

USOPC NGB AUDIT

UNITED STATES FENCING ASSOCIATION

February 24, 2023



EXECUTIVE SUMMARY

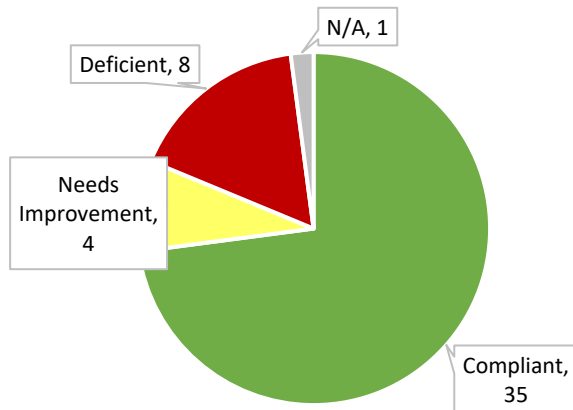
Background, Scope, and Objectives

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

Audit Summary

Based on the audit procedures performed, select policies and procedures were reviewed to determine compliance with the Standards effective January 1, 2022. 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 below, with additional guidance for each standard detailed in the Implementation Guide for NGB Compliance Standards (Implementation Guide). Findings and demonstration levels are detailed on the subsequent pages.

Compliance Demonstration Levels



Demonstration Totals by Section



Compliance Demonstration Level Definitions

Compliant	The NGB, through its written policies and procedures, as well as 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, as well as 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.

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

EXECUTIVE SUMMARY (CONT.)

Audit conducted a review of USA Fencing 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 48 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 Fencing has met 35 of 48 Standards. However, there are two areas of significant concern. First, USA Fencing did not have anyone in the organization complete a conflict of interest disclosure form in the past year. Additionally, there were significant issues with the timely resolution and record retention of grievance cases. See the individual issues below for more details.

PRIOR AUDIT FOLLOW-UP

USA Fencing had a prior USOPC Audit dated November 30, 2017. There were no open findings.

NGB AUDIT FINDINGS

All Standards are evaluated against the 2022 Implementation Guide for Compliance Standards. Bylaws references are based on the USOPC Bylaws approved in March 2021.

GOVERNANCE AND COMPLIANCE

NGB Audit 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		
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
NGB Annual Reports	A.7 a - c	X		
Ombuds' Policy	A.8 a	X		
Total		11	1	4

Needs Improvement		
1	Athlete Representation	Management Action Plan
	<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: While USA Fencing's athlete representation meets the criteria in practice, the bylaws are missing multiple requirements for athlete representatives on the board and committees.</p>	<p>USA Fencing will update the bylaws to include the missing elements.</p> <p>Due Date: November 15, 2023</p>
Deficient		
2	Board Development	Management Action Plan
	<p>A.3 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>FINDING: USA Fencing does not have a formal onboarding process for new board or committee members.</p> <p>Additionally, there were two board members that did not complete the USOPC training.</p> <p>While management confirmed that CEO evaluations are conducted annually, no evidence of a written performance evaluation was provided.</p>	<p>USA Fencing has implemented an onboarding process for all committee and board members. Additionally, newly appointed board members will participate in a virtual onboarding session. The most recently appointed Board members completed this session on December 19, 2022.</p> <p>USA Fencing will ensure the newly onboarded and active Directors complete the USOPC training.</p> <p>On December 16, 2022, the USA Fencing Board of Directors approved a Compensation and Review Group which will conduct a written CEO evaluation annually and an interim review every 6 months. A written CEO evaluation was provided on February 16, 2023.</p> <p>Due Date: August 31, 2023</p>

3	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 Fencing's Code of Conduct in the areas of organizational expectations, reporting, resolution, policy owner, and resources.</p>	<p>USA Fencing Board of Directors will review an updated member code of conduct on April 16, 2023. Once approved, the code of conduct will be posted on the website.</p> <p>Due Date: April 30, 2023</p>
4	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 are elements missing from USA Fencing's Conflict of Interest Policy in the areas of applicability, disclosures, and resources.</p> <p>USA Fencing did not have anyone in the organization complete a conflict of interest disclosure form in the past year.</p>	<p>An updated Conflict of Interest Policy will be reviewed by the Board of Directors. Once approved, the policy will be posted on the website.</p> <p>USA Fencing hired an Athlete Safety and Compliance Manager with responsibilities that include oversight of the conflict of interest process. USA Fencing has started the process to ensure all conflict of interest forms for the 2022-23 season are obtained, reviewed, and actioned according to the updated Conflict of Interest Policy and compliance requirements.</p> <p>Due Date: June 30, 2023</p>
5	Gifts and Entertainment Policy	Management Action Plan
	<p>A.6 c: NGB must adopt a gift and entertainment policy that meets the minimum policy standards set forth by the USOPC.</p> <p>FINDING: USA Fencing does not have a gift and entertainment policy.</p>	<p>A Gift & Entertainment Policy was approved by the Board of Directors on February 16, 2023. The policy has been submitted to NGB Audit and posted on the website.</p>

FINANCIAL STANDARDS AND REPORTING PRACTICES

NGB Audit 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		
Total		7	0	1

Deficient	
6	USOPC Funding
Management Action Plan	
6	<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: There were numerous expenses tested that lacked appropriate support and/or evidence of approval. Additionally, two transactions were completed prior to approval.</p>
<p>USA Fencing has had significant employee turnover within the last two years, particularly within the finance team. The current team has implemented improved systematic grant-tracking processes. These changes will allow for appropriate document retention including approvals.</p> <p>Due Date: September 30, 2023</p>	

ATHLETE PROTECTION AND RIGHTS

NGB Audit Standards Section C				
Title	Standard	Compliant	Needs Improvement	Deficient
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	N/A		
Total		3	1	0

Needs Improvement	
7	USOPC Athlete Safety Requirements
Management Action Plan	
7	<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 and HPMS Athlete Safety Policy ii. Responsible Sport Organization Background Check Policy <p>FINDING: USA Fencing does not have a written process to notify the Office of Athlete Safety related to allegations that occur at an Olympic & Paralympic Training Center or a USOPC Delegation Event.</p>
<p>USA Fencing will add the required process to notify the Office of Athlete Safety to the FenceSafe Handbook.</p> <p>USA Fencing will update the background check requirements in the FenceSafe Handbook.</p> <p>Due Date: June 30, 2023</p>	

<p>There are elements missing from USA Fencing's Background Check Policy, including applicable individuals, the timing of background checks, and requirements for individuals at training sites.</p>	
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SPORT PERFORMANCE

NGB Audit Standards Section D				
Title	Standard	Compliant	Needs Improvement	Deficient
Selection Procedures and Process	D.1 a - c	X		
Delegation List Submission	D.2 a	X		
High-Performance Plan Submission	D.3 a	X		
Event Sanctioning	D.3 b		X	
Paralympic Classification	D.3 c			X
International Federation Standing	D.4 a	X		
Total		4	1	1

Needs Improvement		
8	Event Sanctioning	Management Action Plan
	<p>D.3 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>FINDING: USA Fencing's sanctioning documents need minor improvements to fully comply with the requirements.</p>	<p>USA Fencing’s Regional Tournament Requirements will be updated to reflect the necessary changes and posted to the website by March 1, 2023.</p> <p>Due Date: March 1, 2023</p>
Deficient		
9	Paralympic Classification	Management Action Plan
	<p>D.3 c: NGB with a Paralympic program, must adopt the U.S. Paralympics National Classification Policies & Procedures or establish national classification policies and procedures that comply with the U.S. Paralympics National Classification Policies & Procedures and the IPC Athlete Classification Code and International Standards.</p> <p>FINDING: USA Fencing does not have national classification policies and procedures.</p>	<p>National classification policies and procedures will be written and posted on USA Fencing’s website.</p> <p>Due Date: June 30, 2023</p>

OPERATIONAL PERFORMANCE

NGB Audit 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	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		
Total		10	1	2

Needs Improvement		
10	Equal Opportunity	Management Action Plan
	<p>E.7 c: 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 §220522(8).</p> <p>FINDING: USA Fencing’s has not finalized the equal opportunity policy.</p>	<p>An Equality Policy was approved by the Board of Directors on February 16, 2023. The policy was provided to NGB Audit.</p>
Deficient		
11	Grievance Procedure	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>USA Fencing hired a full-time compliance manager and has noted improvements with documentation and communication.</p> <p>An updated Complaint and Hearing Procedures Policy and the creation of a Grievance and Disciplinary Committee was approved by the Board of Directors on February 16, 2023. The policy was provided to NGB Audit and will be added to USA Fencing’s website. The updated procedures outline timelines for the grievance process. Going forward,</p>

	<p>FINDING: The USA Fencing Grievance Policy reviewed is in a draft form and is not posted on the website.</p> <p>Out of the grievance cases reviewed, the following significant issues were identified:</p> <p>There were multiple cases where a hearing was not provided within a reasonable time. In addition, there was one complaint where notice to the respondent was provided 394 days after the complaint submission.</p> <p>USA Fencing was unable to demonstrate appropriate processes were followed, including providing the notice to respondents, communicating the decision to all parties, disclosing hearing panel members, and confirming the absence of conflicts among the hearing panel.</p>	<p>USA Fencing will follow the updated policy, ensuring that hearings and communications are conducted in a reasonable timeframe and documents are appropriately retained.</p> <p>Due Date: June 30, 2023</p>
12	Whistleblower and Anti-Retaliation Policy	Management Action Plan
	<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 Fencing's Whistleblower and Anti-Retaliation Policy in the following areas: applicability, content and expectations, and reporting.</p> <p>The Whistleblower and Anti-Retaliation Policy has not been finalized and is not posted on the website.</p>	<p>A Whistleblower & Anti-Retaliation Policy will be reviewed by the Board of Directors. Once approved, the policy will be posted on the website.</p> <p>Due Date: June 30, 2023</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.