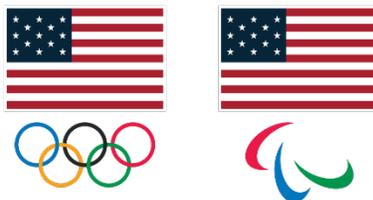

United States Olympic & Paralympic Committee

Audit & Organizational Advancement



Report for:
USA Skateboarding

Review of:
2019 Compliance Checklist

Dated:
May 12, 2020



**UNITED STATES
OLYMPIC & PARALYMPIC
COMMITTEE**
1 Olympic Plaza
Colorado Springs, CO 80909

May 12, 2020

Josh Friedberg
Chief Executive Officer
USA Skateboarding

Dear Josh,

Enclosed is the United States Olympic & Paralympic Committee's (USOPC) report on the 2019 Compliance Checklist for USA Skateboarding (USAS). We want to express our appreciation for the time you and your staff spent completing the Checklist and providing documents during the review.

USAS was compliant as it specifically relates to the compliance checklist report for the questions outlined below in the following areas: financial capabilities; due process and athlete representation; and anti-doping. There were initially seven deficiencies identified in the following areas: governance/managerial; financial capability; and due process and athlete representation. However, with updates to its policies, USAS remedied six deficiencies and has one remaining in governance/managerial.

As of September 13, 2019, the USOPC Board approved the revised NGB and HPMO Athlete Safety Policy. In an effort to align the Compliance Checklist process with the NGB and HPMO Athlete Safety Policy, eliminate redundancies, and ensure clarity as it relates to what entity is solely responsible for auditing SafeSport requirements, the auditing of athlete safety requirements now falls under the jurisdiction of the U.S. Center for SafeSport.

The report will be presented to the USOPC Athlete and NGB Engagement Committee and be made available on TeamUSA.org. We hope you found the review process to be helpful. If you have any suggestions, please do not hesitate to share them with us.

Sincerely,

Audit & Organizational Advancement Team

cc: Rick Adams Chris McCleary Gary Ream
Denise Parker Onye Ikwuakor Oscar Loreto



2019 COMPLIANCE CHECKLIST REPORT

USA Skateboarding

OBJECTIVE AND SCOPE

The objective of the review is to verify USAS is in compliance with key elements of the Ted Stevens Olympic and Amateur Sports Act, the USOPC Bylaws and certain USOPC policies, in order to demonstrate ongoing commitment to the values and requirements of membership in the USOPC. The scope includes the 2019 Compliance Checklist certified by USAS and the supporting documents provided by USAS. Compliance Checklist procedures are designed to verify that certain NGB policies are in place. This Compliance Checklist does not conclude on the effectiveness of any policies reviewed. Additional audit procedures are completed on select NGBs each year to verify various policies and processes are being followed.

The following chart shows all the requirements in the Compliance Checklist and corresponding status for USAS. For any deficiencies, see the explanations and action plans after the chart.

| | Question | Status |
|------------------------------|--|-----------|
| Governance/Managerial | | |
| 1 | Do you have a code of conduct for your employees, members, board of directors and officers? | Compliant |
| 2 | Do you have a strategic plan that is capable of supporting athletes in achieving sustained competitive excellence, and in growing the sport? | Compliant |
| 3 | Do you have your current bylaws posted on your website? | Compliant |
| 4 | Are you compliant with the insurance requirements as set forth in Exhibit 2 of the most recent PPA? | Deficient |
| 5 | Have you submitted, in a timely fashion, data and information on the participation of women, individuals with disabilities and racial and ethnic minorities in your athletic activities and administration? | Compliant |
| 6 | Have you submitted to the USOC for review and approval a plan to encourage the participation of men, women, individuals with disabilities and racial and ethnic minorities in your amateur athletic activities and administration? | Compliant |
| Financial Capability | | |
| 7 | Are you recognized by the IRS as a tax-exempt organization? | Compliant |
| 8 | Are you incorporated under the laws of a state of the United States or the District of Columbia as a not-for-profit corporation? | Compliant |
| 9 | Do you have your three most recent IRS Form 990s on your website? | Compliant |
| 10 | Have you completed and posted on your website your three most recent annual audited financial statements? | Compliant |
| 11 | Do you have written financial policies and procedures? | Compliant |
| 12 | Do you have an approval and/or review process for cash disbursements? | Compliant |
| 13 | Do you provide frequent (monthly or quarterly) financial statements to your board or designated committee? | Compliant |
| 14 | Do you have a board-approved annual budget? | Compliant |

| | | |
|---|---|--|
| 15 | Have you spent USOC funds as required by the funding agreements in the previous 12 months? | Compliant |
| 16 | Do you maintain accurate accounting records in accordance with accounting principles generally accepted in the USA (GAAP)? | Compliant |
| Due Process and Athlete Representation | | |
| 17 | Do you provide procedures for the prompt and equitable resolution of grievances of your members? | Compliant |
| 18 | Do your grievance procedures provide for fair notice and opportunity for a hearing to any athlete, coach, trainer, manager, administrator or official before declaring the individual ineligible to participate? | Compliant |
| 19 | Do you require at least 20% athlete representation on grievance panels? | Compliant |
| 20 | Do you have at least 20% athlete representation on your board of directors? | Compliant |
| 21 | Do you have at least 20% athlete representation on your budget committee? | Compliant |
| 22 | Do you have at least 20% athlete representation on your selection committee, which prepares, approves or implements selection of international, Olympic, Paralympic and Pan American Games team members, including athletes, coaches, administrators and sport staff? | Compliant |
| 23 | If you govern or operate a Paralympic Sport, do you have a Paralympic Sport Advisory Group that includes a combination of coaching staff, high performance staff and at least 20% Paralympic athlete representation to craft and approve selection procedures and to serve in an advisory capacity for high performance planning? | Compliant |
| Athlete Safety | | |
| 24 | Do you have language in your bylaws that provides jurisdictions to the U.S. Center for Safe Sport? | *Transitioned to U.S. Center for SafeSport |
| 25 | Do you have a USOC-compliant Athlete Safety Policy? | *Transitioned to U.S. Center for SafeSport |
| Anti-Doping | | |
| 26 | Do you inform Athletes, Athlete Support Personnel and other Persons in your sport of the USOC National Anti-Doping Policy and of the USADA Protocol? | Compliant |
| 27 | Unless otherwise agreed by USADA, at least quarterly do you provide USADA with an updated list of athletes, proposed by your NGB, to be included in the USADA RTP? With respect to each athlete on such list and such additional athletes as may be designated by USADA for inclusion in the USADA RTP, do you provide USADA with initial contact information which shall, at a minimum, include accurate residential, mailing and email addresses (if available) and phone numbers for each athlete? | Compliant |
| 28 | At least six months prior to the commencement of the most recent applicable Olympic or Paralympic Games, did you provide USADA with a list of all athletes that may have reasonably been selected to represent the U.S. in such Games? | Compliant |
| 29 | Do you have an identified staff member to act as a liaison with USADA? | Compliant |

*The U.S. Center for SafeSport has taken jurisdiction over the auditing of Athlete Safety requirements. To that end, as of 9/13/2019, the USOPC will no longer review Athlete Safety requirements which fall under the Center's jurisdiction.

DEFICIENCIES

4. Are you compliant with the insurance requirements as set forth in Exhibit 2 of the most recent PPA?

According to the USOC's third party administrator for insurance verification, USAS's certificate of insurance was rejected and listed as non-compliant.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: USAS is working with the USOPC NGB Services to obtain insurance which meets the requirements. This deficiency remains.

10. Have you completed and posted on your website your three most recent annual audited financial statements?

USAS does not have its 2018 audited financial statements posted to its website.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: USAS posted its 2018 Audited Financial report to its website. Audit verified USAS was compliant as of May 8, 2020.

13. Do you provide frequent (monthly or quarterly) financial statements to your board or designated committee?

Meeting minute documentation submitted for USAS did not include enough detail to determine if adequate financial statement updates are being provided to the Board of Directors or designated committee for USAS.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: Audit verified that USAS presented detailed financial reports at the April 2020 board meeting. They are considered compliant as of May 5, 2020.

14. Do you have a board-approved annual budget?

USAS did not submit meeting minute documentation to support approval of its 2019 budget as a carry-forward of the 2018 budget.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: USAS approved the 2019 budget, retroactively, and the 2020 budget in the April 2020 board meeting as documented in the board minutes. They are compliant as of May 5, 2020.

16. Do you maintain accurate accounting records in accordance with accounting principles generally accepted in the USA (GAAP)?

Due to the deficiency noted in #10 above, regarding the 2018 audited financial statements, the USOPC was unable to verify whether accurate accounting records have been kept in the most recent fiscal year.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: USAS's most recent audited financials contained an opinion that USAS maintains accurate accounting records in accordance with accounting principles generally accepted in the USA (GAAP).

USAS is considered compliant as of May 5, 2020.

20. Do you have at least 20% athlete representation on your board of directors?

USAS does not currently have 20% athlete representation on its Board.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: USAS has named three athlete reps to the board who meet the criteria to serve in this role. The board is represented by 20% Athlete Representation USAS is compliant as of May 8, 2020.

21. Do you have at least 20% athlete representation on your budget committee?

USAS's Board of Directors functions as the Audit Committee and was deemed deficient above for not having 20% athlete representation on its Board.

USAS Action Plan: *USAS did not provide an action plan.*

USOPC Status Update: USAS has named an athlete rep to the Audit Committee who meets the criteria to serve in this role. The Audit Committee has 20% Athlete Representation. USAS is compliant as of May 8, 2020.

CONCLUSION

USAS must improve its governance/managerial to be fully compliant with the USOPC's Compliance Checklist. The Compliance Checklist does not conclude on the effectiveness of any policies reviewed. Additional audit procedures are completed on select NGBs each year to verify various policies and processes are being followed.