# MINUTES

**Members Present:** Paul McElroy (Chair), Doug Burnett, Tom Bryan, Hans Tanzler, Sharon Wamble-King, and Kevin Hyde (ex officio)

Members Absent: Oscar Munoz (excused)

## Item 1 Call to Order

Chair McElroy will recognize a quorum and called the Audit & Compliance Committee to order at 1:10 pm.

## Item 2 Public Comments

Chair McElroy offered those in attendance the opportunity to comment on items on the Audit and Compliance Committee agenda. There were no public comments.

## Item 3 Consent Agenda

* Approval of Minutes, June 14, 2018
* Compliance Office Charter
* Office of Internal Auditing Charter

Trustee Hyde made a MOTION to approve the items on the consent agenda. Trustee Burnett SECONDED the motion and the committee approved the consent agenda unanimously.

## Item 4 Audit and Compliance Committee Charter Review

Julia Hann, Chief Audit Executive, provided an update on minor revisions to the Committee’s Charter, noting that the Board of Governors requirements have been incorporated into the charter. Authority, responsibilities and membership requirements are included.

Trustee Wamble-King made a MOTION to approve the minor revisions to the Committee’s Charter. Trustee Bryan SECONDED the motion. The committee approved the revisions unanimously.

## Item 5 Direct Support Organizations (DSOs) Audits and Form 990’s (1) UNF Foundation, Inc., (2) UNF Training & Services Institute, Inc., (3) UNF Financing Corporation, Inc. and (4) MOCA, Jacksonville

Vice President Shuman presented the audits and Form 990’s for the university’s DSOs. All of the audits were clean with no management comments. Each audit and Form 990 has been approved by each respective DSO Board and each DSO has a trustee liaison appointed to its Board. All of the audits have been finalized with the exception of the Foundation audit.

* UNF Foundation, Inc.
  + Endowments increased from $106 million to $112 million.
* UNF Training & Services Institute, Inc.
  + The IPTM net income last year totaled $469,000 and could reach $500,000 this year.
  + The financial statements for the ADT building is within this DSO. The current lease is scheduled to expire in 2020. The university is in discussions to potentially continue the lease.
* UNF Financing Corporation, Inc.
  + These financial statements are blended in with the university’s financial statements.
  + The main transaction for the financial statements was fixing the rate of the parking bonds.
* MOCA, Jacksonville
  + The city sold the artwork of Joan Mitchell and MOCA received 50% of the proceeds ($1.4 million) which will be used for acquisition of artwork and maintaining the art collection. Although the cash was received this fiscal year, since it was sold last year, the transaction was recorded in FY17-18.

## Item 6 Compliance Officer’s Quarterly Update

Joann Campbell, Associate Vice President and Chief Compliance Officer, provided a Compliance update. Goals for 18/19 include continuing progress in meeting the elements of the C&E Program, enhancing training, education and awareness programs, automating the policy review process, a comprehensive review of all policies, clarifying the roles of

## Item 6 Compliance Officer’s Quarterly Update (continued)

compliance partners and engaging Athletics Compliance more directly. The Center for Professional Development & Training will help track all training initiatives through a new learning management system.

## Item 7 Compliance Officer’s Annual Report

Joann Campbell, Associate Vice President and Chief Compliance Officer, presented the Annual Compliance Annual Report. Phase 1 of the Compliance and Ethics Program implementation is largely completed. The Compliance Checklist is also in very good shape. The Compliance, Ethics and Risk Oversight Committee (CEROC) was initiated this year as a presidentially appointed committee and is taking steps toward Enterprise Risk Management with a conference scheduled in North Carolina in November. Phase 2 of the program implementation has started. A new Statement of Ethical Conduct has been drafted and endorsed by the Faculty Association, USPA and A&P Association.

## Item 8 Office of Internal Auditing (OIA) Quarterly Update

Julia Hann, Chief Audit Executive, provided an OIA quarterly update and shared the final audit reports for Personally Identifiable Information (PII), Title IX and Clery Act. Using NIST standards as guidance toward best practices, there were eight recommendations noted in the PII Audit. Six minor recommendations were provided in the Title IX Audit, mostly regarding syncing practices. The Clery Act Audit had four recommendations due to be completed by the end of the year. Current projects for the department include audits for DOE Academic Partners, Performance Based Funding, Music, Faculty-Led Study Abroad and the QAR (Peer Review) scheduled for December. The FDLE Audit with UPD has been completed as well as the DOE Financial Aid Program Review.

## Item 9 Office of Internal Auditing (OIA) Annual Report

Julia Hann, Chief Audit Executive, provided the OIA Annual Report. Five audit reports were issued. Two investigations and one consulting project were completed. The department also launched an internal controls departmental self-assessment and best business practices training. There were 34 internal audit recommendations issued in FY18, with 15 still in progress. Ten recommendations from external audit reports were tracked

## Item 9 Office of Internal Auditing (OIA) Annual Report (continued)

during the year and four remain open with corrective action plans in progress.

## Item 10 Adjournment

Chair McElroy adjourned the meeting at 1:50 pm.