



# USOPC NGB AUDIT

## USA JUDO

September 7, 2021



## EXECUTIVE SUMMARY

### Background, Scope, and Objectives

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

The Audit department used Demonstration Levels included in the version of the Implementation Guide that went into effect on January 1, 2021. To provide auditors with more discretion and flexibility in categorizing findings, the NGB Audit department concluded it was appropriate to modify the existing Demonstration Levels to include the following levels: Compliant, Needs Improvement, and Deficient. These new Demonstration Levels, along with the July 2021 version of the Implementation Guide, will take effect January 1, 2022. Existing Demonstration Levels will continue to be used throughout 2021, but to ensure NGBs audited in 2021 benefit from the new Demonstration Level the Audit department will note both the current and revised Demonstration Levels for each finding in audit reports.

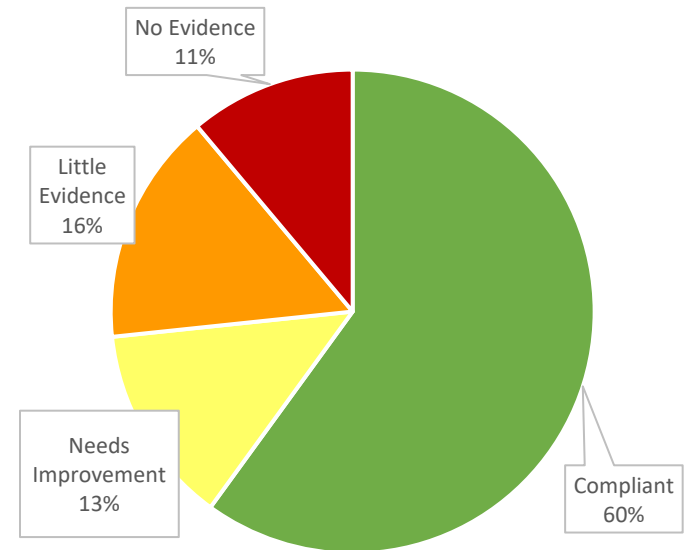
### Audit Summary

Based on the audit procedures performed, select policies and procedures were reviewed to determine compliance with the Standards. The conclusion within each standard was based on the criteria met for each standard, as well as the results of any testing conducted. Definitions of demonstration levels are detailed in the Implementation Guide for NGB Compliance Standards (Implementation Guide). Findings and demonstration levels are detailed on the subsequent pages.

**Demonstration Level Totals by Section**

NGB Audit Standards Section	Compliant	Needs Improvement	Little Evidence of Compliance	No Evidence of Compliance	Total Number of Standards
Governance and Compliance	6	2	4	1	<b>13</b>
Financial Standards and Reporting Practices	6	1	1	0	<b>8</b>
Athlete Protections and Rights	2	1	0	2	<b>5</b>
Sport Performance	4	0	0	2	<b>6</b>
Operational Performance	9	2	2	0	<b>13</b>

### Compliance Demonstration Levels



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

## EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of USA Judo’s policies and procedures in relation to the USOPC Bylaws and Ted Stevens Amateur Sports Act (the Act) as outlined in the Implementation Guide for NGB Compliance Standards. Audit evaluated 45 Standards in the areas of Governance and Compliance, Financial Standards and Reporting Practices, Athlete Protections and Rights, Sport Performance, and Operational Performance.

Overall, Audit concluded that USA Judo has met many of the requirements outlined in the Standards. However, there are some areas of increased concern. Specifically, testing of USA Judo’s background check process revealed missing and expired background checks; USA Judo is not properly managing its conflict of interest process; testing of USA Judo’s athlete representation revealed one designated committee that did not meet the 20% athlete representation requirement; and one instance where USA Judo elected an athlete representative who did not meet the eligibility requirements. Additional details regarding each of these concerns are outlined in the below findings.

## PRIOR AUDIT FOLLOW-UP<sup>1</sup>

As part of this review, the NGB Audit team followed up on three open audit findings from the audit dated April 2, 2018. One repeat medium-risk finding identified in this review was related to Financial Policies and Procedures and is detailed in the finding below. One medium-risk finding related to Memorandums of Understanding remains open as USA Judo has not yet updated this document. One medium-risk finding was remediated and validated by Audit. Open findings not detailed below will also be included in the remediation period of this audit.

## NGB AUDIT FINDINGS

All Standards are evaluated against the 2020 Implementation Guide for Audit Standards. References to the USOPC Bylaws in the below standards are based on the USOPC Bylaws approved in June 2020.

### GOVERNANCE AND COMPLIANCE

NGB Audit Standards Section A					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Athlete Representation	A.1 a & b			X	
Board Composition	A.1 c		X		
International Federation Affiliation	A.1 d	X			
Membership Requirements	A.1 e	X			

<sup>1</sup>Prior audit risk ratings are reflective of past risk assessments and may not align with current standards.

Bylaws	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	
Statement of Ethics	A.6 a	X			
Conflicts of Interest Policy	A.6 b				X
Gifts and Entertainment Policy	A.6 c			X	
<b>Total</b>		<b>6</b>	<b>2</b>	<b>4</b>	<b>1</b>

Needs Improvement		
1	Board Composition	Management Action Plan
	<p><b>A.1 c:</b> NGB must have a board structure that includes:</p> <ul style="list-style-type: none"> <li>i. A board position(s) as defined by the USOPC to provide an independent perspective, and</li> <li>ii. A board position for an affiliate member as required by the Act §220522 (a)(11).</li> </ul> <p><b>FINDING:</b> USA Judo'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 providing an independent perspective for their entire term and any successive term.</p>	<p>USA Judo will further explain in its bylaws that an independent director must continue to meet the definition of independent for their entire term and any successive term.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>2022 Determination Level: Needs Improvement</b>		
2	Bylaws	Management Action Plan
	<p><b>A.3 a:</b> NGB must have Bylaws or policies and procedures that at least meet the minimum standards for governance practices and comply with the Act §220522 (a)(9-12).</p> <p><b>FINDING:</b> There are elements missing from USA Judo's Bylaws in the following areas: general bylaw requirements, board election and selection procedures, and committee requirements.</p>	<p>USA Judo will update its bylaws to meet the minimum policy standards set forth by the USOPC.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>2022 Determination Level: Needs Improvement</b>		
Little Evidence of Compliance		
3	Athlete Representation	Management Action Plan

	<p><b>A.1 a &amp; b:</b></p> <p>a. NGBs must have at least 20% athlete representation on its board of directors as required by the Act §220522(a)(10) and further defined by the USOPC Bylaws, Section 8.8.</p> <p>b. NGBs must have at least 20% athlete representation on all committees as required and defined by the USOPC Bylaws, Section 8.8.</p> <p><b>FINDING:</b> According to USA Judo's Bylaws, athlete representatives on most designated committees are appointed by the board and do not require approval by elite athletes.</p> <p>USA Judo does not have at least 20% athlete representation on its Ethics and Grievance Committee.</p> <p>In addition, one athlete representative does not meet the eligibility requirements outlined in the USOPC Bylaws.</p>	<p>USA Judo will update its bylaws and policies to comply with the required percentage of athlete representation and election/selection procedures.</p> <p>USA Judo will update all its committees in January-February of 2022 and will have the required athlete representation in place for both percentages and approved eligibility requirements.</p> <p><b>Due Date:</b> February 28, 2022</p>
<b>2022 Determination Level: Deficient</b>		
4	Board Development	Management Action Plan
	<p><b>A.3 b:</b> The NGB board must conduct the following activities:</p> <p>i. Formal onboarding process for board members and committee members,</p> <p>ii. USOPC training to the board members and committee members,</p> <p>iii. At least once per quad, perform a self-evaluation of the board's performance using the USOPC provided resource, and</p> <p>iv. Annual performance evaluation of the CEO/Executive Director.</p> <p><b>FINDING:</b> USA Judo does not currently conduct onboarding for new committee members.</p> <p>There is no documentation of the CEO performance evaluation.</p>	<p>USA Judo will implement a formal onboarding process for committee members and conduct an annual performance evaluation of the CEO.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>2022 Determination Level: Deficient</b>		
5	Code of Conduct	Management Action Plan
	<p><b>A.5 a:</b> 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 Judo will update its code of conduct to meet the minimum policy standards set forth by the USOPC.</p> <p><b>Due Date:</b> December 16, 2021</p>

	<b>FINDING:</b> There are elements missing from USA Judo’s Code of Conduct in the following areas: applicability, organizational expectations, policy owner, resources, and reporting.	
	<b>2022 Determination Level: Needs Improvement</b>	
6	Gifts and Entertainment Policy	Management Action Plan
	<p><b>A.6 c:</b> NGB must adopt a gift and entertainment policy that meets the minimum policy standards set forth by the USOPC.</p> <p><b>FINDING:</b> There are elements missing from USA Judo's Gift and Entertainment Policy in the following areas: applicability and policy owner.</p>	<p>USA Judo will update its gift &amp; entertainment policy to meet the minimum policy standards set forth by the USOPC.</p> <p><b>Due Date:</b> December 16, 2021</p>
	<b>2022 Determination Level: Needs Improvement</b>	
<b>No Evidence of Compliance</b>		
7	Conflicts of Interest Policy	Management Action Plan
	<p><b>A.6 b:</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><b>FINDING:</b> There are elements missing from USA Judo’s Conflict of Interest Policy in the following areas: applicability, organizational expectations, disclosure requirements, disclosure process, reporting and resolution for potential violations, and resources.</p> <p>USA Judo does not have committee members complete an annual conflict of interest disclosure form.</p> <p>During testing, there were four completed conflict of interest forms with no evidence of review. In addition, there were several instances where Board members did not disclose potential conflicts.</p>	<p>USA Judo will update its conflict of interest policy to meet the minimum policy standards set forth by the USOPC.</p> <p>USA Judo will update all its committees in January-February 2022 and will require the completion and submission of the annual conflict of interest disclosure forms by all committee members.</p> <p>For all conflict of interest forms received in 2022, extra steps will be taken to make sure all potential conflicts are disclosed, and reviews will be confirmed with appropriate reviewer(s) signatures.</p> <p><b>Due Date:</b> March 31, 2022</p>
	<b>2022 Determination Level: Deficient</b>	

## FINANCIAL STANDARDS AND REPORTING PRACTICES

NGB Audit Standards Section B					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
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			
<b>Total</b>		<b>6</b>	<b>1</b>	<b>1</b>	<b>0</b>

Needs Improvement		
8	Financial Reporting to the Board	Management Action Plan
	<p><b>B.1 d:</b> NGB Management must provide financial reports to its Board, at least three times per year, and confirmation of discussion be included in Board meeting minutes. NGB must provide financial information and documents as reasonably requested by Board members.</p> <p><b>FINDING:</b> USA Judo provides financial updates to the Audit Committee and conducts regular calls with the board to discuss financial information. However, there was limited documentation to show discussion during board meetings.</p>	<p>USA Judo will more frequently share financial information with the full USA Judo Board in addition to the Audit Committee and will document these discussions in the meeting minutes.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>2022 Determination Level: Needs Improvement</b>		
Little Evidence of Compliance		
9	Financial Policies and Procedures	Management Action Plan
	<p><b>B.1 b:</b> NGB must develop and implement financial policies and procedures.</p> <p><b>FINDING:</b> USA Judo's Financial Policies and Procedures are missing several required elements including internal controls, receivables process, contract requirements, payroll procedures, and cash management/banking</p> <p>Additionally, the Wire process, which is used to make payments for most international competitions is not documented in the Financial Policies and Procedures.</p> <p>This is a repeat finding as the previous USOPC audit noted that procedures related to accounts receivable and payroll functions were not up to date.</p>	<p>USA Judo will update its financial policies and procedures to meet the minimum policy standards set forth by the USOPC.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>2022 Determination Level: Deficient</b>		

## ATHLETE PROTECTION AND RIGHTS

NGB Audit Standards Section C					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Child Protection and US Center for SafeSport	C.1 a and C.2	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			
<b>Total</b>		<b>2</b>	<b>1</b>	<b>0</b>	<b>2</b>

Needs Improvement		
10	Anti-Doping Policies	Management Action Plan
	<p><b>C.4 a:</b> NGB must ensure compliance with anti-doping policies and standards including, but not limited to, the USOPC’s National Anti-Doping Policy and the USADA Protocol.</p> <p><b>FINDING:</b> USA Judo does not have formal policies and procedures to enforce anti-doping sanctions.</p> <p><b>2022 Determination Level: Needs Improvement</b></p>	<p>USA Judo will update its policies and procedures to further enforce anti-doping sanctions issued by USADA.</p> <p><b>Due Date:</b> December 16, 2021</p>
No Evidence of Compliance		
11	USOPC Athlete Safety Requirements	Management Action Plan
	<p><b>C.3 a:</b> NGB must ensure compliance with policies and standards including but not limited to:</p> <ul style="list-style-type: none"> <li>i. USOPC’s NGB and HPMO Athlete Safety Policy</li> <li>ii. Responsible Sport Organization Background Check Policy</li> </ul> <p><b>FINDING:</b> USA Judo does not have a process to report potential allegations or temporary measures to the USOPC Office of Athlete Safety when required.</p> <p>There are elements missing from USA Judo’s Background Check Policy, including applicability and types of offenses.</p>	<p>USA Judo will update the process to report potential allegations or temporary measures to the USOPC Office of Athlete Safety when required. USA Judo will update its background check policy to meet the minimum policy standards set forth by the USOPC.</p> <p>USA Judo will follow up with the three identified expired background screens to ensure they are updated and two that still need background checks conducted. USA Judo will also investigate how the system missed these five individuals and whether there were other potential occurrences. Additionally,</p>



	Testing of USA Judo's Background Check results showed three expired background checks and two individuals who did not have a background check conducted.	USA Judo will analyze whether these situations are unique or systemic and take appropriate corrective action as needed.  <b>Due Date:</b> December 16, 2021
<b>2022 Determination Level: Deficient</b>		
12	Anti-Doping Policy Language	Management Action Plan
	<b>C.4 b:</b> NGB must have USOPC approved anti-doping language in its Bylaws, membership agreements (if applicable), and license agreements (if applicable).  <b>FINDING:</b> USA Judo's Bylaws do not have the minimum required anti-doping language for NGBs with individual members.	USA Judo will update its bylaws to include the minimum required anti-doping language for NGBs with individual members.  <b>Due Date:</b> December 16, 2021
<b>2022 Determination Level: Deficient</b>		

## SPORT PERFORMANCE

NGB Audit Standards Section D					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Selection Procedures	D.1 a & D.5 b	X			
Delegation List Submission	D.3 a	X			
High-Performance Plan Submission	D.4 a	X			
Event Sanctioning	D.4 b				X
Paralympic Classification	D.4 c				X
International Federation Standing	D.5 a	X			
<b>Total</b>		<b>4</b>	<b>0</b>	<b>0</b>	<b>2</b>

No Evidence of Compliance		
13	Event Sanctioning	Management Action Plan
	<b>D.4 b:</b> If an NGB or its affiliate(s) sanctions events, it must require specific sanctioning standards set forth by the USOPC of the organization or person requesting a sanction.	USA Judo will add the minimum required USOPC elements to its sanctioning documents.  <b>Due Date:</b> December 16, 2021

	<b>FINDING:</b> USA Judo’s sanctioning document(s) do not have all the minimum required elements.	
<b>2022 Determination Level: Deficient</b>		
14	<b>Paralympic Classification</b>	<b>Management Action Plan</b>
	<p><b>D.4 c:</b> PSO, or if the NGB has a Paralympic program, must adopt the U.S. Paralympics National Classification Policies &amp; Procedures or establish national classification policies and procedures that comply with the U.S. Paralympics National Classification Policies &amp; Procedures and the IPC Athlete Classification Code and International Standards.</p> <p><b>FINDING:</b> USA Judo has not adopted the U.S. Paralympics National Classification Policies &amp; Procedures or established national classification policies and procedures that comply with the U.S. Paralympics National Classification Policies &amp; Procedures and the IPC Athlete Classification Code and International Standards.</p>	<p>USA Judo will officially adopt the policies and procedures that comply with US Paralympic and IPC Classification policies, procedures, and standards.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>2022 Determination Level: Deficient</b>		

## OPERATIONAL PERFORMANCE

NGB Audit Standards Section E					
Title	Standard	Compliant	Needs Improvement	Little Evidence	No Evidence
Managerial 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	E.7 c		X		
Para Inclusive Sport Programs	E.7 d	X			
Diversity – Public Disclosure	E.7 e	X			
Strategic Planning	E.8 a		X		
USOPC Policy Compliance	E.9 a	X			

<b>Total</b>	<b>9</b>	<b>2</b>	<b>2</b>	<b>0</b>
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<b>Needs Improvement</b>	
15	<p style="text-align: center;"><b>Equal Opportunity</b></p> <p><b>E.7 c:</b> NGB must provide an equal opportunity to amateur athletes, coaches, trainers, managers, administrators, and officials to participate in amateur athletic competition, without discrimination on the basis of race, color, religion, sex, age, or national origin as required by the Act §220524(8).</p> <p><b>FINDING:</b> While USA Judo provides an equal opportunity to participate as required, they do not provide anti-discrimination training.</p> <p><b>2022 Determination Level: Needs Improvement</b></p>
	<p style="text-align: center;"><b>Management Action Plan</b></p> <p>USA Judo will provide anti-discrimination training as required by the USOPC.</p> <p><b>Due Date:</b> December 16, 2021</p>
16	<p style="text-align: center;"><b>Strategic Planning</b></p> <p><b>E.8 a:</b> NGB must maintain and monitor the execution of an organizational strategic plan, in addition to a high-performance plan.</p> <p><b>FINDING:</b> There is no evidence that the strategic plan was board-approved.</p> <p><b>2022 Determination Level: Needs Improvement</b></p>
	<p style="text-align: center;"><b>Management Action Plan</b></p> <p>USA Judo will document board approval of the strategic plan.</p> <p><b>Due Date:</b> December 16, 2021</p>
<b>Little Evidence of Compliance</b>	
17	<p style="text-align: center;"><b>Grievance Procedure</b></p> <p><b>E.4 a &amp; b:</b></p> <p>a. NGB must provide prompt and equitable resolution of grievances as outlined in the Act §220522(a)(13).</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><b>FINDING:</b> There are elements missing from USA Judo’s Grievance Policy and Procedures in the following areas: types, the process to report, grievance form, administration of the grievance, the conduct of the proceedings, hearing panel composition, and hearing process.</p> <p>In addition, audit noted that a hearing panel formed for one of the grievances tested did not document if the panel was free of conflicts of interest.</p> <p><b>2022 Determination Level: Needs Improvement</b></p>
	<p style="text-align: center;"><b>Management Action Plan</b></p> <p>USA Judo will update its grievance procedures to meet the minimum policy standards set forth by the USOPC.</p> <p>For all future hearing panels, documentation will be retained that the panel is free of conflicts of interest.</p> <p><b>Due Date:</b> December 16, 2021</p>

18	Whistleblower and Anti-Retaliation Policy	Management Action Plan
	<p><b>E.5 a:</b> 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><b>FINDING:</b> There are elements missing from USA Judo’s Whistleblower Policy including applicability, expectations, and enforcement.</p>	<p>USA Judo will update its whistleblower policy to meet the minimum policy standards set forth by the USOPC.</p> <p><b>Due Date:</b> December 16, 2021</p>
<p><b>2022 Determination Level: Needs Improvement</b></p>		

Findings in this report are currently in remediation. An addendum report will be issued at the end of the remediation period, up to 120 days post audit.

## APPENDIX A — DEMONSTRATING COMPLIANCE DEMONSTRATION LEVEL DEFINITIONS

Demonstrating Compliance Level Definitions	
Level	Definition
Compliant	NGB meets the requirements.
Needs Improvement	NGB meets the majority of the requirements but need to make minor improvements to meet all the requirements.
Little Evidence of Compliance	NGB meets some of the requirements but not all of the requirements.
No Evidence of Compliance	NGB does not meet the requirements.