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**Hybrid Board Meeting**

Thursday, February 16, 2023

Participants: Cherie Greer Brown, Alex Cade, Kristen Carr, Tamara Floruss, Jules Heningburg, Jim Kanuch, Anna Kim, Sarah Leary, Andrew Lee, Darren Lowe, Beth Lyman, Christianne Malone, Sarah Bullard McDaniel, Brandon Perkins, Mikko Red Arrow, Ann Rodriguez, Courtney Shute, Whitney Nye

Absent: Kevin Corrigan

Staff participants: Ann Carpenetti, Cara Morris, Nancy Patrick, Marc Riccio, Jon Rodak, Kiernan Schindler, Brian Silcott, Karen Krupka Smith and Ellen Zavian.

Mr. Lee called the meeting to order at 2:01 p.m.

1. **Welcome and Review of Agenda** [A. Lee ]: Mr. Lee welcomed attendees and thanked everyone for taking time to participate. He started the meeting with the origin story of the Cayuse, a Native American tribe from the Pacific Northwest. He hoped it would remind all why it is so important that the group had gathered for the meeting. Before the earth was inhabited by humans, there was only plant life, wildlife and animals. The Creator had an idea that a new species called humans should be created. He summoned a coyote, the animal known in many cultures as the message carrier. The coyote asked what he could do. The Creator asked the coyote to take a medicine bag, collect many valuable assets from the wildlife, and put them in the medicine bag. They would create the human from those assets. The coyote gathered eyesight from an eagle; hearing from an owl; and a piece of hide from an elk .The coyote was tired and needed a drink of water. When the coyote went to drink water at Celilo Falls, a bunch of salmon swam into the eddy. The coyote explained his quest and said he was about at the end of his trip. He asked the salmon if they had anything to contribute to the Creator’s collection of items to make a human being. The salmon said they would give two gifts: voice, so the humans could communicate with one another, and the ultimate gift – their bodies – so that humans would always have something to eat. The coyote said he would put that gift in his medicine bag but the salmon replied that they were giving two gifts so an agreement was required. Therefore, a covenant was created between fish and humans. In exchange for the salmon’s voice and body, humans would always be stewards of the fish. They would protect the fish no matter what. Mr. Lee stated this story has modern day relevance from the fish wars in the 1960s – 1970s to the Dakota Access Pipeline to Pebble Mine in Alaska. People often wonder why Native Americans are so insistent on protecting the fish. The story of the Creator and coyote tells us why. This story explains stewardship. Mr. Lee stated each Board meeting participant had been gifted lacrosse.

Mr. Lee stated a full meeting agenda required diligence on timing. The components were the Consent Agenda; 2022 results; 2023 update; breakout sessions to discuss Long Range Planning elements, followed by discussion; updates on nominations and governance; results of LaxCon 2023; activity on the 2023 Gala; and finally, an Executive Session with Board members only.

1. **Consent Agenda** [A. Lee]:
2. **November Board Meeting Minutes:** Mr. Lowe moved to approve the November 2022 Board meeting minutes; Ms. Floruss seconded the motion. The motion was approved.
3. **2022 Review** [M. Riccio/C. Morris]: Mr. Riccio provided CEO Executive Summary highlights:

* The Finance Team continues to finalize deferred revenues for 2022
* Things are coming in as anticipated for Q4 2022
* Some revenues missed their mark but staff countered by managing expenses
* January and February reflect strong return to play. Those two months are peak membership months.

Ms. Morris provided balance sheet highlights:

* Stock market underperformance of 15% in 2022 adversely affected Brown Advisory investments. This is an unrealized loss. The market has rebounded somewhat in 2023; the hope is the loss will be regained.
* The SBA has forgiven both tranches of PPP loans ($1.207M in 2021; $1.2M in 2020).
* USAL has a $5M line of credit. None of these funds have been used.
* There was a $3.7M consolidated loss. Most has been non-cash, including depreciation for USAL and the USAL Foundation, and investment performance.

Ms. Morris stated the Income Statement was prepared for membership on a gross basis. USAL defers membership revenues. Membership is recognized over a 12-month period. USAL currently shows a gain in membership revenues. Ms. Morris is confident that all information on the Income Statement will be reflected in the audited financials, other than deferred revenues.

Mr. Riccio stated 2022 membership trends are the basis for some 2023 planning. Some important messages include:

* The top ten membership markets by volume include four non-traditional states
* USAL is making progress with membership’s racial profile
* USAL has added gender neutral as a membership category

Mr. Riccio referenced the 2022 female and male membership trend graphs. Girls’ and women’s lacrosse is experiencing a strong return in numbers post COVID. Boys’ and men’s lacrosse has a strong return post COVID but has a downward trend line overall. USAL is monitoring the latter closely.

1. **2023 Business Plan** [M. Riccio]: Mr. Riccio stated 2023 organizational goals remain the same for revenues, participation and high performance. Those ladder up to the organization’s mission of fueling the growth, enriching the experience and fielding the best national teams. The 2023 themes were strategically put into place over the past 12 – 18 months. Internal alignment is the most important insight for USAL. External headwinds will always exist, e.g., the economy and barriers to entrance. USAL’s ability to address headwinds comes from its internal alignment and clarity.

2023 membership projections are on track. All regions are trending higher than in 2022 except for the Mountain Region, which is a result of a slow membership batch upload. Fundraising revenues are also on target.

Discussion ensued on why boys lacrosse participation is trending down. Research shows participation in all boys sports is down. USAL will conduct additional research in this regard. Mr. Riccio stated some causes could be barrier to entrance (cost of equipment), access and pathways within communities, esports, and social trends post COVID. There is return to play in boys lacrosse but not nearly the participation numbers from 2013 – 2015. Discussion ensued regarding downward trends in wealthier families, comparisons to football and hockey – sports that require equipment, the need for macro trends, the vast impact coaches have on player sustainability, sport specialization and incorporating high school aged coaches for youth lacrosse.

Mr. Riccio stated USAL uses the annual SFIA (Sports & Fitness Industry Association) survey as a baseline for its lacrosse participation report. USAL has chosen to go further into lacrosse participation data because the SFIA does not include all disciplines, geographies and deeper aspects of the sport to gain true insight. Ms. Schindler stated pickleball has replaced lacrosse as the fastest growing sport in the USA.

1. **Long Range Planning (LRP)** [M. Riccio]: Mr. Riccio stated the framework from which all should work is to assume we will focus our energy on “how” we can achieve our goals, not “if”. The “how” will force us to change and evolve. Having a concise framework for USAL’s LRP allows us to be aspirational and inspirational. It serves two important purposes:
2. Internally, it gives us the framework from which we can build our annual plans to hit the moonshot. We need the stretch from an internal standpoint around which we can rally.
3. The LRP will provide a unified call to action that USAL will present to the entire lacrosse community. This could unify the sport and professionalize it. Lacrosse would become viable and relevant, and attract new audiences.

Mr. Riccio is in conversations with various external property holders for future meetings to rally around the LRP.

Mr. Riccio stated the three LRP goals ladder up to USAL’s annual goals. He asked Board members to consider the following in their respective breakout sessions: 1) Are the three supporting goals the correct ones? 2) What three to five things does USAL need to achieve to be successful with its LRP?

Ms. McDaniel suggested changing “Remain”, the first word in the third goal. It suggests some degree of complacency.

**Breakout Sessions: 2:45 – 3:45 p.m.**

Mr. Riccio welcomed back all attendees at 3:45 p.m. He asked that one representative from each group provide discussion highlights and risks. Each group would have 20 minutes, including time for a Q&A. He provided updates to earlier discussions:

* According to the SFIA, 2022 total team sport participation for youth was 68.3 million, up from 67 million the previous year, and down from 70.8 million a few years ago. The number is creeping up but the actual number of team sport participants is about 126 million. This indicates sport specialization.
* Boy’s ice hockey is at a -4.35 year trend in participation. There have been significant participation increases for girl’s ice hockey.
* Tackle football has about a 1.9% five year trend increase.

Ms. Leary suggested having a set of data pertinent to the breakout topic that is pre-read and relevant macro trends for future breakout sessions. She found the group size and timing appropriate.

Group 1: Double Participation [B. Silcott/K. Smith]: Mr. Silcott stated the group did not identify what actions should be under the key results but the group considered the three underlying goals as appropriate. Everyone agreed that recruitment, training and education of officials should be added as a key component. The group suggests further conversation on addressing and considering key elements because of their impact on the ability to succeed.

* Segment areas by their stages of development. USAL would develop a formula to determine stages one through five, and program accordingly. USAL would develop a mode of inputting data that reflects a group’s progress so staff could make appropriate adjustments. It would be important to match a program correctly with its growth stage.
* Go into MSOs and schools to work with children close to home. It should be “lacrosse in a box” – simple, with everything provided.
* Solve issues for communities. We cannot expect the sport to grow by only putting sticks in hands. USAL should be a source of best practices and help provide solutions to any issues that could prohibit the growth of lacrosse in that area.
* Have a specific digital strategy focused on reaching children. More often than not, children bring lacrosse to the parent in diverse and non-traditional communities.
* Perform a study prior to investing money in this goal. Make sure we understand why children are not playing lacrosse, what the growth rates really are, and the best places to invest. USAL should continue to refine the study once the program is in place.

Mr. Silcott stated the group discussed Olympic inclusion, which could be beneficial to doubling lacrosse participation.

Discussion ensued about partners for research. Mr. Riccio will follow Mr. Cade’s suggestion of reaching out to peers from other NGBs for suggestions.

Mr. Silcott stated the group listed risks: infrastructure, perception of the sport and lack of Olympic inclusion. Perhaps USAL should convene a focus group to study the perception of the sport. Ms. Rodriguez stated the lack of Gen Z interest in the Olympics is alarming. It would be beneficial to determine what the big, meaningful global competition is and how to monetize the road to that, for commercial purposes, participation and membership. She stated it is important to know why people care about what they care about. Discussion ensued.

Group 2: $50 Million in Annual Revenue [K. Schindler/J. Rodak]: Ms. Schindler provided a recap of this group’s discussion:

* USAL’s current infrastructure for membership cannot support this goal. Suggestions included:
  + Improve the member value proposition.
  + Better understand the member journey.
  + Begin mapping and analyzing results to maintain memberships in the auto renew process.
* Review the delivery of USAL programming and how people receive it. Is associated messaging clear and concise?
* Big box stores are the backbone of some organizations, to the tune of $10M. USAL should investigate these opportunities. Mr. Rodak stated when an organization develops a platform philanthropically and commercial and you have consistent messaging around programming, staff can attack areas individually. USAL should determine which corporations, big box stores, family foundations and individuals with high net worth are interested in investing deeper in those specific communities. The group emphasized the need to focus messaging on certain communities instead of such a wide berth, and discontinue any attempts to be everything to everyone.
* Ms. Schindler had three conversations recently with non-endemic partners who have shown strong interest in USAL’s digital offerings and the scalability of its assets. The group reviewed USAL’s current assets and avenues of growth: tell more stories, engage National Team players to serve as ambassadors for specific initiatives and bring those to life digitally.
* Coaches are an important aspect of USAL. The current staging of LaxCon is not profitable. USAL could invest LaxCon resources into lacrosse coaches instead. Ms. Rodriguez stated the group believes USAL should find high margin/high leverage opportunities. Digital assets allow USAL to reach more people and generate more income. What types of events could generate $2M - $4M without requiring such high effort from staff?
* Is $8M large enough for commercial if Olympic inclusion occurs for the sport of lacrosse?

Ms. Carr asked if it would be beneficial to stage lacrosse conventions in the states with the highest USAL membership. Discussion ensued regarding time of year and location for LaxCon. Mr. Riccio stated $8M annual revenue requires direct consumer digital scale.

Group 3: Remain the Most Successful Lacrosse Nation in The World [A. Carpenetti/C. Morris]: Ms. Carpenetti invited Ms. Carr and Mr. Heningburg to provide discussion points. Ms. Carr provided highlights:

* Change “Remain” to “Be”. Players are human beings on a team focused on winning a gold medal, year after year, regardless of the lacrosse discipline.
* The group firmly supports ensuring the best U.S. players participate in the National Team program, along with attracting the best coaches in the nation to participate, and how to maintain that. It is important to have that across all disciplines, starting at a younger age, to feed into the U16 and U18 NTDP teams, which lead into the U20 and Senior National Teams. Mr. Heningburg stated many players do not understand the importance of the pipeline and don’t see the trajectory of players aged 13 and older becoming a U.S. Team player. USAL should educate younger players on what steps a player must make to become a national team player. USAL needs to develop evaluations that include specific expectations. That could incentivize younger players to talk about USAL, want to be a part of USAL, and ultimately be a national team player. Setting the standard at a younger age could create continuity and excitement. Discussion ensued.
* Ms. Carpenetti stated the group discussed year round player and coach engagement, and competition for all disciplines. USAL should continue to invest in all disciplines year round. Different disciplines require different levels of investment and engagement.
* Discussion included barrier and challenges to participate in the game.
* One risk is club programs, which can be both a barrier and an opportunity. USAL needs to investigate this more, particularly on how it related to the player pathway associated with the NTDP.
* Another risk is barriers for women to play that don’t exist for men, and vice versa for boys and girls.
* Although there is not a quantifiable metric associated with this goal, people want USAL to do more and better with its NT program. That will require investment. USAL needs to determine what that investment needs to be.

Ms. McDaniel supported Ms. Carpenetti’s statement that there is a need for a follow up conversation of what needs to be true from an organizational and investment structure in order to enable these goals. Her breakout group believes USAL does not currently have the customer support for a strategy on membership auto renewal. Although it is important to identify the top goals, USAL needs to consider trickle down effects and necessary investments to succeed. Ms. McDaniel suggested USAL determine its strategy on wheelchair lacrosse. Another consideration for USAL is quantifiable goals for gold medals. Discussion ensued.

Mr. Riccio asked if anyone had questions regarding consistent clarification on doubling lacrosse participation. Mr. Kanuch emphasized the need for infrastructure to support this goal. Mr. Lee stated Group 1 discussed the importance of marketing investment, as well. Discussion ensued on marketing investments and USAL’s member proposition, and a recent USAL membership survey.

1. **New Business**
2. **Governance Committee Update** [S. McDaniel/A. Lee]: Ms. McDaniel stated it is the time to begin the bittersweet process of identifying the next slate of Board candidates. Christianne Malone, Tamara Floruss and Kevin Corrigan have terms ending July 31st and are not eligible to serve an additional term. They will be recognized at the June Board meeting in NYC. Mr. Riccio is in discussions with Coach Tierney about an IMLCA Board rep to the USAL Board. The Governance Committee, with Mr. Riccio’s input, has identified key characteristics to prioritize:

* Community, grassroots, youth league representation – Ms. Malone and Ms. Floruss have represented these aspects.
* Expertise in technology with a slant on modern marketing strategy
* People of color
* Elite athlete – person who has competed internationally with Team USA in the past ten years; in anticipation of potential Olympic inclusion; not necessary this year. An NGB is required to have 30% elite athlete representation on its board and committees. An RSO does not have to meet a certain percentage requirement
* “Big name” – titan of industry in the sports and entertainment world

Ms. McDaniel stated Ms. Patrick will circulate a call for names email to the USAL Board and certain staff members. Those will be added to the running list of names submitted the past several years. She thanked Governance Committee members for their efforts.

1. **2023 LaxCon Results** [Karen Krupka Smith]: Ms. Krupka Smith congratulated the Events Team on a great job. The current focus is how USAL can improve the event. She stated USAL marketed Fan Fest more heavily this year. The investment paid off: 2023 FanFest numbers were the second highest since 2018. Having the Women’s National Team celebration during FanFest also drove participation. Mr. Riccio stated LaxCon is an opportunity to become a big celebration moment.
2. **2023 USA Lacrosse Foundation Gala** [J. Rodak]: Mr. Rodak stated the 2nd annual USALF Gala will occur June 7th in NYC. The Foundation will honor Jenny Levy and Bill Tierney, two National Lacrosse Hall of Fame coaches. Coach Tierney recently announced his retirement at the end of this season, which provides a unique opportunity to honor an immense career. Kara Cannizzaro, Director of Operations for UNC Lacrosse, will join the Gala Task Force in support of Coach Levy. Trevor Tierney, son of Coach Tierney, will also join the task force. There are early recommendations for an event host, as well as evening entertainment options. Last week there was $200K in gala commitments. $90K is confirmed, with 11 table purchases pending. The minimum table purchase amount is $10K but the goal is to obtain higher pricing. The USALF is tracking on pace YOY, but 2023 all commitments have already grown beyond Foundation Board support. The Foundation team is working with Ms. Schindler’s team on a one-page document to attract corporate partners. Mr. Rodak will share event collateral information with Ms. Patrick to forward to the USAL Board. Mr. Lee suggested Mr. Rodak lean on the USAL Board for help with connections to potential corporate sponsors and high net worth individuals in the NYC area.

Mr. Lee stated there will be an Ad Hoc Board meeting in April to continue the LRP discussion. Ms. Patrick will circulate a Doodle poll to determine the best date.

1. **Old Business:** No items arose. Mr. Riccio referenced the 2023 National Teams calendar. He thanked Mr. Lowe for all his efforts on National Team Coach selection. The Men’s National Team will compete in June 2023 in San Diego. USAL will field three teams for international competitions in 2024.
2. **Executive Session:** Mr. Lee thanked the USAL staff team for its hard work during a year of change. Staff exited the meeting at 5:20 p.m.
3. **Adjourn:** The meeting adjourned at 6:00 p.m.

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| The Board approved the following:   * The November 2022 USAL Board meeting minutes |
| Action Items Assigned:   * Ms. Patrick will circulate a call for names email to the USAL Board and certain staff members * Mr. Rodak will share event collateral information with Ms. Patrick to forward to the USAL Board * Ms. Patrick will circulate a Doodle poll to determine the best date in April for an Ad Hoc Board meeting. |

**T****here will be a virtual Board meeting on Wednesday, June 7th, 12:30 – 4:15 p.m. at Meet on Broadway in NYC.**