



CONTRACT POLICY

I. Purpose

The purpose of this US Youth Soccer Contract Policy (“Policy”) is to establish a framework for the review, approval, execution and retention of all US Youth Soccer (“Association” or “USYS”) contracts.

II. Scope

This Policy applies to all agreements, including contracts, that obligate the Association to provide or receive payments, services, goods, gifts, or use of property, facilities or other resources, to or from a vendor, service provider, partner, sponsor or any other third party.

III. Definitions

Contract - Any agreement, written or required to be written, between two or more parties that creates a legally binding obligation to USYS.

Exclusivity Clause – A clause within a contract that seeks to, or purports to, restrict USYS’ ability to negotiate or agree to terms with a third party for the same or substantially the same products or services as those identified in a contract that is under consideration by USYS for execution.

Agent – A relative, representative or any other person who is authorized to act on behalf of USYS or for the benefit of another individual or group associated with USYS.

Beneficial Interest – Self-interested financial or other type of benefit that a USYS employee or agent or a related person or entity may obtain as a result of a contract executed between USYS and a third party.

Program Manager – An employee or agent of USYS who bears responsibility for the oversight of a particular USYS program or event.

IV. Conflict of Interest

When negotiating, approving, or executing contracts to which USYS is a party, a Conflict of Interest will exist if a USYS employee or agent knows, or has reason to know, that the employee(s) or agent(s):

- 1) is a party, or is related to a party to the contract at issue; or
- 2) has, or will have, a Beneficial Interest in the contract; or
- 3) judgment in evaluating or approving the contract at issue could be influenced by the employee’s or agent’s self-interest in the transaction and not the best interest of USYS.

If a Conflict of Interest exists, the conflicted employee or agent shall immediately disclose such conflict to the employee’s direct supervisor or manager and/or to USYS and immediately discontinue any further involvement in any aspect of the contract process, consideration, negotiation, or approval. In such event, the employee or agent will no longer have any authority to approve on behalf of USYS, nor will the employee or agent participate in any further contract negotiations related to the specific contract under consideration. The employee’s direct supervisor or manager will assume responsibility for considering the contract, after a determination that the direct supervisor or manager is also free of conflict and that proceeding with the contract is in USYS’ best interest.



For further information regarding conflicts of interest, please refer to US Youth Soccer's Conflict of Interest Policy, dated March 10, 2018, which is incorporated by reference herein, and as may be updated hereafter.

V. Contract Originator

A Contract Originator is a US Youth Soccer employee at the Director-level or above who proposes to enter into contract negotiations with a third party on behalf of US Youth Soccer. The Contract Originator is responsible for reading and understanding the entire document to confirm that the contract is clear and consistent, complete and accurate, and properly reflects the intentions of the parties involved prior to submitting for further review and approval, per the guidelines presented in Section VI (below). The contract must be in the best interest of US Youth Soccer, cannot contain requirements with which the Association cannot comply, and cannot contain any language that may conflict with any other agreement currently in place. In case of any ambiguities, please consult with a qualified representative of USYS, who may consult as necessary with qualified legal counsel.

VI. Contract Review and Signing Authority

- a) Prior to execution, contracts must be reviewed and approved by the USYS Board of Directors and shall only be executed by the Chief Executive Officer if either of the following circumstances exists:
 - 1) The annual contract value is in excess of \$200,000; or
 - 2) The contract binds US Youth Soccer to a term of longer than 3 years; or
 - 3) The contract contains one or more Exclusivity Clauses.
- b) Sponsorship and/or Partnership agreements, regardless of contract value can only be executed by the Chief Executive Officer, provided the contract at issue does not violate any conditions noted in Item VI. a) (above).
- c) Employment agreements between US Youth Soccer and its Chief Executive Officer can only be executed by the Chairman of the Board of Directors.
- d) Only Director-level employees and above are authorized to execute contracts within their respective areas of responsibility, provided these contracts do not violate any conditions noted in Item VI. a) (above).
- e) Program Managers only are authorized to execute independent contractor agreements for interns, referees, coaches, administrators, assignors, or mentors who have been hired by US Youth Soccer on an event-specific basis.
- f) All departments within US Youth Soccer that will be impacted by the content of a proposed contract must receive a copy of the agreement for review and approval prior to final contract execution.



- g) The Chief Financial Officer of USYS must perform a financial review and also approve all contracts meeting the criteria in Item VI. a) (above) to ensure that USYS can meet its financial obligations under the proposed contract.

VII. Other Contract Requirements

- a) All contracts must be in writing.
- b) Under no circumstances is an employee of USYS allowed to make verbal assurances to an outside party of any potential contract terms. Verbal negotiations can take place, but no verbal communication should ever provide a guarantee that a contract or any specific terms are imminent.
- c) All contracts, and especially sponsorship or partnership contracts, must receive a legal review to avoid potential omissions or errors, as needed, prior to final execution.
- d) In addition to the condition in Item VI. g) (above), all contracts that create a financial obligation or commitment on US Youth Soccer, must be reviewed and approved by the Chief Financial Officer of USYS to ensure the proposed agreement falls within budgetary guidelines.
- e) An employee who executes a contract on behalf of US Youth Soccer but has no authority to do so, will be subject to disciplinary action, including the possibility of termination.
- f) Contracts signed by any employee who has no authority to do so will be declared null and void by USYS, and the employee may be financially liable for any damages incurred by USYS as a result of the employee's unauthorized actions in connection with the Contract.
- g) All of the guidelines outlined throughout this Contract Policy apply to original contracts, contract amendments, renewals, modifications, and extensions.
- h) When possible and practicable, USYS recommends consideration of a minimum of three (3) bids for contracts.
- i) Other than in the context of sponsorship agreements, USYS disfavors the inclusion of Exclusivity Clauses in contracts.

VIII. No Oral Modifications

As set forth in Section VII (above) as policy, all contracts purporting to bind USYS must be in writing and must be approved by a USYS employee who is authorized to act on behalf of USYS. Executed contracts, amendments, renewals, modifications, extensions (collectively, "Modifications"), must be in writing. For clarity, any and all Modifications to any term of such contract must be in writing and cannot be entered into orally or contain terms and conditions that are not reflected in the written contract document.

IX. Retention of Signed Contracts

Copies of all fully executed contracts, regardless of the value and regardless of the nature, must be provided to the Chief Financial Officer upon execution for proper cataloging and maintenance.