



COMMITTEE ON AUDIT AND COMPLIANCE

Pre-Meeting Minutes

Virtual Meeting

May 7, 2020

Time Convened: 2:03 p.m.

Time Adjourned: 2:38 p.m.

Committee and Board members present:

Marsha D. Powers (Committee Chair), David L. Brandon, Robert G. Stern, Trevor Pope, Ray Thomas, Anita Zucker, Tom Kuntz

Others present were:

Charlie Lane, Senior Vice President and Chief Operating Officer; Alan West, Assistant Vice President and Controller, Joe Canella, Interim Chief Audit Executive, Terra DuBois, Interim Chief Compliance Officer, and members of the University of Florida Community.

1.0 Call to Order and Welcome

Committee Chair Powers welcomed everyone in attendance and called the meeting to order at 2:03 p.m. She stated that the purpose of the conference call was to discuss the upcoming Committee's agenda for the June 2020 Board of Trustees' Committee meeting.

3.0 Roll Call

Board Staff conducted a roll call of all Committee and Board members present.

4.0 Review Agenda for the June 2020 Meeting

Committee Chair Powers introduced the following action and discussion items on the draft June 2020 agenda:

Actions Item:

AC1 July 1, 2020 through December 31, 2020 Office of Internal Audit Work Plan

Committee Chair Powers indicated there will be one action item at the upcoming Board meeting in June. Interim Chief Audit Executive Joe Cannella will review the Office of Internal Audit Work Plan, which everyone will receive access to before the Board Meeting via BoardVantage.

Committee Chair Powers asked board members if they had areas of concern that are not currently being addressed through an audit to let her, Charlie Lane, or Joe Cannella know.

5.0 Discussion Items:

5.1 Update on External Audits

Committee Chair Powers advised that yesterday she attended the entrance conference for the UF Financial Statement Audit for FY 2019-2020 conducted by the state Auditor General's Office. She updated the Committee on the scope of the planned audits and results that were anticipated for audits in process.

5.2 Board of Governors Assessment

Committee Chair Powers mentioned the Board of Governors received a report on Controls and Business Process Assessments, a system-wide audit of internal controls and business processes, which was conducted by Crowe. Interim Chief Audit Executive Joe Cannella mentioned that there were two IT findings that either he or Vice President and Chief Information Officer Elias Eldayrie would present and give an update on the status of the findings.

5.3 Strategic Update and Enterprise Risk Management

Senior Vice President and Chief Operating Officer Charlie Lane will give a strategic update on enterprise risk management at the June meeting. He mentioned that Baker Tilly was hired, and they have been working with the university. Based on the work to date, it was recommended that the university focus on Public Health, Deferred Maintenance and International Activities for the detailed assessment process.

5.4 Compliance Program Update

Interim Chief Compliance Officer Terra DuBois presented key points of the UF Compliance and Ethics FY21 Work Plan Draft including discussing updates on the conflicts of interests and foreign influence efforts. She expects to present the final plan at the June meeting.

5.5 Audits of Affiliated Organizations

Assistant Vice President and Controller, Alan West indicated that there were no updates since the last meeting and this could be removed from the agenda this quarter.

5.6 Audits and Other Reviews

Interim Chief Audit Executive Joe Cannella will review any issued audits at the Audit and Compliance Committee meeting in June to including the UAA Ticket Office and Executive Expense Review and possibly a few other reports that are being finalized.

5.7 Quarterly Follow-up

Interim Chief Audit Executive Joe Cannella indicated he would present results of follow-up, but that there was nothing significant to address at the time.

6.0 New Business

There was no new business to come before the committee. Committee Chair Powers mentioned that she will get an update on investigations before the June meeting. She asked board members to again think about and consider any specific areas they feel should be addressed in an audit.

Trustee Kuntz mentioned that he would like to make sure we are considering the potential impacts of the work from home environment when developing the plan. Committee Chair Powers and Interim Chief Audit Executive Joe Cannella explained that they have had similar conversations and internal audit is already adjusting the work plan accordingly to focus on helping management address the change in risks and controls. It was discussed that audits of these issues may be helpful at a later date.

7.0 Adjourn

There being no further discussion, Committee Chair Powers adjourned at the meeting at 2:38 p.m.