



COMMITTEE ON AUDIT AND COMPLIANCE

Meeting Minutes

Telephone Conference Call

February 22, 2019

123 Tigert Hall, University of Florida, Gainesville, FL

Time Convened: 2:00 p.m.

Time Adjourned: 2:15 p.m.

Committee and Board members present:

Marsha D. Powers (Committee Chair), David L. Brandon, Morteza Hosseini (Board Chair) and Rahul Patel.

Others present:

Charlie Lane, Senior Vice President and Chief Operating Officer; Amy Hass, Vice President and General Counsel; Joe Cannella, Interim Chief Audit Executive; Alan West, Assistant Vice President and University Controller; Elizabeth Ruszczyk, Executive Associate Vice President and Chief Compliance Officer; Melissa Orth, Assistant University Secretary and other members of the University community.

1.0 Verification of Quorum

Assistant University Secretary Orth verified a quorum with all Trustees present.

2.0 Call to Order and Welcome

Board Chair Hosseini stated that the committee is investigating issues brought to their attention and has been managing them. Trustee Patel has been working with the President and administration. The University started its own investigation and hired an outside firm when the information was received prior to the article.

Board Chair Hosseini indicated that when he got on board, the President's contract indicated that we look into his expenses every six months, through internal audit for them to sign off. The committee decided to not just audit the President but rotate the cabinet as well as look into developing new procedures. It was agreed that the Committee Chair, Board Chair and Board Vice Chair would sign off.

Senior Vice President Lane indicated they have hired the search firm, Isaacson Miller and Vice President Hass will chair the committee. The first meeting with the search firm is next week and we hope to post the position on March 1. Committee Chair Powers asked if anyone on the

committee would like to participate. Trustee Patel indicated he would be involved and that he would interview the finalists.

Audit Process for Cabinet:

Committee Chair Powers indicated the process for the cabinet member needs to be nailed down and the formal process/plan in place to be presented at the March meeting. Senior Vice President Lane indicated he would work with Vice President Amy Hass to have something in writing to review with the full board.

Committee Chair Powers indicated from the last meeting that the compliance training for Trustees needs to be a more in-depth, educational process relevant for the position and that there needs to be additional training for board members. This type of training has not really been developed or done at other universities. Trustee Patel referenced best practices and university trustee boards. Chair Powers said she will work with Executive Associate Vice President Elizabeth Ruszczuk, Sr. Vice President Dr. Lane and Vice President Amy Hass. Senior Vice President Lane indicated that Executive Associate Vice President Ruszczuk has drafted training and will share at the next board meeting.

Committee Chair Powers stated that she would like to incorporate enterprise risk management and audit plans into the process to cover high risk areas. Senior Vice President Lane indicated they were meeting with the auditors, James Moore & Associates to assist and discuss how to include enterprise risk management.

Committee Chair Powers stated that we should audit things that are very important, not just interesting.

Interim Audit Executive Cannella stated that they could touch base offline before the meeting to discuss the university support for DSO's spreadsheet that was included with the materials by the Controller if necessary.

The meeting was adjourned at 2:15 p.m.

APPROVED AT THE BOARD OF TRUSTEES MEETING ON March 29, 2019.