
Action Items:

1. MSA the document, “Responsibilities of the U.S. Masters Swimming Board of Directors.”
 2. Selected Sarasota, Fla., as the location for USMS headquarters.
 3. MSA the Compensation and Benefits Committee’s recommendation to waive section 6A(1) of FOG (“A minimum of three competitive bids is required for any single expenditure in excess of \$1,500, unless fewer than three vendors are available to bid”) in regard to hiring movers for staff relocation to the new national headquarters city.
 4. MSA a policy that USMS will reimburse up to \$15,000 of expenses for each current employee who will be moving to the national headquarters city.
 5. MSA to request an overbudget expense of \$27,500 for relocation expenses in accordance with action item 4 above.
 6. MSA the document, “Executive Limitations Policy” as amended.
 7. MSA suspending Professional Management Guidelines indefinitely and recommending to the House of Delegates that it be rescinded.
 8. MSA the USMS Community Partner designation.
 9. MSA a policy that the duration of the USMS Community Partner designation is five years.
 10. MSA awarding USMS Community Partner designation to Sarasota, Fla.
 11. MSA awarding USMS Community Partner designation to the Raleigh-Durham-Chapel Hill triangle in North Carolina.
 12. MSA that USMS make available, with appropriate limitations and safeguards, including privacy protection, the USMS membership database to certified event management vendors at an appropriate fee.
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President Rob Copeland called the meeting to order at 3:04 p.m. CST, February 6, 2009, at the SpringHill Suites in Grapevine, Texas. Also present were Vice Presidents Leo Letendre (National Operations), Mike Heather (Community Services), Mark Gill (Member Services), Julie Heather (Local Operations); Secretary Meg Smath; Treasurer Jeff Moxie; Immediate Past-President Jim Miller; Legal Counsel Patty Miller; Executive Director Rob Butcher; At-Large Directors Anthony Thompson (Breadbasket), Betsy Durrant (Colonies), Jerry Clark (Dixie), Nadine Day (Great Lakes), Michael Moore (Oceana), Jeanne Ensign (Pacific Northwest), Don Mehl (South Central), Laura Winslow (Southwestern); Past-Presidents Ted Haartz and Nancy Ridout.

Opening remarks

Rob C congratulated Nadine on the recent birth of her daughter, Nalani. He also wished Laura a happy birthday, and noted this will be the officers’ last midyear meeting. The Board enumerated the following goals for 2009:

- Get professional staff up and running.
- Set minimum standards for LMSCs.
- Implement our strategic plan.

- Provide meaningful volunteer engagement as we move to a more staff-driven organization.
- Integrate the executive director's action plan with the Board's strategic plan.
- Enhance and improve communication between the Executive Committee and the remainder of the Board of Directors.
- Provide more transparency in our operations.
- Learn the different roles of the EC and BOD.
- Optimize our committee structure.
- Develop information technology infrastructure.
- Provide for succession.
- Continue to evaluate our governance structure and ways to improve.

Executive director's report

Rob B thanked all the directors for making the time to come to the meeting.

He provided unaudited 2008 financial results to the Board and made comments about trends he is seeing in the report.

He announced that Controller Margaret Bayless has accepted a new job, which she will start February 9. She is looking forward to the Board making its headquarters selection so that we will know in which city to look for a new controller/HR staff person, and Margaret can begin to transfer responsibilities.

On the sponsorship front, Rob B is expecting us to stay flat on sponsorship through the rest of 2009 and will be focusing on renewal of our more than 10 corporate partners whose contracts expire at the end of 2009.

Organizers for SwimFest have found savings from the expense projections. SwimFest will be advertised through a full-page ad in the March/April issue of *SWIMMER*, and promoted in our member e-newsletter, in information sent to all LMSCs, in the website discussion forums, in the web Features section and through word of mouth. He has also received word that USA Triathlon has certified SwimFest for its coaching continuing education program, meaning that any USA Triathlon coach attending SwimFest will be eligible to receive 7.5 credit hours.

Our member e-newsletter is showing a 57 percent open rate and we have signed up more than 500 new MYUSMS.org accounts. He compared that to our previous best day ever of nine new MYUSMS.org accounts.

Our logo release and sponsor announcement of InfoArmor were both picked up by *Sports Business Daily*. In addition, the *Los Angeles Times* ran a full-page feature on Masters swimming in which they interviewed Conejo Simi Aquatics Head Coach Nancy Kirkpatrick-Reno. This story really was a team effort started by Mike Heather and continued by Ashley Gangloff: a great example of teamwork.

Clovis registration is up on usms.org. We will promote the 1-Mile Open Water Championship on the website as well, but its registration is being operated by a third-party vendor. We will try to link the open water championship registration to the pool championship registration.

Leo added a membership update to Rob B's report. At the end of January, we were at 115 percent of registrations as of January 2008, an increase of 4,100 registrations. We are still tracking ahead of this time last year, and are already at 66.5 percent of last

year's full-year total. Leo will compile statistics on new registrations, renewals and "recaptured" registrations. He also noted that donations are up tremendously for the USMS Endowment Fund; we have already exceeded last year's total. Donations to ISHOF are up too. Nadine asked if all registrars know that they can use the registration program to email members who have not yet reregistered, and Leo confirmed that this has been communicated to all registrars.

Governance Task Force report

Patty referred all to the written report distributed before the meeting (attached). She noted that the task force's initial charge was simply to determine the BOD's responsibilities in the current structure (in which all voting directors are elected, in contrast to the previous structure that included appointed committee chairs). The EC has continued to do what it always did, which is day-to-day operations, but the BOD's role was not as obvious. The Board agreed upon the following document:

Responsibilities of the U.S. Masters Swimming Board of Directors

The U.S. Masters Swimming Board of Directors is responsible for monitoring the fiscal and organizational soundness of USMS; providing strategic direction to USMS, while keeping the organization's mission and values at the forefront; and representing the organization to the public and USMS members, especially to sources of financial support.

Individual Board members are responsible for being well informed about USMS and the environment in which it operates; participating actively in meetings and driving toward decision-making; asking questions; being loyal to USMS and avoiding conflicts of interest; supporting Board decisions; and promoting the organization's purpose and programs in the community.

The Board is *not* responsible for hiring, evaluating or firing staff other than the executive director; involving itself in the organization's day-to-day operations; or taking actions as individuals or subgroups that represent changes in fiscal, personnel or program policies without formal action by the full Board.

The Board's responsibilities can be categorized as fiduciary, strategic and relationships, with more detail as follows:

Fiduciary: Oversight and Inquiry

- Ensure efficient and effective use of resources and fiscal accountability.
- Recommend an annual budget to the House of Delegates.
- Review and approve major program plans and organizational policies.
- Comply with the internal laws of the organization.
- Ensure compliance with federal, state and local laws.
- Monitor organizational results.
- Hire/fire the executive director and establish boundaries for him/her.
- Evaluate the executive director's performance and determine compensation.
- Retain the executive director.
- Assess the Board's performance.
- Ensure sound risk management policies and succession planning.
- Use reasonable care in the decision-making process.

Strategic: Planning and Thinking

- Keep the organization's mission relevant.
- Analyze internal and external environments.
- Help identify and frame emerging issues.

- Innovate and modify the strategic plan.
- Set the overall direction, goals and policies for the organization.
- Support the executive director in implementing Board strategies and tactics.

Relationships (for Resources)

- In keeping with the organization’s mission and strategic plan, establish external relationships for the purpose of generating revenue and opportunities.
- Understand and help generate revenue strategies for the organization.
- Help generate other resources (e.g., volunteers, relationships).

MSA the document. The consensus was that the document will be temporarily housed in the Policy Manual.

Board evolution

The evolution of a board of directors was summarized in the following diagram:



The Board then brainstormed about what USMS might be like in 2019. All agreed there is ongoing need for formalized board training, as well as better succession planning for both volunteers and staff.

The Board broke out into four groups to discuss (1) size of the BOD, (2) makeup of the BOD, including officers and roles, (3) role of the HOD and (4) selection and terms of the BOD.

Financial guidelines

Rob B and Jeff provided a draft document adapted from USA Swimming guidelines. Rob C suggested that the BOD develop a high-level financial policy, which would be supplemented by guidelines. He felt the BOD should concentrate on philosophy and a smaller group could revise the document, and separate it into policies and procedures. Directors were asked to email any comments and recommendations they might have to Jeff, Jeanne or Rob B. The sense of the BOD was that the concept of this document is headed in the right direction. Rob C appointed a task force consisting of Jeanne, Jeff, Rob B and Finance Committee Chair Ralph Davis to refine the document.

The meeting recessed at 7:04 p.m. and reconvened at 9:09 a.m. on February 7.

National headquarters

Rob B reviewed the reasons for a headquarters: Membership growth leads to increased responsibilities; and a headquarters would provide efficiency, improve communication, allow us to take advantage of opportunities, provide staff accountability and enhance our image and credibility.

As of January 1, 2009, the candidate cities were Charlotte, N.C., Fort Myers, Fla., Sarasota, Fla., and the Raleigh-Durham-Chapel Hill triangle in North Carolina. Rob B noted that the process to gather the information he presented to the Board involved staff, the Compensation and Benefits Committee and the BOD.

Rob B went over the qualifications of each candidate city, and made a recommendation to the Board.

By secret ballot, the Board chose Sarasota as the location for its headquarters. Rob B will move forward with plans to move the office to Sarasota, with the assistance of the Compensation and Benefits Committee.

Proposal to establish a task force to develop a USMS registration policy

Mark asked that a task force be established to evaluate: annual versus calendar membership, establishing a national policy regarding one-event membership and establishing a national policy regarding membership pricing. Because membership policy has implications far beyond any one program, he feels we need to consult the various stakeholders, understand the advantages and disadvantages of any changes and then make a decision.

He recommended that we consider national and local perspectives, as well as the perspectives of large and small LMSCs. He noted that a previous task force made recommendations on these issues, but they were never implemented. There is also a Registration Committee task force with a similar charge. Rob C appointed Mark to chair the task force, which will also include Nancy and Laura. They will report back by April 1.

Policy for LMSC and zone boundary changes

Julie presented the following policy, proposed by the Zone Committee:

1. Proposed changes to LMSC or zone boundaries shall be presented to the Zone Committee no later than February 1 to be considered in the House of Delegates at the annual convention. This requirement can be waived by a two-thirds vote of the Zone Committee.
2. The Zone Committee shall contact all affected parties (LMSCs and/or zones) for input on the proposed changes.
3. The Zone Committee shall report back to the affected parties with a recommended course of action.
4. All involved LMSCs and/or zones shall vote on the proposed change and notify the Zone Committee of the result.
5. Changes to Appendix D shall be submitted per the deadlines in the USMS rule book.
6. If all parties are agreeable to the change, and the Zone Committee concurs, the Zone Committee shall recommend passage.

7. If any affected party disagrees with the change, or the Zone Committee disagrees, the Zone Committee shall recommend to the House of Delegates that the proposal be defeated (in which case the proposal shall require a two-thirds majority in even-numbered years, or shall not be presented to the House of Delegates in odd-numbered years).

Jim was concerned that this procedure could be used to “force annexation.” Julie explained that this could occur now with our current rules and policies, and the intent of the proposed policy is to require discussion before convention so that all parties will be consulted. The Board then discussed whether the proposal should be considered a Zone Committee procedure or a BOD policy. The consensus was that the deadline mentioned in point 1 above should be codified in the rule book (which the Zone Committee will propose), and that the rest of the procedure should be maintained as a Zone Committee policy.

Committee structure analysis

Patty led a discussion of the Governance Task Force’s preliminary analysis of our committee structure. The Board agreed with most of the task force’s conclusions. The task force will work on a final report for the Board, and the Board will then make any needed legislative proposals.

Compensation and Benefits Committee report

The Board went into executive session to discuss the requirements for the executive director to earn a bonus in 2009. Rob B left the meeting during this discussion.

Upon Rob B’s return, the Board reviewed the minutes of the committee’s last conference call. **MSA the Compensation and Benefits Committee’s recommendation to waive section 6A(1) of FOG (“A minimum of three competitive bids is required for any single expenditure in excess of \$1,500, unless fewer than three vendors are available to bid”) in regard to hiring movers for staff relocation to the new national headquarters city. MSA a policy that USMS will reimburse up to \$15,000 of expenses for each current employee who will be moving to the national headquarters city. MSA to request an overbudget expense of \$27,500 for relocation expenses in accordance with the previously passed policy.**

Executive Limitation Policy

The following policy was presented for the Board’s consideration:

The Board of Directors grants the executive director full authority to manage and operate United States Masters Swimming, with the following limitations.

Policy EL-1: General Executive Constraint

The executive director shall not intentionally cause or allow any practice, activity, decision or organizational circumstance that is illegal or in violation of commonly accepted business practices, professional ethics or the mission and objectives of USMS.

Policy EL-2a: People Treatment

With respect to treatment of staff, volunteers, members, corporate partners and others, the executive director shall not intentionally cause or allow conditions that are unsafe or unprofessional.

Policy EL-2b: Hiring Employees and Contractors

The executive director shall not hire employees or commit to contracts without having funding approved, either through the annual budget process or through an approved overbudget process. The executive director shall not cause or allow violations of hiring laws or commonly accepted hiring practices.

Policy EL-2c: Financial Planning, Budgeting and Activities

The executive director shall not cause or allow organizational financial planning to deviate materially from the Board's priorities, risk organizational financial jeopardy or significantly deviate from the strategic plan. The executive director shall not cause or allow actual ongoing financial conditions and activities of financial jeopardy or material deviation of actual expenditures from the annually approved budget.

Policy EL-2d: Emergency Succession

To protect the Board from a sudden loss of executive services, the executive director shall not permit there to be fewer than two other executives sufficiently familiar with Board and executive issues and procedures to enable a reasonable succession. If such executives are not in place, then the executive director shall maintain a succession document readily available to the Board president.

Policy EL-2e: Asset Protection

The executive director shall not intentionally cause or allow corporate assets to be unprotected, inadequately maintained or unnecessarily risked.

Policy EL-2f: Compensation and Benefits

The executive director shall not intentionally cause or allow employment, compensation and benefits to any employee, consultant or contractor who jeopardizes our financial integrity or our public image or that violates statutes or general hiring practices.

Policy EL-2g: Communication and Support to the Board

The executive director shall not intentionally allow the Board to be uninformed or supported in its work.

MSA to amend the document by striking policy EL-2a. MSA to adopt the Executive Limitations Policy as amended; the vote was 14-2 in favor.

Professional Management Guidelines

Because the provisions of our Professional Management Guidelines are covered by other policies or do not reflect the organization's current status of having an executive director, **MSA suspending PMG indefinitely and recommending to the House of Delegates that it be rescinded.**

The meeting recessed at 7:17 p.m. and reconvened at 7:45 a.m. on February 8.

Election Operating Guidelines

Julie presented revisions to the Election Operating Guidelines proposed by the Zone Committee. The Board suggested changing the responsibility for maintaining the guidelines from the Zone Committee to the BOD, and reducing the size of the Election Committee to three people. Julie will take the suggestions back to the Zone Committee, and the Zone Committee will finalize the document and present it to the House of Delegates at convention for approval.

LMSC minimum competencies

The Zone Committee has been working on compiling a list of minimum competencies for LMSCs so that LMSCs will have definitive knowledge of what is required of them, and so there will be an enforcement procedure. Julie presented a draft for the Board's input. The draft divides the requirements into the general areas of leadership; bylaws and administration; registration; communications; finance; Top 10; officials; and events, sanctions and recognitions. The Board divided into groups to discuss the different requirements, and their input will be returned to the Zone Committee. When the document is complete, it will be distributed to LMSCs and added to the "USMS Guide to Operations." Legislation will be required to codify the authority to enforce these requirements. A remediation policy contained in the document will also be added to the "USMS Policy Manual."

Open Water Task Force report

This task force was established during the November 12, 2008, Executive Committee conference call. Lynn Hazlewood is chair, and other members are Marcia Cleveland and Bob Bruce from the Open Water and Long Distance Committee, Mark Gill, and staff Rob Butcher, Ashley Gangloff and Jim Matysek.

Mark reported on the task force's proposal to establish a Grand Prix Open Water Series. The Grand Prix will be the first step in the development of a new national open water event system, beginning with the 2010 season. The goal will be to have a new championship structure in place for the 2012 season, other national and regional events promoted or managed by USMS, and a new method for ranking open water swimmers.

Branding strategy

Rob B noted that our new logo is available in various formats for download on our website. He is working on a licensing agreement, and will provide examples of situations when a royalty fee would be in effect.

USMS Community Partner designation

Rob B proposed establishing the following USMS Community Partner designation: "The U.S. Masters Swimming Community Partner designation shall be given to localities that commit to increasing public awareness of USMS and supporting USMS's mission of promoting health and fitness in adults through Masters swimming. Community Partners will promote Masters swimming locally by collaborating with USMS to increase programming, awareness, events and membership." **MSA the designation. MSA a policy that duration of this designation is five years. MSA awarding this designation to Sarasota, Fla. MSA awarding this designation to the Raleigh-Durham-Chapel Hill triangle in North Carolina.**

Membership database availability policy

In order to promote the use of electronic meet registration, **MSA that USMS make available, with appropriate limitations and safeguards, including privacy protection,**

the USMS membership database to certified event management vendors at an appropriate fee.

Emails from corporate partners

Don shared with the Board a complaint from an LMSC officer in his zone about receiving email from a USMS corporate partner. The Board clarified that USMS strives to make services available to its members and keep them apprised of benefits that are available through our corporate partners. Part of that effort is the limited ability for our corporate partners to communicate with our members. Every member has the opportunity to opt out of these direction communications. Furthermore, USMS relies on LMSC officers to represent USMS locally and serve as a key link in the communication chain with our members. As part of that role, LMSC representatives, especially chairs, registrars and newsletter editors, will be asked occasionally to pass information to members in their LMSC.

Next BOD meeting and adjournment

The meeting adjourned at 12:01 p.m. EST. The next BOD meeting will be March 31, 2009, at 7:30 p.m. EDT. The next EC meeting will be Feb. 17, 2009, at 7:00 p.m. EST.

Meg Smath
Secretary

**Governance Committee Report
U.S. Masters Swimming Board of Directors
Midyear Meeting – 2009**

Committee Members:

Don Mehl	Julie Heather
Nancy Ridout	Patty Miller (Chair)
Michael Moore	Anthony Thompson
Tom Boak	Sean Fitzgerald (Liaison from Legislation Committee)

The following is a summary of the Governance Committee’s activities to date and an explanation of what we intend to do at the upcoming Board of Directors midyear meeting.

The USMS Board of Directors established a Governance Committee at the September 28, 2008, Board meeting that took place at the end of the USAS convention in Atlanta. The call for a Board Governance Committee stemmed from the perceived need to adjust USMS’s committee structure to the new reality of an organization where paid staff, led by an executive director, performs many functions that were previously handled by volunteer committee members, and to reflect the Board’s proper role in such an organization. The committee structure had last been updated in a large governance exercise several years ago that pre-dated the hiring of an executive director. During the course of the Board meeting, the potential scope of the Governance Committee expanded to include not just committee structure but rather a top-to-bottom review of USMS governance, including local and regional organizations.

The committee began meeting after convention and determined that, based on its broad “top-to-bottom” assignment, it should begin by surveying stakeholders from all levels of the organization. A survey tool was created for this purpose that asked questions about all levels of governance, and the committee set about determining how to best administer the tool through the use of technology.

Also after the Board’s convention meeting, the Governance Committee drafted a charter, which summarized the committee’s responsibilities as follows:

The Governance Committee of the USMS Board of Directors is responsible for ongoing review and recommendations to enhance the quality and future viability of the USMS governance structure, including committees and local and regional divisions of USMS.

The committee shall have the following responsibilities:

- Evaluate the USMS governance process and structures, including the Board of Directors, Executive Committee, national committees and local and regional divisions (LMSCs and zones) 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.
- Design and implement an ongoing program of Board orientation, training and education.

The charter was drafted for Board comment at a Board training session on Oct. 17-18. At the training session, the Board did not approve or disapprove the charter but it did, in the course of the training session, create an action plan that included several specific assignments for the Governance Committee. Those assignments and their due dates were as follows:

- Be transparent and open to all USMS leaders and constituents in governance deliberations and decision-making – **Ongoing**
- Revisit the rule book bylaws and Policy Manual, to make sure it is consistent with the new Board roles and responsibilities and consistent with the new intentions of delegation to staff – **June 2009**
- Add a section to the bylaws about the Board's authority to hire/fire an executive director to whom they can delegate authority of the day-to-day operations and all staff/contractor management; include that this ED reports to the full Board and not any one individual officer or director; emphasize that this Board has "one" employee only—This information should be repeated in all appropriate Policy Manual sections... – **February 2009**
- Clarify in writing this Board's new roles and responsibilities and its partnership with HOD/staff, organized around Fiduciary, Strategic, and Resource Development (see attached worksheet plus previous USMS definitions) – **February 2009**
- Clarify which committees are needed for Swimming Code versus Board-level Organization Policy versus delegated to staff for Operations Support, and which should be phased out – The Board of Directors needs to take responsibility for any committee changes that are implemented – **February 2009 (initial plan)**
- Communicate its progress to the full Board of Directors prior to the midyear Board meeting; feeding into the Legislation Committee any changes by June – **February 2009**

The priority assigned for all of these items except the last one was **HIGH**. Because of uncertainty about its mission and priorities based on differences between the September 28 assignment and the action plan assignments, and the multiple priorities, the committee sought guidance in the Board of Directors' Jan. 7, 2009, Board meeting. While some individual Board members expressed views about what the committee's focus should be, there was no consensus reached.

Therefore, the committee decided on its own to focus on two things for 2009:

1. Clarify the Board's roles and responsibilities and its relationship to staff and the HOD.
2. Determine which committees and their functions are needed for swimming code versus Board-level organizational policy versus delegated to staff for operations support, and which should be phased out.

The Governance Committee's plan is to seek input from the Board on these issues at the February midyear meeting, to subsequently refine the committee recommendations and seek input from other USMS stakeholders, and to propose legislation to effectuate any proposed changes.

The committee will conduct structured discussions at the midyear meeting intended to engage the Board in these issues and solicit their feedback. To that end, the Board is being sent materials in advance of the midyear meeting for use during the meeting. We ask that everyone review those materials to best prepare for a productive discussion at the meeting.

Respectfully submitted,

Patty Miller
Governance Committee Chair