



2017 Governance Assessment

Submitted to the Board of Directors
April 21, 2017



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Section One. Introduction

As the National Governing Body (NGB), USA Swimming is responsible for training, competition and development of swimming in the United States. Formed in 1978 under the provisions of the Amateur Sports Act, and headquartered in Colorado Springs, Colorado, USA Swimming is a 501(c)(3) nonprofit corporation and a member organization of the United States Olympic Committee (USOC).

USA Swimming has just over 400,000 members – including coaches, volunteers and over 350,000 athletes from age-group level to the Olympic Team. These individuals and 2850 member clubs participate through a network of 59 Local Swim Committees (LSCs) in 4 geographic Zones. The LSCs play a significant role in the governance and administration of the sport at the local level.

Nationally, USA Swimming is governed by its House of Delegates (HoD), which meets annually with representation of athletes, coaches and volunteers. The HoD has authority over the rules and regulations that govern the sport, including the Bylaws, and approves the (approximately \$40 million) annual operating budget.

In the interval between HoD meetings, USA Swimming is governed by a 35-member Board of Directors. The Board has 22 voting members, including 7 elected officers (a Board Chair and 6 Vice Chairs, including an Athlete Vice Chair elected by the Athlete members of the HoD). Fifteen constituency-based representatives also have voting Board seats, including a coach and non-coach Zone Director from each of the 4 zones, 4 additional athlete representatives, representatives from the NCAA and YMCA, and the National Team Steering Committee Chair. Thirteen “voice but no vote” Board seats are held by the Immediate Past President, the Secretary & General Counsel (in-house), 4 Past-Presidents, 2 affiliates, and 5 athletes in other liaison, alternate or ex-officio positions.

Volunteer leadership also involves between 260-280 people serving on 34 committees. A professional staff of 84 people manages and runs the operating functions of the organization.

Three core objectives, adopted in 1997, guide the sport’s strategic thinking and planning: *Build the Base. Promote the Sport. Achieve Sustained Competitive Success.* This focus has been effective, as the U.S. has long held rank as the #1 swimming nation, and USA Swimming is widely regarded as one, if not *the* most successful NGB.

In early 2016, with the Board of Directors’ approval, Board Chair Jim Sheehan appointed a Task Force (Julie Bare, Michael Gibbons, Richard Pockat, Trent Staley and Chair Bill Schalz), charged with sourcing an external / objective analysis of the Board’s role, purpose, function and composition. The Task Force retained Bill Charney of Charney Associates, a Denver-based governance consultancy, to assess the USA Swimming Board’s structure and work, and identify opportunities to enhance its capacity and optimize its governance leadership.

Assessment Protocol

The assessment protocol included a review of extensive governance documentation, including Articles of Incorporation, Bylaws, Board-established policies, agendas and minutes of recent Board of Directors meetings, committee charters, a previous board assessment report, and more.

The consultant observed Board meetings in September and November 2016, and spent 2½ days in the Colorado Springs headquarters office. The consultant conducted 63 one-on-one interviews, 33 of which were in-person. Averaging 30-40 minutes in length, the interviewees included 22 current Board members, 19 other constituents the Task Force recommended for additional perspectives (13 of whom are former Board members), 14 senior staff members, the 5 Task Force members, and 3 additional NGB/USOC leaders. Many of these parties gave generously of their time with follow-up correspondence, phone calls, etc.

A customized version of Charney Associates’ *Board Assessment of Structural Effectiveness (BASE) Survey™* was administered in December 2016/January 2017. This detailed survey instrument, tailored in consultation with the Task Force, included 9 open response questions, and 67 questions with check-off responses, along with opportunities for additional comments on question topics, providing Board members opportunities to elaborate, anonymously, on their thoughts, concerns and suggestions regarding a wide array of governance issues. The 26 respondents included 17 of the 22 (77%) voting members, and 9 of the 13 (69%) non-voting members of the Board. (Note: the Secretary & General Counsel also responded to the survey, but as that is a staff position, her responses were not included in those presented in this report.)

Report Structure

The report content is structured as follows:

Section Two. Executive Summary: Provides a broad overview of the findings and primary recommendations that follow.

Section Three. General Impressions: Explores key observations and impressions that “set the stage” as to the timing and relevance of the Board’s consideration of this Report. When this Assessment was initiated, the retirement of the current CEO was viewed to be “on the horizon.” With it having been announced, and a search process underway for his successor, the importance of the Board contemplating its current culture, size and effectiveness is dramatically elevated. This section also looks at hurdles to success that have been identified, and understanding of the Board Membership’s role of a governing Board.

Section Four. Governance Structure Observations and Recommendations: Explores key Board functions and structural components, divided into 11 subsections. Each topic includes presentation of related data and perspectives gathered through the survey instrument, interviews, document review and the consultant’s related observations. Recommendations, as applicable, appear within the content of each subsection. Note:

- Survey data is heavily referenced throughout. Though shy of the desired 100%, the relatively high response rate, and review of input from the Board member interviews showing great consistency, provides a reasonably strong basis to view the survey data as “representative.”
- Board members and interviewees were assured that any feedback cited in the report would be without attribution. Any exceptions herein were with permission to attribute granted.
- Not all respondents answered all questions, and thus survey response tabulations often do not add up to 26. Open-ended comment fields were provided as options for those with additional suggestions or concerns, and thus in nearly all cases there were fewer than 26 comments.

Section Five. Compiled List of Recommendations: The Task Force’s 28 recommendations, in the sequence contained herein, are presented in a concise table format, to facilitate Board members’ review of this Report, and its determination of any subsequent action steps.

Appendix A. Sample Governing Policies Manual Table of Contents: A few recommendations refer to the value of a comprehensive, clear and concise governing policies document. This sample Table of Contents offers a glimpse of the topics that effectively address the expectations and accountabilities of the Board of Directors, and those to whom it delegates responsibility and authority (Board officers, CEO and Board Committees).

Appendix B. Sample Board Self-Assessment Tools: While there is no “one right way” of a Board assessing its own performance, these “Periodic Assessment of Board Performance” and “Board Meeting Evaluation” examples demonstrate how the Board might easily incorporate more regular evaluations of its governance focus and productivity.

Suggestion to Readers:

Extensive data is presented to support the observations and recommendations within this Report. Recognizing that the content is not conducive to cover-to-cover reading, we suggest:

1. Start by reading Sections Two ([Executive Summary](#)) and Three ([General Impressions](#)). These set the stage and provide primary rationale for the recommendations and introduction of new governance practices that follow.
2. Then, to learn more about or see recommendations regarding specific topics, go back to the [Table of Contents](#) and click on whatever subject you wish to explore. A compiled list of all 28 recommendations appears in [Section Five](#).

Section Two. Executive Summary

USA Swimming is widely regarded as one of most successful NGBs in the sports world. Finances are sound. Olympic medal counts continually impress. Overall membership has increased over the past quadrennial. By any external or common standard by which nonprofit corporations are typically compared, USA Swimming is a resoundingly successful entity.

Board members are uniformly proud of the organization and their affiliation with it. Over the past two years, growing undercurrents of concern have been expressed about the Board's role, composition, size, functions, etc. A January 2016 presentation on the distinctions between governance and management sparked discussions, resulting in the establishment of the Task Force that initiated and has overseen this Assessment's process.

It had been anticipated that CEO, Chuck Wielgus, would announce his retirement by the end of this quadrennial, with his executive leadership providing visible continuity during any governance restructuring emanating from this Report. The January 2017 announcement of Mr. Wielgus' more imminent planned retirement date (August of this year) puts this Report in a different light – one that the Task Force and consultant believe requires more urgency.

In an organization of USA Swimming's size and scope, the integral "products" of successful Board leadership are: 1) effective Board-to-CEO delegation, with "one-voice" clarity of expectation about results to be produced, authority delegated and criteria by which performance will be evaluated, and 2) a sense of partnership in which the Board expects and values the executive/management team's role in catalyzing conversation about future results and needs, accompanied by well-founded confidence that priorities are being addressed and expectations met.

Internally and externally, acclaim for the extraordinary leadership Chuck Wielgus brought to USA Swimming is virtually unanimous. His vision and ability to inspire performance for two decades are widely considered to be the primary factor for which USA Swimming's success is attributable.

With the search process underway to identify the next CEO, the underlying questions prompting this Assessment have far greater significance. Board members' concerns about role, functions and composition have bearing on not just long-term success, but now that of the soon-to-occur transition of staff leadership. In addition, the Board's dynamics and structure, and any pending changes, will certainly be considered by potential qualified candidates.

Therefore, the Board of Directors sits at an inflection point.

Key Observations

- USA Swimming's culture of and commitment to volunteer engagement is extraordinary, and is reflected by the passionate commitment exhibited by volunteer leaders, in many cases over long periods of time.
- When asked what would constitute the Board being "highly effective" in its governance role, the two predominant themes of responses were: 1) the Board working at a more strategic/thoughtful/policy level, and 2) delegating more effectively (i.e., "letting the staff do their jobs").
- 85% of Board survey respondents rated the Board as either "very" or "moderately" effective. However, when asked how the Board measures its success, 77% indicated there is no such measurement, or if there is, they don't know of it. The few success measures cited pertain to CEO and staff performance.
- Most Board members and other constituents interviewed *do not believe* that:
 - The Board has sufficiently defined its own role,
 - The Board's size and composition are appropriate for its current needs,
 - The Board focuses sufficiently on strategic issues rather than operational matters,
 - The Board has a unified agreement as to what constitutes effective organizational performance, or
 - The five operationally-focused Vice Chair job descriptions are appropriate, or that the House of Delegates' election of Vice Chairs results in the best qualified candidates being elected.
- To identify primary concerns, all 63 individual interviews and the Board survey queried respondents as to what they believe to be the "primary causes or obstacles, if any, that preclude the USA Swimming Board from optimizing its effectiveness." Primary responses among the three groups (current Board members, former Board/other constituents and senior staff) were very consistent, particularly in that the question was phrased in an open manner, with responses unaided. The three most cited hurdles, in order, were:

- **Board size:** Board size is, by far, the most frequently mentioned “obstacle” (by approximately 2/3 of current Board members, and a higher proportion of former Board members and outside constituents). All who raised this as a concern suggested that a smaller Board would function more effectively.
- **Past Presidents:** There is a perceived “dominance” that the Past Presidents, serving in ex-officio/liaison roles, have as a group within, and its impact on the size of the Board. The historical perspective is valued, but to many, the presence “at the table” far less so. Others *who do not share this concern* mentioned that disagreement about the issue by itself has created a chasm and dysfunction.
- **Board focus on operations/Lack of strategic vision:** Perception that USA Swimming needs a “truly governing” board, not a “working board.”
- Though less frequently than the three enumerated above, other dynamics repeatedly cited as obstacles:
 - Constituency/representational composition concerns.
 - Vice Chair job descriptions are outdated – doing management work.
 - Lack of nomination/qualification/vetting process for board member selection.
 - Micromanagement is getting worse.
 - Lack of term limits/Too focused on getting re-elected.
 - Not looking to future/big picture.
 - Lack of gender/ethnic diversity.

The last governance assessment presented to the USA Swimming Board, in 2002, noted that the Board's effectiveness was, relative to a professionally staffed and successful entity, weakened by its constituency-based composition, size and an array of office/committee positions, the need for which had “obsolesced.” Since then, the organization's continued success has enabled postponement of a revisit of the Board's role. The factors outlined above, along with impending CEO succession, make this a key moment at which a Board commitment to elevating itself to become a future-oriented leadership body would likely never have greater relevance.

This Assessment Report provides a roadmap for such a change. No criticism or disregard for USA Swimming's remarkable success to-date is intended. The Report aims to advance the Board's governance role in a manner appropriate to USA Swimming's lifecycle: to be an engaged governing body in service to the membership and the greater public, setting strategic direction and performance standards; ensuring systematic accountability for performance; and supporting the CEO and staff in optimizing USA Swimming's achievements.

Observations and recommendations for Board consideration are presented throughout the report, including 28 recommendations addressing various facets of the governance role (approximately one-third of which are minor/procedural issues). A compilation of all 28 recommendations (summarized) appears in [Section Five](#).

Key Recommendations

Key recommendations, briefly summarized, include:

1. As would be inherent with Board approval of these recommendations, making an explicit commitment to transitioning from its current operations-focused structure, to serving the membership *and growing the sport* with outstanding, accountable performance as a [governance-focused Board of Directors](#).
2. Before the end of 2017, the Board should establish the [criteria, methods and timeline](#) it will use to evaluate performance of, and provide constructive feedback to, the new CEO.
3. By Spring 2018, develop/adopt a “[Governing Policies Manual](#)” clearly outlining performance expectations for the Board and for the CEO/operating organization.
4. Effective with the 2018 elections, transition the Board's structure and composition as follows;
 - a. Board size to be [15 voting members](#), serving up to 2 consecutive 4-year terms (staggered). Composition (post-transition) including 10 “at-large” Board members elected by the House of Delegates (HoD), plus: 3 athlete members elected by the Athletes Section of the HoD; the Chair of the National Team Steering Committee; and the Immediate Past Board Chair.
 - b. The [Board will have and elect three officers from among its own members](#): Board Chair, a Vice Chair and a Vice Chair – Audit/Financial Oversight. The Board Chair will serve one 4-year term. The Vice Chairs

- may serve up to 2 consecutive 2-year terms, though at the beginning of year 3 of the Board Chair's term, the Board will elect a Vice Chair/Chair-Elect, who will automatically become the Board Chair 2 years later.
- c. Board members may serve a maximum of 2 consecutive 4-year terms. The [exception to this term limitation](#) will be for the Chair Elect, Board Chair and the Immediate Past Board Chair, whose terms will automatically be extended until they fulfill the respective ascension of offices.
 5. A [Nominating Committee will be established](#) and charged with recruiting, vetting and proposing 2 or 3 highly qualified nominees on the ballot for each Board's seat open for election. The Committee will have 9 voting members, including 2 athletes, 2 coaches, 2 current Board members, 2 individuals of "independent" background but with a demonstrable connection to swimming, and 1 representative selected by the USA Swimming Foundation Board of Directors.
 6. Strengthen the "wholeness" of the 15-member Board by [eliminating the fixed Executive Committee](#) ("board within a board"). Virtual meeting technology makes such an "authority to act for the Board between meetings" structure unnecessary.
 7. To ensure appropriate exercise of fiduciary responsibilities, revise the Rulebook to clarify that the Board is to [have authority for budget approval/oversight](#).
 8. Similarly, the Board of Directors is to have authority to [revise the Bylaws](#), with stipulation, however, that the [House of Delegates retains authority](#) over the Rules of Sport, changes to membership fees and changes to the number of voting Board members, or to the number of which are elected by the full House of Delegates. (NOTE: Upon completion of the proposed transition, the House will elect 11 of the Board's 15 voting seats.)
 9. The Board is to commit to [integrating "Board Development"](#) practices, to continually elevate its governance skills and understandings to best serve the sport and the membership. These include, but are not limited to, thorough orientation/"on-boarding" of new Board members, on-going governance education/training opportunities for the entire Board, periodic Board self-assessment practices, etc.
 10. To elevate the value of Board meetings, and better use Board member's abilities in deliberative conversations rather than listening to "report-outs," the Board Chair will establish agendas in accordance with an [Annual Board Work Plan](#), with strategic governance objectives adopted by the Board each year.

Consultant's Note:

Charney Associates greatly appreciates this opportunity to be of service to the USA Swimming Board of Directors.

This project could not have been undertaken without the strong commitment and guidance of the five Task Force members, who epitomize the exceptional volunteer dedication that is one of USA Swimming's most distinct assets. Sincere gratitude is extended to Julie Bare, Michael Gibbons, Richard Pockat, Trent Staley and especially to Task Force Chair Bill Schalz. Also, the availability, wisdom, resourcefulness and clear passion for USA Swimming's impacts and long-term success demonstrated by Staff Liaison Pat Hogan were invaluable and inspiring.

Soon after Charney Associates was retained, a Board member expressed the hope that this Report would ...

"Help us look in to an accurate mirror, as vs. the one we think we're looking into."

On behalf of the Task Force, I hope you see in *this* mirror an accurate reflection of "what is," and of the challenges the Board is facing. Most important, I hope you see exciting opportunities for USA Swimming that, without understating the challenges of "change," are far more enticing than the cost of not pursuing them.

Sincerely,



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Section Three. General Impressions

Situational Overview

Recognized internally, domestically and internationally as a resounding success, USA Swimming (USA-S) is, by nearly all business standards, a vibrant and healthy nonprofit corporation. With a professional staff of approximately 80, more than 15,000 non-coach volunteers, almost 18,000 member coaches supporting its Local Swim Committees and member club operations, and over 240 volunteer committees and Board members at the national level, USA-S is a complex and sophisticated \$40 million business enterprise.

Widely regarded as one of, if not *the* premiere national governing bodies (NGBs) in the United States Olympic Committee structure, perhaps the most distinct of USA Swimming's attributes and assets is its culture of, and commitment to, volunteer inclusion. Few entities of this size and scope successfully maintain this intensity of "grass-roots" connection and engagement, the commitment to which is not rhetorical, but based on its recognized contribution to the organization's and swimming movement's growth.

In today's nonprofit governance environment, it is important to view board membership not as "the highest tier of volunteers" in an organization, but to recognize it as a job totally distinct from all other volunteer roles.

In the past decade, boards have received considerable negative media attention due to problems in corporate, nonprofit and governmental boardrooms alike. It's become widely acknowledged that the traditional structures used by nonprofit boards far too often position them as "observers" or "helpers," or less optimistically, "meddlers," but rarely as "leadership teams." As a result, there are growing demands for radical changes in how institutions are governed. New "best practice" standards are being promulgated, and legislation enacted (such as California's Nonprofit Integrity Act and more recent revisions to the New York Not-for-Profit Corporation Law), intended to elevate nonprofit and governmental board accountability.

Particularly in organizations with deeply ingrained volunteer cultures, there is often major resistance to those very changes. In the early 2000's, prompted by far from ideal circumstances, the United States Olympic Committee (USOC) underwent its own re-structuring. It then strongly recommended that NGBs move away from constituency-based compositions and operationally-focused activities, and to incorporating "independent" directors into (often downsized) governance-focused board composition. USA Swimming was then, as it has been since, enjoying great success, and resisted what was seen by some as an effort to "ramrod" change from outside.

The USA-S Board is currently comprised of 35 volunteers (13 in ex-officio "voice but no vote" roles), many of whom have served multiple terms/years on this Board and as leaders of related entities. The commitment, affinity and engagement are so strong that some refer to it as a "Board lifestyle," evidenced by many Board members seeking election/appointment to successive terms/positions. A byproduct, despite the success the USA Swimming organization has enjoyed, is that its governing Board has not yet realized the benefit of modernizing its structure, and of bringing in more diversity of expertise and perspective.

The Request for Proposal for this assessment of the Board's "role, purpose, function and composition" stated that "The Board of Directors is open to enhancing our current system or a new form of leading the organization."

This assessment began with observation of the September 20, 2016 Board of Directors' meeting in Atlanta. At that meeting, considerable unease was evident regarding key issues integral to successful board leadership: How should a meeting be run? What should the Board decide? If an expense was already approved in the budget, why is it re-approved? How do we evaluate CEO performance? Who sets the criteria for that evaluation? Can the Board discuss the impacts of its CEO's serious illness? What authority do individual Board members have? Etc.

The dynamics observed and experienced that day sparked difficult conversations. Considered by many Board members, observers and staff to be the most challenging meeting they could recall, the meeting exposed undercurrents that had long been impacting the overall functioning of the Board. More specifically, and vital for understanding this Report's intent and content, the "personalities" that drew attention and sparked angst at that meeting were only symptoms. The issues causing them are a lack of role clarity, poor understanding of governance practices and weaknesses in the Board's structure.

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Upcoming Executive Transition

USA Swimming's long-term success has enabled the questions noted above to be avoided. Throughout the course of this assessment, some Board members asked, *"We are the most effective NGB, why should we change our structure based on others' practices?"*

It is a fair question, predicated on the assumption that "if our organization is successful, we must be a successful board." In fact, organizations can be astoundingly successful without a strong board – typically when blessed with the tenure of a "rock star" CEO. That success, however, is not sustainable. Whether or not the Board deserves credit for past or present successes, its fidelity should always be to USA Swimming's future.

It is the opinion of the Task Force and consultant that among many, there are two key dynamics underlying USA Swimming's success:

- The passion and dedication of coaches and approximately 15,000 non-coach volunteers at the LSC level, and of around 250 serving in national level volunteer positions, and
- The vision and extraordinary leadership of Chuck Wielgus, including but not limited to the development of a highly talented and committed professional staff.

The first – commitment to and culture of volunteer participation – has been, and must remain, a constant.

As to the second, we believe that any objective assessment points to Chuck Wielgus' tenure as chief executive as the number one factor to which USA Swimming's success over the past two decades is attributed. It appears there is little, if any, dispute, including among leadership at USOC and other governing bodies, to Dick Ebersol's claim at the 2016 Splashmakers dinner event that "Chuck Wielgus is the best NGB executive *in the world.*"

As organizations evolve, particularly from the nascent stage, when volunteer board members need to be involved in running or overseeing operations, to growing the resources and choosing to employ and have higher accountability expectations of a professional staff, the challenge of "maturing the board's structure" concurrent with organizational growth is rarely met. Between the natural fears about "letting go," and a notable lack of understanding of what effective governance is, this shortcoming is to be expected.

Facing this challenge is usually catalyzed by one of two events: a crisis, or in nonprofits with long-tenured executives, when the board faces transition in that position.

With the process now underway that will result in the selection of USA Swimming's next President & CEO, fulfilling the Board's Duty of Care requires careful consideration and informed judgment regarding this question:

"Can we reasonably expect the key dynamic(s) that produced our success over the past two decades to be the same in this next chapter of USA-S' evolution?"

If the majority would vote "yes," then it would be reasonable to consider it "optional" to review this assessment and its recommendations, and to consider whether substantial changes need to be made.

Those concurring with the viewpoint asserted above about Chuck Wielgus' contribution would vote "no." If a majority, and if the Board is to *lead* USA Swimming, committing to substantive change in its structure and roles is not an option at all.

It is a mandate.

[NGB Board Composition Benchmarking](#)

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Board Culture

2002 Operations/Governance Assessment: USA Swimming last commissioned a comprehensive assessment of its operational structure and governance in 2001, soon after the Team's strong performance at the Sydney Olympic Games. Submitted in May 2002, that Report states that, from interviews with hundreds of USA-S participants, two of the most frequently stated opinions were the foundation upon which the report was built. They were (excerpted):

- The overarching sentiment in many interviews was "If it ain't broken, don't fix it." Beyond the club level, there appears to be a marked preference for the status quo over change.
- There is a critical lack of adequate attention to clubs ... (addressing which should) help grow the membership base, and promote the sport and facilitate the achievement of excellence.

The Consensus Management Group's (CMG) Report's primary content pertained to #2 – addressing clubs and growing the membership base. Many of its recommendations were incorporated in subsequent years of planning, and are reflected upon as having substantially contributed to USA Swimming's growth and success in the 15 years since.

The governance-oriented recommendations were, at that time, "ahead of the curve" of changes in the nonprofit environment noted above. USA-S' response to those recommendations was consistent with the "If it ain't broken, don't fix it," sentiment, with minimal attention given.

The "fact-finding" phase of this 2017 assessment (interviews, Board survey, observing Board meetings, etc.) bore out remarkable consistencies between current dynamics and many of those reported 15 years ago. Examples of the observations and recommendations from the 2002 Report below (edited for brevity) merit consideration again as the Board contemplates changes to its role and structure:

- Much of today's structure and governance is based on the practices and culture in place when USA-S replaced the AAU as the NGB of swimming ... (Since then) everything from technology, demographics, the economy and communications to the mobility and expectations of today's populations have dramatically changed. Despite this, little or no attention has been paid to an overall examination of the structure and governance of USA-S and its various components.
- There is considerable overlap in function and responsibilities between many committees and some staff functions, making accountability difficult to track.
- The interests of almost every constituency were primarily parochial, i.e., those interviewed thought change in the organization should occur in other parts of the organization, but not theirs.
- Executive Committees have served as interim decision makers for issues that cannot wait for a scheduled board meeting. That role is obsolete, as boards can convene electronically at any time.
- The board appears to be more of a management board than a strategic board. Despite intellectual commitment to avoid micro-management, evidence of it is rampant.
- No criteria for being slated as a candidate for any position, except for those who serve a designated constituency, could be identified. There is no Nominating Committee.
- The HoD should monitor and approve changes to the rules of sport, which are a totally different creature from rules of governance. Governing documents (bylaws, and most policies and procedures) should be the board's responsibility, rather than a delegate assembly of any kind.
- Budget approval should be the province of the Board. Real control of an organization is achieved by setting the direction, not the budget.
- The role of the Zone Directors does not appear to be achieving the purpose of bringing a unique grass-roots perspective to the Board. All Board members should bring that.
- CMG's suggested elected officers include (in current titles) the Board Chair, Athlete's Vice-Chair, a Treasurer and two elected Vice-Chairs.

The primary distinction between 2002 and now is that the earlier study revealed a rather high comfort level with the status-quo. This is no longer the case. Though 9 Board members did not provide input through the Board survey, among the 26 who did, and the interviews with 22 current and 13 former Board members, there were, at most, four current Board members whose feedback might be characterized as "don't mess with success."

Even when change is anticipated and welcomed, if individuals are passionate about what they do, fears and anxieties accompany discussions of change. To identify nuances that might be especially delicate at USA-S, the consultant sought to identify any “sacred cow” issues that will be especially sensitive in considering change. All 63 one-on-one interviews included this line of inquiry. Response themes were very consistent among the three audiences interviewed:

- Virtually all view one issue as ultimately sacred: the commitment to and culture of broad volunteer inclusion and engagement may not be sacrificed. (The *only* caveat – many stipulated an opinion that the *type of engagement*, particularly of Board volunteers, should change.)
- Other issues often raised as potential “sacred cows,” in descending order of frequency:
 - Prior to Mr. Wielgus’ retirement announcement in January, the Board’s failure to openly address CEO succession planning was frequently cited (“the elephant in the room”).
 - The number, and cost/benefit, of Past Presidents/Ex-Officios on the Board.
 - Board members not willing to vote themselves out of a job. A Board member said, “I’m not worried about selling governance change to the House. It’s the Board!”
 - Resistance to change itself, e.g., “I question if there is the institutional fortitude to do more than say, “We considered what a consultant said.”

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Board Effectiveness

The Board survey asked, “**How effective do you think the USA-S Board is in fulfilling its accountability?**”

- **Overall effectiveness:** 15 of 26 (58%) respondents consider the Board “moderately effective,” with 7 (27%) “very,” and 4 (15%) “not.”

These high ratings, however, seemed less well-founded in light of responses to a subsequent question, “**How does the Board evaluate/measure its success in governing the USA Swimming organization?**”

- 20 of 26 (77%) indicated either there is no such evaluation (11) or they don’t know of any (9). 3 others (12%) cited operational success factors as the basis.

In interviews, Board members were asked, “**Thinking about the Board’s current structure/functions, what works really well?**”

- Five spoke to the passion for USA-S, camaraderie, volunteer commitment, openness, etc.
- Four were particularly complimentary of the athlete reps’ positive involvement/voices (with 2 noting this to be a recent improvement). In contrast, two others commented that the athlete reps’ focus is “too narrow.”
- Four referred to the staff as being the Board’s best attribute.
- Two said “nothing.”

“Constituent” interviewees, which included 13 former Board members, echoed these same themes.

In interviews, current Board members were also asked, “**What do you like least about serving on the Board?**” Individual responses included:

- “Drives me nuts when we harp on personnel issues. We have no agreement about Board and staff roles.”
- “We are paralyzed between past, present and future.”
- “We have big issues we haven’t addressed. Age groups. Chuck’s succession.”
- “Executive Committee seeks big ideas, and the Past Presidents nix them.”
- “The division of where people sit. That blows my mind!”
- “Inability to effect change! Board structure/calendar/agendas – they’re not into having meaningful dialogue about anything.”
- “We’ve never had a Strategic Planning meeting! Hamsters on a wheel.”

- “When you go to a BOD meeting – and having a drink in the bar, there are VPs jockeying to become President, so they’re working to build their allies in the bar. There’s a crisis in leadership – a lack of willingness to address our biggest issues.”
- “Traveling to a meeting and getting caught up in minutiae.”
- “Still have a few people who have not even hidden agendas – but to promote themselves into officer roles.”
- “Ex-officio members have too much sway on those who’d otherwise be more objective.”
- “Political agendas – people jockeying for position – to move up the chain.”
- “When a Board member said at a Board meeting, ‘I can’t answer when people ask me what they get for the dues,’ I couldn’t believe it.”
- “#1 – The “representative” focus. #2 – all the ex-officio members. Past Presidents may not be voting, but they control the votes.”
- “I really don’t like the unilateral decisions made by EC.”

The Board survey included an open-response question, “**What is your vision of what would constitute the Board of Directors being highly effective in its governance role at USA Swimming?**” The two predominant response themes:

- (13) “Thoughtful discussions on strategic issues.” “Sets direction and policies.”
- (5) “Gets out of the staff’s way.” “Letting the staff do their jobs, etc.”

The same question was asked in the one-on-one interviews with 22 Board members:

- Roughly half spoke to transitioning from the operational focus/structure to one of setting direction, and holding staff accountable for their work.
- One response, “I think the effectiveness of the Board is measured by the overall success of the organization,” is not uncommon among nonprofit board members. It reflects a perception that “if our organization has been successful, the Board must be doing its job well.”
- Another saw the same issue quite differently, stating (prior to the Wielgus retirement announcement in January), “If our Board went away for a year – would anything change? Not likely. Even if it went away for 2-3 years.”

Many Board members observed this as a key “moment” for the Board to “lead.” Doing so would clearly be valued and respected by staff. Related comments senior staff members shared:

- “We’d love to see the Board function as a unit.”
- “I’d hope the Board would have a ‘retreat,’ include senior staff. Do some team-building. Value each other more as individuals. Work together to establish a vision for Swimming’s future.”

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Board Size

Board size was clearly anticipated as a topic to be addressed. To ensure objectivity when conducting interviews, however, the consultant’s question sequence intentionally did not raise the issue. It was only probed if and after being mentioned, which occurred with 17 of the 22 interviewees, generally responding to one of these questions:

- **“What, in your estimation, would constitute this being a highly effective Board?”**
- **“What are the obstacles, dynamics, policies, etc., if any, that you believe preclude the Board from optimizing its effectiveness?”**
- **“Do you have thoughts at this point as to what would be “ideal outcomes” that could result from this Assessment and its findings/recommendations?”**

Of the 22 Board members interviewed:

- 4 did not mention the size of the Board.
- 3 said they consider the current size to be appropriate.
- 15 raised the topic, unaided, all indicating that the Board size should be reduced.

Representative comments:

- “Constituency-based boards, except for the athlete’s mandate, are just out of step with making decisions based on the best interests of the sport overall.”
- “The Board is too damn big! Can’t have a meaningful discussion – by the time people say one thing it’s an hour. 35 is just absurd.”
- “Large boards have factions. We need a board that is faction-proof. We now have the EC as one. Zone directors as another. Athletes as another – always sitting together as a group. Past Presidents – all exert authority as a faction against the EC.”

The Board survey included the question, **“Do you think the current size of the Board is appropriate for optimization of its governance role?”**

- **Board size:** 17 of 26 (65%) responded “no” and 9 (35%) “yes.”
 - 5 of the 9 “yes” respondents were current ex-officio/allied board members.
 - Respondents were also asked, **“If no, what do you suggest re: Board size?”** All the “no” respondents suggested a smaller Board, with:
 - Five suggested reduce or eliminate ex-officio non-voting positions.
 - Four suggested the Board be 12 (1 stating “12 or less”) people.
 - Four were less explicit, but suggesting substantial reductions (i.e. “considerably” or “much smaller”).

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Identified Hurdles

Recognition of hurdles is the key precursor to overcoming them.

Board members, other constituents and senior staff were asked in interviews, **“What are the primary causes or obstacles, if any, that you believe prevent the USA-S Board from optimizing its effectiveness?”**

Response themes were very similar among the Board, constituent and staff interview groups. Board size (see above) was far and away the most repeated “obstacle” mentioned. The 2nd and 3rd most cited hurdles (along with sample statements), were:

- **Past Presidents’ historical knowledge/wisdom is valued, but dominant presence (i.e., # of seats at the table) and influence raises concerns.** (Past Presidents: “... have a lot to offer – but they try to control too much.” “... really valued, but present a dynamic that’s resistant to change.” “There’s good reason we started to have them there, but as #s grow and other dynamics, it can intimidate others.”).
The consultant noted that three respondents, including two currently on the Board, brought up the *resistance* to Past Presidents as an obstacle. (“Past Presidents on the Board as ex-officios is far more a plus than a minus. Institutional knowledge is invaluable.”)
- **Board focus on operations/lack of Board education about its strategic governance role.** (“You want a “truly governing board” as opposed to a “working board.” “Board should set policy – and ED/staff should implement it.” “The passion of individuals is partly the obstacle – lack of understanding of proper roles is the reason there should be lines.”)

Other impediments mentioned often and with similar frequency, included:

- **Constituency/Representational composition concerns.** (“It precludes focus due to so many people viewing themselves there for a particular constituency – too much time justifying being there as opposed to cohesion around the big picture.”)
- **Vice Chair job descriptions are outdated – doing management work.** (E.g., “more like from the 80s. Totally unrealistic that they ‘direct and supervise’ and they are responsible for all those departments’ budgets.”)
- **Lack of nomination/qualification/vetting process for board member selection.** (“We need a nominating committee that vets candidates – necessity to have some relevant experience/credentials.”)

- Micromanagement is getting worse. (“Board didn’t micro-manage – and welcomed staff input before making decisions. That’s eroded.”)
- Lack of term limits/too focused on getting re-elected. (“We have a tendency for people to stay around forever as ex-officios. I did too – multiple decades. I respect and count all of them as my friends – but it creates staleness.”)
- Not looking to future. (“We don’t face our problems. For example, 10/under – 50% attrition – we keep talking about it, but it doesn’t get resolved.”)
- Lack of gender/ethnic diversity.

Hurdles frequently cited by Board members in the survey were:

- (9) Lack of strategic focus.
- (6) Board size.
- (5) Board member egos, personal agendas.

Many organizations face institutional, financial, regulatory or other hurdles that are far more substantial than any identified at USA-S. The primary “leap” to overcoming these is one of mindset, to recognize that ...

... the governing board’s job is not to run the organization. It’s to make sure that it is well-run.

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Board Members’ Role

USA-S’ Board composition, except for the Board Chair and Vice Chairs, is constituency-based. Individual Board members have, or are perceived to have, allegiance to specific interests within, or allied with, the organization.

To an extent both good and bad, the Board has a shared mindset in response to the survey question, “**To whom is the USA-S Board of Directors accountable?**” Almost universally aligned, 18 of 26 respondents referred solely to “the membership,” and 7 of the 8 others referenced the membership plus other entity(ies):

- (3) Membership and House of Delegates.
- (2) The members and staff of USA Swimming.
- (1) The House of Delegates.
- (1) The members, the USOC and allied bodies associated with swimming.
- (1) “Primarily to USA Swimming’s members and secondarily to all stakeholders in the communities our teams and events affect.”

Great passion was expressed in interviews by some Board members, and many staff, about not just swimming, but its role in and the importance of youth sports, which requires looking beyond the current membership.

It was therefore striking that only 1 of 26 Board members made any reference that the Board should view itself as having a fidelity to, or being accountable to, a larger audience than those who currently engage in USA Swimming.

Public Accountability

This notion is not simply philosophical: it is tied to the Board’s fiduciary duty. There are no references to “members” or “membership” in the 16 specific objectives and purposes listed in USA-S’ *Articles of Incorporation* (Section 3.1). The *Articles* are explicit that the purpose of USA-S is “*to operate exclusively for public health, safety, educational and charitable purposes*” and to further those of the Ted Stevens Amateur Sports Act.

The *NGB Board Member Guidelines*, approved and promulgated by the USOC’s National Governing Body Council and the Athletes Advisory Council (last update: January 2015), state:

“As tax-exempt entities under section 501(c)(3) of the Internal Revenue Code, NGBs ... hold public trust. As a result, NGBs and their board members are subject to strict ethical guidelines and public scrutiny.”

“Over the years, NGBs have evolved from operating as simple volunteer driven sports organizations to operating more like businesses. Increasing legal and fiduciary responsibilities and the desire for systematic ongoing success requires this shift.”

This provides insight as to why many NGBs’ board composition now includes “independent” directors.

The Board should recognize that USA Swimming is not a “membership corporation,” in which the governing board’s duty of loyalty is to advance the interests of the membership. Rather, USA-S as a “public charity” nonprofit, which has as its primary customer base a membership of 400,000+, but with a larger purpose.

This connects with a “distinction” that Chuck Wielgus shared (with permission to attribute) with the consultant as his “ideal outcome” from this assessment:

“I hope it will result in a Board structured, and focused, with realization that USA Swimming is different from LSCs, or local boards in other sectors ... that this is part of a national thing that makes society better.”

With the belief that this distinction speaks to and represents the values of the USA-S membership, the Task Force and consultant view it as what effective NGB boards should promote and protect, and as a vital need for USA Swimming today, an exciting opportunity for tomorrow and a meaningful promise that we hope will be made by the Board of Directors.

It is therefore the premise for the recommendations that follow.

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Section Four. Governance Structure Observations and Recommendations

A. Defining the Board's Purpose

The Board currently lacks cohesion as to its own role definition:

- **Board Purpose:** Only 7 of 25 (36%) agreed that, “*The Board has clearly defined, and ensured that its members understand, the role and purpose of the Board of Directors as a group.*” 13 (52%) disagreed, with 3 others “neither.”
- Asked, “*For what does the USA-S Board of Directors assume direct responsibility (i.e., what are its “value-added” roles in or contributions to organizational performance that are NOT delegated to staff)?*” the responses appear more aspirational than actual (based on other data), addressing strategic leadership roles, such as:
 - Strategic direction and high level oversight of the CEO and the operations of USA Swimming.
 - Policy development, selection of and evaluation of CEO.
 - Supervision of executive director, strategic direction of the organization, including the Foundation.
 - Setting strategic policy for the organization.
 - The Board should be “big picture” thinkers on how to advance the stated values.
 - Long-term strategic direction (in coordination with staff) and monitoring President/CEO performance.
 - The Board provides high level vision for the organization, while also providing representation of the various constituencies within the organization.

Though organizations vary in needs, resources and sectors, the governing board's job, at its core, is the same: to act on behalf of those to whom an organization belongs (whether equity owners, members or “the public”) to define and ensure effective organizational performance.

Most USA Board members have experience on LSCs, and in some cases other nonprofit boards at which the “board is *also the staff.*” Thus, when people “move up” to the national Board, it is understandable that many deduce that the job is to “move up over the staff; “management one step up,” however, is different from governing.

To better understand the governance/management distinction, the Board might consider:

“As we have the asset of a full-time staff in place, and our job is to act on behalf of the membership and a broader public, what value-added roles can the Board fulfill that should not be delegated elsewhere in the organization?”

Ken Dayton, the legendary philanthropist, retail magnate (Dayton-Hudson Corporation, now Target) and governance visionary, authored a landmark speech/paper entitled “Governance is Governance.”¹ Dayton aptly describes the governance role of Board Members as a body, its distinctions from management, and (particularly relevant for USA Swimming) its distinctions from the roles that Board members may take on as individual volunteers or operational committee members.

He suggests a simple description of what constitutes the effective function of any nonprofit board, which is to:

“... As representatives of the public, be the primary force pressing the institution to the realization of its opportunities for service and the fulfillment of its obligations to all its constituencies.”

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¹ SOURCE: <https://www.google.com/search?q=governance+is+governance&ie=utf-8&oe=utf-8>

Core “Job Products” of Governance

While boards with small or no staff must invariably add to this list, there are three core “job products” that successful governing boards recognize as non-delegable, and thus should be the focal-point of governance planning and decision-making:

1. Linkage with the Membership and the Public

Board Membership is optimized when a Board recognizes that no less important than overseeing the organization, its finances and operations, is connecting with and understanding of needs and wishes of the public it serves.

Growing the sport (i.e., Build and Promote) cannot be achieved by solely focusing on the existing membership. It requires that the Board create “connection” between USA-S and an expanded public.

Building on Dayton’s premise, a proposed sample governing policy statement, capturing this essence and broadly defining the purpose (and successful result) of the Board itself, is:

Acting on behalf of the public and the USA Swimming membership, the Board of Directors’ job is to define the results/impacts that USA Swimming is to produce, and the standards for its business conduct, and ensure that organizational performance meets those standards.

2. Written Standards for Organizational Performance (Governing Policies)

Performance expectations can only be accountably met when they are clearly stated. Governing boards should have written standards for their own conduct and processes, and for the CEO/operating organization. Only if the Board has been explicit and unambiguous about the authority delegated to and expectations of the CEO/staff can it objectively and fairly agree upon metrics by which operations are evaluated.

The Board should consider adopting a “systems” and principle-based approach, such as the ten [Policy Governance®](#)² principles that, when applied in an integrated manner, provide role clarity, focus on results and systematic accountability for performance.

3. Ensuring Organizational Performance

The Board can assure productivity, financial solvency and organizational integrity by holding the CEO accountable for clearly defined criteria constituting successful operational performance. It can and should also demonstrate its own accountability by periodically assessing its own performance in light of the expectations set forth in its own governing policies.

The Policy Governance approach provides tools for systematic and rigorous performance monitoring, with which the consultant and at least one Task Force member have extensive familiarity. If implemented, this would simultaneously address concerns about staff accountability for measureable performance objectives, and dramatically reduce time spent at Board meetings listening to reports.

Additional Board Functions

Based on an individual organization’s needs, boards may expand their job descriptions to whatever level is necessary, but these “board job products” should complement, and never duplicate, those for which the Board holds the CEO accountable. Additional board functions should be those for which the board takes collective responsibility, which for nonprofits often includes fund-raising, and/or determinations re: legislative or public policy positions on behalf of the organization.

² Policy Governance® is a set of ten integrated principles that represent an “operating system,” enabling strategic leadership by governing boards, initially presented in Dr. John Carver’s bestselling book *Boards That Make a Difference*. Authoritative website: www.policygovernance.com

RECOMMENDATION A.1 – BOARD COMMITMENT TO TRANSITION TO GOVERNANCE FOCUS

The Board of Directors should transition its approach to its functions (in concept) and job description/duties (in documents) by committing to serve the membership and the sport with outstanding, accountable performance as a “governing board.”

The primary on-going “deliverables” of the Board will be:

1. Focusing on and demonstrating accountability to the long-term interests of the membership and the sport.
2. Setting and maintaining clear performance standards/expectations (“governing policies”) for the operating organization (results/impacts to be produced e.g.. competitive success and building the sport, and standards of conduct for the operating organization), as well as for its own work.
3. Carrying out its duties of care and oversight by systematically monitoring and evaluating to assure that actual organizational performance is consistent with the Board’s established standards/expectations.

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Setting Performance Standards

Providing a clear strategic vision, combined with setting clear standards for operational performance, will resolve ongoing concerns and conflicts about how the board can ensure staff accountability for measurable results.

The current 26-chapter *Policy Manual*, referred to in places as the “Board Policy Manual,” is many hundreds of pages in length. Its content is a broad range of important issues, most of which would be considered “operational.”

A common question about making the governance/management distinction is, “How can the Board exercise control when it is not making the actual decisions?” The answer lies in recognizing that while the Board is ultimately accountable for all aspects of performance, it can’t begin to make all types of decisions, and it shouldn’t try.

What it can and should do, instead, is “establish the values upon which all decisions are to be made.” This leadership distinction puts boards ahead of operations, and facilitates far greater ease in boardroom decision-making.

As an organization and the number of decisions made in it grow, the power and impact of board work is leveraged not by making more decisions, but by making “higher order” ones.

The framework enables boards to ensure that their performance expectations are clear, both for their own conduct and processes, and for the CEO/operating organization. Suggested categories of policies, which provide for comprehensive standard-setting and systematic accountability, include:

- **Priority Outcomes/Ends:** Results priorities describing organizational impacts, benefits, outcomes, recipients and their relative worth (what good, for which recipients, at what cost/priority). These very brief statements specify short- and long-term outcomes that constitute intended ROI for the resources invested.
- **Management Parameters:** Boundaries of prudence and ethics within which all CEO activity and decisions must take place.
- **Governance Process:** Specification of how the Board defines, carries out and assesses its own work (including roles, authority and process expectations for officers, committees and individual Board members).
- **Board-Management Delegation:** How authority is delegated to management, and its proper use evaluated: the CEO role, authority and accountability.

NOTE: An example of what the Table of Contents for a USA Swimming Board of Directors’ Governing Policies Manual might look like is attached as [Appendix A](#).

RECOMMENDATION A.2 – DEVELOP GOVERNING POLICIES MANUAL

The Board should develop and adopt a comprehensive [Governing Policies Manual](#), setting forth clear performance expectations for its own work (consistent with the Bylaws) and for the CEO/operating organization.

Timeline: Adoption no later than Spring, 2018.

Development of a clear set of governing policies would guide and systemize Board values and performance expectations, provide role clarity that would mitigate the negative impacts of “personality variables” on performance, and enable on-going and systematic approaches to CEO performance evaluation.

Such a document would be a fraction of the size of the Rulebook or of the current Policy Manual, and it would carry tremendous leverage. Using the Policy Governance principles, the Board recognizes that it cannot and should not try to decide everything, but its brief policies can establish the standards and values upon which all organizational decisions are to be made.

Thus, such a document would also set standards for the segregation of “Board policies” from “operational policies and procedures,” which will remain far more lengthy and detailed than the Board’s policies, but which the Board may verify are consistent with the standards it has set.

This “Policy Governance®” approach to the development of Board-established performance criteria is much more fully described in publications, including:

- *Boards That Make a Difference*, by Dr. John Carver.
- *Good Governance for Nonprofits: Developing Principles and Policies for an Effective Board*, by Fred Laughlin and Bob Andringa.
- *The Board Member’s Playbook: Using Policy Governance® to Solve Problems, Make Decisions and Build a Stronger Board*, by Miriam Carver and Bill Charney.

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B. Organizational Results Orientation

Strategic/Mission Focus

Boards typically attribute performance deficiencies to either: weak officer leadership, actions of dominant or apathetic individuals, or “not having the right composition” at a given point in time. There are, in actuality, just *symptoms* of the weaknesses. The cause is nearly always a lack of agreement as to roles, and, when a CEO/ staff are in place, the board’s role not having been made sufficiently distinct from that of management.

One of the world’s most noted experts in governance, Dr. John Carver, once observed that “nonprofit boards are often groups of highly competent, responsible leaders who, as a group, are neither competent nor responsible.”

While the earnestness of USA-S’ volunteer leadership is extraordinary, most Board members acknowledged performance deficiencies in areas that are core “added value” contributions of effective board leadership:

- **Unified Vision for USA-S:** 15 of 25 (60%) disagree (3 strongly) that, “***The Board has articulated a unified agreement as to what constitutes effective organizational performance for USA-S as an entity.***”
- Only 4 (16%) agree (none strongly). 6 (24%) answered “neither agree nor disagree.”
 - NOTE: The “neither agree nor disagree” response would be understandable for just-elected Board members who’d not yet received orientation. As that is not the case at USA-S, these 24% of response are inferred to be equivalent to “disagree” – in that if 6 experienced Board members don’t know if the Board has defined organizational success or not, the Board clearly is short of a “unified” agreement about such a key topic.
- **Short-to-Medium Term Priorities:** 14 of 25 (56%) disagree (3 strongly) that, “***The Board has effectively outlined and prioritized a vision of the impacts and results USA Swimming is to produce in the next few years.***” 9 (36%) did agree (2 strongly) with the same statement. 2 answered “neither.”

You can’t lead a parade from the middle of it.

Achieving a common vision is a high calling, and a well-defined, market-responsive vision and priority setting are the hallmarks of great boards.

The Board’s primary focus should not be internal, or downward, to the organization. Instead, like the captain of a ship, the Board should be “on the bridge” looking outward, understanding and anticipating trends and changes in the environment, and setting strategic direction that navigates USA-S to specific desired long-term outcomes.

Over the past three years, the aggregate convened hours of USA-S Board meetings have averaged less than 32 hours per year -- of fewer than four work-days. Agreeing that “you can’t run a \$40 million business in four days a year,” is additional reason to shift the Board’s focus away from operations.

Only one-fifth (20%) of Board respondents believe the Board’s focus is appropriately balanced:

- **Focus on Strategy or Operations:** Asked if the Board “***focuses sufficiently on strategic vision/policy issues rather than operational/administrative matters,***” 5 of 25 (20%) agreed (1 strongly). 15 (60%) disagreed, 7 of whom expressed “strong disagreement.” 5 (20%) answered “neither.”

Facing *the need* to move from an operational/management to a strategic/governance focus and structure represents an opportunity and, in an important sense, an organizational lifecycle achievement. While overseeing and evaluating staff and operations is a *function* of governance, it is not at all its *purpose*.

Re-defining the Board’s purpose to emphasize its role as the standard-setting body for organizational performance (**Recommendation A.1**) would instill long-term visioning, and ensuring accountability for achievement of results priorities, as a core function of the USA-S Board of Directors.

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Operational Oversight

Shifts to strategic focus cannot be absolute. They must be balanced, enabling sufficient oversight over operations to have well-founded confidence that Board expectations are being met.

Moving from an operational focus does not mean “losing control.” In fact, carrying out of the Board’s fiduciary Duty of Oversight (a core element of the Duty of Care) is greatly enhanced by the Board not “being in the middle” of operations, but being “above them” in a standard setting role.

Financial stability/oversight and risk management are often among the key areas of worry for nonprofit boards. Not to be taken for granted, there is a great degree of Board confidence that these are both appropriately addressed:

- **Fiscal Oversight:** 19 of 25 (76%) agreed (6 strongly) that, “**The Board has and uses effective systems to monitor USA-S’ fiscal condition.**” 1 disagreed, and five (20%) “neither agree nor disagree.”
- **Risk Management:** 22 of 25 (88%) agreed (6 strongly), with none disagreeing, that, “**Risk management and oversight practices are in place, ensuring adherence to legal/compliance and ethical standards that safeguard USA-S’ integrity, reputation and other assets.**” 3 (12) replied, “neither agree nor disagree.”

A survey question about business interruption concerns – an element of risk management distinct from the more prevalent legal liability issues – reflected far less confidence:

- **Business Interruptions:** 6 of 25 (24%) agreed, and 9 (36%) disagreed (4 strongly), that “**The Board has ensured sound processes are in place to address unexpected unavailability of key personnel, business interruptions, etc.**” 10 (40%) responded “neither agree nor disagree.”

The high percentage (40%) indicating “neither agree nor disagree” may indicate simply that the issue, a management responsibility, that boards should have confidence is addressed – has not been “on the Board’s radar.”

Characteristics of Effective Delegation

When delegation is effective, there are three characteristics present:

1. Performance expectations are clearly defined.
 - People don’t have to wonder what is expected of them.
2. Those expectations are clearly assigned.
 - There is clarity as to who is assigned which expectations.
 - There is not ambiguity, i.e., one responsibility is not assigned to two parties.
 - Authority is delegated, commensurate with the level of responsibility.
3. There is systematic verification that those expectations were met.

That some Board members question the accountability of staff performance is understandable. That questioning should not, however, be targeted to the CEO and staff, as the responses below indicate that the Board itself is not at all unified about what its expectations are:

- **Clarity of Delegation:** 14 of 26 (54%) agree (3 strongly), “**The Board has a clearly articulated and shared understanding of where its authority leaves off and the CEO’s picks up.**” 6 (23%) disagree (1 strongly) and 6 (23%) were neutral.
- **Agreement re: Expectations of CEO:** 14 of 26 (54%) agree (4 strongly), “**The Board has a clearly defined agreement as to what constitutes effective job performance by the CEO.**” 8 (31%) disagree (3 strongly) and 4 (15%) were neutral.

100% of Board members should be able to “agree” to these questions, which is only made possible by clarified governance/delegation systems. Some Board members may disagree with some of the choices, but they should agree that they have been made.

- **Agreement on Review Methods:** Just 10 of 26 (38%) agree (1 strongly), “**The mechanisms to monitor/evaluate CEO performance have been clearly agreed upon by the Board.**” 9 (35%) disagree (2 strongly). 7 expressed “neither.”

- Appropriateness of Criteria: 10 of 26 (38%) agree (but none strongly) that, “***I believe that the criteria and methods currently used to evaluate CEO performance are appropriate.***” 6 (23%) disagreed (2 strongly), with 8 expressing neutrality as to a belief on the matter.
- Board Upholding of Criteria: Again, 10 of 26 (38%) agree (but none strongly) that, “***I am confident that the Board/Executive Committee only judge CEO performance based on Board-established criteria (not personal/subjective wishes and/or expectations.***” 7 (27%) disagreed with this statement, and 9 “neither agree nor disagree.”

Whoever assumes the CEO responsibilities later in 2017 will no doubt do all she/he can to use the authority delegated by the Board wisely, and satisfy the Board’s performance expectations. If the Board remains unclear, however, about what authority is delegated, and what its results expectations are, the likelihood of it being a successful Board/CEO relationship is greatly diminished.

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C. Board Relationship with the CEO/Staff

The Ideal Partnership

One of the most prevalent nonprofit leadership challenges is lack of role clarity between the Board, its members and the CEO.

Selection of a CEO is often cited as the most important decision a nonprofit board makes. Equally critical are its choices about how it delegates to and holds that executive accountable. Inadequate delegation structures cause many talented CEOs to be ineffectual. Ironically, they also enable many lousy ones to have long tenures.

It is easily forgotten that the Board's job is to *define and ensure* effective organizational performance, not "to run the organization." When a board feels weakened by a strong CEO, or a strong board weakens a CEO, the problem is not the people. It's the system. Great boards see past this "seesaw of power" illusion by recognizing that strong boards need strong CEOs.

With USA Swimming's imminent transition of executive leadership, priority should be given to establishing criteria and methods for systematic evaluation of CEO performance, to ensure that confidence in the staff organization is merited, and to constructively expose deficiencies when they occur.

Especially when choosing the successor to an iconic leader, the Board's focus should be not on "hoping we make the right choice," but also on making others that optimize the likelihood of the new CEO's success.

Especially at this inflection point in USA-S' history, the Board's highest aim should be ...

... to create a structure and culture in which *"our CEO can help us to think big, to define our expectations for the organization, and then for us to empower the CEO and staff to exceed those expectations, all while we also hold them accountable for demonstrating both results and appropriate use of that authority.*

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Board/Staff Interactions

The Board survey responses reflect very strongly, but not unanimously (15% disagreeing), that there is mutual trust currently between the Board and staff:

- Mutual Trust: 19 of 26 (73%) agree (9 strongly) that, "***A climate of mutual trust and respect exists between the Board and CEO/staff.***" 4 disagreed (1 strongly) and 3 were neutral.

Such trust is normally reliant on transparency, openness and clarity of expectations. In this regard, it was only a slight majority agreeing that the Board is comfortable "asking tough questions."

- Frankness: 14 of 26 (54%) agree (9 strongly) that, "***The Board is comfortable "asking tough questions" of the ED/CEO that are inherent with carrying out its fiduciary duties of care and oversight, and providing strategic vision for USA-S.***" 8 (31%) disagreed (4 strongly) and 4 were neutral.

The interviews imparted growing current of concern that the sense of overall positivity in the Board/staff relationship was fragile. A small minority excepted, there was nearly unanimous respect expressed for staff's competence and professionalism. Many commented, however, that the overall Board relationship and expressed respect for staff has weakened during the interval of well-known health challenges faced by Mr. Wielgus.

This reflects a more substantive concern raised quite vocally by a small number of Board members: questioning the value of the professional staff in Colorado Springs. Expressed as a desire to ensure "efficiency," it is seen by others as resentment towards senior level executives/managers compensated for their roles in a \$40 million nonprofit enterprise.

When Board and “constituent” interviewees were asked, **“How would you characterize the Board’s working relationship with the CEO and Staff?”** four response themes were prevalent:

- “We need to let staff do their job, and hold them accountable for objective criteria/metrics to judge programmatic effectiveness.”
- “... the trend to micromanage is creating fear and elevating politics, but it does not enhance performance.”
- “Some Board members and officers claim they want governance to be strategic, but they insist on making decisions that should be delegated to staff.”
- Two Board members explicitly suggested that a “staff efficiency study” should be undertaken. At least four others, however, mentioned that the manner in which that suggestion was raised in Board meetings was offensive (“ambushing a staff member at a board meeting;” “I am embarrassed that we (the Board) spend \$120,000 on board meetings – we are the ones who aren’t efficient.”).
- Perceived Executive Committee “overreach” in past two years. One mentioned a “big concern is that this could sabotage Chuck’s successor.”

In the interviews with 14 senior staff, which were the initial component of this assessment’s protocol, the USA-S’ distinct volunteer culture became evident. In many organizations, heavy engagement with volunteers is viewed by staff as a burden, but USA-S management clearly recognizes and values it is an important asset for which they have responsibility.

Uniformly, respect for Board members’ dedication was present, as were observations that revisions to the Board’s structure, and its view of its role, could advance the success of the organization, and of the sport.

Comments reflecting the most frequently staff-cited themes were:

- “We need governance. The Board should understand that a governance structure would make staff more accountable, not less.”
- “Some new board members are understandably frustrated. The Board doesn’t focus on strategic decisions then makes them presume that “staff is in charge.”
- “I fear some Board members trying to use the CEO transition as a window to get inappropriately meddling into operations.”
- “You would have thought that after Rio we’d have all enjoyed a celebratory meeting, but Atlanta was demoralizing.”
- “Every role should have purpose. If that purpose is to give a report, that shouldn’t require a board position.”
- “The Board taking on more of a ‘think-tank,’ forward-planning role would be helpful.”

Board survey respondents rated the Board’s actions/dynamics impacting its relationship with the CEO.

- Board Member Communications with Staff: 13 of 25 (52%) agree (6 strongly), **“To my knowledge, Board members ensure that any communications with staff other than the CEO do not undermine the CEO’s delegation to and relationship with his staff.”** 3 (12%) disagreed (1 strongly) and 9 “neither.”
- Delegation of Authority: 23 of 26 (88%) agreed (5 strongly), **“The Board gives the CEO sufficient authority and responsibility to manage the organization successfully.”** 2 disagreed, with 1 neutral.

Ambiguities in role clarity and delegation are evident, with only a minority (42%) believing there is clarity as to when Board messages to staff are directives vs. “advice.” More dramatically, a majority (62%) agreed that some of the elected Vice-Chair roles overlap with those of staff, and nearly a third (31%) indicating that Board members do attempt to direct the work of staff members.

- Clarity of Messages: 11 of 26 (42%) agree, **“I believe there is clarity as to when messages from the Board to the CEO and staff are directives (as vs. ‘advice’).”** 5 (19%) disagreed (2 strongly), with 10 neutral.
- Unity of Control: 13 of 26 (50%) agree (6 strongly), **“To my knowledge, Board members do not attempt to direct the work of staff members.”** 8 (31%) disagreed (2 strongly) with 6 neutral.

- **Overlapping Roles:** 16 of 26 (62%) agree, (7 strongly), **“Some of the elected Vice-Chair roles/job descriptions overlap with the roles of members of USA-S’ professional staff.”** Just 2 (8%) disagreed, with 8 neutral.

Despite the Board’s positive intentions, this lack of role clarity and understanding is exceptional for a highly performing organization. Based on these responses, and from an organizational development or human resources management perspective, any assertion USA-S’ success is a *product* of the existing Board structure defies logic.

Responses regarding CEO Wielgus’ role in a sound relationship, on the other hand, were *exceptionally* affirmative:

- **Chair/CEO Relationship:** 17 of 26 (65%) agree (10 strongly), **“I believe that the Board Chair and CEO have a strong working relationship.”** 1 Board member (4%) strongly disagreed, with 8 (31%) neither.
- **CEO Support for Board:** 19 of 25 (76%) agree (11 strongly), **“The CEO understands and provides effective support for the Board’s role and functions.”** 1 Board member (4%) expressed disagreement, with 5 (20%) neither.

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President and CEO Position Description

The Job Description (updated January 2017) is reflective of how the role should be viewed for a CEO under a true governing board.

One exception is that participation in Board functions is omitted. The Job Description document states that the President/CEO will “serve as an ex-officio member of various USA Swimming committees and task forces; with voice but no vote.” First on the list should be the same role and obligation as an ex-officio, non-voting member of the Board of Directors.

As is [recommended](#) in the section on [Board Officers](#), a revision must also be made to the Board Chair’s job description (Policy Manual, Chapter 25, *Volunteer Leadership Structure*), which although recently revised, still duplicates the primary responsibility assigned to the President & CEO:

- President & CEO Job Summary (first sentence): *“The President/CEO supervises all aspects of USA Swimming’s business and operational functions ...”*
- Board Chair of USA Swimming (first sentence): *“The Board Chair is responsible for directing, supervising and coordinating all activities of USA Swimming.”*

RECOMMENDATION C.1 – PRESIDENT & CEO AS EX-OFFICIO BOARD MEMBER

The Rulebook and the President’s & CEO job description be revised to also reflect that “The President & CEO shall serve as an ex-officio, non-voting member of the Board of Directors.”

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Evaluation of CEO/Organizational Performance

Effective Performance Assessment Methodologies – Key Principle

Integral to a Board’s fulfilling its duty of oversight is a fair and objective performance evaluation process. That anything less is commonly accepted as a norm, by otherwise bright and responsible business leaders, is a peculiarity that weakens the nonprofit sector.

A litany of methods are used for Board assessment of an executive. There should be one constant:

Performance assessment should be only against previously established criteria.

If the Board has not clearly conveyed an expectation, the CEO should not be held accountable for meeting it. USA-S Board members express merited frustration that there has not been a measurable basis for evaluation of CEO performance. However, while the CEO/staff should propose and have ownership in targeted performance indicators, and the Board should judge performance against them, they should be derived from clearly articulated strategic direction (more specific than BP&A), typically longer term in focus than an operational quadrennial period.

Board survey results acknowledge deficiencies in the evaluation approach of the Board, with less than 40% having the impression that the Board has agreement as to: the mechanisms to evaluate the CEO, the appropriateness of criteria currently used or confidence that the Board/Executive Committee currently uphold any such criteria in the evaluation process.

The only fair solution, which projects a Board truly *leading* an organization, is clear articulation of performance expectations regarding intended organizational results, and regarding the conduct of the operating organization. When the targets are clear, an effective CEO is far more likely to reach them, and the process is much more likely free of surprises.

In summary, a comprehensive performance evaluation should answer one question: *Is the "actual" consistent with what we expected?*

RECOMMENDATION C.2 – CEO PERFORMANCE EVALUATION PROTOCOL

The Board should, before 2018, establish governing policy codifying how it will set forth on-going performance criteria that constitute successful CEO job performance, and continually work with the CEO to establish annual goals/targets for all major programmatic areas.

The policy should articulate the criteria, methods and time-line the Board will use each year to fulfill its oversight role, and to ensure the CEO receives constructive feedback and recognition for operational achievements and conduct. To ensure rigorous, systematic and objective assessment of CEO performance, consideration of applying and using Policy Governance principles, introduced earlier in this Report, is strongly suggested.

Examples of the performance criteria topics suggested, drawn from the categories explained in section 4.A **Setting Performance Standards** and specifically listed in Appendix A include:

PRIORITY RESULTS/ENDS –

- “Build” Results Priorities
- “Promote” Results Priorities
- “Achieve” Results Priorities

MANAGEMENT PARAMETERS TOPICS –

- Interactions with Members and the Public
- Interactions with and Engagement of Volunteers
- Treatment of Staff
- Financial Condition and Activities
- Asset Protection
- Financial Planning/Budgeting
- Compensation and Benefits
- Emergency Management Succession
- Communications and Support to the Board

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D. Board Committees

Thirty-one (31) established committees currently report, either directly or through another committee layer, to the Board's officers.

In addition to the Executive Committee, ten (10) standing committees are listed in the Bylaws and therefore subject to House of Delegates (HoD) approval in terms of composition, terms, duties & responsibilities, reporting/oversight structure, or change of status. Currently, the standing committees are Athletes, Rules & Regs, Investment, Governance, Audit, Credentials/Elections, National Team Steering, Senior Development, Age Group Development and National Board of Review.

The remaining committees and task forces are created as needed with composition, terms and duties determined by the Board. Their reporting/oversight structure is determined by the Board, and this is defined in the Policy Manual as opposed to the Bylaws.

Role and Authority of Executive Committee

The Bylaws give the USA-S Executive Committee (EC) sweeping authority: "to act for the Board of Directors and USA Swimming between meetings of the Board and House of Delegates, except that it cannot amend the Rules and Regulations."

The main reason executive committees were historically established was to act for the Board when it can't reasonably be convened. Affordable and easily accessed virtual meeting technology makes ECs, in relation to that need, an antiquated structure. Advances in governance best practices, along with many larger boards downsizing, have resulted in ECs being far less prevalent. There is also a highly predictable correlation between active executive committees and comparatively disengaged at-large board members.

A very common byproduct of active ECs is present at USA-S: considerable concern that EC activities have produced a sense of division – a "two-tiered" board:

- **Role/Authority of Executive Committee:** 17 of 25 (68%) replied "yes" to, "***Do you have any concern about the role/authority of the Executive Committee?***"
 - Asked, "If yes, what are your concerns/suggestions?"
 - Eight (8) responses revolved around "secrecy" and that distrust is created when the full Board does not address issues as a group.
 - Some (5) responses focused on "over-stepping of authority."
 - Three (3) suggest the solution is to give clearer definition to the role/accountability.

A slight majority (58%) indicated understanding of the full Board's fiduciary accountability for actions of the Executive Committee, an important awareness for the 42% who either disagreed or responded "neither" to that assessment.

- **Board Accountability for Executive Committee:** 15 of 26 (58%) agreed (1 "strongly"), that, "***The Board understands that it is accountable for the actions/decisions of each of its committees, including the Executive Committee.***" Five (19%) disagreed, (3 "strongly"). Six (23%) were neutral.

INTERVIEW COMMENTS: References to the EC pertained particularly to recent activities, though many criticisms raised are typical, and thus "structural."

- "With the exception of current EC dynamic, the Board's structure/functions work well."
- "The EC makes it 'an A and B Board.' They shouldn't meet and act unless there's something that absolutely can't wait."
- "Large Board size causes the EC to be overused – and it makes it a chasm."
- "I'm not sure the current EC don't have good motives, but am quite sure they don't understand good governance principles ... It's ironic that we preach these to the LSCs but don't practice them at national."

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Distinction Between Board/Operating Committees

“It seems like the Board assigns a committee for everything, but the most effective ones understand their role is advisory to management.”

Consistent with this Board member’s observation, the proposed changes to the [officer structure](#) reflect fewer committees reporting directly to the Board. These recommendations realign the reporting structure to better define authority and ensure accountability, both integral to enhancing productivity and performance.

As acknowledged previously, USA-S’ volunteer inclusiveness and engagement is pervasive, and to be maintained. Most highly engaged volunteers likely view their role as “helping USA Swimming,” far more than “helping the Board.” Effective management of volunteer programs is based on the concept of volunteers as “unpaid staff” – individuals whose contributions should be recruited, provided training and structure, supervised and recognized.

Should a Committee Work Primarily with the Board or the Staff?

Whether a committee should be appointed by, and/or report to, either the Board or the staff should not be based on preference, instinct or whim. It should be predicated on how the Board can best assure the productivity of its function. The litmus test to delineate “Board Committee” or “Operating Committee” (title can be changed at organizational discretion) is simple:

“If committee is engaged in a function that is an absolute failure – would the Board likely reflect that concern in its evaluation of the CEO’s performance?”

- *If “yes,” it should NOT be a Board Committee.*
- *If “no,” then the Board can/should be clear that it “owns” the issue, and staff’s role is purely to provide administrative/communications support only.*

Therefore, the perceived degree of importance of a decision should not itself define whether it should be retained or delegated. In fact, the higher magnitude the issue, the more important it is for the Board to ensure it is decided by those who have, or can be held accountable for engaging, the best relevant competencies. The USA-S Board must also balance choices of what to include in its job description with the fact that it meets the equivalent of only a few work days per year.

Observations re: Current Standing Committee Functions

At USA Swimming, there is a general practice that Board members do not serve on committees. Rationale conveyed for this is that it maximizes participation opportunities available for other volunteers. This has merit, especially for Operating Committees, and for governance related functions when non-Board member input/expertise would contribute to informed decision-making. In general, examples of Board Committees that often include non-Board members, particularly when the Board size is small-to-medium (i.e., up to mid-teens) are: Investment, Audit, Credentials/Elections and Nominations.

This Assessment did not focus in depth on specific committee functions, but rather on how they interrelate between Board and CEO/staff roles and accountabilities. In addition to the review of Executive Committee functions, observations about the Governance Committee role should be conveyed.

Governance Committee

Early in the Assessment process, the consultant observed that no Board members, and only one member of the Task Force, serve on the Governance Committee. Historically, the USA-S Governance Committee “role is just to take things that are assigned to them” according to one past member interviewed.

Common and most functional “Governance Committee” practices are nearly always internal to Board functions, aimed at helping the Board Chair facilitate Board engagement, identifying training needs and capacity-building opportunities, and often fulfilling, or delegating to shorter term task forces, needs for Bylaws or policy revision recommendations. This function is often replacing phased out Executive Committees, supporting the wholeness of the Board without the “A and B Team” dynamic.

RECOMMENDATION D.1 – DELETE FIXED ROLE OF EXECUTIVE COMMITTEE FROM RULEBOOK (Article 505)

Though the Board should maintain the flexibility to, through its Policy Manual, establish and charge committees and task forces with specific tasks, eliminating the EC as a fixed structure within the Board will mitigate the two-tiered authority structure (the “board within a board” dynamic). Further, [Recommendation F.1](#), which would significantly reduce the size of the Board, in combination with the advent of technologies for teleconferences/virtual meetings on an emergency basis, make the original and common reasons for Executive Committees obsolete.

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RECOMMENDATION D.2 – ESTABLISH GOVERNANCE/OPERATIONS COMMITTEE DISTINCTIONS

- A. Change Article 506 title from “Committees and Coordinators” to “Standing Committees of the USA Swimming Board of Directors,” and revise provision 506.1.1 to state “Standing Committees of the USA Swimming Board of Directors (“Standing Committees” shall be as listed in this Article.”
- B. Change provision 506.1.4 to: The Board of Directors may establish special committees or task forces as it sees fit to assist in its functions, and shall delegate to the President & CEO authority to establish committees to ensure member/volunteer input and participation in fulfilling USA-S’ programming needs. Committee and coordinator details shall be outlined in the USA Swimming Policy Manual.
- C. Change provision 506.1.5 to: The Standing Committees will be responsible to the Board of Directors for the fulfillment of their responsibilities. Reporting to the Board shall be through the Board Chair or such Board officer, member or committee as the Board Chair may designate.
- D. Delete provisions 506.1.6 through 506.1.9, which will build consistency in clarifying the entire Board’s accountability for the work of its Standing Committees, while giving the Board flexibility to assign the reporting structure based on current needs and capabilities.
- E. Operating Committees will be part of the accountabilities and under the authority of the President & CEO. The structure and opportunities for participation will be posted on the website, and no material changes to the structure will be made without reasonable advance notification of such planned change provided to the Board.

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RECOMMENDATION D.3 – ADD NOMINATING COMMITTEE AS A STANDING COMMITTEE

Revise Rulebook Article 506, to add in a Nominating Committee, and to delete the following as Standing Committees: Age Group Development, Senior Development, National Team Steering Committee, Rules and Regulations Committee, Governance Committee.

The Governance Committee should be considered a “Board Committee,” but deleted as a Standing Committee, enabling the Board to have flexibility in how to use this function, a common replacement for the Executive Committee. Governance Committees are a smaller group of Board members who facilitate Board Development (training, orientation, agenda advice to the Chair, propose policy language, etc.), but not carrying the authority of the Board between meetings.

The Nominating Committee’s proposed composition and functions are presented as [Recommendations F.2](#) and [F.3](#), respectively.

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E. Board Officers

Subsequent to the January, 2016 “Understanding Governance vs. Management,” workshop led by Dr. Todd Adams, changes were made to key staff officer titles, reflecting their corporate responsibilities (CEO, COO, CFO, etc.). While very sensible for USA-S, the same rationale is not applicable to smaller entities, such as LSCs, that do not have professional staff counterparts for the volunteer leadership roles.

Reassigning the “President” title to the chief executive position, now titled “President & CEO,” is consistent with the presumptive answer to “What does the president of a \$40 million company do?” i.e., “runs the company.” The Board Chair’s role is to lead the Board in the successful fulfillment of its role.

- **Clarity of Officer Roles:** To, “**Are the roles and authority of USA-S Board officers clearly articulated?**” a slight majority of survey respondents (15 of 26, or 58%) replied “yes.”
 - Asked “If no, what needs greater clarity?” the response themes were non-specific, but reiterated that roles of officers and Board members are simply unclear.

In hindsight, the question may have been unclear, in that the Rulebook revisions were based on an assertion that all “officers” should be staff positions. For clarity, there are often both “board officers” and “corporate officers,” the latter reflecting the staff positions.

Specific examples abound regarding inconsistencies between Officers’ titles, actual functions, written job descriptions and/or Rules & Regulations, and especially regarding the operational Vice-Chair positions, ambiguities between volunteer and staff leadership roles.

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Board Chair

“The Board Chair is responsible for directing, supervising and coordinating all activities of USA Swimming.”

This first sentence in the Chair’s job description (*Policy Manual*, Chapter 25), is a prime example of such discrepancies, as it assigns this individual responsibilities that defy what’s humanly possible, while reinforcing the Board’s “from the top-down” immersion into operational/management responsibilities.

R&R Section 504.2.1, as amended, states that the “*Board Chair shall see to it that all orders and resolutions of the Board are carried into effect.*” This is a step closer to reality, but it’s more appropriate to have the Board Chair ensure that the Board fulfills its collective role, and the Board in turn holds the CEO accountable for operations.

An inconsistency also exists with R&R 503.1.4. It states that the “*Secretary & General Counsel shall serve at the pleasure of the President & CEO.*” The *Policy Manual* revision does not reflect this change, with provision #10 of the Board Chair’s job description stating, “The Board Chair shall appoint the Secretary and General Counsel.”

- **Chair Role/Job Description:** 13 of 26 (50%) agreed (3 “strongly”) that, “**The current Board Chair role/job description is appropriate.**” Five (19%) disagreed (1 “strongly”). Eight (31%) were neutral (“neither agree nor disagree”).

In interviews, comments that stood out regarding the role of the Board Chair included:

- “There would be real merit to the Board electing its own Chair. This would help the Chair have legs from Day One, and not have people gunning for the role.”
- Many mentioned that the CEO, not the Board Chair, should be USA-S’ primary spokesperson on the international stage. (NOTE: The newly adopted Rulebook Article 503.1.1 already addresses this, stating, “The President & CEO shall be recognized as the Secretary General of USA Swimming.”)

RECOMMENDATION E.1 – CLARIFY BOARD CHAIR’S ROLE/DUTIES IN RULEBOOK

To further align the Board Chair’s role to reflect the Board’s governance duties and functions, and eliminate redundancy with the Position Description of the President & CEO, Amend R&R 504.2.1 as follows:

(CURRENT) USA Swimming shall have a Board Chair who shall preside at all meetings of the Board. The Board Chair shall see that all orders and resolutions of the Board are carried into effect. The Board Chair shall perform such other duties and have such other authority and powers as the Board may from time to time prescribe.

CHANGE TO: USA Swimming shall have a Board Chair who shall, as the chief governance officer: preside at all meetings of the Board; see to it that the Board fulfills its duties as prescribed by law, these Bylaws, and the Board’s governing policies then in-effect; be the official spokesperson of the Board of Directors; and shall perform such other duties as the Board may from time to time prescribe.

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RECOMMENDATION E.2 – UPDATE BOARD CHAIR’S DUTIES IN POLICY MANUAL

Upon amendment R&R 504.2.1 as proposed, further define the *Board Chair’s Role*, consistent with the rule change, in the Policy Manual.

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Vice Chairs

Modifying the Vice Chair structure is essential to transitioning the Board to a standard-setting and oversight role.

Changing the titles of the Vice-Presidents to “Vice Chairs” created consistency with the title changes made to Corporate Officers (CEO, COO, CFO, etc.). The job descriptions of four (Program Development, Program Operations, Administration and Technical) still blur lines between Board and management responsibilities, conveying authority over committees and functions whose outputs are clearly tied to expectations of the CEO.

The officer elections process, in which people campaign for functionally staff-oriented positions, further perpetuates the operational and thus shorter-term-focus of the Board.

As many Board members emanated from the LSCs, where the lack of full-time staff requires that those boards align their leadership roles with key “staff” responsibilities, two-thirds of Board survey respondents initially answered “yes” when asked if the five elected Vice Chair roles are crucial.

- **Need for Operationally-Focused Vice Chair Roles:** 17 of 26 (65%) respondents answered “yes” to, “**Do you think continuing to have each of the five (5) operationally focused elected Vice-Chair roles (Administration, Program Development, Program Operations, Technical, Finance) is crucial to optimization of the Board’s governance role?**” with 9 (35%) responding “no.”
 - Asked “what changes do you suggest?” there were few specific recommendations, but strong reinforcement that the work of the committees under them is integral.

Appropriateness of Vice Chair Roles

Is the Board’s oversight and the organization’s productivity best served by having one elected/designated Board member for each of those portfolios? The answer is revealed in three remarkable ironies pertaining to these currently defined roles.

First, while two-thirds expressed it “is crucial” to have “each of the five (5) operationally focused Vice Chair roles,” when subsequently **asked about the appropriateness of the individual roles/job descriptions**, the Athletes position was the ONLY of the six that had majority agreement!

- **Administrative Vice Chair:** 13 of 26 (50%) agreed (2 “strongly”) that, **“the current role/job description is appropriate.”** Four (15%) disagreed (2 “strongly”). Nine (35%) were neutral.
- **Program Development Vice Chair:** 13 of 26 (50%) agreed (3 “strongly”) that, **“the current role/job description is appropriate.”** Four (15%) disagreed (2 “strongly”). Nine (35%) were neutral.
- **Program Operations Vice Chair:** 12 of 26 (46%) agreed (2 “strongly”) that, **“the current role/job description is appropriate.”** Seven (27%) disagreed (4 “strongly”). Ten (38%) were neutral.
- **Technical Vice Chair:** 9 of 26 (35%) agreed (3 “strongly”) that, **“the current role/job description is appropriate.”** Four (15%) disagreed (2 “strongly”). Ten (38%) were neutral.
- **Finance Vice Chair:** 13 of 26 (50%) agreed (2 “strongly”) that, **“the current role/job description is appropriate.”** Three (12%) disagreed (2 “strongly”). Ten (38%) were neutral.
- **Athletes Vice Chair:** 14 of 25 (56%) agreed (3 “strongly”) that, **“the current role/job description is appropriate.”** Three (12%) disagreed (1 “strongly”). Seven (28%) were neutral.

INTERVIEW COMMENTS: Interviews with Board members, former Board members and other constituents initially brought forth these concerns, with observations such as:

- “When the Board and its structure were created, we didn’t have professional staff. Now the role should be to set standards and evaluate the ED’s effectiveness.”
- “The five VP Roles used to be appropriate. Today, they are an error.”
- “The VP roles need updating – they don’t ‘direct, supervise or coordinate’ – they are liaisons.”
- “Vice-Chairs need more clarity that they are there to oversee/coordinate committees – not to oversee or direct staff liaisons.”

NOTE: There have been cases of Vice Chairs giving directives to staff members contrary to those of their boss. One cited a Vice-Chair as saying, “I know Chuck tells you what he expects your committee support role to be – but let me tell you – your role is to do what I tell you to.” Upon further inquiry, the consultant’s perception is that such misuse of authority is not common. The recent trend of increased “micro-involvement” has been distracting, but has not yet become substantively disruptive.

Role Duplication

The second response contrasting significantly with the majority indicating that the current Vice Chair roles are “crucial,” was that the same high number/percentage of Board members (17) acknowledging that these roles may confuse/duplicate those of professional staff.

- **Duplication and Confusion Created by Some Vice-Chair Positions:** 17 of 25 (68%) answered “yes” when **asked if they share a concern raised that, “some of the current Vice Chair positions may create duplication and confusion of roles/authority vis-à-vis professional staff, rather than clear governance oversight?”**
 - Asked, “If yes, what are your concerns and suggestions?”
 - The majority spoke to the need for role clarity, with some noting that the structure was “relevant 15 years ago” but is not today given USA-S’ evolution.
 - Three indicated belief that egos/political aspirations of office-holders is a problem.
 - One suggested a contrarian viewpoint: that if there is duplication between volunteer and staff roles, “we should evaluate if we need to be paying for this staff position.”

Qualifications

The third major contrast to the “Vice Chair roles are “crucial” perspective was the responses regarding agreement that, “***The House of Delegates’ election of officers helps ensure that the best qualified individuals are selected.***” Less than one-quarter agreed that it does:

- Effectiveness of Vice-Chair Election Process: Just 6 of 26 (23%) agreed (only 2 strongly), in contrast to 12 (46%) disagreeing (5 strongly). Eight (31%) were neutral.

INTERVIEW COMMENTS: Related observations were:

- “I don’t know that there is a need for VPs to be elected roles – what qualifies the candidates? On what basis does the House elect them?”
- The current Finance Vice-Chair is “the 3rd Treasurer elected to the position with no Board experience at USA-S.”
- “We’d be far better off to have the House elect Board members at large, and the Board elect officers. This would be a helpful and significant change. It’s ironic – we tell LSCs they should have nominating committees and vetting, but we don’t!”
- “I believe some people run for election as a vice president without any understanding of the responsibility of the position.”
- “In the 2000s – about 5 people kept changing/running for a different VP position every time term limits came up. It created a leadership development void that we’re paying a price for now.”

In summary, except for the Finance role, this structure is an enigma among NGBs, and certainly in the nonprofit sector among organizations with multi-million dollar budgets.

Athletes’ Vice Chair Responsibilities

The Athletes’ Vice Chair role description speaks to the role as Chair of the Athletes’ Executive Committee. It has no specific responsibilities pertinent to the Board’s governance functions, other than being a member of the EC.

Alternative to Vice-Chairs’ Overseeing Operational Functions

Though USA Swimming is a large and complex entity, other NGBs, and almost all other large and complex nonprofits succeed without similar officer roles. More effective oversight alternatives include an array of monitoring/reporting mechanisms. The Board should have the flexibility to assign Board members, committees or task forces, as it deems necessary or helpful to assist in its governance role, whether by bringing recommendations forth for Board consideration, proposed policy standards/expectations pertaining to areas of operational concern or assigning designees the responsibility to monitor and evaluate performance, but always using Board-established standards as the basis of judgment.

RECOMMENDATION E.3 – CLARIFY “CORPORATE OFFICER” ROLE OF STAFF OFFICERS VIS-À-VIS “BOARD OFFICERS.”

With respect to the four staff officer positions (President & CEO, Vice President & COO, Treasurer & CFO and Secretary & General Counsel, revise references, such as the title of Rulebook Article 503, from “Officers” to “Corporate Officers.”

This will ensure clarity and understanding, internally and externally, that the Board Chair and Vice-Chair(s) are recognized as officers.

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RECOMMENDATION E.4 – REVISE BOARD OFFICER STRUCTURE TO INCLUDE BOARD CHAIR, VICE CHAIR, AND VICE CHAIR – AUDIT/FINANCIAL OVERSIGHT

With respect to the Board Chair and six, operationally oriented Vice-Chair positions, revise the Rulebook Section 504.2 to, effective with the 2018 election cycle, and seating of the Board, revise its composition to include three “Board Officer” positions: Board Chair, Board Vice-Chair, and Vice-Chair – Audit/Financial Oversight. The Vice-Chair elected to serve in the last two years of the Board Chair’s 4-year term, shall be designated “Vice Chair / Chair-Elect.”

Recommendations as to Board officers’ terms and manner of election are presented as [Recommendation F.1](#) and [Recommendation F.2](#), respectively.

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F. Board Size, Composition and Terms

NGB Board Composition Benchmarking

As part of the Assessment's fact-finding phase, the consultant interviewed Rick Adams, the USOC's Chief of NGB Organizational Development, and two CEOs, Chris Ramsey (USA Water Polo) and Dave Ogreaan (USA Hockey). The latter two were recommended contacts due to reputations for distinctly different, but overall effective governance practices in the past decade. The governance structure of USA Track & Field was also studied.

USA HOCKEY

Though notorious for its 91 voting member board size, that larger body meets just twice per year, usually for less than 2.5 hours. Elected by the Districts/Sections membership, USA Hockey's board in many ways parallels the USA-S House of Delegates, in that it retains authority to revise the Rules and Regulations. All other governance authority is held by the Executive Committee, functionally the governing board, to whom the CEO reports, and to which the Board appoints 12 of the 15 members. The athlete board members appoint their 3 EC representatives.

USA Hockey's EC meets in person quarterly, and has monthly phone conferences (rarely exceeding one hour). It has 9 officers (President, Secretary, Treasurer, plus 6 Vice-Presidents who are liaisons to "councils" – Youth, Juniors, Adult (recreational), International, Legal and Marketing). There are also 3 at-large "Director Representatives" – basically the Board's representatives to the EC, each elected for a single 3-year term.

Both Board and Officer terms are three years, and with no term limits, the pros and cons of which are acknowledged. Amazingly, they have not had a contested election for Board President in 50 years, and have had only four since 1978. The three year terms are consciously not tied to the quadrennial because "we have a million members and the majority are not Olympics-focused."

USA WATERPOLO

CEO Chris Ramsey was hired in 2006, shortly after a board downsizing from 125 to 15 members. Formerly elected by 11 regional areas, they now have a nominating process to bring in "independent" perspective and business backgrounds with "big picture, strategic expertise" and a gender mix. "Connection with the sport" is also required.

Ramsey credits the Board's downsizing focus on governance, and removing its "constituency representation" with making possible their near tripling of annual revenue (now \$11.5 million), and very successful turn-around, from a debt situation, since 2006. Since this "radical change," the Board and Ramsey use "a lot of surveys and customer feedback to be demonstrably accountable." Without focusing on management, the Board informs the CEO if concerns about performance in any area. Ramsey noted that with the smaller board, he personally engage with, and benefits from, individual relationships with each Board member. "They can be great advisors to me and staff."

USA TRACK & FIELD

USATF's structure appears largely consistent with the NGB Council Guidelines. No two NGBs are alike, however. USATF has a Board of 15, including 4 officers filling 5 officer roles. The membership elects a "President" every four years, and the Board elects from among its other 14 members a Board Chair, Vice Chair, Secretary and Treasurer. Bylaws state, "*The Board Chair, who may also be the President, shall preside at all Board meetings. If the Board does not select the President to be the Board Chair, the President shall serve as the Vice-Chair.*" If two individuals are serving, the Chair presides at Board Meetings, and the President presides at meetings of the membership, and makes appointments per Bylaws and Operating Regulations.

Board composition includes six "constituency representatives," and three specifically "independent" members. Per Bylaws: the President, the IAAF Council member from the U.S.A.; 1 representative selected by representatives of the sports organizations who conduct a national program; 3 International Athletes (elected, along with one alternate, by the International Athlete delegates at the annual meeting); 3 Independent members and six individuals "with experience and expertise" in, and elected by the committees/divisions in functional areas (High Performance, Long Distance Running, General Competition, Youth Athletics, officiating and coaching).

The full membership only selects the President. The athletes membership picks 3 representatives. A "Nominating and Governance Panel" of 7 selects the 3 independent Board members, and picks 6 "individuals with experience and expertise," from among candidates nominated by each Division. A minimum of 3 nominees must be proposed for each open Board seat, for election by the members of that Division or committee (officials and coaches).

Changing USA-S' Board Composition – Why Now?

In the survey, one Board member raised the following question numerous times. It was also expressed by two or three other current Board members in interviews:

“While I agree that we should always evaluate the composition of the board, we are the most successful NGB. How much of our success is attributed to our board structure?”

That there is no precise answer does not diminish the question's merit, or the importance of its consideration. USA Swimming's indisputable success has produced the less obvious good fortune of being able to explore change from a position of strength.

As explained regarding the [upcoming CEO transition](#), the overwhelming majority of current and recent USA-S volunteer leaders primarily attribute USA-S' success in the past 15+ years to one key factor: Chuck Wielgus.

In any sector, even in the best of circumstances, “filling the shoes” of a long-tenured, iconic leader is immensely challenging.

“Staying with what we have” as a Board structure *might* work, for a while, with a bit of luck. Smart boards, however, do not rely on good fortune. Even if the search process produces a successor whose skills exceed those of Mr. Wielgus, human nature is such that she or he will not be given the same latitude to manage. Without role clarity, this likely transmits a climate of distrust, and instead of the Board/CEO relationship being a strategic partnership within the organization, greater divisions would emerge.

Ensuring sustainable success is best achieved with governance-focused Board structure and commitment, in which this one segment of volunteer leadership focuses on standard-setting, long-term vision and on demanding accountability of itself, of the staff, and the organization as a whole.

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Board Size

Prior to this Assessment's launch, the notion that “the Board is too large” was widely expressed. The consultant's philosophy, expressed when interviewed, is that while large boards often struggle to achieve high effectiveness, size itself is rarely the sole problem, and “downsizing,” by itself, is never a panacea.

There are anecdotal cases of large boards (generally considered to be > 16-17 members) providing strategic leadership, strong financial support and clear role delegation to the organizations they lead, they are far more the exception than the norm. Achieving strategic focus and a common long-term vision is achieved only through meaningful dialogue and deliberation. Substantive dialogue is simply far less likely when a board is so large that microphones are needed so participants can hear people sitting “across the table.”

Formal research on a direct board size/effectiveness correlation is limited, but the literature clearly points in the same direction. For for-profit entities, recommended board size is typically less than 10. For nonprofits, regardless of agency size, the preponderance of studies suggest that performance optimizes with between 7-12 board members. This coincides with sociological research consistently indicating that collaborative decision-making is optimized with groups of between 6-9 people, with the majority zeroing in on “7” as the sweet-spot.

When a board decides to have more than 7-12 members, that choice should balance the larger number with some compensatory benefit for the diminishment of focus, engagement, etc., that occurs. Those benefits may include elevated trust and respect by key constituents, additional connections/contacts made possible by more Board members, additional fund procurement (when that is a defined component/expectation of the Board's role), etc.

The expressed perspective of the Board members and other (non-staff) constituents interviewed strongly (though not unanimously) supports reducing the size of the Board, which naturally demands re-constituting its composition.

- **Board size:** 17 of 26 (65%) responded “no” and 9 (35%) “yes,” to, “**Do you think the current size of the Board is appropriate for optimization of its governance role?**” Five of the 9 respondents supporting the current size are ex-officio/allied members.

- **Appropriate Composition:** A slight majority of 14 (54%) also replied “no” to, “**Do you think the current overall composition of the Board is appropriate for optimization of its governance role?**” 12 of 26 (46%) answered “yes.”
 - To, “If no, what changes do you suggest re: Board composition?” responses varied greatly. Eight referenced a smaller board, and 4 sought to add different expertise/skill sets (non-swimming related). One referenced demographics, noting “too much white.”
- **Independent Board Members:** A slight majority – 13 of 25 (52%) agreed (4 strongly) that, “**It would be wise for our Board to include some non-affiliated/independent Board members,**” 6 (24%) disagreed (3 “strongly”). 6 (24%) were neutral.

The constituent interviews, among which were 13 former Board members, strongly resonated with pride in USA Swimming’s success, but the sentiment that it is time to re-constitute the Board. Notable comments:

- “We may be the only NGB with no independent directors – no one brought on for business/governance/management expertise. It’s a serious deficit. At this point, being the only of 47 does not mean leadership.”
- “15 years ago, the USOC tried to demand that we downsize and have some non-swimming people on the Board. Our response was, “We’re doing well, leave us alone.” Now it should be, “We’re doing well, but maybe we could be doing better.”
- “We should address, as other NGBs have, getting world class athletes to the table. But currently our Board meetings are so meaningless no world class athlete would waste their time there.”
- Said one, “The solution is not to go from 22 to 10 or 12 with the same profile – It’s to have 8-15 people with a very different profile, people who can lead a \$40 million business. The single highest priority should be “how do we attract the best talent for the board’s governing role – not just for the constituent role.”

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Athlete Participation

Interview feedback was highly complementary to the Board’s current athlete members, with kudos referencing positive involvement, athletes “stepping up in a way that is unprecedented in this organization,” and “our athletes are taken seriously.”

As with all constituent positions, there were some mentions that the role itself causes a “representational focus that is too narrow. One noted that an aspect of that focus is a positive: “The Athletes 10-year rule is a good one – it keeps us close to current concerns.”

A distinct concern raised by a few individuals interviewed is that elite athletes do not get sufficient representation or attention in the USA-S boardroom. A suggestion was raised to require a position be designated for National Team representation, such as the National Team Athletes Committee (NTAC) Chair. Another constituent suggested that some top athletes are “ready to rebel and start their own organization,” and in response USA-S should divide into three corporations: the Foundation, and one each for age group and international.

The Task Force weighed the idea of National Team member representation, and concurred that access to that perspective is important, as is the National Team feeling more connected. As constituency Board seats don’t always achieve such objectives, this need would be better served by being considered among nominating priorities when athlete candidates are recruited and screened.

There is also concern an NTAC chairperson is an active competitor with considerable responsibilities in that position. The individual interested in and excellent at fulfilling that role might find less interest in performing the newly defined Board functions. As NGB Board Member Guidelines note:

“It is critically important that athlete representatives on NGB boards are held to the same standards as all other board members. Given that athletes may be actively competing or just beginning their professional careers, particular attention should be given to whether the athlete being put forward has the time, flexibility and focus to perform board service.”

Illustrating a commitment to this alternative perspective, USA Water Polo makes it a nominating priority to identify and recruit athletes with MBAs or other business experience that complements their sport background when addressing board issues.

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Constituency Based Composition

USA Swimming's *Articles of Incorporation* neither specify nor require any specific representation of entities or populations in the Board's composition. Therefore, the fiduciary Duty of Loyalty requires that all Board members demonstrate fidelity to the interests of the entire organization.

The *NGB Board Member Guidelines* also address this issue:

“Complying with the Duty of Loyalty also means that a board member cannot favor the interests of a particular stakeholder group above the overall interests of the NGB. For example, a coach who serves as a board member can and should voice the perspectives of fellow coaches in board discussions. But when voting, that coach must consider all relevant factors, including other constituent voices, and vote for and act on what is best for the entire organization.”

Currently, 16 of the Board's 22 voting seats are designated to fill constituency-based positions. Of the other six, five campaign for and are elected “at-large” to fulfill specific functional and, except for the Finance Vice Chair, purely operational roles. As a result, only 1 of the Board's 22 members – the Board Chair – is elected explicitly for serving the interests of the entire organization.

That most Board members acknowledge the need to be more strategic and at the policy level speaks to the quality of and commitment of individuals who serve. That 21 of 22 have Board roles essentially contrary to that focus demonstrates that the failings are not of people, but of a structure that USA-S has outgrown.

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Past Presidents

USA Swimming's remarkable spirit of collegiality compels the more than 240 individuals who volunteer on its national committees and Board. Many commit themselves for multiple terms, or even decades, in service to USA-S, as embodied in the tenure and commitment of many of its Past Presidents.

None of the 26 survey respondents or 63 individuals interviewed suggested that the wisdom and historical perspective of Past Presidents (and in the future, “Past Board Chairs”) is over-valued. However, as they have grown in number, and the continued (though not codified³) practice of assigning Past Presidents to other

affiliated/liaison roles, the regular presence of up to six Past Presidents at Board meetings was the most frequently noted concern among those who believe the Board is too large.

- **Past Presidents Ex-Officio Role:** Only 6 of 25 (24%) Board members answered “yes” and 19 (76%) “no” to, **“Do you think continuing to have all Past Presidents as ex-officio (without vote) Board members is crucial for optimization of the Board's governance role?”**
 - Asked, “If no, what do you suggest re: Past Presidents as ex-officios?” nearly all the “no” respondents suggested that just the Immediate Past President/Chair be “at the table” as a Board member, with two suggesting it might be the 2 most recent.

³ The USA-S Rulebook states that the Immediate Past President/Board Chair “shall be an ex-officio member of the Board with voice but no vote,” and that other such members may be added by vote of the Board. It was noted repeatedly in interviews that as Board participation is widely perceived to be “a perk,” no current or future President/Board Chair would, even if not personally wanting to stay on long-term, want to be “the one who broke the chain.”

- One Past President called concerns that the Board and organization would “lose” if Past Presidents were no longer in ex-officio board roles “unfounded The solution is to use special assignments, such as liaison roles, and they can report and listen. Ideally, they would apprise the Board as to dark clouds on the horizon. And it would be wonderful for the President/CEO or others to ask Past Presidents to be advisory resources.”
- Two respondents pointed out that the question was incorrectly stated, as not all Past Presidents are currently participating in ex-officio roles.

Clarification re: Meaning of “Ex-Officio”

Throughout the USA-S structure, there is misuse and misunderstanding of the term “ex-officio.” It is not a high magnitude issue, but as the recommendations in this Report include significant re-structuring of these roles, this is a good opportunity to achieve clarity.

The common misconception is that ex-officio means non-voting (as used in USA-S - “voice but no vote”).

By definition, “ex-officio” refers to someone having a position by virtue having a different position/office, rather than by being elected or appointed to the position. Examples in USA-S’ current structure:

- the Secretary & General Counsel of USA-S is an ex-officio Board member without vote.
- the Chair of the National Team Steering Committee is an ex-officio Board member with vote.
- the 8 Zone Directors are ex-officio Board members with vote.

As the term does not convey voting status, voting or non-voting should always be specified in the Bylaws.

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Zone Directors (Coach and Non-Coach)

Zone Directors currently hold 8 voting Board positions, with a coach and non-coach Zone Director (ZD) from each of the four geographic zones serving alternating two-year terms.

- Zone Directors on Board of Directors: Board survey respondents were close to evenly split, with 13 of 25 (52%) “yes” and 12 (48%) “no” as to, “**Do you think continuing to have eight (8) Zone Directors is crucial for optimization of the Board’s governance role?**”
 - Asked, “If no, what do you suggest re: Zone Directors?”
 - Ten suggested a Zone Director committee, with some direct representation (1-4) on the Board.
 - Four noted that geographic representation is important, but interview comments brought forth an important distinction: many Board members, including some ZDs, consider the ZD’s operational role to be crucial, but not that those same people should be Board members.
 - Three stated that the Zone Directors represent the grass-roots, or “little guy” in the membership.
 - Other repeated themes were that:
 - Zone Director’s role is important, but as administrative/staff entities.
 - Disagree with DGI recommendation to eliminate ZDs, but they shouldn’t be “Board positions” either.
 - The Board must be cognizant of coaches’ needs and perspectives, whether through coaches being on the Board, or meeting with coaches’ representatives. “But coach zone directors are not the solution for big-picture thinking.”
 - Zone Directors can’t realistically represent their entire zone – so they represent their “friend-group,” because that’s how you get elected.
 - In interviews, Zone Directors were not united about their role as Board members:
 - Asked, “What do Zone Directors direct?” one replied, “We don’t direct. Our role is to be a conduit, or source of information, to point LSC’s in the right direction.”

- One said, “We need to recognize our role is about what is best for USA Swimming, not about our geography.”
- Another, when asked if in agreement with the preceding statement, replied, “That’s a hard one – it depends on the issue.”

These sentiments reflect the risks associated with the current constituency-based structure. Moreover, the sentiment expressed that only a few Board members “represent the grass roots” demonstrates that the segmented constituency composition results in a lack of “good of the whole” focus. All Board members should have and express fidelity to the interests of the entire membership, and of the sport of swimming.

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Allied/Affiliate Board Positions

“High level” connections are important, and the “liaison” to the Board approach was historically prevalent in NGBs and other entities with broad networks of affiliated organizations. Trends away from it correlate to growing recognition that larger boards are typically less effective, and to understanding of other ways to solidify, often with greater effect, these important relationships (e.g., Board “linkage” activities, inviting affiliate contacts to meet with the board to inform topic-specific decisions and/or board education, etc.).

Survey respondents were asked if they agree, “***It is important to continue to have _____ as a voting Board member.***” Of the 5 positions queried, none had majority agreement, and 3 had less than 25% agreement. Except for the National Team Steering Committee Chair, the number disagreeing exceeded those in agreement.

- Chair of National Team Steering Committee: 12 of 25 (48%) agreed (6 strongly). 4 (16%) disagreed. 9 (36%) were neutral (neither agree nor disagree).
- NCAA Allied Representative: 7 of 25 (28%) agreed (2 strongly). 9 (36%) disagreed (3 strongly). 9 (36%) were neutral.
- YMCA Allied Representative: 5 of 25 (20%) agreed (1 strongly). 9 (36%) disagreed (3 strongly). 11 (44%) were neutral.
- Masters Swimming Representative: 4 of 25 (16%) agreed (0 strongly). 9 (36%) disagreed (4 strongly). 11 (44%) were neutral.
- ASCA Representative: 6 of 25 (24%) agreed (1 strongly). 9 (36%) disagreed (4 strongly). 10 (40%) were neutral.

One Board member did share a counter-perspective, stating, “If not for an ongoing seat on the Board, (these allied/affiliate representatives) wouldn’t care as much about the relationship.”

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Independent Directors

Since 2002, there has been growing impetus, both within and outside (including the NGB Council, Athletes Advisory Council and the USOC) to have at least some “independent” Board members. This is a natural evolution, as NGBs started as volunteer driven organizations, and have grown into, and need to operate like, multi-million dollar businesses.

According to the NGB Board Member Guidelines:

“Independent directors (those who have no material relationship with the NGB) are desirable because they offer the following: fresh strategic perspectives and new ideas; skills and knowledge currently not available within organization; independent and objective views; ability to tap into new funding sources; and are free of “political” issues and ties.

These attributes would be clearly assets to USA Swimming. There is significant wariness about individuals coming into leadership positions with no connection to USA Swimming or its culture. (A previous effort in this regard undertaken by the USA Swimming Foundation did not have positive results.)

All factors considered, the benefit of more independent/objective perspective, combined having some relationship withswimmng would be optimal. Therefore, having a “demonstrable connection to swimming,” is suggested to be a principle requirement for these semi-independent” Board members.

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Board Terms

Board survey respondents were close to evenly split when asked if the length of terms should be re-considered.

- **Board Terms:** 13 of 25 (52%) replied “yes” and 12 (48%) “no” in response to, **“Do you think the current length of Board terms is appropriate to optimize the Board’s performance?”**
 - In response to, “If no, what do you suggest ...?” no one suggested shorter terms. Many suggested either 3 or 4 years. Some questioned limiting terms. One noted that 2 years is too short, but 3 would, “put the organization out of sync with the Olympic calendar.”
 - An interview comment: “With 2 year terms, there is always posturing going on for the next election. IF there was known stability, we could focus more on the job at hand, instead of the prospective next one.”

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Recommendations: Board Size, Composition and Terms

Elevating “Representation” with a Smaller Board

The recommendation below is for a smaller Board that will no longer include fixed Board seats for representatives of outside organizations (e.g., NCAA, ASCA, FINA, YMCA, etc.). Though it may seem counter-intuitive, other boards that have similarly reductions do not mean “losing those connections!” In fact, more substantive engagement is possible.

Exercising due care when making strategic decisions requires gathering wisdom and input to inform those decisions. Ensuring dialogue with those who can affect, or are affected by, these decisions is a way of demonstrating informed leadership, and is more likely to result in better decisions.

It is suggested ([Recommendation I.1](#)) that each year, the Board develop *its own* work plan, including structured dialogue with key constituent groups, among other activities to ensure that the Board is an informed and outward-thinking governing body. Instead of “liaisons” being one of 35+ people at the table, this elevates use of their time, role and relationship to more strategic advantage, as are organizational resources used to finance Board meeting travel/attendance.

Some Board members and constituents believe and suggested that USA Swimming would be best served by an even smaller number than suggested below. After great consideration, the Task Force and consultant recommend a 15 (voting) member Board of Directors, elected to staggered four year terms, and eligible to serve a maximum of two consecutive terms.

RECOMMENDATION F.1 – BOARD SIZE, COMPOSITION AND TERM

Starting with the 2018 House of Delegates Meeting and Annual Election, transition the USA Swimming Board of Directors to 15 voting members, serving up to 2 consecutive 4-year terms, plus 2 ex-officio non-voting members. Upon completion of the transition, 11 of the 15 Board member positions will be elected by the House of Delegates. Composition to be:

1. Athlete #1*
 2. Athlete #2*
 3. Athlete #3*
 4. At-Large Board Member #1
 5. At-Large Board Member #2
 6. At-Large Board Member #3
 7. At-Large Board Member #4
 8. At-Large Board Member #5
 9. At-Large Board Member #6
 10. At-Large Board Member #7
 11. At-Large Board Member #8
 12. At-Large Board Member #9
 13. At-Large Board Member #10
 14. Immediate Past Board Chair
 15. National Team Steering Committee Chair
- (Ex-officio, non-voting) President & CEO of USA Swimming
 - (Ex-officio, non-voting) Secretary/General Counsel of USA Swimming

Specific composition requirements to be addressed each year by the Nominating Committee and the election/ballot process:
❖ Athlete Members – Vetted by the Nominating Committee, and voted upon by the Athletes’ Section of the House of Delegates.
❖ Coaches – In addition to the National Team Steering Committee Chair, at least 2 of the other 11 at-large Board members will be coach members of USA Swimming.
❖ Semi-Independent – Governance /Business Strategy/ “Independent” Perspective – At least 3 of the other 9 at-large Board members will be individuals with a demonstrable connection to swimming, but who, prior to election, have not been engaged in USA Swimming or LSC leadership positions, or served as Delegates. Targeted “demonstrable connection” individuals, with this desired business/governance expertise, may include parents, siblings, officials, ex-swimmers, etc.
❖ Geography – The composition of the 11 at-large Board members will always include at least one resident of each of the four geographic zones. This requirement may be met by elected coaches, “semi-independent” or other at-large Board positions.
❖ Zone Directors – The election of Zone Directors will continue every year. The 4 Zone Directors elected in 2017 will serve their two-year terms on the Board, the second year as, and assuming the regular responsibilities of all at-large Board members. As of the 2018 election, Zone Directors will still exist, and will continue to conduct their role in the respective zones, without holding fixed seats on the Board. As of the 2019 election, the four positions formerly held by Zone Directors will be replaced as At-Large BOD members.
❖ Term Limitation – Board members who serve the maximum number of consecutive terms shall be eligible to be nominated again after a minimum interval of two (2) years. In the transition, those initially elected to 2 or 3 year terms – that initial term will not be counted towards the term limitation.

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Recommendation: Election of Board Officers

As with most nonprofits and virtually all corporate boards, a significant trend in membership associations and membership-based organizations is towards board election its own officers. This is clearly in the best interests of the membership/public served, as it mitigates many of the political risks that accompany individuals campaigning for office and taking office with “their own agenda,” or feeling obliged to advance the interests of “those who voted for them” instead of the duty of loyalty to the organization as a whole.

The competencies, interactive dynamics and leadership skills that would help board officers excel in governance roles can best be identified by the colleagues with whom they serve. They are far less likely to rise forth in a contested House of Delegates election. Board survey responses clearly noted this, with less than one-quarter agreeing that HoD election of Vice Chairs brings forth the best qualified candidates for those positions. Boards that select their own officers generally have greater understanding of what is needed in the respective roles, and greater ownership in helping their selected colleagues succeed in them, elevating the teamwork necessary for successful strategic leadership.

As in Major League Baseball, where the fans select members of the All-Star Team, but the team members select their own “field captains,” our recommendation is, consistent with increasingly recognized best practices for nonprofit governance, that the Board elect its own officers.

RECOMMENDATION F.2 – BOARD ELECTION OF ITS OWN OFFICERS

Effective in 2018, the Board transitions to electing its own officers (Chair, Vice Chair, and Vice Chair – Audit/Financial Oversight) from among its members.

The Board Chair will serve a single four-year term, commencing in the election at the end of the first year of the quadrennial cycle (i.e., one year after Olympics), followed by a four-year term as the Immediate Past Chair (voting position).

After the initial transition, the Board will elect its officers in odd-numbered years.

The Vice Chair may serve up to two consecutive two-year terms. However, the Vice Chair elected at the beginning of the third year of the Board Chair's term, will serve for the next two years as "Vice Chair / Chair-Elect" and will ascend automatically to the Board Chair position at the conclusion of the Board Chair's term.

The Vice Chair – Audit/Financial Oversight may serve up to two consecutive two-year terms.

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The Proposed initial election/terms cycle appears below:

	Board Position	2017 Election	2018 Election	2019 Election	2020 Election	2021 Election	2022 Election	2023 Election	2024 Election	2025 Election	2026 Election
1	Athlete Rep 1		4 Years				4 Years				4 Years
2	Athlete Rep 2		3 Years			4 Years				4 Years	
3	Athlete Rep 3		2 Years		4 Years				4 Years		
4	At-Large 1		3 Years			4 Years				4 Years	
5	At-Large 2		3 Years			4 Years				4 Years	
6	At-Large 3		2 Years		4 Years				4 Years		
7	At Large-Semi-Independent		4 Years				4 Years				4 Years
8	At Large-Semi-Independent		3 Years			4 Years				4 Years	
9	At Large-Semi-Independent		2 Years		4 Years				4 Years		
10	At-Large Coach (2017 ZD)			4 Years				4 Years			
11	At-Large Coach (2017 ZD)			3 Years			4 Years				
12	At Large-(2017 ZD)			4 Years				4 Years			
13	At Large-(2017 ZD)			3 Years			4 Years				4 Years
14	Immediate Past Chair		Ex-Officio-No Election Required (voice vote)			As Immediate Past Chair "rolls-off" – new At-Large position elected					
15	National Team Steering Cmte. Chair	Ex-Officio-No Election Required (voice & vote)									
16	Sec. & General Counsel	Ex-Officio-No Election Required (voice, no vote)									
17	President & CEO	Ex-Officio-No Election Required (voice, no vote)									

NOTES:

2018 Only: The Chair and the Vice Chair of Audit/Financial Oversight will initially be elected to a 3-year term to move to the odd-# year elections, and of the Chair subsequently taking office one year after the summer Olympics. The Vice Chair will initially be elected to a 1-year term.

On-going: The Chair's term of office will be 4 years. The Vice Chair and the Vice Chair of Audit/Financial Oversight will serve up to two consecutive 2-year terms.

On-going: The Vice Chair will serve the 1st two years of the Chair's term. The Chair Elect will serve the second two years of the Chair's term. The BOD will hold elections every two years for these positions. It should not be assumed that the Vice Chair will automatically ascend to the Chair Elect position.

Transition: To create staggers, 3 athlete reps and 3 "semi-Independent" Board members will initially be elected to 4, 3 and 2 year terms, respectively. Future terms will be 4 years. Of the other 3 initially elected Board members, 2 will be elected to 3-year terms, and 1 to a 2-year term. (If a 2-year term position is elected to a Board officer role, there will need to be "juggling.")

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Recommendation: Nominating Committee and Process

RECOMMENDATION F.3 – NOMINATING COMMITTEE ROLE AND COMPOSITION
Charged with recruitment, vetting and proposing a slate of qualified candidates to appear on the ballot for House of Delegates' election each year, the Nominating Committee will have nine (9) members.
1. Two (2) athlete members (one male, one female) appointed by the Athletes Executive Committee. These appointees are not expected/required to be committee members, but the committee members should use their knowledge base of the coach membership in making the selections.
2. Two (2) coaches (one each appointed by Age Group Development and Senior Group Development Committees). These appointees are not expected/required to be committee members, but the committee members should use their knowledge base of the coach membership in making the selections
3. One (1) representative of and selected by the USA Swimming Foundation Board of Directors.
4. Two (2) current members of the Board of Directors, at least one of whom shall preferably be a member of its Governance Committee.
5. Two (2) additional members (one male, one female) proposed by the Board Chair and approved by the Board of Directors, for expertise and independent background that enhance and complement the diversity of thought and perspective of the remaining composition of this committee (e.g., gender, ethnicity, geography, business skills, etc.). These two appointees should be individuals not otherwise active in USA Swimming or LSC leadership positions.
❖ The President & CEO, and/or his/her designee (suggest Secretary & General Counsel) should also serve in a non-voting capacity.
❖ The Committee shall, at its first meeting of each nominations cycle, select a chairperson from among its own membership.
❖ Nominating Committee members will serve 3-year terms, staggered so that 3 voting members rotate off each year. They may serve up to two consecutive terms, if appointed. The manner of staggering, inclusive of the initial members serving for the 2018 election cycle, will be established in Board Policy. Individuals who have served two three-year terms are ineligible for future service on this committee.

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RECOMMENDATION F.4 – ESTABLISHMENT OF NOMINATIONS PROCESS
The Nominating Committee shall issue a Call for Nominations upon review and vetting of proposed candidates, present to the House of Delegates, no less than 30 days prior to its annual meeting, a ballot including the names of qualified and proposed nominees.
Ballots will include at least 2, but preferably (and not more than) 3 nominees for each seat open for election.
The Nominating Committee will screen proposed candidates to ensure that they meet all requirements for Board membership as set forth in these Bylaws and in applicable Board policies. The Nominating Committee shall ensure that prospective Board members are informed about the Board's governing structure, and of its expectations for individual Board member participation, including but not limited to: adherence to policies pertaining to Board Members' Code of Conduct; attendance expectations; advocating and voting for what's in the best interests of USA Swimming, its members and the sport, and not for any specific stakeholder groups; not attempting to exercise individual authority over the President & CEO or any member of the USA Swimming staff, unless explicitly Board-authorized for a specific purpose.
Prior to being placed on the ballot, all proposed nominees shall sign a written commitment to adhere to USA Swimming's Bylaws and the Board's policies then in-effect.

Accompanying the ballot, and in related correspondence sent to the Delegates, a limited space (e.g. maximum 200 word) biography/candidate statement will be distributed and made available to HoD meeting attendees. Overt campaigning (e.g. signs, posters, distribution of handbills, etc.) should be prohibited.

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RECOMMENDATION F.5 – NOMINATING CRITERIA

As the Board’s needs for specific competencies may change from time to time, the Board’s policies for the Nominating Committee are to include, in addition to specific activities and a timeline to recruit, screen and recommend candidates, periodically updated “Ideal candidate” criteria outlining the experience, skills and attributes being sought.

Suggested initial criteria include:

1. Past demonstration of commitment to USA Swimming, or “demonstrable connection to the sport.”
2. Organizational governance experience including knowledge and skills in policy-making, legal and fiduciary responsibilities.
3. High level (board or management) experience in setting standards for and/or overseeing a multi-million-dollar corporation.
4. Demonstrated ability to participate productively in group processes.
5. Professional relationships/associations.
6. Commitment to support and adhere to the Board’s governing documents (Bylaws, Policies, etc.).
7. Ensuring diversity within the Board’s composition (gender, ethnic, age, geography, membership type, etc.).
8. For incumbent/past Board members seeking re-nomination, fulfillment of individual Board members’ responsibilities.

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RECOMMENDATION F.6 – NOMINATION BY PETITION

In addition to the regular Call for Nominations and vetting process, a candidate for a Board of Directors position may be nominated by petition of a minimum of 12 LSCs, which must include at least three LSCs from each of the four geographic zones.

This process is to ensure proper vetting and consideration of nominees, and replaces the current process that allows last-minute nominations “from the floor” of the House of Delegates meeting.

The name of any such candidate, if meeting the required vetting qualifications, including commitment to fulfill all requirements of Board services, as determined by the Nominating Committee, must also appear on the ballot, whether as one of the Nominating Committee’s two or three recommendations, or as an additionally named candidate.

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G. Governance Role of the House of Delegates

House of Delegates-type structures were somewhat common in large membership organizations established prior to web-based communications and voting. Though rarely seen in newer organizations, HoD participation is, for many in local and national USA Swimming leadership, a core component of their volunteer experience.

The consultant has worked with numerous clients that phased out their HoDs, none with material pain or regret. The Task Force and consultant recognize its continued substantive role at USA-S, though with needed modifications to address areas in which the current role negates accountability.

- **HoD Delegation to the Board #1:** Asked if, “**The House of Delegates should delegate LESS authority to the Board of Directors,**” no Board members agreed, and 23 of 26 respondents (88%) disagreed (11 strongly). 3 expressed “neither agree nor disagree.”
- **HoD Delegation to the Board #2:** Subsequently asked if, “**The House of Delegates should delegate MORE authority over the operating organization to the Board of Directors,**” 11 of 25 (44%) of Board members agreed (5 strongly), 9 (36%) disagreed (2 strongly), and 6 were neutral.

Interview subjects were asked for “any thoughts about the House of Delegates and its role in the governance of the organization (as vs. of “the sport”)? Common response themes were, in descending order of frequency:

- (10) HoD final authority over budget is not appropriate.
- (5) HoD is unnecessary. “It does what the Board should do.” “It precludes ability to make timely decisions.” “I sit at the House of Delegates and ask, “Why are we doing this?”
- (5) Elections are won based on politics/popularity. Need vetting. “Vice-Chairs get elected with no relevant expertise.”
- (5) HoD role should be to elect Board members, and approve changes to the rules of sport, but not governance/budget. “Only Bylaws that ‘trickle’ to LSCs should need HoD approval.”
- (4) HoD’s role is crucial. “It has not impeded progress.”
- (4) Convention length and frequency should be reconsidered. (3) Suggested going to alternative years, though 2 others stated they’ve heard that recommendation, and “it would slow things down even more.”
- (4) HoD is well intended, but results in important decisions that are not well-informed.
- (3) Most HoD impacts are on coaches, but coaches don’t attend. “Some of the best people in the sport can’t take a week off to be there.”
- (3) HoD should elect the Board, but the Board should elect its own officers.
- (2) “It’s a rubber stamp.” “No harm.”

As noted above, the HoD (often titled the “Assembly” in other organizations) structure is diminishing in prevalence. This is very much the case in NGBs, where, according to the USOC’s Rick Adams, less than five still have an HoD-like structure. Of those that do, other than a role in elections of the Board, authority is focused on the “rules of sport,” with USA-S the only case in which control is exercised over the operating organization itself (e.g. budget and bylaws authority).

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Bylaws Authority

Except for the membership’s electoral voting rights, control over the Bylaws by a House of Delegates is now a rarity. Especially given elevated focus on the Board’s fiduciary duties, the notion of 500+ people, many of whom are attending their first meeting, potentially overturning a well-vetted organizational governance decision is concerning. Such HoD authority negates the ability of the governing Board to be truly accountable for organizational performance.

The USOC is “quite firm” that elected Board members, charged with fiduciary duties, should have ultimate authority to change Bylaws, which are normally a standalone document, or an Appendix to the Rulebook.

Conflict with Articles of Incorporation Requirement re: Bylaws Amendments

USA Swimming's Articles of Incorporation reflect where this authority is intended to lie. Though the Task Force is not aware of when the practice of the HoD having approval authority over Bylaws revisions was initiated, it is inconsistent with the Articles of incorporation, which states (in Article VII):

“Except to the extent limited by the Colorado Revised Nonprofit Corporation Act, the board of directors shall have power to alter, amend or repeal the bylaws from time to time in force and adopt new bylaws.”

As Articles of Incorporation supersede all other governing documents, associated revisions to the Rulebook are required. The Recommendation below is that the HoD should retain voting rights pertaining to Board elections, which should be included in the Bylaws. This might therefore require a re-statement of the Articles of Incorporation. For next steps and legal opinion, this Recommendation is referred to the Secretary & General Counsel.

Fiscal/Budget Oversight

As shared on the previous page, the most frequently stated interview comment about the HoD's role was that its budget approval authority is inappropriate.

- **Board Accountability to HoD:** Board respondents had nearly unanimous agreement that, ***“It is important that the Board demonstrate fiscal accountability to the membership through the House of Delegates.”*** 24 of 26 (92%) agreed (13 strongly). 2 disagreed, and 1 replied “neither agree nor disagree.”
- **HoD Budget Authority:** Conversely, only 2 of 26 (8%) Board respondents agreed that, ***“The House of Delegates is sufficiently engaged and informed to make authoritative decisions regarding the operating budget line items of USA Swimming.”*** 14 (54%) disagreed (8 strongly). Ten expressed “neither ...”

In today's governance environment, with the performance of nonprofit boards (and especially those of 501(c)(3) organizations) receiving heightened public scrutiny (e.g., media, IRS and in increasing numbers, state Attorneys General), it is arguably a breach of the fiduciary duties of care and oversight for a governing board to cede budgetary authority to any other party, let alone one that cannot be reasonably expected to have the understanding of the budget complexities and implications that the Board members themselves must work diligently to attain throughout the year.

The recommendations below address the HoD functions that act to the detriment of the Board's organizational governance/fiduciary role. It should be noted, however, that as a “voice of the membership,” the HoD's authority over the Rules of Sport is retained, and its role in electing Board members is greatly expanded, from the current 6 of 22 (27%) to the proposed 11 of 15 (73%) of voting Board positions. The HoD's authority over membership fees is also a very unusual practice, which is proposed to be retained for existing membership categories

RECOMMENDATION G.1 – BOARD AUTHORITY OVER BUDGET AND BYLAWS

Amend the Rules and Regulations to clarify that the Board of Directors, not the House of Delegates, has final authority over USA Swimming's budget and its management of finances.

Also, amend the Rules and Regulations to specify that, with exception of the prerogatives of the House of Delegates outlined in (the to-be-revised) Article 507, the Board of Directors shall have, consistent with the Articles of Incorporation as currently stated, the power to alter, amend or repeal the USA-S Bylaws.

Further, the Board should request that the Secretary & General Counsel revise and file re-stated Bylaws to codify and protect the House of Delegates' authority in this regard.

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RECOMMENDATION G.2 – RETAINED AUTHORITY OF THE HOUSE OF DELEGATES

Amend the Bylaws so that all specification of the voting rights/authority of the House of Delegates is codified in Article 507, to include approval of:

1. Changes to the Rules of Sport.
2. Changes to the number of voting Board members, or to the number of which are elected by the House of Delegates.
3. Changes to fees in the following membership categories: Club (including Seasonal), annual individual, Outreach, Individual Seasonal, and Single Meet Open Water. Additional classes of memberships and their associated fees may be established as directed by the Board of Directors.

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H. Board Meeting Planning

Meeting Frequency and Agenda Content

A large majority of Board survey respondents indicated comfort with the current Board meeting frequency/duration. Meeting content, however, is not well regarded.

- **Frequency/Duration:** 20 of 26 (77%) Board survey respondents do, ***“believe the current frequency/duration of Board meetings is appropriate?”*** Suggestions included:
 - (2) Should meet more frequently.
 - (2) Answer depends on what changes are made to Board structure.
 - (2) November meeting unnecessary.
 - “If anything the November meeting was too brief.”
 - “... most meetings could be significantly shortened.”
 - “... to meet only to give reports without any action items is a waste of money and time.”
- **Mission Focus:** 12 of 25 (48%) agreed (1 strongly), and 8 (32%) disagreed (2 strongly) that, ***“The Board’s activities and priorities are appropriately organized around the mission/purpose of USA-S.”***
- **Balance of Strategic Conversations and Operational Discussions:** Only 6 of 25 (24%) “agree” (none strongly) that, ***“Board meetings have an appropriate balance of strategic conversations vs. discussion of operational issues and reports.”*** 18 (72%) disagreed (4 strongly). 1 was neutral.
 - Related added survey comments:
 - “Board meetings are very ‘political’ with little trust and collaboration between stakeholders. Because of this, meetings can often be frustrating without much accomplished.”
 - “Part of being on a Board is working towards a common goal/vision. I don’t think we do this at all.”

Interview comments pertaining to agendas included:

- “Agendas a decade ago looked exactly the same. There is always formality, but rarely substance.”
- “Agendas should always be inclusive of future-focus time for discussion. For example, always try to have one big-topic discussion at each meeting, such as “How to elevate diversity in the sport?”

An effective tool is to use the development of an annual Board Work Plan, calendaring not only the schedule of routinized activities, but to cause the Board, perhaps at its annual planning retreat, to strategically consider its needs, opportunities and desires as to what it wishes to learn and accomplish in the coming year, and then to plan its meeting schedule and content (including reconsideration of meeting frequency and duration) accordingly.

RECOMMENDATION H.1 – ANNUAL BOARD WORK PLAN

The Board should develop and utilize an Annual Board Work Plan, incorporating strategic governance objectives consistent with its Job Description (i.e., Core “Job Products”).

At the last Board meeting prior to the September Convention, the Board Chair should lead the Board in establishing a work plan for the subsequent elective year. Just as staff is expected to have an “operational plan,” the Board should establish its own objectives and plan for leading the organization, especially with respect to re-exploring strategic priorities, and enhancing Board performance through Board education, interactions with leaders of allied organizations, outside experts, staff and key volunteers. Examples of considerations for inclusion:

- A. **Board Education:** Identification of topics that will elevate the Board’s understanding, primarily of external issues and trends that impact the growth of the sport and NGBs. Also, ensure Board understanding of trends and best practices in nonprofit governance/strategic leadership, and, to a lesser extent key areas of operations.
- B. **Orientation/Training for New Board Members**
- C. **Impact Assessment⁴:** How the Board will systematically review progress/achievement of Ends/Results priorities over the course of the year (e.g., by priority, by topic or by an emphasis of the Board’s choosing).
- D. **Assessment/Evaluation of CEO Performance:** Reviewing the schedule of planned monitoring activities to assure CEO performance on those standards/expectations codified in Board policies.
- E. **Policy Review:** Review and, as appropriate, revisions to the Board’s governing policies, noting that changes to performance expectations/priorities of the CEO should be, to the extent possible, agreed upon prior to the start of the annual period to be reviewed.
- F. **Self-Assessment:** Methods and timeline for periodic and objective evaluation of how well the Board is fulfilling its role and open discussion of how the Board’s performance can be improved.
- G. **Meeting Schedule:** Establishment of the meeting schedule for the coming year to maximize Board attendance, engagement and productivity.
- H. **Social Activities:** To ensure camaraderie and effectiveness as a leadership team, the Board will schedule social events and periodic team-building activities.

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RECOMMENDATION H.2 – AGENDA PLANNING POLICY

Establish an Agenda-Planning Policy to Engage/Ensure Board Members’ Opportunity for Agenda Input.

While it is important that Board meetings not be filled with listening to operational reports (though “FYI” reading materials should still be provided), agendas should be crafted to address issues of interest/concern of Board members. A suggested example of a Board Meeting Agenda Planning Policy is:

⁴ NOTE: An excellent resource, helping nonprofit board members embrace the difficulty in measuring qualitative impact, and to achieve and agree upon quantifiable metrics/indicators, is *Good to Great and the Social Sectors* by Jim Collins. This short booklet is a monograph to accompany Collins’ bestselling *Good to Great*. It is oriented to helping business leaders recognize how traditional business mindsets about success measurements can be counterproductive in nonprofit boardrooms.

Meeting Agendas: The Board Chair will determine the agenda for any particular meeting, although Board members and the CEO may request or recommend any appropriate matters for Board consideration.

A. A Board member or the CEO may recommend or request a matter for Board discussion by submitting the item to the Board Chair at least 21 days prior to the regularly scheduled Board meeting.

B. The meeting agenda and packet (background materials for decision items on the agenda, performance monitoring reports, etc.) are to be received by Board members at least 10 days prior to the scheduled Board meeting.

C. By an affirmative vote of a majority of Board members present, additional matters may be added to the agenda of any regular Board meeting.

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Board Documentation and Logistical Support

Though substantive concern about meeting agendas was expressed, it related to the “report-out” content and operational focus of the Board’s work. Board members are, overall, very pleased with the administrative support provided by USA Swimming’s professional staff.

- **Clear and accessible:** 18 of 25 (72%) agreed (3 strongly) that, “*Our Board has clear and easily accessed methods to keep track of Board documents and decisions.*” 3 (12%) disagreed (1 strongly) 1 was neutral.
- **Minutes:** 23 of 25 (92%) agreed (9 strongly) that, “*Minutes of Board meetings are accurate and contain appropriate detail.*” 1 disagreed, and 1 was neutral.
- **Meeting Logistics:** 20 of 25 (80%) agreed (10 strongly) that, “*Staff support/administrative functions for Board meetings (correspondence, meeting logistics, food/snacks, etc.) are sufficient.*” In contrast, 2 (8%) expressed strong disagreement, and 3 “neither...”

RECOMMENDATION H.3 – ORGANIZING BOARD DOCUMENTS

Especially given the volume of documentation included in Board meeting packets, suggest exploring options for digital organization of and access to documents (web portal, board software, etc.).

The consultant has witnessed many boards’ use of intranets and various software applications, most of which have resulted in frustration and difficulty, when the objective should be that during meetings, Board members can both literally and figuratively “be on the same page” at a given time, reviewing a given document, etc. The only such packages that the consultant has seen multiple boards achieve these results with at an impressive level, should USA Swimming wish to pursue, are www.eboardsolutions.com and www.boardpaq.com, both of which cater to and have preferred pricing for nonprofit corporations.

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I. Board Development (Recruitment, Orientation and Self-Assessment)

Recruitment

In its current compositional structure, the only members of the Board elected nationally (i.e., by the full House of Delegates) are the five operational Vice-Chairs and the Board Chair.

Board survey respondents were asked to share suggestions to improve the Board recruitment/elections process. Of 16 respondents, 11 specifically recommended instituting a nominating committee process to not just recruit, but also to vet/assess prospective candidates. Other responses suggested looking outside for more participation, and giving more emphasis to succession planning and coaching community representation.

The Task Force believes that complementing the current Board composition with some of a more “independent” mindset will likely elevate the performance of the entire Board. Rather than seek completely independent Board members, however, requiring a “demonstrable connection with swimming” was predicated on awareness that with a membership exceeding 400,000, including 35,000 coaches and officials, there is certainly a sizeable pool of, and ability to reach, business and governance talent that will meet these criteria.

The challenge, however, will be to identify them and solicit their interest.

RECOMMENDATION I.1 – BOARD RECRUITMENT

Establish a Clear Protocol for the Nominating Committee to Recruit Qualified Nominations and to Conduct Candidate Screening.

By no later than November 2017, the Board should adopt policies and guidelines outlining the primary processes for the Nominating Committee to undertake in the annual nominations and election cycle. This will have utmost relevance in that all messaging must also convey, particularly to constituents actively involved in USA-S, the purpose and needs of the re-structured Board of Directors. It is also vital that prospective candidates are informed of what Board participation would entail prior to their submitting or accepting nominations.

An example of such a process includes:

1. Governance and Nominating Committees confer with Board of Directors regarding criteria/ composition priorities for upcoming election cycle.
2. Nominating Committee works with staff to disseminate a “Call for Nominations” to members, volunteers and key organizational allies/constituents considered to be potentially helpful resources in identifying candidates with targeted attributes. Application to include information sufficient to inform readers of the nominating priorities and requirements, enabling most to “self-select” out if not highly qualified.
3. Upon initial screening of submitted nominations, Nominating Committee to arrange phone interviews with potential nominees, and providing them with more detailed documentation re: role of the Board of Directors and specific needs/expectations for individual participation. At least two Nominating Committee members participate in each interview, using a uniform set of questions and rating scale.
4. For candidates deemed worthy of advancing, arrange for potential nominee to speak with the President & CEO, or designee, to provide opportunity for greater familiarization with USA-S, and for CEO to offer impressions and/or concerns to the Nominating Committee.
5. If to be put forth on the slate for the House of Delegates’ election, verify (in writing) candidate’s commitment to participate fully in Board functions, to invest time in thorough orientation prior to attending their first post-Convention meeting as a Board member, and to commit time, as applicable, to non-meeting functions (outreach, introductions, etc.).

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Orientation/Training

As noted in the [Situation Analysis](#) in Section Three of this Report, despite the recognized commitment and professional and/or swim-related competencies of current Board members, the Board's understanding of governance, its distinctions from management, and the reasons a governing board's focus should be on strategy and impacts, not on the operational means of attaining them, is remarkably low.

Individual participation has contributed to USA Swimming being the standard-bearer among NGBs, though governance/board leadership training and capacity building have not kept pace. The brief January 2016 workshop led by Dr. Todd Adams, was noted by long-time Board and staff members to be the only governance training they have experienced.

In responses to related survey questions, three Board members agreed that “**there is effective orientation and training**,” which apparently was experienced at the LSC level. Asked if they agreed that there are sufficient ongoing Board education opportunities, only 1 out of 26 concurred.

- **Fiduciary Understanding:** 14 (54%) of 26 agreed (5 strongly), “**I have received training and have understanding of the legal and fiduciary duties of nonprofit Board members.**” 8 (31%) disagreed (5 strongly). 4 (15%) were neutral.
- **Orientation Effectiveness:** Just 3 of 25 (12%) agreed (none strongly) that, “**The Board ensures that there is effective orientation and training (“on-boarding”) for new Board members.**” 16 (60%) disagreed (3 strongly). Remarkably, 6 (24%) Board members “neither agreed nor disagreed.”
- **Ongoing Training:** 1 of 26 (4%) agreed that, “**Ongoing Board education/learning opportunities are sufficient to build exceptional governance capability.**” 13 (50%) disagreed (5 strongly). 12 (46%) replied “neither...”

RECOMMENDATION I.2 – GOVERNANCE TRAINING FOR CURRENT BOARD, THEN ON-GOING
The Board in place until the 2018 elections should establish a plan and time commitment to become educated in their fiduciary duties, and to understand best practices and state-of-the-art principles for effective governance of a large nonprofit corporation.
<i>Note: if the Board opts to pursue Recommendation (A.2) (Development of a Governing Policies Manual), it is imperative that this training precede that effort.</i>
<i>On-going training should include, in addition to effective new Board member orientation, periodic board education and workshops to continually elevate its governance/leadership capabilities. Planning for this is included in the Recommendation (H.1) that the Board establish its own work plan each year.</i>

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RECOMMENDATION I.3 NEW BOARD MEMBER ORIENTATION
Establish a Clear Protocol for “On-Boarding”/Orientation of Newly Elected Board Members.
To enable new Board members to be effective participants early in their tenure, it is suggested that in addition to being provided a more highly organized “Board Binder” with updated documentation (per Recommendation H.3), they meet with Board/staff leadership with orientation content focusing on three primary topics:
1. Board documents/structure/process.
2. Strategic issues – background on primary topics/issues the Board will be addressing early in the new Board members’ tenure.
3. Operational Overview – meet key staff and gain general understanding of primary staff functions.

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Board Self-Assessment

Board members rated the Board to be highly effective. Yet, when asked the basis of such evaluation, 77% indicated that there is no such evaluation, or they don't know of any. When asked if the Board assesses its own meetings (for which USA-S spends >\$100,000 annually), none suggested suggested that this occurs. 1 of 25 indicated the Board assesses overall performance on a regular basis.

- **Meeting Assessment:** No respondents (0%) agreed that “*The Board assesses and provides constructive feedback about Board meetings on a regular basis.*”
- **Overall Board Assessment:** 1 of 25 (4%) agreed with “*The Board assesses its overall performance on a regular basis.*” 20 (80%) disagreed (9 strongly). 4 replied “neither ...”
 - One survey respondent added the comment, “The Governance Committee should be empowered to perform this type of review on an ongoing basis. If they are not capable – then let’s train them.”
 - Another said “We need to evaluate ourselves and be willing to say we have done “good” or “bad” each year and right now we don’t do either.”

Approaches to Board Self-Assessment vary greatly in format and formality, but having some degree of meeting and performance assessment on a regular basis is vital. Just as they desire staff productivity and efficiency, Board members should feel their time is well used. As noted earlier, governing a \$40 million organization with 80+ professional staff and 30,000+ volunteers in the equivalent of less than four days per year, plus time in committee work, is no easy task. As with all teams, the Board’s success cannot be optimized without a regular feedback loop.

As with CEO evaluation, if the Board isn’t clear about expectations of itself, there is nothing to assess. There is no leadership in judging performance absent pre-stated criteria. Proactively stating “These are the commitments we will uphold” elevates the likelihood that they’ll be met, and the Board can then know “what to measure.”

Sample survey tools for assessing overall Board performance and individual meetings are attached as [Appendix B](#). They are quite generic, and should be tailored to reflect specific USA Swimming Board expectations.

It is also recommended that a short time (perhaps 15-20 minutes, and less if the Board size is reduced) be allocated prior to meeting adjournment for an informal but “on the record” (i.e., captured in minutes) evaluation of the meeting. Open and constructive feedback, more than any rating form, generally leads to performance improvement. Rather than the “trite” questions often asked (e.g., “How do people feel about the meeting?”) but which add little specific value, two suggested questions to focus on in this “Meeting Evaluation” discussion are:

- What went well? What “worked” at this meeting that we should capture and continue to benefit from?
- What could we have done differently that would have made this meeting more productive?

As these conversations inevitably occur anyway (post-meeting in the parking lot or hotel bar), going “on the record” with them constructively, as a group, greatly enhances their value.

RECOMMENDATION I.4 – BOARD SELF ASSESSMENT

Set Criteria and Schedule to Routinely Assess Governance Performance

In its establishment of Governing Policies, the Board should ensure these codify its expectations for itself and of its individual members. When developing its annual Board work plans, the Board should ensure there are self-assessment protocols in four areas (frequency recommendations in parentheses):

- Overall Board Performance (at least annually).
- Meeting Assessment (informally at end of each meeting, more structured at least twice per year).
- Individual Board Member Performance (no less than every two or three years).
- Bylaws/Policy Review (while revisions may be made throughout the year, all Board policies and governing documents should be on a “fresh eyes” review rotating schedule at least every two years).
- The Core “Job Products” of Governance are a suggested example of expectations defined not in terms of tasks/responsibilities, but of the Board of Directors “deliverables.”

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J. Board Member Responsibilities

Survey responses and interviews revealed uniform enthusiasm about Board participation at USA Swimming:

- **Responsiveness to Staff:** 25 of 26 (96%) self-reported agreement that ***“I am responsive in advising/assisting the CEO and senior staff when my help is requested.”*** 1 was neutral.
- **Preparation for Meetings:** 24 (92%) of 26 agreed (10 strongly), ***“I prepare for and am a productive contributor to Board and committee meetings.”*** None expressed disagreement, with 2 neutral.
- **Board Member Satisfaction:** 19 (73%) of 26 agreed (9 strongly), ***“I find service as a Board member to be a satisfying and rewarding experience.”*** Just 2 (8%) disagreed, 5 (19%) replied “neither ...”

Contrasting with the high degree of personal enthusiasm and commitment indicated above, the lack of agreement as to role expectations is pronounced:

- **Understanding of Board Member Role:** Only 5 (19%) of 26 respondents agreed (none strongly), ***“The expectations and responsibilities of individual Board members are clearly articulated.”*** 14 (54%) disagreed (2 strongly). 7 Board members (27%) replied “neither agree nor disagree.”
 - In related comments made in interviews, three individuals commented on the lack of any sort of “dress code” for Board meetings being a concern.

Only 5 survey respondents indicated that the expectations of individual Board members are clearly articulated. No current or past Board member interviewed referenced where they exist. If it is codified in the current Rulebook or Policy Manual, its location is not easily decipherable.

The Board’s Governing Policies should explicitly state the collective “Conduct Expectations” of the Board as a group, including but not limited to, provisions to address Conflicts of Interest. It is also recommended that there be a distinct “Board Members’ Individual Responsibilities” policy.

RECOMMENDATION J.1 – BOARD MEMBER EXPECTATIONS

The Board should adopt clear and concise policies defining the expected standards of conduct of Board members, collectively and individually.

Suggested policy topics noted in [Appendix A](#) include the “Board Members Code of Conduct” and “Board Members’ Individual Responsibilities.” The latter is especially vital to have and to convey, at the outset, in any nominating process communications to prospective Board Members.

A. Board Members Conduct Expectations typically has provisions addressing:

- Fiduciary Duties – brief description.
- Conflict of Interest policy.
- Use of individual authority.
- Confidentiality.
- Affirmative obligation to report credible concerns of violations of the law or Board policy.
- Process to address alleged Board member violations of Board policy.

B. Board Members’ Individual Responsibilities, which commonly address:

- Meeting attendance requirements.
- Preparation and participation for Board and Committee meetings.
- Ambassadorship.
- Responsiveness to Board and CEO requests for feedback.
- “Members as Individuals” – clarifying that the CEO is accountable to the Board as a whole, not to individual Board members.
- Voluntarism – clarifies that Board members do not carry Board authority when volunteering in operational capacities.
- Contributions to Foundation (if required).

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K. Setting Priorities for Governance

Two survey questions were designed to identify Board member perspectives as to what this Governance Assessment should aim for:

- **“What is your vision of what would constitute the Board of Directors being highly effective in its governance role at USA Swimming?”** There were two predominant response themes:
 - (13) “Thoughtful discussions on strategic issues.” “Sets direction and policies.”
 - (5) “Gets out of the staff’s way.” “Letting the staff do their jobs,” etc.
- **“Looking ahead ... If the Board were meeting one year from now (Winter of 2017-18), what needs to have happened in the past year for you to be pleased with the Board’s progress towards your vision as described in the previous question?”** The question, phrased in a much narrower timeline, predictably produced responses that were more specific. With exception of two responses that reflected operational/mission achievement (B,P & A), all others conveyed desire for some degree of transformation:
 - (6) Re-structured governance process.
 - (5) Proactive/thoughtful discussions about strategic/policy issues.
 - (5) Smaller Board.
 - (5) Define roles and accountabilities.
 - (2) Metrics to measure success/staff accountability.
 - (2) Respecting/not micromanaging staff.
 - (2) Elevated trust/transparency among Board members.
 - (1) Improved nominations process.

Similarly, of the 22 current Board members interviewed, when asked “What would constitute this being a highly effective Board?” two-thirds had the same response, and only two other responses were repeated:

- (15) Shifting the Board’s structure and/or focus to be more proactive/strategic.
- (2) Staff is more accountable; with metrics.
- (2) Open dialogue/teamwork.

Strategic Priorities – Current Perspective

Those who “agreed” that, **“The Board focuses sufficiently on strategic vision/policy issues rather than operational/administrative matters.”** were outnumbered by those who disagreed by a 3:1 ratio. Responses indicate a strong inclination to restructure, not “for the sake of change,” but to address this concern.

The Board’s operational focus precludes, for many, even the articulation of their own strategic vision, as only 7 of 24 respondents suggested what might be considered “strategic vision priorities” (e.g., building the base, age-group swimmers, etc.), replying to, **“In developing a long-term vision for USA-S, what one thing do you think should be given more attention and priority than is currently the case?”**

- Seven others reinforced that the Board should focus on a vision, but without suggestions as to what should be focused on.
- Three focused on the need for metrics.
- Three criticized the vision/accountability of staff.
- Two complimented the competence of the staff.

When considering the “big-picture” items more likely to be addressed in governance focused agendas, a number of topics were raised as examples of issues considered important, but not being sufficiently addressed by the Board:

- “USA-S should essentially have two corporations – AgeGroup/National and International.” (2 interview subjects alluded to this.)
- “Elite athletes will go start their own organization if USA Swimming does not give them due focus and voice. There should be three corporations – Foundation, Age Group and International.”

- “Coaches are really disappointed USA Swimming hasn’t taken a lead on doping. People who are parents of age-group swimmers also want to see this emphasized.”
- “Strengthening the relationships, including codifying the roles, responsibilities and mutual considerations with LSCs is necessary. We need to determine needs/objectives and request that staff develop proposed Affiliation Agreements.”
- “Getting kids in the sport will be harder in next 10 years. There will be more distractions and a more competitive landscape to get kids into youth sports.”
- “Currently, LSC’s focus on “wet” issues (events, sanctions, etc.), but they do almost nothing on the “dry” side, such as promoting the sport through the local media. This is going to become a growing issue as the number of reporters and “old school” media workers dwindle in the years ahead.”

RECOMMENDATION K.1 – 2017-2018 BOARD WORK PLAN

The Board should, based on its response to the recommendations in this Report, organize a work plan to best utilize the commitment and talents of its members whose terms continue least through (at least) September 2018.

Clearly, the next 17 months will be a time of major organizational transition, with the first transition of executive leadership at USA Swimming in two decades.

If the Board supports the modifications proposed herein, the next 17 months will be “Phase One” of the governance conversion, during which immediate priority must be to “lead” the House of Delegates to an informed decision in support of these changes.

The ensuing 12 months could be sensed as a period of “limbo,” by constituent and ex-officio Board members whose positions would no longer be “at the table,” but will hopefully be seen and utilized as an opportunity to provide true leadership in support of changes intended to build upon the legacy of success that USA Swimming has enjoyed.

Through this all, whether attempting to tackle long-standing strategic needs, or if striving for little more than effective change management, change is happening. The Board is encouraged to, as do all successful teams, set specific goals that are aspirational and achievable given the capabilities and resources at hand, and commit to a strategy to ensure their achievement.

There is little the USA Swimming Board could do that would better “lead by example” in this important period.

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Concluding Message from Task Force

The recommendations in this Report are not “tweaks.” They set forth a path for very substantial changes in the USA Swimming Board’s composition and how it is elected, the way it conceives its role in service to the membership and the growth of the sport, the way it carries out its role, and the way it will delegate to and hold the CEO and staff accountable for theirs.

The Cost of No Action

USA Swimming is at a crossroads, with the paths of yesterday’s traditions and leadership intersecting today’s needs, realities of NGB governance and management being a business, and greatly heightened expectations of Boards of Directors’ fulfillment of fiduciary duties.

We are committed to USA Swimming’s future. Through the insights provided by Board members past and present, other key constituents and staff leadership, this Report identifies numerous weaknesses in our organization’s current structure (ranging from an overly large Board that reacts and ratifies rather than debates and defines USA Swimming’s future, to a broadly acknowledged lack of role clarity, to contradictions within the current Articles of Incorporation, Rules and Regulations and Policies).

More important, we explored and have designed a structure, based upon best practices and sound principles, that makes a “visionary, strategic volunteer leadership team,” a reality within reach.

Request for Board Support

Winston Churchill said, “To improve is to change; to be perfect is to change often.”

Though the changes recommended in this Report will not bring perfection, we, the members of the Task Force, firmly believe this proposal represents a monumental opportunity to achieve excellence in governance, which is integral to ensuring sustained success in USA Swimming’s organizational performance.

We are grateful to have been entrusted with the responsibility to consider the Board’s current needs and propose changes to optimize its future success. We heartily make these recommendations for Board approval, and subsequent recommendation to the House of Delegates, and look forward to supporting USA Swimming’s leadership in their implementation.

Respectfully submitted:

BOARD OF DIRECTORS ASSESSMENT TASK FORCE

Bill Schalz, Chair

Julie Bare

Michael Gibbons

Richard Pockat

Trent Staley

Pat Hogan, Staff Liaison

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Section Five. Compiled List of Recommendations

#	Section and Topic	Recommendation # and Title	Suggested Action (<i>Summarized</i>)	DISCUSSION NOTES
1.	4.A – Defining the Board’s Purpose	<u>A.1: Board Commitment to Transition to Governance Focus</u>	The Board should commit to transition from its current operations-based structure to serving the membership and the sport with outstanding, accountable performance as a “governance-focused board.”	
2.	4.A – Defining the Board’s Purpose	<u>A.2. Develop Governing Policies Manual</u>	The Board should develop/adopt comprehensive Governing Policies with clear performance expectations for itself and for the CEO/operating organization.	
3.	4.C. – Board Relationship with President & CEO	<u>C.1. President & CEO as Ex-Officio Board Member</u>	Revise Rulebook and President & CEO’s job description to reflect ex-officio, non-voting Board position.	Implementation date: 10/1/17
4.	4.C. – Board Relationship with President & CEO	<u>C.2. Establish On-Going CEO Performance Evaluation Protocol</u>	The Board should establish governing policy codifying the criteria, methods and time-line it will use each year to fulfill its oversight role, and provide constructive feedback to the CEO.	
5.	4.D. – Board Committees	<u>D.1. Delete Fixed Role of Executive Committee</u>	The Board should maintain flexibility (through Policies) to establish and charge committees and task forces. Eliminating the EC as a fixed structure will mitigate “board within a board” dynamic.	Implementation date: 10/1/17
6.	4.D. – Board Committees	<u>D.2. Establish Governance/ Operations Committee Distinctions</u>	Amend the Rulebook Article (506) on “Committees and Coordinators” to reflect the distinction between governance and operations-related committee functions.	Implementation date: 10/1/17 (plus other language about committees currently reporting to VCs)
7.	4.D. – Board Committees	<u>D.3. Add Nominating as a Standing Committee</u>	Amend Rulebook Article 506, to add in a Nominating Committee, and delete “Standing Committee” status of Age Group Development, Senior Development, National Team Steering Committee, Rules and Regulations Committee, and Governance Committees.	Implementation date: 10/1/17
8.	4.E. – Officers	<u>E.1. Clarify Board Chair’s Role/Duties in Rulebook</u>	Revise the Board Chair’s role to align with the Board’s governance duties and functions, and eliminate redundancy with the Position Description of the President & CEO.	Implementation date: 10/1/17

9.	4.E. – Officers	<u>E.2. Update Board Chair’s Duties in Policy Manual</u>	Revise to ensure consistency between Rulebook revision and Board Policy.	
10.	4.E. – Officers	<u>E.3. Clarify “Corporate Officer” (staff) distinctions from “Board Officers”</u>	With respect to the four staff officer positions (CEO, COO, CFO, and Secretary & General Counsel), revise references to ensure understanding of Board Chair and Vice Chairs’ role as officers.	Implementation date: 10/1/17
11.	4.E. – Officers	<u>E.4. Revise Board Officer Positions to, as of 2018, include Board Chair, Vice Chair and Vice Chair – Audit/Financial Oversight</u>	With respect to the Board Chair and six, operationally oriented Vice-Chair positions, revise the Rulebook Section 504.2 to, effective with 2018 election cycle, include three “Board Officer” positions: Board Chair, Board Vice-Chair, and Vice-Chair - Audit/Financial Oversight.	Implementation date: 9/29/18
12.	F. – Board Size, Composition and Terms	<u>F.1. Board Size, Composition and Terms</u>	Starting with the 2018 House of Delegates Meeting and Annual Election, transition the Board to 15 voting members, serving up to 2 consecutive 4-year terms. Composition to include 3 athletes, 3 coaches and balance to ensure diversity of perspective, geography, expertise, etc. After transition, 11 of 15 Board positions to be elected by House of Delegates. President/CEO and Secretary/ General Counsel to serve as ex-officio, non-voting Board members.	Implementation date: 9/29/18
13.	F. – Board Size, Composition and Terms	<u>F.2. Board Election of its Own Officers</u>	Effective in 2018, the Board transitions to electing its own officers (Chair, Vice Chair, and Vice Chair – Audit/Financial Oversight) from among its members.	Implementation date: 9/29/18
14.	F. – Board Size, Composition and Terms	<u>F.3. Nominating Committee Role and Composition</u>	Charged with recruitment, vetting and proposing a slate of qualified candidates to appear on the ballot for House of Delegates’ election each year, the Nominating Committee will have nine (9) voting members, including 2 athletes, 2 coaches, 2 Board members, 1 representative of the Foundation Board, and 2 individuals of independent background, but with a demonstrable connection to swimming, to complement the Committee’s expertise, diversity and perspective.	Implementation date: 10/1/17. Timeline and annual nominating priorities to be established in Board Policy.
15.	F. – Board Size, Composition and Terms	<u>F.4. Nominations Process</u>	The Nominating Committee shall issue a Call for Nominations upon review and vetting of proposed candidates, present to the House of Delegates, no less than 30days prior to its annual meeting, a ballot including the names of qualified and proposed nominees.	

16.	F. – Board Size, Composition and Terms	<u>F.5. Nominations Criteria</u>	As the Board’s needs for specific competencies may change from time to time, the Boards policies for the Nominating Committee are to include, in addition to specific activities and a timeline to recruit, screen and recommend candidates, periodically updated “Ideal candidate” criteria outlining the experience, skills and attributes being sought.	
17.	F. – Board Size, Composition and Terms	<u>F.6. Nomination by Petition</u>	In addition to the regular Call for Nominations and vetting process, a candidate for a Board of Directors position may be nominated by petition of a minimum of 12 LSCs, which must include at least three LSCs from each of the four geographic zones.	Implementation date: 1/1/18
18.	G. – Governance Role of the House of Delegates	<u>G.1. Board Authority Over Budget and Bylaws</u>	Amend the Rulebook to clarify that the Board of Directors, not the House of Delegates, has final budgetary authority, and authority to amend the Bylaws, except for the HoD’s “retained authority” provisions.	Implementation date: 10/1/18
19.	G. – Governance Role of the House of Delegates	<u>G.2. Retained Authority of the House of Delegates</u>	Amend the Bylaws so that all specification of the voting rights/authority of the House of Delegates is codified in Article 507, to include approval of: - Changes to the Rules of Sport - Changes to the number of voting Board members, or to the number of which are elected by the House of Delegates - Changes to Membership fees	Implementation date: 10/1/18
20.	H. – Board Meeting Planning	<u>H.1. Annual Board Work Plan</u>	The Board should develop and utilize an annual Board Work Plan, incorporating strategic governance objectives consistent with its Job Description (i.e. <u>Core “Job Products”</u>).	
21.	H. – Board Meeting Planning	<u>H.2. Agenda Planning Policy</u>	Establish an Agenda Planning Policy to engage Board members with opportunity for agenda input.	
22.	H. – Board Meeting Planning	<u>H.3. Organizing Board Documents</u>	Explore options for digital organization of and access to documents (web portal, board software, etc.).	
23.	I. – Board Development	<u>I.1. Board Recruitment</u>	Establish a Clear Protocol for the Nominating Committee to Recruit Qualified Nominations and to Conduct Candidate Screening.	

24.	I. – Board Development	<u>I.2. Governance Training for Current Board, Then On-Going</u>	The Board in place until the 2018 elections should establish a plan and time commitment to become educated in their fiduciary duties, and to understand best practices and state-of-the-art principles for effective governance of a large nonprofit corporation.	
25.	I. – Board Development	<u>I.3. New Board Member Orientation</u>	Establish a Clear Protocol for “On-Boarding”/Orientation of Newly Elected Board Members.	
26.	I. – Board Development	<u>I.4. Board Self-Assessment</u>	Set Criteria and Schedule to Routinely Assess Governance Performance	
27.	J. – Board Member Responsibilities	<u>J.1. Board Member Expectations</u>	The Board should adopt clear and concise policies defining the expected standards of conduct of Board members, collectively and individually.	
28.	K. – Setting Priorities for Governance	<u>K.1. 2017-18 Board Work Plan</u>	The Board should, based on its response to the recommendations in this Report, organize a work plan to best utilize the commitment and talents of its members whose terms continue at least through September 2018.	

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Appendix A. Sample USA Swimming Governing Policies Manual Table of Contents

Introduction

Category I: Ends

- 1.0 Broadest Purpose / Mission Statement
- 1.1 “Build” Results Priorities
- 1.2 “Promote” Results Priorities
- 1.3 “Achieve” Results Priorities
- 1.4 _____

Category II: Management Parameters

- 2.0 General Management Constraint
- 2.1 Interactions with Members and the Public
- 2.2 Interactions with and Engagement of Volunteers
- 2.3 Treatment of Staff
- 2.4 Financial Condition and Activities
- 2.5 Asset Protection
- 2.6 Financial Planning/Budgeting
- 2.7 Compensation and Benefits
- 2.8 Emergency Management Succession
- 2.9 Communications and Support to the Board

Category III: Board-Management Delegation

- 3.0 Governance-Management Connection
- 3.1 Unity of Control
- 3.2 Accountability of the CEO
- 3.3 Delegation to the CEO
- 3.4 Monitoring CEO Performance
- 3.5 Access to the CFO in Internal Auditor Capacity

Category IV: Governance Process

- 4.0 Governance Commitment
- 4.1 Governing Style and Values
- 4.2 Board Job Products
- 4.3 Agenda Planning
- 4.4 Board Chair’s Role and Authority
- 4.5 Board Members’ Code of Conduct
- 4.6 Board Members’ Individual Responsibilities
- 4.7 Board Committee Principles
- 4.8 Board Committee Structure and Authority
- 4.9 Board Nominations and Elections
- 4.10 Board Governance Investment/Budget
- 4.11 Investment Policy Statement

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BOARD MEETING EVALUATION		<i>Date</i> _____
	Strongly <u>DISAGREE</u> 1 2 3 4 5 Strongly <u>AGREE</u>	Please note example(s) to support your rating
1.	Board Members came to the meeting prepared, and punctual. <div style="text-align: center;">1 2 3 4 5</div>	
2.	Participation was balanced, with broad engagement and no one person dominating. <div style="text-align: center;">1 2 3 4 5</div>	
3.	Board Members can be honest with each other, and leave the meeting with mutual respect for each other. <div style="text-align: center;">1 2 3 4 5</div>	
4.	The interests of Coloradans as a whole were at the forefront of board discussions. <div style="text-align: center;">1 2 3 4 5</div>	
5.	The agenda was appropriately prepared by the Board Chair. <div style="text-align: center;">1 2 3 4 5</div>	
6.	The Chair presided over the meeting in accordance with Board policy/expectations. <div style="text-align: center;">1 2 3 4 5</div>	
7.	Deviations from the agenda, if any, were a group decision. <div style="text-align: center;">1 2 3 4 5</div>	
8.	Board decisions were limited to items that, according to Board policy, are the Board's to make (not delegated to the CEO). <div style="text-align: center;">1 2 3 4 5</div>	
9.	The Board considered appropriate background material, and board member perspectives, when making decisions. <div style="text-align: center;">1 2 3 4 5</div>	
10.	The Board provided strategic leadership by focusing on Ends-related issues. <div style="text-align: center;">1 2 3 4 5</div>	
11.	The Board encouraged diversity of viewpoints. <div style="text-align: center;">1 2 3 4 5</div>	
12.	The Board was proactive and its discussions future-focused. <div style="text-align: center;">1 2 3 4 5</div>	

13. Other notes/suggestions to the Chair: _____

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