

Audit and Compliance Committee Meeting

Feb 10, 2021 9:00 AM - 10:00 AM EST

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UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Audit and Compliance Committee
Virtual Meeting
February 10, 2021, 9:00 – 10:00 a.m.**

Livestream: <https://ucf.webex.com/ucf/onstage/g.php?MTID=e88a262f37316bf78c928f3c0f7e32bcf>
Conference call number: 1-408-418-9388, access code: 132 647 9929#

AGENDA

- | | |
|---|--|
| 1. Call to order | Joseph Conte, <i>Chair, Audit and Compliance Committee</i> |
| 2. Roll Call | Margaret Melli, <i>Executive Assistant of University Compliance, Ethics, and Risk</i> |
| 3. Minutes of the November 19, 2020 meeting | Chair Conte |
| 4. New Business | Chair Conte |
| AUDC-1 | Board of Governors' Performance-based Funding Data Integrity Certification Audit Report <i>Robert Taft</i> |
| AUDC-2 | Performance-based Data Integrity Certification Form <i>Robert Taft</i> |
| INFO-1 | Audit and Compliance Committee Charter Rhonda L. Bishop <i>Vice President for Compliance and Risk</i> Robert Taft <i>Chief Audit Executive</i> |
| INFO-2 | University Internal Audit Update <i>Robert Taft</i> |
| INFO-3 | Direct Support Organization External Audit Reports <i>Robert Taft</i> |

INFO-4

2020-21 Compliance and Ethics Work Plan Status
of Activities – October 1, 2020, to December 31, 2020
Rhonda L. Bishop

INFO-5

Compliance, Ethics, and Risk Update
Rhonda L. Bishop

5. Adjournment

Chair Conte



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees
Audit and Compliance Committee Meeting
November 19, 2020
Virtual**

MINUTES

CALL TO ORDER

Trustee Joseph Conte, Chair of the Audit and Compliance Committee, called the virtual meeting to order at 10:00 a.m. Vice Chair David Walsh was present. Committee members Joseph Harrington, Michael Okaty, and Bill Yeargin were present. Chair Seay, Vice Chair Martins, and Trustee Bradley were in attendance.

MINUTES APPROVAL

The minutes from the August 12, 2020, meeting were approved as submitted.

NEW BUSINESS

Compliance and Ethics Program Plan (AUDC-1)

Rhonda Bishop, Vice President for Compliance and Risk presented the revised Compliance and Ethics Program Plan for approval by the Committee. A summary of revisions included adding additional policies, mandatory compliance training, and multiple housekeeping items and minor edits. Chair Conte called for a motion to approve the plan, the Compliance and Ethics Program Plan was approved unanimously.

University Compliance, Ethics, and Risk 2020 Annual Report (INFO-1)

Bishop provided highlights on the University Compliance, Ethics, and Risk 2020 Annual Report. The highlights included the efforts made by the Emerging Issues and Crisis Response Team; training efforts with approximately 69,000 courses completed; and the increase in reports received through the IntegrityLine.

2020-21 Compliance and Ethics Work Plan Status (INFO-2)

Bishop provided the 2020-21 Compliance and Ethics Work Plan Status with a summary of projects and activities completed during July 1, 2020, through September 30, 2020. Bishop provided an update on the completion of the mandatory online Code of Conduct training, conflict of interest disclosure process and policy, and the status of the five-year program review.

Compliance, Ethics, and Risk Update (INFO-3)

Bishop gave an update on NIST 800-171 compliance and the Department of Defense's requirement for self-certification as part of the Cybersecurity Maturity Model Certification program.

Bishop also provided an update on a compliance review and investigation by the National Science Foundation, the U.S. Department of Energy, and the National Aeronautics and Space Administration. Bishop informed the committee that the university is listed on the Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor's workplan for an audit and provided a status on compliance with President Trump's Executive Order Combating Race and Sex Stereotyping which is administered and enforced by OFCCP.

University Internal Audit Update (INFO-4)

Robert Taft, Chief Audit Executive, provided the University Internal Audit Department status update. Taft gave highlights on recently completed projects and reviews which included the Business Incubator Program audit, carry forward expense review, the IMEC contract performance review, and the Roth Athletic Center construction project review.

Taft discussed current projects including the new Auxiliary Expense Reporting Committee which is establishing new processes and standardized reports to be used by the university. Additional current projects include the UCF Health audit and the CARES Act funding review. He also gave updates on upcoming projects such as reviews of UCF Libraries, Contract and Vendor Management, the Data Center strategy, and the "real time" review of the Knight Vision ERP project. Taft highlighted two university policies: 2-008.1 Internal Control and 2-012.1 Whistle-blower Determination and Investigation.

Chair Conte was disconnected from the meeting at 10:56 am and Vice Chair Walsh moderated the remainder of the meeting.

ADJOURNMENT

Vice Chair Walsh adjourned the Audit and Compliance Committee meeting at 10:57 a.m.

Reviewed by: _____
Joseph Conte
Chair, Audit and Compliance Committee Date

Respectfully submitted: _____
Janet Owen
Associate Corporate Secretary Date

UCF BOARD OF TRUSTEES
Agenda Item Summary
Audit and Compliance Committee
February 10, 2021

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

Information Information for upcoming action Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

To determine if the report achieves the objective of complying with the Board of Governors' reporting requirements and any correction plans identified within the report are clearly documented and adequately address the correction plans.

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 required to be accepted by the committee including any identified corrective action plans. After acceptance by the committee and subsequent review and approval by the full UCF Board of Trustees, the report shall be submitted to the Board of Governors' Office of Inspector General and Director of Compliance no later than March 1, 2021.

Recommended Action:

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

Alternatives to Decision:

Elect not to accept the report and/or require additional work be performed by University Audit along with a formal request to the Board of Governors for a filing extension.

Fiscal Impact and Source of Funding:

Cost to UCF is internal representing the hours spent by University Audit and other departments in completing the audit and reviewing the results.

Authority for Board of Trustees Action:

The Florida Board of Governors' Data Integrity Certification process which was established in June 2014.

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: Board of Governors' Performance-based Funding Data Integrity Certification Audit Report

Facilitators/Presenters:

Robert Taft, Chief Audit Executive

Attachment A

UNIVERSITY AUDIT

AUDIT 358

JANUARY 22, 2021

PERFORMANCE-BASED FUNDING DATA INTEGRITY

AUDIT OF INTERNAL CONTROLS AND COMPLIANCE
AS OF SEPTEMBER 30, 2020



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

UNIVERSITY OF CENTRAL FLORIDA

MEMORANDUM

TO: Alexander Cartwright
President

FROM: Robert J. Taft
Chief Audit Executive

DATE: January 22, 2021

SUBJECT: Audit of Performance-based Funding Data Integrity

The enclosed report represents the results of our Performance-based Funding Data Integrity audit. No reportable issues were identified during the performance of our work.

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

cc: M. Paige Bordon
Linda Sullivan
Michael Johnson
Jana Jasinski
Mike Kilbride
Board of Trustees
State University System of Florida Inspector General

Background and Performance Objectives

Beginning in 2013-14, the Florida Board of Governors (BOG) implemented a performance-based funding (PBF) model which utilizes 10 performance metrics to evaluate universities 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 2020-21 funding, each university was evaluated on seven common metrics, except Florida Polytechnic University, which is not yet eligible to participate in the funding process until 2021-22. 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 specific areas of improvement and the distinct mission of each university. The Board of Governors introduced a new set of metrics for the tenth metric. Each university's Board of Trustees (BOT) was instructed to choose a metric from this set which would not automatically award 10 points to that institution. Each university's benchmarks were then reset at 7 points to align with their one-year goal. A 10-point benchmark was set as the university's 2021-22 goal.

The eight common metrics:

1. percent of bachelor's graduates continuing their education or employed (with a salary greater than \$25,000) within the U.S. one year after graduation
2. median wages of bachelor's graduates employed full-time one year after graduation
3. average cost to the student (net tuition per 120 credit hours) for a bachelor's degree
4. four-year graduation rate (includes full-time, first time in college students)
5. academic progress rate (second year retention with a GPA greater than 2.0)
6. bachelor's degrees awarded within programs of strategic emphasis
7. university access rate (percent of fall undergraduates with a Pell-grant)
8. graduate degrees awarded within programs of strategic emphasis

The BOG selected metric:

9. percent of bachelor's degrees without excess hours

UCF Board of Trustee's selected metric:

10. percent of bachelor's degrees awarded to African American and Hispanic Students

The BOG developed a Performance-based Funding Data Integrity Certification form to provide assurances that the data provided by universities is reliable, accurate, and complete. This certification form is to be signed by the university president, affirmatively certifying each of the 13 stated representations or providing an explanation as to why the representation cannot be made as written. The certification form is also to be approved by the university BOT and signed by the BOT chair.

To make such certifications meaningful, during the 2019 Legislative Session, lawmakers approved Senate Bill 190 that contains language amending section 1001.706, Florida Statutes. The new language states:

“Each university shall conduct an annual audit to verify that the data submitted pursuant to ss. 1001.7065^[1] and 1001.92^[2] complies with the data definitions established by the board and submit the audits to the Board of Governors Office of Inspector General as part of the annual certification process required by the Board of Governors.”

Audit Objectives and Scope

The primary objective of this audit was to determine the adequacy of university controls in place to promote the completeness, accuracy, and timeliness of data submissions to the BOG, particularly as they relate to PBF metrics and preeminence metrics. This audit will also provide an objective basis of support for the president and BOT chair to certify the required representations on the data integrity certification form.

Our approach is to audit supporting data files related to a minimum of four of the 10 measures each year so that all measures are tested at least twice within a five-year cycle.

This year's testing including data files submitted as of September 30, 2020, related to:

- Metric 3: average cost to the student (net tuition per 120 credit hours) for a bachelor's degree
- Metric 4: four-year graduation rate (includes full-time, first time in college students)
- Metric 6: bachelor's degrees awarded within programs of strategic emphasis
- Metric 10: percent of bachelor's degrees awarded to African American and Hispanic Students

The achieved Preeminent Metrics selected for testing include:

- Metric B: Public university national ranking
- Metric C: Freshman retention rate
- Metric G: Non-medical science and engineering research expenditures

¹ S. 1001.7065, Florida Statute, Preeminent State Research University Program

² S. 1001.92, Florida Statute, State University System Performance-based Incentive

- Metric I: Patents awarded (over 3-year period)

Although not achieved, Metric D: Four-year graduation rate was also tested for accuracy and no issues were identified.

A comprehensive review of the controls and processes established by the university to ensure the completeness, accuracy, and timeliness of data submissions to the BOG which supported the PBF metrics was performed during our audit in 2015-16. We continue to review any changes to these controls and processes on an annual basis.

In addition, we verified the completeness and accuracy of the Hours to Degree (HTD), Courses to Degree (CTD), Student Instruction File (SIF), and Student Financial Aid (SFA) files submitted to the BOG in support of the measures listed above. By independently developing our own queries in PeopleSoft and comparing those results to the files submitted to BOG, we were able to test 100 percent of the students submitted for each file, with the exception of HTD. Because of methodology and source system complexities, a query could not be developed; therefore, we tested a judgmental sample of students to ensure accuracy.

Overview of Results

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

It should be noted that the Fall 2018 and Spring 2019 Degrees Awarded files and the 2018 Hours to Degree file submittals were delayed due to degree posting and file logic changes stemming from the new degree audit system. The BOG was informed of these delays. The delays had no impact on performance funding calculations.

We believe that our audit can be relied upon by the university president and the UCF Board of Trustees 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.

Audit Performance Metrics

Beginning of audit: August 26, 2020

End of fieldwork: January 13, 2021

Audit Team Members:

Vicky Sharp, senior auditor, auditor in charge

Vallery Morton, audit manager, level I reviewer

Robert Taft, chief audit executive, level II reviewer

UCF BOARD OF TRUSTEES
Agenda Item Summary
Audit and Compliance Committee
February 10, 2021

Title: Performance-based Funding Data Certification Form

Information Information for upcoming action Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

To determine if the form achieves the objective of complying with the Board of Governors’ reporting requirements and accurately expresses the results of the audit and the attestations being made by the university including documentation of any significant exceptions or concerns.

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-2) and that all representations included in the Performance Data Integrity Certification Form have been fulfilled.

After approval of the form by the committee and subsequent approval by the full UCF Board of Trustees, this document is to be signed by the university president and the UCF Board of Trustees Chair and is to be submitted to the Board of Governors’ Office of Inspector General and Director of Compliance no later than March 1, 2021.

Recommended Action:

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

Alternatives to Decision:

Elect not to approve the form and/or require additional work be performed by University Audit along with a formal request to the Board of Governors for a filing extension.

Fiscal Impact and Source of Funding:

Cost to UCF is internal representing the hours spent by University Audit and other departments in completing the audit and reviewing the results.

Authority for Board of Trustees Action:

The Florida Board of Governors’ Data Integrity Certification process which was established in June 2014.

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: Performance-based Funding Data Integrity Certification Form

Facilitators/Presenters:

Robert Taft, Chief Audit Executive



Data Integrity Certification

March 2021

University Name: 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 **significant** audit findings.

| 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 and Preeminence or Emerging-preeminence Status. | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 3. In accordance with Board of Governors Regulation 1.001(3)(f), 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 checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 4. In accordance with Board of Governors Regulation 3.007, my university provided accurate data to the Board of Governors Office. | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | |

Data Integrity Certification

| 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, and data definitions provided by the Board Office. | <input checked="" 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 checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | The Fall 2018 and Spring 2019 Degrees Awarded files and the 2018 Hours to Degree file were delayed due to degree posting and file logic changes stemming from the new degree audit system. We kept the BOG informed of our delays and the submission delay did not have any adverse impact on any of the data processing for the Accountability Plan. |
| 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 Submit for Approval represents electronic certification of this data per Board of Governors Regulation 3.007." | <input checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 11. I recognize that Board of Governors' and statutory requirements for the use of data related to the Performance-based Funding initiative and Preeminence or Emerging-preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting data used for | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

Data Integrity Certification

| these purposes 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 the related metrics. | | | |
|--|-------------------------------------|--------------------------|---------------------|
| Data Integrity Certification Representations | | | |
| Representations | Yes | No | Comment / Reference |
| 12. I certify that I agreed to the scope of work for the Performance-based Funding Data Integrity Audit and the Preeminence or Emerging-preeminence Data Integrity Audit (if applicable) conducted by my chief audit executive. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 13. In accordance with section 1001.706, Florida Statutes, I certify that the audit conducted verified that the data submitted pursuant to sections 1001.7065 and 1001.92, Florida Statutes [regarding Preeminence and Performance-based Funding, respectively], complies with the data definitions established by the Board of Governors. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

| Data Integrity Certification Representations, Signatures |
|---|
| <p>I certify that all information provided as part of the Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) 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 _____</p> <p style="margin-left: 40px;">President</p> |
| <p>I certify that this Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) has been approved by the university board of trustees and is true and correct to the best of my knowledge.</p> <p>Certification: _____ Date _____</p> <p style="margin-left: 40px;">Board of Trustees Chair</p> |

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Audit and Compliance Committee
 February 10, 2021

Title: Review of Audit and Compliance Committee Charter

Information **Information for upcoming action** **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Review the Audit and Compliance Committee charter, last revised in February 2020, to determine whether updates need to be made.

Background Information:

The attached charter requires an annual review by the Audit and Compliance Committee.

Section H

- *Review the Committee's charter annually and update as necessary.*
- *Ensure that any changes to the charter are discussed with the Board and reapproved.*

Recommended Action:

N/A

Alternatives to Decision:

The Committee could elect to maintain the charter's current language or propose revisions.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

UCF Audit and Compliance Committee Charter and Board of Governors Regulation 4.003 State University System Compliance and Ethics Programs.

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Rhonda L. Bishop, Vice President for Compliance and Risk
 Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: Audit and Compliance Committee Charter

Facilitators/Presenters:

Rhonda L. Bishop, Vice President for Compliance and Risk

Robert Taft, Chief Audit Executive

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, security, and data governance,
- independence and effectiveness of the compliance and ethics program,
- compliance with applicable laws and regulations,
- standards for ethical conduct,
- risk identification and 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.

The committee may direct the University and outside resources to 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 vice president for compliance and risk 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 the university's activities and operations.

In addition to scheduled meetings of the full Committee, the Committee chair will meet with the chief audit executive and the vice president for compliance and risk 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, risk, 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 enterprise risk management and insurance programs, 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 vice president for compliance and risk 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 vice president for compliance and risk 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.

F. Enterprise Risk and Insurance Program

- Review and approve the University's enterprise risk policy to include approval of the University's risk appetite and tolerance
- Oversee the identification, assessment, and mitigation of the University's enterprise risks and opportunities
- Obtain an annual update on the University's enterprise risk universe
- Obtain regular updates from the vice president for compliance and risk regarding critical risk matters that may materially impact the organization's financial position, operations, and / or reputation
- Gain and maintain reasonable assurance that the University's insurance strategy appropriately protects University assets

G. Reporting Responsibilities

- Regularly update the Board about its activities and make appropriate recommendations.
- Ensure the Board is informed 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.

Approved by the UCF Board of Trustees February 20, 2020

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Audit and Compliance Committee
 February 10, 2021

Title: University Internal Audit Update

Information **Information for upcoming action** **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The committee should review the attachment in advance to prepare for any discussion among committee members, UCF's Chief Audit Executive, and other members of UCF management. This discussion may relate to completed activities and proposed future activities of the internal audit function along with management's plans for changes to their objectives, key processes, and related internal control activities.

Background Information:

In accordance with the UCF Audit and Compliance Committee Charter, the committee will meet on a periodic basis to fulfill their oversight responsibilities. The attached document is intended to provide the committee with information regarding the work of University Audit to assist the committee in successfully completing their oversight duties.

Recommended Action:

No recommended actions required.

Alternatives to Decision:

There are no decisions or approvals required related to this attachment.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: UCF Internal Audit Update

Facilitators/Presenters:

Robert Taft, Chief Audit Executive

Project Status Update

Completed/Final Stages

- Verification of Athletic Director's Performance Bonus
- Performance Based-Funding
- UCF Health
- CARES Act (Round 1)
- Roth Athletic Center

In Progress/Next Up

- Data Center
- Library Services
- Academic Integrity
- Budget Model
- Investments
- KnightVision ERP Project
- Investigations Program Accreditation

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Audit and Compliance Committee
 February 10, 2021

Title: Direct Support Organization External Audit Reports

Information

Information for upcoming action

Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Apart from the UCF Athletic Association (UCFAA), all the Direct Support Organization (DSO) external audit reports for the most current financial reporting period received an unqualified or unmodified opinion and contain similar language in the report prepared by each external auditor as noted below:

“In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation, as of June 30, 2020 and 2019 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. No material weaknesses or significant deficiencies in internal controls and compliance over financial reporting were found.”

The UCFAA external audit report has not yet been issued. There have been discussions between UCFAA and the external auditor (Crowe) of a potential “going concern” report comment based on possible shortfalls in operating funds after the June 30, 2020, reporting period. If additional information on the status of this report is obtained a verbal update will be provided during the meeting.

Typically, the external auditor performing the audit work will present an overview of the audit process, the overall results, and the entire draft report in person to each DSO board for review and approval.

Each DSO is assigned a UCF Board of Trustees member to serve on their board and the assigned Trustee is invited to attend these meetings and ask questions about the relevant DSO audit report at that time.

Background Information:

Every DSO affiliated with the University of Central Florida is required to complete an external financial audit on an annual basis. These audits are performed by public accounting firms that are selected based on guidance provided in University Policy 2-208 Direct Support Organization (DSO) External Auditor Selection.

The current list of University of Central Florida affiliated DSO includes the following entities:

1. UCF Convocation Corporation
2. UCF Finance Corporation
3. UCF Stadium Corporation
4. UCF Foundation
5. UCF Research Foundation
6. UCF Academic Health
7. UCF Athletics Association

8. Limbitless Solutions, Inc.

Recommended Action:

This is an information only item to advise of the current status of the process and discuss any potential changes. Individual Committee members may request any or all of these DSO audit reports for review.

Alternatives to Decision:

This agenda item is included to be in full compliance with the current version of the UCF Board of Trustees Audit and Compliance Committee Charter which states that one of the Committee’s responsibilities is to “Receive and review audits of the direct support organizations and component units.”

If the Committee elects to revise their charter to waive this requirement or assign this review to another Board of Trustees committee, then this information will no longer be provided in future meetings.

Fiscal Impact and Source of Funding:

Each DSO is required to reserve funds to pay for their external audits. These costs are contracted for and obtained via a competitive bidding process and documented through a written contract approved by their respective DSO board typically covering a five-year period.

Authority for Board of Trustees Action:

The current version of the Audit and Compliance Committee Charter states that one of the committee’s responsibilities is to “Receive and review audits of the direct support organizations and component units.”

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Robert Taft, Chief Audit Executive

Supporting Documentation:

N/A

Facilitators/Presenters:

Robert Taft, Chief Audit Executive

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Audit and Compliance Committee
 February 10, 2021

Title: 2020-21 Work Plan - Status of Activities

Information **Information for upcoming action** **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The 2020-21 Work Plan - Status of Activities is a summary of the projects and activities completed by University Compliance, Ethics, and Risk (UCER) from October 1, 2020, to December 31, 2020.

Background Information:

UCER submits a work plan outlining the office's activities to meet the required elements of an effective compliance and ethics program. The UCF Audit and Compliance Committee Charter provides for oversight and direction of the institutional compliance, ethics, and enterprise risk management and insurance programs, and that committee members be knowledgeable of the program with respect to its implementation and effectiveness.

Recommended Action:

N/A

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

UCF Audit and Compliance Committee Charter and Board of Governors Regulation 4.003 State University System Compliance and Ethics Programs.

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Rhonda L. Bishop, Vice President for Compliance and Risk

Supporting Documentation:

Attachment A: 2020-21 Work Plan - Status of Activities

Facilitators/Presenters:

Rhonda L. Bishop, Vice President for Compliance and Risk



University Compliance, Ethics and Risk Office

2020-21 Work Plan Status October 1, 2020 – December 31, 2020

UCF's comprehensive compliance and ethics program was built based on the elements of an effective compliance program set forth in Chapter 8 of the Federal Sentencing Guidelines, and as required by Board of Governors Regulation 4.003 State University System Compliance and Ethics Programs. The Guidelines and Regulation establish the minimum standards for effective programs. Each year, University Compliance, Ethics, and Risk submits an Annual Workplan to the Audit and Compliance Committee of the Board of Trustees detailing the office's efforts that support an effective program. This report contains the activities committed to in the office's 2020-21 Compliance and Ethics Annual Work Plan and includes the status of those activities.

1. Provide 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 and regulatory obligations, and on 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.

9. New Regulations and Special Projects

2020-21 Compliance and Ethics Work Plan Status
October 1, 2020 – December 31, 2020

1. Provide Oversight of Compliance and Ethics and Related Activities

Coordinate and conduct bi-monthly meetings of the University Compliance and Ethics Advisory Committee

- Developed materials and chaired the Compliance and Ethics Advisory Committee meeting in October.
- Provided updates on the annual Code of Conduct/refresher training; the university's Youth Program online registration; and the progress of the five-year compliance program review.
- Highlights from compliance partners include updates on the Kognito At-Risk for Faculty and Staff Training for all employees; the activities held during Diversity Week; and weekly podcasts from the Office of Diversity and Inclusion.

Conduct quarterly meetings with compliance partners and senior leadership

- Met with vice presidents, key administrators, and compliance partners to provide updates on compliance and ethics initiatives and discuss any concerns or issues.

Serve on and provide compliance guidance to the Title IX workgroup

- Provided guidance and support to the Title IX coordinator and served on and provided compliance guidance to the Title IX workgroup.

Serve as a member of the Security Incident Response Team and provide guidance

- 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 *IntegrityStar*, the compliance and ethics newsletter

- Developed and issued the October 2020 edition of the *IntegrityStar* which contained articles covering the results of the 2020 Compliance and Ethics Culture Survey and the 2019 IntegrityLine Report; also, an article on ethical leadership with a video and a cartoon. Additional content included:
 - Article titled *Questions to Ask Yourself – Part 1 – Approving Invoices* in the Audit Unlocked section.
 - Recognition section highlighted the Ombuds Officer and Deputy Ombuds Officer for their efforts in supporting students, faculty, staff, alumni, and parents.
 - Frequently Asked Questions section provided thought provoking questions about ethical behavior.

Administer and promote the UCF IntegrityLine, reinforce expectations for non-retaliation, and increase communications during and after investigations

- Continued administration of the UCF IntegrityLine to include review and tracking of all reports, data compilation, trend review, and reporting.
- Promoted the UCF IntegrityLine in the October 2020 edition of the *IntegrityStar* newsletter; continued promoting efforts in compliance videos; on the University Compliance, Ethics, and Risk website; on the websites of all compliance partners; and virtual tabling events.
- Developed an IntegrityLine video tutorial explaining how to submit a report and what happens after a report is submitted. Training loaded into Webcourses and posted the link to a webpage portal. Also worked with the SGA judicial branch to introduce the training to students to assist them with using the IntegrityLine.
- Served on the Student Reporting work group to discuss reporting options for students, including the IntegrityLine, and to develop a reporting options website.

Coordinate timely responses to regulatory and other external agencies

- Continued meetings with the NSF, U.S. Department of Energy (DOE), the Office of Institutional Equity, and the Office of the General Counsel to discuss a review NSF, DOE, and NASA are conducting.
- At the request of the Board of Governors, coordinated with University Audit to prepare and submit a summary overview of the university's efforts in monitoring CARES Act funds.

Maintain and promote the compliance and ethics website

- Promoted the compliance and ethics website in the University Compliance, Ethics, and Risk pamphlets distributed to all new employees during new employee orientation and the employee benefits fair.
- Updated the website to include the October 2020 edition of the *IntegrityStar* newsletter, updated the organizational chart, added new personnel photos and contact information to the “Our Staff” page, revised the Compliance and Ethics Advisory Committee to include changes to compliance partners and members, removed outdated language on the Risk Management page, and uploaded the 2020 Annual Report.
- Added page links to offices that were moved under the University Compliance, Ethics, and Risk reporting structure.
- Created the Privacy Compliance [webpage](#) and [brochure](#).
- Updated the [University’s Privacy Policy page](#).
- Currently in the process of revising the website to meet the updated UCF website theme requirements.

Disseminate compliance and ethics program information and educational materials in person during new faculty orientation and the benefits fair

- Provided the UCF Employee Code of Conduct, a Compliance and Ethics webinar, office brochure, and IntegrityLine Speak Up poster through the virtual employee benefits fair.

3. Conduct Effective Training and Education

Track new employee completion of mandatory Code of Conduct and Potential Conflicts – Florida Code of Ethics for Public Officers and Employees training

- Total number of new employees who took the online courses and passed the final quiz:
 - *Employee Code of Conduct / Speak Up!* = 376
 - *Potential Conflicts – Florida Code of Ethics for Public Officers and Employees* = 551

Launch sixth annual Compliance and Ethics Week awareness campaign

- Compliance and Ethics Week activities commenced during the week November 2-6, 2020, and included two engaging activities for employees to participate and win prizes:
 - Training - Developed and posted three short training videos representing the UCF Ethical Standards of Respect: *Embracing Your Diversity*, *Unconscious Biases*, and *Civility in the Workplace* – employees listened for a “keyword” to email to the compliance and ethics email account
 - Total videos watched: 351
 - Selfie Contest – Employees asked to submit a drawing or phrase that explains what one of the UCF Ethical Standards (Honesty and Integrity; Respect; Responsibility and Accountability; Stewardship) means to them
 - Selfies Submitted: 32
 - A total of 127 employees participated in the activities and 32 were randomly selected to receive prizes.

Review and provide guidance on new procedures to be implemented for identifying CSAs to determine necessary training requirements and on online training being developed for new and current CSAs

- Due to the pandemic, the CSA identification project was temporarily placed on hold and will resume in Spring 2021. The Clery Coordinator continued working with HR to develop a Qualtrics survey to identify all CSAs across the university. The survey is expected to be launched during the Spring 2021 semester, with the subsequent launch of the Webcourse training to follow.

Promote Gifts and Honoraria and Potential Conflicts online training modules for current employees and track employee completion

- Continue to promote the online training modules to employees.
- Total number of existing employees who took the online courses and passed the final quiz:
 - *Gifts and Honoraria* = 123
 - *Potential Conflicts – Florida Code of Ethics for Public Officers and Employees* = 130

Issue annual memo on Vulnerable Persons Act

- Annual memo will be prepared and issued in March 2021.

Develop and launch new mandatory annual Code of Conduct training with certifications for non-student employees and monitor compliance for mandatory completion

- Annual Code of Conduct training with certifications for all non-student employees launched on September 14, 2020, with completion requested by October 14, 2020.
 - October 14 completion rate: English version - 89.04%; Spanish version – 100%
 - As of December 31, 2020, a total of 99.84% employees completed the English version of the training.
 - Automated email reminders continue weekly while the office works with the provost’s office to issue letters of instruction, followed by letters of reprimand to those employees who are still delinquent as of January 4.

Promote Youth Protection online training module and monitor compliance for mandatory completion

- Youth Protection training was completed as required by 10 program staff working with minors.

Identify additional opportunities to develop and deliver compliance and ethics training

- Scheduled the Ethical Leadership Workshop through Human Resources for February, due to its popularity the class size has increased to 60 attendees per session.
- Led Privacy Awareness Discussion during the UCF [PegaSec Virtual Cyber Security Expo](#).
- IntegrityLine tutorial developed and loaded to Webcourses, link to training posted to webpage portal. Worked with the SGA judicial branch to introduce the training to students to assist them with using the IntegrityLine.

Issue additional regulatory alerts and updates as appropriate

- Distributed announcement to university community regarding delayed launch of the conflict of interest reporting due to the implementation of Florida Statutes Section 1012.977.

4. Revise and Develop Policies and Procedures

Chair the University Policies and Procedures Committee and provide guidance on policy development

- 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 10 policies to improve content and the communication of expectations to the university community.
- Published updates to three COVID-19 related policies and distributed to all employees, including a separate weblink to view tracked edits.
- In collaboration with Information Security, drafted a Clean Desk Policy that will be submitted for committee review during Spring 2021.

Continue to enforce UCF Policy 2-001 University Policy Development, which requires annual policy reviews by department and mandatory five-year reviews by the University Policies and Procedures Committee

- Continued progress on the five-year review project in compliance with UCF-2-001.5 University Policy Development to ensure that policies continue to be appropriate and current. Out of 38 policies initially identified as overdue, reduced the overdue count to five as of December 31, 2020.

Serve as members of the HIPAA Collaborative to develop university policies and procedures on HIPAA compliance

- 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.
- Reviewed the newly developed university-wide policy on HIPAA Compliance and the supplemental policy manual containing 33 specific HIPAA targeted policies.

5. Conduct Internal Monitoring and Compliance Reviews

Manage university-wide conflict of interest and commitment process; begin migration efforts to a new online reporting system

- The 2020-21 conflict of interest and disclosure process was delayed due to public comments received regarding proposed revisions to University Policy 4-504 Reporting Outside Activities, Financial Interests and Potential Conflicts of Interest or Conflicts of Commitment in Research to comply with Florida Statutes Section 1012.977.
- In response, the office took the following actions to address the concerns raised:
 - Distributed communications to faculty and staff advising them of the new law and delayed the launch of the disclosure period with instructions for submitting new activities during the interim period.
 - Maintained disclosure questions 1-11 and added one new question to meet the requirements of the new statute.
 - Developed a chart detailing each question, the regulatory purpose, what should be disclosed, examples, and what does not need to be disclosed.
 - Compiled the policy feedback received into an Excel spreadsheet with the action taken to address each concern.
 - Revised the draft policy to address the concerns raised.
 - Worked with the Chairs of the Faculty Senate and Faculty Research Council to identify faculty representation and established a faculty ad hoc working group. Commenced first meeting with the working group and presented the new materials for their review.
- Conflict of interest reviews outside the online system were tracked in this reporting period (October 1 – December 31, 2020) and included 29 requests for review of potential conflicts and guidance provided to employees and departments. Due to the conflict of interest online reporting delay, 68 disclosures were reviewed through the PCA email account.
- Received and completed 10 reviews of potential conflicts of interest associated with the attendance at conferences or events sponsored by vendors.

Manage university-wide Youth Protection Program; final implementation of new software solution to manage registration Process

- Launched the newly developed online registration system “Squire” to process youth program registrations. Processed four registrations through the new system during the report period.
- Provided guidance to departments inquiring on Youth Protection Policy requirements.

Continue compliance partner reporting

- Compliance partners provided updates on their program activities during committee meetings and through separate meetings and discussions when significant issues and challenges arose.
- Compliance partner annual reports for 2020 were submitted and were consolidated with the activities of University Compliance, Ethics, and Risk. The annual report was issued in November to the Audit and Compliance Committee of the Board of Trustees and submitted to the Board of Governors (BOG) as required by BOG Regulation.

Collaborate with the director of enterprise risk and insurance management to conduct a formal compliance risk assessment

- Enterprise risk management (ERM) program is in progress for implementation in 2021.

Review UCF IntegrityLine and department database for trends and risk areas and address appropriately

- Due to the ongoing pandemic, identified more than half of the reports filed during this report period were COVID-19 related totaling 56 out of the 107 cases reported or 52%.

6. Respond Promptly to Detected Problems and Undertake Corrective Action

Receive and evaluate UCF IntegrityLine reports and allegations of misconduct made directly to the office; conduct investigations

- 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 107 reports through the UCF IntegrityLine alleging misconduct in this reporting period (increase of 61 or 133% increase from last year at this time).
- Coordinated triage of reports with University Audit and the Office of Institutional Equity. When appropriate, reports were referred to a compliance partner or University Audit for review or investigation. During this time, 63 cases were investigated and closed.
- Worked jointly with the Office of Institutional Equity on two allegations of misconduct submitted directly to the offices which are still ongoing and closed two during this time period.

Provide recommendations for corrective actions and improvement of ethical conduct

- Continued providing recommendations for corrective actions and improvements of ethical conduct following investigations or requests for guidance.

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

Develop and promote compliance and ethics incentive opportunities

- Highlighted in the October 2020 edition of the *IntegrityStar* two staff members for their outstanding efforts in supporting the university community by providing a place for individuals to ask questions and seek guidance which positively impacts our Speak Up culture.

Work with Human Resources to develop new employee appraisal templates that include compliance and ethics as a performance Measure

- Due to the pending transition to a new ERP system, Human Resources placed a hold on the performance appraisal project.

Promote awareness of UCF regulations, policies and procedures, and regulatory requirements

- Highlighted in the October 2020 edition of the *IntegrityStar* 12 new and revised UCF Policies and 16 new and revised regulations that had been implemented since the July 2020 edition.
- Distributed a campus email to all employees alerting them of the approval of 13 policies includes multiple updates to 13 new or revised policies.

Promote accountability and consistent discipline

- Following investigations with outcomes of substantiated employee misconduct, provided recommendations for appropriate discipline to ensure accountability and consistency in corrective actions.
- Continued serving as the point of contact and source for guidance to research compliance related to scientific misconduct, export controls, conflict of interest, and development of policies and procedures.

8. Measure Compliance Program Effectiveness

Develop and issue the University Compliance, Ethics, and Risk Annual Report

- Compiled and designed the annual report for 2019-20 which included the activities of our compliance partners and programs across the university. The report was issued in November 2020 to the Audit and Compliance Committee of the Board of Trustees and submitted to the Board of Governors (BOG) as required by BOG Regulation.

Obtain five-year compliance and ethics program review required under BOG Regulation 4.003

- Prepared and submitted the vendor program review questionnaire with supporting materials in October.
- Participated in bi-weekly meetings to discuss materials submitted and additional material requests.
- Upon request, provided vendor with temporary access to Webcourses to evaluate training materials available to employees.
- Finalized the interview list and provided it to the vendor to start scheduling the 15 interviews.

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

- The 2019-20 results report and 2020-21 assessment plan were finalized and are under review by the divisional review committee.

9. New Regulations and Special Projects

Oversee compliance efforts with National Institute of Standards and Technology 800-171 (NIST) federal requirements

- Continue as an active participant within the NIST workgroup to move the university forward towards compliance.

Oversee compliance efforts with European Union General Data Protection Regulation (GDPR)

- Created *UCF Privacy* mailbox to monitor and manage all privacy-related inquiries, including those related to GDPR Data Subject Access Requests.

Oversee compliance efforts with the acceptance of CARES Act funding

- Continue periodic follow ups to obtain updates to the matrix containing the requirements associated with the acceptance of CARES Act funding and the plan for addressing each.
- Coordinated with University Audit to prepare and submit a response to the BOG request for a summary overview of the university's efforts with monitoring CARES Act funds.

Working with Human Resources, evaluate and develop a communication, education, and awareness campaign to address increased reports of offensive or inappropriate communication

- Reviewed Human Resources revised workshop training materials on civility, both supervisor and staff editions and provided feedback.
- Follow up meeting held in October to discuss next steps for various audiences and a guest speaker.
- Developed brief civility training for Compliance and Ethics Week which also promoted the Human Resources civility workshops.

Additional Projects and Initiatives

- Pursuant to Board of Governors (BOG) Regulation 4.003, the Compliance and Ethics Program Plan was reviewed and updated during this period to reflect changes in the compliance and ethics program to include new policies, regulations, and training. The Program Plan was approved by the Board of Trustees on December 3, 2020, and was submitted to the BOG as required.
- Reconvened the Biennial Review Committee in compliance with the Drug Free Schools and Communities Act (DFSCA) to update the university's biennial review report; developed and distributed to the committee a draft university drug free policy for stakeholder review and input.
- Reviewed and provided edits to the 2020-21 Annual Security report to comply with the requirements of The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act or Clery Act.
- Created a Data Discovery form to replace the Office of the General Counsel's Contract Routing form for contract management to better identify, classify, and protect data.
- Developed Qualtrics survey to capture additional information required for foreign contract reporting.
- Served as members of the Information Security Awareness Advisory Board providing compliance guidance for policy and training development.

UCF BOARD OF TRUSTEES
Agenda Item Summary
 Audit and Compliance Committee
 February 10, 2021

Title: Compliance, Ethics, and Risk Update

Information **Information for upcoming action** **Action**

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The update and any discussion will cover changes in federal or state requirements impacting the university, current or pending external compliance activities, and updates to the committee on key compliance, ethics and risk initiatives at UCF.

Background Information:

The UCF Audit and Compliance Committee Charter provides for oversight and direction of the institutional compliance, ethics, and enterprise risk management and insurance programs, and that committee members be knowledgeable of the program with respect to its implementation and effectiveness. Updates and the opportunity for discussion by committee members are provided to ensure that the elements of an effective program and the committee's charter are met.

Recommended Action:

N/A

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel N/A

Committee Chair or Chair of the Board has approved adding this item to the agenda

Submitted by:

Rhonda L. Bishop, Vice President for Compliance and Risk

Supporting Documentation:

Attachment A: University Compliance, Ethics, and Risk Update

Facilitators/Presenters:

Rhonda L. Bishop, Vice President for Compliance and Risk

University Compliance, Ethics, and Risk Update

Board of Trustees
Audit and Compliance Committee

February 10, 2021

INFO 4 - Work Plan Status of All Activities

October 1, 2020 to December 31, 2020

- Effective Lines of Communication
 - Promotion of the IntegrityLine
 - Development of a video tutorial
 - Worked with the SGA Judicial Branch
 - Work group

INFO 4 - Work Plan Status of All Activities

October 1, 2020 to December 31, 2020

- Measure Compliance Program Effectiveness
 - Five Year Program Review
- New Regulations and Special Projects
 - CARES Act HEERF Funding Compliance
 - Civility Training

INFO 5 - Program Updates

- House Select Committee on the Integrity of Research Institutions
- Conflict of Interest and Commitment
- Emerging Issues and Crisis Response Team (EICRT) – Updates
- Athletics Compliance

