



# USOPC NGB AUDIT

## USA CLIMBING

September 15, 2021



## EXECUTIVE SUMMARY

### Background, Scope, and Objectives

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

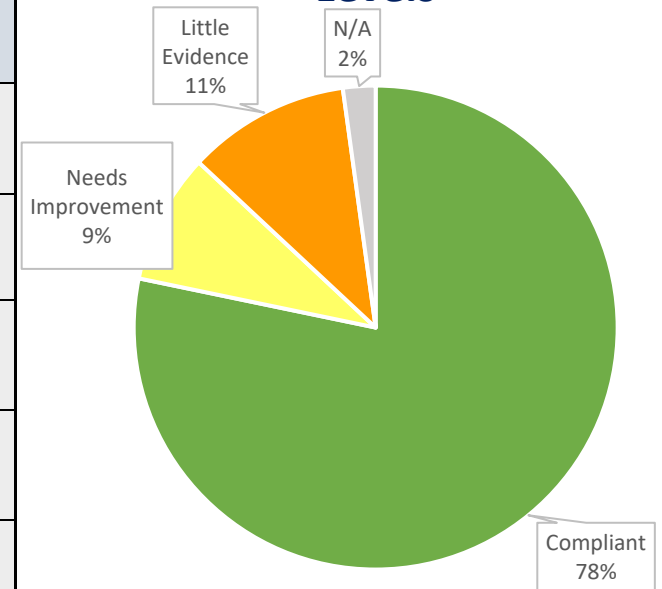
### Audit Summary

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	12	0	1	0	<b>13</b>
Financial Standards and Reporting Practices	7	0	1	0	<b>8</b>
Athlete Protections and Rights	3	1	1	0	<b>5</b>
Sport Performance	4	0	1	0	<b>6<sup>1</sup></b>
Operational Performance	9	3	1	0	<b>13</b>

### Compliance Demonstration Levels



<sup>1</sup>One standard did not apply to USA Climbing. See Sport Performance findings for more details

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

## EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of USA Climbing’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 Climbing has most of the requirements outlined in the Standards, However, there are some areas of increased concern. Specifically, USA Climbing is not properly managing its conflict of interest process; and testing of USA Climbing’s USOPC awarded funds revealed financial policies and procedures were not being followed and expenditures were reported incorrectly to the USOPC. 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 two open audit findings from the audit dated July 16, 2019. Both have been remediated and validated by Audit.

## NGB AUDIT FINDINGS

All Standards are evaluated against the 2020 Implementation Guide for Audit Standards. References to the USOPC Bylaws in the below standards 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			
<b>Total</b>		<b>12</b>	<b>0</b>	<b>1</b>	<b>0</b>

Little Evidence of Compliance		
1	Conflicts 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> There are elements missing from USA Climbing's Conflict of Interest Policy in the following areas: disclosures, reporting, and resolution. Additionally, the current version of the Policy is not posted on the website.</p> <p>During testing of annual disclosures, there were three instances where a disclosure form was not completed, one instance where a copy of the completed form was lost, and one instance where the completion date could not be verified.</p> <p>Although USA Climbing's Conflict of Interest Policy requires the Chair of the Ethics Committee to review disclosures, there is no documentation confirming the review took place.</p>	<p>USA Climbing has posted the conflicts of interest (COI) policy on its website.</p> <p>Since the time of the audit, USA Climbing has implemented an online COI submission process that requires the completed COI form to be uploaded upon obtaining or renewing a membership which is subject to review and approval by USA Climbing's Membership Coordinator. Individuals with incomplete COI forms will not be allowed to participate in any capacity.</p> <p>USA Climbing will update the COI policy to add more specificity reflecting the current process for reviewing disclosures, who receives reports of potential COI violations, who makes the determination on potential violations, and that a complaint of a COI violation will be investigated by disinterested parties.</p> <p>USA Climbing will work with the Chair of the Ethics Committee to design a standardized practice for documenting the results of the review of each form and returning the documentation to USA Climbing's Membership Coordinator for storage.</p> <p><b>Due Date:</b> December 31, 2021</p>
<b>2022 Determination Level: Deficient</b>		

## 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			
<b>Total</b>		<b>7</b>	<b>0</b>	<b>1</b>	<b>0</b>

Little Evidence of Compliance		
2	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 Climbing completed and submitted their final grant report within the established deadlines. However, the High-Performance General Ledger did not match the expenses reported on the 2020 final grant report. As a result, USA Climbing spent less than they reported.</p> <p>Of the expenses tested, original receipts were not provided for two expenses, one expense was missing documented approval, and six of the credit card reconciliations were not submitted according to USA Climbing's Financial Policies and Procedures.</p> <p>In addition, two expenses reviewed were Value-In-Kind (VIK) funding received from outside sources, however, USA Climbing did not report any additional sponsorship or value in kind funding from outside sources on the final grant report submitted to the USOPC.</p>	<p>USA Climbing has implemented an invoice review process, which includes invoice payments on autopay.</p> <p>USA Climbing is in the process of implementing a credit card expense management tool (Divvy) which streamlines receipt collection for credit card expenses and approvals, ensuring accurate and complete record-keeping that is aligned with USA Climbing's Fiscal Policies and Procedures. Likewise, USA Climbing's Fiscal Policies and Procedures will be updated to reflect any changes in required financial approvals.</p> <p>For the 2021 funding report submission, USA Climbing will perform a reconciliation check to the General Ledger and ensure that value in kind expenses are reported separately.</p> <p><b>Due Date:</b> March 31, 2022</p>
	<b>2022 Determination Level: Deficient</b>	

## 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	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>1</b>	<b>1</b>	<b>0</b>

Needs Improvement		
3	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> USA Climbing's Bylaws contain the required language for NGBs with individual members. However, USA Climbing's Anti-Doping Policy does not reference policies and rules adopted by the USOPC, as required.</p> <p><b>2022 Determination Level: Needs Improvement</b></p>	<p>USA Climbing will update its anti-doping policy to include the USOPC approved anti-doping language that references the policies and rules adopted by the USOPC.</p> <p><b>Due Date:</b> September 30, 2021</p>
Little Evidence of Compliance		
4	USOPC Athlete Safety Requirements	Management Action Plan
	<p><b>C.3 a:</b> NGB must ensure compliance with policies and standards including but not limited to:</p> <ul style="list-style-type: none"> <li>i. USOPC's NGB and HPMO Athlete Safety Policy</li> <li>ii. Responsible Sport Organization Background Check Policy</li> </ul> <p><b>FINDING:</b> USA Climbing has a policy that requires notification to the Office of Athlete Safety for all required elements, except for any temporary measure(s) (imposed or removed) affecting participants who receive a benefit or service from the USOPC.</p> <p>Additionally, USA Climbing's Background Check Policy does not contain all the required elements in the following areas: applicability and types of offenses.</p>	<p>USA Climbing will update its SafeSport policy to include notification to the Office of Athlete Safety for any temporary measure(s) (imposed or removed) affecting participants who receive a benefit and/or service from the USOPC. Additionally, USA Climbing will update its background check policy to include all required elements surrounding applicability and types of offenses.</p> <p><b>Due Date:</b> September 30, 2021</p>

**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	X			
High-Performance Plan Submission	D.4 a	X			
Event Sanctioning	D.4 b			X	
Paralympic Classification	D.4 c	N/A	N/A	N/A	N/A
International Federation Standing	D.5 a	X			
<b>Total</b>		<b>5</b>	<b>0</b>	<b>1</b>	<b>0</b>

Little Evidence of Compliance		
5	Event Sanctioning	Management Action Plan
	<p><b>D.4 b:</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><b>FINDING:</b> USA Climbing's sanctioning documents do not have all the minimum required elements.</p>	<p>Since the time of audit, USA Climbing has updated its requirements in all types of host agreements to reflect that host facilities, at a minimum, must have personnel with current First Aid and CPR certifications to provide medical supervision. Host agreements for championship events now require that one or more licensed EMT's be on site when there are competitors on site.</p>
<b>2022 Determination Level: Needs Improvement</b>		

**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	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>9</b>	<b>3</b>	<b>1</b>	<b>0</b>

Needs Improvement		
6	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> There are elements missing from USA Climbing's grievance procedures, including the types of grievances, hearing panel composition, and conduct of proceedings.</p> <p>Additionally, in one of the grievances tested, USA Climbing did not send the notice of the charges and documented remedy requested to the respondent within 14 business days, as required by USA Climbing's Grievance Procedures.</p>	<p>USA Climbing will update its grievance policy to address alleged non-compliance of USOPC Bylaws and to reflect examples on what might be considered grounds for dismissal of a grievance.</p> <p>USA Climbing will update its code of ethics and conflicts of interest Policy to include hearing panel members.</p> <p>USA Climbing will provide communication to the Judicial Committee on the grievance policy and specifically highlight the need to send the notice of the charges and documented requested remedy to the respondent within 14 business days.</p> <p><b>Due Date:</b> September 30, 2021</p>



<b>2022 Determination Level: Needs Improvement</b>		
7	Whistleblower and Anti-Retaliation Policy	Management Action Plan
	<p><b>E.5 a:</b> 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><b>FINDING:</b> There are elements missing from USA Climbing's Whistleblower and Anti-Retaliation Policy including enforcement and types of alleged violations.</p>	<p>USA Climbing will update its whistleblower policy to include more information around enforcement procedures, as well as examples of alleged violations.</p> <p><b>Due Date:</b> October 31, 2021</p>
<b>2022 Determination Level: Needs Improvement</b>		
8	Equal Opportunity	Management Action Plan
	<p><b>E.7 c:</b> 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><b>FINDING:</b> While USA Climbing provides an equal opportunity to participate as required, they do not provide anti-discrimination training.</p>	<p>USA Climbing has added an attestation to the USA Climbing Anti-Discrimination Policy to its membership application.</p> <p>Annual Diversity, Equity, and Inclusion training for board members took place at the July 2021 Board meeting.</p> <p>USA Climbing is developing an Anti-Discrimination annual training for its staff.</p> <p><b>Due Date:</b> December 31, 2021</p>
<b>2022 Determination Level: Needs Improvement</b>		
<b>Little Evidence of Compliance</b>		
9	Gender Equity	Management Action Plan
	<p><b>E.7 b:</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><b>FINDING:</b> USA Climbing has established performance criteria that are the same for all national or event 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 Climbing will update the athlete agreement to outline the criteria for qualifying for Elite Athlete Health Insurance.</p> <p><b>Due Date:</b> October 31, 2021</p>
<b>2022 Determination Level: Deficient</b>		

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.