



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Audit and Compliance Committee Meeting
April 23, 2019
President's Board Room, Millican Hall**

MINUTES

CALL TO ORDER

Trustee Beverly Seay, chair of the Audit and Compliance Committee, called the meeting to order at 4:00 p.m. Committee members Kenneth Bradley, Danny Gaekwad, and Dave Walsh attended by teleconference call. Interim Chairman Garvy attended by teleconference and Trustee Self was present.

MINUTES APPROVAL

The minutes from the January 24, 2019, meeting were approved unanimously.

NEW BUSINESS

Compliance Accountability (INFO-1)

Christina L. Serra, Director of Compliance and Ethics and Interim Chief Compliance, Ethics, and Risk Officer provided an overview of the Compliance Accountability presentation. It was decided that at the next committee meeting Serra will provide the metrics of the compliance program and at a future meeting include an update of the Enterprise Risk Management program including the topic of Conduct Risk. Recommendations were made for the administration to develop an annual ethical behavior acknowledgement form requiring signatures of key personnel.

IntegrityLine and Whistle-blower Program (INFO-2)

Serra and Robert Taft, Chief Audit Executive stated that the IntegrityLine was launched in 2014 and that UCF Policy 2-010 Whistle-blower Determination and Investigation has been effective since 2018 and was one of the first in the FL SUS vetted through the BOG Inspector General. Serra stated that they are working with General Robert Caslen and the AGB to develop in-person Code of Conduct training and online Whistle-blower Program training. Taft provided an outline on the whistle-blower determination process. A brief report on the UCF IntegrityLine and Whistle-blower Program with recommendations for improvement will be brought to the next Board of Trustees meeting on May 16, 2019. Training will be provided at the Board of Trustees retreat on May 17, 2019.

University Audit Report (INFO-3)

Taft gave an overview on utilizing external auditors and internal auditors. Taft suggested that, if there was an interest in leveraging external resources, one possible approach would be to retain an expert in PeopleSoft to review the current infrastructure and provide system enhancements to flag or prohibit inappropriate transactions. Trustee Bradley made a motion that the internal audit function be immediately reviewed by administration to determine whether there is additional staffing needed; also, recommendations be brought forward from administration and University Audit about the necessary computer controls that need to be put in place within financial functions. The motion was approved unanimously.

Crowe LLP Proposal (INFO-4)

Taft provided an update of the Crowe LLC proposal, which the Board of Governors contracted with to look at internal financial controls of the FL SUS.

Florida Auditor General Financial Audit Report (INFO-5)

Taft gave an update on the 2017-18 Florida Auditor General Financial Audit Report which is a requirement to be provided at a public meeting.

Additional Comments

Trustee Walsh requested clarification on what fund and what type of fund the faculty increases were used. Trustee Bradley asked with regard to DSO's if there is potential financial savings through one external auditor, Taft stated that University Audit implemented a DSO auditor rotation and there were cost savings with that effort. Bradley suggested that the Audit and Compliance Committee should receive copies of the audit reports from the DSO's.

ADJOURNMENT

Chair Seay adjourned the Audit and Compliance Committee meeting at 5:43 p.m.

Reviewed by: Beverly Seay 9 July 19
Beverly Seay Date
Chair, Audit and Compliance Committee

Respectfully submitted: Grant J. Heston 7/10/19
Grant J. Heston Date
Associate Corporate Secretary