

Board of Directors Committee Reports and Agenda

Audit

Committee Members

Elyce Dilworth, Chair; Laura Winslow, Vice Chair

Ralph Davis, Phil Dodson, Jeanne Ensign, Jill Gellatly

Ex-Officio: Teddy Decker, Susan Kuhlman

Introduction

The Audit Committee's primary responsibility is to monitor the reliability and integrity of the financial statements of United States Masters Swimming, Inc. (USMS), monitor compliance with legal and regulatory requirements, monitor and evaluate the effectiveness of the organization's operating systems, and monitor the independence and performance of USMS's external auditors.

With regard to the 2019 audit, USMS received an "unmodified" opinion from Kerkering, Barberio & Co. ("K&B"). An "unmodified opinion" is one that is free of material financial statement errors.

Discussions and Projects Since Last Annual Meeting

1. Reviewed and recommended approval of the 2019 audited financial statements to the BOD. Included annual meeting of Audit Committee members with K&B via Zoom.
2. Reviewed and recommended approval of the Form 990 tax forms for the year ended December 31, 2019.
3. Executive Summary report provided to BOD for July mid-year meeting. The report included the results of the 2019 audit process and findings.

Action Items

1. Recommend to Finance Committee changes to FOG, if necessary.

Agenda

The Audit Committee will not meet during Annual Meeting.

Compensation and Benefits

Committee Members

Erika Braun, Chair; Mike Malik Vice Chair

Ed Coates, Dan Cox, Jeff Moxie

Ex-Officio: Dawson Hughes; EC – President: Peter Guadagni

Introduction

The Compensation and Benefits committee advises the Board of Directors on compensation and benefits programs for USMS staff.

Discussions and Projects Since Last Annual Meeting

1. Reviewed and recommended 2020 CEO bonus goals to Board to include updated rating scale for Board relations survey.
2. Reviewed and recommended 2020 CEO compensation to the Board.
3. Recommended updating 2020 bonus payout scale to include prorating achievements based on actual results.
4. Evaluated CEO performance against 2019 Bonus goals and recommended payout.
5. Reviewed and recommended compensation and benefits budget to Finance Committee for inclusion in the 2020 budget.
6. Provided advice and counsel to CEO on personnel matters.
7. Confirmed filing for Form 5500 for 401(k) Retirement Plan.
8. Advised President on communication to membership regarding suspension of payment of Dawson's annual 2020 bonus due to financial impact of COVID pandemic.

Action Items

1. Distribute the 2020 CEO Board Relations surveys to voting and non-voting Board members and summarize results.
2. Committee to recommend management training and development resources.
3. Committee to recommend approval of 2021 CEO goals to the Board of Directors.
4. Determine the organization's financial state and budgeting based on the impact of COVID to USMS for 2021 merit increases.
5. Committee to recommend approval of 2021 CEO compensation to the Board of Directors.
6. 2020 annual CEO bonus payout suspended due to the financial impact of COVID.
7. All items recommended to the board to be approved.

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Agenda

1. Open discussion
2. Review current USMS positions and annual compensation & benefits budget.
3. Review 2020 CEO Board Relations Survey results
4. Discuss management training and development resources
5. Discuss 2021 CEO annual compensation review
6. Discussion of 2021 CEO bonus goals
7. Review Compensation & Benefits committee charter
8. Review annual activities list

Compensation and Benefits Meeting will be closed

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Elections

Committee Members

Erin Sullivan, Chair; Cheryl Gettelfinger, Vice Chair

MJ Caswell, Susan Ehringer, Stephanie Gauzens

Ex-Officio: Onshalee Promchitmart, Jessica Reilly

Introduction

The Election Committee is responsible for holding annual elections for officers (odd years) and at-large directors (even years). The Election Operating Guidelines or EOG are the basis for the operations of the elections. The Elections Committee is responsible for all aspects of the election from announcement that nominations are open until the conclusion of the elections and the report of the winners. The goal is to make the elections accessible and fair for all. The Elections Committee is responsible for suggesting changes to the EOG and for making any necessary edits to the document.

Discussions and Projects Since Last Annual Meeting

1. Reviewed and discussed all candidate packets.
2. Slated all candidates who were eligible for election.
3. Discussed election procedures in the event of a virtual meeting.
4. Submitted proposed election procedures for the virtual meeting.

Action Items

1. Review floor nomination packets and slate qualified candidates.
2. Review the entire Election Operating Guidelines. Update all sections to reflect current procedures. Add a new section to the EOG to accommodate a future virtual meeting.

Agenda

1. Discuss virtual EOG procedures.
2. Discuss electronic voting procedures.
3. Begin discussions for EOG review post meeting.

Elections Committee Meeting will be closed

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Finance

Committee Members

Jeanne Ensign, Chair; Guy Davis, Vice Chair

Tom Boak, Ashley Braniecki, Ralph Davis, Elyce Dilworth, Phil Dodson, Brandon Franklin, Jill Gellatly, Homer Lane, Laura Winslow

Ex-Officio: Teddy Decker, Treasurer; Susan Kuhlman, CFO; Dawson Hughes, CEO

Introduction

Finance Committee is a permanent committee of the Board of Directors (“Board”). Its responsibility is to propose policies pertaining to the financial affairs of USMS for approval by the Board, to receive and review the reports of the Treasurer and National Office, and to review and recommend to the Board the annual operating and capital budgets prepared by the National Office.

Discussions and Projects Since Last Annual Meeting

The committee met during the year by conference call. Vice Chair Guy Davis served as Acting Chair for the first eight months. Committee discussions and actions during the year:

1. Reviewed and discussed monthly financial reports, final 2019 operating results and 2020 quarterly forecasts prepared by the CFO.
2. Discussed at length the proposed revised financial plan and financial forecast for 2020 from the National Office in response to the advent of COVID-19 and the resulting membership revenue and expense reductions. The Committee also discussed sources of funds including CARES Act loan programs and short-term and long-term investments. USMS assets remain stable at about \$4.2M.
3. Discussed and gave feedback on the matching grant program proposed by the National Office to assist clubs in restarting their programs, how the funds would be directed to the clubs in greatest need, the involvement of the LMSCs in directing funds, the matching concept, and the amount available for Gold vs. other clubs.
4. Review of and updating the Financial Operating Guidelines (FOG) was postponed until after the virtual annual meeting in order to gain clarity on the updated budget process which is new this year due to the 2019 House of Delegates action giving responsibility for the budget to the National Office.
5. The chair determined that a contract renewal with Blackbaud, our accounting software, did not require being put out for bid under the exception FOG Section X.C.1). Blackbaud agreed to reduce the 2020 maintenance cost to the 2019 level and provided USMS the option to sign a 3-year agreement with no increases during that time. USMS signed the 3-year agreement.
6. As an appointee of the committee, Ralph Davis, reviewed a revised lease agreement with Bayou Associates for a reduction in office space. The new monthly rent will save USMS about \$225K over the 5-year length of the lease.

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(FOG XII.D requires proposed contracts greater than \$30,000 to be reviewed by a representative of Finance Committee).

Action Items

1. Approve minutes of meetings since prior Annual Meeting

Agenda

1. Welcome and Introductions
2. Approve meeting minutes since prior Annual Meeting
3. Review of over budget requests since prior Annual Meeting
4. Chief Financial Officer's report – Susan Kuhlman
5. Treasurer's report – Teddy Decker
6. Audit Committee Chair report – Elyce Dilworth
7. Budget and fees Q&A as needed.
8. Other
9. Upcoming projects

Finance Committee Meeting Agenda

[Meeting #1: Tuesday, September 8, 8:00-9:00pm, ZOOM Video Meeting](#)
[Meeting #2: Thursday, September 17, 8:00-9:00pm, ZOOM Video Webinar](#)

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Investment

Committee Members

Stan Benson, Chair; Ralph Davis, Vice Chair

Committee members; Guy Davis, Phil Dodson, Homer Lane Bill Sherman, Kevin Kneafsey,

Ex-Officio: Susan Kuhlman, Teddy Decker

Introduction

The Investment committee has been working for the past ten years to create a source of funds that will protect USMS from events beyond our control that could cause long term harm to the continuity of USMS. I am proud to say that several of us have been here the whole time. We started by creating an Investment policy statement, that was reviewed at last years' Annual Meeting.

Money was first invested on March 31, 2011. We hired Northern Trust to be our portfolio manager and they have been our portfolio manager the entire time. Our Investment policy is to seek growth with income with moderate risk. In our quarterly meetings, Northern reviews with us the performance during the past 90 days and we discuss strategies that will accomplish our goals.

Geopolitical events have kept us on our toes and at times during the Covid Pandemic we have had several executive meetings (Chair, Vice-Chair, Treasurer, and Controller) meet with Northern to assess additional strategies between Quarterly meetings. I sent a letter shortly after the Pandemic hit to update the USMS BOD of our attentiveness to the issues at hand.

With that background, the Investment portfolio has returned 6.13% after fees on an annualized basis for 9.5 years. The present portfolio as of July 15th 2020 is worth \$3,420,569. We have set aside approximately \$173,000 for a distribution later this fall.

We also review the Swimming Saves Lives (SSL) portfolio of \$226,812 on June 30, 2020. It has a more passive investment strategy to reduce fees from Northern. Its' annualized total return is 5.51% for the five-year period.

Discussions and Projects Since Last Annual Meeting

1. Complete review of Investment policy Statement.
2. Continued quarterly review with our portfolio manager with purchase and sell adjustments to current and anticipated needs of USMS.

Action Items

1. Review the Investment portfolio and SSL portfolio on a quarterly basis, more often if events dictate.

Agenda

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1. Discuss financial needs of USMS and create strategy to fulfill those needs.
2. Select a new Chair and vice Chair.
3. Discuss investment concerns that will affect the portfolios.
4. Review portfolios with Northern Trust.

Investment Committee Meeting Agenda

Meeting #1 – Thursday, September 3, 8:00pm–9:00pm , ZOOM Video Meeting

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Governance

Committee Members

Jim Miller, MD, Chair; Jeff Strahota, Vice Chair

Ed Coates, Rob Copeland, Hugh Moore, Scott Schmidt, Paige Buehler, Chris Colburn, Patty Miller, Phyllis Quinn, Kermit Yensen

Ex-Officio: Peter Guadagni, Dawson Hughes, Bill Brenner

Introduction

Charge to the Governance Committee—The Governance Committee shall be responsible for ongoing review and recommendations to enhance the quality and future viability of the Board and the USMS governance structure as outlined below. The committee shall be composed of Board and non-Board members with relevant involvement or expertise in governance and organizational development.

Roles and Responsibilities:

- Evaluate the USMS governance process and structures, including the Board of Directors, Executive Committee, national committees, and local and regional divisions and recommend appropriate changes.
- Lead the periodic assessment of the Board's performance and propose, as appropriate, changes in board structure, roles, and responsibilities.
- Regularly review the Board's practices regarding member participation, conflict of interest, confidentiality, etc., and suggest improvements as needed.
- Ensure the onboarding and training of new Board members.
- Design and implement an ongoing program of education for Board members.

Always remember: *When we truly understand the PROs of our Governance structure then we can work on the CONs*

Discussions and Projects Since Last Annual Meeting

1. **Education Sub-Committee:** Ed Coates, Chris Colburn, Paige Buehler – goal is to provide educational information to the BOD on a regular basis with Leadership/Governance topics both in a print format every other month as well as (in most situations) face to face presentations at Winter and Summer BOD meetings + Annual Meeting. The latter occurred only at the Winter BOD meeting due to COVID-19 cancellations of face to face meetings.
2. **USMS Policy Manual:** Recommend to the BOD discontinuation of the USMS Policy Manual (passed and endorsed by the BOD). Rationale: The Policy Manual was originally designed as a place to go for all things related to USMS Policy, however it quickly fell into irrelevance since it had not been updated for years, causing confusion with conflicting guidelines that had been modified/alterd/discontinued.
3. **USMS Committee Structure Project:** Subcommittee – Patty Miller, Scott Schmidt, Jeff Strahota.....the task of this committee is still ongoing at the time of this report. The topic under discussion includes developing a definition &

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- criteria of “what makes a permanent committee v. an ad hoc committee v. a task force.” Inherent in this discussion is to identify delineation of roles that are provided by professional staff and what roles are provided by volunteers. Topics also include looking at Permanent Committees of the Board to find other relevant criteria with which to measure a committee as permanent or ad hoc in this setting. In addition, there groups within USMS that are providing a valuable service to the Corporation but fall outside of these definitions and therefore are not in the Rule Book. How do these fit in?
4. **Confidentiality Policy:** Phyllis Quinn: Reviewed existing document with no changes recommended.
 5. **The Role of the VPs:** VPs should have clear scope of responsibility to enable their ability to make cross-organizational changes.
VPs are a liaison between committees and BOD to be sure that priorities are aligned with the work. There is a “coordination role” between committees that the VP plays.
 6. **Whistleblower Policy** (The Whistleblower Policy is intended to provide a mechanism for the reporting of illegal activity or the misuse of U.S. Masters Swimming assets while protecting the employees who make such reports from retaliation.) – Chris Colburn:
Two recommended changes are being proposed:
#1 Employees may make a report to “at least two” of the listed USMS executives at any time.
#2 Add legal counsel as an option on the list of USMS executives the employee can report to.
 7. **Virtual Annual Meeting:** Two documents were reviewed at the request of the President for upcoming Virtual USMS Annual Meeting:
Proposed Standing Rules for Annual Meeting 2020 with particular discussion of disabling the Chat feature due to complexity of monitoring its use/dominance, role of the USMS Staff in running the Zoom functionality, and voting.
A tailored version of ***Robert’s Rules of Order*** will be on the Annual Meeting webpage, as in the past.

Action Items

1. As noted above and recommended to the BOD. At this time the removal of the Policy Manual is complete.
2. Further recommendations to the BOD as noted above

Agenda

1. Introduction of the Governance Committee Objectives
2. Introduction of Committee Members and their role within the Committee
3. Education Sub-committee Report
4. Review of topics above that were in formative stages at the time of this report
5. Future goals/projects before the Governance Committee
6. Presentation: *Conflict of Interest: What is it and how do you address it?*
7. Q&A

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Governance Committee Meeting Agenda

Meeting #1: Thursday, September 2, 8:00-9:00pm, ZOOM Video Meeting

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Swimming Saves Lives Foundation

Committee Members

Jay M DeFinis, Chair; Brandon Franklin, Vice Chair

Stan Benson, Kristina Henry, Jeff Moxie, Maria L Elias-Williams, Leo Letendre, Patricia Mathison, Patrick Weiss, Nancy Ridout.

Ex Officio: Dawson Hughes, Bill Brenner, Peter Guadagni, Carrie Stolar (ALTS Programming Chair)

Introduction

The USMS Swimming Saves Lives Foundation works to reduce adult Drowning risk through education, financial support, and community outreach. We serve as a financial and development resource for programs that provide learn-to-swim lessons to adults. The committee also supports efforts around our April Adult Learn-to-Swim month campaigns.

Discussions and Projects Since Last Annual Meeting

The ALTS task force was created in 2019 to focus on ALTS curriculum and education, separating the development and fundraising efforts from ALTS programming and instruction efforts. (SSLF chair is to serve ex-officio in the ATLS Programming Committee, ALTS Program Committee chair to serve ex-officio on SSLF).

The SSLF committee added donation level buttons on the new membership registration encourage members to give at various levels.

In first quarter of 2020 (3/31/2020) a grass roots fund raising relay swim raised \$21,377 for SSLF, registrations raised \$15,882 for SSLF, monthly member contributions raised \$4,673, fitness series raised \$3,899, other miscellaneous contributions raised \$4,143.

Early donations thru March 31,2020 were at a pace to exceed the last 3years in total giving. The COVID-19 shut down stopped all donations and ALTS programing. The Board met in March 2020 with USMS President and CEO and voted unanimously to support the USMS COVID-19 relief efforts for the remainder of 2020. The following motion was passed:

“To temporarily change the emphasis of the Swimming Saves Lives mission whereby all donations received from a future date, to be determined by USMS CEO Dawson Hughes, and to go no longer than the end of 2020, will be utilized to support broad USMS initiatives, with a focus on the membership and the issues, arising from the COVID-19 pandemic.”

All funds raised prior to communication of the temporary change in mission will be used for the long term traditional mission of SSL.

Action Items

1. SSLF in conjunction with USMS national office will sponsor the 2020, USMS on-line auction. This event will coincide with the Virtual National Championship, and

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support the USMS COVID-19 relief efforts. The auction will feature unique items for and from our membership to bid on! Special thank you to all the committee members who have worked to make the 2020 auction a success!

2. The committee is looking to resume grant funding in early 2021 and to support SSLF efforts for the 2021 April Adult Learn-To-Swim month.
3. The committee has been and will remain flexible in working with the National Board and the National office as circumstances could change going into the fall.

Agenda

1. Approve the 2021 SSLF budget and financials
2. Report on the SSLF auction
3. Review and approve 2021 grant timeline and fund for distribution
4. Grass roots fund raising discussion
5. Adult Learn-to-Swim focus for 2021
6. SSLF marketing and social media

Swimming Saves Lives Meeting Agenda

[Meeting #1: Wednesday, September 2, 8:00-9:00pm, ZOOM Video Meeting](#)

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ALTS Programming Committee (ad hoc)

Committee Members

Carrie Stolar, Chair; Mia Erickson Stevens, Vice Chair

William Kolb, Lisa Brown, Michael Hamm, Bill Meier, Jeff Waddle

Ex-Officio: Bill Brenner, Jay DeFinis (SSLF Chair)

Introduction

The Adult Learn to Swim Programming Committee, created on the recommendation of the SSLF/ALTS Task Force, was formed in January of 2020. Its focus is on ALTS curriculum and education, formally separating these efforts from the fundraising and support efforts of SSLF. Its responsibilities include helping to grow ALTS programming, providing mentoring, providing continued support to engage certified instructors, sharing best practices and business models, and working to standardize ALTS outreach within each LMSC.

Discussions and Projects Since Last Annual Meeting

1. Create this committee and its initial priorities based on the SSLF/ALTS Task Force recommendations
2. Develop an initial job description for a LMSC ALTS Coordinator position
3. Determine the state of ALTS and identify a key contact person within each LMSC
4. Support the SSLF auction
5. Organize a series of calls for the ALTS community
6. Define useful metrics, and the process to collect those metrics, that can be utilized by individual ALTS programs to help support their own programs as well as the overall USMS ALTS efforts

Action Items

1. Continue to develop the ALTS Peer to Peer call series
2. Publicize and support the 2021 SSLF grant cycle
3. Continue to support the ALTS community as programs reopen
4. Refine the LMSC ALTS Coordinator position description
5. Continue to gather LMSC ALTS contact information
6. Resume work around determining program metrics

Agenda

1. Welcome and introductions
2. Approve minutes from last meeting(s)
3. Update/discuss ALTS Peer to Peer Call Series 2020-2021
4. Discuss Grant Timing for 2021
5. Support of ALTS Programming in 2021

ALTS Programming Meeting Agenda

[Meeting #1: Sunday, August 30, 8:00-9:00pm, ZOOM Video Meeting](#)