



## 2010 Finance and Audit Committee Report

### Introduction

The Finance and Audit Committee is one of four Standing Committees of USA Triathlon and it assists in the preparation, presentation and review of all budgets and other related duties as assigned by the Board of Directors. The Committee is controlled by language in Article XI of the *USA Triathlon Bylaws* and it shall consist of a minimum of three individuals including the USA Triathlon Treasurer, an elite athlete, and another from the Board of Directors selected by the Executive Committee. In 2009 the Committee was comprised of three USA Triathlon Board members meeting those criteria and was assisted by the Staff Liaison, the USA Triathlon Accounting Manager.

### 2009 Accomplishments

- Reviewed and recommended Board approval of the *USA Triathlon Financial Statements & Supplemental Schedules For the Years Ended December 31, 2008 and 2007* submitted by Waugh & Goodwin, LLP.
- Reviewed, recommended changes, and recommended Board approval of the *USA Triathlon 2008 IRS Form 990, Return of Organization Exempt From Income Tax*.
- Reviewed, recommended changes, and recommended Executive Director approval of USA Triathlon's response to the *USOC Audit Report*.
- Monitored and reviewed USA Triathlon's monthly *Profit & Loss Reports*, bringing any issues or recommendations to the attention of the Executive Director and Accounting Manager.
- Reviewed a draft version of the *2010 Budget* prior to USA Triathlon's submission to the Board and recommended approval of the final *2010 Budget* to the Board.
- And, the Committee personally responded to thirteen applications from members around the country who volunteered to serve on the Committee.

### 2010 Objectives

- To continue to provide expert review, input, and assistance as required to the *2010 Financial Audit Report*, the *Form 990*, the monthly *Profit & Loss Reports*, the *2011 Budget* and any other financial-related activities requested by the Executive Director and the Board.
- To attempt to meet the original IRS submission date for the *2009 Form 990*.
- As documented in non-profit financial and accounting principles, recommend the replacement of the current long-standing financial accounting and audit firm with an alternative for at least one annual cycle.



### **Conclusion**

2009 was an extremely good year for USA Triathlon. The combination of 13-percent rise in annual memberships, an increase that exceeded 25 percent in one-day memberships, combined with fiscal spending constraints, allowed the organization to net a surplus of \$2.5 million.<sup>1</sup> While Expenses rose by 22 percent in 2009 to \$8.3 million, they were also 19 percent below the budgeted amount. Income in 2009 not only rose 40 percent to almost \$10.8 million, but it also exceeded the amount budgeted by almost 5 percent.

Sustaining this torrid pace of growth will be difficult in 2009. With some modest growth, a realistic budget, and continued tight fiscal management, the Committee expects the organization to remain in a sound financial state in 2010.

Submitted by:  
Bob Wendling, Finance and Audit Chair and USAT Treasurer

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<sup>1</sup> All data are based on unaudited year-to-date financial totals through November 30, 2009 and 2008.