



COMMITTEE ON AUDIT AND COMPLIANCE

Pre-Meeting Minutes

Virtual Meeting

August 16, 2022

Time Convened: 3:08 p.m.

Time Adjourned: 4:28 p.m.

Committee and Board members present:

Marsha D. Powers (Committee Chair), David L. Brandon, Richard P. Cole, Morteza "Mori" Hosseini (Board Chair), Lauren D. Lemasters, Rahul Patel, and Amanda J. Phalin.

Others present:

Chris Cowen, Senior Vice President and Chief Financial Officer; Amy Hass, Vice President and General Counsel; Mark Kaplan, Vice President for Government and Community Relations and University Secretary; Charlie Lane, Senior Vice President and Chief Operating Officer; David Norton, Vice President for Research; Curtis Reynolds, Vice President for Business Affairs; Olga Weider, Assistant Vice President and University Controller; Cynthia Mendoza, Project Manager III; Joe Cannella III, Audit Director; Dhanesh Raniga, Chief Audit Executive; Terra DuBois, Chief Compliance, Ethics, and Privacy Officer; Kate Moore, Director, Compliance and Ethics; Cassandra Farley, Director of Research Integrity, Security and Compliance; members of the University of Florida community, and the public.

1.0 Call to Order and Welcome

Committee Chair Marsha D. Powers welcomed everyone in attendance and called the meeting to order at 3:08 p.m.

2.0 Roll Call

Chief Compliance, Ethics, & Privacy Officer (CCO) Terra DuBois conducted a roll call of all Committee and Board members present.

3.0 Review Draft Agenda for December 2022 Meeting

3.1 Review Draft Minutes

- June 16, 2022

3.2 Review Discussion Items

- **Antifraud Framework Overview**

Assistant Vice President and University Controller, Olga Weider introduced the Antifraud Framework in response to the new University Regulation 1.500, which updates and codifies the current system processes for waste, fraud, or financial management

complaints. She discussed the Antifraud Framework's various components, including governance, prevention, detection, investigation and response, and monitoring. The Antifraud Framework elements are the university's response to mitigating the risks of fraud, waste, and abuse.

Trustee Phalin asked how the Whistleblower/Compliance Hotline falls in line with Sunshine/Open Records Laws. Vice President and General Counsel Amy Hass responded that a person could call the hotline or file a complaint online, anonymously, or give their name. A third party not affiliated with UF manages the intake process. Once an issue has been reported, it remains open and confidential from public review/disclosure. Once an investigation has been closed, the complaint could be open for public review.

- **BOG's Request – Update on Review of Financial Internal Controls at University Support Organizations**

AVP/UC Weider gave an update on the BOG-initiated review of financial and internal controls of the University's 26 direct support organizations (DSO) conducted by Crowe. Crowe has issued the DSO/Affiliate-level reports. AVP/UC Weider, Chief Audit Executive Dhanesh Raniga, and the Chief Financial Officer, Chris Cowen, discussed the challenges related to the Crowe review, especially regarding observations in DSO-level reports that were factually inaccurate. The university has provided feedback to Crowe, who is currently reviewing the factual inaccuracies. A university-level report will be prepared and presented at the Board of Governors (BOG) meeting in September 2022. The university-level report will be provided to the committee before the BOG meeting. Committee Chair Powers noted the tremendous cooperation from the UF DSO's this team received, and she wanted to make sure it was acknowledged.

- **Internal Audit Activity**

CAE Raniga provided an overview of the status of the approved FY23 internal audit workplan. He reported that two internal audits had been completed since the May 2022 Committee meeting: Lab Safety and Research Shield Computing Environment. CAE Raniga gave an overview of the reports and advised that three additional audits were in the final stages of completion and three other audits were in progress. He also updated the committee on other audit-related activities and staffing and recruitment efforts; three new staff auditors had joined the Office of Internal Audit and recruiting efforts for two senior auditors and a staff investigator position is in progress. Audit Director Joe Cannella provided details on the follow-up status of internal audit recommendations.

- **Compliance and Ethics Office Updates**

CCO Dubois gave a brief update on the Compliance and Ethics Office. A new Assistant Director was hired, bringing the total number of staff to 11 for Compliance, Ethics and Privacy. She noted that she only needs to hire for one more position, a Privacy Director.

- **Compliance Update – Florida Foreign Influence Laws**

CCO DuBois introduced Cassandra Farley, Director of Research Integrity, Security and Compliance, and they both shared some updates of the Florida Foreign Influence Laws. CCO DuBois reminded the Board that a task force had been created to ensure compliance. In reference to section 1010.25 on Foreign Gift Reporting, CCO DuBois compared the July 2022 state report to the January 2021 report and pointed out a few differences. Overall, there were more transactions to review and more units participating in the July 2022 report due to the heavy outreach across the university to identify all the areas impacted. For section 1010.36, she reminded the board that she would be providing an annual report of all travel to countries of concern.

Director Farley gave an overview of section 1010.35 on the screening of foreign researchers, which was a significant effort for the task force. She also noted that they had made very good progress to timely respond to the various processes of screening new hires, international visitors, and graduate students and explained how they tried to make the process as seamless as possible for the front-end users while taking care that all the compliance requirements were met by individuals who worked behind the scenes.

Board Chair Hosseini wanted to know what promises of stipends were given to graduate students in terms of them getting a job that would allow them to live on as some graduate students have voiced this as a concern. Vice President for Research David Norton noted that this was more a question for the dean of the Graduate School and Human Resources. Senior Vice President and Chief Operating Officer Charlie Lane and Director Farley mentioned that Human Resources had been a fantastic partner in this process. Trustee Hosseini asked Vice President for Government and Community Relations and University Secretary, Mark Kaplan to investigate what kind of commitments are made to graduate students.

CCO DuBois noted in summary that this set of laws were extremely prescriptive and that they put a lot of effort into streamlining a process that could have been extremely burdensome to end users by automating it as much as possible on the back end. The result is that faculty and students are not seeing any real delay in the process. VP Hass congratulated CCO DuBois for doing a phenomenal job. Chair Powers thanked all the presenters for their great work.

- **UF Go Project Overview**

AVP/UC Weider gave an overview of the new UF Go Project, which will replace the current travel and reimbursement system. The goals of UF Go are to streamline the processes, increase transparency, elevate compliance, and identify cost savings. AVP/UC Weider explained some of the critical functionalities of the system that would also automate certain manual processes and enhance monitoring controls.

4.0 New Business

Board Chair Hosseini thanked Chair Powers, the Committee, and leaders of Audit and Compliance for their work to improve the University and said we should be proud of our affairs, and we will continue to improve compliance.

5.0 Adjourn

There being no further discussion, Committee Chair Powers adjourned the meeting at 4:28 p.m.

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