

Board of Trustees

Audit and Compliance Committee

November 3, 2022

2:00pm – 2:45 pm

*virtual meeting*

**MINUTES**

**Members Present:** Paul McElroy (Chair), Tom Bryan, John Gol, Nik Patel, Kevin Hyde (ex officio)

## Item 1 Call to Order

Chair McElroy recognized a quorum and called the meeting to order at 2:00pm.

## Item 2 Public Comments

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

## Item 3 Consent Agenda

Chair McElroy asked for a motion to approve the June 9, 2022, Audit and Compliance Committee Meeting Minutes. Trustee Hyde made a MOTION to approve the consent agenda. Trustee Bryan SECONDED the motion, and the motion was APPROVED by the committee.

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

Vice President Scott Bennett gave an overview of the audits and Form 990s for FY2022.  The external auditing firm James Moore & Co has alreadymet with individual DSO boards to review the results.  Audits for all four DSO’s were clean and there were no comments.  The form 990s are IRS forms submitted annually.

Foundation received $36M in contributions, over $4M was used for direct student support. TSI net position was up 22%, operating revenue was up 32%.  MOCA’s net position decreased, largely due to fewer grants, but operating revenue went up.  Encouraging results when this was a year affected by COVID.  Thanks were extended to Valerie Stevenson, Assistant Vice President, Controller, and her team for their hard work preparing and assisting with the audits.

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

Vice President Scott Bennett presented an overview of the external audit carried out by Crowe at the request of the Board of Governors.  All Florida SUS universities were audited, and the work took over a year to complete.  Two findings were found in three of the four DSOs relating to accounts payable and receivable reconciliations, and segregation of duties.  Due to our antiquated system, these are made on paper, the auditors would prefer an electronic system – this will be rectified by the move to the new system Workday.  Results were presented to the BOG at their last meeting.

## Item 6 State of Florida Auditor General, Report 2023.026, Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs

Vice President Scott Bennett presented the results of the Florida Auditor General report on administration of Bright Futures Scholarships.  One finding was found from summer 2020 when students were remote due to COVID.  A code change in Banner did not properly identify students who became ineligible for scholarship funds. The error was found internally by the Financial Aid Department and $24,000 owing to the state was reimbursed but 18 days after the deadline.

## Item 7 Performance Based Funding Data Integrity Audit – Scope Discussion

Ms. Julia Hann, Chief Audit Executive**,** gave an overview of this year’s Performance Based Funding Data Integrity Audit. This is an annual audit at the request of the BOG to give assurance that data uploaded is certified. The audit will look at internal controls in place to ensure data is accurate, access controls are adequate, and data is submitted timely to the BOG. An entrance meeting has already been held. It is usual practice to rotate auditors for this audit. As part of the audit, Abby Willcox, Assistant Vice President of Institutional Research and Performance suggested to review related policies and regulations and Internal Audit agreed to include this in the scope. The report will be finalized and presented to the Board in January/February 2023.

## Item 8 Office of Internal Auditing Quarterly Update and Annual Report

Ms. Julia Hann, Chief Audit Executive, presented the Internal Auditing Quarterly update and annual report. The report previously circulated highlights the audits undertaken, both operational and procurement cards as well as other work relating to the ethics hotline. The mission, vision and goals of the office were presented covering the risk-based objectives, improvement in practices and enhanced data analysis. An awareness campaign has been undertaken to remind the campus community of the ethics hotline and training sessions have been given on best business practices.

Internal audit reports issued this year covered IT Asset Inventory – tracking IT assets, a departmental audit for the School of Nursing to improve department procedures and an investigation. There has been follow-up work on previous audits which had outstanding recommendations. There are six audits currently in progress. The office currently has three student internal auditors who are gaining experience in auditing.

President Limayem expressed his appreciation of the work the team of internal auditors carries out to ensure the right controls are in place and ethical decisions are being made. Chair McElroy also expressed his thanks, the work is important for the reputation of the university and its students.

## Item 9 Compliance Officer Quarterly Update and Annual Report

Dr. Joann Campbell, Chief Compliance Officer, presented an overview of the past year’s work. Goals included the BOG required 5 year program review which was completed earlier this year, continued progress with expanding enterprise risk management which has seen top down and bottom up initiatives with members of the campus community becoming more aware of risks and putting controls in place. Compliance training still needs improvement which will be a major focus for the next compliance officer. Other items included the annual security report which was issued in October as required by the Clery Act in association with Title IX, violence against women act and the drug free schools and communities act. Fines for non-compliance are now $62,689 per finding which is a financial risk but also could damage the University’s reputation. The biennial review of alcohol and other drugs is being undertaken. Dr. Campbell also confirmed the certification for Sponsored Research has been signed by John Kantner, Associate Provost and submitted. The report on civil discourse was submitted and house bill 7 is being constantly monitored.

## Item 10 Board of Governors Civil Discourse Policy Initiative: Review of Student and Employee Orientation, Student Code of Conduct, and Employment Policies

Ms. Carrie Guth, Assistant Vice President, Chief Human Resources Officer presented an overview of the work undertaken on the Board of Governors civil discourse policy initiative. Policies were reviewed particularly to ensure compliance with recommendations 4 and 6. Human Resources, Compliance and Office of General Counsel reviewed every policy, and no revisions were necessary as the required language was already in place. In many cases, the language required by the BOG was in place verbatim. Civil discourse is not a new concept for UNF, we had already embodied a lot of the requirements already. Changes were made for new employee orientation to incorporate a dedicated civil discourse section with emphasis on accepting and respecting other people’s ideas when you may not agree with them and how to put forth your ideas for consideration. Guidance was given on how to find help when dealing with civil discourse issues.

Ms. Rachel Winter, Dean of Students, discussed changes made for students in relation to civil discourse. Again, a new section has been added to student orientations, this year’s first time in college and transfer students have taken the topic. The aim was to simplify the verbiage and give foundational knowledge about the topic with emphasis on civil discourse as a university value. Alternative dispute has been highlighted as well as guidance on where safe places are on campus to express opinions and how to listen to other’s opinions. The Student Code of Conduct protects students’ freedom of expression. It was last updated in November 2021 and required language was already incorporated.

Dr. Karen Patterson, Provost, confirmed civil discourse is included for new faculty orientation, there have been open forum groups and lots of conversations to keep everyone informed.

Chair McElroy and President Limayem thanked everyone for their work.

## Item 11 Adjournment

With no further discussion, Chair McElroy adjourned the meeting at 2:50pm.