

Committee Name:	Board of Directors	Session #:	2	Report #:	1
Committee Chair:	Nadine Day	Vice Chair:			
Minutes recorded by:	Chris Colburn	Date/time of meeting:	February 8, 2014 8:30am CST		

Motions Passed:

1. MSA to ratify December 2013 BOD meeting minutes.
2. MSA to ratify vote to reallocate the PR budget.
3. MSA to accept the recommendation of the Compensation and Benefits Committee for the Executive Director's bonus award.
4. MSA to amend USMS rules and add 203.3.3 Fees - Sanctions may be subject to an insurance surcharge, as determined by the Board of Directors or the House of Delegates.
5. MSA to establish the insurance surcharge fee of \$1000 for Open Water sanctioned events, billed to the LMSC issuing the sanction.

Number of committee members present: 24

Absent: 4

Number of other delegates present: 2

Committee members present (list all, including chair and vice chair): Nadine Day - President called the meeting to order at 8:26am CST. Also present were: Ed Tsuzuki - VP of Administration; Chris Stevenson - VP of Local Operations; Chris McGiffin - VP of Programs; Jody Smith -VP of Community Services; Chris Colburn – Secretary; Phil Dodson – Treasurer; Patty Miller - Legal Counsel; At-Large Directors: Bruce Hopson (Breadbasket), Dave Diehl (Colonies), Maria Elias-Williams (Dixie), CJ Rushman (Great Lakes), Hugh Moore (Northwest), Jill Gellatly (South Central); Jim Clemmons (Oceana) and Phil Whitten (Southwest); Rob Butcher – Executive Director; Past Presidents: Rob Copeland, Jim Miller, Nancy Ridout, Jeff Moxie, Tom Boak and Ted Haartz; Jeff Gudman – USA Swimming Liaison to USMS..

Not present: Dan Gruender, Mike Laux and June Krauser – Past Presidents; Mel Goldstein is recused from the Board due to his contractor position with USMS.

Guests: Susan Kuhlman, CFO; Ed Coates, Compensation and Benefits chair (joined by phone)

Minutes

The meeting was recalled to order at 8:26am CST.

1. The secretary requested that the BOD ratify two votes. **MSA to ratify the December 2013 BOD Conference Call minutes. MSA to ratify the BOD vote to reallocate the PR budget to support the revised plan requested by the National Office.**
2. Hugh Moore engaged the BOD in a training session based on the book *Ten Responsibilities of Nonprofit Boards* by Richard T. Ingram. Discussion centered both on what we currently do well, as well as what we need to improve on as a board. The Board broke into breakout sessions to discuss some of the areas for improvement. The Board then reconvened to discuss the findings of the breakout sessions.
3. Rob Butcher presented the Staff Update. The first discussion highlighted the level of support the national office provides to our volunteers such as LMSCs and committees. Rob reported that staff invests 25-50% of its time into volunteer support initiatives. Rob followed up with a discussion of the membership products provided by USMS and recommended USMS offer a 16-month membership option. Rob shared a Swimming Saves Lives Foundation update and the plan for the April Adult Learn-to-Swim campaign. Patty and Rob presented a risk management update. Topics related to the potential need for additional outside counsel and updated liability waiver. Rob Copeland congratulated Patty for the extensive legal work she has done for USMS. Rob Butcher shared that the new Open Water checklists are published to usms.org. There was some discussion on setting fees and which fees the national office can establish. Conclusion was any program fees such as the vanity ID fees, coaches membership, coaches certification can be established by the national office.
4. Chris McGiffin and CJ Rushman provided an IT Update. Chris McGiffin expanded on recommendations related to the role and responsibilities of the IT Liaisons. Chris McGiffin and CJ then fielded questions about the IT Priorities list. Nadine indicated that there will be an update on the End-to-End Management Project at the March Board of Directors meeting.
5. The Board recessed at 12:18pm CST to bring lunch into the meeting. The Board re-convened at 12:47pm.
6. The Board discussed the elections process. A central issue included dissemination of the roles and responsibilities of the various offices for candidates running for elected office within USMS. Succession planning was also included in the discussion. A recommendation was made to host a webinar prior to Convention with the potential candidates and have a moderator for the Meet the Candidates forum.

7. Ed had a conversation with Meg Smath about 201.1.2 regarding the potential for extending longer-than-full-year memberships (16 months, for example) as an additional option to those who purchase a partial year membership. There is some question on the interpretation of this rule. The Board empowered the National Office to pursue implementing a 16-month membership.

The Board discussed the value of the registration system in house and the opportunities for USMS to provide more benefits and services for the membership. There was discussion regarding a unified fee, which has been deferred to the Finance committee and Registration committee to evaluate and bring forth recommendations to the BOD by the Summer BOD meeting.

8. Phil Dodson and Susan Kuhlman presented the Preliminary Financial Report for Year Ended 2013. They continued by presenting the Finance Committee's report on a USMS Five-Year Plan 2015-2019. This is not an official plan, has not been adopted by the Board. Discussion centered around the investments in people and resources necessary to service members and membership development and related impact on organization's key performance indicators. The Board accepted the presentation as a useful guideline and tool in viewing the future direction of USMS.
9. Ed Coates joined the meeting by phone at 2:30pm CST to discuss issues related to the Compensation and Benefits Committee. The Board entered Executive Session at 2:33pm. **MSA to accept the recommendation of the Compensation and Benefits Committee for the Executive Director's bonus award pool.** Ed Coates departed at 3:11pm CST. The Board exited Executive Session at 3:13pm CST.
10. Ed Tsuzuki presented a discussion on National Championships financials. The topic for discussion focused on what our approach/strategy should be in terms of the desired overall financial outcome of these events, and how we go about projecting this to give the Championship Committee appropriate direction. The BOD suggested that we address the question based on 3 competing (simultaneously occurring) objectives/parameters:
 1. Profitability for USMS
 2. Profitability for the host
 3. Cost for member to attend

It was suggested that we seem to have a small and consistent set of members that attend nationals on a regular basis. And that this group is probably not motivated to go or not go based on the entry fees. The BOD would like to see the event be profitable and attractive for hosts to run (note that donations, from the meet revenue, made by the host to local clubs or other organizations should not to be considered as an "expense"). The nationals should be considered a USMS "branded" product and as such USMS should be able to derive value from this - suggesting that there should be opportunities to derive value for USMS within the agreements worked out with the host. If possible it should be looked at as an opportunity for USMS and the host to share both the contributions (marketing, publicity, support/services) and share the "returns" for the event.

11. Ed Tsuzuki led a discussion on LMSC issues related to workout groups. Workout groups are used in the registration system. The BOD agreed that the term workout groups to be used and recommend that chapters be removed from the glossary. The LMSCs must use the term workout groups in their by-laws to provide a consistent terminology.

Nadine followed up with a discussion on consistent communication by the LMSCs. As of 2/7, there are 11 LMSCs with leaders who are not currently registered with USMS. The rulebook states in 501.2.5 that membership for LMSC board members is mandatory. There was a discussion on the authority the organization has to enforce membership compliance or offer help within those LMSCs. Other discussions involved standard tools that could be offered to LMSCs to help disseminate information to their members. USMS has the tools, and the Guide to Operations is an excellent resource. The main issue is communication and transparency. There is also an issue of accountability and enforcement. Instead of penalizing LMSCs discussion recommended that we reward LMSCs for performing well. There was discussion on LMSCs not having websites and the possibility of having a template website provided. LMSCs that have a small membership also have a small volunteer pool. Discussion continued about the idea of multi-year membership. Nadine asked Rob Butcher to coordinate with the Finance Committee to discuss the feasibility of the multi-year membership option and unified fee.
12. Open Water Insurance Surcharge: The Legislation Committee has empowered the Board to pursue an insurance surcharge as provided in 203.3.3 of the rulebook. **MSA to accept the recommendation of the Legislation Committee to amend USMS rules and add 203.3.3 Fees - Sanctions may be subject to an insurance surcharge, as determined by the Board of Directors or the House of Delegates. MSA to establish an insurance surcharge fee of \$1000 for USMS sanctioned Open Water events billed to the LMSC. Communication needs to be improved that the event host is not being billed the \$1,000; it is the LMSC and it is up to each LMSC to decide how to handle the insurance surcharge fee.** Per 506.3.9, Nadine will inform the House of Delegates that this decision will be enforced until the next meeting of the House of Delegates in September. Further discussion centered around the financial implications of recovery of the insurance costs in the long term. Nadine reminded the BOD that we have a \$10,000 insurance rebate program to subsidize LMSCs, which sanction smaller Open Water events. Nadine will form an open water task force to determine how to handle the insurance fee for open water and determine open water strategies for USMS.
13. Next session will be February 9, 2014 at 8am CST (Part 3 of the 2/7-9 Winter BOD Meeting).

The meeting recessed at 6:07pm CST.

Respectfully Submitted,
Chris Colburn, Secretary
