

#### JULY 15, 2015

### I. INTRODUCTION & OVERVIEW OF US SOCCER

On behalf of the United States Soccer Federation, I would like to thank Senator Moran, Senator Blumenthal, Senators Blunt and McCaskill from my home state of Missouri, and other members of this Subcommittee for giving US Soccer the opportunity to appear today and answer questions you may have.

On behalf of our Women's National Team, I would also like to thank President and Mrs. Obama, Vice President and Dr. Biden, distinguished members of this Subcommittee, your Senate and House colleagues, and the tens of millions fans in the United States, including the largest television audience ever to watch a soccer match in this country, who supported and cheered this wonderful group of women to the Women's World Cup title just 10 days ago.

I am Daniel Flynn. I have been US Soccer's Chief Executive Officer and Secretary General for the last 15 years and am ultimately responsible for the day to day operations of the Federation.

We are a non-profit membership organization recognized by the US Olympic Committee as the National Governing Body for Soccer in the United States and by FIFA -- the world governing body for the sport of soccer – as its National Association member for the United States. As required by FIFA, we are also a member of CONCACAF, the regional confederation which covers the North and Central America and the Caribbean nations.



#### JULY 15, 2015

For more than 100 years, US Soccer's mission has been to make soccer a preeminent sport in the United States and to continue the growth and development of the sport at all levels.

US Soccer directly fields 17 national teams, including the Women's National Team which has won 3 World Cup titles and 4 Olympic Gold Medals, and the Men's National Team which is in the process of defending its 2013 CONCACAF Gold Cup title. We also field the national paralympic team, and numerous age-based boys and girls national teams.

US Soccer is made up of various member organizations, including, among others, our professional leagues, the adult amateur leagues, soccer organizations for disabled athletes and the youth amateur organizations. US Soccer is governed by a 15 person volunteer board of directors elected by its members which includes independent directors, athlete representatives and directors representing different segments of our membership.

Our annual tax returns, audited financial statements, business plans, bylaws, policies and board of directors meeting minutes are all publicly available on our website.

#### II. FIFA & CONCACAF GOVERNANCE

In FIFA, we are 1 of 209 national association members. FIFA members must vote on any substantial changes to the organization. And, the vote of every member, regardless of size, number of players or quality of their national teams, counts the same. Until two years ago, when



#### JULY 15, 2015

our President, Sunil Gulati, was elected to the FIFA Executive Committee, the Federation did not have a direct representative on that important policy making body.

Although our role and influence in FIFA has historically been limited, the Federation has been a strong advocate for reforming the organization by, among other things, improving governance, increasing transparency and strengthening ethics rules.

US Soccer supported FIFA's decision in 2011 to engage experts to conduct a review of its governance structure and then urged the adoption of the reforms after the governance report was released. US Soccer supported the investigation by the FIFA Ethics Committee into the bidding and award processes for 2018 and 2022 World Cups, and publicly advocated for the release of the full investigative report – not just the "Summary Report" released by FIFA last Fall.

US Soccer was one of the national associations which nominated Prince Ali and then publicly supported his challenge to FIFA's longstanding President, Mr. Sepp Blatter, in the recent election. We did so notwithstanding the potential political risks, including the potential impact on our possible bid to host the 2026 Men's World Cup. But, US Soccer believes good governance and good leadership at FIFA is paramount and more important to the sport than hosting any individual World Cup.



### JULY 15, 2015

Going forward, we believe reform will have to start at the top – beginning with the election of a new FIFA President in light of Mr. Blatter's stated intention to resign. US Soccer will look to the new President to lead this reform. We understand that many traditional soccer powers also believe it is time for a change. US Soccer will continue to work with like-minded national associations and confederations to promote change and to alter the current culture at FIFA.

At CONCACAF, efforts at reform have proceeded more rapidly. In light of recent events, CONCACAF appointed a three-person Special Committee, which includes US Soccer's President Sunil Gulati, to help guide the confederation through this period of turmoil. And, over the July 4<sup>th</sup> weekend, the CONCACAF Executive Committee, based on the recommendations of the Special Committee, unanimously approved a series of sweeping reforms to address governance, fraud prevention and compliance and transparency.

# III. CONCLUSION

Thank you for your time, and I look forward to responding to specific questions you may have on this and other subjects.

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