

UNITED STATES
OLYMPIC & PARALYMPIC
COMMITTEE



NGB Compliance Audit

USA Luge

February 20, 2024

Executive Summary

Background, Scope, and Objectives

The United States Olympic & Paralympic Committee's (USOPC) NGB Audit department (Audit) completed an audit of USA Luge. The purpose of the audit was to determine if USA Luge 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 Luge. 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. It should be noted that this is the first time the USOPC has performed an audit against the Standards.

Audit Summary

Overall, Audit concluded that USA Luge has met 27 of 43 applicable Standards. Audit noted that USA Luge has a robust strategic plan and a detailed monitoring process with specific goals. In addition, USA Luge prioritizes research and development for athlete equipment. USA Luge leverages volunteers with engineering expertise to improve equipment and performance at competitions while efficiently using financial resources. While there are many findings related to policy issues, there are significant concerns including the lack of a USA Luge Athlete Advisory Council and sufficient athlete representation on the Board of Directors and several committees. In addition, testing of USA Luge's background check process revealed a substantial number of missing and expired background checks. Further, USA Luge's athlete agreements are not compliant with the USOPC NGB Athlete Agreements Policy. Lastly, annual conflicts of interest disclosures are not required. Please see the findings below for additional details.

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

NGB Audit Findings

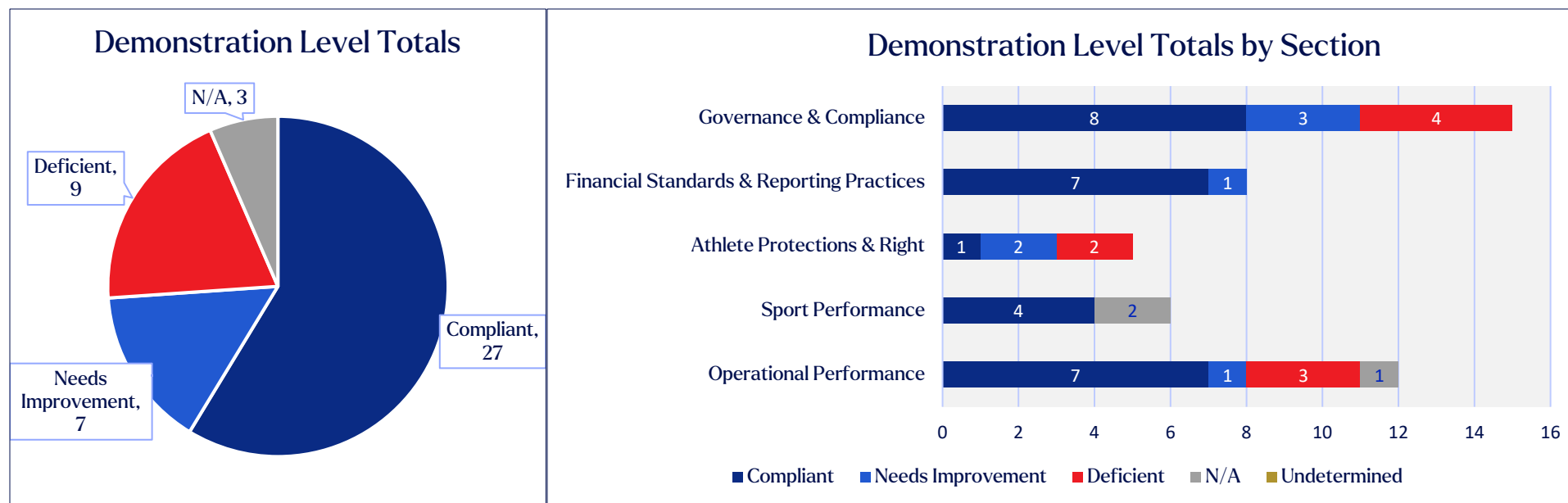
All Standards are evaluated against the 2023 Implementation Guide for Compliance Standards (Implementation Guide). References to the USOPC Bylaws are based on the version approved in March 2021.

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

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|--------------------------------------|--|
| 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 | | 8 | 3 | 4 |

| Needs Improvement | | |
|-------------------|---|--|
| 1 | Independent and Affiliate Representation | Management Action Plan |
| | <p>A.1 a & b: 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 Luge's Bylaws do not state that at least one board position will be added for affiliated member(s) if identified.</p> <p>Additionally, USA Luge's Bylaws do not include all the required language for an independent perspective.</p> | <p>USA Luge will update the bylaws to provide for affiliated member(s), if identified, and to include the required language for an independent perspective.</p> <p>Due Date: September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></p> |
| 2 | Board Governance | Management Action Plan |

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| | <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 Luge's Bylaws in the following areas: conflict of interest processes, board responsibilities, board member requirements, election, and selection procedures.</p> | <p>USA Luge will update the bylaws to meet requirements.</p> <p>Due Date: September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></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: USA Luge is developing a formal onboarding process for new board and committee members, however, it has not been implemented.</p> <p>Additionally, several board members have not completed the USOPC Board Training.</p> | <p>USA Luge will design and implement the formal onboarding process for new board and committee members and ensure all board members have completed the USOPC Board Training.</p> <p>Due Date: April 1, 2024</p> |
| Deficient | | |
| 4 | Athlete Representation | Management Action Plan |
| Policy | <p>A.1 a & b:</p> <ul style="list-style-type: none"> 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. 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>FINDING: USA Luge's Bylaws are not in compliance with the USOPC athlete representation requirements.</p> | <p>USA Luge will update the bylaws to meet the athlete representation requirements.</p> <p>Due Date: September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></p> |

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| Application | <p>FINDING: Testing of USA Luge's athlete representation identified the following:</p> <p>First, USA Luge's Board of Directors and 4 of the 6 designated committees do not have 33.3% athlete representation.</p> <p>Second, the Safety and Fundraising/Development Committees are not currently populated.</p> <p>Third, while USA Luge communicated the election results, the supporting documents were not retained.</p> <p>Lastly, athlete representatives on committees are not selected consistent with USOPC requirements.</p> | <p>USA Luge will review committee structure, update/revise the Bylaws as necessary, and ensure 33.3% athlete representation. The athlete election process will be reviewed, revised as necessary, and athletes will be selected consistent with USOPC requirements. Additionally, USA Luge will provide the USOPC with a detailed action plan for populating committees to be compliant with USOPC requirements by April 1, 2024.</p> <p>Due Date: April 1, 2024 / September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></p> |
| 5 | Athlete Advisory Council | Management Action Plan |
| | <p>A.2 a: NGB must have an Athletes Advisory Council (AAC) that meets the minimum standards set forth by the USOPC.</p> <p>FINDING: There are several issues identified related to the Athlete Advisory Council:</p> <p>First, USA Luge's bylaws establish the USLA Athletes' Council, however, it does not meet the minimum requirements.</p> <p>Second, the bylaws do not state that both the NGB's Team USA Athletes' Commission primary representative and alternate will automatically be members of the USLA Athletes' Council with voice and vote and must make two up of the allotted positions on the NGB AAC.</p> <p>Third, while USA Luge has an article in their bylaws for the "USLA Athletes' Council", the council has not been formed.</p> <p>Last, USA Luge does not require AAC representatives to complete a conflict of interest form or to submit any other disclosures prior to their election.</p> | <p>USA Luge will revise its Bylaws to ensure all requirements for the USLA Athletes' Council are met; including but not limited to, voice and vote, formation, and conflict of interest disclosures.</p> <p>Due Date: September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></p> |
| 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>USA Luge will update the code of conduct to meet requirements.</p> |

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| | FINDING: There are elements missing from USA Luge's Code of Conduct in the areas of applicability, organizational expectations, reporting, resolution, and resources. | Due Date: April 1, 2024 |
| 7 | Conflict of Interest Policy | Management Action Plan |
| Policy | <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: There are elements missing from USA Luge's Conflict of Interest Policy in every required area, and the policy is not published on the organization's website.</p> | <p>USA Luge will update the conflict of interest policy to meet requirements and post the updated policy on the website.</p> <p>Due Date: April 1, 2024</p> |
| Application | <p>FINDING: USA Luge does not require individuals to complete conflict of interest disclosures annually.</p> <p>Additionally, USA Luge does not include conflict disclosures in the board meeting minutes.</p> | <p>USA Luge will require all applicable individuals to complete the conflict of interest disclosure by June 1, 2024 and will implement that disclosures are made at Board and Committee meetings and reflected in the meeting minutes beginning February 1, 2024. USA Luge will update Bylaws to reflect requirement to disclose conflicts at all Board and Committee Meetings by September 30, 2024.</p> <p>Due Date: February 1 / June 1 / September 30, 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 | | |

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| Total | 7 | 1 | 0 |
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| Needs Improvement | | |
|-------------------|--|---|
| 8 | 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 Luge was unable to provide evidence supporting the review and approval of credit card transactions.</p> | <p>USA Luge will amend the financial policies to include appropriate documentation retention, approval of credit card transactions, and a review of credit card activity.</p> <p>Due Date: April 1, 2024</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 | | 1 | 2 | 2 |

| Needs Improvement | | |
|-------------------|---|---|
| 9 | Child Protection and US Center for SafeSport | Management Action Plan |
| | <p>C.1 a: As required by Section 220524(a)(10) of the Act, NGBs must adopt one or more policies that prohibit any individual who is an employee, contractor, or agent of the NGB from assisting a member or former member in obtaining a new job (except for the routine transmission of administrative and personnel files) if the individual knows that that member or former member violated the policies or procedures of the Center related to sexual misconduct or was convicted of a crime involving sexual misconduct with a minor in violation of applicable law or the policies or procedures of the Center.</p> | <p>USA Luge will create and implement a policy that meets the requirements outlined in the Act.</p> <p>Due Date: April 1, 2024</p> |

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| | FINDING: USA Luge does not have a policy that meets the requirements of the Act. | |
| 10 | Anti-Doping Policy Language | Management Action Plan |
| | <p>C.4 b: NGB must have USOPC-approved anti-doping language in its bylaws (or board-approved document), membership agreements (if applicable), and license agreements (if applicable).</p> <p>FINDING: USA Luge's Bylaws include the required anti-doping language for individual members but not organizational members.</p> | <p>USA Luge will update the bylaws to include the required anti-doping language for organizational members.</p> <p>Due Date: September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></p> |
| Deficient | | |
| 11 | 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 Luge does not have a policy to notify the USOPC Office of Athlete Safety as required.</p> <p>In addition, USA Luge's background check policy does not meet a majority of the requirements.</p> | <p>USA Luge will update the background check policy to meet the requirements and create a written process to notify the USOPC Office of Athlete Safety as required.</p> <p>Due Date: April 1, 2024</p> |
| Application | <p>FINDING: There were multiple issues identified during background check testing:</p> <p>First, background checks were expired, pending, and not completed for 10, 3, and 19 individuals tested, respectively.</p> <p>Second, two background checks were ordered, but ultimately not completed.</p> <p>Third, results showing that individuals were previously cleared were not provided for six expired background checks and complete results were not provided for an additional six background checks.</p> <p>Fourth, the background checks for 14 individuals were completed after the support was requested by Audit.</p> | <p>USA Luge will review process and policies for background check testing and revise as needed, including a provision for membership and participation suspension of Adult Participants who do not fulfill the background check requirements. USA Luge will implement Sport80 as an integration and software platform to support clarity in completion status, expiration dates, and records retention. USA Luge will ensure 100% of Adult Participants are compliant by April 1.</p> <p>Due Date: April 1, 2024</p> |

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| | Fifth, 11 background checks were not current at the time of the event. Finally, a complete list of medical providers was not submitted by USA Luge. | |
| 12 | Athlete Agreements | Management Action Plan |
| | <p>C.5 a: NGB must comply with the USOPC NGB Athlete Agreements Policy.</p> <p>FINDING: USA Luge's Athlete Marketing Agreement does not comply with the USOPC's NGB Athlete Agreement Policy because participation in the agreement is conditioned on athletes agreeing to commercial terms.</p> | <p>USA Luge will review and revise, as necessary, the USLA Athlete Agreement and Athlete Marketing Agreement to ensure compliance with the USOPC NGB Athlete Agreements Policy.</p> <p>Due Date: April 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 | N/A | | |
| 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 |

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|---|-----------|----------|----------|----------|
| 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 | | 7 | 1 | 3 |

| Needs Improvement | | |
|-------------------|---|--|
| 13 | Gender Equity | Management Action Plan |
| | <p>E.7 b: NGB must provide equitable support and encouragement for participation by women where separate programs for male and female athletes are conducted on a national basis as required by the Act §220524(a)(6).</p> <p>FINDING: While USA Luge provides equitable support for men and women, the performance criteria to obtain support is not clearly or consistently defined.</p> | <p>USA Luge will review and revise, as necessary, policy to ensure clarity and consistency in defining performance criteria for support.</p> <p>Due Date: April 1, 2024</p> |
| Deficient | | |
| 14 | Insurance Coverage | Management Action Plan |
| | <p>E.2 a: NGB must have insurance policies that comply with the USOPC's requirements and provide Certificates of Insurance to the USOPC's dedicated third party vendor.</p> <p>FINDING: USA Luge has several coverage requirements that are expired or rejected.</p> | <p>USA Luge will ensure compliance with USOPC's requirements for insurance policies.</p> <p>Due Date: April 1, 2024</p> |
| 15 | 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 Luge's Grievance Policy and Procedures in the following areas: process to report, administration of grievances, hearing panel composition, and hearing procedures.</p> | <p>USA Luge will update the grievance procedure section of the Bylaws and create a stand-alone grievance procedure document to meet requirements.</p> <p>Due Date: September 30, 2024</p> <p><i>Note: Bylaws will be posted NLT June 1 to provide for the 60-day comment period. A membership vote to amend Bylaws will take place at the Annual Meeting on September 14, 2024.</i></p> |

| 16 | Whistleblower and Anti-Retaliation Policy | Management Action Plan |
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| | <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 Luge's Whistleblower and Anti-Retaliation Policy in every required area.</p> | <p>USA Luge will update the whistleblower and anti-retaliation policy to meet requirements.</p> <p>Due Date: April 1, 2024</p> |

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