

USMS Board Committee Reports & Agendas

Audit

Committee Members

Jill Gellatly, Chair; Elyce Dilworth, Vice Chair
Phil Dodson, Jeanne Ensign, Paul Griffin
Ex-Officio: Ralph Davis, 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 effectiveness of the organization's operating systems, and monitor the independence and performance of USMS's external auditors.

With regards to the 2011 audit, USMS received an "unqualified" opinion from Kerkering, Barberio & Co. (K&B).

Discussions and Projects Since Last Convention

1. Review and recommend approval of the 2011 audited financial statements to the BOD. Included annual meeting of members with K&B in Sarasota.
2. Review and recommend approval of the 990 Tax Forms for the year ending December 31, 2011.
3. Executive Summary report provided to BOD for July mid-year meeting. The report included the results of the 2011 audit process and findings.
4. Review and approval of the implementation of a Disaster Recovery Plan as recommended by the K&B auditors in 2011.

Action Items

1. Communicate to Finance Committee/BOD any recommendations for changes to policy as noted below in discussion items.
2. Recommend approval of K&B engagement letter
3. Recommend to Finance Committee change to capitalization policy per FOG

Audit Committee Meeting Agenda

Thursday, September 13th 4:00pm – 5:15pm - Riverdale

1. Discuss contract approval process and determine if any changes to FOG need to be recommended to Finance Committee.
2. Review process of approving grants and disbursement of funds. Make any recommendations to BOD or Finance Committee as deemed appropriate.
3. Discuss budgeting process and determine if any changes to FOG need to be recommended to the Finance Committee.
4. Review the 2012 engagement letter draft provided by K&B and make recommendation to BOD to approve.
5. Open discussion

Compensation & Benefits

Committee Members

Sarah Welch, Chair
Dr. Jim Miller, Vice Chair. Members: Hill Carrow, Ed Coates, and Erika Braun
Ex-officio: Nadine Day

This fall the Committee accepted the resignation of Raena Latina. We solicited interest from qualified HR professionals within USMS and recommended Erika Braun to the Board, whose appointment was approved in June 2012.

The Compensation and Benefits Committee works throughout the year to make recommendations to the BOD in their role overseeing compensation and benefits for the corporation as a whole and specifically regarding aspects of the executive director's compensation. The Committee also makes recommendations regarding Compensation and

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Benefits plans, policies and programs. We have overall responsibility for evaluating and recommending compensation, including bonus structure and goals, for the executive director for Board of Director consideration.

In the 2011-2012 year since the last annual Convention, the Committee gathered information and presented recommendations to the Board regarding the Executive Director's annual bonus for 2011. Nadine Day performed the annual review with the Executive Director in February 2012.

The committee reviewed the benefits package and did not recommend changes. There were no changes in the corporation's paid time off policy or benefits policy.

Endowment Fund

Jeff Moxie

During the first six months of 2012 the Fund Balance in the Endowment Fund has grown from \$197,881 to \$206,452. This is an increase of 4.3% which is slightly higher than the selected benchmark (U.S Equities which returned 3.5% during the same period). The available funds for grants during 2012 is based on the balance in the fund as of December 31, 2011. The suggested spendable amount is 5% of the balance which amounts to \$9,894. Through July 31, 2012, 100% of these funds have been earmarked (by the U.S. Masters Swimming Board of Directors) for offsetting costs related to the 2012 Summer Nationals in Omaha. Accordingly, no additional grants will be funded for the remainder of 2012. Any agenda items related to the Endowment Fund will be handled as a subset of the Swimming Saves Lives agenda.

Finance

Committee Members

Homer Lane, Chair; Sarah Welch, Vice Chair

Thomas Boak, David Burgio, Joan Campbell, Elyce Dilworth, Phil Dodson, Betsy Durrant, Eger Laszlo (new), Jeanne Ensign, Jill Gellatly, Kildine Harms, Lucy Johnson, Greg Weber (new), and Laura Winslow (new)

Ex-Officio: Ralph Davis and Susan Kuhlman

Introduction

As usual this Committee has been very active during the course of the year and will be conducting a number of pre-convention conference calls to perform preliminary reviews of the 2013 Budget.

Discussions and Projects Since Last Convention

4. Reconstituted the Committee removing a couple of the 2011 members (Rob Copeland and Conrad Johnson) and adding three new members noted above.
5. Received monthly financial reports from the Controller
6. Reviewed forecast and final 2011 operating results.
7. Closely monitored the financial planning for the Omaha Nationals meet.
8. Reviewed the Investment Committee development of USMS Investment reports for the Board.
9. The Chair participated in the development of a Gift Acceptance Policy approved by the Board in early 2012.
10. Reviewed and approved a Spending Policy recommended by the Investment Committee.
11. Reviewed and approved a change in Financial Operating Guidelines (FOG) section VIII Investments, regarding appropriate investment of cash balances.
12. Approved a couple of Over Budget requests.
13. Reviewed the first half 2012 operating results and the forecast for the remainder of the year.

Action Items

1. Approval of the 2012 Budget
2. Approval of various amendments to FOG.

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Finance Committee Meeting Agenda

Meeting #1 Wednesday, September 12th 4:00pm – 5:30pm – Olympia

Meeting #2 Thursday, September 13th 11:45am – 1:00pm – Olympia

Meeting #3 Friday, September 14th 10:30am – 11:45am – Olympia

Meeting #4, Saturday, September 15th 7:45am – 8:45am - Olympia

1. Review all elements of the 2012 budget, recommend amendments, and submit for final approval by the Board and ultimately the HOD
2. Address any recommended amendments (mileage reimbursement rates, cash balance investments, etc.) to the FOG and present them to the HOD for final approval.
3. Receive reports from the Audit and Investment Committees.
4. Handle any other issues related to financial matters in USMS.

Governance

Committee Members

Anthony Thompson, Chair; Patty Miller, Michael Moore, Sean Fitzgerald, Hugh Moore, Dave Diehl, and Jim Wheeler

Introduction

The Governance Committee is responsible for ongoing review and recommendations to enhance the quality of the USMS governance structure, including the Board, committees, local, and regional divisions of USMS. The majority for the work this year has been centered on tools to support, development, and improve the performance of the Board of Directors. Some efforts were directly at the LMSCs and Committees.

Discussions and Projects Since Last Convention

1. LMSC Minimum Standards Policy reviewed. Some changes of this policy document were developed and others developed by LMSC Development Committee were reviewed.
2. LMSC Bylaws were discussed including assessments being completed by the LMSC Development Committee, lack of tools to support LMSC to meet this standards, and role of Governance Committee to support LMSC Development.
3. USMS Board Assessment of Full Board performance was discussed and created survey questions. Numerous resources were used to create the survey including internal USMS documents from orientation, training, and policy documents, as well as best practices or surveys created by other non-profits.
4. USMS Board Role and Responsibility Policy Document were reviewed documents and discussion held by the Board and Governance Committee over the last three years.
5. Legislation to transform the ad hoc committee to permanent committee of the Board: Investment and Audit Committees.
6. Guidelines for use of social media and communication by USMS Board members based on best practice of non-profits.
7. USMS Board Self-Assessment of Individual Board members was developed based on the evaluation done on the full Board and role/responsibility policy document.
8. Supported the work of the Volunteer Task Force on the roles of the USMS Board.

Action Items

1. Governance submitted recommended changes to LMSC Minimum Standard Policy (now titled LMSC Standards Policy in the LMSC Handbook posted on USMS website revisions in March 2012) to Board.
2. Recommend the removal of model LMSC bylaws from the LMSC Handbook on the USMS website. Other tools to support LMSC bylaws including “General Bylaw Information” and “Model LMSC Grievance Procedures” were recommended to be retained on the USMS website.
3. Administered a USMS Full Board Evaluation and worked with consultant on Board education based on survey results.

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4. Governance recommend to the Board to approve the 17Feb10 version of the USMS Board Role and Responsibility Policy document.
5. Drafted guideline for use of social media and communications by USMS Board members.
6. Administered a USMS Board Self-Assessment and working on evaluating the results to develop additional training for the USMS Board.

Governance Committee Meeting Agenda

Wednesday, September 12th 2:30pm – 4:30pm - McCormick

1. Review work completed in 2011-12 season and items assigned but not yet completed.
2. Discussion on assignments to be completed.
3. New Business

Investment

Committee Members

Dave Burgio, Chair; Elyce Dilworth, Vice Chair
[Stan Benson, Ralph Davis, Homer Lane, Bill Sherman]
Ex-Officio: Susan Kuhlman

Introduction

This Committee is responsible for overseeing USMS's Investment Philosophy of investing the financial assets of USMS in excess of needed working capital, consistent with a policy of prudent investment planning and protection of assets according to the established USMS Investment Policy approved by the USMS Board of Directors.

Discussions and Projects Since Last Convention

1. Developed a USMS Portfolio Performance-Benchmark Report for the Investment Committee, Finance Committee and the Board of Directors.
2. Began dialogue on a USMS Spending Policy targeted for BOD action at the upcoming 2012 Convention.
3. Initiated discussion on updated Money Market investment guidelines to be incorporated into FOG for both USMS and the LMSC's planned to be discussed at a 2012 Convention Finance Committee Meeting.
4. Continued USMS Portfolio monthly monitoring by the Investment Committee and quarterly discussions with our Northern Trust Portfolio Manager.
5. Completed investing the total allowable assets authorized by the USMS Board.

Action Items

All the aforementioned projects continue to be carry forward action items.

Investment Committee Meeting Agenda

Meeting #1 Wednesday, September 12th 5:30pm - 6:30pm - Riverdale

Meeting #2 Friday, September 14th 1:30pm - 2:45pm - Riverdale

1. Discussion of USMS Portfolio recommendations proposed by our Northern Trust Portfolio Manager.
2. Discussion of Portfolio returns to date.
3. Conference Call with Jim Walker, our Northern Trust Portfolio Manager.
4. Review of Investment Committee Conference call schedule for 2012-2013.
5. Deliberation of recommended changes to the USMS Investment Policy.
6. Other items requiring Investment Committee attention.

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Policy

Committee Members

Betsy Durrant, Chair

Meg Smath, Maria Elias Williams

Introduction

This committee has worked with the USMS Vice Presidents to gather committee policies to post on the USMS website. Anna Lea Matysek works with us in organizing the material on the website for easy access.

Discussions and Projects Since Last Convention

1. Gathering policies.
2. Editing submissions to conform to USMS Style Guide.

Action Items

1. Posting policy documents for the following committees: History and Archives, Recognition and Awards, Records and Tabulation, Rules.
2. Working with Championship to compile their policy for posting.

Policy Committee Meeting Agenda

Wednesday, September 12th 5:30pm – 6:30pm - McCormick

1. Review the USMS Policy Document.
2. Review the organization of policies on the website.
3. Discuss recommendations for organization of policies.
4. Discuss what committees, if any, need to create and submit policy.
5. Discuss membership of the committee – is current status sufficient?
6. Any other business.