

Congress Meeting – 2-10-2018 – Dallas/Ft. Worth Marriot 8:30 a.m.

Introductions/Notifications

Notice from Mark Lambourne that the meeting will be recorded. Once minutes are approved the recording will be destroyed.

A thank you to the Texas Rugby Union and Ron Watson for hosting the meeting and associated events.

Comments from Dan Payne:

Trying to get a larger/broader HP audit done. Thought it was close but fell through with Deloitte, CapGemini may end up doing it.

National teams had best year on record.

Recognition of Phaidra Knight as second American inducted to World Rugby hall of fame.
Financials - overages that are compensated by fundraisers. I.e. Perry Baker's jersey sold for 35K and offset locker room renovations. We had to say no more than we said yes. Successfully managed and delivered a budget. Putting 2017 budget to bed. Expected increase in revenue from grants, licensing fees, membership, and exchange rate positives.

Expectation to have 1 million cash on hand next year. Current on hand is \$650,700 as well as a reserve.

USA needs to do a better job of communicating to the membership. There will be a communications audit this spring.

Meeting roll call by Frank Lentz

RIM – Jeremiah Johnson (JJ) and Mark Lambourne

Noted that RIM CEO not present at meeting. The CEO has partner meetings with potential sponsorship implications, best for him to be elsewhere.

Discussion of The Rugby Channel (TRC). There has been a resolution which will result in the cash burn stopping no later than March 31, 2018. The resolution will be a sale, shut down, or partnership. At the end of the day TRC was a prudent risk for RIM, however results are not meeting expectations. Total loss as of end of 2017 is 4.2 million. There were unforeseeable activities (NBC picking up rugby) that have created major problems for TRC and caused the significant cash loss. To be clear, no money used to capitalize RIM or TRC has come from USA Rugby or its members.

There was a long discussion about the Wales/South Africa match, concerns about location, date, the event itself, and ongoing contractual concerns were discussed.

There are issues regarding the status of Sponsors and whether this budget will be met. Rob King reported this will be known by mid-March .

There are also concerns about the potential loss of the USA events and possibly the Fall classic which needs to be addressed

USA Rugby has three seats on the Board – Pam Kosanke and Chad Keck . The third is presently vacated by Pete Secchia. . ML reported that going forward the CEO of USA Rugby will sit on the RIM board and that has taken immediate effect as of the last USA Rugby Board meeting going forward.

World Cup – Expenses have been reviewed and the understanding is that they are in line with expectations. There is still work to do on Ticket sales and local sponsorship. It was reported that Revenue – tickets and sponsorship. Tickets, based on present algorithm the sales are in line with an event of the magnitude and date.

While the tournament may make money this year it is anticipated that overall it will Could take a loss but will be close to breakeven on the event but in Discussions are ongoing on how to increase revenue/decrease expenses including community programs and the licensing fee to World Rugby.

World Cup Presentation – Dan Payne in person, Rosie Spaulding via conference call

Building awareness of rugby because of this event. NBC is starting to generate buzz. Thursday lunch meeting with 45 consulates in the bay area. Need to find around 800 more volunteers. Presentation available for more detail.

HP presentation – Alex Magleby; Emilie Bydwell

Covered how we pay for HP.

HS All Americans improving. Grants have gone up from world rugby. Primarily to cover leadership in men's 15s. That is dedicated to men's. Don't receive for women's.

USOC pays about 2 mil for residency program in Hong Kong. 1.2 million in direct grants. 400k that help augment athlete agreements.

Commercial – licensing fee from RIM, 1.2Mil over four year. This year 1.8. Next year 1 million.

Four buckets, philanthropy, USA Rugby, USOC, World rugby

More money from World Rugby that is currently tabled. Bob Latham is continuing negotiations and education on the role (and investments) of RIM. Benefits to the US of building a structure of elite rugby and the value of media rights of our national teams are successful.

Women's coach – With creation of GM role there was realignment of duties. Head Coach posted recently. Will have value add roles within the organization. Long term planning over short term planning, setting the stage for success including succession planning.

World rugby does not have a guaranteed window for test matches, or international competition. Signing with England, Ireland, and Canada to guarantee competition. The 7s structure is very competitive versus the 15s structure. Need to develop more funding sources for Women's 15s.

Per Diems – need to bridge the gap and assure equal compensation for both men and women. Because of restricted grants and donations (80% of philanthropy is restricted) we need to look at revenue sources including using membership dues to fund national teams.

Phaidra – will work more closely with RIM and the board to launch the strategic initiative. It is a priority. Look at a women's golden eagles organization to support. The feeling is that the money is available, need to take initiative to make the changes.

USA Trust – Chris Reed

Increased fundraising since 2014 due to Olympics, Golden Eagles, membership department donation opportunity.

Trust is needs to focus on larger donors – build the pyramid of donorship. Trust seems to be focused on small donors. How do we focus on larger donors? At the beginning of The Trust the plan was to create a fundraising mechanics. Bring donors in and then build the pyramid. However, an immediate need changed the focus to big donors. Additionally focus on educating membership on how their donations are used so that rugby is supporting rugby.

Printed piece that trust put together. Have not mailed it out yet.

Youth Presentation - Kurt Weaver

Number one challenge – people and structure.

Rugby development officer school - 45 people education on rugby development. Three times now. Teach them rookie rugby. How to build leagues, structures, avoid pitfalls.

Rookierugby.com has tools available as well.

Future proofing – met with FB, Google, YouTube, Tinder – content generation. How to get to new generation. Tinder had a great set of data.

Questions –

Transitioning members – hit over 5mil kids in PE classes to play rugby. Unfortunately there wasn't a community organization to take the kids that wanted to play. Will only go to a school that has a transition program available.

High school varsity – More press from HS rugby in past three years thanks to Bill's efforts. Importance of NCAA varsity to get scholarships. HS varsity is important. They want to wear their team colors. Need to accept that we are past the point where the schools don't want us. We need structure now. Seasons, eligibility, rules, etc.

College Department – Rich Cortez

Most clubs that feel that they are losing members, internal audit to see how you can retain them.

Inability to get and maintain adults associated with the program.

Travel costs. Financial aid isn't keeping up with the cost of the programs. Maybe going down to ¼ time students being allowed to play.

Justin - Moving the sevens championships to the weekend before Memorial Day causes problems due to graduation.

Club rugby presentation – Erik Geib

World rugby report – reformatted and added a few items including long term retention data.

Many hypothesis on recruit and retain were incorrect.

High school players are too busy in college. Perhaps there should be more 7s, more intramural.

#1 reason people don't continue is that they are too busy. Fear of injury is a bigger concern for people who stay rather than a driver of keeping people away.

U20s difficulty is no membership to play.

Raising awareness of senior club rugby- college kids don't realize that club rugby exists.

Hiring writers in the club budget – regional writers to cover club rugby more often.

Usacclubrugby.org

Club admin panel

Jerry - Statistics and surveys are nice, as they generate facts. But they aren't solutions. What is the club departments plan to address the confusion?

Erik – have to have the data before we can make a plan.

Nominating committee Work Group process (Jerry Gallion)

Capturing current process (which was done with Marni)

The recommendations fell into two categories:

Just do it – high/some return for not much effort

- Formalize the practices
- Add structure
- Provide objective tools to aid the committee in its work.
- Establish criteria for
 - Minimum qualifications
 - Optimal makeup of the board by skill, experience, expertise, etc.
- Amending bylaws is not necessary in order for the board to adopt these recommendations as policy an incorporate them in the Terms of Reference for the Nominating Committee.

High effort/high return.

- Employ a simple, objective assessment tool to screen nominees against criteria, both during the nominating process and while elected officers are serving
- Provision of bylaws section 5.4 and 5.7 should be retained in current form
- Provisions of bylaw 7.2 should be amended to increase members to 8, including three appointed by Congress including the chair.

Is it appropriate to have a third party review the board structure?

Dan Payne moves meeting to parliamentary procedure. 4:14 p.m.

Motion on the floor by Jerry Gallion to the report of the workgroup on the nominating process, with the exception of the bylaw amendment, for implementation immediately. Bill Good and Rick Humm to serve as non-voting members.

Rick Humm –seconds

Question raised about appointing an outside third party entity to review the present Board and identify the functions needed for a board that is supporting USA rugby. ML suggested that a review be done before a new process is implemented. Majority of Congress felt it was not necessary and there was no need for an outside group to select the Board members

Discussion was had to address the issue of whether Board members should be asked to donate funds and or raise funds

It was stated that 10 years ago we purposefully created a management board to insulate us from the politics of the old board. As we've been talking about the function of the last few years we've lost the plot and talked about a fundraising board. We need to be deliberative about changing it. To the motion, it is about an interim solution to get us to the election in June, gets more involvement and reconsider after the election.

Rick. Was on old board. The board is a management board which is why there is no fundraising requirement. This isn't an organization where you checkbook gets you in, it is based on your qualifications. The outside criticism that the board has become a club. What we are addressing is a process where there is better transparency offered. Don't think we need an outside agent to do that, we don't have any bad people on the board. Bring more skills into the process to be sure we do get the best.

Bill Good – agreed the USAR Board was a management Board and that there were other fundraising arms in RIM and the USA Rugby Trust. Some members of Congress are not trusting the judgement of our own body (and their peers). That is not productive and feeds into/amplifies criticisms like that in the letter from the Golden Eagles (the "four people) who were not involved in our earlier and continuing discussions. Finally, there are legitimate concerns about organizational structure and operations and he does have a problem with a professional third-party review.

Frank Lentz calls question

Paul seconds

Motion passes. One no vote, five abstentions.

Parliamentary session adjourned.

Bob Latham – RWC board.

Looking at how to increase TV revenue. Proposing seven figures for us per year. Depending on the surplus from the world cup. The politics get thick. Dan has had conversations how we can use the

money. What can make us a contender. Anything spent on our team does not go to the IRU. Gus Pichot is a great supporter of rugby in the Americas. Will be one of our biggest allies.

Motion to adjourn – Adjourned 5:48 p.m.

Congress meeting day two 2-11-18 Called to Order 8 a.m.

Bylaws Update

Presentation with detailed information.

- Discussion of minor updates including address.
- Discussion of confidentiality agreement.
- Adopt the convention of Chair instead of Chairman
- Changes to provide more detailed progress reports and reporting timelines
- Several items tabled for discussion at next meeting

Continuation of discussion from day one

RIM Discussion – Executive session including key USA staff.

Result of executive session including a statement as follows:

The USA Rugby Congress has grave concerns about the operations of RIM and its future viability. As Congress, we request the USA Rugby Board provide Congress with a detailed plan to (a) immediately undertake a fiscal risk analysis of RIM and create a plan to correct the deficits if needed, and (b) provide a business plan outlining a clear path to future commercial sustainability and viability over the next 5-10 years. This two-step plan should be undertaken by a collective group of third party experts in the field and should include an analysis, of the practice and future of RIM. The first objective should however to be completed no later than April 30 2018, with the second objective to be completed by the next Board Meeting on June 9.

Request by Mark to approve the statement. Unanimous approval

Club Discussion

Two committees to address interaction with referees and judicial officer process. Report back to congress within 90 days with TBD action items.

Ed Matteo, Bill Sexton

Referee society structure –Jeff Sperling, Michele Yarbrough, Jenn Heinrich, Meredith McCalister, Paul Miniclier, Geno Mazza, Rick Humm, Ed Matteo, Bill Sexton, Kevin Swyrin.

Appellate/JO process – Martin Gardner, Mike Crafton, Ken Pape, Bill Sexton, Pieter Hugo, Rick Humm, one IA to be named

A concern on how we interact with the professional game. Two different paths, soccer where the clubs were destroyed and lacrosse where the clubs remained.

Coming out of the presentation with Erik yesterday. Outlining clear roles and responsibilities so that there are clear boundaries and no grey areas between unions, competitions, PGB, Congress, and committees.

Next Meeting Discussion

Discussion of hosting next meeting. May be too quick to turnaround for the June 9, 2018 meeting in Denver. Possibility of September meeting in the Northeast Corridor. We May need a June meeting as the decisions are to numerous to be made via phone call. All agenda items to be sent to Frank Lentz by Friday, February 23 with a poll to follow.

Safe Sport – Dan Payne

Dealing with US congress. The recent US gymnastics has put everyone under scrutiny. Email last Tuesday, a litany of questions to answer. Make sure we do everything we can to make sure that never happens in our sport. Don't know what Congress will do with it. Kurt and Melissa are our primary contacts. We are in pretty good shape but we can't relax. All 50 NGBs had to submit a compliance test in August and we have passed. One of the test is a random audit of coaches knowing about safe sport. Safe sport will be required of our coaches.

Kurt Weaver – we will do a wrap up after the document is drafted, will present to congress. Need to have safes port buttons on every website, etc.

Jenn Heinrich – Youth and High School

Accountability, background checks, mandatory reporter are all of concern. Develop materials for the state organizations. Mentorship is key, pair struggling states with higher performing states.

The game is rugby, but we teach life lessons through the game. Positive Coach Alliance has a culture keeper role that understands the ethos/values of the game. They used to be part of the 200 level course and that is a challenge.

States that charge higher fees are performing better than those that don't add any upcharge to USA rugby fees.

Recruiting process is difficult, there is too much disinformation about who offers scholarships. Need to bridge that gap and make player information more accessible to colleges.

Need to get out ahead of the concussion issue and address safety in our game. Recommendation for home team to provide trainers for each match.

Letter to Congress

Will be addressed by both the board and through congress as part of a larger post congress wrap-up document.

Leadership Structure

At each meeting we will review. Current structure will remain in place. Discussion regarding removal/replacement on both leadership and committees. Withholding voting to give all the ability to have input.

Wrap Up

One communication package for congress to report back to constituents within 30 days of the meeting.

Motion to adjourn, adjourned at 11:47 a.m.