



**Board of Trustees  
University of Central Florida  
Audit, Operations Review, Compliance, and Ethics Committee  
Millican Hall, 3<sup>rd</sup> floor, President's Boardroom  
December 14, 2016  
9:00 a.m.  
Call-in number: 800-442-5794    Code: 463796**

**Agenda**

- |  |   |
|--|---|
| <b>I. CALL TO ORDER</b>  | Beverly Seay<br><i>Chair; Audit, Operations Review,<br/>Compliance, and Ethics Committee</i>                  |
| <b>II. ROLL CALL</b>   | Margaret Melli<br><i>Executive Administrative Assistant of<br/>University Compliance, Ethics, and Risk</i>    |
| <b>III. MEETING MINUTES</b>  |   |
| <ul style="list-style-type: none"><li>• <a href="#">Approval of the September 14, 2016, Audit, Operations Review, Compliance, and Ethics Committee meeting minutes</a></li></ul>     | Chair Seay  |
| <b>IV. NEW BUSINESS</b>  | Chair Seay  |
| <ul style="list-style-type: none"><li>• Approval of Audit and Compliance Committee Charter (<a href="#">AUDC-1</a>)</li></ul>  | Rhonda L. Bishop<br><i>Chief Compliance and Ethics Officer</i><br>Robert Taft<br><i>Chief Audit Executive</i> |
| <ul style="list-style-type: none"><li>• Approval of revised University Audit Charter (<a href="#">AUDC-2</a>)</li></ul>  | Robert Taft   |
| <ul style="list-style-type: none"><li>• Acceptance of the Board of Governors' Performance-based Funding Data Integrity Certification Audit Report (<a href="#">AUDC-3</a>)</li></ul> | Robert Taft   |

- Approval of the Performance-based Data Integrity Certification Form (AUDC-4) Robert Taft
- Approval of Compliance, Ethics, and Risk Charter (AUDC-5) Rhonda L. Bishop
- Report on Conflict of Interest and Commitment Initiatives (INFO-1) Rhonda L. Bishop
- 2016-17 Work Plan Status of All Activities (INFO-2) Rhonda L. Bishop
- Overview of Fair Labor Standards Act Rhonda L. Bishop  
Maureen Binder  
*Associate Vice President and  
Chief Human Resources Officer*
- University Compliance, Ethics, and Risk Program update Rhonda L. Bishop
- Athletics Compliance Program update Rhonda L. Bishop

**V. CLOSING COMMENTS**

Chair Seay



Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee Meeting  
President's Boardroom Millican Hall, 3<sup>rd</sup> Floor  
September 14, 2016

## MINUTES

### CALL TO ORDER

Trustee Beverly Seay, chair of the Audit, Operations Review, Compliance, and Ethics Committee, called the meeting to order at 3:00 p.m. Committee member Keith Koons was present and committee members Kenneth Bradley, David Walsh, and William Yeargin attended by teleconference call.

### MINUTES APPROVAL

The minutes of the February 24, 2016, Audit, Operations Review, Compliance, and Ethics Committee meeting were approved as submitted.

### NEW BUSINESS

#### Presentation of Audit Plan (INFO-1)

Robert Taft, Chief Audit Executive, provided an update on the university's Audit Plan, which included recently completed audits, a status update on upcoming audit reports, and planned audits for the next 12 months. Taft also noted the recent hiring of Adam Glover as a senior IT auditor, and he outlined upcoming initiatives in his office.

#### Update on Auditor General Results

Taft gave an update on Florida Auditor General related activities, which include resolved open audits issues from previous audits, a summary of the issues discussed at the August Exit Conference for the AG Operational Audit, and the timetable for the upcoming Financial Audit.

#### University Compliance, Ethics, and Risk program update

Rhonda Bishop, Chief Compliance and Ethics Officer, updated the committee on the 2015-16 Work Plan Status of All Activities (INFO-2).

Bishop provided to the committee the 2016-17 Compliance and Ethics Annual Work Plan (INFO-3) and outlined initiatives planned for the year. She also provided the results of the 2016 Compliance and Ethics Culture Survey (INFO-4).

Athletics Compliance program update

Bishop introduced Nicole Harvey, senior associate athletics director for compliance, and provided an overview of the position. Harvey is charged with assessing the current program and improving compliance procedures and effectiveness. Bishop described the efforts made to enhance the managing and monitoring of NCAA compliance. The final annual compliance report is due to the NCAA on January 15, 2017, and a letter will be sent from the president in February.

Chair Seay adjourned the Audit, Operations Review, Compliance, and Ethics Committee meeting at 3:45 p.m.

Respectfully submitted: \_\_\_\_\_  
Robert Taft  
Chief Audit Executive  
Date \_\_\_\_\_

Respectfully submitted: \_\_\_\_\_  
Rhonda L. Bishop  
Chief Compliance and Ethics Officer  
Date \_\_\_\_\_

**ITEM: AUDC-1**

**University of Central Florida  
Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** UCF Audit and Compliance Committee Charter

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Approve UCF Audit and Compliance Committee Charter.

**BACKGROUND INFORMATION**

One of the functions of the Audit, Operations Review, Compliance, and Ethics Committee is to review the committee's charter annually and make revisions as needed. These revisions represent a significant rewriting of the committee's charter to account for enhancements in the internal audit function, development of the compliance, ethics, and risk program, and the new Board of Governor Regulations 4.002 and 4.003. In addition, a change to the committee's name is proposed and included in the charter.

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**Supporting documentation:** Attachment A: UCF Audit and Compliance Committee Charter

**Prepared by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer and Robert Taft, Chief Audit Executive

**Submitted by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer and Robert Taft, Chief Audit Executive

Attachment A

**UCF Audit and Compliance Committee Charter**

**1. Purpose**

The Audit and Compliance Committee (“Committee”) is appointed by the University of Central Florida Board of Trustees (“Board”) and assists the Board in discharging its oversight responsibilities. The committee oversees the following for the University of Central Florida (“University”) and its direct support organizations (“DSO”):

- internal control structure,
- independence and performance of internal and external audits and corrective actions plans,
- integrity of information technology infrastructure and data governance,
- independence and effectiveness of the compliance and ethics program,
- compliance with applicable laws and regulations,
- standards for ethical conduct,
- risk mitigation,
- and internal investigation processes.

**2. Membership**

The Committee will consist of at least three members of the Board of Trustees.

Members will be independent and objective in the discharge of their responsibilities and free of any financial, family, or other material personal relationship that would impair their independence from management and the University.

The Chair of the Board will appoint the chair, vice chair, and additional members of the Committee. Members will serve on the Committee until their departure from the Board, resignation, or replacement by the Chair of the Board.

**3. Experience and Education**

Members of the Committee should have professional experience and expertise in at least one of the following fields: post-secondary education, non-profit administration, law, banking, insurance and financial services, finance, accounting, financial reporting, auditing, risk management, or information technology.

As requested, the University and outside resources, as directed by the committee, may provide the Committee with educational resources relating to the Committee in maintaining and enhancing an appropriate level of financial and compliance literacy.

**4. Meetings**

The Committee will meet as needed to address matters on its agenda, but not less frequently than three times each year.

A majority of the members of the Committee will constitute a quorum for the transaction of business.

Meeting agendas will be prepared jointly by the Committee chair, the chief audit executive, and the chief compliance and ethics officer taking into account recommendations from Committee members. Meeting agendas and appropriate briefing materials will be provided in advance to Committee members.

The Committee will maintain written minutes of its meetings.

The Committee may ask members of management or other individuals to provide pertinent information as necessary. In addition, the Committee may request special reports from University or DSO management on topics that may enhance its understanding of its activities and operations.

In addition to scheduled meetings of the full Committee, the Committee chair will meet with the chief audit executive and chief compliance and ethics officer on a regular basis or as needed.

The Committee is subject to Florida's Government in the Sunshine Law, as set forth in Chapter 286, Florida Statutes. The Sunshine Law extends to all discussions and deliberations as well as any formal action taken by the Committee.

## **5. Authority**

The Board authorizes the Committee to:

- Perform activities within the scope of its charter.
- Have unrestricted access to management, faculty, and employees of the University and its DSOs, as well as to all their books, records, and facilities.
- Study or investigate any matter related to audit, compliance, or related concerns such as potential fraud or conflicts of interest that the Committee deems appropriate.
- Engage independent counsel and other advisers as it deems necessary to discharge its duties.
- Provide oversight and direction of the internal auditing function, of external auditors, and of engagements with state auditors.
- Provide oversight and direction of the institutional compliance, ethics, and risk program, and be knowledgeable of the program with respect to its implementation and effectiveness.
- Perform other duties as assigned by the Board.

## **6. Roles and responsibilities**

With regard to each topic listed below, the Committee will:

#### **A. Internal Controls and Financial Statements**

- Evaluate the overall effectiveness of the internal control framework by reviewing audit reports and open audit issue status updates and investigation memorandum to determine if recommendations made by the internal and external auditors have been implemented by management.
- Make inquiries of management and the external auditors concerning the effectiveness of the University's system of internal controls.
- Determine whether the external auditors are satisfied with the disclosure and content of the financial statements, including the nature and extent of any significant changes in accounting principles.
- Review management's written responses to significant findings and recommendations of the auditors, including the timetable to correct weaknesses in the internal control system.
- Review the adequacy of accounting, management, and financial processes of the University and its DSOs.
- Review the financial reporting process implemented by management of the University and its DSOs.
- Review University and DSO management processes for ensuring the transparency of the financial statements and the completeness and clarity of the disclosures.

#### **B. External Audit**

- Receive and review audits by the State of Florida Auditor General.
- Receive and review audits of the direct support organizations and component units.
- Review and contract with external auditors for special audits or reviews related to the University's affairs and report the results of any such special projects to the Board.

#### **C. Internal Audit**

- Review the independence, qualifications, activities, performance, resources, and structure of the internal audit function and ensure no unjustified restrictions or limitations are made.
- Review the effectiveness of the internal audit function and ensure that it has appropriate standing within the University.
- Ensure that significant findings and recommendations made by the internal auditors and management's proposed response are received, discussed, and appropriately dispositioned.

- Review the proposed internal audit plan for the coming year or the multi-year plan and ensure that it addresses key areas of risk based on risk assessment procedures performed by Audit in consultation with management and the Committee.
- Obtain reports or notification concerning financial fraud resulting in losses in excess of \$10,000 or involving a member of senior management.

#### **D. Data Integrity**

- Review the adequacy of the university's information technology management methodology with regards to internal controls, including applications, systems, and infrastructure.
- Review the adequacy of the university's data management policies and procedures to ensure data security and data integrity in institutional reporting.

#### **E. Compliance and Ethics Program**

- Review and approve the Compliance Program Plan and any subsequent changes.
- Review the independence, qualifications, activities, resources, and structure of the compliance and ethics function and ensure no unjustified restrictions or limitations are made.
- Review the effectiveness of the compliance and ethics program in preventing or detecting noncompliance, unethical behavior, and criminal misconduct and ensure that it has appropriate standing and visibility across the University.
- Ensure that significant findings and recommendations made by the chief compliance and ethics officer are received, discussed, and appropriately dispositioned.
- Ensure that procedures for reporting misconduct, or ethical and criminal violations are well publicized and administered and include a mechanism that allows for anonymity or confidentiality, whereby members of the university community may report or seek guidance without the fear of retaliation.
- Review the effectiveness of the system for monitoring compliance with laws and regulations and management's investigation and follow-up (including disciplinary action) of any wrongful acts or non-compliance.
- Review the proposed compliance and ethics work plan for the coming year and ensure that it addresses key areas of risk and includes elements of an effective program as defined by Chapter 8 of the Federal Sentencing Guidelines.
- Obtain regular updates from the chief compliance and ethics officer regarding compliance and ethics matters that may have a material impact on the organization's financial statements or compliance policies.
- Review the findings of any examinations or investigations by regulatory bodies.

- Review the University and DSO conflict of interest policies to ensure that: 1) the term "conflict of interest" is clearly defined, 2) guidelines are comprehensive, 3) annual signoff is required, and 4) potential conflicts are adequately resolved and documented.

#### **G. Reporting Responsibilities**

- Regularly update the Board about its activities and make appropriate recommendations.
- Ensure the Board is aware of matters that may cause significant financial, legal, reputational, or operational impact to the University or its DSOs.
- Receive a summary of findings from completed internal and external audits and the status of implementing related recommendations.
- Receive a summary of findings from completed reports related to the compliance, ethics, or risk programs.

#### **H. Evaluating Performance**

- Evaluate the Committee's own performance, both of individual members and collectively, on a periodic basis and communicate the results of this evaluation to the Board.
- Review the Committee's charter annually and update as necessary.
- Ensure that any changes to the charter are discussed with the Board and reapproved.

**ITEM: AUDC-2**

**University of Central Florida  
Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** Revision of Internal Audit Charter

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Approve revisions to the internal audit charter.

**BACKGROUND INFORMATION**

The internal audit charter is required by the International Standards for the Professional Practice of Internal Auditing. The charter is a formal document that defines the internal audit activity's purpose, authority, and responsibility; establishes the internal audit activity's position within the organization; authorizes access to records, personnel, and physical properties relevant to the performance of audit work; and defines the scope of internal audit activities. The most recent internal audit charter was approved in October 2015.

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**Supporting documentation:** Attachment B: UCF Internal Audit Charter

**Prepared by:** Robert Taft, Chief Audit Executive

**Submitted by:** Robert Taft, Chief Audit Executive

Attachment B  
**DRAFT**

**INTERNAL AUDIT CHARTER**

***A. Purpose and Mission***

University Audit serves as the university's internal auditor, providing internal audits and reviews, management consulting and advisory services, investigations of fraud and abuse, follow-up of audit recommendations, evaluation of the processes of risk management and governance, and coordination with external auditors. University Audit will escalate and report the results of this work to appropriate internal and external parties including the president and board of trustees.

The mission of the office is to serve the university by recommending actions to assist them in achieving its strategic and operational objectives. This assistance includes providing recommendations to management of activities designed and implemented by management to strengthen internal controls, reduce risk to and waste of resources, and improve operations to enhance the performance and reputation of the university. In addition, University Audit assists the Audit and Compliance Committee of the Board of Trustees in accomplishing its oversight responsibilities in accordance with UCF Board of Trustee and Florida Board of Governors guidelines and regulations.

***B. Definition and Role of Internal Auditing***

According to the Institute of Internal Auditors (IIA):

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes." Under the IIA "Three Lines of Defense" model, Internal Audit serves as "the third line of defense" as noted below:

The first line of defense is provided by front line staff and operational management. The systems, internal controls, the control environment and culture developed and implemented by these business units is crucial in anticipating and managing operational risks.

The second line of defense is provided by the risk management and compliance functions. These functions provide the oversight and the tools, systems and advice necessary to support the first line in identifying, managing, and monitoring risks.

The third line of defense is provided by the internal audit function. This function provides a level of independent assurance that the risk management and internal control framework is working as designed.

### *C. Reporting Structure and Independence*

University Audit reports administratively to the president and the vice president and executive chief of staff, and functionally to the Audit and Compliance Committee of the Board of Trustees. This reporting structure promotes independence and full consideration of appropriate responses to audit recommendations and implementation of management action plans.

All internal audit activities shall remain free of influence by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of an independent and objective mental attitude necessary in rendering reports.

To maintain its independence in accordance with serving as the “third line of defense” University Audit is **not authorized** to:

- Perform any operational duties (such as implementing or performing internal controls, developing university-wide or department level procedures, installing systems or preparing records or tendering legal opinions) for the areas of the university or any affiliated organizations external to the department.
- Initiate or approve accounting transactions or selection of third-party vendors external to the department.
- Direct the activities of any university employee not employed by University Audit, except to the extent such employees have been appropriately assigned to auditing teams or to

otherwise assist the internal audit staff during the course of audit work in providing requested documentation or clarification of university processes and practices.

#### ***D. Authority***

University Audit has the authority to audit or investigate all areas of the university, including its direct support organizations, auxiliary facilities and services, faculty practice plan corporations, and other component units. Audits, reviews, and investigations shall not be restricted or limited by management, the president, or the board of trustees.

University Audit has unrestricted and timely access to records, data, personnel, and physical property relevant to performing audits, reviews, investigations, and consulting services. Documents and information given to internal auditors will be handled in the same prudent and confidential manner as by those employees normally accountable for those records. As required by law, University Audit will comply with the Florida Sunshine Law and public record requests.

University Audit will notify the chair of the board of trustee's Audit and Compliance Committee or the president as appropriate, of any unresolved restriction, barrier or limitation to obtaining necessary information to perform their duties. If the university is not able to remedy such limitations, the chief audit executive shall timely notify the Board of Governors (through the OIGC) of any such restriction, barrier or limitation.

#### ***E. Duties and Responsibilities***

University Audit performs three types of projects:

- Perform audits and reviews according to the risk-based annual plan, which is submitted to the president and the Audit and Compliance Committee. Audits are assurance services defined as examinations of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Examples include financial, operational performance, compliance, systems and data security and due diligence engagements relating to vendors and third-party relationships.

- Consulting services, the nature and scope of which are agreed to with the client, are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility. Examples include reviews, recommendations (advice), facilitation of and providing guidance relating to management's control self-assessment initiatives, identification of leading practices, and providing training to the university community in areas such as fraud awareness, risk management, internal controls and other related subject matter.
- Investigations are independent evaluations of allegations generally focused on improper activities including misuse of university resources, fraud, financial irregularities, and academic integrity concerns along with research misconduct. Management will also be informed of any identified significant control weaknesses such as management override of controls along with unethical behavior, lack of academic integrity, failure to provide adequate oversight, or similar types of actions. In conjunction with performance of or participation in investigations across the university community, University Audit is responsible for determining whether allegations associated with an investigation fall under the State of Florida Whistle-blower Act in accordance with sections 112.3187-112.31895, Florida Statutes. In addition, as noted in Florida Board of Governors Regulation 4.002 State University Chief Audit Executives, University Audit is responsible to review statutory whistle-blower information and coordinate all activities of the university as required by the Florida Whistle-blower's Act.

When performing any of these activities, University Audit will focus on:

- a) Evaluating the economy, efficiency and effectiveness in the administration of university programs and operations
- b) Recommending adjustments to existing internal controls to enhance the prevention and detection of fraud and abuse within university programs and operations

- c) Examine the validity of significant and credible allegations relating to waste, fraud or financial mismanagement as provided in Board of Governors Regulation 4.001

Audits will be scheduled and performed according to the risk-based annual plan, which is submitted to the president, the Audit and Compliance Committee and the Florida Board of Governors. The plan will be updated as necessary to reflect changes in the university's strategic plan, program initiatives, and external environmental factors along with accommodating requests from the Board of Trustees and university management. Consulting services and investigations will be scheduled and performed on a case-by-case basis.

Follow-up on open audit issues will be performed on a regular basis to evaluate management's progress in implementing internal audit recommendations generated by all audit department projects as defined above.

In addition, University Audit will work with third parties such as the State University System of Florida Board of Governors, the Florida Auditor General, external auditors (public accounting firms), and relevant federal, state and local government agencies to discuss internal control-related activities and provide requested information.

To help ensure University Audit has the capabilities to perform these functions, the department will:

- use existing or request additional funds to maintain a professional staff with sufficient size, knowledge, skills, experience, and professional certifications along with obtaining appropriate technology that increases the department's capabilities, productivity and efficiency ,
- use third-party resources (i.e. co-sourcing) as appropriate to supplement the department's efforts and
- establish a quality assurance improvement program of internal auditing for the office of chief audit executive and the department as a whole. This program must include an

external assessment conducted at least once every five (5) years. The external assessment report and any related improvement plans shall be presented to the board of trustees, with a copy provided to the Florida Board of Governors.

- prepare an annual report summarizing the activities of the department for the preceding fiscal year, the office's plans and resource requirements, including significant changes, and the impact of resource limitations for distribution to the president, board of trustees and Florida Board of Governors.
- report on a routine basis (through written or verbal means) to the Audit and Compliance Committee and/or the full board of trustees on matters including significant risk exposures, control issues, fraud risks, governance issues and other matters as requests by the president and/or the board of trustees.

F. ***Professional Standards***

University Audit adheres to the Code of Ethics and the *International Standards for the Professional Practice of Internal Auditing* adopted by The Institute of Internal Auditors. In addition, this charter will be reviewed and approved at least every three (3) years for consistency with applicable Florida Board of Governors and university regulations, professional standards, and industry best practices.

***Approved by the UCF Board of Trustees Audit and Compliance Committee TBD.***

**ITEM: AUDC-3**

**University of Central  
Florida Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** Board of Governors' Performance-based Funding Data Integrity Certification  
Audit Report

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Accept University Audit's report on the Board of Governors Performance-based Funding Data Integrity Certification Process

**BACKGROUND INFORMATION**

As an annual requirement, University Audit has performed an audit of UCF's processes to ensure the completeness, accuracy, and timeliness of data submissions relating to Board of Governors' performance funding metrics.

The results of this audit are to be accepted by the committee including any identified corrective action plans. After acceptance by the committee, the report shall be submitted to the Board of Governors' Office of Inspector General and Director of Compliance no later than March 15, 2017.

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**Supporting documentation:** Attachment C: Board of Governors' Performance-based Funding Data Integrity Certification Process Audit Report

**Prepared by:** Robert Taft, Chief Audit Executive, University Audit

**Submitted by:** Robert Taft, Chief Audit Executive, University Audit

Attachment C

UNIVERSITY AUDIT

AUDIT 338  
NOVEMBER 14, 2016

PERFORMANCE BASED  
FUNDING  
DATA INTEGRITY

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AUDIT OF INTERNAL CONTROLS AND COMPLIANCE  
AS OF SEPTEMBER 30, 2016



UNIVERSITY OF CENTRAL FLORIDA

This work product was prepared in accordance with the International Standards for the Professional Practice of Internal Auditing, as published by the Institute of Internal Auditors, Inc.



University Audit

*MEMORANDUM*

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TO: John C. Hitt  
President

FROM: Robert J. Taft  
Chief Audit Executive

DATE: November 14, 2016

SUBJECT: Audit of Performance Based Funding Data Integrity

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The enclosed report represents the results of our performance based funding data integrity audit.

We appreciate the cooperation and assistance of the Institutional Knowledge Management staff.

cc: Dale Whittaker  
M. Paige Borden  
Linda Sullivan  
Joel Hartman  
Board of Trustees Audit, Operations Review, Compliance, and Ethics Committee  
Rick Schell

### Background and Performance Objectives

Beginning in 2013-14, the Florida Board of Governors (BOG) implemented a performance based funding model which utilizes 10 performance metrics to evaluate the institutions on a range of issues, including graduation rates, job placement, cost per degree, and retention rates. According to information published by the BOG in May 2014, the following are key components of the funding model.

- For each metric, institutions are evaluated on either Excellence (a raw score) or Improvement (the percentage change from the prior year).
- Performance is based on data from one academic year.
- The benchmarks for Excellence are based on the BOG 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement are determined by the BOG after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and a proportional amount of institutional funding that would come from each university's recurring state base appropriation.

For 2016-17 funding, each university was evaluated on seven metrics common to all universities. The eighth metric applied to all institutions except New College, which had an alternate metric more appropriate to its mission. The ninth metric was chosen by the BOG, focusing on areas of improvement and the distinct missions of each university. The tenth metric was chosen by each university's Board of Trustees from the remaining metrics in the University Work Plan. UCF's metrics were:

1. percent of bachelor's graduates employed full-time (with a salary greater than \$25,000) or continuing their education within the U.S. one year after graduation
2. median wages of bachelor's graduates employed full-time in Florida one year after graduation
3. average cost per bachelor's degree (instructional costs to UCF, not tuition costs to students)
4. six-year graduate rate (full-time and part-time, first time in college students)
5. academic progress rate (second year retention with a GPA greater than 2.0)
6. university access rate (percent of fall undergraduates with a Pell-grant)
7. bachelor's degrees awarded within programs of strategic emphasis
8. graduate degrees awarded within programs of strategic emphasis
9. percent of bachelor's degrees without excess hours
10. number of bachelor's degrees awarded annually

### Audit Objectives and Scope

At the request of the Florida Board of Governors, we have conducted an audit of the university's processes to ensure the completeness, accuracy, and timeliness of data submissions to the BOG and testing of underlying data that support performance funding metrics. Data submitted to the BOG and the methods and controls applied by university management necessary to ensure the integrity of the process were subject to several key audit procedures.

Specifically, the objectives of the audit were to review and test:

- the appointment of the data administrator by the university president and the duties listed in the data administrator's official position description
- the processes used by the data administrator to ensure the completeness, accuracy, and timely submission of data to the BOG
- documentation, including policies, procedures, and desk manuals, to assess whether they are adequate to ensure integrity of the university's data submissions to the BOG
- system access controls and user privileges to determine whether they are properly assigned and periodically reviewed to ensure data changes are made by authorized personnel
- data accuracy through independently recreating and verifying the completeness and accuracy of selected file submissions
- the veracity of the university data administrator's data submission statements that indicate, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007"
- the consistency of data submissions with the data definitions and guidance provided by the BOG through the data committee and communication at data workshops
- the university data administrator's data resubmissions to the BOG with a view toward ensuring these resubmissions are necessary, authorized, and appropriately limited

Our approach is to audit files related to four of the 10 measures each year so that all measures are tested twice within a five-year cycle. This year's testing including data files related to:

- percentage of bachelor's graduates enrolled or employed within the U.S. one year after graduation
- median wage of bachelor's graduates employed full-time in Florida one-year after graduation
- cost of bachelor's degrees
- bachelor's degrees awarded annually

### Overview of Results

Based on our audit, we have concluded that UCF's controls and processes are adequate to ensure the accuracy and completeness of data submitted to the BOG in support of performance based funding.

Further, we believe that our audit can be relied upon by the UCF Board of Trustees and president as a basis for certifying the representations made to the BOG related to the integrity of data required for the BOG performance based funding model.

**ITEM: AUDC-4**

**University of Central  
Florida Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** Performance-based Funding Data Integrity Certification Form

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Approval for submission of the Performance-based Funding Data Integrity Certification Form to the Board of Governors

**BACKGROUND INFORMATION**

As an annual requirement, UCF is required to complete a Performance-based Data Integrity Certification Form affirming the results of the completed audit report (AUDC-3) and that all representations included in the Performance Data Integrity Certification Form have been fulfilled.

This document is to be approved by the committee for subsequent signature by the university president and the UCF Board of Trustees Chair. After signature, it is to be submitted to the Board of Governors' Office of Inspector General and Director of Compliance no later than March 15, 2017.

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**Supporting documentation:** Attachment D: Board of Governors' Performance-based Funding Data Integrity Certification Form

**Prepared by:** Robert Taft, Chief Audit Executive, University Audit

**Submitted by:** Robert Taft, Chief Audit Executive, University Audit

Attachment D



STATE  
UNIVERSITY  
SYSTEM  
of FLORIDA  
Board of Governors

# Performance Based Funding

## March 2017 Data Integrity Certification

Name of University: University of Central Florida

**INSTRUCTIONS:** Please respond “Yes” or “No” for each representation below. Explain any “No” responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university’s collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	<input type="checkbox"/>	<input type="checkbox"/>	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	<input type="checkbox"/>	<input type="checkbox"/>	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	<input type="checkbox"/>	<input type="checkbox"/>	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	<input type="checkbox"/>	<input type="checkbox"/>	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	<input type="checkbox"/>	<input type="checkbox"/>	

## Performance Based Funding Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	<input type="checkbox"/>	<input type="checkbox"/>	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	<input type="checkbox"/>	<input type="checkbox"/>	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	<input type="checkbox"/>	<input type="checkbox"/>	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing <b>Submit for Approval</b> represents electronic certification of this data per Board of Governors Regulation 3.007."	<input type="checkbox"/>	<input type="checkbox"/>	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	<input type="checkbox"/>	<input type="checkbox"/>	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations - from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	<input type="checkbox"/>	<input type="checkbox"/>	

## Performance Based Funding Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
<p>I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.</p> <p>Certification: _____ Date _____                      President</p>			
<p>I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.</p> <p>Certification: _____ Date _____                      Board of Trustees Chair</p>			

**ITEM: AUDC-5**

**University of Central  
Florida Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** Internal Compliance, Ethics, and Risk Charter

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Approve the charter for University Compliance, Ethics, and Risk Office and program.

**BACKGROUND INFORMATION**

The University Compliance, Ethics, and Risk office provides centralized and coordinated oversight of the university's ethics, compliance, and risk mitigation efforts. The charter formally defines the purpose, authority, and responsibility of the office and staff. It further establishes the programs position within the organization, authorizes access to records, personnel, and physical properties, and defines the scope of compliance, ethics, and risk activities. The charter was revised to include the requirements of the new Board of Governors Regulation 4.003 State University System Compliance and Ethics Programs.

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**Supporting documentation:** Attachment E: University Compliance, Ethics, and Risk Charter

**Prepared by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer

**Submitted by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer

Attachment E

## UNIVERSITY COMPLIANCE, ETHICS, AND RISK CHARTER

### **Purpose and Mission**

University Compliance, Ethics, and Risk provides oversight and guidance to university-wide ethics, compliance, and enterprise risk management activities, and fosters a culture that embeds these disciplines in all university functions and activities. The office provides centralized and coordinated oversight through the ongoing development of effective policies and procedures, education and training, monitoring, communication, risk assessment, and response to reported issues as required by Chapter 8 of the Federal Sentencing Guidelines and Board of Governors Regulation 4.003. These guidelines and regulation set forth the requirements of an effective compliance and ethics program and require promoting compliance with laws and ethical conduct.

The mission of the office is to support and promote a culture of ethics, compliance, risk mitigation, and accountability.

### **Reporting Structure and Independence**

University Compliance, Ethics, and Risk reports administratively to the president and the vice president and executive chief of staff, and functionally to the Audit and Compliance Committee of the Board of Trustees. This reporting structure promotes independence and full consideration of compliance, ethics, and risk recommendations and action plans.

The chief compliance and ethics officer and staff shall have organizational independence and objectivity to perform their responsibilities and all activities of the office shall remain free from influence.

### **Authority**

University Compliance, Ethics, and Risk has the authority to review or investigate all areas of the university, including its direct support organizations and faculty practice plan. Reviews and investigations shall not be restricted or limited by management, the president, or the Board of Trustees. University Compliance, Ethics, and Risk has unrestricted and timely access to records, data, personnel, and physical property relevant to performing compliance reviews and investigations, and to allow for appropriate oversight and guidance related to compliance, ethics, and risk mitigation efforts.

The chief compliance and ethics officer will notify the president and request remediation of any unresolved restriction or barrier imposed by any individual on the scope of any inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry. If unresolved by the president or if the inappropriate restriction is imposed by the president, the chief compliance and ethics officer will notify the chair of the Audit and Compliance Committee of the Board of Trustees. If not resolved, the chief compliance and ethics officer will notify the Board of Governors through the Office of the Inspector General and Director of

Compliance.

Documents and records obtained for the above purposes will be handled in compliance with applicable laws, regulations, and university policies and procedures. As required by law, University Compliance, Ethics, and Risk will comply with public records requests.

### **Duties and Responsibilities**

The duties and responsibilities of the chief compliance and ethics officer and staff include projects and activities that fulfill the requirements for an effective compliance and ethics program as required by Chapter 8 of the Federal Sentencing Guidelines and Board of Governors Regulation 4.003. The University Compliance, Ethics, and Risk Program (Program) will be reasonably designed to optimize its effectiveness in preventing or detecting noncompliance, unethical behavior, and criminal conduct. The Program's design supports mitigation of risks to the university and its employees and provides safe harbor in the event of misconduct or noncompliance. The following elements define the duties and responsibilities of the office:

1. Oversight of Compliance and Ethics and Related Activities
2. Development of Effective Lines of Communication
3. Providing Effective Training and Education
4. Revising and Developing Policies and Procedures
5. Performing Internal Monitoring, Investigations, and Compliance Reviews
6. Responding Promptly to Detected Problems and Undertaking Corrective Action
7. Enforcing and Promoting Standards through Appropriate Incentives and Disciplinary Guidelines
8. Measuring Compliance Program Effectiveness
9. Oversight and Coordination of External Inquiries into Compliance with Federal and State Laws and Take Appropriate Steps to Ensure Safe Harbor

The chief compliance and ethics officer and staff will:

- Develop a Program plan based on the requirements for an effective program. The Program plan and subsequent changes will be provided to the board of trustees for approval. A copy of the approved plan will be provided to the board of governors.
- Provide training to university employees and Board of Trustees' members regarding their responsibility and accountability for ethical conduct and compliance with applicable laws, regulations, rules, policies, and procedures. The Program plan will specify when and how often this training will occur.
- Obtain an external review of the Program's design and effectiveness at least once every five years. The review and any recommendations for improvement will be provided to

the president and Board of Trustees. The assessment will be approved by the Board of Trustees and a copy provided to the Board of Governors.

- Identify and provide oversight and coordination of compliance partners responsible for compliance and ethics related activities across campus and provide communication, training, and guidance on the Program and compliance and ethics related matters.
- Administer and promote the UCF IntegrityLine, an anonymous mechanism available for individuals to report potential or actual misconduct and violations of university policy, regulations, or law, and ensure that no individual faces retaliation for reporting a potential or actual violation when such report is made in good faith.
- Maintain and communicate the university's policy on reporting misconduct and protection from retaliation and ensure the policy articulates the steps for reporting and escalating matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.
- Communicate routinely to the president and the board of trustees regarding Program activities. Annually report on the effectiveness of the Program. Any Program plan revisions, based on the chief compliance and ethics officer's report shall be approved by the Board of Trustees. A copy of the report and revised plan will be provided to the Board of Governors.
- Promote and enforce the Program, in consultation with the president and board of trustees, consistently through appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics. Failures in compliance and ethics will be addressed through appropriate measures, including education or disciplinary action.
- Initiate, conduct, supervise, coordinate, or refer to other appropriate offices such inquiries, investigations, or reviews deemed appropriate in accordance with university regulations and policies, state statutes, and/or federal regulations.
- Make necessary modification to the Program in response to detected non-compliance, unethical behavior, or criminal conduct and take steps to prevent its occurrence.
- Assist the university in its responsibility to use reasonable efforts to exclude within the university and its affiliated organizations individuals whom it knew or should have known through the exercise of due diligence to have engaged in conduct not consistent with an effective Program.
- Coordinate or request compliance activity information or assistance as necessary from any university, federal, state, or local government entity. Oversee and coordinate external inquiries into compliance with federal and state laws and take appropriate

steps to ensure safe harbor in instances of non-compliance.

University Compliance, Ethics, and Risk provides guidance on compliance, ethics, and related matters to the university community. The office collaborates with compliance partners and senior leadership to review and resolve compliance and ethics issues and coordinate compliance and ethics activities, accomplish objectives, and facilitate the resolution of problems.

To ensure University Compliance, Ethics, and Risk staff has the capabilities to perform the duties and responsibilities as described the chief compliance and ethics officer will:

- Maintain a professional staff with sufficient size, knowledge, skills, experience, and professional certifications
- Utilize third-party resources as appropriate to supplement the department’s efforts
- Perform assessments of the program and make appropriate changes and improvements

**Professional Standards**

University Compliance, Ethics, and Risk adheres to the *Florida Code of Ethics* and the *Code of Professional Ethics for Compliance and Ethics Professionals*.

*The University Compliance, Ethics, and Risk Charter will be reviewed at least every three years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. Subsequent changes will be submitted to the Board of Trustees for approval. A copy of the charter and any subsequent changes will be provided to the Board of Governors.*

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Chief Compliance and Ethics Officer  
University Compliance, Ethics, and Risk

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President

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Chair, Board of Trustees .....

**ITEM: INFO-1**

**University of Central Florida  
Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** Report on Conflict of Interest and Commitment Initiatives

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Information only.

**BACKGROUND INFORMATION**

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**Supporting documentation:** Attachment F: Report on Conflict of Interest and  
Commitment Initiatives

**Prepared by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer

**Submitted by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer

Attachment F



**Report on Conflict of Interest and Commitment Initiatives**

**October 31, 2016**

## Conflict of Interest and Commitment Initiatives

As a state institution and recipient of federal funds, the university must comply with state and federal requirements regarding the disclosure and management of conflicts of interest and commitment. The university is committed to conducting university business and activities with integrity and has developed policies and procedures to identify, manage, and when appropriate, remove potential and actual conflicts of interest and commitment.

This report contains conflict of interest and commitment initiatives completed from the date of our last report, August 8, 2015, to August 7, 2016.

1. **Compliance review.** The final compliance review report on the conflict of interest and commitment policies, procedures, and processes for the university, direct support organizations, and component unit was issued on September 19, 2014. The report contained improvement items; most were action items for our office with a few recommendations for other departments. The major accomplishment since our last report includes the implementation of an operational Research Conflict of Interest Committee. The outstanding items from the report include:

Item	Responsible Office	Status
Research exemption report to the governor and state legislature	Office of Research and Commercialization	Finalizing template for March 2017 submission
University policy addressing outside activities	Academic Affairs	In process
University policy on receipt of gifts and honoraria	University Compliance, Ethics, and Risk	Policy submitted for Policy and Procedures Committee review
UCF Policy 2-202.1 Foundation Solicitation of Charitable Gifts policy edit to include a process for employees accepting gifts on behalf of the university	UCF Foundation	Pending implementation of university gift and honoraria policy

2. **Compliance with online disclosure reporting.** The 2015-16 conflict of interest and commitment online disclosure year ended with 100% completion by all faculty and staff required to submit an online disclosure. Having added more than 400 new employees to the online disclosure requirement this conflict of interest and commitment disclosure year, we were still able to maintain an above 94% compliance rate with the 30-day submission requirement and an 81% compliance rate with the 60-day requirement for all reviewers.

This is the first year since the launch of the COI online reporting process in 2009 that UCF achieved a 100% compliance rate for submissions.

Our office serves as the final reviewer for all disclosures with reported outside activities. This year we reviewed 999 disclosures (an increase from 804 last year) and identified 60 disclosures requiring additional review (twice the number as last year) with some requiring the implementation of a monitoring plan.

Additionally, we reviewed 77 disclosures of employment of relatives for conflicts of interest and identified three unmanaged conflicts (a drop from 13 last year) for additional review and corrective action.

3. **Potential conflict reviews.** In addition to the online review of disclosures, our office conducted 96 reviews of potential conflicts of interest and provided guidance to employees and departments. We continued our review of state research exemption requests prior to sending to the provost, president, and chair of the Board of Trustee for approval as required by state statute. We also received and completed 68 reviews of potential conflicts of interest associated with the attendance at conferences or events sponsored by vendors, three times the number of reviews performed last year. We also responded to vendor requests for approval by the chief compliance and ethics officer of reduced or free conference fees, meals, or items provided by the vendor.

This year, we also expanded the annual online COI disclosure requirement to include all employees holding a position of director level and above. This group of employees are in addition to the positions of trust identified last year, and included more than 200 new employees subject to the online reporting requirement.

4. **Identification of reporting individuals under Florida statutes.** Individuals appointed or hired into positions that meet the state definition of a reporting individual are required to submit their first Statement of Financial Interest (Form 1) within 30 days. We continued our efforts with human resources this year to identify appointments and hires as they occur and provide employees with the first Form 1. We also continued the process of obtaining UCF employees' and trustees' Statement of Financial Interest Forms and collaborating with the UCF Purchasing Department for evaluation of potential conflicts of interests related to contracts and purchasing activities.
5. **Process and system improvements.** This year the office's improvement efforts were focused on reducing workload for administrators and reviewers. We added a feature within the conflict of interest and commitment form that queried payroll data to assist reviewers and reduce the manual efforts to review the question regarding the employment of relatives. We also collaborated with Human Resources System and Technology and Academic Affairs to implement designated position numbers for senior level department administrative appointments (i.e., dean, associated dean, chair, director, etc.) within PeopleSoft, to reduce the burden on the colleges and departments when a new senior administrator is appointed. Previously, administrative staff had to process an update for all faculty and staff to change their 'reports to' field when there was a change in administrator, which was a significant time burden for all departments involved.
6. **Awareness and training.** The following awareness and training activities were completed:
  - Developed and implemented a detailed communication plan for the 2015-16 conflict of interest and commitment online disclosure process that included guidance, training, and response to non-compliance.
  - Revised six training modules to reflect updates for the 2015-16 conflict of interest and commitment disclosure year and provided them to the faculty and staff as an online resource.
  - Continued to foster the relationship with the departmental conflict of interest coordinators. Provided training and consistent communication to coordinators throughout the disclosure process.
  - Developed and launched the first web course titled *Gifts and Honoraria* based on Florida's gift and vendor relationship laws for public officers and employees.

**ITEM: INFO-2**

**University of Central Florida  
Board of Trustees  
Audit, Operations Review, Compliance, and Ethics Committee**

**SUBJECT:** 2016-17 Work Plan Status of All Activities

**DATE:** December 14, 2016

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**PROPOSED COMMITTEE ACTION**

Information only.

**BACKGROUND INFORMATION**

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**Supporting documentation:** Attachment G: 2016-17 Work Plan Status of All Activities

**Prepared by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer

**Submitted by:** Rhonda L. Bishop, Chief Compliance and Ethics Officer

Attachment G



**2016-17 Work Plan  
Status of Activities – December 2016**

UCF's comprehensive compliance and ethics program is based on the elements of an effective compliance program set forth in Chapter 8 of the Federal Sentencing Guidelines. These requirements set forth an effective compliance and ethics program for organizations and require not only promoting compliance with laws, but also advancing a culture of ethical conduct. Federal agencies use these guidelines to determine the effectiveness of a compliance and ethics program, and to determine whether the existence of the program will provide safe harbor in the event of noncompliance.

**1. Oversight of Compliance and Ethics and Related Activities**

Promote accountability among UCF employees for compliance with applicable federal, state, and local laws and regulations, and appoint knowledgeable individuals responsible for developing and implementing a comprehensive compliance and ethics program.

**2. Develop Effective Lines of Communication**

Create communication pathways that allow the dissemination of education and regulatory information and provide a mechanism for reporting compliance activities or concerns.

**3. Conduct Effective Training and Education**

Educate the UCF community on its compliance responsibilities, regulatory obligations, and the university compliance and ethics program.

**4. Revise and Develop Policies and Procedures**

Revise or develop university regulations along with policies and procedures that reflect UCF's commitment to ethical conduct and compliance with applicable laws and regulations.

**5. Conduct Internal Monitoring and Compliance Reviews**

Identify and remediate noncompliance through proactive review and monitoring of risk areas.

**6. Respond Promptly to Detected Problems and Undertake Corrective Action**

Conduct timely investigations of allegations of noncompliance and provide guidance on corrective actions.

**7. Enforce and Promote Standards through Appropriate Incentives and Disciplinary Guidelines**

Promote the compliance and ethics program and university regulations, policies and procedures, and the consequences of noncompliance.

**8. Measure Compliance Program Effectiveness**

Evaluate the overall compliance and ethics culture of UCF and the performance of the University Compliance, Ethics, and Risk office.

**2016-17 Compliance and Ethics Work Plan  
Status of Activities – December 2016**

<b>1. Oversight of Compliance and Ethics and Related Activities</b>
<b>Coordinate and conduct bi-monthly meetings of the University Compliance and Ethics Advisory Committee</b>
<ul style="list-style-type: none"> <li>➤ Chaired the Compliance and Ethics Advisory Committee meeting in October 2016.</li> <li>➤ Introduced and welcomed four new members, provided an update on the annual report, culture survey, and annual work plan. Discussed the October 2016 edition of the <i>IntegrityStar</i> newsletter, Compliance and Ethics Week plans, and received updates from members on their compliance and ethics efforts.</li> </ul>
<b>Conduct quarterly meetings with compliance partners and senior leadership</b>
<ul style="list-style-type: none"> <li>➤ Met with vice presidents, key administrators, and compliance partners to provide updates on compliance and ethics initiatives and discuss any concerns or issues.</li> <li>➤ Provided quarterly Athletics compliance updates to the president and vice president and chief of staff.</li> <li>➤ Communicated the final outcome of the Department of Education’s review of the university’s compliance with the Clery Act.</li> </ul>
<b>Serve on and provide compliance guidance to the Title IX workgroup</b>
<ul style="list-style-type: none"> <li>➤ Provided guidance and support to the Title IX coordinator. Promoted green dot training, a nationally known Bystander Intervention program, and highlighted the Title IX coordinator (In the Spotlight) in latest edition of the <i>IntegrityStar</i>.</li> <li>➤ Served on and provided compliance guidance to the Title IX workgroup and Title IX policy committee.</li> <li>➤ Chaired the search committee for the Equal Opportunity and Affirmative Action director position that was vacated during this period.</li> </ul>
<b>Serve as a member of the Security Incident Response Team and provide guidance</b>
<ul style="list-style-type: none"> <li>➤ Served as a member of the Security Incident Response Committee and provided review and guidance associated with federal and state privacy and data breach requirements.</li> </ul>

<b>2. Develop Effective Lines of Communication</b>
<b>Prepare and distribute <i>IntegrityStar</i>, the compliance and ethics newsletter</b>
<ul style="list-style-type: none"> <li>➤ Developed the second and third editions of the <i>IntegrityStar</i> newsletter to include short training videos, articles on compliance and ethics, announcements on new or revised policies and regulations, training opportunities, and other related information.</li> <li>➤ Distributed the July 2016 edition and featured articles on gifts and honoraria, culture survey results, the university policy on reporting misconduct and protection from retaliation, and included a video and cartoon on retaliation.</li> <li>➤ Distributed the October 2016 edition and featured articles on Compliance and Ethics Week 2016, revisions to the Fair Labor Standards Act, and an article on ethics with a video and cartoon.</li> </ul>
<b>Administer and promote the UCF IntegrityLine</b>
<ul style="list-style-type: none"> <li>➤ Continued administration of the UCF IntegrityLine to include review, tracking of all reports, data compilation, trend review, and reporting.</li> <li>➤ Promoted the UCF IntegrityLine in the <i>IntegrityStar</i> newsletter; in compliance videos; in the Compliance, Ethics, and Risk pamphlet; on the Compliance, Ethics, and Risk website; on the websites of all compliance partners; and through distribution of custom IntegrityLine earbuds and wallet cards.</li> <li>➤ Provided UCF IntegrityLine wallet cards and pamphlets to all new employees during orientation.</li> </ul>
<b>Distribute compliance brief videos</b>
<ul style="list-style-type: none"> <li>➤ Acquired two new training videos on respecting others and phishing, and used the videos during the Compliance and Ethics Week training sessions in November 2016.</li> <li>➤ Distributed a retaliation training video to all employees in the July 2016 edition of the <i>IntegrityStar</i> newsletter and an ethics training video in the October 2016 edition.</li> </ul>
<b>Maintain and promote the compliance and ethics website</b>
<ul style="list-style-type: none"> <li>➤ Promoted the website in the Compliance, Ethics, and Risk pamphlets distributed to all new employees and faculty.</li> <li>➤ Updated the website to include the two new editions of the <i>IntegrityStar</i> newsletter, updated the conflict of interest page, posted additional resources, and revised the compliance matrix to include changes to compliance partners.</li> </ul>

<b>3. Conduct Effective Training and Education</b>
<b>Provide training on ethical leadership and avoiding conflicts of interest to the Student Government Association, Leadership Enhancement Program, and Supervisory Skills Series program</b>
<ul style="list-style-type: none"> <li>➤ Served as a panel member in November 2016 training for the Leadership Enhancement Program hosted by the Office of Diversity and Inclusion, and held several meetings with candidates in the program between July and December 2016.</li> <li>➤ Provided two training sessions on ethical leadership in September 2016 to the Student Government Association.</li> </ul>
<b>Conduct Clery Act compliance training and develop an online module</b>
<ul style="list-style-type: none"> <li>➤ Developed and conducted sessions of Clery Act training for Housing and Residence Life in October and December 2016.</li> <li>➤ Provided training of the Clery Act to the regional campuses leadership in October 2016.</li> </ul>
<b>Launch second annual Compliance and Ethics week awareness campaign</b>
<ul style="list-style-type: none"> <li>➤ Scheduled compliance and ethics awareness activities during November 7-10, 2016.</li> <li>➤ Hosted two brown bag lunch and learn training sessions with compliance partners in the Equal Opportunity and Affirmative Action office and the Information Security Office. Trainings titled Respecting Others were held on November 9, 2016, and Information Security on November 10, 2016.</li> <li>➤ Developed and launched an online crossword puzzle to all employees on November 7, 2016, and awarded 12 employees with a customized UCF padfolio and UCF IntegrityLine candy jar.</li> </ul>
<b>Launch an online ethics training module</b>
<ul style="list-style-type: none"> <li>➤ Drafted ethics training based on the office’s in-person ethics training. Review and edits in progress.</li> </ul>
<b>Develop an online training module for state employees covering state ethics law requirements</b>
<ul style="list-style-type: none"> <li>➤ Developed a preliminary draft based on the Florida Commission on Ethics Guide on the Code of Ethics for Public Officers and Employees.</li> </ul>

<b>Issue annual memo on Vulnerable Persons Act</b>
<ul style="list-style-type: none"> <li>➤ Annual Vulnerable Persons Act memo to mandatory reporters will be issued in March 2017.</li> </ul>
<b>Identify additional opportunities to develop and deliver compliance and ethics training</b>
<ul style="list-style-type: none"> <li>➤ Hosted a table at the New Faculty Orientation in August 2016 and the employee benefits fair in October 2016 to raise awareness of the office and provide education on the UCF IntegrityLine, conflict of interest and commitment reporting, and our <i>IntegrityStar</i> newsletter.</li> <li>➤ Distributed University Compliance, Ethics, and Risk pamphlets and wallet cards to faculty members and employees during their respective orientations.</li> <li>➤ Provided conflict of interest training to research administrators in a joint effort with the Office of Research &amp; Commercialization in September 2016. Training materials were posted online as part of an e-learning program for research administrators that will continue throughout the year.</li> <li>➤ Delivered customized conflict of interest and state ethics law overview to the new director of the Nicholson School in September 2016.</li> <li>➤ October 2016 provided grant administration training to faculty members of the College of Engineering &amp; Computer Science and the College of Sciences. This is an effort with the Office of Research &amp; Commercialization to ensure all employees who work with grants are properly trained in compliance.</li> </ul>
<b>Issue additional regulatory alerts and updates as appropriate</b>
<ul style="list-style-type: none"> <li>➤ Issued the annual communication to all faculty members and staff to remind them of the standards of conduct and reporting responsibilities under Florida ethics laws in October 2016.</li> </ul>
<b>4. Revise and Develop Policies and Procedures</b>
<b>Chair the University Policies and Procedures Committee and provide guidance on policy development</b>
<ul style="list-style-type: none"> <li>➤ Chaired the University Policies and Procedures Committee and provided coordination of the committee and management of the online Policies and Procedures Manual.</li> </ul>

<ul style="list-style-type: none"> <li>➤ Reviewed policies and procedures prior to submission for approval to the committee. To improve university policies and compliance, worked directly with departments and provided guidance and recommendations to improve content. Reviewed 12 policies that were brought to the committee for approval during two separate committee meetings.</li> <li>➤ Served on the UCF Health Sciences HIPAA Collaborative, a university-wide task force involved with the development of a single set of HIPAA Privacy and Security policies for the university.</li> </ul>
<p><b>Implement a university-wide Code of Conduct</b></p>
<ul style="list-style-type: none"> <li>➤ Drafted UCF Code of Conduct that summarizes the compliance and ethics program, expectations for ethical behavior, and the most important UCF policies and regulations in a reader friendly format to help educate employees on their responsibilities. Review and edits in progress.</li> </ul>
<p><b>Implement a gift and honoraria policy</b></p>
<ul style="list-style-type: none"> <li>➤ Policy was submitted through the University Policies and Procedures Committee process and is undergoing review for edit.</li> </ul>
<p><b>5. Conduct Internal Monitoring and Compliance Reviews</b></p>
<p><b>Manage university-wide conflict of interest and commitment processes</b></p>
<ul style="list-style-type: none"> <li>➤ Issued the outcome memo for the 2015-16 conflict of interest and commitment disclosure process to the provost in August 2016 announcing the 100% completion rate.</li> <li>➤ Developed and issued the annual conflict of interest and commitment report to the Audit, Operations Review, Compliance, and Ethics Committee dated October 2016.</li> <li>➤ Implemented communication plan for the 2016-17 conflict of interest and commitment online disclosure process in August 2016 and launched the new disclosure year on August 29, 2016. The office has reviewed and approved 785 online disclosures, with conflicts identified in 40 requiring a monitoring plan, and completed 230 reviews for the employment of relatives.</li> <li>➤ Conducted 33 reviews of potential conflicts of interest and provided guidance to employees and departments; reviewed 17 state research exemption requests submitted to the office prior to sending to the provost, president, and chair of the Board of Trustees for approval as required by state statute; and completed 43 reviews of potential conflicts of interest associated with the attendance at conferences or events sponsored by vendors.</li> </ul>

<b>Continue compliance partner reporting</b>
<ul style="list-style-type: none"> <li>➤ Compliance partner annual report template will be revised in early 2017 to collect the information necessary for the university-wide compliance and ethics annual report.</li> </ul>
<b>Review UCF IntegrityLine and department database for trends, risk areas, and address appropriately</b>
<ul style="list-style-type: none"> <li>➤ Identified a trend from closed cases and requests made to our office for assistance regarding compliance with sections of the state ethics laws.</li> <li>➤ Drafted and distributed a detailed summary of the state ethics laws in the annual October 2016 all-employee conflict of interest email.</li> </ul>
<b>6. Respond Promptly to Detected Problems and Undertake Corrective Action</b>
<b>Receive and evaluate UCF IntegrityLine reports and allegations of misconduct made directly to the office and conduct investigations</b>
<ul style="list-style-type: none"> <li>➤ Provided administration and oversight of the UCF IntegrityLine to include review and tracking of all reports until completion, data compilation, trend review, and reporting.</li> <li>➤ Received 29 reports of misconduct through the UCF IntegrityLine. Coordinated triage of reports with University Audit and the Equal Opportunity and Affirmative Action office. When appropriate, reports were referred to a compliance partner or University Audit for review or investigation. So far, 14 cases have been closed.</li> <li>➤ Received 14 allegations of misconduct directly to University Compliance, Ethics, and Risk and when appropriate conducted an investigation and provided recommendations for corrective actions and improvement of ethical conduct. Seven of these cases have been closed.</li> </ul>
<b>Provide recommendations for corrective actions and improvement of ethical conduct</b>
<ul style="list-style-type: none"> <li>➤ Provided recommendations for corrective actions and improvements of ethical conduct to the appropriate authorities following investigations.</li> </ul>

<b>7. Enforce and Promote Standards through Appropriate Incentives and Disciplinary Guidelines</b>
<b>Develop and promote compliance and ethics incentive opportunities</b>
<ul style="list-style-type: none"> <li>➤ Offered incentives to employees for participation in Compliance and Ethics week activities in November 2016.</li> <li>➤ Created a section in the <i>IntegrityStar</i> newsletter to recognize employees for their outstanding efforts in compliance and ethics. Recognized employees in the July and October 2016 editions.</li> </ul>
<b>Promote awareness of UCF regulations, policies and procedures, and regulatory requirements</b>
<ul style="list-style-type: none"> <li>➤ July and October 2016 editions of the <i>IntegrityStar</i> newsletter highlighted new and revised UCF policies and regulations.</li> <li>➤ Continued to featured policies and regulations throughout <i>IntegrityStar</i> articles, including an article from Human Resources on policy updates resulting from a change to the Fair Labor Standards Act.</li> <li>➤ Worked with the research office to facilitate the review and signature required for 17 state exemptions by the provost, president, and chair of the Board of Trustees.</li> </ul>
<b>Promote accountability and consistent discipline</b>
<ul style="list-style-type: none"> <li>➤ Recommended to the appropriate authorities consistent discipline that ensured accountability following investigations with outcomes of substantiated employee misconduct.</li> </ul>
<b>8. Measure Compliance Program Effectiveness</b>
<b>Develop and issue the University Compliance, Ethics, and Risk Annual Report</b>
<ul style="list-style-type: none"> <li>➤ Compliance partners will submit annual reports in July 2017 for consolidation with the activities of University Compliance, Ethics, and Risk to issue the 2017 annual report.</li> </ul>

**Interpret Compliance and Ethics Culture Survey results and implement action plan to address weaknesses**

- Culture survey results were included in the July 2016 edition of the *IntegrityStar* newsletter.
- Formal report with action plan issued to the Audit, Operations Review, Compliance, and Ethics Committee in September 2016.

**Develop, measure, and track department process improvement efforts using the university assessment process**

- Prepared and submitted the detailed results report on the 2015-16 outcomes and measures supporting the continuous improvement of several processes including the conflict of interest and commitment disclosure process, UCF IntegrityLine reporting, and the involvement of compliance partners in developing the comprehensive compliance and ethic program.
- Drafted a combined Assessment Plan for 2016-17 for the President's division.