PROCEEDINGS

UNITED STATES SOCCER FEDERATION

86th ANNUAL GENERAL MEETING
NATIONAL COUNCIL MEETING

San Francisco Hilton
San Francisco, California

Friday, August 9, 2002
(9:10 a.m. - 10:30 a.m.)

Reported by Debra K. Resling, RMR, CRR

RESLING REPORTING SERVICES
# AGENDA

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RESLING REPORTING SERVICES
10. New business

A. Proposed Budget Fiscal Year 2003

B. Membership Approvals

1. United States Deaf Soccer Association

2. Vermont State Soccer Association

3. Major Indoor Soccer League

11. Election of US Soccer President

12. Election of Foundation Board Members

13. Werner Fricker Award

14. For the Good of the Game

15. Adjournment
PRESIDENT CONTIGUGLIA: Let's have our meeting come to order. I would like to start with a moment of silence to remember those in the soccer family who are no longer with us.

(Moment of silence.)

PRESIDENT CONTIGUGLIA: Thank you. We'll have the Pledge of Allegiance.

(Pledge of Allegiance recited.)

PRESIDENT CONTIGUGLIA: I would like to introduce a guest. To my left is Chuck Blazer, General Secretary of CONCACAV and a member of the FIFA Executive Committee. Chuck, thanks for being here.

(Applause.)

I also would like to thank Ric Olivas and John Murphy of the Youth and Amateur Soccer Association for hosting us here in this wonderful city. Ric and John, are you here to stand up?

Right here. Thank you very, very much. We will be providing both Ric and John protocol presents from the World Cup for their offices, and they will be mailed to you.

I would like to ask the Credentials Chairman to take the roll call.

MR. BENANZER: We will start with the

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Adult Council. If you are present, say "here."
(The roll call was taken by Mr. Benanzer;
responses by members present.)

Q  Alabama?
   A  Here.

Q  Alaska? Arizona?
   A  Here.

Q  Arkansas?
   A  Here.

Q  California North?
   A  Here.

Q  California South?
   A  Here.

Q  Colorado?
   A  Here.

Q  Connecticut?
   A  Here.

Q  Delaware?
   A  Here.

Q  Eastern New York?
   A  Here.

Q  Eastern Pennsylvania?
   A  Here.

Q  Florida?
   A  Here.

RESLING REPORTING SERVICES
Q Georgia?
A Here.

Q Hawaii?
A Here.

Q We're doing adults. Idaho?
A Here.

Q Illinois?
A Here.

Q Indiana?
A Here.

Q Iowa?
A Here.

Q Kansas?
A Here.

Q Kentucky?
A Here.

Q Louisiana?
A Here.

Q Maryland?
A Here.

Q Massachusetts?
A Here.

Q Metro D.C. Virginia?
A Here.

Q Michigan?

RESLING REPORTING SERVICES
1 A Here.
2 Q Minnesota?
3 A Here.
4 Q Mississippi?
5 A Yes.
6 Q Missouri?
7 A Here.
8 Q Montana? Nebraska?
9 A Here.
10 Q Nevada?
11 A Here.
12 Q New Hampshire? New Jersey?
13 A Here.
14 Q New Mexico?
15 A Here.
16 Q North Carolina?
17 A Here.
18 Q North Texas?
19 A Here.
20 Q Ohio North?
21 A Here.
22 Q Oklahoma?
23 A Here.
24 Q Oregon?
25 A Here.

RESLING REPORTING SERVICES
1 Q Pennsylvania West?
2 A Here.
3 Q Rhode Island?
4 A Here.
5 Q South Carolina?
6 A Here.
7 Q Southern Ohio?
8 A Here.
9 Q Tennessee?
10 A Here.
11 Q Texas South?
12 A Here.
13 Q Utah?
14 A Here.
15 Q Washington?
16 A Here.
17 Q West Virginia? Western New York?
18 A Here.
19 Q Wisconsin?
20 A Here.
21 Q Wyoming?
22 A Here.
24 The Youth Council. Alabama?
25

RESLING REPORTING SERVICES
1  A  Here.
2  Q  Alaska?
3  A  Here.
4  Q  Arizona?
5  A  Here.
6  Q  Arkansas?
7  A  Here.
8  Q  California North?
9  A  Here.
10  Q  California South?
11  A  Here.
12  Q  Colorado?
13  A  Here.
14  Q  Connecticut?
15  A  Here.
16  Q  Delaware?
17  A  Here.
18  Q  Eastern New York?
19  A  Here.
20  Q  Eastern Pennsylvania?
21  A  Here.
22  Q  Florida?
23  A  Here.
24  Q  Georgia?
25  A  Here.

RESLING REPORTING SERVICES
Q Hawaii?
A Here.

Q Idaho?
A Here.

Q Illinois?
A Here.

Q Indiana?
A Here.

Q Iowa?
A Here.

Q Kansas?
A Here.

Q Kentucky?
A Here.

Q Louisiana?
A Here.

Q Maine?
A Here.

Q Maryland?
A Here.

Q Massachusetts?
A Here.

Q Michigan?
A Here.

Q Minnesota?
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A Here.
Q Mississippi?
A Yeah.
Q Missouri?
A Here.
Q Montana?
A Here.
Q Nebraska?
A Here.
Q Nevada?
A Here.
Q New Hampshire?
A Here.
Q New Jersey?
A Here.
Q New Mexico?
A Here.
Q New York West?
A Here.
Q North Carolina?
A Here.
Q North Dakota? North Texas?
A Here.
Q Ohio?
A Here.

RESLING REPORTING SERVICES
Q We'll call the athletes next.

Juergen Sommer.

UNIDENTIFIED SPEAKERS: No, no, no, no.

You didn't say Ohio South.

Q Well, that's because I missed a page.

Okay. We'll go ahead and continue with the Youth Associations. I apologize. Ohio South?

A Here.

Q Oklahoma?

A Here.

Q Oregon?

A Here.

Q Pennsylvania West?

A Here.

Q Soccer Rhode Island?

A Here.

Q South Carolina?

A Here.

Q South Dakota?

A Here.

Q South Texas?

A Here.

Q Tennessee?

A Here.

Q Utah?

RESLING REPORTING SERVICES
1            A    Here.
2            Q    Vermont?
3            A    Here.
4            Q    Virginia?
5            A    Here.
6            Q    Washington?
7            A    Here.  Thank you.
8            Q    Wisconsin?
9            A    Here.
10           Q    Wyoming?
11           A    Here.
12           Q    Did I miss any of the youth?  Okay.
13           Now, we will go to the athletes.
14           Juergen Sommer?
15           A    Here.
16           Q    Mary Harvey?
17           A    Here.
18           Q    Marcelo Balboa?
19           A    Here.
20           Q    Fernando Clavijo?
21           A    Here.
22           Q    Clavijo?
23           A    Correct.
24           Q    Mark Dodd?
25           A    Here.

RESLING REPORTING SERVICES
1 Q Dante Washington?
2 A Here.
3 Q Cam Rast?
4 A Here.
5 Q John Doyle?
6 A Yeah.
7 Q Major League Soccer. Mark Abbott? Ivan Gazidis?
8 A Here.
9 Q Mark Noonan?
10 A Here.
11 Q Doug Wright?
12 A Here.
13 Q Dave, I'm sorry.
14 Q Don Garber?
15 A Here.
16 Q Kevin Payne?
17 A Here.
18 Q UNIDENTIFIED SPEAKER: He's here somewhere.
19 Q USL A-League, Division 2. Tim Holt?
20 A Here.
21 Q Todd Saputo?
22 A Here.
23 Q Steven Thompson?
24 RESLING REPORTING SERVICES
1 A Here.
2 Q Matt Weibe?
3 A Here.
4 Q WUSA vote, Marlene Bjornsrud? Kevin Cross? Joe Cummings?
5 A Here.
6 Q Susan Marenoff? Tom Meredith? Our life members. Foster Perry?
7 A Here.
8 Q Hank DesBordes?
9 A Here.
10 Q Gianfranco Borroni?
11 A Here.
12 Q Our other affiliates. United States Specialty Sports Association, Chris Davenport?
13 U.S. Club Soccer, Phil Wright?
14 A Here.
15 Q The NSCAA; Barry Gorman?
16 A Here.
17 Q And your Board of Directors. Dr. Robert Contiguglia?
18 A Here.
19 Q Sunil Gulati?
20 A Here.

RESLING REPORTING SERVICES
1 Q Alan Rothenberg?
2 A Here.
3 Q Bill Goaziou?
4 A Here, sir.
5 Q Burton Haines?
6 A Here.
7 Q Mike Edwards?
8 A Here.
9 Q Marypat Bell?
10 A Here.
11 Q Marge Madriago?
12 A Here.
13 Q Brooks McCormick?
14 A Here.
15 Q Charles Robinson?
16 A Here.
17 Q Bruno Trapikas?
18 A Here.
19 Q Richard Groff?
20 A Here.
21 Q Werner Fricker, Junior?
22 A Here.
23 Q David Messersmith?
24 A Here.
25 Q David Burton?

RESLING REPORTING SERVICES
1 A Here.
2 Q Chris Christoffersen?
3 A Here.
4 Q Larry Harmon?
5 A Here.
6 Q Evelyn Gill?
7 A Here.
8 Q Bob Palmeiro?
9 A Here.
10 Q Darl Rose?
11 A Here.
12 Q Tony DiCicco?
13 A Here.
14 Q Lauren Gregg?
15 A Here.
16 Q John Bouda?
17 A Happily here.
18 Q Bill Sage?
19 A Here.
20 Q Alex Para?
21 A Here.
22 Q Jim Sheldon?
23 A Here.
24 Q And also on the last page with the youth
25 was AYSO.

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A Here.

Q Thank you.

Others on the Board of Directors,

Francisco Marcos?

A Here.

Q And David Askinas?

A Here.

MR. BENANZER: The total vote is 1074. The majority, if all delegates vote, will be 538. On two-thirds votes, if all delegates vote, it will be 716. That's my report.

PRESIDENT CONTIGUGLIA: Thank you very much.

You have been provided the minutes of the AGM 2002, and I will entertain a motion to accept them.

MR. GOAZIOU: So move.

MR. BLAZER: Second.

PRESIDENT CONTIGUGLIA: If there's no discussion, they will be approved with unanimous consent.

I would like to ask from the membership, approval for the future, to have minutes of this meeting approved by the Board of Directors, and then distributed so that we can get things moved in a more

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timely manner. Can I have a motion to that effect?

MR. BORRONI: So move.

PRESIDENT CONTIGUGLIA: Any discussion?

All in favor, please, say aye? Thank you very much.

(Motion passes.)

PRESIDENT CONTIGUGLIA: I would like to start off with my remarks, and Dan will have some remarks, and we will have a guest speaker as well.

It's been quite a year for us, or four years for us.

The acclaim for your men's national team continues. Last week President Bush hosted the team at the oval office, and he noted that while discussing the Afghanistan situation with President Musharoff of Pakistan, President Musharoff congratulated him on our team's victory over Portugal. The President of France and Prime Minister of England later congratulated President Bush as well. President Bush also talked to our players, and he talked to them about the strong youth foundation in the United States and how soccer contributes to the health of children.

The U.S. has earned worldwide respect and showed that the United States can compete with anyone in the world.

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We should be proud of these accomplishments and remember that they are the results of 20 years of hard work of many thousands of people.

Over the past four years, we have recorded the best results ever, with international acclaim for our players, coaches and referees.

The 2002 World Cup is the best example of these accomplishments. Our team made it to the quarterfinals in an unprecedented display of attractive attacking soccer. Claudio Reyna's leadership and outstanding play awarded him a place on the All World Cup team, where Landon Donovan, Brad Friedel, Brian McBride, DeMarcas Beasley, Eddie Pope and Tony Sena earned international acclaim.

All of these players came up through our youth, college and amateur programs and most are tied either to the A-League or the MLS.

The work of Brian Hall, the first American-born referee in the World Cup, received the highest first round ratings of any referee in the tournament, not just CONCACAV referees, the entire tournament.

Combined with the success of Sandra Hunt working the 1999 Women's World Cup, and 2000 Olympic

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games, our growing referee program is now looked upon as the best in the world.

The World Cup results on the men's side, added to the men's national team winning its second gold cup championship, and the success of MLS club teams places the United States as the leading soccer nation in the region.

I would be remiss if I did not also mention the critical role played by MLS in our success in Korea.

Besides providing a professional environment for our players to display their talents, the MLS owners had the courage to invest in the English language U.S. television rights for the World Cup.

They're the ones that were responsible for all of your sleepless nights. The ratings were the highest ever on ESPN. MLS also contributed to our success by releasing players early, so that Bruce could have them for more time before the start of the World Cup. I want to thank Don Garber, Ivan, for all of your help in that area.

We're also seeing the same kind of cooperation from the Women's United Soccer Association.

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I want to thank Tony DiCicco and Lynn Morgan for releasing the women's national team players for our recent victory over Norway. After only one and a half years in existence, it is clear that WUSA is the finest women's league in the world, is the training ground for our women's national team and will play a critical role in our defense of the women's championship gold medal. Our women's program continues to be the best in the world.

In the last four years, we hosted and won the gold medal in the greatest women's sporting event in history, the 1999 Women's World Cup. A silver medal at the 2000 Sydney Olympics followed those eye-opening performances, and at the same Olympic games, our Under-23 Men's National Team qualified for the medal round, the first ever, for a men's team.

At the youth national team level, the Under-21 women recently won their fourth consecutive Nordic Cup, the top level of competition in the world for their age group. And later this month, our U.S. Under-19 women's team will compete in Canada for the first-ever Under-19 FIFA world championship, an event which the United States has lobbied for over many, many years. I'm sure Tracey Leone has put together a
team that will make us all proud.

For the youth men, the Under-20s have qualified for three consecutive youth world championships, and the Under-17s continue to be the only team in the world to have qualified for every FIFA Under-17 World Championship; nine and counting.

The Under-14 developmental program is now offering training opportunities for over 120 boys and girls. With our members working closely with the director of youth development, John Ellinger, and April Heinrichs, we know we will continue to see more impressive results and talented players on future national teams.

And in late October, our Women's National Team, under the leadership of April Heinrichs, will begin their defense of the gold medal when qualifying for the 2003 Women's World Cup, that's staged in Los Angeles and Seattle, as part of the CONCACAF Women's Cup, and I know our states' associations in Washington are helping put on that program.

Now next spring, the Men's National Team will participate in the FIFA Confederation's Cup, where we will meet soccer powers like France, Colombia and Cameroon. Then, there will also be the Olympics and other regional and international
competitions in 2004. All of these tests will keep U.S. Soccer in the public eye between now and the next qualifying for the 2006 World Cup. And while we have high hopes for the next World Cup, let's keep in mind that qualifying will not be automatic. It will be a great challenge with our recent notoriety, all countries in CONCACAF will be very motivated to see if they can beat us.

As we strive to win every FIFA competition, we will also continue to work to develop all of our athletes, coaches and referees.

Recognizing that development begins at the youth recreational level, we will continue to rely on our member state associations and national organizations, such as USYSA, AYSO and SAY to provide education programs for young players. We will encourage each member association to be a center of excellence for the development of the entry-level player, coach and referee.

Our goals will be to make the average player better. We all know that if we can make the average player this much better, our talented players will be this much better.

And we will try to retain more players.

This is very critical. As you know, the players drop
out by the time they're 15 or 16, or 14 years old, and it's critical that we retain players with quality coaching and quality training, and, of course, appropriate levels of competition.

Our very talented players will continue to have multiple opportunities to college, professional and national team play through elite clubs, the Olympic Development Program, the AYSO College Athlete Program, our Bolitary Academy, Nike Project 40, the Y league, WUSA, and in the near future, an MLS reserve team.

U.S. Soccer will expand the players scouting team and tracking system and add more players to the Bolitary Academy, and we're expected to start a West Coast Academy when our new training center opens.

The National Training Center, which is currently being built in Southern California and is now two weeks ahead of schedule will, of course, be world class. Our players, coaches, and referees will be able to excel beyond what they've already done, and we will expand opportunities for international training and competition.

The National Training Center will include fields, a dormitory, a hotel, classrooms, training

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rooms, and a 27,000-seat state-of-the-art partially covered stadium. That will be the model for other soccer-specific stadiums across the United States.

I want to thank our partners, the Anschutz Entertainment Group and the U.S. Soccer Foundation, for their commitment to this project, and their commitment to player development.

As you know, U.S. Soccer and our Foundation hosted a spectacular dinner last winter, to honor our athletes the last decade and to raise funds for the National Training Center.

Many of you attended, and I thank you all for attending, and we made over $250,000 towards the National Training Center. It was a huge, huge success. I want to thank Herb Giobbi and Jim Hamilton and their staff for putting on that wonderful event.

The importance of keeping the players involved in the game outside of youth and professional arenas is also critical to our success. To that end, it is important to acknowledge the work of the U.S. Amateur Division and Mike Edwards in keeping adults active in the sport.

Last week in Houston, we partnered with them, with the USASA Amateur Sports Festival, hosting amateur, regional select teams, national teams from

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Mexico and -- national teams from Mexico and Canada.

The event was a huge success. And we're looking forward to working with Mike and his team, as they plan for their future goals of increasing membership and establishing a strategic plan.

While player, coach and referee development is our main focus, U.S. Soccer will continue to provide outstanding service and communication to our members, continue to operate with solid business practices, live by our core values, provide fair governance and continue to support disabled, inner city and minority soccer.

A strong sports medicine program is also essential for our players to perform optimally.

Earlier this year, U.S. Soccer hosted with FIFA and the American Orthopedic Society for Sports Medicine, an international symposium on the sports medicine of soccer. Over 400 physicians, trainers, coaches and referees attended the three-day event. The program presented broad data and healthy discussions on blood doping, injury prevention and treatment.

The participants concluded that purposeful heading of the ball does not cause brain damage, but that concussions from contact may occur and can be prevented.
In addition, the initial results of studies on ACL tear prevention in young females was presented.

Over the next few years, with the support of our Foundation, U.S. Soccer will be conducting prospective studies on the incidence of concussions and the ACL tear prevention.

In addition, I want to note that the data from the FIFA World Cup came out regarding blood doping, and there was a 100 percent negative testing of our athletes in 2002 World Cup. I think we can honestly say that soccer is a clean sport.

While we are continuing to strive to win every FIFA event, we are also committed to hosting events, recognizing their impact on the United States. We will be hosting the Under-20 regional qualifying tournament later this year, and are waiting to hear about our bid for the Confederation's Cup.

I have also sent a letter to President Blatter of FIFA, indicating our interest in hosting the 2007 Women's World Cup.

We will be working with our members to bring the event back to the United States, and we'll look to make it as spectacular as 1999.
We will also continue to explore bringing another World Cup to the United States in 2014, and perhaps sooner.

Now, I would like to take a moment to tell you about the team behind the team in Korea.

Your federation staff worked diligently before and during the World Cup, always asking the question: What can we do to assure that our players can perform at their best? Every contingency was in place prior to the draw to make sure we secured proper training grounds and hotels as soon as we knew where and whom we were playing.

From that point on, everything was about making sure there were little or no distractions for our athletes.

The team's impressive run to the quarter-finals led to numerous on-site logistical challenges to coordinate the travel of our group, of over 120 people, but our staff rose to the challenge.

Whether it was moving the entire J.W. Marriott kitchen staff to Jeonju to prepare that team's food in advance of the USA/Mexico game or arranging last-minute charter flights or cutting through considerable bureaucratic red tape or coordinating family travel for those who just didn't...
want to leave during the game's amazing run, our staff covered the base.

I truly believe that our continued successes on the field are the results of the effort off the field. And I want to thank our incredible Soccer House staff and Dan Flynn for making all of this happen. Dan, thank you.

(Applause.)

PRESIDENT CONTIGUGLIA: Finally, I want to talk about teamwork.

Any player on any of our national teams will tell you that if we play as a team, we can beat anyone in the world. Success is based on working for each other, covering for each other, helping each other to succeed and by putting aside individual interests for the good of the team.

The same is true for U.S. Soccer as an organization. The character of our people, their ability to work together and their ability to work for each other's successes will move us forward beyond our wildest dreams.

Ladies and gentlemen, we have had a great ride over the last four years, but I truly believe the best is yet to come. Thank you all for what you do for the game.

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PRESIDENT CONTIGUGLIA: Now it's my pleasure to introduce a gentleman, who showed that with talented, fit and psychologically prepared athletes, playing as a team, the United States can beat anyone in the world, Coach Bruce Arena.

COACH ARENA: Good morning. It's a pleasure to be here. I have been coaching for about 25-some-odd years, and this is a first for me. It's my first AGM.

I have had the opportunity to meet a bunch of wonderful people here, and I appreciate your nice comments. At times, if I don't completely embrace them, it's not because I don't care, I love to hear them -- you need to tell him that, and some of these other people that -- but I'm a little embarrassed, because I think that the people that deserve the recognition are the players. They were absolutely fantastic. And this World Cup has been a result of a lot of hard work in this room, over a number of years, and, hopefully, there's some good times down the road.

This World Cup demonstrated that the U.S. can compete. It didn't demonstrate that we're the
best. That lies ahead, and it's going to take a lot
more work, not only from the players on the field,
the people in Soccer House, but the people here.

It's been referred to many times that you
are the team behind the team, and I think in the
past, maybe you haven't been able to make that
connection. But my sense is, in talking to people
over the past month, that you have gotten a lot
closer to the national team. You have been able to
embrace what that team accomplished in the World Cup,
and I'm happy because we now have a connection, and
you understand the things you do at your levels make
an impact all the way up to the national team.

This national team was composed of many
players whose soccer backgrounds are a direct result
of what you have done at every level here: The youth
level, the amateur level and the professional level.
And that's something you should all be proud of, and
you are the team behind the team. And the policies
that you make, the things you do locally, regionally,
nationally, impact us, and we have a bright future in
the sport, if you can continue to move forward and
think about you're part of the team.

And one thing about a team -- and I told
a story yesterday to the Board of Directors -- when

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you are part of the team, you need to do things that are in the best interest of the team. And that's the case in everything you do here today, and what you do down the road. And when you make those decisions, you make them right. The result is what you've seen in this World Cup, and hopefully, you will see down the road.

I can tell you a couple of things that I find interesting with our team and very relevant to some of the things that you face every day in your regions, your states, et cetera. You know when you put together a group of talented athletes, or you put together a group of talented people, like we have here today, not everyone is always going to agree, but I think when you believe in what the end result is and the team, and you see the big picture, everybody gives a little bit to make the team better. We had numerous examples during the World Cup where players had to give for the team. We had great performances by some on the field, and in some cases, great performances off the field.

I mentioned yesterday the example of Kasey Keller, a very talented player who arguably could have been on the field and could have accomplished equally to Brad Friedel, but he wasn't

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given that role. And Tony Meola, who knew going to
the World Cup, he would never step on the field, and
how he did everything necessary to make our team
successful. Dave Regis, who played in basically all
the qualifiers, and the decision was made that he
wasn't going to be in our 11, and how he did the
things off the field to make our team better. Steve
Cherundolo, who was injured and could not
participate. Joe Max, who got injured during the
tournament -- they all did their share to make the
team better, and it's the same thing here.

You have a great impact on developing
boys and girls, men and women. What you do on the
field, the policies you create, impact our players.
You are developing our future players, our future
coaches, our future referees -- and God knows we need
some of those. Any referees in the room -- our future
administrators. And everything you do here impacts
the game. And it's because of what you have done the
previous 20, 30, 40 years we see what we saw in Korea
this past year.

So I don't minimize what you people do.
Although I haven't been to one of these before, and
I'm still not sure what you do, I can only tell you
that we see it up top. It's very important.

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So, as we look down the road, look at the future, hopefully, we continue to win championships at the CONCACAV level, if Chuck will allow us to participate, hopefully, our men and women will continue to improve at the youth levels. Hopefully, we continue to build the apparatus that we need behind the teams.

The National Training Center is your training center. You may not touch it up close. Your teams may or may not see it. Hopefully, you do because it's going to be, hopefully, a facility for everybody, and if it's possible, I'm sure, it's going to be opportunities for all of our youth teams, at some point our state teams, et cetera, besides our national teams and our professional teams, to participate. But who could have envisioned 20 years ago that we would have a National Training Center, the type we're going to have in L.A. opening up next year? That we now have a professional league that's made up of Americans playing and getting better as professionals? And we have a youth system that we do have. We have an Academy in Bradenton for our Elite Youth 17 players and everything is getting better.

The scary part, though, is we need to get a lot better, because we compete in the most
competitive sport in the world -- soccer. Everybody plays the game. Everyone wants to hold that trophy in the end. And to do that, it's going to take a lot of commitment on your part, on the part of our athletes, and if we do that, and we keep in mind the team concept, I think we're going to be able to embrace future teams down the road, and you can feel proud of your efforts.

So on behalf of the Men's National Team, I would like to thank everybody for what you have done for the sport over the past four years, and hopefully, what you will do down the road.

So thank you very much. Enjoy your day.

Thank you.

(Applause.)

PRESIDENT CONTIGUGLIA: I'm glad I went first.

Now, I will introduce Dan Flynn for his remarks.

MR. FLYNN: Thank you, Bob.

As a matter of background, since July or in July of 2000, we have implemented Phase 1 and 2 of our business plan. Today, we will provide a review of Phases 1 and 2. We'll talk a little bit about the '02 year in review, and we will give you a touch on RESLING REPORTING SERVICES
the outlook for our '03 budget and things planned in '03.

In July of 2000, we promised you a more efficient operating model. We committed ourselves to a greater investment in player development and we thought it was important to focus on our budget drivers and have a sustainable model for the future.

Our four-year expense summary that you see on the screen, our basic operating expenses have been reduced that you see in blue, and the key component, as a result of that, is we are now meeting our goal of committing more dollars to player development, which you see in red.

On the personnel side, obviously, everybody knows there was a restructuring, but that was essential for us to have some financial stability.

Now that our National Training Center staffing plan is underway, you can see in the '03 budget will be around 79 is our budgeted number for personnel vs the 100-plus level that we were two years ago.

In terms of operating expenses, we now have a three-year record of lower operating expenses and a solid model that we're comfortable with as we
look to the future. And those lower operating
expenses equate to more dollars available for player
development, which you see in the dark blue. So we're
comfortable with where we are, and where we're
heading from a financial point of view.

Looking at the year in review, obviously,
the World Cup was a major event for the organization,
but we've executed across all other areas of the
organization as well. Member services, our national
teams, coaching schools and referee clinics, our
national team network, youth national teams and the
National Training Center.

In membership services, we initiated the
international games e-mail notification and weekly
reporting. Our communications center continues to
provide the latest U.S. Soccer news and information.

From World Cup plus information, if you
will, to weekly member articles on refereeing,
coaching, sports medicine and member profiles. We've
also initiated an e-mail notification for
professional player clearances and registration to
speed the process along.

Our Men's National Team, I don't think I
need to say much about it, other than at one point is
that our highest-ever television ratings for soccer

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were on ESPN for our Germany match. And I think Bob said it all in thanking MLS for their commitment, and it was a great run, and it was great to have Bruce here as well to talk to everybody.

Our Women's National Team, it's been limited programming during the WUSA season. It allows the players to focus on their season, allows WUSA to continue to establish a solid fan base as well. Bob mentioned we did play Norway July 21st, a 4-0 result which was our first win over Norway in four games. Our focus now will be on the Nike Cup this September and October, and our World Cup qualification in October.

In coaching schools, we've executed 25 licensing programs, over, a little over 1,000 coaches went through those schools. We had a continuing education seminar in conjunction with the KNVB course in Denver, Colorado as well. So we continue along the lines of, our coaching education is a very important element of what we are about.

Referee clinics. We had a high level of activity across all levels of the game -- 95 events in fiscal year '02, from advanced clinics to USYSA training events. We are growing closer to, with our national teams around the games, to providing
opportunities for up-and-coming referees as well, to
work with the referees that are doing those national
team games.

Our national team network. Our national
staff coaches continue to work with all members of
the U.S. Soccer family. There's 239 events from
November of 2001 to the present. And you can see on
the graph from the state ODP to scouting particular
clubs, the national team activity. Our national staff
coaches are out there, and if you need to have
contact with them, please let us know. We look
forward to our continued networking with the fine
work that's done on the field.

In terms of player development, we've
increased our youth national team programming. It's
obviously highlighted by our Under-19 Women's
preparation for the first-ever Under-19 world
championship. In a comparison to fiscal year '01 just
to '02, we had 14 additional trips and 20 percent
increase in programming dollars.

It was mentioned by Bruce, our National
Training Center. The construction is currently two
weeks ahead of schedule. We are on target for a June
2003 opening. I think everybody knows that we
announced the Home Depot as the naming rights sponsor

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for the overall training center complex and stadium,
and our fund-raising plans with our Foundation
continue to evolve.

In terms of our '02 financial
projections, we're currently on target for achieving
our projected yearend as presented in May. We
continue to project a surplus position of 5 and a
half million dollars, and on the expense side, we
have incurred additional expenses during the Cup,
which we believe will be offset by the rise in value
of the Swiss franc.

But when we talk about the yearend
summary, there are a number of factors that
contributed to this projection. One, the fee increase
provided us a platform to deliver our requirements as
a National Governing Body, without taking dollars
from player development.

The second, we do have, when we look at
this projection, we do have some potentials out there
that could impact our planning and our performance in
the future. We have a lawsuit. We have a National
Training Center start-up, that while we think we
planned for it, you never quite know all the expenses
that you may be incurring.

It's a Women's World Cup year, and a down

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year for the Men's National Team. That has an impact on our budget, and obviously, our budget committee continues to push us for operating contingency funds as we move forward.

Our goal is a solid operating model with a sustainable player development component, and that sustainability is a four- or five-year window. It's hard for us to get started in the player development program after 18 months after dropping it, so we're very focused on the sustainability of our programs in the four- to five-year window. We are comfortable with our current operating model, and we will move more aggressively now to focus on our commitment to player development.

Turning to Phase 3 of our business plan, we will maintain the operating and budget framework that was created, the requirements or core competencies of our events and our marketing, and our restricted funding component. We have three levels of funding which we will move forward with, minimum, base and supplemental funding, and as we move forward, we will outline our operating principles. We will develop a more departmental approach to our five-year planning framework, and we will introduce a tighter time frame to measure our results in
progress.

Let me just touch on our operating priorities on the right side of the screen. We want to create urgency in everything we do. We want to be inclusive. We want to respect the culture of the organizations that make up U.S. Soccer, make everything transparent and lead but don't necessarily control.

Let's review our '03 budget. The key drivers of our '03 budget: Maintain and increase our efforts within the Federation requirements. That's what the basic existence of U.S. Soccer is about. We want to increase our Women's National Team activity, as they prepare for their cup. The Men's National Team will be a down year, but Bruce has some plans as well for us and we're going to try to, we'll try to add additional dollars to the men's team as well. And the bottom line is to increase our player development programming, the familiar ring.

The budget itself is a balanced budget that Dave Eldridge and Bill Goaziou will touch on.

In the requirements area, our registration revenue is increased due to back payments from the FY '02 fee increase, and there's been a shift in G and A. While it looks like there's
an increase, there's been a reclassification of
employees in different departments.

Within our requirements, there is one focal point as we move forward in '03. It will be our 90th anniversary. Several initiatives are under-way from a logo design to special features on our web sites to logos on our uniforms during the year. There will be more on that as we move forward closer to 2003.

Our core competencies, we'll increase programming, as I mentioned for our Women's National Team. There will be more games and preparation, more staff, coaches and administrators, and it is a down year for the Men's National Team, so as I mentioned, it does have an impact on how we budget.

The Women's National Team qualifying is in October. The World Cup will take place in China next September 28 through October 18th.

For player development, our overall goal is simple: Improve on the field. Our process continues to be inclusive and involves greater levels of coordination and participation with all members.

Our '03 budget includes programming at the base level, minimum base supplemental. We have moved from minimum to base. We have added an Under-17 Women's
National Team for the first time. We have added 10
players to our Under-17 residency program. We have
gone from 20 to 30 full-time players in Bradenton,
Florida, and we have had an overall increase in the
number of trips for our youth team.

In FY '01, we have 43 trips; in '02, we
went to 49, and in '03 we're going to 64 trips. It's
an increase of 15 trips or 31 percent increase in
programming for our youth teams.

Our increased focus on player development
includes moving from base to supplemental levels of
programming. Work is already underway to increase our
player development efforts; however, all programming
once again must be sustainable over a four- to
five-year period.

For our future, we are gaining a level of
confidence in our budget planning process and working
with our budget committee. We will now focus on the
quadrennial framework as well and present that in
April to our budget committee. We are committed to
the service side of our business and will continue to
maintain that attitude as a priority.

The National Training Center will become
part of a major focus for us in '03, and for all
members.

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We are committed to the long-term focus of player development and we will seek new revenue sources from current and new sponsors and partners to meet these goals.

Thank you.

(Appause.)

PRESIDENT CONTIGUGLIA: I would like to ask Chuck Blazer to say a few words on behalf of CONCACAV.

MR. BLAZER: Thank you, Bob. Actually, I get a chance to say a few words both on the part of my two presidents, both Jack Warner and Seth Blatter, who express their appreciation from the support from the United States Soccer Federation over this past year. It was a very interesting year. You had a lot of election turmoil and noise and things which ended up working out, I think, very well and for good reasons.

But it also, at the same time, as well, it showed a disarray of election periods was able to show the strength and organization of the sport through the demonstration of the work that we did at the World Cup. There's been a lot of very positive developments here over the years. It was interesting listening to Bob's earlier presentation when he was
talking about the number of events in which the U.S. teams participate.

It's my direct responsibility, certainly, at the first level, at the regional level to organize those, and then as a participant on the Executive Committee of FIFA to organize, as well, all the world championships in those categories.

We have been adding, sometimes not at our own volition, not regionally, but at the FIFA level, we have been adding new and new competitions year after year after year.

We just conducted a Women's Under-19 qualifying for the event being conducted up in Canada. Not planned for, not budgeted for, just came into our system, and it's a wonderful thing, and we support it. And yet we are constantly seeing changes in dynamics and stresses, and it was actually quite interesting listening to Dan's presentation, because it's almost like you were hearing a whole new language.

The language of 20 years ago, as we talked about reports and financials, I mean there were times, I think, if I would have used some of the words that I used, especially FY '01, I might have gotten slapped. But today, Thank God, everyone
understands when we're talking about fiscal years,
and it's a whole different orientation.

We are doing very well. We are doing very
well as an organization, at all different levels of
the United States Soccer Federation has demonstrated,
actually, that it is the one who naturally, at this
point now, is expected to qualify for events.

This is not a perspective which is that
old. This is one where remember 20 years ago, while I
had the responsibility of trying to get the U.S. team
to qualify for '86, we ended up getting knocked out
in '85. Well, it wasn't expected that we qualify, but
now we're qualifying for everything. We qualify
Under-17s, Under-20s, we're qualifying in Women's,
and every single event indoors.

As a matter of fact, I had a meeting two
days ago with the Mexican Federation who, for the
first time, are completely revamping their
organization of their training and development
programs, in recognition that they no longer are the
automatic qualifiers in this region. They have now
recognized that the United States is the one that
automatically qualifies for events on the basis of
its field superiority, and at all levels. This is
quite a realization for them as well as a realization

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for ourselves in recognizing that there's a
tremendous responsibility which falls to our
shoulders, and that is first of all, not to, since
struggling with the idea, that that's as far as we
go, because what we've done is we've managed to get
some superiority on, at least a fleeting basis for
awhile.

But the real measure of it ultimately
comes from what we are able to do beyond the regions
and borders of CONCACAV, and I know that the coach is
very familiar with that. He and I -- he was, I'd say,
a college coach used to come to our Eastern New York
matches of our select, what is now the ODP teams, and
then the same with our regional teams looking for
players at the University of Virginia. So we know
that this process has been going on a long time, as
far as identifying players, getting them developed
and ready, and then winning championships with them.
I was very glad, by the way, personally, to see both
the success of the United States, as well as Bruce's
individual success with his players and many of the
players that we've worked with over the years.

I don't want to take too much of your
time, but I do appreciate the opportunity, Bob, to
congratulate everyone. When I say everyone, because
you all are part of this process and while you don't
totally understand what they do, they do actually do
it, because the kids that finally get to you, get to
you from the work that is being done and being
offered by the leadership that they provide. And
they do get to you, and they do do the job and
everyone does their job. And I want to thank all of
you for having done that. And certainly giving me a
sense of pride over the years that is now 12 years
that I have been involved at the international level
with a sense of responsibility for what goes on, and
it was not always a time when I could look and, say,
wow, you know, it's good to be an American, but I can
tell you at this point at the international level,
it's great to be an American.

Thank you.

(Appplause.)

PRESIDENT CONTIGUGLIA: Thank you for
those kind words. I go to the opera now, and people
talk about soccer. It's absolutely amazing.

Let us move down to proposed amendments,
to the Federation bylaws, Marypat.

MS. BELL: Good morning. Before we start
the section on the proposed amendments to the bylaws
John Benanzer is going to go through how to use the
keypads that are placed before you. John.

MR. BENANZER: Okay. Each of you have
keypads before you. Only the delegates can vote
according to the bylaws.

We will have a sample ballot that will
appear on the screen now; if you will use your
keypads and vote.

And the voting will cease, and 3-2-1. It
is coming.

(Test voting done.)

MS. BELL: Okay. That was how the
answers -- is that it? Do we have another sample?

MR. BENANZER: What they are doing is
converting it over to another screen so you don't see
the screen you just put up there. There will only be
raw numbers appearing for the yes and no from this
point on. If there are no more samples, just press
your keypads, one will be yes, and two will be no on
the bylaw votes.

MS. BELL: Hopefully the results will be
on there a little quicker.

Okay. We will start on Page 2 of the
bylaw section. The first bylaw is proposed by the
United States Amateur Soccer Association. It is
Section 2(a)2 of Bylaw 302, and it refers to
composition and voting.

Does the sponsor of this amendment wish
to move its approval?

UNIDENTIFIED SPEAKER: So move.

MR. EDWARDS: Second.

MS. BELL: Discussion? Seeing none, we
will be ready to vote. All those in favor of the
proposed amendment, push the yes; those against, push
the no.

MR. BENANZER: Voting will cease. Two-one.

MS. BELL: Yes, 1,019; no, 27. It passes.

(Motion passes.)

MS. BELL: The second amendment is
proposed by California Youth Soccer Association
North, Bylaw 703; Sections 1,2,3,4,5 and 6 are
amended. The Rules Committee recommends rejection of
this proposed bylaw amendment. The proposed changes
to Section 1 would violate the Amateur Sports Act by
improperly limiting who can file a grievance. The
proposed change from the term "grievance" to
"complaint" is inconsistent with the Amateur Sports
Act, which includes a specific reference to
grievance. Does the sponsor of this amendment wish to
move for approval?

MR. MURPHY: How do I turn this on?
MS. BELL: I guess --

MR. MURPHY: I'm John Murphy, Chairman of

the California Youth Soccer Association North. At
this time, I would like to withdraw the proposed
bylaw amendments that we submitted 703, 704, 705,
705.5, and the resolutions.

MS. BELL: Thank you, John. So, in effect,
we're withdrawing all proposals submitted by Cal
North.

Then if you move on over to Page 15, we
have Bylaw 704, Section 3, proposed by William
Goaziou, dealing with disputes and grievances by or
among organizational members. The Rules Committee
recommends adoption. Does the sponsor of this
amendment wish to move for approval?

MR. EDWARDS: I will move, if he won't.

MS. BELL: Second?

MR. GOAZIOU: Second.

MS. BELL: Discussion?

MR. DES BORDES: Is the word "dispute" in
the Amateur Sports Act?

MS. BELL: Offhand, I don't know, but
we'll look it up and let you know before the end of
the meeting.

MR. DES BORDES: Just being bad.
MS. BELL: Any discussion? Steve?

MR. FLAMHAFT: Steve Flamhaft, East New York. I would like to make two friendly amendments to Mr. Goaziou's proposal.

On Section A it says: "If upon motion by respondent." I think we should streamline the legalese and eliminate some of the lawyer-like words that are used in some of these proposals.

So, I would suggest rather than "if upon motion," it should be "if upon application or request."

MS. BELL: Could you please put this in writing and bring me a copy so I can repeat it back accurately?

MR. FLAMHAFT: Yes. And also with regard to Section 3 (b), there is no discussion with regard to the burden of proof at the hearing, who has the burden of proof, nor is there a standard stated as to what standard should be used to determine whether or not a complainant is successful. I would add as a friendly amendment, "clear and convincing evidence."

MS. BELL: Steve, we can only do one amendment at a time, and if you have the first one written out and can bring it to me, we can address it.
Is there a second to the amendment?

UNIDENTIFIED SPEAKER: The first one?

MR. MC GEE: Second.

MS. BELL: Then, it will fail for lack of a second.

UNIDENTIFIED SPEAKER: There was a second on the first. Bob McGee seconded it.

MS. BELL: Who seconded it?

MR. MC GEE: Colorado.

MS. BELL: Okay. Thank you.

If anybody else is anticipating an amendment, there are some amendment blanks, I believe, on the back table. Start writing now, if you need to.

If what we have written up here is correct, the amendment would be to Section 3 (a) changing, "If upon motion by the respondent" to "If upon application or request"; is that correct, Steve?

MR. GOAZIOU: If upon application or request?

MS. BELL: Yes. Do you accept that as a friendly motion? Any discussion?

UNIDENTIFIED SPEAKER: By the respondent, application or request by the respondent?

MS. BELL: Yes. So it would read, if
approved: "If upon application or request." By the respondent is not in the amendment. "If upon application or request the Board of Directors determines," and then "by the respondent" is being removed, correct, Steve?

MR. MC GEE: By the respondent.

MS. BELL: Okay. So the amendment would be as proposed: "If upon application or request by the respondent, the Board of Directors determines," and then keep the rest of the language underlined.

MR. FLAMHAFT: Actually, it should be in writing.

MS. BELL: If upon application or request in writing?

MR. FLAMHAFT: Yes.

MS. BELL: Okay. So now: "If upon application or request in writing by the respondent, the Board of Directors..." Any discussion? Okay. All those in favor of the amendment? Do you have the amendment? Vote one yes; two no. Please vote now.

MR. BENANZER: The voting will cease, 3, 2, 1.

(Motion passed 628 to 334.)

MS. BELL: The motion, the amendment passes.

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Yes, ma'am? There seems to be a difficulty with some of the keypads that they're going to check out. So take a few, take a break, but don't leave the premises, and to answer your question, the word "dispute" is in the Ted Stevens Amateur Sports Act.

MR. DES BORDES: Okay. Good.

MS. BELL: The context of which it is used...

(Brief recess taken.)

MR. BENANZER: We've corrected this problem.

MS. BELL: Okay. We have gotten the problem solved. We'll continue.

We will be looking at 703, Section 3, as amended.

Is there any other discussion? Any other discussion? Then we will be ready to vote on the amendment as amended. The amendment being to Section 3 (a) will now read: "If upon application or request in writing by the respondent, the Board of Directors determines the jurisdiction of the complaint is improper or that the complainant has failed to exhaust available remedies, or that there is some other procedure or jurisdictional defect that would..."
preclude a hearing on the merits, it shall dismiss
the complaint. Otherwise, small (a.)

Are we now ready to vote? There's also a
Section (b), the underlined language is included in
this: Have the authority to recommend dismissal of
the complaint upon motion by the evidence on the
grounds listed in Section 3 (a) of this bylaw or to
hear... And then it's the old language.

If there's no more discussion...

MR. JAMES: Discussion on the second part.
MS. BELL: Mr. James.

MR. JAMES: Part B, there's a couple of
questions, as some other members were talking about
it a moment ago. Where it says the gentleman offered
the standard for clear and convincing, which has not
been an amendment is my understanding; is that
correct?

MS. BELL: No.

MR. JAMES: We have two things in there.
Number 1, it says the Board of Directors can consider
other materials at their request, after the hearing
panel has decided the issue on materials. The way
that would normally be interpreted is they can
basically have a full hearing again with new
material, after they have gone through the whole
procedure already. Is that the way this is intended
to be utilized?

When it says additional written or oral
materials or presentations to the Board of Directors,
in other words, this is what I think you all just
spent two and a half hours the other day, having to
play with.

MS. BELL: Are you talking about Section
(a) that we just --

MR. JAMES: No, talking about Section (b).

MS. BELL: Section (b), the only additions
that would give it the authority to recommend
dismissal. All the other language has been in there.

MR. JAMES: And if we adopt it, it will
remain in there. That's the question.

MS. BELL: Right, because there have been
no changes to that section of the amendment.

MR. JAMES: Perhaps, maybe that someone
should -- and maybe I will do it -- make an amendment
that they hear only the material that was presented
to the hearing panel?

MS. BELL: That would be a new bylaw
amendment.

MR. JAMES: And that would require the
notice ahead of time?
MS. BELL: Yes.
I would suggest that you have it for next year.

MR. JAMES: Okay.

MS. BELL: Any other discussion?

MR. FRISOLI: Larry Frisoli, Massachusetts Soccer.
I would just like to know when anyone files a grievance, they send a fee. If the board dismisses the grievance, does the person who filed the grievance get their money back?

MS. BELL: I don't believe so.

MR. FRISOLI: Then I would like to propose an amendment, if someone files a complaint -- and there's a decision, you don't get a hearing and goodbye, they should at least get their money back, so I would propose an amendment to Paragraph A at the end, that any fee that's paid is refunded.

MS. BELL: Is there a second?

MR. DES BORDES: That has nothing to do with the amendment.

MS. BELL: Larry, would you be willing to propose that for next year?

MR. FRISOLI: I would, but I'm just thinking that the process where we're trying to deal
with problems has always been the intent to try to keep things outside of the courts. First of all, when someone files a complaint, whether there's any merit or not, once you say we're not going to give you a hearing, and we're not going to give you your money back, I just think it invites more lawsuits against the Federation, but I think we should at least give them their money back. I'm willing to propose it next year, but I'm not the one that's going to have to defend the lawsuits. Thank you. I withdraw my amendment.

MS. BELL: Thank you. Any other discussion?

MR. CRAWFORD: David Crawford, North Texas.

I am not a legal mind, but I do have concerns here that I think need to be voiced. Basically, if I'm understanding the interpretation of this -- and Bill, please correct me if I am wrong -- basically, this allows the Board of Directors, carte blanche, to determine whether or not they feel the complaint is justified. Is that a correct understanding? Without any recourse or determination or decision back to the respondent?

MS. KOCORAS: No, I don't think it's quite
that broad. The amendment only allows the Board of Directors to dismiss the complaint under certain circumstances. If there's no jurisdiction or if the complainant hasn't gone through the proper channels at the lower level, the state level or at the local level, or there's some other procedural defects to the complaint, it doesn't entitle the Board of Directors to dismiss it because they, you know, they don't think that the evidence is strong enough or they don't think that there's enough evidence. That's not one of the options under the amendment.

It would only be in those limited circumstances listed in that amendment.

MR. CRAWFORD: Okay. Thank you, Alison.

MS. BELL: Yes.

MR. MARK: Joel Mark, AYSO National President.

As I read this, it seems that one could go and make their request or application to the Board of Directors, and then assuming there was a negative ruling on that application and a panel appointed make the same application to the panel on the same grounds.

Would then the second application be ruled out of order because of the ruling on the first
application? And if the first application wasn't
made to the Board of Directors, would the second
application be ruled out of order because they failed
to exhaust the first remedy?
MS. BELL: I will let Tim explain this.
MR. PINTO: It's actually a little
confusing. Section 3 (a) says that the grievances go
to the Board of Directors, and then Section 3 (b)
says, if the Board of Directors wants, and actually
they always do, as a matter of practice right now,
they can refer it to a panel. So it goes to the
panel first, and the panel makes the recommendation
back to the board. So it doesn't actually go to the
board, and then to a panel. It goes through the
board, and they pick a panel, but the grievance
starts with the panel, and then goes to the board.
MR. MARK: When, in the procedural time
line, would this motion to the board be appropriate
then?
MR. PINTO: Well, what happens is you
don't have to refer it to the panel, but when they
do, then you make the motion to the panel. The bylaw
allows the possibility that the grievance could go
just straight to the board and then the motion would
be made straight to the board.

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MR. MARK: You could make it either/or or both.

MR. PINTO: No, you're going to have one chance to make it, it just depends on how the board decides to proceed. Right now, they have always proceeded through a panel, but they could just proceed through the entire board.

MR. MARK: I'm not sure it reads that way, but I will take your word for it.

MS. BELL: Any other discussion, Larry?

MR. FRISOLI: Yeah, I would like to say I agree with the concept, that there should be some change in the bylaws, whereby if something is sent in a grievance procedure to the Federation, in which there is no jurisdiction on, or which the people who sent their grievance did not follow proper procedures, it should be able to just be summarily dismissed. But I am concerned at the response I heard recently -- I think it was from the woman from the law department -- which says that they would also be dismissed if a certain group of people decide that the evidence is insufficient, and if that's how this bylaw is going to be changed and interpreted whereby people will be denied a hearing if they have a complaint, because a group of people determine that
there was insufficient evidence without a hearing,
I'm opposed to it.

    MS. KOCORAS: Actually, I used that as an
example of something that the Board could not do.

    MS. BELL: Any other discussion? Mary.

    MS. HARVEY: I'm Mary Harvey from the
Athletes Council.

    By the way, I was very gratified to see
that the minutes of last year's council meeting
eliminated the references to the hump year. That was
very nice of them.

    I just sort of wanted to give you guys a
perspective, since you guys can't all see the
athletes in front of the room. We do have some
concerns with this, although we think the intent of
it is in the right direction, absolutely; that
obviously we don't want to have time and money that
could be spent building programs spent on
adjudicating grievances that are frivolous or without
merit. But what we have concerns about is that this
might, under not optimal situations, be subject to a
political process.

    So we actually would propose an
amendment, which I will let Billy decide if it's
favorable or not, an amendment that would say,

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basically, if the Board of Directors rejects it unanimously. So if the Board of Directors votes on it, and it is a unanimous vote, then we would feel comfortable with this particular bylaw amendment; however, what we have concerns about is that if it's not unanimous, that a decision to dismiss potentially a legitimate grievance could be done if it's subject to political dynamics, although we recognize that's not the intent of Billy's motion.

MS. BELL: Are you submitting that as an amendment?

MS. HARVEY: It's a friendly amendment. I would like to know if Billy accepts that.

MR. GOAZIOU: Mary, I don't think that any committee I have been on, that you want to have people say that they don't agree with maybe what you are finding, but I don't know if you are ever going to have unanimous votes. I think Mark came up and talked to me about it earlier, and I said, for example, let's say that we have a committee meeting and four people vote to dismiss it. And Mark says, well, I don't want to dismiss it, I think it should move forward, then he's allowed to write his minority report. So we go back to the board and the board knows what you have done, and if they want to go back
and rehear this, say, because they're concerned,
maybe, of the political ramifications you are talking
about, it will be there.

So, the process -- I don't think you need
to be concerned if it's unanimous or not unanimous.

MS. HARVEY: Again, I just wanted to know
if it's friendly; if it's not friendly, I won't make
the amendment, but we will probably not vote in favor
of this bylaw amendment.

MS. BELL: I don't believe it's going to
be taken as a friendly amendment.

Any other -- are you wanting to put that
forward, Mary?

MS. HARVEY: No.

MR. SINGER: Yes, Bob Singer, North
Carolina Youth.

I just have two questions. One, I
assume -- I will not assume it, I will ask the
question -- that the order of dismissal from the
Board of Directors would be in writing and stating
the jurisdictional grounds or the procedural grounds
that are the basis for the dismissal, and secondly,
this is basically, Rule 12(b) 6 type procedure, is
this a dismissal with prejudice? Meaning that the
dismissal of the appeal means that it is finally
concluded or may the party against whom the dismissal works restate their complaint and come back? Is it a dismissal with prejudice, or is it a dismissal with leave to amend?

MS. BELL: On the answer to your first question, yes, it will be in writing, and on the answer to the second question --

MS. KOCORAS: It would not be a dismissal with prejudice.

MR. SINGER: So the party who is dismissed will have the right to attempt to cure the procedural error, and to, it says complaint here, not grievance, and reassert the complaint?

MS. KOCORAS: Refile, that's right.

MR. SINGER: Thank you.

MS. BELL: Any other questions?

Discussion? Now we're ready to vote Bylaw 704, Section 3 as amended. Please cast your ballots, vote now.

MR. BENANZER: The voting will cease, 4, 3, 2, 1.

MS. BELL: Yes, 473; no, 563, the motion fails.

(Motion fails.)

MS. BELL: The next proposed amendment is

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Bylaw 704, Section 3, proposed by the Rules Committee and the recommendation is that a majority of the committee believes this is a matter for the National Council to decide. It's on Page 17. Is there a motion to accept?

UNIDENTIFIED SPEAKER: So move.

MS. BELL: Second? Discussion?

MS. KOCORAS: Just as a point of clarification, this issue came up in conjunction with this bylaw change. If you look at Section 704, Bylaw 704, Section 3 (b), about halfway down where it says that the chair shall not be any member -- any member of the board having direct interest, either personally or by virtue of organizational affiliation. We got the question, for example, if a grievance is filed against USYS, would we appoint a chair, a USYS person as a chair of that grievance? And the answer is no. We have interpreted this provision broadly to avoid any kind of conflict. It was against the state association, we would not appoint a USYSA representative as the chair.

MS. BELL: Any other discussion? Ready to vote on Bylaw 704, Section 3 (b). Please push your buttons now.

MR. BENANZER: The voting will cease, 4,
3, 2, 1.

MS. BELL: Yes is 669, no is 373. The motion fails. It needs two-thirds. Two-thirds is 716.

(Motion fails.)

The next one is proposed by the Rules Committee Bylaw 705, Sections 1, 4, 5 and 6. It's on Page 19. The Rules Committee recommends adoption of this amendment. Is there a motion to accept?

UNIDENTIFIED SPEAKER: So move.

MS. BELL: Second? Discussion? This says basically giving days, defining business days on appeals? Any discussion?

MR. CRAWFORD: David Crawford, North Texas.

We would like to propose an amendment to this, if the Rules Committee will so consider, that there's a definition of "acceptance of." The way it is proposed today, there is no definition of what "acceptance of" is. Could that be defined, please?

MS. BELL: Do you have something you want to use? Acceptance would be receipt by that person. Do you want to give a definition of what to propose in writing?

MR. CRAWFORD: I do not have a specific
definition in writing. I would like to go back and
hear from the Rules Committee what the intent was,
because the concern is the way that it is written
today, as it filters down and into the future, using
the same language, if we were to use the same
language in our state, then people could bypass a
hearing -- and I know this is not the direct context
of this rule change -- but people could bypass a
hearing by simply not accepting the notification of a
hearing. And it would be the same concern on this
level. So, we were just looking for what the Rules
Committee's interpretation was and intent was in the
language and the acceptance of.

MS. BELL: Okay. Tim.

MR. PINTO: I will try to explain what the
intent was here. The way the bylaw reads right now,
it says ten days from the date of the notice of
appeal. The notice of appeal is dated the day the
person fills it out. Then they mail it in, and then
it's received, sometimes it's questionable about
whether it's an appealable matter, so it has to be
referred to the Appeals Committee which takes two
days.

So it happens very often that by the time
we've decided that if something is appealable, nine
of those ten days have gone by, because it was mailed
to us, and so every time we send out a letter saying
the state has ten days from today to submit the
record, we're actually in violation of the bylaw.

So, this is an attempt to clean it up.
The acceptance, the intent of the word "acceptance"
was the Appeals Committee determines it's appealable.

Often it's obvious, and the scheduling
letter goes out the same day. Sometimes it's not, and
then we have to refer to the Appeals Committee,
which, as I said, it's a short turn-around time, but
if you want to put a time frame, maybe, on what
acceptance or a definition, but that's the intent,
and as it stands right now, if we leave it as it is,
that would simply be something that's determined
internally as a policy. And I'm telling you, I'm the
person who gets all of your appeals, so that's how it
is done right now.

MS. BELL: Hank.

MR. DES BORDES: Hank DesBordes. Would the
word "receipt of the notice" be acceptable, because
you can do that by the FedEx receipt, certified mail?
Why not use it like a receipt?

MR. PINTO: As I said, sometimes when we
receive the appeal, it's not clear that it's

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appealable. If it's a close call, I refer it to the
Appeals Committee to make a determination about
whether it is appealable. If you leave it as it is,
the person that hurts is simply the state association
who has to produce the record. And they usually need
the ten business days, if it's receipt, and it takes
two days to refer it to the Appeals Committee, that
means it's eight days now to produce a record.

MR. DES BORDES: I'm trying to understand
what you are trying to say here is ten days after the
thing is received and it's determined that it's an
appealable decision? Is that what you are trying to
do?

MR. PINTO: Yes.

MR. DES BORDES: Okay. Can we say that
within ten days of the date that the determination is
made? Who is going to make that determination? I'm
trying to help you with the language here.

MR. PINTO: It's normally obvious, and I
guess I make the determination that it is appealable.
If it's questionable, it goes to the Appeals
Committee.

MR. DES BORDES: Well, then, let's use the
word that the date of the termination of the appeal,
instead of -- because you do have a problem with

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the word "acceptance."

MS. BELL: So you want to change acceptance to --

MR. DES BORDES: It's yours.

MS. BELL: I know, but I want to make sure, the word was, the date of determination.

MR. DES BORDES: Determination of the appealability, I guess. I don't know.

MR. SUTTER: Can I make a suggestion?

Over here, to the left -- right, right side.

John Sutter, North Texas. In what he's trying to do, can we just say acceptance of jurisdiction of the appeal? Would that be a better word? All you have to do is say 20 business days from the date of acceptance of jurisdiction. Would that be satisfactory wording?

MS. BELL: Insert jurisdiction?

MR. SUTTER: Acceptance of jurisdiction, meaning that the panel accepts that they are going to have jurisdiction to hear the appeal.

MS. BELL: By Appeals Committee?

Is there any objection from members of the Rules Committee? If not, we will accept that as a friendly change. So it will now read by the date of acceptance of jurisdiction by the Appeals

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Committee, and then go on, and that will be in all three places.

MS. CHILDRESS: Marilyn Childress from Georgia.

I just want a clarification on business days, are you talking specifically Monday through Friday?

MS. BELL: Yes.

MS. CHILDRESS: So is the intent then, we're taking the appeal process from a 30-day month process to now it will be six weeks before an appeal can be heard, which would that not impede our timely appeal process by extending this out now?

MS. BELL: It shouldn't.

MR. PINTO: Actually, the way it reads right now, it just says days. And it's been interpreted consistently for the last several years, that that's business days. So this is really to clarify this is how the Appeals Committee proceeds.

MS. CHILDRESS: At the state level, I don't believe it's interpreted as business days.

MR. PINTO: When we sent out a scheduling letter for every appeal, and it sets, it gives each side ten days for the record, ten more days for the argument from the appellant, and ten more days for

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the argument from the state. Each time we do that, it's ten business days. So it's two weeks for each of those phases. That's the way it's currently done.

Any other discussion?

MR. JAMES: Marypat, Paul James, North Carolina.

Consider whether the committee would accept a friendly amendment to change that acceptance to receipt of a notification of acceptance by the party opposed to the appeal. Because, for example, on the state associations, when an appeal goes up, and it's ten days to get that record ready to go, you issue that ten days, that essentially that's eight days to get it compiled and prepared to get up there because it's going to take two days for us to receive the mail.

So what I would propose is a friendly amendment on the same principle, that it's ten days from the time we receive that notice.

MS. BELL: I believe the Rules Committee would take the first recommendation of jurisdiction, acceptance of jurisdiction.

MR. JAMES: Well, when they accept jurisdiction, the process is they decide in the office to accept jurisdiction, correct? And the way
that rule then reads is ten days from that decision
we have to file, assuming we're the party opposing
the appeal, to file a record on the appeal from the
state association's hearing. Is that correct?

MS. BELL: Actually, if you go down

further, you still have the 30 days.

MR. JAMES: Not to put the briefs or

anything else on the position, but to get the record

up from the hearing up to the Appeals Committee.

MS. KOCORAS: I think I can explain this.

What you are proposing is more time than the bylaw

actually currently states, and so that's why the

Rules Committee isn't accepting it as a friendly

amendment. As it works now, procedurally, once they

accept jurisdiction, as the amendment reads, send out

our scheduling letter that day overnight. So, you

know, at the most, you are looking at nine days.

MR. JAMES: Ten days is pretty short now,

unfortunately.

MS. KOCORAS: Business days, though.

That's one of the reasons why we interpreted it as

business days, because it actually ends up giving the

state association pretty much two weeks to send their

record in.

MR. JAMES: Doesn't that have the same
effect in the bylaw, if you say business days, and
then it gives you two weeks, rather than ten days or
give notification?

MS. KOCORAS: The other problem with it is
that it would put the burden on us to confirm
receipt. It's -- we know when we accept jurisdiction,
but we -- it would be difficult for our federation to
confirm your receipt of the scheduling letter, and
since we -- or of the letter. So, and again, we put
the dates in the scheduling letter, by which each
party has to respond, so it would also create a
problem that way too.

MR. JAMES: Since I don't have to put them
together I'm not that concerned about it, but we have
run into that problem getting them done in that short
of time, especially if it's a contentious hearing.

MS. BELL: Any other discussion?

MR. CARMODY: Dave Carmody, from
Connecticut.

In reading this proposed amendment, that
is the original one, all it appears to do is impose
another level of prescreening, meaning we want to
screen our jurisdiction before we go to a committee
that can also move on jurisdiction. I think the
whole thing should be eliminated. I propose voting
against this amendment, and it adds another layer of bureaucracy. It adds more time as other delegates have pointed out, and it keeps us from doing our job swiftly. Thank you.

MS. BELL: Thank you. Any other discussion?

Seeing none, we're ready to vote on Ballot 705, Sections 1, 4, 5 and 6. Please push either one for yes or two for no. This will require a two-thirds vote, as amended.

MR. BENANZER: The voting will cease, 3, 2, 1.

MS. BELL: Yes, 773; no, 273, amendment passes as amended.

(Motion passes.)

MS. BELL: Thank you very much. That concludes the proposed bylaw amendments for this year.

MR. FALCONE: Marypat, how about changes to policies? I submitted a form to the parliamentarian.

MS. BELL: Policies that have been passed by the Board of Directors are included in your book. Policies that were passed yesterday are included in a handout that was available. You will be asked to

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consider actions of the board in the policies. If there's one that you do not want to pass --

MR. FALCONE: The one that was passed yesterday, I would like to amend, so I'm not sure what is the proper time to do so.

MS. BELL: Okay.

Are there any other policies that there are objections to?

At this point, then we will move to approve all policies except 601-6, foreign and out of state player, international clearances. We will move the approval of all policies except this one.

MR. SCOTT: Point of order, Kiayate Scott, Mississippi. The amendment we just passed, did we vote on the amendment --

MS. BELL: It was taken by the Rules Committee.

MR. SCOTT: Okay.

MS. BELL: Can we vote on all policies approved by the Board of Directors? Voice vote or do you wish to use the buttons? Voice? All those in favor of approving policies that have been approved by the Board of Directors, except for 601-6, please respond by saying yes; opposed? Passes.

(Motion passes.)
Now, Tony.

MR. FALCONE: Anthony Falcone, Maryland Adult.

And this is found on the last page of the handout given out today, Policy 601-6, international clearances. What I propose to do is amend the language that was approved yesterday by the Board of Directors. Line 3, where it starts with "however," that would state "However, an international clearance is not required of a player." Keep that as is.

And then what I would like to recommend is we have Subsection 1, which reads, Registered as the youth amateur player, if the player and the players, parent or guardian, signs a statement that the player has not signed a professional contract or received money from any team for playing soccer, or 2, registered as an adult amateur player. If the player signs the statement that the player has not signed a professional contract or received money from any team for playing soccer.

The rationale behind this, I think FIFA's intent with international clearances is to protect professional clubs, to protect one professional club from stealing a player from another professional team that they developed, that player is under contract.

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We are looking at players that are playing amateur status, whether that be adult or youth. It's not -- we're not stealing that player, and the player is free to leave us at any time.

The other thing is if we were in full compliance of international clearance, it's going to be impractical for the Federation office, if you consider what our nation is made of. I mean we're a country of immigrants and we have immigrants coming all the time, and we're not trying to deny these players from playing.

So, in the end -- I have the whole amendment or do you want to read it?

MS. BELL: I have the amendment here; however, this amendment is based on a FIFA circular that was received dealing with the age of players and international clearances. I think Alison can probably explain our involvement and procedure with that.

MS. KOCORAS: The reason that we can't make the amendment broader is because we need to do our best to comply with FIFA rules which require international clearances for both professional and amateur players. So, this amendment would put us in violation of the FIFA rules.

MR. FALCONE: And what was approved...
yesterday from what I understand from the FIFA directive is any player over age 12, and yet, we grant an exception for players between the ages of 12 to 16.

MS. KOCORAS: There's been a long standing practice, and I believe, at least an informal agreement to allow a waiver of players of those ages, but we do need to get international clearances for everybody else, and as much as it's a burden on the Federation office, we need to comply with FIFA's rules to make sure that we stay in good standing with the international federation.

MR. FALCONE: Then I suggest that U.S. Soccer works with FIFA in extending this to beyond, because if you look at what the intent of the FIFA rule is and -- I'm just saying what's practical. We're having competitions that protests were being made because somebody didn't get an international clearance and it has nothing to do with the actual competition. It has nothing to do with protecting anyone in any other country. And yet we're creating a nightmare for ourselves. And I was just trying to extend what is here, because from what I put in here, I don't think it's any different from what was approved yesterday, and it's just extending all ages,
and it's only applying to amateur players only. It does not apply to professional clubs or professional players.

MS. KOCORAS: And again, like I said, the problem with that is that we would be in violation of FIFA's rules. We actually are in constant communication with FIFA to let them know --

MR. FALCONE: I tell you what. Why don't we discuss this, vote on it, and then we can send it to FIFA, and if FIFA rejects it, then it's rejected. Let's do what's good for our organization.

I understand what you are saying, but let's be practical and use some common sense for once.

MS. BELL: Marilyn.

MS. CHILDRESS: I just wanted to have a clarification -- and I'm in support of what Tony just said completely, because I think that in the amateur ranks, the players do not get paid, and we don't pay those players, but we are denying their right to play in the United States. And I think that maybe we ought to go back and look at the conflict of our state laws, as opposed to the conflict, to the directive of FIFA. We should not be denying people to be able to play because we can't get a clearance from
a country that's in Africa for some of the players in
my state, and I think that we should be able to go
along with what Tony said.

MR. SHORT: Rod Short from Cal South.
I would like some clarification down in
Section 2, in the last line, particularly at the end,
it says or received any, received money from any team
playing soccer.

And the reason why I'm looking for
clarification, sometimes there's situations where
it's not a direct receipt of money. Let's say the
cost of participation is being provided or being
waived by that entity.

Under this interpretation, will that
individual be deemed as having received money for it?
If it costs, say, $1,000 to be participating with a
club down in Mexico and that's being covered for the
player, is that going to be deemed as then receiving
it? Because they've gotten the benefit from it.

MS. KOCORAS: Actually, our policies have
it, contained definition of player status,
professional and/or adult or professional, and it's
Policy 601-1. Professional player is someone who
receives money for actually playing soccer. That
doesn't include reimbursement for expenses directly
related to games, so, for example, a tournament fee,
something that, some expense that has been incurred
by the player, that isn't considered compensation.
Professional player would be someone that's
compensated for playing soccer.

MR. SHORT: But if it includes residents,
transportation, all those sorts of things --

MS. KOCORAS: Those would be expenses
incurred by the player, so those would be
reimbursable expenses that wouldn't necessarily
jeopardize the player's status as an amateur. It's if
you pay the player to actually show up and compete in
the game some extra beyond what they incur as an
expense to play in the game.

MR. SHORT: Thank you.

MS. BELL: I'm sorry. Was there a second
to Tony's?

MR. EDWARDS: Second.

MS. BELL: Any other discussion to the
amendment to Policy 601-6 that was presented?

MR. GOAZIOU: Alison, if we change it
based on Tony's request, does that put us in any kind
of violation with FIFA?

MS. KOCORAS: Yes, that's what I said.

MR. GOAZIOU: I just want to put it on the
record. I'm not sure everybody understands that.

MS. BELL: If there's no other discussion, then we're ready to vote --

MR. GOAZIOU: Just so everybody knows that if you vote for this amendment to change it as requested by Tony, you are in violation of the FIFA statute, and it will not be accepted by them, so what you would be doing is a violation of the law.

MS. KOCORAS: And the consequences of that, the reason that we have to maintain compliance with the FIFA rules is because that under the Amateur Sports Act, in order to sustain the national governing body for the sport of soccer, we are required to be in good standing with our international federation, and our international federation is FIFA. So if we are put in bad standing by FIFA, we could jeopardize our status as an NGB, which is why we have to be as narrow as possible in the amendment.

MR. FALCONE: Let me respond to that. There is no problem with us passing this policy, sending it to FIFA, saying it's okay for us to do so. If they say we can't, then the policy, we go back to what was approved yesterday by the Board of Directors. What are we being afraid of? That FIFA is

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going to say no? If they say no, then we live with it. But if we don't try, we're never going to make any change.

(Applause.)

MS. CHILDRESS: I also question whether by passing -- by having these rules about the amateur player that we're not also in violation of the Amateur Sports Act by denying people that are in this country to play soccer and having somebody in another country saying whether they can play soccer in this country, I believe, is also in violation of the Amateur Sports Act.

MS. BELL: Instead of passing a policy, which at this point would probably be rejected by FIFA, and then have to come back and change and leave us without a policy, per se, would it be possible for the divisions that are involved in wanting to see this change to set forth a petition for the Federation board to send to FIFA requesting a change in the rule -- to look at the rule?

MS. KOCORAS: Just to update the membership, this is part of the new player transfer rules that were passed by FIFA, I believe it was a year ago September, and the Federation, we have been in constant contact with FIFA in order to share our

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concerns with the new rules and the way that the new rules impact us. We have been successful in getting some of the rules, FIFA to change some of the new rules that they passed. We're continuing to communicate with them to make sure that they're aware of our concerns, and the effect that the rules have on the membership; however, it's very important that we stay in compliance with FIFA's rules so we can maintain our status as an NGB. But we have been and are still in constant dialogue with FIFA about the rules and trying to get them changed and trying to get them to understand how we operate here.

MR. BOULTON: May I ask for a clarification on a point here?

The international clearance form for amateurs, isn't it also used so that you can make sure that that amateur from another country is not currently under some suspension by FIFA, or from their home organization, or from the club that they are coming from, irrespective of whether they're professional or not?

MS. BELL: Yes.

MR. BOULTON: So it's not purely a professional issue?

MS. BELL: Tony.
MR. FALCONE: Let's try to make this easy.
Why don't we first approve what was approved by the
Board of Directors yesterday? We can live with that rule.

Then put my proposal as a provisional proposal, if accepted by FIFA; if it's rejected by FIFA, then so be it. That's all I'm asking. Okay. I know we want to be in compliance, but we cannot be afraid. If we don't ask, we'll never get anything done.

MS. BELL: So, what we will do is vote on Policy 601-6, as approved by the Board of Directors, and then we will take the amendments that Tony has proposed and present those to FIFA for consideration.

The proposed amendment is now withdrawn. We are going to vote on the proposal that was passed by the board, and all those in favor, say aye? All those opposed? The policy passes.

(Motion passed.)

MS. BELL: Now, we will get a voice vote on those that wish to go forward and present the policy as amended by Tony. All those in favor, say aye? Opposed?

(Motion passes.)

MS. BELL: That passes. We will see that
that is done, Tony.

(Applause.)

MS. BELL: Thank you.

PRESIDENT CONTIGUGLIA: Are you done?

MS. BELL: I'm done.

PRESIDENT CONTIGUGLIA: Well done, Marypat. I would like to now bring up Dave Eldridge and Bill Goaziou to present to you the budget for 2003.

MR. GOAZIOU: It would be the pleasure of the board, and the membership, Mr. Eldridge, our budget chairman will bring forward and explain the proposed budget that you have to approve today.

Also, as I just wanted to let everybody know, if you have seen the financial statements, we're in pretty good shape right now. So David, you want to tell them how good we're going to be next year?

MR. ELDRIDGE: Bill, I will never comment on how good you are going to be at any time, but in terms of the Federation, I can comment and, say yes, I think financially and fiscally we are in extremely good shape.

You have before you in your packet, the budget information. Again, as we did last year, I
think we have a very complete explanation of all the expenses, as well as the income, the activities.

I would just like to emphasize one thing that Dan has emphasized and that is transparent. We have tried as a budget committee, in working with Dan and Jay and especially Rich and the financial department, to outline everything as clearly as possible. So with those comments and also, to get on the record to thank my committee, my budget committee, I would like to entertain a motion to accept the budget.

MR. DES BORDES: So move.
UNIDENTIFIED SPEAKER: Second.
MR. ELDRIDGE: Any questions?
UNIDENTIFIED SPEAKER: Call the question.
MR. ELDRIDGE: Seeing no questions on the budget, call for the question. All in favor of adopting fiscal 2003, please say aye; opposed?
(Motion passes.)
Thank you.
MR. ELDRIDGE: Thank you.
PRESIDENT CONTIGUGLIA: Now, I would like to ask approval for membership of the United States Deaf Soccer Association, Vermont State Soccer Association, and the Major Indoor Soccer League.
This has been reviewed by the Rules Committee and passed by the board. I will entertain a motion to accept the membership.

MR. GOAZIOU: So move.

UNIDENTIFIED SPEAKER: So move.

PRESIDENT CONTIGUGLIA: Is there a second?

UNIDENTIFIED SPEAKER: Second.

PRESIDENT CONTIGUGLIA: By unanimous consent, we will accept them.

I also have a request submitted by Mike Edwards for life membership of two members: Fritz Marth and Larry Monaco, and I will accept a motion to accept them for life membership.

MR. GOAZIOU: So move.

UNIDENTIFIED SPEAKER: So move.

PRESIDENT CONTIGUGLIA: Second.

UNIDENTIFIED SPEAKER: Second.

PRESIDENT CONTIGUGLIA: That will be approved by unanimous consent.

MR. RUBINSTEIN: Fritz Marth, can we put a letter L in, please, because we have two Fritz Marths in the organization.

PRESIDENT CONTIGUGLIA: Fritz L. Marth.

MR. EDWARDS: We don't want Fritz T. Marth enjoying benefits that his father has richly earned.

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PRESIDENT CONTIGUGLIA: We will now go to
election of the President, and I will turn the
meeting over to Chuck Blazer.

MR. BLAZER: It's a pleasure to join you
on this two-year sojourn that I get the honor and
pleasure in looking to all of you, and, saying it's
okay, it's time to vote. It's time to vote; it's time
to have nominations, and it's time for us to engage
in the serious business of electing a president for
the next four-year period.

And I open the floor to nominations.

MR. MESSERSMITH: I would like to place in
nomination for position of President of the United
States Soccer Federation, Dr. Bob Contiguglia. Dr.
Bob has a long history of success in soccer over the
past 20-plus years. There's not time to mention all
of those here so I won't, but I do want to talk about
a few that have already been mentioned here this
morning just during the last four years.

Obviously, there's the Women's World Cup
successes we had in the last four years, our youth
national teams have been placing very highly in their
world championships, and, of course, most recently
our Men's World's Cup performance. We have initiated
a framework for further player development and have a

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business plan for tracking that process against our plan.

Part of the plan also included for the future development of the game in this country is the Federation National Training Center, which is already under construction. These are just but a few of the major accomplishments over the past four years.

No one comes into the position of president of any organization and recreates the wheel. Dr. Bob has wisely built on the foundation that was put in place by those who preceded him. Bob has sought the input from all parties on almost all of the important issues, and more importantly, in my opinion, has been willing to listen to all of the parties before making long-lasting decisions.

He has spent countless hours trying to bring the diverse interests together for the growth of our sport.

Without question, the foundation of the Federation has grown over the past four years. I ask that you all join me in allowing Dr. Bob to continue that growth over the next four years.

Thank you.

(Applause.)

MR. BLAZER: Sir, one moment, please. I
just want to get, for the record, your name and
association.

MR. MESSERSMITH: David Messersmith,
President of the U.S. Youth Soccer.

MR. BLAZER: Thank you very much.

MR. EDWARDS: Mr. Chairman, Mike Edwards,
Chairman of the Adult Council.

I would like to take the opportunity to
second the nomination of Dr. Bob. We're in a long
trend. In the 1980s, Werner Fricker brought us the
World Cup. In the 1990s, Alan Rothenberg led us to
the most successful World Cup ever, brought us to the
fore on professional soccer.

Dr. Bob stepped in four years ago, kept
the trend going up, won the Women's World Cup in a
spectacular event. We have got a solid financial
foundation. We're operating like a business. The
constituent services are much improved. We're on an
upward trend. The trend looking backwards looks
great. The trend ahead of us is still upward. It's a
steep slope and it's going to be difficult to improve
because we're finally getting to part of the curve
where it's more uphill.

I have confidence that under his
leadership in the next four years, we can continue to
improve and be better. And when Sunil can finally
run around the field carrying that World Cup trophy,
I will be on the horn to Dr. Bob, saying repeat.
So I would suggest that you support his
nomination and we move on to the future. Thank you.
(Applause.)
MR. BLAZER: Are there any other
nominations?
I will entertain a motion to close the
nominations.
MR. BORRONI: So move.
MR. BLAZER: In view of the fact that
there is only one nomination, I request that we waive
the requirement for an electronic ballot, since we
know the outcome and congratulate the president being
reelected here.
(Applause.)
(Standing ovation.)
PRESIDENT CONTIGUGLIA: It has been truly
an honor to serve all of you for the last four years,
and I thank you for your confidence in, not only me,
but the team that we have been able to build, both on
and off the field. And I truly believe, as I said
earlier, the best is yet to come. We have some great
things that we're going to accomplish together. I

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appreciate your continued support. Thank you.

(Applause.)

PRESIDENT CONTIGUGLIA: I'm back up. We now have the election of the Foundation board members. Somebody has to help me with this, as to how many are up.

We have three candidates up for the position, and I will ask for nominations from the floor.

UNIDENTIFIED SPEAKER: Dr. Bob.

MR. EDWARDS: Mike Edwards, chairman of the Adult Council.

I would like to place in nomination Brad Hays. He is currently the Treasurer of the U.S. Soccer Foundation. He's a former president of the New Mexico Youth Soccer Association, and a thoroughbred soccer guy through and through. The only hat he wears now is for the Foundation. He is a tireless volunteer for the Foundation in protecting and expanding its assets, taking the Foundation to new areas in support of all of the soccer in this country, both in support of the membership sitting in this room today and in attracting and building new membership to help grow our sport. His efforts are hard to quantify, given the amount of time he puts
into this. It's just weekend after weekend that he has donated to see to it that the legacy from World Cup '94 has sustained, grown and expanded. I would strongly urge that you support Brad's retention on the Board of the Foundation.

PRESIDENT CONTIGUGLIA: Thank you, Michael. We do not require a second for this.

MR. BORRONI: Second.

PRESIDENT CONTIGUGLIA: We do not require a second.

I will ask; are there any other nominations?

MR. BUSCH: Mr. President, Tim Busch, Washington State Soccer Association.

I would like to place in nomination the name of Jim Hamilton. Jim has been the chair of the Foundation. He's also involved in grass-roots soccer in Washington state. He's the secretary of our state association. I think everybody in the soccer family knows Jim, and I would encourage everyone to reelect him to a position on the Foundation. Thank you.

PRESIDENT CONTIGUGLIA: Are there any other nominations? Sunil?

MR. GULATI: I would like to place the nomination of the name of Lauren Gregg. Most of you
know Lauren, and frankly, her accomplishments in the

game at all levels from the grass-roots involvement
to being heavily involved in the start-up of WUSA, to
being part of that magnificent team in 1999, that won
the World Cup, to being on the Federation Board now
as a representative of WUSA, and to being on the
Foundation board for the last year. I think Lauren
brings so many attributes to the game, to the sport,
to all the boards she serves on, and frankly, an
enthusiasm and passion that is pretty hard to match
by just about anybody I've met in the games, so with
that, please support Lauren Gregg.

PRESIDENT CONTIGUGLIA: Lauren Gregg has
been added as a candidate. Are there any other
nominations?

MR. RUBENSTEIN: Move to close
nominations.

PRESIDENT CONTIGUGLIA: Let's ask if there
are any other nominations? If there are no
nominations, I will ask for approval of these three
by unanimous consent. All in favor, please say aye;
opposed? Welcome back, gentle lady and gentlemen.
We have our Foundation board members.

Next, I would like to ask Marge Madriago
to come up and tell us about the Werner Fricker

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awards.

MS. MADRIAGO: Good morning.

The annual U.S. Soccer Werner Fricker Builder Award was established at the end of this year by the board and accepted. The time frame for sending out the criteria and the application was a bit short to do it fairly. The committee will establish that for the future for the next year.

In the interim, I would like to read to you what was accepted as the purpose of the award:

The annual U.S. Soccer Werner Fricker Builder Award awarded each year to an individual or a group of individuals who have worked tirelessly and without regard to personal recognition or advancement in furthering the interest of the sport of soccer. The honoree will have created or fostered programs which will outlast the honoree's own active involvement in the sport, and constitute a lasting part of the long-term structure of our sport.

The president has appointed a committee that shall be broadly representative of the constituency of the U.S. Soccer Federation.

The committee shall review the nominations received from the membership and present the award as part of the Annual General Meeting.
Since this is not to be, had not had the
time to be done through the normal process, Dr. Bob
is going to make a special presentation to begin this
award process.

PRESIDENT CONTIGUGLIA: I think it's only
appropriate to start the award process, that we give
the award to the gentleman who it is named for,
Werner Fricker. We all know Werner's contribution to
the game, and I think one of my major disappointments
at the World Cup was that Werner wasn't there to see
our success.

I would like to ask Werner Fricker,
Junior to step forward and accept this award on
behalf of, for the Werner Fricker award as the
initial award. Werner.

(Applause.)

MR. FRICKER: Thank you. This is quite a
little bit of a surprise.

A lot of talk of teamwork today. And my
father was not big on receiving awards, but if he was
here, he would probably speak of his teammates, and I
don't mean the 13 or 14 guys that he played with back
in Philadelphia, but most of the people in this room
that worked with him to achieve a lot in the future,
and the team, and the players that are on the field

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today. And I'm sure he would be very proud of where we are.

On behalf of my family, I thank you very much.

(Applause.)

PRESIDENT CONTIGUGLIA: We will move to the Good of the Game, and the first individual I will ask to make his comments will be Executive Vice-president Sunil Gulati.

MR. GULATI: Just a few minutes -- and you will bear with me -- Mike, first, on that running around the field with the trophy thing -- FIFA has got this good tradition, unlike American sports in this particular case, the trophy actually gets handed to a player, rather than an administrator, so unless you are referring to my Hindu roots and reincarnation and all that and being good enough to actually hold it, that ain't going to happen.

MR. EDWARDS: I can see you grabbing it.

MR. GULATI: Mike can see me grabbing it.

That's a valid point.

A few of us have said we wanted to win the World Cup in our lifetime. Bruce was on record, March or April, saying that he didn't think we would win the World Cup in his lifetime.
After the finalist here, I called Bruce, and he wasn't home, and I left him a message. He responded. That message was: You are on record of saying that you would not win it in our lifetime. Some of us have said we're going to win it in our lifetime, so how do we reconcile those positions in a way that does not involve a felony?

Bruce's answer was that, well, as long as you guys can make it to be a hundred, we'll do that, which sounds like a reasonable compromise. Yesterday he backed off a little bit, he said we'll win it this century, so I guess it's 120 or so.

It was a pretty extraordinary month in Korea. And actually, rather than talking about the present, I want to talk just a minute or two about the past, and then a couple of minutes about the future. And it's almost perfect timing, that Werner got that award just before I was going to speak, and it wasn't set up that way. It's been a long history of doing this.

There are benchmarks and landmark events, and really, the election of your father -- although he wouldn't and didn't take any credit for it -- the election of Chuck greatly changed what we do in the national team program and really started to
professionalize things. And those who have been around for a long time, especially I see Howard, and all the folks in the amateurs especially, know that and we've passed that torch. The players have got better, and the players have been there and the administrators have been there for a long time. And I see the guys in the front row, and it's fitting that the athletes are sitting with the life members, because we see that complete history.

And it wasn't too long ago that we were playing games in places that had 5,000 seats, World Cup qualifying games, because we had to make a few thousand dollars. Now, we have people bidding on them, and turning down guarantees of hundreds of thousands of dollars on the men's side, and hopefully getting there on the Women's side.

So it's been an extraordinary path and a lot of people have played great roles in that, but what we have seen, frankly, after 1999, and the Women's success, and the success this summer -- and we didn't win it, we got to the quarters -- is that it does, in fact, reach out and touch everybody in a way, and Bruce touched on it. That connect. I won't use the word "externality," Mark, but the effect, the external benefits of success on the field for our

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senior teams, especially, is extraordinary, because many of you got up in the middle of the night -- Bob tells a great story -- he saw Richard Groff after we beat Mexico and Richard was across the room, and working in the press, and he yelled across the room, "Bob, we did it," and they hugged -- and most of you know, they don't do that that often -- and said, "I have been waiting for this for 25 years."

Different people have different reactions. My wife happens to be Mexican. We usually hug after the U.S. wins. After this game, she said call me when you are ready to apologize.

Something about -- my Spanish isn't perfect -- but it had the word "couch" in it, so I don't know what that was all about either.

Landon Donovan, a product of our system, of all parts of our system, of our residency program, of our ODP, and I went through and I remember four or five years ago, talking with Landon and it was a big dilemma at the Tampa tournament was he going to play for the Region 4 team or was he going to play with John Ellinger's national team? And now it's a question whether he wants to play for San Jose or Bayer Leverkusen or Liverpool, or whoever else might want to procure his services.

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So it's been an extraordinary run, but we didn't win it. A week after the Germans lost in the final, they announced a huge new initiative on player development. Second place just wasn't good enough to them.

So the forward part of this, we're in a great situation, and we should celebrate this forever. But let's keep in mind, what we all need to do. And we all have parts, as Bruce and Bob and everyone has touched on, a rededication of things that we do to make it better. A rededication of player development issues, a rededication of everything we do, whether it's elite players or recreation players. Because the goal in all of it is not only to win it -- and I modified that goal yesterday at the board meeting -- the goal is now to win the World Cup and not have the world be absolutely shocked by it.

That will be that we've certainly and firmly arrived, and a lot of people don't allow it to get there.

And the last thing I want to touch on, which is related and unrelated to that, which is we've got a changing fabric of American society. This is a -- not pet peeve, but a bandbox I'm going to be

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on continuously -- that ten years later, we don't necessarily have that same representation in this room, and we don't certainly have it on our board. We certainly don't have it in virtually any of our boards -- Luis is trying in some place, and Jorge, and we've talked about this, and a few others -- but the demographics of America are changing and we need to accept that. We have the President of the United States speaking in two languages now -- or no languages, depending how you look at it -- but I think it's probably two. He was very gracious at the White House. We give him credit for that.

Let's accept that, and the diversity that we have been able to achieve, to some small degree in terms of gender, not complete, we need to expand. But if you just look around this room, with one exception, actually, and there may be a state association or two, but the athletes actually are probably the most diverse. Underrepresentative on the gender side, two Hispanics, an African American -- and we don't want any quotas or anything like that, and this isn't a Supreme Court decision -- but let's reach out a little bit more, because we need to do better in that area. And Werner, Junior, you know exactly what I'm saying, we need to do
better in all areas.

More Hindus, Bob says.

Less Hindus. Hindus are out.

We will get better, we will win this

thing. Thanks for your efforts. It's been a great

ride, and it will get better.

(Applause.)

PRESIDENT CONTIGUGLIA: Thank you, Sunil.

I'm going to ask Richard Williams from

Wisconsin to come forward and read a resolution


As you know, Gene Edwards was president

of the United States Soccer Federation prior to

Werner Fricker's regime, and we would like to read a

resolution to honor and recognize him.

MR. WILLIAMS: Dr. Bob, Members of this

Board, Fellow Delegates, Alternates and Guests,

today, I feel honored and humbled to have the honor

to read this proclamation to honor a true pioneer and


I wish to thank all of you on behalf of

the Wisconsin Soccer Community for honoring Gene. I

only wish more of you had had the chance to really

know him, and the contributions he made to soccer's

grass-roots beginnings.

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This proclamation means a lot to me and the Wisconsin Soccer Community, and it reads as follows: In memory of Gene Edwards:

Whereas, Gene Edwards was born in Wisconsin in 1917, and,

Whereas, he began playing soccer at the age of eight in Wisconsin, and played the game throughout his life, and,

Whereas, he was a World War II Marine Corps veteran, and,

Whereas, he was very active in civic affairs, volunteering his time for many worthy organizations and,

Whereas, he worked for almost 45 years for Blue Cross and Blue Shield United of Wisconsin, and

Whereas he served ten years as the president of the Wisconsin Soccer Association from 1960 to 1970 and,

Whereas, he served as president of the United States Soccer Federation from 1974 to 1984, and,

Whereas, he served on the Executive Committee and as vice-president of the northern zone of CONCACAF, and,

Whereas he served on the Board of RESLING REPORTING SERVICES
Directors and Executive Committee of the United States Olympic Committee for more than ten years,

and,

Whereas he was honored with the prestigious FIFA Order of Merit prior to the 1994 USA World Cup, the United States Soccer Federation, by unanimous acclamation of the National Council, does hereby acknowledge a true pioneer of soccer, and commemorates Gene Edwards' immeasurable contributions to the sport of soccer in the United States.

And I thank you very much, Dr. Bob.

(Appause.)

PRESIDENT CONTIGUGLIA: We will move to the Good of the Game and then adjourn. Does anyone have anything they wish to bring up for the Good of the Game? There being -- Ric? Ric has an announcement. Excuse me, I should have said it, I apologize.

MR. OLIVAS: Ric Olivas, Cal North.

I just want to invite everyone in this room to two events. One of them is very important in the history of our organization. The California Soccer Association North will be celebrating 100 years anniversary on the 24th of August. We would certainly love to see as many of you there at our
gala celebration dinner/dance.

And the other is that we have a few beverages that we will dispensing tonight in Room 3975.

PRESIDENT CONTIGUGLIA: If there are no other comments, we are adjourned. Please enjoy the rest of your day. Thank you for being here.

(Adjourned at 10:45 a.m.)
REPORTER'S CERTIFICATE

I, DEBRA K. RESLING, Registered Merit Reporter, appointed to take the meetings of the United States Soccer Federation, do certify that the within proceedings of the Annual General Meeting were taken by me stenographically at the San Francisco Hilton, San Francisco, California, on August 9, 2002; then reduced to typewritten form consisting of 113 pages herein; that the foregoing is a true transcript of the questions asked, testimony given and proceedings had.

I further certify that I am not related to any party herein or their Counsel, and have no interest in the result of this litigation.

In witness hereof I have hereunto set my hand this 20th day of August, 2002.

Debra K. Resling, CSR, CRR
Registered Merit Reporter and Notary Public.
4 Cheyenne Boulevard
Colorado Springs, CO 80906

My commission expires February 25, 2005

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