



**USOPC  
NGB AUDIT**

# **UNITED STATES SAILING ASSOCIATION**

**ADDENDUM REPORT**

October 23, 2023

# EXECUTIVE SUMMARY

## Background, Scope, and Objectives<sup>1</sup>

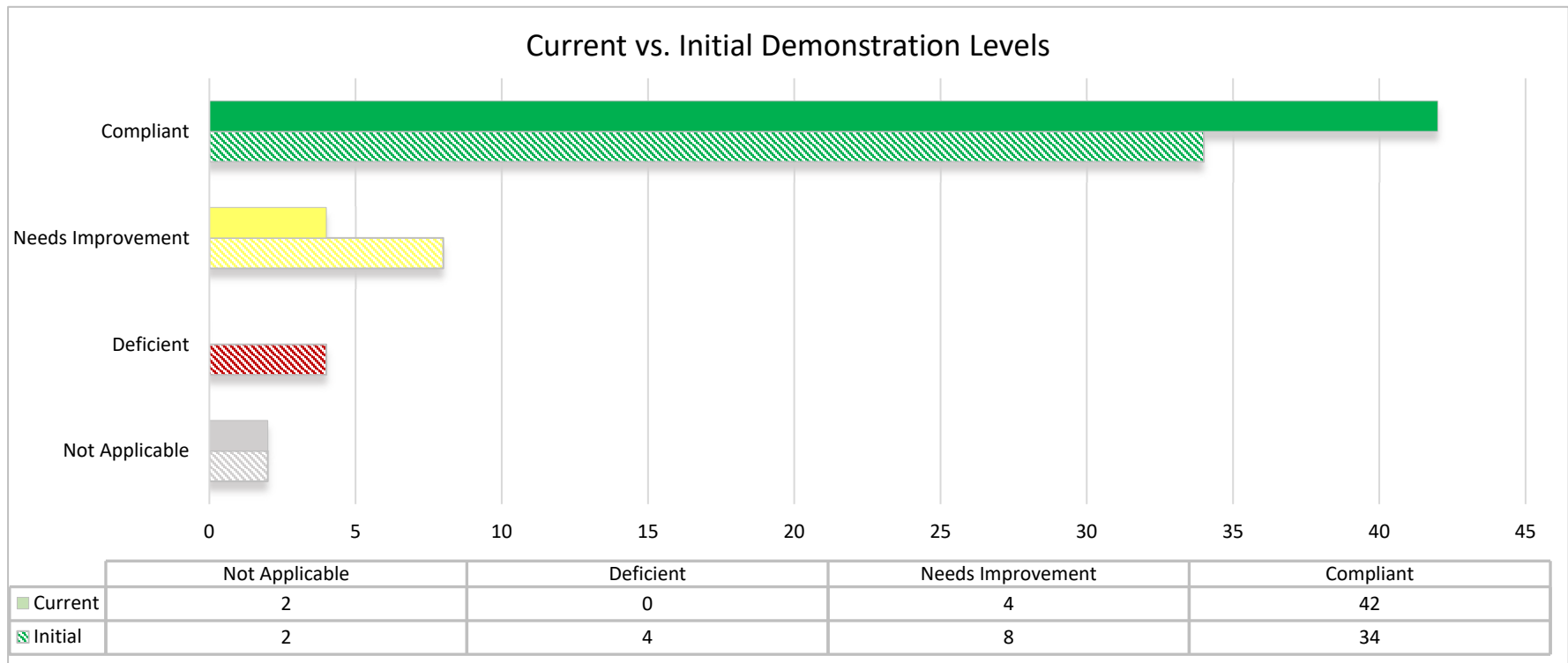
The United States Olympic & Paralympic Committee’s (USOPC) NGB Audit department (Audit) completed an audit of United States Sailing Association (US Sailing) on March 9, 2023. Following the audit, NGBs have 120 days, unless otherwise specified, to provide evidence of remediation to Audit. Based on the evidence provided, Audit has assigned a Follow-up Demonstration Level<sup>2</sup> of Compliant, Needs Improvement, or Deficient. Details are provided in the findings below.

## Follow-up Summary

Based on the evidence of remediation provided, US Sailing has remediated seven findings. As of October 12, 2023, US Sailing is 91% compliant with applicable standards. Additional details are outlined below.

## DEMONSTRATION LEVEL COMPARISON

The below chart presents the updated distribution of compliance demonstration levels<sup>2</sup>. For further details not provided in this addendum report, please refer to the Audit report posted on TeamUSA.org.



<sup>1</sup>For additional information on the background, scope, and objectives, please see the initial audit report

<sup>2</sup>See Appendix A

# NGB AUDIT FINDINGS - FOLLOW-UP STATUS

All Standards are evaluated against the 2022 Implementation Guide for Audit Standards. Bylaws references are based on the USOPC Bylaws approved in March 2021.

## GOVERNANCE AND COMPLIANCE

Needs Improvement		
1	Athlete Advisory Council – A.2 a	Management Action Plan
	<p><b>FINDING:</b> While the USOPC AAC representatives for US Sailing do sit on the Sailor Athlete Council, US Sailing's bylaws do not include this requirement.</p> <p>In addition, US Sailing requires all AAC representatives to complete a conflict of interest form but does not require nominated athletes to make other disclosures, if applicable.</p>	<p>US Sailing will update the bylaws and applicable policies to meet the requirements.</p> <p>In addition, US Sailing will enforce updated policies to ensure other disclosures are made, as required.</p> <p><b>Due Date:</b> June 1, 2023</p>
<b>Follow-up Level: Needs Improvement</b>		
	<p>US Sailing updated the bylaws to include the requirement that USOPC AAC (Team USA Athletes' Commission) representatives sit on the Sailor Athlete Council.</p> <p>However, US Sailing has not updated processes to ensure other disclosures are made, as required.</p>	
2	Bylaws – A.3 a	Management Action Plan
	<p><b>FINDING:</b> There are elements missing from US Sailing's Bylaws in the following areas: election and selection criteria for board members, general board, and designated committee requirements.</p>	<p>US Sailing will update the bylaws to include the required elements.</p> <p><b>Due Date:</b> June 1, 2023</p>
<b>Follow-up Level: Compliant</b>		
	<p>US Sailing updated the bylaws to include the requirements.</p>	
3	Board Development – A.3 b	Management Action Plan
	<p><b>FINDING:</b> While US Sailing provided onboarding to new board members and committee chairs, there is no formal onboarding process in place for all new committee members.</p> <p>Additionally, US Sailing performed an annual performance evaluation of the CEO, however, the evaluation was not written.</p>	<p>US Sailing will conduct formal onboarding for all committee members and ensure a written performance evaluation of the CEO is conducted annually.</p> <p><b>Due Date:</b> July 1, 2023</p>
<b>Follow-up Level: Compliant</b>		

	US Sailing created an onboarding letter that lists all documents required to be reviewed by new committee members, and conducted a written evaluation of the CEO.	
<b>Deficient</b>		
4	Athlete Representation – A.1 a & b	Management Action Plan
	<p><b>FINDING:</b> There were several issues identified in regard to US Sailing’s athlete representation predominately caused by inadequate athlete eligibility tracking and record retention, including:</p> <p>US Sailing was unable to provide support to show that several athlete representatives on the board and designated committees met eligibility requirements. This brought the athlete representation by qualified athletes on the board and six designated committees below the required 33.3%.</p> <p>Testing identified one designated committee and numerous other committees that did not have the 33.3% athlete representation as required.</p> <p>While US Sailing's bylaws require that athlete directors are elected by 10-year athletes, the voter ballots included both 10-year and 10-year+ athletes.</p> <p>Additionally, the bylaws need minor updates related to designated committee composition requirements.</p>	<p>US Sailing will review its process for identifying Sailor Athletes and make all necessary policy and procedural changes to address this finding and maintain appropriate records. In addition, US Sailing will provide eligibility support to Audit for all Sailor Athletes on the Board and Committees.</p> <p>US Sailing will continue its recruitment efforts to ensure all designated committees and other committees, that have not received an exemption, contain 33.3% Sailor Athletes.</p> <p>US Sailing will update policies and procedures related to the election of Sailor Athlete directors to ensure only 10-year athletes are eligible to vote.</p> <p><b>Due Date:</b> July 1, 2023</p>
<b>Follow-up Level: Needs Improvement</b>		
	<p>US Sailing updated the bylaws to meet the athlete representation requirements for designated committee composition.</p> <p>However, while US Sailing provided eligibility support for most of the athlete representatives, some evidence is still missing. In addition, US Sailing has created a process to ensure that appropriate documentation is retained. Audit will verify that the new process is effective once US Sailing completes its annual reseating of the board and committee members and ensure compliance with athlete representation and election requirements.</p>	
5	Independent and Affiliate Representation – A. 1 c	Management Action Plan
	<p><b>FINDING:</b> US Sailing's Bylaws definition of independent perspective for board members meets most of the requirements but needs minor updates to be compliant.</p>	<p>US Sailing will update the bylaws to include the required definition and provide for a board position for an affiliated member.</p> <p><b>Due Date:</b> June 1, 2023</p>

	US Sailing's bylaws do not provide for at least one available board position for affiliated member(s).	
	<b>Follow-up Level: Compliant</b>	
	US Sailing updated the bylaws to meet the requirements for independent perspective and affiliated member(s).	
6	<b>Conflict of Interest Policy – A.6 b</b>	<b>Management Action Plan</b>
	<p><b>FINDING:</b> There are elements missing from US Sailing’s Conflict of Interest Policy related to disclosures, reporting, and resolution.</p> <p>US Sailing has not historically required staff or committee members to complete conflict of interest disclosure forms.</p>	<p>US Sailing will update the conflict of interest policy to include the required elements.</p> <p>In addition, US Sailing will require all staff and committee members to complete a standard conflict of interest form and ensure the updated policy is followed.</p> <p><b>Due Date:</b> July 1, 2023</p>
	<b>Follow-up Level: Needs Improvement</b>	
	US Sailing updated the conflict of interest policy to meet requirements. In addition, US Sailing implemented an updated annual disclosure process to include staff and committee members. Follow-up testing of select staff disclosures noted that forms were completed and reviewed consistent with the updated policy. However, Audit is unable to conduct testing for committee members as the annual reseating is in progress and disclosures have not yet been obtained.	

## FINANCIAL STANDARDS AND REPORTING PRACTICES

<b>Needs Improvement</b>		
7	<b>Financial Policies and Procedures – B.1 b</b>	<b>Management Action Plan</b>
	<p><b>FINDING:</b> US Sailing's financial policies and procedures require minor improvements to be compliant.</p> <p>In addition, US Sailing was unable to provide sufficient documentation that showed the financial policies and procedures are board-approved.</p>	<p>US Sailing will update the financial policies and procedures to include the requirements and ensure the updated policy is approved by the board.</p> <p><b>Due Date:</b> July 1, 2023</p>
	<b>Follow-up Level: Compliant</b>	
	US Sailing updated the financial policies and procedures to meet requirements and provided support that the updated document is board-approved.	

## ATHLETE PROTECTION AND RIGHTS

Needs Improvement		
8	Anti-Doping Policies – C.4 a	Management Action Plan
	<p><b>FINDING:</b> US Sailing does not have formal policies and procedures to enforce anti-doping sanctions.</p>	<p>US Sailing will implement formal policies and procedures to enforce anti-doping sanctions.</p> <p><b>Due Date:</b> July 1, 2023</p>
	<b>Follow-up Level: Compliant</b>	
	US Sailing updated relevant policies with the requirements to enforce anti-doping sanctions.	
9	Anti-Doping Policy Language – C.4 b	Management Action Plan
	<p><b>FINDING:</b> US Sailing does not have an agreement, waiver, or release informing members they must comply with anti-doping requirements.</p>	<p>US Sailing will implement the anti-doping language in a relevant location.</p> <p><b>Due Date:</b> July 1, 2023</p>
	<b>Follow-up Level: Compliant</b>	
	US Sailing updated relevant documents to include the required language.	
Deficient		
10	USOPC Athlete Safety Requirements – C.3 a	Management Action Plan
	<p><b>FINDING:</b> Testing of US Sailing's background check process identified eight individuals which had expired background checks on file.</p>	<p>US Sailing will work with their third-party vendor and relevant internal groups to develop adequate controls for background check renewals.</p> <p><b>Due Date:</b> June 1, 2023</p>
	<b>Follow-up Level: Needs Improvement</b>	
	US Sailing has implemented additional controls and made significant progress given follow-up testing only identified two exceptions related to expired background checks for staff and contractors. Subsequently, management updated processes to resolve identified concerns. Audit will conduct additional testing to validate new controls are effective in 2024.	

## SPORT PERFORMANCE

Needs Improvement		
11	Selection Procedures and Process – D.1 a – c	Management Action Plan

<p><b>FINDING:</b> US Sailing's selection procedures for the Pan American Games were submitted on time. However, the procedures are missing one element related to athlete rights and resources.</p>	<p>US Sailing will update its selection procedures for the Pan American Games, as required.</p> <p><b>Due Date:</b> June 1, 2023</p>
<p><b>Follow-up Level: Compliant</b></p>	
<p>US Sailing updated the selection procedures to meet the requirements.</p>	

## OPERATIONAL PERFORMANCE

Needs Improvement		
12	Whistleblower and Anti-Retaliation Policy – E. 5 a	Management Action Plan
	<p><b>FINDING:</b> There are elements missing from US Sailing's Whistleblower and Anti-Retaliation Policy in the areas of reporting and enforcement.</p>	<p>US Sailing will update the whistleblower and anti-retaliation policy to include the required elements.</p> <p><b>Due Date:</b> June 1, 2023</p>
<p><b>Follow-up Level: Compliant</b></p>		
<p>US Sailing updated the whistleblower and anti-retaliation policy to meet the requirements.</p>		

We would like to thank the US Sailing staff for their cooperation throughout the audit process.

## APPENDIX A – DEMONSTRATION LEVEL DEFINITIONS

<b>Compliant</b>	The NGB, through its written policies and procedures, as well as its execution of those policies and procedures, mostly demonstrates that it is meeting the elements of the standard.
<b>Needs Improvement</b>	The NGB, through its written policies and procedures, as well as its execution of those policies and procedures, demonstrates that it meets many elements of the standard, but changes or improvements are necessary to fully meet the standard.
<b>Deficient</b>	The NGB, through inadequate written policies and procedures and/or poor execution of those policies and procedures, demonstrates that it is not meeting several elements of the standard.
<b>Not applicable/ undetermined</b>	Not applicable indicates the standard does not apply to the NGB and will not be evaluated. Undetermined indicates a reason a determination cannot be made at this time; however, the standard will be evaluated at a later date. Additional details are provided as necessary.