

# USOPC NGB AUDIT

## USA TRIATHLON

March 9, 2023



# EXECUTIVE SUMMARY

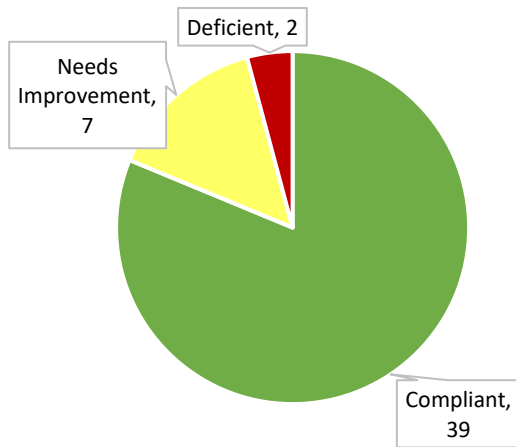
## Background, Scope, and Objectives

The United States Olympic & Paralympic Committee’s (USOPC) NGB Audit department (Audit) completed an audit of USA Triathlon. The purpose of the audit was to determine if USA Triathlon complies with the requirements of the NGB Compliance Standards (Standards) and to conduct testing in areas that present an increased risk to athletes, other members, and/or USA Triathlon. The audit focused on the policies and procedures noted in the Standards in the following sections: Governance and Compliance, Financial Standards and Reporting Practices, Athlete Protections and Rights, Sport Performance, and Operational Performance. It should be noted that this is the first time the USOPC has performed an audit against all standards found in the NGB Compliance Standards.

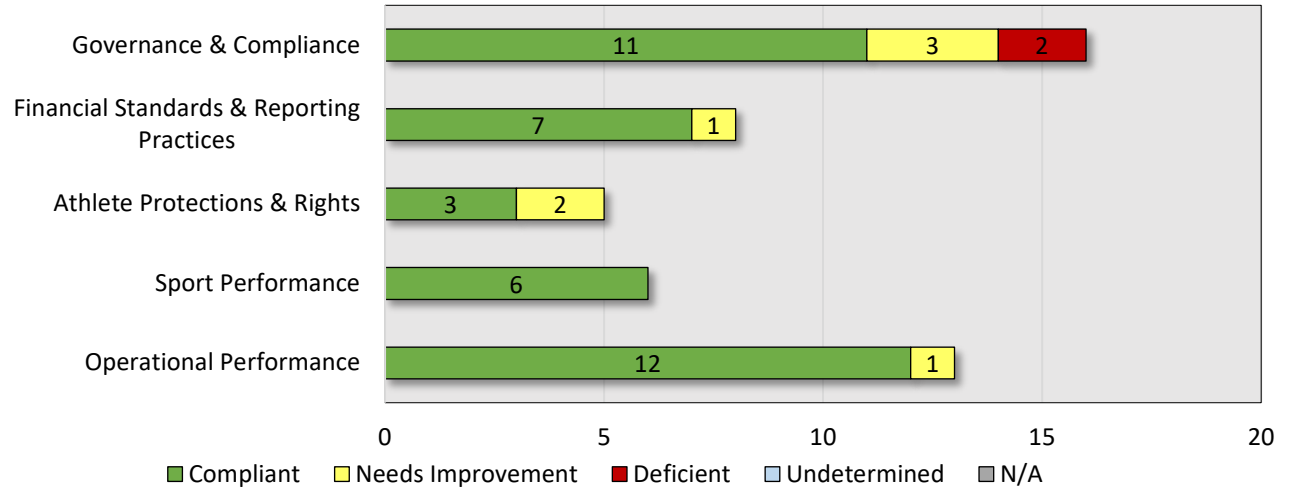
## Audit Summary

Based on the audit procedures performed, select policies and procedures were reviewed to determine compliance with the Standards effective January 1, 2022. The conclusion within each standard was based on the criteria met for each standard, as well as the results of any testing conducted. Definitions of demonstration levels are below, with additional guidance for each standard detailed in the Implementation Guide for NGB Compliance Standards (Implementation Guide). Findings and demonstration levels are detailed on the subsequent pages.

### Compliance Demonstration Levels



### Demonstration Totals by Section



## Compliance Demonstration Level Definitions

<b>Compliant</b>	The NGB, through its written policies and procedures, as well as its execution of those policies and procedures, mostly demonstrates that it is meeting the elements of the standard.
<b>Needs Improvement</b>	The NGB, through its written policies and procedures, as well as its execution of those policies and procedures, demonstrates that it meets many elements of the standard, but changes or improvements are necessary to fully meet the standard.
<b>Deficient</b>	The NGB, through inadequate written policies and procedures and/or poor execution of those policies and procedures, demonstrates that it is not meeting several elements of the standard.
<b>Not applicable/undetermined</b>	Not applicable indicates the standard does not apply to the NGB and will not be evaluated. Undetermined indicates a reason a determination cannot be made at this time; however, the standard will be evaluated at a later date. Additional details are provided as necessary.

We would like to thank all USA Triathlon staff who assisted us throughout this review.

## EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of USA Triathlon’s policies and procedures in relation to the USOPC Bylaws and Ted Stevens Amateur Sports Act (the Act) as outlined in the Implementation Guide for NGB Compliance Standards. Audit evaluated 48 Standards in the areas of Governance and Compliance, Financial Standards and Reporting Practices, Athlete Protections and Rights, Sport Performance, and Operational Performance.

Overall, Audit concluded that USA Triathlon has met 39 of 48 Standards. There is one area of increased concern regarding USA Triathlon’s conflict of interest disclosure and management process. Although this issue was self-identified by management during 2022 and improvements were made over the year, multiple issues were identified during the review as updates are still in progress. Additional details are outlined in the issue below.

## PRIOR AUDIT FOLLOW-UP

A previous USOPC Audit of USA Triathlon report dated September 22, 2015, was reviewed by Audit, there were no open findings.

## NGB AUDIT FINDINGS

All Standards are evaluated against the 2022 Implementation Guide for Compliance Standards. Bylaws references are based on the USOPC Bylaws approved in March 2021.

### GOVERNANCE AND COMPLIANCE

NGB Audit Standards Section A				
Title	Standard	Compliant	Needs Improvement	Deficient
Athlete Representation	A.1 a & b		X	
Independent and Affiliate Representation	A.1 c			X
International Federation Affiliation	A.1 d	X		
Membership Requirements	A.1 e	X		
Athlete Advisory Council	A.2 a	X		
Bylaws	A.3 a		X	
Board Development	A.3 b		X	
Board Meeting Minutes	A.3 c	X		
Board Roster	A.3 d	X		
IRS Status	A.4 a	X		
Code of Conduct	A.5 a	X		

Statement of Ethics	A.6 a	X		
Conflicts of Interest Policy	A.6 b			X
Gifts and Entertainment Policy	A.6 c	X		
NGB Annual Reports	A.7 a - c	X		
Ombuds' Policy	A.8 a	X		
<b>Total</b>		<b>11</b>	<b>3</b>	<b>2</b>

Needs Improvement		
1	Athlete Representation	Management Action Plan
	<p><b>A.1 a &amp; b:</b></p> <p>a. NGBs must have at least 33.3% athlete representation on its board of directors as required by the Act §220522(13) and further defined by the USOPC Bylaws, Section 8.5.3.</p> <p>b. NGBs must have at least 33.3% athlete representation on all committees as required and defined by the USOPC Bylaws, Section 8.5.</p> <p><b>FINDING:</b> While USA Triathlon's bylaws include many of the required athlete representation elements, there are a few requirements missing.</p> <p>Additionally, a review of current athlete representatives found the following:</p> <p style="padding-left: 40px;">The judicial committee does not have the required percentage of athlete representatives.</p> <p style="padding-left: 40px;">One individual serving as an athlete on the National Coaching Committee did not meet the Actively Engaged Athlete definition, bringing the percentage of athlete representation below the required 33.3%.</p>	<p>USA Triathlon will update the bylaws to include the missing requirements.</p> <p>Additionally, USA Triathlon will request an exemption for the Judicial Committee due to the specialized nature of the committee to ensure compliance.</p> <p>Lastly, USA Triathlon will ensure that all committees have the required percentage of athlete representation.</p> <p><b>Due Date:</b> August 1, 2023</p>
2	Bylaws	Management Action Plan
	<p><b>A.3 a:</b> NGB must have Bylaws or policies and procedures that at least meet the minimum standards for governance practices and comply with the Act §220522 (a)(9-12).</p> <p><b>FINDING:</b> There are elements missing from USA Triathlon's Bylaws in the areas of board member and designated committee requirements.</p>	<p>USA Triathlon will update the bylaws to include the missing requirements.</p> <p><b>Due Date:</b> August 1, 2023</p>
3	Board Development	Management Action Plan
	<p><b>A.3 b:</b> The NGB board must conduct the following activities:</p> <p>i. Formal onboarding process for board members and committee members,</p> <p>ii. USOPC training to the board members and committee members,</p>	<p>Going forward, USA Triathlon will ensure all committee members receive onboarding within their first three months.</p> <p><b>Due Date:</b> June 30, 2023</p>

	<p>iii. At least once per quad, perform a self-evaluation of the board’s performance using the USOPC-provided resource, and</p> <p>iv. Annual performance evaluation of the CEO/Executive Director.</p> <p><b>FINDING:</b> USA Triathlon conducts onboarding for both board and committee members, however, not all committee members received onboarding within a reasonable timeframe.</p>	
<b>Deficient</b>		
4	Independent and Affiliate Representation	Management Action Plan
	<p><b>A.1 c:</b> NGB must have a board structure that includes:</p> <p>i. A board position(s) as defined by the USOPC to provide an independent perspective, and</p> <p>ii. A board position for an affiliate member as required by the Act §220522 (a)(12).</p> <p><b>FINDING:</b> USA Triathlon's bylaws do not provide for at least one available board position for affiliated member(s).</p>	<p>USA Triathlon will update the bylaws to include a provision for affiliated member(s).</p> <p><b>Due Date:</b> August 1, 2023</p>
5	Conflict of Interest Policy	Management Action Plan
	<p><b>A.6 b:</b> NGB must enforce a conflicts of interest policy that meets the minimum policy standards set forth by the USOPC. The conflict of interest policy must be made available on the NGB's website.</p> <p><b>FINDING:</b> USA Triathlon self-identified issues with their conflict of interest policy and disclosure process at the beginning of the year. While progress has been made on updating the policy and disclosures, due to the timing of the audit and open corrective actions, multiple issues were identified. Specifically, there were undisclosed conflicts, management direction letters were not sent timely or with sufficient detail, and the policy was not followed in regard to reviews and periodic disclosures.</p>	<p>USA Triathlon will have the updated 2023 conflict of interest forms submitted, reviewed consistently with the policy, and fully executed by April.</p> <p>Additionally, conflict of interest disclosure guidance will be provided to necessary individuals within 90 days of submission.</p> <p><b>Due Date:</b> June 30, 2023</p>

## FINANCIAL STANDARDS AND REPORTING PRACTICES

NGB Audit Standards Section B				
Title	Standard	Compliant	Needs Improvement	Deficient
Financial Stability	B.1 a	X		
Financial Policies & Procedures	B.1 b	X		
USOPC Funding	B.1 c		X	
Financial Reporting to Board	B.1 d	X		

Board-Approved Budget	B.2 a	X		
Accounting Practices	B.2 b	X		
NGB Provided Documents	B.3 a	X		
NGB Website Information	B.4 a, b & c	X		
<b>Total</b>		<b>7</b>	<b>1</b>	<b>0</b>

Needs Improvement		
6	USOPC Funding	Management Action Plan
	<p><b>B.1 c:</b> NGB must comply with all USOPC funding agreements, including but not limited to, ensuring adequate controls are in place to ensure USOPC funds are spent appropriately, USOPC funds are not spent on excessive or unnecessary expenses, and amounts that are reported on the final grant reports are accurate.</p> <p><b>FINDING:</b> USA Triathlon did not accurately report all grant expenses, resulting in additional funds owed to the USOPC.</p>	<p>USA Triathlon will work with its finance/accounting software provider to create new codes and more detailed reports for USOPC funding line items submitted by High Performance in 2023.</p> <p>Additionally, USA Triathlon High Performance and Finance will create new procedures to ensure USOPC funds are spent and reported appropriately.</p> <p>Lastly, USA Triathlon will work with the USOPC to repay owed funds.</p> <p><b>Due Date:</b> August 1, 2023</p>

## ATHLETE PROTECTION AND RIGHTS

NGB Audit Standards Section C				
Title	Standard	Compliant	Needs Improvement	Deficient
Child Protection and US Center for SafeSport	C.1 a and C.2	X		
USOPC Athlete Safety Requirements	C.3 a	X		
Anti-Doping Policies	C.4 a	X		
Anti-Doping Policy Language	C.4 b		X	
Athlete Agreements	C.5 a		X	
<b>Total</b>		<b>3</b>	<b>2</b>	<b>0</b>

Needs Improvement		
7	Anti-Doping Policy Language	Management Action Plan
	<p><b>C.4 b:</b> NGB must have USOPC-approved anti-doping language in its Bylaws, membership agreements (if applicable), and license agreements (if applicable).</p> <p><b>FINDING:</b> While USA Triathlon's bylaws include the required anti-doping language for NGBs with organizational members, the language for individual members is missing.</p>	<p>USA Triathlon will update the bylaws to include the required anti-doping language for NGBs with individual members.</p> <p><b>Due Date:</b> August 1, 2023</p>
8	Athlete Agreements	Management Action Plan
	<p><b>C.5 a:</b> NGB must comply with the USOPC NGB Athlete Agreements Policy.</p> <p><b>FINDING:</b> USA Triathlon's Athlete Agreements include a non-compliant clause that is not used in practice.</p>	<p>USA Triathlon will update the athlete agreements to comply with the requirements.</p> <p><b>Due Date:</b> June 30, 2023</p>

## SPORT PERFORMANCE

NGB Audit Standards Section D				
Title	Standard	Compliant	Needs Improvement	Deficient
Selection Procedures and Process	D.1 a - c	X		
Delegation List Submission	D.2 a	X		
High-Performance Plan Submission	D.3 a	X		
Event Sanctioning	D.3 b	X		
Paralympic Classification	D.3 c	X		
International Federation Standing	D.4 a	X		
<b>Total</b>		<b>6</b>	<b>0</b>	<b>0</b>

USA Triathlon is compliant with all Standards in the area of Sport Performance.

## OPERATIONAL PERFORMANCE

NGB Audit Standards Section E				
Title	Standard	Compliant	Needs Improvement	Deficient
Managerial and Board Capability	E.1 a	X		

Insurance Coverage	E.2 a	X		
Revenue Diversification	E.3 a	X		
Grievance Procedure	E.4 a & b		X	
Whistleblower and Anti-Retaliation Policy	E.5 a	X		
USOPC Trademark Protection	E.6 a – d	X		
Diversity and Inclusion Reporting	E.7 a	X		
Gender Equity	E.7 b	X		
Equal Opportunity	E.7 c	X		
Para Inclusive Sport Programs	E.7 d	X		
Diversity – Public Disclosure	E.7 e	X		
Strategic Planning	E.8 a	X		
USOPC Policy Compliance	E.9 a	X		
<b>Total</b>		<b>12</b>	<b>1</b>	<b>0</b>

Needs Improvement		
9	Grievance Procedures	Management Action Plan
	<p><b>E.4 a &amp; b:</b></p> <p>a. NGB must provide prompt and equitable resolution of grievances as outlined in the Act §220522(a)(13).</p> <p>b. NGB must provide fair notice and opportunity for a hearing to any amateur athlete, coach, trainer, manager, administrator, or official before declaring the individual ineligible to participate as outlined in the Act §220522(8).</p> <p>Specific requirements are outlined in the implementation guide.</p> <p><b>FINDING:</b> During testing, there was one grievance identified that had minor deviations from the grievance procedure.</p>	<p>USA Triathlon will update its Grievance and Disciplinary Policy to align with current practices while ensuring compliance with the Act.</p> <p>Additionally, USA Triathlon Legal will ensure that the Grievance and Disciplinary procedure is followed.</p> <p><b>Due Date:</b> June 30, 2023</p>

Findings in this report are currently in remediation. An addendum report will be issued at the end of the remediation period, up to 120 days post-audit.