

UNITED STATES
OLYMPIC & PARALYMPIC
COMMITTEE



NGB Compliance Audit

USA Softball

October 19, 2023

Executive Summary

Background, Scope, and Objectives

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

Audit Summary

Overall, Audit concluded that USA Softball has met 32 of 42 applicable Standards with the majority of findings requiring minor updates. USA Softball's athletes' council noted that USA Softball includes and welcomes athlete feedback at board meetings and the Chief Operating Officer communicates regularly and provides appropriate support. Additionally, Audit noted USA Softball has demonstrated a strong commitment to athlete safety by implementing background checks several years prior to the requirement and executing on a large membership base. However, there were two areas of increased concern. First, USA Softball does not conduct comprehensive and timely conflict disclosure reviews or provide any management direction. In addition, there are no directors on the Board who meet the criteria required for independent directors. Please see the findings below for additional details.

Prior Audit Follow-up

As part of this review, Audit followed up on two open audit findings from the audit dated August 22, 2019. One finding related to grievance procedures remains open as there have been no additional grievances for Audit to review. One finding related to conflicts of interest is a repeat finding, detailed below.

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

NGB Audit Findings

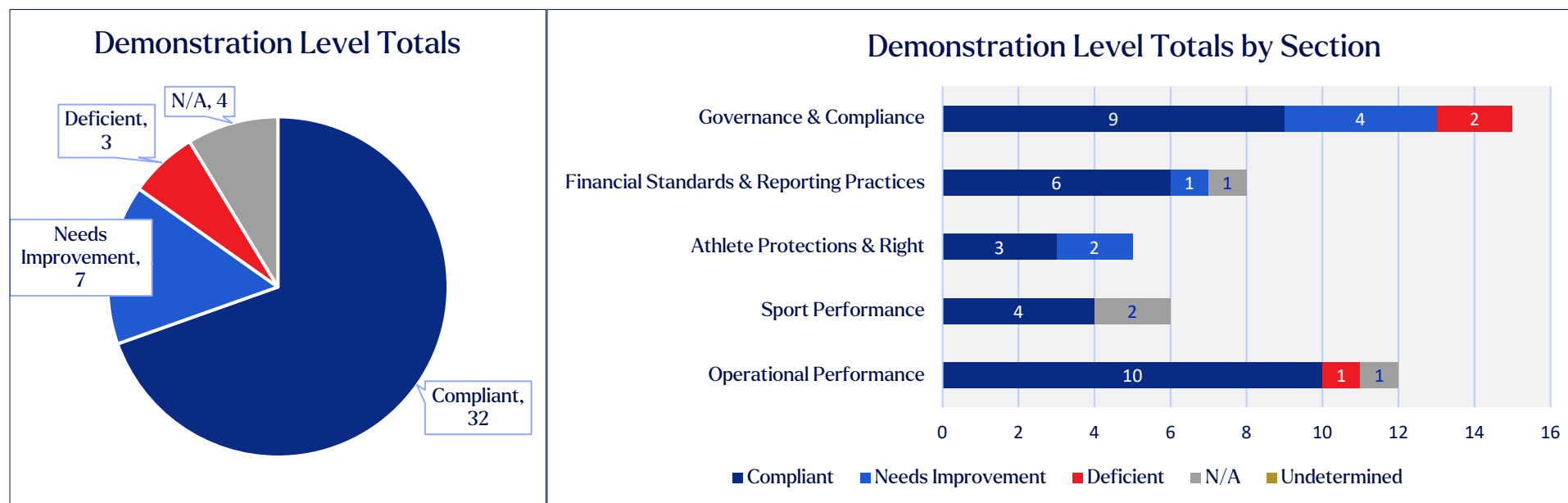
All Standards are evaluated against the 2023 Implementation Guide for Compliance Standards (Implementation Guide). References to the USOPC Bylaws are based on the version approved in March 2021.

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		9	4	2

Needs Improvement		
1	Athlete Representation	Management Action Plan
Policy	<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.</p> <p>FINDING: USA Softball's Bylaws are not in compliance with the USOPC athlete representation requirements.</p>	<p>USA Softball will update the bylaws to include the required elements.</p> <p>Due Date: February 29, 2024</p>

Application	<p>FINDING: Additionally, one designated and four other committees did not meet the 33% athlete representation requirement, and one individual did not meet the criteria to qualify as an actively engaged athlete representative.</p>	<p>USA Softball will add the required percentage of athletes to all designated committees.</p> <p>For all other committees, USA Softball's AAC will review and vote on the appropriate exceptions to ensure there is adequate athlete representation for other committees.</p> <p>Due Date: February 29, 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: There are elements missing from USA Softball's Bylaws in the following areas: board responsibilities, election and selection procedures, general board and designated committee requirements.</p>	<p>USA Softball will update the bylaws and develop a board policy manual to include the required elements.</p> <p>Due Date: February 29, 2024</p>
3	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: While USA Softball is developing onboarding processes for new board and committee members, they were not implemented at the time of the audit.</p>	<p>USA Softball is in the process of developing an onboarding process for new board and committee members.</p> <p>Due Date: February 29, 2024</p>
4	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 Softball's Code of Conduct in the areas of reporting and resolution.</p>	<p>USA Softball will update the code of conduct to include the required elements.</p> <p>Due Date: February 29, 2024</p>
Deficient		
5	Independent and Affiliate Representation	Management Action Plan

Policy	<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 (12). <p>FINDING: USA Softball's Bylaws do not include all the USOPC required language for an independent perspective and affiliate position.</p>	<p>USA Softball will update the bylaws to include the required language.</p> <p>Due Date: February 29, 2024</p>
Application	<p>FINDING: USA Softball's Independent Director does not meet the USOPC definition of independent perspective.</p>	<p>USA Softball will develop a board prospectus that will be used to solicit, identify, and appoint an independent member of the board who meets the USOPC definition.</p> <p>Due Date: February 29, 2024</p>
6	Conflict of Interest Policy	Management Action Plan
	<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 were several issues identified with USA Softball's conflict of interest process:</p> <ul style="list-style-type: none"> First, USA Softball does not require other committee members to complete an annual disclosure form. Second, USA Softball did not provide written management direction letters for any disclosed conflicts. Third, several individuals did not provide complete information regarding disclosed conflicts, and one individual reviewed their own disclosure form. Last, USA Softball had a repeat finding related to the timely review of disclosure forms. 	<p>USA Softball will draft an Ethics Committee procedural manual that dictates the actions of the committee when reviewing Conflicts of Interest.</p> <p>Additionally, USA Softball will require all board, staff, and committee members to submit their COI disclosure form at the end of 2023. Reviews of disclosure forms will begin January 1, 2024, and be completed by March 31, 2024.</p> <p>USA Softball will perform a thorough review of all conflicts, ensuring sufficient detail is obtained, and no self-review of disclosures takes place.</p> <p>Lastly, the Ethics Committee will issue management direction letters for disclosed conflicts or document the rationale of their decisions should they elect to not issue any direction.</p> <p>Due Date: March 31, 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	N/A		
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		6	1	0

Needs Improvement		
7	Financial Policies & Procedures	Management Action Plan
	<p>B.1 b: NGB must develop and implement financial policies and procedures.</p> <p>FINDING: USA Softball's financial policies and procedures require minor improvements to be compliant.</p>	<p>USA Softball updated its financial policies and procedures and provided a copy to Audit.</p>

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	2	0

Needs Improvement		
8	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: There are elements missing from USA Softball's Background Check Policy including applicable individuals and the timing of background checks.</p> <p>In addition, USA Softball 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 Softball will update the background check policy to include the missing elements. In addition, a written process to notify the USOPC Office of Athlete Safety as required, will be included in a relevant policy.</p> <p>Due Date: February 29, 2024</p>
Application	<p>FINDING: A review of individuals required to complete background checks found the following:</p> <p>First, while USA Softball is planning on changing to a USOPC-approved vendor, they currently use an unapproved vendor for background checks for all non-employee and non-national team participants.</p> <p>Second, although USA Softball requires umpires that have regular contact or authority over minors to be background checked, Audit was unable to verify compliance with this requirement.</p> <p>Lastly, one coach member was participating in National Team activities despite having an expired background check.</p>	<p>First, USA Softball will work with USOPC and Protect Youth Sports (PYS) to facilitate the process of PYS becoming an approved vendor.</p> <p>Second, USA Softball has updated its registration site to maintain a list of umpires who are required to complete background checks.</p> <p>Last, USA Softball will update its procedures to ensure all national team coaches have a current background check prior to participating in National Team activities.</p> <p>Due Date: March 31, 2024</p>
9	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: USA Softball's Bylaws include the required anti-doping language for individual members but not organizational members. Additionally, while the athlete agreement includes the required anti-doping language, there is no relevant document informing all participants they must comply with anti-doping requirements.</p>	<p>USA Softball will update its bylaws to include the required language.</p> <p>USA Softball has updated their membership agreement to include language informing all participants that they must comply with anti-doping requirements.</p> <p>Due Date: February 29, 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	N/A		
Event Sanctioning	D.3 b	X		
Paralympic Classification	D.3 c	N/A		
International Federation Standing	D.4 a	X		
Total		4	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	N/A		
Strategic Planning	E.8 a	X		
USOPC Policy Compliance	E.9 a	X		
Total		10	0	1

Deficient		
10	Grievance Procedures	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(14).</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).</p> <p>FINDING: There are elements missing from USA Softball's Grievance Policy and Procedures in the following areas: types of grievances, the process to report, administration of the grievance, hearing panel composition, hearing procedures, and other resources.</p>	<p>USA Softball will update the grievance procedures to include the required elements.</p> <p>Due Date: February 29, 2024</p>

Findings in this report are currently in remediation. An addendum report will be issued at the end of the remediation period.