

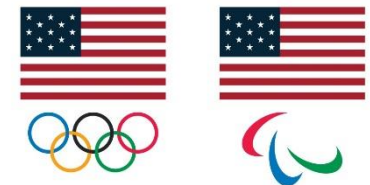


## Audit Report

# United States Association of Blind Athletes

February 20, 2020

Prepared by: United States Olympic & Paralympic Committee,  
Audit & Organizational Advancement



## EXECUTIVE SUMMARY

### Background and Audit Scope

The United States Olympic & Paralympic Committee (USOPC) Audit & Organizational Advancement Department completed an audit of United States Association of Blind Athletes (USABA). The purpose of the audit was to determine if USABA complies with select requirements of the Ted Stevens Olympic and Amateur Sports Act, 36 U.S.C. § 220522 et seq (the Sports Act) and USOPC Bylaws as applied to it through the Performance Partnership Agreement (PPA). The audit period focused on activities conducted in 2017 and 2018 and USOPC funds received from January 1, 2017 through December 31, 2018.

### Audit Objectives

The objectives of the audit were to determine:

- Previous audit recommendations status,
- Compliance with select requirements in funding agreements,
- Compliance with select USOPC documents which are applicable to High Performance Management Organization (HPMOs),
- Internal control environment promotes managerial and financial capabilities, and
- Compliance with HPMO internal documents.

### Audit Summary

Based on the audit procedures performed, the application of select policies and procedures were reviewed to determine alignment with USOPC requirements. The conclusion within each area was based on the risk level of each recommendation and number of recommendations. Appendix B includes explanation of each conclusion type. Appendix C includes detailed audit procedures.

### Audit Rating

Audit Rating	
HPMO	Current Audit Rating
USABA	25

The audit rating is an open-ended rating, with zero being the optimal rating. The audit rating is explained in more detail in Appendix A.

Audit Summary	
Audit Area	Conclusion
Governance/Managerial	Unsatisfactory
Financial Capabilities	Satisfactory
Due Process	Unsatisfactory
Athlete Representation	Satisfactory
Athlete Safety	Unsatisfactory

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

## EXECUTIVE SUMMARY (CONTINUED)

The following is a summary of the opportunities for improvement identified during the audit and are detailed on subsequent pages. The level of risk was determined based on the potential impact it could have to USABA’s athletes and USABA, the managerial and financial capabilities of USABA, and any mitigating controls noted during the audit. Definitions of the risk levels are included in Appendix D.

Recommendation by Risk Level		
Recommendations	Audit Area	Risk Level
Filling Board Vacancies	Governance/Managerial	High
Ensure Conflicts are Disclosed by Adopting a Conflict Free Review Process	Governance/Managerial	High
Ensure Hearing Panels are Disinterested and Conflict Free	Due Process	High
Develop a Tracking Process to Ensure and Verify Background Check Completion	Athlete Safety	High
Approval of the Independent Auditor and Audit & Finance Committee Minutes	Governance/Managerial	Low
Review and Approval of ED and Board Expenses	Financial Capabilities	Low
Revision of Credit Card Procedures	Financial Capabilities	Low
Improvements to Inventory Controls and Procedures	Financial Capabilities	Low
Ensure Compliance with Financial Policy	Financial Capabilities	Low

## PRIOR AUDIT

### Summary of Prior Audit Recommendations

USABA’s previous audit report from the USOPC, dated July 13, 2012, resulted in 19 recommendations in the areas of grant funding, policies and procedures, and governance. Fifteen of the recommendations were either fully implemented or are no longer applicable since compliance with federal funding was not in the scope of this audit, one was considered partially implemented and two recommendations were not implemented and resulted in repeat recommendations included in this report.

## CURRENT RECOMMENDATIONS

**Risk Level: High**

**Audit Area: Governance/Managerial**

#1	Filling Board Vacancies	Recommendation	Management’s Action Plan
	<p>Currently there are only six board members seated on the Board of USABA, with only two athlete representatives which does not satisfy the 20% athlete representation required by USABA bylaws. The USABA bylaws state the following: "The board shall consist of thirteen (13) members. Furthermore, the Board of Directors shall be composed of at least 20% (twenty percent) members who are athletes."</p> <p>USABA has had board vacancies for an extended period of time. According to the May 2018 board meeting minutes, when there were only two board vacancies, a decision was made to not fill the vacancies until a bylaw revision and the process of becoming a Paralympic Sports Organization was complete. As of October 2019, neither of these projects have been completed and five more board members have resigned.</p> <p>The organization is missing an opportunity to fill the vacant positions with individuals with skill sets, expertise, community connections, diverse perspectives, and spheres</p>	<p>In order to be compliant with their bylaws, USABA and its board should immediately seek to fill the vacant board positions and ensure the board membership includes at least 20% athlete representation.</p>	<p>USABA approved the association’s new bylaws in January 2020. Accordingly, the board chair is in the process of charging the Governance and Nominating Committee (GNC) to develop, establish and implement written nomination and election procedures by March 15, 2020. USABA is moving forward with urgency to fill the positions as soon as possible. A charge has been given to the GNC to expedite the process. It will move as quickly as possible ensuring the due diligence required. USABA is in the process of contacting search firms for bids to assist us filling the independent directors.</p> <p>Given USABA’s bylaw change all current board members who wish to continue to serve on the USABA board of directors must vacate their seat but</p>

	<p>of influence to the Board for the benefit of USABA's Athletes and USABA. Having vacant positions requires current board members to take on additional responsibilities and can also impact the results of Board decisions.</p>		<p>may re-run if recommended by the GNC. As such, ultimately, all 10 seats will become vacant and refilled by approval of the board based on GNC recommendations of qualified candidates</p> <p><b>Responsible Party:</b> USABA Governance and Nominating Committee</p> <p><b>Target Date:</b> As soon as Possible</p>
<b>#2</b>	<b>Ensure Conflicts are Disclosed by Adopting a Conflict Free Review Process</b>	<b>Recommendations</b>	<b>Management's Action Plan</b>
	<p>USABA does not follow its conflict of interest policy. The auditor identified three board members and three employees to have potential conflicts which were not disclosed on the conflict of interest disclosure form. For example, one board member had multiple potential conflicts including offering resources from his personal/professional position at another organization. Another example was a staff member was found to be in a position to make decisions that would directly impact a relative on the National Team. The board minutes did not reflect that there was any discussion as to whether the potentially conflicted individuals could participate in these discussions or engage these services on behalf of the USABA.</p> <p>Additionally, USABA does not review the forms for conflict disclosures, to ensure that they are complete, or to verify</p>	<p>For these reasons, the board of directors must:</p> <ol style="list-style-type: none"> <li>1. Ensure potential conflicts are disclosed on the conflict of interest disclosure form;</li> <li>2. Comply with the conflict of interest policies, not partake in discussions where a potential conflict exists, recuse themselves from voting in matters of potential conflicts; and</li> <li>3. Adopt a formal conflict of interest review process by a disinterested individual or group.</li> </ol>	<p>USABA will immediately take action to amend our bylaws such that the committees and the committee chairs are appointed by the board.</p> <p>The board will appoint an Ethics Committee to implement and ensure compliance with USABA's Conflict of Interest Policy by March 1, 2020.</p> <p>During the governance transition period under the current board of directors, by March 15, 2020, the Chair of the Ethics Committee will distribute the Conflict of Interest form to all board members and staff. By March 30, 2020, each responsible person will be required to review a copy of the policy,</p>

that all conflict of interest disclosure forms are signed. The forms are provided to the Chair of the Governance and Nominating Committee, who is potentially conflicted, but there is not a formal review process of the disclosure form.

USABA's conflict of interest policy states that a person who has a conflict shall not engage in a contract or transaction between USABA and serve as an officer, employee, or member of the board. That responsible person shall disclose any relationships or positions in which they are involved which may contribute to a conflict of interest, including service as a director. The conflict of interest policy also requires the Chair of the Governance and Nominating Committee to review the conflict of interest forms and report any conflicts to the full board on or before the next scheduled meeting and document in minutes any conflicts. Potential conflicts must be disclosed to the Board Chair or the Board Chair's designee, who will determine whether a conflict of interest exists that is subject to the policy.

The board is not made aware of any potential conflicts because of the overall process breakdown. Further, the board's misapplication of the conflict of interest policy, creates a high risk of USABA contracting, transacting, and making decisions that present potential conflict and may not be in the best interests of USABA. This is a repeat finding from the prior audit.

acknowledge in writing that he or she has done so, identify any relationships, positions, or circumstances in which the responsible person is involved that he or she believes could contribute to a conflict of interest arising, and send to the Chair of the Ethics Committee. The Ethics Committee will review any conflicts and rule on how to proceed with the conflict and provide the board of directors and Executive Director their ruling.

Additionally, the current Conflict of Interest Policy will be reviewed and revised, if necessary, to conform with the new bylaws. The newly revised policy will be submitted for approval at the Board's April 2020 quarterly meeting. After the new policy is approved, the Ethics Committee will review the newly submitted Conflict of Interest forms completed by all seated board members and employed staff on a recurring basis or when new staff is hired, and new board member candidates are nominated.

**Responsible Party:** The Ethics Committee

**Target Date:** May 30, 2020

**Audit Area: Due Process**

#3	Ensure Hearing Panels are Disinterested and Conflict Free	Recommendation	Management's Action Plan
	<p>USABA does not provide hearings by disinterested individuals for complaints filed. Currently, the Executive Director (ED), a coach or high-performance director, and an athlete representative comprise the hearing panel for grievances.</p> <p>The Ted Stevens Act, applied to USABA through the Performance Partnership Agreement (PPA), requires equitable resolution of its grievances for its members. The current grievance procedures state that the USABA's ED will appoint a hearing panel with at least one athlete representative, without the requirement that the panel members are disinterested.</p> <p>The practice of not providing the opportunity for either party to raise a concern that the panel be disinterested creates a risk for members to have an inequitable resolution, in violation of the Ted Stevens Act. At the time of audit, USABA had not approved the proposed bylaw changes that would provide an opportunity for a hearing with a conflict free panel and remedy this finding.</p>	<p>USABA must ensure that hearing panels are disinterested and conflict free.</p>	<p>A hearing panel of disinterested and conflict-free individuals has been addressed in the 1/8/2020 approved Bylaws and Grievance, Complaint and Appeals Procedures; "Upon the filing of a complaint, the Judicial Committee chair after consultation with the other committee Judicial Committee members, shall appoint an unbiased hearing panel consisting of three (3) individuals to hear the complaint. If any members of the committee are the subject of the complaint, they shall remove themselves in the selection of the hearing panel. The committee members may be appointed to and serve on the hearing panel. Other disinterested individuals identified by the committee may also be appointed to and serve on the hearing panel."</p> <p>The approved policies were created and reviewed by an attorney.</p> <p><b>Responsible Party:</b> Judicial Committee</p> <p><b>Target Date:</b> Completed as of January 8, 2020</p>

**Audit Area: Athlete Safety**

#4	Develop a Tracking Process to Ensure and Verify Background Check Completion	Recommendations	Management's Action Plan
	<p>USABA does not require background checks for individuals covered by their Athlete Safety Policy (ASP). Additionally, their ASP does not provide a time frame for the completion of background checks prior to contact with athletes. USABA's process to track background checks is manual and is not efficient. The auditor tested a total of 85 individuals that are required to complete background checks. Of these individuals, 33 did not complete a background check and three background checks were expired. These individuals are authorized to be in a position of authority over athletes or authorized to have frequent contact with athletes.</p> <p>USABA's athlete safety policy requires that background checks are completed every two years. Also, the USOPC's NGB ASP as of the scope period for 2017 and 2018, applied to USABA through the PPA, requires that any individual placed into a position of authority over an athlete or authorized to have frequent contact with athletes is required to complete a background check before contact with athletes begins.</p> <p>The lack of an internal tracking process for background checks creates a risk of individuals engaging with athletes without a current or completed background check. Also, the lack of oversight of the process to verify background checks at goal ball events creates a risk that coaches and individuals are allowed to participate at sanctioned events without background checks.</p>	<p>For these reasons, USABA must:</p> <ol style="list-style-type: none"> <li>1. Ensure individuals in a position of authority are background checked before having contact with athletes;</li> <li>2. Update the athlete safety policy to include the required time frame for background check completion; and</li> <li>3. Develop a tracking process to verify that individuals authorized by USABA have completed background checks before being placed into a position of authority over athletes or before having contact with athletes.</li> </ol> <p>USABA will also be subject to verification within 90 days to ensure these recommendations have been implemented.</p>	<ol style="list-style-type: none"> <li>1. Although this is already part of our Athlete Safety Policy, we will add specific language to address this.</li> <li>2. Comprehensive background check information was updated in the 12/13/2019 revised Athlete Safety Policy.</li> <li>3. Since December of 2019, USABA has created and maintained a tracking sheet of applicable adults who have authority over athletes. The tracking sheet tracks the requirements to be an Active USABA coach, official, and athlete at a designated Paralympic Training Site. These requirements include membership, SafeSport training, background checks and concussion training. Individuals who have not fulfilled their requirements are deemed an Inactive member status. The sheet is updated each Friday and posted to the USABA website. Furthermore, USABA has secured funding resources from USOPC NGB Services to utilize a membership database platform in order to better streamline membership and safety</li> </ol>



			<p>requirement tracking. We are currently looking into different membership database companies to ensure that the new platform is accessible to our members with visual impairments.</p> <p><b>Responsible Party:</b> Executive Director</p> <p><b>Target Date:</b> 1. - March 31, 2020 2. - Completed as of 12/13/2019. 3. - Completed as of 12/13/2019 and Ongoing</p>
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**Risk Level: Low**

**Audit Area: Governance/Managerial**

#5	Approval of the Independent Auditor and Audit & Finance Committee Minutes	Recommendation	Management's Action Plan
	<p>USABA's board meeting minutes do not reflect that the selection of the independent auditors is approved by the board or otherwise discussed. Minutes of the Audit &amp; Finance Committee were not kept at the time the audit was conducted. Meeting minutes are important to prove a record of regular meeting and communication among the committee, when meetings happen, who is present, and items discussed during the meeting. It is also important that board members are involved in the selection of external auditors and review of the annual audit.</p> <p>USABA's bylaws state the following: "It shall be the responsibility of the USABA Board of Directors, through the</p>	<p>USABA's Board of Directors or Audit &amp; Finance Committee should approve the appointment of the independent auditor on an annual basis and ensure the selection is documented in the Audit &amp; Finance Committee minutes or Board meeting minutes.</p>	<p>In the spring of 2019, the USABA Finance and Audit Committee held a conference call with auditor Lane McMillian's firm to discuss the firm's bid and parameters as listed in his proposed management letter to conduct our audit. During this call, the USABA Audit &amp; Finance Committee agreed to contract Lane McMillian to conduct the 2018 USABA independent audit.</p> <p>Moving forward, USABA's Board of Directors committees, including the</p>

	<p>Audit &amp; Finance Committee, to arrange for an outside impartial audit of all funds in the national organization's name or placed in the national organization's account.”</p> <p>If management is the only party selecting the external auditors there may be appearance of a conflict and the auditor may not be seen as independent. Meeting minutes are necessary to ensure there is documentation of individuals present in the meeting, actions taken in the meeting, and inclusion of a qualified athlete representative. Without meeting minutes, there is no record or accountability to the committee or the board for actions taken.</p>		<p>Audit &amp; Finance Committee, will document all meeting minutes.</p> <p>Per the USABA bylaws, approved Jan. 8, 2020, the Audit &amp; Finance Committee will approve the independent auditor on an annual basis and ensure the selection of the auditor is documented thoroughly in the Audit &amp; Finance Committee minutes. The Audit &amp; Finance Committee will also review the report of the independent auditor's management letter, and recommend action as needed and ensure information is documented in the Audit &amp; Finance Committee minutes.</p> <p><b>Responsible Party:</b> USABA Board Audit and Finance Committee Chair</p> <p><b>Target Date:</b> February 1, 2020</p>
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**Audit Area: Financial Capabilities**

#6	Review and Approval of ED and Board Expenses	Recommendation	Management's Action Plan
	<p>USABA's ED expenses are being reviewed by the Programs and Finance Manager. Board expenses are being reviewed by the ED and the Programs and Finance Manager. This is a repeat finding from the prior audit.</p> <p>Giving someone in a subordinate role approval authority may make it difficult for them to question expenses or ask for additional documentation. The organization could be</p>	<p>USABA should designate a board member to review the ED and other Board member expenses. This process should be outlined within USABA's financial procedures.</p>	<p>Every month, the ED shall send the board treasurer his/her expense reports for approval, as well as the board expense reports each month. This process will be added to USABA's financial policies.</p>

	reimbursing for expenses that are not appropriate, however no such instances were noted during the audit.		<p><b>Responsible Party:</b> Executive Director and Board of Directors and Chair of the Audit Committee</p> <p><b>Target Date:</b> February 18, 2020 (next billing cycling)</p>
<b>#7</b>	<b>Revision of Credit Card Procedures</b>	<b>Recommendation</b>	<b>Management's Action Plan</b>
	<p>Several employees and volunteers of USABA have access to the ED's credit card to use, when authorized to do so. The Financial Procedures do not address the use of an organization issued credit card by those other than the employee who has been issued the card.</p> <p>The transactions charged to the credit card are reviewed by the ED weekly, but the potential for loss through misappropriation still exists.</p>	USABA should review the access of the ED's credit card by other staff members. They should also consider updating the financial procedures to account for this use including disciplinary action, if misuse is identified.	<p>USABA will strengthen our policy overlooking who is specifically authorized to use the credit card as well as disciplinary actions for credit card misuse. The Executive Director, Programs and Finance Director, Men's Goalball Head Coach and Women's Goalball Head Coach will be authorized for credit card use. Any other staff who request to utilize a USABA credit card must receive approval from their direct-line supervisor. These procedures will be updated in the financial policies.</p> <p><b>Responsible Party:</b> Executive Director</p> <p><b>Target Date:</b> February 18, 2020 (next billing cycle)</p>
<b>#8</b>	<b>Improvements to Inventory Controls and Procedures</b>	<b>Recommendation</b>	<b>Management's Action Plan</b>
	All national headquarters staff have access to inventory, including employees charged with counting and reconciling the inventory annually. There are four general categories	USABA should ensure that access to merchandise and equipment is limited to those who are not	USABA to create a policy in which only the Programs and Finance Director and Membership Coordinator will have access to USABA's inventory. Staff will

	<p>of duties or responsibilities which are examined when the segregation of duties is discussed: authorization, custody, record keeping, and reconciliation. No one person should have control of two or more of these responsibilities. The more negotiable the asset, the greater the need for proper segregation of duties - especially when dealing with cash, negotiable checks, and inventories.</p> <p>In situations where duties cannot be fully segregated, mitigating or compensating controls must be established. Mitigating or compensating controls are additional procedures designed to reduce the risk of errors, fraud, or irregularities. Compensating controls can include independent reconciliation of inventory by someone without access to the inventory records or to the inventory itself. Without proper controls and inventory counts, inventory can be easily misappropriated, leading to losses for USABA.</p> <p>Additionally, there are not formal procedures regarding the control of inventory. Lack of formal procedures can lead to confusion about roles and duties which, in turn, can lead to misappropriation or loss for the organization.</p>	<p>responsible for reconciling the inventory to internal records. Formal procedures regarding inventory, including who can have access and how often inventory is counted, should be adopted.</p>	<p>conduct quarterly inventory checks to ensure accountability. The policy will be added to the USABA Employee Handbook.</p> <p><b>Responsible Party:</b> Executive Director</p> <p><b>Target Date:</b> February 29, 2020</p>
<b>#9</b>	<b>Ensure Compliance with Financial Policy</b>	<b>Recommendation</b>	<b>Management's Action Plan</b>
	<p>USABA is not consistently following its financial policy regarding documenting approvals and retention of original receipts.</p> <p>Several corporate credit card statements documenting purchases did not have supporting invoices or receipts. Regarding the retention of receipts, the financial policy states the following: "Cardholders should obtain all detailed receipts including receipts for purchases made in person or delivery of goods, and receipts for purchases</p>	<p>USABA must follow its policies and procedures for approvals and record keeping for expenses and should also ensure that staff understand their responsibilities regarding these procedures.</p>	<p>Improvements to record keeping are in effect starting in January 2020. These improvements will include a more streamlined and thoroughly segmented accounting of receipts and expenses. These measures will align with required independent and USOPC audit expectations. Relevant staff will review current financial policies to</p>

<p>conducted by telephone or internet. The Assistant ED will reconcile the monthly statements to the receipts they have retained from the monthly charges. These documents are matched to the statement received, bundled into a voucher package, and paid in the same manner as other Accounts Payable invoices."</p> <p>Additionally, seven of the 23 invoices, credit card statements, and reimbursement requests reviewed were missing the documented approval of the Assistant ED and the ED. According to the financial procedures, "Proper internal controls will be in place to ensure that only valid and authorized payables are recorded and paid." One of these controls is specified as follows: "invoices will be coded, approved by the Assistant Executive Director and Executive Director and sent to the outside accountant to be entered into the accounting system each month." Issues regarding proper retention of supporting documents were also noted in the audit of USABA conducted in 2012.</p> <p>When procedures are not being followed it can lead to confusion in proper protocols resulting in loss or misappropriation to the organization. Further, without proper approvals USABA could be paying for expenses that are not appropriate or errors could go unnoticed.</p>		<p>secure adherence to financial standards and compliance.</p> <p><b>Responsible Party:</b> Executive Director</p> <p><b>Target Date:</b> February 18, 2020 (next billing cycle)</p>
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## CONCLUSION

USABA was determined to be unsatisfactory in governance/managerial with two high risk and one low risk recommendations. Due process and Athlete Safety were also determined to be unsatisfactory, each with one high risk recommendation. Financial Capabilities for the organization were determined to be satisfactory with four low risk recommendations. There were no recommendations made in the area of Athlete Representation, therefore this area was determined to be satisfactory.

We wish to thank USABA's staff for being cooperative during the audit. We look forward to working with you again in the future.

## APPENDIX A — AUDIT RATINGS

Audit ratings are determined by the number of audit recommendations multiplied by the risk level. The higher the number of recommendations and the higher the risk level of each recommendation, the higher the audit rating. See Appendix D for guiding principles of risk levels. For comparability purposes, audit work performed may vary annually.

The previous audit from 2012 contained 19 recommendations, of these, nine are not repeated as the USOPC no longer awards government grants or the recommendation is no longer within scope. Considering only the 10 recommendations relevant to the current audit scope, the previous audit would have resulted in an audit rating of 34.

## APPENDIX B — AUDIT SUMMARY SCALE

Audit Area Conclusions	
Conclusion	Explanation
Satisfactory	Recommendations in each audit area are limited to only low-risk recommendations identified or medium-risk recommendations that are not systemic in nature.
Marginal	Recommendations in each audit area include medium-risk recommendations or a combination of high-risk and medium-risk recommendations, which collectively may be systemic.
Unsatisfactory	Recommendations in each audit area include medium-risk recommendations or a combination of high-risk and/or medium-risk recommendations, which are collectively systemic, significant, and may impact HPMO funding.

## APPENDIX C — DETAILED AUDIT PROCEDURES

During the course of the audit, we performed the procedures described below to complete the objectives and scope of the engagement:

- Review of prior USOPC Audit recommendations to determine full implementation of processes and/or procedures which are still applicable to the HPMO.
- Detailed review of a sample of up to 40 expenses charged to USOPC funded projects during the audit period, for compliance with the HPMO’s financial policies and USOPC’s sport performance final funding reports.
- Ensured compliance with the USOPC Bylaws, and the Ted Stevens Amateur Sports Act as applied through the PPA.
- Examination of internal control environment utilizing walk-throughs, examination of policies and questionnaires.
- Detailed review of grievances and reports of misconduct submitted to the HPMO by members or covered individuals, and the organization’s ability to follow the stated grievance processes outlined in its bylaws or procedural documents.
- Review of the HPMO’s Athlete Safety Program utilizing walk-throughs, examination of policies and questionnaires.

- Detailed review of a sample of up to 100 individuals required to complete background checks to determine if the individuals have a current background check. Appendix E details the Athlete Safety requirements.

## APPENDIX D – RISK LEVEL DEFINITIONS

Risk Level Definitions	
Rating	Definition
<b>Low</b>	<p>Minor infractions include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Minor future impact to the athletes, HPMO or USOPC</li> <li>• Documentation clean-up</li> <li>• HPMO’s Athlete Safety Policy and/or procedures have minor improvements needed</li> <li>• HPMO’s Athlete Safety Policy is followed appropriately but does not have a process owner</li> <li>• Grievance policy and procedures have minor improvements</li> </ul>
<b>Medium</b>	<p>Ted Stevens Act, or USOPC Bylaws infractions which are more than minimal and less than significant and may impact 501(c)3 or HPMO funding. These infractions include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Funding owed back to the USOPC or reallocated to a different project is less than 5% or \$50,000 of each year’s total funding</li> <li>• General internal control breakdowns</li> <li>• HPMO’s Athlete Safety Policy and/or procedures are partially out of compliance with USOPC NGB Athlete Safety Policy requirement</li> <li>• Execution of the HPMO’s Athlete Safety Policy is partially out of compliance</li> <li>• HPMO does not consistently provide for prompt and equitable resolution of grievances</li> <li>• HPMO does not consistently provide fair notice and opportunity for a hearing</li> </ul>
<b>High</b>	<p>Ted Stevens Act, USOPC Bylaws, legal violations, or a combination thereof significant enough to impact 501(c)3 or HPMO funding. Violations that may constitute as significant include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Funding owed back to the USOPC or reallocated to a different project is greater than or equal to 5% or \$50,000 of each year’s total funding</li> <li>• Significant internal control breakdowns or multiple related control breakdowns</li> <li>• HPMO’s Athlete Safety Policy and/or procedures are substantially out of compliance with the USOPC NGB Athlete Safety Policy requirements</li> <li>• Execution of the HPMO’s Athlete Safety Policy is substantially out of compliance, such as non-current background checks</li> <li>• HPMO does not provide for prompt and equitable resolution of grievances</li> <li>• HPMO does not provide fair notice and opportunity for a hearing</li> <li>• Less than 20% athlete representation where required</li> </ul>

## APPENDIX E — ATHLETE SAFETY PROGRAM

The USOPC recognizes that each HPMO is different and has not mandated specific language or total uniformity in policies or practices. Instead, USOPC has provided the USOPC's NGB Athlete Safety Policy (USOPC's ASP). Important to note, as of September 13, 2019, the USOPC Board approved the revised NGB and HPMO Athlete Safety Policy. Auditing of the U.S. Center for SafeSport's (Center) athlete safety requirements now fall under the jurisdiction of the Center. However, the USOPC AOA will continue to audit compliance with the USOPC policies and procedures. Compliance with the USOPC's ASP does not ensure an HPMO's program is effective. Nothing in the USOPC's ASP limits or replaces an HPMO's responsibilities under applicable laws and regulations. All HPMOs should consult with legal counsel, not only to ensure compliance with the USOPC's ASP, but also to create a compliance strategy that best meets the organization's needs and is reasonable in terms of its size, structure, resources and athlete population.