USA Swimming Board of Directors Meeting Minutes  
April 20, 2023 / Denver, CO

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

NOT PRESENT
Ashley Twichell Wall.

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

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

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

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

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

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

DECLARATION OF CONFLICT OF INTEREST (2.5.4)
"Is any member aware of any conflict of interest (that is, of a personal interest or direct or indirect pecuniary interest) in any matter being considered by this meeting, which should now
be reported or disclosed or addressed under the USA Swimming Conflict of Interest Policy?"

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

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

Mr. Brearton presented the Consent Agenda items:
- January 28, 2023 Board Meeting Minutes (Attachment 2)
- Bylaw Updates (Attachment 3)
- 3.1 Treatment of Members/Consumers (Attachment 4)
- 3.2 External Relations (Attachment 5)
- 3.5 Asset Protection (Attachment 6)
- 3.8 Emergency Management Succession (Attachment 7)

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

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

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

Mr. Skufca reported that for fiscal year 2023, the organization has projected $375,000 better than originally budgeted, leading to a smaller deficit despite revenues projecting less than budgeted by $40,000 (-0.1%), as expenses are projected to be less than budgeted by $415,000 (1.1%). Mr. Skufca noted there will be no budget cuts to membership programming.

Mr. Skufca briefly touched on the fixed and variable nuances of the three major revenue sources: membership, partnership marketing, and United States Olympic and Paralympic Committee funding.

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

Mr. Brearton highlighted the growth of partnership marketing and membership revenue, and the Board discussed the nuances of the quad budget.
MOTION: That the Board approve that the performance monitoring report on Policy 3.4 “Financial Conditions and Activities” conveys (a) interpretations of the policy that are reasonable, and (b) that the report reasonably substantiates compliance with the policy requirements, consistent with the CEO’s interpretations. Seconded. Motion passed unanimously.

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

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

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

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

Mr. Sawyer additionally described the Foundation’s benchmarks and remarked on the collaboration between the advisors and Investment Committee.

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

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

STRATEGIC DISCUSSIONS
KEY STAKEHOLDER UPDATES
COACH SURVEY FOLLOW UP
Mr. Shinofield reported that this fall there will be a follow-up survey for coaches, with focus groups occurring this summer. Mr. Shinofield noted that based on the previous survey, Team Services has targeted outreach to small clubs and increased 12 and under educational resources, while additionally returning to grassroots visits that were paused during the pandemic.

PROVISIONAL COACH UPDATE
Board Member Kathleen Prindle presented the purposed updates to Bylaw 2.6 (Attachments 16 - 17).

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

LEARN TO SWIM / PRE-COMPETITIVE INSURANCE
Kenneth Chung, Vice-Chair Fiscal Oversight, presented the concept of providing an insurance option to member clubs for learn to swim and pre-competitive swimmers, to enhance membership value and provide a trusted broker and carrier to our member clubs.

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

DIGITAL TRANSFORMATION
Shana Ferguson, Chief Commercial Officer, briefly described improvements from the organization’s digital transformation.

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

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

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

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

Mr. Brearton presented a preliminary assessment, including that the need to update the organization’s digital infrastructure was real and complex. Mr. Brearton also reported that
the analysis showed a poor rollout to users but that post rollout, the system performance improved significantly.

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

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

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

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

CLOSED SESSION (2.3.6)

2024 TRIALS UPDATE

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

LITIGATION UPDATE

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

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

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

OPEN SESSION

FOUNDATION UPDATE

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

Mrs. Calip additionally reported that $650,000 in grants were distributed to Learn to Swim providers, with a similar trend in Community Impact Grants. Mrs. Calip remarked on the Donor Athlete Partnership Program, which currently supports 25 athletes, with the hope of supporting any athlete who applies. Lastly, Mrs. Calip commented on the Make a Splash Tour presented by Phillips 66, which will bring a variety of learn to swim programing to four locations in the month of May.
Mr. Skufca reported that 2022 closed $195,000 better than budgeted, while noting the 2022 support exceeded the previous year’s contributions. Mr. Skufca noted that 2023 is trending in the same manner (Attachments 18 - 20).

PERFORMANCE & COMPETITION
Mrs. Ferguson provided a brief overview of the 2023 Phillips 66 National Championships in Indianapolis, noting that there will be between 600 and 800 athletes.
Lindsay Mintenko, Managing Director, National Team, noted that four international teams will be selected at the 2023 Phillips 66 National Championships, including World Aquatics World Championships, World Aquatics Junior National Championships, Pan American Games, and LEN U23 European Championship.
Matt Barbini, Director, National Team Performance, explained that U. S. athletes are still in the midst of their training, as opposed to their international counterparts. Mr. Barbini made note of an upcoming relay camp hosted by USA Swimming.

LONG TERM STRATEGIC PLAN – BOARD WORKING GROUP 1.2 / Membership
Mr. Shinofield provided background on the Board Working Group’s process and progress to date.

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

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

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

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

ZDC PRESENTATION
Tim Husson and Zach Toothman, Co-Chair of the Zone Directors’ Council (ZDC), provided an overview of the ZDC, noting that Mrs. Prindle will be the liaison from the Board to the ZDC, to better facilitate connection and collaboration between the two groups.
Mr. Toothman spoke about the ZDC’s current initiatives, including creating a Junior Official Task Force and continuing work on a Sectional Manual.

ADJOURNMENT

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

Respectfully submitted:

Michelle Steinfeld, Secretary and General Counsel

Chris Brearton, Board Chair
# USA Swimming Board of Directors Meeting Minutes

April 20, 2023 / Virtual

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