



COMMITTEE ON AUDIT AND COMPLIANCE

Pre-Meeting Minutes

Virtual Meeting

May 13, 2024

Time Convened: 11:07 a.m.

Time Adjourned: 11:26 a.m.

Committee and Board members present:

Daniel T. O’Keefe (Committee Chair), David L. Brandon, John E. Brinkman, Christopher T. Corr, James W. Heavener, Morteza “Mori” Hosseini (Board Chair), Rahul Patel (Board Vice Chair), Marsha D. Powers, Fred S. Ridley, Danaya C. Wright, and Anita G. Zucker.

Others present:

Ben Sasse, President; Scott Angle, Provost and Senior Vice President for Academic Affairs; Melissa Curry, Vice President for Human Resources; Kurt Dudas, Vice President/Jacksonville Lead; Elias Eldayrie, Vice President and Chief Information Officer; Amy Hass, Vice President and General Counsel; Taylor Jantz, Interim Chief Financial Officer; Mark Kaplan, Vice President for Government and Community Relations and University Secretary; David Kratzer, Senior Vice President for Construction, Facilities, and Auxiliary Operations; Maria Gutierrez Martin, Interim Vice President for Advancement; Stephen Motew, President and System Chief Executive Officer of UF Health; David Nelson, Senior Vice President for Health Affairs and President of UF Health; Mary Parker, Vice President and Chief Enrollment Strategist; Raymond Sass, Vice President for Innovation and Partnerships; Jim Staten, Senior Advisor to the President; James Wegmann, Vice President for Communications; Heather White, Vice President for Student Life; Joe Canella, Audit Director; Bob Michalski, Chief Compliance Officer for UF Health; Katherine Moore, Interim Chief Compliance Officer; Dhanesh Raniga, Chief Audit Executive; members of the University of Florida community and the public.

1.0 Call to Order and Welcome

Committee Chair Daniel T. O’Keefe welcomed everyone in attendance and called the meeting to order at 11:07 a.m.

2.0 Roll Call

Chief Audit Executive Dhanesh Raniga conducted a roll call, and all Committee members were present, except Trustee Cole.

3.0 Review Draft Agenda for June Meeting

Committee Chair O’Keefe noted the pre-meeting is for discussion only and no action will come to the Committee. The following items were addressed by the Committee:

3.1 Review Draft Minutes

- **March 7, 2024**

Committee Chair O’Keefe reminded Committee members to review the draft minutes prior to the board meeting in June.

3.2 Review Action Item

- **AC1 July 1, 2024 – June 30, 2025 Office of Internal Audit Work Plan**

CAE Raniga stated the Office of Internal Audit presents their proposed work plan to the Board annually at the June meeting. The work plan is a requirement of internal auditing standards and Florida Board of Governors (BOG) regulations. This year’s work plan incorporates the President’s current strategic initiatives and feedback from the Audit and Compliance Committee members and Senior Management to develop a broader approach to look at UF at an enterprise level and incorporate strategic and organizational level topics. He provided a high-level summary of the work plan noting the Foundation, Athletics, and Direct Support Organizations (DSOs) will be included in this year’s plan. A few key areas of focus include our Non-Payroll Spend to better understand how we procure goods and services and the areas where we can leverage our purchasing power. Other topical areas included in the plan are Major Construction, Cyber Security for our decentralized operations and the emerging risks of artificial intelligence by ensuring that we have good data governance, and certain prescribed audits by the BOG.

Committee Chair O’Keefe commented the work plan is a vital tool for the Board to review our risk profile and address items to ensure we are protecting One UF. He expressed his gratitude to everyone who provided feedback for this year’s work plan to accomplish our shared goal of protecting the university. Board Chairman Hosseini echoed his comments and emphasized the extreme importance of our audits.

3.3 Review Discussion Item

- **Internal Audit Activity**

CAE Raniga provided a high-level review of the FY2023-24 Internal Audit Plan Summary and its status: 3 completed, 1 final report stage, 10 in progress/planning, 12 completed/previously reported, and 8 planned. The 3 internal audits completed since the March 2024 report are: Transportation and Parking Services (TAPS), Sponsored Research Subrecipient (financial audit of subrecipient funds as required by research contract), and UFF Advancement Engine Next System. The TAPS audit report indicated significant internal control areas of improvement for cash handling and management. We have noted opportunities for cost savings by streamlining operations and strengthening monitoring controls for IT systems and enhancing executive-level management reports for key business functions.

Committee Chair O’Keefe agreed and shared this audit provides us insight on how we can provide good customer service and an enjoyable experience for visitors while being more cost effective. Senior Vice President David Kratzer expressed his gratitude to CAE Raniga and the Office of Internal Audit team. He shared the new Director of TAPS started today. President Sasse echoed SVP Kratzer’s comments and noted the opportunity we have, to do some reevaluation with the acquisition of new personnel. The footprint of transportation has radically changed over the last decade with the use of e-scooters, Uber, and the decline of bus ridership. This audit is timely to

our need to look internally at what we need to change as our campus grows and the nature of transportation continues to change.

CAE Raniga concluded his review by sharing the Institute of Internal Audit's (IIA) International Audit Standards Board released its new Global Internal Audit Standards (the "standards"), effective January 2025, that will replace the Professional Practice of Internal Auditing. UF will perform a self-assessment to gauge our readiness to conform and resolve any identified gaps prior to January 2025. The IIA's standards and BOG Regulation 4.002 (e) require internal audit departments to undergo an external Quality Assurance Review (QAR) to assess conformance with the IIA standards every 5 years. UF will undergo a QAR in fall 2024 to comply with IIA and BOG.

4.0 New Business

There was no new business to come before the committee.

5.0 Adjourn

There being no further discussion, Committee Chair Daniel T. O'Keefe adjourned the meeting at 11:26 a.m.