

USA Swimming Board of Directors Meeting Minutes

January 31, 2020 / Virtual Zoom Conference Call

1 **CALL TO ORDER**

2 Bob Vincent, Board Chair, called the January 31, 2020 Board of Directors meeting to order
3 at 8:07 a.m. Mountain Time with the following members in attendance:

4
5 **PRESENT:** Chris Brearton, Kenneth Chung, Bruce Gemmell, Jennifer Gibson, Cecil Gordon,
6 Natalie Hall, Tim Hinchey, Lucinda McRoberts, Kathleen Prindle, Bill Schalz, Jeanette Skow,
7 Jim Sheehan, Davis Tarwater, Jay Thomas, Tom Ugast, Bob Vincent.

8
9 **NOT PRESENT:** Maya Andrews.

10

11 **GUESTS**

12 Dale Ammon (Western Zone Non-Coach Representative), Bill Charney (Charney
13 Associates), Tristan Formon (Eastern Zone Coach Director), Sean Redmond (Western Zone
14 Coach Director), Michael White (Central Zone Coach Representative).

15

16 **STAFF**

17 Paula D'Amico, Shana Ferguson, Jake Grosser, Isabelle McLemore, Lindsay Mintenko,
18 Patrick Murphy, Eric Skufca, Joel Shinofield, Mike Unger.

19

20 **MOMENT OF SILENCE**

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

23

24 **AGENDA REVIEW**

25 Bob Vincent presented the agenda and moved the Closed Session to the end of the meeting
26 (Attachment 1).

27

28 **RULES OF ENGAGEMENT / COVENANTS**

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

30

31 **DECLARATION OF CONFLICT OF INTEREST (2.5.4)**

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

35

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

39

40 **CEO WELCOME**

41 Tim Hinchey welcomed the Board and staff, expressed his excitement for the upcoming
42 year with the Trials and Olympics, and thanked the Board for their CEO feedback from
43 2019.

44

45 **BOARD CHAIR'S REMARKS**

46 Bob Vincent remarked on the exciting new culture at headquarters after the office redesign,
47 the importance of using data to compile useful information to solve organizational issues,
48 and lastly mentioned the abbreviated timeline for the day's Board of Directors meeting.

49

50 **MINUTES**

51 ***MOTION:** To approve the November 23, 2019 Board of Directors meeting minutes*
52 *(Attachment 2). Seconded. **APPROVED.***

53

54 **BOARD PROCESS**

55 **CEO BONUS/INCENTIVE COMP (2.3.5)**

56 Bob Vincent informed the Board that their qualitative feedback was given to the Chief
57 Executive Officer and that the compensation adjustment was implemented.

58

59 **"CHARGE" TO NOMINATING COMMITTEE (2.9.3)**

60 Bob Vincent reported that two Board member's terms would be ending at the end of 2020
61 and thus there will be two vacancies on the Board of Directors come this fall. An emphasis
62 on financial literacy was noted as a competency for any potential candidates for the Board
63 of Directors.

64

65 **ENDS MONITORING**

66 **BROADEST - GROWTH/SUCCESS OF SWIMMING (1.0)**

67 Bob Vincent presented Policy 1.0 Broadest/Growth and Success of Swimming (Attachment
68 3).

69

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

74

75 **MANAGEMENT PARAMETERS MONITORING (4.4)**

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

77 Bob Vincent presented Policy 3.3 Treatment of Employees and Volunteers (Attachment 4).

78

79 Lucinda McRoberts clarified that Policy 3.3 refers to broad changes in operational
80 committees that are staff lead, not standing Board committees.

81

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

86

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

88 Bob Vincent presented Policy 3.4 Financial Condition & Activities (Attachments 5 - 7).

89

90 Eric Skufca reported that the 2019 financials are not yet final but will be finalized in late
91 February. Mr. Skufca noted that while there are still material entries to be made for 2019,
92 finances are trending positively towards reducing the previously reported quad operating
93 deficit.

94

95 Tim Hinchey spoke to the paradigm shift of bringing in revenue and then making decisions
96 as to where USA Swimming will invest and spend money, and additionally noted the
97 importance of retention and renewal of key partners.

98

99 Mr. Skufca remarked on the net gains of the 2019 market performance of USA Swimming's
100 investment portfolio.

101

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

106

107 **STAFF UPDATES**

108 **CEO'S UPDATE**

109 Tim Hinchey submitted a written report (Attachment 8).

110

111

112

113 **COO UPDATE**

114 Mike Unger provided an update on the Olympic Trials including strong ticket sales, 1,150
115 qualified athletes, anticipated sport presentation, and a high number of hotel nights
116 booked.

117
118 Mr. Unger highlighted topics from a recent meeting between USA Swimming and FINA,
119 including FINA's proactive plans for addressing open water issues at the 2020 Olympic
120 Games, competition calendar with future FINA competitions, anti-doping, and collaboration
121 with USA Swimming on coach education as well as education as a whole.

122
123 Tim Hinchey added that USA Swimming is also being proactive on the open water site
124 issues in Tokyo for the 2020 Olympic Games and working as many appropriate angles as
125 possible, including a productive meeting with the International Olympic Committee (IOC).

126
127 Mr. Unger reported on the recent USA Swimming Technical Summit including its purpose
128 to ensure we are providing the right competitions in the right way in order to provide
129 meaningful opportunities for athletes.

130
131 The Board engaged in discussion regarding how USA Swimming collaborates with other
132 swimming federations, as well as organizational communication pertaining to USA
133 Swimming meets.

134
135 **NATIONAL TEAM UPDATE**

136 Lindsay Mintenko provided National Team updates, including how the coronavirus in Asia
137 may impact training for the Olympic Team; performance and logistical planning for the
138 2020 Olympic Games; and athletes taking advantage of USA Swimming's mental health
139 initiatives via Talk Space and the Athlete Assist Program.

140
141 **FLEX MEMBERSHIP UPDATE AND MOTION**

142 Joel Shinofield presented on Flex Membership by highlighting its purpose to effectively
143 bring more athletes into the sport of swimming and provide more opportunities for people
144 to experience USA Swimming.

145
146 Patrick Murphy reported on current membership numbers and trends.

147
148 Mr. Shinofield provided membership projection assumptions under both the current Flex
149 Membership model and the proposed Flex Membership model based upon a conservative

150 0% growth rate of Athlete memberships. Mr. Shinofield noted a \$6 million difference
151 between the two models in terms of membership revenue.

152

153 Tom Ugast elaborated on what that type of decline in membership revenue would mean for
154 the overall organization.

155

156 The Board engaged in discussion around how Flex Membership is being used and its
157 purpose as well as its importance as a tool to increase membership in the 10 and under
158 category. Additionally, the Board discussed seasonal memberships and how they are
159 utilized.

160

161 **MOTION: To approve the following Flex structure, effective for the 2021 Membership**
162 **Year. Seconded. APPROVED.**

163

164 *Ages 10 and Under: \$20.00 (\$10 USA-S, \$10 LSC): Two meets, multiple Flex registrations. This*
165 *price matches the minimal dues clubs often charge for their entry-level/novice/pre-*
166 *competitive programs and allows clubs to register these new athletes as USA Swimming*
167 *members, rather than seek lower cost/lower-value options in the marketplace.*

168

169 *Ages 11-12: \$35.00 (\$25 USA-S, \$10 LSC): Two meets, multiple Flex registrations, no*
170 *downgrades from Premium. This is an entry point for athletes who have possibly competed in*
171 *summer league or other rec programs and are likely competing in other sports, which charge*
172 *a similar membership fee.*

173

174 *Ages 13-18: \$45.00 (\$35 USA-S, \$10 LSC): Two meets, 150-day limit, multiple Flex*
175 *registrations, no downgrades from Premium. This is an entry point for athletes coming from*
176 *other sports, summer league, or middle school/high school swimming experiences. Also allows*
177 *entire high school teams or summer league teams to join for a season.*

178

179 **CLUB DUES INCREASE UPDATE**

180 Joel Shinofield reported that a group of coaches and athletes will get together soon to begin
181 talking through the details of a club dues increase.

182

183 **CAO UPDATE**

184 Lucinda McRoberts reported that all fifty-nine Local Swimming Communities (LSCs) have
185 signed LSC affiliation agreements; there will be proposed legislative changes for the Board
186 of Directors to consider during their next meeting in April; and that USA Swimming has

187 identified a successor for the Senior Director, Risk Management as the current Senior
188 Director, George Ward, will be retiring in April 2020.

189

190 **KEEPING ATHLETES FIRST INITIATIVE UPDATE**

191 Lucinda McRoberts provided an overview on the working group, its composition and next
192 steps, which will include monthly calls leading up to Convention to discuss each of the four
193 initiatives: Online Member Registration, Safe Sport Club Recognition Assistance, Safe Sport
194 Staff Resources & Program Development, and Coach Education & LMS.

195

196 **CFO UPDATE**

197 Eric Skufca reiterated that the 2019 budget is projecting positively and will close by the
198 end of February 2020, coinciding when the auditors arrive in early March.

199

200 Tim Hinchey updated the Board regarding USA Swimming's personnel and the emphasis on
201 assessing careers and positions within the organization to ensure the right people are
202 where they need to be and to provide those people with appropriate education and staff
203 engagement.

204

205 Mr. Skufca reported that Finance is continuing to look beyond 2021 to build off the work
206 already done and provide further education and feedback to each division to develop best
207 practices. Mr. Skufca spoke about, where appropriate, moving away from quad budgeting
208 and towards year-to-year budgeting with a zero-based budget each year and using more
209 specified categories for budgeting.

210

211 **CCO UPDATE**

212 Shana Ferguson reported that the USA Swimming Foundation staff is fully integrated into
213 the USA Swimming staff.

214

215 Jake Grosser presented on the Digital Swimming Index (DSI), including its ability to show
216 USA Swimming's digital impact on people year-over-year and to use the produced data and
217 analytics to make improved and efficient organizational decisions. Mr. Grosser went on to
218 explain the current trends of USA Swimming's impact through the USA Swimming website,
219 social media, and swim team searches.

220

221 Ms. Ferguson presented an update on the USA Swimming website redesign, including the
222 use of data to create intentionality, and additionally, showed mobile and desktop visuals of
223 the redesigned website.

224

225 **COMMUNICATION UPDATE**

226 Isabelle McLemore briefly reiterated upcoming media launches, including the website
227 redesign, the 2020 Olympic Trials, and podcasts, among other exciting items.

228

229 **CLOSING ROUNDTABLE**

230 **NEXT MEETING / EVENTS**

231 Bob Vincent shared logistics for the upcoming Board of Directors meeting in April.

- 232 • 2020 / April 24 - 25/ Fort Myers, FL - Open Water National & Junior Championships
- 233 • 2020 / September 23 / Jacksonville, FL - Convention
- 234 • 2020 / September 26 / Jacksonville, FL - Convention
- 235 • 2020 / November 22 / New York, NY - Golden Goggles

236

237 **MEETING ASSESSMENT**

238 The Board engaged in a round table discussion assessing the day's meeting, including
239 expressing gratitude for the work being done by both the Board and staff.

240

241 **CLOSED SESSION (2.3.6)**

242 **LITIGATION UPDATE**

243 The Board went into closed session so USA Swimming's General Counsel, Lucinda
244 McRoberts, could provide a legal update.

245

246 Isabelle McLemore provided a brief communications strategy while in closed session.

247

248 **ADJOURN**

249 Bob Vincent, Board Chair, adjourned this meeting at 11:40 a.m. Mountain Time.

250

251

252 Respectfully submitted:

253



Lucinda McRoberts, CAO & General Counsel



Bob Vincent, Board Chair

USA Swimming Board of Directors Minutes Attachments

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| | |
|--------------|--|
| Attachment 1 | Page 1 – Agenda: January 31, 2020 |
| Attachment 2 | Page 2 – DRAFT BOD Minutes November 23, 2019 |
| Attachment 3 | Page 2 – Policy 1.0 Broadest/Growth and Success of Swimming |
| Attachment 4 | Page 3 – Policy 3.3 Treatment of Employees and Volunteers |
| Attachment 5 | Page 3 – Policy 3.4: Financial Condition and Activities |
| Attachment 6 | Page 3 – Comparative Balance Sheet as 12.31.19 (Preliminary) |
| Attachment 7 | Page 3 – 2019 Budget vs. Projection |
| Attachment 8 | Page 3 – Staff Report to the Board of Directors |