

Action Items:

MSA – The Board will create a mission statement for the Endowment Fund.

MSA – The Board recommends the Championship Committee consider Omaha to host the 2012 Long Course Nationals, at the Olympic Trials pool after USA Swimming Olympic Trials are completed.

MSA – The Board will direct the Finance Committee to write an Investment Policy for U.S. Masters Swimming.

MSA – A member of the U.S. Masters Swimming Board of Directors who wishes to apply for a position within the corporation must give notice to the Board president and resign from the Board before applying for the job.

MSA – Request the USMS president not appoint USMS employees or contractors as voting members of the House of Delegates.

MSA – To create an separate bank account to have funds deposited in anticipation of establishing a Foundation in the future and authorizing staff to take such actions and execute any documents necessary to open and administer the account.

MSF - The U.S. Masters Swimming Board of Directors voted unanimously to explore the creation of a separate 501(c) 3 corporation, wholly owned by United States Masters Swimming Inc. to establish a nonprofit tax exempt US Masters Swimming Foundation.

Jeff Moxie- President called the meeting to order at 3:03 p.m. CST at the SpringHill Suites by Marriott in Irving, Texas. Also present were: Michael 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, 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), Executive Director - Rob Butcher; Mark Gill – Director of Business Operations, Susan Kuhlman – Corporate Controller, Past-Presidents Jim Miller, Ted Haartz and Nancy Ridout.

Not present: Ed Tsuzuki- VP of Local Operations, Laura Winslow (Southwest Zone) and Tom Boak, Mike Laux, June Krauser – Past Presidents.

Agenda Items:

#1. Endowment Fund Training / Strategy to grow our Endowment Fund, Led by Chuck Loring of BoardSource.

Chuck educated our board on the current state of the union regarding nonprofits and their ability to fundraise. There are significantly more nonprofits than 10 years ago, creating competition for those wanting to raise money for their cause(s). Fundraising is a process. The benefits of successful fundraising can help USMS foster long-term growth. Marketing, public relations and brand recognition are important ingredients in successful fundraising. We need to develop a culture of fundraising within our organization. We need to be able to articulate our mission statement to develop ongoing loyalty to USMS. We need to build relationships through stewardship in order to sustain the gift giving. Role model behavior will need to be shaped over

time to influence members to donate to USMS. The Board needs to reach out to create a sphere of influence within our community in order to help continue donations to the organization. The key is to have donors giving to the mission of the organization, not to individuals. **MSA – The Board will create a mission statement for the Endowment Fund.**

The meeting was recessed at 5:45 p.m. and resumed at 9:10 a.m. on Saturday, February 27, 2010.

#2. 2012 LCM Nationals Proposal from Omaha Sports Commission.

Harold Cliff, President of Omaha Sports Commission, and Mark Rath from the Omaha CVB gave a presentation and video for USMS to host the 2012 U.S. Masters Swimming Long Course National Championship immediately following the Olympic Trials in the Qwest Center. They spoke about the uniqueness of the Qwest Center venue, coupled with the Olympic Trials, to make this a signature opportunity for USMS. This would be an opportunity for USMS to elevate our brand, outreach to new sponsors and cultivate donors, making this much more than just a swim meet. The CVB would manage the hotel accommodations, which all are within walking distance of the venue. With two years of planning, there will be opportunity to package tickets and hospitality with Trials. **MSA – The Board recommends the Championship Committee consider Omaha to host the 2012 Long Course Nationals, at the Olympic Trials pool after USA Swimming Olympic Trials are completed.**

#3. Business Update.

Rob Butcher and Mark Gill provided a state of the union. They showed a highlight video of staff during their recent retreat. We are experiencing membership growth. Understanding why, where membership growth is coming from, where it is lacking, and opportunities with retention are an initiative for staff. Membership is made up of three distinct groups: new/first time members, member(s) that skip a year, and ongoing continual members. Unattached swimmers are the fastest growing segment. Staff is creating a “Know your Benefits” campaign to educate members on all their benefits. Club Development is communicating and visiting LMSCs and programs across the country. SwimFest, which is a coach mentoring in combination with a swimmers clinic, is set for June 4-6, 2010. SwimFest will be in the upcoming magazine and registration will be online. The event is free for coaches. LMSCs are encouraged to offer scholarships to support coaches desiring to attend. Club Development is tracking their outreaches. We had a very good year in sponsorship. Rob B mentioned that the Sarasota office is at maximum capacity; however we could seat another two- three 3 hires with some shuffling.

#4. Financial Presentation.

Susan Kuhlman gave an update on year-end financials. We had projected a 2009 deficit but had a surplus. This was due to better than projected revenue from membership and sponsorship, as well as lower than budgeted expenses from administration and committees. Our accounting is evolving as we put in place a more detailed chart of accounts to provide a better look at how and where we are spending.

The meeting was recessed for lunch at 12:10 p.m. and resumed at 1:08 p.m. on Saturday, February 27, 2010.

#5. Investment Policy.

Ralph Davis brought to the Board the expectation of having a new Investment Policy Statement. **MSA – The Board will direct the Finance Committee to write an Investment Policy for U.S. Masters Swimming.**

#6. Board Orientation Presentation

Jim Miller gave a new board member overview and expectations presentation. We must continue to promote strategic leadership development by utilizing skills through words and actions as a cohesive unit. The Board needs to continue to find ways for future support of the staff while growing the organization.

#7. FINA Update

Dale Neuburger provided a FINA update. Dr. Julio Maglione from Uruguay is the new FINA president. FINA has not had a new president in 22 years, so this signifies a leadership change in FINA. The U.S. now has 15 appointments within FINA. Nancy Ridout was reappointed to the FINA Masters Technical Committee. Jim Miller is a new appointee to the FINA Sports Medicine Committee. The FINA Masters World Championships will be in Riccione, Italy, in 2012. Dr. Maglione intends to visit the U.S. and meet with leaders of all aquatic disciplines. The first World Aquatics Convention will take place in Uruguay in September 2010. USMS is encouraged to attend. FINA will be reviewing and revising their constitution in a few months. If USMS has any recommendations, they should forward them.

U.S. Aquatic Sports (USAS) is composed of USA Swimming, USA Diving, USA Water Polo, US Synchro and USMS. USAS is our representative voice to FINA. USAS will hold elections in September. Mel Goldstein has served as the USAS treasurer and been a very good USMS representative. A question was asked about what is the best way for USMS to further develop relationships with other international Masters swimming NGBs. The answer was that USMS should attend and be visible as the best way to build long-term relationships.

The meeting was recessed for a break at 3:45 p.m. and resumed at 4:00 p.m. on Saturday, February 27, 2010. Executive Director- Rob Butcher; Director of Business Operations- Mark Gill, and Susan Kuhlman – Corporate Controller left the meeting.

MSA to go into executive session at 4:00 p.m to discuss the "executive director's" bonus plan. MSA to come out of executive session at 5:25 p.m.

#8. New Business.

Doug Church spoke about the number of questions he receives from members on various topics that pertain to USMS. Doug will keep a record of inquiries that he receives regarding legal and business matters and track the results of his findings.

a. Audit Committee

Jeff provided the names of the five members to serve on the Audit Committee to select the external auditors. The members are; Jill Gellatly, Elyce Dilworth, Jeanne Ensign, Phil Dodson, Paul Griffin and Ralph Davis - ex officio.

b. Convention Hospitality

Nadine emailed a file before the meeting that had USMS expenditures from hospitality at convention from Chicago. Vendors will not be providing breakfast in the morning at convention in Dallas in 2010. The North Texas LMSC volunteers will be asked to host the hospitality meeting room. Michael Heather will discuss with the convention coordinator the possibility of finding a separate meeting room, such as a ballroom, to encourage our members to interact with one another and consider providing breakfast items in the USMS meeting room in addition to lunch items. At this time, USMS has decided not to change the hospitality meeting room.

c. Governance Committee

Anthony provided a recap of their meetings during the past year.

MSA –A member of the U.S. Masters Swimming Board of Director who wishes to apply for a position within the corporation must give notice to the Board president and resign from the Board before applying for the job. MSA – Request the USMS president not appoint USMS employees or contractors as voting members of the House of Delegates. There is an interest in having Jim Wheeler serve as the Risk Management Coordinator. Jeff will contact Jim to confirm his interest. Because of the large task for this coordinator, the USMS president may want to appoint a “working group” to support risk management activities. Members will be solicited once Jeff speaks to Jim. Governance will evaluate the current state of events within USMS governance procedures and structure of local and regional divisions (LMSCs and zones) and make recommendations. This will create a need for realignment of membership for confirmation and to reappoint other members to the Governance Committee. This will be a two-year project since this is not a legislation year.

d. Rob Copeland gave an update on the Election Committee, which consists of Ed Tsuzuki and Rob. Rob asked for a third person to sit on the committee.

e. Jeff announced that we have three additional people who are to serve on the Endowment Committee: Ed Tsuzuki, Ralph Davis and C.J. Rushman.

f. Workout groups – A task force will be put in place to explore what to do with workout groups. The four people that Jeff named to the task force are: Nadine Day, Jerry Clark, Michael Moore, and Rob Copeland.

The meeting was recessed for dinner at 6:20 p.m. and resumed at 8:58 a.m. on Sunday, February 28, 2010.

MSA to go into executive session at 8:59 a.m. to discuss membership of the Compensation and Benefits Committee. MSA to come out of executive session at 9:08 a.m.

g. Membership and Dues Task Force

Michael Heather gave a preliminary progress report. Based on the discussion of the Task Force and report to the Board, each item studied will be implemented or not based on its own merit. The task force has asked the EC to allow the staff to make a second mailing of the magazine for each issue to those members who registered too late to make the initial label printing. Regarding one-event registration, the task force recommends a review of the process to find if it has any effect (positive or negative) on full registrations to determine the usefulness of the program. After registration is complete, the task force felt that there are few opportunities for USMS to touch members directly and registration should be first among them. The task force thought that the end-of-year discount could be modified in such a way as to encourage membership rather than encourage waiting to register to get a discount. Lifetime, rolling and 5-year memberships are not viable options at this time under our current structure.

#9. Board Succession Planning by Chuck Loring of BoardSource.

Chuck Loring continued the presentation on charity/foundation education process, as well as succession planning. Our current Endowment Fund was established in 1997 and is structured through the Central Indiana Community Foundation (CICF). CICF is a donor advised fund. USMS receives contributions from our members and then directs them to CICF. Once the revenue is transferred from USMS, it irrevocably belongs to CICF. USMS is able to grant the interest on the funds. CICF is under no obligation to return our contributions to USMS should we request. The real benefit to partnering with CIFIC is the economies of scale in cost and investment. To date, our annual costs through CIFIC have been less than \$1,000 per year.

Chuck presented several options to consider should USMS want to take control of its foundation efforts. As an already registered 501(c)(3), (option 1) USMS can accept contributions and keep them within our current operating structure. The second option is that USMS could establish a separate 501(c)(3) focused and made up of a board of directors with a focus on fundraising. The benefit to option 2 is that (a) our current USMS board can serve as a member of the elected board focusing on member-related issues while the foundation board can serve as a fundraising-focused board and (b) there is a separation of liability between the two 501(c)(3)'s. The potential downside to option 2 is that (a) if communication lines are not open and transparent, there is potential for friction between the two boards and (b) increased costs from operating a second 501(c)(3). It was shared that the costs of audit, accounting and staff can be shared.

Chuck shared that if USMS establishes a foundation 501(c)(3), it is still the responsibility of both boards to support the foundation board mission and fundraising objectives.

Currently some LMSCs do have foundations established that send money to the general fund of USMS. Jeff Moxie will ask Doug Church to research and review boilerplate template documents for beginning the process of establishing the Foundation.

MSA – To create a separate bank account to have funds deposited in anticipation of establishing a Foundation in the future and authorizing staff to take such actions and execute any documents necessary to open and administer the account. Chuck suggested that we establish a task force/ working group to decide the direction we want to follow. Jeff indicated that his goal was to appoint the task force/working group by the end of the week.

MSF- The U.S. Masters Swimming Board of Directors voted unanimously to explore the creation of a separate 501(c) 3 corporation, wholly owned by United States Masters Swimming Inc. to establish a nonprofit tax exempt U.S. Masters Swimming Foundation. Once the Board identifies those members interested in serving on the working group, then that working group will solicit additional resources and needed skill sets from members.

#8-a. New Business.

Anthony asked for an update on Governance regarding the LMSC Development Committee and Open Water and Long Distance Committees. Mike Heather also reported that Long Distance is the committee dealing with rules/legislation and Open Water is the committee dealing with events. An update will be emailed to the BOD at a later date.

Nadine gave the VP of Community Services report via email prior to the BOD meeting.

The next USMS Board meeting will be held in Sarasota, Florida, July 9 –11. Jeff will work on the agenda and solicit input from the Board. The next Executive Committee meetings will be Tuesday, March 9, and Saturday, March 27, and will rotate on a two-week schedule on Tuesdays and Saturdays starting in March.

MSA – Adjournment of meeting at 11:42 a.m.

Respectfully submitted.

C.J. Rushman
Secretary