

Senator McCain and members of the Senate Commerce Committee, thank you for the opportunity to speak to you today about the Olympic Movement in the United States. My name is Rachel Mayer Godino. I am a 1992 Olympian in the sport of Figure Skating, and serve as the elected chairperson of the United States Olympic Committee Athletes' Advisory Council (USOC AAC). The AAC is composed of Olympic, Pan American, and Paralympic athletes elected by their peers to represent the interests, and protect the rights of America's athletes. It is truly an honor to represent and lead such a distinguished group. I am also here as a member of the USOC Executive Committee.

Today, I am presenting the views of all five USOC Vice Presidents and the Chair of the NGB Council, Robert Marbut. Due to the extremely short timeframe I had to prepare for this hearing, the full AAC has not yet had an opportunity to meet and take a formal position on these matters. Moreover, I have not had an opportunity to present my views comprehensively in this statement, and I may wish to supplement this statement following the hearing.

It is unfortunate that I am not here today to share with you the stellar performances of America's athletes on the field of play. Just three days ago, Daron Ralves won the Hahnenkamm – the “Super Bowl” of Skiing, and Bode Miller is vying for the top spot in World Cup rankings. Just last weekend Michelle Kwan won her seventh National Championship, with Sarah Hughes the 2002 Olympic gold medalist close behind. This summer, our women's softball and basketball teams won their respective World Championships, and we dominated the Pan Pacific Championships in swimming. Unfortunately, the continued organizational challenges that plague the USOC threaten to cloud these significant achievements by athletes. We should all keep in mind that the sports administrators, coaches, and most importantly the athletes, are the innocent victims of this turmoil.

As requested, I will first address the specifics of the January 13, 2003 Executive Committee meeting. Second, I will address the broader issue of how the USOC can improve and better serve America's athletes.

On January 13, 2003, the USOC's Executive Committee met to consider the Ethics Oversight Committee report of January 10, 2003 and supporting materials. By way of background, Kenneth Duberstein chairs the Ethics Oversight Committee, and Thurgood Marshall, Jr. and Thomas McLarty serve as its Vice Chairs. Other than two athlete members and a representative from the National Governing Bodies Council, those that serve on the Ethics Oversight Committee are independent – that is to say that they are not otherwise involved in the affairs of the USOC. The Ethics Oversight Committee hired Fred Fielding as independent counsel to investigate the matters presented to them by Pat Rodgers in the fall of 2002. The Ethics Oversight Committee report had three findings and expressed one grave concern (as set forth below). It is notable that all ten members of the Ethics Oversight Committee unanimously approved the final report.

At the January 13 meeting, the Executive Committee reviewed and considered the Ethics Oversight Committee report, Mr. Fielding's interview memorandum, and supporting materials. We discussed a proposed motion and the facts and circumstances. Every member of the Executive Committee, other than Ms. Manakamyer and Mr. Ward spoke and engaged in the discussion. The meeting lasted approximately three hours. Following discussion, the Executive Committee passed a three-part motion (described below) by an 18-3 vote.

First, the Executive Committee accepted and approved the report of the Ethics Oversight Committee in full, thereby accepting and approving the findings and concerns delineated in the report. I suggest that given the series of events leading to that point, it would have been highly unusual for us to act otherwise.

By accepting and approving the report, the Executive Committee agreed with the characterization that Mr. Ward “created the appearance of a conflict of interest”, and “failed to make a written disclosure”. Therefore, the second part of the Executive Committee motion provided for disciplinary action for the two findings in the report that Mr. Ward failed to comply with the USOC Code of Ethics. While many press reports have represented that Mr. Ward was “cleared of wrongdoing” in the report and/or by the Executive Committee, it is simply not true. Disciplinary action was taken; Mr. Ward was not cleared of wrongdoing. The Compensation Committee was directed to handle disciplinary action for Mr. Ward through his performance review. The Compensation Committee is charged with determining the penalty, and will do so. Mr. Ward will suffer a penalty as a result of this action.

Third, the Officers, the Chair of the National Governing Bodies Council, and I were charged with creating an action plan for presentation and approval at the upcoming February 8-9 Executive Committee meeting to address the third finding and the concern expressed in the Ethics Oversight Committee report. The finding addressed “a serious lack of sensitivity in the enforcement of the USOC Ethics Code”, and grave concern was expressed about attempts to “abuse its process and use that process for other purposes.” Furthermore, the Executive Committee was in agreement that the manner in which the documents relevant to this matter had been selectively leaked to the media was improper and raised serious questions about the conduct of the organization. The development of the plan to address all of the above is underway.

The characterizations of the January 13, 2003 Executive Committee meeting in the media have been less than fully accurate. While no one expressed the view in the meeting that the findings regarding Mr. Ward merited termination, because the press reported in advance that Mr. Ward’s job was in jeopardy, any action less than termination was portrayed as inaction. Far from inaction, the Executive Committee referral of the disciplinary action through the Compensation Committee will lead to a penalty for Mr. Ward. Furthermore, the Executive Committee had an

obligation to consider the entire Ethics Oversight Committee report, not just those parts that addressed Mr. Ward. Lastly, it is important to note again that the three-part motion described above was passed by a vote of 18-3 – an overwhelming majority of the Executive Committee.

I believe that the Executive Committee discharged its duty appropriately on January 13, 2003. That said, I believe that the Executive Committee could have provided more clarity to the public as to whether Mr. Ward's conduct constituted a violation of the Code of Ethics. While the Ethics Oversight Committee report did not use the word "violation", their findings are a literal violation of the USOC Code of Ethics. By accepting and agreeing with the report, some Executive Committee members believed that we were acknowledging a violation by Mr. Ward. Others believe that we should have addressed the issue more directly. After consideration of all the factors, it is my opinion, and the opinion of the five Vice Presidents, the Chair of the NGB Council, and a number of Executive Committee members, that Mr. Ward did violate the Code of Ethics, and that the recommended disciplinary action through the Compensation Committee was the appropriate consequence for that violation.

As the Committee undoubtedly knows, I am a member of the group of seven "Officers" (all five USOC Vice Presidents, the Chair of the NGB Council, and the Chair of the AAC) that requested Ms. Mankamyer's resignation privately on January 12, 2003 (prior to the Executive Committee meeting) and publicly on January 21, 2003. This group of "Officers" crosses some of the historic "continental divides" in the USOC such as those between the NGB Council and the AAC. After a discussion with Ms. Mankamyer on the evening of January 12, we the "Officers" concluded that she used her position and her associated control over calling of Executive Committee meetings, setting of Executive Committee agendas, and identifying materials to be disseminated to the members of the Executive Committee, not to conduct a fair and reasonable review of the conduct of Mr. Ward. To be absolutely clear, we requested Ms. Mankamyer's resignation not because of any stand she has taken on ethical matters or related to Mr. Ward's conduct. We requested her resignation because of our concerns about her leadership and handling of this matter. These

concerns caused us, the “Officers”, to lose confidence in her ability to lead us. Coupled with the Ethics Oversight Committee report’s “grave concerns” which we took to be regarding Ms. Mankamyer’s involvement in the investigation, we all believed that it was in the best interest of the USOC, and in the best interest of Ms. Mankamyer that she resign. We do not take this request lightly. Indeed, it has been extremely difficult for me personally to request the resignation of our President, as I consider Ms. Mankamyer a friend. I will note again that this request came from the “Officers”, not the Executive Committee or the Board of Directors.

I would now like to address the broader issue, and in terms of the future of the Olympic Movement in the United States, perhaps the more important issue, of improving the structure and governance of the USOC. As you may know, the USOC has commissioned and undergone numerous studies over the last decade to analyze and improve our governance structure¹. These studies have a common theme – the inherent challenges in the structural relationship between the volunteer leadership and the professional staff. Specifically, the divisions of power, and shared responsibilities between the CEO and President have been considered. Recent events have re-emphasized the points raised in these studies. Certainly it is true that personalities often play a role in conflict, and they have undoubtedly played a role in this most recent series of events. But the recurring nature of the organizational challenges we have faced suggests that we also have a fundamental structural problem. To date, the USOC has demonstrated a lack of political will to implement structural changes to rectify these problems.

In the hope of finally implementing necessary changes, I believe that an Olympic Review Commission could help find positive solutions. If created, I suggest that the Commission’s objective would be to cause changes to our governance structure that apparently cannot occur through our normal processes.

¹ 1999 McKinsey Report, 1998 Amendment to the Amateur Sports Act, 1996 Marketing Associates International (MAI) Study, 1989 Olympic Overview Commission (“Steinbrenner Commission”), 1985 USOC Long Range Planning Commission (Chaired by Jay Flood), 1978 Amateur Sports Act, 1977 Presidential Commission on Olympic Sport.

To limit the continued turmoil, and to return your attention, and the attention of the American public to the athletes and the field of play as swiftly as possible, I request that the Commission present an interim report to you, the Commerce Committee as soon as possible – ideally before the April 12-13 USOC Board of Directors meeting. Furthermore, I request that the Commission provide its final report in time for legislation to be considered, and if appropriate adopted, before the end of this year.

I would like to take the opportunity today to request that the Commission (or whatever mechanism is put in place to move us forward) consider the following concepts in their deliberations.

First, I believe that we need a streamlined form of governance, as suggested publicly by Senators Stevens and Campbell last week. The exact nature of that streamlining is to be determined, but must address the size, roles and responsibilities of the Board of Directors, Executive Committee, and Officers.

Second, the roles and responsibilities of the Board vis a vis the professional staff must be clearly defined and practiced. Improved clarity alone will not solve the problem. We, as volunteers and staff must actually act in accordance with the defined roles and responsibilities. As you may know, in 2000 we changed the USOC Constitution and Bylaws and transferred many responsibilities from the volunteers to the professional staff as a result of the 1999 McKinsey & Co. study. However, I believe that we failed to implement critical changes to the culture and practice to complete the transformation envisioned. Strategies to ensure that the roles and responsibilities of volunteers and staff are both defined and practiced should be part of any recommendations for improvement.

Third, we must raise the level of professionalism among our volunteer leadership, and indeed across the board. I suggest careful consideration of adoption of Sarbanes-Oxley provisions as may be applicable to a nonprofit like the USOC. Furthermore, implementation of annual Board

and Executive Committee training and performance reviews would undoubtedly precipitate improvements. Overall, we should implement "best practices" as recommended by recognized independent organizations involved in fostering sound corporate governance. To ensure that the Board of Directors has a level of sophistication and professionalism worthy of our esteemed athletes, perhaps the Board should include Presidential, or other governmental appointees, or at least additional members from the public sector with governance experience. Ultimately, everyone who is a part of the USOC should be held accountable to all of you, the sponsors, the American public, and ultimately to the athletes that we serve.

Given the opportunity, and a set of circumstances conducive to change, such as those we face today, we can fix these problems. We must fix them for America's athletes. Without our athletes, the U.S. Olympic Committee has no purpose; no reason to exist. We have just 184 days until the 2003 Pan American Games and just 561 days until the 2004 Athens Olympic and Paralympic Games. In fact, last week, the first two members of the 2004 Olympic Team were selected. They are synchronized swimmers, Allison Bartosik and Anna Koslova.

Despite the major distraction that the USOC is experiencing as an organization, we must remember that the athletes of the United States are hard at work on the field, in the gym, in the pool, or on the ice and snow training, competing, and pushing themselves to limits most people can't fathom. We are proud of our athletes every single day of the year, and every year of the quadrennium, for their perseverance, ambition, discipline, and passion for sport. I hope that we can make the appropriate changes as an organization so that our athletes are as proud of the USOC, as we are proud of them.

Thank you for your time and attention.