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PROCEEDINGS

UNITED STATES SOCCER FEDERATION

91st ANNUAL GENERAL MEETING

NATIONAL COUNCIL MEETING

Los Angeles, California

Hyatt Regency Century Plaza

February 24, 2007

9:00 a.m. - 12:45 p.m.

Reported by Debra K. Resling, RMR, CRR

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1 PRESIDENT GULATI: Okay. Would you
2 please take a seat and we'll get started.
3 Take a few seconds to get seated.
4 Two comments before we do get started, cell
5 phones are going off. Please turn off your cell
6 phones or put them on vibrate mode or silent
7 mode or whatever else gives you pleasure. And
8 secondly, during the meeting, any time if you
9 need to speak, if you would go to the microphone
10 and give us your name because we have a court
11 reporter, it would make her life and the record
12 keeping immeasurably easier.
13 Welcome to the annual meeting.
14 Welcome to Los Angeles. A special welcome to our
15 life members, Mr. Rubenstein, Madam Derflinger,
16 Mr. Borroni, Mr. Perry, Madam Mankamyer and Mr.
17 DesBordes, welcome.
18 (Applause.)
19 PRESIDENT GULATI: Before we start
20 the formal part of our meeting, if we could take
21 a Moment of Silence for those who are near and
22 dear to the game that all of us know and some of
23 us that we don't know who we have lost over the
24 last year since our last annual meeting.
25 Please, a Moment of Silence.

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1 (Moment of silence.)
2 PRESIDENT GULATI: Thank you.
3 A couple of additions to the agenda.
4 I will ask Mr. Kepner to come up and walk you
5 through two or three parts of the voting
6 procedures and a roll call.
7 One -- after Item 12, we will add
8 the election of independent directors. Election
9 of independent directors will be added after
10 Item 12. When we get to Item 12, we have two
11 slots open for election of independent
12 directors, and I'm proposing that we will sever
13 the election of those two spots and do one today
14 and do one by a mail vote over the next 120
15 days.
16 I will explain that when we get
17 there, why we need to do that, but that's what
18 we're proposing, so we would have the election
19 of one independent director today, and one in
20 the next 120 days by a mail vote. So that would
21 be one item. The second which will be
22 immediately after that, we have an application
23 for a new member which would be a professional
24 league, and we would take that immediately after
25 the election of independent directors, as Item

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1 12 B, I suppose before the Good of the Game.
 2 With that, I would ask Mr. Kepner to
 3 come, walk us through electronic voting, roll
 4 call, and the Credentials Committee report.
 5 Mr. Kepner.
 6 MR. KEPNER: Thank you very much,
 7 Sunil, and I will offer my own welcome to all
 8 of you here. Welcome to L.A.
 9 I have several tasks. One certainly
 10 is a roll call. Secondly, I will give you the
 11 multipliers, in other words the Credentials
 12 Committee report, and third, we will go through
 13 a practice run with the keypad.
 14 One point that I want to make
 15 concerning the process that we're following this
 16 year is, as many folks have come to realize,
 17 because they were not signing in as they -- in
 18 order to get into the room, and to take the
 19 seats here -- that a streamlining of the
 20 registration and sign-in process was put into
 21 place this year. And I want to say thank you to
 22 Greg Fike and Tim Pinto and Asher Mendelsohn for
 23 bringing that about. It certainly is -- those of
 24 us who take on writers cramp very quickly, at
 25 least didn't have to sign on this morning.

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1 A second aspect of that, though, is
 2 that the registration for this National Council
 3 meeting really came to an end at 8:00 last
 4 night, and so the roll call and the multipliers
 5 will be based on the registration at that point.
 6 Now, with the state associations,
 7 when I call their names, I will also give you
 8 the number of keypads that that individual state
 9 association is supposed to have. If it turns out
 10 that there's a state association that has more
 11 than it should, I would appreciate it if you
 12 would take your keypads up to Leeann -- if you
 13 would raise your hand, there we go, Leeann in
 14 the back -- just so that we can straighten out
 15 that particular item.
 16 In my initial roll call as well, I
 17 will read the names of the organizations and the
 18 names of the individuals that have registered
 19 for the meeting. I will skip over the
 20 organizations and the individuals that did not
 21 register.
 22 I will run through a full roll call,
 23 and then run back through the list of
 24 organizations and individuals that were not
 25 declared as present at the beginning. And at

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1 that point, I'm going to ask the assistance of
 2 the National Council in helping us to remove the
 3 keypads of the organizations and individuals
 4 that are not present at this point in time,
 5 members of the staff and members of my committee
 6 will pick those up, take them again back to that
 7 same table where Leeann is located and have them
 8 there. It does not mean that those organizations
 9 and those individuals, if they show up later
 10 during the meeting won't be able to vote. They
 11 will simply go there and pick up their keypads.
 12 But because it's a large room and tough to
 13 figure out exactly where organizations are that
 14 don't answer, I will ask for your assistance.
 15 If you are an organization or an individual that
 16 is next to one that hasn't answered on the
 17 second roll call, please raise your hand to
 18 facilitate our picking up the keypads.
 19 I will start off with the Youth
 20 Council.
 21 (The following represents the roll
 22 call by Bob Kepner; the answers by the
 23 respective parties.)
 24 Q. Alaska, three?
 25 A. Here.

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1 Q. Arkansas, three?
 2 A. Here.
 3 Q. California North, six?
 4 A. Here.
 5 Q. California South, six?
 6 A. Here.
 7 Q. Colorado, five?
 8 A. Here.
 9 Q. Connecticut, five?
 10 A. Here.
 11 Q. Delaware, three?
 12 A. Here.
 13 Q. Eastern New York, six?
 14 A. Here.
 15 Q. Eastern Penn, six?
 16 A. Here.
 17 Q. Florida, six?
 18 A. Here.
 19 Q. Georgia, five?
 20 A. Here.
 21 Q. Hawaii, two?
 22 A. Here.
 23 Q. Idaho, three?
 24 A. Here.
 25 Q. Illinois, five?

<p style="text-align: right;">Page 10</p> <p>1 A. Here. 2 Q. This is Youth again. 3 Indiana, five? 4 A. Here. 5 Q. Iowa, four? 6 A. Here. 7 Q. Kansas, four? 8 A. Here. 9 Q. Kentucky, four? 10 A. Here. 11 Q. Louisiana, four? 12 A. Here. 13 Q. Maine, three? 14 A. Here. 15 Q. Maryland, five? 16 A. Here. 17 Q. Speak up, please, I think I heard 18 here. 19 A. Here. 20 Q. Thank you. 21 Massachusetts, six? 22 A. Here. 23 Q. Michigan, five? 24 A. Here. 25 Q. Minnesota, five?</p>	<p style="text-align: right;">Page 12</p> <p>1 A. Here. 2 Q. Oregon, five? 3 A. Here. 4 Q. Pennsylvania West, four? 5 A. Here. 6 Q. Rhode Island, four? 7 A. Here. 8 Q. South Carolina, three? 9 A. Here. 10 Q. South Dakota, three? 11 A. Here. 12 Q. South Texas, six? 13 A. Here. 14 Q. Tennessee, four? 15 A. Here. 16 Q. Vermont, three? 17 A. Here. 18 Q. Virginia, six? 19 A. Here. 20 Q. West Virginia, three? 21 A. Here. 22 Q. Wisconsin, five? 23 A. Here. 24 Q. AYSO? 25 A. Here.</p>
<p style="text-align: right;">Page 11</p> <p>1 A. Here. 2 Q. Mississippi, five? 3 A. Here. 4 Q. I heard here? 5 Missouri, three? 6 A. Here. 7 Q. Nebraska, three? 8 A. Here. 9 Q. Nevada, three? 10 A. Here. 11 Q. New Hampshire, one? 12 A. Here. 13 Q. New Jersey, six? 14 A. Here. 15 Q. New York West, five? 16 A. Here. 17 Q. North Carolina, five? 18 A. Here. 19 Q. North Texas, six? 20 A. Here. 21 Q. Ohio North, five? 22 A. Here. 23 Q. Ohio South, five? 24 A. Here. 25 Q. Oklahoma, four?</p>	<p style="text-align: right;">Page 13</p> <p>1 Q. And proceeding to Adult Council. 2 Alaska, three? 3 A. Here. 4 Q. Arizona, four? 5 A. Here. 6 Q. Arkansas, four? 7 A. Here. 8 Q. California North, five? 9 A. Here. 10 Q. California South, five? 11 A. Here. 12 Q. Colorado, four? 13 A. Here. 14 Q. Connecticut, four? 15 A. Here. 16 Q. Delaware, two? 17 A. Here. 18 Q. Eastern New York, five? 19 A. Here. 20 Q. Eastern Pennsylvania, four? 21 A. Here. 22 Q. Florida, five? 23 A. Here. 24 Q. Georgia, four? 25 A. Here.</p>

Page 14		Page 16	
1	Q. Hawaii, three?	1	Q. Oregon, four?
2	A. Here.	2	A. Here.
3	Q. Idaho, three?	3	Q. Pennsylvania West, two?
4	A. Here.	4	A. Here.
5	Q. Illinois, four?	5	Q. Rhode Island, two?
6	A. Here.	6	A. Here.
7	Q. Indiana, two?	7	Q. South Carolina, three?
8	A. Here.	8	A. Here.
9	Q. Iowa, three?	9	Q. South Dakota, one?
10	A. Here.	10	A. (No response.)
11	Q. Kansas, three?	11	Q. Southern Ohio, three?
12	A. Here.	12	A. Here.
13	Q. Kentucky, three?	13	Q. Tennessee, four?
14	A. Here.	14	A. Here.
15	Q. Louisiana, three?	15	Q. Texas South, five?
16	A. Here.	16	A. Here.
17	Q. Maryland, two?	17	Q. Washington, five?
18	A. Here.	18	A. Here.
19	Q. Massachusetts, five?	19	Q. West Virginia, two?
20	A. Here.	20	A. Here.
21	Q. Metro D.C. Virginia, five?	21	Q. Western New York, three?
22	A. Here.	22	A. Here.
23	Q. Michigan, four?	23	Q. Wisconsin, two?
24	A. Present.	24	A. Here.
25	Q. Minnesota, four?	25	Q. Direct Affiliates.
Page 15		Page 17	
1	A. Here.	1	AYSO, Amateur League?
2	Q. Mississippi, one?	2	A. Here.
3	A. Here.	3	Q. United Soccer Leagues?
4	Q. Missouri, two?	4	A. Here.
5	A. Here.	5	Q. New Jersey Champions League?
6	Q. Montana, two?	6	A. Here.
7	A. Here.	7	Q. Women's Premier Soccer League?
8	Q. Nebraska, two?	8	A. Here.
9	A. Here.	9	Q. The National Premier Soccer League?
10	Q. Nevada, three?	10	A. Here.
11	A. Here.	11	Q. Mid Atlantic Showcase Soccer League?
12	Q. New Hampshire, two?	12	A. Here.
13	A. Here.	13	Q. For the Professional Council, Major
14	Q. New Jersey, four?	14	League Soccer.
15	A. Here.	15	Alex Topete?
16	Q. New Mexico, four?	16	A. Here.
17	A. Here.	17	Q. Blane Shepard?
18	Q. North Carolina, five?	18	A. Here.
19	A. Here.	19	Q. James Silkret?
20	Q. North Texas, five?	20	A. Here.
21	A. Here.	21	Q. Russell Sargent?
22	Q. Ohio North, three?	22	A. Here.
23	A. Here.	23	Q. Stephen Hamilton?
24	Q. Oklahoma, three?	24	A. Here.
25	A. Here.	25	Q. Tom Rios?

Page 18	Page 20
1 A. Here.	1 U.S. Club Soccer?
2 Q. Whit Haskel?	2 A. Here.
3 A. Here.	3 Q. Associate Members.
4 Q. United Soccer Leagues.	4 NSCAA?
5 Francisco Marcos?	5 A. (No response.)
6 A. Here.	6 Q. Life members. Alan Rothenberg?
7 Q. Mat Weibe?	7 A. (No response.)
8 A. Here.	8 Q. Foster Perry?
9 Q. Steven Thompson?	9 A. Here.
10 A. Here.	10 Q. Gianfranco Borroni?
11 Q. Tim Holt?	11 A. Here.
12 A. Here.	12 Q. Hank desBordes?
13 Q. Beverly Marcos?	13 A. Here.
14 A. Here.	14 Q. Hank Steinbrecher?
15 Q. Albert Coutinho?	15 A. (No response.)
16 A. Here.	16 Q. Howard Rubenstein?
17 Q. Athletes Council.	17 A. Here.
18 Alexi Lalas.	18 Q. Marty Mankamyer?
19 A. (No response.)	19 A. Here.
20 Q. Amanda Cromwell?	20 Q. Mavis Derflinger?
21 A. Here.	21 A. Here.
22 Q. Cindy Parlow?	22 Q. Peter Masotto?
23 A. (No response.)	23 A. (No response.)
24 Q. Jeff Agoos?	24 Q. Board of Directors.
25 A. (No response.)	25 Bill Bosgraff?
Page 19	Page 21
1 Q. John Harkes?	1 A. Here.
2 A. (No response.)	2 Q. Bill Goaziou?
3 Q. John Kerr, Jr.?	3 A. Here.
4 A. Here.	4 Q. Brooks McCormick?
5 Q. John McCullough?	5 A. Here.
6 A. Here.	6 Q. Burton Haimes?
7 Q. Juergen Sommer?	7 A. Here.
8 A. (No response.)	8 Q. Don Garber?
9 Q. Marcelo Balboa?	9 A. Here.
10 A. Here.	10 Q. Kevin Payne?
11 Q. Mike Peters?	11 A. Here.
12 A. (No response.)	12 Q. Larry Monaco?
13 Q. Tiffany Roberts?	13 A. Here.
14 A. (No response.)	14 Q. Linda Hamilton?
15 Q. Mark Dodd?	15 A. Here.
16 A. Here.	16 Q. Mike Edwards?
17 Q. Other members.	17 A. Here.
18 Soccer Association For Youth?	18 Q. Mike McDaniel?
19 A. Here.	19 A. Here.
20 Q. National Members.	20 Q. Paul Caligiuri?
21 USASA?	21 A. Here.
22 A. Here.	22 Q. Peter Vermes?
23 Q. Did I hear a here?	23 A. Here.
24 A. Yes.	24 Q. Sunil Gulati?
25 Q. National Affiliates.	25 A. Here.

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1 Q. Past Presidents, Bob Contiguglia?
 2 A. Here.
 3 MR. KEPNER: And that is notable, by
 4 the way. That's the first time in many a year
 5 that we've had that category filled. It's always
 6 some other position that somebody also has.
 7 I will ask the question if there is
 8 any organization or individual that had more
 9 keypads than it, the organization, or that
 10 he/she, the individual should have held?
 11 I will again, just quickly, because
 12 there's not many at all that answered, failed to
 13 answer. With the Youth, I found none.
 14 With the adults, South Dakota? The
 15 organization that is closest to South Dakota,
 16 please raise your hand, so we can take that
 17 keypad up.
 18 UNIDENTIFIED SPEAKER: Picked up
 19 already.
 20 MR. KEPNER: Picked up already.
 21 Thank you. NSCAA? The organization
 22 or individual closest to NSCAA, could you raise
 23 your hand?
 24 UNIDENTIFIED SPEAKER: Already been
 25 picked up.

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1 MR. KEPNER: Already been picked up.
 2 Thank you.
 3 MR. KEPNER: And has Alan's been
 4 picked up?
 5 UNIDENTIFIED SPEAKER: He's here.
 6 MR. FLYNN: He's here.
 7 MR. KEPNER: Hank Steinbrecher's, and
 8 Peter Masotto.
 9 Okay. Based on the registration
 10 that we had last night, the weighted votes are
 11 as follows, 245 youth delegates, 245 adult
 12 delegates, 245 professional delegates, 27 other
 13 members, life members and national BOD. Athlete
 14 delegates, weighted vote, 191. Total votes
 15 953.
 16 If all voting, everybody would vote
 17 fully, a simple majority would be 477, and a
 18 two-thirds majority would be 636.
 19 It is important to point out,
 20 though, that in determining a simple majority or
 21 two-thirds majority, it's based on the actual
 22 number of votes cast in any single vote, not on
 23 those numbers.
 24 The weightings, the multipliers --
 25 naturally the Youth Council has the largest

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1 body, 1.00; Adult Council, 1.39; Professional
 2 Council, 18.85; Athletes Council 15.92, and
 3 other members, life members of National BOD,
 4 1.00.
 5 Keypads, you will find in front of
 6 you a wireless keypad that you will use to vote
 7 throughout the meeting. The keypads have been
 8 carefully programmed with the weight of each
 9 vote. Please use only the keypad assigned to
 10 you.
 11 Briefly, here's how the keypads
 12 work.
 13 Throughout the meeting, you will be
 14 asked to vote on a number of issues. The item to
 15 be voted on will appear on the screen. You will
 16 be asked to use your keypad to place your vote.
 17 Press 1 for yes and 2 for no.
 18 When you press the button, the
 19 number you selected will show up in the LED box
 20 on the keypad. It will stay on for about a
 21 second, and the data will be sent to our
 22 computer technician who will tabulate the
 23 results and display them on the screen.
 24 Please do not place your vote until
 25 I say begin voting now. Now the system that we

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1 will use, except for our practice run when I
 2 will be up here, I will be in the back, and I
 3 will keep an eye on the numbers that are coming
 4 in, and then I will say, begin voting now. And
 5 I will start counting down, 5, 4, 3, 2, 1,
 6 stop.
 7 And at that point, we will stop. We
 8 will determine the tally, and it will be
 9 portrayed on the screen. So don't wait until I
 10 say begin voting now. As the votes wind down, I
 11 will, say five seconds remain; four, three, two,
 12 one, stop.
 13 You can change your mind up until
 14 the time we stop the voting. The keypad will
 15 accept your final vote.
 16 Okay. There is one issue that we
 17 have, and let me just mention it to Sunil
 18 first.
 19 Okay. We're going to go through our
 20 warmup. And we have a really excellent and
 21 critical question to pose. And the question is:
 22 Which soccer player was ejected from the World
 23 Cup final in 2006. Was it Charles deGaulle? Was
 24 it Larry Monaco? Was it Zidane Zidane? Or was
 25 it Marcel Balboa?

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1 DeGaulle is one; Monaco is two;
 2 Zidane is three and Balboa is four. So, begin
 3 voting now. Five seconds, four seconds, three
 4 seconds, two seconds, one second, stop. Charles
 5 deGaulle.
 6 Larry and Zidane Zidane, okay.
 7 Larry was a close, pretty close second.
 8 PRESIDENT GULATI: Bob, as always,
 9 thank you for a great job on that. It's a lot of
 10 work, please, a round of applause for Mr.
 11 Kepner.
 12 (Applause.)
 13 PRESIDENT GULATI: It is a little bit
 14 historic that we're in this building today. And
 15 I was going to talk about this later, and I
 16 will, but since we've got two gentlemen in the
 17 room, we should probably do it now. The reason
 18 it's historic is because across the street --
 19 and some of you know this -- are the
 20 headquarters of World Cup 1994, two towers. The
 21 big towers were the headquarters of 1994 of our
 22 World Cup. And if I were looking back on this,
 23 in the World Cup bid -- and especially the
 24 World Cup bid is sort of like Hank Aaron's
 25 famous homerun -- there were actually 33 million

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1 people in the stadium that saw that home run,
 2 because everyone was part of it, which is good,
 3 in one way. But if I look back, there were
 4 about a dozen people who were very much involved
 5 in our bid effort, but the two people who really
 6 made the bid effort to bring the '94 World Cup
 7 here, obviously, front and center, was Werner
 8 Fricker, who we have our highest award named
 9 after, and all of, you, or many of you, know
 10 him. But there was another person who was a
 11 principal author of our bid and had many
 12 hundreds of pages of our bid effort, and he is
 13 here and I would like to recognize him, Scot
 14 LeTellier is in the back of the room.
 15 (Applause.)
 16 PRESIDENT GULATI: And then the
 17 gentleman sitting next to him who didn't
 18 answer -- and he has much to answer for as we
 19 all know -- is Alan Rothenberg, who put on that
 20 spectacular World Cup.
 21 (Applause.)
 22 PRESIDENT GULATI: A life member --
 23 and I can't help but think there is some
 24 serendipity that in the week we announced that
 25 we are trying to bring the World Cup back to the

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1 United States we are in this particular hotel
 2 where so many meetings were held about that last
 3 World Cup.
 4 We will talk about that a little bit
 5 later on.
 6 The next order of business is we
 7 have approval of the minutes from the National
 8 Council meeting in 2006. You have those minutes.
 9 Can we have a motion to approve those minutes?
 10 UNIDENTIFIED SPEAKER: So move.
 11 PRESIDENT GULATI: So moved. We need
 12 a name, I suppose. Since Mr. Edwards is right
 13 next to me. We will make it Mr. Edwards. We need
 14 a second to move.
 15 MR. GOAZIOU: Second.
 16 PRESIDENT GULATI: Mr. Goaziou. Any
 17 comments on those minutes? Approved by unanimous
 18 consent.
 19 (Motion passed.)
 20 PRESIDENT GULATI: I would like to
 21 make a few remarks, and we will use what's up on
 22 the screen. Some of you in the back may not be
 23 able to see a couple of the slides. I assure
 24 you there is not any resolutions calling for
 25 large expenditures of money or any rule changes,

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1 where there's small print.
 2 People in the first 25 rows
 3 certainly will be able to see it. There may be
 4 a couple of our guests in the back that may not
 5 be able to see it.
 6 It's been an interesting year,
 7 partly because of that World Cup. We have got
 8 two organizations that have a lot of resources,
 9 the Foundation and the Federation; partly,
 10 because of the great work that many people in
 11 this room and across the country have put in.
 12 We're in good shape.
 13 I want to share with you parts of
 14 different presentations that Dan, Don Garber, a
 15 couple of our television partners, that I have
 16 been involved in over the last year, and then
 17 some new pieces that we have made in the last
 18 few days. And walk you through kind of where we
 19 are in the game today, where we have been, and
 20 in a few cases where I think we're going.
 21 And then talk a little bit about --
 22 I did this in the board yesterday -- what's
 23 happened literally in the last 45 days in Soccer
 24 in this country, and if we could extrapolate
 25 that for the next decade, or for the next 45

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1 days for that matter, would be pretty
 2 extraordinary.
 3 And I look at the L.A. Times today,
 4 and they are concerned because David Beckham,
 5 according to new documents, is only making five
 6 and a half million dollars a year for playing
 7 soccer. He's got a whole bunch of other things
 8 that he's getting paid for, and that's a
 9 concern, but that's a pretty good paycheck.
 10 But let me talk to you a little bit
 11 about that. You can't see that if you are in the
 12 back few rows.
 13 That's a quick slide that we shared
 14 with people present back in April, that Dan and
 15 I walked through. The last 20 years. And I use
 16 '86 as a benchmark, because that's when we
 17 started bidding for the World Cup. If we hadn't
 18 been to the World Cup on the men's side in 40
 19 years, we have now been there five straight
 20 times. We didn't have women's soccer and now
 21 we've got multiple gold medalists. The NASL had
 22 just folded; MLS has just finished its 12th
 23 season, starting with 13 teams; millions more
 24 registered players, although growth rates have
 25 slowed down, number of youth teams; expenditure

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1 on players exponentially increased.
 2 The only event -- and FIFA took a
 3 big risk when they brought the '94 World Cup
 4 here that we had hosted -- it was the '84 World
 5 Cup, and both of the gentlemen that I mentioned
 6 before were particularly intimately involved in
 7 that.
 8 Since then, we have hosted three
 9 world cups. No one else has done that around the
 10 world. Two Women's World Cups, and the Men's
 11 World Cup, and with a little bit of luck, we'll
 12 host another one.
 13 We used to play our Men's World Cup
 14 qualifying games in a place called the St. Louis
 15 Soccer Park with 5,000 seats and not fill them
 16 up.
 17 And now we play in places with 50-
 18 or 60,000 seats, and worry about can we get
 19 enough people rooting for our team, instead of
 20 our opponent? Which is an issue. We'll come
 21 back to that.
 22 Growth rates. Phenomenal. Seventeen
 23 staff members. Some of them were part time.
 24 Back then, literally, I was making reservations
 25 for players to fly around from a laptop or

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1 desktop and now we've got a full staff. Our
 2 reserves -- we weren't bankrupt, contrary to
 3 what's sometimes said, we weren't bankrupt --
 4 but certainly the level of our assets is very
 5 different.
 6 That's the number of people that are
 7 connected to the game. I asked them -- the
 8 people that were working on the other slides --
 9 there was a duplicate slide -- so I asked them
 10 to put a new slide in. Friends at Major League
 11 Soccer had the common sense to put in a slide of
 12 the Houston Dynamo winning the MLS Cup. I got
 13 this thing with the New England Revolution
 14 going.
 15 A little bit about our structure
 16 here, our pyramid. We all know that. We have
 17 seen that. That's what, part of what makes us
 18 great around the world, an integrated system,
 19 with youth, college soccer, professional soccer
 20 and so on, but that's a big challenge, that one.
 21 And it's true across many athletes, not just
 22 sports, but a big drop-off. And you all know
 23 this, because you see it. Our big numbers are
 24 at 6, 7, 8, and it's a straight line drop-off.
 25 And this is research that we paid for a couple

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1 of years ago. But we didn't need to do this
 2 research, because you knew that. The number of
 3 kids playing drops off pretty dramatically and
 4 nothing we can do. The same is true in
 5 swimming. The same is true in virtually any
 6 activity that kids participate in, but it's a
 7 big challenge to try to retain some of those
 8 kids, and if we can't retain them as players;
 9 certainly to keep them involved in the game, in
 10 some way, shape or form.
 11 Turning to Major League Soccer, 12th
 12 season. "Sports Illustrated" ran a story in
 13 1996, "MLS kicks off in April and will likely
 14 shutter its doors by June." Twelve seasons in,
 15 David Beckham is coming; 13 teams including
 16 Toronto. A plan for 16 teams. Don gets calls
 17 regularly from teams that want to start.
 18 Average attendance, 16,000. Before, before the
 19 issues in Italy in the last two weeks, and some
 20 games that are being played without spectators
 21 due to some violence, the average attendance at
 22 games in Italy was 19,000 this year.
 23 So -- okay. When Inter Milan plays
 24 AC Milan, there's a lot of people. The average
 25 attendance at games in Serie A was 19,000, MLS

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1 is at 16,000. Now, it's not Serie A, that's not
 2 what I'm saying. That's a pretty healthy
 3 attendance. That's not the premier league, but
 4 it's a pretty healthy attendance. That's a big
 5 part of what we're doing.
 6 Some of the top players -- you know
 7 some of them -- some of them play for our
 8 national team, some of them play for our
 9 opponents.
 10 Landon, Claudio Suarez, who is one
 11 of the world leaders in caps, that plays for
 12 Chivas, and the Mexican national team -- Carlos
 13 Ruiz in Dallas and so on -- and then this guy
 14 that happens to be married to a former Spice
 15 girl.
 16 We make this announcement in
 17 January, and unless you lived in a cave, and
 18 even if you lived in a cave, you knew what was
 19 going on, because on the front page of the "New
 20 York Times," literally, next to Condoleezza Rice
 21 talking about the Iraq war and congressional
 22 testimony, you've got David Beckham and Posh
 23 Spice. Front page. Every paper around the
 24 world. And even bigger around the world, every
 25 TV talk show. Literally, the most important

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1 sports icon in the world -- Tiger Woods, Michael
 2 Jordan and so on, but around the world,
 3 extraordinary ambassador.
 4 Ticket sales, yes. With the media
 5 attention that comes -- and then people say,
 6 well, he's past his best days. Don't let Bayern
 7 Munich know that, because he played in the
 8 champions league last week and had a couple
 9 pretty incredible assists, I guess we'd call
 10 them. And he's not playing this weekend because
 11 he got a red card, and my guess, he will get
 12 called back into the English national team.
 13 So the most recognizable -- not
 14 soccer player -- but sports icon in the world
 15 will be playing down the road -- and some of you
 16 are going to visit the Home Depot Center this
 17 afternoon -- will be playing for the L.A. Galaxy
 18 and will be in every MLS market this summer.
 19 That's pretty extraordinary that he
 20 chose to play here. Now at age 35, and we will
 21 get such media hype, as we already have. Pretty
 22 extraordinary. And there's pictures with Posh,
 23 Condoleezza, and "Spend it like Beckham," as it
 24 were.
 25 We couldn't possibly have enough

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1 money between the Foundation, Federation and
 2 double that to get the media exposure for the
 3 sport that we got in the week around this
 4 announcement.
 5 We don't have enough money to get
 6 that sort of exposure for the sport.
 7 We could have spent all of it, and
 8 we couldn't get ourselves in the front page of
 9 the "Times," except by having something negative
 10 and having a riot. We couldn't do it. This guy
 11 put us on the front page of every newspaper in
 12 the world. Literally, next to the Iraq war. The
 13 surrealness of that is something that we can all
 14 think about a little bit.
 15 The stadiums and some of you live in
 16 markets where those MLS stadiums exist, and we
 17 have got a great partnership in Frisco, where
 18 we've got youth headquarters and youth fields
 19 and a MLS field.
 20 And we'll talk a little bit later
 21 about the likelihood of a women's team playing
 22 there. Four brand new fields in the last few
 23 years. Soccer-specific stadiums, places we can
 24 call home for the sport, and not just for an MLS
 25 team, but for our teams; whether it's a state

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1 Open Cup or anything else. And three new ones
 2 going up in the next couple of years. I left
 3 Toronto out because it's not within the U.S.
 4 borders, but not too far from, and they're kind
 5 of a 51st state, I guess.
 6 Soccer United Marketing, a big
 7 portal for the sport in the U.S. And I
 8 mentioned this, and it's pretty important,
 9 because there's lots of times where we have
 10 issues between Major League Soccer and U.S.
 11 Soccer and so on. Let me be very clear about
 12 this. And there are times where it certainly
 13 causes me issues and conflicts. The
 14 relationship we have between Major League Soccer
 15 and U.S. Soccer, is better than any that exist
 16 in the world between an organizing and governing
 17 body and a professional league.
 18 We decided to play in COPA America
 19 this summer. First time we brought it up was
 20 after the World Cup last summer because we
 21 didn't do as well as we wanted. And when Dan
 22 and I talked with Don and Ivan Gazidis, they
 23 said, wait a minute, it's in the middle of July.
 24 We're playing then. And by the end of that
 25 discussion, and a few more, they realized how

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1 important it was to the development of our team,
 2 they said, okay. We got it. We couldn't have
 3 even thought about having that discussion with
 4 teams abroad.
 5 And we'll talk about another place
 6 where it came together in an extraordinary way,
 7 but the relationship we have between those
 8 entities -- and I'm not talking about situations
 9 where we have a rule change and people vote in a
 10 way -- but the relationship we have between our
 11 professional league, in this case, the Division
 12 1 leagues, but in other cases, where there's the
 13 USF is pretty extraordinary.
 14 And I think you are starting to see
 15 that between state associations, between
 16 leagues, and so on. It is not every day that
 17 everything is perfect and there's some conflicts
 18 that come up. But it's pretty extraordinary.
 19 And I will talk a little bit more about that,
 20 and if you have seen, SUM has brought some
 21 pretty extraordinary games to the U.S., whether
 22 it's Barcelona, whether it's Manchester United,
 23 whether it's Interlega Super League, and other
 24 competitions.
 25 Those are our sponsors, and Soccer

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1 United Marketing represents U.S. Soccer. Those
 2 are the sponsors now and that will grow over
 3 time.
 4 I mentioned five themes last year,
 5 when I was elected. One, and most importantly
 6 perhaps, was the technical area. And Kevin
 7 Payne who has been running a technical review of
 8 all of our programs will talk about this in a
 9 couple of minutes. We're going to spend a lot of
 10 money in this area. Player development.
 11 Absolutely critical to everything that we do and
 12 that we're about. How do we get better?
 13 And as I mentioned last year when
 14 Germany finished second in the 2002 World Cup,
 15 they immediately initiated a series of programs,
 16 because second wasn't good enough.
 17 We're not second, and we're still
 18 not good enough. Those are some of the
 19 competitions we've got next year.
 20 We didn't do as well as we wanted
 21 last summer. The best thing that came out last
 22 summer was we didn't do as well as we wanted,
 23 and people were mad. Media expectations were
 24 higher. That's a good thing. Just qualifying is
 25 not good enough for us anymore. That's a good

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1 thing. That doesn't mean every time we're going
 2 to get to the second round or get to the
 3 quarterfinals or with a little bit of luck, do
 4 what we all expect and hope someday, but just to
 5 hold that little statue.
 6 The second thing I mentioned last
 7 year, which is absolutely a cornerstone of
 8 everything we need to do in this sport is media.
 9 In 2007, we relaunched our television effort. I
 10 can't think of anything that's more important in
 11 growing the sport than how we communicate with
 12 the public. I can't think of anything that's
 13 happened over the last couple of years, that
 14 brought together MLS, Soccer United Marketing,
 15 in this case, CONCACAF, and U.S. Soccer, to
 16 make something happen at a critical juncture for
 17 this sport in this country. And in the end,
 18 eventually, FIFA, and so far it has paid
 19 extraordinary dividends.
 20 I want to thank publically Don
 21 Garber for being at the right place at the right
 22 time and making it happen. And what I'm talking
 23 about is a situation where we were able to put
 24 our rights for U.S. National teams with MLS's
 25 rights, and in a way, package them in the World

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1 Cup rights and come up with two extraordinary
 2 partners in ESPN and Univision and also with
 3 Fox.
 4 The two primary partners in that
 5 deal were Univision and ESPN. And we have in
 6 those two partners, two partners that are
 7 committed to the sport. And frankly, two
 8 individuals that are the point people that care
 9 about the game. They're not going to care about
 10 the game, if it cost them their jobs, but they
 11 believe in the sport. And when you meet them --
 12 and some of you will meet them -- and they did a
 13 presentation with Don and with Dan and myself at
 14 FIFA for all of FIFA's commercial partners, and
 15 you could certainly hear that they believed in
 16 the game. They go to the games. And one of
 17 their sons plays in ODP and they go to the game.
 18 And they believe in the game and come and watch
 19 our national teams and they are passionate about
 20 it. They're not, oh, we got to put another
 21 soccer game on.
 22 So, what we have launched in a new
 23 program -- and some of you have seen it, and
 24 we'll talk about that in a minute -- a year ago,
 25 in my view, may have been the most critical

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1 moment as we look forward to the two new TV
 2 partners. We can't buy that sort of exposure for
 3 the sport.
 4 Anything that we do can't be viewed
 5 by millions of people, in anything we do. It's
 6 not publications. It's not mailing, but when
 7 ten million people watch our national team play,
 8 and they do well and they're promoting it, it's
 9 pretty extraordinary.
 10 ESPN, their platforms. They are a
 11 part of FIFA's, of MLS', of U.S. Soccer. You
 12 see some of the Champions League, NCAA. You can
 13 watch games on the phone. You can watch games
 14 on ESPN Classic, and so on.
 15 Univision. And Univision is
 16 important to us for a number of reasons. One is,
 17 obviously, they're very committed to the sport.
 18 They're going to televise over 400 games this
 19 year on their Spanish platforms. And they're
 20 also obviously important to us because one of my
 21 other themes from last year is outreach in the
 22 Hispanic community, extraordinarily committed.
 23 And between Univision and ESPN, they made the
 24 rights buy for the World Cup, the largest single
 25 rights buy of any country in the world. Of any

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1 country in the world. More than Italy. More than
 2 Germany. More than Brazil. More than Argentina.
 3 More than England. So soccer hasn't quite caught
 4 on in the United States.
 5 Well, there's some folks in Zurich
 6 that represent FIFA's marketing interest that
 7 got a very, very large check that says
 8 different.
 9 That's their formula. A Spanish
 10 language message gets sponsors around it, have
 11 us support them, and try to get some real
 12 change, and that real change is also part of
 13 what we're trying to do in the Hispanic
 14 community. And I will come back to that in just
 15 a couple of minutes.
 16 Is it going to work? Well, February
 17 7th is the turning point from my point of view.
 18 How many people watched the game that we played
 19 against Mexico, two weeks ago? Quite a few of
 20 you. We won. Bob Bradley's second game. We beat
 21 Mexico. Big result. Great win. That was
 22 important. We had 62,000 people in the stands in
 23 a state-of-the-art facility, with a roof and a
 24 field that you can roll outside. Maybe, 75
 25 percent of the fans were rooting against the

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1 U.S. team. That's okay, because everybody paid.
 2 A stadium that we could play the
 3 World Cup final in tomorrow. Those are two big
 4 things. We made a lot of money on that game. Two
 5 huge things. That wasn't the big story of the
 6 day. The big story of the day was we had almost
 7 8 million people watch the game. Almost 8
 8 million people watched the game. Think about
 9 registered players.
 10 (Applause.)
 11 PRESIDENT GULATI: 8 million people
 12 watched the game, predominantly on Univision;
 13 predominantly in homes that are Spanish speaking
 14 as the first language, but guess what? 8 million
 15 people saw the U.S. team beat Mexico. That's a
 16 pretty good start.
 17 Second-highest-rated sports program
 18 in the history of Spanish language television.
 19 Shattered every Super Bowl, not even close.
 20 Every Super Bowl. The only game that was ever
 21 higher, the only sports event that was ever
 22 higher was Argentina and Mexico in the World
 23 Cup. There was nothing any of us could do
 24 day-to-day that could match that sort of
 25 exposure to the sport. And every one of those

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1 folks that watched us beat Mexico and watched
 2 Landon Donovan run 60 yards with a nice pass
 3 from the referee. Referees training is an
 4 important part in this.
 5 (Laughter.)
 6 And not only that, you saw ESPN do
 7 some things -- two-and-a-half hour broadcast,
 8 and a studio built at the end of the field. And
 9 I'm told some commentary from announcers about
 10 decisions we should be making, but we'll leave
 11 that issue aside. A Sky-Cam. ESPN and Univision
 12 are spending money to help promote the game,
 13 promote our team, the look of the game that no
 14 one has ever done, so that when you are watching
 15 a soccer game, you think you are watching a real
 16 sport, like you might be watching the NFL or
 17 Major League Baseball, basketball or a game from
 18 Europe. This will be a big plus as we go
 19 forward.
 20 The second initiative was
 21 television. I think we're off to a good start.
 22 I mentioned diversity, and this is one where I
 23 don't give us -- not us; me -- good marks in
 24 the last year.
 25 As I mentioned last year we spent a

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1 lot of money -- not a lot, but some money -- and
 2 we found some startling statistics. Hispanics
 3 seem to like soccer. Much greater numbers of the
 4 Hispanic community play soccer than the Anglo
 5 community in the United States. We've got to do
 6 something about it. You can see, in this case
 7 at random, the players are much more likely to
 8 be Hispanic. We've got to do something about
 9 getting those players involved in our elite
 10 player program in much greater numbers than they
 11 are now.

12 And there's a second statistic
 13 there, which is that African-America number and
 14 the Anglo community and the Asian community
 15 match up roughly with demographics. The other
 16 two are way off. We got to do something about
 17 that and we will announce some things that we're
 18 going to start to do.

19 Certainly, we don't have the answers
 20 on what we're going to try to do. We will see
 21 what is working, and see what's portable, and
 22 we'll throw some resources at it and see what we
 23 can do about it. This has got to be part of the
 24 solution, if we want to do it as well as we'd
 25 like, whether it's in South Africa, somewhere in

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1 the teams in the United States, or wherever the
 2 World Cup may be.

3 That speaks for itself. Large
 4 percentage of African-Americans have never
 5 played the game; much higher than in the Anglo
 6 community, and obviously the lowest in the
 7 Hispanic community. And when we talk about
 8 these sorts of percentages, those are big
 9 numbers. Those are big numbers. Those are big
 10 numbers when you talk about Hispanic players. 31
 11 percent of Hispanic players watch soccer every
 12 chance they get compared to 4 percent of white
 13 players. And this is from our own data that we
 14 looked at a few years ago. I just pulled out a
 15 couple of slides.

16 Big challenge. Or if you look at it
 17 differently, big opportunity. Big opportunity.

18 Fourth, we mentioned last year, a
 19 program we were going to start, international
 20 relations program, an outreach program. We have
 21 resources. We have an affluent country. We have
 22 knowledge. We have technical capabilities to try
 23 to help those around the world.

24 And we started a program last year,
 25 a key component of which was a sports

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1 international envoy program that we did with the
 2 state department. It's Cindy Parlow in Bahrain.
 3 You see a soccer ball on the left-hand side.
 4 Cindy is the only female on the field that's not
 5 dressed in a way that would be traditional in
 6 this country for women.

7 And then we have the reaction of
 8 these young girls when she took the gold medal
 9 out. I don't know who was more emotionally moved
 10 by the whole experience, whether it was Cindy or
 11 the young girls.

12 In the middle of that somewhere,
 13 Nigeria, right in the middle of that, you can
 14 barely see him, is Marcello Balboa who is here
 15 today. Thank you for going, Marcello. Laura
 16 Gregg, as well, is in the middle of that, in the
 17 middle of a couple hundred young Nigerian kids.

18 Glenn Myernick, one of the last
 19 things he did involved in soccer, went to South
 20 Africa for us.

21 We started a program a few days ago
 22 with full-time referees, before a gentleman that
 23 agreed to be involved with us on a full-time
 24 basis, taking a risk. It's a one-year contract.
 25 We all have real jobs in real life, come do this

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1 for a year. You can't referee when you're 75 at
 2 a high level in terms of international,
 3 obviously, or at MLS. We've got age
 4 restrictions. And they're taking a risk.
 5 Pioneers. And they're going to do this, and
 6 we'll see what we can do.

7 One of the things we talked about at
 8 the board meeting yesterday is the changes in
 9 technology have made refereeing very, very
 10 different because, you watch a game anywhere in
 11 the world and all of a sudden, there are 30
 12 different camera angles, and everyone in the
 13 world, whether it's a guy in the Internet 5,000
 14 miles away, know if the referee has made a
 15 mistake. The poor guy out on the field has got
 16 no idea, but everyone else in the world, all 2
 17 billion viewers of the World Cup final know that
 18 there's a mistake been made.

19 So the refereeing hasn't gotten
 20 worse; just the technology has gotten a lot
 21 better. We need to do a lot more to support our
 22 high level and our elite referees. I'm not
 23 talking about at a typical Under-12 youth game
 24 that our technology is such that we can all
 25 question the referee, although now I see

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1 parents show up with video cameras, and they've
 2 got a computer, and they're checking out what's
 3 going on. Maybe that's the case, but I only do
 4 that every other game with my son.
 5 We've got to get more referees. I've
 6 talked about this with my friends in New York. I
 7 have ended up refereeing my son's games a couple
 8 of times. I don't have a badge, because a
 9 referee didn't show up. And sure enough as it
 10 turns out, New York is near the bottom in terms
 11 of referees per registered player. We don't have
 12 enough referees in other parts of the country.
 13 That's a problem. We've got to put more
 14 resources against that. It wasn't something I
 15 talked about last year.
 16 The last thing I talked about last
 17 year was trying to bring more events to the
 18 United States. Big events.
 19 We have told FIFA that we would like
 20 to bring the 2009 FIFA Congress to the U.S. and
 21 it looks like that will happen. Right now, we're
 22 the only bidder and I like our chances in that
 23 case. But there's a long time between now and
 24 then, and it will likely be 2009 Congress in New
 25 York.

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1 And then, as you know this past
 2 week, we announced that we would like to bring
 3 another event. But we're also going to host the
 4 Olympic qualifying tournament for men next year.
 5 A big part of these events is, Does it help our
 6 team? Is it financially viable? But, of course,
 7 on Tuesday of this week, it became public that
 8 we are going to try to bring the World Cup back
 9 to the United States, the Men's World Cup in
 10 2018. But we'd be available if FIFA needs us to
 11 do it any earlier, 2014.
 12 That's not the one we're bidding on.
 13 But if they needed us to, we would never say no
 14 to our friends in Zurich. We're not talking
 15 about South Africa, but we are talking about
 16 hosting the world's biggest event. And some of
 17 you that were involved in the last one know what
 18 it can do for the sport. And I'm convinced that
 19 it would do even more for the sport this time
 20 than it did the last time, because we now have a
 21 base. We have a professional league --and we'll
 22 talk a little bit later on -- and I think by
 23 then we will have two professional leagues of
 24 Division 1. We've obviously got a Division 2
 25 league and a structure underneath.

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1 We have got stadiums that every year
 2 are built that are better than virtually any
 3 stadium in the world -- the stadium in Phoenix,
 4 the stadium in Seattle. We don't need to build
 5 new stadiums. And think about it's not
 6 coincidence -- and I say this quite often --
 7 it's not a coincidence that registration numbers
 8 in certain markets in 1995 and 1996 went up
 9 dramatically when those markets happened to be
 10 markets where World Cup games were played.
 11 It's not a coincidence that
 12 registration numbers in a number of markets,
 13 especially among young girls, went up in the
 14 year 2000 in certain markets where Women's World
 15 Cup games were played. Those aren't
 16 coincidences. They're not statistical anomalies.
 17 And as all of you know better than I
 18 do, we're flat right now in terms of numbers,
 19 growth rates. And I'm not talking about the
 20 players that are going back and forth between
 21 organizations and we count them three times. I'm
 22 not talking about that.
 23 So if we're going to try to increase
 24 numbers, and it's not only about numbers; two of
 25 these things that we've just talked about, mass

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1 media, television, David Beckham, turning kids
 2 on to the game, and bringing the World Cup here,
 3 we can't do anything that could match that. We
 4 can't do anything that could match that.
 5 The Federation is in great shape.
 6 And it's not what's happened over the last year
 7 while I have been president. I said this to you
 8 last year. It's been a long build-up. Werner
 9 Fricker, Gene Edwards before him, Alan, Bob, in
 10 terms of leaders, but it's the entire country --
 11 it's all of you and everything, everyone across
 12 the country does. Financially, great shape. The
 13 sports are in great shape. But we have so much
 14 more to do, if we want to be a true soccer
 15 country, or as Don likes to say, a true soccer
 16 nation. We don't walk down the street -- people
 17 know who David Beckham is and a lot of people in
 18 this city know who Landon Donovan is, and a lot
 19 of people in the country know who Mia Hamm is,
 20 but beyond that it gets tougher And so we've got
 21 a lot of work to do.
 22 The last year --and one other
 23 decision that all of you took -- this job has
 24 been easier, and some of you sat in on the board
 25 meeting yesterday, saw it -- that job is easier,

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1 the decision we made last year about reducing
 2 the board size clearly has made my job easier,
 3 certainly, in terms of board meetings. That's
 4 certainly easier with a smaller board.
 5 So I want to thank you for that.
 6 Thank you for your faith last year in electing
 7 me. Although, I guess it was -- since no one
 8 else ran, you didn't have much of a choice --
 9 but thank you anyway for that.
 10 And we've got a lot of work to do.
 11 We've got some things to get done today. We will
 12 try to bring the World Cup here. We will make up
 13 for last summer in 2006. We will try to bring an
 14 Olympic gold medal or two of them back next
 15 year. We'll try to bring a Women's World Cup
 16 medal back this summer or in the fall. Keep
 17 going. More players. Better players. More
 18 referees. Better referees. More coaches. Better
 19 coaches, and let's make sure we have some fun
 20 while we're doing it.
 21 Thank you very much.
 22 (Applause.)
 23 PRESIDENT GULATI: I think we can
 24 take this off the screen.
 25 We need Mr. Eldridge now to talk to

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1 us about the budget. Mr. Eldridge.
 2 Next order of business is the
 3 approval of the fiscal year budget.
 4 UNIDENTIFIED SPEAKER: He just
 5 stepped out for a second.
 6 PRESIDENT GULATI: Mr. Edwards is
 7 going to take advantage of this opportunity to
 8 give his brief report, until Mr. Eldridge is
 9 back.
 10 MR. EDWARDS: Let me tell you how
 11 neat it is to be the Vice-President. When you
 12 go up 2-0, one of the privileges of being the
 13 vice-president is the president jumps in your
 14 arms. Now, the downside is the president is not
 15 Scarlett Johansson, but what makes it feel even
 16 better when you are walking around in Phoenix
 17 with the president in your arms -- I'm kind of
 18 big enough to do that -- the absolute joy of
 19 having taken the ticket money and watching about
 20 40,000 green shirts walking backwards out of the
 21 stadium really brings joy to a man's heart.
 22 One other perspective item. Sunil
 23 talked about how far we've come over the last
 24 year. We have been cleaning out the archives of
 25 the New Mexico State Soccer Association, and I

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1 found a press release from a guy named Kevin
 2 Payne that worked at U.S. Soccer, back in about
 3 1985, and it was big news -- as Kevin will no
 4 doubt admit now -- we had managed to finally
 5 secure an \$85,000 line of credit. And we were on
 6 our way to finally being able to afford a set of
 7 uniforms for the men's national team. I would
 8 say we have made strides since then. And,
 9 frankly, a whole lot of you sitting in the room
 10 were sitting in the room back then, when you
 11 actually thought that was good news, and at the
 12 time it was; that somebody was actually willing
 13 to stake money on us as some item of faith,
 14 regardless of how much Werner Fricker's personal
 15 assets may have been behind that. It's been a
 16 hell of a good year. My hat is off to Sunil and
 17 to Dan for what's been accomplished in the last
 18 year.
 19 And the good thing is there's an
 20 awful lot of upward potential still to go into
 21 this stuff when you looked at the plan Dan laid
 22 in front of us yesterday -- just the opportunity
 23 for soccer to be with you 24 hours a day has --
 24 it's just overwhelming what you can get when you
 25 think about what we had in 1985, and when soccer

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1 was the 30-minute show, "Soccer Made in Germany"
 2 on Public TV.
 3 So we've made some pretty good
 4 strides. As Sunil said, there's a lot of people
 5 behind us that did that. There will be people
 6 ahead of us that will keep it going, and I
 7 commend all of you for the work in the field.
 8 That makes it a whole lot easier to get this
 9 done. So, thanks.
 10 (Applause.)
 11 PRESIDENT GULATI: We've got one more
 12 report, and then I'm going to go first to Billy,
 13 and then to Kevin Payne, and then we'll go to
 14 David.
 15 Billy Goaziou. I'm not going to say
 16 welcome back, Billy, but we're glad you are
 17 here.
 18 (Applause.)
 19 MR. GOAZIOU: I only want to say one
 20 thing. Yesterday, at the board meeting, I asked
 21 that the Board of Directors approve the transfer
 22 of \$10 million from Merrill Lynch to Bear
 23 Stearns, because the interest rate we could earn
 24 was 8.7 percent. Howard Rubenstein came up to me
 25 after the meeting and said, Ten years ago, we

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1 argued to move ten cents, because that's all we
 2 had.
 3 So I would tell you that we have
 4 grown. We basically almost have as much money as
 5 the Foundation. We have over \$60 million in cash
 6 in the bank, and it's thanks to the hard work of
 7 all of the people here in this room and the
 8 Federation, as a family.
 9 Thank you.
 10 (Applause.)
 11 PRESIDENT GULATI: Kevin, do you want
 12 to talk a little? Give us a quick update on his
 13 technical group's review, which is a critical
 14 part of what we're doing on player development.
 15 MR. PAYNE: Thank you, Sunil, and
 16 good morning, everyone.
 17 I will try to keep this brief,
 18 although it's a pretty important subject, so
 19 please bear with me if I go a little longer than
 20 I should.
 21 As all the speakers this morning
 22 have discussed, we've accomplished great, great
 23 things over the last 20 years, in particular, as
 24 we've grown as an organization. We have done
 25 those things, we've accomplished those things by

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1 working together, and working towards common
 2 goals. And we should all be very proud of that.
 3 However, that does not mean that we should rest
 4 on our laurels, and it should not mean that we
 5 should be satisfied with where we are.
 6 That premise is really the starting
 7 point for the task force on technical
 8 development that Sunil asked me to head. That
 9 task force is a subset of the technical
 10 committee. The technical committee is a very
 11 small group. It's comprised of the men's
 12 national team coach, the women's national team
 13 coach, Tab Ramos, Carin Gabarra, and it's
 14 chaired by me.
 15 But the task force is a broader
 16 group that has been asked to take a very, very
 17 broad look at the process of player development
 18 at every level of the United States and try to
 19 determine how we can improve that process. That
 20 task force includes Ivan Gazidis, from Major
 21 League Soccer; Tab Ramos, arguably the most
 22 technical player that our national team program
 23 has yet produced, Dr. Bob Contiguglia, Jerome de
 24 Bontin, Bob Jenkins, who is the director of
 25 coaching and education. Tom Kane from Nike and

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1 Dan and Jay.
 2 That group has had two separate
 3 meetings, and will soon subdivide into a number
 4 of smaller committees that will look at
 5 different aspects of what we have to, what we
 6 feel are the challenges, and then the solutions
 7 that we need to find.
 8 We met the morning after the game in
 9 Phoenix. And at that meeting, we also had a
 10 number of guests present. Those guests included
 11 Mat Weibe, Mike Sweeney of U.S. Club Soccer, Jim
 12 Cosgrove from USYS was invited, but was unable
 13 to attend. But we also had on hand John
 14 Ellinger, the first coach of our U-17 national
 15 team and residency. And also, we had the current
 16 U-17 coach, John Hackworth; the current U-20
 17 coach, Thomas Rongen, and the current men's
 18 national team coach, Bob Bradley.
 19 We began the meeting by asking those
 20 three what they believed was the current state
 21 of the players that come to them out of our
 22 development system. And what they said is that
 23 when we compare ourselves to the great teams in
 24 the world, teams like Brazil, teams like
 25 Argentina, teams like Italy, teams like France,

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1 the teams that regularly compete to win world
 2 championships, and particularly the World Cup,
 3 we are deficient. Our players are deficient in a
 4 number of areas. We're technically deficient.
 5 We're tactically deficient, meaning our players
 6 are not as astute about the game.
 7 While we have certain physical
 8 qualities, and those physical qualities tend to
 9 fare us well in our competition in CONCACAF,
 10 when we begin to play against the really
 11 sophisticated soccer nations of South America
 12 and Europe, in particular, we no longer have the
 13 physical advantages. And in fact, in many
 14 instances, we are, at best, average physically.
 15 And finally, our players in many
 16 instances -- and this is a result of the
 17 cultural differences of our country compared to
 18 other countries -- but our players don't
 19 necessarily have the same degree of mental
 20 toughness that players might have coming from a
 21 country like Brazil and Argentina.
 22 I don't want this to sound harsh.
 23 This was intended to be a very frank discussion
 24 of where we are and how we can get better.
 25 The conclusion was that those issues

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1 obviously begin at younger ages. Those are not
 2 products of what happens when a kid joins a
 3 national team camp. And there was a very frank
 4 discussion of how that occurs. And we all
 5 recognize that the way that youth player
 6 development in our country has progressed over
 7 the years has been different than it has been in
 8 other countries. In other countries, it has
 9 tended to be very much directed from the top
 10 down, because of the presence of decades-old
 11 professional leagues, which took the lead in
 12 developing elite players. That has not been the
 13 case in our country.
 14 And as a result, in many instances,
 15 the focus on what's important at different
 16 stages of player development is different here
 17 than it is in other countries. And that's part
 18 of what we hope to begin the change. This is an
 19 exercise in changing the way people behave and
 20 the way people measure success. And we hope to
 21 be able to effect change at a very broad, a very
 22 broad level of our soccer continuum to achieve
 23 that.
 24 We have been spending a lot of time
 25 reading literature that exists today, and this

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1 is a fairly new field of study, but there's a
 2 lot of scientific research that has been
 3 dedicated in recent years to studying
 4 performance and accomplishment, and trying to
 5 better understand how people, who we think of as
 6 geniuses -- whatever it is that they do -- how
 7 do they become that? Is it a matter of great,
 8 great talent or is it a matter of great, great
 9 dedication and perseverance and training? And
 10 most of the recent scientific literature
 11 suggests that it's the latter.
 12 To put it to you a different way,
 13 and maybe in soccer terms, if success, let's
 14 say, at the World Cup was purely a matter of
 15 identifying talent, and if talent is reasonably
 16 distributed across broad populations on a
 17 statistical level that's consistent, then,
 18 China, the USSR, the United States should be the
 19 three best soccer nations in the world. But
 20 clearly we are not.
 21 And among the best soccer nations in
 22 the world are countries like Argentina with a
 23 population of 16 million; countries like Holland
 24 with a population of, I believe, 13 million, and
 25 even countries like Italy, which has in the

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1 neighborhood of 50 million people, so it's not a
 2 lot larger than California.
 3 That clearly demonstrates that
 4 talent is less a predictor of great success than
 5 it is a dedicated training system. All of those
 6 countries that I mentioned have highly
 7 sophisticated systems to train young talent; to
 8 identify it early and then to train it through
 9 a very long process that results in the best
 10 possible player.
 11 Those are things that we are looking
 12 at. We recognize that there are enormous
 13 cultural differences between the United States
 14 and those countries, but there are many
 15 principles that are very much a part of the way
 16 they approach this process that we can employ
 17 here in the United States.
 18 We've begun talking a little bit
 19 about tactics and how we hope to effect change.
 20 Clearly, there's an enormous responsibility that
 21 rests with the professional clubs, at the first
 22 division level, at the second division level and
 23 below. The professional clubs have to do a
 24 better job of training young players. It's an
 25 area that we have not done a very good job in at

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1 all, but we have dedicated ourselves over the
 2 past years to investing a great deal more
 3 resources to that end.
 4 There's also an enormous educational
 5 process that we hope to undertake, call it a
 6 marketing exercise, if you will, but essentially
 7 an attempt to try to convince parents there are
 8 other ways to measure the quality of their
 9 child's soccer experience than simply wins and
 10 losses; that watching their child become a
 11 greater player through a process that's focused
 12 to that end, as opposed to winning every single
 13 match on a weekend might also be a way to
 14 measure whether or not the soccer experience
 15 their kid is enjoying is a fruitful one.
 16 That message, actually, is one that
 17 needs to also register with coaches. Most
 18 coaches do believe that, by the way. But they
 19 often, as you all know, they have to react to
 20 the pressure of parents. And then we also want
 21 to be able to convince players of that fact. And
 22 we are not going to be able to accomplish any of
 23 those things without enormous assistance from
 24 the clubs and leagues around the country.
 25 There has been a lot of talk, and

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1 some of it has engendered controversy, about a
 2 so-called national league. I want to assure you
 3 that that's a name that's a little bit
 4 misleading. There is no intent by the committee
 5 to go into competition with the existing groups
 6 that regulate and organize youth soccer play.
 7 There is a feeling that with the
 8 best young players and certain age groups, there
 9 may be a need to take them out of the existing
 10 environment, much as we've done with the group
 11 that lives in Bradenton. And that is the core
 12 of our Youth 17 national team program; and that
 13 rather than having 40 kids in that kind of a
 14 largely professional environment, we probably
 15 need to have 400 kids in different age groups,
 16 who are able to focus solely on becoming better
 17 players without regard to the results that they
 18 achieve on the weekend, until they get into
 19 actual legitimate competitions.
 20 To try to tackle this task, we have
 21 created a number of subcommittees. Several of
 22 them will look at the way things are done in
 23 other countries and try to apply those practices
 24 here in the United States. Others will look at
 25 this whole question of marketing and education.

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1 Others will look at how we can better interface
 2 with the Latino community and with the
 3 African-American, and particularly, the
 4 African-American inner-city community.
 5 The bottom line of this process,
 6 this is a -- we're effectively embarking on a
 7 grand exercise, to build on the base and the
 8 foundation that we've created over many years of
 9 hard work, and catapult the United States to a
 10 whole new level of achievement in international
 11 soccer. We want to be one of those countries
 12 that in every single World Cup is considered a
 13 possible favorite to win; in every Youth 17
 14 tournament, in every U-20 tournament, we want to
 15 be a force to be reckoned with.
 16 We have made a great deal of
 17 progress in that direction, but we know that we
 18 can do far better, and, of course, we can't
 19 accomplish this without the help of everyone in
 20 this room and the organizations that you
 21 represent. And we hope that you will join us in
 22 what we consider to be, really, a great crusade
 23 to take the United States now to the next level,
 24 and to, eventually, in our lifetimes, win a
 25 World Cup.

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1 So thank you very much.
 2 (Applause.)
 3 PRESIDENT GULATI: Thanks, Kevin.
 4 He's right, it took a little bit longer than
 5 maybe he had planned, but it's important at our
 6 annual meeting, I think, that we perhaps talk a
 7 little bit about soccer.
 8 Mr. Eldridge, the budget, please.
 9 MR. ELDRIDGE: Thank you, sir.
 10 I would like to recognize the
 11 members of the Budget Committee: Steve
 12 Meisberger, Juergen Sommer, Walt Konopka and Roy
 13 Smithers.
 14 You have the budget. The
 15 information is in your program. I would like to
 16 entertain a motion to approve.
 17 MR. GOAZIOU: Move to approve.
 18 MR. EDWARDS: Second.
 19 MR. ELDRIDGE: Second. Any questions?
 20 Hearing no questions, I would now move to accept
 21 the budget by acclamation. Done. Thank you.
 22 (Motion passed.)
 23 PRESIDENT GULATI: Thank you, as
 24 always, David, for your efforts and for the
 25 efforts of your committee.

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1 Next on our agenda are the proposed
 2 amendments to the Federation by-laws. We are
 3 today missing our parliamentarian, who was
 4 stranded with flight problems on the East Coast,
 5 and so when we have an issue of parliamentary
 6 procedure -- we will do one of two things. He
 7 is available to Mr. Pinto by telephone, but we
 8 will also rely very heavily on common sense, in
 9 addition to parliamentary procedure. I find
 10 generally that works, and hopefully, that will
 11 get us through the day. And we have obviously
 12 got Mr. Monaco here as well, who between common
 13 sense, Mr. Monaco and parliamentary procedure,
 14 we should be able to make it.
 15 And Larry, we're going to lean
 16 towards common sense, between the two.
 17 And I am going to let Mr. Edwards
 18 take care of the amendments to the Federation
 19 bylaws.
 20 MR. EDWARDS: Okay. In addition to
 21 common sense, we want to go through this in a
 22 deliberate method, so that you actually
 23 understand where we are and which particular
 24 issue we're discussing. And make sure that it is
 25 clear to you, before we close for votes.

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1 A reminder, when we do come to the
 2 actual voting on the issues, whether it be the
 3 bylaw or policy proposal itself or motions to
 4 amend, we will use the keypads; one for yes, two
 5 for no. We'll count you down as to when we're
 6 closing. We have plenty of time to step through
 7 all of this.
 8 So, we will turn to the section of
 9 your book, bylaw proposals. We will go to Page
 10 1, a proposal submitted by Sunil Gulati, Mike
 11 Edwards, Bill Goaziou and Peter Vermes, which is
 12 a proposed amendment to Bylaw 103.
 13 We have an insert to Section 1,
 14 which would add a statement that: "The
 15 Federation and its members are obliged to
 16 respect the statutes, regulations, directives
 17 and decisions of FIFA and of CONCACAF, and to
 18 ensure that these are likewise expected by its
 19 members. The Federation is further obligated to
 20 recognize the FIFA International Match
 21 Calendar."
 22 For purposes of discussion, can I
 23 get a motion to bring this issue to the floor?
 24 MR. GOAZIOU: So move.
 25 PRESIDENT GULATI: Is there a second?

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1 UNIDENTIFIED SPEAKER: Second.
 2 MR. EDWARDS: We have a motion and a
 3 second to bring the first proposed amendment to
 4 Bylaw 103 to the floor. I would note the Rules
 5 Committee comments suggest a potential amendment
 6 to the proposal wherein you would have an insert
 7 would then state: "The Federation and its
 8 members are to the extent permitted by
 9 governing law, obliged to respect the statutes,"
 10 and et cetera.
 11 Any discussion of the proposed bylaw
 12 amendment? And I will ask you when you approach
 13 the microphone for the benefit of our friendly
 14 reporter, to state your name and affiliation for
 15 the record. Billy?
 16 MR. GOAZIOU: Is the recommendation
 17 by the Rules Committee? Is that something that
 18 we should take into consideration or not? I
 19 mean they usually don't recommend something
 20 unless they give some thought behind it.
 21 MR. EDWARDS: I believe you need a
 22 motion to modify the proposed bylaw amendment to
 23 incorporate the recommendation.
 24 There's a motion to incorporate the
 25 recommended modification submitted by the Rules

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1 Committee. Is there a second to that motion?
 2
 3 MR. GOAZIOU: I'll second that.
 4 MR. EDWARDS: I have got a motion and
 5 a second. This is simply a vote on the motion
 6 to amend. Is there any discussion of the motion
 7 to amend?
 8 Hearing none, let's just try a voice
 9 vote. All in favor of the motion to amend to
 10 insert the Rules Committee recommendation,
 11 please say aye? Is there anyone opposed?
 12 (Motion passed.)
 13 MR. EDWARDS: Okay. The motion to
 14 amend carries, so we are now back to the main
 15 question, which is the proposed bylaw amendment
 16 as modified by the Rules Committee. Is there
 17 any discussion regarding the bylaw amendment
 18 itself? Let's try a voice vote again. All in
 19 favor of the amendment, please, say aye. Anyone
 20 opposed? Okay. Thank you.
 21 (Motion passed.)
 22 MR. EDWARDS: Next, we are on Page 3
 23 of a bylaw change to Bylaws 109 and 213
 24 submitted by Larry Monaco, who is --
 25 MR. MONACO: Mr. President?

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1 MR. EDWARDS: Go ahead, Larry.
 2 MR. MONACO: If I could, before
 3 there's a motion, I would like to tell you the
 4 test question at the beginning was a trick
 5 question by Sunil. My red card it was in 1966,
 6 not 2006, okay?
 7 MR. EDWARDS: Is there a motion to
 8 amend that red card?
 9 PRESIDENT GULATI: I do want to
 10 mention that Mr. Monaco finished second, and you
 11 will notice that the haircuts of Mr. Zidane and
 12 Mr. Monaco are very similar, and that's what
 13 caused the confusion.
 14 (Applause.)
 15 MR. EDWARDS: Far be it from me to
 16 question the credibility of a long-time friend.
 17 Mr. Monaco was a member of the Board
 18 of Directors, is now chair of the Youth Council,
 19 and proposes amending Bylaw 109 and 213, and I
 20 will summarize, not to speak for Larry --
 21 MR. MONACO: Mr. President, before --
 22 what I would like to do is just to make a
 23 comment, and then I am going to request
 24 permission to withdraw this at this time.
 25 I would like to tell you just real

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1 quickly. The situation occurs that we have a --
 2 our membership falls in two categories. One is
 3 members who are providing, who are putting on
 4 player programs, who register players and put on
 5 programs for players. We have another group of
 6 members who are, who do not register players and
 7 do not put on -- what I was trying to do, based
 8 on recommendations from a couple of my state
 9 associations, was to try to tighten up the
 10 requirements to make it clear that if you are
 11 registering players, you actually have to put on
 12 programs for those players.
 13 I don't think what I drafted
 14 accomplished the purpose. I also recognized
 15 this problem pointed out by the Rules Committee.
 16 So, for this year only -- you will
 17 see it again next year, but in a different form
 18 -- I would ask permission to withdraw.
 19 MR. EDWARDS: Any objection to
 20 withdrawing the proposed bylaw amendments 109
 21 and 213? Hearing none, we will consider it
 22 withdrawn. Thank you, Larry.
 23 We will now go to Page 6, the third
 24 bylaw proposal change submitted by Larry Monaco.
 25 A proposed change to Bylaw 302 would insert a

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1 provision that: "A national association that
 2 does not register players directly with the
 3 Federation shall have one vote at a National
 4 Council meeting."
 5 And I believe in practice, I will
 6 explain what we understand this to mean -- and
 7 Larry, you can further comment -- National
 8 organizations are U.S. Adult Soccer Association,
 9 AYSO, and United States Youth Soccer
 10 Association. What Larry's proposal would do is
 11 to, in so many words, codify the bylaws that
 12 such an organization that does not directly
 13 register players, because the players register
 14 through state associations, would, in fact, have
 15 one vote, sitting at the appropriate council,
 16 youth council or adult council. And the
 17 cumulative effect would be a minuscule
 18 dilution -- correct, Larry -- in the voting
 19 strength of the other members of that council?
 20 Is there a motion to bring this
 21 bylaw amendment to the board?
 22 MR. GOAZIOU: Move to accept.
 23 PRESIDENT GULATI: Is there a second?
 24 UNIDENTIFIED SPEAKER: Second.
 25 MR. EDWARDS: Any discussion on the

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1 bylaw amendment?
 2 MR. TRAPIKAS: Bruno Trapikas,
 3 Michigan Adults.
 4 Mr. Chairman, in your explanation,
 5 you indicated that this would change the rule. I
 6 believe the proposal simply refers to the youth
 7 council, as written.
 8 MR. EDWARDS: That is correct.
 9 MR. TRAPIKAS: Okay. I just wanted
 10 that clarification. If, in fact, it were
 11 considered to be appropriate for the adult
 12 council to also include this, would an amendment
 13 be in order?
 14 MR. EDWARDS: A similar amendment in
 15 part two?
 16 MR. TRAPIKAS: Yes.
 17 MR. EDWARDS: Yes.
 18 Let me have Larry address that,
 19 Bruno.
 20 MR. GOAZIOU: Common sense just
 21 showed up, folks, we'll see what happens here.
 22 Tim Common Sense Pinto.
 23 MR. MONACO: I'm sort of in a
 24 peculiar position here, because theoretically,
 25 not theoretically, practically, I'm a

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1 professionally registered parliamentarian, and
 2 I'm not supposed to be doing this kind of a
 3 thing when I propose something. However, if you
 4 would like, I could make a point of order and
 5 handle it that way.
 6 MR. EDWARDS: You can make a point of
 7 order.
 8 MR. MONACO: The answer is: On
 9 proposed bylaw amendments, contrary to anything
 10 else you do, on bylaws amendments, there are two
 11 requirements. The first is timely notice, and
 12 the second one is scope of notice. My provision
 13 only applies to Bylaw 302, Section 2(a)(1).
 14 Therefore, your proposal would go to another
 15 bylaw provision. It would be outside the scope
 16 of notice and not meeting the prior notice
 17 required.
 18 Thank you.
 19 MR. EDWARDS: So the issue that has
 20 been moved and is on the floor is modification
 21 only to section, Subsection 1 of Section 2 of
 22 Bylaw 302. Any other comments?
 23 Okay. Hearing none, I will take the
 24 first try at a voice vote again. All in favor of
 25 accepting the amendment please, say aye;

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1 opposed?
 2 I'm going to have to go to the
 3 keypads, so let's set up.
 4 This is a two-thirds vote plus we
 5 also have weighted votes.
 6 So, Bob, are you ready to conduct the
 7 ballot?
 8 MR. KEPNER: Yes.
 9 MR. EDWARDS: Press one for yes,
 10 press two for no. And the balloting is under
 11 way.
 12 MR. KEPNER: Begin the voting now.
 13 MR. EDWARDS: Begin the voting now,
 14 press 1 or 2 on your keypad.
 15 MR. KEPNER: Five, four, three, two,
 16 one, stop.
 17 MR. EDWARDS: And the winner of the
 18 Oscar...
 19 MR. KEPNER: That fails.
 20 MR. EDWARDS: That amendment did not
 21 reach the two-thirds required vote.
 22 MR. KEPNER: It required 527.
 23 MR. EDWARDS: So that bylaw fails,
 24 and we will move on to Page 8. Page 8 submitted
 25 by Larry Monaco, I would characterize as

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1 housekeeping and cleanup to eliminate multiple
 2 references to the Executive Committee, which was
 3 removed from existence in the bylaw amendments
 4 undertaken at the 2006 Annual General Meeting.
 5 So, I would accept a motion to bring this bylaw
 6 amendment to the floor.
 7 MR. GOAZIOU: So move.
 8 MR. EDWARDS: Is there a second?
 9 UNIDENTIFIED SPEAKER: Second.
 10 MR. EDWARDS: Any discussion of the
 11 bylaw amendment? Hearing none, all in favor,
 12 please, say aye? Anyone opposed?
 13 (Motion passed.)
 14 MR. EDWARDS: Okay. We will now
 15 arrive at Page 11, and we have on Page 11 and on
 16 Page 15 what I will describe as conflicting
 17 proposals to address the same question.
 18 When we modified the size of the
 19 National Board of Directors at last year's
 20 annual meeting, one of the steps we took was to
 21 transition elimination of the position of
 22 treasurer over a two-year period, and have a
 23 transition to add a third independent director
 24 to bring the National Board of Directors to 15
 25 people.

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1 And what has since transpired is
 2 with some research and review of New York
 3 corporate law, there is mention of the concept
 4 of a treasurer in New York corporate law. And so
 5 we have two proposals on how to deal with the
 6 necessity of having a warm body in the position
 7 of treasurer, when necessitated by corporate
 8 law.
 9 The proposal submitted by Sunil
 10 would have the vice-president, who you will know
 11 is me, serve in that position to the extent
 12 necessary to comply with New York corporate law.
 13 That is what the bylaw proposal starting on Page
 14 11 intends to accomplish. And rather than have
 15 specific responsibilities, Sunil's proposal
 16 removed those, such that the authority vested in
 17 the vice-president serving in the dual role as
 18 treasurer would be whatever acts are necessary
 19 to fulfill the role of treasurer under New York
 20 corporate law.
 21 So we will first address this
 22 amendment. You have the report from the Rules
 23 Committee stating that there are different
 24 proposals. Stating their opinion: The
 25 committee's view of the proposal submitted by

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1 the President eliminates the references to the
 2 position and provides that the Vice-President
 3 shall have all authorities necessary to serve as
 4 the Treasurer.
 5 And the Rules Committee's opinion
 6 is: "It is not clear from this proposal whether
 7 the Vice-President would assume all of the
 8 specific responsibilities previously assigned to
 9 the Treasurer."
 10 That being the function of the fact
 11 that the proposal removes those specific job
 12 requirements that have been in, when the
 13 treasurer's position existed as a stand-alone
 14 position.
 15 As they note: The proposal submitted
 16 by Mr. Monaco would provide for the appointment
 17 of a treasurer to serve in that role and then
 18 ultimately, with a policy proposal change that
 19 Larry has submitted, would outline the specific
 20 duties of that appointed treasurer.
 21 There is a difference of opinion as
 22 to exactly how New York corporate law governs
 23 the existence of the treasurer and what the
 24 treasurer does under law, and so the
 25 recommendation of the Rules Committee, I

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1 believe, in sum, was that the Federation obtain
 2 a legal opinion to address two issues, as noted
 3 in the final paragraph on Page 14.
 4 First, whether one is actually
 5 required, and then second, whether it's legally
 6 permissible to delegate those responsibilities
 7 to an appointed treasurer who is neither elected
 8 to the position nor serves on the corporation's
 9 Board of Directors as contemplated by the
 10 proposed policy 411-1 submitted by Mr. Monaco.
 11 So where we are is, in order, we
 12 have the proposal submitted by Mr. Gulati. And
 13 do I have a motion to bring it to the floor?
 14 UNIDENTIFIED SPEAKER: So move.
 15 MR. EDWARDS: Is there a second?
 16 UNIDENTIFIED SPEAKER: Second.
 17 MR. EDWARDS: It's been moved and
 18 seconded to bring it to the floor. Is there any
 19 discussion of this proposal?
 20 PRESIDENT GULATI: I think it makes
 21 sense, Larry, if you want to talk here, we can
 22 talk about the two. And we should mention that
 23 where proposals, as I think is obvious to
 24 everyone, has my name or a group of officers'
 25 name on it, they're proposals of the staff and

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1 of legal counsel, but we put officers' names on
 2 them.
 3 There's essentially two issues
 4 between the two sets of proposals. We eliminated
 5 the position of treasurer, and then realized
 6 under New York state law that in certain
 7 circumstances, there is a requirement to have a
 8 treasurer. And we also had a certain set of
 9 responsibilities that were enunciated in our own
 10 rules.
 11 So the difference in the two
 12 proposals, I think, and I think Larry will
 13 agree, one is, that in the proposals that our
 14 counsel made, that my name is on, the
 15 Vice-President, where it's needed, would assume
 16 those responsibilities where it's legally needed
 17 and the responsibilities are not specifically
 18 enunciated.
 19 In Larry's proposal, we would
 20 name -- I would name, subject to board approval,
 21 a person to fulfill that role. And there are
 22 some specific responsibilities enunciated in a
 23 policy that was looked at by the board
 24 yesterday.
 25 I think the only -- and it's not a

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1 critical difference, I guess, from my
 2 perspective, and I think this is counsel's
 3 perspective --we spent a lot of time last year
 4 going from 42 to 15. From my perspective, it
 5 doesn't make sense to add an additional person
 6 to the board that's a nonvoting member, when
 7 we've essentially decided that the role of the
 8 treasurer, with complete respect, Bill, is now
 9 essentially handled by a staff person and
 10 approved, if you will, by the treasurer and the
 11 Vice-President, who has no specific
 12 responsibilities. As long as I'm breathing and
 13 the president, this would make a lot of sense to
 14 have him be a corporate officer in that way, so
 15 that was the thinking.
 16 MR. MONACO: The first thing is I
 17 would tell you, on Sunil's, is a technical
 18 matter, of course; the lead-in language: "Such
 19 amendments to go into effect as of the U.S.
 20 Soccer Federation's 2008 Annual General
 21 Meeting." That's not what we voted to do last
 22 year. What we voted to do was this would be
 23 effective upon the adjournment of the 2008
 24 Annual General Meeting, and there's another
 25 provision that says that. Okay?

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1 I don't think Sunil correctly
 2 characterized my provision. The answer is we
 3 would have an appointed treasurer's position, as
 4 an officer, and the New York law does provide
 5 that. I don't agree with the Rules Committee.
 6 There is a conflict between either proposal.
 7 The answer is I clearly said that New York
 8 doesn't specifically require that you have a
 9 treasurer, period.
 10 I did say there are things and it is
 11 one of the options available.
 12 The treasurer's position would not
 13 be a board position. It would be -- if you want
 14 to categorize it -- that person would be
 15 reporting to the Board of Directors as an
 16 independent treasurer, but it would be like
 17 making a committee report each time, and
 18 providing oversight and information to a
 19 treasurer.
 20 My basic point here is that I think
 21 we need, with an organization this large, this
 22 complex, and with this kind of finances, it
 23 would be nice for the Board of Directors to have
 24 somebody doing some independent oversight and
 25 reporting to the board directly.

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1 MR. EDWARDS: I'm sorry.
 2 MR. FRISOLI: Larry Frisoli from
 3 Massachusetts. I just want to see if I can
 4 crystalize clearly what I'm hearing from the
 5 stage.
 6 MR. EDWARDS: Please speak up a
 7 little, Larry. I don't think people can hear
 8 you.
 9 MR. FRISOLI: I want to see if I can
 10 crystalize what I think I'm hearing from the
 11 stage. Under New York law, it's my
 12 understanding that in every corporation there
 13 has to be a quote/unquote treasurer; however,
 14 the treasurer does not have to be a member of
 15 the National Board of Directors. Am I correct on
 16 that statement? Is that what you collectively
 17 are telling us? And if you don't know, then I'm
 18 frightened to vote on anything.
 19 MR. PINTO: Under New York law there
 20 is no requirement there be a treasurer. There
 21 are references throughout New York law in a few
 22 times, that suggest that they expect there be a
 23 treasurer. But there's no requirement that there
 24 be a treasurer. So this is intended to clean up
 25 that weird situation, which is we're not

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1 required to have a treasurer; if there's a
 2 situation in which they expect something to be
 3 done by a treasurer, our Vice-President would
 4 have that authority.
 5 MR. FRISOLI: Are you the person who
 6 files the annual reports every year for us under
 7 New York law, the secretary of state, the
 8 Articles of Incorporation?
 9 MR. PINTO: Am I the person? No.
 10 MR. FRISOLI: Did you ever see the
 11 form? Do you know what the form looks like?
 12 MR. PINTO: Yes.
 13 MR. FRISOLI: On the form, it lists
 14 president, vice-president, clerk and treasurer,
 15 no? Or am I wrong?
 16 MR. PINTO: That's just the form. In
 17 the statute, there is no requirement that there
 18 be a treasurer.
 19 MR. FRISOLI: All right.
 20 DR. CONTIGUGLIA: Bob, I would like
 21 to see a little more flexibility within the
 22 Board of Directors. I think that there may be
 23 people who can act and report as a treasurer,
 24 who are not necessarily the vice-president, but
 25 it could certainly be the person, but I would

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1 like to see a little bit more flexibility.
 2 And therefore, I would like to
 3 propose an amendment to that section on Page 13,
 4 Section 2, the underlined part where I would
 5 cross the word vice-president out and say: "Any
 6 board member chosen by the Board of Directors
 7 shall have the authority to act as treasurer."
 8 And I will ask for a second. Is
 9 there a second?
 10 UNIDENTIFIED SPEAKER: Second.
 11 DR. CONTIGUGLIA: There is a second,
 12 yes.
 13 MR. EDWARDS: So you have got a
 14 motion to modify the bylaw amendment proposal to
 15 state that -- read that again, please.
 16 DR. CONTIGUGLIA: Any board member
 17 chosen by the Board of Directors shall have all
 18 the authorities for that position.
 19 MR. EDWARDS: So the amended language
 20 would state in Section 2, on Page 13: Any board
 21 member chosen by the Board of Directors shall
 22 have all authorities necessary to serve as
 23 treasurer of the Federation.
 24 MR. DES BORDES: Point of order. I
 25 haven't heard a motion to put any of these

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1 things on the floor, so we're amending --
 2 MR. EDWARDS: Yes, there was a
 3 motion.
 4 MR. DES BORDES: Which one are we
 5 dealing with? Larry's or Sunil's?
 6 MR. EDWARDS: We're dealing with
 7 Sunil's first. We are just going in sequence.
 8 We now have a motion and second on the floor to
 9 modify the bylaw proposal as I have just read.
 10 Is there any discussion?
 11 UNIDENTIFIED SPEAKER: Chairman
 12 Edwards?
 13 MR. EDWARDS: State your name,
 14 please.
 15 MR. MOORE: Tom Moore, California
 16 North.
 17 On neither of these proposals am I
 18 prepared to vote. The reason being, we've heard
 19 some conflicting discussion about what New York
 20 law says. I see in the board packet no extracts
 21 of the appropriate sections of New York law. I
 22 see no independent counsel's report. I can't do
 23 my due diligence without that information.
 24 I cannot resolve what the
 25 requirements are under New York law for having a

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1 treasurer, or not having a treasurer, whether he
 2 can be independent, whether he can be elected,
 3 whether he can't. I would like to move to table
 4 both of these items until such time as we have
 5 appropriate portions of the extracts of New York
 6 law and a counsel's report.
 7 MR. EDWARDS: We've got to act now on
 8 the motion to table. Is there a second?
 9 MR. FRISOLI: Second, from
 10 Massachusetts.
 11 MR. EDWARDS: We are going to vote
 12 now on the question of the motion to table only.
 13 You are not voting on the amendment.
 14 MR. FRISOLI: Discussion.
 15 UNIDENTIFIED SPEAKER: Point of
 16 order?
 17 MR. EDWARDS: Go ahead. Larry.
 18 MR. MONACO: I hate to disillusion
 19 you, but if you ever look at Roberts Rules of
 20 Order, a motion to table is almost never in
 21 order. Okay?
 22 The only time a motion to table is
 23 in order is if an emergency situation arises.
 24 Okay? So, if he wants to move, or you construe
 25 his motion to postpone indefinitely killing it,

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1 you can do that.
 2 MR. EDWARDS: Okay. I will overrule
 3 your motion to table, and we will go back to the
 4 discussion that could have the motion to
 5 postpone. A motion to postpone indefinitely
 6 would effectively kill the bylaw amendment and I
 7 believe accomplish what Mr. Moore had intended.
 8 MR. DES BORDES: That's what he
 9 moves.
 10 UNIDENTIFIED SPEAKER: So move.
 11 MR. MOORE: Correct me if I'm wrong,
 12 but I believe we can also do a motion to
 13 postpone to a time certain, and if we made that
 14 our next meeting, that would be an appropriate
 15 opportunity to get the additional information
 16 before the council.
 17 MR. EDWARDS: This is probably more
 18 technical than we need to be to accomplish what
 19 you want to accomplish, particularly with the
 20 motion to postpone.
 21 PRESIDENT GULATI: Larry, let's get
 22 past that, and tell him how we accomplish what
 23 he'd like to get done.
 24 MR. MONACO: The answer is, rules for
 25 conventions are different -- and this AGM is a

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1 convention, okay -- rules for conventions are
 2 different than meetings held, at least,
 3 quarterly. Theoretically, there is no place for
 4 an unfinished business or a move to postpone
 5 until next year.
 6 But anything that's going to be in
 7 order next year, so, what you are doing, it
 8 seems to me, the easiest thing is just move to
 9 postpone indefinitely, okay? And that kills it
 10 this year, because we couldn't act again until
 11 next year anyway.
 12 The only difference between a motion
 13 to table and a motion to postpone indefinitely
 14 is the motion to postpone indefinitely is
 15 debatable, and we're not going to debate it.
 16 UNIDENTIFIED SPEAKER: Move to
 17 postpone indefinitely.
 18 MR. EDWARDS: Is there a second?
 19 MR. GOAZIOU: Second.
 20 MR. EDWARDS: I will try a voice vote
 21 first. All in favor of the motion to postpone
 22 indefinitely please, say aye? Anyone opposed?
 23 Okay.
 24 (Motion passed.)
 25 MR. EDWARDS: Next, we will turn to

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1 Page 15, which is a bylaw amendment submitted by
 2 Larry Monaco. That would amend Bylaws 401, 402
 3 and 412, and I will characterize as a different
 4 approach to intending the same accomplishment as
 5 Mr. Gulati's proposal. Is there a motion to
 6 bring that bylaw amendment to the floor?
 7 UNIDENTIFIED SPEAKER: So move.
 8 MR. EDWARDS: Second?
 9 UNIDENTIFIED SPEAKER: Second.
 10 MR. EDWARDS: Discussion of the bylaw
 11 amendment submitted by Mr. Monaco?
 12 MR. GOAZIOU: I move to postpone
 13 indefinitely.
 14 MR. EDWARDS: There is a motion to
 15 postpone indefinitely. Is there a second?
 16 UNIDENTIFIED SPEAKER: Second.
 17 MR. EDWARDS: Any discussion? Do a
 18 voice vote again? All in favor of the motion,
 19 please say aye. Anyone opposed?
 20 (Motion passed.)
 21 MR. EDWARDS: Okay, we'll get this
 22 resolved and come back to you next year.
 23 Next, we will turn to Page 19. You
 24 have a proposed bylaw amendment to Bylaw 412
 25 from Mr. Monaco that I would characterize as

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1 some clarification and housekeeping as regarding
 2 the positions of independent representatives
 3 being changed by title to independent directors
 4 and clarification of the two-year terms. Is
 5 there a motion to move the adoption?
 6 UNIDENTIFIED SPEAKER: So move.
 7 MR. EDWARDS: Second?
 8 UNIDENTIFIED SPEAKER: Second.
 9 MR. EDWARDS: Any discussion of this
 10 amendment? Let's do a voice vote again. All in
 11 favor of the amendment. Anyone opposed? Okay.
 12 (Motion passed.)
 13 MR. EDWARDS: Okay, accepted. Thank
 14 you.
 15 We will move to Page 21, proposal by
 16 President Gulati to amend Bylaw 413.
 17 When we made our massive bylaw
 18 changes last year to reduce the board size, I
 19 would characterize it as a bridge between the
 20 activity of the Executive Committee and the
 21 NBOD. We set Section 1 of Bylaw 413 to require
 22 at least 12 meetings of the Board of Directors
 23 each fiscal year. The President is requesting
 24 that you reduce that mandate to at least four
 25 times a year and allow additional meetings of

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1 the board to be scheduled by the President and
 2 Secretary General as necessary.
 3 The two provisions in the Rules
 4 Committee comments for you. First, the proposal
 5 anticipates it would take immediate effect which
 6 you can do with your consent.
 7 Please note the italics at the top
 8 of the page: "The proposed amendment to this
 9 section shall become effective immediately upon
 10 adoption by the National Council." Normally,
 11 that would not be the case.
 12 Second one is a consideration as to
 13 whether you might wish to amend Section 2 of
 14 Bylaw 413, which defines the procedures and how
 15 many voting members are required to submit a
 16 written request for a special meeting. We will
 17 move to a 15-member board, and as stated in
 18 Section 2, absent an amendment, it would require
 19 a written request of at least 5 of the 15
 20 members to convene the special meeting of the
 21 board outside of one called specifically by the
 22 president. That is a Rules Committee notation
 23 as to what you might wish to do. But absent a
 24 motion to modify that is a section not on the
 25 floor, we would simply proceed with the

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1 requested modification to Section 1.
 2 So, is there a motion to bring the
 3 proposed amendment to Bylaw 413 to the floor?
 4 MR. GOAZIOU: So move.
 5 MR. EDWARDS: Is there a second?
 6 UNIDENTIFIED SPEAKER: Second.
 7 MR. EDWARDS: Any discussion of the
 8 bylaw amendment as submitted? Go ahead.
 9 MR. MURPHY: I'm John Murphy from
 10 California North Youth.
 11 I would like to propose an amendment
 12 that I think would just make things much easier.
 13 The existing proposal says "scheduled by the
 14 President and Secretary General." And my
 15 proposed amendment would be to delete the word
 16 "and Secretary General."
 17 This obviously has nothing to do
 18 with Dan or anything else, but the thinking is
 19 simply that if you have two people, one of them
 20 is the president of the organization and another
 21 one, is, in fact, an employee, it really should
 22 be vested just in the president.
 23 UNIDENTIFIED SPEAKER: Second.
 24 MR. EDWARDS: Second to the proposed
 25 amendment. Any discussion of the amendment to

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1 strike the words "and Secretary General"?
 2 "So additional meetings of the board
 3 may be scheduled by the president as necessary."
 4 Any discussion of the amendment?
 5 Let's try a voice vote on the amendment. All in
 6 favor, please say aye. Anyone opposed?
 7 (Motion passed.)
 8 MR. EDWARDS: Okay. The amendment
 9 passes.
 10 Let's go to the main question, which
 11 is now a modification stating: "Additional
 12 meetings of the board may be scheduled by the
 13 president as necessary," and reduces the number
 14 of meetings, mandatory meetings from 12 to 4
 15 and will become effective immediately upon
 16 adoption.
 17 Let's try a voice vote again.
 18 MR. MONACO: Mr. President, Larry
 19 Monaco. I would like to make one comment on
 20 this.
 21 The first sentence is now back to
 22 where it was, except for one year, back to four,
 23 but it does use the words "at least." And being
 24 a board member, when it says, "at least four
 25 times," that means the board, in addition to the

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1 second sentence we're adding, the board itself
 2 could vote to schedule and hold additional
 3 regular meetings as well.
 4 MR. EDWARDS: Correct. Let's try a
 5 voice vote on the main motion. All in favor,
 6 please, say aye. Anyone opposed? Thank you.
 7 (Motion passed.)
 8 MR. EDWARDS: We will now turn to
 9 Page 23, submitted by President Gulati would
 10 simply be housekeeping to remove the concept of
 11 an Executive Committee that we eliminated at
 12 last year's annual meeting and replaced that
 13 with the Board of Directors.
 14 MR. GOAZIOU: There's a motion on the
 15 floor.
 16 MR. EDWARDS: There's a motion to
 17 adopt. Is there a second?
 18 UNIDENTIFIED SPEAKER: Second.
 19 MR. EDWARDS: Discussion? Let's go
 20 with a voice vote. All in favor of adopting the
 21 amendment, please, say aye? Anyone opposed?
 22 Thank you.
 23 (Motion passed.)
 24 MR. EDWARDS: Okay. Let's go to Page
 25 25, submitted by Larry Monaco.

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1 Proposed modification to Bylaw 704
 2 addressing disputes and grievances by or among
 3 organization members. The proposal would add a
 4 section B, a subsection B, to section 2,
 5 addressing a provision, adding a provision to
 6 enable the Secretary General to take certain
 7 actions regarding complaints filed under Bylaw
 8 704.
 9 The Rules Committee raises some due
 10 process concerns. Is there a motion to bring
 11 this to the floor?
 12 MR. GOAZIOU: So move.
 13 MR. EDWARDS: Second?
 14 UNIDENTIFIED SPEAKER: Second.
 15 MR. EDWARDS: Any discussion
 16 regarding the bylaw amendment proposal? Use
 17 your mic.
 18 UNIDENTIFIED SPEAKER: Mr. President?
 19 MR. GOAZIOU: Mr. Pinto, could you
 20 address the issues raised by the Rules
 21 Committee, please, sir.
 22 MR. PINTO: Me or Larry.
 23 MR. GOAZIOU: Right behind you. I
 24 want a real attorney.
 25 MR. PINTO: I'm sorry, Bill, what

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1 exactly do you want me to address?
 2 MR. GOAZIOU: I want you to address
 3 the comments of the Rules Committee, their
 4 concern about due process. If they are a
 5 problem with due process, then I can't support
 6 that.
 7 MR. PINTO: As the grievance process
 8 is currently outlined, anytime we get a
 9 grievance, once it's accepted as properly
 10 stating a grievance, it's referred to an
 11 arbitrator. The arbitrator has the ability to
 12 consider a motion to dismiss and grant it if he
 13 or she thinks it's appropriate.
 14 The Rules Committee concern is that
 15 we're bestowing this power upon the Secretary
 16 General, the right to dismiss a grievance,
 17 before considering any of the facts. Based on
 18 that, as it's written I think it's for this
 19 council to determine whether they think it's
 20 more appropriate for the Secretary General or an
 21 independent arbitrator to have that power. I can
 22 say that as a matter of practice, I think, by
 23 assigning the role to the Secretary General, you
 24 are assigning it to staff, which would include
 25 the legal department. And I can say on behalf of

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1 the legal department, I don't think it's
 2 appropriate for us to be making decisions which
 3 could be considered political in some
 4 circumstances
 5 MR. GOAZIOU: So what you are saying
 6 is that you agree with the process that we have
 7 now with the mediation.
 8 MR. PINTO: I'm very comfortable with
 9 the current process. I like it a lot.
 10 MR. GOAZIOU: Thank you very much,
 11 Tim.
 12 MR. MONACO: Mr. President?
 13 MR. EDWARDS: Go ahead, Larry.
 14 MR. MONACO: I guess what I would say
 15 in response is I guess I have more faith in the
 16 Secretary General than the Rules Committee. I
 17 assume that the Secretary General could do
 18 several things; one, was to consult inside
 19 counsel, outside counsel, and in addition he
 20 could ask the parties to file papers before he
 21 made that determination. All I'm trying to do is
 22 to put in place what happens in any
 23 administrative agency, or any court of the land,
 24 and that is, you do not have to go through a
 25 full period in order to end up with a motion to

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1 dismiss.
 2 My experience with the last two,
 3 grievances in Ohio South and in Illinois, and I
 4 think it also applies to the other two before,
 5 the other two -- we've had four of them -- I
 6 think all four of them.
 7 The hearing examiner has gotten a
 8 motion to dismiss in every case and has always
 9 postponed consideration until there's been a
 10 full hearing. The only time it did not happen
 11 was in Illinois because settlement was reached.
 12 But in the other cases, we're talking about
 13 \$50,000 in Ohio South being spent. We're talking
 14 about 50,000 or more being spent even in a
 15 settlement that never got to hearing, in
 16 Illinois. And there has to be some process for
 17 screening, as there is always true in the case
 18 of every administrative agency and every court.
 19 PRESIDENT GULATI: I happen to agree
 20 with almost everything Larry just said, that we
 21 need some mechanism of summary judgment that
 22 when we have a case, and then have a follow-up
 23 case that is so similar, that we should have an
 24 expedited way to deal with it.
 25 Having said that and talked with

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1 both Tim and Dan, we're a year into our
 2 arbitration procedures. And I think in talking
 3 to them, they both would feel more comfortable
 4 if we continue with where we are for another
 5 year, so we see how this process goes, but
 6 clearly move towards a situation where if we're
 7 getting a follow-up grievance that is so
 8 similar, and it's so clear that it's not a
 9 political-type issue, that they're comfortable
 10 doing that.
 11 So Larry, I agree with what you just
 12 said, and maybe this is something we look at it
 13 in another year, after we have a little more
 14 case history on the arbitration, but the
 15 principle we're in agreement on.
 16 MR. EDWARDS: And so that leaves us
 17 with the motion on the floor. Over here.
 18 MR. COLLINS: John Collins, AYSO
 19 delegate to the convention.
 20 With respect to this -- I understand
 21 and I echo Sunil's thoughts -- this is a new
 22 process where we switched arbitration, but in
 23 something that's related to another provision
 24 that's going to be coming, we will make a motion
 25 on it, has to do with Bylaw 707. There's a

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1 mandate -- in addition to being a delegate here
 2 for AYSO, I also serve on the FIFA legal
 3 committee --and FIFA is pushing down certain
 4 things to the organizations, one of which is
 5 going to be that certain things can go to CAS.
 6 And if we have something where the Secretary
 7 General can just remove it, it would not have
 8 gone through any independent process, which then
 9 may cause it to be jurisdiction to CAS.
 10 So whatever process we do, we have
 11 to make sure that it goes through some level of
 12 independence, or we are just substituting
 13 something out that could be a much bigger
 14 problem. And I hope that this would -- I would
 15 ask, or I would like to make a motion to
 16 postpone the consideration indefinitely of this
 17 bylaw proposal along with I'm going to make a
 18 similar motion when 707 comes up, so that all of
 19 these are done in one package, so that we're
 20 doing what we can to make sure we're not
 21 creating problems that make us have to go to
 22 CAS, Court of Arbitration for Sport, the
 23 international court of arbitration of sport
 24 somewhere else.
 25 So I would like to move that to have

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1 this one postponed indefinitely, so we can do
 2 that as an overall package.
 3 MR. EDWARDS: Is there a second?
 4 UNIDENTIFIED SPEAKER: Second.
 5 MR. EDWARDS: For clarification,
 6 Mr. Collins referred to a CAS, that is the Court
 7 of Arbitration for Sport, just as a matter of
 8 information. There is a motion to postpone
 9 indefinitely on the floor that has been
 10 seconded. Tony, are you speaking to the motion
 11 to postpone or to the main amendment?
 12 MR. FALCONE: I was going to speak to
 13 the main motion.
 14 MR. EDWARDS: Okay. Let's act on the
 15 motion to postpone indefinitely.
 16 Let me try a voice vote first. All
 17 in favor of the motion to postpone, please, say
 18 aye. All opposed? Let's make it official and
 19 go with the little keypads here, please.
 20 The international director of the
 21 voting committee will give you directions on
 22 when the ballot opens.
 23 We are voting on the motion to
 24 postpone indefinitely as made by John Collins on
 25 the bylaw proposal on Page 25.

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1 MR. KEPNER: Begin voting now.
 2 MR. EDWARDS: Okay, you are voting on
 3 the motion to postpone indefinitely. Vote 1 for
 4 yes, if you are in favor of the motion to
 5 postpone; push 2 for no, if you are opposed.
 6 MR. KEPNER: Five, four, three, two,
 7 one. Stop.
 8 MR. EDWARDS: Okay. The motion to
 9 postpone indefinitely has carried.
 10 Turn to Page 27, proposed by Larry
 11 Monaco, a proposed amendment to Bylaw 705 has
 12 two little typos in it. It should say: It is a
 13 proposed modification, adding a Section 8 to
 14 Bylaw 705. "If a decision," and I believe you
 15 should insert the word "of," "an organization
 16 member is final, the subject" scratch the i-o-n,
 17 "matter of that decision may not then be filed
 18 as a grievance. If it is so filed, the Secretary
 19 General shall dismiss the complaint. The
 20 dismissal is final."
 21 Is there a motion to bring this
 22 amendment to the floor?
 23 MR. MURPHY: So move
 24 MR. EDWARDS: Second?
 25 MR. GOAZIOU: Second.

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1 MR. EDWARDS: I will open for
 2 discussion of the amendment; Larry.
 3 MR. MONACO: If I understand the
 4 Rules Committee comments, all I'm doing is
 5 putting in the bylaws, what is already common
 6 practice, therefore I would suggest that we
 7 adopt that practice and put it in the bylaws.
 8 MR. GOAZIOU: The question I have --
 9 and it always comes up -- is the failure to have
 10 due process. If we don't have due process,
 11 that's the backbone of our whole system. Again,
 12 I'm going to ask Mr. Pinto, if you will step up
 13 and tell me if this has a problem with due
 14 process. If it doesn't, then I will support it,
 15 but if it is a problem with due process, I'm not
 16 going to support it.
 17 MR. PINTO: The Rules Committee
 18 references in their comments that they've been
 19 advised that it's the normal practice for the
 20 USSF to allow complaints to proceed on only one
 21 track. I'm the person that gave them that
 22 advice. When we receive complaints, we try to
 23 parse them down to it's either a grievance or an
 24 appeal, but not both, and we base that pretty
 25 much exclusively on the remedy being sought.

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1 So I can tell you that we've never
 2 accepted something as both a grievance and an
 3 appeal, since I've started.
 4 That being said, Mr. Monaco has said
 5 that he thinks that we're just codifying
 6 something that currently occurs. I don't think
 7 that's true. I think there are a number of
 8 instances in which an organization member could
 9 issue a final decision that is actually
 10 appropriate to be sought through the grievance
 11 process.
 12 And if this -- a final decision is
 13 appealable, not just because it's a final
 14 decision, but also because there's several
 15 other things in the 705 bylaw that says it has
 16 to have consequences beyond the competition, et
 17 cetera, et cetera.
 18 So, I think there are certainly
 19 circumstances in which, "a final decision" is
 20 actually not an appeal and is actually a
 21 grievance.
 22 MR. GOAZIOU: Thank you, Tim.
 23 MR. EDWARDS: Any other discussion
 24 of the amendment on the floor to Bylaw 705?
 25 Let's go to the buttons on this one for the

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1 vote.
 2 Okay. If you are in favor of the
 3 motion to amend Bylaw 705, as submitted by
 4 Mr. Monaco, with the two little typographical
 5 changes, please push 1 for yes; if you are
 6 opposed, please push 2 for no.
 7 MR. KEPNER: Begin voting now.
 8 Five, four, three, two, one. Stop.
 9 (Motion failed.)
 10 MR. EDWARDS: Okay. The motion to
 11 modify Bylaw 705 on Page 27 has failed to reach
 12 the two-thirds required.
 13 Turn next to Page 28. I'm advised by
 14 Mr. Gulati that we will be withdrawing the
 15 amendment proposed to Bylaw 707. So consider
 16 Page 28 is withdrawn.
 17 Peter, are you okay with
 18 withdrawing? Billy?
 19 MR. GOAZIOU: Yup.
 20 MR. EDWARDS: Okay. Turn to Page 30.
 21 We are proposing, numerous of us from the Board
 22 of the Directors, modifications to the
 23 certificate of incorporation. The United States
 24 Soccer Federation is a nonprofit corporation
 25 chartered by the State of New York.

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1 Based on a review of our Articles of
 2 Incorporation, there are several issues that,
 3 for legal purposes, need to be corrected,
 4 brought up-to-date and modified.
 5 So, you start on Page 32, and the
 6 actual amendments are described, starting in
 7 Item 5, that we are seeking to make
 8 modifications. A, "To simplify and broaden the
 9 corporate purposes in accordance with applicable
 10 law" and bring us up to current times on the Ted
 11 Stevens Olympic and Amateur Sports Act with a
 12 citation, and would remove the existing first
 13 article and insert the first and second articles
 14 in Exhibit A. Exhibit A is on Page 34. So that
 15 Item 5 a, on Page 32 describes the first and
 16 second items in Exhibit A on Page 34. I got to
 17 bounce back and forth here a little.
 18 Item 5 b on Page 32 seeks to
 19 simplify our active territory by striking the
 20 third article of our original certificate and
 21 inserting what is now the fourth article, the
 22 territory within the United States.
 23 We're changing the corporate address
 24 in item 5 c, on Page 33, which you will see in
 25 Item 7.

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1 We are noting the change in the
 2 number of directors that they are, in fact, set
 3 forth in the corporate bylaws.
 4 We are authorizing the corporation
 5 to keep its books and records in a location
 6 outside of the state of New York. They will be
 7 located in Chicago, Illinois, where our offices
 8 are.
 9 And we have the 8th article
 10 regarding the minimum requirements to amend the
 11 bylaws of the corporation. Those are based on
 12 legal review of our Articles of Incorporation.
 13 And I will entertain a motion to
 14 accept the changes as has been put forth by
 15 various of the Board of Directors.
 16 UNIDENTIFIED SPEAKER: So move.
 17 MR. EDWARDS: Is there a second?
 18 UNIDENTIFIED SPEAKER: Second.
 19 MR. EDWARDS: Discussion? Questions
 20 regarding the motion to modify and amend the
 21 Articles of Incorporation as submitted on Pages
 22 30 through 35?
 23 MR. MONACO: Mr. President, I'm going
 24 to make one statement and make about five points
 25 of order.

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1 On Page 33, it says: "The
 2 amendments embodied in the Restated Certificate
 3 of Incorporation, Exhibit A, were authorized by
 4 the vote of the Board of Directors on February
 5 23, 2007."
 6 I do not recall that happening.
 7 MR. GOAZIOU: Larry, I lost you on
 8 that one. Where did you say that was?
 9 MR. MONACO: On Page 33, Paragraph 6,
 10 and also 7 by inference. Paragraph 6 says the
 11 Board of Directors approved this restatement
 12 yesterday.
 13 MR. EDWARDS: That is correct.
 14 MR. MONACO: We did?
 15 MR. EDWARDS: You are correct.
 16 MR. MONACO: We did not, okay.
 17 My point of order is as follows:
 18 This is an amendment to the articles --
 19 actually, it's a restatement of the Articles of
 20 Incorporation.
 21 Under Federation bylaws, Articles of
 22 Incorporation and amendments are required to be
 23 submitted to the Rules Committee, and we are
 24 required to have a Rules Committee report back
 25 within 30 days, and that being circulated to the

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1 members.
 2 Mine, which is the next one for U.S.
 3 Youth Soccer, was circulated to the Rules
 4 Committee. I do not see that here.
 5 In addition, if you go to Page 34 --
 6 I really have no problem with the substance of
 7 any of this, though I would like the Rules
 8 Committee and counsel to give me some
 9 justification.
 10 Paragraph 8, under New York law, it
 11 says that amendments to Articles of
 12 Incorporation, and it also applies in the case
 13 of restatements: If there are members entitled
 14 to vote thereon by majority vote, okay?
 15 Therefore to adopt amendments or
 16 restatements of Articles of Incorporation you do
 17 it by a majority vote.
 18 Paragraph 8 on Page 34 tries to
 19 bootstrap that into a two-thirds vote.
 20 MR. PINTO: I'm not sure I understood
 21 all the comments. I apologize. It looks like in
 22 the book, there are no Rules Committee comments,
 23 but this was circulated to the Rules Committee
 24 at the same time. Oh, it's on the first page,
 25 on Page 30. The Rules Committee does provide

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1 comments. It was circulated to the Rules
 2 Committee at the same exact time as the proposal
 3 to amend the Articles of Incorporation submitted
 4 by Mr. Monaco.
 5 MR. MONACO: I apologize on that.
 6 MR. PINTO: On the second item, I
 7 think what you are saying, Larry, is that your
 8 understanding that Exhibit A, Paragraph 8, to be
 9 changing the requirement for an amendment of
 10 Articles of Incorporation from majority to
 11 two-thirds, and that's correct. That's the
 12 intent.
 13 MR. MONACO: Right.
 14 MR. PINTO: And the last item is --
 15 Mr. Monaco is correct -- we did not submit this
 16 to the Board of Directors. That was an oversight
 17 yesterday. So I think that we may -- what you
 18 have in your book here is, pages 32 and 33, are
 19 actually the form that goes to the state and
 20 includes an Exhibit A, and the form includes
 21 seven different paragraphs that states the
 22 facts, and then we submit it under Dan Flynn's
 23 name.
 24 So we would have to change the
 25 information contained in paragraph 6 to

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1 indicate -- because it's not true that it went
 2 to the Board of Directors on February 23rd. So
 3 we would have to either -- I'm not sure if we
 4 can only have the National Council adopt this or
 5 if we would have to also have the board
 6 afterwards.
 7 MR. MONACO: You can.
 8 MR. PINTO: So we could just delete
 9 the reference to the Board of Directors, and
 10 simply say that a vote of the National Council
 11 on February 24th made these changes. So we would
 12 have to change the information in paragraph 6.
 13 MR. DES BORDES: Hank desBordes, I
 14 move that amendment.
 15 MR. EDWARDS: Any discussion related
 16 to the motion to amend paragraph 6?
 17 MR. GOAZIOU: Where we're
 18 substituting this body vs. the Board of
 19 Directors?
 20 MR. EDWARDS: Yes; was authorized by
 21 a vote of the National Council on February 24th,
 22 rather than the Board of Directors on February
 23 23rd.
 24 UNIDENTIFIED SPEAKER: Is that
 25 legally sufficient?

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1 MR. MONACO: Change paragraph 7 by
 2 said vote.
 3 MR. EDWARDS: It will simply say,
 4 paragraph 6, as the intended modification moved
 5 by Mr. DesBordes would state: "The amendments
 6 embodied in the Restated Certificate of
 7 Incorporation, Exhibit A, were authorized by the
 8 vote of the corporation's National Council, a
 9 delegate body vested with the powers of the
 10 members as allowed under section," blah, blah,
 11 blah.
 12 So the question on the floor -- and
 13 then modify the introductory phrase in 7 to say,
 14 "by said vote," rather than votes -- so the
 15 question on the floor is the motion to amend the
 16 proposal as made by Mr. desBordes.
 17 Is there any discussion of the
 18 motion to amend? All in favor of the motion,
 19 please say aye? Anyone opposed?
 20 (Motion passed.)
 21 MR. EDWARDS: We turn back to the
 22 main amendment, which would be to approve the
 23 Restated Certificate of Incorporation with the
 24 steps as previously outlined in the discussion.
 25 Is there any further discussion on

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1 the question?
 2 MR. MONACO: My point of order still
 3 remains that the 8th paragraph is in violation
 4 of state law and therefore cannot be adopted.
 5 Paragraph 8 cannot be adopted; not the rest of
 6 it.
 7 MR. EDWARDS: Can we move to strike
 8 that portion of this?
 9 MR. DES BORDES: Move to strike and
 10 renumber --
 11 MR. EDWARDS: Let me ask him to
 12 explain before we address that.
 13 MR. PINTO: I'm not sure that we're
 14 going to be able to sway you guys one way or the
 15 other on a legal argument. I disagree with
 16 Mr. Monaco, but if it makes you all more
 17 comfortable, you can strike the 8th paragraph,
 18 so we can get something done on it. Articles of
 19 Incorporation are pathetic right now, so I would
 20 prefer that to not changing them at all.
 21 MR. EDWARDS: There was a motion to
 22 strike paragraph 8 and renumber. Is there a
 23 second?
 24 MR. THORNTON: Second.
 25 MR. EDWARDS: Discussion on the

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1 motion to strike paragraph 8 and renumber?
 2 MR. THORNTON: I had another comment
 3 actually, and it had to do with the question.
 4 MR. EDWARDS: The main question?
 5 MR. THORNTON: Yes.
 6 MR. EDWARDS: Okay. Let me act on
 7 the motion to amend. Is there any discussion on
 8 the motion to modify by striking the 8th
 9 article? We will try a voice vote on it. All
 10 in favor of the motion, please say aye. Anyone
 11 opposed?
 12 (Motion passed.)
 13 MR. EDWARDS: Okay, we have struck
 14 8, and what is now 9 becomes 8. Thank you. Now
 15 we're back on the main motion. Go ahead.
 16 MR. THORNTON: I'm Mike Thornton,
 17 Oklahoma Soccer Association.
 18 The question is maybe for Mr. Pinto.
 19 Is it required under New York law, as it is, I
 20 know, in Oklahoma, for the board of trustees,
 21 directors or governors to recommend by a
 22 resolution passed by that body the adoption of
 23 this amended and restated articles?
 24 MR. PINTO: I think the answer is no.
 25 I actually have the statutes in a book back

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1 here, so I can check if you would like.
 2 MR. THORNTON: I think if we're going
 3 to vote on it we should know whether it's
 4 required as a prerequisite for the board to
 5 approve it first and then recommend it to the
 6 body or the members.
 7 MR. TRAPIKAS: Mr. Chairman, I would
 8 like to make a motion to postpone for ten
 9 minutes, or whatever until an answer is gathered
 10 and then --
 11 MR. EDWARDS: Okay. Let's take a
 12 recess until 11:30. Please come back in at
 13 11:30.
 14 (Brief recess taken from 11:15 to
 15 11:30 a.m.)
 16 MR. EDWARDS: If you can take your
 17 seats, so we can get going here.
 18 Okay. Get back on the record, here.
 19 Legal counsel has reviewed, and we
 20 are in agreement that, in fact, the Board of
 21 Directors does not need to be involved if, in
 22 fact, the National Council approves the motion
 23 that is on the floor as regards the
 24 modifications to the Articles of Incorporation,
 25 following the removal of item 8 and the

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1 renumbering of number 9 to number 8.
 2 Therefore, is there any further
 3 discussion regarding the motion to modify the
 4 Articles of Incorporation as submitted by Larry?
 5 Hearing none --
 6 MR. MARION: Andrew Marion, South
 7 Carolina Adults.
 8 I have a stupid question that needs
 9 to be asked. I think I'm just the guy to do it.
 10 The 9th paragraph, if you will, of
 11 the new articles, states that basically the
 12 Federation is organized exclusively for amateur
 13 competition.
 14 I'm sure there's an obvious answer
 15 to that, but if this passes, does that mean --
 16 do we have to kick MLS out of the Federation?
 17 MR. DES BORDES: No, and the answer
 18 to the question is that "amateur" covers
 19 everybody. So, we're not a problem with this.
 20 The amateur, the Amateur Sports Act covers
 21 everything, so we're covered with that.
 22 MR. EDWARDS: The definition of the
 23 Amateur Sports Act -- that was Hank desBordes,
 24 life member on the record there. Any other
 25 questions?

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1 All those in favor of the
 2 incorporation of the amendment; anyone opposed?
 3 Okay, thank you.
 4 (Motion passed.)
 5 MR. EDWARDS: We are now on Page 36,
 6 a proposed amendment to the Articles of
 7 Incorporation submitted by Mr. Monaco that is --
 8 all of this is new verbiage, correct, Larry?
 9 From Pages 36 to 41 is the entire body of the
 10 amendment to insert a conflicts of interest and
 11 business ethics provision.
 12 And I believe, based on the action
 13 we just took, this would still be inserted as
 14 Article 9. Is there a motion to adopt the
 15 amendment to the Articles of Incorporation as
 16 submitted by Mr. Monaco?
 17 MR. GOAZIOU: So move.
 18 MR. EDWARDS: Is there a second?
 19 UNIDENTIFIED SPEAKER: Second.
 20 MR. EDWARDS: Discussion?
 21 MR. DES BORDES: What's it supposed
 22 to do?
 23 MR. EDWARDS: A question posed by
 24 Mr. desBordes to Mr. Monaco: What is it supposed
 25 to do?

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1 MR. DES BORDES: Why does it have to
 2 be in the Articles of Incorporation? I'm
 3 serious.
 4 MR. PINTO: I will step up.
 5 New York corporate law, which is
 6 fun, interesting and different than a lot of
 7 other state corporate laws has a Section 715,
 8 which sets forth a very, very basic explanation
 9 of ethical rules or conflicts rules that a
 10 corporation has to have. And it specifically
 11 says if you are going to go above and beyond
 12 those, those must be contained in a certificate
 13 of incorporation. So this is actually the
 14 appropriate way to impose a stricter conflicts
 15 policy.
 16 MR. DES BORDES: So our corporate
 17 counsel recommends that we adopt this? Is that
 18 what you're saying?
 19 MR. EDWARDS: No, I believe your
 20 corporate counsel was addressing the question of
 21 it being in the Articles of Incorporation.
 22 MR. PINTO: I am just saying that
 23 it's appropriate, if you are going to change it,
 24 this is the way to do that. I wasn't saying that
 25 I support the change.

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1 MR. DES BORDES: Well, that's my
 2 question is why --
 3 MR. GOAZIOU: Tim, just stay there
 4 and just answer the questions.
 5 MR. PINTO: I think the Rules
 6 Committee actually states it very fairly, which
 7 is -- and Larry, I apologize, if I'm speaking
 8 for you -- this is something Larry has been
 9 trying to do for a little while. I think his
 10 goal is a worthy one, which is to amend our
 11 conflicts policy, so that it matches up with
 12 some of the current efforts out there within the
 13 USOC, and within a number of state attorney
 14 generals. More conflict policies are popping up
 15 everywhere.
 16 The Rules Committee raises a few
 17 concerns and I agree with them, that this
 18 deserves a little more attention, that it may
 19 actually benefit from having a committee look at
 20 it.
 21 It's a very, very complicated
 22 policy, as posed, and I can tell you that I
 23 would have difficulty as probably the person
 24 asked to interpret it and enforce it, in
 25 figuring out how to do so on a bunch of

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1 occasions. So the goal is a worthy one. I think
 2 it's very complicated, and so that's the reason
 3 that I have concerns with it.
 4 MR. DES BORDES: So you are saying we
 5 don't need it right now? We should defer it to
 6 a committee?
 7 MR. PINTO: We have a conflicts
 8 policy right now, so we do not need this one. If
 9 this body thinks it's appropriate to refer this
 10 to a committee or something like that, I think
 11 that would be fine.
 12 MR. DES BORDES: Thank you.
 13 MR. GOAZIOU: Do we need to dissect
 14 this rather lengthy proposal from Mr. Monaco and
 15 break it down and analyze it and do it piece by
 16 piece, Tim? Is that to our betterment or do
 17 we --
 18 MR. PINTO: For purposes of today?
 19 MR. GOAZIOU: No, long term. I don't
 20 mean today.
 21 MR. PINTO: I think that's why
 22 there's been a suggestion a few times that maybe
 23 this deserves to go to a committee. And I
 24 actually think that it makes sense for, if that
 25 happened, if one were formed, it makes sense for

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1 Larry to be part of that. Because it is, it's
 2 very complicated. And the question I get asked
 3 every single time is: What does this mean? What
 4 is the real-life implications?
 5 And I'm being honest. I'm not sure I
 6 can answer all of those, based on all the
 7 scenarios that we face. We're a representative
 8 organization. So it's different than other
 9 corporations where there are more potential
 10 conflicts out there depending on how you define
 11 the word "conflicts," and so we need to be very
 12 careful about that.
 13 MR. PAYNE: Mike, I would like to
 14 move that we refer this to committee --
 15 UNIDENTIFIED SPEAKER: Second.
 16 MR. EDWARDS: -- to the Rules
 17 Committee or to a committee?
 18 MR. PAYNE: To a special committee.
 19 MR. EDWARDS: The motion is to refer
 20 this to the Rules Committee for further
 21 consideration.
 22 UNIDENTIFIED SPEAKERS: No, no.
 23 MR. PAYNE: My suggestion was a
 24 special committee.
 25 MR. EDWARDS: A special committee?

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1 Okay. To a special committee to address the
 2 issues raised by the Rules Committee, Kevin?
 3 MR. PAYNE: Yes.
 4 MR. EDWARDS: To address the issues
 5 raised by the Rules Committee --
 6 MR. PAYNE: To address the issues
 7 raised by the Rules Committee and by counsel.
 8 MR. EDWARDS: Is there a second?
 9 UNIDENTIFIED SPEAKER: Second.
 10 MR. GOAZIOU: You are going to have a
 11 committee that's appointed by Sunil.
 12 MR. EDWARDS: Correct. He's the only
 13 one that has the authority to appoint a
 14 committee.
 15 There's a motion to refer this to a
 16 special committee appointed by the President to
 17 address the issues raised by the Rules
 18 Committee. Is there any discussion on the
 19 motion?
 20 MR. MONACO: Yes, Larry Monaco.
 21 I don't oppose the motion. I would
 22 hope that we would refer the whole policy to
 23 them though for an analysis. This has been
 24 kicking around for two years. I think this is
 25 the second time it's been here, okay?

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1 MR. EDWARDS: I think that is
 2 inherent in Kevin's motion was the entire
 3 policy, correct? For clarity, Kevin was
 4 addressing the entire policy, not pieces.
 5 Tom, were you going to address the
 6 motion to refer to committee?
 7 Any discussion on the motion to
 8 refer to committee? If not, let's try a voice
 9 vote. All in favor, please say aye? Anyone
 10 opposed?
 11 (Motion passed.)
 12 MR. EDWARDS: Okay. Thank you.
 13 Before I go into the affirmation of
 14 policies, I have been requested for a motion for
 15 reconsideration of -- bylaw change Number 302 on
 16 Page 6 was defeated. I have had a request from
 17 someone who voted in the -- I need someone who
 18 voted for the motion to seek reconsideration of
 19 Bylaw 302 on Page 6. Mr. McDaniel has requested
 20 that he be allowed to move for reconsideration
 21 of that motion or of that action to turn it
 22 down.
 23 Is there a second to the motion for
 24 reconsideration?
 25 MS. DERFLINGER: Second.

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1 MR. EDWARDS: Mike and Brooks have
 2 asked to speak to the issue.
 3 MR. MC CORMICK: I think there may
 4 have been some misunderstanding on this one. The
 5 question was asked: How come this wasn't
 6 addressed in the adult council part of the
 7 bylaw? It would have been inappropriate for
 8 Larry to do that, because what this bylaw change
 9 does is simply reallocate by one vote how these
 10 guys vote within their weighted votes.
 11 It's their determination for their
 12 council, basically, how they want to split their
 13 votes up. It would not be proper for Larry to
 14 decide that the adult council should do the same
 15 thing. If we want to put forth a bylaw proposal
 16 next year that accomplishes that, we're well
 17 within our right to do it, but we would not be
 18 appropriate in trying to impose that on them,
 19 because it's how the votes are cast within a
 20 particular council. It doesn't affect the
 21 weighted vote at the end.
 22 So if they're not getting a vote
 23 that, on the adult side of the aisle, that we're
 24 not getting --and I think that might have been
 25 misunderstood --and I would encourage that

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1 everybody from the adult council reconsider the
 2 possibility as supporting this bylaw change.
 3 Thank you.
 4 MR. EDWARDS: Let Mike go, Richard,
 5 and then you are next, please.
 6 MR. MC DANIEL: I really would just
 7 like to believe that there was a
 8 misunderstanding here. I think when you peel all
 9 of the legalese aside, all this really does is
 10 extend one vote to U.S. Youth Soccer, and I, for
 11 the life of me, can't figure out what would be
 12 wrong with that.
 13 MR. EDWARDS: That was Mike McDaniel.
 14 Richard.
 15 MR. GROFF: Yes, Mike, could you
 16 explain or have the Credentials Committee
 17 explain why in the adult council USASA does get
 18 that one vote and USYS does not get the one
 19 vote?
 20 MR. EDWARDS: I would defer that to
 21 Mr. Kepner.
 22 MR. KEPNER: The reason for that is
 23 that there is only one national association that
 24 directly registers players, and that is USASA.
 25 USYS registers all of its players through state

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1 associations.
 2 The purpose of this motion is to
 3 override the system that we have now in order to
 4 specifically allow national associations that do
 5 not register players directly to gain that one
 6 vote.
 7 MR. COLLINS: Mike, over here.
 8 MR. EDWARDS: Oh, John.
 9 MR. COLLINS: John Collins from AYSO.
 10 I was going to speak in favor of Larry's bylaw
 11 proposal. Basically, what this is doing is
 12 correcting a drafting error that Larry and I
 13 made back in 1998, when we did this.
 14 The intention was that all
 15 organization members with their fee to the
 16 Federation should get one basic vote. And then
 17 from there, there's incrementals. And what
 18 happened in the drafting of it, and the
 19 subsequent interpretation back in '99, and 2000,
 20 there was some interpretation -- the
 21 interpretation was that they did get one vote.
 22 At some point, that changed. They don't get it.
 23 The USYSA does pay a fee, and so
 24 that is what Larry, I believe, is trying to do
 25 is in oversight of the drafting that we made

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1 back in 1998.
 2 PRESIDENT GULATI: It sounds like
 3 there was a lot of confusion about this, folks,
 4 and this is a cleanup, almost, within the youth
 5 council. Let's get this approved and get on with
 6 business.
 7 MR. TRAPIKAS: Bruno Trapikas.
 8 I too support this resolution. I
 9 raised the original question simply for
 10 clarification. I was not speaking against the
 11 motion at the time.
 12 MR. EDWARDS: Thanks, Bruno.
 13 Call the question. Let's do a voice
 14 vote. All in favor of the motion to reconsider
 15 Bylaw 302, please say aye? Anyone opposed?
 16 (Motion passed.)
 17 MR. EDWARDS: Okay. Thank you.
 18 The last item here --
 19 UNIDENTIFIED SPEAKER: You have to
 20 vote on it, Mike.
 21 MR. EDWARDS: Oh, that was to
 22 reconsider; I'm sorry.
 23 Man, it's amazing at how the meeting
 24 gets on, how many of you become experts in
 25 parliamentary procedure, isn't it?

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1 Okay. Now, I will vote on the main
 2 motion to approve Bylaw -- the amendment to
 3 Bylaw 302 on Page 6 submitted by Mr. Monaco.
 4 I assume no one wants to speak to
 5 the merits of it, given the reconsideration
 6 motion, so all in favor of the motion, please
 7 say aye. Opposed, no?
 8 (Motion passed.)
 9 MR. EDWARDS: Now, that's official.
 10 Okay. Now, you have in your book,
 11 policies adopted since the 2006 AGM. In that
 12 section, the summary of policy amendments has a
 13 revised policy from the U.S. Open Cup Committee,
 14 a policy regarding referee uniforms and a policy
 15 regarding grievance procedures that have been
 16 approved by the NBOD. Those were all three
 17 approved at the May 13th, 2006 meeting.
 18 On the table this morning were
 19 policies from yesterday's NBOD meeting, February
 20 23rd. Because the first policy, 411-1 is related
 21 to the treasurer's position, which we all agreed
 22 on how to handle, by not doing anything,
 23 Mr. Monaco advises that he is withdrawing the
 24 policy on Page 2. So you have policies related
 25 to international games, misconduct for game

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1 officials, misconduct of game officials, and
 2 appeals committee policies approved by the NBOD
 3 yesterday.
 4 What I would seek, if we can, is a
 5 motion to approve all seven of -- to affirm all
 6 seven of the policies approved by the NBOD and
 7 would seek a motion to that effect. Is there a
 8 second?
 9 MR. DE STEFANO: Second.
 10 MR. GOAZIOU: Second.
 11 MR. EDWARDS: Any discussion? Call
 12 the question. All in favor, please say aye?
 13 Anyone opposed?
 14 (Motion passes.)
 15 MR. EDWARDS: I do believe we are
 16 finished, Mr. President.
 17 PRESIDENT GULATI: Thank you very
 18 much, Mr. Edwards.
 19 Thank you all for participating in
 20 that and getting us through it. Give yourselves
 21 a round of applause.
 22 (Applause.)
 23 PRESIDENT GULATI: Okay. We have got
 24 the nomination of three life members:
 25 Mr. Masotto, Mr. Rose and Mr. Christoffersen.

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1 Mr. Christoffersen and Mr. Rose
 2 nominated by Larry Monaco, and Mr. Masotto,
 3 nominated by Eastern New York President,
 4 Mr. Rapaglia. If we can do that by acclamation,
 5 I think that would be appropriate. You've got
 6 letters. We move that the three of them become
 7 life members of U.S. Soccer by acclamation.
 8 Hearing no objections, please
 9 welcome them as life members.
 10 (Applause.)
 11 PRESIDENT GULATI: Next is the
 12 election of Foundation Board Members. I will
 13 open the floor for Foundation Board member
 14 nominations. We have three slots available for
 15 Foundation elections.
 16 Do we have any nominations? We will
 17 take just nominations, not seconds. We only need
 18 one, and we will give the candidates that are so
 19 nominated up to two minutes to make a statement,
 20 if they choose.
 21 Nominations.
 22 MR. WADE: Yes, thank you. Mike Wade
 23 with AYSO. I would like to nominate John
 24 Collins.
 25 John serves on the FIFA legal

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1 commission. He's involved in AYSO and he even
 2 coaches at the Youth 10 level.
 3 PRESIDENT GULATI: Thank you. We
 4 have a nomination for John Collins. Any other
 5 nominations?
 6 Mike Edwards.
 7 MR. EDWARDS: Mike Edwards, expert,
 8 parliamentary procedure.
 9 I would like to nominate Kevin
 10 Payne. I could go on at length about Kevin's
 11 accomplishments, the interest Kevin has in the
 12 game, but it's specific to the Foundation, you
 13 can't find -- maybe he's tied with three other
 14 guys -- for the most valuable person, we have
 15 had on the board since we started this
 16 Foundation. The resources he makes available to
 17 us, particularly because of the location with
 18 D.C. United, the access he gives us to deal with
 19 bigwigs; the fact that he's been in the game
 20 since he had \$85,000 up to -- now that he's
 21 probably in professional soccer, has 86,000 --
 22 all of the things Kevin has done in the
 23 Foundation, you will not find a guy whose heart
 24 is better situated to do what we want to do,
 25 what Sunil discussed this morning. He's been

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1 there from where we were, and he's going to be
 2 one of the guys that helps get us where we want
 3 to be.
 4 So I would strongly urge you to
 5 support Kevin and retain him on the Foundation
 6 board.
 7 Thank you.
 8 PRESIDENT GULATI: Thank you,
 9 Mr. Edwards.
 10 Any other nominations?
 11 MR. DOUGHERTY: Yes, Tom Dougherty,
 12 Eastern Pennsylvania Youth.
 13 I would like to put in the name of
 14 Mr. Richard Groff. Richard is diverse and
 15 well-rounded, served as a former state
 16 president, amateur regional director and
 17 treasurer of the Penn Federation.
 18 So I would like to place his name
 19 and ask for your support for Mr. Richard Groff.
 20 PRESIDENT GULATI: Thank you. Mr.
 21 Michallik.
 22 MR. MICHALLIK: Janusz Michallik,
 23 U.S. Soccer Foundation.
 24 I would like to nominate Linda
 25 Hamilton back to the Foundation Board. She also

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1 is chairman of an oversight committee and plays
 2 an important role on it.
 3 PRESIDENT GULATI: Any other
 4 nominations?
 5 With that we'll close nominations.
 6 Do any of the four candidates want
 7 to make any comments to the council? John
 8 Collins, first. We'll do it in the order they
 9 were nominated. John, would you like to make a
 10 statement? Go to the nearest mic. You have up
 11 to two minutes.
 12 MR. COLLINS: Thank you, Sunil.
 13 I'm involved in soccer in a lot of
 14 ways and been looking for a way to get back, and
 15 I believe that participating in the Foundation
 16 would be an ideal opportunity to do so. Serving
 17 and representing -- serving on the FIFA legal
 18 committee, also representing CONCACAF in its
 19 legal affairs, and also actively involved with
 20 multiple organizations here domestically and
 21 having served at the Federation in the
 22 organization, I have seen a lot of different
 23 aspects of soccer in the United States, and I
 24 think there's a lot of things the Foundation
 25 could do, and we would like to help them get

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1 moving to help everybody in this room grow the
 2 sport.
 3 Thank you. Appreciate your support.
 4 PRESIDENT GULATI: Thank you, John.
 5 Kevin, would you like to address the
 6 group?
 7 MR. PAYNE: I would just like to say
 8 thank you to Mike for his kind words, and I hope
 9 I have a further opportunity to serve.
 10 Thank you.
 11 PRESIDENT GULATI: Mr. Groff,
 12 Richard.
 13 MR. GROFF: Thank you, Tom.
 14 I just wanted to mention this one
 15 thing. This past year, I took a group of people
 16 to the World Cup. It was a fund raiser for the
 17 Foundation. They each contributed \$250, so that
 18 we raised about \$8,000. One of the things that I
 19 would like to do for the Foundation is raise
 20 money, help them grow their corpus and represent
 21 all of you.
 22 Thank you very much.
 23 PRESIDENT GULATI: Thank you,
 24 Richard.
 25 Linda Hamilton.

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1 MS. HAMILTON: I just want to say
 2 thanks to Janusz for nominating me, and it's
 3 been a privilege and pleasure to serve thus far
 4 as part of the U.S. Soccer Foundation and the
 5 Federation, and I hope to do so and continue to
 6 do so in the future. Thanks.
 7 PRESIDENT GULATI: Thank you.
 8 Mr. Kepner, I'm absolutely lost as
 9 to how we now do this with the ballots.
 10 MR. KEPNER: I will be happy to
 11 explain. I'm glad you asked.
 12 What we will do is we will
 13 present -- you will need to vote for your first
 14 choice, and we'll go through the customary
 15 countdown on that, finish that one, and then
 16 start over again; pick your second choice.
 17 Again, all four will be there. We'll go through
 18 a countdown at that point, and then go for a
 19 third, and that's your third choice, and go
 20 through a countdown, and that will end it. And
 21 then we'll display the results.
 22 PRESIDENT GULATI: For the sake of
 23 clarity, you cannot vote for the same person
 24 more than once, Number 1, and you are not
 25 required to vote for more than one or two

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1 candidates. You can vote for less than three,
 2 but you cannot vote multiple times for the same
 3 candidate.
 4 MR. KEPNER: That is correct.
 5 PRESIDENT GULATI: So do we
 6 understand the rules? We're going to go one by
 7 one. And you are not rank ordering your
 8 preferences in terms of the voting itself, but
 9 you cannot vote for the same person more than
 10 once. You are not required to vote for three.
 11 You can vote for one, two or three, and if you
 12 cast the ballot for the same person more than
 13 once, it's going to be negated. All right.
 14 Question. We have a question.
 15 MR. JORGENSEN: I apologize, Dave
 16 Jorgensen, Hawaii Soccer.
 17 If I understood you correctly, if I
 18 vote for person X and they don't come in first,
 19 I cannot vote for them to be the second person?
 20 PRESIDENT GULATI: No, no, you can --
 21 right now, you are going to vote. We're going
 22 to say vote now, and you vote for candidate
 23 Number 1.
 24 That's fine.
 25 MR. JORGENSEN: Whoever wins, then we

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1 can vote for any of the other three for the
 2 next --
 3 PRESIDENT GULATI: No, no, no, no,
 4 no. We're not going to have a winner then. It's
 5 a step process. We will then do it again.
 6 There's not going to be a winner after that
 7 stage. On the second ballot, we're going to do
 8 that again. You can't vote for the same
 9 candidate again. That's all we're saying.
 10 MR. JORGENSEN: Thank you.
 11 PRESIDENT GULATI: Okay, clear?
 12 Crystal? Not? Is it clear for everyone other
 13 than Eastern New York? Just when I thought it
 14 was okay to be with you guys. You know where I
 15 live.
 16 Okay. So let's start.
 17 MR. FRISOLI: No, no, no, I have a
 18 question.
 19 PRESIDENT GULATI: I'm getting very
 20 worried. The two states that I'm most closely
 21 associated with are the ones asking questions.
 22 Okay. Larry.
 23 MR. FRISOLI: I love you too, Sunil.
 24 If this is supposed to be a secret
 25 ballot, how do you know who voted for the

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1 candidate on the first ballot, and that their
 2 vote, and how they're voting on the second
 3 ballot? If it's supposed to be confidential.
 4 PRESIDENT GULATI: Mr. Kepner.
 5 MR. KEPNER: It is confidential. The
 6 computer knows.
 7 MR. FRISOLI: So that means you can
 8 go into the computer and see who did what?
 9 PRESIDENT GULATI: Larry, with all
 10 due respect, we can always do that.
 11 MR. FRISOLI: You're only electing
 12 two, right?
 13 PRESIDENT GULATI: You are electing
 14 three.
 15 MR. FRISOLI: Okay. All right.
 16 PRESIDENT GULATI: So, Mr. Kepner, I
 17 will let you run it from there. Tell us when you
 18 start and so on.
 19 MR. KEPNER: Okay. This is the first
 20 of three consecutive votes. We will start the
 21 first one now. Press one of the four.
 22 Five, four, three, two, one. Stop.
 23 PRESIDENT GULATI: So for the sake of
 24 clarity. We are now going to vote for another
 25 candidate. You can vote or not vote, but if you

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1 vote for the same person that you just voted for
 2 previously, it's negated.
 3 MR. KEPNER: Correct. Ready to vote?
 4 Now, vote for one, one of the four. Five, four,
 5 three, two, one. Stop.
 6 Completes the second. And now, we go
 7 with the last of the three. Vote for one
 8 person. Again, now. Five, four, three, two,
 9 one. Stop.
 10 The results are displayed.
 11 (Applause.)
 12 PRESIDENT GULATI: Congratulations to
 13 Mr. Payne, Ms. Hamilton and Mr Groff, Mr. Payne,
 14 Ms. Hamilton, and Mr. Groff, congratulations.
 15 Next order of business. Election of
 16 independent directors.
 17 As I mentioned earlier, the proposal
 18 is that we are going to elect one independent
 19 director today and add a second by a mail ballot
 20 in the next 120 days. We can have nominations
 21 from the floor. You have one nomination from
 22 your board.
 23 And let me tell you a little bit
 24 about this gentleman. My guess is that no one in
 25 the room has met him. I have met him once. It's

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1 a gentleman named Carlos Cordeiro. I have got
 2 his bio in front of me.
 3 Carlos is now an advisory director
 4 for Goldman Sachs; non-executive Vice-chairman
 5 of Goldman Sachs for Asia. Harvard graduate,
 6 Harvard undergraduate, Harvard MBA. He was voted
 7 as one of the most influential Hispanics in the
 8 year 2000. He's a partner at Goldman Sachs.
 9 Colombian mother, Goan father. Speaks Spanish.
 10 Spends about half the year in Asia; spends about
 11 half the year here. Obviously, the sort of
 12 profile person that we talked about last year.
 13 So, he would be, of course, a
 14 minority candidate. He's enthusiastic. He's not
 15 here this weekend. Enthusiastic about doing it.
 16 He was involved in the New York bid for the 2012
 17 Olympics, and in the effort of what we're trying
 18 to do in 2018 would be particularly helpful.
 19 I've got plenty of information on
 20 him here. We can certainly give you that. So
 21 that would be the nomination that's been
 22 unanimously approved by the board. He certainly
 23 meets the qualifications of independent, and
 24 he's filled in the forms and is not conflicted
 25 in any way. I think the only one in the room

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1 who has ever met him is me, and I met him once.
 2 The reason we are not adding a
 3 second nomination from the board today is
 4 because we had a candidate that the day before
 5 yesterday told us that they declined our
 6 invitation, which was a very well-known Hispanic
 7 woman. We are determined, at least I am
 8 determined, to make the next candidate female
 9 that we would add to the Board, which is why we
 10 would like 120 days to add that person and send
 11 you a candidate. Clearly, we can have other
 12 nominations.
 13 So that is the first nomination that
 14 has been -- and I guess I'm making that
 15 nomination -- that has been fully endorsed and
 16 unanimously supported by your board.
 17 We can take other nominations from
 18 the floor. Clearly, we would not be in a
 19 position to have them vetted in terms of filling
 20 in any forms and conflicts.
 21 Are there any other nominations from
 22 the floor for the independent director slots?
 23 Hearing or seeing none, I would like to get the
 24 group's approval for Mr. Cordeiro to join our
 25 board as an independent director. Can we do that

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1 by acclamation?
 2 (Applause.)
 3 PRESIDENT GULATI: Thank you.
 4 The next piece of business. We have
 5 an application -- which is a piece of very good
 6 news -- we have a preliminary application for
 7 the relaunch of Women's Professional Soccer
 8 League.
 9 (Applause.)
 10 PRESIDENT GULATI: Tonya Antonucci,
 11 who has been working very hard for the last year
 12 and a half with some seed money that was partly
 13 provided by U.S. Soccer, partly by the U.S.
 14 Soccer Foundation, and partly by investors, two
 15 days ago received six commitment letters,
 16 letters of memorandum, who I am understanding,
 17 for six markets. She told the board about
 18 those. Five identified markets, and one that is
 19 still to be identified. She has four other
 20 investors that she's trying to pin down for two
 21 markets for the possible launch, a launch in
 22 spring of 2008.
 23 There's a lot of work to be done
 24 between now and then. We have, the board has
 25 appointed a committee, or I have appointed a

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1 committee with the board's approval, to be
 2 chaired by Burton Haimes, with Dr. Bob and Linda
 3 Hamilton to review that application, to work
 4 through the standards for the relaunch of a
 5 Division 1 Women's Professional League.
 6 Separate and parallel to that
 7 process, the Federation, in conjunction with
 8 FIFA, will look to see how we can support that
 9 league, potentially, financially; not with
 10 upfront and early money, but some backend money
 11 that insures stability. But it's certainly good
 12 news. And we want to make sure that when they
 13 get started -- and there's a lot of work to get
 14 done, it's a very early application. And they
 15 will announce more about that next week in their
 16 way and on their timetable.
 17 What we need here today, because
 18 their launch -- and they're going to need to
 19 apply for full membership prior to our next
 20 meeting, and we will need to get approval,
 21 obviously -- while playing won't start until
 22 April of next year, assuming everything is in
 23 order, they will certainly need to get
 24 membership approval before that. So they will
 25 have to do a number of things, like get FIFA

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1 approval and registered players, and so on.
 2 So I'm told that it's acceptable.
 3 And final membership has to be done by this
 4 board, by this council, and I'm told by
 5 Mr. Monaco, and by our parliamentarian, who we
 6 consulted last night, while he was on the East
 7 Coast, that what we need is the council to
 8 delegate the authority for the board to give
 9 them full membership in one of our board
 10 meetings over the next year, which would be
 11 prior to our next council meeting. And
 12 hopefully, all their paperwork will be in order,
 13 and after legal and that committee reviews it.
 14 So we would like to get that approval from the
 15 council to delegate authority to grant full
 16 membership to the Women's Professional Soccer
 17 League that has applied for Division 1 status as
 18 they meet the standards that are in place and
 19 following our process.
 20 UNIDENTIFIED SPEAKER: So move.
 21 PRESIDENT GULATI: Any comments on
 22 that? Any objections to that? We will do that
 23 by acclamation. Thank you.
 24 (Applause.)
 25 PRESIDENT GULATI: And lastly, while

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1 we're on resolutions, it seems to me it would be
 2 appropriate -- so that when we send a note
 3 across to our friends in Zurich at FIFA, so far,
 4 it's been a series of statements that I've made
 5 to the "Washington Post," and a few other
 6 newspapers. Yesterday, our board approved
 7 unanimously resolution form, not the expenditure
 8 of any money or anything like that, the concept,
 9 the notion that we would, full steam ahead, so
 10 to speak, on bringing the World Cup back to the
 11 United States -- so it seems to me that it would
 12 be appropriate for this council to possibly
 13 endorse that thought that we would like to bring
 14 the World Cup back some time in the teens to the
 15 United States.
 16 (Applause.)
 17 PRESIDENT GULATI: I will take that
 18 as a yes. Thank you.
 19 Last but not least, we are to Good
 20 of the Game. And before we get to Good of the
 21 Game, we have a little video that we would like
 22 to show you that I think fits in with that
 23 concept. If we can show the Myernick video,
 24 please.
 25 (Video shown.)

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1 PRESIDENT GULATI: Good of the Game.
 2 Rocco.
 3 MR. AMOROSO: Rocco Amoroso, Eastern
 4 New York.
 5 Last month in the front page of the
 6 Sunday "New York Times" appeared an article, as
 7 a matter of fact, three pages, "Outcast United."
 8 I was truly humbled by the simple
 9 vision and wisdom by Miss Luma Mufleh, referee
 10 from Jordan, who summoned her spirits to brave a
 11 hostile environment in the small town of
 12 Clarkson, Georgia.
 13 This young lady, notwithstanding the
 14 opposition from town officials, assembled young
 15 boys and girls from the ages of 9 to 17, all
 16 refugees from Sudan, Congo, Kosovo, Liberia,
 17 Bosnia, Iraq, Gambia and Afghanistan, to play
 18 soccer on rutted fields, sand-scarred fields
 19 with no goal posts, players not wearing fancy
 20 uniforms, playing with boots and baggy jeans,
 21 known as the "Fugees."
 22 Ms. Mufleh in her first year as a
 23 coach was not very successful; lost every game.
 24 Within three years, her team was undefeated.
 25 Ms. Mufleh was quite a

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1 disciplinarian. As a prerequisite for any of
 2 the "Fugees" to play soccer, everyone had to
 3 sign this agreement, which is very refreshing to
 4 all of us, as I will read it:
 5 I will not smoke.
 6 I will have good behavior on and off
 7 the field.
 8 I will not do drugs.
 9 I will not drink alcohol.
 10 I will not use bad language.
 11 I will not get anyone pregnant.
 12 My hair will be shorter than the
 13 coach's.
 14 I will be on time.
 15 I will listen to the coach.
 16 I will try hard.
 17 I will ask for help.
 18 I want to be part of the "Fugees."
 19 What this young lady has
 20 accomplished with these disadvantaged young
 21 people are not merely the victories on the
 22 soccer fields; more importantly, she instilled
 23 in them a sense of self-worth; a sense of
 24 dignity, reinforced upon them a sense of hope
 25 and preparing them to be winners in the game of

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1 life.
 2 Mr. President, we of Eastern New
 3 York Soccer lavishly applaud Ms. Luma Mufleh for
 4 all of her ideals and accomplishments. For it is
 5 such a rare attitude toward encouraging life's
 6 obstacles on and off the soccer fields will, in
 7 the final analysis be our greatest and purest
 8 source of our national strength.
 9 Thank you, Ms. Mufleh, and God bless
 10 you all.
 11 (Applause.)
 12 PRESIDENT GULATI: Mr. Flamhaft.
 13 MR. FLAMHAFT: Some of you, I hope,
 14 have received a letter I sent on November 16th.
 15 Some of you may know my ties to the office of
 16 the president, and can recall in the recent
 17 past, I have spoken of my concern about the
 18 stature of the office.
 19 The proposal in my letter of
 20 November 16th is consistent with my thinking to
 21 allow the president to remain fully engaged, as
 22 Sunil is, on a daily basis, so that he can make
 23 informed decisions affecting the affairs of the
 24 USSF.
 25 The purpose of this statement is to

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1 invite a serious dialogue and discussion on the
 2 particular subject of compensation for the
 3 office of the president. By this proposal, I
 4 believe we can attract those individuals with
 5 the proper qualifications and credentials, who
 6 because of economic burdens, have not been able
 7 to seek the office, in effect, to open up the
 8 process.
 9 At the same time, we should be
 10 careful to scrutinize those who seek the
 11 position solely for the compensation involved or
 12 self-aggrandizement.
 13 I suggest that we should not
 14 consider those who we determine are not fully
 15 committed to the principles and goals of the
 16 organization, nor should the office be reserved
 17 for an award for only those who are financially
 18 viable.
 19 While the office allows for the
 20 introduction of glamour, it involves an
 21 undertaking of enormous responsibility and
 22 personal sacrifice.
 23 The president serves as the
 24 conscience of the USSF; therefore, I suggest we
 25 should only consider those individuals who

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1 possess the ability, integrity, honesty and
 2 necessary stature and, in addition, and just as
 3 important, a proper respect for the game and the
 4 USSF.
 5 This idea is a result of my own
 6 independent judgment on the matter. While I have
 7 discussed this with various people, I did not
 8 seek anyone's approval.
 9 It is meant not to be critical of
 10 any individual, but is a concept, I think, is in
 11 the best interest of the USSF.
 12 I welcome your thoughts. And please
 13 rest easy, I have no intention of seeking the
 14 office.
 15 (Laughter.)
 16 PRESIDENT GULATI: Thanks, Steve.
 17 (Applause.)
 18 PRESIDENT GULATI: Mr. Frisoli.
 19 MR. FRISOLI: Again, I keep coming
 20 and think I'm never going to say anything. What
 21 this body doesn't know is that --
 22 PRESIDENT GULATI: A little bit
 23 louder, Larry.
 24 MR. FRISOLI: What this body doesn't
 25 know is that before you decided to run for

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1 office, I was drafting the proposal so that the
 2 president of this organization would be
 3 compensated, and then when you spoke about
 4 running, you asked me not to do it, simply
 5 because of, we know each other, but that's
 6 wrong. And I suggest that the Rules Committee
 7 should look at our bylaws to seek to amend them
 8 in the future, so that at some point in time,
 9 the president is compensated. What the amount
 10 is, is not the issue. It should be fair, but
 11 it's about time.
 12 (Applause.)
 13 PRESIDENT GULATI: Any other
 14 comments? Tony.
 15 MR. FALCONE: Tony Falcone from
 16 Maryland Adults.
 17 Mr. President, you started off this
 18 meeting talking about exposure. Great exposure
 19 we got with David Beckham coming over here. The
 20 exposure, Univision, had nearly 8 million
 21 viewers. You didn't mention how many TVs got
 22 thrown out of the windows that evening either,
 23 so it might be a record there too.
 24 But one area, where I'm going to ask
 25 you to step it up is exposure of our U.S. Open

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1 Cup, which is the oldest team competition in
 2 this country. It has great history. It has great
 3 prestige.
 4 For years, the competition was run
 5 by the then senior division, which then turned
 6 to the amateur division, which now is part of
 7 the adult council. But it's run by this
 8 organization, U.S. Soccer. And the thing that
 9 bothers me, I have, from my state of Maryland,
 10 we have 17 that compete for the Open Cup, just
 11 for the chance to get out of our state and run
 12 through the region. And I get offended every
 13 time I hear terms of Open Cup proper or that
 14 there's only 16 teams from the adult or amateur
 15 side.
 16 We have usually between 70 and 80
 17 teams every year. And I'm not sure how the other
 18 leagues or members of our association, how they
 19 conduct their competition to see who qualifies
 20 through, but when we talk about numbers of teams
 21 that are competing for U.S. Cup, let's include
 22 everyone, because it's part of the Cup, and it
 23 makes our Cup look even better.
 24 Thank you.
 25 (Applause.)

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1 PRESIDENT GULATI: Thank you.
 2 MS. PUGLIESE: Dyann Pugliese from
 3 Michigan.
 4 If you look at your agenda, we did
 5 not cover all the agenda items. We skipped
 6 Number 3, the Pledge of Allegiance. My father is
 7 a veteran, my husband is a veteran. I believe
 8 we have other veterans in this room. And so
 9 while we didn't start our meeting with the
 10 Pledge, I make a suggestion that we end that
 11 way.
 12 (Applause.)
 13 PRESIDENT GULATI: Don't leave the
 14 microphone. We didn't do it, because the young
 15 boy that was supposed to do it -- why don't you
 16 just lead us in it right now at that microphone.
 17 We will all stand. Lead us through it. We're
 18 not quite closing the meeting, we've got a flag
 19 here. Why don't you lead us in it.
 20 (Pledge of Allegiance recited.)
 21 PRESIDENT GULATI: All right. Peter
 22 next, sorry.
 23 MR. VERMES: I think the memorial to
 24 Glenn Myernick was incredible. And obviously, I
 25 played for him and so did Marcello, and just

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1 obviously somebody that we want to remember
 2 forever, because of his legacy to the game.
 3 But from the athletes and for
 4 everybody in this room, there was a player this
 5 past year that we had a chance -- myself had a
 6 chance to play with in the '88 Olympics, and
 7 also in the '90 World Cup. His name was Dave
 8 Vanole. He was a goalkeeper for the U.S.
 9 national team for many years. He was there
 10 before I actually got there. Goalkeeper. Fierce
 11 competitor. Extremely talented goalkeeper.
 12 Tremendous person. Somebody who was a fantastic
 13 leader on and off the field. Treated everybody
 14 extremely fairly on his team, and unfortunately,
 15 he passed away through, unfortunately, again
 16 just the same thing that happened with Glenn
 17 Myernick and that is a heart attack on a ski
 18 slope. I believe he was 43 years old.
 19 I would just like to say to all of
 20 you, that obviously for everyone to make sure
 21 that they do their checkups, but to remember
 22 guys like this, because Glenn, David Vanole,
 23 Doug Hamilton, over a year ago now; tremendous
 24 people for the game, and unfortunately we're
 25 losing some of them, but to continue to remember

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1 how much they had put forth to make this game
 2 successful.
 3 I think all of us are in positions
 4 now, as a Federation, whether you are in your
 5 local state or your local community, what have
 6 you, it's because of people like that that we
 7 have so much success in the game. So thank you.
 8 PRESIDENT GULATI: Yup.
 9 MR. CARMODY: David Carmody,
 10 Connecticut Adult.
 11 I would like to update this body on
 12 a situation that we received a lot of national
 13 help on, and many members wrote e-mails. We had
 14 a gentleman, who is one of our mainstays of
 15 soccer teams, coaches for children, for the
 16 kids, for the adults. He's won the Veteran's Cup
 17 three different occasions, two in a row for his
 18 over 45-team. He's Luigi Garafono. He received
 19 a problem with a past conviction, and he was
 20 almost deported. Nationally, many people
 21 helped. He made national news on delaying the
 22 deportation. This last week, he received his
 23 citizenship. And I would like to honor him as
 24 someone who has given a lot to the game through
 25 Connecticut and deserves our best.

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1 Thank you.
 2 (Applase.)
 3 MR. BOLLINGER: Jim Bollinger from
 4 Eastern Pennsylvania Adult.
 5 I'm also speaking on behalf of our
 6 sisters with youth.
 7 I'm also, like Tony, going to ask
 8 U.S. Soccer, Mr. President, to step up on
 9 something.
 10 On March 7th, I sent a letter to the
 11 Federation with regards to the ChampionsWorld
 12 debacle, that affected many of our state
 13 organizations with regards to the international
 14 games that were held in 2004. I received a very
 15 nice response from Gregory Fike of your staff on
 16 March 20th, and it's been about a year, and we
 17 have heard nothing. This is something, that the
 18 Federation is in good shape financially with \$50
 19 million in the bank is what I heard. This would
 20 help some of our organizations with tens of
 21 thousands of dollars into our coffers for those
 22 venues that hosted these games.
 23 What I would like the Federation to
 24 do is step up and give us a current update on
 25 the status of this. Push hard to get our money

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1 back from these deadbeats.
 2 Give us the annual updates on what's
 3 going on and let us know what procedures that
 4 have been changed within the Federation to
 5 prevent this from happening again.
 6 Thank you.
 7 PRESIDENT GULATI: Thank you. Happy
 8 to do that for you, Jim. I think we can do that
 9 right after the meeting.
 10 MR. JORGENSEN: Aloha. David
 11 Jorgensen, again, from Hawaii Soccer
 12 Association.
 13 Although arrangements are still
 14 being finalized, I just wanted to remind
 15 everybody or let everybody know the Annual
 16 General Meeting next year is scheduled to be in
 17 Hawaii on the Big Island at the Hilton Waikola
 18 Villages.
 19 On behalf of the Adult Association,
 20 as well as the Youth Association in Hawaii, we
 21 want to make sure we extend our invitation to
 22 everybody. It's a long way to go, it is
 23 expensive, but we're confident that it will be a
 24 wonderful time.
 25 If there's anything that I can do,

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1 Sergio Bolioli, Jack Sullivan, Michelle
 2 Schreiner from youth is here; if there's
 3 anything we can do, any questions you have,
 4 anything we can help you try to make
 5 arrangements for, please feel free to give us a
 6 call.
 7 Mahalo for your time. I hope you can
 8 enjoy us. And again Aloha.
 9 (Applause.)
 10 MR. JORGENSEN: And we will be
 11 handing out some little individual macadamia nut
 12 candies, as you leave the room.
 13 PRESIDENT GULATI: My guess is that
 14 given a couple of the important rules that got
 15 postponed until next year, people are going to
 16 make the effort because they want to follow up
 17 on it.
 18 That treasurer issue is going to
 19 bring people back to that next meeting.
 20 Any other good of the game? Brooks?
 21 MR. MC CORMICK: Due to the lateness
 22 of this meeting, the adult council meeting will
 23 be moved to 1:30. It's in the Santa Monica room.
 24 My right; your left, 1:30.
 25 PRESIDENT GULATI: Anything else? Let

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1 me end with two comments.
 2 MR. GARBER: Are you going to the
 3 board?
 4 PRESIDENT GULATI: If anyone wants to
 5 make a comment.
 6 MR. GARBER: If I can just make a
 7 comment or two. I want to commend Sunil for
 8 leading us so well over the past year. I think
 9 it bodes well for all of our futures, not just
 10 the future of the league, but the future of the
 11 whole organization. And this is very positive
 12 times for all of us, and it's particularly
 13 positive for Major League Soccer where we're
 14 going through some really unprecedented growth.
 15 It does put us in a position to do
 16 some things that over our previous 10 or 11
 17 years, we weren't in a position to do. And
 18 prior to the start of this season, the league
 19 will announce a new philanthropic campaign,
 20 that's called MLS Works, which will encapsulate
 21 all of the programs that are going on currently
 22 at our team levels and add several new national
 23 philanthropic efforts that will focus on the
 24 areas of wellness, of youth education,
 25 supporting the local Youth Soccer programs and

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1 field development, and really concentrating on
 2 the areas of diversity and the youth leadership.
 3 And you are starting to see MLS Works promoted
 4 on our ABC and ESPN, Univision and Fox broadcast
 5 and in our stadiums and allow us to do what we
 6 have been doing for so many years with our
 7 players and giving back to the communities and
 8 allowing them to have an even broader platform
 9 for them and our teams to do some good in the
 10 communities where we live and where we work.
 11 So I thank you for all your support.
 12 Without all of you, we wouldn't be where we are
 13 today, to be able to do a lot of the positive
 14 things that you will start seeing in the years
 15 to come. So thank you.
 16 PRESIDENT GULATI: Mavis.
 17 MS. DERFLINGER: I would just like to
 18 thank Asher and the people from the Federation
 19 who have done all the work to put this together.
 20 They never seem to get any thanks.
 21 So thank you for a wonderful job.
 22 (Applause.)
 23 PRESIDENT GULATI: Okay.
 24 A couple of last comments. First,
 25 let me thank my fellow board members for their

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1 work, along with the rest of you over the last
 2 year. Certainly, Dan, and his staff, over the
 3 course of the year, as well as in particular
 4 this weekend for making this happen.
 5 The Myernick video, Peter has
 6 touched on Dave Vanole, Lamar Hunt, and others
 7 that we lost. The video -- I sent a note to the
 8 board members, a few of them were there the
 9 night that we honored Glenn in New Jersey.
 10 It was an evening that, of all of
 11 the years I have been involved in the
 12 Federation, it was sort of a prouder moment of
 13 anything the Federation was involved in, as
 14 anything I have been involved in; World Cups,
 15 national teams or anything else, because Glenn
 16 got it. And it was just the fact that we had
 17 spent money, and put that together, and all the
 18 people that were involved in that.
 19 Since I was involved in the game,
 20 and it was kind of backwards -- early in the
 21 '80s -- which was youth stuff and so on -- but
 22 pretty early was involved in the national team.
 23 And for me, the national team, and now its
 24 teams, is what links us, aside from the personal
 25 stuff, the camaraderie, some of us involved in

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1 referee programs, some in coaching, and
 2 obviously, the sport links us, but it's the
 3 national team that we rally around. And so when
 4 we beat Mexico, when we're in the World Cup,
 5 when we're watching the game on Univision, and
 6 the women winning the World Cup, that's what we
 7 rally around. And so the league ties us
 8 together in certain ways, but it's always been,
 9 for me, the national team that brings us really
 10 together.
 11 So, when we asked a bunch of
 12 national team players that played for us in the
 13 past, or some coaches to go to strange places
 14 like Nigeria, they all say yes. They don't know
 15 what they're getting into. They just say yes.
 16 And some of them are on our payroll. And we got
 17 a new coach coming in, so, they were more likely
 18 to say yes. I understand that part of it. But
 19 others just say yes. Not paying them and they
 20 say yes.
 21 And I'm particularly touched by an
 22 e-mail exchange I had a couple of weeks ago with
 23 one of our former national team players who sent
 24 me an e-mail about something. I don't know even
 25 remember what that was about -- one of our very

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1 prominent players -- and I sent him a note back
 2 thanking him for his e-mail. And said if, by the
 3 way, I'm going to be writing to you soon about
 4 we're going to need your help with something,
 5 and we're going to need a lot of time. And this
 6 is a guy, in this case, that's very busy. And he
 7 sent a note back to me saying, yeah, done. I'm
 8 on board.
 9 And I sent a note back saying, I
 10 haven't told you what it is yet. And he sent a
 11 note back, saying the Federation is asking. I'm
 12 saying yes, which to me is extraordinary. His
 13 commitment -- and it wasn't to me, personally,
 14 that wasn't what he was saying yes to. It
 15 wasn't Sunil Gulati, it happens to be a friend,
 16 but that's not what he was saying yes to. It was
 17 the sport that he was saying yes to. It was the
 18 national team. It was the crest, if you will.
 19 So that's what links us for me.
 20 It's the one common element in all of us, so
 21 support that team.
 22 But the other message, and Peter
 23 touched on it, Glenn Myernick was a very, very
 24 healthy guy. Fit as a fiddle. So, enjoy
 25 yourself. Take care. Enjoy yourself this

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1 weekend. Enjoy all of this. Because what we're
 2 doing throughout all of this, including winning
 3 world cups or hosting world cups, there's a lot
 4 of other important stuff out there. So have a
 5 good time this weekend.
 6 We'll keep having these fun events,
 7 although Dan is not real happy that John Murphy
 8 clipped his wings on the ability to call board
 9 meetings, I'm sure.
 10 Thanks for all of you being here
 11 this weekend. We'll see you all at dinner
 12 tonight, enjoy the rest of the weekend. Thanks
 13 for the last year.
 14 (Applause.)
 15 (Adjourned at 12:45 p.m.)
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1 REPORTER'S CERTIFICATE.
 2
 3 I, DEBRA K. RESLING, Registered Merit
 4 Reporter appointed to take the meetings of the
 5 U.S. Soccer Federation, do certify that the
 6 within proceedings of the AGM were taken by me
 7 stenographically in Los Angeles, California, on
 8 February 24, 2007, then reduced to typewritten
 9 form consisting of 169 pages herein; that the
 10 foregoing is a true transcript of the
 11 proceedings had.
 12
 13
 14 In witness hereof I have hereunto set my
 15 hand this 13th day of March, 2007.
 16
 17
 18 _____
 19 Debra K. Resling, CSR, CRR
 20 Registered Merit Reporter
 21 and Notary Public.
 22 4 Cheyenne Blvd.
 23 Colorado Springs, CO 80906
 24
 25 My commission expires February 28, 2009