# MINUTES

## Item 1 Call to Order

Chair McElroy recognized a quorum and called the meeting to order at 11:15 am.

## Item 2 Approval of Minutes, March 14, 2017

Chair McElroy asked for a motion to approve the minutes for the March 14, 2017 committee minutes. Trustee Joost made a MOTION to approve the minutes as presented. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 3 Approval of Minutes, June 16, 2017

Chair McElroy asked for a motion to approve the minutes for the June 16, 2017 committee minutes. Trustee Joost made a MOTION to approve the minutes as presented. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 4 Public Comments

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

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

Vice President Shuman presented the four Direct Support Organizations’ audits ending

June 30, 2017. All of the audits were clean and approved by each board. She provided a few highlights of each audit:

- The Foundation completed its best year with $30 million in contributions. Endowments were up to $105 million.

- The TSI/IPTM Law Enforcement unit had a $450,000 surplus. The ADT lease will expire in 2020 but there may be a benefit in extending the lease.

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

The UNF Financing Corporation refinanced the Housing and the Student Union bonds this year.

- MOCA has acquired a collection of fifty art pieces with a value of $4.9 million. They also have $5 million held by the Foundation.

## Item 6 Direct Support Organizations (DSOs) 990s (1) UNF Foundation, Inc., (2) UNF

## Training & Services Institute, Inc., (3) UNF Financing Corporation, Inc. and (4)

## MOCA, Jacksonville

Vice President Shuman presented the four Direct Support Organizations’ 990s ending

June 30, 2017, noting that some included 990Ts because of UBIT requirements. Each 990 was reviewed and approved by each board.

## Item 7 Compliance Update

Joann Campbell, Associate Vice President and Compliance Officer, introduced graduate assistant, Taylor Hoffman, and gave an update to the committee. Next steps include a compliance programs inventory, a comprehensive review of policies and regulations, and enterprise risk management.

## Item 8 Compliance Office Charter

Joann Campbell, Associate Vice President and Compliance Officer, presented the Compliance Office Charter for approval. The charter aligns with the Office of Internal Auditing Charter explaining the vision and mission of the office and will be reviewed every three years.

Stephen Joost made a MOTION to approve the Compliance Office Charter. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 9 UNF Compliance and Ethics Program Plan

Joann Campbell, Associate Vice President and Compliance Officer, presented the Compliance and Ethics Program Plan for approval, noting that the plan will promote a culture that encourages compliance while addressing the requirements of BOG regulations. Program elements include executive oversight, standards of conduct, effective communication, education, training, monitoring, enforcement and prevention. As a new program plan, it will be reviewed every five years.

Stephen Joost made a MOTION to approve the Compliance and Ethics Program Plan. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 10 SUS Compliance Program Status Checklist

Joann Campbell, Associate Vice President and Compliance Officer, presented the SUS Compliance Program Status Checklist for approval, noting that the only item of the BOG regulation not completed is the five year review, which will be conducted in 2022.

Stephen Joost made a MOTION to approve the SUS Compliance Program Status Checklist. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 11 Office of Internal Auditing (OIA) Quarterly Update

Julia Hann, Internal Auditing Director, gave a quarterly update noting two departmental audits were completed. The two audits were Student Health Services Audit 2017.11 and Brooks College of Health Audit 2017.16. Both audits had an overall low residual risk ranking. Five recommendations were identified in Student Health Services, and seven recommendations were identified in Brooks College of Health.

## Item 12 Quality Assurance Review (QAR)

Julia Hann, Internal Auditing Director, presented the Office of Internal Auditing Quality Assurance Review (QAR). The QAR benchmarks the audit activity to The Institute of Internal Auditing Professional Practices Framework. It included a peer

## Item 12 Quality Assurance Review (QAR) (continued)

review by three colleagues in December 2016. The peer review team recommended OIA to conduct a second QAR in one year to evaluate improved practices under Ms. Hann’s supervision who was hired less than one year prior to the review. Recommendations included additional documentation of audit client surveys, IT risk assessment and improved documentation of a risk-based audit plan. The Audit and Compliance Committee showed support to a second QAR in one year.

## Item 13 Office of Internal Auditing (OIA) Annual Report

Julia Hann, Internal Auditing Director, provided the FY17 Annual Report. Four internal audit reports, one consulting review and a quality assurance review were completed. Various complaints from the UNF Ethics hotline were reviewed, and one criminal investigation was finalized in early FY18. OIA also followed up on outstanding audit report recommendations. Goals for FY18 include implementing remediation plans from the FY17 QAR, developing self-assessment tools for departments that will help foster best business practices and assisting with a strategic process to enterprise risk management.

## Item 14 Audit and Compliance Charter

Julia Hann, Internal Auditing Director, presented the Audit and Compliance Committee Charter for approval with no edits.

Stephen Joost made a MOTION to approve the Audit and Compliance Committee Charter as presented. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 15 Office of Internal Auditing Charter

Julia Hann, Internal Auditing Director, presented the Office of Internal Auditing Office Charter for approval with no edits.

## Item 15 Office of Internal Auditing Charter (continued)

Stephen Joost made a MOTION to approve the Office of Internal Auditing Office Charter as presented. Trustee Beaucham SECONDED the motion and the motion was APPROVED by the committee.

## Item 16 Adjournment

Chair McElroy adjourned the meeting at 12:03 pm.