

USOPC NGB AUDIT

USA TRACK & FIELD

May 20, 2022



EXECUTIVE SUMMARY

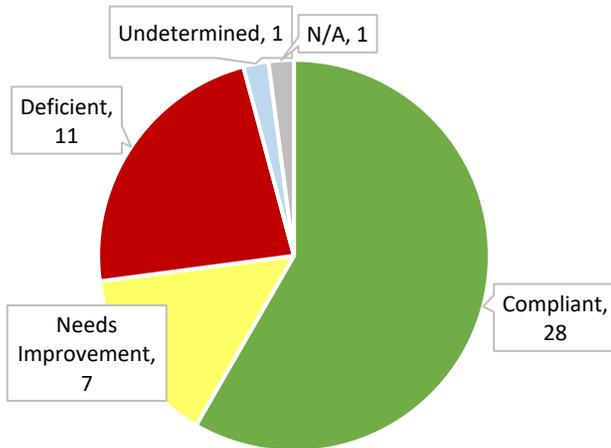
Background, Scope, and Objectives

The United States Olympic & Paralympic Committee’s (USOPC) NGB Audit department (Audit) completed an audit of USA Track & Field (USATF). The purpose of the audit was to determine if USATF 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 USATF. 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 which were effective January 1, 2022.

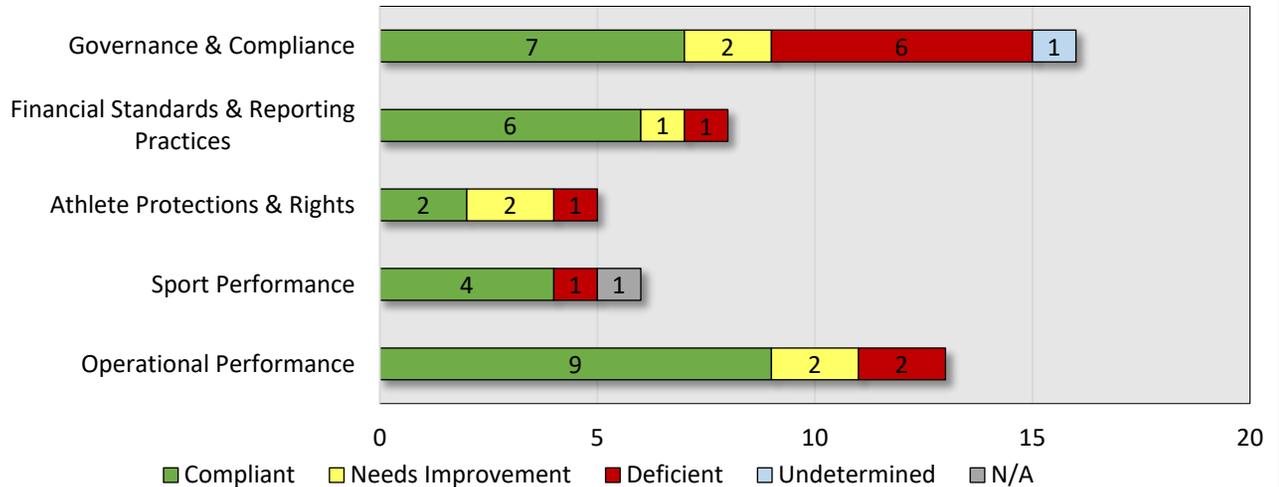
Audit Summary

Based on the audit procedures performed, select policies and procedures were reviewed to determine compliance with the Standards. 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

Compliant	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.
Needs Improvement	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.
Deficient	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.
Not applicable/undetermined	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 Track & Field staff who assisted us throughout this review.

EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of USATF’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 USATF has met 28 of the 48 compliance standards evaluated. Significant concerns with USATF’s board governance led to an additional Ad Hoc review, resulting in five findings. There are also several significant concerns related to athlete representation and conflicts of interest.

NGB AUDIT FINDINGS

All Standards are evaluated against the Implementation Guide for Compliance Standards effective January 1, 2022. 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 ¹	A.7 a - c	Undetermined		
Ombuds’ Policy	A.8 a		X	

Total	7	2	6
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¹ This is a new requirement effective in 2022. The due date for annual reports to the USOPC is April 30, 2022. Therefore, Audit was unable to make a determination at this time and will evaluate Standard A.7 a in the remediation period.

Needs Improvement		
1	Athlete Advisory Council	Management Action Plan
	<p>A.2 a: NGB must have an Athletes Advisory Council (AAC) that meets the minimum standards set forth by the USOPC.</p> <p>FINDING: USATF does not require all AAC representatives to complete a conflict of interest form or submit any other disclosures prior to their selection.</p>	<p>USATF will have all current AAC executive committee and AAC event leaders complete the current conflict of interest form. The current AAC committee athletes were selected prior to the inclusion of this requirement. New protocols will be put in place with governance and AAC operating regulations to ensure athletes have completed a conflict of interest form prior to their selection to the AAC. The conflict of interest form along with these requirements will also be published on our website and governance manual.</p> <p>Due Date: August 15, 2022</p>
2	Ombuds' Policy	Management Action Plan
	<p>A.8 a: NGB must publish the Ombuds' Policy on its website and communicate the availability of the policy to its athletes as set forth in the Act§220509(b).</p> <p>FINDING: USATF published the Ombud's policy on its website but did not communicate its availability to all athletes.</p> <p>Additionally, no anti-retaliation statement was included or referenced in the Ombuds' policy posted on USATF's website.</p>	<p>The Ombud's policy will be updated on the USATF website to include USATF's anti-retaliation statement. USATF will ensure communication about the Ombud's policy is sent to all athletes at least once per year.</p> <p>Due Date: August 15, 2022</p>
Deficient		
3	Athlete Representation	Management Action Plan
	<p>A.1 a & 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>USATF will update the 2022 Governance Handbook to be consistent with athlete representation requirements. Further, USATF will ensure all committees meet the 33.3% athlete representation requirement and all seated athletes meet the eligibility and composition requirements.</p>

FINDING: USATF has several findings related to Athlete Representation:

USATF's 2022 Governance Handbook (bylaws) are not compliant with the USOPC's requirements in the following areas:

First, the bylaws do not state that at least 50% of board athlete representatives must have competed in a delegation event and they do not require that 20% of the total board membership be composed of 10-year athletes.

Second, six of the seven athlete representatives on the board, and one non-voting alternative on the board, are not directly elected by 10-year athletes.

Third, all athlete representatives serving on board-designated committees are approved by the AAC chair, not the full athlete council.

Fourth, the membership requirements for designated committees are not consistent with the USOPC's requirements.

Fifth, the bylaws grant the AAC the authority to delegate the responsibility of approving athlete representatives to the AAC chair. This cannot be delegated.

Sixth, athlete representatives on the ethics committee are not approved by the AAC.

Seventh, four designated committees do not explicitly require 50% of their athlete representatives to be composed of 10-year athletes and have the remaining be composed of 10-year or 10-year + athletes.

A review of the current athlete representation found the following:

Five designated committees do not meet the 33.3% athlete representation requirement.

Of the seated athletes, the board and four designated committees do not have the required percentage of 10-year athletes.

Four of the eight athlete representatives on the Women's Track and Field committee are not 10-year or 10-year + athletes.

Lastly, USATF will work with the AAC to amend their operating procedures to ensure compliance with the new USOPC requirements.

Due Date: August 15, 2022

	<p>An athlete representative serving on the board and two athletes serving on designated committees do not meet the USOPC's definition of a 10-year or 10-year + athlete.</p> <p>Lastly, the USATF AAC Operating regulations have not been updated for compliance with the current requirements and are not consistent with USATF's bylaws.</p>	
4	Bylaws	Management Action Plan
	<p>A.3 a: 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>FINDING: There are elements missing from USATF's Bylaws in the following areas: conflict of interest requirements, board responsibilities, board member requirements, and designated committee requirements.</p>	<p>USATF will update the bylaws to include the required elements.</p> <p>Due Date: August 15, 2022</p>
5	Board Development	Management Action Plan
	<p>A.3 b: The NGB board must conduct the following activities:</p> <ul style="list-style-type: none"> i. Formal onboarding process for board members and committee members, ii. USOPC training to the board members and committee members, iii. At least once per quad, perform a self-evaluation of the board's performance using the USOPC provided resource, and iv. Annual performance evaluation of the CEO/Executive Director. <p>FINDING: USATF did not conduct onboarding for new committee members.</p>	<p>USATF will provide operating procedures to all new committee members.</p> <p>Due Date: August 15, 2022</p>
6	Code of Conduct	Management Action Plan
	<p>A.5 a: NGB must have a comprehensive code of conduct that meets the minimum code standards set forth by the USOPC. The code of conduct must be made available on the NGB's website.</p> <p>FINDING: There are elements missing from USATF's code of conduct in the following areas: applicability, organizational expectations, reporting, resolution, policy owner, and resources.</p> <p>Additionally, USATF has multiple Codes of Ethics on their website that are not consistent.</p>	<p>USATF will update the code of conduct to include the required elements.</p> <p>Additionally, the current Code of Ethics will be posted on the website, and references and documents which are no longer relevant will be removed.</p> <p>Due Date: August 15, 2022</p>
7	Conflicts of Interest Policy	Management Action Plan

	<p>A.6 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>FINDING: USATF's conflicts of interest policy is missing elements in every required area.</p> <p>Of the conflict disclosure forms tested, two individuals did not disclose their potential conflicts; one did not disclose their family's affiliation with a state USATF organization, and one did not disclose their position as a coach and athletic director in the track and field industry.</p> <p>While USATF requires all designated committee members to complete annual disclosure forms, all other committee members are not. In addition, USATF did not provide direction on the management of disclosed conflicts.</p> <p>Lastly, documented review of completed conflict of interest disclosure forms was not provided.</p>	<p>USATF will update the conflict of interest policy to include the required elements.</p> <p>USATF also identified one of the undisclosed conflicts and will provide the information on both undisclosed conflicts to the Ethics Committee for review and resolution.</p> <p>USATF will require all committee members to complete annual conflict of interest disclosure forms and will provide direction on the management of disclosed conflicts.</p> <p>USATF will provide documentation of the review process for completed disclosure forms.</p> <p>Due Date: August 15, 2022</p>
8	Gifts and Entertainment Policy	Management Action Plan
	<p>A.6 c: NGB must adopt a gift and entertainment policy that meets the minimum policy standards set forth by the USOPC.</p> <p>FINDING: There are elements missing from USATF's Gifts and Entertainment Policies in the following areas: applicability, organizational expectations, disclosures, and policy owner.</p>	<p>USATF will update the gifts and entertainment policy to include the required elements.</p> <p>Due Date: August 15, 2022</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		
Total		6	1	1

Needs Improvement		
9	Financial Policies & Procedures	Management Action Plan
	<p>B.1 b: NGB must develop and implement financial policies and procedures.</p> <p>FINDING: USATF's financial policies and procedures include most of the required elements, however, minor improvements are needed to become fully compliant in the following areas: expense advances and reimbursements, a definition of cash that includes peer-to-peer payment services, payroll procedures, and the budgetary process. There are also links and references to other supplemental documents that no longer exist.</p> <p>The credit card process documented in the financial policies and procedures does not require written approvals for credit card purchases.</p> <p>Additionally, the financial policies and procedures do not outline the approval authority for different spending thresholds.</p> <p>Finally, there is no documentation showing the financial policy is approved by the board or that the financial procedures are approved by an appropriate member of senior management.</p>	<p>USATF will review the requirements as they relate to the mentioned sections requiring minor improvements and will update the financial policies and procedures to comply. USATF will remove and/or replace links and references to supplemental documents that no longer exist. USATF will also consider the credit card process and document the approval hierarchy for purchases. Finally, USATF will document that financial policies and procedures are appropriately approved.</p> <p>Due Date: August 15, 2022</p>
Deficient		
10	NGB Provided Documents	Management Action Plan
	<p>B.3 a: NGB must annually provide the USOPC's NGB Audit department with the following:</p> <ul style="list-style-type: none"> i. Its completed IRS Form 990 by the IRS deadlines including extensions if executed. ii. Its completed audited financial statements no later than the last day of the eighth month following the NGB's year-end. iii. If applicable, its external auditor's letter to management outlining the evaluation of any internal control deficiencies identified during the audit, within the same timeframe outlined in ii above. 	<p>The 2021 audited financial statements and auditor letters are scheduled to be available on or before August 31, 2022, and the IRS 990, extensions, and related returns are scheduled to be available on or before the extended due date of November 15, 2022.</p> <p>Due Date: November 15, 2022</p>

<p>iv. Its Board-approved budget for the current year.</p> <p>FINDING: USATF was unable to provide the completed audited financials within the required timeline.</p> <p>Additionally, USATF did not provide the completed IRS Form 990 by the IRS deadline.</p>	
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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	
Total		2	2	1

Needs Improvement		
11	USOPC Athlete Safety Requirements	Management Action Plan
	<p>C.3 a: NGB must ensure compliance with policies and standards including but not limited to:</p> <ul style="list-style-type: none"> i. USOPC’s NGB and HPMO Athlete Safety Policy ii. Responsible Sport Organization Background Check Policy <p>FINDING: USATF's Athlete Safety Policy needs minor improvements to fully comply with this standard. The athlete safety policy is also missing the requirement to notify the USOPC's Office of Athlete Safety of any potential allegations or temporary measures affecting athletes.</p> <p>Additionally, during a review of individuals required to complete a background screen, Audit identified one active board member who had an expired background check.</p>	<p>USATF will update its athlete safety policies to include missing requirements and clarify the notification process to the USOPC Office of Athlete Safety for any potential allegations or temporary measures affecting athletes in the manner required by the USOPC.</p> <p>Additionally, USATF will develop and implement escalation procedures to ensure background checks are completed timely.</p> <p>Due Date: August 15, 2022</p>

12	Athlete Agreements	Management Action Plan
	<p>C.5 a: NGB must comply with the USOPC NGB Athlete Agreements Policy.</p> <p>FINDING: USATF's Athlete Agreements do not list criteria to obtain basic services, additional services, and commitments that USATF provides to athletes.</p>	<p>USATF will update its athlete agreements to reference criteria to obtain basic services, additional services, and commitments that are provided to athletes.</p> <p>Due Date: August 15, 2022</p>
Deficient		
13	Anti-Doping Policy Language	Management Action Plan
	<p>C.4 b: NGB must have USOPC approved anti-doping language in its Bylaws, membership agreements (if applicable), and license agreements (if applicable).</p> <p>FINDING: USATF's Bylaws do not have the minimum required anti-doping language for NGBs with individual members.</p> <p>In addition, the membership agreement and anti-doping policies do not contain all the required anti-doping language.</p>	<p>While USATF has an anti-doping policy, relevant documents will be updated to include the specific language noted by the USOPC.</p> <p>Due Date: August 15, 2022</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	N/A		
International Federation Standing	D.4 a	X		
Total		4	0	1

Deficient		
14	Delegation List Submission	Management Action Plan

<p>D.2 a: NGB must timely provide the listing of recommended athletes, teams, and team officials for the Delegation Event teams to the USOPC (Act §220523(a)(6)).</p> <p>FINDING: USATF’s initial list consisted of close to 3,500 names, and there were unforeseen complications due to the pandemic. However, the following issues were identified related to USATF’s Delegation List submissions:</p> <p>USATF submitted the athlete-dependent coaches list to the USOPC four days after the extended deadline granted by the USOPC.</p> <p>USATF did not follow the Tokyo 2020 qualification system and submitted an incorrect Sport Entry for one event.</p> <p>A total of 22 names were added to the long list up to three months after the Tokyo 2020 Organizing Committee deadline of April 9.</p>	<p>USATF disagrees citing extenuating circumstances for missing the deadlines. USATF worked closely with the USOPC’s Sport Performance Team to manage how and when its long list would be submitted. However, USATF will work with USOPC Sport Performance and Games Operations to develop an action plan to ensure the timely and accurate submission of the delegation list for the 2023 Pan American Games and 2024 Olympic Games.</p> <p>Due Date: September 30, 2022</p>
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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		
Total		9	2	2

Needs Improvement		
15	Grievance Procedure	Management Action Plan
	<p>E.4 a & 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). Specific requirements are outlined in the implementation guide.</p> <p>FINDING: There are elements missing from USATF's grievance procedures, including types of grievances, manner of filing the complaint, hearing panel composition, hearing process, and other resources.</p>	<p>USATF will update the grievance procedures to include the required elements.</p> <p>Due Date: August 15, 2022</p>
16	Equal Opportunity	Management Action Plan
	<p>E.7 c: NGB must provide an equal opportunity to amateur athletes, coaches, trainers, managers, administrators, and officials to participate in amateur athletic competition, without discrimination on the basis of race, color, religion, sex, age, or national origin as required by the Act §220522(8).</p> <p>FINDING: While USATF provides an equal opportunity to participate as required, they did not provide evidence that anti-discrimination training was provided to staff.</p>	<p>USATF will ensure all employees are trained on this topic on an annual basis.</p> <p>Due Date: August 15, 2022</p>
Deficient		
17	Managerial and Board Capability	Management Action Plan
	<p>E.1 a: NGB must have managerial capability to successfully administer its operations and its sport. Managerial capability includes, but is not limited to, management's authority and ability to operate day-to-day activities, prompt resolution of management or board concerns, and reasonable board, committee, and/or staff turnover.</p> <p>FINDING: As detailed in the Ad Hoc Review below, there are significant concerns.</p>	<p>See the Ad Hoc Review section below for details.</p>
18	Whistleblower and Anti-Retaliation Policy	Management Action Plan
	<p>E.5 a: NGB must adopt and maintain an organizational whistleblower policy that encourages and provides a mechanism for affiliated individuals to report alleged violations of any applicable law, rule, regulation, or adopted policy of the NGB, accounting or financial fraud, or other misfeasance and includes an anti-retaliation statement.</p>	<p>USATF will update the whistleblower and anti-retaliation policy to include the required elements.</p> <p>Due Date: August 15, 2022</p>

	<p>FINDING: There are elements missing from USATF's Whistleblower and Anti-Retaliation Policy related to applicability, expectations, reporting, and enforcement.</p>	
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AD HOC REVIEW

Through several avenues and USOPC departments, the USOPC recognized the need to perform additional review for areas that are not included in the standardized audit process. The results of this review resulted in the below findings.

19	Eligibility Requirements	Minimum Required Action
	<p>Currently, it is unclear if screening requirements are conducted before or after the election for several board positions. In these cases, the elected individual could fail a background check, have significant conflicts, and/or not meet other eligibility requirements. These situations are more effectively and professionally addressed in advance of an election.</p>	<p>The bylaws need to be updated to clearly indicate eligibility requirements are verified prior to election.</p> <p>Due Date: August 15, 2022</p>
20	Law & Legislation Committee Term Limits	Minimum Required Action
	<p>There are currently several members on the Law & Legislation Committee who have been seated in a variety of roles in excess of 15 years. The lack of appropriate turnover hinders effective governance and diversity. The term limits for the Law & Legislation Committee were not approved at the Annual Meeting. Therefore, any temporary amendments made by the board will continue to revert to bylaws that do not include term limits for the Law & Legislation Committee which violates the USOPC compliance standards.</p>	<p>Term limits for the Law & Legislation Committee need to be established and the amendment needs to be ratified at the Annual Meeting. Additionally, the board needs to determine the appropriate approach for the current members of the committee who will exceed the term limit once it is established.</p> <p>Due Date: August 15, 2022</p>
21	Board Oversight of Law & Legislation Committee	Minimum Required Action
	<p>The board does not exercise appropriate authority over the Law & Legislation Committee. According to Article 11-A-3 of USATF's Bylaws, the board is required to "recommend, approve, and oversee all USATF committee programs". While the board made temporary amendments to the USATF Bylaws to require board approval for all bylaw amendment proposals, the Law & Legislation Committee did not adhere to this requirement with no consequence from the board. Additionally, these temporary amendments were not ratified at the Annual Meeting.</p>	<p>The board must recommend, approve, and oversee the Law & Legislation Committee, including enforcing adherence to approval requirements for bylaw changes.</p> <p>Due Date: August 15, 2022</p>
22	Board Approval of Bylaw Amendment Proposals	Minimum Required Action

	<p>While the board amended bylaws provided for at least 24-hour notice of proposed bylaw changes, this is not sufficient for the board to review and reach a decision, fulfilling its responsibilities under Article 11-A-3. Additionally, there is no requirement to provide the board with proposed amendments prior to the submission to the delegates, given the board amendment was not ratified.</p>	<p>The Law & Legislation Committee must provide the proposed amendments to the board sufficiently in advance of submission to the delegates.</p> <p>Due Date: August 15, 2022</p>
23	<p>Bylaw Amendment Proposals and Legal and Compliance Adherence</p>	<p>Minimum Required Action</p>
	<p>There is no requirement that amendment proposals consider compliance with legal or USOPC compliance standards. This could result in the delegates approving amendments that are inconsistent with legal or compliance requirements.</p>	<p>The board needs to consider if legal and compliance requirements should be assessed throughout the bylaw amendment process. The process should be outlined in the submission requirements or duties of the Law & Legislation Committee.</p> <p>Due Date: August 15, 2022</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.