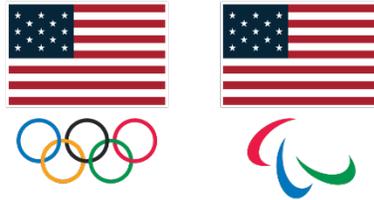


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# United States Olympic & Paralympic Committee

## Audit & Organizational Advancement



**Report for:**  
**USA Racquetball**

**Review of:**  
**2019 Compliance Checklist**

**Dated:**  
**March 31, 2020**



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

March 31, 2020

Mike Wedel  
Executive Director  
USA Racquetball

Dear Mike,

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

USAR was compliant as it specifically relates to the compliance checklist report for the questions outlined below in anti-doping. There were initially nine deficiencies identified, however, with updates, USAR remedied three deficiencies in financial capability and anti-doping. There are six remaining deficiencies in the report in the following areas: governance managerial; financial capability; and due process and athlete representation. There is also an additional observation in the report that when implemented will improve the anti-doping policy.

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  
Wendy Guthrie  
Onye Ikwuakor

Chris McCleary  
Denise Parker

Dan Whitley  
Michelle De La Rosa  
Renee Isherwood



# 2019 COMPLIANCE CHECKLIST REPORT

USA Racquetball

## OBJECTIVE AND SCOPE

The objective of the review is to verify USAR 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 USAR and the supporting documents provided by USAR. 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 USAR. For any deficiencies, see the explanations and action plans after the chart.

	Question	Status
<b>Governance/Managerial</b>		
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?	Deficient
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?	Compliant
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 USOPC 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
<b>Financial Capability</b>		
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 USOPC 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)?	Deficient
<b>Due Process and Athlete Representation</b>		
17	Do you provide procedures for the prompt and equitable resolution of grievances of your members?	Deficient
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?	Deficient
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?	Deficient
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?	Deficient
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
<b>Athlete Safety</b>		
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 USOPC-compliant Athlete Safety Policy?	*Transitioned to U.S. Center for SafeSport
<b>Anti-Doping</b>		
26	Do you inform Athletes, Athlete Support Personnel and other Persons in your sport of the USOPC 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

**2. Do you have a strategic plan that is capable of supporting athletes in achieving sustained competitive excellence, and in growing the sport?**

USAR did not submit a Strategic Plan for review. Per the submission by USAR, the strategic plan is in the final stages of completion and pending approval by the Board of Directors.

**USAR Action Plan:** USA Racquetball is working with the USOPC to set a date and complete the strategic plan. It appears, at this time, that the planning meeting will take place in March, so the plan should be completed shortly thereafter. This is the first time working with the USOPC on a strategic plan, so the time frame for completion once the meeting takes place is not clear. We expect it to be completed shortly after the meeting.

**USOPC Status Update:** USAR is working with NGB services to complete a strategic plan. The planning session is planned to occur in May 2020.

**9. Do you have your three most recent IRS Form 990s on your website?**

USAR does not have its 2018 IRS Form 990 uploaded to its website.

**USAR Action Plan:** The 990 was voted on and approved during the November 25<sup>th</sup> board meeting. As soon as we receive the Public version, we will post it on our website. It will be completed within the 90-day time frame.

**USOPC Status Update:** Audit verified USAR completed and posted its 2018 Form 990 to their website and is compliant as of February 24, 2020.

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

USAR does not have its 2018 audited financial statements uploaded to its website.

**USAR Action Plan:** The 2018 financial was voted on and approved during the November 25<sup>th</sup> board meeting. We will get this posted on our website soon. It will be completed within the 90-day time frame.

**USOPC Status Update:** Audit verified USAR completed and posted its 2018 Audited Financial Statements to their website and is compliant as of February 24, 2020.

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

USAR audited financial statements reported a qualified opinion on its 2017 audited financial statements, regarding insufficient audit evidence provided for the U.S. Open event.

Additionally, 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.

**USAR Action Plan:** The 2018 financials will be posted soon, as stated above. The same opinion will be reflected in the 2018 financials, as it has been for the past several years. This is due to the fact that we contract out the operation of our US Open and have for the past 25 years. The 2020 US Open is the last one

being run by the company, and the financials will all be brought in to USA Racquetball for 2021 and beyond. This will fix the reason for the “qualified opinion”. There is no need to make a lot of changes that would be difficult to implement for one year. The issue will be resolved with our taking full control of the event.

**17. Do you provide procedures for the prompt and equitable resolution of grievances of your members?**

USAR's Bylaws do not appear to include a process to hear grievances regarding USAR's compliance with the Act or USOPC Bylaws.

**USAR Action Plan:** *The Bylaws are being revised to include this procedure. It will go through the standard process of editing our bylaws and will be completed in Summer 2020.*

**19. Do you require 20% athlete representation on all grievance panels?**

Article XVI, Section (A)(7) of the Bylaws provides for a hearing panel, however, there is no requirement for 20% athlete representation on the panel.

**USAR Action Plan:** *The Bylaws are being revised to include the statement regarding the 20% representation. It will go through the standard process of editing our bylaws and will be completed in Summer 2020.*

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

USAR's Finance/Accounting Committee currently has 7% athlete representation, which does not meet the 20% athlete representation requirement.

Additionally, athlete representatives on committees are appointed by the Board without athlete approval. Athlete reps on committees must be directly elected, or approved by, qualified athletes under the USOPC Bylaws Section 8.8.2 or 8.8.3.

**USAR Action Plan:** *This has already been addressed. The new committee list will be posted on the website very soon. It will be on the website within the 90-day time.*

**USOPC Status Update:** USAR complies with 20% Athlete Representation on their Finance/Accounting Committee as of March 11, 2020. USAR stated they are working on Bylaws revisions to include athlete election procedures and will have the changes complete in Summer 2020.

**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?**

While USAR meets the 20% athlete representation on its selection committee, the athlete representatives are appointed by the Board without athlete approval. Athlete reps on committees must be directly elected, or approved by, qualified athletes under the USOPC Bylaws Section 8.8.2 or 8.8.3.

**USAR Action Plan:** *The Bylaws are being revised to include this procedure. It will go through the standard process of editing our bylaws and will be remedied in Summer 2020.*

**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?***

USAR was found deficient according to independent communications with USADA as of August 2019.

***USAR Action Plan:*** *The list and all of the information will be provided to USADA. We will have this list provided within the 90-day time.*

**USOPC Status Update:** Audit verified with USADA that USAR was compliant with its most recent quarterly RTP report and is considered compliant as of March 11, 2020.

## **ADDITIONAL OBSERVATION**

During the review we identified an additional area for improvement. The additional observation does not impact the compliant status but could impact it in the future.

***26. Do you inform Athletes, Athlete Support Personnel and other Persons in your sport of the USOPC National Anti-Doping Policy and of the USADA Protocol?***

USAR's Team Handbook informs athlete members of their anti-doping responsibilities, however, this information does not appear to apply to athlete support personnel and other persons subject to the rules. Required compliance with the USOPC National Anti-Doping Policy is also not mentioned in the Handbook.

## **CONCLUSION**

USAR must improve the following areas to be fully compliant with the USOPC's Compliance Checklist: governance/managerial; financial capability; and due process and athlete representation. 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.