

2023 USOPC AND NGB ANNUAL COMPLIANCE REPORT

Overview

Consistent with the Ted Stevens Olympic and Amateur Sport Act's (the Act) compliance reporting requirements,¹ this report summarizes the Ethics and Compliance team's compliance and audit initiatives as part of the USOPC's responsibility to ensure USOPC and NGB compliance with the Act, and the USOPC's bylaws, policies, and procedures. Part one of this report summarizes USOPC compliance initiatives, including the USOPC's efforts to adhere to standards it requires of NGBs and conducting an internal audit of certain USOPC departments. The second part of the report summarizes the Compliance and Audit team's annual work on NGB audits, NGB certification renewals and Compliance investigations, and outlines significant steps the Compliance and Audit teams have taken to support NGBs' compliance efforts.

I. USOPC Compliance

The USOPC is committed to holding itself to the same standards to which NGBs are held where applicable, including requirements in the USOPC's NGB Compliance Standards. To that end, at the board's request, the USOPC conducted a comprehensive review of the NGB Compliance Standards to confirm that the USOPC has counterpart requirements. Where the NGB Compliance Standards varied from the USOPC's practices, it worked proactively to revise its policies and procedures to address any gaps, including collaborating with the Internally Managed Sport (IMS) team to revise existing policies and procedures for consistency with NGB policy and procedure requirements. The Compliance team has also worked with IMS sport directors to formalize Athlete Advisory Groups (AAG) for each internally managed sport similar to Athlete Advisory Councils within NGBs. These AAGs serve as representatives for elite athletes in their sport who are dedicated to engaging with IMS sport directors to provide feedback and input into topics such as selection procedures and high performance programs.

In addition to building on IMS compliance, the Audit team continued to work with external auditors to conduct internal audits of certain USOPC departments. The external audit commenced in 2022 and concluded in 2023 with the issuance of findings and recommendations to the leaders of those departments. Those findings were also shared with the USOPC's Finance, Audit and Risk Committee, with many findings remediated by the end of 2023. To build on this work, the Audit team has outlined and shared with the Finance, Audit, and Risk Committee a proposed plan for establishing an ongoing internal audit program to periodically assess the USOPC's internal controls and other areas identified by enterprise-wide risk assessments. The Audit and Compliance teams also began discussing the framework for a compliance audit for the USOPC that substantially mirrors the substance and timing of NGB audits, assessing the USOPC's compliance with the Act and the USOPC's bylaws, policies, and procedures.

In anticipation of the Olympic Games Paris 2024, the Compliance team drafted a Sports Betting Policy. It also provided training to athletes and staff selected to participate in the Pan American Games and Parapan American Games. The training, which covered sports betting, match manipulation, and sharing insider information, has been incorporated into a long-term ethics and compliance training strategy that includes

¹ 36 U.S.C. § 220511(a)(2)(F)-(G).



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delegation event-specific training and periodic training on core compliance topics such as conflicts of interest and retaliation.

The Compliance team also launched work on a long-term project in collaboration with other USOPC departments to streamline the process for reviewing NGBs' use of grants and to implement non-profit best practices into the review process. As part of this work, the Compliance team and internal stakeholders have gathered internal and external feedback, drafted a framework for an online platform that allows for easy access to and review of grant information, and developed an offline reporting tool that will be used in 2024 as a test case for the online platform.

Finally, the Compliance team holds a quarterly Sports Compliance Roundtable with peers in professional leagues and in the Olympic and Paralympic Movement. This group shares best practices and discusses topics that are relevant to ethics and compliance programs at other sport organizations both domestically and internationally, and these discussions have contributed to the continued evolution of the USOPC's Ethics and Compliance program.

Reports of Retaliation

In April 2023, a parent of a minor athlete alleged that coaches at a member club of USA Swimming retaliated against the minor athlete for making a report to the U.S. Center for SafeSport. Because the Center has jurisdiction over such matters, the USOPC referred the matter to the Center and the Center confirmed jurisdiction in August 2023. The USOPC does not have insight into the investigation other than that the Center accepted jurisdiction.

In August 2023, a Para Archery athlete alleged that a staff member of USA Archery retaliated against her for, among several other things, reporting the staff member to the Center by changing the athlete's coaching assignment at the last minute during a competition. Because the Center has jurisdiction over such matters, the USOPC referred the matter to the Center. In November 2023, the Center confirmed it had declined jurisdiction and referred the matter to USA Archery. It is the USOPC's understanding based on information from USA Archery, that USA Archery reviewed the matter and as a result of its review, was taking steps to improve support and communication systems at future events.

II. *NGB Compliance*

NGBs continued to make significant progress in meeting the NGB Compliance Standards, closing a total of 206 audit findings in 2023. Overall, the number of findings identified in 2023 steadily decreased, which demonstrates NGBs' ongoing commitment to compliance with the NGB Compliance Standards.

The Compliance and Audit teams also continue their commitment to providing support to NGBs through the Compliance Assistance Program, quarterly meetings hosted by both teams highlighting common findings and best practices, and increased governance support. The sections below summarize NGBs' and the Audit and Compliance teams' work throughout 2023, as well as NGB certification renewals.



NGB Audit

The Audit team conducted audits of 13 NGBs in 2023 in advance of those NGBs' scheduled certification renewals in 2024. The most common issues identified in those audits fell into the category of Governance and Compliance, followed by Operational Performance. Although the number of findings NGBs closed decreased year over year, the decrease is mostly attributable to the closure of many aged findings in 2022. Open findings as of the end of 2023 were mostly from late 2022 or 2023, which reflects NGBs' timely closure of audit findings.

In addition to regularly scheduled audits, the Audit team developed a novel approach to address findings relating to athlete representation on NGB boards and committees. Specifically, the Audit team created an athlete representation tool for NGBs to help them accurately calculate and account for athlete representatives on NGB boards and committees. The Audit team also worked closely with the Compliance team to ensure NGBs had sufficient time to remediate audit findings before the issuance of certification renewal reports so the reports fully reflect NGBs' compliance efforts. As it looks forward to the next audit cycle, the Audit team has outlined a modified approach to assessing the scope of NGB Audits, relying on the results of previous audits to inform a new audit scope while still including areas that are foundational to athlete protection and good governance, such as execution of background checks and the handling of complaints consistent with NGBs' grievance procedures.

New Sport Onboarding

In anticipation of new sports being added to the program for the Olympic Games Los Angeles 2028 (LA28), the Compliance team worked with other USOPC departments and prepared a plan for the successful onboarding of certified NGBs for potential new sports. In October 2023, the International Olympic Committee (IOC) and LA28 announced five additional sports for the sport program, including three sports which do not currently have certified NGBs: cricket, flag football, and lacrosse. The Compliance team will offer support to the national federations recognized by the IOC-recognized international federations for these sports to prepare them for meeting the NGB Compliance Standards in anticipation of opening a call for applicants for NGB candidates for these sports following the Olympic Games Paris 2024.

Compliance Assistance Program

The USOPC Compliance team developed its Compliance Assistance Program in 2022 and continued to build on that program in 2023. The Compliance Assistance Program includes three pillars: Audit Preparation, Compliance Check-Ins, and providing compliance-related resources for NGBs. The Compliance Assistance Program is a resource for NGBs – to the extent that active NGB participation is required in portions of the program, NGBs are invited to participate to the level that fits their NGB's needs and available resourcing.

Audit Preparation

The Compliance Assistance Program's Audit Preparation program consists of policy reviews and testing walkthroughs. For policy reviews, the Compliance team works collaboratively with NGBs to review their existing policies, determine if revisions are necessary, and provide consultative assistance to the NGBs throughout policy drafting. Testing walkthroughs provide NGBs with a preview of what can be expected from a testing period during an audit, when an NGB must demonstrate that it executed on its policies, such as



conflict of interest disclosure review or background checks for all required individuals. Policy reviews and testing walkthroughs focus on specific areas where the Compliance team observed, from its own work with NGBs and from the NGB Audit team's findings, that NGBs often find challenging. The Compliance team offers Audit Preparation to select NGBs in the year before their scheduled audit, but NGBs may also request ad hoc reviews of their policies as part of the Compliance Assistance Program.

Following a successful pilot with an NGB in late 2022, the Compliance team invited five additional NGBs to participate in the formal Audit Preparation program in 2023. In addition to these five NGBs, there were five NGBs that participated in ad hoc policy reviews.

Compliance Check-In

To provide additional support for NGBs and to monitor annual compliance requirements, the Compliance Assistance Program includes the Compliance Check-In, an ongoing compliance monitoring program that reviews certain NGB Compliance Standards that are better suited to an annual review cycle as opposed to the quadrennial audit cycle.

As a first step toward establishing the Compliance Check-In and introducing NGBs to the concept of ongoing, annual monitoring, the Compliance team developed an annual Compliance Scorecard that evaluates NGB compliance against 24 requirements of the NGB Compliance Standards that can be verified through required NGB deliverables, a review of documents that are required to be published on NGB websites, or reporting from other organizations, like the U.S. Center for SafeSport and the U.S. Anti-Doping Agency. NGBs can use these scorecards as a tool to identify areas for improvement and to highlight to their boards continued compliance with the NGB Compliance Standards. The Compliance team issued a 2023 Compliance Scorecard to all 51 NGBs, assessing compliance with each of the 24 requirements as of December 2023.

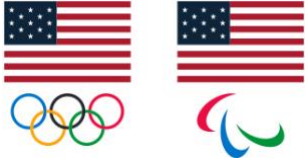
The Compliance Check-In will be further developed in 2024 as part of the Compliance team's work on revised NGB Compliance Standards for the 2025-2028 quadrennium.

Compliance Resources

Since its inception, the Compliance team has provided resources to NGBs to assist their efforts in meeting the NGB Compliance Standards. Such resources include the Implementation Guide for NGB Compliance Standards, policy templates, resource guides for annual reporting requirements, and ongoing quarterly meetings at which compliance best practices and other useful content is shared. The Compliance team rolled these resources into the Compliance Assistance Program and made improvements to the available resources in 2023, including by publishing updated policy templates with corresponding audit checklists to clearly illustrate expectations for various requirements and a comprehensive resource guide for the new Equal Pay for Team USA reporting requirements from the January 2023 amendments to the Ted Stevens Act.

Compliance Investigations

The Compliance team conducted a number of investigations in 2023 that substantiated concerns reported to the USOPC. Among the concerns the Compliance team reviewed were whether a culture existed that allowed for retaliation against athletes for reporting governance and operational concerns, conflicts of interest that affected the selection of an Olympic trials host city, whether an NGB complied with the Act's requirements



to timely communicate clear selection procedures and consistently apply them, and whether an IMS sufficiently communicated its selection procedures to athletes and accounted for potential conflicts of interest in developing them.

At the conclusion of these investigations, the Compliance team issued letters to the relevant NGBs outlining the Compliance team's findings and requiring specific action to address them. The Compliance team also included recommendations to NGBs to further strengthen their governance practices and their support of athletes, and informed NGB boards that they were responsible for overseeing the implementation of those recommendations if the NGB chose to adopt the recommendations.

The Compliance team continues to provide quarterly summaries of investigations and other significant NGB issues to the NGB Oversight and Compliance Committee and to the board of directors. The Chief Ethics and Compliance Officer also notifies USOPC leadership, the board chair, and NGB Oversight and Compliance Committee chair of any matters that may require immediate attention, such as significant financial distress that may result in bankruptcy or serious governance deficiencies that may warrant decertification.

Increased Governance Support

In 2023, the Compliance team developed a new strategy for supporting NGBs in distress, assembling a task force to assist an NGB that has had long-term struggles with governance and financial sustainability. Following a Demand Letter that outlined required reforms, the Compliance team led a task force with representation from the Sport Performance, NGB Services, and NGB Audit teams to provide a comprehensive approach to supporting the NGB in meeting the requirements while also building a foundation for long term success. In addition, a member of the NGB Oversight and Compliance Committee attends the NGB's board meetings and select committee meetings to observe and advises NGB management on good governance practices. As of the end of 2023, that task force continued to meet to closely monitor the NGB's compliance efforts and financial status, keep internal USOPC stakeholders informed of any setbacks, and to identify new issues early to prevent setbacks.

Certifications Renewals and Decertification

The USOPC certification review process includes the renewal of NGB certifications once every four years and certification of new NGBs following the completion of an audit and an overall review of the applicant sport organization. The USOPC's CRG, which is chaired by the Chief Ethics and Compliance Officer and includes representatives from USOPC departments which regularly interact with NGBs, conducts all certification reviews and provides its certification recommendations to the USOPC's Board of Directors. In 2023, the CRG considered 15 certification renewals and four certification upgrades. The sections below summarize the outcomes of those reviews. The current certification status for all NGBs that have gone through a certification review can be found on teamusa.org. Last year the CRG also assessed an NGB's overall compliance and determined the NGB did not meet requirements to maintain its NGB status. As a result, the NGB agreed to relinquish its certification; details about that matter are also summarized below.

1. Certification Renewals



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The USOPC Board of Directors accepted the CRG's recommendations and renewed the certifications of 11 NGBs that the USOPC considered certified as of January 1, 2021. The full certification recommendation reports for these NGBs are available on usopc.org.

Renewal in Good Standing

Of the 11 renewals, the USOPC Board of Directors renewed 10 NGBs' certifications with a status of Renewal in Good Standing, indicating that there are no significant outstanding issues affecting the NGBs' standing with the USOPC. While the CRG identified some areas of concern in its review of these NGBs, there were no significant deficiencies, and the NGBs acted to resolve the issues identified by the CRG within the certification review period.

The NGBs whose certifications were renewed with a status of Renewal in Good Standing in 2023 were:

- [American Canoe Association](#)
- [US Sailing Association](#)
- [USA Archery](#)
- [USA Artistic Swimming](#)
- [USA National Karate-do Federation](#)
- [USA Swimming](#)
- [USA Triathlon](#)
- [USA Volleyball](#)
- [USA Wrestling](#)
- [USRowing](#)

Renewal with Conditions

The USOPC Board of Directors renewed [USA Track and Field](#)'s certification with a status of Renewal with Conditions based on the organization's need to enforce the conflicts of interest portions of its Code of Ethics, particularly for board and committee conflicts. As of the end of 2023, USA Track and Field made progress towards fully addressing this issue, but it must demonstrate through testing that the conflicts of interest disclosure process is being executed consistently.

Pending Additional Review

The CRG did not provide final recommendations for four NGB certification reviews it began in 2023, pausing those reviews because it identified deficiencies that merited Compliance reviews and / or because the NGB had a number of significant matters to address that required review and validation by the NGB Audit team. The certification reviews for those four NGBs will resume in 2024 following the organizations' remediation of additional compliance requirements and open audit findings.

The NGBs whose certification renewals were paused in 2023 were:

- USA Badminton
- USA Pentathlon Multisport



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- USA Rugby
- USA Shooting

Upgraded Certification Renewals

In its 2022 reviews, the CRG recommended that two newly certified NGBs, [Lakeshore National Adapted Sport Organization \(LNASO\)](#) and the [National Wheelchair Basketball Association \(NWBA\)](#), have their certifications granted with a status of Certified with Conditions. Both LNASO and the NWBA successfully met the conditions of their certifications and the CRG recommended that the NGBs' certifications be upgraded to Certified in Good Standing for the remainder of their certification terms.

In its 2022 reviews, the CRG also recommended that two existing NGBs, [USA Table Tennis](#) and [USA Weightlifting](#), have their certifications granted with a status of Renewal with Conditions. Both USA Table Tennis and USA Weightlifting successfully met the conditions of their certifications and the CRG recommended that the NGBs' certifications be upgraded to Renewal in Good Standing for the remainder of their certification terms.

2. Decertification

In August 2022, the USOPC initiated decertification proceedings against USA Skateboarding based on concerns with its governance, specifically its board of directors' apparent lack of oversight of the chief executive officer, USA Skateboarding's operational capabilities, and an audit that resulted in 28 findings that reflected significant non-compliance with the NGB Compliance Standards. A hearing panel was appointed to preside over the decertification complaint to review evidence and hear testimony from both parties at a December 2022 hearing, but the parties entered into a settlement agreement before the hearing. The settlement agreement gave USA Skateboarding until March 9, 2023, to remediate outstanding audit findings and to satisfy other requirements to demonstrate that the organization met certification requirements.

After reviewing submissions from USA Skateboarding, the CRG concluded that USA Skateboarding failed to meet the requirements to continue to be certified as an NGB. Consistent with the settlement agreement, USA Skateboarding agreed to relinquish its NGB certification status upon notice of the CRG's decision. Following the organization's relinquishment of its NGB certification status on March 16, 2023, the USOPC assumed responsibility for the Olympic high performance program for skateboarding to ensure financial and operational support for elite athletes remained the same through the Olympic Games Paris 2024.

3. Conclusion

The CRG's third year of certification reviews built upon the progress the USOPC and NGBs have made since 2021. The certification review process has contributed to robust conversations among the USOPC departments that interact with NGBs to ensure that high-functioning and highly capable NGBs can be recognized and NGBs that need additional support to resolve concerns or higher risk issues can receive comprehensive and coordinated support from across the USOPC. Athletes and the U.S. Olympic and Paralympic Movement will continue to see the benefits of the process as it encourages compliance and continuous improvement among certified NGBs.