



U.S. SOCCER 2016 AGM

FEB. 26-28 | SAN ANTONIO
MARRIOTT RIVERCENTER



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Section I

2016 National Council Meeting Agenda

**U.S. Soccer Federation
100th National Council Meeting
February 27, 2016
San Antonio, Texas
9:00 a.m. CT**

- I. Opening Remarks and Introduction – President Sunil Gulati
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- V. 2016 Credentials Committee Report
- VI. Approval of AGM 2015 National Council Meeting Minutes
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- X. Affirmation of Federation Policies adopted since 2015 AGM
 - A. Policy 601-6—International Clearances
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- XI. Election of Vice President
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- XIII. For the Good of the Game
- XIV. Adjournment





Section II

Transcript of the 2015 National Council Meeting

PROCEEDINGS

UNITED STATES SOCCER FEDERATION
NATIONAL COUNCIL MEETING
99TH ANNUAL GENERAL MEETING

San Francisco Marriott Marquis
San Francisco, California

February 14, 2015
8:00 a.m. - 9:23 a.m.

Reported by Debra K. Resling, RMR, CRR



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(Commencing at 8:02 a.m.)

PRESIDENT GULATI: Please grab your seats. We will start in 60 seconds.

Good morning.

Welcome to San Francisco. Welcome to our Annual General Meeting, our National Council meeting. I hope you-all had a good time last night, and we will stay away from all the jokes that anyone that's missing was left at Alcatraz. But it was an enjoyable evening, we think, for everyone. So we hope you enjoyed that.

We have had two terrific days here of weather so far; I'm told the two warmest days in the history of San Francisco. And New York is having the coldest two days in the last 20 years. So those from the Northeast may get to enjoy San Francisco a little bit longer. We hope that's not the case. We hope you enjoy the part you're supposed to, but the weather in New York and the Northeast is turning ugly later today and tomorrow.

Before we get into the regular part of the agenda, please rise for a Moment of Silence for those members of the soccer community and the U.S. Soccer family that we've lost during the last year.

(Moment of silence.)

PRESIDENT GULATI: Thank you.

Next, we will have our Vice-President, Mike Edwards, lead us in the Pledge of Allegiance. Mr. Edwards.

(Pledge of Allegiance recited.)

PRESIDENT GULATI: The idea is to get everyone in the room standing up every couple of minutes just for a little bit of fitness. As you know, our coaches talked about that a lot recently, so we want to make everyone sure is ready for this part of the year.

Mr. Kepner, if you would come forward and take us through what we need to know about the roll call.

Credentials Committee chairman, Bob Kepner.

MR. KEPNER: Thank you very much, Sunil.

And on behalf of the Credentials Committee, welcome to all of you to the great city of San Francisco and, as you will find out in a little while, to the great state of California.

Most of you have been here before, so you know the credentials process. There are a



1 few of you who have not been here, so just very
2 briefly, I will explain the methodology that has
3 been developed to -- for our voting structure.

4 We all know that there are three
5 essential councils and in a very real sense,
6 four. We have the youth, we have the adult, we
7 have the pro council, and all of those, by our
8 bylaws, are required to have equal voting
9 strength. So we use a multiplier system. The
10 largest council in terms of attendance and
11 membership always is the youth council, so we use
12 that as the base.

13 You will soon see that the number of
14 voters, delegates, is approximately 300. So by a
15 multiplying system -- I don't remember the
16 numbers off the top of my head -- but for the
17 adults, they're something on the order of 190, so
18 you have to have a multiplier to mathematically
19 make their weight, their effect on the voting
20 equivalent, so multiplier times the adult council
21 number equals 303.

22 Same with the pros.

23 Now, there are other individuals,
24 most of whom are seated up here behind me. They
25 each have one vote. You add all of those

1 elements there, the adult council, the youth
2 council, the pro council, and the others, BOD,
3 and other affiliates and such, they represent 80
4 percent of the voting strength of the body.

5 The athletes council is the next
6 group. By our rules, they must have at least 20
7 percent of the full voting strength at any
8 particular gathering. So we again mathematically
9 devise a -- develop a multiplier, and that
10 presents the entire voting strength. You will
11 end up seeing that.

12 So I will present that to you now.

13 Oh, we no longer go through a literal
14 roll call. We used to do that. We'd have --
15 call every state, every group, and so on and say
16 "here" and so on.

17 But what we do is we use registering
18 for this event as the standard. So we've really
19 cut off the registration at about 5:00 yesterday,
20 and that was what we were able to use to be able
21 to develop the attendance.

22 So now we will present to you in
23 visual form the attendance and, hence, the -- and
24 the multipliers at this event. So let's go
25 ahead, and Amy will do that.

1 So the first that we will start with
2 is USYSA. Okay.

3 And you can see, indeed, together
4 with USYS, AYSO, U.S. Club Soccer and the youth
5 commissioners, total youth council weight of
6 1:303. Each member in that group has a
7 multiplier, so to speak, of 1.

8 Now we will go on to the Adult
9 Council. USASA is the largest member, and then
10 the other affiliates and the commissioners, so
11 indeed, 193.

12 And then we have the pros. And we
13 have MLS, USL, NASL, and we have a total
14 attendance of 14.

15 And then the Athletes Council, 8.

16 And then the others, the other
17 affiliates, and you see those, life members,
18 Board of Directors, and our two past presidents.

19 One of the standards that we have is
20 that no individual can vote in more than one
21 capacity. And we do have some persons who are in
22 more than one capacity.

23 And then the last slide will be the
24 overall presentation of the attendance.

25 I will tell you what it is.

1 The youth, we have 555 total here.
2 You take the multipliers, 303 for each of the
3 councils -- youth, adult, pro -- the athletes
4 council is 243, the other members, we have a
5 total count of 1,189 votes, if everybody were to
6 vote. A simple majority is 595, and a two-thirds
7 majority, were it needed, is 793.

8 Now, you have some interesting
9 electronic devices before you, keypads. We have
10 been using keypad electronic voting for some
11 time. It is a wireless keypad, and briefly,
12 here's how the keypads work.

13 Throughout the meeting, you will be
14 able to vote -- be asked to vote on a number of
15 issues. The item to be voted on will appear on
16 the screen. You will be asked to use your keypad
17 to place your vote.

18 Press 1 for "Yes" and 2 for "No."

19 When you press the button, the number
20 you selected will show up in the LED box on the
21 keypad. It will stay on for about a second, and
22 the data will be sent to our computer technician
23 who will tabulate the results and display them on
24 the screen.

25 Please do not place your vote until I



1 say "Begin voting now." And I will be sitting
2 over there on the side of the room.

3 As the votes wind down, I will say
4 five, four, three, two, one, stop. You can
5 change your mind up until the time we stop the
6 voting. The keypad will accept your final vote.

7 Now, I'd rather not take questions,
8 but I think practice makes perfect. So I've
9 prepared an opportunity for you to learn how to
10 use your keypads, and as most of you know, I have
11 a penalty kick shootout as the basis for the
12 decision-making and the opportunity to practice.

13 Happened to be -- and I mentioned
14 this earlier -- in the great state of California,
15 and California has a state animal. That animal
16 happens to be a grizzly bear. California also
17 has a state reptile; that is a desert tortoise.
18 And so I'm going to present those two to you, the
19 grizzly bear and the tortoise, and these two are
20 going to compete against each other.

21 But obviously, they can't compete
22 dressed as they are there. They need to have
23 appropriate soccer attire on. And so we have
24 given them an opportunity to put on some soccer
25 attire, and here they are. Soccer bear on the

1 left; soccer tortoise on the right.

2 Now, as it happens, Jürgen Klinsmann
3 has heard about these two. He hears that the
4 bear just claws his way through the competition
5 regularly, so he's very impressed with that. But
6 he's also very impressed with the tortoise's
7 moves, particularly low to the ground, slow and
8 careful. So it's for you to decide which of the
9 two would end up winning in a penalty kick
10 shootout.

11 So you may begin voting now.

12 Five, four, three, two, one. Stop.

13 Aha. The bear. Contrary to what the
14 tortoise expected, the bear gave him a real
15 shellacking. Okay. Thank you. That was a play
16 on words, Sunil.

17 PRESIDENT GULATI: When you've got to
18 tell us that, Bob, it's not a good sign.

19 Bob, can we cue up another question.
20 I don't mean on the board. If I just want to ask
21 a question and use the keypads, is that doable or
22 is it going to cause problems over there? We can
23 do that?

24 Yes, no question. Yes.

25 So it's a question we actually get

1 asked by a number of delegates. We've talked
2 about it at the board, and might as well just let
3 you weigh in on that, and that's the locations of
4 the annual general meetings, and there's a
5 particular island off in the Pacific that people
6 have requested at various times.

7 Yes, Mike, Fiji. Apparently a member
8 of U.S. Club Soccer now.

9 So here's the question, and I think
10 most of you know the issues. We are talking
11 about Hawaii where we've had a few AGMs.
12 Obviously, it's further to get to, which means
13 more travel time for most people. Folks on the
14 West Coast, equal travel time to the East. And
15 it's more expensive. So those are the two
16 downsides.

17 The upside, I think, everyone knows.

18 So we're really going to let you give
19 us some guidance on where we might be in a couple
20 of years. So the question is: Without knowing a
21 specific date, would you like to have our AGM in
22 the next two to three years in Hawaii? That's
23 the basic question. So it will be 1 for yes, 2
24 for no, and you can start now. And we'll wind it
25 down, five, four, three, two, one. We're not

1 going to make this vote public because it's sort
2 of just -- okay, go ahead. We'll make it public.
3 Okay, then.

4 (Motion passed.)

5 PRESIDENT GULATI: So under our
6 internal bylaws, it needed an 80 percent majority
7 to clear the bar, so I apologize for that, but we
8 will see you in Duluth next year. Okay. That's
9 a pretty strong message. We will look into
10 Hawaii.

11 MR. PINORI: Hawaii.

12 PRESIDENT GULATI: No, Peter, we're
13 not going to talk about the specific islands now.
14 We've had the Credentials Committee
15 report. We've had the test questions. So this
16 is my favorite part of the meeting, where I get
17 to acknowledge some of our guests.

18 So first, let me start with our life
19 members, who are in the front row. If you would
20 all stand for us to give you the appropriate
21 acknowledgment.

22 (Applause.)

23 PRESIDENT GULATI: Thank you.

24 Anyone in the room who has been to,
25 let's say, 30 or more AGMs, 30 or more Annual



General Meetings, stand up, please. 30 or more.
(Applause.)

PRESIDENT GULATI: Thank you.
Anyone who is here at their first
Annual General Meeting, please stand.
(Applause.)

PRESIDENT GULATI: We've got at least
a couple, I know. Welcome to all of you.

And last, but certainly not least,
all of you in the room, and mostly to my left,
that have represented the United States National
Team Program men or women, or in any other
aspect, youth level, please stand.

(Applause.)
PRESIDENT GULATI: Thank you.

Next, we have approval of the minutes
from the 2014 AGM. You have seen those in your
National Council books. Do we have any comments
or amendments to those? If not, I would
entertain a motion to adopt or approve them.

UNIDENTIFIED SPEAKER: So move.

PRESIDENT GULATI: So moved.
Seconded.

Any objections? Thank you. We
approved those unanimously.

Next, we will show you a short video
of some things that went on this past year,
highlighted obviously, by the men's participation
in the World Cup and by the reaction to that
participation in the World Cup in the United
States. So if we can run that video, please.

(Video run.)

(Applause.)

PRESIDENT GULATI: If you don't get
excited by some of that and some of what was
going on last summer and, hopefully, what will be
going on this summer with the Women's National
Team playing in the World Cup, then you may want
to find some other things to do with your time,
because it was pretty incredible. And as
exciting as it was to be down in Brazil and see
what was going on on the field, frankly the
bigger excitement was what was going on back here
in a spontaneous way. And those are things that
all of you in this room and all of the people
back here have worked for for a long time. So I
want to thank you for that.

And whether it's the players on the
field or those that have helped popularize the
sport over the last 50 years, in some cases, last

summer, in seeing the reaction in -- across the
country, whether it was people watching on
television or spontaneous pep rallies or the
President of the United States calling -- and we
didn't win the World Cup, but the President
called, and he honored us again by being here in
San Francisco this weekend, which was directly
tied to the AGM being here.

So rather than me talk about what
happened last summer, we brought in a special
guest, and I will let him talk a little bit about
what was going on and why we want to see more of
that in the future and hopefully why we will see
more of that in the future.

We couldn't have our Women's National
Team coach here, as you know, we beat England
yesterday one-nothing, so she's on her way home
from London.

But we have our Men's National Team
coach with us. Jürgen Klinsmann, please come
forward.

(Applause.)

COACH KLINSMANN: Thank you very much.

Thanks for having me real quick here this
morning. If my vote counts a little bit -- I saw 79

percent. If I can add it up to 80 percent, I'm all
in for Hawaii playing --

(Applause.)

COACH KLINSMANN: -- playing maybe the
Fiji Islands. We'll see. Gives us a chance for
a few points. I'm taking that as well.

Obviously, as Sunil said, 2014 was a
tremendous year. 2014, with the World Cup for us
on the men's side was a big, big step and
hopefully far, far more to come in the future
time. It's been a challenge the last two or
three years, to say the least, when we got the
"Group of Death." You know, we're aware of, you
know, some bigger problems called Cristiano
Ronaldo and other names. We dealt with it.

I think the team excited a lot of our
people, not only down in Brazil, but we had
amazing fans traveling down to Brazil in support,
but also here in the United States, because we
saw it on TV, and everybody got really, really
excited. And we're very thankful for this
tremendous support all over the place.

When you do well in a competition,
you know, you want to raise the bar afterwards.
You want to go further. So we sat down after



1 those exciting days in Brazil, and we started to
 2 build the puzzle for 2018, which is Russia,
 3 obviously, and which gives us a lot of, yeah, big
 4 opportunities, you know, to hopefully create the
 5 right team and the right environment to succeed
 6 in Russia and go further than we did in Brazil.
 7 This is our goal. We want to go further.

8 So I think it's exciting for us now.
 9 Not only, this year, we have the 2015 Gold Cup on
 10 the agenda, but especially looking into 2016 with
 11 the COPA America bid in the United States. I
 12 think this is, for us, a huge, huge opportunity
 13 to prove ourselves against the best nations from
 14 South America, to host this competition. It's a
 15 very, very special competition. And it will give
 16 us, hopefully, valuable experience going then
 17 further towards the 2017 Confederations Cup in
 18 Russia and then, at the end of the day, to the
 19 World Cup.

20 Obviously when you go to the extreme,
 21 like this team did in the World Cup -- and they
 22 went beyond their 100 percent; they gave
 23 everything they had -- there's also then a
 24 consequence to it afterwards. The consequence
 25 was there was a drop, you know, emotional drop, a

1 physical drop, and we gave a couple of games away
 2 that you never like to give away, but it happens,
 3 you know. So I think this is also a learning
 4 curve for us, you know, because, in the past, it
 5 was mostly the case that when a World Cup was
 6 played, there was maybe, if you are lucky, one
 7 friendly, maximum, in the next six months and
 8 there was nothing really on the agenda. We
 9 changed that, asking Sunil -- we changed the
 10 agenda because I said, you know, we don't have
 11 really a time to relax now.

12 Not only is the Gold Cup on the
 13 horizon, we also need to build other programs at
 14 the same time. We want to qualify badly for Rio
 15 de Janeiro in 2016. And also it kind of sticks
 16 in our stomach that we didn't go to London. I
 17 think the last Olympic team cycle had so much
 18 talent that it was a real bummer for all of us
 19 that we didn't go there, and that Mexico won the
 20 gold medal. Anybody could win the gold medal in
 21 Mexico.

22 So you know, we finished off Brazil.
 23 We sat down, and we started to design the future.
 24 And the Olympic team for us is huge. So we're
 25 working hard on it.

1 Now, CONCACAF came back to us now
 2 with a surprise, oh, we have the qualifiers
 3 already this year. So we have end of September,
 4 beginning of October -- it was just announced
 5 now -- the Olympic team qualifiers here in the
 6 United States, so that kind of puts everybody, in
 7 our terms, on their toes and tells us that we
 8 have to be ready for doing all that.

9 So that leads to other consequences
 10 from our end, okay. We did the January camp,
 11 combining the Olympic team senior guys, which is
 12 tricky to do, because they're a little bit on a
 13 different page still.

14 But it's exciting -- I think it's
 15 exciting -- because we see youngsters coming
 16 through. We see growth everywhere, on the youth
 17 level, with our Academy systems, you know, and
 18 the professional leagues all over the country.
 19 So you see excitement everywhere, and you talk to
 20 people now that really kind of see soccer as a
 21 mainstream sport in the country. So it's pretty
 22 cool.

23 But it also kind of gives you a
 24 responsibility to hopefully do a good job and
 25 connect the dots, you know. I think the last

1 three and a half years, we have connected a lot
 2 of dots. We have connected all youth national
 3 teams to the senior teams, all the coaches from
 4 the youth national teams are with me in camps, at
 5 games, help me, were with me in Brazil.

6 We connect coaches education close to
 7 the senior national team with Dave Chesler. He's
 8 constantly with me, sees what we're doing, gets
 9 every information he needs in order to pass it
 10 down to all the coaches out there on different
 11 levels, you know. I think the Academy system is
 12 growing. It's getting better.

13 But, obviously in every area, we can
 14 get better and improve, and this is our big goal
 15 going forward. You know, we want to communicate
 16 with everybody out there in order to help and
 17 hopefully get the different programs on new
 18 heights. And this is our agenda. We're looking
 19 forward to it. We are full of excitement. We're
 20 full of energy. It means a lot of debate, a lot
 21 of fitness work, which we're starting in five
 22 minutes outside. Just kidding.

23 And, yeah, I'm really enjoying that I
 24 have, you know, a great chemistry here with the
 25 board, a great chemistry obviously with Sunil,



1 which is -- and with Dan, which is very, very
2 important with the league, with all the coaches
3 out there.

4 But I'm challenging also, a lot of
5 people out there, especially players. So I'm not
6 there to make them feel comfortable. I'm not
7 there to make them settle with whatever they
8 achieved. I'm there to hopefully get them to the
9 next level possible. So in there, you hear a
10 little bit different opinions, different voices,
11 and that's good for the game.

12 So hopefully, you know, we can go a
13 similar direction going forward, have an exciting
14 Gold Cup, win this thing, go to the Confed Cup
15 2017, and give a lot of enjoyment.

16 That's it from my end. Wish you a
17 wonderful AGM meeting.

18 See you in Hawaii.

19 (Applause.)

20 PRESIDENT GULATI: Jürgen has only
21 been to a couple of our AGMs, and he doesn't
22 quite really grasp the weighted voting structure
23 that we have. And I have been told by Mr. Kepner
24 that his vote is .47, so we are at 79.47, just
25 short of where you needed to be, gang, but maybe

1 next year. And it goes by wins, Jürgen. You get
2 an extra quarter of a point for every win.

3 You know, some of the things that
4 Jürgen touched on are a couple of things that I
5 want to touch on, which is where we are now, what
6 we've done, but more importantly, where we're
7 going.

8 And a lot of that has to do with
9 growth, and growth in so many different areas.
10 And if you look back in the '70s, the '80s, and
11 even the early part of the '90s, the real growth
12 we had is in membership numbers and managing
13 that.

14 So what came out of that?

15 State associations came out of that.

16 USYS came out of that, USASA, on a basic
17 organizational structure to try to manage that
18 growth, the fact that we weren't just a few clubs
19 or a few leagues. The same was true obviously
20 with the professional side in the '70s and '80s
21 with the birth of the NASL.

22 That growth is very different now in
23 where we're going because the numbers aren't at
24 the same level, at least in registered players.
25 That's pretty flat, as all of you know; and in

1 some cases, it's declining; and in other cases,
2 going up just a little bit; and in some cases, as
3 many of you know better than I do, the growth is
4 disguised because it's the same player
5 registering in two or three different ways or two
6 or three different organizations and it shows up
7 as three registrations. So we get an extra
8 dollar or two, whatever it might be, but it's not
9 true growth in the sense of new players and new
10 participants in the game.

11 So the growth more recently has been
12 at the professional level, in terms of numbers,
13 in terms of popularity, and with the national
14 team, obviously, in terms of exposure. And
15 that's growth on the commercial side. That's
16 growth in numbers of professional teams, numbers
17 of people watching games on television, and
18 numbers of people obviously coming to stadiums to
19 see.

20 And it's been matched and aided in
21 many ways by huge growth that all of you are
22 familiar with in your daily lives, which is
23 changes in technology, changes in how we
24 communicate, so-called social media phenomena.
25 And we are both keeping up with that and in some

1 ways taking leadership roles in the use of some
2 of that, because it seems that it fits very well
3 with some of the things that we do.

4 And while a lot of the things that
5 happened last summer in terms of back in the
6 United States were spontaneous, many other things
7 weren't. It wasn't an accident that a few
8 players in other sports had national team jerseys
9 after they had very famous -- in one case, a
10 no-hitter. And it wasn't quite an accident that
11 Will Ferrell showed up at our pep rally. And all
12 those sorts of things or the millions of people
13 that were using Twitter, setting record numbers,
14 as it turned out, just in time for Twitter's IPO,
15 which was probably helpful to them.

16 So the challenge in front of us is
17 how do we manage that growth, how do we stay in
18 front of that, and how do we increase it over the
19 next decade? And I think that comes down to a
20 number of areas. And we talked about some of
21 those yesterday at our board meeting looking
22 forward. And it's not going to be from a
23 position of crisis, where we have huge problems
24 and need to face those challenges to correct
25 things, but how do we manage our growth going



1 forward? And it's not likely to be numbers of
2 registered players, with demographics being what
3 they are. We're not likely to get millions of
4 new players without losing other millions.

5 And in order to do that, our first
6 step is we're looking at the way we govern
7 ourselves, and that even comes before we have a
8 strategic vision of what we'd like to do. How do
9 we govern ourselves? And that's at our board
10 level, that's at the administration level, that's
11 at this level. We've looked at a number of
12 different things, and we will come back with a
13 pretty comprehensive review of our governance
14 structures. We did that a decade ago, and we'll
15 do it again now, because we're a different
16 organization, and the sport is in a different
17 place than it was a decade ago or 20 years ago
18 when we set up our basic councils and all of
19 those things.

20 And we'll start looking at state
21 associations and some of our other members to see
22 how we can help. And I will start partly with
23 some audits and not just financial audits, but
24 review audits.

25 It also means, then, laying out a

1 strategic plan for the future. And we have done
2 pieces of that, and we will continue to do that
3 and share that with you, obviously, and you will
4 be part of that.

5 It means our finances, which are in
6 an extraordinarily good place today. We will
7 have in the course of essentially 12 months, a 50
8 percent increase in revenues. In 12 months.
9 That's unheard of, except for some tech companies
10 that are up the road, I guess. But 50 percent.
11 And that's a good thing that we have an increase
12 in revenues. And it's probably the case that
13 managing that growth, and managing those
14 revenues, and making sure that we use those
15 resources that are available to us for the sport,
16 are used in a sensible way, used responsibly, is
17 more difficult than actually getting those
18 revenues. So that will be an important part
19 including how we manage the resources we have on
20 a financial basis from an investment point of
21 view, and we had a long discussion about that
22 yesterday.

23 The technical side: How do we manage
24 growth to take advantage of the fact that we've
25 got now more player development going on at a

1 higher level with kids that are able to see the
2 best level of soccer, whether it's around the
3 world or in the United States, whether they're --
4 when they're now clearly affiliating themselves
5 with professional soccer players and emulating
6 those players.

7 How do we get better on the men's
8 side? How do we get better to try to get to
9 where we want to be on the women's side? How do
10 we make sure that we stay where we are -- and
11 stay where we are is not losing to France
12 2-nothing.

13 But it's more challenging now. We're
14 not going to beat the best teams in the world,
15 like we were able to do 20 years ago, no matter
16 what we do, because the good thing is that
17 there's a lot of federations around the world
18 that are investing heavily on the women's
19 programs, what we did a long time ago and will
20 continue to do, but it's going to be more
21 competitive for sure. So how do we manage that
22 going forward and make sure that we are on the
23 right part of the winner's stand, whether it's at
24 the Olympic games, a U-17 World Cup, or more,
25 more closely this summer at the Women's World Cup

1 in Canada.

2 And how do we manage growth of our
3 organization without losing sight of an
4 absolutely critical and essential feature to the
5 Federation is that we are a service organization.
6 And that's true for all of you, at club level, at
7 state level, at league level. And we're a
8 service organization for our members. We're not
9 a corporation in the normal sense. We are a
10 service organization for our members. We are a
11 membership-based organization, whether it's my
12 10-year-old-daughter who is a member, or our
13 national team players who are members, or our
14 organizational members. Many of you are
15 obviously represented here.

16 So those are, I think, the basic
17 challenges as we go forward, and we will come
18 back and talk a lot about those over the next six
19 months and twelve months and obviously a year
20 from now and two years from now in Hawaii, and
21 you will be part of that process.

22 That's -- as we look into the future,
23 there's a lot of challenges, there's going to be
24 a lot of bumps, but, boy, if we could repeat what
25 we've done over the last -- pick a period of



1 time. And we usually -- I usually pick a period
2 of time with my own involvement, and that's not
3 because I think it started when I got involved,
4 but that's my time horizon, but many of you have
5 been involved a lot longer than that, and some of
6 you are relatively new to it.

7 So for those that are new, it's
8 welcome to this challenge. We look forward to
9 sharing that with you. For those of you that
10 have been doing this for a long time -- and all
11 of you have been doing it for a long time at some
12 level or another -- thank you for that. The
13 tough part is still in front of us if we want to
14 get to where we want to go. But make no mistake
15 about it: We've accomplished a lot together, and
16 I want to thank you for that.

17 Just looking forward very quickly to
18 this next 18 months on the field, Jürgen
19 mentioned the Gold Cup this summer, exciting
20 competition here in the United States. The
21 venues and who is playing where, and specifically
22 where the U.S. team is playing, that will be
23 known next month in March.

24 Next summer the COPA America with 16
25 teams on the men's side, with 10 South American

1 teams, and six teams from the United States --
2 from CONCACAF -- it would be good if we could
3 have six teams from the United States, I guess.
4 They will be played across the country, and it
5 will be the biggest event I think in the U.S.
6 since the '94 World Cup or the '99 Women's World
7 Cup, depending on how you look at it, and on the
8 women's side, what should be another breakthrough
9 event, this time for Canada.

10 Ticket sales have been very good. It
11 will be the first time, I'm quite sure, that
12 there will be significant visitors from outside
13 the country of anyone hosting the Women's World
14 Cup. When we hosted it, 99.5 percent of the
15 people were from the U.S. In this case, we have
16 an extraordinary amount of interest from fans in
17 the United States to go to the tournament. Now,
18 that would be different if it was in Brazil or in
19 Europe because of, obviously, the proximity of
20 Canada. But the level of interest is something
21 that we have never seen before, to the point
22 where FIFA is looking at how do we deal with this
23 response of interest in the United States and
24 public sales and so on. So all of that is very
25 good, and I think it will be an exciting period.

1 Our Under-20 team is in the World
2 Cup, our Under-17 team will be qualifying soon
3 and so on. And our pro leagues continue to grow,
4 more teams, more stable teams, more spectators.
5 That's all a good thing. And you-all have growth
6 in different ways; some of it is painful, and
7 some not. And we're here to help where we can.

8 So again, I want to thank you as we
9 look forward. Enjoy the day today. We'll get
10 through our business here today, I think, pretty
11 quickly.

12 And with that, I'm going to ask
13 Mr. Edwards to come up and give a report. And
14 that's the end of my report, so thank you.

15 (Applause.)

16 PRESIDENT GULATI: So we will have
17 just a couple of the reports. The rest of the
18 reports, as you know, are in your book; we won't
19 go through those. And Mike is certainly not
20 going to read his report that you have in front
21 of you which gives you all the details, but he
22 has a few things to add to that.

23 Mr. Edwards, your vice-president.

24 MR. EDWARDS: Thanks, Sunil.

25 I will focus on a couple of things

1 that I had a hand in that were more
2 local-oriented. We have moved along
3 significantly in the development of the referee
4 program, pretty much tripled the resources that
5 we have put into it. Major League Soccer has
6 made a substantial investment in the professional
7 level, which has really let us separate out the
8 two parts of the referee program such that
9 referees at the professional level are dealt with
10 somewhat separate. And it's allowed us in
11 Chicago, then, to focus our efforts on what I
12 would describe as the grassroots and development
13 of referees, both for local officiating and to
14 begin helping us identify referees that are --
15 that are the little jewels that we want to move
16 up to the professional level, both on the men's
17 and women's side.

18 So I think we have made a lot of
19 progress in that area. We enter into our next
20 SRA workshop this year to completely unveil a new
21 assessment program. We have unveiled a
22 completely new instructional program that has
23 recognized the fact that children learn off the
24 Internet. The idea that a 14-year-old child
25 wants to sit in a room and listen to a guy like



me drone on for 16 hours of a weekend is immensely appealing to me, because I think I'm pretty smart, but it tends not to work so well having a 20-year-old-daughter.

This year we will be unveiling a brand-new assessment program. We've simplified. We have eliminated a lot of extraneous rankings in those systems.

We're working on unveiling a whole new Futsal program because that's catching on both through our Developmental Academy and locally, so we want to be prepared to deal with that.

On the coaching side, you see before you today, for your approval, a substantial modernization of the policy which guides the U.S. Soccer coaching program. The document that is in the policy manual now is probably at least 25 years old, and probably the nicest thing I can say about it is that it's archaic.

In December, after our board meeting, Sunil, Dan, Jürgen, held a roundtable to get into the details of a substantial commitment of resources we had made, and a great deal of it is directed to the fact that we need to improve our

coaching and coaching education. And today, what you see before you for approval has been approved by the Board of Directors, and it lays the foundation for the program to teach coaches through what I would describe primarily as Youth Soccer; and the grander plan is to expand that program well beyond that and develop professional coaches, bring in much more international expertise, develop a coach mentoring program. Some of what we're doing in coaching is what's gone on for a long time in the referee program, and it just simply makes sense.

So we have taken a huge step forward, and the policy you see before you today lays the foundation from which we will build over the next couple of years to expand out and better develop our coaching education, coaching evaluation programming in this country.

So I would ask for your support for that. And I think those are the two items, that probably I've had my fingers on most in the last year, so we're good.

PRESIDENT GULATI: Thanks, Mike.
(Applause.)

PRESIDENT GULATI: And the last of

the three reports from our general secretary, Dan Flynn.

MR. FLYNN: Thanks, Sunil.

As Sunil has mentioned, it's a unique and exciting time. We are committed to our strategic initiatives in a number of areas: player development, coaching development, and in particular, I would like to mention the National Coaching Education Center in Kansas City, which we hopefully will have open in the coming year; and fan development, where we will deliver more compelling content, activate more fan programs, continue to build our brand, and increase our merchandise offerings.

So we're fully committed with Soccer United Marketing, our great partner. We continue to build the sport through our partnership with ESPN, Fox, and Univision.

So thanks to the committed membership in the room, thanks to the board, and thanks, in particular, to the budget committee for their work throughout the year.

And I would like to now introduce Carlos to take us through the 2016 fiscal budget. And a special thanks to Eric and Mark at Soccer

House for their day-to-day help and assistance in executing the budget on a monthly and year-to-year basis.

Thanks.

(Applause.)

PRESIDENT GULATI: Carlos.

MR. CORDEIRO: Good morning. Can you hear me? Thank you very much, Dan. I'm sure you've all had an opportunity to review the budget materials in Section 4 of your books. For our fiscal year 2016, this is the year which will end in March 2016, we are presenting a \$91 million budget with an operating surplus of 1.2 million, and an overall surplus of 2.2 million, primarily highlighted by the continued investment in the technical development of our sport as well as our brand and our fan base.

This year, in particular, we have earmarked a handful of strategic initiatives, referred earlier to by Sunil and Dan, which will fall under a four-year planning framework. All of this made possible, and thanks to a very significant increase in our contracted revenues over the next broadcast and sponsorship cycle which kicks in this year.



1 Having said that, and as always, we
2 strive to maintain tight financial controls,
3 which are core to our long-term sustainable
4 growth. The budget was discussed at length by our
5 committee back in November, and subsequently
6 approved by the board in December. I would be
7 remiss if I didn't acknowledge the great work
8 that Dan and his staff, lead by Eric Gleason, our
9 chief financial officer, who is behind me, for
10 their huge contributions in driving the detail
11 that make up this budget.

12 I guess I'll open it up to questions,
13 and if there are no questions, I propose that we
14 pass the budget as presented before you.

15 Thank you.

16 PRESIDENT GULATI: A motion on the
17 floor to approve the budget. Do we have a second
18 to that?

19 UNIDENTIFIED SPEAKER: Second.

20 UNIDENTIFIED SPEAKER: Second.

21 PRESIDENT GULATI: Thank you.

22 Questions? Comments? Concerns? Any questions?

23 Hearing none, we will call for a vote
24 on that. Any objections to approving the budget
25 as presented? Thank you. We will approve that

1 unanimously.

2 Thank you, Mr. Cordeiro, and your
3 committee for your hard work. The budget is approved.

4 If we can go to that clip, COPA America
5 video, and show you a quick -- before we get into new
6 business -- a few highlights from another tournament.

7 (Video shown.)

8 PRESIDENT GULATI: You see at the end
9 of that, it's the logo for the tournament we're
10 hosting next summer. So that's why we wanted to
11 show you that.

12 We are on to the new business part of
13 the meeting. We do not have any statutory bylaw
14 proposals, but we've got proposed amendments to
15 some Federation policies, and those are in your
16 book.

17 Starting with Policy 102(3)-1, it was
18 proposed by Mr. Edwards. This is the national
19 coaching policy, and it is in your books. So if
20 we have a motion -- and here, what we're doing is
21 we're approving, the board has already approved
22 all of these, so we're affirming the decisions of
23 the board in these three areas.

24 Okay. And you have got also a
25 one-page addition, I'm sorry, that was given out

1 this morning. It was a slight adjustment to what
2 the board had approved earlier and is in your
3 book.

4 Any comments, concerns, on that one?

5 MR. GUTHRIE: Sunil.

6 Mr. President, in Section 1(B), I
7 would offer to amend the last sentence, where it
8 says, "Other organization members or their
9 members," I would offer to strike "or their
10 members." Our justification being that of the --
11 or the amendment, I don't believe, restricts the
12 flexibility you are looking for. However, it
13 does allow for us to maintain a certain level of
14 governance, because when it goes to other
15 members, that means that a club or team, an
16 individual club or a team could come up and
17 request to be a part of the process.

18 PRESIDENT GULATI: We haven't had a
19 motion on the floor yet. Do we need a motion to
20 affirm these?

21 THE PARLIAMENTARIAN: It was made by
22 Mr. Edwards.

23 PRESIDENT GULATI: Mr. Edwards had
24 made the motion. Okay.

25 So we have a motion on the floor,

1 which is this, and now we've got your comment.

2 MR. EDWARDS: The reporter would like
3 Dave to give his name for the record.

4 PRESIDENT GULATI: And when you come
5 to the microphone, please give your name and
6 affiliation so we can record that.

7 MR. GUTHRIE: Dave Guthrie from
8 Indiana. Forgive me.

9 PRESIDENT GULATI: Okay. Peter.

10 MR. MARIAHAZY: Thank you,
11 Mr. President, I would also like to offer an
12 amendment. The adjusted policy, as approved by
13 the board yesterday, ends with "Upon request and
14 approval of the state secretary general." I
15 would like to change that to the "state
16 association." And the rationale for that is, as
17 we all know, the state associations currently are
18 responsible for coaching education; have very
19 specific and strong requirements that they have
20 to meet in relation to quality, including
21 directors of coaching with an A license, which is
22 included in some of the other motions, have
23 invested quite a bit of time and resources, and,
24 quite frankly, are the extension of the
25 Federation for coaching education in their



1 states.

2 Finally, the state associations are
3 much more familiar with the needs within the
4 state and can help guide that coaching education
5 to achieve the quality you look for.

6 So I would also offer an amendment to
7 change that with the review and approval of the
8 "secretary general" to the "state association."

9 PRESIDENT GULATI: So since it sounds
10 like we're going to have multiple amendments, why
11 don't we get the parliamentarian up here to guide
12 me through this part. So we have -- hang on,
13 Kevin, we have a proposed amendment to start
14 with.

15 So just on the first amendment,
16 Mr. Edwards, are you accepting that as a friendly
17 amendment? And can we do that by general
18 consent, or do we have --

19 So --

20 MR. EDWARDS: That is not the
21 reflection on the --

22 PRESIDENT GULATI: Okay. So we're
23 going to -- so we have a formal amendment on the
24 floor to change members, "or their members," to
25 strike the words "or their members." So let's

1 deal with that first, and then we'll come back to
2 Peter.

3 So all we're commenting right now on
4 is on the proposed amendment which is "or their
5 members."

6 Mr. Payne, are you addressing that
7 issue?

8 MR. PAYNE: Just one amendment or
9 both?

10 PRESIDENT GULATI: Just the first one
11 for now.

12 MR. PAYNE: Well, yes. On behalf of
13 U.S. Club Soccer, we oppose the amendment. And
14 we don't believe it's necessary. We think the
15 fact that the secretary general has the approval
16 process is sufficient to satisfy the concerns.

17 PRESIDENT GULATI: Okay. Does anyone
18 else want to speak to the amendment to strike the
19 words, "or their members."

20 Okay. So hearing none, we'll put
21 that to a vote. And let's do this
22 electronically. And it's a 51 percent issue on
23 the -- the amendment is on the page that you have
24 in front of you or the original, on Item B, to
25 strike the words "or their members" in the

1 sentence that starts "other organization members
2 or their members." So we will be striking the
3 words "or their members." It's the only thing
4 that's on the floor.

5 So if we can open up the voting: yes,
6 if you are in favor of that amendment; no, if you
7 were opposed to that amendment. We'll start the
8 voting now.

9 MR. KEPNER: Begin voting now.

10 PRESIDENT GULATI: Five, four, three,
11 two; three, two, one. So, the words "or their
12 members," when I said it took 51 percent, you
13 don't have to hit it exactly. That language is
14 stricken.

15 And we are now, then, at a second
16 comment. And, Peter, are you now coming back and
17 making that a formal amendment, a second
18 amendment. Right?

19 MR. MARIAHAZY: I am. My motion for
20 an amendment is "Upon request and approval by the
21 state association."

22 PRESIDENT GULATI: Okay. So we have
23 a second amendment being proposed that would
24 strike the words "secretary general" and replace
25 them with state association.

1 Mr. Collins, speaking on that
2 amendment.

3 MR. COLLINS: John Collins from AYSO.
4 And we would speak against this amendment. The
5 sentence is added just to help us get more
6 coaches, and more coaches licensed, so that's
7 fabulous, but we also need quality control. And
8 for the approval of this, to have it come through
9 one central location, the secretary general,
10 which will have cleared methods and policies and
11 procedures for doing so, is the way to ensure the
12 quality control. And we can't have it being
13 judged by 55 or 108, whatever organizations doing
14 it, so for that reason I believe -- and there's
15 some other reasons, but I think that's the
16 primary reason, that it has to be centralized
17 through the secretary general.

18 PRESIDENT GULATI: Okay. Anyone
19 else? Yes.

20 MR. JENSEN: Thank you. Rich Jensen,
21 South Dakota Youth.

22 And I would speak for the amendment
23 that we are not going to take away any quality
24 control. Actually, I think it would add more to
25 it, and to remain with the state associations



1 that is now, helps us as we are held to certain
2 standards already to maintain that standard
3 within the state, no matter whom we're serving.

4 PRESIDENT GULATI: Anyone else?
5 Mr. Payne.

6 MR. PAYNE: Kevin Payne, U.S. Club
7 Soccer.

8 I also speak against the amendment.
9 I concur 100 percent with the issues that John
10 raised. There is nothing in the rules that
11 supports the contention that this is a special
12 responsibility for the state associations. That
13 issue was resolved in 2008. These
14 responsibilities are those of all Federation
15 members. And this is a Federation program. It's
16 not a state association program, either singly,
17 or collectively.

18 We believe that the Federation should
19 set the agenda for the coaching instruction
20 process, and it should be carried out by all
21 Federation members subject to the approval of the
22 secretary general. That's the best way to scale
23 this process, and it's the best way to avoid any
24 internal politics. Thank you.

25 MR. GUTHRIE: Dave Guthrie, Indiana.

1 I speak in favor of the amendment.
2 Again I believe that we can trust that the closer
3 we give decisions to the grass roots, the better
4 that decision will be. To have a national
5 decision-maker that's not aware of what's
6 happening in that local area, we then circumvent
7 or we disallow that intellect, that knowledge, of
8 what's happening at the grass roots to be voiced.
9 So again, I would speak in favor of the
10 amendment.

11 PRESIDENT GULATI: Anyone else?

12 MR. SQUILLARIO: Roy Squillario, New
13 Jersey Youth Soccer.

14 I'm in favor of the amendment,
15 because there are 50 states, and 50 different
16 state statutes. I don't know if the Board is
17 aware, but the current national youth F license
18 that you put out on your web is not valid in New
19 Jersey. It does not comply with the New Jersey
20 state statute. So you've really got to have
21 state associations involved in these decisions;
22 you can't have a single control.

23 Sunil, you mentioned earlier, you
24 want to look at the organization to be agile and
25 change. Having single control in Chicago is not

1 an agile organization. It's a bulky, very slow
2 organization. Having it locally in the states
3 makes it more agile. Thank you.

4 MR. FALCONE: Mr. President, Anthony
5 Falcone from Maryland Adults.

6 Point of clarification, we had two
7 amendments put on the floor at the same time.
8 The current amendment that we're looking at here,
9 can we -- which section is it?

10 PRESIDENT GULATI: So, we're looking
11 at Policy 102.3.1, the first amendment struck the
12 words "or their members" from the document.

13 MR. FALCONE: Right.

14 PRESIDENT GULATI: That's already
15 dealt with. The second amendment is to change
16 the last two words in section B from secretary
17 general to state associations. That's the only
18 one we're dealing with now.

19 MR. FALCONE: On the -- it's on the
20 sheet.

21 Okay. So if I understand correctly,
22 the maker of the motion is asking that instead of
23 the secretary general approving other
24 organizations' requests that that go to the state
25 associations. I want to make sure that they

1 understand that the first part of that section
2 already authorizes the state associations to be
3 the coaching directors to conduct their sports.
4 So I'm trying to understand what is the point of
5 their request, as it's written right now.

6 PRESIDENT GULATI: We're going to ask
7 the maker of the motion to address that issue.

8 MR. FALCONE: The authority's already
9 given to the state associations, and this is
10 giving authority to other association members,
11 through the secretary general.

12 PRESIDENT GULATI: Okay.

13 MR. MARIAHAZY: Absolutely. Peter
14 Mariahazy, maker of the amendment.

15 The reason for that is that the state
16 associations are required to have a technical
17 director or director of coaching with an A
18 license who is responsible for quality control
19 within the state, as was mentioned earlier, and
20 is familiar with state law as is applicable.

21 Quite frankly, I agree that we need
22 to have it locally facilitated and guided as
23 opposed to -- and I don't want to use the word
24 control of the state level. It's just that it
25 has a better understanding of what the needs are



1 within that specific marketplace.

2 The target and specific delivery of
3 coaching education -- and, for example, Southern,
4 California, will be different than in Florida,
5 and perhaps, different than in Rhode Island. The
6 state associations are given very specific
7 requirements to fulfill as far as referees, as
8 far as involvement in that process, as well as
9 coaching education, as far as having the
10 technical directors or directors of coaching. So
11 it seems to make sense to that. The secretary
12 general is a very capable and able individual;
13 however, it seems as though this would fit better
14 to more closely meet the needs of that
15 marketplace, and we already, as state
16 associations, have those responsibilities
17 currently.

18 MR. SCRIVEN: Craig Scriven, USSSA.

19 I speak against it. I represent the
20 grassroots level. They need the coaching
21 education. They need to be able to put on these
22 clinics, and with the revamp of the coaching
23 education program coming from the national
24 governing body, I think the national governing
25 body is in a good place, where the secretary

1 general can approve the coaching courses.

2 Also, I speak as a college coach. We
3 don't see any players getting developed at a
4 certain level, and it comes from coaches not
5 being able to teach those players at the younger
6 ages. So we need to have more coaching courses
7 out there. We need to have the ability to have
8 them at all levels.

9 Thank you.

10 PRESIDENT GULATI: Thank you. Anyone
11 else?

12 Okay. So we have a motion with an
13 amendment on the floor, which is to strike the
14 word "secretary general," replace them with
15 "state association." I think it's pretty
16 straightforward. So we'll put that to a vote.
17 It's 1, if you support the amendment to strike
18 secretary general and replace it with state
19 association; 2, if you don't. The clock starts
20 now.

21 MR. KEPNER: Five, four, three, two,
22 one, stop.

23 PRESIDENT GULATI: So that amendment
24 fails. And the decision-making about other
25 organization members' approval would still be

1 through the secretary general.

2 Now we will take -- anything else on
3 the main policy, to affirm the policy itself,
4 which has been moved by Mr. Edwards, as amended
5 by the, striking the words "or their members."

6 Any other comments on that?

7 All right. We will then vote to
8 affirm that policy. Yes, if you wish to affirm
9 that, that's 1; no, if you wish to not affirm
10 that. And that's 2.

11 MR. KEPNER: Five, four, three, two,
12 one. Stop.

13 PRESIDENT GULATI: That's approved.
14 Thank you.

15 We're then on to Policy 213,
16 mandatory liability insurance from Mr. --
17 proposed by Mr. Groff. This was approved by the
18 Board in February 2014. Do we have a motion to
19 adopt this?

20 UNIDENTIFIED SPEAKER: So move.

21 PRESIDENT GULATI: So moved,
22 Mr. Groff and a number of others. Any comments
23 on this one? Any opposition to this one?
24 Hearing none, we'll approve that unanimously,
25 thank you.

1 And finally, we have a series of
2 policies that were affected by the last document,
3 and you will see that in your book, proposed
4 amendments to referee policies, and those are
5 policies 531-1,-2,-3,-6,-7,-8,-9,-10,-11.

6 And that was proposed by the Referee
7 Committee and approved by the board earlier last
8 year.

9 Do we have a motion to adopt those?

10 MR. EDWARDS: So move.

11 MR. CHRISTOFFERSEN: So move.

12 PRESIDENT GULATI: Mr. Edwards and
13 others.

14 Comments on those? Any opposition to
15 that set of policies? If not, we will approve
16 those unanimously. Thank you. We are done with
17 the policy section -- proposed amendments to
18 Federation policies.

19 Next on the agenda is Foundation
20 Board of Directors. As you will recall, we have
21 four positions up, and so we will take
22 nominations for the four. And our rule here is
23 that the entire council votes on those, but that
24 each of the four main groups that Mr. Kepner
25 outlined earlier must be represented. So you



1 must have an affiliation with the pro game, the
2 adult game, the youth game, or with the athletes'
3 representation here, to be nominated to fill that
4 particular spot, but there could be multiple
5 candidates, in theory, from any of that, any of
6 those particular groups.

7 So we are open to nominations.

8 Hopefully, the councils have not
9 forgotten this was happening today.

10 John Motta.

11 MR. MOTTA: John Motta, Chair of the
12 Adult Council. It's my honor that I would like
13 to place the nomination of Gianfranco Borroni to
14 represent the Adult Council.

15 PRESIDENT GULATI: Thank you. Mr.
16 Borroni nominated to represent the Adult Council.
17 Mr. Garber.

18 MR. GARBER: Sunil, on behalf of the
19 Professional Council, I would like to nominate
20 JoAnn Neale. JoAnn has been with Major League
21 Soccer for 17 years, and runs MLS Works, and has
22 been on the Foundation Board for several, and an
23 active member of the Foundation and a very, very
24 passionate supporter of all the great work done
25 by the Foundation.

1 PRESIDENT GULATI: Thank you. JoAnn
2 Neale on behalf of the Professional Council.

3 John Sutter.

4 MR. SUTTER: John Sutter, President
5 of the Youth Council.

6 I would like to place the name of
7 David Messersmith into nomination. David is a
8 former U.S. Youth Soccer president, former Youth
9 Council president, long-term member of the
10 Foundation board and has served it admirably, as
11 he has those other organizations, and I would
12 like to put his name into nomination. Thank you.

13 PRESIDENT GULATI: Jeff.

14 MR. AGOOS: Jeff Agoos, Chair of the
15 Athletes Council. The Athletes Council would
16 like to nominate Juergen Sommer. Juergen is a
17 former national team goalkeeper and is currently
18 the head coach for Indy Eleven.

19 PRESIDENT GULATI: Thank you. So we
20 have at least one nominee from each of the four
21 councils.

22 Any other nominations?

23 MR. RUBENSTEIN: Close the
24 nominations.

25 PRESIDENT GULATI: Close the

1 nominations. Thank you. I'm going to assume
2 that all four of those candidates are -- have
3 accepted the nomination, and if so, we will
4 approve them all by unanimity. Thank you.

5 Congratulations.

6 (Applause.)

7 PRESIDENT GULATI: Next, on the
8 business, we have -- we'll take nominations for
9 our independent directors. As you know, seven
10 years ago, we added independent directors to our
11 board. Two of those slots are up, and I'm going
12 to put into, the name -- put into nomination the
13 names of Carlos Cordeiro and Fabian Nunez.
14 Fabian is not here today, but both have been very
15 active and helpful as we move forward, starting,
16 in one case, five years ago and the other case,
17 six years ago.

18 So I would like to put their names
19 into nomination.

20 MR. EDWARDS: Move to close
21 nominations.

22 PRESIDENT GULATI: Any other
23 nominations for independent directors?

24 I have a motion to close the
25 nominations from Mr. Edwards. We'll do that.

1 And welcome back, Mr. Cordeiro and
2 Mr. Nunez. Thank you.

3 (Applause.)

4 PRESIDENT GULATI: We are now at the
5 information for our next AGM, which will be in
6 San Antonio, next year the 25th through the 27th.

7 And it's not, obviously, around this
8 time, but we are playing in San Antonio in April
9 with the Men's National Team in a stadium of
10 63,000 people. That game is sold out as of
11 yesterday, and it is certainly the first time
12 since 1994 that we have sold out a large stadium
13 with a national team game this far in advance.
14 So well done for that game and well done to San
15 Antonio which will be hosting us next year.

16 And thank you, San Antonio and Texas,
17 South Texas.

18 (Applause.)

19 PRESIDENT GULATI: With that, I
20 certainly also want to thank our two state
21 associations here in Cal North, in both the adult
22 and youth level, for hosting us. It has been a
23 spectacular couple of days, and we're sure the
24 rest of the stay will be equally good.

25 Let's just go to then another video.



1 (Video shown.)

2 (Applause.)

3 PRESIDENT GULATI: Thank you.

4 We are near the conclusion of the
5 meeting. We are at the Good of the Game, and
6 normally, I save my comments on Good of the Game
7 for last, but today, I'm going to start. And
8 then we've got a couple of people that have asked
9 for specific time, and we will do that first.

10 We recognized earlier people that we
11 had lost in the last year.

12 We lost a board member in the last
13 year, Chairman of the Athletes Council. And
14 along the way in this game -- and this stands
15 true for all of us -- we meet people who've had a
16 huge impact, whether it's on ourselves or on the
17 sport.

18 And Jon fits that in so many
19 different ways, as a sitting board member, in
20 service to the country, in service to the sport.

21 And I would rather have Jon's words
22 speak for what he was all about. And he wrote me
23 an e-mail, when he found out that he was very
24 sick.

25 "Dear Sunil, I hope this finds you

1 personally doing as well as possible. Amazing
2 things are happening in U.S. Soccer.
3 Unfortunately, I need to share some personal news
4 with you that has been part of the many
5 conversations we've had in the past. As my
6 friend in U.S. Soccer, in regards to this, and
7 many other topics off the pitch, this one never
8 gets easier. Your guidance means a great deal to
9 me, particularly, when cancer has been something
10 that has hurt both our families and soccer
11 families as a whole. Within the last month, I
12 have been diagnosed with Stage 4 esophageal
13 cancer that has already spread to lungs, liver,
14 and lymph nodes. Although devastated initially
15 with such short notice, I am extremely optimistic
16 and positive about my prognosis and upcoming
17 battle. Confident that I will have many
18 victories. It's hard to have friends to trust
19 that I share these feelings with, not an easy
20 thing to talk about" -- and then a number of
21 other personal things.

22 "I do feel at this time, after
23 talking with my medical teams, that I can
24 continue to be actively engaged with all my
25 responsibilities in the leadership of our sport.

1 Even reexploring my personal involvement to
2 elevate our actions as a sport confronting the
3 issue, at the same time, disclosing to all who
4 are part of the team, yet returning to the most
5 important action item that I continue to take on,
6 take this on, and get stronger."

7 Jon, a few weeks later, passed away.
8 And he knew he was very sick and still was
9 thinking about how to make the sport better. A
10 service person in the U.S. Coast Guard, head of
11 the Athletes Council, and in so many ways, an
12 inspiration. He was a Paralympian, and in so
13 many ways, an inspiration for all of us that got
14 to know him. So I certainly want to recognize
15 him, and turn the floor to Eli Wolff, who was a
16 dear friend of Jon's and member of our paralympic
17 effort as well. Eli.

18 (Applause.)

19 MR. WOLFF: Thank you so much, Sunil.

20 Jon was my closest and best friend,
21 so it's very sad, but he had an amazing life
22 mission and a purpose, and he always shared it
23 with all of us, and his message was "Share the
24 love." He would always say, "Share the love" as
25 a player. He would come to the field, say "Share

1 the love." And then when he was out there as a
2 humanitarian, promoting the good of the sport,
3 promoting the power of soccer, he would always be
4 "Share the love."

5 So I thought that perhaps as a way to
6 think about him, to remember him, we could
7 altogether, just for a moment, go "Share the
8 love."

9 So, 1, 2, 3, "Share the love."

10 Thank you-all so much and thank you,
11 Sunil.

12 PRESIDENT GULATI: Thanks, Eli.
13 (Applause.)

14 PRESIDENT GULATI: First word for
15 Jon, and the last word would be for Cal North in
16 a little bit. But anyone else that wants to
17 address any issues under the Good of the Game,
18 this is the time.

19 Please identify yourself for our
20 official record.

21 MR. PIAZZA: I'm Pascal Piazza, Texas
22 South.

23 We lost a giant of a game when we
24 lost Milton Aimi, who passed away this last month
25 after a long debilitating illness. Milton was,



again, one of the giants of the game. He grew the game in North Texas, South Texas, and throughout the country. And I just want everybody now to again, to have a moment of silence to thank Milton, because we would not be here if Milton were not here and gave all he gave to this great game.

(Moment of silence.)

MR. PIAZZA: Thank you. And look forward to having everybody in San Antonio next year.

(Applause.)

PRESIDENT GULATI: Thank you. Anyone else on the Good of the Game. Anyone else back there? I'm sorry? Yes? No? Anyone else? John Sutter.

MR. SUTTER: Yes, Sunil.

Evelyn Gill has served as the vice-president and now the vice chair of U.S. Youth Soccer for many, many years, and she's not seeking reelection this summer, so this will be her last AGM, with U.S. Soccer, at least in the position of responsibility for U.S. Youth Soccer. She has been a fixture at these meetings and with U.S. Youth Soccer, and I would like to

acknowledge the work that she's done on behalf of our sport.

(Applause.)

PRESIDENT GULATI: Anyone else from the Board? We're good?

Bob Kepner.

MR. KEPNER: Jon McCullough was a member of the Credentials Committee, and the thing I remember the most about him is that every meeting, he always had a smile on his face. A great contributor, very positive all the time. A level of energy, he would arrive at meetings, hurrying in, participate, hurry out, go to something, come back.

So he's a real loss.

There's another person who was a staunch member of the U.S. Soccer family, a small man. Even smaller than I am. That's Don Gurney. Many of you will remember him. He also died this year. We got to know Don in the youth ranks, in Region 3, from Florida. Another man who showed enormous devotion and enormous attention to detail, cared as much as anybody could possibly care, particularly, for young kids.

And so I will miss Don, I'll miss

Jon. And I assume that all of you who knew both gentlemen will feel the same way.

(Applause.)

MS. PUGLIESE: Dyann Pugliese, Michigan.

I would like to take the opportunity to thank this entire national body for the support we've received from you this last summer, when we had the death of a referee in Michigan. Many of you contributed to the funding account. In Michigan, we have established the John Bieniewicz Sportsmanship Award, where teams will be identified for their good sportsmanship, but our award is going to be determined by the referees -- not the players, the coaches, or the managers, the leagues -- the referees of our state will determine the Sportsmanship Award. So, again, thank you for your support. And, Mike, thank you for coming to the awards ceremony.

(Applause.)

PRESIDENT GULATI: Anyone else? Seeing no one else, the last word, Cal South -- Cal North. Sorry.

MR. ZOPFI: Thanks, Sunil. Pete

Zopfi, from Cal North.

We really appreciate the opportunity to host everyone this weekend. I think the weather may have had a little effect on the vote for Hawaii, but I could be mistaken.

We appreciate the opportunity to share with you a real true Good of the Game, something that's been with us, and we've worked with for over 30 years, and I know a lot of other state associations have done the same. And really my words aren't necessary. I think the little video we're going to show you will really leave you with a nice warm feeling as you end the day.

(Video shown.)

(Applause.)

PRESIDENT GULATI: Ladies and gentlemen, that brings us to the end of our business for the day.

And I want to again thank you for your support of the game, love of the game, and your service to the game, and for this weekend.

And with that, I will accept a motion to adjourn the meeting and see you tonight for the game.



1 MR. EDWARDS: So move.
 2 PRESIDENT GULATI: So moved. Enjoy
 3 the rest of your day. Thank you.

4 MR. KEPNER: You can leave the
 5 keypads where they are. Members of the staff and
 6 committee will pick them up.

7 (Adjourned at 9:23 a.m.)
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REPORTER'S CERTIFICATE

1 I, DEBRA K. RESLING, RMR, and Certified
 2 Realtime Reporter appointed to take the meetings of
 3 the U.S. Soccer Federation, do certify that the
 4 within proceedings of the National Council meeting
 5 were taken by me stenographically in San Francisco,
 6 California, on February 14, 2015 then reduced to
 7 typewritten form consisting of 67 pages herein; that
 8 the foregoing is a true transcript of the proceedings
 9 had.
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In witness hereof I have hereunto set my hand
 this 5th day of March, 2015.

18 _____
 19 Debra K. Resling, CSR, CRR, RMR
 20 Registered Merit Reporter
 21 and Notary Public.
 22 4 Cheyenne Blvd.,
 23 Colorado Springs, CO 80905
 24 My commission expires February 28, 2017
 25





Section III

The Book of Reports

REPORT OF THE PRESIDENT

As we reflect on the second consecutive year in which a team from U.S. Soccer took center stage in the hearts and minds of fans across the nation, there is a tremendous amount of pride for the achievements at all levels of our sport in 2015.

No international team in the world was as dominant as our Women's National Team, which added a third star to its jersey by winning the 2015 FIFA Women's World Cup in Canada. In our record eighth-consecutive World Cup appearance, the WNT shut down the competition, at one point holding opponents scoreless for a record 540 consecutive minutes. The team left no doubt about who was the team to beat all the way to the final, earning a rematch with Japan from four years earlier. More than 25 million people tuned in for the epic contest, making the final the most watched soccer game – men's or women's – in U.S. television history.

It was a tournament highlighted by unforgettable moments, punctuated by Carli Lloyd's first-half hat trick in the Final that sent the world into a frenzy and delivered the United States a 5-2 victory. Lloyd earned the World Cup Golden Ball, Hope Solo the Golden Glove, and both joined Julie Johnston, Meghan Klingenberg and Megan Rapinoe on FIFA's World Cup All-Star Team. The championship earned the WNT accolades across the country, including an historic ticker-tape parade in New York City and a visit to the White House.

Both Lloyd and our head coach Jill Ellis were deservedly recognized by FIFA in their year-end awards, with Lloyd earning the distinction of FIFA World Female Player of the Year and Ellis the FIFA Women's Coach of the Year.

The team continues to press on and seeks to become the first ever to follow up a World Cup title with an Olympic Gold Medal. We now know that they will do so without four players that have helped define U.S. Soccer greatness during the last decade. Abby Wambach, a U.S. legend, World Cup winner, Olympic Gold medalist and the leading scorer in the history of international soccer, announced her retirement and played her final game on Dec. 16 in New Orleans. Abby was as fierce a competitor as we've ever seen in the game. She willed the U.S. to numerous victories, all the while serving as a role model and a leading voice for women's sports. Shannon Boxx, Lauren Holiday and Lori Chalupny also went out on top. Boxx set an example for so many of the players that have followed in her footsteps, while Holiday closed out her 10-year career following up a year where she was the U.S. Soccer Female Athlete of the Year with the World Cup title, and Chalupny finished as just one of 33 players to have earned 100 WNT caps.

While we said goodbye to those pieces that were so key to the World Cup puzzle, we extended the contract of our coach Jill Ellis. She met the challenge and expectations that we had for the team, responding with a victory in perhaps the most difficult Women's World Cup in history. As we look ahead to the Olympic Games in Rio and build towards the 2019 World Cup in France, we're confident that Ellis is the ideal person to lead the next generation.



During a year of transition with the Men's National Team, head coach Jurgen Klinsmann continued to work to build upon the success from the 2014 World Cup in Brazil, ushering in fresh faces and testing talent that will be the foundation for the squad as we seek to qualify for the World Cup for the eighth consecutive time. We continued to challenge ourselves against the best in the world, often with impressive results. Following a draw against 12th ranked Switzerland in Zurich, the team pulled off consecutive upsets against sixth-ranked Netherlands in Amsterdam before shocking reigning World Cup champion Germany. In both of those games, the game-winning goal was scored by 23-year-old forward Bobby Wood, a young talent that epitomized the youth movement last year that also included 24-year-old Gyasi Zardes and 22-year-old DeAndre Yedlin, the duo tied for the team lead in games played in 2015.

There were shining moments for our veterans as well with Clint Dempsey scoring seven goals in the Gold Cup to earn the Golden Boot, Brad Guzan earning the Golden Glove as the tournament's top goalkeeper and Michael Bradley earning the 100th cap of his career.

In sports there is often more that can be learned from defeat than from victory, and those moments must be used as an opportunity for growth. Our goal was to win the Gold Cup and we did not accomplish the task. We battled Mexico to the bitter end in Pasadena in the CONCACAF Cup, providing a thrilling match if not a satisfying result for the 93,000 fans packed in The Rose Bowl. The sheer number of U.S. fans in the stadium that day highlighted ever increasing passion and commitment of our supporters. We thank them for embodying what it means to be 'One Nation, One Team.'

Now our sights are set on Russia and the 2018 FIFA World Cup. We want to go further in the next tournament than ever before, but first we have to get there. For the third straight cycle we started our qualifying campaign with a win, and we did so in front of a record crowd in St. Louis. The Road to Russia will be a long one, but we're confident we have the pieces to lead another successful campaign.

The U.S. Men's National Team will embark on another challenging schedule of matches in 2016 as qualifying for Russia continues. The summer will be highlighted by the prestigious Copa America Centenario, when we will partner with CONCACAF, CONMEBOL and SUM to host the tournament that will celebrate the 100-year anniversary of the famous South American Championship. It is the largest men's soccer event held in the United States since the 1994 World Cup, and we are excited to show the world once again that we can host a world-class event that showcases some of the strongest soccer nations in the world.

We now know what stands between the U-23 Men's National Team and the 2016 Olympics. The marquee moment will now come in March with the home-and-away playoff against Colombia for the final spot in the 2016 Rio Games.

Across the Youth National Teams, we have looked to prepare more key pieces that we are confident will define the future of our sport. The U-20 Men's National Team, under



the leadership of head coach Tab Ramos, went on a run in the U-20 World Cup in New Zealand, advancing to the tournament quarterfinals before being outlasted by eventual champion Serbia in a penalty shootout. Seven players from that roster have already made an impact at the next level with the U-23 MNT, and two have earned caps with the senior team, including Matt Miazga who debuted in the MNT's World Cup Qualifier against St. Vincent and the Grenadines. The U-17 MNT also fought through a qualifying campaign where they rose to the occasion, defeating Jamaica in a critical match to earn a spot in the U-17 World Cup in Chile. The team, however, did not live up to our hopes when they were not able to advance out of the first round of the tournament. At the U-15 Boys' National Team level, first year head coach John Hackworth guided the squad to a title in the renowned Torneo delle Nazioni in Italy. There the U.S. beat the hosts Italy and Austria, on its way to hoisting the trophy.

For the Federation, player development continues to be one of its highest priorities. We strive to find and develop the top youth talent that we can grow into being the world class players of the future. This past year, the Development Academy completed its eighth season. Since its inception, soccer has exploded in growth across the country, and with the level of competition rising every day, the Academy is producing positive results that can be visible at all levels of our National Teams. To date, 16 former Academy players have earned at least one cap with the Senior Team. Influencing and impacting development at an earlier stage is another important component, and U.S. Soccer will expand to include an Under-12 age group to the Development Academy program beginning in the fall of 2016.

U.S. Soccer is filling out Youth National Team programming with the addition of U-16 and U-19 National Teams, which will both take the field in 2016. These additions create two separate programming tracks for even-birth-year players and odd-birth-year players, allowing for a more streamlined player development pathway and additional opportunities for players to participate.

Perhaps our most important initiative was the launch of the Recognize to Recover (R2R) platform, an unprecedented and comprehensive series of directives, guidelines, and education tools designed to educate all of our constituents on the best practices for player safety. We are confident that as the R2R program grows it will serve as a model to all sports that seek to take all measures to promote safe play for their participants.

Major League Soccer continues to show impressive growth on the field and at the box office, while the NASL contributed its first player to the National Team since its relaunch in 2011, further demonstrating its progress, and the United Soccer League expanded both the number of clubs and its growing relationship with MLS, providing yet another pathway to professional success. The National Women's Soccer League broke new ground with another record-setting year. Overall, the NWSL saw more than 450,000 fans pass through the turnstiles in year three, increasing its average attendance by nearly 1,000 fans per match from 2014. In the end it was FC Kansas City that defended its title in a rematch against Seattle Reign FC, adding another trophy with a 1-0 victory.



The foundation of the Federation lies with our member organizations in the youth and amateur ranks, and we are continually marveled by the important work done by USYS, USASA, AYSO, U.S. Club, SAY, and their membership. Driven and motivated by the love of the game, these and all of our affiliates have a significant role in our future achievements.

Any and all of these successes are born from the hard work, dedication and commitment of our players, coaches, fans, referees, administrators and parents. Your passion remains the lifeblood of this organization, and we look forward to another fruitful year of growth and development in 2016.

Sincerely,

Sunil Gulati
President
U.S. Soccer Federation



Report of the Vice President

In 2014, Brazil hosted the World Cup for the first time in more than six decades and it was hard to imagine a World Cup getting any better. And then we went to Canada. I spent the entire tournament with the FIFA delegation and traveled to all but one of the U.S. Women's National Team games. I have to commend Canada for putting on a fantastic show and being outstanding hosts. If I have to tell you how it turned out, you probably shouldn't have gotten the book of reports.

The tournament's expansion to 24 teams had predictable results, with a couple of teams getting a rude introduction to world class soccer. That usually occurs during a country's first World Cup appearance, but four years later the teams and players will be back much improved. If you check the results you will see teams such as Japan improved over time, moving from finishing last in their group to playing in two consecutive finals.

I attended eight of the 10 Victory Tour games and can assure you that no matter where we go with our world champions, the fans can't get enough. Hopefully, this interest will continue to advance women's professional soccer to the higher level in sports that it deserves, both in the United States and across the globe.

We continue to see a commitment to the development and improvement of referees. As Chairman of the Federation Referee Committee, I represent U.S. Soccer as one of two board members on the Board of Directors that oversees the operation of the Professional Referee Organization (PRO), as well as attending the committee meetings and referee workshops at the USYSA and USASA national meetings.

I attended two national council meetings of the United States Youth Soccer Association (USYSA) and took in a balmy July afternoon in Tulsa for the National Championship Series finals. I also attended the AYSO NAGM in Phoenix and the USASA Midyear Meeting and Hall of Fame Induction in Newport Beach.

On the professional side, the NASL and USL PRO demonstrated that the second and third division levels continue to prosper, which is great news as the footprint of professional soccer expands across the United States.

If you didn't see the NASL final between the New York Cosmos and Ottawa Fury, check out the highlights. In addition to the normal domestic coverage, which included the match being broadcast on ESPN3, the final was during an international break providing extraordinary international coverage with the retirement of Raul and Marcos Senna attracting world attention. The weather was great and over 10,000 fans were in attendance. Congratulations to Bill Peterson and the entire NASL staff for a well-staged event.

The USL has expanded to 30 third division professional teams as the brand continues to expand beyond any expectation 10 years ago. I also attended the United Soccer Leagues



annual owners meeting in December in Tampa, and was encouraged by the continued growth that we will see in the coming future, both in USL and the PDL. MLS Commissioner Don Garber provided his annual evaluation of the first division game at MLS Cup and shared good news about the record attendance and new franchises joining the league. The future looks promising.

The U.S. Women's victory at the FIFA Women's World Cup provided a positive impact on attendance in the NWSL, which also added a tenth team in Orlando City. I suspect that MLS clubs will continue to take a hard look at expanding their operations to include women's teams and a similar process will likely come from the USL as well.

At the close of the year, we got bad news that the W League, operating in its third decade, had elected to suspend operations for the 2016 season. While some of the remaining W League teams from 2015 will find a place to play in the new United Women's Soccer League, I think we need to work to create a national footprint for a post-college women's amateur soccer competition. That type of competition can serve both as a place for women seeking a high level of play after college, as well as serving as an incubator for possible locations that want to join the women's first division league.

To continue on a theme from my report last year, I think the Federation needs to continue to increase youth participation in the game. We're not shorting our investment in youth soccer relative to safety, coach and referee training, and the Development Academy, all for players who are already in the system. I remain convinced that fishing in a pond of six million for World Cup players will be more productive than a pond with only four million members, the same level we've had for more than a decade.

In addition to serving as Vice President of U.S. Soccer, I also serve on the FIFA and CONCACAF Disciplinary Committees. In those roles I served on the FIFA committee for the Women's World Cup for 30 days in Vancouver. For the CONCACAF Committee I spent 14 days on the road for the traveling show around the CONCACAF Men's Olympic qualifying competition as it moved from Kansas City to Denver and Salt Lake City, taking a brief time out to attend the USASA mid-year meeting in Newport Beach. I also served on disciplinary committees for the Pan American Games and the boys Under-17 Men's qualifying tournament in Honduras. In addition to tournament duty, I also attended two committee meetings at FIFA's office in Zurich. I am also scheduled to attend the Women's Olympic qualifying tournament in Texas in February.

Lastly, I would like to thank several people on the Federation staff who make my life much easier. Linda Cardenas is simply indispensable and, Ryan Mooney, Rick Eddy, Rachel Lawrence, Adrian Garibay, Paul Marstaller, Tom King and Greg Fike make life very smooth in managing the referee and Open Cup Committees that I chair.

Sincerely,

Mike Edwards
Executive Vice President
U.S. Soccer Federation



Report of the CEO / General Secretary

On behalf of everyone at the U.S. Soccer Federation, welcome to San Antonio and the 2016 Annual General Meeting. The AGM is an important opportunity to reflect on the year's successes as well as its challenges, and discuss ideas amongst our membership as we continue to shape our shared vision for the future. What remains clear is that none of this would be possible without the dedication, skill and enduring commitment of everyone in the U.S. Soccer family, and we thank you for your effort as well as your support.

While the Federation spearheads many different areas of the sport – from coaching education to player development, referees to registration, governance to amateur and youth competition – the spotlight shines brightest on our senior national teams. This year, our Women's National Team seized the opportunity and captured the 2015 FIFA Women's World Cup, the third world championship in team history and the first since 1999. The success on the field was equaled by the support off it as fans streamed north into Canada and millions more followed on television and through social media. The performance of the WNT served as an inspiration to hard core fans and casual observers alike, earning praise and inspiration from President Obama and a White House visit.

The WNT now has its sights set on the 2016 Summer Olympics in Rio. Under the stewardship of head coach Jill Ellis – who was voted the 2015 FIFA Women's Coach of the Year – the team seeks to make history once again as they compete for a record-setting third consecutive Gold medal.

From a fan perspective, we continued to focus our efforts around the game-day experience in market, expanding the U.S. Soccer FanHQ concept and working with local partners to make these events truly a destination for visitors and locals alike.

2015 witnessed the first year for FOX as rightsholders for all of the FIFA events, the network being challenged to meet the bar set by ESPN during the 2014 World Cup in Brazil. FOX rose to the occasion and delivered a remarkable production that ultimately paid off when more than 25 million people tuned in to the Women's World Cup final, the highest-rated and most-viewed soccer event on record.

For the Men's National Team, 2016 is all about two major competitions as both World Cup Qualifying and the Copa America Centenario will test the U.S. against some of the world's best.

After doing our due diligence and being fully satisfied with the agreements in place, U.S. Soccer confirmed its role as host and Local Organizing Committee for the 2016 Copa America Centenario. In all ways, Copa America will be the most important and high-profile soccer event held in the United States since the 1994 World Cup and has the potential to be a huge platform for our sport in 2016.

Commercially speaking, U.S. Soccer is entering into uncharted territory. We have new, long-term commercial deals in place with our broadcast partners (FOX, ESPN and



Univision) as well as our most committed sponsor, Nike. In addition, we've re-committed to our marketing partner, Soccer United Marketing (SUM) for the next eight years. Cumulatively, these contracts are providing our organization with the financial security to make strategic investments for many years to come.

We continue to advance with unprecedented commitment to develop world-class players and coaches. In 2015, we worked together to make sweeping changes to our system in the realm of player development. With long-term success as the goal, we will begin to phase in new standards related to small sized fields that will better allow our younger players to develop an understanding of the game while expanding skills and technique on the ball.

2015 saw the launch of two new licenses that targeted both ends of the coaching development spectrum. The F License, designed for coaches working with players 8 and younger, was made available exclusively through U.S. Soccer's new online education platform, the Digital Coaching Center (DCC). In December, a pilot Pro Course was also launched. This course centered on the demands of coaching at the professional level with a strong emphasis on the individual needs of the course candidates. Double PASS, a Belgium company that specializes in talent identification systems, partnered with U.S. Soccer in early 2015 to evaluate select clubs in the Development Academy program. A task force comprised of amateur and professional club representatives helped U.S. Soccer's staff work with Double PASS to create a customized evaluation tool that accounted for the unique nature of the U.S. soccer landscape. The initiative allows for an objective analysis of Development Academy clubs to create player development benchmarks on par with international standards.

The explosion of the sport analytics field is an area that many professional Academies and clubs seek to utilize to provide information and statistics that can shape the programming and approach to developing elite youth talent on and off the field. The Academy has taken steps and made investments in the areas of tracking physical player data, capturing live video and conducting statistical game analysis, tracking cognitive skills and continue to explore other cutting edge opportunities with our top-level players. Coaching Education is a critical component to improving player development. In 2016, the Academy will require all registered assistant and head coaches to hold a minimum USSF B license and all Academy Directors must hold a USSF A License. To further develop coaches within the Academy Clubs, U.S. Soccer has created an Academy Director course focused on providing specialized education and resources for key leaders to improve the coaches and everyday environment within their club.

These and many other initiatives allow us to fulfill our core mission as stewards of the sport, and we are fully engaged in partnering with our membership to achieve our goals. Once again, we thank you for giving meaning to our motto: One Nation. One Team.

Respectfully submitted,

Dan Flynn
Chief Executive Officer / General Secretary
U.S. Soccer Federation



Appeals Committee

Committee Members

Michael Blackburn – Chair

Derek Arneaud
Steve Ballentine
Jennifer Bogan
Roy Carlson
David Crawford
Brian Darling
Stephen Flamhaft
Angela Hucles
Chuck Jacobs
Cobi Jones
Erin Langenwalter
Christian Lavers
Tiffany Millbrett
Siri Mullinix
John O'Brien
Cindy Parlow
Carlos Quinones
Claudio Reyna
Ellie Singer
Kathryn Sobrero Markgraf
Jim Tilley
Richard Yoder

Chris Baer
Alan Blinzler
David Borts
Adrienne Coffin
Gregory Dalby
Tony Falcone
Joe Foran
William Hummell
Will John
Alison Kocoras
David Laraba
Arthur Mattson
Heather Mitts
Joanne Neale
Alec Papadakis
Ross Paule
Sandy Rapaglia
Tiffany Roberts-Sahaydek
Danielle Slaton
Mike Sweeney
Eli Wolff
Kathy Zolad

Staff Liaison

Gregory Fike

Committee Objectives

- Continue to resolve appeals in a timely and consistent manner
- Continue to resolve requests for recognition of suspensions in a timely and consistent manner
- Continue to assist in risk management hearings for USSF national referees and the Development Academy
- Continue to offer educational opportunities regarding the appeals process to USSF's membership
- Conduct Appeals Workshops at State Association conventions and other Organization Member meetings when requested
- Continue, through the Staff Liaison, to assist Organization Members with drafting and revising of their manuals and policies on hearings and appeals at the local level
- Committee Chair and Staff Liaison to provide additional guidance to Committee members on the appeals process during the upcoming year



Key Outcomes

- From January 1, 2015 through January 1, 2016, the Appeals Committee, consisting of volunteer members including the Committee Chair, Michael Blackburn, has considered and decided ten appeals. These appeals are five more than considered over the previous twelve months.
- Of the appeals, six involved administrative violations, including team formation rules, recruiting rules, ethical rules.
- Of the ten appeals, four involved allegation of a coach assaulting or abusing a referee.
- Of the ten appeals, all of them included an argument from the appellant that there was a lack of due process, including issues involving the right to confront witnesses, the right to a hearing, the impartiality of the panel, the right to be represented at the hearing, the right to appeal and the right to notice of charges.
- Of the ten appeals, seven were upheld (and the organization was reversed), and three were denied. The percentage of upheld appeals is slightly higher than the last twelve months, when three of five appeals were upheld.
- In addition, the Committee rejected five appeals that were submitted because it lacked jurisdiction over those appeals.
- The Committee provides synopses of its decisions on the U.S. Soccer website. These can be found in the Resource Center, under “Legal”.

2016 Outlook

- The Appeals Committee will continue to resolve appeals and requests for recognition of suspensions in as timely a manner as possible, work on the process for risk management hearings and continue its educational efforts.

We would like to thank all the members of the Committee for their dedication to the appeals process and their hard work on appeals matters throughout the year.

Respectfully submitted,

Michael Blackburn - Committee Chair

Gregory Fike - USSF Staff Liaison



Athlete's Council

Committee Members

Jeff Agoos – Chair
Chris Ahrens- Vice Chair
Cindy Cone – Vice Chair
Carlos Bocanegra
Shannon Boxx
Stuart Holden
Angela Hucles
Will John
Cobi Jones
Kate Markgraf

Siri Mullinix John
O'Brien Heather
O'Reilly Leslie
Osborne Nick
Perera Christie
Rampone Tiffany
Sahaydak Becky
Sauerbrunn
Jonathan Spector
Lindsay Tarpley

Staff Liaison

Gregory Fike

Council Objectives

The goal of the Athlete's Council is to provide a voice for athletes of all levels within the U.S. Soccer Federation. Our mission is to continue to expand our impact at a local, national, and international level. We strive to stand up for the rights of all soccer athletes, create more opportunities both on and off the field, and expand the recognition and impact that all soccer players in this country can have – not simply those who wear the U.S. uniform.

In the past year, members of our council participated as Federation ambassadors on U.S. State Department trips and helped to raise money and awareness for various non-profit organizations and foundations around the country. We have also contributed to committees and task forces of the Federation, and have become much more visible within the United States Olympic Committee (USOC).

Each member of the Athlete's Council has had the honor of wearing the U.S. crest on his or her chest and we are proud of the fact that every senior U.S. National Team (Men's, Women's, Beach, Futsal, and Paralympic) has a representative within our council. At different points in many of our careers we have been represented by each of the councils within U.S. Soccer. We are aware of the hard work that each of their respective members put in and we look forward to working closely with them in the future as we continue to grow the game in an attempt to provide all athletes with a positive experience.

This understanding is essential as we participate on and work in conjunction with other councils within U.S. Soccer. We all love the "beautiful game" and continue to give back to promote and grow the game. Our members come to us from a variety of backgrounds. Current members continue to play the game professionally and internationally, including four members from the 2015 Women's World Cup champion team. Some are giving back to the game at the youth and collegiate levels through coaching and others are employed by professional leagues or are in broadcasting. We have members who work in education,



the psychology field, and in public relations. We look to draw on all of our individual experiences as we aim to develop leaders and increase our participation at different levels within the Federation.

Key Outcomes This Past Year

- Increased leadership participation in committees and task forces within the Federation, the USOC, at the State Department, and on various sport foundations throughout the country. We are committed to preparing our athlete leaders for more significant leadership positions.
- Organized a community outreach event in San Francisco at the 2015 AGM.
- Members participated in the 3rd annual Capital Soccer Classic put on by the U.S. Soccer Foundation.
- Developed a U.S. Soccer alumni database intended to reengage our athletes, connect our past to our future, build a strong athlete community, and keep our country's best soccer players involved in the game.
- Established a systematic approach by which former athletes may join the database.

2016 Outlook

In 2016, we seek to accomplish the following:

- Expand the alumni database to provide opportunities to help grow the sport.
- Identify opportunities to host a summit to discuss ways to strategically grow the game and give back to the community.
- Continue to engage with other councils, groups, and foundations – on both the local and national level – particularly as it relates to community outreach.
- Create and implement an Athlete's Council 101 presentation to be delivered in person to new council members and national teams in order to increase awareness and understanding of the Athlete's Council mission.

In closing, we would like to recognize each council, task force, U.S. Soccer staff member, and the Federation leadership, for their tireless support of our council and our sport. We appreciate the opportunity to represent the athletes and take part in this year's AGM. We look forward to participating in the continued growth and success of our sport.

Respectfully submitted,

Jeff Agoos – Athlete's Council Chair

Cindy Cone and Chris Ahrens – Athlete's Council Vice Chairs



Budget Committee

Committee Members

Carlos Cordeiro – Chair

Bob Abbott

Derek Arneaud

Walt Konopka

Arthur Mattson

Steve Meisberger

Danielle Slaton

Staff Liaisons

Dan Flynn

Eric Gleason

Marc Bahnsen

Committee Objectives

- Review, analyze and present the budget for the coming fiscal year to the U.S. Soccer National Board of Directors

Annual Report

The Budget Committee met in Chicago on November 19, 2015. The purpose of the meeting was to review the Federation's current financial position, projected FY'16 results and the proposed FY'17 Budget.

Chairman Carlos Cordeiro opened the meeting with an overview of the budget process and outlined the financial outlook for U.S. Soccer. Eric Gleason updated the Committee on the FY'16 year-to-date financials and projected year-end operating results, which are expected to be favorable to budget by \$18.1M for an operating surplus of \$17.7M.

Jay Berhalter then provided an overview of the strategic initiatives planned and implemented by U.S. Soccer that involve investing in sustainable programs focused on both the athlete and the fan. Mr. Berhalter expanded on these initiatives and emphasized improvements made in the Technical and Commercial areas to drive our business towards future success.

Marc Bahnsen then presented the proposed FY'17 Budget, which has a planned \$2.6M operating surplus and an overall surplus of \$4.7M. Mr. Cordeiro and Mr. Berhalter expanded the discussion to analyze the historical trends of our revenue streams and the forward looking outlook.

After summarizing the proposed FY'17 Budget, the U.S. Soccer staff addressed specific questions and comments from Committee members on the presentation. All inquiries were answered to the Committee's satisfaction.



Mr. Cordeiro reported that, after review and closed discussion, the Committee would recommend that the FY'17 Budget be presented to the Board of Directors for approval as proposed.

Walt Konopka moved to accept the FY'17 Budget as proposed, with a second from Danielle Slaton, and the Committee agreed unanimously to accept the FY'17 Budget.

The FY'17 Budget was submitted to the Board of Directors on December 6, 2015 at the meeting in Columbus, Ohio. It was accepted and passed pending the inclusion of a Non-Operating Revenue item of Extraordinary Income – Copa America now that the tournament is confirmed to proceed. This extraordinary \$15M line item increases the FY'17 Budget Non-Operating Surplus to \$17.2M and the overall, all-inclusive, surplus to \$19.8M

Respectfully submitted,

Carlos Cordeiro
Committee Chair

November 19, 2015 Committee Meeting attendees:

- Carlos Cordeiro – Chair
- Bob Abbott
- Derek Arneaud
- Walt Konopka
- Steve Meisberger
- Danielle Slaton
- Jay Berhalter
- Eric Gleason
- Marc Bahnsen



**United States Soccer Federation
Credentials Committee
Report for the 2015 USSF Annual General Meeting**

Committee Members

Bob Kepner – Chair, Darius Ejlali, Dimitrios Efstathiou, Clint Mathis, Kathy Zolad

Staff Liaisons

Marc Bahnsen, Greg Fike

At the Credentials Committee meeting held prior to the Annual National Council Meeting in San Francisco, California, on February 14, 2015 the following voting strength was agreed to:

Group	Number of Delegates
Youth Council	303
Adult Council	193
Professional Council	14
Athlete Council	8
Affiliate Organizations, Life Members and National Board of Directors	37
Total Actual Delegates	556

Required multiplying factors

Youth	1.00
Adult	1.57
Professional	21.64
Athlete	20.38
Affiliate Organizations, Life Members and National Board of Directors	1.00

Adjusted voting strength	Number of Votes
Youth Council	303
Adult Council	303
Professional Council	303
Athletes' Council	243
Affiliate Organizations, Life Members and National Board of Directors	37
Total Adjusted Vote	1189
Majority Vote	595
2/3 Vote	793

Respectfully Submitted,

Robert Kepner
Credentials Committee Chairperson



Disability Soccer Committee

Committee Members

Eli Wolff, Co-Chair
Derek Arneaud, Co-Chair
Margie Close
Amanda Cromwell
Laurie Fair
Lauren Gregg
Ken Gulmi

Jay Heaps
Matthew Krywonos
Annette Lynch
Ken Noll
Bob Riggs
Dominic Russo
Eric Westover

Staff Liaison

Greg Fike

Committee Objectives

- Promote and provide information on soccer programs for athletes with a disability
- Continue to represent soccer players with disabilities within U.S. Soccer
- Educate U.S. Soccer and its members about soccer players with disabilities
- Expand and develop strategies to identify new players for disability soccer programs
- Work on allocating funding for disability soccer programs
- Recruit more disability soccer programs to join U.S. Soccer

Key Outcomes and Recommendations

- Created process to request funding and equipment for disability soccer programs
- Further engaged relationship with USA Deaf Soccer
- Continued U.S. Soccer Player with a Disability Award
- Revised educational resource on disability soccer programs

2016 Outlook

- Continue to educate U.S. Soccer and broader soccer community about disability soccer and disability soccer programs
- Planning for strategic events and forums for disability soccer and also planning to better reflect disability-related engagement on par to other comparable NGB's (USA Hockey)

Respectfully submitted,

Eli Wolff and Derek Arneaud
Committee Co-Chairs



Lamar Hunt U.S. Open Cup Committee

Committee Members

Mike Edwards – Chairman

Todd Durbin– Division I Representative

Bill Peterson – Division II Representative

Jake Edwards – Division III Representative

John Motta – Amateur Representative

Siri Mullinix – Athlete Representative

Staff Liaisons

Adrian Garibay

Paul Marstaller

Committee Objectives

- Establish requirements and procedures for implementing the Lamar Hunt U.S. Open Cup Policies
- Make policy recommendations and revisions designed to improve the competitive nature and long-term success of the tournament
- Identify ways to increase the tournament's financial model
- Monitor procedures to ensure fair and equitable standards across all participating Divisions

2015 Summary

The tournament hosted the largest field of teams (91) in the competition's modern era (1995 to present), eclipsing the previous record of 80 (set the previous year). The expansion resulted in the largest number of amateur teams (44) in the tournament proper in the modern era, exceeding the previous record of 42 set the previous year. All Division I, II and III professional clubs participated in the tournament proper for the fifth consecutive year, resulting in the largest field of professional teams (47) in the competition's modern era (surpassing the previous record of 38 set in 2014).

Pairings from the first round onward were made on a geographic basis to minimize travel times and expense for the teams. Even with this provision, a number of clubs endured significant travel due to the concentration of Division II and Division III sides in the southeastern U.S.

Home venues were determined by random selection from among those teams that applied to host and whose venues met minimum standards.

The competition was conducted in a single-elimination, tiered-bracket format. A total of 44 amateur qualifiers came from five different entities:

- USL Premier Development League (19)
- USASA regional qualifiers (11)



- National Premier Soccer League (12)
- US Club Soccer (1)
- United States Specialty Sports Association (1)

Four teams competed in a Play-in Round on April 25th in which two clubs advanced to the tournament proper.

Forty-two clubs started at the first round on May 13, while the remaining amateur sides began play with 21 Division III (USL) teams one week later in second-round action (a total of 42 games, a modern record for a single round in Open Cup competition). The second-round winners and nine teams from Division II (North American Soccer League) were paired up for third round play May 27. Division I (Major League Soccer) clubs faced the third-round winners in the fourth round, held June 16-17.

In an effort to boost exposure for the tournament, U.S. Soccer broadcast an unprecedented 63 live streamed matches over ussoccer.com from the Play-In Round to the Semi-finals.

One of the most highly-anticipated Open Cup contests in the modern era outside of a Final took place in the fourth round when the New York Cosmos (NASL) hosted the new MLS side New York City FC attracting close to 11,500 supporters to Shuart Stadium. NYCFC took an early 2-0 lead but just as it looked like the MLS side would cruise to victory, the Cosmos pulled one back in the 65th minute to make it 2-1. The Cosmos poured on the pressure late and found the dramatic equalizer in the 90th minute. In the extra frame, NYCFC looked like they'd re-take the lead when they were awarded a penalty in the 97th minute, but Pablo Alvarez put his spot kick off the cross bar. Neither team could find the go-ahead goal and the match headed to penalty kicks. Cosmos' goalkeeper Jimmy Maurer played the hero in the shootout, stopping efforts from Ned Grabavoy, Patrick Mullins and Shay Facey before Hunter Gorskie slotted home the winning spot kick to give the Cosmos a 4-3 shootout win.

The other upset of the fourth round finished with first-year USL side Charlotte Independence taking down MLS side New England Revolution 1-0. All other 12 Division I clubs were successful in advancing to the fifth round, held June 30th and July 1st.

Some big performances highlighted the Round of 16 as four Quarterfinal participants emerged. Brazilian star Kaka scored in his U.S. Open Cup debut for Orlando City, 10-man Philadelphia Union pulled an impressive comeback. Dom Dwyer's four-goal outburst led Sporting Kansas City to a 6-2 rout of FC Dallas, while second-half goals on the Wasatch Front saw Real Salt Lake past the Portland Timbers. Additionally, both the New York Red Bulls and LA Galaxy won regional derbies to earn their first Quarterfinal appearances since 2011.



In the Quarterfinals, the Los Angeles Galaxy fell to rival Real Salt Lake while Sporting Kansas City defeated the Houston Dynamo 3-1 and Orlando City SC fell to the Chicago Fire by the same score. In dramatic fashion, the Philadelphia Union defeated the New York Red Bulls 4-3 in a penalty kick shootout.

In the semifinal round the Philadelphia Union advanced to the 2015 Lamar Hunt U.S. Open Cup Final with a 1-0 victory against the Chicago Fire at PPL Park courtesy of a second half strike by Sebastian Le Toux, the tournament's modern era scoring king. While Sporting Kansas City punched their ticket to the final with a 3-1 win against Real Salt Lake in front of more than 16,000 at Sporting Park.

The Final, held September 30 at PPL Park in Chester, Pennsylvania, saw Sporting Kansas City forward Krisztian Nemeth equalized in the 65th minute and midfielder Jordi Quintillà scored the winning penalty kick in the eighth round of the shootout to give Sporting Kansas City a 7-6 win on penalty kicks and the club's third Lamar Hunt U.S. Open Cup. A crowd of 14,463 was in attendance for the match at PPL Park.

The teams earning prize money as the clubs advancing the furthest from their respective divisions include: New York Cosmos (Division II); Charlotte Independence (Division III); and PSA Elite from the USASA (Amateur Division).

2016 Outlook

2016 will have for the fourth consecutive year the largest field ever in the competition's modern era (1995-present).

As in 2015, on the day following the completion of the round of 32, the sixteen winners (regardless of league affiliation) will be divided geographically into groups of four (but precluding teams who are affiliated with each other from being in the same group). A random draw will then be used to determine the two matchups within each group. The winners of the pairings from each group will subsequently face each other in the quarterfinal round. Each group will also be paired on a geographic basis with another group to pre-determine the matchups for the semifinal round. Should two affiliated teams reach the semifinal round and be scheduled to face each other, the matches will be re-drawn to avoid this outcome. U.S. Soccer projects the benefits from this shift in the process for determining matchup to be as follows:

- 1) Use of a random draw (adding an element of drama and a feature that could be widely followed and promoted) to determine the pairings for the round of sixteen;
- 2) A fixed bracket to project the matches remaining in the tournament through to the Final; and
- 3) A reduction in team travel in some cases.

Also, U.S. Soccer will actively manage the amateur qualifying process for the 2016-17 Lamar Hunt U.S. Open Cup. Benefits of this process to include:



- 1) A clear, identifiable path to affiliated teams, leagues, the larger U.S. Soccer family, and the general sporting public for reaching the Open Cup tournament proper;
- 2) The ability for U.S. Soccer to widely promote the amateur qualifying process and the teams participating in it;
- 3) A platform (i.e. the amateur qualifying process) allowing U.S. Soccer to widely promote the entirety of the Open Cup on a year-round basis (much like qualifiers for the FIFA World Cup allow for a two-year promotional lead-up to the big event);
- 4) Elimination of a major burden from local, state, regional and national amateur administrators to organize competitions at multiple levels; and
- 5) A centrally-managed roster approval process across all amateur qualifying.

This year the Open Cup Committee, with approval of the NBOD, has made a substantial modification to the eligibility rules for teams in the Open Cup. A modification to the Open Cup policy will be presented to the membership for approval at the Annual General Meeting. The change, in brief, is to restrict participation by reserve teams of professional teams from participating in the Open Cup. We discussed the issue for the better part of a year and did our research by polling the major UEFA countries regarding their approach to having reserve teams participate in their national cup competitions. In some cases, to the extent reserve teams participate in lower competitive divisions and are majority owned and controlled by the parent club, such teams are banned from participating in the national cup. In others, professional level teams are not allowed to own and control lower level professional teams, which is a different approach to addressing the issue. The concern of the Open Cup Committee was generally around the competitive nature of games that could match higher level team with their reserve team as well as the fact that teams with reserve teams in a lower professional division would have roster options that other teams might not have. Having done our research, the Open Cup Committee unanimously adopted the policy changes that are included in the AGM package and request your support in approving those changes.

At this year's AGM, we will again hold meetings of representatives of all of the participating organizations to look at how we can better structure the competition to maximize the value for the teams participating, to attract new teams, to fully promote the tournament, and to insure that to the fullest extent possible we can present an annual competition for the enjoyment of the fans.

We appreciate your continued support and we encourage all members of the U.S. Soccer family to attend Lamar Hunt U.S. Open Cup matches in their local areas.

Respectfully submitted,

Mike Edwards
Committee Chairman



Referee Committee

Committee Members

Michael Edwards – Chair
Jim Albertson
Ken Baldeosingh
Tom Bobadilla
Angelo Bratsis
Cindy Cone
Bill Davey
Carlos Folino

Sandra Hunt
Boris Lazari
Dave McKee
Jonathan Meersman
Patrick Mullane
Said Ravanfar
Kari Seitz
Samir Yasa

Staff Liaison

Rick Eddy

Committee Objectives

- Recommend to Board of Directors (BOD) bylaw and policy changes with regard to the referee program
- Propose changes to program structure and referee changes
- Review instructional curriculum
- Submit list of recommended nominees for the FIFA International Panel of Referees, Assistant Referees, and Futsal Referees

Key Outcomes and Recommendations

- Nominations submitted to BOD for the International Panel for 2016
- Reviewed the updated curriculum for Grade 3, 5, and 7 Assessors
- Reviewed the updated curriculum and future objectives of Grade 4 and 5 Officials
- Reviewed the 2015 Referee Program Workshop for administrators held on March 21 & 22, 2015, consisting of representatives from most state associations. The event was very successful with over 200 administrators in attendance

2016 Outlook:

The Federation has incorporated futsal in the training of the Development Academy and the game is being played with increasing frequency across member organizations. To date, the Federation has developed Grade 8 Futsal Referee entry level training and certification. Grade 6 State Futsal Referee training and certification has also been provided. With the growth of the game, a Grade 3 National Futsal Referee designation complete with training and certification is being developed. The instruction, assessment, and administration program is continuing to be developed. A U.S. Soccer Futsal task force is being instituted to develop the remaining referee grade educational, evaluation and the administrative components.



The women's referee number continues to need significant expansion numbers. We have nominated four referees and four assistant referees for the FIFA panel. This is an increase of one referee and is also the maximum number permitted by FIFA. In 2015 we had 21 women officials in grades 1 through 5. In 2016 that number will drop to 20 women officials due to the retirement of Marlene Duffy.

The U.S. Soccer Referee Program ran five Grade 5 State Assessor courses across the country using the new course material. The first one in Los Angeles was a pilot/test course. The content was reviewed. The next four courses had the same requirements for promotion to state assessor. The practical requirements include where the candidate has to be mentored by a National Assessor for five games.

Respectfully submitted,

Mike Edwards, Committee Chair



Rules Committee

Committee Members

Paul C. Burke –Chair

Carlos Bocanegra

Tim Pinto

Dan Trainor

Mike Wade

Staff Liaisons

Lisa Levine

Gregory Fike

Committee Objectives

- Review all proposals involving amendments to bylaws and policies
- Submit proposed bylaw amendments to National Council
- Review and submit policy changes to the Board of Directors
- Examine all applications for membership for compliance with U.S. Soccer's bylaws
- Make membership recommendations to National Council and the Board of Directors
- Ensure that all amendments of bylaws and policies conform to the Amateur Sports Act and U.S. Soccer bylaws
- Provide interpretation of U.S. Soccer's bylaws upon request
- Provide formal and informal advisory opinions as requested by Federation members

Key Outcomes and Recommendations

- Reviewed and presented bylaw amendments to the National Council and Board of Directors prior to the Annual General Meeting
- Reviewed and presented policy amendments to the Board of Directors
- Reviewed membership applications
- Responded to requests for interpretation of Federation bylaws

2016 Outlook

- Work with U.S. Soccer Counsel to provide advisory opinions and interpretations of bylaws and policies as requested by the Board of Directors or Federation members
- Continue to review amendments to bylaws and policies as proposed by the membership

The Rules Committee continues to serve as a resource for the Federation's decision-making bodies by reviewing and commenting on bylaw and policy proposals. The Rules Committee has tried to help proponents to prepare and craft well-structured proposals, and the Rules Committee has tried to help decision-making bodies to understand their choices by providing objective analysis of proposals and their potential impact. During this process, the Rules Committee has sought to avoid usurping the policy-making judgment of the Federation's elected policy-makers. Instead, the Rules Committee has sought to provide objective and



apolitical advice to the National Council, the Board of Directors, and the Federation's membership.

There was one transition during 2015 to the membership of the Rules Committee. The Rules Committee welcomed its latest member, Carlos Bocanegra, as it thanked departing member Heather Mitts for her contributions during her successful tenure on the committee.

Respectfully submitted,

Paul C. Burke, Committee Chair



Sports Medicine Research, Education and Advisory Committee

Committee Members

Dr. William E. Garrett, Jr. – Chair

Dr. Adam Bennett

Dr. Emilio Canal

Dr. Kristine Clark

Dr. Rueben Echemedia

Dr. Chris Giza

Dr. Kevin Guskiewicz

Dr. Noreen Hynes

Dr. Donald Kirkendall

Dr. Howard Liebeskind

Dr. Bert Mandelbaum

Dr. Ray Padilla

Dr. Margot Putukian

Dr. William Queale

Dr. Nicholas Romansky

Dr. William Taylor

Dr. John Peter Zopfi

John Crawley, USOC

Staff Liaison

Hughie O'Malley

Dr. George Chiampas

Committee Objectives/Goals

- Increase awareness and education levels around key medical issues
- Collaborate with industry partners to ensure leading-edge coverage and performance of our athletes
- Ensure complete medical and emergency coverage for our national team and development programs

Key Outcomes and Recommendations

- Secured Athletic Training staff for over 120 National Teams camps (200 + games) including Para, Beach and Futsal events, plus Coaching and Referee courses, U.S. Soccer Development Academy
- IMPACT's web based neuropsychological screening program was introduced to the Development Academy; completed baseline screenings on all National Teams and DA players.
- Developed "Heat Guidelines" for training and game purposes specific to Soccer
- Worked to create a national injury and sport safety campaign for soccer in the United States which will launch in 2016
- Hosted a Medical Symposium, in partnership with MLS, in January 2015 at the NSCAA
- Attended Soccer Industry Medical Symposium (SIMS) – MLS/ U.S. Soccer
- Attend the Football Medicine Strategies for Player Care/ 3rd Science Football Summit, April 2015
- Collaborated with the NCAA in February 2015 on a first "soccer specific medical symposium in college athletics"



- Participant as a National Governing Body at the TEAM (Targeted Evaluation and Assessment Management) concussion conference at the University of Pittsburgh Medical Center UPMC

2016 Outlook

- Host a Medical Symposium, in partnership with MLS, in January 2016 at the NSCAA
- Expand nutrition education and individual player evaluations across all national teams
- Further develop public safety messaging program on injury prevention and management with U.S. Soccer media personnel
- Concussion task force to continue their work on education and research
- Continue to study areas of the sport that are critical for safety and high performance of athletes
- Attend various symposiums held by FIFA, F-Marc, WADA, USADA

We appreciate the continued support of all our volunteer medical staff.

Respectfully submitted,

George Chiampas, DO
Chief Medical Officer





Section IV

Proposed Budget—FY '17



FY'17 Budget Executive Summary

- I. Strategic Plan Overview**
 - II. FY'16 Projected Results & Highlights**
 - III. FY'17 Budget Summary**
 - IV. Conclusion**
-
-

I. Strategic Plan Overview

For the fiscal year ending March 31, 2017 (“FY’17”) we are presenting a budgeted operating surplus highlighted by continued strategic investments in the areas of technical development, programming infrastructure, our brand and our fan base. We are expanding existing programs, while also introducing new programs and initiatives that continue to focus on improving the level of play both on and off the field. These strategic initiatives, all structured for the long term, remain under constant fiscal watch, and are crucial to our sustainable growth. Our goal continues to focus on maximizing the return on these investments, while always looking for optimal impact with long term organizational success. As we continue this next phase of increased commercial revenue, we are also building a new strategic plan that involves acceleration of our technical development plans, which will in turn impact all aspects of our sport’s landscape.

The Current Economy

While an expanding majority of our revenue remains fixed due to long term contracts, our biggest variable, and potential risk, is also the one most affected by the economy – events. We continue to experience strong fan support, with both attendance levels and revenues trending higher each year. We anticipate consistent numbers for player and referee registration, and our coaching school demand and number of hosted classes is expanding and evolving. From a commercial and sponsorship perspective, our recent long-term agreements will generate substantial and sustained revenue streams. While our organizational growth brings increased



expenses, we maintain fiscally responsible internal control policies that ensure the appropriate allocation of resources.

Company Overview

With long term sustainable growth as our baseline, we have begun utilizing additional operating inflows to strategically expand and enhance our initiatives. With a mission to make soccer the preeminent sport in the United States, our goal is to add value at all levels of the sport. We are guided by our operating values and continuously review our business activities to ensure operational effectiveness and efficiency. We strive to maximize resources and operate efficiently with the highest abilities to develop the sport technically. Through strong management, vision, guidance, a solid financial platform and a long term plan, we aim to ensure that proper controls are in place for future organizational success.

Strict financial discipline within our cost structure and clear spending decisions are an integral part of our management plan, and this value permeates to each level and area of the business. It is the cornerstone of any successful financial model, and is especially crucial as the organization grows.

We continuously evaluate our needs, both on the field and off, with the plan to raise the level of talent throughout U.S. Soccer. We place a high priority on the financial commitments made to all employees by providing earned salary increases, performance bonuses and a comprehensive benefit package. We continue to review and add personnel in strategic areas when needed while simultaneously balancing growth with operational efficiency.

Our core elements of operations are as follows:

- Efficient and effective performance
- Continuous review of our organizational structure and personnel
- Develop and execute new revenue opportunities in all areas of the organization
- Further investment in Player, Coach and Referee Development strategies, programming and education
- Identify synergies with members to enable unified success

Operating Values

- *Foster an Open and Transparent environment*
- *Operate efficiently and effectively*
- *Plan for long term stability and implement strategic growth initiatives*
- *Drive the growth & Improvement of our sport on the field*



II. FY'16 Projected Results & Highlights

The current fiscal year (FY'16) ending March 31, 2016 is projected to result in an Operating surplus of \$17.7M, favorable to the Budget by \$18M.

A majority of the favorable variance, \$14M, is driven by the Men's & Women's National Team activity, which is the most variable aspect of our business. Besides strong WNT & MNT event revenues, there were increased apparel sales surrounding the FIFA Women's World Cup, increased International Games activity, the hosting of two Olympic Qualifying Tournaments and the 2015 Gold Cup games, as well as timing of strategic initiative program spend.

And, of course, after the Women's National Team won their third World Cup title at the 2015 FIFA Women's World Cup in Canada, fans joined together in celebration and support throughout the 9 game Victory Tour.

Chart 1 – FY'16 Financial Projection

	FY'16 Budget	FY'16 Projection	FY'16 Variance
Total Operating Revenue - Non NT	67,444,188	69,860,193	2,416,005
Total Operating Expenses - Non NT	62,955,641	60,758,022	2,197,619
Operating Surplus/(Deficit) - Non NT	4,488,547	9,102,171	4,613,624
Total National Team Revenue	23,817,500	44,617,542	20,800,042
Total National Team Expenses	27,118,386	33,796,585	(6,678,199)
Surplus/(Deficit) - National Teams	(3,300,886)	10,820,957	14,121,843
Total Womens World Cup Revenue	3,234,600	3,212,479	(22,121)
Total Womens World Cup Expense	4,843,190	5,432,058	(588,868)
Surplus/(Deficit) - Women's World Cup	(1,608,590)	(2,219,579)	(610,989)
USSF Operating Surplus / (Deficit)	(420,929)	17,703,549	18,124,478

Here are some of this year's digital, media, and fan related highlights:

U.S. SOCCER SOCIAL

We continued to focus on finding ways to best engage with our fans through social media and our digital platforms.

U.S. Soccer's goal with social media is to connect a nation through a shared journey, where the fans and team inspire each other. Once again, we used "One Nation. One Team." as our overall campaign throughout the Women's World Cup, but also created the #SheBelieves campaign that focused on young girls that look up to the WNT players. The #SB movement transcended soccer, empowering a new generation of girls (and boys!) and its reach made it all the way to the White House.



We drove significant growth as follows:

Twitter:

- @ussoccer_wnt Twitter audience increased 71% during the tournament from 286k to 490k
- During the Women's World Cup @ussoccer_wnt had a total impressions of 286.4M and reach of 26.2M

Facebook:

- U.S. Soccer's Facebook profile increased 20% from 2M to 2.4M during the tournament
- During the Women's World Cup, U.S. Soccer's Facebook page reached an average of 4.7M daily and generated over 545.6M impressions

Snapchat:

- We launched our WNT Snapchat account during the WWC and did one story focused on the Ticker-Tape Parade which earned 130.1M views and 11.7M unique users (globally).

Social Campaigns:

- U.S. Soccer expanded the fan message concept from 2013 and 2014, posting messages of support from fans in key locations before and during the Women's World Cup. This year's campaign was presented by Mondelez and became #PasstheLove.
- We also once again mobilized nearly all professional sports teams and provided them with custom graphics (including a match-specific hashtag) that teams posted to their respective social channels. Overall, we did more than 250 custom graphics with pro teams (150 NFL, 44 NBA, 41 NHL, 27 MLB).
- We also secured support from celebrities, working with mega-stars such as Beyonce, The Rock, Amy Poehler, Luke Brian, and many more.
- The One Nation. One Team. 23 Stories. presented by Clorox for the Women's National Team has received over 7.2 million views online.

FAN PROGRAMMING

U.S. Soccer hosted incredible FanHQ events across the globe. During the Women's World Cup, fans packed the house in Vancouver and Montreal to celebrate before the group stage, semifinals, and finals. Each event brought something great for fans, including special guest appearances from Mia Hamm and Landon Donovan, a Coca-Cola photo booth, and DJ Spin Easy. Before and after the MNT's exciting friendlies in Amsterdam and Cologne, FanHQ provided a place for U.S. supporters to gather in the shadow of the stadiums, uniting fans who had traveled to see our team abroad.

The Supporters Club has rebounded from the post-2014 World Cup lull and is growing strongly. We have over 50,000 members across all levels with over 8,000 paid members. Growth among WNT fans has been particularly strong throughout the Victory Tour.



BROADCAST AND MEDIA

- The 2015 Women's World Cup broadcast on Fox networks demolished all previous viewership records for not only women's soccer on U.S. television but for soccer in general.
- The Women's World Cup Final match drew an estimated 30MM English language viewers including out-of-home viewers (previous record was USA v. Portugal during the 2014 WC at 18.2MM) and 1.3MM Spanish language viewers for the final.
- To put that into context, the match had a bigger audience than every game of the NBA Finals, Sunday Night Football, primetime coverage of the Sochi Olympic Winter Games and every other show in primetime during the 2014-15 broadcast season.
- Overall, the tournament drew an average of 1.8MM viewers per match, a 21% increase over viewership of the 2011 Women's World Cup.

III. FY'17 Budget Summary

FY'17 Revenue

The majority of our revenue streams are consistent and predictable due to long term contractual strategies, most notably our broadcast and sponsorship revenues. However, one major revenue area, Events, is impacted by numerous variables that make it challenging to predict their financial impact.

Our business continues to be anchored by five primary revenue sources:

- 1) Broadcast and Sponsorship
- 2) Events
- 3) Registrations – Player and Members
- 4) Referee Registration and other Programs
- 5) Coaching Schools and other Programs

SPONSORSHIP

Sponsorship is a critical component for our business success. With new commercial and apparel contracts started in 2015, revenues will increase slightly for FY'17 to \$45.8M. Merchandise web sales are also expected to increase to \$1M. The U.S. Soccer brand is the premier brand for soccer in the United States and, as a result, the value continues to rise within the marketplace.

FY'17 Budget – Revenue Summary

*Broadcast & Sponsorship
revenue is \$46.8M*

*Event total, driven by the
MNT & WNT is \$27.9M*

*Player and Membership
Registration is \$6.0M*

*Referee revenue, mainly
from registration totals
\$3.0M*

*Coaching Programs and
School Revenues of \$2.1M*

*International Games
Revenue of \$5.2M
Development / Fundraising
revenue of \$1.2*



NATIONAL TEAM EVENTS

The upcoming year will bring unique and exciting challenges to both senior National Teams.

The Men's National Team, besides competing in Home and Away Friendly matches, will continue the road to Qualifying for the 2018 FIFA World Cup with six (6) first round qualifying matches during the fiscal year.

The Women's National Team, after spending the 1st half of 2016 playing Home Friendlies, is budgeted to participate in the 2016 Olympics in Rio. We are also budgeting for a ten (10) match post- Olympic Victory Tour to celebrate, as well as a domestic tournament to close out fiscal year FY'17.

We continue to monitor and adjust our event model using current and historical trend data for attendance and pricing predictions, but the numerous variables around each unique match environment make this a challenge. We anticipate consistent attendance for both the Women's send-off games and Victory Tour, though not as highly attended as the post-World Cup events. The estimates are, of course, predicated by historical trends, probable opponents and the importance of these events within each team's cycle.

FY'17 Budget - National Team Activity

The following charts summarize the projected activity for our National Teams in FY'17.

Chart 2 – Women's National Team – FY'17 Event Budget

Game No.	Month	Type	Attendance	Ave Ticket Price	Total Revenue	Event Expenses	Team Expenses	Surplus / (Deficit)
1	Apr-16	Home Friendly	17,000	44.12	750,000	(286,509)	(111,906)	351,585
2	Apr-16	Home Friendly	17,000	44.06	749,000	(286,509)	(111,906)	350,585
3	May-16	Training Camp	-	-	-	-	(121,920)	
4	Jun-16	Home Friendly	17,000	44.12	750,000	(286,509)	(111,906)	351,585
5	Jun-16	Home Friendly	17,000	44.06	749,000	(286,509)	(111,906)	350,585
6	Jul-16	Home Friendly	24,000	50.17	1,204,000	(321,593)	(120,306)	762,101
7	Jul-16	Home Friendly	24,000	50.17	1,204,000	(321,593)	(120,306)	762,101
8-13	Aug-16	Olympics (6)	-	-	250,000	-	(2,107,029)	(1,857,029)
14	Sep-16	Olympic Victory Tour #1	16,000	50.19	803,000	(301,105)	(266,464)	235,431
15	Sep-16	Olympic Victory Tour #2	16,000	50.13	802,000	(301,105)	(266,464)	234,431
16	Oct-16	Olympic Victory Tour #3	16,000	50.19	803,000	(301,105)	(266,464)	235,431
17	Oct-16	Olympic Victory Tour #4	16,000	50.13	802,000	(301,105)	(266,464)	234,431
18	Nov-16	Olympic Victory Tour #5	16,000	50.19	803,000	(301,105)	(266,464)	235,431
19	Nov-16	Olympic Victory Tour #6	16,000	50.13	802,000	(301,105)	(266,464)	234,431
20	Dec-16	Olympic Victory Tour #7	16,000	50.19	803,000	(299,355)	(266,464)	237,181
21	Dec-16	Olympic Victory Tour #8	16,000	50.13	802,000	(299,355)	(266,464)	236,181
22	Dec-16	Olympic Victory Tour #9	16,000	50.19	803,000	(299,355)	(266,464)	237,181
23	Dec-16	Olympic Victory Tour #10	16,000	50.13	802,000	(299,355)	(266,464)	236,181
24	Jan-17	Training Camp	-	-	-	-	(121,920)	(121,920)
25	Feb-17	Home Friendly	17,000	44.12	750,000	(286,259)	(111,906)	351,835
26	Feb-17	Home Friendly	17,000	44.29	753,000	(286,259)	(111,906)	354,835
27-29	Mar-17	Domestic Tournament (3)	51,000	47.15	2,404,500	(862,083)	(367,152)	1,175,265
					17,588,500	(6,227,873)	(6,294,709)	5,187,838



Chart 3– Men’s National Team – FY’17 Event Budget

Event No.	Month	Type	Attendance	Avg. Ticket	Total Revenue	Event Expenses	Team Expenses	Surplus / (Deficit)
1	May-16	Home Friendly	25,000	60.12	1,503,000	(294,218)	(489,727)	719,055
2	May-16	Home Friendly	20,000	50.15	1,003,000	(294,218)	(489,727)	219,055
3	Sep-16	2018 WCQ - Home	25,000	60.50	1,512,500	(367,909)	(681,498)	463,093
4	Sep-16	2018 WCQ - Away			-	-	(753,512)	(753,512)
5	Oct-16	Away Friendly			75,000	-	(549,100)	(474,100)
6	Oct-16	Away Friendly			75,000	-	(549,100)	(474,100)
7	Nov-16	2018 WCQ - Home	25,000	60.50	1,512,500	(367,909)	(681,498)	463,093
8	Nov-16	2018 WCQ - Away			-	-	(753,512)	(753,512)
9	Jan-17	Training Camp			-	-	(276,910)	(276,910)
10	Jan-17	Home Friendly	16,000	50.19	803,000	(249,065)	(479,977)	73,958
11	Feb-17	Home Friendly	16,000	50.19	803,000	(249,065)	(479,977)	73,958
12	Mar-17	2018 WCQ - Home	25,000	70.50	1,762,500	(421,943)	(759,547)	581,010
13	Mar-17	2018 WCQ - Away				-	(824,611)	(824,611)
					9,049,500	(2,244,327)	(7,768,696)	(963,523)

- Average ticket prices and attendance estimates for the National Teams are prepared using a combination of historical data, opponent assumptions, location and recent trends in event activity.

REGISTRATION

Registration revenue is comprised of Youth, Adult and Professional membership fees. Youth participation has remained fairly consistent in recent years, so we have budgeted a fairly flat number for FY’17. Total registration for FY’17 is budgeted at \$6.0M, a slight increase of \$35k from the FY’16 projection.

REFEREE REGISTRATION

Referee Department revenue is driven by the annual registration activity. The FY’17 Budget is projected to total \$3.0M, a slight decrease from the FY’16 Projection due to an expected normalization in the timing of registration for referees, assessors and assignors as states adopt new, more efficient, electronic registration methods. Registration fees represent almost 99% of the total referee department revenue; the remainder is from assignor fees.

COACHING DEPARTMENT

The FY’17 Coaching revenue budget, totaling \$2.1M, is an increase from the FY’16 projection due to continued growth of the Digital Coaching Center and a revamp of the A, B and C licenses. Course attendance and demand remain strong, and the overall licensing model is evolving to better emphasize continued education by integrating practical experience with classroom education and testing,

INTERNATIONAL GAMES

The FY’17 budgeted revenue from International Games is \$5.2M, a \$743k increase from FY’16 due to the continued interest from foreign clubs and national teams to play games within the United States.



DEVELOPMENT/FUNDRAISING

The Development department's goal to engage supporters interested in investing in U.S. Soccer's mission through donations and VIP programming continues to expand. We have experienced significant growth in a short period of time, and the budgeted revenue from these programs in FY'17 is \$1.2M.

Extraordinary Item: 2016 Copa America Centenario

U.S. Soccer will host the 2016 Copa America Centenario event. This is a special tournament marking the 100-year anniversary of the South American confederation championship. The tournament, designed to unite the Americas, will feature the 10 teams from CONMEBOL and six teams from CONCACAF, and will be held from June 3-26 in venues across the country.

The excess funds generated from this tournament, estimated to be \$15M based on our current projections, are included in the Budget as a Non-Operating Revenue item of Extraordinary Income – Copa America.

FY'17 Expenses

Operating within an effective and efficient cost model is the cornerstone of long-term sustainability and success. We monitor and manage our spending levels throughout the organization, attempting to maximize the resources allocated towards the programming and technical areas of player development necessary for the long-term growth of soccer.

Our new organizational phase of strategic investments will continue with initiatives focused on long term sustainable programs. This includes expanding our internal infrastructure, technical programs, commercial support and branding. These investments demand that we maintain a diligent watch over core operating expenses to ensure efficiency remains a priority.

We have seven main areas of operating expense:

- 1) General and Administrative
- 2) AGM, BOD and Committees
- 3) Marketing, Sponsor & Broadcast Services
- 4) Coaching Programs
- 5) Referee Programs
- 6) National Teams and Events
- 7) Player Development (including the Youth National Teams, National Training Center, Development Academy, Scouting and Technical Advisors)

For FY'17, the overall Administrative expenses are expected to total \$12.5M, an increase of (\$637k) from the FY'16 Projection driven by additional personnel costs, investments for IT projects and web site investment, legal activity, and increased investment within the Development department. As always, we aim to efficiently maximize our resources in this area.

FY'17 Budget - Expense Summary

Total Operating Costs of \$91.2M include our long term strategic investments

G&A expenses total \$12.5M

AGM, BOD and Committees total \$1.0M

Marketing & Sponsor Services total \$4.8M

Coaching related expenses increase to \$4M

Referee expenses increase to \$3.1M

National Teams & Events total \$38.2M

Player Development totals \$20.2M

Development Academy and associated programming spend of \$7M



AGM, BOD and Committee expenses will increase from the FY'16 Projection to \$1.0M, mainly for AGM related costs.

Marketing, Sponsor & Broadcast Services is budgeted to spend \$4.8M in FY'17, a decrease from the FY'16 Projection, which included re-branding costs. Continued strategic investments in content creation, video, and the retail / digital commercial space is planned for this area.

We will invest nearly \$4M in Coaching Education in FY'17, an increase of (\$750k) from FY'15 driven by a revamped Coaching school model that incorporates both practical and classroom experiences, the Digital Coaching Center on-line educational platform, the launch of a new Pilot Pro License that will be the highest level license offered, and the addition of full-time professional coach educators that will increase the quality of instruction and mentoring.

Overall Referee expense of \$3.1M is a slight increase of (\$183k) from the FY'16 Projection due to further investment in referee ID, training, education and development, supplemented by the work that the Professional Referee Organization (PRO) is doing at the highest level of officiating. We will create a consistent stream of content for referees that focuses on video content and online learning modules, as well as examine the current assessment structure to embrace an environment with more feedback and mentoring. We are looking to align the areas of instruction, assignment and assessment to create a more holistic approach to developing referees.

National Teams and Events

Though extensive historical analysis and current economic data is used to prepare the Men's and Women's National Team schedules and budgets, they contain the highest potential for unknown variables. Along with the timing of estimating games over a year in advance, this area continues to generate the largest variances of Actual versus Budget reporting within our financial reports.



The chart below highlights the National Team's impact on our financial results.

Chart 4 – Financial Trend – National Team Impact

	FY'14 Actuals	FY'15 Actual	FY'16 Projection	FY'17 Budget
Total Operating Revenue - Non NT	46,518,480	61,633,485	69,860,193	67,173,578
Total Operating Expenses - Non NT	38,808,069	48,750,765	60,758,022	63,408,994
Operating Surplus/(Deficit) - Non NT	7,710,411	12,882,720	9,102,171	3,764,584
Total National Team Revenue	22,188,033	18,027,962	44,617,542	26,638,000
Total National Team Expenses	24,272,547	23,109,934	33,796,585	27,790,861
Surplus/(Deficit) - National Teams	(2,084,514)	(5,081,972)	10,820,957	(1,152,861)
Total World Cup Revenue	2,137,464	12,892,819	3,212,479	-
Total World Cup Expense	2,407,862	16,402,120	5,432,058	-
Surplus/(Deficit) - Women's World Cup	(270,398)	(3,509,301)	(2,219,579)	-
USSF Operating Surplus / (Deficit)	5,355,499	4,291,447	17,703,549	2,611,723
Non-Operating Revenues	8,710,713	10,333,031	2,156,301	9,362,500
Non-Operating Expenses	4,541,991	4,973,339	4,305,191	7,199,280
Surplus/(Deficit) - Non-Operating	4,168,722	5,359,692	(2,148,890)	2,163,220
Total USSF Surplus / (Deficit)	9,524,221	9,651,139	15,554,659	4,774,943

The total FY'17 expense budget for National Teams related activities is \$38.2M, of which \$27.8M is derived from the Men's & Women's Senior National Teams. The remaining spend includes National Team administrative and event support, coaching staffs, the cost of running the Lamar Hunt U.S. Open Cup, Futsal, Paralympic and Beach Nation Team programming, and funding support for the NWSL (National Women's Soccer League).

The Men's National Team will participate in the 1st and 2nd rounds of World Cup Qualifying while the Women's National Team, once qualified, will participate in the 2016 Olympics and potential Victory Tour.

(Please refer to Charts 2 & 3 for Event Revenue and Expense detail)

PLAYER DEVELOPMENT

The development of our on-field product is the organization's most critical priority and requires continuous and increased investment to achieve success. On the Men's side, we continue to focus on improvement and closing the competitive gap versus the rest of the world. On the Women's side, we continue to hold the top spot in the world, and must work hard to maintain that competitive advantage as our competition gets stronger.



For FY'17 we plan to invest over \$20.2 million in player development programming and support outside of the investments in Coaching and Referees. The core to future National Team success

is a continued focus on player training, development and preparation. We have effectively maintained a consistent structure within Youth National Team programming by minimizing administrative expenses and maximizing player training. We are now in a position to address a growing need to accelerate investment in player development programming and technical areas, including additional Youth National team age groups (U-16 & U-19 Boys & Girls), coaching staff, testing, measurements and standards.

The chart below compares our investments from FY'14 to FY'17.

Chart 5 – Player Development Overview by Team

	FY'14	FY'14	FY'14	FY'15	FY'15	FY'15	FY'16	FY'16	FY'16	FY'17	FY'17	FY'17
Men	# Trips	Plyr Days	Actual	# Trips	Plyr Days	Actual	# Trips	Plyr Days	Projected	# Trips	Plyr Days	Budget
U-14 B	6	1,813	546,663	5	1,524	579,028	4	1,064	327,710	3	912	117,911
U-15 B	6	1,445	599,728	4	1,161	716,498	7	2,004	605,801	8	1,764	690,952
U-16 B	-	-	-	3	614	-	3	756	395,498	7	1,608	859,655
U-17 M	10	2,104	1,803,743	9	2,105	2,234,884	10	2,246	2,333,755	8	1,832	2,477,104
U-18 M	6	1,258	511,881	6	1,484	673,747	6	1,256	775,409	6	1,342	617,290
U-19 M	-	-	-	-	-	-	1	198	72,445	1	198	119,072
U-20 M	6	1,491	801,886	10	2,184	1,214,267	7	1,915	899,682	6	1,796	660,187
U-23 M	-	-	625	3	400	414,930	9	1,988	1,088,263	-	-	407,384
	34	8,111	4,264,526	40	9,472	5,833,354	47	11,427	6,498,563	39	9,452	5,949,555
Women	# Trips	Plyr Days	Projected	# Trips	Plyr Days	Budget	# Trips	Plyr Days	Budget	# Trips	Plyr Days	Budget
U-14 G	3	960	251,588	3	960	264,400	1	384	104,747	3	608	185,843
U-15 G	4	848	240,419	2	576	231,469	4	808	272,407	5	1,040	246,319
U-16 G	-	-	-	1	192	-	5	1,000	226,771	5	1,040	227,239
U-17 W	9	1,972	816,128	5	1,064	406,697	8	1,824	566,917	7	1,628	401,783
U-18 W	5	1,012	285,810	7	1,164	321,860	5	992	339,943	7	1,436	485,274
U-19 W	-	-	-	-	-	-	6	1,184	276,893	4	832	235,065
U-20 W	8	1,874	823,654	8	2,102	814,335	10	2,280	846,157	10	2,340	821,129
U-23 W	4	752	246,335	4	812	234,222	4	850	433,390	4	848	254,911
	33	7,418	2,663,934	30	6,870	2,272,983	43	9,322	3,067,225	45	9,772	2,857,563
Total	67	15,529	6,928,460	70	16,342	8,106,337	90	20,749	9,565,788	84	19,224	8,807,118
Admin Expense			646,798			701,778			808,335			844,152
Admin as % of Player Dev			9.3%			8.7%			8.5%			9.6%

The “Total Player Days” metric effectively measure activity across multiple teams and through various cycles (championship or non-championship year).

For FY'17 we are budgeting for 19,224 player days and \$8.8M in YNT programming. Additionally, the Development Academy operates as a comprehensive National Team training program designed to impact all areas of the game. The program currently includes almost 7,000 players, coaches and referees. The Academy staff monitors a number of on-field program metrics, player assessments and club evaluations. Efficiencies in operations have reduced overall program expenses over the years.



The FY'17 budgeted spend for Academy programming is \$7M, a major increase from prior year spend due to the expansion of the program to the U-12 age group and the introduction of the Girl's Academy in August of 2016. Both of these new programs will increase the influence and reach of U.S. Soccer's technical framework for player development.

Youth Technical Development, Technical Advisors and Scouting departments continue to further player development through new educational curriculums, Training Center evaluations, assistance with national coaching schools and improving the Development Academy club environment. These programs also reflect the Academy expansion and total \$7.1M for FY'17.

V. Conclusion

We continue to out-perform the current economic and market conditions, maximizing on our investment in the sport and brand, while still conservatively managing a growing and sustainable investment base. With the increased revenue streams from our new commercial and apparel contracts, we can continue to strategically invest throughout the organization using a structured, measured and accountable approach. We are committed to increase our investment in the sport, which will continue to increase the value of our core property, and in turn increase future revenue opportunities.

Our operating strategy remains the same: manage the 'core' operations with diligent cost controls and stringent oversight, while implementing a strategic plan of investment and growth for the future. As the sport continues to grow (both on and off the field), the Federation must be prepared, both financially and operationally, for new opportunities of growth that will enhance our mission to govern and lead the sport of soccer in the United States.

The FY'17 Budget highlights an Operating surplus of \$2.6M and a Non-Operating surplus of \$17.2M, for a total result of \$19.8M for the upcoming fiscal year.

We ask the National Council to review and approve as presented.



Budget Summary

Operating Revenue and Expense	FY2014	FY2015	FY2016	FY2016		FY2017	
Revenue	Actual	Actual	Budget	Projected	Variance	Budget	Variance
Registration Fees	5,834,793	5,918,066	5,795,120	5,943,538	148,418	5,978,917	35,379
Marketing and Sponsorship	25,574,816	34,506,216	44,819,500	45,620,419	800,920	46,818,003	1,197,584
NT - NT Games - Int'l Games	30,744,430	42,273,963	34,063,050	57,896,577	23,833,527	33,102,600	(24,793,977)
Coaching	1,990,579	2,177,934	2,882,000	1,895,922	(986,078)	2,060,898	164,976
Referee	2,902,803	2,933,217	3,018,366	3,217,333	198,966	3,015,960	(201,373)
Services	77,300	50,501	55,750	56,350	600	24,000	(32,350)
Other Revenue	3,719,256	4,694,368	3,862,502	3,060,075	(802,427)	2,811,200	(248,875)
Total Operating Revenue	70,843,977	92,554,265	94,496,288	117,690,214	23,193,926	93,811,578	(23,878,636)
Expenses							
AGM-BOD-Committees-Elected Officials	2,093,645	965,952	868,576	942,383	(73,807)	1,042,048	(99,664)
General and Administration	7,918,408	11,262,167	12,804,899	11,816,900	987,999	12,454,062	(637,162)
NT - NT Games - Int'l Games	34,054,394	50,392,876	42,309,685	49,297,503	(6,987,818)	38,162,318	11,135,185
Player Development	13,871,994	15,979,463	25,969,313	25,439,087	530,226	27,236,322	(1,797,235)
National Training Center	388,913	487,214	428,509	436,737	(8,228)	425,272	11,465
Referee Department	2,788,204	3,536,783	3,108,608	2,892,473	216,135	3,075,513	(183,040)
Coaching Department	2,437,392	2,761,294	5,006,485	3,212,479	1,794,006	3,963,690	(751,211)
Marketing-Sponsorship-Broadcast	1,935,527	2,877,069	4,421,143	5,949,103	(1,527,959)	4,840,629	1,108,473
Total Operating Expense	65,488,477	88,262,818	94,917,218	99,986,665	(5,069,446)	91,199,854	8,786,811
Net Operating Surplus/(Deficit)	5,355,500	4,291,447	(420,930)	17,703,549	18,124,480	2,611,724	(15,091,825)
Non-Operating Non-Cash Summary							
Revenue							
Interest/Investment Income	2,993,056	2,155,935	1,889,484	(1,243,699)	(3,133,183)	2,800,000	4,043,699
Designated Revenue	2,250,000	4,315,053	-	-	-	-	-
Extraoridnary Income - Copa America	-	-	-	-	-	15,000,000	15,000,000
Nike Equipment Allotment	3,467,657	3,862,043	3,400,000	3,400,000	-	6,562,500	3,162,500
Total Non-Operating Revenue	8,710,713	10,333,031	5,289,484	2,156,301	(3,133,183)	24,362,500	22,206,199
Expenses							
Capital Improvements Expense	274,656	274,656	274,656	274,656	-	-	274,656
Depreciation Expense	273,532	323,451	360,000	353,883	6,117	360,000	(6,117)
NTC Depreciation/Amortization Exp	276,744	276,119	276,778	276,651	127	276,780	(129)
Nike Equipment Allotment - Expense	3,467,657	3,862,043	3,400,000	3,400,000	-	6,562,500	(3,162,500)
Year End Adjustments	249,402	237,071					
Total Non-Operating Expenses	4,541,991	4,736,268	4,311,434	4,305,191	6,244	7,199,280	(2,894,089)
Net Non-Operating Surplus/(Deficit)	4,168,722	5,181,709	978,049	(2,148,890)	(3,126,939)	17,163,220	4,312,110

NT Impact - Budget Summary

	FY'14 Actuals	FY'15 Actual	FY'16 Projection	FY'17 Budget
Total Operating Revenue - Non NT	46,518,480	61,633,485	69,860,193	67,173,578
Total Operating Expenses - Non NT	38,808,069	48,750,765	60,758,022	63,408,994
Operating Surplus/(Deficit) - Non NT	7,710,411	12,882,720	9,102,171	3,764,584
Total National Team Revenue	22,188,033	18,027,962	44,617,542	26,638,000
Total National Team Expenses	24,272,547	23,109,934	33,796,585	27,790,861
Surplus/(Deficit) - National Teams	(2,084,514)	(5,081,972)	10,820,957	(1,152,861)
Total World Cup Revenue	2,137,464	12,892,819	3,212,479	-
Total World Cup Expense	2,407,862	16,402,120	5,432,058	-
Surplus/(Deficit) - World Cup	(270,398)	(3,509,301)	(2,219,579)	-
USSF Operating Surplus / (Deficit)	5,355,499	4,291,447	17,703,549	2,611,723
Non-Operating Revenues	8,710,713	10,333,031	2,156,301	24,362,500
Non-Operating Expenses	4,541,991	4,973,339	4,305,191	7,199,280
Surplus/(Deficit) - Non-Operating	4,168,722	5,359,692	(2,148,890)	17,163,220
Total USSF Surplus / (Deficit)	9,524,221	9,651,139	15,554,659	19,774,943

Revenue Summary

	FY2014	FY2015	FY2016	FY2016		FY2017	
Operating Revenue	Actual	Actual	Budget	Projected	Variance	Budget	Variance
Registration Fees	5,834,793	5,918,066	5,795,120	5,943,538	148,418	5,978,917	35,379
Marketing and Sponsorship	25,574,816	34,506,216	44,819,500	45,620,419	800,920	46,818,003	1,197,584
NT - NT Games - Int'l Games	30,744,430	42,273,963	34,063,050	57,896,577	23,833,527	33,102,600	(24,793,977)
Coaching	1,990,579	2,177,934	2,882,000	1,895,922	(986,078)	2,060,898	164,976
Referee	2,902,803	2,933,217	3,018,366	3,217,333	198,966	3,015,960	(201,373)
Services	77,300	50,501	55,750	56,350	600	24,000	(32,350)
Other Revenue	3,719,256	4,694,368	3,862,502	3,060,075	(802,427)	2,811,200	(248,875)
Total Operating Revenue	70,843,977	92,554,265	94,496,288	117,690,214	23,193,926	93,811,578	(23,878,636)
Non-Operating Revenue							
Interest/Investment Income	2,993,056	2,155,935	1,889,484	(1,243,699)	(3,133,183)	2,800,000	4,043,699
Designated Revenue	2,250,000	4,315,053	-	-	-	-	-
Extraoridnary Income - Copa America	-	-	-	-	-	15,000,000	15,000,000
Nike Equipment Allotment	3,467,657	3,862,043	3,400,000	3,400,000	-	6,562,500	3,162,500
Total Non-Operating Revenue	8,710,713	10,333,031	5,289,484	2,156,301	(3,133,183)	24,362,500	22,206,199
Total Revenue	79,554,690	102,887,296	99,785,772	119,846,515	20,060,743	118,174,078	(1,672,437)

Expense Summary

Expenses	FY2014 Actual	FY2015 Actual	FY2016 Budget	FY2016 Projected	Variance	FY2017 Budget	Variance
AGM-BOD-Committees-Elected Officials	2,093,645	965,952	868,576	942,383	(73,807)	1,042,048	(99,664)
General and Administration	7,918,408	11,262,167	12,804,899	11,816,900	987,999	12,454,062	(637,162)
NT - NT Games - Int'l Games	34,054,394	50,392,876	42,309,685	49,297,503	(6,987,818)	38,162,318	11,135,185
Player Development	13,871,994	15,979,463	25,969,313	25,439,087	530,226	27,236,322	(1,797,235)
National Training Center	388,913	487,214	428,509	436,737	(8,228)	425,272	11,465
Referee Department	2,788,204	3,536,783	3,108,608	2,892,473	216,135	3,075,513	(183,040)
Coaching Department	2,437,392	2,761,294	5,006,485	3,212,479	1,794,006	3,963,690	(751,211)
Marketing-Sponsorship-Broadcast	1,935,527	2,877,069	4,421,143	5,949,103	(1,527,959)	4,840,629	1,108,473
Total Operating Expense	65,488,477	88,262,818	94,917,218	99,986,665	(5,069,446)	91,199,854	8,786,811

Non-Operating Expenses

Capital Improvements Expense	274,656	274,656	274,656	274,656	-	-	274,656
Depreciation Expense	273,532	323,451	360,000	353,883	6,117	360,000	(6,117)
NTC Depreciation/Amortization Exp	276,744	276,119	276,778	276,651	127	276,780	(129)
Nike Equipment Allotment - Expense	3,467,657	3,862,043	3,400,000	3,400,000	-	6,562,500	(3,162,500)
Year End Adjustments	249,402	237,071					
Total Non-Operating Expenses	4,541,991	4,736,268	4,311,434	4,305,191	6,244	7,199,280	(2,894,089)

Total Expenses	70,030,468	92,999,086	99,228,652	104,291,856	(5,063,202)	98,399,134	5,892,722
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Revenue Detail							
	FY2014	FY2015	FY2016	FY2016		FY2017	
Registration	Actual	Actual	Budget	Projected	Variance	Budget	Variance
USASA (I-01)	529,928	519,184	503,244	506,553	3,308	517,000	10,447
USYSA (I-02)	2,929,399	2,950,696	2,976,858	3,033,833	56,975	2,972,000	(61,833)
AYSO (I-03)	512,508	502,493	531,711	510,049	(21,662)	500,200	(9,849)
SAY (I-04)	78,487	105,884	90,000	102,699	12,699	96,600	(6,099)
FUTSAL (I-05)	8,333	10,000	10,000	10,000	-	10,000	-
Y-LEAGUE (I-06)	10,000	10,000	-	10,000	10,000	10,000	-
AFFILIATE MEMBERS (I-20)	917	1,000	1,000	1,000	-	1,000	-
NASL (I-21)	106,667	106,667	106,667	106,667	-	106,667	-
MLS (I-23)	620,000	620,000	590,000	650,000	60,000	650,000	-
US CLUB SOCCER (I-24)	405,302	468,594	390,000	425,319	35,319	471,000	45,681
USL (I-25)	73,150	73,150	83,150	73,150	(10,000)	73,150	-
NWSL (I-32)	350,000	350,000	350,000	350,000	-	350,000	-
PROAM (I-26)	7,550	14,830	10,500	14,990	4,490	16,300	1,310
PRO TEAM REGISTRATION FEES (I-27)	80,660	89,325	91,990	101,989	9,999	100,000	(1,989)
US SPORTS SPECIALTY ASSOC (I-28)	121,892	96,243	60,000	47,289	(12,711)	105,000	57,711
Total Registration Fees	5,834,793	5,918,066	5,795,120	5,943,538	148,417	5,978,917	35,379

Marketing and Sponsorship							
Sponsorship (I-11)	19,541,727	29,796,614	44,504,500	44,733,798	229,298	45,818,003	1,084,205
Web Store (M-10)	345,589	809,603	315,000	886,621	571,621	1,000,000	113,379
Designated Revenue (I-98)	5,687,500	3,900,000	-	-	-	-	-
Total Marketing and Sponsorship	25,574,816	34,506,217	44,819,500	45,620,419	800,919	46,818,003	1,197,584

NT - NT Games - Int'l Games							
Men's National Team Events	15,251,025	14,867,576	16,248,500	21,047,216	4,798,716	9,049,500	(11,997,716)
Men's World Cup (NG-02)	2,137,464	12,892,819	-	-	-	-	-
Women's World Cup (WG-03)	-	-	3,234,600	3,212,479	(22,121)	-	(3,212,479)
Women's National Team Events	6,937,008	3,160,386	7,569,000	23,570,326	16,001,326	17,588,500	(5,981,826)
International Games (I-07)	5,225,021	8,024,177	3,765,000	4,460,677	695,677	5,204,600	743,923
Open Cup (I-31)	1,193,912	1,080,298	997,950	1,257,880	259,930	1,260,000	2,120
WWC Qualifying (NT-08 Total)	-	2,248,707	-	-	-	-	-
Youth Qualifying Tourn (OT-15 Total)	-	-	2,248,000	4,348,000	2,100,000	-	(4,348,000)
Total NT NT Games and Int'l Games	30,744,430	42,273,963	34,063,050	57,896,578	23,833,528	33,102,600	(24,793,978)

Referee and Coaching							
Coaching (I-08)	209,856	280,535	346,200	835,475	489,275	-	(835,475)
Coaching Department	1,780,723	1,897,399	2,535,800	1,060,447	(1,475,353)	2,060,898	1,000,451
Referee (I-09)	2,902,803	2,933,217	3,018,366	3,217,333	198,966	3,015,960	(201,373)
Total Referee and Coaching	4,893,382	5,111,151	5,900,366	5,113,255	(787,112)	5,076,858	(36,397)

Services							
Membership Services (I-17)	23,950	28,250	22,000	21,998	(2)	24,000	2,002
Annual General Meeting (I-13)	53,350	22,251	33,750	34,352	602	-	(34,352)
Total Services	77,300	50,501	55,750	56,350	600	24,000	(32,350)

Other Revenue							
Other Designated Revenue (I-97)	1,642,439	1,994,260	1,000,000	1,476,101	476,101	1,000,000	(476,101)
Development Academy (OT-16)	936,821	996,130	415,500	489,489	73,989	341,200	(148,289)
Legal Activity (G-03)	130,383	4,900	-	-	-	-	-
Development / Fund Raising (G-05)	33,900	1,313,862	2,114,000	838,040	(1,275,960)	1,230,000	391,960
Miscellaneous (A-99)	975,713	385,216	333,002	256,445	(76,558)	240,000	(16,445)
Total Other Revenue	3,719,256	4,694,368	3,862,502	3,060,075	(802,428)	2,811,200	(248,875)

Total	Operating Revenue	70,843,977	92,554,266	94,496,288	117,690,215	23,193,924	93,811,578	(23,878,637)
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Nike Equipment Allotment (NT-99)	3,467,657	3,862,043	3,400,000	3,400,000	-	6,562,500	3,162,500
Restricted Revenue (I-96)	2,250,000	4,315,053	-	-	-	-	-
Extraoridnary Income - Copa America	-	-	-	-	-	15,000,000	15,000,000
Investment Income (I-14)	2,993,056	2,155,935	1,889,484	(1,243,699)	(3,133,183)	2,800,000	4,043,699
Total Non-Operating Revenue	8,710,713	10,333,031	5,289,484	2,156,301	(3,133,183)	24,362,500	22,206,199

Total Revenue	79,554,690	102,887,297	99,785,772	119,846,516	20,060,741	118,174,078	(1,672,438)
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AGM, BOD, and Committees

	FY2014	FY2015	FY2016	FY2016		FY2017	
Annual General Meeting	Actual	Actual	Budget	Projected	Variance	Budget	Variance
ANNUAL GENERAL MEETING (M-02)	837,469	502,200	453,300	475,637	(22,337)	594,750	(119,113)

Board of Directors

NAT'L BOARD OF DIRS (V-05)	112,889	124,153	102,920	139,181	(36,261)	121,300	17,881
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Committee Expenses

APPEALS COMMITTEE (V-06)	1,167	685	900	4,503	(3,603)	4,360	143
BUDGET COMMITTEE (V-07)	5,852	5,424	8,040	8,040	-	5,700	2,340
CREDENTIALS COMMITTEE (V-09)	-	-	1,220	1,220	-	375	845
YOUTH TASK FORCE (V-11)	656	-	7,060	7,060	-	5,400	1,660
HALL OF FAME (V-12)	15,409	7,984	32,550	42,411	(9,861)	37,500	4,911
INT'L GAMES COMMITTEE (V-13)	98	-	-	-	-	-	-
RULES COMMITTEE (V-15)	5,016	(4,977)	3,800	3,809	(9)	500	3,309
MEDICAL ADVISORY COMMITTEE (V-16)	10,265	19,051	9,290	23,184	(13,894)	26,920	(3,736)
COLLEGIAN RELATIONS (V-17)	-	67,102	-	-	-	-	-
PRO REFEREE TASK FORCE (V-18)	5,393	-	-	-	-	-	-
GRIEVANCE COMMITTEE (V-20)	3,813	2,856	1,770	6,387	(4,617)	6,500	(114)
DIVERSITY COMMITTEE (V-22)	-	-	500	250	250	-	250
INTERNATIONAL RELATIONS (V-23)	10,235	55,231	80,000	51,685	28,315	56,000	(4,315)
YOUTH COUNCIL (V-25)	5,361	-	-	-	-	-	-
DISABLED SOCCER COMMITTEE (V-26)	805	492	1,555	1,757	(202)	400	1,357
WOMEN'S TECHNICAL COMMITTEE (V-27)	2,139	15,399	13,760	7,277	6,483	12,975	(5,698)
TECHNICAL COMMITTEE (V-28)	24,538	5,273	13,120	6,604	6,516	7,600	(996)
WERNER FRICKER MEMORIAL TF (V-29)	378	-	250	250	-	100	150
PROFESSIONAL LEAGUE TASK FORCE (V-30)	-	-	250	250	-	250	-
PRO LEAGUE STANDARDS TASKFORCE (V-31)	-	-	500	250	250	250	-
LIFE MEMBER TASK FORCE (V-32)	-	-	300	150	150	150	-
CENTENNIAL COMMITTEE (V-34)	911,401	-	-	-	-	-	-
Committees	1,002,526	174,520	174,865	165,087	9,778	164,980	107

Elected Official's Expenses

OFFICE OF THE PRESIDENT (V-01)	121,017	94,298	108,696	111,081	(2,385)	108,738	2,344
OFFICE OF THE V. P. (V-02)	12,542	20,451	6,420	20,161	(13,741)	19,800	361
OFFICE OF THE TREASURER (V-03)	7,169	31,351	7,375	15,611	(8,236)	15,480	131
Elected Officials	140,727	146,100	122,491	146,854	(24,363)	144,018	2,836

Special/Other Meetings

ATHLETE'S MEETING (S-18)	34	18,980	15,000	15,625	(625)	17,000	(1,375)
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AGM, BOD, and Committees	2,093,645	965,952	868,576	942,383	(73,807)	1,042,048	(99,664)
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General and Administrative

	FY2014	FY2015	FY2016	FY2016		FY2017	
General and Administrative	Actual	Actual	Budget	Projected	Variance	Budget	Variance
NATIONAL OFFICE (A-01)	1,208,082	1,452,332	1,247,202	1,245,411	1,791	1,255,040	(9,628)
FINANCIAL SERVICES (A-02)	552,825	566,945	654,867	599,997	54,870	623,263	(23,266)
COMMUNICATIONS (A-03)	582,499	559,786	713,545	622,485	91,060	623,815	(1,330)
Technology (A-04 TOTAL)	1,793,586	2,345,901	4,017,430	2,617,499	1,399,931	2,913,735	(296,236)
HUMAN RESOURCES (A-05)	167,053	212,550	200,987	220,261	(19,275)	359,869	(139,608)
REGISTRATION AND COMPETITION (A-06)	-	-	258,397	268,913	(10,516)	393,286	(124,373)
PUBLICATIONS (A-07)	70,140	75,886	125,500	82,640	42,860	78,500	4,140
CERTIFIED AUDIT/TAXES (A-08)	45,000	51,675	66,000	58,500	7,500	54,000	4,500
MISCELLANEOUS (A-99)	53,338	207,460	90,000	111,769	(21,769)	72,000	39,769
Administration	4,472,523	5,472,535	7,373,928	5,827,475	1,546,452	6,373,508	(546,032)
General Management							
SECRETARY GENERAL (G-01)	1,242,178	1,379,170	1,313,634	1,346,193	(32,559)	1,367,129	(20,937)
GIFTS TEAM/PROTOCOL (G-02)	40,535	24,045	15,182	11,932	3,250	25,200	(13,268)
LEGAL DEPARTMENT (G-03)	474,361	463,104	454,187	470,332	(16,145)	484,444	(14,112)
OUTSIDE LEGAL FEES (G-04)	427,089	2,134,264	1,740,000	1,991,921	(251,921)	2,400,000	(408,079)
FUND RAISING (G-05)	91,862	668,335	1,099,595	639,442	460,153	912,780	(273,339)
General Management	2,276,025	4,668,918	4,622,598	4,459,820	162,778	5,189,553	(729,735)
Other Expense							
INTERNATIONAL GAMES (I-07)	534,520	206,005	-	723,550	(723,550)	-	723,550
FIFA\CONCACAF (S-01)	1,000	1,000	2,500	2,500	-	1,000	1,500
INSURANCE (S-02)	634,340	913,708	705,873	753,555	(47,682)	840,000	(86,445)
RETIREMENT BENEFIT (S-03)	-	-	100,000	50,000	50,000	50,000	0'
Other General and Administrative	1,169,860	1,120,713	808,373	1,529,605	(721,232)	891,000	638,605
General and Administration	7,918,408	11,262,166	12,804,899	11,816,900	987,998	12,454,061	(637,162)

National Team

	FY2014	FY2015	FY2016	FY2016		FY2017	
National Teams Administration	Actual	Actual	Budget	Projected	Variance	Budget	Variance
MEN'S NATL TEAM ADMIN (NT-01)	203,522	198,531	211,088	344,997	(133,909)	252,477	92,520
COACHING (NT-04)	4,060,082	4,837,502	5,551,146	5,531,847	19,299	5,714,553	(182,707)
WOMEN'S NATIONAL TEAM (OT-09)	108,946	135,262	135,684	139,944	(4,260)	149,521	(9,577)
National Teams Administration	4,372,550	5,171,295	5,897,918	6,016,788	(118,870)	6,116,551	(99,764)

National Teams Events

EVENT MANAGEMENT (NT-07)	706,408	740,631	1,131,409	892,183	239,227	1,063,382	(171,200)
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World Cup Expenses

Women's WC Team (WG-03)	-	24,502	4,843,190	5,432,058	(588,868)	-	5,432,058
WORLD CUP GAMES EXPENSE(NG-02)	2,407,862	16,402,120	-	-	-	-	-
World Cup Expenses	2,407,862	16,426,622	4,843,190	5,432,058	(588,868)	-	5,432,058

Open Cup

OPEN CUP (S-31)	959,038	1,002,711	1,202,925	1,075,274	127,651	1,128,362	(53,088)
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NWSL

NWSL	670,678	1,431,892	1,301,190	1,370,907	(69,717)	1,225,552	145,354
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Men's National Team Expenses

MNT Events	4,623,685	6,275,598	3,148,906	8,332,723	(5,183,817)	2,244,328	6,088,395
MNT Team Expenses	10,667,040	7,065,113	11,996,925	9,882,348	2,114,577	7,768,697	2,113,651
MNT - Non-Game	823,316	1,175,166	1,252,200	878,446	373,754	1,235,016	(356,570)
Men's National Team Expenses	16,114,041	14,515,877	16,398,031	19,093,517	(2,695,486)	11,248,041	7,845,476

Women's National Team Expenses

WNT Non-Game	2,983,167	3,357,891	3,734,202	3,478,644	255,558	4,020,238	(541,594)
WNT Events	2,557,735	1,116,781	2,808,923	6,101,206	(3,292,283)	6,227,874	(126,668)
WNT Team Expenses	2,617,604	4,094,884	4,177,231	5,123,217	(945,987)	6,294,708	(1,171,491)
Women's National Team Expenses	8,158,506	8,569,556	10,720,356	14,703,067	(3,982,712)	16,542,820	(1,839,753)

Women's World Cup Qualifying

WE-02 Total (WE-02 TOTAL)	-	1,577,823	-	-	-	-	-
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Other National Teams

FUTSAL (NT-02 Total)	70,595	195,795	202,765	99,885	102,880	253,420	(153,535)
Paralympic National Team (NT-03 Total)	380,335	507,643	406,724	521,661	(114,937)	381,844	139,817
Beach Soccer National Team (NT-05 Total)	214,381	253,032	205,178	92,164	113,014	202,345	(110,181)
Other National Teams	665,311	956,470	814,667	713,710	100,957	837,609	(123,899)

National Teams	34,054,394	50,392,877	42,309,686	49,297,504	(6,987,818)	38,162,317	11,135,184
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Non-Cash Expense

NIKE ALLOTMENT (NT-99)	3,467,657	3,862,043	3,400,000	3,400,000	-	6,562,500	(3,162,500)
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Total National Teams Expense	37,522,051	54,254,920	45,709,686	52,697,504	(6,987,818)	44,724,817	7,972,684
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Player Development

	FY2014	FY2015	FY2016	FY2016		FY2017	
Youth Teams	Actual	Actual	Budget	Projected	Variance	Budget	Variance
OLYMPIC TEAMS ADMIN (OT-01)	646,798	701,778	700,999	808,335	-107,336	844,152	-35,817
Youth Team National Staff Coaches (OT-02 TOTAL)	1,353,626	1,585,081	2,346,229	2,121,172	225,056	2,329,218	-208,045
Youth Teams	2,000,424	2,286,859	3,047,228	2,929,507	117,720	3,173,370	-243,862
Men's Teams							
U-14 Boys (OT-20)	546,663	579,028	301,783	327,710	-25,926	117,911	209,799
U-15 Boys (OT-10)	599,728	716,498	536,440	605,801	-69,360	690,952	-85,151
U-16 Boys (OT-24)	0	0	474,972	395,498	79,474	859,655	-464,156
U-17 Men (OT-03)	1,803,743	2,234,884	2,344,960	2,333,755	11,205	2,477,104	-143,349
U-18 Men (OT-11)	511,881	673,747	855,538	775,409	80,129	617,290	158,118
U-19 Men (OT25Z)	0	0	72,945	72,445	500	119,072	-46,627
U-20 Men (OT-04)	801,886	1,214,267	685,437	899,682	-214,245	660,187	239,496
U-23 Men (OT-05)	625	414,930	596,807	1,088,263	-491,456	407,384	680,880
Men's Teams	4,264,526	5,833,354	5,868,882	6,498,563	-629,679	5,949,555	549,010
Women's Teams							
U-14 Girls (OT-21)	251,588	264,400	111,904	104,747	7,157	185,843	-81,096
U-15 Girls (OT-06)	240,419	231,469	357,130	272,407	84,724	246,319	26,088
U-16 Girls (OT-26)	0	0	350,819	226,771	124,048	227,239	-468
U-17 Women (OT-12)	816,128	406,697	740,488	566,917	173,571	401,783	165,135
U-18 Women (OT-13)	285,810	321,860	463,750	339,943	123,807	485,274	-145,331
U-19 Women (OT-27)	0	0	210,248	276,893	-66,645	235,065	41,828
U-20 Women (OT-07)	823,654	814,335	705,995	846,157	-140,162	821,129	25,028
U-23 Women (OT-08)	246,335	234,222	281,985	433,390	-151,405	254,911	178,479
Women's Teams	2,663,934	2,272,983	3,222,319	3,067,225	155,095	2,857,563	209,663
Program Performance							
Medical Supplies (OT-14 Total)	256,468	406,711	565,359	454,770	110,590	689,388	-234,618
Youth Qualifying Tourn (OT-15 Total)	0	0	1,758,411	3,608,666	-1,850,255	0	3,608,666
SPORTS MEDICINE/HIGH PERFORMANCE (OT-28)	0	111,110	200,000	183,860	16,140	440,443	-256,583
Program Performance	256,468	517,821	2,523,770	4,247,296	-1,723,525	1,129,831	3,117,465
Development Programs							
TECHNICAL ADVISERS (OT-22)	822,733	955,636	2,063,128	1,594,946	468,182	2,725,574	-1,130,628
TECHNICAL WORKSHOPS (OT-23)	46,123	2,024	0	0	0	0	0
TECHNICAL DEVELOPMENT (OT-18)	185,411	36,642	2,200,000	1,983,651	216,349	2,717,800	-734,149
MEN'S SCOUTING (OT-19)	492,112	532,317	1,247,796	1,027,407	220,389	1,314,256	-286,849
WOMEN'S SCOUTING (OT-17)	131,937	323,753	178,554	246,957	-68,403	389,696	-142,739
Development Academy (OT-16 TOTAL)	3,008,325	3,218,073	5,617,635	3,843,535	1,774,101	6,978,678	-3,135,143
Development Programs	4,686,641	5,068,445	11,307,113	8,696,496	2,610,618	14,126,004	-5,429,508
Total Player Development	13,871,994	15,979,463	25,969,313	25,439,087	530,226	27,236,322	-1,797,235
NATIONAL TRAINING CENTER (NTC01)							
	388,913	487,214	428,509	436,737	-8,228	425,272	11,465

Referee Department

	FY2014	FY2015	FY2016	FY2016		FY2017	
	Actual	Actual	Budget	Projected	Variance	Budget	Variance
Referee Department (R-01 TOTAL)	652,580	760,458	547,324	519,458	27,866	666,366	(146,908)
Assessment Management (R-02 TOTAL)	16,955	-	-	-	-	-	-
Referee Instructor Management (R-03 TOTAL)	445,732	820,611	462,691	436,815	25,876	511,658	(74,843)
Referee Education (R-04 TOTAL)	582,088	649,156	798,594	702,700	95,894	597,489	105,211
PRO (R-05)	1,090,848	1,306,559	1,300,000	1,233,500	66,500	1,300,000	(66,500)
Referee Department	2,788,203	3,536,784	3,108,609	2,892,473	216,136	3,075,513	(183,040)

Coaching Department

	FY2014	FY2015	FY2016	FY2016		FY2017	
	Actual	Actual	Budget	Projected	Variance	Budget	Variance
NATIONAL COACHING STAFF (C-01)	498,879	616,916	2,168,089	1,531,966	636,122	2,139,953	(607,986)
Digital Coaching Center (prev CoachesNet) (C-03)	135,261	101,538	172,710	162,710	10,000	128,000	34,710
COACHING SYMPOSIUM (C-04)	1,513	-	-	-	-	-	-
Coaching School (C-05 TOTAL)	1,487,066	1,729,773	1,993,830	1,061,538	932,292	1,414,538	(353,000)
Coach Development (prev Continuing Ed) (C-11)	55,035	71,872	208,656	152,670	55,986	41,200	111,470
Miscellaneous (prev Educational Tools) (C-13)	259,639	241,195	463,200	303,595	159,605	240,000	63,595
Coaching Department	2,437,393	2,761,294	5,006,485	3,212,479	1,794,005	3,963,691	(751,211)

Marketing, Sponsorship and Broadcast

	FY2014 Actual	FY2015 Actual	FY2016 Budget	FY2016 Projected	Variance	FY2017 Budget	Variance
FEDERATION SERVICES (M-05)	315,625	405,890	585,000	546,830	38,170	591,250	(44,420)
Marketing (M-06 TOTAL)	1,156,183	1,898,226	2,215,274	3,937,114	(1,721,840)	2,674,883	1,262,231
NEW MEDIA PRODUCTION (M-07)	463,719	572,953	976,109	1,036,132	(60,023)	1,194,696	(158,564)
BAR PROGRAM (M-08A)	-	-	177,000	102,000	75,000	100,000	2,000
MEMBER PROGRAMS (M-08B)	-	-	467,760	327,026	140,734	279,800	47,226
Marketing, Sponsorship and Broadcast	1,935,527	2,877,069	4,421,143	5,949,102	(1,527,959)	4,840,629	1,108,473



Section V

Proposed Amendments to the Federation Bylaws

Summary of Bylaw Proposal

Proposed Bylaw Revision	Proposed By
Bylaw 213	USASA
Bylaw 802	Stephen Flanhaft



PROPOSED BY US Soccer Adult Council

I. PROPOSED AMENDMENT TO BYLAW 213

Bylaw 213. ORGANIZATION MEMBER RESPONSIBILITIES

Section 4.

- (a) An organization may submit an application to the Secretary General to replace an existing State Association. Any application submitted must include a prima facie showing that the existing State Association is not adequately carrying out its responsibilities to the Federation. Such prima facie showing could be made by showing that the existing State Association is violating the bylaws of the Federation or that the existing State Association is violating state or federal law in its activities. Any application submitted must be accompanied by a bond in the amount of \$10,000, which shall be forfeited by the challenging organization if their application is denied. A bond forfeited under this section shall be distributed based upon the recommendation of the Hearing Panel to the Board of Directors.
- (b) Within 30 days of receiving the application, Legal Counsel for the Federation shall issue an opinion as to whether the application make a prima facie showing sufficient for proceeding. The opinion shall be filed with the Secretary General, who shall send said opinion, along with a copy of the original application, to the chairperson of the Youth Council, chairperson of the Adult Council or both depending on the intent of the application, existing State Association and challenging organization. Within 45 days of receiving the opinion and application from the Federation, the existing State Association may file with the Secretary General a written response to the application.
- (c) The challenging organization and the State Association (the “Parties”) shall mediate the issues related to the filing of the application. The chairperson of the Adult Council and/or the chairperson of the Youth Council shall appoint a mediator to mediate the dispute. The Parties agree to have the principals participate in the mediation process, including being present throughout the mediation session(s). The Parties shall have 21 days to commence the first mediation session following the submission of the written response by the State Association. The Parties agree that the purpose of the mediation is to find a solution that serves their respective and mutual interests.
- (d) If the mediation provided for in “c” above does not conclude with an agreement between the parties resolving the application within 180 days after receipt of the application, the Commissioners of the Adult Council and/or Youth Council shall appoint a Hearing Panel to conduct a hearing. The chairperson of the Hearing Panel shall be a Commissioner of the Youth or Adult Council. The hearing shall commence within 240 days after receipt of the application. The chairperson of the Adult Council or Youth Council shall provide the challenging organization and the existing State Association at least 30 days prior written notice of the time and place of the hearing.



Not later than 15 days prior to the hearing, the parties shall provide the Hearing Panel with copies of any documents they wish to introduce into evidence at the hearing and the names of witnesses, if any, and the substance of their testimony. The challenging organization and the existing State Association shall be given a reasonable opportunity to present evidence supporting each of their positions.

(e) The applicant must establish, by clear and convincing evidence, that—

- i. the existing State Association is violating the by-laws of the Federation, the USASA or its own organization; or
- ii. not adequately carrying out its responsibilities to the Federation as a State Association; or
- iii. the applicant is more capable, based upon the nature, scope, quality and strength of its programs, of carrying out the responsibilities to the Federation if it were designated to replace the existing State Association.

(f) Within 30 days after the end of the hearing, the Hearing Panel II issue a Decision:

- i. that the existing State Association shall continue as the State Association;
- ii. to revoke the membership of the existing State Association and declare that a vacancy exists;
- iii. to revoke the membership of the existing State Association and approve the applicant as the State Association; or
- iv. that because of minor deficiencies, to place the existing State Association on probation for not more than 180 days to come into compliance with regard to those deficiencies.

(g) If the Hearing Panel places the existing State Association on probation under subsection (4) of this section, then within 30 days after the expiration of the probationary period the Hearing Panel shall determine whether the existing State Association has come into compliance. If the Hearing Panel determines that the existing State Association has not come into compliance, then the Hearing Panel shall act as provided under subsection (f)(2) or (3) of this section.

(h) Any decision of the Hearing Panel under subsection (f) (2) or (3) of this section becomes effective 14 days after rendered, unless appealed. The decision may be appealed to the Board of Directors. Any appeal must be filed within 10 days of notification of the Hearing Panel's decision. If there is a timely appeal, the decision is stayed during the review period. The Board of Directors shall review any such appeal on a de novo basis limited to the evidence presented to the Hearing Panel. The Board of Directors shall issue a Decision on the appeal no more than 90 days after receiving the appeal.



(i) Any decision of the Board of Directors on appeal that upholds the decision of the Hearing Panel under subsection (f)(2) or (3) of this section becomes effective 30 days after rendered unless appealed to the National Council. Any appeal must be filed within 30 days of notification of the Board's decision and shall be reviewed by the National Council at the next National Council meeting after the appeal is filed. If there is timely appeal, the decision is stayed during the review period.

II. HOW THE BYLAW WOULD BE CHANGED

Bylaw 213. ORGANIZATION MEMBER RESPONSIBILITIES

Section 4.

- (a) An organization may submit an application to the Secretary General to replace an existing State Association. ~~Within 15 days of receiving the application, the Secretary General shall notify the chairperson of the Youth Council, chairperson of the Adult Council or both depending upon the intent of the application~~ Board of Directors and the existing State Association of the receipt of such an application. ~~Within 45 days of receiving the notice from the Secretary General, the existing State Association may file with the Secretary General a written response to the application.~~ Any application submitted must include a prima facie showing that the existing State Association is not adequately carrying out its responsibilities to the Federation. Such prima facie showing could be made by showing that the existing State Association is violating the bylaws of the Federation or that the existing State Association is violating state or federal law in its activities. Any application submitted must be accompanied by a bond in the amount of \$10,000, which shall be forfeited by the challenging organization if their application is denied. A bond forfeited under this section shall be distributed based upon the recommendation of the Hearing Panel to the Board of Directors.
- (b) Within 30 days of receiving the application, Legal Counsel for the Federation shall issue an opinion as to whether the application make a prima facie showing sufficient for proceeding. The opinion shall be filed with the Secretary General, who shall send said opinion, along with a copy of the original application, to the chairperson of the Youth Council, chairperson of the Adult Council or both depending on the intent of the application, existing State Association and challenging organization. Within 45 days of receiving the opinion and application from the Federation, the existing State Association may file with the Secretary General a written response to the application.

~~(b)~~ (c) The challenging organization and the State Association (the "Parties") shall



mediate the issues related to the filing of the application. The chairperson of the Adult Council and/or chairperson of the Youth Council~~Secretary General~~ shall appoint a mediator to mediate the dispute. The Parties agree to have the principals participate in the mediation process, including being present throughout the mediation session(s). The Parties shall have ~~21~~¹⁴ days to commence the first mediation session following the submission of the written response by the State Association. The Parties agree that the purpose of the mediation is to find a solution that serves their respective and mutual interests.

~~(c)~~ (d) If the mediation provided for in ~~“b”~~ ^{“c”} above does not conclude with an agreement between the parties resolving the application within ~~90~~ 180 days after receipt of the application, the Commissioners of the Adult Council and/or Youth Council~~Board of Directors~~ shall appoint a Hearing Panel to conduct a hearing. The ~~chairperson~~^{man} of the Hearing Panel shall be a Commissioner of the Youth or Adult Council~~member of the Board of Directors~~. The hearing shall commence within ~~420~~ 240 days after receipt of the application. The chairperson of the Adult Council or Youth Council~~Secretary General~~ shall provide the ~~applicant~~ challenging organization and the existing State Association at least 30 days prior written notice of the time and place of the hearing. Not later than 15 days prior to the hearing, the parties shall provide the Hearing Panel with copies of any documents they wish to introduce into evidence at the hearing and the names of witnesses, if any, and the substance of their testimony. The ~~applicant~~ challenging organization and the existing State Association shall be given a reasonable opportunity to present evidence supporting each of their positions.

~~(d)~~ (e) The applicant must establish, ~~by a preponderance of the~~ by clear and convincing evidence, that--

- (1) the existing State Association is ~~not adequately carrying out its responsibilities to the Federation as a State Association; or~~ violating the by-laws of the Federation; or
- (2) not adequately carrying out its responsibilities to the Federation as a State Association; or
- ~~(2)~~ (3) the applicant is more capable, based upon the nature, scope, quality and strength of its programs, of carrying out the responsibilities to the Federation if it were designated as the replacement for the existing State Association.

~~(e)~~ (f) Within 30 days after the end of the hearing, the Hearing Panel shall ~~submit a written recommendation to the Board of Directors. The recommendation shall be provided to all parties to the hearing. The Board of Directors shall issue a Decision either at its next meeting or not more than 90 days after receiving the recommendation of the Hearing Panel --~~

- (1) that the existing State Association shall continue as the State Association;
- (2) to revoke the membership of the existing State Association and



- declare that a vacancy exists;
- (3) to revoke the membership of the existing State Association and approve the applicant as the State Association; or
- (4) that because of minor deficiencies, to place the existing State Association on probation for not more than 180 days to come into compliance with regard to those deficiencies.

~~(f)~~ (g) If the ~~Board of Directors~~Hearing Panel places the existing State Association on probation under subsection ~~(d)~~(f) (4) of this section, then within 30 days after the expiration of the probationary period the Hearing Panel~~Board~~ shall determine whether the existing State Association has come into compliance. If the Hearing Panel~~Board of Directors~~ determines that the existing State Association has not come into compliance, then the ~~Board of Directors~~Hearing Panel shall act as provided under subsection ~~(d)~~ (f)(2) or (3) of this section.

~~(h)~~ Any decision of the Hearing Panel under subsection (f) (2) or (3) of this section becomes effective 14 days after rendered, unless appealed. The decision may be appealed to the Board of Directors. Any appeal must be filed within 10 days of notification of the Hearing Panel's decision. If there is a timely appeal, the decision is stayed during the review period. The Board of Directors shall review any such appeal on a de novo basis limited to the evidence presented to the Hearing Panel. The Board of Directors shall issue a Decision on the appeal not more than 90 days after receiving the appeal.

~~(g)~~ (i) Any decision of the Board of Directors on appeal that upholds the decision of the Hearing Panel under subsection ~~(d)~~ (f) (2) or (3) of this section becomes effective 30 days after rendered, unless appealed to the National Council. ~~The decision may be appealed to the National Council.~~ Any appeal must be filed within 30 days of notification of the Board's decision and shall be reviewed by the National Council at the next National Council meeting after the appeal is filed. If there is a timely appeal, the decision is stayed during the review period.

III. RATIONALE

Under the current by laws, it is very easy for an organization to challenge a State Association. This process costs the State Association valuable time, money and resources to fight these challenges. This new bylaw will make a challenging organization financially responsible to make a challenge. This will ensure that the challenging organization has enough evidence that the State Association has not been carrying out their responsibilities to the Federation.

This new by law also changes the procedures for the hearings. Under this new by law, the chair of the Adult and/or Youth Councils will appoint a mediator to mediate the dispute. Under the current bylaws the Secretary General would appoint the mediator. We believe that this should be heard within the Council that the State Association is being challenged in.



IV. RULES COMMITTEE RECOMMENDATION

This proposal addresses the process for challenging and replacing state associations. In recent years, the current bylaw has been a source of dispute and contention. The Committee believes that the existing bylaw could be improved by clarifying the burden of proof that must be satisfied to successfully challenge an incumbent state association, and perhaps by separating the processes for reviewing an incumbent state association and for appointing a replacement state association upon the existence of a vacancy.

This proposed amendment to Bylaw 213 contains a number of features and policy choices for determination by the National Council. For example, subsection 4(b) of this proposal assigns to the Federation's legal counsel the responsibility of making a threshold determination of whether a prima facie case has been established by a challenger to an incumbent state association. The proposal is silent as to the elements of a prima facie case. Furthermore, given the political nature of challenges to state associations, the National Council may wish to consider whether or not to assign this adjudicative role to Federation staff. If the National Council elects to adopt this process, the Rules Committee recommends that the concluding sentence of subsection 4(b) be changed to permit the State Association to file a written response addressing not only the application but also the opinion of the Federation's legal counsel.

This proposed amendment raises the standard of proof from the current "preponderance of the evidence" to "clear and convincing evidence." Selecting the appropriate standard of proof is a policy decision for the National Council. This section of the proposed amendment also makes reference to the USASA. The Rules Committee recommends the deletion of this reference both because this process would apply to both youth and adult state associations, and because the reference might give an appearance of favored status to the named Member Organization.

The proposed amendment would also mandate that a challenger to a state association post a \$10,000 bond, which would be forfeited if the challenge fails. It is a policy decision for the National Council whether or not to impose such a requirement and, if so, at what amount. If this provision is adopted, the Rules Committee recommends that further clarification be made to explain how and to whom the bond may be released or distributed.

The proposed amendment modifies the mandatory mediation process during a challenge a state association by shifting the power of appointment of the mediator from the Secretary General to the "Chairperson of the Adult Council and/or the Chairperson of the Youth Council." It is a policy decision for the National Council whether this power of appointment should reside with the Secretary General or elsewhere. If the National Council wishes to adopt this proposal, the Rules Committee recommends that this provision be clarified to explain whether or not the appointment would be made by the Chair of the same council in which the challenged state association is a member. The Rules Committee further recommends that this provision be clarified to explain who would hold the power of appointment in the case of a challenge to a joint state association.

The proposed amendment also defines the process for appointing hearing panels for challenges



to state associations. This amendment would shift the power of appointment for the hearing panel from the Board of Directors to the “Commissioners of the Adult and/or Youth Council.” The Rules Committee notes that the amendment does not define how the commissioners of these councils would exercise this power. In addition, the amendment does not currently explain which council’s commissioners would have this power, presumably depending on the membership of the challenged state association. The National Council may wish to clarify whether or not this reference was meant to vest the power of appointment with the commissioners of the council in which the challenged state association is a member, and which commissioners would possess this power of appointment in the event of a challenge to a joint state association.

The proposed amendment would also require the chair of the hearing panel to be a Commissioner of the Adult or Youth Council, instead of a member of the Board of Directors. If the National Council decides to change the current procedure, the Rules Committee recommends that the proposed amendment be clarified to explain whether or not the references to the Adult and Youth Council are meant to refer the same council in which challenged state association is a member. Clarification could also be offered to explain who would serve as the panel chair in the event of a challenge to a joint state association.

The proposed amendment also establishes an appeals route first to the Board of Directors and then, in certain instances, to the National Council. The proposed amendment does not make clear whether an appeal of an adverse decision from the hearing panel to the Board of Directors is available to both the incumbent state association and a disappointed challenger, or whether this avenue of appeal is available only to an incumbent state association whose membership was revoked by decision of a hearing panel. In contrast, the proposed amendment would only permit state associations to further appeal an adverse decision by the Board to the National Council.

The proposed amendment states that appeals to the Board would be reviewed on a de novo basis, presumably with no deference owed to the decisions of hearing panels. It is a policy decision for the National Council to determine the appropriate standard of review for such appeals. The amendment does not specify a standard of review to be applied for appeals to the National Council, and the Rules Committee recommends that a standard of review be designated for such appeals. The Rules Committee further recommends that the proposal more specifically define the procedure for filing and pursuing appeals to the Board of Directors and National Council.



PROPOSED BY Stephen Flamhaft, Life Member

I. PROPOSED AMENDMENT TO BYLAW 802, SECTION 3

The proposed amendments and recommendations of the Rules Committee shall be submitted in writing to each member of the National Council at least 30 days before the National Council Meeting at which the proposed amendments are to be considered.

II. HOW THE BYLAW WOULD BE CHANGED

Section 3—The proposed amendments and the reports from the Rules Committee, (as per Section 4), in addition to the recommendations of the Rules Committee shall be submitted in writing to each member as well as delegates of the National Council at least ~~30~~ 60 days before the National Council Meeting at which the proposed amendments are to be considered.

III. RATIONALE

Presently rule change proposals are distributed 30 days prior to the National Council Meeting and are received by members and delegates to properly analyze and evaluate proposals. More time, an additional 30 days, would allow for greater opportunity for members and delegates to evaluate Rules Committee reports and recommendations. It also allows for discussion for members and delegates concerning the Rule Committee's findings and the possibility of members and delegates submitting suggested amendments, friendly or otherwise, to the Rules Committee prior to the National Council Meeting.

IV. RULES COMMITTEE RECOMMENDATION

This proposal would amend Bylaw 802 to require reports from the Rules Committee about proposed bylaw amendments to be distributed to delegates as well as members of the National Council. This proposal would require distribution to occur at least 60 days before the National Council meeting, which is thirty days earlier than the current requirement.

This proposal presents a policy decision for the National Council regarding the timing and distribution of reports from the Rules Committee. Requiring the release of the Rules Committee reports thirty days earlier could impact other deadlines for practices, policies, and bylaws concerning the National Council meeting. For example, in order to distribute the reports to delegates, the registration deadline for delegates would need to be moved up before the distribution deadline.

The proposed amendment would not create any other substantive changes, and the proposed parenthetical is unnecessary and could be omitted.





Section VI

Affirmation of Policies Adopted Since 2015 AGM

**Summary of Policy Amendments
Passed by the Board of Directors**

Proposed Policy Revision	Proposed By
Policy 601-6	Sunil Gulati
Policy 102(4)-1	U.S. Open Cup Committee



The following policy amendment was passed at the February 13, 2015 Board of Directors Meeting.

Policy 601-6—International Clearances

| For a player who comes to the United States on or after the player is 10~~2~~ years of age, the player must request and receive an international clearance from the Federation.



The following policy amendments were passed at the May 31, 2015 Board of Directors Meeting.

Policy 102(4)-1—Lamar Hunt U.S. Open Cup

Section 201. Categories of competition

(a) ~~The Open Cup shall have~~ **Teams shall qualify for the Open Cup through one of the following categories** **divisions** of competition: ~~(1) Adult Council category; (2) Division III Outdoor Professional League Team category; (3) Division II Outdoor Professional League Team category; and (4) Division I Outdoor Professional League Team category~~ **(1) Division I Outdoor Professional League; (2) Division II Outdoor Professional League; (3) Division III Outdoor Professional League; and (4) Open Division.** All ~~professional outdoor~~ teams registered and competing in a **Division I, Division II or Division III outdoor** professional league shall be required to enter the Open Cup competition annually. A youth amateur team applying to compete shall compete through the Adult Council category **Open Division.**

Section 202.

(a) To enter the Open Cup, a team must be an outdoor soccer team of a club or league of an Organization Member of the Federation. The team must be playing in a regular club or league competition of at least **four (4)** teams and the competition must consist of at least **ten (10)** matches **for each team in the competition** each fiscal year.

(b) Division I, II and III Outdoor Professional League Teams:

(1) To remain eligible throughout the tournament:

- (i) A team must remain a playing member in good standing within its club/league competition from December 31 of the competition year until the Open Cup Final;**
- (ii) A team's league must be in operation from December 31 of the competition year until the Open Cup Final.**

(2) Any team whose league is starting its first season of competition:

- (i) Must have its league schedule set and announced to the public by January 31 of the competition year;**
- (ii) Must have its first league game scheduled for no later than seven (7) days prior to the first scheduled Open Cup round of competition involving the team's division.**

(3) Any team starting its first season of competition in an existing Division I, II or III Outdoor Professional League:

- (i) Must have its league schedule set and announced to the public by January 31 of the competition year;**



- (ii) Must have its first league game scheduled for no later than seven (7) days prior to the first scheduled Open Cup round of competition involving the team's division.**

(c) Teams Entering Through the Open Division:

(1) To remain eligible throughout the tournament:

- (i) A team must remain a playing member in good standing within its club/league competition, starting from the Open Division entry deadline and continuing until the Open Cup Final for the competition year;**
- (ii) A team's league must be in operation from the Open Division entry deadline until the Open Cup Final for the competition year.**

(2) Any team whose league is starting its first season of competition must have started its league schedule at least thirty (30) days prior to the Open Division entry deadline.

(3) Any team starting its first season of competition in an existing league must have started its new league's schedule at least thirty (30) days prior to the Open Division entry deadline.

Section 203. Player Eligibility

(a) Teams entering the Open Cup shall use their official league roster as their Open Cup roster. Except as specified in this Policy or except as the result of discipline matters imposed by U.S. Soccer, all players on an official league roster will be eligible for Open Cup competition, regardless of any status (e.g. injured reserve) each player may have with regard to league competition. Players on loan from another team or league may not be included on an Open Cup roster, with the exception of the following: 1) Loaned players originating from teams competing in leagues that are not active participants in the Open Cup Tournament or qualifying process (professional indoor leagues, foreign clubs, etc.); or 2) players on loan from other US clubs for a period of greater than 90 days. A team may list up to 18 players on its game day roster. Professional teams may have no more than 5 foreign players listed. Amateur teams are not restricted as to the number of foreign players they may list. Foreign players shall be those players who are not protected individuals as defined in 8 U.S.C. § 1324b (e.g. U.S. Citizens, lawful permanent residents, asylees and refugees).

(b) Roster rules for competing teams:

(i) For teams entering the tournament by competing through Open Division qualifying rounds: Each team shall submit its roster, together with additional player information that has been requested, to the Open Cup Commissioner by a date set



by the Open Cup Committee. Rules with respect to the maximum number of players, roster approval and freeze deadlines, and other features shall be determined by the Open Cup Committee and communicated and enforced by the Commissioner.

(ii) For teams entering the tournament after all Open Division qualifying rounds have concluded: Two weeks prior to the first Open Cup Round in which a team participates, that team shall submit to the Open Cup Commissioner its Open Cup roster, together with additional player information that has been requested by the Commissioner. A team's Open Cup roster shall not be frozen at any time during the competition. For Open Cup matches, a team may add players to or drop them from its league roster under the league rules currently in place. Any changes to a team's roster must be communicated to the Open Cup Commissioner and all clearances obtained, including approval from U.S. Soccer's player registration department, no later than 4 p.m. CT on the first business day prior to any Open Cup match in order for such changes to be in effect for said match.

(c) Any player who plays in any part of an Open Cup match for a team, **including any match in any Open Division qualifying round,** may not be included in the Open Cup roster or play for any other team in the Open Cup competition for that **competition** year.

(d) If any team plays an ineligible player in an Open Cup match, that team is subject to fines or other penalties, including game forfeiture, as determined by the Adjudication and Discipline Panel.

Section 204. Entering the Cup

(b) **Prior to the 2015-16 competition,** ~~the~~ the annual Open Cup application fee shall be as follows:

- | | |
|--|-------|
| (1) Each Adult Council team <u>competing through the Open Division</u> | \$200 |
| (2) Each Division III Outdoor Professional League team | \$350 |
| (3) Each Division II Outdoor Professional League team | \$550 |
| (4) Each Division I Outdoor Professional League team | \$650 |

Starting with the 2015-16 competition, the annual Open Cup application fee shall be as follows:

- | | |
|--|---------------------|
| <u>(1) Each team competing through the Open Division</u> | <u>\$200</u> |
| <u>(2) Each Division III Outdoor Professional League team</u> | <u>\$400</u> |
| <u>(3) Each Division II Outdoor Professional League team</u> | <u>\$600</u> |
| <u>(4) Each Division I Outdoor Professional League team</u> | <u>\$700</u> |

Section 301. FIFA Laws of the Game



FIFA Laws of the Game apply to Open Cup competition matches. If changes to the Laws are adopted ~~in a year~~ to be effective after matches are first played involving any ~~between the Adult Council and Division III~~ Division I, Division II, or Division III Outdoor Professional League teams, those changes will apply to the next Open Cup competition and not the competition in progress ~~for that year beginning on the day after FIFA gives permission to apply those changes to the competition or beginning with the matches between the Adult Council and Division III Outdoor Professional League teams, whichever is later.~~

Section 304. Match officials

The Federation will assign all match officials, and determine the amounts of compensation for them, for all Open Cup matches except for those matches assigned by the Open Cup Committee to be overseen by an Organization Member of the Federation ~~Adult Council matches held before Adult Council regional Open Cup competition.~~

Section 305. Player and team official match discipline

(c) A suspension shall be served by the individual at the next Cup match or matches of the team of that individual. If the individual has no remaining Cup matches during the year, the suspension shall carry forward for up to the next ten year's Open Cup competitions (or twenty years in the case of suspensions imposed by the Adjudication and Discipline Panel) and be served at the individual's next Open Cup match for which he would otherwise be eligible ~~following year's Open Cup competition's matches first played.~~

Section 306. Protests and General Discipline

(f) Where the matches are played solely under the auspices of, and delegated to, an Organization Member of the Federation ~~the Adult Council and/or an Outdoor Professional League team~~, such as in any qualifying matches prior to Round 1 of the Open Cup, the protest or grievance shall be referred to the appropriate Council or Member's Competition Authority and shall be determined according to the Competition Authority's, Bylaws, Rules, Policies and Procedures then in effect.



The following policy amendment was passed at the September 8, 2015 Board of Directors Meeting.

Policy 102(4)-1—Lamar Hunt U.S. Open Cup

Section 202. Team eligibility

(d) Any Outdoor Professional League Team that is majority owned by a higher-level Outdoor Professional League Team shall be ineligible to participate in the Open Cup. The Open Cup Committee shall review and determine team eligibility annually pursuant to this provision and report its decisions to the National Board of Directors.

The following policy amendment was passed at the December 6, 2015 Board of Directors Meeting.

Policy 102(4)-1—Lamar Hunt U.S. Open Cup

Section 201. Categories of competition

(a) Teams shall qualify for the Open Cup through one of the following categories divisions of competition: (1) Division I Outdoor Professional League; (2) Division II Outdoor Professional League; (3) Division III Outdoor Professional League; and (4) Open Division. All teams registered and competing in a Division I, Division II or Division III ~~Outdoor Professional League~~ Outdoor Professional League (excluding those teams based outside the United States) shall be required to enter the Open Cup competition annually. A youth amateur team applying to compete shall compete through the Open Division.

Section 202. Team eligibility

(a) To enter the Open Cup, a team must be an outdoor soccer team based in the United States and a member of a club or league of an Organization Member of the Federation. The team must be playing in a regular club or league competition of at least four (4) teams and the competition must consist of at least ten (10) matches for each team in the competition each fiscal year.

(d) Any Outdoor Professional League Team that is majority owned by a higher-level Outdoor Professional League Team or any team that is (1) majority owned by an Outdoor Professional League team, (2) registered with any Open Division League, and (3) registered as a professional team, shall be ineligible to participate in the Open Cup. The Open Cup Commissioner shall circulate a list of proposed ineligible teams for review by the Open Cup Committee. The Open Cup Committee shall review and determine team eligibility annually pursuant to this provision and report its decisions



to the National Board of Directors.
Section 203. Player eligibility

(b) Roster rules for competing teams:

(ii) For teams entering the tournament after all Open Division qualifying rounds have concluded: Two weeks prior to the first Open Cup Round in which a team participates, that team shall submit to the Open Cup Commissioner its Open Cup roster, together with additional player information that has been requested by the Commissioner. A team's Open Cup roster shall not be frozen at any time during the competition. For Open Cup matches, a team may add players to or drop them from its league roster under the league rules currently in place. Any changes to a team's roster must be communicated to the Open Cup Commissioner and all clearances obtained, including approval from U.S. Soccer's player registration department, no later than 24 hours 2 p.m. CT on the first business day prior to any Open Cup match in order for such changes to be in effect for said match.

(c) ~~Except as otherwise provided in subsection (d) of this section, a~~ Any player who plays in any part of an Open Cup match for a team, including any match in any Open Division qualifying round, may not be included in the Open Cup roster or play for any other team in the Open Cup competition for that competition year.

~~(d) A player of a team competing in the Open Cup Adult Council category that participated in any part of an Open Cup match for that team who is properly registered on, or transferred to, a team in the Open Cup Professional Division category, is eligible to be included on the Open Cup roster of that Professional Division team and play for that Professional Division team. In doing so, the amateur player that participates with a Professional Division team loses Open Cup eligibility with that Adult Council team for the remainder of that year's competition.~~

~~(e)~~(d) If any team plays an ineligible player in an Open Cup match, that team is subject to fines or other penalties, including game forfeiture, as determined by the Adjudication and Discipline Panel.

Section 303. Match play

(a) Each team will be allowed to select not more than 18 players from its official league roster who shall be designated for its match day roster. No later than 60 minutes prior to the start of the match, each team will provide to the referee and the other team a match day roster designating not more than 11 starting players and the other players (not more than 7) as the pool of players from which substitutions may be made. A team may use not more than 43 substitutes from its match day roster. Once a player leaves the match and is replaced by a substitute, the player leaving may not re-enter the match. A player originally selected for the match day roster of up to 18 who is



deemed not able to play may be replaced prior to kickoff by another player on the team's official league roster with the consent of the referee and will not be eligible to compete in the match in which he was replaced. The replacement of such a player (if originally listed as a starting player) shall not reduce the number of substitutions available to his team. The referee shall communicate any such change to the opposing team.

Section 308. Cancelled and Terminated Matches

- (c) If a match is cancelled because of weather or other act of God, the match must be rescheduled ~~by~~for the next ~~business day~~ unless mitigating circumstances prevent this. In the event that the game cannot be rescheduled for the next day and the teams cannot within 24 hours of cancellation reach agreement on ~~for a new match date that is~~ within 7 days of the originally scheduled match date. ~~If the teams involved cannot reach agreement,~~ the Commissioner will set the date.
- (e) If a match is terminated prior to the end of the first half or is otherwise tied at the time of termination, and the termination is not due to the conduct of one of the teams, the match shall be replayed in its entirety. A on the rescheduled date ~~shall be determined within 7 days of the originally scheduled match date.~~



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