



# USOPC NGB AUDIT

## UNITED STATES SOCCER FEDERATION

January 31, 2022



## EXECUTIVE SUMMARY

### Background, Scope, and Objectives

The United States Olympic & Paralympic Committee’s (USOPC) NGB Audit department (Audit) completed an audit of United States Soccer Federation (U.S. Soccer). The purpose of the audit was to determine if U.S. Soccer 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 U.S. Soccer. 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 all standards found in the NGB Compliance Standards which were effective January 1, 2021.

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.

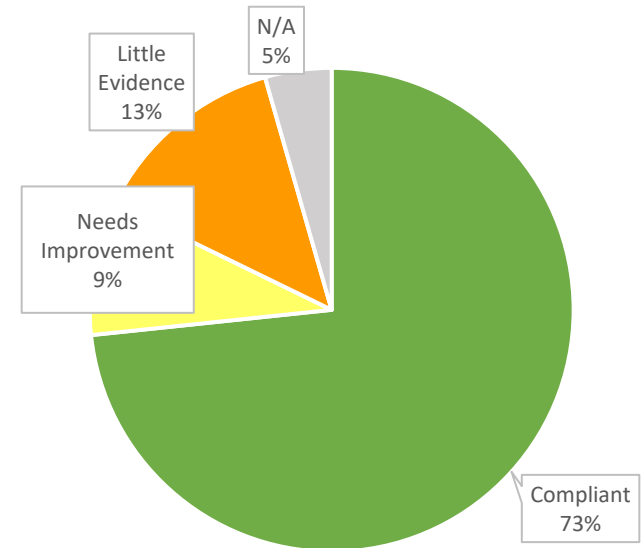
### Audit Summary

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	10	0	3	0	<b>13</b>
Financial Standards and Reporting Practices	8	0	0	0	<b>8</b>
Athlete Protections and Rights	5	0	0	0	<b>5</b>
Sport Performance	2	1	2	0	<b>6<sup>1</sup></b>
Operational Performance	8	3	1	0	<b>13<sup>1</sup></b>

**Compliance Demonstration Levels**



<sup>1</sup>Two standards did not apply to U.S. Soccer. See Sport Performance and Operational Performance for additional details.

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

## EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of U.S. Soccer’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 U.S. Soccer has met most of the requirements outlined in the Standards. However, there is one area of increased concern. Specifically, U.S. Soccer’s Conflicts of Interest Policy is not comprehensive given it only requires some employees and committee members to submit a disclosure form annually. Additional details are in the findings below.

## PRIOR AUDIT FOLLOW-UP

A prior audit was conducted by the USOPC Audit team dated February 17, 2016. There were no open findings.

## NGB AUDIT FINDINGS

All Standards are evaluated against the 2020 Implementation Guide for Audit Standards. Bylaws references 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			
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>10</b>	<b>0</b>	<b>3</b>	<b>0</b>

Little Evidence of Compliance	
1	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 some elements missing from U.S. Soccer's Bylaws within the areas of conflicts of interest, board responsibilities, board election and selection procedures, and committee requirements.</p>	<p>U.S. Soccer will update its bylaws or board-approved policies or procedures to add the USOPC required elements to U.S. Soccer's existing documents related to U.S. Soccer's current conflicts of interest policy, Board's responsibilities, Board election and selection procedures, and committee requirements.</p> <p><b>Due Date:</b> March 31, 2022</p>
<b>2022 Determination Level: Deficient</b>	
2	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><b>FINDING:</b> There are elements missing from the U.S. Soccer's Code of Conduct in the following areas: organizational expectations, reporting, resolution, and resources.</p>	<p>U.S. Soccer will update the code of conduct to include the missing elements.</p> <p><b>Due Date:</b> March 31, 2022</p>
<b>2022 Determination Level: Needs Improvement</b>	
3	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> U.S. Soccer does not require all employees and committee members to complete a conflict of interest form annually.</p> <p>There are elements missing from U.S. Soccer's Conflict of Interest Policy in the following areas: applicability, organizational expectations, disclosures, resolution, and resources.</p>	<p>U.S. Soccer will update the conflict of interest policy to include the missing elements and provide additional examples of potential conflicts to avoid instances of nondisclosure. Additionally, U.S. Soccer will require all employees and committee members to complete a conflict of interest form annually, in addition to key employees and committee chairs. U.S. Soccer has implemented an automatic control to prevent incomplete disclosures from being submitted.</p> <p><b>Due Date:</b> March 31, 2022</p>

Three of the ten individuals tested did not have fully completed forms and two of these individuals failed to disclose potential conflicts based on Audit research.
<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>8</b>	<b>0</b>	<b>0</b>	<b>0</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>5</b>	<b>0</b>	<b>0</b>	<b>0</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	N/A	N/A	N/A	N/A
International Federation Standing	D.5 a	X			
<b>Total</b>		<b>2</b>	<b>1</b>	<b>2</b>	<b>0</b>

Needs Improvement		
4	Event Sanctioning	Management Action Plan
	<p><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.</p> <p><b>FINDING:</b> While U.S. Soccer's Policy Manual outline the event sanctioning requirements, the sanctioning documents do not reference or list the requirements.</p> <p><b>2022 Determination Level: Compliant</b></p>	<p>U.S. Soccer has updated their website to include a reference to the policy where their event sanctioning requirements are listed.</p>
Little Evidence of Compliance		
5	Selection Procedures	Management Action Plan
	<p><b>D.1 a &amp; D.5 b:</b> For each applicable Team USA Delegation Event, NGBs must draft selection procedures that comply with the Act and USOPC Bylaws to be submitted for review and approval by the USOPC's Sport Performance team. In addition, NGBs must publish selection criteria for all other Protected Competitions in accordance with the Act as outlined below. Selection procedures for non-Delegation Events are not subject to USOPC approval.</p> <p><b>FINDING:</b> U.S. Soccer submitted the selection procedures after the deadline.</p>	<p>U.S. Soccer Compliance will be responsible for meeting and adhering to USOPC deadlines, including submission of the selection procedures.</p>

<b>2022 Determination Level: Needs Improvement</b>	
6	High-Performance Plan Submission
Management Action Plan	
<p><b>D.4 a:</b> NGB must timely submit a high-performance plan to the USOPC, as requested by the USOPC Sport Performance teams.</p> <p><b>FINDING:</b> U.S. Soccer submitted the high-performance plan after the deadline.</p>	
U.S. Soccer Compliance will be responsible for meeting and adhering to USOPC deadlines, including submission of the high-performance plan.	
<b>2022 Determination Level: Needs Improvement</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 <sup>2</sup>	E.7 b	N/A	N/A	N/A	N/A
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>8</b>	<b>3</b>	<b>1</b>	<b>0</b>

<sup>2</sup>U.S. Soccer is currently involved in an appeal related to an equal pay dispute. Until the completion of the litigation process, Audit will be unable to accurately assess gender equity. This will be evaluated at a later date and is considered “Not Applicable” for the purposes of this report.

Needs Improvement		
7	Insurance Coverage	Management Action Plan
	<p><b>E.2 a:</b> 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><b>FINDING:</b> U.S. Soccer did not provide a current certificate of insurance to USOPC's third-party vendor, CertFocus.</p>	<p>U.S. Soccer submitted their current insurance certificate to USOPC's dedicated third-party vendor on December 23, 2021. Audit verified they are compliant on January 4, 2022.</p>
<b>2022 Determination Level: Deficient</b>		
8	Strategic Planning	Management Action Plan
	<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> While U.S. Soccer's 2018 Strategic Plan was discussed in the board minutes, there was no formal board approval.</p>	<p>U.S. Soccer is currently in their strategic planning phase. The Board did approve the outline for the upcoming strategic plan and will formally approve the strategic plan once finalized.</p> <p><b>Due Date:</b> March 31, 2023</p>
<b>2022 Determination Level: Needs Improvement</b>		
9	Grievance Procedures	Management Action Plan
	<p><b>E.4 a:</b></p> <ul style="list-style-type: none"> <li>a. NGB must provide prompt and equitable resolution of grievances as outlined in the Act §220522(a)(13).</li> <li>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).</li> </ul> <p><b>FINDING:</b> There are elements missing from U.S. Soccer's Grievance Policy and Procedures in the following areas: types of grievances, manner of filing, hearing panel composition, and hearing process.</p>	<p>U.S. Soccer will update the grievance policy to include the missing elements.</p> <p><b>Due Date:</b> March 31, 2022</p>
<b>2022 Determination Level: Needs Improvement</b>		
Little Evidence of Compliance		
10	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>U.S. Soccer will update the whistleblower policy to include the missing elements.</p> <p><b>Due Date:</b> March 31, 2022</p>



	<b>FINDING:</b> There are elements missing from U.S. Soccer's Whistleblower and Anti-Retaliation Policy in the areas of expectations and enforcement.	
<b>2022 Determination Level: Needs Improvement</b>		

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 — COMPLIANCE DEMONSTRATION LEVEL DEFINITIONS

Compliance Demonstration 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.