ETHICS**

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

##### **SECTION 2: CONFLICT OF INTEREST POLICY PURPOSE AND COVERED INDIVIDUALS**

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

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

##### **SECTION 2. CONFLICT OF INTEREST DEFINITION**

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

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

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

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

5. Receiving personal gifts or loans from third parties dealing or competing with USA Swimming.<sup>1</sup>

### **SECTION 3. CONFLICT OF INTEREST POLICY INTERPRETATION**

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

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

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

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

### **SECTION 5. DISCLOSURE POLICY**

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

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

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

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

1. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Ethics Committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

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<sup>1</sup> Additional information regarding the receipt of gifts is outlined in USA Swimming's Gifts and Entertainment Policy.

## **SECTION 6. DISCLOSURE PROCEDURE**

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

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

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

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

## **SECTION 7. VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY**

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

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

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

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

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

## **SECTION 8. CONTACT INFORMATION**

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

ethicscommittee@usaswimming.org

Michelle Steinfeld  
[msteinfeld@usaswimming.org](mailto:msteinfeld@usaswimming.org)  
719-866-3594

## **SECTION 12. ADDITIONAL RESOURCES**

### *Athlete Ombuds*

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

#### *Athlete Ombuds Confidentiality and Privacy Policy*

(A) In general.—The Office of the Athlete Ombuds shall maintain as confidential any information communicated or provided to the Office of the Athlete Ombuds in confidence in any matter involving the exercise of the official duties of the Office of the Athlete Ombuds. (B) Exception.—The Office of the Athlete Ombuds may disclose information described in subparagraph (A) as necessary to resolve or mediate a dispute, with the permission of the parties involved. (C) Judicial and administrative proceedings.—(i) In general.—The ombudsman and the staff of the Office of the Athlete Ombuds shall not be compelled to testify or produce evidence in any judicial or administrative proceeding with respect to any matter involving the exercise of the duties of the Office of the Athlete Ombuds.

(ii) Work product.—Any memorandum, work product, notes, or case file of the Office of the Athlete Ombuds—(I) shall be confidential; and (II) shall not be—(aa) subject to discovery, subpoena, or any other means of legal compulsion; or (bb) admissible as evidence in a judicial or administrative proceeding. (D) Applicability.—The confidentiality requirements under this paragraph shall not apply to information relating to—(i) applicable federally mandated reporting requirements; (ii) a felony personally witnessed by a member of the Office of the Athlete Ombuds; (iii) a situation, communicated to the Office of the Athlete Ombuds, in which an individual is at imminent risk of serious harm; or (iv) a congressional subpoena.

*Contact Information*  
Phone: 719-866-5000  
Email: [ombudsman@usathlete.org](mailto:ombudsman@usathlete.org)  
Website: [usathlete.org](http://usathlete.org)

### *USOPC Ethics & Compliance*

The USOPC Ethics and Compliance team seeks to empower athletes, USOPC employees and volunteers, NGB employees and volunteers, and other individuals within the U.S. Olympic and Paralympic Movement to raise and report their concerns. Specifically, the USOPC's Ethics and Compliance team reviews and investigates certain reports regarding NGB compliance with the Ted Stevens Olympic and Amateur Sports Act and the USOPC or NGB Bylaws, including

conflicts of interest and governance issues. The team also reviews and investigates allegations of USOPC non-compliance and alleged code of conduct violations.

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

*Contact Information*

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

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## Appendix D. Whistleblower and Anti-Retaliation Policy

Date of adoption: December 6, 2021

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### USA SWIMMING WHISTLEBLOWER AND ANTI-RETALIATION POLICY

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

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

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

**RETALIATION:** No Covered Individual shall suffer harassment, intimidation, adverse employment or livelihood consequences, or any other form of retaliation (“Retaliation”) for (i) making a good faith report of a violation to USA Swimming, the USOPC, or the Center, or (ii) participating in an investigation by USA Swimming, the USOPC, or the Center, or an inquiry or investigation by any court, law enforcement, or other governmental or administrative body. “Retaliation” also includes retaliation as described in Article 307 of the USA Swimming Rulebook<sup>2</sup> and the definition of retaliation included in Section 220501(b)(11) of the Ted Stevens Olympic and Amateur Sports Act (the “Act”).<sup>3</sup>

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

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

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#### <sup>2</sup> ARTICLE 307 PROHIBITIONS AGAINST RETALIATION FOR GOOD FAITH REPORTING OF ABUSE

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

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

<sup>3</sup> Any adverse or discriminatory action, or the threat of an adverse or discriminatory action, including removal from a training facility, reduced coaching or training, reduced meals or housing, and removal from competition carried out against a Protected Individual as a result of any communication, including the filing of a formal complaint, by the Protected Individual or a parent or legal guardian of the Protected Individual relating to the allegation of physical abuse, sexual harassment, or emotional abuse, with the U.S. Center for SafeSport; a coach, trainer, manager, administrator, or official associated with the USOPC; the United States Attorney General; a federal or state law enforcement authority; the Equal Opportunity Employment Commission; or Congress.

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

**INVESTIGATION:** The Ethics Committee will review and investigate reports of Retaliation. If a member of the Ethics Committee is allegedly involved in or witness to the Retaliation, they will recuse themselves from the investigation. After the initial investigation is complete, the Ethics Committee may decide to initiate a complaint in the name of the Ethics Committee by filing the complaint with the NBOR Chair and requesting a hearing. If the Ethics Committee does not decide to initiate a complaint, it may advise the complaining party that, while the Ethics Committee will not initiate a complaint in its own name, the complaining party may still file their complaint directly with the NBOR Chair. If the complaining party chooses to go forward with the complaint, the NBOR Chair may then decide to either assign the matter for hearing or dismiss the complaint. Following a hearing and decision of the NBOR, any real party in interest may appeal any decision of the NBOR pursuant to Article 407 of the Rulebook.

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

The Ethics Committee should coordinate with USA Swimming's Director of Human Resources & Employee Engagement if it receives any allegations of retaliation involving employees. If during an investigation, the Ethics Committee finds that an employee has retaliated against a Protected Individual,<sup>4</sup> the Ethics Committee must immediately report the retaliation to USA Swimming; USA Swimming must immediately terminate or suspend that individual without pay as required by Section 220509(c)(2) of the Act.

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

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<sup>4</sup> As defined by the Act, any amateur athlete, coach, trainer, manager, administrator, or official associated with the USOPC or a National Governing Body.



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## Appendix E. Gifts & Entertainment Policy

Date of adoption: December 6, 2021

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### USA SWIMMING GIFTS & ENTERTAINMENT POLICY

#### SECTION 1. PURPOSE

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

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

#### SECTION 2. RECEIVING BUSINESS COURTESIES

##### A. Current Business Partners

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

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

- 7) Perishable or consumable gifts provided that the gift is reasonable and not unduly lavish.

**B. Prospective Business Partners**

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

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

**C. Limitations**

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

**SECTION 3: DISCLOSURE AND APPROVAL**

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

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

**The Gift Disclosure form is attached hereto.**

**SECTION 4: EXTENDING BUSINESS COURTESIES**

**A. General Rules**

There may be times when a USA Swimming employee or Board member wishes, as a business matter, to extend to a current or potential USA Swimming business associate (i.e., an individual or company) a gift or an invitation to attend a social event (e.g., reception, meal, sporting event, or theatrical event) to further or develop a business relationship. Additionally, there may be times when a current or potential USA Swimming business associate (i.e., an individual or company) wishes, as a business matter, to extend to a USA Swimming employee or a Board member a gift or an invitation to attend a social event (e.g., reception, meal, sporting event, or theatrical event) to

further or develop a business relationship. In such instances, gifts may not exceed \$500 in value per person per year, without the prior written approval of the Ethics Committee.

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

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

#### **B. Development Division**

USA Swimming recognizes that the limits set forth in Section 4(A) may hamper the ability of the Development Division and its employees to perform their job functions as they relate to the USA Swimming Foundation. Thus, the foregoing limits will not apply to the Development Division employees if the invitation or event is part of normal and reasonable job duties and the event is not lavish or unreasonable. For Development Division employees only, the cost of gifts and events for which no prior written approval is required is \$1,000 per person per year. To the extent any gift or invitation would exceed that limitation, the Development employees should ensure that such gifts or invitations are disclosed with sufficient advance notice to permit the receipt of prior written approval from the Ethics Committee.

#### **C. Government Employees**

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

#### **D. Disclosure And Approval**

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

### **SECTION 5. CONTACT INFORMATION**

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

ethicscommittee@usaswimming.org

Michelle Steinfeld

[msteinfeld@usaswimming.org](mailto:msteinfeld@usaswimming.org)

719-866-3594

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**USA SWIMMING GIFT DISCLOSURE FORM**

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

Name: \_\_\_\_\_

Employee             Board Member             Volunteer

Committee Member    Hearing Panel Member

Task Force Member    Athlete Representative

Other (please specify): \_\_\_\_\_

Please describe the gift(s) received: \_\_\_\_\_  
\_\_\_\_\_

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

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

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Certification:** I certify that this gift was not solicited.

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

*Send this completed form to the USA Swimming Ethics Committee, at [ethicscommittee@usaswimming.org](mailto:ethicscommittee@usaswimming.org)*