

2015 USADA ANNUAL REPORT



U.S. ANTI-DOPING AGENCY



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CHAIRMAN AND CEO



USADA founding CEO **Terry Madden**, Chairman of the Board **Edwin C. Moses**, and current CEO **Travis T. Tygart** at the USADA 15th Anniversary celebration in November 2015.

Fifteen years ago, in late-2000, USADA opened its doors for the first time and officially launched its fight for clean sport. We were a budding, albeit shoestring operation then, operating within an international anti-doping movement void of consistent rules, harmonized testing, or legitimate resources. But even in those early years, our vision was clear. We knew that in

order to fulfill our mission, we would have to roll up our sleeves, fight for what's right, and make sure that clean athletes everywhere knew there was finally someone willing to stand in their corner, to protect their rights, and to help them achieve their dreams. Today, fifteen years and numerous landscape shifting cases later, we're still standing

firm in the corner of clean athletes, fighting every day to preserve the integrity of competition and ensure that not only can athletes compete clean – but they can win clean. And while our mission has always started on home soil, the fight for clean sport is an increasingly international one, and USADA's position as a global leader continues to grow.

With the upcoming Summer Games in Rio De Janeiro providing the backdrop, USADA has continued to push the envelope on the Olympic side, doing what it takes to ensure that athletes in the U.S. are being held to a gold standard. Led by a world-class staff, USADA continues to conduct advanced research, develop new testing strategies, provide dynamic education, and equip all Brazil-bound athletes with the information they need to compete fair and clean during the Games.

As it has been since its inception, USADA is fully committed to upholding the core values of Olympism; and given the malfeasance seen in other parts of the world throughout the last year – most notably in Russia, where state-supported doping once again reared its ugly head – the value of maintaining a truly independent anti-doping program has never been clearer. Athletes in the United States can rest assured knowing that we will never waiver in our support of clean competition, and we will always pursue the truth to protect their rights. We will do whatever we can to ensure that the concept of accountability will be applied just as rigorously to a state-run doping program as it has been to individual athletes.

Welcome to the Octagon

Another great representation of the clean sport mission expanding its international footprint is the 2015 decision by USADA to become the independent administrator of the UFC's global anti-doping program. One of the fastest growing sports organizations in the world, USADA has partnered with the UFC to provide the most robust, independent anti-doping program in all of professional sports.

Working in conjunction with partners across the globe, USADA is currently providing testing and education for over 550 international UFC athletes representing 37 different nations. In order to help bridge the cultural divides, USADA is now publishing educational materials in six different languages and has conducted in-person education in six different countries. It is important work, and we are thankful to the UFC, the clean athletes and our staff – all of whom make protecting the Octagon an exciting and fulfilling new challenge.

Outside of USADA's organizational accomplishments, when we look back at 2015, we'll remember it, perhaps most notably, as the year clean athletes truly found their

voice. Amid an ever-changing and dynamic anti-doping landscape, clean athletes are beginning to come together, form a community, and challenge sport leaders around the world to ensure that their rights are being upheld. For all of us at USADA, this is a welcome development, as well as a rallying cry for those who truly value clean sport.

While the global anti-doping effort still carries with it significant challenges, we believe our future is bright. But in order to be successful and achieve our goals, we must never lose sight of why we're here: to protect clean athletes. These athletes, the ones who give so much in pursuit of excellence, are our North Star – our guiding light. And years from now, when looking back at 2015, we believe we will remember it as a year when that star burned bright, and when we, as an organization, did more than ever before to find true north.

EDWIN C. MOSES
Chair, Board of Directors

TRAVIS T. TYGART
Chief Executive Officer

Board of Directors

The USADA Board of Directors is comprised of experienced and professional individuals who share the ideals and principles associated with USADA's vision, mission, and core values. The Board of Directors advise and support the staff in executing the work of the organization through its balanced and diverse perspectives. For more information on the USADA Board of Directors, please visit www.USADA.org/board-of-directors.



Edwin C. Moses
Sc.D hc
Chair



Richard V. Clark,
M.D., Ph.D., FACP
Vice Chair



Marcia Lee Taylor
Secretary



Cheri Blauwet, M.D.
Treasurer



John Bardis



Philip Dunn



Donald Gambri



Jim Kooler, DrPH



Robert Raskopf



Ken Wright, D.A., AT Ret

Leadership and Senior Staff

Headquartered in Colorado Springs, Colorado, USADA's leadership and staff is responsible for managing and coordinating the organization's comprehensive anti-doping program initiatives for the Olympic and Paralympic movements, as well as the UFC, which include:

- Education resources
- Science & research initiatives
- Testing programs
- Adjudication policies and protocols

USADA's dedicated and talented staff includes 50 home office employees and 51 Doping Control Officers out in the field who work together as a team to realize the organization's mission: **to PRESERVE the integrity of competition, INSPIRE true sport, and PROTECT the rights of U.S. athletes.**

Leadership:



Travis T. Tygart
Chief Executive Officer



Larry D. Bowers, Ph.D.
Chief Science Officer



John Frothingham
Chief Operating Officer



Sandra Briggs, CPA
Chief Financial Officer

Senior Staff:



Gabriel Baida
UFC Operations
Director



William Bock, III
General Counsel



Jeff Cook
Legal Affairs
Director, Olympic
Sport



Matt Fedoruk, Ph.D.
Science Director



Onye Ikwuakor
Legal Affairs Director,
Emerging and Pro
Sports



Andrew Morrison
Sport Testing and
Resources Director



Annie Skinner
Director of
Communications



Molly Tomlonovic
Anti-Doping
Operations &
Education Director

Staff

Home office staff
and Doping Control
Officers

Average length of employment: **5.77** years

Combined total
years of service: **583** years



EDUCATION PROGRAMS



The USADA Education team (from left to right): **LaDonna Reed**, Athlete Services Specialist; **Tammy Hanson**, Education Manager; and **Eli Kreunen**, Athlete Services Lead

Education is the first line of defense in protecting the rights of clean athletes. Every year, USADA provides education to thousands of athletes, coaches, trainers, athlete support personnel, and medical staff members, helping them understand the role they play in keeping sport clean and the resources available from USADA to make navigating the anti-doping program as easy as possible.

MORE THAN
10,000 Stakeholders
IN **2015**
Received Education

82 **FACE to FACE** presentations

14 Webinars

EVENTS

ATHLETE EDUCATION HAPPENED AT MANY EVENTS, INCLUDING:

- 2015 World Archery Youth Championships, Pan Am & ParaPan Am team processing,**
- USA Weightlifting National Youth Championships, and**
- USA Weightlifting Senior National Championships.**



Tammy Hanson and LaDonna Reed at an education booth in Dallas, Texas for the **USA Weightlifting Senior National Championships.**



Tucker West, 2014 World Cup champion, shared a demonstration at the USA Luge indoor start track with **Eli Kreunen** and **Kirk Waara** after an education session at the Olympic Training Center in Lake Placid, NY.



USADA Education was invited to speak to a number of junior athletes in 2015.



The USA Athlete Express Updater app was incorporated into the athlete advantage video.

advantage programs

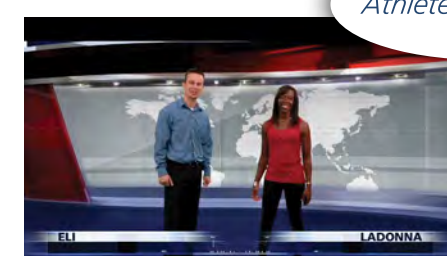
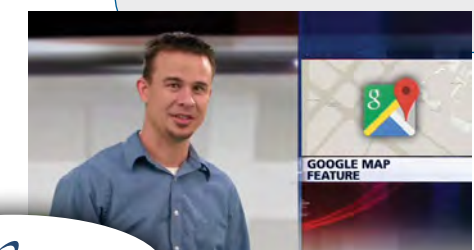
Tutorial	# Completed
Athlete's Advantage	4,049 athletes
Coach's Advantage	160 coaches
HealthPro Advantage	79 medical staff

The videos were very helpful in understanding what an athlete must do to compete clean and fair.



The Athlete's Advantage Tutorial got a new look in 2015, in order to promote a better user experience while still providing vitally important information.

Nice improvements, thanks for your continued efforts to make this task easier for athletes.



upper left: Wrestler Leigh Jaynes-Provisor shares the importance of playing clean. upper right: Eli Kreunen discusses the new Google Map Feature in the Athlete Express App. lower left: Eli Kreunen and LaDonna Reed filming at Windstar Studios for the Returning Athlete video.

truesport



Four-time Olympic medalist, and TrueSport Athlete Ambassador Peter Vanderkaay shared the importance of setting goals with local swim clubs and other young athletes in attendance at the TrueSport U event.

TrueSport is a community-based movement, powered by USADA that champions the positive values and life lessons learned through sport. Through strategic partnerships and programming, TrueSport aims to ignite a movement that inspires positive behavior change and promotes courage, respect, teamwork, integrity, and responsibility for kids, parents, and youth sport influencers.

2015 Overall TrueSport Reach and Impact: 5.3 MILLION

96% of participants believe the TrueSport program is meaningful and educational

93% of participants said they applied what they learned to everyday situations

95% of the participants said they had a positive impact from the TrueSport program



TRUESPORT UNIVERSITY – a community event for youth sport parents and kids held at Penn State University, engaging with the local community. Penn State Head Football Coach, **James Franklin**, kicked off the event with a welcome to the attendees.



Athletes from the Penn State University Fencing team conducted a demonstration for young athletes and parents in attendance at TrueSport U.

TrueSport U Event Highlights:

- Four-time Olympic medalist, and **TrueSport Ambassador, Peter Vanderkaay**, his mother **Robin Vanderkaay**, (Director of the Institute for Study of Youth Sport), and experts **Dr. Kristen Dieffenbach** (Associate professor of athletic coaching education at West Virginia University), and **Dr. Dan Gould** (Professor in the Department of Kinesiology at the Michigan State University) participated in an engaging panel discussion with parents in attendance.
- **Penn State** athletes led sport demonstrations and signed autographs.
- Of **276 attendees, 99%** felt **TrueSport U** brought awareness to the values crisis in sport.



Deck Pass

TrueSport Deck Pass allows young athletes to collect virtual patches through USA Swimming's Deck Pass app to reinforce positive values and behaviors as well as boost educational opportunities within the swimming community.



|| This partnership is truly unique to the sports community. We believe in TrueSport's mission and think Deck Pass is a perfect vehicle to deliver these values to USA Swimming's young swimmers. ||

Jim Fox
USA Swimming
Marketing Director



Reach and impact of Deck Pass grew to 2.8 million in 2015 compared to a reach of 1.5 million in 2014.

Two-time Olympic medalist and five-time World Champion **Elizabeth Beisel** joined the TrueSport Athlete Ambassador Program in 2015. She followed in **Peter Vanderkaay's** footsteps by becoming the new face of the TrueSport Deck Pass program.



TrueSport Ambassador Oganna Nnamani spoke to athletes at the TrueSport Volleyball Camp at Colorado College in Colorado Springs.



• **5 Summer Camp Programs**


implemented the TrueSport lessons, such as goal-setting and nutrition into their programming.



• **Rocky Mountain State Games Downtown Celebration—**

TrueSport Ambassador and Olympic Gold and Silver medalist **Lauryn Williams** lit the cauldron at the 2015 Rocky Mountain State Games opening ceremony on July 15, 2015. She also assisted with the Denver Broncos Alumni Youth Training Camp for military families, teaching young athletes various running techniques at her skills-station, signing autographs, and distributing TrueSport bags alongside **Broncos Alumni** and members of the NCAA National Champions **CSU-Pueblo Football Team**.



-  Established official partnership with **A's & Aces**, a tennis-based sports nonprofit impacting New Orleans public school children, to further strengthen the values and life lessons learned through sport. Olympian and TrueSport Ambassador **DeeDee Trotter** presented TrueSport lessons to a group of A's & Aces kids while Christina Seel, TrueSport Event and Program Lead, facilitated a "Train the Trainer" with coaches.

- **University of Detroit Jesuit School (Detroit, Mich.)** – first school in Michigan to take the TrueSport pledge.
- **Simla High School (Simla, Colorado)** – first designated TrueSport school developed a TrueSport club and organized a TrueSport day with games and awards to recognize students who exemplify TrueSport values.

Supplement initiatives

SUPPLEMENT411.ORG

92,810 2015 Total Page views
48,589 2015 High Risk List Log-in Page visits



We work to educate athletes on the risks associated with choosing to use supplements, and we will continue to support further action at a national level to prevent dangerous substances and products from being allowed in the marketplace— where they can easily be attained by unsuspecting athletes and other consumers.

USADA CEO Travis T. Tygart



HIGH RISK LIST - a dynamic list of supplement products that are considered to be of high risk to athletes and consumers.

- Viewed more than **100,000 times** since its inception in 2012
- 76 new products** added to the High Risk List in 2015

- USADA participated in a press conference in Washington, D.C. to announce a **National Dietary Supplement Initiative** with the U.S. Department of Justice (DOJ), Food & Drug Administration, Federal Trade Commission, U.S. Postal Inspection Service, and Department of Defense. USADA's Special Advisor on Drug Reference and Supplements, **Dr. Amy Eichner**, shared USADA's supplement education successes, and launched the new High Risk List App. The DOJ announced enforcement actions against 100+ dubious supplement manufacturers.
- USADA Launched the **High Risk List App** which includes a barcode scanner to check specific products.



GlobalDRO



2.5 million searches since 2009

TOP 10 SEARCHES:

- | | |
|---------------|------------------|
| 1. albuterol | 6. Adderall |
| 2. prednisone | 7. cortisone |
| 3. caffeine | 8. Sudafed |
| 4. NyQuil | 9. phenylephrine |
| 5. creatine | 10. Flonase |

- In July, USADA began operating as the independent anti-doping agency in charge of the UFC Anti-Doping Program. A customized UFC GlobalDRO was created to deliver a drug reference tool for UFC athletes as part of the larger anti-doping program.

UFC GlobalDRO:

1,277 searches in 2015 from July-December

- USADA CEO **Travis T. Tygart** and **Dr. Amy Eichner** published a piece in the journal, *Drug Testing and Analysis*, titled: "Adulterated Dietary Supplements threaten the health and sporting career of up and coming young athletes." The article focused on the concerns associated with developing young athletes using supplements without being aware of the lurking health and anti-doping risks such products pose. <http://onlinelibrary.wiley.com/doi/10.1002/dta.1899/full>

TOTAL SEARCHES IN 2015 BY COUNTRY:

Canada 155,709
Japan 131,805
United Kingdom 223,438
United States 143,500





14th Annual USADA Symposium on Anti-Doping Science
DESIGNING AN EFFECTIVE DETERRENCE PROGRAM
October 2-5, 2015
Lansdowne Resort in Leesburg, Virginia, USA

Science Symposium

The symposium addressed the basic concepts of **perceptual deterrence** and how they can be integrated into practical strategies for Anti-Doping Organizations and laboratories. While the athlete community has a role to play in creating an environment that supports clean sport, the potential cost to the athlete of being caught and sanctioned is the key element in achieving deterrence. The symposium also examined what we know about affecting behaviors with perceptual deterrence approaches, and how to deal with subpopulations. In addition, a model that links testing numbers and perceptual deterrence goals was also discussed.



32

Countries Represented



89

Attendees



USADA Science in Action

- USADA participated in a symposium sponsored by the **“Chemistry and the Law”** section of the American Chemical Society at the 249th National Meeting in Denver, providing a half-day overview of the science and legal aspects of anti-doping.
- **USADA, the National Institute on Drug Abuse (NIDA), and Brigham and Women’s Hospital** co-sponsored a meeting focused on the adverse health effects of performance-enhancing drugs in non-athlete populations, which was held at the NIDA offices in Bethesda, MD.
- **USADA and Anti-Doping Switzerland** organized a scientific session in Bern, Switzerland to discuss the hematological **Athlete Biological Passport (ABP)** and brainstorm new ideas to improve the ability of the ABP to detect doping. More than 10 leading researchers in the area attended.

Partnership For Clean Competition

PARTNERSHIP FOR
clean competition

Founded in 2008 by USADA, the U.S. Olympic Committee, the National Football League, and Major League Baseball, the Partnership for Clean Competition is a nonprofit organization working to protect the integrity of sport and public health by engaging and supporting the world’s top scientists and innovators in high-quality anti-doping research and development.

- **15 Grants** were awarded funding in 2015
- **\$2,105,858** was awarded in funding in 2015
- More than **\$15 million in grants** funded since the founding of the PCC in 2008



(from left) Laboratory directors Prof. David Cowan, London; Dr. Tony Butch, UCLA; Dr. Daniel Eichner, SMRTL; and Prof. Christiane Ayotte, Montreal, sit on a panel discussing advances in science.

PCC CONFERENCE

More than 100 global experts on anti-doping and sports executives gathered in New York City at Major League Baseball Headquarters April 21-22 to attend the **2015 PCC Conference on Innovation and Implementation in Anti-Doping**. During the conference, attendees heard from lab directors, league executives, research scientists, investigators, and athletes on topics relevant to anti-doping today and in the future.

MELDONIUM

The PCC funded **Dr. Mario Thevis** through its micro-grant program to conduct an analysis on the prevalence of **Mildronate in 8,320 urine specimens**. Research involving the modification of a routine chromatographic-mass spectrometric approach was used in early 2015 to establish Mildronate positives in 2.2% of samples analyzed, a prevalence more than double that of performance-enhancing substances currently on the WADA Prohibited List.

partnerships

PARTNERSHIP WITH THE Department of Defense

In 2015, the Uniformed Services University of the Health Sciences and USADA worked together to create and distribute important information for members of the U.S. military including:

1. **OPSS High Risk List** Webpage
2. **"Get the Scoop on Supplements"** Warrior Educational Module
3. OPSS High Risk Supplement List **Mobile Application** (iOS and Android)
4. **The Simple Truth: Decoding the Dietary Supplement Industry** Video

In addition, dozens of dangerous and illegal dietary supplements were collectively identified for inclusion on the High Risk List.

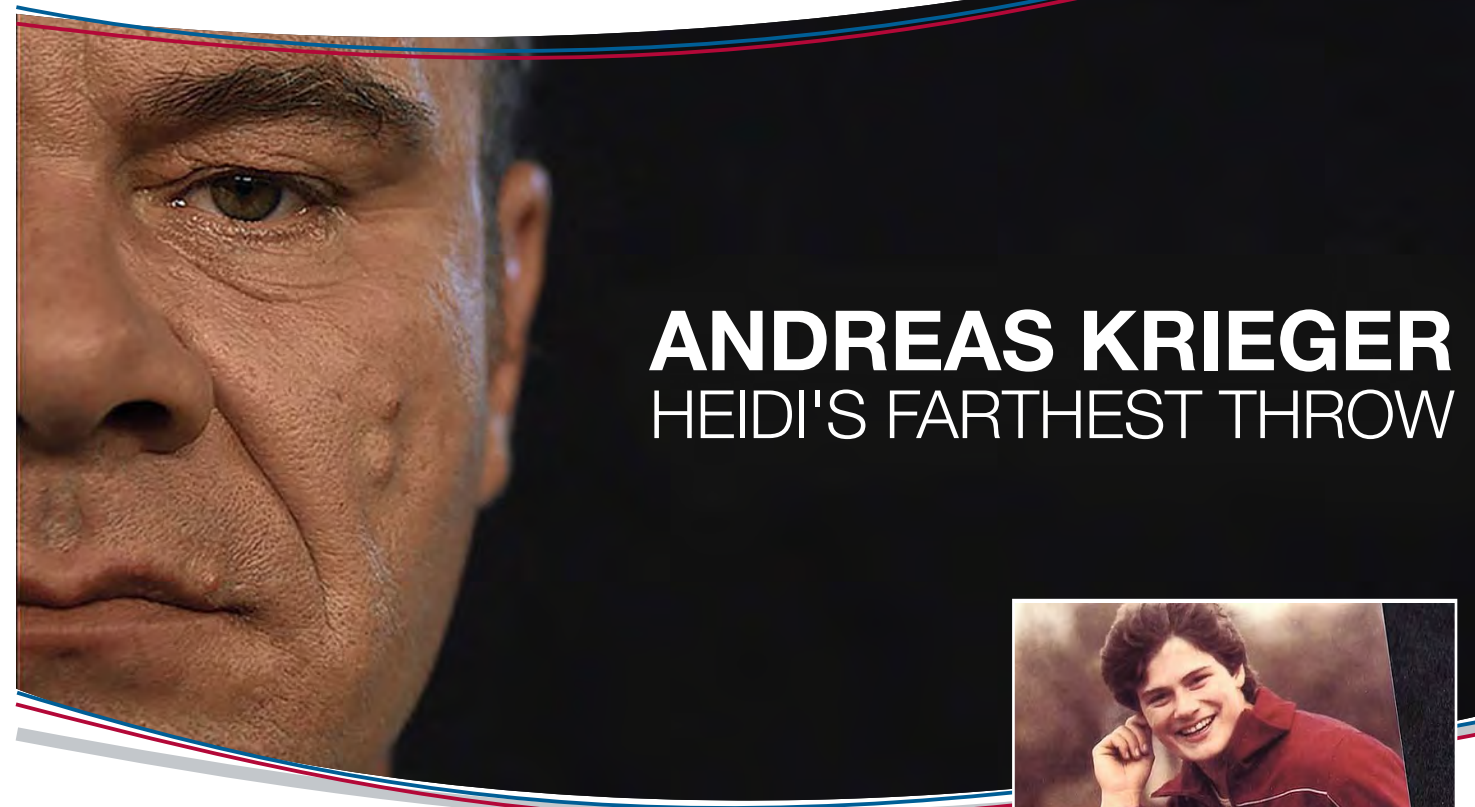


The Simple Truth



Get the Scoop

NADO Collaboration



GERMAN ANTI-DOPING ORGANIZATION - HEIDI'S FARTHEST THROW

In collaboration with the German National Anti-Doping Agency (NADA), USADA was proud to announce in November 2015 the release of "Andreas Krieger: Heidi's Farthest Throw," a short documentary film that explores the tragic consequences of doping through the eyes of former East German shot putter, Heidi Krieger.

The film traces Krieger's past as a professional female athlete in what was then communist East Germany. A testament to the perils of doping, Krieger was unknowingly subjected at a young age to a state-supported systematic doping campaign that valued medal counts over the well-being of athletes. In the film, Krieger describes the often complicated effects of extensive doping on young athletes, and his subsequent long and painful search for gender identity. As a man, Krieger is now known as Andreas.

"It would be great if by sharing my story I could help keep people from doping," said Krieger, a board member of Germany's Doping Victim Organization. With the release of the film, Krieger continues the fight for clean sport through the telling of his life story in this gripping, first-of-its-kind documentary.

The documentary's premiere arrived at a particularly poignant time, as the WADA Independent Commission report involving Russia was released shortly before, reminding us that state-sponsored doping programs, however deplorable, remain a threat in today's sporting climate.

The film debuted at a meeting of the Institute of National Anti-Doping Organisations (iNADO) in Colorado Springs, Colorado on November 17, 2015. It has been recognized with Awards of Merit from the IndieFest Film Awards and the Annual Telly Awards.

The film can be viewed at: www.USADA.org/athletes.

AMT highlights



WORKSHOP FOR International Anti-Doping Partners

Global partnerships are vitally important for any successful anti-doping program. In coordination with the USADA 15-year Anniversary Celebration, USADA hosted an international **Executive Workshop** November 16-17, 2015 with support from the **Institute of National Anti-Doping Organizations (iNADO)**. The workshop was an opportunity for anti-doping leaders from around the world to share best practices and to discuss current topics affecting National Anti-Doping Organizations (NADOs), such as:

- **Current affairs** concerning doping in sport
- **Internet and Office Security**, with guest speakers from the Federal Bureau of Investigation
- **Influencing Anti-Doping Policy**, with guest speakers from the World Anti-Doping Agency
- **Perceptual Deterrence**
- **Intelligence and Investigations**



15th Anniversary CELEBRATION

On **Tuesday, Nov. 17, 2015**, the USADA Board of Directors and staff were honored to join USADA's founding members, athletes, international anti-doping partners, community members, and others who have supported USADA during the past 15 years in the quest to protect the integrity of sport, and the rights of clean athletes in the U.S. and worldwide.



Held at the USADA offices, **28 members** from the anti-doping community from **16 NADOs** joined in the conversation.



The
United
States
Anti-Doping
Agency

A 15-YEAR RETROSPECTIVE

CLEAN SPORT

AN ONGOING ENDEAVOR



The United States Anti-Doping Agency @15

2000

In 2000, USADA was created to uphold the Olympic ideal of fair play, to preserve the integrity of competition, and to represent the interests of Olympic, Pan American, and Paralympic athletes.



2002

USADA hosted the first **Science Symposium**, which brought together anti-doping experts from around the world to inform and shape meaningful anti-doping research programs for the future.

Now in its 14th year, the symposium enables attendees to keep up-to-date with the latest research and scientific developments in anti-doping and provides a unique opportunity to meet and collaborate with peers and colleagues in the field.



On June 6, 2003, a syringe containing a sample of tetrahydrogestrinone (THG) arrives in a package at the USADA offices, sparking the BALCO investigation and a new scientific challenge—to develop a strategy to identify the use of new and previously undetectable designer steroids.

2003

The landmark **Bay Area Laboratory Co-Operative (BALCO)** case sent a strong message world-wide that athletes deserve to have advisors who serve as positive influences to help them make good, ethical, and healthy choices.

Endorsed and implemented by USADA, the **World Anti-Doping Code (WADA)** was formally adopted, and for the first time, sport federations collaborated to approve a policy that standardized anti-doping rules, regulations, and penalties for all Olympic and Paralympic athletes around the world.



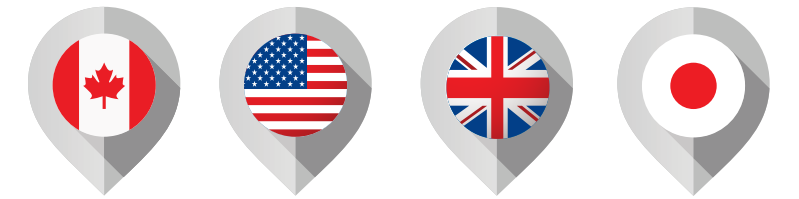
In 2008, USADA launched **Athlete's Advantage**, an online tutorial to inform elite athletes of changes implemented through the WADA International Standard for Testing. Since then, Athlete's Advantage has been an ongoing, required educational initiative for all Registered Testing Pool athletes.

- The family of Advantage programs also includes:
- DCO Advantage
 - Coach's Advantage
 - USADA HealthPro Advantage

2008

PARTNERSHIP FOR clean competition

The United States Olympic Committee (USOC), the National Football League (NFL), Major League Baseball (MLB), and USADA formed a new organization, the **Partnership for Clean Competition (PCC)**, to fund independent, innovative, and high-impact scientific research in the anti-doping field.



2009

Replacing its predecessor Drug Reference Online, **Global DRO.com** was launched in partnership with UK Anti-Doping (UKAD) and the Canadian Centre for Ethics in Sport (CCES). The Japan Anti-Doping Agency became an official Global DRO licensee in 2013.



2012



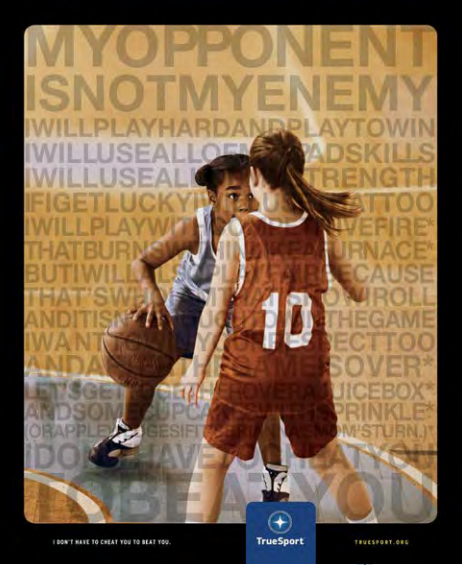
USADA launched the **Paperless Sample Collection System** to seamlessly collect and transmit completed test mission data to test management databases, providing a great cost savings, a reduction in data entry and errors, and a better user experience for our athlete stakeholders. The Paperless system is currently used by other entities around the world.

2011



TrueSport®

TrueSport was launched in 2012 and is a community based movement that champions the **positive values and life lessons learned through sport**. The timely information presented in the TrueSport Report enabled USADA to initiate a discussion aimed at building a social movement for constructive change, ultimately providing a framework and foundation for the work of TrueSport.



Supplement 411

In 2012, USADA formally launched **Supplement 411**, an online tool to help athletes, NGBs, and athlete support personnel better navigate the issues regarding **the decision whether or not to use dietary supplements**. Supplement 411 also includes a High Risk List that allows users to search for supplement products containing prohibited substances or that may be of high risk to athletes and consumers.



First positive test for human growth hormone

In 2012, USADA saw the first positive drug test for human growth hormone (hGH) by a U.S. athlete in Olympic Sport.

2014

Chronos®, USADA's interactive scientific application, launched in 2014, which allows users to track, review, plot, and analyze data from both urine and blood sample collections, providing an informative strategy to identify and interpret changes in an athlete's physiology and biochemistry which may be the result of a prohibited substance or method abuse.



2015

In June 2015, USADA was named as the independent administrator for the **UFC's new drug-testing policy** in an expanded effort to protect the health and safety of the UFC athletes. The UFC is the first professional sport to work with USADA on a comprehensive anti-doping program that includes in- and out-of-competition testing, results management procedures, and education programs.



The Athlete Express Whereabouts Website and mobile app were launched in 2015 to support clean athletes as they file and update whereabouts. Both platforms revealed a user-friendly interface, making filing whereabouts faster and easier while assisting athletes to provide better information to USADA.





In 2015, the UFC became the first professional sport in the U.S. to have an independently administered anti-doping program, putting USADA in charge of all anti-doping matters including in- and out-of-competition testing, results management procedures, and education programs.

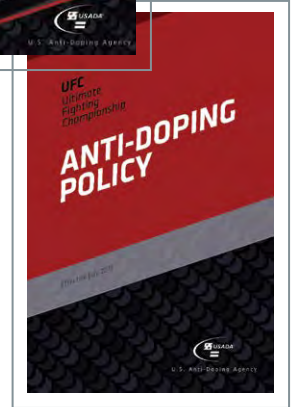
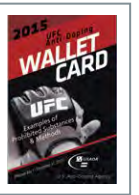
Launching the UFC Anti-Doping Program

The launch of the UFC Anti-Doping Program included:

1. Drafting the **UFC Anti-Doping Policy** and related documents
2. Educating UFC athletes about their role in **keeping the octagon clean**
3. Implementing **in- and out-of-competition** testing
4. Developing important relationships with **Athletic Commissions** worldwide

Program Goals

The UFC Anti-Doping Policy is central to the UFC's expanded efforts to protect the health and safety of its athletes, as well as protect their right to compete on a level playing field. With the goal to have the most robust anti-doping program in all of professional sport, the UFC recognizes USADA as the official, independent anti-doping agency for the UFC. USADA oversees this new program and is focused on Education, Testing, Science, and Results Management.



Program Inception



UFC announces partnership with USADA to administer UFC Anti-Doping Program.



UFC Anti-Doping Program goes into effect

Education

is a key aspect of the UFC Anti-Doping Program. USADA's primary focus for the first two quarters of the program was ensuring all athletes and athlete support personnel had the information and education they needed to compete healthy and clean.

Select resources are offered in a variety of languages including English, French, Japanese, Portuguese, Russian, and Spanish.



Over a period of **6 months** in 2015, USADA visited **6** major UFC gyms, participated in **2** athlete summits, and provided education to athletes in advance of approximately **13** UFC events, including events in Asia, Australia, Europe, North America, and South America.



All UFC athletes, no matter where they live, train, or participate in a Bout, are subject to the anti-doping program run by USADA.



Completed first out-of-competition test on July 9, 2015

Tested first UFC event on August 1, 2015 in Rio de Janeiro, Brazil

2015 IC/OOC breakdown
 – 115 In-Competition
 – 238 Out-of-Competition

2015 geographic location of testing numbers:
 – 87 international missions in 10 countries (Australia, Brazil, Canada, Japan, Korea, Mexico, Russia, Thailand, UK, USA)



UFC Anti-Doping Program

UFC Testing

2015 TESTING NUMBERS:

Q3 { 50 athletes
81 tests

Q4 { 131 athletes
272 tests



TESTING

TESTING

testing

One of the most important pieces of an effective anti-doping program is a sample collection process that is safe and secure for all athletes. Through strategic efforts with USADA's Science and Results Management teams, resources are allocated for both in- and out-of-competition testing.

2015 Doping Control Tests

Total USOC & User Pay	
	Total
OOC	6,905
IC	3,640
Total	10,545

USADA	
	Total
OOC	4,479
IC	1,904
Total	6,383

CLIENT SERVICES	
	Total
OOC	2,188
IC	1,621
Total	3,809

UFC (since July 1, 2015)	
	Total
OOC	238
IC	115
Total	353

Testing by Sport

[INDIVIDUAL ATHLETES TESTED: 5,214]

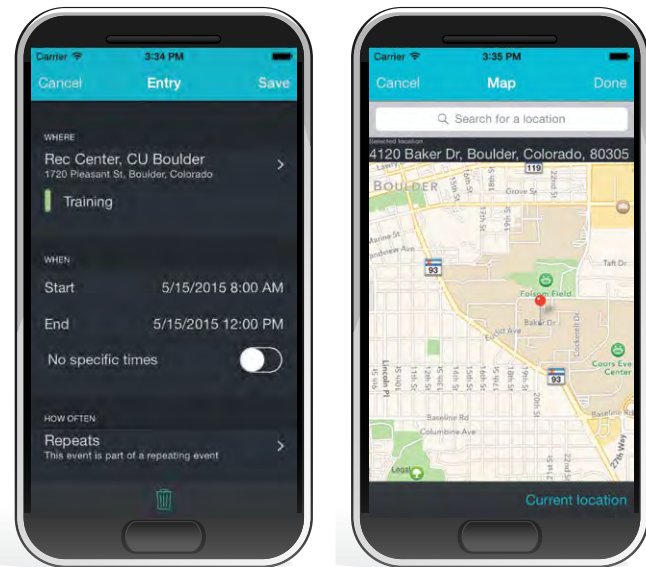
Sport	OOC TOTAL	IC TOTAL	TOTALS	Sport	OOC TOTAL	IC TOTAL	TOTALS
American Football	0	14	14	Paralympic Nordic Skiing	16	16	32
Archery	18	29	47	Paralympic Powerlifting	10	0	10
Auto Racing	0	3	3	Paralympic Rowing	10	0	10
Badminton	6	12	18	Paralympic Rugby	20	0	20
Baseball	16	0	16	Paralympic Sailing	11	0	11
Basketball	20	0	20	Paralympic Shooting	4	8	12
Biathlon	28	0	28	Paralympic Sled Hockey	18	18	36
Bobsled & Skeleton	96	0	96	Paralympic Snowboard	9	3	12
Bowling	23	0	23	Paralympic Soccer	12	0	12
Boxing	29	37	66	Paralympic Swimming	44	10	54
Brazilian Jiu-Jitsu	0	10	10	Paralympic Table Tennis	6	0	6
Budo	1	0	1	Paralympic Tennis	12	0	12
Canoe & Kayak	60	24	84	Paralympic Track & Field	121	39	160
Cheerleading	0	12	12	Paralympic Triathlon	6	10	16
Climbing	0	2	2	Paralympic Volleyball	34	0	34
Curling	18	12	30	Powerlifting	0	26	26
Cycling	840	536	1376	Professional Boxing	369	77	446
Dance Sport	0	8	8	Racquetball	13	4	17
Diving	24	20	44	Roller Sports	7	10	17
Equestrian	2	6	8	Rowing	97	42	139
Fencing	22	12	34	Rugby	181	50	231
Field Hockey	37	0	37	Sailing	21	0	21
Figure Skating	31	36	67	Shooting	53	123	176
Golf	6	0	6	Skiing & Snowboarding	205	208	413
Gymnastics	109	41	150	Soccer	36	0	36
Ice Hockey	49	12	61	Softball	21	12	33
Judo	75	14	89	Speedskating	149	74	223
Karate	13	0	13	Squash	31	0	31
Kickboxing	4	0	4	Swimming	371	286	657
Lacrosse	24	8	32	Synchronized Swimming	11	0	11
Luge	31	24	55	Table Tennis	8	6	14
Mixed Martial Arts	238	115	353	Taekwondo	25	35	60
Modern Pentathlon	20	19	39	Team Handball	53	21	74
Motocross	9	14	23	Tennis	67	0	67
Paralympic Alpine Skiing	19	0	19	Track & Field	1656	604	2260
Paralympic Archery	8	0	8	Triathlon	670	193	863
Paralympic Basketball	42	0	42	Volleyball	115	38	153
Paralympic Boccia	4	0	4	Water Polo	40	14	54
Paralympic Curling	6	6	12	Water Skiing	25	8	33
Paralympic Cycling	52	0	52	Weightlifting	234	473	707
Paralympic Equestrian	3	0	3	Wrestling	88	206	294
Paralympic Goalball	20	0	20	Wushu	1	0	1
Paralympic Judo	22	0	22				
TOTALS	6,905	3,640	10,545				

LAUNCH OF Athlete Express Whereabouts

WEBSITE AND APP

Features:

- Calendar auto population
- Regularly-scheduled activities roll-over from quarter to quarter
- Google Maps helps to pinpoint locations without knowing an exact address
- Export whereabouts information to external, personal calendars
- Send reminders to update competition schedules



Social Media Shout Outs

"Thank you @usantidoping That was the easiest, fastest, and most Frustration-free whereabouts Filing I have done in my career. Keep it up."
- Sarah Robler @roblympian

"Thank you @usantidoping for revamping the Filing system! Quick and easy "
- Britney Henry @hammerlover

"But really, this new site is so user Friendly and intuitive! Great work. "
-Ben Patrick @speedoBP

Global Service Testing

USADA's

Global Service Testing program is becoming increasingly popular with sport organizations and event organizers both domestically and abroad. The program continues to seek new partners in their efforts to maximize global resources.



Testing Numbers:

IN-COMPETITION TESTS:

1,621

30% increase from 2014

OUT-OF-COMPETITION TESTS:

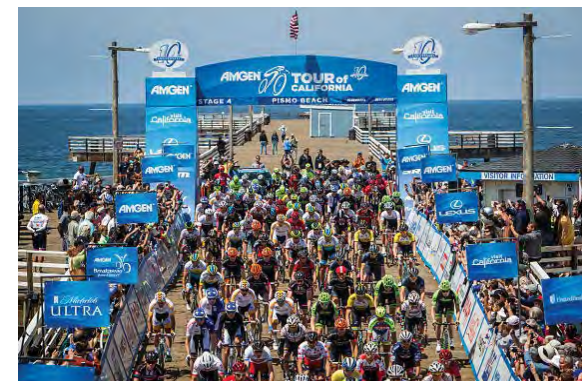
2,188

18% increase from 2014

CLIENTS: **86** SPORTS: **51**

Key Initiatives Included:

- Successfully collaborating with the Cycling Anti-Doping Federation and the International Cycling Union to conduct blood and urine testing during the Tour of California.



- Partnering with the International Weightlifting Federation and United World Wrestling to test their World Championship events. The Paperless Sample Collection System was implemented at both events, and intelligence efforts were used to strategically test athletes both pre- and in-competition.

- American Football
- Archery
- Auto Racing
- Baseball
- Basketball
- Biathlon
- Boxing
- Brazilian Jiu-Jitsu
- Budo
- Canoe/Kayak
- Cheerleading
- Climbing
- Cycling
- Dance Sport
- Equestrian
- Fencing
- Field Hockey
- Figure Skating
- Golf
- Gymnastics
- Ice Hockey
- Kickboxing
- Lacrosse
- Modern Pentathlon
- Motocross
- Paralympic Cycling
- Paralympic Nordic Skiing
- Paralympic Shooting
- Paralympic Sled Hockey
- Paralympic Track and Field
- Paralympic Triathlon
- Powerlifting
- Professional Boxing
- Rowing
- Rugby
- Shooting
- Skiing and Snowboarding
- Soccer
- Speedskating
- Squash
- Swimming
- Taekwondo
- Team Handball
- Tennis
- Track and Field
- Triathlon
- Volleyball
- Waterskiing
- Weightlifting
- Wrestling
- Wushu

Therapeutic Use Exemptions

If an athlete has a legitimate medical need to use a substance or method that is prohibited in sport, the Drug Reference Team guides athletes and medical professionals through the Therapeutic Use Exemption process.



TUES GRANTED BY PROHIBITED LIST CATEGORY AND ATHLETE COMPETITION LEVEL

This table represents TUEs granted to U.S. athletes by either USADA or their respective International Federation.

2015 WADA Prohibited List Category	Athlete Competition Level		
	U.S. ITP/RTP	U.S. Non-National	UFC Program
S1 - Anabolic Agents	9	21	-
S2 - Peptide Hormones, Growth Factors, Related Substances, and Mimetics	-	15	-
S3 - Beta-2 Agonists	2	5	-
S4 - Hormone and Metabolic Modulators	3	21	1
S5 - Diuretics and other Masking Agents	7	20	-
S6 - Stimulants	43	131	2
S7 - Narcotics	21	12	-
S8 - Cannabinoids	-	1	-
S9 - Glucocorticoids	37	29	1
M1 & M2 - Prohibited Methods	11	2	-
P2 - Beta Blockers	3	5	-
Totals	136	262	4

ITP = International Registered Testing Pool

RTP = Registered Testing Pool

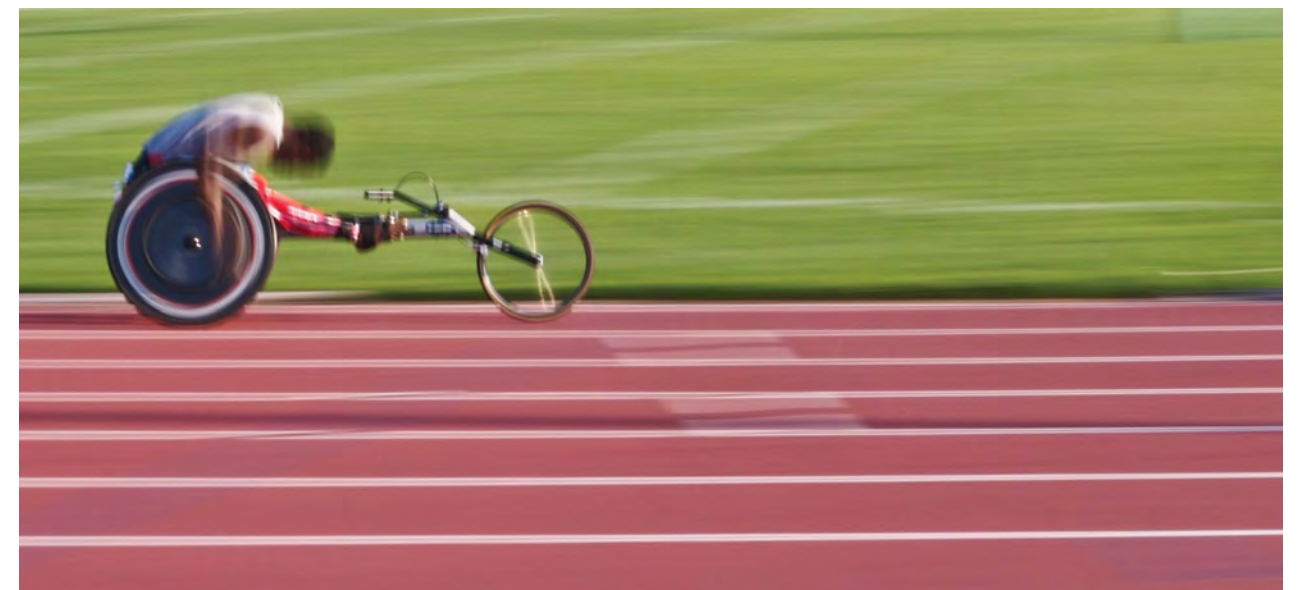
Non-National = All other athletes not in a Registered Testing Pool



2015 TUE APPLICATION OUTCOMES

	U.S. ITP/RTP	U.S. Non-National	UFC Program	Total
Granted	136	262	4	402
Pending	1	-	-	1
Denied	8	33	1	42
Returned*	41	163	4	208
TOTAL	186	458	9	653

* Returned outcome reflects TUE applications that were for a permitted medication, withdrawn by the athlete, or determined incomplete or not necessary under USADA's TUE Policy.

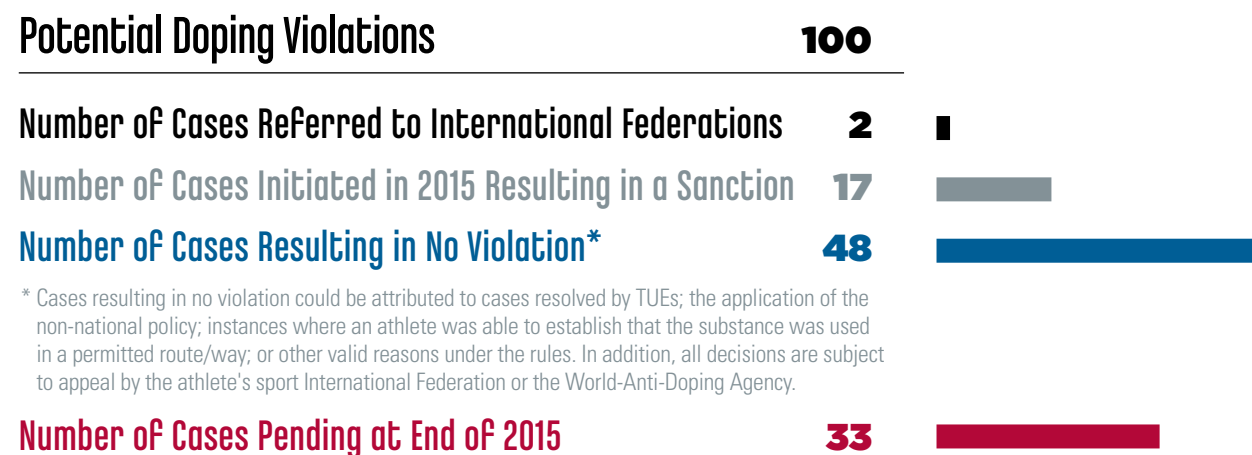


RESULTS management

Those affected most by doping are the clean athletes who work fiercely and tirelessly day-in and day-out to obtain perfection in their sport. In an effort to best protect the rights of clean athletes, USADA continues to participate in global anti-doping efforts and investigations.



USADA ADVERSE FINDINGS AND OTHER POTENTIAL DOPING VIOLATIONS initiated in 2015



* Cases resulting in no violation could be attributed to cases resolved by TUEs; the application of the non-national policy; instances where an athlete was able to establish that the substance was used in a permitted route/way; or other valid reasons under the rules. In addition, all decisions are subject to appeal by the athlete's sport International Federation or the World-Anti-Doping Agency.



Other highlights:

- Stemming from the cycling investigation of 2012, Dr. Geert Leinders received a period of lifetime ineligibility for engaging in the administration of dangerous drugs and prohibited methods, including EPO and blood doping to cyclists under his care.
- Increased focus on testing international athletes training and competing in the U.S. resulted in sanctions for two Kenyan runners, Josph Mutinda (3 years ineligibility) and Lilian Mariita (8 years ineligibility).
- During the first six months of the program, USADA saw its first sanction under the UFC Anti-Doping Program after the admission of hGH use by Mirko Filipovic.
- Strategic testing and investigative efforts during the 2015 International Weightlifting Federation World Championships in Houston, Texas resulted in 24 positive tests.
- As part of the continued focus on global cooperation and education, USADA's Results Management team had the opportunity to present at numerous events both in the U.S. and overseas, including: the Australian Bar Association, the American Chemical Society, the International Centre for Sport Security, the Brazilian Anti-Doping Agency (ABCD), and the Texas General Counsel Forum among other organizations.

UFC ADVERSE FINDINGS AND OTHER POTENTIAL DOPING VIOLATIONS initiated in 2015



USADA Sanctions Announced in 2015

NAME	SPORT	SUBSTANCE/REASON	SANCTION TERMS
Robert Arello	Track & Field	Hydrochlorothiazide and Chlorothiazide	Public Warning - Loss of Results
Atalelech Ketema Asfaw	Track & Field	Ephedrine	2-Year Suspension - Loss of Results
Brian Coughay	Track & Field	Amphetamine	2-Year Suspension - Loss of Results
Emily Field	Ice Hockey	Non-Analytical: 3 Whereabouts Failures	1-Year Suspension - Loss of Results
Dylan Fischbach	Paralympic Basketball	Non-Analytical: Evading Sample Collection	2-Year Suspension - Loss of Results
Tara Harbert	Baseball	Tamoxifen and its Metabolites, and Non-Analytical: Refusal	8-Year Suspension - Loss of Results
Todd Hickman	Cycling	Stanozolol and its Metabolites, and Methylphenidate and its Metabolite Ritalinic Acid	4-Year Suspension - Loss of Results
Cicely Kyle	Weightlifting	Exogenous Anabolic Androgenic Steroid / Adverse CIR	2-Year Suspension - Loss of Results
Robert Lea	Cycling	Noroxycodone	6-Month Suspension - Loss of Results
Dr. Geert Leinders	Cycling	Non-Analytical: Possession, Trafficking, and Administration of Prohibited Substances/Methods	Lifetime Suspension
Jonathan (Carter) Luck	Cycling	Non-Analytical: Growth Hormone (GH) and Testosterone	1-Year Suspension - Loss of Results
Lilian Mariita	Track & Field	Exogenous Anabolic Androgenic Steroid / Adverse CIR	8-Year Suspension - Loss of Results
Deanna McGillivray	Team Handball	Trenbolone and its Metabolite Eptrenbolone	2-Year Suspension - Loss of Results
Lauren Mulwitz	Cycling	Carboxy-THC	3-Month Suspension - Loss of Results
Joseph Mutinda	Track & Field	19-Norandrosterone, Erythropoietin (EPO) and Furosemide	3-Year Suspension - Loss of Results
Jonathan North	Weightlifting	Non-Analytical: 3 Whereabouts Failures	2-Year Suspension - Loss of Results
Wayne Odesnik	Tennis	Androst-(2,3)-en-17-one, GHRP-6 and Metenolone	15-Year Suspension - Loss of Results
Felipe Pena	Brazilian Jiu-Jitsu	Exogenous Anabolic Androgenic Steroid / Adverse CIR	1-Year Suspension - Loss of Results
Quintaveon Poole	Track & Field	Methylhexanamine	6-Month Suspension - Loss of Results
Brook Radcliffe	Triathlon	Non-Analytical: Erythropoietin (EPO)	2-Year Suspension - Loss of Results
Robert Radcliffe	Triathlon	Non-Analytical: Erythropoietin (EPO) and Growth Hormone (GH)	18-Month Suspension - Loss of Results
Joseph Roberto	Weightlifting	GHRP-2	4-Year Suspension - Loss of Results
Nelson Rolo	Cycling	Benzoyllecgonine	1-Year Suspension - Loss of Results
Jason Rybka	Weightlifting	Androstatrienedione and its Metabolite, Methastrone and Ostarine	3-Year, 4-Month Suspension - Loss of Results
Kyle Schmidt	Cycling	Non-Analytical: Erythropoietin (EPO)	2-Year Suspension - Loss of Results
Oscar Tovar	Cycling	Exogenous Anabolic Androgenic Steroid / Adverse CIR	2-Year Suspension - Loss of Results
Mohamed Trafef	Track & Field	Non-Analytical: Use and Possession of Erythropoietin (EPO), and Evading Sample Collection	4-Year Suspension - Loss of Results

UFC Sanctions Announced in 2015

NAME	SPORT	SUBSTANCE/REASON	SANCTION TERMS
Mirko Filipovic	Mixed Martial Arts	Non-Analytical: Growth Hormone (GH)	2-Year Suspension - Loss of Results

USADA & UFC Potential Violations Breakdown by Substances

Anabolic Agents	19	
Beta-2 Agonists	1	
Beta Blockers	2	
Cannabinoids	1	
Diuretics and other Masking Agents	10	
Glucocorticoids*	5	
Hormone and Metabolic Modulators	1	
Narcotics	3	
Non-Analytical	29	
Peptide Hormones, Growth Factors, and Related Substances	3	
Stimulants	29	

Board of Directors
United States Anti-Doping Agency
Colorado Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of United States Anti-Doping Agency (the Agency), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our 2015 audit was conducted for the purpose of forming an opinion on the 2015 financial statements as a whole. The accompanying supplementary information including the Agency budget report and the schedule of expenditures of federal awards required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2015 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2015 financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2016, on our consideration of the Agency's internal controls over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal controls over financial reporting and compliance.

BKD, LLP

Colorado Springs, Colorado
April 15, 2016

Assets

	2015	2014
Current Assets		
Cash and cash equivalents	\$ 4,526,341	\$ 4,356,089
Investments	1,447,155	1,534,807
Accounts receivable, net of allowance; 2015 – \$54,852 and 2014 – \$27,847	1,355,598	745,847
Supplies	93,701	83,837
Prepaid expenses and other	357,187	311,203
Total current assets	<u>7,779,982</u>	<u>7,031,783</u>
Property and Equipment – Net of Accumulated Depreciation and Amortization; 2015 – \$1,575,909 and 2014 – \$1,547,097	<u>114,122</u>	<u>51,422</u>
Total assets	<u>\$ 7,894,104</u>	<u>\$ 7,083,205</u>

Liabilities and Net Assets

Current Liabilities		
Accounts payable and other accrued liabilities	\$ 1,341,771	\$ 1,135,337
Deferred revenue	140,250	43,383
Total current liabilities	<u>1,482,021</u>	<u>1,178,720</u>
Unrestricted Net Assets		
Undesignated	5,362,083	4,970,887
Board-designated	1,050,000	933,598
Total unrestricted net assets	<u>6,412,083</u>	<u>5,904,485</u>
Total liabilities and net assets	<u>\$ 7,894,104</u>	<u>\$ 7,083,205</u>

See Notes to Financial Statements

	2015	2014
Revenues, Grants and Other Support		
Federal grants	\$ 9,000,000	\$ 8,750,000
United States Olympic Committee (USOC) contractual agreement	3,702,250	3,606,000
Revenue from testing and other services	4,323,114	2,607,073
Investment return (loss)	(86,967)	3,705
Total revenues, grants and other support	<u>16,938,397</u>	<u>14,966,778</u>
Expenses		
Program expenses		
Testing services	9,127,780	8,075,193
Results management	1,801,964	1,848,869
Science, research and development and drug reference	2,227,160	2,259,337
Education and awareness	2,521,802	2,903,788
General and administrative	752,093	752,378
Total expenses	<u>16,430,799</u>	<u>15,839,565</u>
Change in Net Assets	507,598	(872,787)
Net Assets, Beginning of Year	5,904,485	6,777,272
Net Assets, End of Year	<u>\$ 6,412,083</u>	<u>\$ 5,904,485</u>

See Notes to Financial Statements

	2015	2014
Operating Activities		
Change in net assets	\$ 507,598	\$ (872,787)
Items not requiring (providing) cash		
Depreciation and amortization	38,639	61,905
Net realized and unrealized losses and (gains)	116,053	23,280
Bad debt expense	65,283	5,272
Changes in		
Accounts receivable	(675,034)	(57,988)
Supplies	(9,864)	24,317
Prepaid expenses and other	(45,984)	(96,534)
Accounts payable and other accrued liabilities	206,434	(6,403)
Deferred revenue	96,867	19,133
Net cash provided by (used in) operating activities	299,992	(899,805)
Investing Activities		
Purchases of equipment	(101,339)	(19,951)
Net purchases of investments	(28,401)	(25,185)
Net cash used in investing activities	(129,740)	(45,136)
Increase (Decrease) in Cash and Cash Equivalents	170,252	(944,941)
Cash and Cash Equivalents, Beginning of Year	4,356,089	5,301,030
Cash and Cash Equivalents, End of Year	\$ 4,526,341	\$ 4,356,089

See Notes to Financial Statements

NOTE 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

United States Anti-Doping Agency (the Agency) began operations October 1, 2000. The Agency is responsible for testing, education, research and adjudication for U.S. Olympic, Pan American Games, Paralympic athletes and the Ultimate Fighting Championship. The Agency is also responsible for enhancing research efforts and promoting educational programs to inform athletes of the rules governing the use of performance enhancing substances, the ethics of doping and its harmful health effects.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Agency considers all liquid investments with original maturities of three months or less to be cash equivalents. As of December 31, 2015 and 2014, cash equivalents consisted primarily of money market accounts with brokers.

At December 31, 2015, the Agency's cash accounts exceeded federally insured limits by approximately \$4,305,000.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments.

Accounts Receivable

Accounts receivable are stated at the amount billed to customers. The Agency provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Delinquent receivables are written-off based on individual credit evaluation and specific circumstances of the customer.

Supplies

Supplies consist of drug testing kits and other doping control supplies and are valued at the lower of cost (first-in, first-out method) or market.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation and amortization are calculated using the straight-line method over the following estimated useful lives:

Computer equipment and software	3 - 5 years
Furniture, fixtures and office equipment	5 - 7 years
Website development	3 years
Lab equipment	5 years

Leasehold improvements are amortized over the term of the leases or the estimated lives of the improvements, whichever is shorter.

Deferred Revenue

Deferred revenue includes revenues received, which have not yet been used for their specified purpose or period.

Federal Grants

Support funded by grants is recognized as the Agency performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Income from Third Parties

The Agency performs various doping tests for third parties. Fees are billed and payable after services are rendered. Revenue is recognized when the services are performed.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities. Certain costs have been allocated among the program and general and administrative categories based on management's estimates.

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, the Agency is subject to federal income tax on any unrelated business taxable income.

The Agency files tax returns in the U.S. federal jurisdiction. With a few exceptions, the Agency is no longer subject to U.S. federal examinations by tax authorities for years before 2012.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

NOTE 2: Investments

Investments at December 31 consist of:

	2015	2014
Cash held by Broker	\$ 14,604	\$ 13,609
Equity mutual funds		
Large-cap equities	344,633	156,038
International equities	257,208	129,296
Small- and mid-cap equities	70,158	16,470
Multi-strategy	228,686	144,477
Other mutual funds		
Fixed income bonds	444,769	965,569
Commodities	-	47,204
Real estate	87,097	62,144
	<u>\$ 1,447,155</u>	<u>\$1,534,807</u>

Total investment return (including interest income on cash and cash equivalents) is comprised of the following:

	2015	2014
Interest and dividend income	\$ 29,086	\$ 26,985
Net realized and unrealized gains and (losses) on investments reported at fair value	(116,053)	(23,280)
	<u>\$ (86,967)</u>	<u>\$ 3,705</u>

NOTE 3: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the Topic 820 fair value hierarchy in which the fair value measurements fall at December 31, 2015 and 2014:

	2015			
	Fair Value Measurements Using			
Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Equity mutual funds				
Large-cap	\$ 344,633	\$ 344,633	\$ -	\$ -
International	257,208	257,208	-	-
Small- and mid-cap	70,158	70,158	-	-
Multi-strategy	228,686	228,686	-	-
Other mutual funds				
Fixed income bonds	444,769	444,769	-	-
Real estate	87,097	87,097	-	-

	2014			
	Fair Value Measurements Using			
Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Equity mutual funds				
Large-cap	\$ 156,038	\$ 156,038	\$ -	\$ -
International	129,296	129,296	-	-
Small- and mid-cap	16,470	16,470	-	-
Multi-strategy	144,477	144,477	-	-
Other mutual funds				
Fixed income bonds	965,569	965,569	-	-
Commodities	47,204	47,204	-	-
Real estate	62,144	62,144	-	-

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended December 31, 2015 and 2014.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include large-cap, small- and mid-cap, multi- strategy and international equity mutual funds; and real estate, commodity and fixed income bond mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. These are considered Level 2 securities. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. Currently, the Agency does not have Level 2 or Level 3 securities.

NOTE 4: Property and Equipment

Property and equipment at December 31 consists of:

	2015	2014
Computer equipment and software	\$ 504,354	\$ 446,089
Furniture, fixtures and office equipment	81,384	81,384
Leasehold improvements	43,073	9,826
Website development	245,926	245,926
Lab equipment	815,294	815,294
	<u>1,690,031</u>	<u>1,598,519</u>
Less accumulated depreciation and amortization	(1,575,909)	(1,547,097)
Total property and equipment, net	<u>\$ 114,122</u>	<u>\$ 51,422</u>

NOTE 5: Board-designated Net Assets – Unrestricted

The Board has designated net assets for the following purposes:

	2015	2014
Research	\$ 450,000	\$ 433,598
Contingencies	600,000	500,000
	<u>\$ 1,050,000</u>	<u>\$ 933,598</u>

NOTE 6: USOC Contract

The Agency has an agreement with the United States Olympic Committee (USOC) through December 31, 2016, to conduct a drug testing and anti-doping program for athletes in the Olympic, Paralympic and Pan American Games. Support funded by the USOC is recognized as the Agency performs the contracted services. Revenue received from the USOC for the years ended December 31, 2015 and 2014 was \$3,702,250 and \$3,606,000, respectively, of which \$313,401 and \$216,755 was included in accounts receivable at December 31, 2015 and 2014, respectively. To mitigate the perceived conflict of interest between the Agency and the American Arbitration Association (AAA) or the Court of Arbitration for Sport (CAS), the USOC agrees to directly pay all arbitration expenses incurred by these entities up to \$500,000. During 2015 and 2014, the USOC directly paid arbitration costs to these entities of \$186,599 and \$283,245, respectively, which is included in the contract amount above. If the arbitration expenses incurred are less than \$500,000, then the excess up to \$500,000 is remitted to the Agency.

NOTE 7: Operating Leases

Noncancellable operating leases for office space and office equipment expire in various years through 2017.

Future minimum lease payments at December 31, 2015 were:

2016	\$ 456,976
2017	428,520
2018	20,033
2019	3,339
	<u>\$ 908,868</u>

Rental expense for all operating leases consisted of \$451,662 and \$448,296 for the years ended December 31, 2015 and 2014, respectively.

NOTE 8: Employee Benefit Plan

The Agency maintains a 401(k) benefit plan covering all employees who meet the eligibility requirements. The Agency makes contributions at its discretion. The Agency's contributions to the plan were \$268,831 and \$277,770 for the years ended December 31, 2015 and 2014, respectively.

NOTE 9: Significant Commitments, Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Revenue Concentration

The Agency received 75% of its support during 2015 and 83% of its support in 2014 from two organizations. As discussed in Note 6, the Agency has a contract with the USOC (one of the two major organizations) through 2016.

Long-term Lease

The Agency, as lessor, entered into a long-term lease with UCLA Olympic Analytical Laboratory (UCLA). Under the terms of this lease, the Agency will lease a piece of equipment with an original cost of \$698,695 and now fully depreciated, to UCLA from June 8, 2010 through April 11, 2020, at an annual rent of \$0. UCLA must use the equipment only for purposes that fit within the Agency's mission and must report the detail of testing performed with the equipment to the Agency each year. The Agency would have the right to take back the equipment if either of these requirements was not met. As such, management considers the equipment property of the Agency.

Equipment Grant

Effective September 9, 2008, the Agency, as grantor, entered into a grant agreement with Sports Medicine Research and Testing Laboratory (the Laboratory). Under the terms of this grant agreement, the Agency will grant a piece of equipment with a cost of \$71,750 and now fully depreciated, to the Laboratory. The Laboratory must use the equipment only for purposes that fit within the Agency's mission and must report the detail of testing performed with the equipment to the Agency each year. The Agency would have the right to take back the equipment if either of these requirements was not met. As such, management considers the equipment property of the Agency.

Supplementary information is available upon request.



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