



USOPC NGB AUDIT

USA TEAM HANDBALL

December 10, 2021



EXECUTIVE SUMMARY

Background, Scope, and Objectives

The United States Olympic & Paralympic Committee’s (USOPC) NGB Audit department (Audit) completed an audit of USA Team Handball. The purpose of the audit was to determine if USA Team Handball 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 Team Handball. 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.

The Audit department used Demonstration Levels included in the version of the Implementation Guide that went into effect on January 1, 2021. To provide auditors with more discretion and flexibility in categorizing findings, the NGB Audit department concluded it was appropriate to modify the existing Demonstration Levels to include the following levels: Compliant, Needs Improvement, and Deficient. These new Demonstration Levels, along with the July 2021 version of the Implementation Guide, will take effect January 1, 2022. Existing Demonstration Levels will continue to be used throughout 2021, but to ensure NGBs audited in 2021 benefit from the new Demonstration Level the Audit department will note both the current and revised Demonstration Levels for each finding in audit reports.

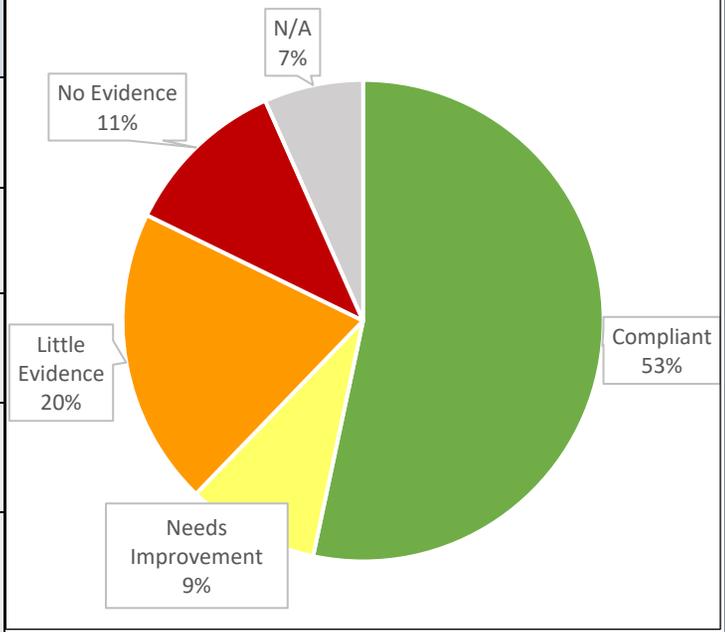
Audit Summary

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 detailed in the Implementation Guide for NGB Compliance Standards (Implementation Guide). Findings and demonstration levels are detailed on the subsequent pages.

Demonstration Level Totals by Section

NGB Audit Standards Section	Compliant	Needs Improvement	Little Evidence of Compliance	No Evidence of Compliance	Total Number of Standards
Governance and Compliance	8	0	4	1	13
Financial Standards and Reporting Practices	5	1	2	0	8
Athlete Protections and Rights	1	1	0	2	5¹
Sport Performance	3	0	1	1	6¹
Operational Performance	7	2	2	1	13¹

Compliance Demonstration Levels



¹Three standards did not apply to USA Team Handball in the areas of Athlete Protections & Rights, Sport Performance, and Operational Performance. Additional details can be found below.

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

EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of USA Team Handball’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 45 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 Team Handball has met many of the requirements outlined in the Standards. However, there are some areas of increased concern. Specifically, testing of USA Team Handball’s background check process revealed several missing background checks; the conflict of interest process is not being properly managed; testing revealed one designated committee that did not meet the 20% athlete representation requirement; and two instances where an elected athlete representative did not meet the eligibility requirements. In addition, there were several findings from the previous USOPC audit that were not addressed. Additional details regarding each of these concerns are outlined in the below findings.

PRIOR AUDIT FOLLOW-UP

As part of this review, the NGB Audit team followed up on nine open audit findings from the audit dated February 22, 2019. As detailed in the findings of this report, there were two repeat findings related to conflict of interest and bylaws. There was one high-risk finding that has not been remediated related to providing fair notice for grievances. There were two high-risk findings partially remediated related to improper segregation of duties for accounting functions and conflicts of interest in the grievance procedures. Audit was unable to close two medium-risk findings related to tracking complaints and opportunity for a hearing as there were no samples to test and validate that appropriate corrective action has been implemented. Two findings have been remediated and validated by Audit. Open findings not detailed below will also be included in the remediation period of this audit.

NGB AUDIT FINDINGS

All Standards are evaluated against the 2020 Implementation Guide for Audit Standards. Bylaws references are based on the USOPC Bylaws approved in June 2020.

GOVERNANCE AND COMPLIANCE

NGB Audit Standards Section A					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Athlete Representation	A.1 a & b			X	
Board Composition	A.1 c			X	
International Federation Affiliation	A.1 d	X			
Membership Requirements	A.1 e	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			
Total		8	0	4	1

Little Evidence of Compliance		
1	Athlete Representation	Management Action Plan
	<p>A.1 a & b:</p> <p>a. NGBs must have at least 20% athlete representation on its board of directors as required by the Act §220522(a)(10) and further defined by the USOPC Bylaws, Section 8.8.</p> <p>b. NGBs must have at least 20% athlete representation on all committees as required and defined by the USOPC Bylaws, Section 8.8.</p> <p>FINDING: USA Team Handball’s Nominating and Governance Committee does not meet the minimum athlete representation of 20% as required by the USOPC Bylaws.</p> <p>In addition, two athlete representatives do not meet the eligibility requirements outlined in the USOPC Bylaws.</p>	<p>USA Team Handball will work swiftly to nominate the remaining open seats on all committees, as well as ensure the athlete representatives meet the eligibility requirements.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Deficient		
2	Board Composition	Management Action Plan
	<p>A.1 c: 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)(11).</p> <p>FINDING: USA Team Handball's Bylaws meet most of the requirements for the definition of independent perspective, however, they do not state that</p>	<p>USA Team Handball will update the bylaws accordingly.</p> <p>Due Date: February 28, 2022</p>

	<p>independent board members must continue to meet the definition of independent perspective for their entire term and any successive term.</p> <p>Additionally, USA Team Handball's Bylaws do not require an affiliate board position be added if an affiliate organization is identified.</p>	
2022 Determination Level: Deficient		
3	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 USA Team Handball's Bylaws in the following areas: conflict of interest, general requirements, board election and selection procedures, and committee requirements.</p> <p>This is a repeat finding. The previous audit noted that USA Team Handball's Bylaws were not in compliance with USOPC requirements.</p>	<p>USA Team Handball will update the bylaws accordingly.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Deficient		
4	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: There are elements missing from USA Team Handball's Conflict of Interest Policy in the areas of disclosures and resolution.</p> <p>USA Team Handball did not have a process for required individuals to annually disclose potential conflicts of interest. There were 37 individuals required to complete a Conflict of Interest disclosure form; of those, nine did not submit a completed disclosure form.</p> <p>Additionally, USA Team Handball does not have a formalized process to review the submitted conflict of interest forms. There was no evidence that tested forms were reviewed.</p>	<p>USA Team Handball has followed up with individuals on various committees and as of November 30, 2021, only one individual still needs to complete a conflict of interest (COI), and this individual will be suspended from their role until the COI is complete. Also, all signed COIs will be sent to the Judicial Committee for their review followed by a report to the board on the COIs.</p> <p>In the future, all COIs will be collected in August of each year to align with USA Team Handball's membership season, which begins September 1st of each year. This will ensure the organization is in compliance with the COI policy prior to the start of each membership season.</p> <p>USA Team Handball will update the COI policy accordingly.</p> <p>Due Date: February 28, 2022</p>

	This is a repeat finding. The previous audit noted issues with the conflict of interest forms not being completed or reviewed.	
2022 Determination Level: Deficient		
No Evidence of Compliance		
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: USA Team Handball does not currently have a formal onboarding process for board or committee members.</p>	<p>USA Team Handball will implement an NGB-specific onboarding process for all new board and committee members.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Deficient		

FINANCIAL STANDARDS AND REPORTING PRACTICES

NGB Audit Standards Section B					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
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		5	1	2	0

Needs Improvement		
6	Financial Policies and Procedures	Management Action Plan
	<p>B.1 b: NGB must develop and implement financial policies and procedures.</p> <p>FINDING: USA Team Handball's payroll procedures are missing information on who is responsible for initiating or approving pay rate changes.</p>	<p>USA Team Handball will update its financial policies and procedures accordingly and ensure that Altruic (USA Team Handball's accounting firm that processes payroll) has the most up-to-date procedures.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Compliant		
Little Evidence of Compliance		
7	USOPC Funding	Management Action Plan
	<p>B.1 c: 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>FINDING: The funding reports provided to the USOPC were incorrect and did not match the general ledger detail.</p>	<p>USA Team Handball will work with Altruic to ensure all incoming grants are appropriately tagged so any expenditures related to the grants can easily be tracked and tied back to the original grant.</p> <p>Additionally, the review process will be updated to reflect that the CEO prepares grant reports to be reviewed by the Audit Committee and will ensure that final grant reports submitted to the USOPC directly match the general ledger detail.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Needs Improvement		
8	Board Approved Budget	Management Action Plan
	<p>B.2 a: NGB must adopt a Board-approved budget before or at the start of its fiscal year.</p> <p>FINDING: USA Team Handball's Board approved the budget three months after the start of the current year.</p>	<p>USA Team Handball has already submitted the first draft of a 2022 budget to the board for review. The finalized version will be adopted early in 2022, if not before.</p> <p>Due Date: January 31, 2022</p>
2022 Determination Level: Deficient		

ATHLETE PROTECTION AND RIGHTS

NGB Audit Standards Section C					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Child Protection and US Center for SafeSport ²	C.1 a and C.2	N/A	N/A	N/A	N/A
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		1	1	0	2

²The U.S Center for SafeSport (the Center) issued an audit report for USA Team Handball on November 22, 2021, which contained findings. USA Team Handball is currently in the agreed-upon remediation period with the Center. Until the completion of this period, Audit will be unable to accurately assess Child Protection and US Center SafeSport (standards C.1 a and C.2). This will be evaluated at a later date and is considered “Not Applicable” for the purposes of this report.

Needs Improvement		
9	Anti-Doping Policies	Management Action Plan
	<p>C.4 a: NGB must ensure compliance with anti-doping policies and standards including, but not limited to, the USOPC’s National Anti-Doping Policy and the USADA Protocol.</p> <p>FINDING: USA Team Handball does not have formal policies and procedures to enforce anti-doping sanctions.</p> <p>2022 Determination Level: Needs Improvement</p>	<p>USA Team Handball will establish a formal policy to ensure compliance in this area.</p> <p>Due Date: February 28, 2022</p>
No Evidence of Compliance		
10	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: USA Team Handball's Background Check Policy is missing elements related to applicability and timing</p>	<p>USA Team Handball has followed up with individuals on various committees and as of November 30, 2021, only four individuals still need to initiate a background check and these individuals will be suspended from their role until the background screen is complete.</p>

	<p>Additionally, during a review of 41 individuals required to complete a background check, 12 individuals working in an official capacity with USA Team Handball had not completed a background screening.</p> <p>This was also identified as a finding in the previous USOPC audit, though USA Team Handball had remediated it prior to the start of this audit.</p>	<p>All board and committee members now have active profiles through Sport:80 and will be automatically notified when their background check or SafeSport training is about to expire. USA Team Handball will review background check status annually to ensure any upcoming expirations are noted and resolved before any lapses occur.</p> <p>USA Team Handball will update its background check policy accordingly.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Deficient		
11	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: USA Team Handball’s Bylaws do not have the required anti-doping language for NGBs with individual members.</p> <p>Additionally, USA Team Handball does not include the anti-doping language in the waivers signed by members.</p>	<p>USA Team Handball bylaws will be updated accordingly.</p> <p>USA Team Handball has already updated the wavier and anti-doping language is included. A copy of the updated waiver has been provided to NGB Audit.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Deficient		

SPORT PERFORMANCE

NGB Audit Standards Section D					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Selection Procedures	D.1 a & D.5 b	X			
Delegation List Submission	D.3 a	N/A	N/A	N/A	N/A
High-Performance Plan Submission	D.4 a				X
Event Sanctioning	D.4 b			X	
Paralympic Classification	D.4 c	X			
International Federation Standing	D.5 a	X			
Total		3	0	1	1

Little Evidence of Compliance		
12	Event Sanctioning	Management Action Plan
	<p>D.4 b: If an NGB or its affiliate(s) sanctions events, it must require specific sanctioning standards set forth by the USOPC of the organization or person requesting a sanction.</p> <p>FINDING: USA Team Handball's event sanctioning documents do not have the proper anti-doping protocol as required by the international federation.</p>	<p>For the audit period of 2021, USA Team Handball's Event Sanctioning document does not meet the requirement. However, the document will be in compliance as of January 1, 2022, thus no remediation action is required.</p>
2022 Determination Level: Compliant		
No Evidence of Compliance		
13	High-Performance Plan Submission	Management Action Plan
	<p>D.4 a: NGB must develop and execute a high-performance plan that effectively and successfully train Delegation Event Athletes.</p> <p>FINDING: USA Team Handball did not provide its high-performance plan to the USOPC.</p>	<p>USA Team Handball high-performance plan is under development and will be completed prior to the end of the year or very early in 2022. USA Team Handball will work with USOPC Sports Performance to ensure timely submission of future high-performance plans.</p> <p>Due Date: January 31, 2022</p>
2022 Determination Level: Deficient		

OPERATIONAL PERFORMANCE

NGB Audit Standards Section E					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Managerial 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	N/A	N/A	N/A	N/A
Diversity – Public Disclosure	E.7 e	X			
Strategic Planning	E.8 a		X		
USOPC Policy Compliance	E.9 a	X			
Total		7	2	2	1

Needs Improvement		
14	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 §220524(8).</p> <p>FINDING: While USA Team Handball provides an equal opportunity to participate as required, they do not provide anti-discrimination training.</p>	<p>USA Team Handball conducted a session with staff and volunteer leaders in November 2021 on our DEI action plan and anti-discrimination policy. Moving forward, this training will be done annually in September along with the start of our membership season.</p>
	2022 Determination Level: Needs Improvement	
15	Strategic Planning	Management Action Plan
	<p>E.8 a: NGB must maintain and monitor the execution of an organizational strategic plan, in addition to a high-performance plan.</p> <p>FINDING: USA Team Handball does not consistently monitor and report progress against the strategic plan's measurable outcomes.</p>	<p>USA Team Handball will update the strategic plan to align with the current direction of the NGB and ensure progress reports are provided quarterly on both the strategic plan and the high-performance plan.</p> <p>Due Date: February 28, 2022</p>
	2022 Determination Level: Needs Improvement	
Little Evidence of Compliance		
16	Grievance Procedures	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).</p>	<p>USA Team Handball will update its grievance procedures accordingly and ensure they are being followed. USA Team Handball will implement a tracking mechanism to ensure grievance documents are retained and appropriately accessible to critical staff.</p>

	<p>Specific requirements are outlined in the implementation guide.</p> <p>FINDING: There are elements missing from USA Team Handball's grievance procedures, including types of grievances, manner of filing, administration of the grievance, hearing panel composition, and hearing process.</p> <p>Additionally, USA Team Handball did not maintain adequate documentation of complaints filed by members against USA Team Handball or other members. There was insufficient documentation to verify complaints filed were handled in accordance with the procedures.</p> <p>The previous USOPC Audit noted two findings that have not been remediated. One finding was related to their grievance process; USA Team Handball did not update their procedures to include fair notice requirements. There were no grievances to test that fair notice was provided. One finding was partially remediated and related to conflict of interest disclosures for hearing panel members. USA Team Handball made some updates to their policy but further updates are needed.</p>	<p>Due Date: February 28, 2022</p>
2022 Determination Level: Deficient		
17	Gender Equity	Management Action Plan
	<p>E.7 b: NGB must provide equitable support and encouragement for participation by women where separate programs for male and female athletes are conducted on a national basis as required by the Act §220524(6).</p> <p>FINDING: USA Team Handball has established performance criteria that are the same for all national team athletes who are on the Delegation Event program. However, the criteria to qualify for Elite Athlete Health Insurance are not published online or in an athlete handbook.</p>	<p>USA Team Handball will create an athlete agreement or handbook that includes criteria to qualify for Elite Athlete Health Insurance to ensure transparency in this process. Additionally, USA Team Handball will ensure the criteria is made available to athletes.</p> <p>Due Date: February 28, 2022</p>
2022 Determination Level: Needs Improvement		
No Evidence of Compliance		
18	Managerial 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>After years of high staff turnover and tumultuous board transitions, USA Team Handball has some stability heading into 2022. Ryan Johnson will be entering his second year as CEO, with Michael Wall in his third year as board president. Support from the USOPC, the International Handball Federation (IHF), and</p>

<p>FINDING: Through discussions with USA Team Handball management and various USOPC departments, Audit identified several concerns related to unreasonable and unplanned staff turnover and the historical inability of the board to refrain from involving themselves in the day-to-day activities of the organization.</p>	<p>sponsors are projected to remain strong and will allow the staff to continue to develop a sustainable business model to support the ongoing activities of the NGB. The board was also reduced from 11 seats to nine at the beginning of 2021, with no board turnover expected until the end of 2022. USA Team Handball will continue to prioritize employee engagement to reduce burnout and staff turnover by creating a more professional work environment and communication process with employees. USA Team Handball has engaged Employment Compliance Solutions which has enhanced employee engagement. Additionally, USA Team Handball will work with the USOPC to identify situations where the board may be infringing on management’s authority and provide training and guidance as needed.</p>
<p>2022 Determination Level: Deficient</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.

APPENDIX A – COMPLIANCE DEMONSTRATION LEVEL DEFINITIONS

Compliance Demonstration Level Definitions	
Level	Definition
Compliant	NGB meets the requirements.
Needs Improvement	NGB meets the majority of the requirements but need to make minor improvements to meet all the requirements.
Little Evidence of Compliance	NGB meets some of the requirements but not all of the requirements.
No Evidence of Compliance	NGB does not meet the requirements.