

USA Swimming Board of Directors Meeting Minutes

September 25, 2018 / Hyatt Regency Jacksonville Riverfront

1 **CALL TO ORDER**

2 USA Swimming Board Chair, Jim Sheehan, called the September 25, 2018 Board of
3 Directors meeting to order at 8:06 a.m. Eastern Time with the following members in
4 attendance:

5
6 **PRESENT:** Dale Ammon, Tim Bauer, John Bradley, Robert Broyles, Anthony Ervin, Tristan
7 Formon, Clark Hammond, Tim Hinchey, Amy Hoppenrath, Dan McAllen, Lucinda
8 McRoberts, Derek Paul, Sean Redmond, John Roy, Jim Ryan, Jim Sheehan, Bruce Stratton, Ed
9 Tsuzuki, Mary Turner, Ron Van Pool, Robert Vincent, Jim Wood, Carol Zaleski.

10

11 **NOT PRESENT:** John Bitter, Van Donkersgoed, Natalie Hall, Don Heidary, Bill Maxson, Dale
12 Neuburger (joined via conference line), Aaron Peirsol, Chip Peterson, Davis Tarwater, Amy
13 Schulz, Marie Scovron, Mark Weber, Garrett Weber-Gale.

14

15 **MOMENT OF SILENCE**

16 A moment of silence was observed for USA Swimming members who have passed away
17 since the last USA Swimming Board of Directors meeting.

18

19 **AGENDA REVIEW**

20 Jim Sheehan presented the agenda (Attachment 1).

21

22 **MOTION:** *To approve the Agenda. Seconded. APPROVED.*

23

24 **CONFLICT OF INTEREST**

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

28

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

32

33 **INTRODUCTIONS**

34 **GUESTS**

35 Clint Benton (Pacific Swimming), Sandi Blumit (Risk Management Services), Bill Charney
36 (Charney Associates), David Cooper (Risk Management Services), Susan Teeter (New Jersey
37 Swimming), Greg Earhart (College Swimming Coaches Association of America), Greg Eggert
38 (United States Aquatic Sports), Jeff Gudman (Oregon Swimming), Will Indest (Ohio

39 Swimming), Paris Jacobs (Potomac Valley Swimming), Michael Lawrence (International
40 Relations Committee), Cathy Mendez (Oklahoma Swimming), Deanna Oliphant (Oklahoma
41 Swimming), Kathleen Prindle (Minor Transgender Task Force), Joel Shinofield (College
42 Swimming Coaches Association of America), Paul Thompson (Oklahoma Swimming), Tom
43 Ugast (Potomac Valley Swimming), Lou Valentic (K&K Insurance).

44

45 **STAFF**

46 Tom Avischious, Paula D'Amico, Cathy Durance, Matt Farrell, Elizabeth Hahn, Jim Harvey,
47 Debbie Hesse, Lindsay Mintenko, Isabelle McLemore, Mick Nelson, Sue Nelson, Mariejo
48 Truex, Mike Unger, George Ward.

49

50 **RECOGNITION OF RECORDS**

51 Dan McAllen reported that two World Records were set since the last Convention; one by
52 Katie Ledecky in the 1500 meters and one by Kathleen Baker in the 100-meter backstroke
53 this past summer at the National Championships. Mr. McAllen encouraged the Board to
54 notice the achievements of the Scholastic All Americans and also noted a few other records
55 including, 26 American Records (12 relays) and 34 U.S. Open records (seven relays)
56 (Attachment 2).

57

58 **BOARD CHAIR'S REMARKS**

59 Jim Sheehan welcomed everyone to Convention and thanked them for their support over
60 the last four years.

61

62 **MINUTES**

63 **MOTION:** *To approve the May 12, 2018 Board of Directors meeting minutes (Attachment 3).*
64 *Seconded. APPROVED.*

65

66 **FINANCIAL UPDATE/ACTIONS**

67 Bob Vincent reported that USA Swimming is doing well financially.

68

69 Jim Harvey submitted a written report (Attachments 4 – 9) and provided verbal highlights,
70 including that balance sheet is strong with over \$40 million in cash investments and an
71 operating surplus of \$11.3 million. Mr. Harvey reported on the challenges facing the
72 operating budget, including lower membership, no new major sponsors and extra expenses
73 associated with the Phillips 66 National Championships and TYR Pro Swim Series, but that
74 overall the budget for this year was executed as planned.

75

76 Mr. Harvey gave an overview of the provisions within Monitoring Policy 3.4: Financial
77 Condition and Activities and reported compliance with each item (Attachment 10).

78 **MOTION:** *To approve Monitoring Policy 3.4: Financial Condition and Activities as reported.*
79 *Seconded. APPROVED.*

80

81 Mr. Harvey reported that all five components of Monitoring Policy 3.6 Financial Planning
82 and Budgeting are in compliance (Attachment 11). Mr. Harvey also mentioned that the
83 2018 projected budget has a deficit of \$493,863, which beats the budget by \$4,238 and will
84 cover the previously referenced challenges. The updated quad projected surplus will be
85 \$409,624 but that will go to zero in the next budget proposal. He also noted an updated
86 Capital budget was provided in the Board materials.

87

88 **MOTION:** *To approve Monitoring Policy 3.6 Financial Planning and Budgeting as reported.*
89 *Seconded. APPROVED.*

90

91 Mr. Vincent remarked on the savings from this past year and thanked Jim Harvey for his 17
92 years of service to USA Swimming.

93

94 Mr. Harvey provided an investment update, including that the second quarter portfolio
95 performance was positive by about half a percent. At the end of June, the portfolio was at
96 about break even, and it has outperformed its benchmark for the 1, 3, and 5-year periods.
97 Finally, Mr. Harvey reported on the Foundation financials, including that there was
98 \$930,000 in fundraising – \$710,000 in major gifts and grants and \$220,000 raised by the
99 annual campaign – and grants to the National Team and Make a Splash local partners were
100 higher than in 2017.

101

102 **MONITORING ORGANIZATIONAL PERFORMANCE**

103 Bill Charney explained when the Board is accepting these Policy reports, they are looking to
104 see if the staff's interpretations of the policies are reasonable. Mr. Charney went on to
105 explain the structure and purpose of the monitoring reports.

106

107 **MANAGEMENT PARAMETERS MONITORING**

108 Tim Hinchey presented Monitoring Policy 3.10 LSC Reporting Requirements (Attachment
109 12), and Jim Sheehan highlighted that within the report there is a suggestion to update the
110 target date to January 2020 for agreements between USA Swimming and LSCs to be
111 approved.

112

113 **MOTION:** *To approve the established target date of January 2020 within the Monitoring*
114 *Policy 3.10 LSC Reporting Requirements. Seconded. APPROVED.*

115

116 **MOTION:** *To approve Monitoring Policy 3.10 LSC Reporting Requirements. Seconded.*
117 **APPROVED.**

118
119 **ENDS MONITORING**

120 Mike Unger highlighted aspects of Monitoring Policy 1.1 Competitive Success (Attachment
121 13) and explained a few areas where USA Swimming is still working to meet its key
122 performance indicators.

123
124 **MOTION:** *To approve the suggested language in Provision D of Monitoring Policy 1.1*
125 *Competitive Success. Seconded. APPROVED.*

126
127 **MOTION:** *To approve Monitoring Policy 1.1 Competitive Success as submitted. Seconded.*
128 **APPROVED.**

129
130 Matt Farrell presented Monitoring Policy 1.3 Public Engagement with Swimming
131 (Attachment 14) and explained that USA Swimming is using 2018 to set new baseline
132 metrics in areas of sport participation, membership, diversity, and digital swimming
133 engagement.

134
135 Tim Hinchey added that the staff is working on the language within Monitoring Policy 1.3
136 and summarized some of the suggested changes.

137
138 **MOTION:** *To approve the five suggested language changes to Monitoring Policy 1.3 Public*
139 *Engagement with Swimming. Seconded. APPROVED.*

140
141 **MOTION:** *To approve Monitoring Policy 1.3 Public Engagement with Swimming as*
142 *submitted. Seconded. APPROVED.*

143
144 **CLOSED SESSION**

145 **LITIGATION UPDATE**

146 The Board meeting went into closed session so that USA Swimming Secretary & General
147 Counsel, Lucinda McRoberts, could give a legal update.

148
149 The Board remained in closed session to discuss certain financial items related to the USA
150 Swimming Safe Sport program.

151
152 **MOTION:** *To designate \$1,500,000 of reserves to fund SwimAssist costs that exceed the*
153 *operating budget. This reserve will come out of the \$19,726,196 that was designated by the*
154 *Board of Directors in 2017 from proceeds of the sale of USSIC. Seconded. APPROVED.*

155 **MOTION:** *To approve the spending of up to \$750,000 of undesignated reserves for the*
156 *purpose of expenses related to abuse investigations by United States Senate and House of*
157 *Representatives and implementation of unbudgeted Safe Sport expenses in 2018. Seconded.*
158 **APPROVED.**

159

160 **BOARD PROCESS**

161 **DISCUSSION/UPDATE ON THE NOMINATIONS/ELECTIONS PROCESS**

162 Clark Hammond provided an overview of the Nominating Committee's process in selecting
163 nominees to the Board of Directors, including applications, interviews, and elections.

164

165 **COMMITTEE, TASK FORCE, AND OTHER REPORTS REQUIRING BOARD ACTION OR** 166 **DISCUSSION**

167 **U.S. AQUATIC SPORTS**

168 Jim Sheehan read USA Swimming's statement in support of U.S. Aquatics Sports' new
169 mission statement.

170

171 **USAS DELEGATE TO UANA EXTRAORDINARY CONGRESS (HANGZHOU, CHINA –** 172 **DECEMBER 2018) AND UANA CONGRESS AT 2019 PAN AM GAMES IN LIMA, PERU**

173 Jim Sheehan recommended the newly elected Board Chair should attend the UANA
174 Extraordinary Congress in December 2018, as well as the UANA Congress in 2019 during
175 the Pan American Games in Lima, Peru.

176

177 **MOTION:** *To approve sending the newly elected Board Chair to the UANA Extraordinary*
178 *Congress in December 2018 and the UANA Congress in 2019 during the Pan American Games*
179 *in Lima, Peru. Seconded. APPROVED*

180

181 **USAS OFFICER ELECTIONS**

182 Jim Sheehan expressed his interest in serving as Vice President over the next four years
183 and asked the Board for their support.

184

185 **MOTION:** *To support Jim Sheehan as a Vice President of U.S. Aquatic Sports. Seconded.*
186 **APPROVED.**

187

188 **COLLEGE SWIMMING INITIATIVE UPDATE**

189 Joel Shinofield reported on the success of the Scholar All-America program in which
190 swimming and diving student athletes are thriving academically and increasing in
191 numbers. Mr. Shinofield also updated the Board on other initiatives, including continuing
192 work with the University of Idaho, the National Invitational Championship, program
193 evaluations, and the shortage of female coaches (Attachment 15).

194 **AEC POLICY MANUAL UPDATE**

195 Derek Paul highlighted updates to the Athletes' Executive Committee Policy Manual, which
196 he noted were driven by the new Board structure (Attachment 16).

197

198 ***MOTION:** To approve the changes to the Athletes' Executive Committee (AEC) and USA*
199 *Swimming Athletes' Committee–Operating Policy Manual. Seconded. **APPROVED.***

200

201 **SWIMS MANUAL UPDATE**

202 Dan McAllen provided some background on why changes were being made to the SWIMS
203 Manual to include times from Paralympic meets (Attachments 17 – 18).

204

205 ***MOTION:** To approve the changes to the Times Module Policy and Guidelines to include*
206 *paragraph 9.0, which allows times achieved at U.S. Paralympic Meets by USA Swimming*
207 *members to be included in the SWIMS database. Seconded. **APPROVED.***

208

209 **2019-2020 CHAMPIONSHIP SITE PROPOSALS**

210 Mike Unger asked the Board to approve the recommended championship sites for future
211 events (Attachment 19).

212

213 ***MOTION:** To approve the recommended championship sites for 2019 and 2020 events.*
214 *Seconded. **APPROVED.***

215

216 Derek Paul recused himself from voting due to a conflict of interest.

217

218 **MINOR TRANSGENDER TASK FORCE RECOMMENDATIONS**

219 Kathleen Prindle presented on the recommended changes to the USA Swimming Policies
220 and Procedures Manual to provide more fair and inclusive policies, including clear and
221 consistent criteria for meet qualifications and team selection (Attachments 20 – 21).

222

223 ***MOTION:** To approve the proposed changes to Section 27: Athlete Inclusion Procedures of the*
224 *USA Swimming Policies and Procedures Manual. Seconded. **APPROVED.***

225

226 **AGE GROUP TECH SUIT PROJECT RECOMMENDATIONS**

227 Tim Bauer updated the Board on the tech suit recommendations going before the House of
228 Delegates, including working with suit manufactures on what is and isn't considered a tech
229 suit.

230

231

232

233 **PROGRAM & EVENTS COMMITTEE**

234 Jim Sheehan reported that the Program and Events Committee will be named within the
235 same timeframe as all other national committees.

236

237 **BYLAWS UPDATE**

238 Lucinda McRoberts presented the proposed Amendments to the Bylaws (Attachment 22).

239

240 ***MOTION:** To approve the proposed Amendments to the Bylaws. Seconded. **APPROVED.***

241

242 **HURRICANE FLORENCE RESOLUTION**

243 Jim Sheehan presented the Hurricane Florence Resolution (Attachment 23).

244

245 ***MOTION:** To approve the Hurricane Florence Resolution. Seconded. **APPROVED.***

246

247 **CEO/STAFF UPDATES**

248 Tim Hinchey submitted a written report (Attachment 24).

249

250 **USA SWIMMING FOUNDATION REPORT**

251 Debbie Hesse reported that the Foundation is ahead of expectations and well on their way
252 to meeting their goals for 2018. Ms. Hesse provided details on sponsor partnerships and
253 emphasized the Foundation's program support through Make a Splash and the local
254 partners who were involved in the Make a Splash tour. Ms. Hesse added that the
255 Foundation will be creating a new Public Service Announcement and that through Building
256 Champions, the Foundation was able to distribute over \$750,000 to the National Team and
257 \$120,000 to Sport Development in 2018.

258

259 **STAFF REORGANIZATION UPDATE AND 2018-19 KPI'S**

260 Mike Unger updated the Board on the Sport Development/Technical Division's key
261 performance indicators (KPIs), including the success at the 2018 Pan Pacific
262 Championships, hiring Jon Urbanchek as the National Team Technical Advisor, the launch
263 of the flex membership, and that a new version of LEARN is progressing. Mr. Unger also
264 provided an update on the 2020 Olympic Trials in Omaha.

265

266 Matt Farrell reported on the Commercial Division's KPIs, including an update on the
267 Customer Relationship Management (CRM) project, an overview of the Phillips 66 National
268 Championships, and the direction of sponsorships.

269

270 Lucinda McRoberts recapped Business Affairs' KPIs, including online member services
271 development, the technological developments related to the CRM project, and the creation
272 of a risk management succession planning tool kit for clubs.

273

274 Tim Hinchey reported on the process of renovating USA Swimming headquarters.

275

276 **BOARD SCHEDULE**

277 **UPCOMING IN-PERSON BOARD MEETINGS**

- 278 • Board Meeting, November 18, 2018
279 • Board Meeting, February 2, 2019
280 • Board Meeting, April 27, 2019

281

282 **OTHER MEETINGS/EVENTS**

- 283 • Board Orientation, October 26 & 27, 2018

284

285 **SUMMARY OF FOLLOW-UP ITEMS**

286 There were no follow-up items.

287

288 **CLOSING REMARKS**

289 Jim Sheehan thanked the Board for their dedication and work.

290

291 **ADJOURN**

292 USA Swimming Board Chair, Jim Sheehan, adjourned this meeting at 11:40 a.m. Eastern
293 Time.

Respectfully submitted:



Lucinda McRoberts, General Counsel & VP Business Affairs



Jim Sheehan, Board Chair

USA Swimming Board of Directors Minutes Attachments

September 25, 2018 / Hyatt Regency Jacksonville Riverfront

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Attachment 3	Page 2 – DRAFT May 12, 2018 BOD Meeting Minutes
Attachment 4	Page 2 – Vice Chair, Finance Report
Attachment 5	Page 2 – Budget Projection 2018 Mid-Year Report
Attachment 6	Page 2 – Capital Budget Report
Attachment 7	Page 2 – USA Swimming Q2 Financial Report
Attachment 8	Page 2 – USA Swimming Q2 Investment Summary
Attachment 9	Page 2 – USA Swimming Foundation Q2 Financial Report
Attachment 10	Page 2 – Policy 3.4: Financial Conditions & Activities
Attachment 11	Page 3 – Policy 3.6: Financial Planning and Budgeting
Attachment 12	Page 3 – Policy 3.10: LSC Reporting Requirements
Attachment 13	Page 4 – Policy 1.1: Competitive Success
Attachment 14	Page 4 – Policy 1.3: Public Engagement
Attachment 15	Page 5 – CSCAA Infographic
Attachment 16	Page 6 – AEC Policy Manual Update
Attachment 17	Page 6 – SWIMS Time Module Policy and Guidelines
Attachment 18	Page 6 – Policy Manual: Paralympics
Attachment 19	Page 6 – 2019-2020 Championship Sites
Attachment 20	Page 6 – Transgender Task Force Policy & Procedures Proposal
Attachment 21	Page 6 – Transgender Task Force Grid
Attachment 22	Page 7 – 2018 Proposed Bylaw Changes
Attachment 23	Page 7 – Hurricane Florence Resolution
Attachment 24	Page 7 - CEO Report to the Board
Attachment 25	Board Chair’s Report
Attachment 26	Administrative Vice Chair Report
Attachment 27	AEC Report
Attachment 28	Eastern Zone Report
Attachment 29	FINA Bureau Report
Attachment 30	FINA Technical Committee Report
Attachment 31	UANA Report
Attachment 32	USOC & NGBC Reports
Attachment 33	YMCA Report