



USF Board of Trustees
Audit & Compliance Committee
NOTES
Tuesday, February 18, 2020
Tampa Campus –Marshall Student Center Room# 3707

I. Call to Order and Comments

The meeting of the Audit & Compliance Committee was called to order by Chair Nancy Watkins at 11:30am.

Committee members present: Nancy Watkins, Sandra Callahan, Oscar Horton, and Byron Shinn. A quorum was established. President Cunniff, Trustees Mike Carrere, Britney Deas, Stephanie Goforth, Charles Tokarz and Jordan Zimmerman were also present

II. Public Comments Subject to USF Procedure

No requests for public comments were received.

III. New Business- Action Items

a. Approval of August 27, 2019 Meeting Notes

Upon request and receiving no changes to the draft meeting notes, Chair Watkins made a motion for approval, it was seconded and the August 7

A motion was made to recommend to the USF Board of Trustees (BOG) approval of the amended Audit Charter. The motion was seconded and approved by all Committee members present.

c. Acceptance of Performance-Based Funding Data Integrity Audit & Approval of PBF Data Integrity Certification

Ms. Kalil presented the results of the Performance-Based Funding (PBF) Data Integrity Audit. The BOG approved the PBF funding model in 2014. It is key for the BOG to rely on

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Both Operational Audit findings (IT User Access Privileges/Sensitive Personal Student Information and Severance Payments) were repeat findings, and have been addressed and closed per management. The one audit finding for the DSOs was Sun Dome Inc. relating to the accurate recording of a transaction, also closed per management.

b. Annual Compliance Certifications of DSOs

Fell Stubbs University Treasury presented the Annual Compliance Certifications of DSOs. This annual compliance certification report used to be combined with the independent audit findings report, but is now presented separately. Each DSO and entity under the control and direction of the BOT is expected to implement an internal control, reporting and governance structure consistent with best practices of USF, the DSO or related entity, as well as those detailed within National Association of College and University Business Officer's Advisory Report on the Sarbanes Oxley Act of 2002. The Compliance Certification process is an important element of DSO oversight and governance.

All 10 DSOs provided their Annual Compliance Certification Statements, signed by the DSO Board Chair, CEO and CFO, for the fiscal year ended June 30, 2019, consistent with the Annual Reporting Requirements for DSOs. There were no instances of non-compliance with the 22 requirements from five categories of compliance cited in the Annual DSO Compliance Certification Statements.

c. USF System Compliance & Ethics Annual Report

Jeffrey Muir, Chief Compliance Officer, USF System Compliance & Ethics Program (CEP), presented the 2019 CEP Annual Report. This report covers the period from January 1, 2019, to December 31, 2019. This report is organized under the "essential elements" of an effective compliance program as prescribed by the Federal Sentencing Guidelines and fulfills annual reporting requirements contained in BOG Regulation 4.003 and the USF System Compliance & Ethics Program Plan.

Mr. Muir presented highlights from the annual report of work done during the past year. These highlights touched on Foreign Influence, including federal research, outside activities reporting and foreign gifts/contracts with our university, Higher Education Opportunity Act (HEOA) oversight updates to the recruitment and hiring process including the development of new policies, procedures and training for those involved in recruiting and hiring new.

There was additional discussion on Foreign Influence. Trustee Griffin asked the path forward in proactively identifying these issues; and whether there are any new software packages, etc., that may be available. Mr. Muir responded that it is important to be sure our systems are communicating and education and training is key, as is awareness. He further explained that collective bargaining calls for disclosure of outside activity and this is not perfect.

V. Adjournment

Chair Watkins congratulated Mr. Muir who will be retiring this week after almost 40 years of service.