



**COMMITTEE ON AUDIT AND COMPLIANCE**

**Meeting Minutes**

**Telephone Conference**

**Call November 1, 2019**

**123 Tigert Hall, University of Florida, Gainesville, FL**

**Time Convened: 2:04 p.m.**

**Time Adjourned: 2:27 p.m.**

**Committee and Board members present:**

Marsha D. Powers (Committee Chair), David L. Brandon, Rahul Patel, Robert G. Stern, Ray G. Thomas, Anita Zucker, Tom Kuntz

**Others present:**

Charlie Lane, Senior Vice President and Chief Operating Officer; Mike McKee, Vice President and Chief Financial Officer; Joe Cannella, Interim Chief Audit Executive; Elizabeth Ruszczyk, Executive Associate Vice President and Chief Compliance Officer; and other members of the University community.

**1.0 Roll Call**

Deb Kinney 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 December 6, 2019 Board of Trustees' Committee meeting.

**3.0 Review Agenda for December 6, 2019 Meeting**

Committee Chair Powers introduced the action items on the Agenda and asked Interim Chief Audit Executive Joe Cannella to discuss them further.

**Action Items:**

**AC1 University of Florida Performance Based Funding and Preeminent Status Metrics – Data Integrity (Audit Report) and Data Integrity Certification**

Interim Chief Audit Executive Joe Cannella provided a presentation and explanation of the Performance Base Funding and Preeminence - Data Integrity Audit and Data Integrity Certification, which is required by the Board of Governors in support of its Performance

Based Funding Model. He mentioned the audit is being conducted by the Office of Internal Audit and should be ready in the next few weeks.

**AC2 Office of Internal Audit Work Plan – January 1, 2020 - June 30, 2020**

Interim Chief Audit Executive Joe Cannella explained that the Office of Internal Audit's Annual Report and Strategic Plan Update, which was distributed in late September, includes required disclosures to the Board. During the December meeting he would present a shortened version of the document as well as planned projects for the period from January 1, 2020 to June 30, 2020.

**AC3 Annual Report for Compliance Programs**

Executive Associate Vice President and Chief Compliance Officer Elizabeth Ruszczyk presented the Executive Summary of the Compliance Program Annual Report. She indicated that a more robust Annual Report will follow, for the period September 2018 through August 2019.

**Discussion Items:**

**Update on External Audits**

Committee Chair Powers advised that the Auditor General was conducting three external audits: an audit of Financial Statements for fiscal year ending June 2019, a Bright Futures audit for FY 18-19, and the UF Operational Audit.

**Strategic Update**

Senior Vice President and Chief Operating Officer Charlie Lane gave an update on the Chief Audit Executive search. He mentioned that we are fortunate Joe Cannella has agreed to continue serving as interim CAE. Additionally, UF has engaged with consultants to facilitate an Enterprise Risk Management program.

**Compliance Program Update**

Executive Associate Vice President and Chief Compliance Officer Elizabeth Ruszczyk will give an update of the Compliance Office and UFolio Project.

**Audits of Affiliated Organizations**

Interim Chief Audit Executive Joe Cannella advised that he and CFO Mike McKee discussed audits of affiliated organizations and there was nothing significant to report, but the schedule of audits received would be provided with the materials and will include any audits received.

**Audit and Other Reviews**

Interim Chief Audit Executive Joe Cannella will review the following audits at the Audit and Compliance Committee meeting in December: myUAA Business Processes, UAA

Sports Health, UFF Endowed and Non-Endowed Restricted Gifts, Research Shield Computing Environment, Performance Based Funding and Preeminence – Data Integrity. He also indicated the following Management Advisory reports would be delivered to management and noted: Reitz Union Fiscal Reconciliation, Revenue Contracting and the Office of Youth Compliance Services.

#### **Quarterly Follow-Up**

Interim Chief Audit Executive Joe Cannella advised that the Office of Internal Audit follows up on our audits and the Auditor General's audits. If significant or if follow-up has ceased, he will report more detailed information to the Committee.

#### **4.0 New Business**

Committee Chair Powers reviewed items from the recent Board of Governor's meeting, including repeat audit findings, reviewing DSO's audits, and focusing on ERM. She advised that CFO McKee will be preparing responses to the BOG related to their review.

The meeting was adjourned at 2:27 pm.