



**USOPC
NGB AUDIT**

USA NATIONAL KARATE-DO FEDERATION

ADDENDUM REPORT

September 14, 2022

EXECUTIVE SUMMARY

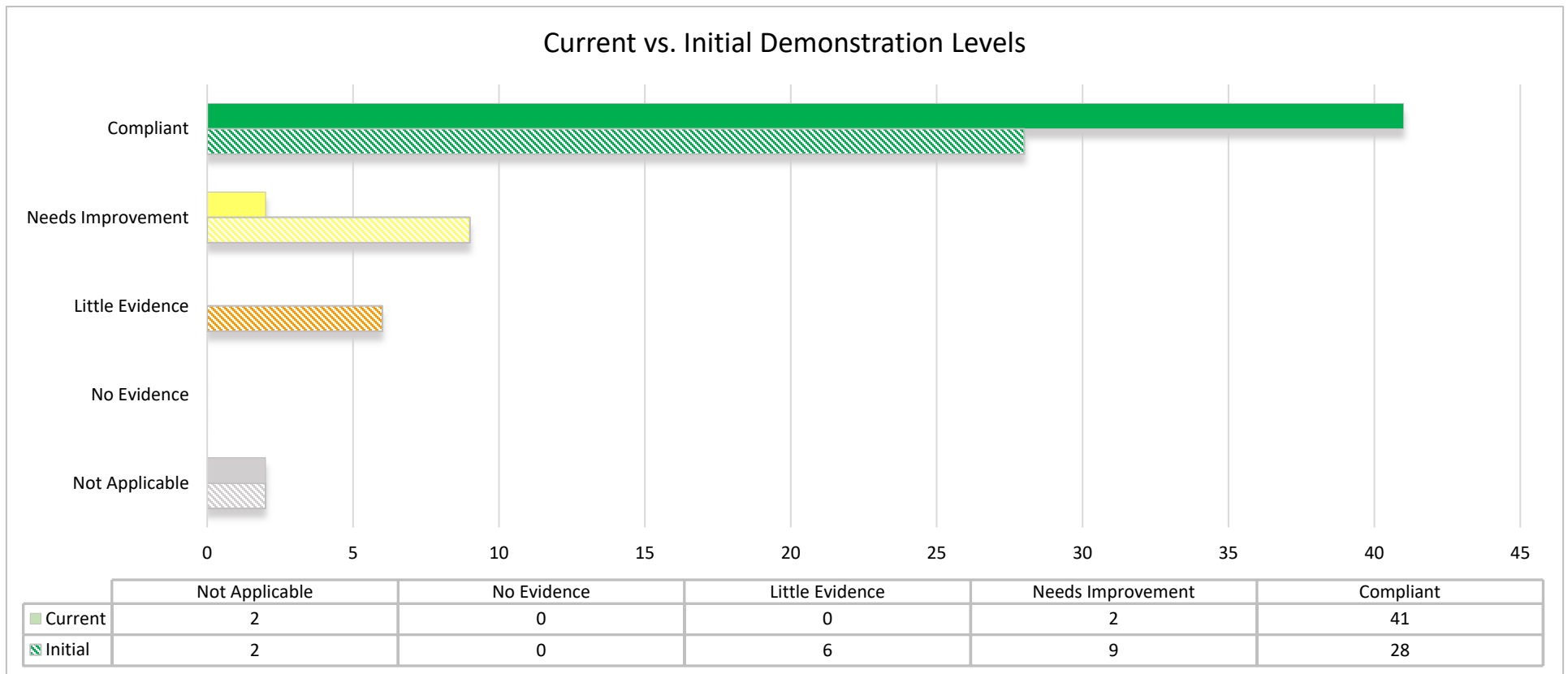
Background, Scope, and Objectives

The United States Olympic & Paralympic Committee’s (USOPC) NGB Audit department (Audit) completed an audit of USA National Karate-Do Federation (USA Karate) on January 21, 2022. The purpose of the audit was to determine if USA Karate 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 Karate. The audit focused on the policies and procedures in the areas of Governance and Compliance, Financial Standards and Reporting Practices, Athlete Protections and Rights, Sport Performance, and Operational Performance.

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 Level¹ of Compliant, Needs Improvement, Little Evidence of Compliance, or No Evidence of Compliance. Details are provided in the findings below.

DEMONSTRATION LEVEL COMPARISON

The below charts present the updated distribution of compliance demonstration levels. For further detail not provided in this addendum report, please refer to the Audit report posted on TeamUSA.org.



¹See Appendix A

Follow-up Summary

Based on the evidence of remediation provided, USA Karate has remediated 13 findings. As of September 12, 2022, USA Karate is 91% compliant. Additional details are outlined below.

NGB AUDIT FINDINGS - FOLLOW-UP STATUS

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

Needs Improvement		
1	Athlete Representation – A.1 a & b	Management Action Plan
	FINDING: While the most recent elections were conducted consistent with the requirements, USA Karate's Bylaws do not specify that athlete directors will be elected by a pool of eligible athletes.	USA Karate will update the bylaws so that all athlete directors are elected by eligible athletes. Due Date: May 1, 2022
	Follow-up Level: Compliant	
	USA Karate updated the bylaws to specify that athlete directors are elected by eligible athletes consistent with requirements and is now compliant.	
2	Board Composition – A.1 c	Management Action Plan
	FINDING: USA Karate'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.	USA Karate will update the bylaws to state that independent directors must continue to meet the definition of independent perspective for their entire term and any successive term. An additional requirement of excluding individuals who are a parent or close family member or coach of an athlete who has competed in a protected competition will be added. Due Date: May 1, 2022
	Follow-up Level: Compliant	
	USA Karate updated the bylaws to include the requirement that independent directors must continue to meet the definition for their current and any successive term and is now compliant.	
3	Bylaws – A.3 a	Management Action Plan

	<p>FINDING: USA Karate's Bylaws are missing details related to board election and selection procedures.</p>	<p>USA Karate will update the bylaws to include selection of board members in the non-discrimination policy and to specifically state athlete travel costs to board meetings will be covered.</p> <p>Due Date: May 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the bylaws to include the required details and is now compliant.</p>		
<p>Little Evidence of Compliance</p>		
4	Board Development – A.3 b	Management Action Plan
	<p>FINDING: While USA Karate provided training to current board and committee members, there is not a formal onboarding process in place for new board or committee members.</p>	<p>USA Karate will formalize and document an onboarding process for board and committee members.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate implemented a formal onboarding process for new board and committee members and is now compliant.</p>		
5	Code of Conduct – A.5 a	Management Action Plan
	<p>FINDING: There are elements missing from USA Karate's Code of Conduct in the following areas: applicability, organizational expectations, resolution, policy owner, and resources.</p>	<p>USA Karate will update the code of conduct to include all missing elements.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the code of conduct to include the required elements and is now compliant.</p>		
6	Conflicts of Interest Policy – A.6 b	Management Action Plan
	<p>FINDING: There are elements missing from USA Karate's Conflict of Interest Policy in the following areas: applicability, organizational expectations, disclosures, resolution, and policy owner.</p>	<p>USA Karate will update the conflict of interest policy to include all missing elements.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the conflict of interest policy to include the required elements and is now compliant.</p>		
7	Gifts and Entertainment Policy – A.6 c	Management Action Plan

<p>FINDING: USA Karate's Gifts and Entertainment Policy is missing elements in the areas of applicability and policy owner.</p>	<p>USA Karate will update the gift and entertainment policy to include all missing elements.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Compliant</p>	
<p>USA Karate updated the gifts and entertainment policy to include the required elements and is now compliant.</p>	

FINANCIAL STANDARDS AND REPORTING PRACTICES

Needs Improvement		
8	Financial Policies & Procedures – B.1 b	Management Action Plan
	<p>FINDING: USA Karate's Financial Policies and Procedures are missing required elements, including financial reporting, cash management and banking, and contract requirements.</p>	<p>USA Karate will update the financial policy and procedures to include all missing elements.</p> <p>Due Date: May 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the financial policies and procedures to include the required elements and is now compliant.</p>		
9	NGB Provided Documents – B.3 a	Management Action Plan
	<p>FINDING: USA Karate engaged their external auditor early in the year and performed continuous follow-up 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 Karate provided their audited financial statements to NGB Audit on November 16, 2021; no further action is needed.</p>
<p>Follow-up Level: Compliant</p>		
<p>As stated above, USA Karate provided the audited financial statements to NGB Audit and is now compliant.</p>		

ATHLETE PROTECTION AND RIGHTS

Needs Improvement		
10	USOPC Athlete Safety Requirements – C.3 a	Management Action Plan

	<p>FINDING: USA Karate's Background Check Policy needs minor improvements to explicitly state local affiliated directors and administrators are required to comply with background check requirements.</p>	<p>USA Karate will update the background check policy to explicitly state local affiliated directors and administrators are required to comply with background check requirements.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the background check policy to explicitly state local affiliate directors and administrators are required to comply with background check requirements and is now compliant.</p>		
11	Anti-Doping Language – C.4 b	Management Action Plan
	<p>FINDING: USA Karate's Bylaws contain the required language for NGBs with individual members. However, USA Karate's athlete agreement, which notifies participants that they must comply with all applicable anti-doping rules and regulations, is missing the required language.</p>	<p>USA Karate will update the athlete agreement to include the required language for anti-doping.</p> <p>Due Date: March 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the athlete agreement to include the required language and is now compliant.</p>		

SPORT PERFORMANCE

USA Karate had no findings to remediate in the area of Sport Performance.

OPERATIONAL PERFORMANCE

Needs Improvement		
12	Whistleblower and Anti-Retaliation Policy – E.5 a	Management Action Plan
	<p>FINDING: There are elements missing from USA Karate's Whistleblower and Anti-Retaliation Policy related to applicability and enforcement.</p>	<p>USA Karate will update the whistleblower and anti-retaliation policy to include all missing elements.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the whistleblower and anti-retaliation policy to include the required elements and is now compliant.</p>		
13	Strategic Planning – E.8 a	Management Action Plan

	<p>FINDING: USA Karate’s Strategic Plan does not include sufficient measurable outcomes for organization-wide initiatives. Additionally, USA Karate's progress against the plan is not consistently monitored and approval of the plan is not documented in the board minutes.</p>	<p>USA Karate will develop a strategic plan with measurable outcomes to be approved by the board and have progress reviewed by the board.</p> <p>Due Date: May 1, 2022</p>
<p>Follow-up Level: Needs Improvement</p>		
<p>USA Karate is in the process of updating their strategic plan to include the required information. Since there are multiple new board members, the plan will not be approved until the fourth quarter of 2022 to give the new members adequate time to fully understand the needs of the organization.</p>		
<p>Little Evidence of Compliance</p>		
14	Grievance Procedures – E.4 a & b	Management Action Plan
	<p>FINDING: There are elements missing from USA Karate's grievance procedures, including types of grievances, manner of filing the complaint, hearing panel composition, and hearing process.</p> <p>There was a similar finding in the previous audit that was partially remediated. It noted inconsistencies between the bylaws and the complaint and hearing procedures, specifically, in regards to the manner of filing a complaint.</p>	<p>USA Karate will update the bylaws and complaint and hearing procedures for consistency related to the manner of filing the complaint. USA Karate will update the complaint and hearing procedures to include all missing elements.</p> <p>Due Date: May 1, 2022</p>
<p>Follow-up Level: Compliant</p>		
<p>USA Karate updated the bylaws and complaint procedures to include the required elements and is now compliant.</p>		
15	Equal Opportunity -E.7 c	Management Action Plan
	<p>FINDING: While USA Karate provides an equal opportunity to participate as required, they have not provided anti-discrimination training within the last three years.</p>	<p>USA Karate will include diversity equity and inclusion training for the board, committees, and staff as part of the required training sessions.</p> <p>Due Date: April 1, 2022</p>
<p>Follow-up Level: Needs Improvement</p>		
<p>USA Karate has made anti-discrimination training available, however not all required individuals have completed this training.</p>		

Additional updates on findings that have not been remediated will be provided in the NGB Certification Report.

We would like to thank the USA Karate staff for their cooperation throughout the audit process.

APPENDIX A — FOLLOW-UP DEMONSTRATION LEVEL DEFINITIONS

Follow-up Demonstration Level Definitions	
Level	Definition
Compliant	NGB has implemented the action plan and now meets the requirements.
Needs Improvement	NGB has implemented part of the action plan but still needs to make minor improvements to meet all the requirements.
Little Evidence of Compliance	NGB has implemented part of the action plan but still has significant progress to make to meet all the requirements.
No Evidence of Compliance	NGB has not implemented the action plan and does not meet the requirements.