

USA Swimming Board of Directors Meeting Minutes

February 5, 2021 / Virtual Zoom Conference Call

1 **CALL TO ORDER**

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

4
5 **PRESENT:** Maya Andrews, Chris Brearton, Kenneth Chung, Kathy Fish, Bruce Gemmell,
6 Jennifer Gibson, Cecil Gordon, Natalie Hall, Tim Hinchey, Lucinda McRoberts, Katie Meili,
7 Kathleen Prindle, Bill Schalz, Jeanette Skow, Jim Sheehan, Jay Thomas, Bob Vincent.

8
9 **GUESTS**

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

13
14 **STAFF**

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

18
19 **MOMENT OF SILENCE**

20 A moment of silence was observed for USA swimming members who have passed away
21 since the last USA swimming Board of Directors meeting.

22
23 **AGENDA REVIEW**

24 Bob Vincent presented the agenda (Attachment 1).

25
26 **RULES OF ENGAGEMENT / COVENANTS**

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

28
29 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

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

33
34 If a Board member determines there to be a conflict of interest at any point during the
35 course of the meeting when a specific subject is being discussed and / or action is being
36 taken, a declaration of a conflict of interest should be made at that time.

37
38

39 **CEO WELCOME**

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

47
48 **BOARD CHAIR’S REMARKS**

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

58
59 **MINUTES**

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

62
63 **MOTION:** *To approve the updated November 20, 2020 Board of Directors meeting minutes*
64 *(Attachment 2). Seconded. APPROVED.*

65
66 **FOUNDATION UPDATE**

67 Foundation Chair Cecil Gordon expressed gratitude towards the Board of Directors and
68 staff for their financial, administrative, and public relations support to the USA Swimming
69 Foundation over the past year. Dr. Gordon briefly reiterated that the Foundation Board of
70 Directors has four new members as well as a new partnership with U.S. Masters, which he
71 hopes will expand the Foundation’s donor base. Dr. Gordon emphasized three areas of
72 focus for the Foundation: data driven finances; marketing, specifically the announcement of
73 the U.S. Masters partnership; and developing program and grant groups.

74
75 **STRATEGIC DISCUSSION: INVESTMENT TOOL FOR GROWTH**

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

78

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

83
84 The Board engaged in discussion on how to be more strategic with the portfolio and payout
85 of the fund to build for the future and be more financially self-sustainable.

86

87 **ATHLETES' EXECUTIVE COMMITTEE UPDATE**

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

89
90 Ellery Parish reported that athletes believe the two waves for the U.S. Olympic Team Trials
91 – Swimming offers a fantastic solution to ensuring everyone's safety. Ms. Parish also
92 provided an update on AEC's activities, including hosting an athlete orientation for athletes
93 who are members of USA Swimming national committees, organizing Local Swimming
94 Committee (LSC) Leadership Summits, and creating a mentorship program for the athlete
95 representatives. Lastly, Ms. Parish encouraged the Board and staff to utilize the AEC to
96 push communication in all directions as they are building a robust communication
97 network.

98

99 **ZONE DIRECTORS' COUNCIL CHECK-IN**

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

102

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

108

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

115

116

117

118

119 **BOARD PROCESS**

120 **BOARD ACTIVITY BALANCING AND WORK PLAN REVIEW**

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

123

124 **BOARD CHARGE TO NOMINATING COMMITTEE**

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

129

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

135

136 **BOARD POLICY MANUAL**

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

139

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

142

143 **LEGISLATIVE UPDATES**

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

148

149 **GOVERNANCE USOPC COMPLIANCE TASK FORCE**

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

155

156 Chief Administrative Officer and General Counsel Lucinda McRoberts provided a timeline of
157 when changes should be implemented, including calling a special meeting of the House of

158 Delegates in June 2021. Ms. McRoberts noted that the working groups will provide
159 solutions, which will then be socialized largely among the membership for further input.

160

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

163

164 **POLICY AND PROCEDURES MANUAL UPDATE**

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

171

172 **COMMITTEE TASK FORCE UPDATE**

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

176

177 **ENDS MONITORING**

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

179 Bob Vincent presented Policy 1.0, Broadest/Growth and Success of Swimming (Attachment
180 8).

181

182 ***MOTION:** To approve the performance monitoring report on Policy 1.0, "Broadest End –*
183 *Growth and Success of Swimming," conveys (a) interpretations of the policy that are*
184 *reasonable, and (b) that the report reasonably substantiates compliance with the policy*
185 *requirements, consistent with the CEO's interpretations. Secoded. **APPROVED.***

186

187 **UPDATE ON POLICY 1.2: SUCCESSFUL ATHLETES, COACHES AND CLUBS**

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

193

194 **MANAGEMENT PARAMETERS MONITORING (4.4)**

195 **POLICY 3.3 TREATMENT OF EMPLOYEES AND VOLUNTEERS**

196 Bob Vincent presented Policy 3.3, Treatment of Employees and Volunteers (Attachment
197 10).

198 **MOTION:** To approve the performance monitoring report on Policy 3.3, "Treatment of
199 Employees and Volunteers," conveys (a) interpretations of the policy that are reasonable, and
200 (b) that the report reasonably substantiates compliance with the policy requirements,
201 consistent with the CEO's interpretations. Seconded. **APPROVED.**
202

203 **POLICY 3.4: FINANCIAL CONDITION & ACTIVITIES**

204 Bob Vincent presented Policy 3.4, Financial Condition & Activities (Attachments 11 - 15).
205

206 **MOTION:** To approve the performance monitoring report on Policy 3.4, "Financial Condition
207 & Activities," conveys (a) interpretations of the policy that are reasonable, and (b) that the
208 report reasonably substantiates compliance with the policy requirements, consistent with the
209 CEO's interpretations. Seconded. **APPROVED.**
210

211 Kenneth Chung provided an overview of the 2020 financials, specifically noting reductions
212 in both operating revenues and expenses compared to budget (approximately 27% and
213 32% reductions respectively). Mr. Chung commended the staff for managing the budget in
214 a way that not only avoided a deficit but did so without cutting essential services to
215 membership. In fact, Mr. Chung noted the organization increased services to membership
216 during 2020, setting up the organization to build for the future.
217

218 Eric Skufca reported that the finance team is still closing out the 2020 financials but noted
219 that the numbers are tracking and trending materially consistent with the financial
220 projection presented in November 2020. Mr. Skufca reiterated the organization's decision
221 to stop the quarterly investment distributions for operations in 2020 and instead maintain
222 focus on reducing operating expenditures where and when available and appropriate.
223

224 **SWIM TRIALS, LLC LINE OF CREDIT**

225 Kenneth Chung provided background on USA Swimming's financial role for the U.S.
226 Olympic Team Trials - Swimming, including historically fronting operational funds on
227 behalf of the joint venture at times. Mr. Chung noted how the organization explored options
228 and solutions with its partner Omaha Sports Commission whereby USA Swimming would
229 not need to provide direct, upfront, and temporary operating cash on behalf of the joint
230 venture.
231

232 Eric Skufca provided historical reference where and why USA Swimming provided upfront
233 operating cash for the Swim Trials, LLC joint venture and rationale to reduce and or
234 eliminate that practice moving forward (Attachment 16).
235

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

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

241
242 **MOTION:** *To allow USA Swimming to be a 50% guarantor and be collateral for \$1.6M*
243 *commercial revolving line of credit for Swim Trials, LLC. Seconded. APPROVED.*
244

245 **PPP ROUND TWO**

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

249
250 Kenneth Chung presented the idea of creating a small working group to look at the nuances
251 of applying for the PPP2, including how the organization could benefit from the fund.

252
253 The Board voiced positive feedback with the organization moving forward with a small
254 working group to research another PPP opportunity.

255 256 **KEEPING ATHLETES FIRST INITIATIVE**

257 Lucinda McRoberts reported that the Keeping Athletes First (KAF) working group added
258 two new members, Katie Meili and Jack Swanson. Ms. McRoberts additionally provided a
259 brief overview of the KAF initiative as well as details from the first meeting of 2021 on
260 online member registration. Ms. McRoberts noted that that the second meeting of the year
261 will focus on the Safe Sport Club Recognition program.

262 263 **GUEST SPEAKER:**

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

265
266 Nathan Adrian shared his challenges around preparing for the upcoming U.S. Olympic
267 Team Trials – Swimming in Omaha and the Olympic Games in Tokyo.

268 269 **STAFF UPDATES**

270 **CEO'S UPDATE**

271 Tim Hinchey submitted a written report (Attachment 18).

272 273 **MEMBERSHIP UPDATE**

274 Joel Shinofield reported that the organization is ahead of 2021 projected membership
275 numbers, trending close to 70%. Mr. Shinofield remarked on challenges to membership
276 numbers, including the increase in Flex memberships, pool access for member clubs, and

277 opportunities across the spectrum for the sport. Mr. Shinofield presented a membership
278 summary highlighting the increase in flex memberships and the number of inactive clubs.

279

280 **RETURN TO COMPETITION**

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

283

284 **FLEX MOTION**

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

291

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

294

295 **GUEST SPEAKER**

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

298

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

303

304 **OLYMPIC TRIALS**

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

308

309 **OLYMPIC GAMES**

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

314

315

316

317 **CLOSING ROUNDTABLE**

318 **NEXT MEETING / EVENTS**

- 319 • TYR Pro Swim Series
- 320 ○ San Antonio: March 3-7, 2021
- 321 ○ Mission Viejo: April 8-11, 2021
- 322 ○ Indianapolis: May 12-15, 2021
- 323 • Board of Directors Meeting: May 7, 2021 – Colorado
- 324 • Foundation Board Meeting: March 9, 2021 – Virtual

325

326 **MEETING ASSESSMENT**

327 The Board engaged in a round table discussion assessing the day’s meeting, including how

328 valuable it was to hear from athletes and the focus from staff on communication,

329 membership, competition, and safety. The Board also asked for more time for discussions,

330 additional pre-reading for further context, and to have everyone on individual Zooms.

331

332 **CLOSED SESSION (2.3.6)**

333 **LITIGATION UPDATE**

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

335

336 **COMMERICAL UPDATE**

337 The Board remained in closed session so USA Swimming’s Chief Commercial Officer, Shana

338 Ferguson, could provide a confidential commercial update.

339

340 **PERSONNEL UPDATE**

341 The Board remained in closed session so Lucinda McRoberts could provide a personnel

342 update. All staff except Tim Hinchey and Lucinda McRoberts left the meeting.

343

344 **COMPENSATION COMMITTEE UPDATE ON CEO KPIS**

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

346 the meeting.

347

348 **ADJOURN**

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

350

351 Respectfully submitted:



Lucinda McRoberts, CAO & General Counsel



Bob Vincent, Board Chair

USA Swimming Board of Directors Minutes Attachments

February 5, 2021 / Virtual Zoom Conference Call

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