

UNITED STATES
OLYMPIC & PARALYMPIC
COMMITTEE



NGB Compliance Audit

USA Cycling

April 4, 2024

Executive Summary

Background, Scope, and Objectives

The United States Olympic & Paralympic Committee's (USOPC) NGB Audit department (Audit) completed an audit of USA Cycling. The purpose of the audit was to determine if USA Cycling complies with the requirements of the NGB Compliance Standards (Standards), effective January 1, 2023, and to conduct testing in areas that present an increased risk to athletes, other members, and/or USA Cycling. 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. This is the first time the USOPC has performed an audit against the Standards.

Audit Summary

Overall, Audit concluded that USA Cycling has met 38 of 45 applicable Standards. Among the areas of concern identified, testing of USA Cycling's background check process revealed two background checks that were not current, and two instances where supporting documentation was not retained. Additionally, testing also showed that USA Cycling is not completing, collecting, or reviewing conflicts of interest disclosure forms in a timely manner. Additional details are in the findings below.

Prior Audit Follow-up

As part of this review, Audit followed up on one open audit findings from the audit dated September 11, 2018. The finding was related to the approval of external auditors by the Audit Committee and has been fully remediated.

NGB Audit Findings

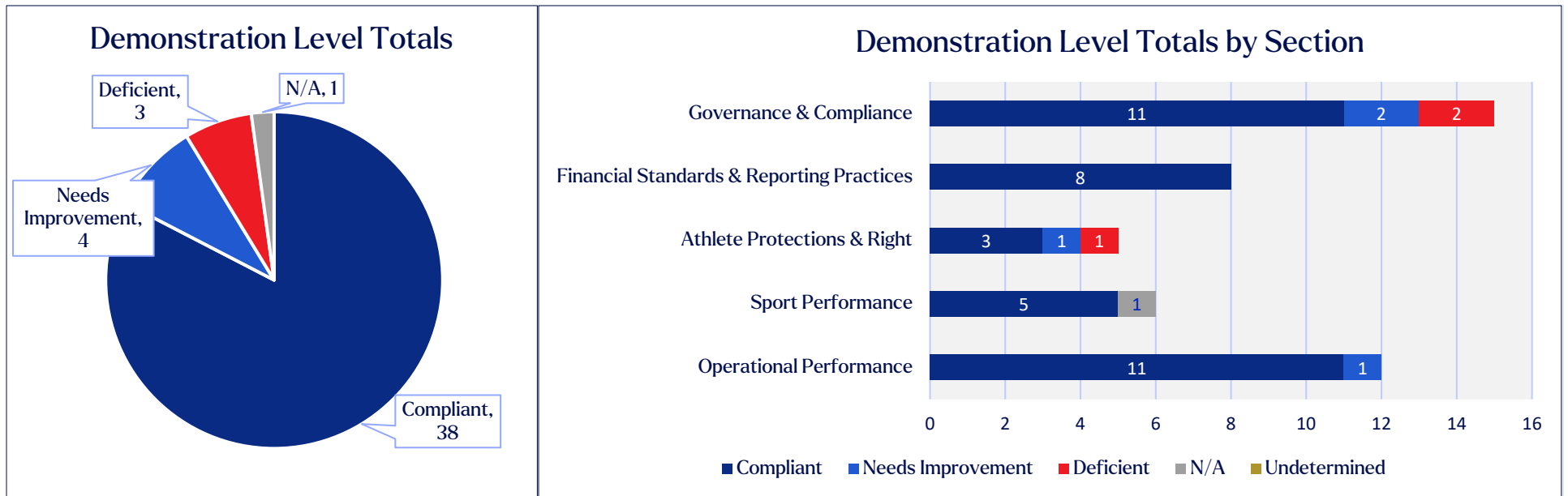
All Standards are evaluated against the 2023 Implementation Guide for Compliance Standards (Implementation Guide). References to the USOPC Bylaws are based on the version approved in March 2021.

Select policies and procedures were reviewed to determine compliance with the Standards. The conclusion of each standard was based on the criteria met and the results of any testing. The definitions of the demonstration levels are below, with additional guidance for each standard detailed in the Implementation Guide. Findings and demonstration levels are detailed on the subsequent pages.

Compliance Demonstration Level Definitions

Compliant	The NGB, through its written policies and procedures and its execution of those policies and procedures, mostly demonstrates that it is meeting the elements of the standard.
Needs Improvement	The NGB, through its written policies and procedures and 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.
Deficient	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.
Not Applicable / Undetermined	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.

Overall Demonstration Levels Summary



Governance and Compliance

NGB Compliance Standards Section A				
Title	Standard	Compliant	Needs Improvement	Deficient
Athlete Representation	A.1 a & b		X	
Independent and Affiliate Representation	A.1 c	X		
International Federation Affiliation	A.1 d	X		
Membership Requirements	A.1 e	X		
Athlete Advisory Council	A.2 a	X		
Board Governance	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
Conflicts of Interest Policy	A.6 a			X
Gifts and Entertainment Policy	A.6 b	X		
NGB Annual Reports	A.7 a - c	X		
Ombuds' Policy	A.8 a	X		
Total		11	2	2

Needs Improvement		
1	Athlete Representation	Management Action Plan
	<p>A.1 a & b:</p> <p>a. NGBs must have at least 33.3% athlete representation on its board of directors as required by the Act §220522(13) and further defined by the USOPC Bylaws, Section 8.5.3.</p> <p>b. NGBs must have at least 33.3% athlete representation on all committees as required and defined by the USOPC Bylaws, Section 8.5.4 and 8.5.5.</p> <p>FINDING: While USA Cycling's athlete representation meets the criteria in practice, the bylaws are missing multiple requirements for athlete representatives on the board and committees.</p>	<p>USA Cycling will update the bylaws to meet the requirements.</p> <p>Due Date: 7/1/2024</p>
2	Board Governance	Management Action Plan

	<p>A.3 a: NGB must have Bylaws or board-approved policies and procedures that at least meet the minimum standards for governance practices and comply with the Act §220522 (9-12).</p> <p>FINDING: USA Cycling's bylaws are missing required elements in the following areas: the process to disclose conflicts during board meetings, election and selection procedures for the Board of Directors, and general designated committee requirements.</p>	<p>USA Cycling will update the bylaws to meet requirements.</p> <p>Due Date: 7/1/2024</p>
Deficient		
3	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: USA Cycling's Code of Conduct is missing the majority of required elements in every area.</p>	<p>USA Cycling will update the code of conduct to meet requirements.</p> <p>Due Date: 7/1/2024</p>
4	Conflicts of Interests Policy	Management Action Plan
	<p>A.6 a: 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: USA Cycling had several issues identified during testing of conflict of interest disclosure forms. First, multiple disclosures were not completed consistent with timelines established by USA Cycling or at all. Second, there was no evidence of review for any disclosure forms. Lastly, USA Cycling does not note in its board meeting minutes whether board members are asked about conflicts or note any conflict disclosures.</p>	<p>USA Cycling will develop and implement a conflict of interest review process that ensures and demonstrates timely compliance with USA Cycling's Conflict of Interest Policy.</p> <p>USA Cycling will ensure appropriate documentation in the board meeting minutes is recorded to note board members are asked about real or potential conflicts.</p> <p>Due Date: 7/1/2024</p>

Financial Standards and Reporting Practices

NGB Compliance Standards Section B				
Title	Standard	Compliant	Needs Improvement	Deficient
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		8		

Athlete Protection and Rights

NGB Compliance Standards Section C				
Title	Standard	Compliant	Needs Improvement	Deficient
Child Protection and US Center for SafeSport	C.1 a and C.2 a	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

Needs Improvement		
5	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>FINDING: While USA Cycling includes some anti-doping requirements in the annual membership, the one-day membership, and the event participation release, not all of the required language is included.</p>	<p>USA Cycling will update its release to include the USOPC-required anti-doping language.</p> <p>Due Date: 5/1/2024</p>
Deficient		
6	USOPC Athlete Safety Requirements	Management Action Plan

Policy	<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 Athlete Safety Policy ii. Responsible Sport Organization Background Check Policy <p>FINDING: USA Cycling does not have a written process to report allegations of prohibited conduct or temporary measures to the USOPC Office of Athlete Safety when required.</p>	<p>USA Cycling will update its reporting policy to indicate that USA Cycling reports allegations to the USOPC Office of Athlete Safety as required.</p> <p>Due Date: 5/1/2024</p>
Application	<p>FINDING: During testing, Audit identified two background checks that were not completed and two instances where evidence for background checks completed by other organizations was not obtained.</p>	<p>USA Cycling will review its background check process and make improvements where necessary to ensure all required background checks are completed in accordance with the policy and retain supporting documentation where necessary.</p> <p>Due Date: 7/1/2024</p>

Sport Performance

NGB Compliance Standards Section D				
Title	Standard	Compliant	Needs Improvement	Deficient
Selection Procedures and Process	D.1 a & b	X		
Delegation List Submission	D.2 a	X		
High-Performance Plan Submission	D.3 a	X		
Event Sanctioning	D.3 b	X		
Paralympic Classification	D.3 c	N/A		
International Federation Standing	D.4 a	X		
Total		5	0	0

Operational Performance

NGB Compliance Standards Section E				
Title	Standard	Compliant	Needs Improvement	Deficient

Managerial and Board 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 Policies and Training	E.7 c	X		
Para Inclusive Sport Programs	E.7 d	X		
Strategic Planning	E.8 a	X		
USOPC Policy Compliance	E.9 a	X		
Total		11	1	0

Needs Improvement		
7	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: There are elements missing from USA Cycling's Whistleblower and Anti-Retaliation Policy in the areas of applicability and investigation and resolution.</p>	<p>USA Cycling will update its whistleblower and anti-retaliation policy to include all requirements noted missing in the areas of applicability, investigation and resolution.</p> <p>Due Date: 7/1/2024</p>

Findings in this report are currently in remediation. A closure letter will be issued once all findings have been remediated.