



USOPC NGB AUDIT

USA WEIGHTLIFTING

November 23, 2021



EXECUTIVE SUMMARY

Background, Scope, and Objectives

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

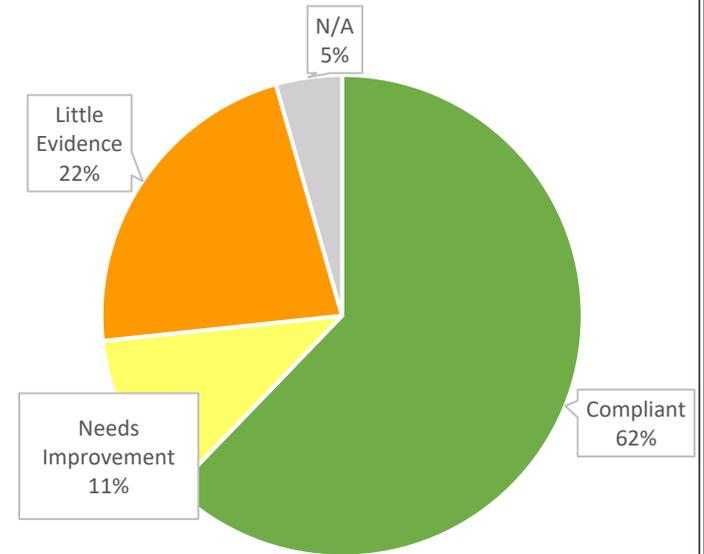
Audit Summary

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	6	2	5	0	13
Financial Standards and Reporting Practices	5	1	2	0	8
Athlete Protections and Rights	3	1	1	0	5
Sport Performance	4	1	0	0	6¹
Operational Performance	10	0	2	0	13¹

Compliance Demonstration Levels



¹Two standards do not apply to USA Weightlifting. See Sport Performance and Operational Performance 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 Weightlifting’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 Weightlifting has met most of the requirements outlined in the Standards. However, there is one area of increased concern. Specifically, USA Weightlifting is not properly managing its conflict of interest process, as members of the Board of Directors did not disclose their direct interests in businesses related to the sport of weightlifting and there is an example of committee members awarding contracts to their privately-owned businesses. Additional details related to this concern are outlined in the below findings.

PRIOR AUDIT FOLLOW-UP

As part of this review, the NGB Audit team followed up on one open audit finding from the audit dated July 10, 2018. Audit was unable to validate that the finding related to grievances was remediated because there were no samples to test that appropriate corrective action has been implemented.

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		6	2	5	0

Needs Improvement	
1	Bylaws
<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 Weightlifting's Bylaws in the following areas: general bylaw requirements, conflict of interest requirements, and board criteria.</p>	<p>USA Weightlifting updated the bylaws to include minor changes to be compliant with USOPC standards. A copy of the updated bylaws has been provided to NGB Audit; no further action is needed.</p>
2022 Determination Level: Compliant	
2	Gifts and Entertainment Policy
<p>A.6 c: NGB must adopt a gift and entertainment policy that meets the minimum policy standards set forth by the USOPC.</p> <p>FINDING: USA Weightlifting's Gifts and Entertainment Policy does not list the policy owner.</p>	<p>USA Weightlifting will update its gift & entertainment policy to include policy owner.</p> <p>Due date: December 31, 2021</p>
2022 Determination Level: Compliant	
Little Evidence of Compliance	
3	Athlete Representation
<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>USA Weightlifting added clarifying language to the bylaws to address this finding. A copy of the updated bylaws has been provided to NGB Audit; no further action is needed.</p>

	<p>FINDING: While elections were conducted consistent with requirements, USA Weightlifting's Bylaws do not specify that National Team athlete directors will be elected by a pool of elite athletes eligible to run as National Team athlete directors.</p> <p>Additionally, the bylaws do not state that athlete representatives on the Audit & Finance Committee, the Ethics Committee, and the Judicial Committee will be approved by a representative group of athletes.</p>	
2022 Determination Level: Needs Improvement		
4	Board Composition	Management Action Plan
	<p>A.1 c: NGB must have a board structure that includes:</p> <ul style="list-style-type: none"> i. A board position(s) as defined by the USOPC to provide an independent perspective, and ii. A board position for an affiliate member as required by the Act §220522 (a)(11). <p>FINDING: USA Weightlifting's Bylaws do not require an affiliate board position be added if an affiliate organization is identified.</p> <p>Additionally, USA Weightlifting's Bylaws meet most of the requirements for the definition of independent perspective, however, they do not state that independent board members must continue to meet the definition of independent perspective for their entire term and any successive term.</p>	<p>USA Weightlifting has added to its bylaws the provision for the affiliate director and updated the definition of independent perspective to meet requirements. A copy of the updated bylaws has been provided to NGB Audit; no further action is needed.</p>
2022 Determination Level: Deficient		
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 Weightlifting does not currently conduct onboarding for new committee members.</p>	<p>USA Weightlifting will conduct committee training.</p> <p>Due Date: March 7, 2022</p>
2022 Determination Level: Deficient		
6	Code of Conduct	Management Action Plan

<p>A.5 a: NGB must have a comprehensive code of conduct that meets the minimum code standards set forth by the USOPC. The code of conduct must be made available on the NGB's website.</p> <p>FINDING: There are elements missing from USA Weightlifting's Code of Conduct in the following areas: applicability, policy owner, and resources.</p>	<p>USA Weightlifting will add further detail to this policy to meet the requirements of the USOPC.</p> <p>Due Date: March 1, 2022</p>
<p>2022 Determination Level: Needs Improvement</p>	
<p>7 Conflicts of Interest Policy</p>	<p>Management Action Plan</p>
<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 Weightlifting's Conflict of Interest Policy in the following areas: applicability, disclosures, resolution, and policy owner.</p> <p>Of the conflict of interest disclosures tested, there were two instances where an annual disclosure form was not completed, six instances where evidence of review was not documented, and two instances where an undisclosed, perceived conflict existed.</p> <p>Additionally, there have been instances where committee members awarded contracts to their personal businesses without appropriate disclosure or independent review.</p>	<p>USA Weightlifting will update its conflict of interest policy to include the missing elements.</p> <p>USA Weightlifting has addressed serious conflict of interest issues arising from its Masters Committee and its operations. In addition, USA Weightlifting will refine its processes and forms to ensure all conflicts of interest are declared. Further, an escalation process has been implemented to address disclosure forms that are overdue. Lastly, the ethics committee minutes will be enhanced to document the review of disclosure forms.</p> <p>Due Date: January 31, 2022</p>
<p>2022 Determination Level: Deficient</p>	

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		
8	NGB Provided Documents	Management Action Plan
	<p>B.3 a: NGB must annually provide the USOPC’s NGB Audit & Organizational Advancement Department with the following:</p> <ul style="list-style-type: none"> i. Its completed IRS Form 990 by the IRS deadlines including extensions, if executed. ii. Its completed audited financial statements no later than the last day of the eighth month following the NGB’s year-end. iii. If applicable, its external auditor’s letter to management outlining the evaluation of any internal control deficiencies identified during the audit, within the same timeframe outlined in ii above. iv. Its Board-approved budget for the current year. <p>FINDING: USA Weightlifting engaged their external auditor early in the year and performed continuous follow-up in an attempt to complete their audited financials within the required timeline. However, due to delays by the external auditor, they were unable to provide them within the required timeline.</p>	<p>USA Weightlifting provided their audited financial statements to NGB Audit on November 17, 2021; no further action is needed.</p>
2022 Determination Level: Needs Improvement		
Little Evidence of Compliance		
9	Financial Policies and Procedures	Management Action Plan
	<p>B.1 b: NGB must develop and implement financial policies and procedures.</p> <p>FINDING: USA Weightlifting's financial policies and procedures are missing required elements including cash management and banking, contract requirements, and budgetary process.</p>	<p>USA Weightlifting is currently in the process of updating the financial policies and procedures. They will be implemented by January 1, 2022.</p> <p>Due Date: January 1, 2022</p>
2022 Determination Level: Needs Improvement		
10	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: USA Weightlifting completed and submitted their final grant report within the established deadlines. However, the International Relations General Ledger did not match the expenses reported on the 2020 final report.</p> <p>Of the expenses tested, original receipts were not provided for two expenses.</p> <p>Additionally, four expenses tested did not have evidence of approval because no monthly review of payroll expenditures was performed during 2020.</p>	<p>USA Weightlifting requested original documentation regarding the USOPC International Relations grant, which the USOPC was unable to provide. Therefore, USA Weightlifting has implemented appropriate processes to track grant funding from all sources.</p> <p>USA Weightlifting is updating expense submission processes to ensure original receipts are retained.</p> <p>The payroll process is undergoing revisions to include a regular review by someone other than the Director of Finance.</p> <p>Due Date: March 15, 2022</p>
<p>2022 Determination Level: Needs Improvement</p>	

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			
Total		3	1	1	0

Needs Improvement		
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>USA Weightlifting used language in its bylaws which was provided by USADA in 2017. USA Weightlifting has updated its bylaws language to add "WADA" as required. In addition, the waiver has been updated to include missing language. A copy of</p>

	<p>FINDING: USA Weightlifting's bylaws include anti-doping language; however, they are missing a reference to policies and rules adopted by WADA.</p> <p>Additionally, the waiver which puts participants on notice is missing language referencing all other policies and rules adopted by the IWF, USADA, and the USOPC.</p>	the updated bylaws and wavier has been provided to NGB Audit; no further action is needed.
2022 Determination Level: Needs Improvement		
Little Evidence of Compliance		
12	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: There are elements missing from USA Weightlifting's Background Check Policy, including the requirement to screen required individuals upon the commencement of a new role and the requirement to complete a supplemental, partial, background check in off-years.</p> <p>Testing of USA Weightlifting's background check results revealed that two independent committee members who were required to complete a background check had not.</p>	<p>USA Weightlifting already completes a supplemental background check in off years but will update the background check policy to reflect this practice and include the screening requirement prior to the start of a new role.</p> <p>In addition, USA Weightlifting will update the committee member onboarding process to ensure background checks are completed.</p> <p>Due Date: March 1, 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	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			
Total		4	1	0	0

Needs Improvement		
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 Weightlifting submitted their 2021 High-Performance plan after extended deadlines granted by the Sport Performance team.</p>	<p>USA Weightlifting submitted the 2022 high-performance plan within the required timeline (with a granted extension) and will continue to work with USOPC Sport Performance to ensure timely submission of future high-performance plans.</p> <p>Due Date: Ongoing</p>
2022 Determination Level: Needs Improvement		

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		10	0	2	0

Little Evidence of Compliance		
14	Grievance Procedure	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). Specific requirements are outlined in the implementation guide.</p> <p>FINDING: There are elements missing from USA Weightlifting's grievance procedures, including types of grievances, manner of filing the complaint, administration of the grievance, hearing panel composition, and hearing process.</p> <p>Additionally, USA Weightlifting Bylaws do not reflect the current process to handle ethics complaints.</p>	<p>USA Weightlifting updated the bylaws to include the types of grievances that can be filed, how the grievance is filed, and submission of supporting documents to the hearing panel. While other noted missing elements are currently included in USA Weightlifting documents outside of the bylaws, they will be added to the bylaws to clarify the process.</p> <p>USA Weightlifting will update the bylaws to clarify how ethics complaints are handled.</p> <p>Due Date: March 1, 2022</p>
2022 Determination Level: Deficient		
15	Whistleblower and Anti-Retaliation Policy	Management Action Plan
	<p>E.5 a: 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>FINDING: While USA Weightlifting relied on the USOPC's template, there are elements missing from their whistleblower and anti-retaliation policy in the following areas: applicability, expectations, and enforcement.</p>	<p>USA Weightlifting will make the required changes to the whistleblower and anti-retaliation policy.</p> <p>Due Date: March 1, 2022</p>
2022 Determination Level: Needs Improvement		

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.