



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Audit and Compliance Committee
April 12, 2017, 10:00-11:00 am
President's Board Room
Conference Call-In Phone #1-800-442-5797, passcode 463796**

AGENDA

- | | |
|--|---|
| I. CALL TO ORDER | Beverly Seay
<i>Chair; Audit and Compliance Committee</i> |
| II. ROLL CALL | Margaret Melli
<i>Executive Administrative Assistant of University Compliance, Ethics, and Risk</i> |
| III. MEETING MINUTES | |
| • Approval of the December 14, 2016, Audit and Compliance Committee meeting minutes | Chair Seay |
| IV. NEW BUSINESS | Chair Seay |
| • University Audit Update (INFO-1) | Robert Taft
<i>Chief Audit Executive</i> |
| • Amendment to University Regulation UCF-3.018 Conflict of Interest or Commitment; Outside Activity or Employment (AUDC-1) | Rhonda L. Bishop
<i>Chief Compliance and Ethics Officer</i>
Youndy C. Cook
<i>Deputy General Counsel</i> |
| • 2016-17 Work Plan Status of All Activities (INFO-2) | Rhonda L. Bishop |
| • SUS Program Status Checklist and Summary (INFO-3) | Rhonda L. Bishop |
| • University Compliance, Ethics, and Risk 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, 3rd Floor
December 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 9:00 a.m. Committee members Keith Koons and David Walsh were present.

MINUTES APPROVAL

The minutes of the September 14, 2016, Audit, Operations Review, Compliance, and Ethics Committee meeting were approved as submitted.

NEW BUSINESS

Audit and Compliance Committee Charter (AUDC-1)

Rhonda Bishop, Chief Compliance and Ethics Officer, and Robert Taft, Chief Audit Executive, presented an overview of the new Audit and Compliance Committee Charter. Updates incorporate the Board of Governors' new regulations 4.002 and 4.003; changing the committee name; changes to the auditing function; and development of the compliance and ethics program. The committee unanimously approved the charter.

University Audit Charter (AUDC-2)

Taft presented for approval the University Audit Charter with revisions that included changes called for by the Board of Governors' new regulations 4.001 and 4.002. The committee unanimously approved the charter.

Board of Governors' Performance-based Funding Data Integrity Certification Audit Report (AUDC-3)

Taft provided an outline of the Board of Governors' Performance-based Funding Data Integrity Certification Audit Report and the process involved for its acceptance. The committee unanimously accepted the report.

Performance-based Data Integrity Certification Form (AUDC-4)

Taft gave an update on the Performance-based Data Integrity Certification Form Audit Plan. The committee unanimously approved the plan.

Compliance, Ethics, and Risk Charter (AUDC-5)

Bishop presented for approval the Compliance, Ethics, and Risk Charter with revisions that included changes called for by the Board of Governors' new regulation 4.003. The committee unanimously approved the charter.

Conflict of Interest and Commitment Initiatives (INFO-1)

Bishop reported on the annual Conflict of Interest and Commitment Initiatives Report and the university's compliance with federal and state disclosure laws.

2016-17 Work Plan Status of All Activities (INFO-2)

Bishop provided an update of the 2016-17 Work Plan Status of All Activities.

Overview of Fair Labor Standards Act

Bishop introduced Maureen Binder, Associate Vice President and Chief Human Resources Officer, who provided an update on the Fair Labor Standards Act and the status of the Department of Labor's overtime rule at the university.

University Compliance, Ethics, and Risk program update

Bishop gave an update on the University Compliance, Ethics, and Risk program.

Athletics Compliance program update

Bishop stated that 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 affirming that UCF policies and practices conform to all NCAA regulations.

Chair Seay adjourned the Audit, Operations Review, Compliance, and Ethics Committee meeting at 10:31 a.m.

Respectfully submitted: _____
Robert Taft
Chief Audit Executive
Date _____

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

ITEM: INFO-1

**University of Central Florida
Board of Trustees
Audit and Compliance Committee**

SUBJECT: University Audit Update

DATE: April 12, 2017

PROPOSED COMMITTEE ACTION

Information only.

BACKGROUND INFORMATION

Supporting documentation: Attachment A: University Audit Update

Prepared by: Robert Taft, Chief Audit Executive

Submitted by: Robert Taft, Chief Audit Executive

Attachment A

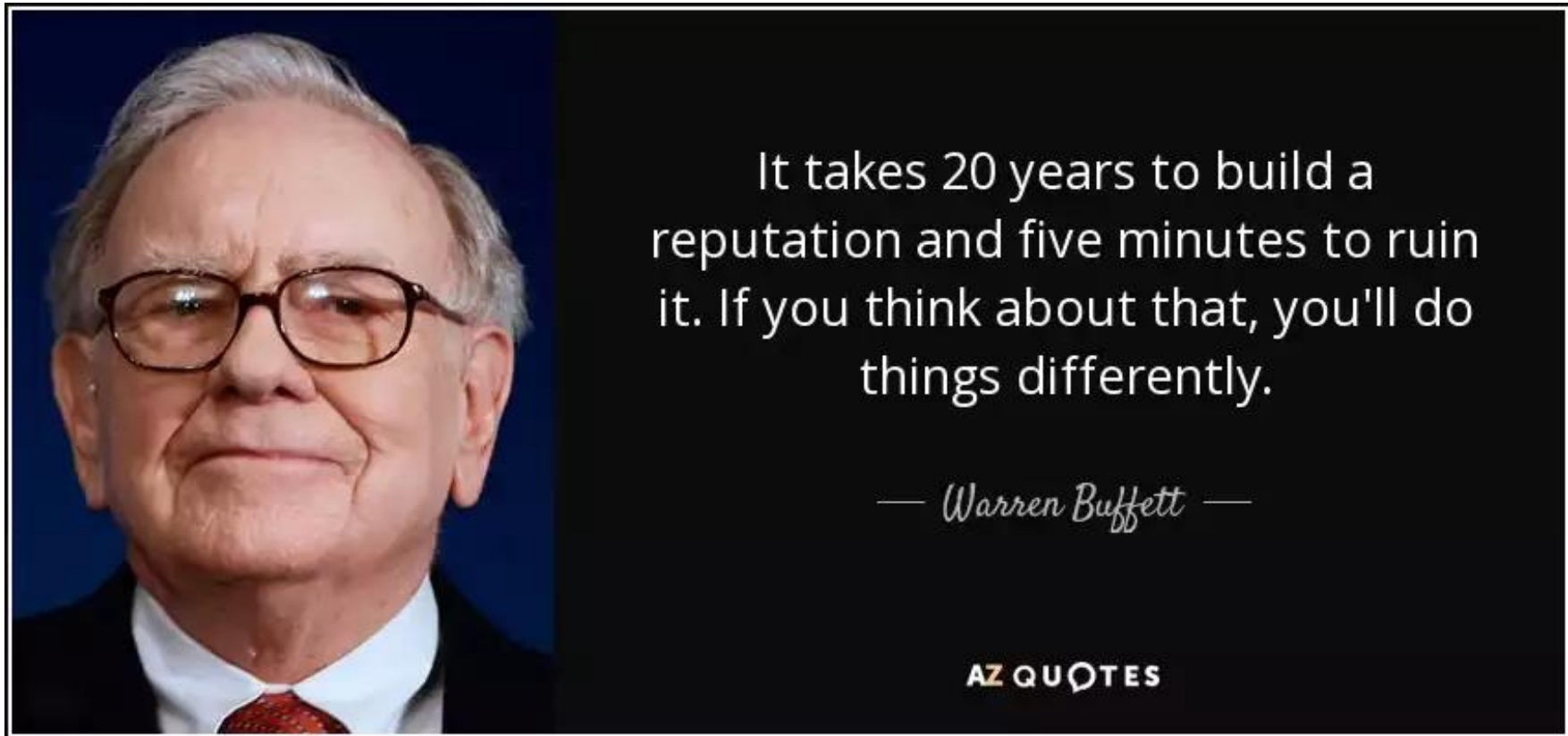
The State of the Department: University Audit

UCF Audit and Compliance Committee presentation

April 12, 2017



Quote of the Day



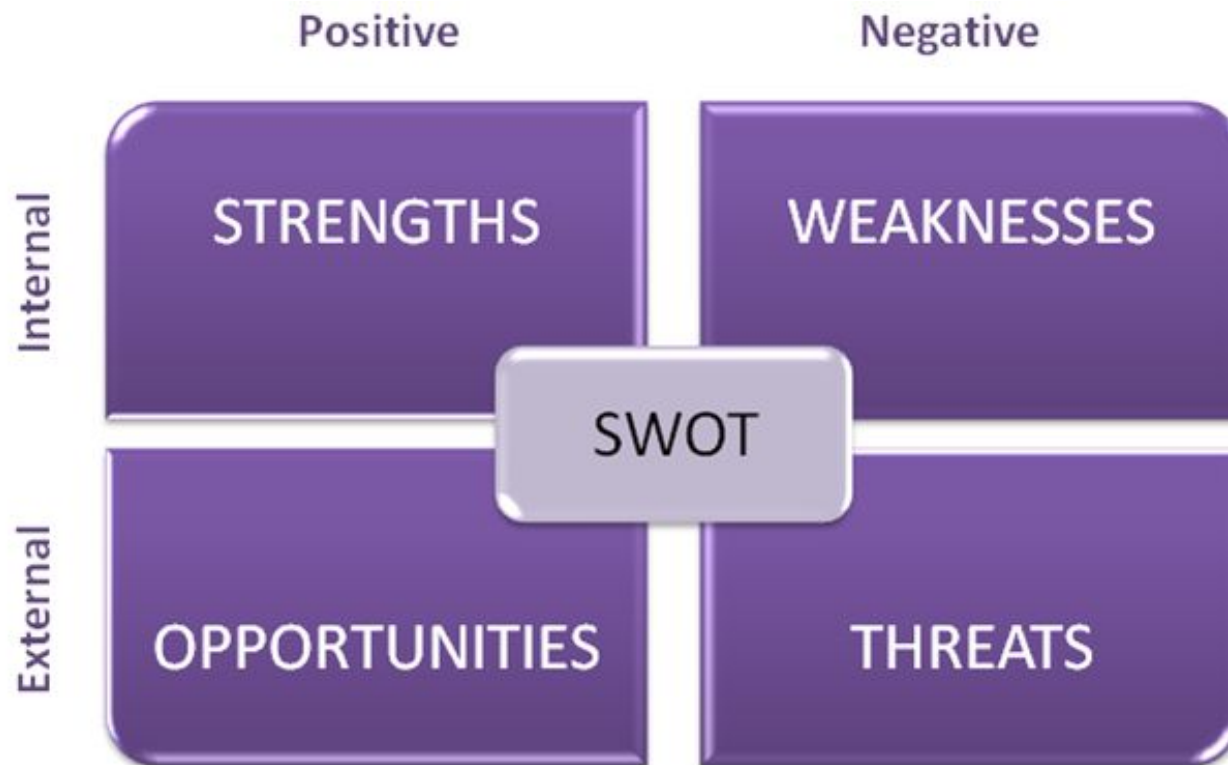
Agenda

1. SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats)
2. Audit Plan update
3. Audit watch lists

Overview of Activities

- Started as Chief Audit Executive in January 2014
- One staff change: Senior IT Auditor hired in March 2016
- Revised Audit Department Charter and our Committee Policy
- Development of UCF Internal Controls Policy
- Updating of UCF Fraud Prevention and Detection Policy
- Proposed policies:
 - Whistleblower Determination and Investigation policy
 - Direct Support Organization External Auditor Selection policy
- Completion of Microsoft Active Directory and Identity Management external consulting project
- Extensive use of third-party internal control frameworks
- Individual Development Plans and Department Skill Set Matrix

SWOT Analysis



Strengths

Concept

- Characteristics that give your business an advantage over others?
- What is your value proposition and how does it differentiate with your competitors?
- What do other perceive as your strengths?

Examples

- A. Experienced staff
- B. Centers of excellence
- C. Auditing up the organization
- D. Comprehensive and detailed approach
- E. Responsive and flexible

Weaknesses

Concept

- Internal characteristics that place the business at a disadvantage relative to others?
- What do your competitors do better than you?
- What do others perceive as your weaknesses?

Examples

- A. Need for speed
- B. Closing the loop
- C. Knowledge gaps
- D. “Trusted Advisor” or “Part of the Problem”

Opportunities

Concept

- What are the external elements your organization or function could exploit to its advantage?
- What trends, conditions that may positively impact you?

- A. Outreach efforts (committee and task force participation)
- B. Demand for audit services
- C. Identify and eliminate “Organizational Drag”
- D. Leverage time, talent, and energy
- E. Scale x Excellence = Impact

Threats

Concept

- What are the elements in the environment that could cause trouble for your business?
- What trends or conditions may negatively impact you?

- A. Staff turnover
- B. Increased regulatory requirements or Board of Governors oversight requests
- C. “Cyber weapon” proliferation
- D. Changes in business model, funding sources, and industry trends

Next Steps and Priorities

Shorter Term

- MK Insight audit management software implementation
- Direct Support Organization governance consulting project
- Balanced Scorecard development

Medium Term

- Audit Plan adjustments as necessary
- Preparation for external Quality Assurance Review

Audit Plan Update

Audits in Progress

- UCF Athletics Association, Inc.
- College of Optics and Photonics (CREOL)
- Facilities vendor bidding and selection process

Audits On Deck

1. Environmental Health and Safety
2. Academic Advising
3. Health Insurance Portability and Accountability Act (HIPAA)/Health Information Technology for Economic and Clinical Health Act (HITECH)
4. Sole Source purchasing

Emerging risks and items on our radar

Major initiatives

- Downtown campus
- BRIDG
- Research reorganization
- UCF IT centralization
- UCF Lake Nona Medical Center

Longer term decisions

- Deferred maintenance
- HR transformation
- Sustainability
- Vendor and joint venture arraignments
- Leverage new and existing revenue sources

Data, Data Everywhere

“The amount of video out there is outstripping our ability to sit down and watch it.” We project that by 2020, 95 percent of video or image content will never be viewed by humans, but instead will be vetted by machines that provide some degree of automated analysis.”

Nick Ingelbrecht: Gartner Group

“Every day, we create 2.5 quintillion bytes of data — so much that 90% of the data in the world today has been created in the last two years alone. This data comes from everywhere: sensors used to gather climate information, posts to social media sites, digital pictures and videos, purchase transaction records, and cell phone GPS signals to name a few. “

IBM Report: “This data is big data.”

Questions?



ITEM: AUDC-1

**University of Central Florida
Board of Trustees
Audit and Compliance Committee**

**SUBJECT: Amendments to University Regulation UCF-3.018 Conflict of Interest or
Commitment; Outside Activity or Employment**

DATE: April 12, 2017

PROPOSED COMMITTEE ACTION

Approve the attached amendments to existing university regulation UCF-3.018 Conflict of Interest or Commitment; Outside Activity or Employment.

BACKGROUND INFORMATION

Florida Board of Governors Regulation 1.001 provides that “Each Board of Trustees is authorized to promulgate University Regulations in accordance with the Regulation Development Procedure adopted by the Board of Governors.”

University Regulation UCF-3.018 is being amended to include additional Florida Code of Ethics language from Florida Statute 112.313(3) regarding university employees doing business with the university. The term “public employee” was also changed to “university employee” throughout. Additional minor changes have been incorporated into the regulation.

Supporting documentation: Attachment B: Proposed Amended Regulation UCF-3.018 (redline)

Prepared by: Youndy C. Cook, Deputy General Counsel

Submitted by: Scott Cole, Vice President and General Counsel

Attachment B

UCF-3.018 Conflict of Interest or Commitment; Outside Activity or Employment.

(1) Code of Ethics. The policies and requirements of Chapter 112, Part III, Florida Statutes, “Code of Ethics for Public Officers and Employees,” shall apply to all UCF employees whether or not they are members of a bargaining unit, and includes the following prohibited actions or conduct:

- (a) Solicitation and Acceptance of Gifts. ~~University~~~~Public~~ employees may not solicit or accept anything of value, such as a gift, loan, reward, promise of future employment, favor or service, that is based on an understanding that their vote, official action, or judgment will be influenced by such gift.
- (b) Unauthorized compensation. ~~University~~~~Public~~ employees, their spouses and minor children may not accept any compensation, payment, or thing of value when they know, or should know, that it is given to influence a vote or other official action.
- (c) Misuse of Public Position. ~~University~~~~Public~~ employees may not use or attempt to use their official position or any property or resource that is within his or her trust to obtain special privilege, benefit, or exemption for themselves or others.
- (d) Disclosure or Use of Information. ~~University~~~~Public~~ employees (including former employees) may not disclose or use information not available to the public and obtained by the reason of their position for their personal benefit.
- (e) Doing Business with One’s Agency. ~~University~~~~Public~~ employees acting in their official capacity are prohibited from directly or indirectly purchasing, renting, or leasing any realty, goods, or services for ~~the University~~~~their agency~~ from a business entity in which the employees or their spouses or children serve as an officer, partner, director, or proprietor, or own more than a 5% interest. Employees, acting in their private capacity, are also prohibited from renting, leasing, or selling any realty, goods, or services to the University.
- (f) Conflicting Employment or Contractual Relationship. ~~University~~~~Public~~ employees may not work for or contract with a business entity or agency regulated by or doing business with ~~the University~~~~their agency~~. ~~Public e~~Employees also may not work for or have a contractual arrangement which will impede the full and faithful discharge of his or her public duties. Employees may

Attachment B

not create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties.

- (g) Contractual Services: Prohibited Employment. ~~University~~~~Public~~ employees who participate in the decision-making process involving a purchase request, who influence the content of any specification or procurement standard, or who render advice, investigation, or auditing regarding ~~the University~~~~their agency~~'s contract for services, may not be employed by a person holding such a contract with ~~the University~~~~their agency~~.

Additionally, Florida Statute 104.31 states that ~~public~~ employees may not use their position to interfere with an election, to command, coerce, or advise any other employee to contribute towards any political purpose, or advise where he or she might purchase commodities or interfere in any other way with the personal right of employees. Further, ~~public~~ employees may not participate in any political campaign for an election while on duty.

(2) General.

- (a) This regulation applies to all University employees, irrespective of bargaining unit, pay plan, rank, or employment status.
- (b) University employees are expected to fully and competently perform all duties pertinent to their employment. Outside activity or employment which interferes with an employee's obligations to the university or which represents a conflict of interest or commitment is prohibited.
- (c) Employees are required to submit a report of their intention to participate in outside activity or employment in advance of such engagement; and to resubmit such report annually or as required by section (3), below. If in the opinion of the president, or representative, the outside activity or employment creates an actual or potential conflict of interest or interference with the employee's duties, the employee will be notified to resolve the conflict or to provide further information that will allow the university to adequately manage any actual or potential conflict.
- (d) Any employee who wishes to request the use of any university facility, equipment, personnel, or other university resources in connection with an outside activity or employment is required to submit a written request for such use, in

Attachment B

accordance with subsection (3) below. See also University Regulations UCF-4.029 - 4.0294 relating to use of university facilities.

(3) Submission of Reports.

- (a) Faculty, Executive Services, Post-doctoral employees, and select individuals identified in University positions of trust or other employee types engaged in the design, conduct, and reporting of research must submit a report of outside activity or employment and potential conflicts of interest or commitment at the beginning of each academic year, irrespective of whether the employee has any activity or employment to report, using Form AA-21, "Potential Conflict of Interest or Commitment; Outside Activity or Employment Report." This report must be resubmitted during the course of the reporting period should there be a change in activity, such as new outside activity or employment, substantial increase in the commitment required for an outside activity or employment, or change in relationships that could create a conflict of interest. This report should be submitted online using the reporting process set forth by the University Compliance, Ethics, and Risk Office and the Office of Research and Commercialization. Further information is available in the Faculty Handbook, as well as on the web sites for the University Compliance, Ethics, and Risk Office and the Office of Research and Commercialization.
- (b) All other employees must submit a report prior to the initiation of any outside activity or employment, using Form HR-11, "Report of Potential Conflict of Interest, Outside Activity/Employment." This form must be resubmitted during the course of the reporting period should there be a change in activity, such as new outside activity or employment, substantial increase in the commitment required for an outside activity or employment, or change in relationships that could create a conflict of interest.
- (c) Any employee who wishes to request the use of university facilities, equipment, or personnel in conjunction with an outside activity or employment must submit a written request for such use using the appropriate form. For Faculty, Executive Service, Post-doctoral employees, and select individuals identified in University positions of trust or other employee types engaged in the design, conduct, and

Attachment B

reporting of research, any such request should be included with the report on Form AA-21. All other employees must use Form HR-12, "Permission to Use University Personnel, Equipment, Facilities, Students, or Services." Failure to submit such a request constitutes specific lack of permission to use any university resources in conjunction with an outside activity or employment. Each request will be evaluated on its own merits. The university is under no obligation to grant any such request.

- (d) Reports submitted under this regulation will be reviewed at appropriate levels of supervision. If a potential or actual conflict of interest or commitment is identified, the employee will be notified to resolve the conflict. If the employee has additional information that would assist the University in reviewing such conflict, the employee bears the burden of making that information available to the University. The resolution to a potential or actual conflict of interest may require the employee to cease the outside activity or employment or to divest oneself of the interests that are creating the conflict.
- (e) The Florida Commission on Ethics also requires individuals who are identified under Florida Statute 112.3145 as reporting individuals, to submit to the Commission a disclosure of their financial interests within 30 days of appointment, annually by July 1, and within 60 days after leaving their position. Employees considered reporting individuals will be notified of their status by a member of the Human Resources Department.

(4) If an employee does not agree with a decision by the president or representative, the employee may request relief under the provisions of the applicable UCF grievance procedure, but must follow the University's directive while pursuing the grievance.

(5) Other Applicable Regulations. Any employee who accepts compensation for outside employment shall comply with the applicable requirements of Section 112.313, F.S., and University Regulation UCF-3.0032.

(6) Nothing contained in this regulation shall excuse any employee who engages in outside employment or other activities which constitute a conflict of interest or commitment. A determination by the university not to object to an outside activity or employment does not preclude a finding by the State Ethics Commission that the activity or employment is not in

Attachment B

accordance with all applicable laws and regulations respecting conflicts of interest. The employee's obligation to avoid conflicts of interest is a continuing one.

Authority: BOG Regulation 1.001. History—New 10-8-75, Amended 11-22-77, 4-30-81, 8-15-84, 11-4-90, Formerly 6C7-3.18, Amended 4-23-03, 10-30-07; Formerly 6C7-3.018, Amended 6-24-10, 3-13-14, 10-30-14, _____-17.

ITEM: INFO-2

**University of Central Florida
Board of Trustees
Audit and Compliance Committee**

SUBJECT: 2016-17 Work Plan Status of All Activities

DATE: April 12, 2017

PROPOSED COMMITTEE ACTION

Information only.

BACKGROUND INFORMATION

Supporting documentation: Attachment C: 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 C



University Compliance, Ethics and Risk Office

2016-17 Work Plan Status of Activities November 15, 2016 – March 22, 2017

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 – April 2017**

1. Oversight of Compliance and Ethics and Related Activities
Coordinate and conduct bi-monthly meetings of the University Compliance and Ethics Advisory Committee
<ul style="list-style-type: none"> ➤ Chaired the Compliance and Ethics Advisory Committee meeting in January 2017. ➤ Introduced and welcomed two new members, discussed conflict of interest disclosure, new training developed by the office, and compliance requirements in the Board of Governors Regulation 4.003 and the National Institute of Standards and Technology 800-171 requirements impacting federal grants. Discussed articles planned for the April 2017 edition of the <i>IntegrityStar</i> newsletter and received updates from members on their compliance and ethics efforts.
Conduct quarterly meetings with compliance partners and senior leadership
<ul style="list-style-type: none"> ➤ Met with vice presidents, key administrators, and compliance partners to provide updates on compliance and ethics initiatives and discuss any concerns or issues. ➤ Provided quarterly Athletics compliance update to the president and vice president and chief of staff.
Serve on and provide compliance guidance to the Title IX workgroup
<ul style="list-style-type: none"> ➤ Provided guidance and support to the Title IX coordinator, served on and provided compliance guidance to the Title IX workgroup and Title IX policy committee.
Serve as a member of the Security Incident Response Team and provide guidance
<ul style="list-style-type: none"> ➤ 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.

2. Develop Effective Lines of Communication
Prepare and distribute <i>IntegrityStar</i>, the compliance and ethics newsletter
<ul style="list-style-type: none"> ➤ Developed the April 2017 edition of the <i>IntegrityStar</i> covering the theme of respecting others and included articles by compliance partners. ➤ Included an article titled <i>Respect and Inclusion at UCF</i> by Karen Morrison, Chief Diversity Officer. ➤ Included an article titled <i>Harassment</i> by Nancy Myers, Director of Equal Opportunity and Affirmative Action. ➤ Developed the article <i>Discrimination Hurts Us All</i>, which is followed by a short video on respecting others and a cartoon that emphasizes how important all employees are to creating a respectful culture at UCF.
Administer and promote the UCF IntegrityLine
<ul style="list-style-type: none"> ➤ Continued administration of the UCF IntegrityLine to include review, tracking of all reports, data compilation, trend review, and reporting. ➤ Continued promoting 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. ➤ Continued providing UCF IntegrityLine wallet cards and pamphlets to all new employees during orientation.
Distribute compliance brief videos
<ul style="list-style-type: none"> ➤ Acquired a new training video on the subject of employment of relatives and posted the video on the office’s training website. ➤ Posted the respecting others and phishing training videos from the Compliance and Ethics Week training sessions to the office’s training website. ➤ Distributed the respecting others training video to all employees in the April 2017 edition of the <i>IntegrityStar</i> newsletter.
Maintain and promote the compliance and ethics website
<ul style="list-style-type: none"> ➤ Promoted the compliance and ethics website in the University Compliance, Ethics, and Risk pamphlets distributed to all new employees. ➤ Updated the website to include the April edition of the <i>IntegrityStar</i> newsletter, added additional videos to the training page, updated the organizational chart, and revised the compliance matrix to include changes to compliance partners.

3. Conduct Effective Training and Education
Provide training on ethical leadership and avoiding conflicts of interest to the Student Government Association, Leadership Enhancement Program, and Supervisory Skills Series program
<ul style="list-style-type: none"> ➤ Served as a mentor in the Leadership Enhancement Program (LEP) hosted by the Office of Diversity and Inclusion, attended LEP meetings, and met with the LEP mentee monthly.
Conduct Clery Act compliance training and develop an online module
<ul style="list-style-type: none"> ➤ Developed and conducted a session of Clery Act training for Housing and Residence Life in December 2016.
Launch second annual Compliance and Ethics week awareness campaign
<ul style="list-style-type: none"> ➤ Completed the Compliance and Ethics week awareness campaign and the campaign’s outcomes were reported in the December 2016 work plan status update. The campaign held November 7-10, 2016, included training sessions with compliance partners in the Equal Opportunity and Affirmative Action office and the Information Security office, an online crossword puzzle distributed to all employees, and prizes awarded to employees for participation.
Launch an online ethics training module
<ul style="list-style-type: none"> ➤ Ethics training module development is in progress.
Develop an online training module for state employees covering state ethics law requirements
<ul style="list-style-type: none"> ➤ Finalized the training titled <i>Potential Conflicts – Florida Code of Ethics for Public Officers and Employees</i>. Compliance partners currently reviewing the content and providing feedback.
Issue annual memo on Vulnerable Persons Act
<ul style="list-style-type: none"> ➤ Completed the Annual Vulnerable Persons Act memo that was issued March 22, 2017.

<p>Identify additional opportunities to develop and deliver compliance and ethics training</p>
<ul style="list-style-type: none"> ➤ Delivered in-person ethics training to Faculty and Academic Affairs staff in the College of Medicine. ➤ Developed and provided grant and contracts award administration training sessions to faculty and administrators within the College of Engineering and Computer Science and the College of Sciences. This is an ongoing training effort with the Research Compliance Office within Research & Commercialization to ensure all research faculty receive training in federal compliance requirements. ➤ Distributed University Compliance, Ethics, and Risk pamphlets and IntegrityLine wallet cards to employees during new employee orientation.
<p>Issue additional regulatory alerts and updates as appropriate</p>
<ul style="list-style-type: none"> ➤ Provided an overview to the president, vice presidents, and senior leadership on the new Board of Governors Regulation 4.003 for compliance programs and the new National Institute of Standards and Technology 800-171 requirements impacting federal programs. ➤ Communicated receipt of the NCAA close out letter removing UCF from probation and expectations for compliance.
<p>4. Revise and Develop Policies and Procedures</p>
<p>Chair the University Policies and Procedures Committee and provide guidance on policy development</p>
<ul style="list-style-type: none"> ➤ Chaired the University Policies and Procedures Committee. Provided coordination of the committee and management of the online Policies and Procedures Manual. ➤ Reviewed and edited policies and procedures prior to submission for approval to the committee. Worked directly with departments, provided guidance, and when needed revised policies to improve content and the communication of expectations to the university community. Reviewed and edited ten policies that were approved by the committee and president. ➤ 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. Provided guidance and communicated compliance expectations for development of policies.

Implement a university-wide Code of Conduct
<ul style="list-style-type: none"> ➤ Drafted a UCF Code of Conduct that summarizes the compliance and ethics program, expectations for ethical behavior, and highlights important UCF policies and regulations in a reader friendly format. The Code of Conduct educates new and existing employees on the university’s expectations and their responsibilities in the compliance program. ➤ Engaged an outside vendor to provide design input and develop the online template.
Implement a gift and honoraria policy
<ul style="list-style-type: none"> ➤ Submitted the draft policy for review through the University Policies and Procedures Committee process.
5. Conduct Internal Monitoring and Compliance Reviews
Manage university-wide conflict of interest and commitment processes
<ul style="list-style-type: none"> ➤ Monitored submissions for the 2016-17 disclosure process, conducted reviews, and worked with faculty or administrators to resolve potential conflicts. Tracked compliance rates and worked with Academic Affairs for address noncompliance. ➤ Conducted 18 reviews of potential conflicts of interest and provided guidance; reviewed one state research exemption request prior to sending to the provost, president, and chairman of the Board of Trustees for approval as required by state statute; and completed 37 reviews of potential conflicts of interest associated with the attendance at conferences or events sponsored by vendors.
Continue compliance partner reporting
<ul style="list-style-type: none"> ➤ Revised the compliance partner annual report template that identifies key dates and deadlines to better manage the consolidation of compliance partner annual reports with the activities of the University Compliance, Ethics, and Risk office.
Review UCF IntegrityLine and department database for trends, risk areas, and address appropriately
<ul style="list-style-type: none"> ➤ Included detailed guidance to 42 employees who disclosed an outside employment, contractual, and business ownership, in their online conflict of interest disclosures to increase awareness efforts on this section of statute.

<p>Special Project – Conducted the Biennial Review of the University’s Alcohol and Other Drugs Program</p>
<ul style="list-style-type: none"> ➤ As part of the university’s compliance with the federal Drug-Free Schools and Communities Act, every two years UCF must conduct a review of the Alcohol and Other Drug prevention program to assess program effectiveness and the consistency of policy enforcement. Organized and served as chair of the Biennial Review Committee, provided an overview of the compliance requirements to committee members, and provided guidance on the analysis and development of the report.
<p>6. Respond Promptly to Detected Problems and Undertake Corrective Action</p>
<p>Receive and evaluate UCF IntegrityLine reports and allegations of misconduct made directly to the office and conduct investigations</p>
<ul style="list-style-type: none"> ➤ Provided administration and oversight of the UCF IntegrityLine to include review and tracking of all reports until completion, data compilation, trend review, and reporting. ➤ Received 23 reports through the UCF IntegrityLine alleging misconduct. 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. During this time, seven cases were investigated and closed. ➤ Received one new allegation of misconduct directly to University Compliance, Ethics, and Risk. Conducted investigations on eight reports, closed seven and when appropriate provided recommendations for corrective actions and improvement of ethical conduct.
<p>Provide recommendations for corrective actions and improvement of ethical conduct</p>
<ul style="list-style-type: none"> ➤ Continued providing recommendations for corrective actions and improvements of ethical conduct to the appropriate authorities following investigations or requests for guidance. ➤ Worked with Human Resources to establish a process for consultation with the University Compliance, Ethics, and Risk office when background checks result in findings.

7. Enforce and Promote Standards through Appropriate Incentives and Disciplinary Guidelines
Develop and promote compliance and ethics incentive opportunities
➤ Continued efforts to recognize employees for their outstanding efforts in compliance and ethics in the <i>IntegrityStar</i> newsletter.
Promote awareness of UCF regulations, policies and procedures, and regulatory requirements
<ul style="list-style-type: none"> ➤ April 2017 edition of the <i>IntegrityStar</i> newsletter highlighted new and revised UCF policies and regulations. ➤ Distributed notice for policies posted for review for two policies.
Promote accountability and consistent discipline
➤ Recommended to the appropriate authorities consistent discipline to ensure accountability following investigations with outcomes of substantiated employee misconduct.
8. Measure Compliance Program Effectiveness
Develop and issue the University Compliance, Ethics, and Risk Annual Report
➤ Developed an annual report schedule that maps out key dates and deadlines to ensure issuance of the annual report in July 2017.
Interpret Compliance and Ethics Culture Survey results and implement action plan to address weaknesses
➤ Developed and implemented an action plan for increasing awareness of the office and the UCF IntegrityLine.
Develop, measure, and track department process improvement efforts using the university assessment process
➤ Continued efforts detailed in the 2016-17 Assessment Plan including the continuous improvement of several processes such as the conflict of interest and commitment disclosure process, UCF IntegrityLine reporting, and the involvement of compliance partners in developing the comprehensive compliance and ethics program.

ITEM: INFO-3

**University of Central Florida
Board of Trustees
Audit and Compliance Committee**

SUBJECT: SUS Program Status Checklist and Summary

DATE: April 12, 2017

PROPOSED COMMITTEE ACTION

Information only.

BACKGROUND INFORMATION

Supporting documentation: Attachment D: SUS Program Status Checklist and Summary

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

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



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
Area	Regulation Components	Completed	In Process			Not Begun
		✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A - University-wide Compliance Program	5	4	1	0	0	0
B - Program Plan	5	3	2	0	0	0
C - BOT Committee	4	4	0	0	0	0
D - Chief Compliance Officer	5	5	0	0	0	0
TOTAL	19	16	3	0	0	0

Legend:

- ✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.
- Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.
- Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).
- Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).
- N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A - University-wide Compliance Program		
Regulation Component	Description	Progress Indicator
A1 - University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	<p>January 2017: Description in narrative format The University Compliance, Ethics, and Risk program (Program) is fully implemented and based on Chapter 8 of the Federal Sentencing Guidelines and includes a focus on compliance and ethics. The elements for an effective program are used in the Compliance, Ethics, and Risk Office's (Office) charter, annual work plan, and annual compliance partner reporting. Additionally, the Chief Compliance Officer (CCO) has oversight for ethics programs at the university and for compliance with the state's Code of Ethics for Public Officers and Employees.</p>	✓
A2 - CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	<p>January 2017: Description in narrative format The Office annually requires reporting from compliance partners based on the elements for an effective program. This data is reviewed and compiled with the Office's data and provided in a report to the president and BOT Audit and Compliance Committee (Committee). In addition, the Committee receives an update on the status of the annual work plan and compliance partner updates at each meeting during the year. Data on the effectiveness of the Program is also collected through a culture survey performed every two years and through an assessment of statistics from the anonymous reporting hotline performed annually. These reports are provided to the Committee. The annual report will be provided to the BOG for FY 17 as required by the new regulation.</p>	✓
A3 - External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	<p>January 2017: Description in narrative format We are currently evaluating the timing of the first Program review and understand we have five years from the effective date of the regulation to complete. An updated charter for the Office was approved on January 13, 2017. The revised charter includes a requirement for the CCO to obtain a review of the Program's design and effectiveness at least every five years, to make any appropriate changes to the Program plan, and to provide the report to the president, BOT, and the BOG.</p>	●
A4 - Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	<p>January 2017: Description in narrative format The Program includes a university policy for reporting misconduct and protection from retaliation that provides for local and central office reporting options, as well as an anonymous hotline. The Office conducts ongoing monitoring and trend analysis of the anonymous hotline,</p>	✓

	the university-wide conflict of interest and commitment processes, and the issues and requests made to the Office. The Office conducts investigations, recommends appropriate corrective actions, internal controls, and disciplinary action. Additionally, compliance partner programs include monitoring for noncompliance.	
A5 - Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	<p>January 2017: Description in narrative format</p> <p>Background checks are required for all new employees and for certain employees promoted or transferred into sensitive positions. The Office reviews award and promotion requests for faculty members, and provides recommendations for appropriate disciplinary action up to and including termination for faculty and staff members following substantiated cases of employee misconduct or noncompliance. Supervisors and compliance partners are educated on hiring and promoting individuals who uphold the university's value of integrity.</p>	✓

Area B - Program Plan		
Regulation Component	Description	Progress Indicator
B1 - Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	<p>January 2017: Description in narrative format</p> <p>The Program plan is under development and will be based on the Federal Sentencing Guidelines' elements of an effective program. The Program plan is scheduled for submission to the Committee in April 2017 and to the BOT in May 2017.</p>	●
B2 - Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	<p>January 2017: Description in narrative format</p> <p>The Program plan will provide expectations for training university employees and BOT members.</p>	●
B3 - Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	<p>January 2017: Description in narrative format</p> <p>The Athletics Compliance Office reports directly to the CCO. Other compliance partners identified through the Program's compliance accountability matrix, are dotted-line reports and are included on the Office's organizational chart.</p>	✓
B4 - Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	<p>January 2017: Description in narrative format</p> <p>The university's anonymous hotline known as the UCF IntegrityLine was launched in September 2015 and is administered by the CCO. In addition, the CCO administers UCF Policy 2-700 Reporting Misconduct and Protection from Retaliation.</p>	✓

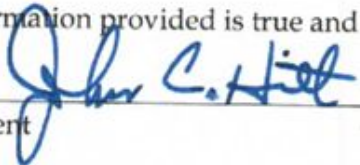
<p>B5 - Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]</p>	<p>January 2017: Description in narrative format The Program includes multiple incentives for compliant and ethical conduct including recognizing employees in the <i>IntegrityStar</i> newsletter and incentives provided during the annual celebration of Compliance and Ethics Week. The Office provides guidance on appropriate disciplinary action following misconduct or investigations and assists compliance partners on appropriate corrective actions, education, and training to enforce compliance requirements.</p>	<p>✓</p>
---	---	----------

Area C - BOT Committee		
Regulation Component	Description	Progress Indicator
<p>C1 - BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]</p>	<p>January 2017: Description in narrative format The Committee is assigned oversight of the university's Program. This requirement is set forth in the Committee's charter.</p>	<p>✓</p>
<p>C2 - BOT Audit and Compliance Committee Charter [4.003(3)]</p>	<p>January 2017: Description in narrative format The Committee charter was updated to reflect the requirements of the new BOG Regulation 4.003 and was approved by the BOT at the January 2017 meeting. The approved charter was provided to the BOG Inspector General as required.</p>	<p>✓</p>
<p>C3 - Routine CCO meetings with BOT Committee - please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]</p>	<p>January 2017: Description in narrative format The CCO meets monthly with the Committee's chairwoman and as required by the Committee's charter, meets at a minimum of three times per year with the full Committee. The CCO also attends BOT meetings and provides guidance or support on compliance or ethics related matters as requested by the BOT chairman or members.</p>	<p>✓</p>
<p>C4 - Routine CCO meetings with President - please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]</p>	<p>January 2017: Description in narrative format The CCO meets quarterly with the president and as needed to update the president on sensitive issues or risks to the university. The CCO is provided unfettered access to the president. Additionally, the CCO serves as a member of the President's Advisory Staff that meets monthly. The staff meetings are chaired by the president and includes the vice presidents and select other university senior leadership.</p>	<p>✓</p>

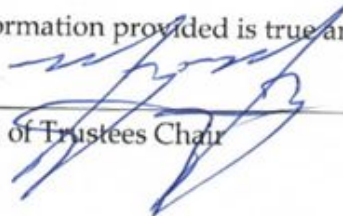
Area D - Chief Compliance Officer

Regulation Component	Description	Program Indicator
D1 - Appointed Chief Compliance Officer (CCO) [4.003(4)]	January 2017: Description in narrative format The CCO was appointed in May 2011.	✓
D2 - CCO reports functionally to the Board and administratively to the President [4.003(5)]	January 2017: Description in narrative format The CCO reports functionally to the BOT and administratively to the president. This reporting relationship is included in the Office's charter and reflected on the Office's organizational chart.	✓
D3 - Compliance Office Charter [4.003(6)]	January 2017: Description in narrative format The Office's charter was updated to reflect all requirements of the new BOG Regulation 4.003 and approved by the BOT on January 13, 2017, and submitted to the BOG Inspector General as required.	✓
D4 - CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7])	January 2017: Description in narrative format Requirements for the CCO's independence, objectivity, and access is contained in the Committee's charter and in the Program's charter.	✓
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	January 2017: Description in narrative format The CCO has oversight for all compliance and ethics related programs and activities at the university. The Office is staffed with three full time employees and one full time support person. The annual budget for the compliance program, excluding the athletics compliance program, is \$642,000.	✓

I certify that all information provided is true and correct to the best of my knowledge.

Certification:  Date 2/9/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification:  Date 2/13/17
Board of Trustees Chair

SUS Compliance Program Status Checklist Summary					
Univ.	University-Wide Compliance Program	Program Plan	BOT Committee	Chief Compliance Officer	External 5-Year Program Review
FAMU	● ● N/BN/B	N/B N/B ● ✓ N/B	● ● N/B N/B	● ● ● N/B N/B	-
FAU	● ✓ ● ✓	● ● ● ✓ ●	● ● ● ●	✓ ✓ ● ✓ ●	-
FGCU	● ● ● ●	● ● ● ✓ N/B	● N/B ● ✓	✓ ● ● ✓ ✓	-
FIU	✓ ✓ ● ✓	● ● ✓ ✓ ●	✓ ● ✓ ✓	● ✓ ● ✓ ✓	-
FPU	● ● ● ● ●	● ● ● ● ●	● ● ● ●	● ● ● ● ●	-
FSU	● N/B ● ●	N/B ● N/B ● N/B	N/B N/B N/B N/B	N/B N/B N/B N/B N/B	-
NCF	● N/B ✓ ●	● ● ● ● N/B	● ● N/B N/B	● ● ● ● ●	-
UCF	✓ ✓ ✓ ✓	● ● ✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓	-
UF	● ● ● ● ●	● ● ● ✓ ●	● ● ● ● ●	● ● ● ● ●	-
UNF	● ✓ ● ✓	● ● N/B ● N/B	✓ ✓ ✓ ✓	✓ ✓ ● ✓ ●	-
USF	✓ ✓ ✓ ✓	● ● ● ✓ ✓	✓ ● ✓ ●	✓ ● ● ✓ ✓	-
UWF	● ● ✓ ✓	● ● ● ● ●	✓ ✓ ✓ ●	● ● ✓ ● ●	-
✓	Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.				
●	Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.				
●	Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).				
●	Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).				
N/B	Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.				