



Phase III Business Plan

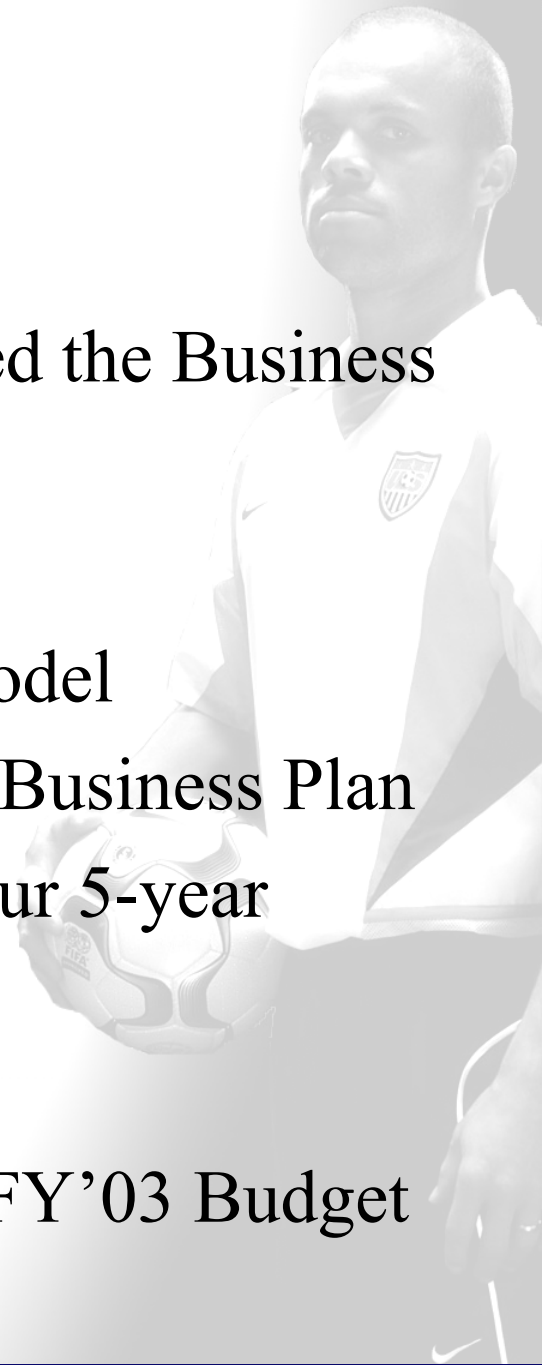
May 11, 2002





Phase III

- Background
 - The Board has reviewed and approved the Business Plan...(Phases I and II)
- Today, we will provide:
 - Historical review of our operating model
 - Quick review of Phases I & II of the Business Plan
 - Status report on the projects within our 5-year business plan
 - FY'02 Projected Year-end
 - Present Phase III Business Plan and FY'03 Budget Overview





Historical Review

- In July of 2000, we promised a more efficient operating model for US Soccer
- We committed to increase our investment in the area of Player Development
- We thought it was important to focus on our budget drivers and build a sustainable model for the future





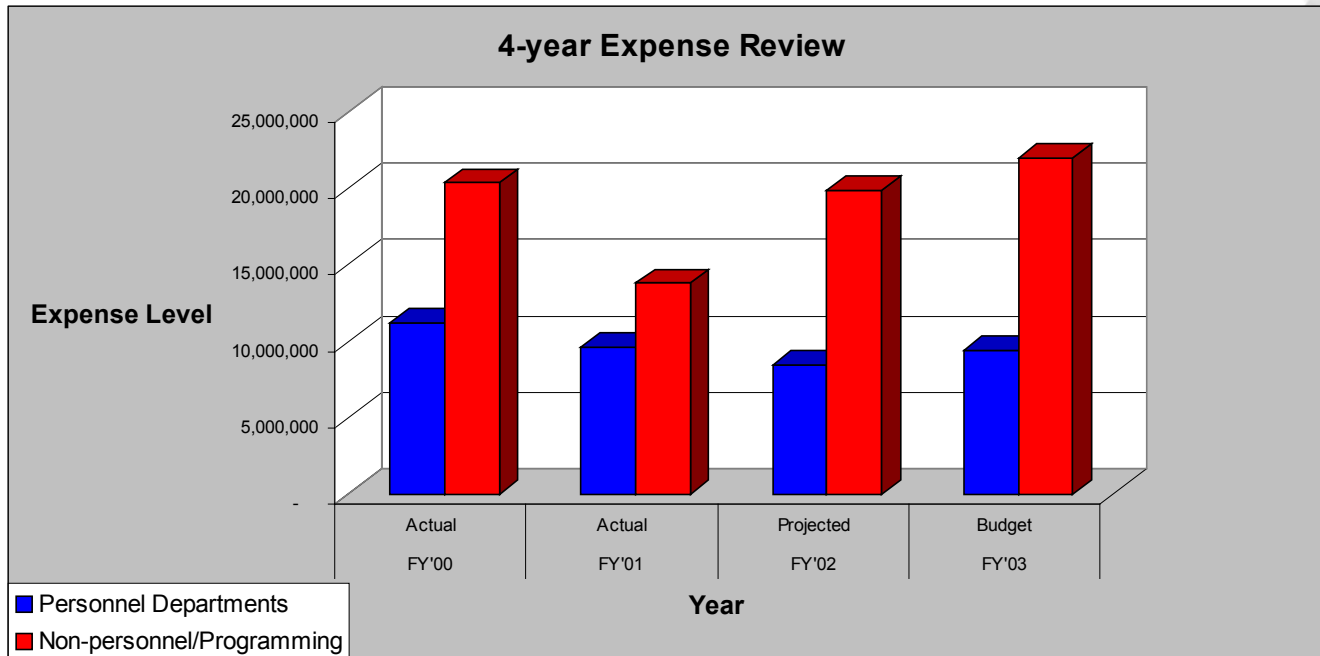
4-year Expense Summary

- Operating Framework

- Control Operating Expenses
- Challenge everyone
- How can we do things better?
- How can we execute better?
- Stay focused on "player programming" and facility development (NTC)

- Results

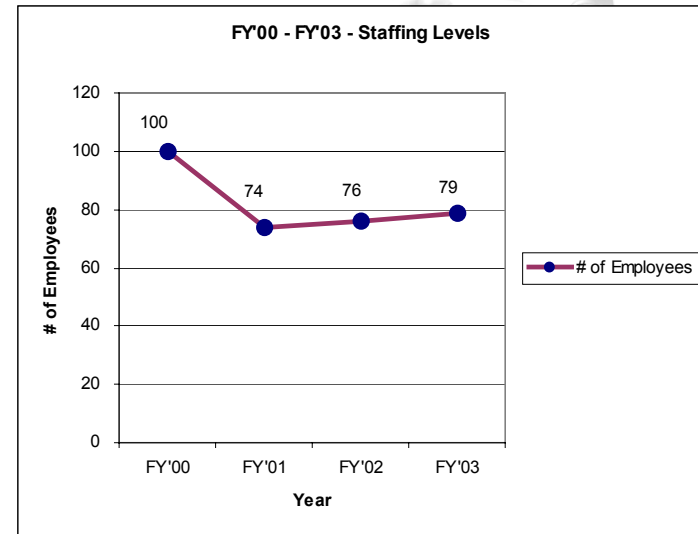
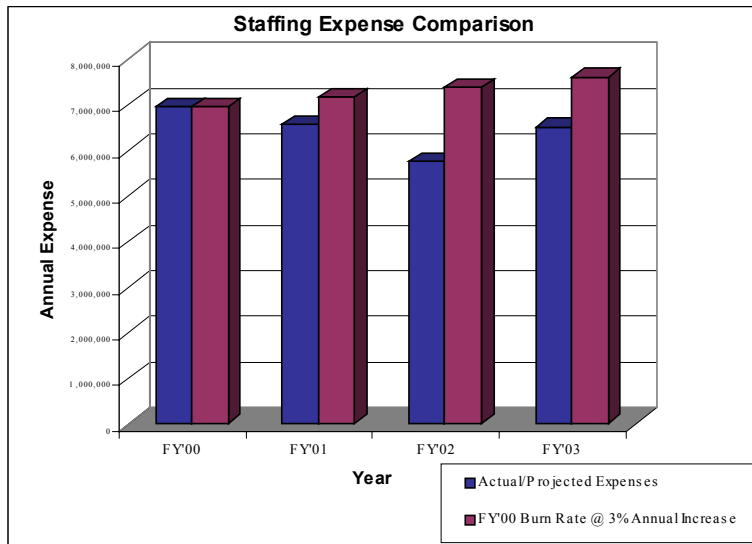
- Basic Operating Expenses have been reduced
- We now have a stable operating model
- We are meeting our goal of committing more dollars to player programming and facility development (NTC)





4-year Personnel Summary

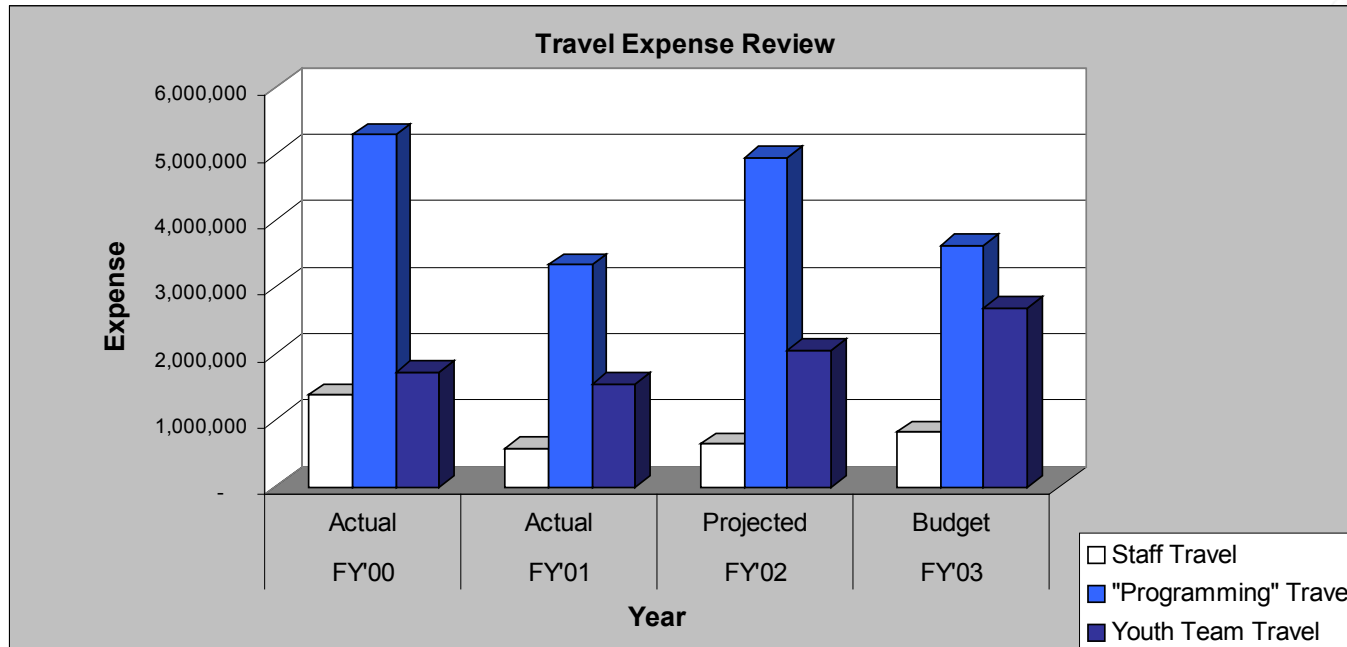
- Operating Framework
 - Eliminate organizational levels - be more efficient
 - Utilize technology to increase staff efficiency
 - Include NTC in all staffing plans
 - Commit to find new ways to service our teams
 - Less overhead = More programming
- Results
 - First wave of restructuring was essential to financial viability
 - We are more creative and technology driven as an organization
 - NTC Staffing plan is underway
 - Use a pooling concept (bring in administrators on a trip-by-trip basis)
 - Use existing resources when possible





4-year Travel Summary

- Operating Framework
 - Challenge all Staff Travel
 - Operate more efficiently
 - Increase youth team travel
 - Provide Senior National Teams with "technical" advantages when appropriate
- Results
 - We have significantly reduced staff travel expenses
 - We have increased youth team programming
 - When appropriate, we have been able to provide Charter flights for our National Teams
 - FY'02 Projection for Programming Travel reflects significant expenses for the Men's World Cup, which is reimbursed by FIFA





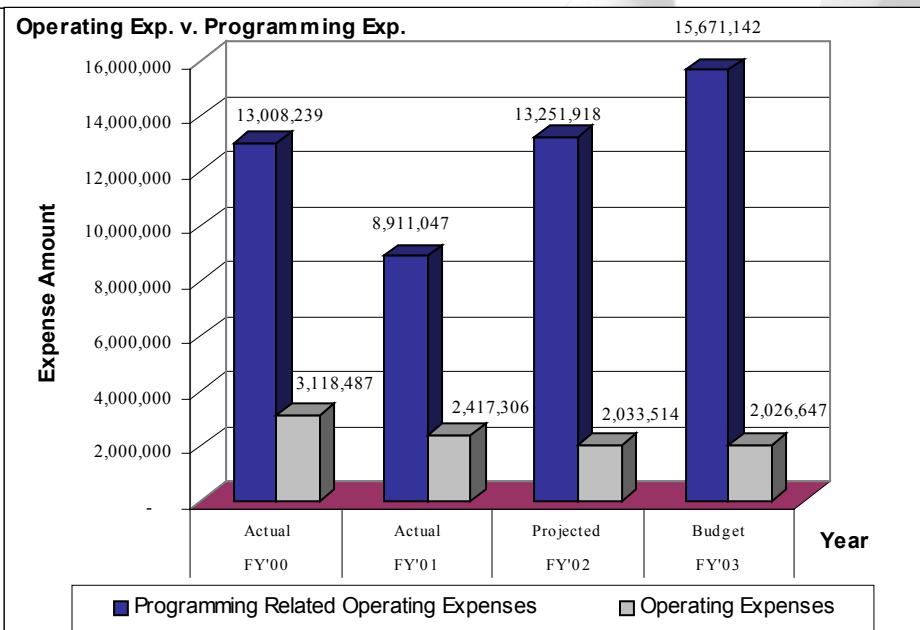
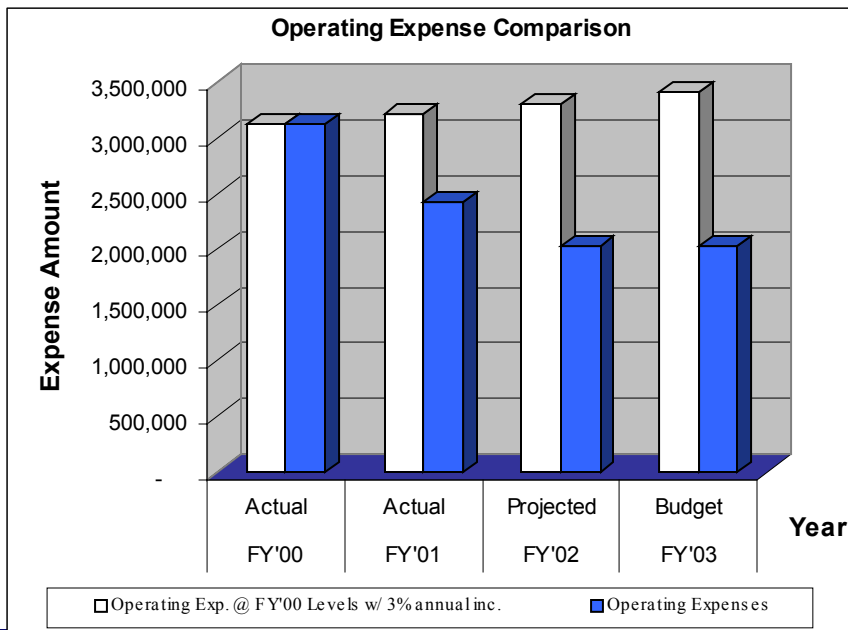
4-year Operating Expense Summary

• Operating Framework

- Continue to focus on ways to reduce operating expenses
- Increase player programming related investment
- Factor in NTC - Staffing, Operating Expenses, Revenue Potential

• Results

- We have a 3-year record of lower operating expenses
- We have increased youth team programming... within the framework of a balanced budget
- We have set a June-August 2003 timeframe for the launch of the NTC
- Lower operating expenses = more available dollars for player programming

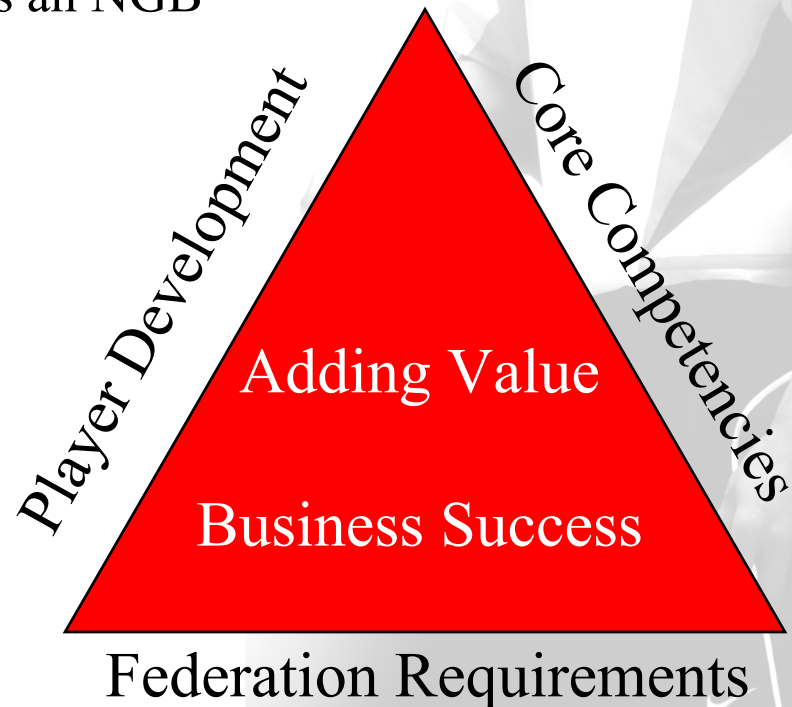




Review of Phases I and II

- Brief Overview

- Transitioned/Re-structured the organization
- Streamlined areas of operation
 - Requirements
 - What we must provide/operate as an NGB
 - Core Competencies
 - Major driver of our business
 - Restricted funding/Player Dev.
 - Critical area with protected levels of funding





Review of Phases I and II

- We challenged ourselves to focus on our collective future and asked...

Where do we want to be in 5 years?





Review of Phases I and II

Requirements
- Meet all "Requirements"
- Launch Federation Resource Center
- Referee – On-line registration
- Internet Development
- Communications Center Expansion
- Develop an Annual Report
- Coaching Schools – development of new Courses
- Add National Staff Coaches
- Review National Insurance Program
- Universal Player Card





Review of Phases I and II



Requirements	Core Competencies
- Meet all "Requirements"	- More Promotions/Point-of-Sale for NT Programs
- Launch Federation Resource Center	- Jersey Sponsorship – long-term commitment
- Referee – On-line registration	- Expansion of Project-40
- Internet Development	- Host FIFA World Championships
- Communications Center Expansion	- International Games growth
- Develop an Annual Report	- Open Cup development/expansion for Under-14 Age Group
- Coaching Schools – development of new Courses	
- Add National Staff Coaches	
- Review National Insurance Program	
- Universal Player Card	



Review of Phases I and II



Requirements	Core Competencies	Restricted Funds/Player Development
<ul style="list-style-type: none"> - Meet all "Requirements" - Launch Federation Resource Center - Referee – On-line registration - Internet Development - Communications Center Expansion - Develop an Annual Report - Coaching Schools – development of new Courses - Add National Staff Coaches - Review National Insurance Program - Universal Player Card 	<ul style="list-style-type: none"> - More Promotions/Point-of-Sale for NT Programs - Jersey Sponsorship – long-term commitment - Expansion of Project-40 - Host FIFA World Championships - International Games growth - Open Cup development/expansion for Under-14 Age Group 	<ul style="list-style-type: none"> - Implement Inclusive Player Development Program - National Training Center facility operational - Improve Scouting and Player Identification Network - Quantify and Meet targets for World Championship participation in all Youth age groups



5-year plan Status Report

- Requirements

Let's review our current status within the 5-year framework set in 2000

Requirements
- Meet all "Requirements" <i>Currently meeting all Requirements; Goal to increase responsiveness and creativity to meet Constituent needs</i>
- Launch Federation Resource Center <i>Launched Fall of 2001; continuing to expand informational offerings</i>
- Referee – On-line registration <i>Being studied to implement over time - offer Referee Database on-line to SRA's</i>
- Internet Development <i>Launched re-designed/re-engineered website with numerous new features inc. Matchtracker; Live Chats and On-line Polls</i>
- Communications Center Expansion <i>Center Circle "magazine"; World Cup Weekly; Referee, Coaching & Member features</i>
- Develop an Annual Report <i>Low member response, so we created member profiles for Communications Center</i>
- Coaching Schools – development of new Courses <i>Goalkeeper course is being studied; expanded ability of our partners to "teach teachers"</i>
- Add National Staff Coaches <i>Restructured our NSC's and created an inclusive National Team network to more effectively meet the needs of our members</i>
- Review National Insurance Program <i>Program was studied and at this point in time, we have not met the "number threshold" to create an appropriate pool size</i>
- Universal Player Card <i>Being reviewed</i>

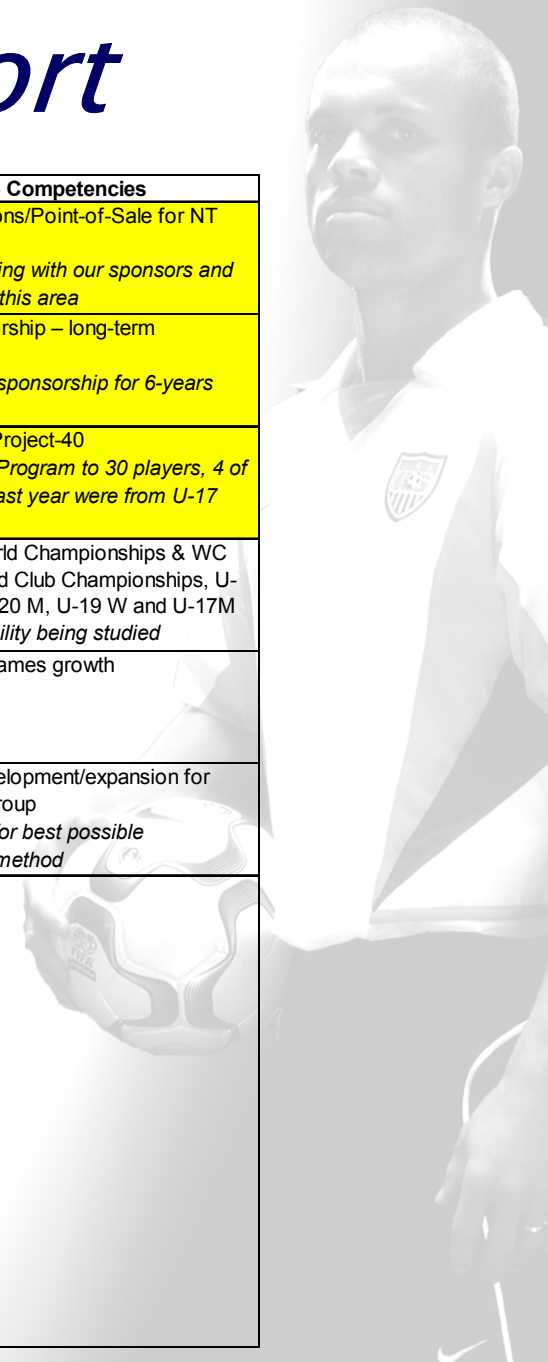




5-year plan Status Report

- Requirements and Core Competencies

Requirements	Core Competencies
<ul style="list-style-type: none"> - Meet all "Requirements" <i>Currently meeting all Requirements; Goal to increase responsiveness and creativity to meet Constituent needs</i> 	<ul style="list-style-type: none"> - More Promotions/Point-of-Sale for NT Programs <i>Continually working with our sponsors and partners to grow this area</i>
<ul style="list-style-type: none"> - Launch Federation Resource Center <i>Launched Fall of 2001; continuing to expand informational offerings</i> 	<ul style="list-style-type: none"> - Jersey Sponsorship – long-term commitment <i>Secured Philips sponsorship for 6-years</i>
<ul style="list-style-type: none"> - Referee – On-line registration <i>Being studied to implement over time - offer Referee Database on-line to SRA's</i> 	<ul style="list-style-type: none"> - Expansion of Project-40 <i>Expanded U-17 Program to 30 players, 4 of 6 signings this past year were from U-17 program</i>
<ul style="list-style-type: none"> - Internet Development <i>Launched re-designed/re-engineered website with numerous new features inc. Matchtracker; Live Chats and On-line Polls</i> 	<ul style="list-style-type: none"> - Host FIFA World Championships & WC Qualifying - World Club Championships, U-23 Qualifying, U-20 M, U-19 W and U-17M WCQ, <i>fiscal viability being studied</i>
<ul style="list-style-type: none"> - Communications Center Expansion <i>Center Circle "magazine"; World Cup Weekly; Referee, Coaching & Member features</i> 	<ul style="list-style-type: none"> - International Games growth
<ul style="list-style-type: none"> - Develop an Annual Report <i>Low member response, so we created member profiles for Communications Center</i> 	<ul style="list-style-type: none"> - Open Cup development/expansion for Under-14 Age Group <i>Being reviewed for best possible implementation method</i>
<ul style="list-style-type: none"> - Coaching Schools – development of new Courses <i>Goalkeeper course is being studied; expanded ability of our partners to "teach teachers"</i> 	
<ul style="list-style-type: none"> - Add National Staff Coaches <i>Restructured our NSC's and created an inclusive National Team network to more effectively meet the needs of our members</i> 	
<ul style="list-style-type: none"> - Review National Insurance Program <i>Program was studied and at this point in time, we have not met the "number threshold" to create an appropriate pool size</i> 	
<ul style="list-style-type: none"> - Universal Player Card <i>Being reviewed</i> 	





5-year plan Status Report

- Requirements, Core Competencies and Player Development

<ul style="list-style-type: none"> - Meet all "Requirements" <i>Currently meeting all Requirements; Goal to increase responsiveness and creativity to meet Constituent needs</i> 	<ul style="list-style-type: none"> - More Promotions/Point-of-Sale for NT Programs <i>Continually working with our sponsors and partners to grow this area</i> 	<ul style="list-style-type: none"> - Implement Inclusive Player Development Program <i>Created and implemented National Team Network</i>
<ul style="list-style-type: none"> - Launch Federation Resource Center <i>Launched Fall of 2001; continuing to expand informational offerings</i> 	<ul style="list-style-type: none"> - Jersey Sponsorship – long-term commitment <i>Secured Philips sponsorship for 6-years</i> 	<ul style="list-style-type: none"> - National Training Center facility operational <i>Groundbreaking took place February 26, 2002</i>
<ul style="list-style-type: none"> - Referee – On-line registration <i>Being studied to implement over time - offer Referee Database on-line to SRA's</i> 	<ul style="list-style-type: none"> - Expansion of Project-40 <i>Expanded U-17 Program to 30 players, 4 of 6 signings this past year were from U-17 program</i> 	<ul style="list-style-type: none"> - Improve Scouting and Player Identification Network <i>Created and implemented National Team Network</i>
<ul style="list-style-type: none"> - Internet Development <i>Launched re-designed/re-engineered website with numerous new features inc. Matchtracker; Live Chats and On-line Polls</i> 	<ul style="list-style-type: none"> - Host FIFA World Championships & WC Qualifying - World Club Championships, U-23 Qualifying, U-20 M, U-19 W and U-17M WCQ, <i>fiscal viability being studied</i> 	<ul style="list-style-type: none"> - Quantify and Meet targets for World Championship participation in all Youth age groups <i>Qualified for all Youth World Championships</i>
<ul style="list-style-type: none"> - Communications Center Expansion <i>Center Circle "magazine"; World Cup Weekly; Referee, Coaching & Member features</i> 	<ul style="list-style-type: none"> - International Games growth 	
<ul style="list-style-type: none"> - Develop an Annual Report <i>Low member response, so we created member profiles for Communications Center</i> 	<ul style="list-style-type: none"> - Open Cup development/expansion for Under-14 Age Group <i>Being reviewed for best possible implementation method</i> 	
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<ul style="list-style-type: none"> - Universal Player Card <i>Being reviewed</i> 		



Summary

- We are committed to track our 5-year plan as originally presented
- We will add a “departmental framework” within Phase III of the Business Plan in order to provide a greater level of organizational detail





FY'02 Financial Projection

- FY'02 is projected to be completed in a surplus position of \$5,576,096
- This number needs to be carefully analyzed so everyone understands why we are so favorable
 - Requirements – (\$45,109)
 - Events – \$3,576,768
 - Player Development – \$588,621





Requirements

- Unfavorable variances
 - Registration fees and Int. Game fees
- Favorable Variances
 - Coaching Dept. and Membership Services
- Overall unfavorable variance of (\$45,109)

Source and Use of Funds

	A			B			C			D			E			F			G		
	FY'02 Budgeted			FY'02 Projection			Bud v. Proj														
	Revenue	Expense	Profit/(Loss)	Revenue	Expense	Profit/(Loss)	Revenue	Expense	Profit/(Loss)	Revenue	Expense	Profit/(Loss)	Revenue	Expense	Profit/(Loss)	Revenue	Expense	Profit/(Loss)	Variance		
Federation Requirements																					
Registration	5,102,037	-	5,102,037	4,929,079	-	4,929,079	4,929,079	-	4,929,079										(172,958)		
International Game Approval/Clearance	1,227,289	-	1,227,289	812,289	-	812,289	812,289	-	812,289											(415,000)	
Public Relations	5,500	-	5,500	4,731	-	4,731	4,731	-	4,731											(769)	
Miscellaneous	48,600	-	48,600	42,083	-	42,083	42,083	-	42,083											(6,517)	
Sales/Mdse & Publications	-	-	-	-	-	-	-	-	-											-	
Membership Services	41,000	350,881	(309,881)	143,812	272,095	(128,283)	143,812	272,095	(128,283)											181,598	
Annual General Meeting	65,000	315,280	(250,280)	60,000	317,335	(257,335)	60,000	317,335	(257,335)											(7,055)	
General and Administrative	-	4,167,638	(4,167,638)	-	4,108,242	(4,108,242)	-	4,108,242	(4,108,242)											59,396	
BOD	-	137,157	(137,157)	-	157,602	(157,602)	-	157,602	(157,602)											(20,445)	
Committees, Elected Officials and Special Mtgs.	-	290,035	(290,035)	-	234,348	(234,348)	-	234,348	(234,348)											55,687	
Coaching Programs	1,463,400	2,286,363	(822,963)	1,175,763	1,662,295	(486,532)	1,175,763	1,662,295	(486,532)											336,431	
Referee Program	1,856,277	1,626,462	229,815	1,722,575	1,548,238	174,337	1,722,575	1,548,238	174,337											(55,478)	
Total	9,809,102	9,173,816	635,286	8,890,332	8,300,155	590,177	8,890,332	8,300,155	590,177											(45,109)	



Events

- Exceeded performance due to Men's National Team Friendly matches
- Reduced # of WNT games resulted in lower than projected losses
- Overall favorable variance of \$3,576,768

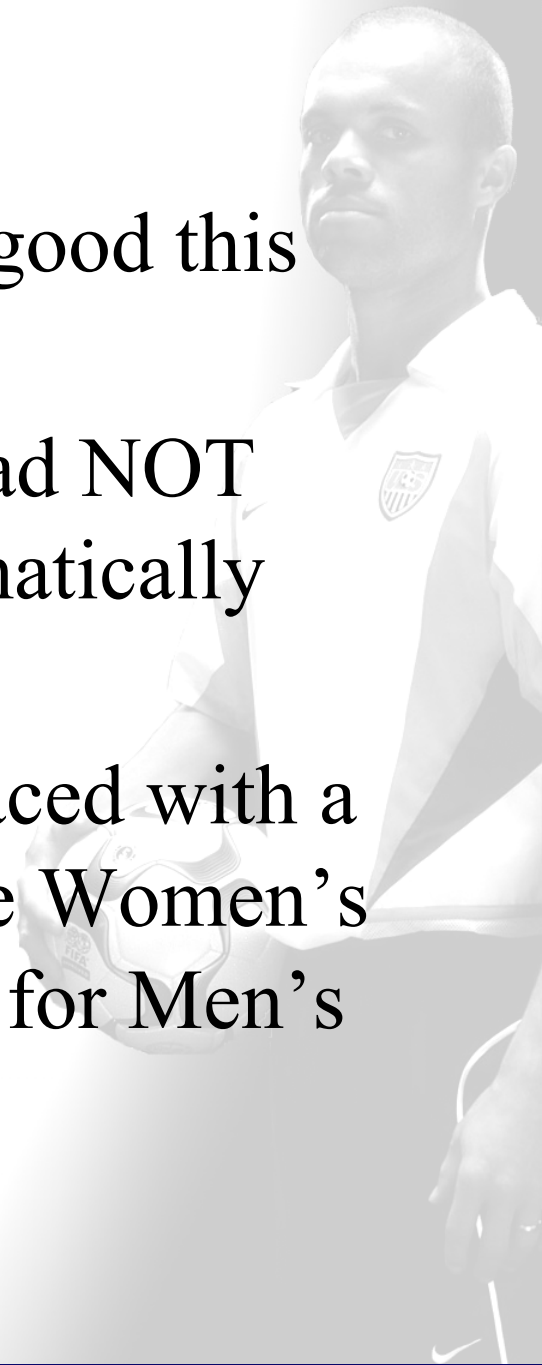
Source and Use of Funds

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Operating Priorities/Core Competencies																					
National Teams and Events																					
MNT Events	3,317,000	4,517,970	(1,200,970)	5,213,410	4,172,046	1,041,364	2,242,334														
US Cup	1,914,000	2,057,851	(143,851)	-	-	-	143,851														
WNT Events	2,578,640	4,184,441	(1,605,801)	818,417	1,917,227	(1,098,810)	506,991														
Open Cup	403,800	728,038	(324,238)	282,249	646,014	(363,765)	(39,527)														
World Cup	6,078,158	6,085,302	(7,144)	6,229,100	6,016,556	212,544	219,688														
Women's World Cup	-	-	-	-	-	-	-														
National Teams Administration	-	2,352,056	(2,352,056)	-	2,144,855	(2,144,855)	207,201														
Event Management	-	471,753	(471,753)	-	304,140	(304,140)	167,613														
Grants & Contributions - USOC, FIFA, Misc.	1,110,830	-	1,110,830	1,235,830	-	1,235,830	125,000														
Olympic Qualifying Tournament	-	50,000	(50,000)	-	-	-	50,000														
Total	15,402,428	20,447,411	(5,044,983)	13,779,006	15,200,838	(1,421,832)	3,623,151														
Marketing/Marketing Support																					
Marketing, Sponsorship and Broadcast	6,183,333	678,304	5,505,029	6,021,139	562,493	5,458,646	(46,383)														
Total	21,585,761	21,125,715	460,046	19,800,145	15,763,331	4,036,814	3,576,768														



Events

- While performance has been very good this year, events are extremely risky
- For example, if the Men's Team had NOT qualified, attendance changes dramatically for the friendly matches
- Looking ahead to FY'03, we are faced with a World Cup preparation year for the Women's National Team and a "down-year" for Men's National Team





Player Development

- Overall favorable to budget by \$588,621
- Major factors
 - Increased USOC funding
 - Efficient operations
- However, more programming was completed in FY'02



Source and Use of Funds

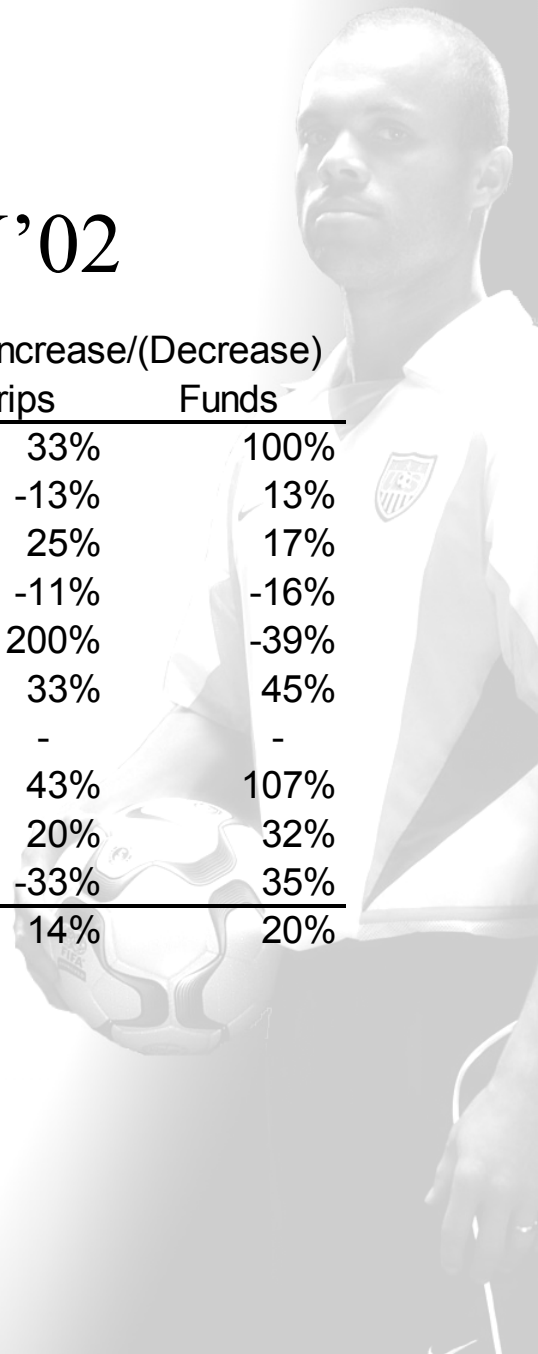
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Restricted Areas of Operations - Player Development																					
Designated Sponsorship Revenue	3,358,333	-	3,358,333	3,358,333	-	3,358,333	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Designated Revenue	-	-	-	490,453	-	490,453	-	-	-	-	-	-	-	-	-	-	-	-	-	490,453	
National Training Center Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Youth Qualifying Tournament	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Player Development Expense	-	3,131,399	(3,131,399)	-	3,033,231	(3,033,231)	-	3,033,231	(3,033,231)	-	3,033,231	(3,033,231)	-	3,033,231	(3,033,231)	-	3,033,231	(3,033,231)	-	98,168	
Total	3,358,333	3,131,399	226,934	3,848,786	3,033,231	815,555	3,848,786	3,033,231	815,555	3,848,786	3,033,231	815,555	3,848,786	3,033,231	815,555	3,848,786	3,033,231	815,555	3,848,786	3,033,231	588,621



Player Development

- Programming Chart – FY'01 v. FY'02

Team	FY'01		FY'02		% Increase/(Decrease)	
	# Trips	Proj. Exp.	# Trips	Proj. Exp.	Trips	Funds
U-16 Boys	3	77,500	4	155,202	33%	100%
U-17 Men	8	498,524	7	561,727	-13%	13%
U-18 Men	4	124,888	5	145,547	25%	17%
U-20 Men	9	327,854	8	275,885	-11%	-16%
U-23 Men	1	278,458	3	170,246	200%	-39%
U-16 Girls	3	112,494	4	162,994	33%	45%
U-17 Women	-	-	-	-	-	-
U-19 Women	7	204,790	10	423,420	43%	107%
U-21 Women	5	177,138	6	233,010	20%	32%
U-14 Program	3	177,289	2	239,552	-33%	35%
	43	1,978,935	49	2,367,583	14%	20%





FY'02 Year-end Summary

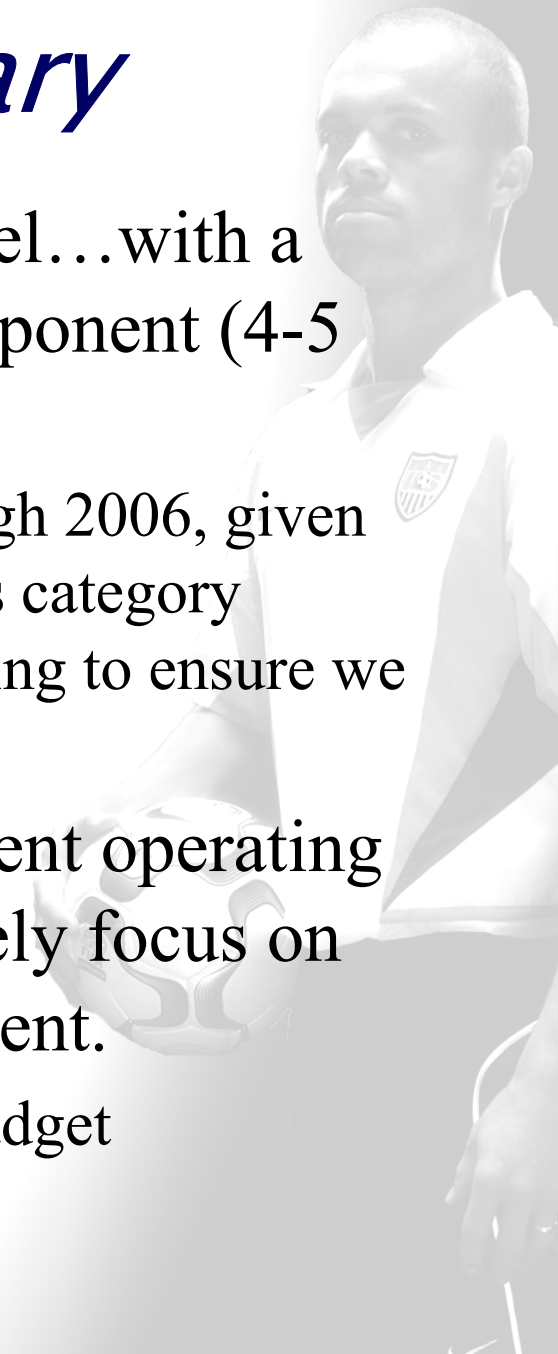
- Let's frame the projected year-end discussion:
 - 1) The Fee Increase provided a platform for us to deliver our Requirements as an NGB...without taking dollars from Player Development
 - 2) We have a “potentials” list and Budget Committee input that could impact our planning/performance
 - Additional World Cup 2002 needs
 - LA Coliseum lawsuit
 - NTC Start-up in 2002
 - WWC'03 and “down year” year for MNT
 - Development of Operating Contingency funds (Budget Committee recommendation)





FY'02 Year-end Summary

- 3) Our goal is a solid operating model...with a sustainable player development component (4-5 year commitment).
 - While our current apparel deal is through 2006, given the substantial level of funding that this category provides, we are now “scenario” planning to ensure we have sustainable programming
- 4) We are comfortable with our current operating model and will now more aggressively focus on our commitment to player development.
 - First phase is included in the FY'03 Budget





Phase III

- We will maintain the operating and budget framework that was created:
 - Requirements, Core Competencies, Rest. Funding
 - Minimum, Base and Supplemental funding
- However, we will...
 - Outline updated Operating Principles
 - Develop a more “Departmental” approach to our 5-year planning framework
 - Introduce a tighter timeframe to measure our results/progress
 - Look at two timeframes – up to 2004 & after 2004





Operating Priorities

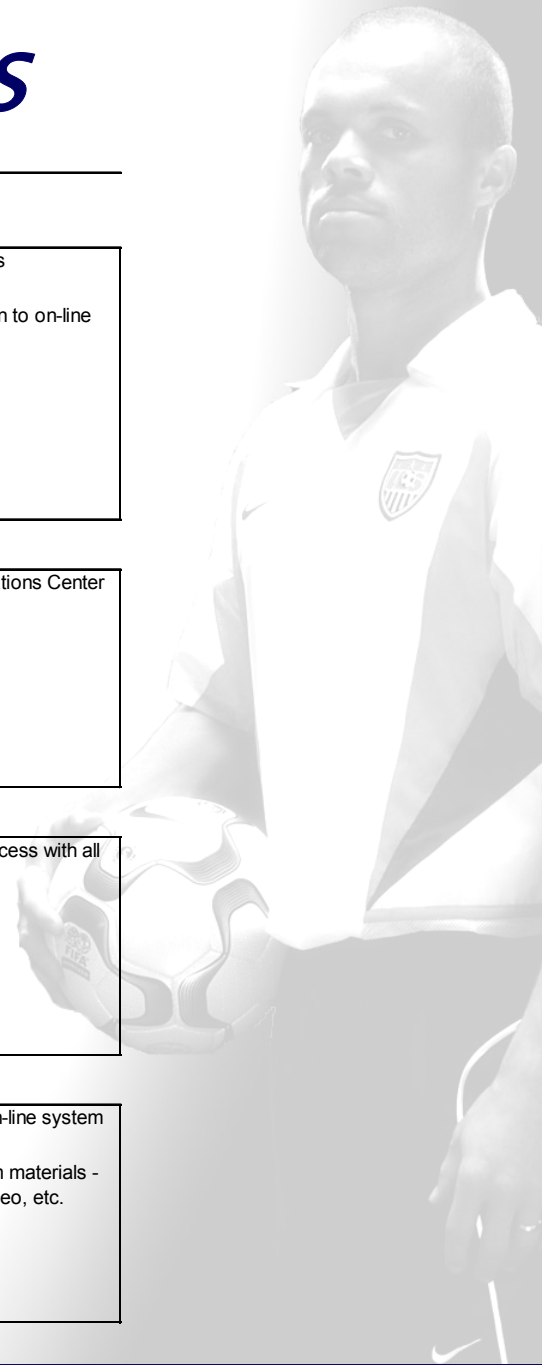
- To complement our Operating Values, we created more broad based Operating Priorities
- Operating Values
 - *Provide service attitude and value to our partners/members*
 - *Technical & Educational leader*
 - *Events leader*
 - *Fiscally responsible*
 - *Technologically progressive and innovative*
 - *Credibility, Accountability and Responsibility*
- Operating Priorities
 - *Create Urgency in everything we do*
 - *Be inclusive*
 - *Respect the culture of our organization*
 - *Make everything transparent*
 - *Lead, but don't necessarily control*





Phase III – Requirements

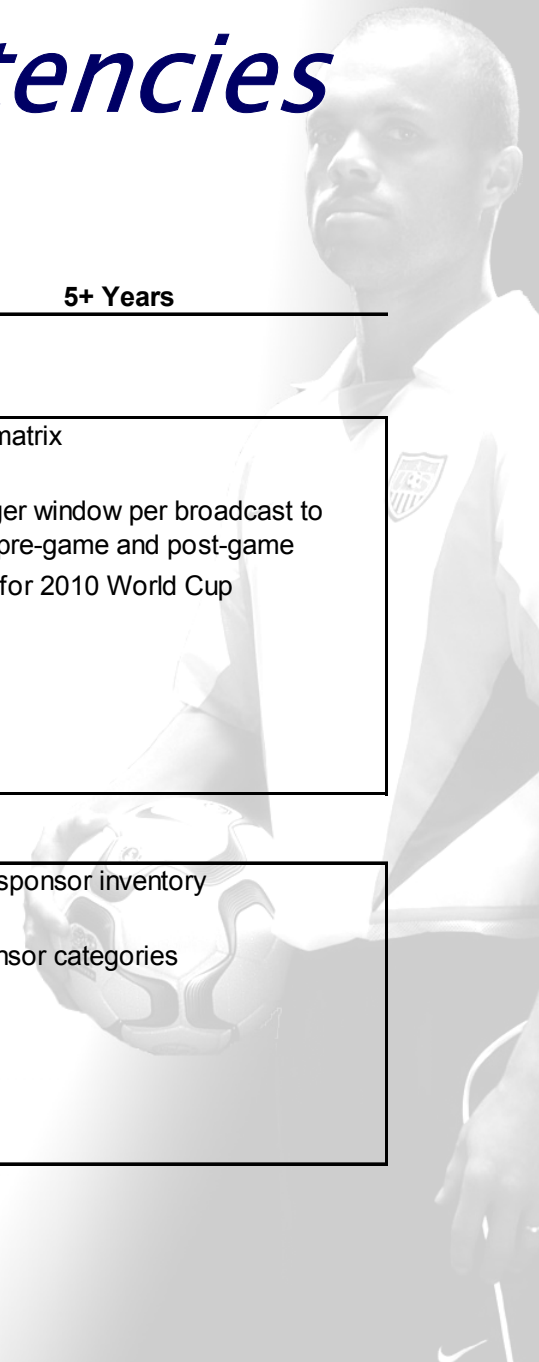
Now	2-3 Years	5+ Years
Requirements		
Membership Services		
Meet all "Requirements"	Continue to meet Requirements	Continue to meet Requirements
Launch Federation Resource Center	AGM Registration/Payment - On-line	Movement of player registration to on-line functionality
Publish Membership Directory/move to website	Movement of all meeting planning on-line	
Volunteer Recognition Program		
Increased communication process for Player Development		
Communications		
Continue to develop Communications Center	Serve members through expanding MatchTracker	Next generation of Communications Center
Increase coverage of Youth Teams and continue to tie-into Youth Players	Increase offerings of ussoccerfan.com	
E-mail list development		
World Cup 2002 and 2003		
Referee Department		
Improve registration process	Move to on-line registration	Fully integrated registration process with all states
Continue to improve National Certification	Add each registered referee to e-mail list	
Expand educational offerings on video/website	Maximize teaching opportunities at National Training Center	
Referee Products for sale on-line		
Coaching Department		
Continue to improve operations at Schools	Introduce Goalkeeping Course	Take registration process to on-line system
Review of Coaching Club and increase value to members	Increase membership in Coaching Club	Refine distribution of curriculum materials - through website - streaming video, etc.
Increase CEU offerings through National Team tie-in events	Continue to refine curriculum	
National Coaching Symposium	Maximize opportunities at National Training Center	





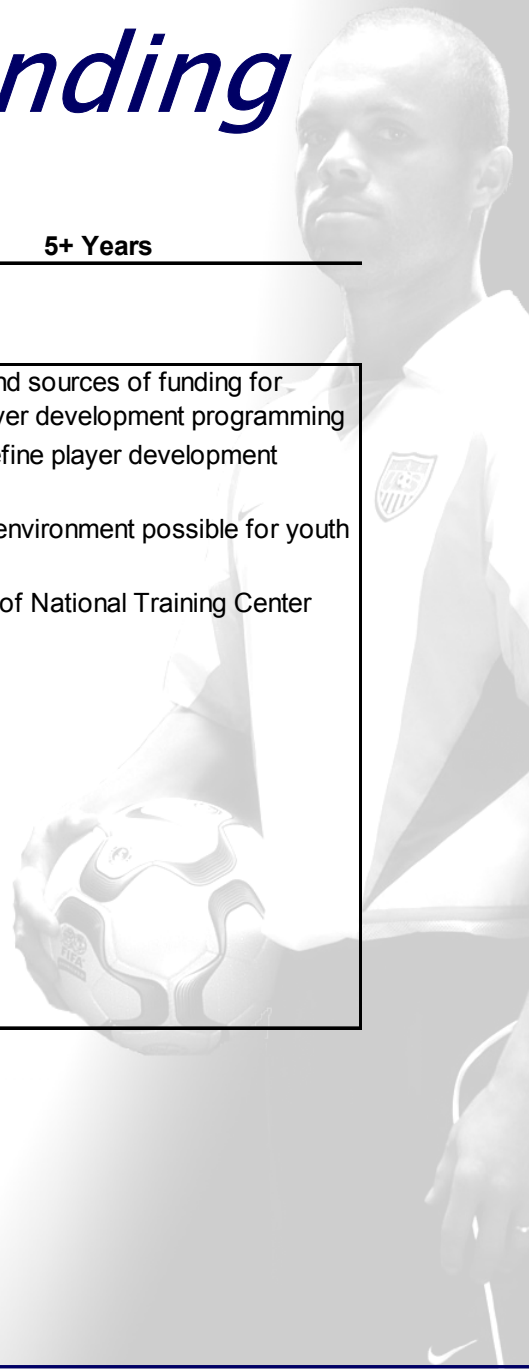
Phase III – Core Competencies

Now	2-3 Years	5+ Years
Core Competencies		
Events		
<p>Refine Game Model</p> <p>Maximize revenue</p> <p>Prepare for Women's National Team - Road to China</p> <p>Refine on-site operations/presentation - signboards, etc.</p> <p>Database development at games</p>	<p>Introduce Premium Seating at matches</p> <p>Innovation with television production</p> <p>Incorporate FIFA World Calendar</p> <p>World Cup 2006 Qualifying Venue Selection and Negotiation</p>	<p>Scheduling matrix</p> <p>Move to larger window per broadcast to incorporate pre-game and post-game</p> <p>Prepare bid for 2010 World Cup</p>
Marketing		
<p>Incorporate Telemundo into sponsorship package</p> <p>Continue to over-deliver to sponsors</p> <p>Increase local event sponsorship opportunities</p> <p>Begin Target retail program</p>	<p>Increase promotional opportunities with Sponsors</p> <p>Build on current sponsorship model and continue to refine sponsor services</p> <p>Expand Target retail program</p> <p>Target Referee Shirt Sponsorship</p>	<p>Create new sponsor inventory</p> <p>Expand sponsor categories</p>





Phase III – Restricted Funding



Now	2-3 Years	5+ Years
Restricted Funding		
Youth National Teams		
<p>Increase U-17 Residency</p> <p>Increase overall programming for all Youth National Teams</p> <p>Add U-17 Women's National Team</p> <p>Continue to manage an inclusive National Team network</p> <p>Prepare quadrennial budgets</p> <p>Refine Project-40 to include a five-year outlook</p> <p>Maximize NT Network members to allow for increased player identification</p> <p>Increase programming for U-19 Women due to first ever U-19 World Championship</p> <p>Planning to host Youth Qualifying Tournaments</p>	<p>Integrate National Training Center to increase programming</p> <p>Updated Project-40 programming</p> <p>Continue to integrate players from "outside" the current system</p> <p>Continue to prepare for Youth World Championships</p> <p>Increase use of on-line applications for NT administration</p> <p>Work with USOC for 4-year funding of programs</p>	<p>Continue to find sources of funding for increased player development programming</p> <p>Continue to refine player development efforts</p> <p>Provide best environment possible for youth players</p> <p>Maximize use of National Training Center</p>



Phase III

- After outlining our operating priorities and objectives, we then review our budgetary framework to ensure financial stability





FY'03 Budget

- Key drivers for FY'03
 - Maintain/increase our efforts within Federation Requirements area
 - Increased Women's National Team activity
 - Men's National Team “down” year
 - Increased player development programming





FY'03 Budget

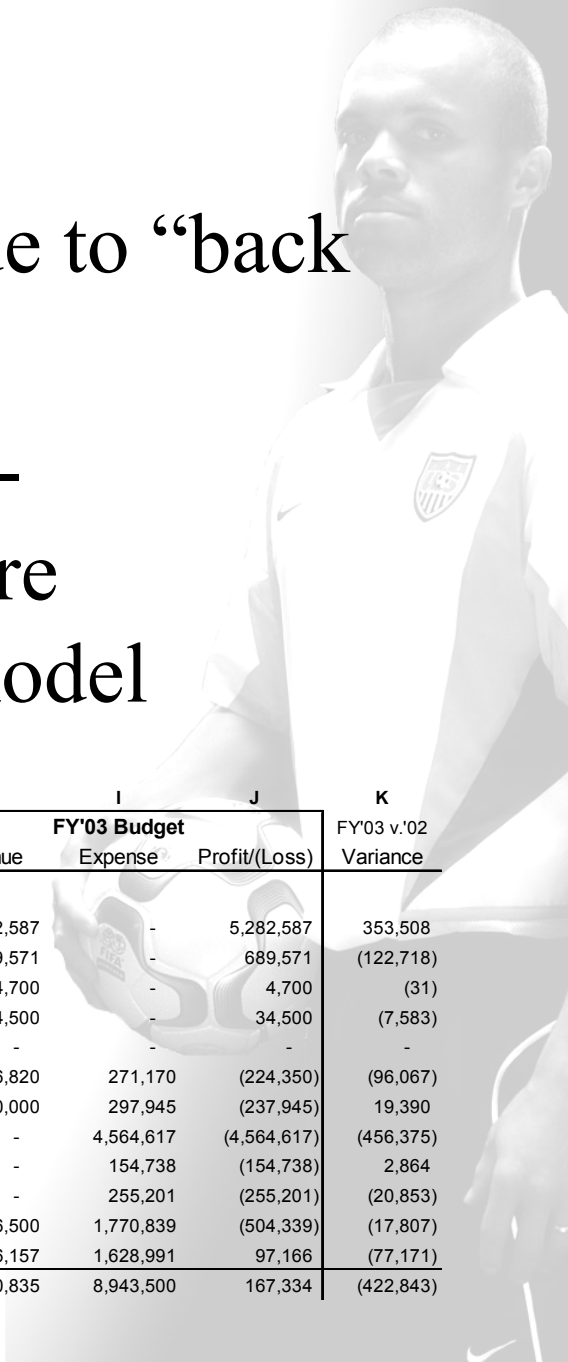
	FY'02 Projected	FY'03 Budget	FY'03 v. 02 Variance
Revenue			
Registration	4,929,079	5,282,587	353,508
Sponsorship	9,379,472	10,332,638	953,166
NT, NT Games and Int. Games	13,355,465	10,359,871	(2,995,594)
Referee and Coaching	2,898,338	2,992,657	94,319
Services	203,812	106,820	(96,992)
Other Designated Revenue	490,453	868,581	378,128
Other Revenue	1,282,644	439,200	(843,444)
Total Revenue	32,539,263	30,382,354	(2,156,909)
Expenses			
Committees, BOD and AGM	709,285	707,884	1,401
General & Administrative	4,108,242	4,564,617	(456,375)
NT, NT Games and Int. Games	15,200,838	16,694,412	(1,493,574)
Player Development	3,033,231	4,076,327	(1,043,096)
National Training Center Operations	-	213,049	(213,049)
Referee	1,548,238	1,628,991	(80,753)
Coaching	1,662,295	1,770,839	(108,544)
Services	272,095	271,170	925
Marketing, Sponsorship and Broadcasting	562,493	119,735	442,758
Total Expenses	27,096,717	30,047,023	(2,950,306)
Surplus/(Deficit)	5,442,546	335,332	(5,107,214)
Non-Operating, Non-Cash Summary			
REVENUE			
Interest/Investment Income	321,050	373,483	52,433
Designated Revenue-Fdn Grant	-	-	-
Nike Equipment Allotment	1,000,000	1,083,333	83,333
	1,321,050	1,456,816	135,766
EXPENSES			
Capital Expenditures	40,000	40,000	-
Depreciation	147,500	150,000	(2,500)
Year End Adjustments	-	-	-
Nike Equipment Allotment	1,000,000	1,083,333	83,333
	1,187,500	1,273,333	80,833
Surplus/(Deficit)- Non-Operating	133,550	183,483	216,599
Surplus /(Deficit) - All Inclusive	5,576,096	518,815	(4,890,615)





Requirements

- Registration revenue increased due to “back payment” of FY’02 fees
- G&A expense increased due to re-classification of employees to more accurately reflect our operating model

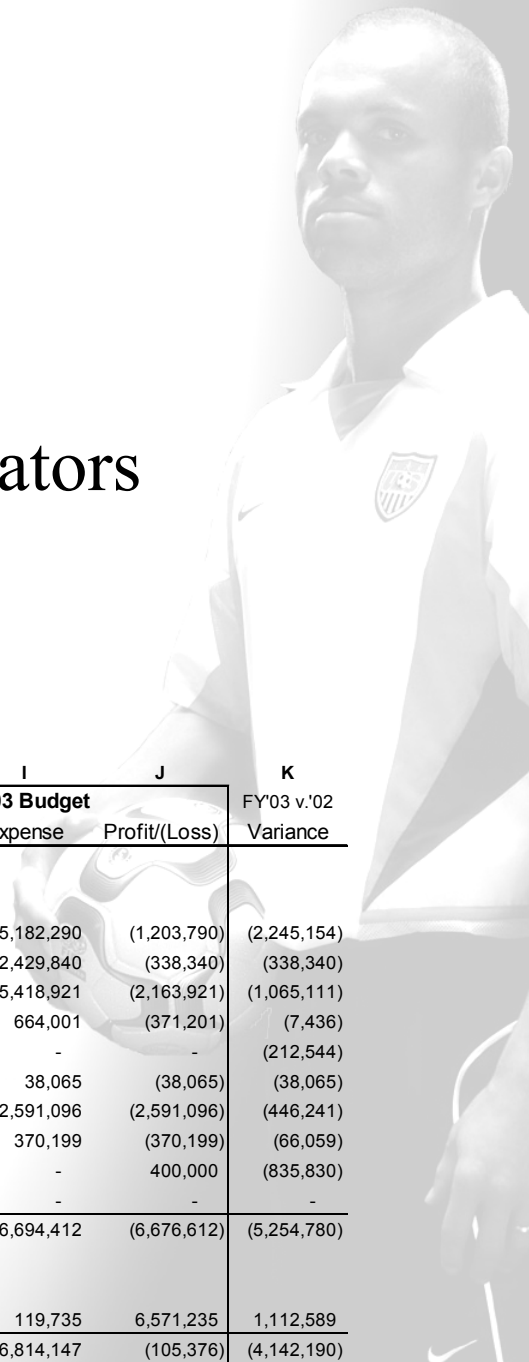


3 Source and Use of Funds	D	E	F	G	H	I	J	K
4	FY'02 Projection			Bud v. Proj	FY'03 Budget			FY'03 v.'02
5	Revenue	Expense	Profit/(Loss)	Variance	Revenue	Expense	Profit/(Loss)	Variance
6 Federation Requirements								
7 Registration	4,929,079	-	4,929,079	(172,958)	5,282,587	-	5,282,587	353,508
8 International Game Approval/Clearance	812,289	-	812,289	(415,000)	689,571	-	689,571	(122,718)
9 Public Relations	4,731	-	4,731	(769)	4,700	-	4,700	(31)
10 Miscellaneous	42,083	-	42,083	(6,517)	34,500	-	34,500	(7,583)
11 Sales/Mdse & Publications	-	-	-	-	-	-	-	-
12 Membership Services	143,812	272,095	(128,283)	181,598	46,820	271,170	(224,350)	(96,067)
13 Annual General Meeting	60,000	317,335	(257,335)	(7,055)	60,000	297,945	(237,945)	19,390
14 General and Administrative	-	4,108,242	(4,108,242)	59,396	-	4,564,617	(4,564,617)	(456,375)
15 BOD	-	157,602	(157,602)	(20,445)	-	154,738	(154,738)	2,864
16 Committees, Elected Officials and Special Mtgs.	-	234,348	(234,348)	55,687	-	255,201	(255,201)	(20,853)
17 Coaching Programs	1,175,763	1,662,295	(486,532)	336,431	1,266,500	1,770,839	(504,339)	(17,807)
18 Referee Program	1,722,575	1,548,238	174,337	(55,478)	1,726,157	1,628,991	97,166	(77,171)
19 Total	8,890,332	8,300,155	590,177	(45,109)	9,110,835	8,943,500	167,334	(422,843)



Core Competencies

- Increased programming for WNT
 - More games
 - More Staff - Coaches and Administrators
- “Down” year for MNT



3	Source and Use of Funds	D	E	F	G	H	I	J	K
4		FY'02 Projection			Bud v. Proj	FY'03 Budget			FY'03 v.'02
5		Revenue	Expense	Profit/(Loss)	Variance	Revenue	Expense	Profit/(Loss)	Variance
21	Operating Priorities/Core Competencies								
22	National Teams and Events								
23	MNT Events	5,213,410	4,172,046	1,041,364	2,242,334	3,978,500	5,182,290	(1,203,790)	(2,245,154)
24	US Cup	-	-	-	143,851	2,091,500	2,429,840	(338,340)	(338,340)
25	WNT Events	818,417	1,917,227	(1,098,810)	506,991	3,255,000	5,418,921	(2,163,921)	(1,065,111)
26	Open Cup	282,249	646,014	(363,765)	(39,527)	292,800	664,001	(371,201)	(7,436)
27	World Cup	6,229,100	6,016,556	212,544	219,688	-	-	-	(212,544)
28	Women's World Cup	-	-	-	-	-	38,065	(38,065)	(38,065)
29	National Teams Administration	-	2,144,855	(2,144,855)	207,201	-	2,591,096	(2,591,096)	(446,241)
30	Event Management	-	304,140	(304,140)	167,613	-	370,199	(370,199)	(66,059)
31	Grants & Contributions - USOC, FIFA, Misc.	1,235,830	-	1,235,830	125,000	400,000	-	400,000	(835,830)
32	Olympic Qualifying Tournament	-	-	-	50,000	-	-	-	-
33	Total	13,779,006	15,200,838	(1,421,832)	3,623,151	10,017,800	16,694,412	(6,676,612)	(5,254,780)
34									
35	Marketing/Marketing Support								
36	Marketing, Sponsorship and Broadcast	6,021,139	562,493	5,458,646	(46,383)	6,690,970	119,735	6,571,235	1,112,589
37	Total	19,800,145	15,763,331	4,036,814	3,576,768	16,708,770	16,814,147	(105,376)	(4,142,190)



Player Development

- Increased programming (see trip chart below)

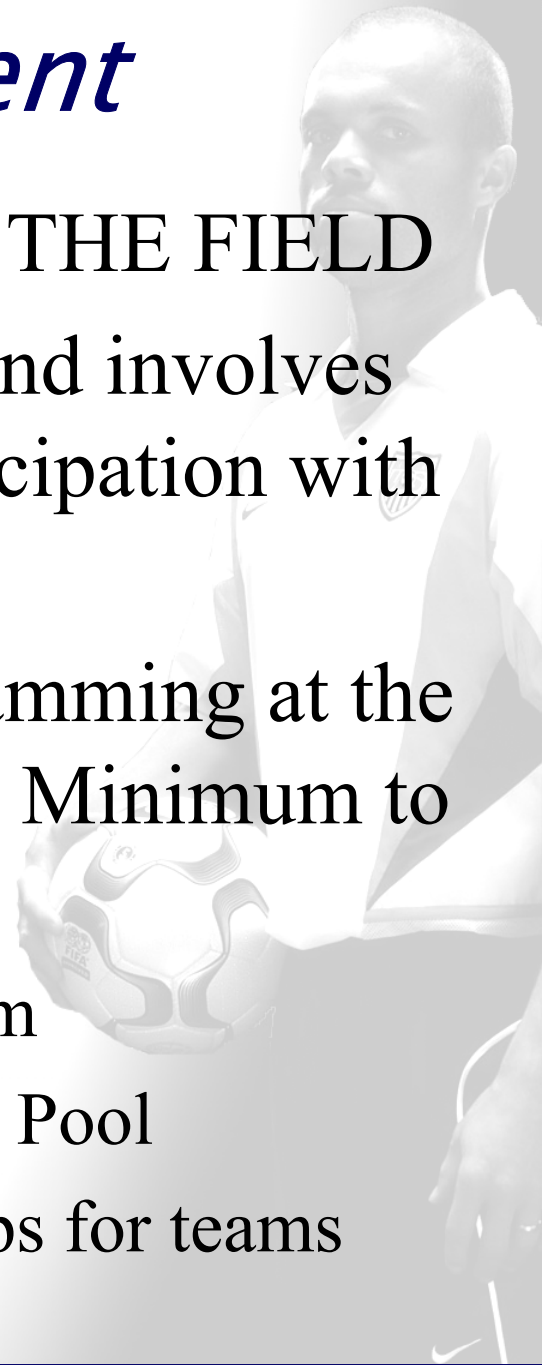
Team	FY'01		FY'02		FY'03		FY'03 v. FY'02		% Increase/(Decrease)	
	# Trips	Proj. Exp.	# Trips	Proj. Exp.	# Trips	Budgeted	# Trips	Inc./(Dec.)	Trips	Funds
U-16 Boys	3	77,500	4	155,202	6	239,341	2	84,139	50%	54%
U-17 Men	8	498,524	7	561,727	10	854,704	3	292,977	43%	52%
U-18 Men	4	124,888	5	145,547	5	160,289	-	14,742	0%	10%
U-20 Men	9	327,854	8	275,885	7	335,377	(1)	59,492	-13%	22%
U-23 Men	1	278,458	3	170,246	6	269,735	3	99,489	100%	58%
U-16 Girls	3	112,494	4	162,994	6	227,757	2	64,763	50%	40%
U-17 Women	-	-	-	-	6	202,336	6	202,336	-	-
U-19 Women	7	204,790	10	423,420	8	287,420	(2)	(136,000)	-20%	-32%
U-21 Women	5	177,138	6	233,010	8	298,071	2	65,061	33%	28%
U-14 Program	3	177,289	2	239,552	2	252,108	-	12,556	0%	5%
	43	1,978,935	49	2,367,583	64	3,127,138	15	759,555	31%	32%

Restricted Areas of Operations - Player Development	FY'02 Projection			Bud v. Proj Variance	FY'03 Budget			FY'03 v.'02 Variance
	Revenue	Expense	Profit/(Loss)		Revenue	Expense	Profit/(Loss)	
Designated Sponsorship Revenue	3,358,333	-	3,358,333	-	3,641,668	-	3,641,668	283,335
Other Designated Revenue	490,453	-	490,453	490,453	868,581	-	868,581	378,128
National Training Center Operations	-	-	-	-	-	213,049	(213,049)	(213,049)
Youth Qualifying Tournament	-	-	-	-	52,500	174,786	(122,286)	(122,286)
Player Development Expense	-	3,033,231	(3,033,231)	98,168	-	3,901,541	(3,901,541)	(868,310)
Total	3,848,786	3,033,231	815,555	588,621	4,562,749	4,289,376	273,374	(542,181)



FY'03 Player Development

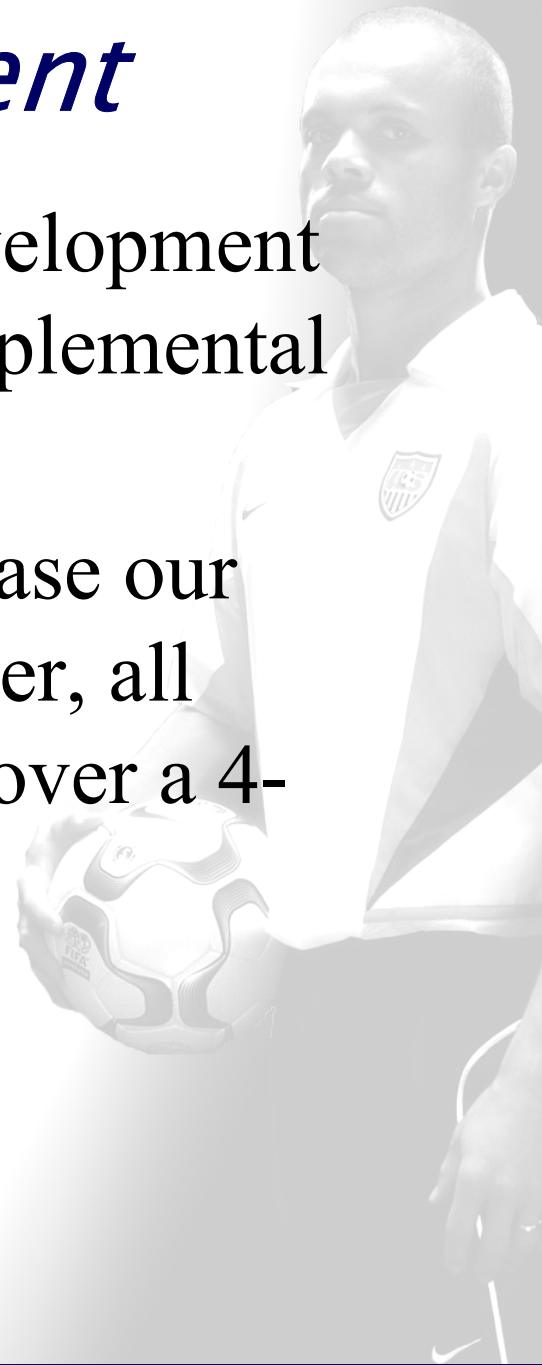
- Our overall goal is to improve ON THE FIELD
- Process continues to be inclusive and involves greater levels of coordination/participation with all of our members
- The FY'03 Budget includes programming at the Base Level...we have moved from Minimum to Base
 - Added U-17 Women's National Team
 - Added 10 players to U-17 Residency Pool
 - Overall increase in the number of trips for teams





FY'03 Player Development

- Our increased focus on Player Development includes moving from Base to Supplemental levels of programming
- Work is already underway to increase our player development efforts, however, all programming must be sustainable over a 4-5 year period





Our future

- We are gaining a level of confidence in our budget planning process...we will now focus on the quadrennial framework for player development
- We are committed to the service side of our business and will continue to maintain that attitude as a priority
- The NTC will become part of our focus in the future... for all members
- We are committed to the long-term focus on player development and will seek new revenue sources to meet these goals

