



COMMITTEE ON AUDIT AND COMPLIANCE

Meeting Minutes

Telephone Conference Call

May 3, 2019

123 Tigert Hall, University of Florida, Gainesville, FL

Time Convened: 2:01 p.m.

Time Adjourned: 2:21 p.m.

Committee and Board members present:

Marsha D. Powers (Committee Chair), David L. Brandon, Leonard H. Johnson, Thomas G. Kuntz, Daniel T. O'Keefe, Rahul Patel, and Robert G. Stern.

Others present:

Mark Kaplan, Vice President for Government and Community Relations; Mike McKee, Vice President and Chief Financial Officer; Joe Cannella, Interim Chief Audit Executive; Alan West, Assistant Vice President and University Controller; Elizabeth Ruszczyk, Executive Associate Vice President and Chief Compliance Officer; and other members of the University community.

1.0 Roll Call

Assistant University Secretary Orth conducted a roll call of all Committee and Board members.

2.0 Call to Order and Welcome

Committee Chair Powers welcomed everyone in attendance and stated that the purpose of the conference call is to discuss the upcoming Committee's agenda for the June 6, 2019 Board of Trustees' Committee meeting.

3.0 Review Agenda for June 6, 2019 Meeting

Committee Chair Powers asked Interim Chief Audit Executive Joe Cannella to discuss the action item on the Internal Audit Work Plan.

Action Item:

AC1 July 1, 2019 through December 31, 2019 Office of Internal Audit Work Plan

Interim Chief Audit Executive Cannella reviewed the plan which includes regular and carryover projects that had been previously approved. He highlighted some new projects that have been added including Gator 1 Card Information System and the Academic Medical Center Risk Assessment which is being done in connection with Compliance and Shands Internal Audit. They anticipate this work will keep them focused through

December when a new plan will be presented which should be based on the university's risk assessment process.

Discussion Items:

Update on External Audits

Committee Chair Powers indicated she was impressed with the depth and breadth of the external audit coverage identified in the Auditor General's entrance conference.

Compliance Program Update

Committee Chair Powers asked Executive Associate Vice President and Chief Compliance Officer Elizabeth Ruszcyk to discuss the Compliance Program Update. Ms. Ruszcyk stated they were working on the conflict of interest policy and other key focus areas. She will share a summary of compliance activity with the Committee. The conflict of interest policy and education programs will be discussed at the June meeting. The electronic system implementation is in stage one. They are working with various teams to move this forward. There has been an ongoing dialogue with university leadership for some time. Stage one should be complete by early Fall. The Education Program for the Board members is underway. They have been doing benchmarking and developing curriculum. There will be a training in June from Vice President and Chief Financial Officer McKee on finances. Vice President McKee noted this presentation was put together by the Board of Governors with added UF detail. Committee Chair Powers added it was important to formalize and address high risk areas and ensure everyone knows the rules.

Audits and Other Reviews

Committee Chair Powers asked Interim Chief Audit Executive Joe Cannella to discuss Audits and Other Reviews. Mr. Cannella reviewed the current audits that will be presented. He also noted they have added language to the Cabinet Expense Review Protocol indicating that Internal Audit will periodically review the process. The Audit and Compliance Committee will work with the Governance, Government Relations and Internal Affairs Committee to include this in the Governance Standards document. Trustee Patel added he agreed and would work with Vice President and General Counsel Hass on that item as well as the Investigation Protocol document. Committee Chair Powers said they are working to close all gaps with DSOs and the university. Interim Chief Audit Executive Cannella added it is an important process that needs coverage and their team will help identify gaps and present them to the Board.

The meeting was adjourned at 2:21pm.