Meeting called to order at 9:01 p.m. by Mark Parshall, Chairman

Attendance as follows:

Board Members:

Janet Risser, Senior Vice Chairman; Jessica Evans, Technical Planning Chairman; Trey Prinz, Officials Chairman; Didi Byerly, Treasurer; Annette DuVall, Trustee at Large; Don Walker, Coach’s Representative; Kay Gerken, Coach’s Representative; Kaila Byerly, Athlete Representative; Blaine Stapleton, Athlete Representative

Board Members Absent - Doug Donofrio, Vice Chairman; Rachel Woodard, Age Group Chair

Non Board Members in attendance:

Tim Byerly, Open Water Committee Chair; Lorna Anaya, Sanctions Chair; Mindy Donofrio, Jackie Hasson, Frank Swigon, ex-officio member

Reports from Officers

Trey Prinz – Official’s Chair – Corrections were mainly housekeeping and removal of outdated information to Official’s PP and added Open Water information. Don Walker discussed the length of time to certify officials and suggested that USA Swimming be made aware of the difficulty of attracting officials in the younger bracket since there is such a long time frame for certification.

ST BOD Monthly Meeting procedures – Mark discussed how he would host board meetings. If a non-board member wishes to speak then they will have to email him in advance in order to get on the agenda prior to the meeting. Non board members will be able to speak during the committee and coordinators report time but will not be allowed to speak during the business session. Discussion concerning parliamentary procedure and STS bylaws.

Treasurer – Didi Byerly – nothing to discuss. She will email out the reconciliation report later this week. Please email a response to everyone that you received reconciliation and any questions that you may have concerning the reconciliation.

Tim Byerly – STS took 14 swimmers to the Open Water Festival in Florida. Canadian Open Water Trials in Cancun had a STS swimmer place as an alternate to Winter Pan Am Games.

Jessica – Website – Electronic billing is in effect for all clubs as of May 8th. All clubs have been contacted to determine their payment process - ACH, billing, credits, etc. Some clubs have still not responded to the email. Committee set up last month met to attempt to come up with new process and proposal for insufficient funds and late payments. Process

**Current Process**

A team pays for each transaction as it’s made (club/athlete/nonathlete registration fees, splash fees, sanction fees, fines, awards, etc.). Some clubs have a credit that they deplete and others pay with checks as they incur charges. The goal of electronic processing is to eliminate processing so many checks, and also to expedite registrations for teams (so they can register athletes without having to wait for the LSC to receive a check payment).

Mindy, Didi, and Angella accumulated all outstanding unpaid charges and unpaid credits, by club and club location, and closed out that manual system as of May 8.

Right now, clubs that do not make timely payments of transactions are assessed a late fee as a penalty (usually, $75—varies based on type of payment).

Swimmers are not registered until payment has been received, which can lead to processing delays in athlete registrations.

Returned checks are assessed a fee ($25) as a penalty, and payment is required immediately thereafter by cash or cashier’s/certified check.

USA Swimming electronically drafts fees for registrations for the previous month from the South Texas Swimming bank account on the 10th of the month. The LSC needs to make sure that all registration fees are collected/deposited from clubs by the 10th of the month, so that STSI can pay the fees being drafted out of our own account.

**New Process**

Starting May 1, all charges will be put on the team’s account on the South Texas website, to coincide with the STSI Chart of Accounts. Charges will be assessed by club or by club location, as requested by each club.

On June 1, the system will email an account statement to each team in the LSC, identifying the itemized charges for the month and the amount due.

Teams that have elected EFT/ACH will need to verify that their account has sufficient funds to cover the amount due and review the charges. They will not need to do anything else if they agree with the charges. (If they don’t, they should contact the STSI office to resolve any issues.)

Teams that have elected to pay by check will need to mail one check to the South Texas office to pay the amount due.

Teams that continue to send checks for each transaction should be contacted individually by ST staff and asked to discontinue sending individual checks (because the goal is to process fewer checks).

**Proposal for Insufficient Funds and Late Payments**

**Insufficient Funds:** Because the LSC is adding all charges to a team’s account, I recommend that the LSC have strong protections in place to protect the LSC’s financial stability. In some months, such as September and October, it is possible for several teams to have account balances of $50,000 or more each in registrations. If a team’s *EFT or check payment* is returned for insufficient funds (ISF, or “bounced”), the LSC will need to cover that balance as registration charges are electronically debited to pay USA Swimming on the 10th of the month.

-   A $25 penalty for ISF is too small, considering the potential account balances.

-   An immediate payment must be made by the club to cover the LSC’s transactions, so the LSC can pay USA Swimming.

-   I recommend a $100 penalty on the first ISF, and an immediate demand for payment in the form of a cashier’s or certified check to pay the balance and the penalty. If payment is not received within five business days, I recommend an additional $250 penalty on the account balance, and a demand for a cashier’s or certified check for payment of the charges and penalties. If payment is not received within five business days, then the LSC will initiate legal action or initiate a Board of Review through the appropriate channel to suspend the club’s USA Swimming membership, and will cease all transactions for the club (registrations, sanctions, etc.) until the charges and penalties have been paid in full.

-   Teams with more than one ISF in a six-month period may be required to pay all charges by cashier’s or certified check, and may be asked to pay charges on a more frequent schedule, at the discretion of the Treasurer.

**Late Payments:** For teams *paying by check* (instead of by EFT), we need equally strong protections in place, so that teams make timely payments to the LSC. Because we have many clubs in the LSC that pay their fees to South Texas through a school district or university system, or through a separate entity such as a country club, homeowner’s association, or athletic facility, we need to provide a reasonable amount of time for the clubs to receive the monthly statement, request the check payment from the entity, and mail the check to the LSC.

-   I recommend a payment timeframe so that all check payments are due by the 10th of the month (or the next business day if the 10th is a bank holiday or a Sunday).

Entities that cannot *legitimately* make payments within 10 days may submit a request in writing to the Board of Directors to request a different payment schedule based on documented need, not to exceed 14 days. (In other words, let’s not assess late charges to a club if the club’s financial department cannot process checks in 10 days.)

-   Payment is considered to be “on time” if it was postmarked by the 10th of the month (or the next business day if the 10th is a bank holiday or a Sunday).

-   When payment has not been received on time, I recommend a $100 penalty as a late fee. If payment is not postmarked by the 15th of the month (or the next business day if the 15th is a bank holiday or a Sunday), then the penalty is an additional $250. If payment is not received by the 20th of the month (or the next business day if the 20th is a bank holiday or a Sunday), then the LSC will initiate legal action or initiate a Board of Review through the appropriate channel to suspend the club’s USA Swimming membership, and will cease all transactions for the club (registrations, sanctions, etc.) until the charges and penalties have been paid in full.

-   Late payments are also subject to ISF penalties, as described above, if applicable.

-   Teams with more than one late payment in a six-month period may be required to pay all charges by cashier’s or certified check, and may be asked to pay charges on a more frequent schedule, at the discretion of the Treasurer.

Because this process is new, I recommend a 60-day grace period on the fees for late payments to give clubs time to resolve any internal issues they might have with making check payments. Starting September 1, the policy would go into effect.

I believe that the following section of the STSI bylaws provides the provision for the suggested policy.

**603.9     FAILURE TO PAY**

.1  GROUP, COACH AND ACTIVE INDIVIDUAL MEMBER OBLIGATIONS - The failure of a Group Member, Coach Member or Active Individual Member to pay dues, fees, service charges, fines or penalties imposed by STSI or USA Swimming, within the time prescribed, as evidenced by a final decision of (i) a court of law, and/or (ii) the  Zone Board of Review or the National Board of Review, shall preclude the delinquent member from (a) participating in events sanctioned or approved by USA Swimming, (b) participating in any capacity in the affairs of USA Swimming, STSI or any other LSC or (c) serving as a Group Member Representative, coach, manager, official, trainer or in any other capacity with any Club Member, Seasonal Club Member or with any group member of any other LSC until the debt is satisfied.

Discussion on flat fee versus percentage. Kay Gerken moved that a flat fee of $100 be assessed on first fine with 5 percent fine on second fine. Don Walker seconded. Discussion on number of bounced checks received which is minimal. Don stated that he has had one issue and Didi stated that she has had one or two issues with bounced checks. Don stated that the smaller clubs may be effected by this more than the larger clubs. Motion carried.

Leap One – Mindy Donofrio reported for Doug Donofrio. Leap One was sent in and there was a couple of items that were returned by USA Swimming to change – video recording at meets and STS team travel policy. Lorna is working on the section concerning video recording at meets. Frank Swigon has reviewed the team travel information from a couple of different LSC’s. He recommends that STS have a link on our website to USA Swimming’s concerning team travel. Kay Gerken moved and Didi Byerly seconded that STS link to the USA Swimming’s website concerning team travel under safe sport.

Zones Update – Raychel Woodard was not present and will update us next month.

Coach’s Awards – Kay Gerken spoke with Don Walker on our current procedure. Currently, the award process leans towards the larger clubs. Kay Gerken, Mark Parshall and Don Walker will meet and come up with suggestions on awards and the possibility of expanding the awards to include swimmer of the year, official of the year, etc.

HOD Meeting – Round Rock High School has large classroom that are available for minimal rental. Round Rock has two available hotels close to the location - Marriott $125 per night and Comfort Suites $105 per night both have breakfast. Meeting is Saturday/Sunday. Janet Risser, Mark Parshall, Lorna Anaya, Kayla Byerly, and Annette DuVall are on the HOD planning committee.

ST Administrator – Mark reported that Angella gave her 60 day resignation. Personnel committee is Board member at large as chairman, treasurer and vice-chair. Mark reported that Doug will recuse himself since Mindy is a potential candidate. Jessica Evans was recommended by Didi Byerly to be on the committee. Annette DuVall moved to place Jessica Evans on the committee and recuse Doug Donofrio and that the committee come up with some recommendations for the board within approximately three weeks. Motion carried.

Next Meeting – Tuesday, June 9th at 9:00 p.m.

Meeting adjourned at 10:15 p.m.