**MINUTES**

**Members Present:** Paul McElroy (Chair), Jill Davis, Tom Bryan, John Gol, Nik Patel

**Members Excused:** Kevin Hyde (ex officio)

## Item 1 Call to Order

Chair McElroy recognized a quorum and called the meeting to order at 8:15 a.m.

## Item 2 P ublic Comments

Chair McElroy offered those in attendance the opportunity for public comments. There were no requests for public comment.

## Item 3 Consent Agenda

Chair McElroy asked for a motion to approve the consent agenda with the following items:

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Trustee Patel made a MOTION to approve, and Trustee Davis SECONDED. The motion was APPROVED unanimously by the committee.

## Item 4 Direct Support Organizations’ (DSOs) Audits and Form 990s

Vice President Bennett confirmed that James Moore & Co. had presented audits for the four DSOs to their respective Boards for discussion, and they had been thoroughly vetted by them. Vice President Bennett stated that he was pleased to report that there were no issues, findings or adjustments required. He added that, despite the pandemic, the DSOs had generally had good years with all four DSOs reporting increases in revenues. Vice President Bennett stated that the University has a good relationship with the new auditors.

## Item 5 Board of Governors Request of DSO Review of Financial Internal Controls

Vice President Bennett provided the Committee with a brief background on this request from the Board of Governors.  He reminded the Board of a similar prior review wherein another University in the system had had an issue with carryforward funds, prompting the Board of Governors to instruct an external firm to complete an audit of internal controls for each university.  The external firm Crowe LLP had completed that review of UNF and had a couple of minor findings. Vice President Bennett relayed that, similarly, this past year, another issue arose with a different university regarding embezzlement within a DSO, and that the Board of Governors has authorized another internal control review of all DSOs.  Vice President Bennett stated that Crowe will also handle this review. He relayed that work has already started with records requests, and Crowe will come to campus December/January. Vice President Bennett added that the report is due at the end of June 2022.  Vice President Bennett stated that he will update the Committee with progress at its meeting.

Trustee Bryan commented that at the first audit UNF had been one of the universities with the fewest findings. Vice President Bennett confirmed the findings were minor and all policy based.

## Item 6 Performance Based Funding Data Integrity Audit – Scope Discussion

Ms. Hann, Chief Audit Executive, confirmed the Office of Internal Auditing is starting the Performance Based Funding Data Integrity Audit. She stated that this audit would be similar to the previous year’s Performance Based Funding Audit. She noted that the audit scope does not include metric calculations. She stated that it instead tests the data integrity used for the calculations. Ms. Hann stated that the Office of Internal Auditing will be working with Institutional Research and other academic units across campus and that the audit results will be reported back to the Committee early next year. Ms. Hann relayed that the certification form is due March 1, 2022. She also outlined the objectives of this audit – review of data controls, timeliness of the audit and any corrections or resubmissions. There were no questions from the Committee.

Trustee Bryan made a MOTION to APPROVE the scope and objectives of the Performance Based Funding Data Integrity Audit for this year. And Trustee Patel SECONDED. The Committee unanimously APPROVED the motion.

## Item 7 Office of Internal Auditing Quarterly Update and Annual Report

Ms. Hann presented the Office of Internal Auditing FY21 Annual Report and quarterly update. She noted that it had been a busy year - following up on previous audits, continuing with P-card audits which are now more centered on divisional reporting and completed three consulting engagements in FY21. Personnel in the office are diverse, along with staff that are certified and have many years of experience in higher education auditing.

Ms. Julia Hann, Chief Audit Executive, also presented first quarter updates which included, two P-card audit reports issued, both ranked low risk with minor recommendations and one internal audit for Housing also ranked low risk. Eighteen follow up items from previous audits have been closed.

Ruth Lopez, Assistant Vice President of Student Affairs, gave an update on the corrective actions taken from the Minors on Campus Audit. She stated that a taskforce had been set up including Human Resources, Environmental Health & Safety and Recreation and Wellness to centralize the process, identify authority and responsibilities. Recreation and Wellness was recognized as the department best suited to handle this responsibility. This will give a clear chain of command and establish consistencies for all camps on campus. Assistant Vice President Lopez stated that they are beginning to phase in and educate on unified procedures and that there will be a review of summer camps, to include: liability insurance, making sure marketing materials are consistent, developing protocols, updating camp staffing and including background checks. Trustee Bryan commended the good work, commenting this will build relationships with children who may become Ospreys in the future. He stated that, importantly, risks for the University are being minimized.

## Item 8 Proposed Amended Regulation 4.0050R Employment of Relatives

Dr. Joann Campbell, Associate Vice President, Chief Compliance and Ethics Officer, presented a summary of changes to the regulation, clarifying to whom it relates. She stated that definitions have been updated and referenced disclosure obligations and exceptions. Associate Vice President Campbell spoke about how this regulation is now included in the annual acknowledgement completed by all University employees and confirmed that the proposed amendments were widely distributed for comment before the meeting.

Trustee Patel made a MOTION to APPROVE the proposed amended regulation, and Trustee Davis SECONDED. The committee APPROVED the proposed amended regulation unanimously.

## Item 9 Compliance Program Update and Annual Report

Associate Vice President Campbell gave the Compliance Office’s Annual Report. She stated that the *Informed Ospreys* program continues to be a success with opportunities to expand training offered to students and staff. Dr. Campbell also referenced the Export Control website covering foreign influence and vetting of research which gives clear and transparent information. Associate Vice President Campbell stated that she has served on workgroups to update regulations such as Title IX, as well as the NCAA and ASUN workgroup. She added that they are continuing to focus on training. Associate Vice President Campbell stated that, within the SUS system, UNF is at the forefront for ERM. She also stated that the Board of Governors has instituted a 5-year program review. She noted that this is the first year, and external reviewers will be evaluating UNF’s program and making recommendations for any improvements. Dr. Campbell shared that the University is completing its self-assessment, and interviews with key stakeholders will be held before the written report in January 2022.

## Item 10 Board of Governors Certification for Sponsored Research Program

Associate Vice President Campbell confirmed that the Board of Governors requires an annual certification of UNF’s compliance with the Board of Governors 10.002 Sponsored Research regulation. She stated that the report had already been submitted. The Committee did not have any questions.

## Item 11 Compliance, Ethics and Risk Oversight Committee (CEROC) Annual Report

Ms. Hann and Dr. Campbell presented highlights of the work of the CEROC Committee. They stated that twenty-nine policies and regulations had been reviewed during the year, and all of the regulations had been presented to the Board of Trustees. They noted that the Committee has been working on reviewing policies which have not been reaffirmed within the last five years. They added that there will be further work on risk management both from top-down and bottom-up approaches.

Ms. Hann and Dr. Campbell relayed that institutional risk owners have given talks to the Committee and have aimed to identify risks, analyze and evaluate them and take action. They presented a flowchart with information on how risks go from identification to containment and noted that experience is growing every year and a lot of progress is being made. Trustee Patel inquired about frameworks that other universities use. Ms. Hann and Dr. Campbell stated that federal frameworks are good examples, but that there is not specific model used by everyone. Ms. They also stated that they have attended conferences on ERM programs which have shared information on ERM programs used in higher education.

## Item 12 Adjournment

With no further discussion, Chair McElroy adjourned the meeting at 9:18 a.m.