

United States Masters Swimming Board of Directors Meeting
Sarasota, Florida
July 10 – 11, 2010

FINAL

Action Items:

MSA – To amend the motion to accept the investment policy by striking the word “broker” from the Investment Policy under Section V, Asset Allocation, and accept the policy as amended.

MSA – To serve alcohol (beer and wine) in the hospitality suite after 6 p.m. each day, concluding at midnight.

MSA – The proposed mission statement “To promote health, wellness, fitness and competition for adults through swimming.”

MSA – To remove article 402.4.9 and 402.4.10 from the proposed new code of conduct.

MSA – To add to the code of conduct a section 4.02.4.5: Reciprocal enforcement – United States Masters Swimming shall consider any sanction by a FINA NGB to be conduct in violation of the USMS code of conduct for the duration of such sanction, subject to appeal to the National Board of Review.

MSA – A policy that all swimmers who register with USMS sign a code of conduct.

MSA – The proposal that the National Office, if contacted, provide registration help for those LMSCs that make such a request.

MSA – The changes to the Benefits Policy proposed by the Compensation and Benefits Committee.

MSA – To increase the number of positions to be reviewed in order to hire an employee from three to seven.

MSA – To have the vacant position on the Compensation and Benefits Committee filled by Raena Latina.

MSA – The names that were provided by the chair of the National Board of Review to serve as a pool of candidates for review panels.

MSA – The resolution that increased investment in information technology is a high priority for USMS to effectively support member services and programs.

MSF – That USMS and its affiliates resolve to strive for 100 percent club renewals by October 31 of each year, and to strive for 100 percent individual membership renewals by December 31 of each year.

MSA – To set a fee for the appeal process of \$100 for filings and appeals to the National Board of Review and \$200 for appeals to the Board of Directors.

Jeff Moxie - President called the meeting to order at 10:00 a.m. EDT at the Hyatt Regency Sarasota in Sarasota, Fla. Also present were: Mike Heather - VP of Administration, Nadine Day - VP of Community Services, Dave Diehl - VP of Programs, C.J. Rushman - Secretary, Ralph Davis - Treasurer, Rob Copeland - Immediate Past President, Ed Tsuzuki - VP of Local Operations, Doug Church - Legal Counsel; At-Large Directors Anthony Thompson (Breadbasket), Betsy Durrant (Colonies), Meg Smath (Great Lakes), Jerry Clark (Dixie), Jeanne Ensign (Northwest), Michael Moore (Oceana), Don Mehl (South Central), Laura Winslow (Southwest Zone); Executive Director Rob Butcher; Past-Presidents Jim Miller, Ted Haartz and Nancy Ridout.

Not present: Past-Presidents Tom Boak, Mike Laux, June Krauser.

Agenda Items:

- Joan McGill, vice president with the Sarasota County Economic Development Corporation, attended and thanked the Board for choosing Sarasota as the headquarters for U.S. Masters Swimming. She also thanked Rob B, as he has become a strong influence in the community.

The Board of Directors went into executive session at 10:03 a.m. to discuss confidential matters regarding volunteers. The Board came out of executive session at 10:48 a.m.

Ad Hoc Election Committee:

- Rob C gave an update on the ad hoc Election Committee about the nominees for at-large directors and what is happening with the process. Nominee information has been posted on usms.org. One nominee, Mark Moore, has withdrawn his application.

Workout Group Task Force:

- The task force has met several times. Their opinion is that we need to recognize workout groups so we can distribute information to them and to members swimming in their programs.

LMSC Board of Review Task Force:

- Rob C provided draft documents to facilitate a discussion about developing and establishing model bylaws. The hope is to develop some consistencies around LMSC bylaws. We need to make sure that the LMSC Development Committee is involved so change can be implemented across all LMSCs. Should grievance policies and procedures be taken away from LMSCs and be given to the Board in order to keep a consistent and unbiased process? The task force needs to work with the LMSC Development and Governance Committees to further clarify these policies.

Governance Committee:

- Anthony distributed Governance Committee meeting minutes and spoke about the 2009-10 highlights of the committee's activities. The Governance Committee requested that all committees post minutes of their meetings on the USMS website.

USMS Staff Update:

- Rob B thanked everyone for attending this weekend meeting and said that if there is anything staff can do to make it more accommodating, please let him know.
- Rob spoke about the headquarters feasibility study being conducted with the Sarasota YMCA that could potentially include expansion of a second pool and building of a USMS headquarters. Sarasota County has made land available if the YMCA would like to build a pool adjacent to their current one and for USMS to build office space to meet its future needs. The YMCA is studying the need for a second pool. Regardless of whether the expansion happens or not, USMS will need a larger office space in the next few years.
- Rob recommended two evergreen goals for USMS. The first, by October 1 of each year, to have all clubs renewed. The second, by December 31 of each year, to have all members renewed with USMS. (See later discussion on membership retention.)
- Our current email distribution list has grown from 55,000 in January to 66,000 in June. The email list is used to distribute the monthly e-newsletters *STREAMLINES*, *STREAMLINES for Coaches* and *STREAMLINES for Volunteers*.
- We have moved from distributing time-sensitive information in *SWIMMER* magazine to *STREAMLINES*. In response to last year's member communication survey, we have made significant improvements in the content and visual look of *SWIMMER*. The goal for *SWIMMER* should be to be distributed as close as possible to the first of every other month. LMSCs that use

SWIMMER to distribute their paper newsletters should take this into consideration. If distributing time-sensitive information is a priority, they may want to consider other ways to distribute than relying on *SWIMMER*. Jeff and Rob B will work with Douglas Murphy to meet that delivery date.

- Ben Christoffel joined USMS in the spring as a contractor with three primary responsibilities: produce and distribute all *STREAMLINES*, edit and produce USMS-branded Internet videos and manage our USMS social media platforms. Ben also produces and publishes the daily highlight shows from USMS Nationals. By year's end, we will have produced more than 50 Internet videos. So far, our videos on the USMS YouTube channel have been viewed more than 35,000 times.
- USMS sponsorship is up this year, and since 2008 up 61 percent, despite the economy being down. Five new sponsors were added this year alone. USMS has made it a priority to visit with many of our sponsors face to face, providing focus on partner relationships. Sponsorship is now the second largest source of revenue.
- Mike H suggested USMS should not focus on renewals but rather growth of new clubs. He suggested the Club and Coach Development group should focus on growth in underdeveloped areas where we can grow Masters programs. Jeanne pointed out that she saw firsthand the value of the Club Development group when they attended a PNA coaches and club development workshop. Many veteran and new coaches were in attendance and all got something out of it. Jim made the point that club development is a positive and does have a long-term positive effect on coaches, clubs and LMSCs. Doug shared that club development is perhaps one of the most valuable programs we are supporting as it leads to education, membership retention and growth at the grassroots level. Rob C pointed out that club development is a really good way to take care of the low-hanging fruit that we need to harvest and as we move up the tree to continue to growth of coaches and clubs.
- Jeff shared that Rob B has cultivated a donor who has signed a letter of commitment for \$100,000 to USMS that will be paid over a three-year period. The first contribution has been received.
- Jeff shared that the IMSHOF induction banquet will be Friday evening of the convention. He encouraged all Board members, delegates and LMSC representatives to attend and support the IMSHOF induction.

The meeting was recessed for lunch at 12:28 p.m. and resumed at 1:00 p.m. on Saturday, July 10, 2010.

2009 Audit Presentation:

- Kerkering Barberio, our new auditors, made a presentation. In addition to the financial presentation, Kerkering Barberio made some recommendations, including: the Board should design a way to develop estimates for monitoring and allocating functional expenses, and design a policy for identifying and tracking donated materials and professional services. Kerkering Barberio gave an overview of the preceding four-year period to showcase the financial growth of the organization; the net income has risen over this period. Rob C asked why we had an increase of the Unrestricted Board Designated Reserves, and was told it was a result of an increase in operating expenses.

Controller Update:

- Susan Kuhlman provided an update on the current financials.
- There was a need to establish a cash disbursement policy and procedures once the National Office took over processing invoices, which was done in conjunction with the Finance Committee.
- Susan now provides a controller's letter in addition to the monthly and quarterly financials.
- There is a process now in which USMS/LMSC fee collection and payments are netted to reduce exchanges so that monetary transactions can be handled by the National Office and the check-writing burden to LMSCs can be reduced.

- Susan’s first project once she was hired was to draft a request for proposal to engage a local CPA firm. Four firms responded and the Audit Committee selected Kerkering Barberio.
- Another time-intensive project that Susan and Rob B completed, with support from the Compensation and Benefits Committee, was the review of our employee benefits program. The organization is shifting from a traditional group plan to a professional employer organization, where we can get better rates and more insurance options for staff. Four of these single-source providers of integrated services, which enable business owners to cost-effectively outsource the management of human resources, employee benefits, payroll and workers’ compensation, were interviewed, and SOI was selected as the best option for the organization.
- A third project on the controller’s plate was the review and recommendation of a new accounting software program. Both our audit firm and the Audit Committee assisted in this review and recommendation of various accounting programs. An over budget request has been submitted to the Finance Committee.

Investment Policy:

- Ralph provided the Board of Directors a proposed investment policy for USMS developed by the Investment Committee. Mike H made a motion to approve the policy as drafted. Rob C seconded. Discussion was held to talk about the policy, specifically the average return of the assets. Doug mentioned that we do have a diversified investment line-up and having targets in the policy is a good thing because it contributes to the overall health of the fund. Rob C mentioned that the committee wanted good, solid, long-term, conservative investments to maintain and meet the goals of the stated policy. Laura did not think that having the stated percentage goal in the policy was a good idea. **MSA – to amend the motion to strike the word “broker” from the policy under Section V, Asset Allocation, and accept the policy as amended.**

USMS Suite at Convention:

- We discussed the hospitality suite at convention, regarding serving alcohol to persons that may tend to be intoxicated, the legal implications to USMS, as cited by Doug Church. The chair of the North Texas LMSC, the host LMSC at convention this year, does not want to serve alcohol. Don asked if the North Texas LMSC is refusing, or whether they don’t want to put their volunteers at risk. Jeanne said that this would be a perfect time to stop serving alcohol. Betsy asked if there is a way to compromise on this item. Mike H stated that alcohol has always been available, but some restrictions might need to be in place. Nadine mentioned that the chair of North Texas did not want the volunteers serving alcohol, but a compromise was possible of not having alcohol served until after the day is over. Nancy said that we could lose the bonding and networking that comes with having a hospitality suite altogether. Jerry said it would be a good decision to hire someone outside the volunteer organization that is trained to handle this. Mike H asked for the Board to decide if we want to offer alcohol in the hospitality suite. Jeanne suggested that we consider not serving alcohol in hospitality. Nadine made a motion to serve alcohol (beer and wine) after USMS events are concluded each day and for operation of hospitality to conclude at midnight. Betsy seconded. Mike H requested a friendly amendment to the motion to start serving alcohol each day at 6 p.m. **MSA – to serve alcohol (beer and wine) in the hospitality suite after 6 p.m. each day, concluding at midnight.**

USMS Mission Statement:

- After the February Board of Directors meeting in Dallas, Rob B was charged with presenting an update to our mission statement. Staff proposed the following new statement: “Promote health, wellness, fitness and competition through aquatics.” Mike H suggested that we add the word “Masters” and add at the end “of programs and events,” because this still focuses on adults. Rob C made a motion to amend by adding the words “To” and “for adults,” to read as follows: “To

promote health, wellness, fitness and competition for adults through aquatics.” Laura proposed an amendment to the motion to change the word “aquatics” to “swimming.” Betsy seconded. **MSA – to recommend the proposed mission statement: “To promote health, wellness, fitness and competition for adults through swimming.”**

- Jeff will submit the approved proposed mission statement to the Legislation Committee. Ultimate approval or disapproval will be made by the House of Delegates at convention.

USMS Code of Conduct:

- Doug spoke about the code of conduct in article 402. This was in reference to the sexual harassment case and banned substance policies that are in place currently with USA Swimming. Jim spoke of how the banned substance policies would affect USMS. This would cause issues for some of our swimmers because they will have to know what they are currently taking and knowing which substances are on the banned list. Nadine mentioned that this was discussed by the Sports Medicine and Science Committee, knowing that there may be people taking banned substances. Michael M made a motion to remove articles 402.4.9 and 402.4.10 from the code of conduct. Rob C seconded. **MSA – to remove articles 402.4.9 and 402.4.10 from the code of conduct.** Rob C made a motion to remove article 4.02.4.8. Mike H seconded. **MSA – to remove article 402.4.8 from the code of conduct. MSA to add to the code of conduct a new section 4.02.4.5: Reciprocal enforcement – United States Masters Swimming shall consider any sanction by a FINA NGB to be conduct in violation of the USMS code of conduct for the duration of such sanction, subject to appeal to the National Board of Review.** Michael M said we could have problems in tracking people that are on that list. Jim and Nadine stated that USA Swimming does have an ongoing list that USMS can obtain to help track those swimmers or coaches who may attempt to obtain membership with USMS. Rob C made a motion to have all members that register with USMS sign a code of conduct. Mike H seconded. Meg asked if this would be perceived as the BOD forcing policy upon the LMSCs. **MSA – a policy that all swimmers who register with USMS sign a code of conduct.** Jeff asked for three volunteers to work with staff to implement this for the 2011 registration period.
- Nancy, Dave and Doug will work with Rob B for implementation.

Membership and Dues Task Force:

- Mike H spoke about the Membership and Dues Task Force updates in the reports submitted to the Board.
- The task force recommended that one-event registrations should continue to be made available for those LMSCs that want to utilize this option. Perhaps we can register one-events online as part of the end-to-end event management feature to help reduce the paperwork at the local level.
- Jeff asked for a sense of how many would like to see if rolling registration would be something we should pursue. The sense was that the Board would like to have more information on how this would be accomplished.
- Mike H made a request that every member get a registration card mailed to them. Betsy said that she believes that this is not the best use of an LMSC registrar or the National Office. Nancy said that she believes that cards should be sent because it is something tangible that a person has in hand. Jerry agreed with Betsy that it should not be a national requirement. Jeanne said it could be a marketing and retention tool but that it takes seven times for people to retain information and learn about something. This would be a good way for new members to learn about the organization. Laura would like to see this idea go forward. If requested by an LMSC, the National Office will help mail registration cards to members.
- The next topic was regarding lifetime memberships, and what benefit they offer to USMS. Jeff asked for a sense of the room if there is interest to see what can be done to move this along. Year-end discount memberships are possible or there is the possibility of rolling membership. But

before we get to this point, unified dues would have to be enacted so a fee structure could be put in place.

- The last idea was of bundled registration to create a uniform regional registration process for some of the smaller LMSCs to join forces with a larger LMSC to help keep members registered. Thirty-three of the 52 LMSCs have more than 500 swimmers.

Compensation and Benefits Committee:

- Nadine reviewed proposed changes to the Benefits Policy. **MSA – the changes in the Benefits Policy as drafted.** There is a new policy and procedure document for determining base salaries for positions that will help Rob B hire staff members as the organization grows. Jeanne would like to see how reimbursements would be handled in relation to overall compensation and benefits. Laura would like the number of comparable jobs that are being reviewed, increased from three to seven. **MSA – to increase the number of positions to be reviewed from three to seven.**
- Jeff recommended that the Board appoint Raena Latina to the Compensation and Benefits Committee. **MSA – To have the vacant position on the Compensation and Benefits Committee filled by Raena Latina.**

National Board of Review:

Rob C brought up the fact that the National Board of Review needs to have a pool of candidates to utilize in the event a grievance is filed in order to deliver an unbiased ruling. The names of the candidates are: Meg Smath, Patty Miller, Kathy Casey, Skip Thompson, Sandi Rousseau, Cathy Kohn, Rick Walker, Melinda Smith, Pat Baker, Sally Dillon and Jennifer Parks. **MSA – the names that were provided by the chair of the National Board of Review to serve as a pool of candidates.**

SwimFest Review:

- Rob B provided a comparison of the budget from SwimFest 2009 versus 2010. Jeff and Ed were Board members who attended. The 2010 event was well attended by coaches, but swimmer attendance was lower than the previous year. As a result, the National Office is developing a document it will distribute to LMSCs and clubs interested in hosting SwimFest 2011. The intent of SwimFest is to create an educational platform for Masters coaches, with swimmers participating. Ed said that coaches should have to pay a fee to attend the event, and swimmers should receive a reduced rate. Nancy made the point that this event is an investment in the future of the organization. Anthony mentioned that the Board should be more involved in more national events to show support. Laura was concerned with the decrease of swimmers, and felt we really need to ensure that numbers are increased for future events. Betsy felt we should have a budget item for SwimFest so it shows our commitment. Staff is conducting a survey of SwimFest participants to get their feedback on how to improve the event.

The meeting was recessed for dinner at 6:00 p.m. and resumed at 10:02 a.m. on Sunday, July 11, 2010.

USMS IT Strategy:

- Mark Gill presented the organization's information technology strategy as USMS membership grows.
- In 2010 we completed the following projects that directly impact service to our members: moving Go The Distance and the fitness logs online; new calendar of events; map-based Places to Swim; video embedding in usms.org pages; and launching our social network strategy with Facebook, Twitter, LinkedIn and YouTube.
- We do want to expand our capabilities, but we have the same one-person IT staff that we had in 1996. We are limited based on resources that we currently possess. With each new project that

comes online, we have to offer support to maintain it. In order to continue to expand our IT services to our members, volunteers and events, it would be in our best interest to add a second and possibly third IT staff person to continue and further more development. Jim suggested we revisit the IT Task Force recommendations that were made a few years ago, which were very similar to the current recommendation. Since we now have a headquarters and better infrastructure, we are in a position to move forward with that recommendation. Michael M asked how you measure success with sites such as YouTube and Facebook. Mark said that the area we have the highest nonrenewal rate in is the under-30 and under-40 demographic. This group communicates through that form of technology and has embraced it by sending us emails and posting videos. Mike H asked if staff had a budget for adding IT staff. Rob B said that staff is working on the budget and has estimates on what salaries may be. Ed said that we need to ensure we finish what the business objectives are before we take on too many projects so as not to overload the system. Rob C made the following motion: **MSA –We resolve that increased investment in information technology is a high priority for USMS to effectively support member services and programs.** Nancy pointed out that maintenance is really important to keep the interest of the membership. Ralph said that it will be important to look at all the IT dollars, and decide how much needs to stay internal and what we should outsource. Ed said it is important to have established processes and requirements prior to sending work to external providers. Laura asked if we are going to continue with our contractors or just replace them with full-time staff. Rob B said that he would like to hire one full-time programmer and possibly a part- or full-time programmer in 2011. Ed spoke to the end-to-end event management process and how the key is the IT infrastructure. Ralph asked for a budget that shows a three-year projection so we know where we should focus the IT efforts.

The Board went into executive session at 10:52 a.m. to discuss registration issues. The Board came out of executive session at 11:14 a.m.

Membership Retention:

- Rob B gave an update on member retention and the fact that 36 percent of the membership does not renew each year, which is unpalatable.
- Mike H made a motion to have USMS and its affiliates resolve to strive for 100 percent club renewals by October 31 of each year, and to strive for 100 percent individual membership renewals by December 31 of each year. Rob C seconded. Rob B said staff has identified 17 different tools currently available to USMS that would greatly assist in membership retention. We would need to develop a schedule of when and how to use each tool, along with support from LMSCs. Michael M thought that having a 100 percent goal is not realistic. Ralph asked whether we had looked at organizations that are similar to us in size to see how they work with renewals. Rob B said that is something staff can look at. Mike H said that this issue has been on the table for many years. Laura asked what will happen if we do not meet these two goals. Staff would like to survey our membership and allow them to tell us why they are renewing or not renewing. Ed said that we need to be benchmarking to know what real goals we should be setting. Laura liked the idea of goals but thought we need to have a more realistic goal than 100 percent. Michael M agreed with Laura that 100 percent is not realistic. Jerry thought coaches are the real driver to membership retention. **The motion failed.**
- Jeff directed staff to come up with goals to help support and improve membership numbers.

Open Water:

- Dave asked for feedback on the Open Water Committee's rules proposals.
- The first topic of discussion was a proposal that would allow competitors under 18 to participate in sanctioned USMS open water events. Mike H said that he was opposed to having anyone less

than 18 years old participate in Masters. Jim said that since the Board passed the code of conduct, those under age 18 would have to sign it, even though they are not of legal age. Don was concerned that having swimmers younger than 18 could cause potential issues based on the recent sexual harassment cases. The Board felt that we did not want to allow anyone younger than 18 to participate in sanctioned events. Ultimate approval or disapproval will be made by the House of Delegates at convention.

- The second topic of discussion was regarding a uniform sanction application. Michael M felt that having a uniform application would help those LMSCs or event hosts that do not have experience with open water events. Nancy said that different LMSCs may have different rules and requirements and having a national sanctioning process could cause issues. Rob C said that most LMSCs don't have policies so it should not be an issue to have one consistent process. Mike H supported having a uniform sanction application because it brings the LMSCs closer together in practice. Jeanne said that we have model LMSCs that could serve as mentors to those LMSCs that don't have the opportunity for or experience with open water. Ted said that the Open Water Committee has an established process in place and his concern is that we are going outside of what is in place. Jeff reiterated that the Open Water Committee needs to develop sanctioning guidelines for running open water events. Jerry spoke to his experience of running an open water event and provided his feedback to the Open Water Committee that a single point of communication would have been ideal. Jerry felt that there are too many revisions on the sanction forms and the approval timeframe was too lengthy. Jim felt that we need a uniform statement throughout the country, which encompasses all aspects of aquatic events, makes it easy for event hosts that seek us out, knowing that each event is unique, but does help send a unified message about USMS. Michael M thought the Open Water Committee should have something in the Guide to Operations to help with best practices.

The meeting was recessed for lunch at 12:12 p.m. and resumed at 1:00 p.m.

New Business:

- Rob C made a motion to set a fee for the grievance process of \$100 for filings and appeals to the National Board of Review and \$200 for appeals to the Board of Directors. Meg seconded. Michael M said he would like to amend the motion to have the fee be \$50 for filings and \$100 for appeals. **MSA – to set a fee for the grievance process of \$100 for filings and appeals to the National Board of Review and \$200 for appeals to the Board of Directors.**
- Jeanne made a motion to approve the financial statements as presented by the auditors. Rob C moved to table the motion so that the Board has time to review the financial statements. Ed seconded Rob's motion. **MSA – to table approval of the auditor's financial statements.** The second item of discussion was regarding the 990 and 990-T-R from the auditors. Jeff asked the Board to review these documents within 48 hours (Tuesday, July 13).
- Betsy felt distressed that a number of events that are using online entry are not allowing swimmers to utilize paper entries. Meg stated that the Board had previously passed a policy requiring all national championship events to accept paper entries. Ed stated that we should be considerate of those swimmers who do not have the means to enter events online.
- Ralph shared that the cost of the video production for Atlanta Spring Nationals was \$7,500.
- Michael M requested that all committees post their minutes online.
- Jeanne asked if the New Board Orientation has been scheduled and if the convention schedule has been published yet, as the Board has not yet received it. Nancy asked if the convention information will be provided to the delegates.
- Jeff will set a date for a conference call for the Board of Directors to discuss the budget, which will be provided by Ralph, before convention.

- Jeff, on behalf of the Board, thanked Rob B and staff for their hospitality hosting the Board of Directors meeting.

MSA – to adjourn the meeting at 1:27 p.m.

Respectfully submitted,

C.J. Rushman
Secretary