

# *University of Florida Board of Trustees*

## *Committee on Audit & Operations Review*

### Minutes

A meeting of the Committee on Audit and Operations Review was held on Thursday, December 2, 2004, in President's Room 215B, Emerson Alumni Hall, UF Campus.

Trustee Members Present: Joelen Merkel, Chair  
Cynthia O'Connell  
Al Warrington  
David Brown

- Chairman Merkel called the Audit Committee to order at 1:15 p.m.
- Minutes of September 10, 2004 meeting were approved.
- Audits of Support Organizations-DSO, HSSO & FPP (*Consent Agenda Item 5.10*)  
Due to the volume of audited DSO financial statements, the committee members requested that they receive them as they are submitted. Chairman Merkel expressed concern that some organizations do not take management comments seriously and wished to establish a procedure for correcting deficiencies. Mr. Warrington said that some of the DSO's still had large cash balances despite the formation of an investment committee and the expectation that cash would be invested promptly. Nur Ereguc stated that she would update the committee at the March meeting on the results of a survey recently sent to the DSO's. The committee voted to accept the audits received subject to the comments.
- Environmental Health & Safety
  - Phil Collis gave an overview of hurricane damage; some of the costs not previously reported included water damage to two major campus buildings that would require remediation plus state-wide construction project losses. Phil reported that FEMA will have a local representative effective January 2005 to assist in University's filing. Joe Joyce updated the committee on IFAS properties damaged state-wide.
  - The landfill study submitted to DEP September 13 was returned requiring additional work. EH&S' stance on the contents of the landfill have not changed.
  - The state mandated study to identify security concerns in state buildings was submitted to FDLE by the October 15 deadline.
- HIPAA Compliance – Privacy Officer Susan Blair gave a presentation on the scope of the federally mandated legislation and its implementation at UF which includes training all health care employees. UF has no reported non-compliance with the legislation.
- Office of Audit & Compliance Review  
Chief Audit Executive Nur Ereguc gave a gap analysis presentation of Sarbanes Oxley legislation. The audit committee agreed with the recommendation to establish a University-wide committee to evaluate and suggest actions in support of Sarbanes benchmarks.

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**Minutes**

- The Chairman stated that she and the Chief Audit Executive regularly discuss the log of investigative complaints and the manner in which they are addressed.
- Finance Committee & Audit Committee joint meeting began at 2:15 p.m.
  - Ed Poppell gave a Bridges update. He said that because of efforts to stabilize the system components already implemented and the uncertainty regarding the Oracle buyout of PeopleSoft, the student module implementation has been postponed. The Bridges staff is making progress in addressing problems. The auditing staff is assisting in completing time critical functions such as salary corrections in order to issue W2s; therefore, the planned Bridges audits have been postponed.
  - The annual financial report presentation was postponed until the March meeting.
- The joint meeting was adjourned at 2:45 p.m.