Joint Audit & Compliance Committee

Agenda

1:00 pm – 1:30 pm – Executive Session
1:30 pm – 3:00 pm - Public Meeting

November 7, 2012

Issue	Proposed Action	Tab
Executive Session to discuss: • C.G.S. 1-200(6)[E] – Preliminary drafts or notes that the public agency has determined the public's interest in withholding outweighs the public's interest in disclosure. [1-210(b)(1)] • C.G.S. 1-200(6)[E] – A discussion of any matter which would result in the disclosure of public records or the information contained therein pertaining to strategy and negotiations with respect to pending claims regarding Recovery Audit Contractor (RAC) Audit [1-210(b)(4)]		None
Opportunity for Public Comment		None
Minutes of the JACC of the August 9, 2012 Meeting	Approval	1
Storrs & UCHC Significant Compliance Activities • Compliance Metrics – Storrs and UCHC • Research Compliance - Storrs	Update Update Presentation	2
Significant Audit Activities • Status of Audit Assignments (Storrs & UCHC) • Audit Follow-up Activity	 Update Update	3
External Engagements • McGladrey & Pullen, LLP Audits of UConn 2000 – FY12 Request to hire	Update Approval	4
Office of Audit, Compliance & Ethics • Executive Compliance Committee Charter – Storrs	 Approval	5
Joint Audit and Compliance Committee 2013 Meeting Schedule	Approval	6

Joint Audit & Compliance Committee

Agenda

1:00 pm – 1:45 pm – Executive Session
1:45 pm – 3:30 pm - Public Meeting

Issue	Proposed Action	Tab
Freeh Report Summary	Update	7
Informational/Educational Items • Quarterly Newsletter for Summer 2012 - UCHC • Records Retention Pamphlet • JACC Agenda Forecast	Information Only	8
Information Session with OACE's Chief Audit & Compliance Auditor and Direct Reports		
Conclusion of Full Meeting		

November 7, 2012

November 7, 2012

TAB I

JACC Minutes – August 9, 2012

November 7, 2012

TRUSTEES/DIRECTORS PRESENT:	F. Archambault, F. Borges, T. Holt, T. Kruger, D. Nayden, and W. Shepperd
STAFF PRESENT:	N. Adams, C. Andrews, H. Bray, N. Bull, J. Carroll, C. Chiaputti, M. Choi, C. Eaton, K. Egeberg, K. Fearney, P. Ferguson, K. Fox, J. Gaffney, K. Gafford, J. Geoghegan, B. Gore, C. Gray, R. Gray, S. Herbst, R. Hoagland, W. Kleinman, R. Krinsky Rudnick, A. Marsh, C. Malloy, M. Markowicz, D. Martel, I. Mauriello, T. Monahan, B. Patel, G. Plesko, J. Rasimas, S. Reis, R. Rubin, G. Slupecki, J. Small, M. Summerer, L. Teal, F. Torti, K. Violette, L. Vitullo, M. Walker, and E. Zincavage

The meeting of the Joint Audit and Compliance Committee (JACC) was called to order at 1:05 pm by Trustee Nayden.

ON A MOTION made by Trustee Nayden and seconded by Trustee Archambault, THE JACC VOTED to go into executive session to discuss:

C.G.S. 1-200(6)[E] Preliminary drafts or notes that the public agency has determined the public's interest in withholding outweighs the public's interest in disclosure [I-210(b)(I)].

Executive Session was attended by Joint Audit & Compliance Committee Members – F. Archambault, F. Borges, T. Holt, T. Kruger, D. Nayden and W. Shepperd; OACE Staff members – N. Adams, C. Chiaputti, C. Gray, K. Fearney, A. Marsh, I. Mauriello, K. Violette, M. Walker and E. Zincavage; Senior Staff – M. Choi, K. Gafford, R. Gray, S. Herbst, W. Kleinman, R. Rubin, F. Torti and Attorney H. Bray; Portions of executive session were also attended by – K. Fox, G. Plesko, S. Reis, M. Summerer and L. Vitullo.

The Executive Session ended at 1:50 p.m. and the JACC returned to open session at 1:55 p.m. There were no public comments.

OACE revised the agenda that was originally mailed prior to the meeting to include a review of the University's Draft Travel Policies and Procedures.

TAB 1 - Minutes of Prior JACC Meeting

ON A MOTION made by Trustee Nayden and seconded by Trustee Shepperd, the minutes of the June 7, 2012 meeting were approved.

JACC Minutes – August 9, 2012

November 7, 2012

TAB 2 - Significant Compliance Activities

K. Fearney provided the JACC with a summary of significant compliance activities for Storrs including:

- University-wide Conflicts of Interest / Commitment Policy and Commitment Committee
- FY 13 Draft Risk Assessment and Compliance Plans
- Staffing Update
- 2012 Annual Compliance Training

I. Mauriello provided the JACC with a summary of significant compliance activities for UCHC including:

- Electronic Conflicts of Interest (CoI) Disclosure - request for proposal process underway
- Special assist to UMG – Coding and Documentation Reviews of Physicians
- Policy on Patient Legal Representative for Health Care Decisions
- 2012 Compliance Training

D. Gibb, Director of the Human Subjects Protection Office (HSPO), presented the UCHC Human Subject - Research Compliance Monitoring Program. Note: the correct agenda item should have read as UCHC Institutional Review Board (IRB) Monitors.

- Full Random Audits: 4 conducted

- Close Monitoring Visits: 2 studies, 4 visits on two separate Principal Investigators (PI)

- IRB Mandated Actions:

1) Pre-review of replacement study: 4 formal intensive sessions, numerous e-mail reviews of revised documents, additional assistance to CICATS regulatory analyst & CICATS administrator
2) One New Study pre-review prior to submission
3) Team Education on study conduct and IRB submissions for one study. Then confirmation of delegation & education log development for the next new study for this same PI.
4) PI Education on study conduct (one PI-continuing review)
5) Education Session for one PI on responsibilities & study oversight

TAB 3 - Significant Audit Activities

The Committee asked M. Walker to review the Freeh Report and summarize his detailed analysis for the committee at the next JACC meeting.

JACC Minutes – August 9, 2012

C. Chiaputti provided the JACC with an update on the status of audit assignments. OACE completed nine audits, two special projects and had fourteen audits ongoing during this reporting period. The nine audits completed this period were:

- Connecticut Innovations Grant – Innovative Optical Diagnostic Tools for Fuel Cell Development and Operation
- Case Management
- ARRA Cage Wash – Update 2
- ARRA Quarterly Review (Q2) Ending June 30, 2012
- Kuali – Update 1
- Kuali – Update 2
- Faculty Consulting (07/01/10-12/31/10)
- Center for Entrepreneurship and Innovations (CCEI)
- Bioscience CT Initiative – Update 1

The Committee deferred acceptance of the Case Management report pending additional review.

C. Chiaputti informed the committee that management continues to make progress on implementing corrective actions. OACE has defined it's rating for audit findings on a High / Medium / Low scale. Findings will be accessed on a consistent basis. All outstanding audit findings have been reevaluated based on these rating definitions.

Tab 4 – FY13 Auditing and Compliance Plans (Storrs and UCHC)

K. Fearney and I. Mauriello presented the University of Connecticut and University of Connecticut Health Centers Compliance Plans for FY13 to the JACC. There was an improper indentation of bulleted items on Page 2 of the Health Center Draft Compliance Plan, in the Regulatory Compliance section of the Plan under Implement Physician Sunshine Act requirements – 2014, the 2 indented bullets should not be indented but rather, should stand on their own.

C. Chiaputti presented the University of Connecticut and University of Connecticut Health Center's Audit Plans for FY 13 to the JACC for approval. **ON A MOTION** made by Trustee Nayden and seconded by Trustee Holt the FY 13 Audit Plans were approved.

Tab 5 – Auditors of Public Accounts

J. Rasimas presented the Auditors' Report on the University of Connecticut for Fiscal Years Ended June 30, 2008 and 2009.

Tab 6 – External Engagement

C. Chiaputti provided the JACC with a brief update on the status of external audit projects.

OACE recommended that the JACC approve the re-appointment of the accounting firm BKD to provide audit services for the National Collegiate Athletic Association (NCAA) Financial Reporting Requirements for the year ended June 30, 2012.

JACC Minutes – August 9, 2012

On A MOTION made by Trustee Nayden and seconded by Trustee Archambault, the JACC approved the hiring of BKD for audit services for the year ended June 30, 2012.

Tab 7 – Joint Audit and Compliance Committee / Office of Audit, Compliance & Ethics

A revised OACE Charter was provided to the JACC for approval. **ON A MOTION** made by Director Shepperd and seconded by Trustee Archambault the revised OACE Charter was approved.

The committee was also presented with the JACC Self Assessment – Action Plan for review. Five issues were identified from the Self Assessment completed earlier in the year to act on.

Travel & Entertainment (T&E) Policies and Procedures Manual

C. Eaton presented an overview of the revised T&E Policies and Procedures manual, last revised in 2008. This comprehensive document was revised by a university committee comprised of various university constituents and reviewed by many impacted areas for critique.

ON A MOTION made by Trustee Archambault and seconded by Director Borges, the JACC accepted the T&E Policies and Procedures manual. These policies will be provided to the Board of Trustees for approval. The JACC recommends that future non-substantive changes be reviewed and approved by the Finance Committee.

Tab 8 – Informational / Educational Items

The JACC was provided with copies of the following:

- Storrs quarterly newsletter
- "A Barrage of Regulations" Article
  (Copyright 2012 - Internal Auditor)
- JACC Agenda Forecast

There was no further business.

ON A MOTION made by Trustee Nayden and seconded by Director Borges, the meeting was adjourned at 2:45 p.m.

Respectfully submitted,

Angela Marsh

Angela Marsh
Secretary to the Joint Audit & Compliance Committee

November 7, 2012

TAB 2

Joint Audit & Compliance Committee

Significant Compliance Activities

November 7, 2012

Storrs and UCHC

- **University-wide Conflicts of Interest / Commitment Committee** - meetings continue to discuss current and future policies. Website development is underway.

UCHC

- **Department of Health & Human Services Office of Inspector General Work Plan** - was published on October 2, 2012. Review is underway by Compliance Office. Meetings with stakeholders on key components to follow.
- **ICD-10** - Compliance office staff is participating in ICD-10 conversion preparation teams.
- **Overpayment Refund** - A voluntary overpayment refund was completed to Medicare for inpatient dates of service on one patient that was found to be medically unnecessary.

Storrs

- **Records Management Initiative Update** – The program has been introduced at various committees of senior management (ECC, Deans' Council). To date, over 14 separate campuses, departments and programs have partnered with us and several others have expressed an interest in taking part. The Compliance Office is in the process of assessing the extent to which a permanent, comprehensive Records and Information Management Office would be appropriate.
- **Policy Update** – Currently revising or developing policies with the Bursar's Office, Purchasing and the Provost's Office. Policies under review include Reimbursement of Moving Expenses, Reimbursement of Recruitment Expenses and policy and procedure manuals for both the Bursar's Office and Purchasing.
- **Research Compliance Presentation** – Nancy Wallach, Director of the Office of Research Compliance.

Joint Audit & Compliance Committee

Compliance Metrics

January 1, 2012 through June 30, 2012

Health Center

Allegations by Category	Percentage Of Total Of All Allegations
Conduct	5 (13%)
Time Report	4 (10%)
Billing	1 (2%)
HITECH Breach/Privacy/Security	26 (66%)
Retaliation	1 (2%)
Conflict of Interest	2 (5%)
Patient Care	1 (2%)
Total	**40 (100%)**

Storrs Campus

Allegations by Category	Percentage Of Total Of All Allegations
Corporate Policy or Conduct Violation	3 (15%)
Data Privacy Violation	1 (5%)
General Concern	12 (60%)
Improper Employment or Disciplinary Action	1 (5%)
Misrepresentation of Information	1 (5%)
Misuse of Company Resources	1 (5%)
Workplace Harassment	1 (5%)
Total	**20 (100%)**

November 7, 2012

Joint Audit & Compliance Committee

Compliance Metrics

January 1, 2012 through June 30, 2012

Health Center

Top 10 Compliance Office Contacts by Topic
Privacy/HITECH Breach
Patient Care
State Code of Ethics
Policy/Procedure Guidance
Billing
Regulatory
Conduct
Conflict of Interest
Training
Coding/Documentation

Storrs Campus

Top 10 Compliance Office Contacts by Topic
Training
Code of Ethics – Acceptance of Gifts
Freedom of Information Requests
Code of Ethics – Outside Employment
Conflicts of Interest/Commitment
Privacy
Code of Ethics – Misuse of State Position or Authority
University Policy and Procedures – Guidance on Current Policy
University Policy and Procedures – Guidance on the Creation or Revision of Policy
Reporting of Suspected Policy Violations

November 7, 2012

Joint Audit & Compliance Committee

Compliance Metrics

January 1, 2012 through June 30, 2012

November 7, 2012

Health Center

2012 Annual Compliance Training Topics
Code of Conduct Update
State Code of Ethics Refresher
UCHC Office of Audit, Compliance and Ethics Overview
Workplace Violence Prevention
Sexual Assault Response Policy
Physician Payment Sunshine Act (assigned according to job responsibilities)
State Code of Ethics for individuals involved in contract negotiations, selection and supervision
Fraud Awareness and or Research Compliance Refreshers (assigned according to job responsibilities)
HIPAA/HITECH Privacy and Security
Conflict of Interest in Research (new NIH Rule update assigned according to job responsibilities)
Compliance and Ethics topics above are included in each new employee orientation (every two weeks) as well as contractor/vendor orientations and a semi-annual management development program.

Storrs Campus

2012 Annual Compliance Training Topics
Sexual Assault Response Policy
Code of Conduct
I-9 and Special Payroll Information
Export Control
Code of Ethics
State Code of Ethics for individuals involved in contract negotiations, selection and supervision
Compliance and Ethics topics are included in new employee orientation, new administrator orientation, Deans Council meetings and Department Head Meetings

November 7, 2012

TAB 3

Joint Audit & Compliance Committee
Status of Audit Assignments

November 7, 2012

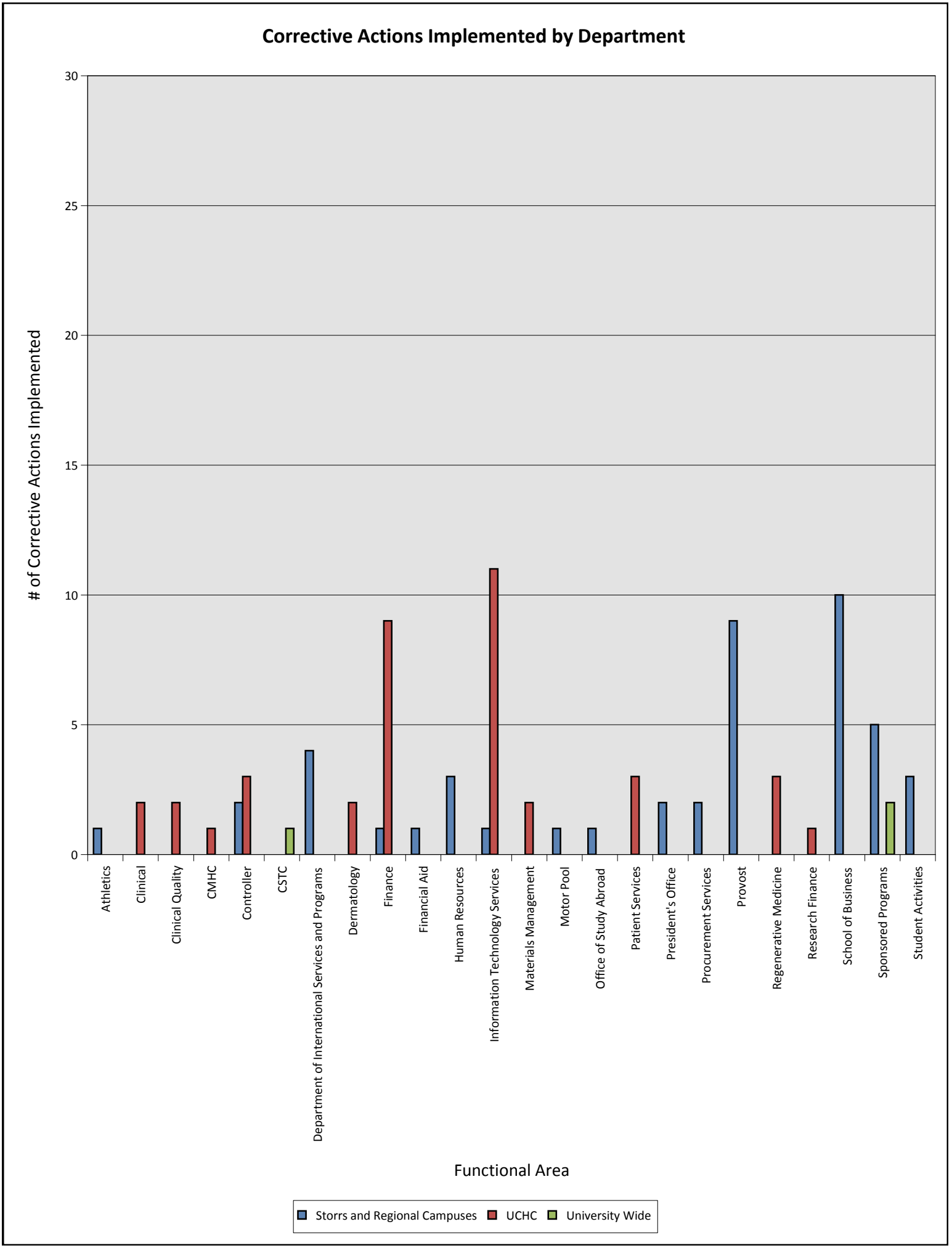
Audit Project	Storrs or UCHC	Planning	Fieldwork	Draft Report Issued	Final Draft Report Issued
ARRA – Quarterly Review Ending 09/30/12	Storrs UCHC				X
Foundation – FY 12	Storrs				X
Case Management	UCHC				X
Tuition Waivers	Storrs				X
Faculty Consulting - FY 11	Storrs UCHC				X
Athletics NCAA Compliance Audit	Storrs				X
Charge Description Master (UMG)	UCHC				X
NextGen (UMG EMR)	UCHC				X
ARRA CCM –(Cage Wash) – Update 3	UCHC				X
Renovations for New Faculty-Pharmacy Biology Building	Storrs				X
Change Order Monitoring	Storrs				X
BioScience CT – Update 2	UCHC				X
Graduate Medical Education (GME)	UCHC			X	
Lifetime Clinical Records (LCR)	UCHC		X		
Body Donation Program	UCHC		X		
Research Towers – Contract Review	UCHC		X		
Banner System Development	UCHC		X		
Technology Incubation Program (TIP)	Storrs UCHC		X		
Dining Services	Storrs		X		
Grant Expenditures & Cost Transfers	UCHC		X		
Peoplesoft – Student Administration	Storrs		X		
East/West Building	Storrs		X		
Banner Post Implementation Review	UCHC		X		

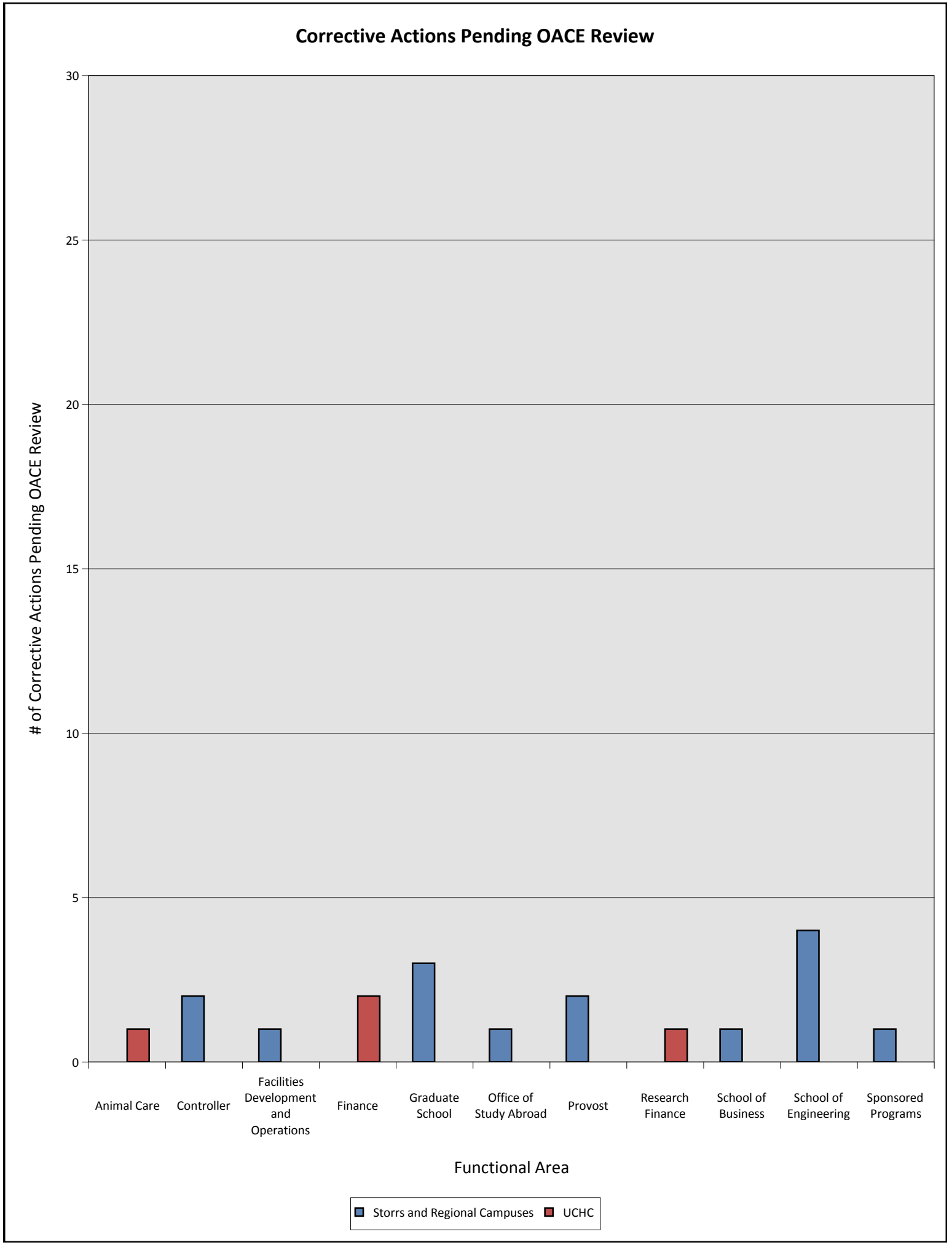
Joint Audit & Compliance Committee
Status of Audit Assignments

November 7, 2012

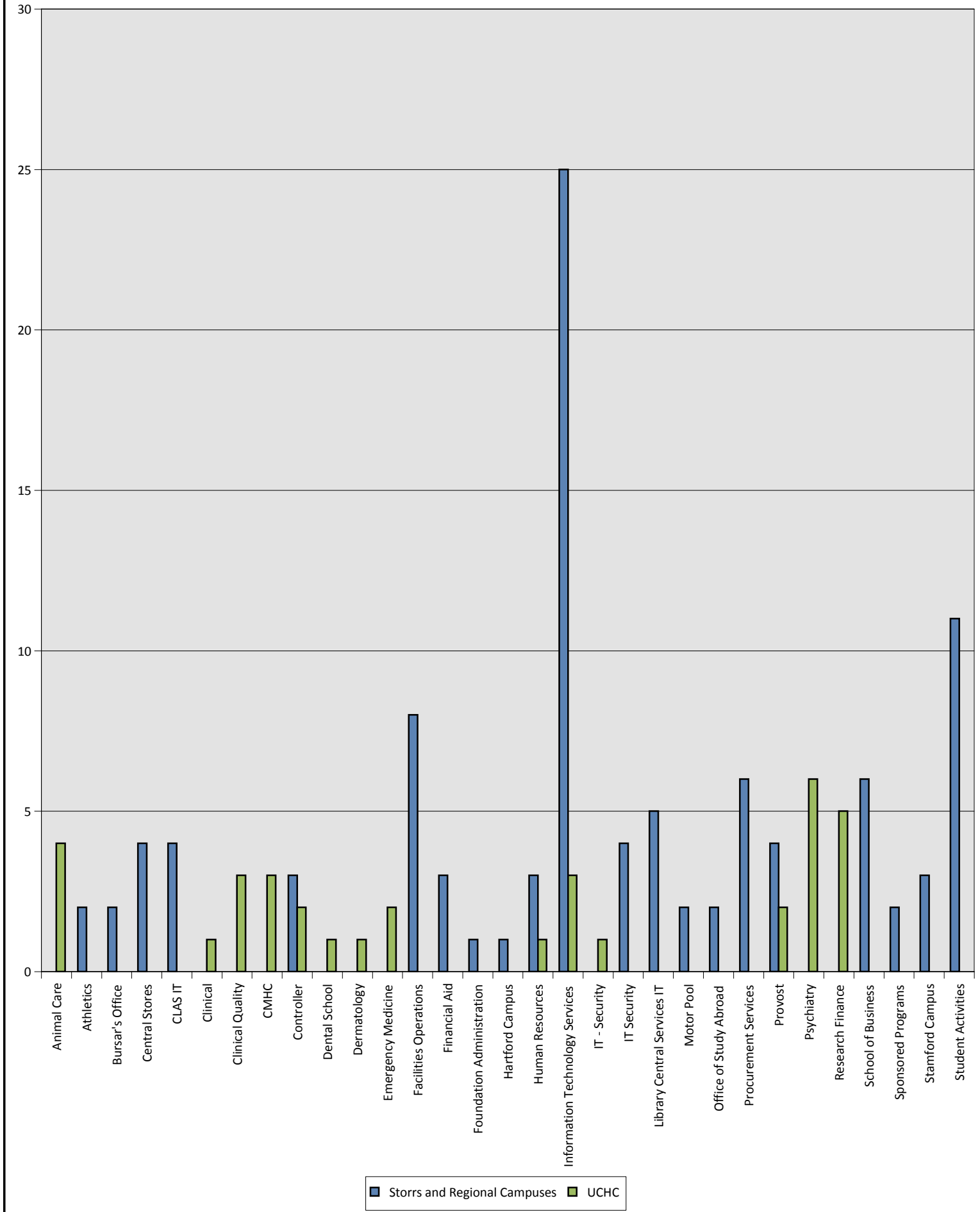
Audit Project	Storrs or UCHC	Planning	Fieldwork	Draft Report Issued	Final Draft Report Issued
Overtime Payments – Public Safety	Storrs		X		
Connecticut Health Information Network (CHIN)	UCHC		X		
Accounts Receivable / Bad Debt Write-Off - UMG	UCHC		X		
Athletics Financial Audit	Storrs		X		
Device Recall or Failure While Under Warrantee	UCHC		X		
Real Estate Center – School of Business	Storrs	X			
University Server – Physical Security	Storrs	X			
Technology Quadrant – Phase III	Storrs	X			
McMahon Dining Hall Renovations	Storrs	X			
Memorial Stadium Demolition	Storrs	X			
Stem Cell – FY 12	Storrs UCHC	X			
Stamford Business Office and IT Audit	Storrs	X			
Total Audits (35)		07	15	01	12

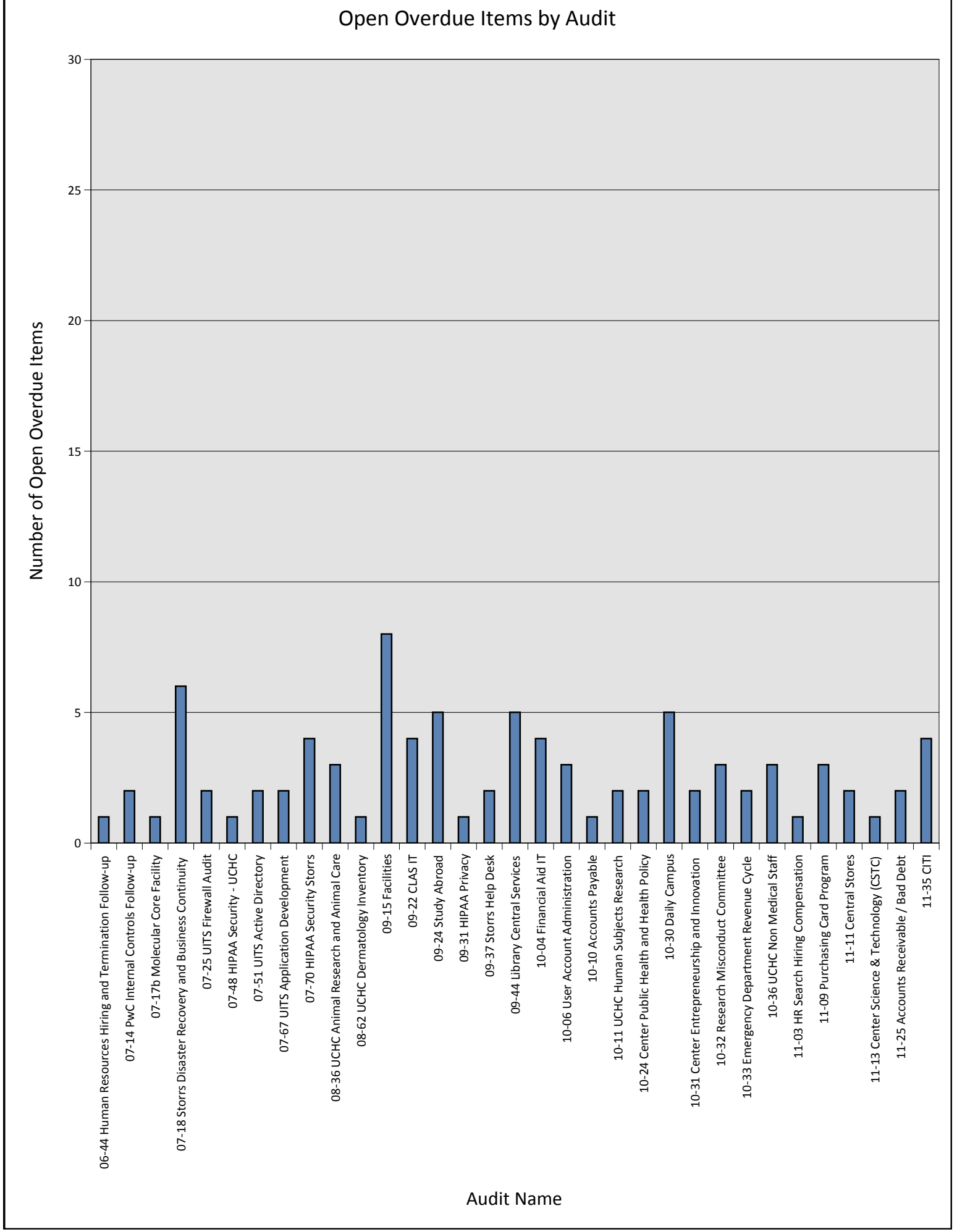
Special Projects/Consulting/Follow-up	Storrs or UCHC	Planning	Fieldwork	Review/ Pre - draft	Project Complete
Executive MBA	Storrs				X
Limited Physical Therapy	UCHC				X
School of Business	Storrs				X
Clinic	Storrs				X
Bursar's Office	Storrs			X	
Contract Process	UCHC			X	
Total Special Projects/Consulting (06)		(0)	(0)	(02)	(04)

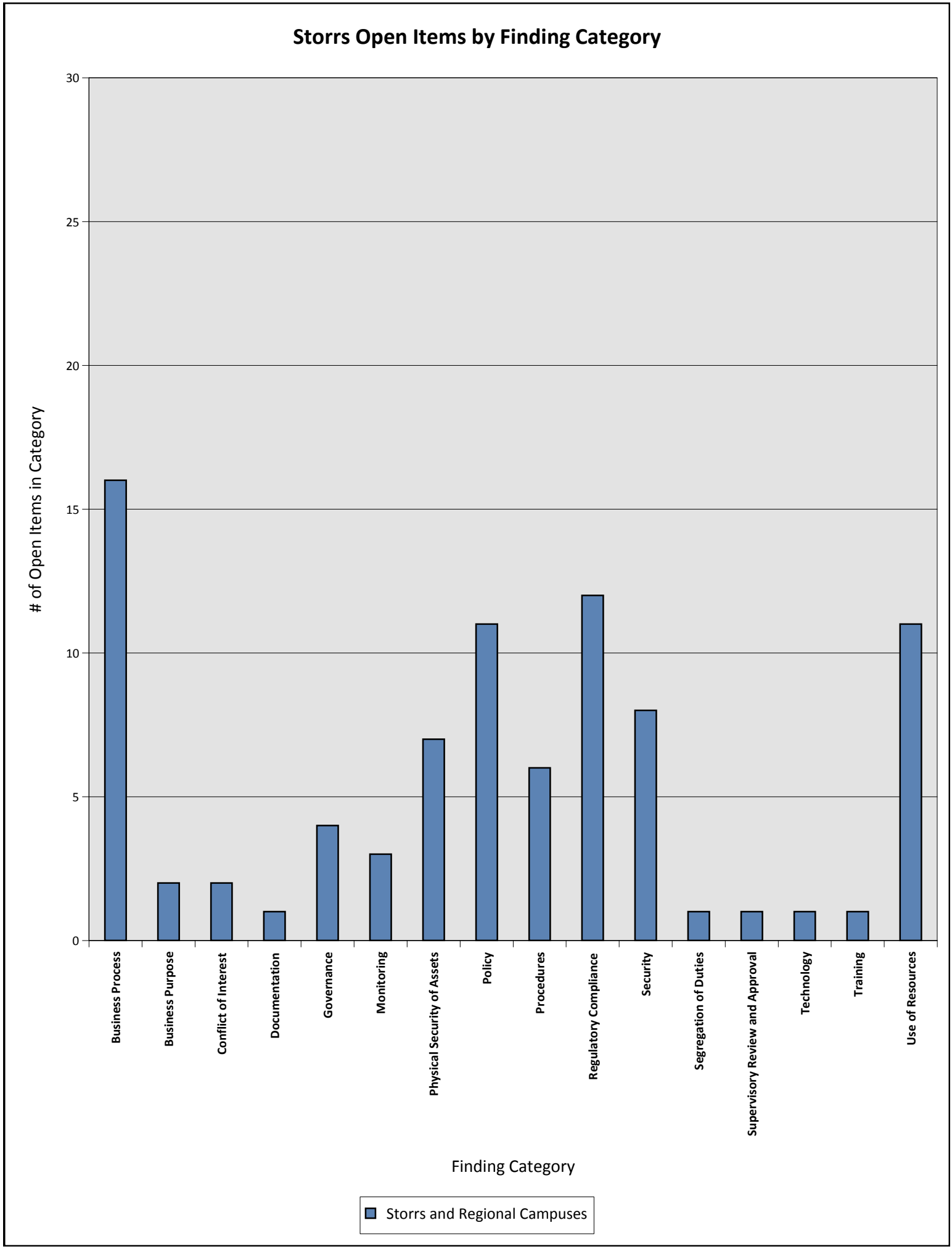

Corrective Actions Implemented by Department
# of Corrective Actions Implemented
30
25
20
15
10
5
0
Athletics
Clinical
Clinical Quality
CMHC
Controller
CSTC
Department of International Services and Programs
Dermatology
Finance
Financial Aid
Human Resources
Information Technology Services
Materials Management
Motor Pool
Office of Study Abroad
Patient Services
President's Office
Procurement Services
Provost
Regenerative Medicine
Research Finance
School of Business
Sponsored Programs
Student Activities
Functional Area
Storrs and Regional Campuses
UCHC
University Wide

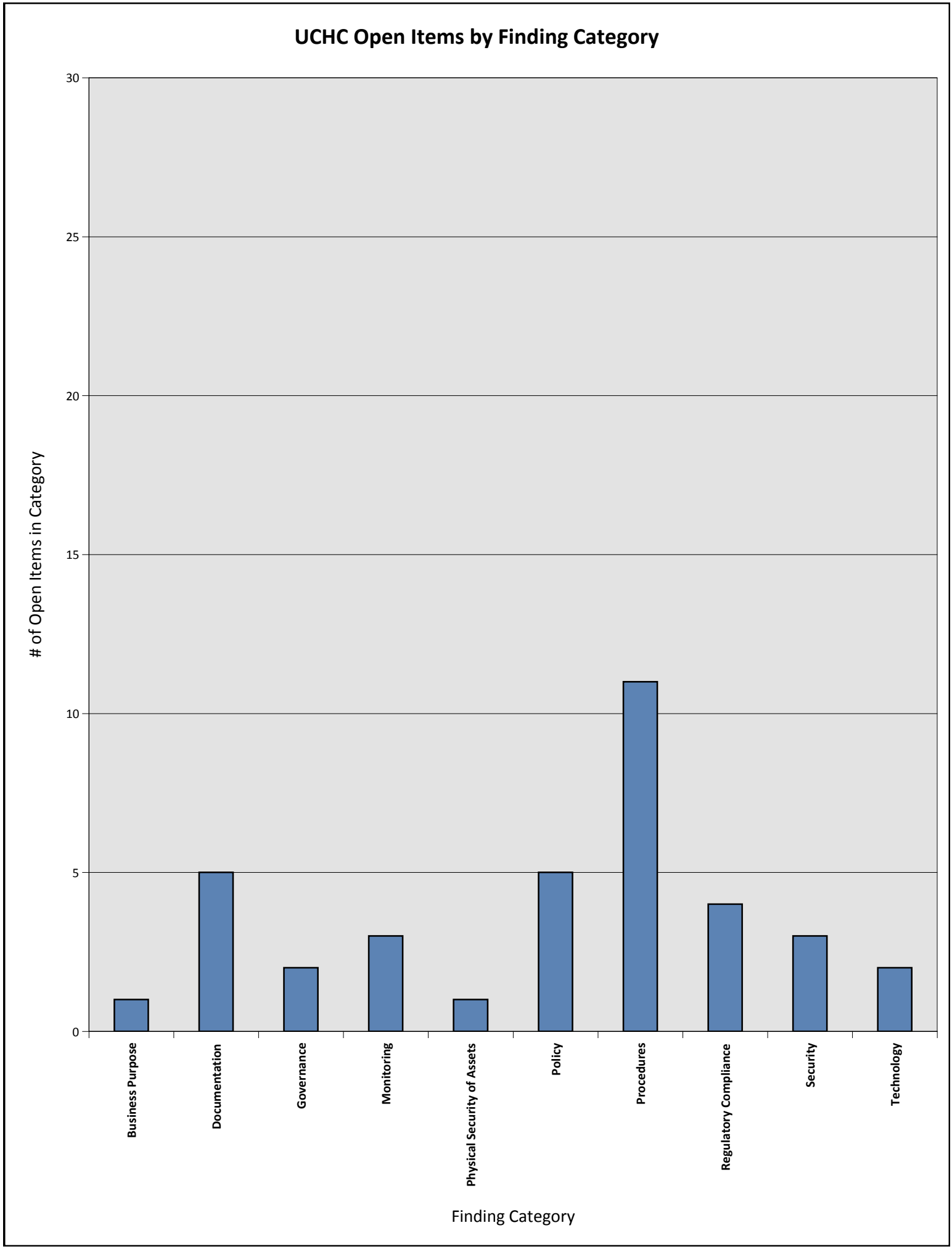

Corrective Actions Pending OACE Review
# of Corrective Actions Pending OACE Review
30
25
20
15
10
5
0
Animal Care
Controller
Facilities Development and Operations
Finance
Graduate School
Office of Study Abroad
Provost
Research Finance
School of Business
School of Engineering
Sponsored Programs
Functional Area
Storrs and Regional Campuses
UCHC

Open Overdue Items by Functional Area

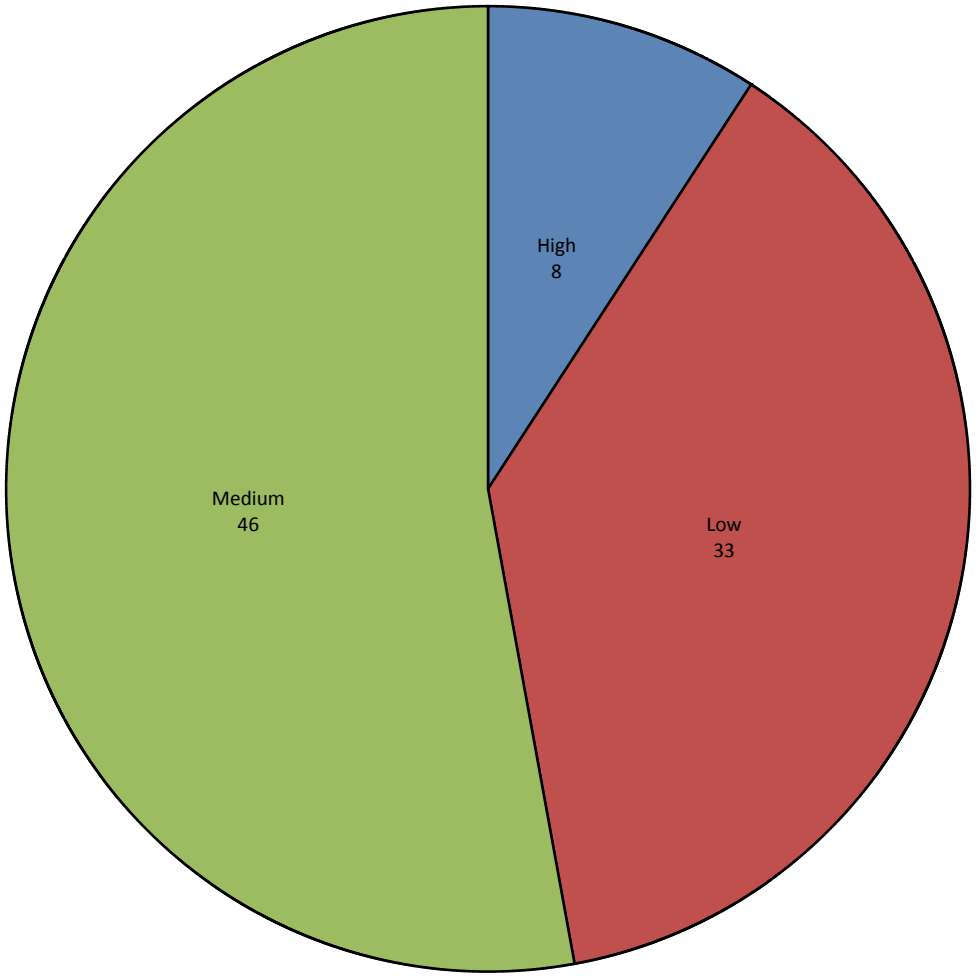



Open Overdue Items by Audit
Number of Open Overdue Items
0
5
10
15
20
25
30
06-44 Human Resources Hiring and Termination Follow-up
07-14 PwC Internal Controls Follow-up
07-17b Molecular Core Facility
07-18 Storrs Disaster Recovery and Business Continuity
07-25 UITS Firewall Audit
07-48 HIPAA Security - UCHC
07-51 UITS Active Directory
07-67 UITS Application Development
07-70 HIPAA Security Storrs
08-36 UCHC Animal Research and Animal Care
08-62 UCHC Dermatology Inventory
09-15 Facilities
09-22 CLAS IT
09-24 Study Abroad
09-31 HIPAA Privacy
09-37 Storrs Help Desk
09-44 Library Central Services
10-04 Financial Aid IT
10-06 User Account Administration
10-10 Accounts Payable
10-11 UCHC Human Subjects Research
10-24 Center Public Health and Health Policy
10-30 Daily Campus
10-31 Center Entrepreneurship and Innovation
10-32 Research Misconduct Committee
10-33 Emergency Department Revenue Cycle
10-36 UCHC Non Medical Staff
11-03 HR Search Hiring Compensation
11-09 Purchasing Card Program
11-11 Central Stores
11-13 Center Science & Technology (CSTC)
11-25 Accounts Receivable / Bad Debt
11-35 CITI
Audit Name

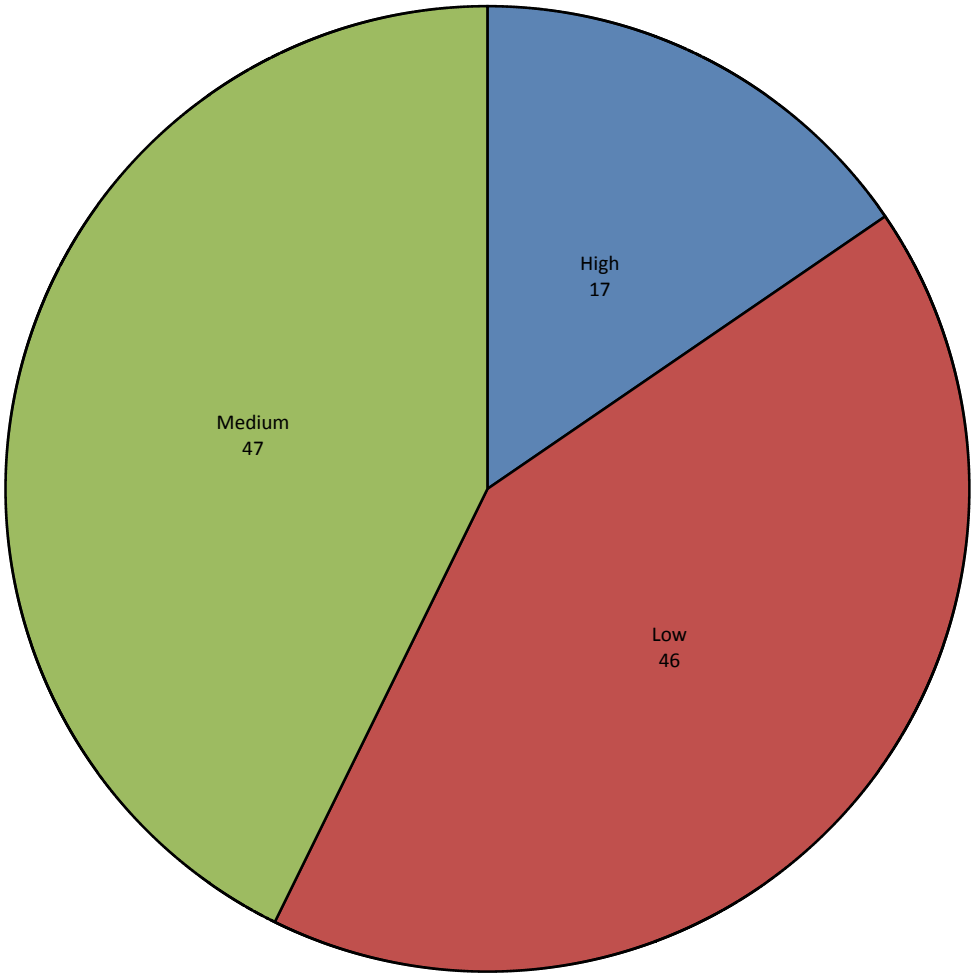

Storrs Open Items by Finding Category
# of Open Items in Category
30
25
20
15
10
5
0
Business Process
Business Purpose
Conflict of Interest
Documentation
Governance
Monitoring
Physical Security of Assets
Policy
Procedures
Regulatory Compliance
Security
Segregation of Duties
Supervisory Review and Approval
Technology
Training
Use of Resources
Finding Category
Storrs and Regional Campuses


UCHC Open Items by Finding Category
30
25
20
15
10
5
0
# of Open Items in Category
Business Purpose
Documentation
Governance
Monitoring
Physical Security of Assets
Policy
Procedures
Regulatory Compliance
Security
Technology
Finding Category

Implemented Since Last JACC



Open Overdue Items By Risk Level



Joint Audit & Compliance Committee
Audit Finding Rating Definitions

November 7, 2012

Low

Meaningful reportable issue for client consideration that in the Auditor's judgment should be communicated in writing. The finding results in minimal exposure to the University or UCHC and has little or no impact on the University's or UCHC's compliance with laws and regulations. The issues related to this control weakness will typically not lead to a material error.

Medium

Significant exposure to the area under review within the scope of the audit. The finding results in the potential violation of laws and regulations and should be addressed as a priority to ensure compliance with University's or UCHC's policies and procedures. The significance of the potential errors related to this control weakness makes it important to correct.

High

Significant exposure to the University or UCHC that could include systemic University or UCHC wide exposure. The finding could result in a significant violation of laws and regulations and should be viewed as a highest priority which the University or UCHC must address immediately.

November 7, 2012

TAB 4

The Office of Audit, Compliance & Ethics
Status of External Audit Projects

November 7, 2012

Vendor	Area	Scope	Comments
Marcum, LLP	UCHC	Audits of the John Dempsey Hospital and Dental Clinics (Clinical Programs Fund), including the OHCA fillings, UConn Medical Group (UMG) and the University of Connecticut Health Center Finance Corporation for Fiscal Year 2012.	The JACC approved the hiring of Marcum, LLP to conduct this audit at a Special Meeting of the JACC on March 12, 2012. Engagement is underway.
BKD	Storrs Athletics	NCAA agreed upon procedures performed on all revenues, expenses, and capital expenditures for or on behalf of the University's Athletics Program for FY 2012.	The JACC approved the hiring of BKD to conduct this audit at their August 9, 2012 JACC Meeting. Engagement is underway.
McGladrey & Pullen, LLP	Storrs, Regionals & UCHC UCONN 2000 Expenditures for FY 2012	Audit of UCONN 2000 named projects substantially completed during FY 2012, deferred maintenance with designated projects' budgets substantially completed in FY 2012 and agreed upon procedures performed on total UCONN 2000 expenditures (named projects, deferred maintenance and equipment) for FY 2012.	OACE will request JACC approval to hire McGladrey & Pullen, LLP for FY12 at the November 7, 2012 JACC meeting.

McGladrey & Pullen, LLP

November 7, 2012

TO: Members of the Joint Audit & Compliance Committee

FROM: Kenneth Michael Walker
Chief Audit & Compliance Officer

DATE: November 7, 2012

SUBJECT: APPOINTMENT OF AUDITORS – McGladrey & Pullen, LLP

RECOMMENDATION

It is recommended that the Joint Audit and Compliance Committee approve the re-appointment of the accounting firm of McGladrey & Pullen, LLP as independent auditors of UCONN 2000 expenditures for the 2012 fiscal year. The engagement requires the audit of UCONN 2000 named projects and stand alone deferred maintenance projects substantially completed during the 2012 fiscal year and agreed upon procedures performed on total UCONN 2000 expenditures, including deferred maintenance and equipment for the year ending June 30, 2012. The proposed fee for the above services is $83,000 plus out of pocket expenses that will not exceed $12,000. The engagement will commence on November 8, 2012 and is expected to be completed no later than March 31, 2013.

BACKGROUND

McGladrey & Pullen presented their final audit and agreed upon procedures reports on UCONN 2000 expenditures for fiscal year 2011 to the Joint Audit & Compliance Committee at their April 2012 meeting. This fulfilled their obligations as described in the initial contract. In accordance with the terms of the contract and prevailing legislation, Public Act No. 06-134, An Act Concerning Construction Oversight at the University of Connecticut and the Prequalification of Substantial Contractor, the University may elect to utilize the services McGladrey & Pullen, LLP to conduct audits of UCONN 2000 project expenditures on an annual basis for five consecutive years. This engagement represents the second consecutive year that the University will utilize the services of McGladrey & Pullen, LLP to conduct audits of UCONN 2000 project expenditures

OACE seeks JACC approval to move forward with this engagement.

November 7, 2012

TAB 5

Joint Audit & Compliance Committee

November 7, 2012

University of Connecticut
Executive Compliance Committee Charter

The Executive Compliance Committee is appointed to assist the Chief Compliance Officer ("CCO") in performing the CCO's oversight responsibilities with regard to compliance and ethics.

RESPONSIBILITIES

The committee fulfills its responsibilities by:

- Working closely with the CCO and the Office of Audit, Compliance and Ethics ("OACE") to ensure university-wide compliance with relevant state and federal laws impacting UCONN functions and the university community;
- Reviewing and advising on the UCONN Compliance Program and other key supporting documents regarding or relating to the Program;
- Keeping updated on UCONN's system of internal controls and their application to changing laws, regulations, and practice;
- Encouraging faculty and staff towards compliance with and adherence to pertinent laws, regulations, policies, procedures, and practices;
- Maintaining awareness of the compliance, audit and training activities of the OACE;
- Providing a forum for communication among the various units and programs within UCONN for issues relevant to audit, compliance and ethics.

COMPOSITION

The Executive Compliance Committee shall be comprised of members selected by virtue of their roles (or functional equivalent) within the institution from the following groups, and will include those with titles such as:

- Co-Chair, Chief Compliance Officer
- Co-Chair, Director of Compliance
- Executive Vice President for Administration and Chief Financial Officer
- Provost and Executive Vice President for Academic Affairs (or equivalent)
- Vice President for Research
- Vice President for Enrollment Planning and Management (or equivalent)
- Vice President for Student Affairs
- Vice President for Economic Development
- Director of Athletics

Joint Audit & Compliance Committee

In addition, the following, (or functional equivalents) are considered non-voting ex officio members of the Executive Compliance Committee:

- Chief of Staff to the President
- University Privacy Officer
- Director of Audit Services
- Dean
- Faculty Senate Representative
- Assistant Attorney General
- General Counsel
- Executive Director of the Office for Sponsored Programs
- Director of Research Compliance

Additional voting and non-voting members may be appointed by the Co-Chairs together with the President of the University. Other compliance areas may also be invited to attend, as appropriate.

A quorum for any meeting will be a majority of the voting members. All members of the committee shall have a working familiarity with basic principles of compliance and ethics. Generally, each committee member shall be independent and free from any relationship, which would interfere with the exercise of independent judgment as a member of the committee. However, should an issue arise where any member recognizes a conflict, that member will note such conflict and recuse him/herself from discussions on the topic.

MEETINGS

The committee shall meet at not less than two times per year, or more frequently as circumstances dictate.

DUTIES

To fulfill its duties, the Committee shall:

- At least annually, review and discuss the UCONN Compliance Program, which includes:
  - Risk assessment
  - Compliance training program(s)
  - Monitoring program
  - Compliance policies and procedures
  - Confidential disclosure ("Hotline") program and related investigation procedures
- Review the ongoing activities of the Compliance Program;
- Review reports on concerns, risks and trends;

Joint Audit & Compliance Committee

- Review concerns discovered during or as a result of internal audits and investigations;
- Review and address, as appropriate, any concerns raised by the independent auditors;
- Perform any other activities consistent with this Charter and University, Schools and Colleges By-laws and governing laws, as this Committee or the Joint Audit and Compliance Committee of the Boards deem necessary or appropriate;
- Review and update this charter, as conditions dictate, but no longer than every five years.

November 7, 2012

_____ October 17, 2012

Accepted by Executive Compliance Committee Date

_____ _____

Approved by Joint Audit and Compliance Committee Date

Updated: October 17, 2012

November 7, 2012

TAB 6

Joint Audit & Compliance Committee

2013 JACC Meeting Dates		
1. Wednesday, February 13, 2013	10:00-12:00	Rome Commons Ballroom
2. Wednesday, May 8, 2013	10:00-12:00	Rome Commons Ballroom
3. Wednesday, August 28, 2013	10:00-12:00	Rome Commons Ballroom
4. Wednesday, October 30, 2013	10:00-12:00	Rome Commons Ballroom

November 7, 2012

November 7, 2012

TAB 7

University of Connecticut
Office of Audit, Compliance and Ethics

Kenneth Michael Walker
Chief Audit and
Compliance Officer

Freeh Report Evaluation: Executive Summary - DRAFT

Background

The "Freeh Report" regarding Penn State University was released on July 12, 2012. The scope of the investigation, commissioned by the Penn State Trustees to:

- Focus on alleged failure of Penn State personnel to respond to and report the sexual abuse of children by former Coach Gerald Sandusky.
- Review the circumstances under which such abuse could occur
- And provide recommendations regarding University governance, oversight, and administrative policies and procedures that will better enable the University to prevent and more effectively respond to incidents of sexual abuse of minors in the future. Chapter 10 of the Freeh report provides detailed recommendations for eight major areas. These include:

1. Penn State Culture (8)
2. Administration and General Counsel: Structure, Policies and Procedures (33)
3. Board of Trustees: Responsibilities and Operations (21)
4. Compliance: Risk and Reporting Misconduct (19)
5. Athletic Department: Integration and Compliance (12)
6. University Police Department: Oversight, Policies and Procedures (11)
7. Management of University Programs for Children and Access to University Facilities (9)
8. Monitoring Change and Measuring Improvement (7) Specific to the Freeh Report

Request for review and methodology

Before and during the most recent Joint Audit and Compliance Committee (JACC) meeting (August 9th) members suggested that the Chief Audit and Compliance Officer review the Freeh report to determine if there were lessons learned that could apply to UConn. Denis Nayden, Chair of the JACC, in consultation with President Herbst, directed a high level review be initiated.

The Office of Audit, Compliance and Ethics (OACE) review did not focus on the findings but rather on the 120 recommendations. Section 8 of the Freeh report applies specifically to Penn State's action plan relative to the findings; consequently it is not part of this review. Additionally, many of the recommendations do not have a direct application to UConn operations and were not considered relevant. The remaining recommendations were evaluated to determine where UConn could implement action plans to improve operations. Recommendations are based on personnel observations, interviews and document review.

An Equal Opportunity Employer

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Facsimile: (860) 486-4527

e-mail: mike.walker@uconn.edu

Freeh Report Evaluation: Executive Summary, p.2 – DRAFT

Recommendations

Near Term Review (Within 90 Days)

1. Background checks policies and procedures (currently for select personnel)
2. Crisis Management Planning
3. Clery Act Compliance (currently under review)
4. Review and inventory of University programs that involve minors
5. Security of and access to minors on campus

Long Term Review (Three to Six Months)

1. Board of Trustees (BOT) Training: Ethics, Conflict of Interest Disclosure, etc.
2. BOT Skill Set, e.g. IT and Clinical Affairs
3. Police/Public Safety staffing relative to Clery Act reporting (currently have part-time person-will possibly add a full time person)
4. Training for investigators peculiar to sexual abuse of children

   Note: # 3 and 4 are part of current training for University Police-Peace Officer Standards Training (POST)

Summary

UConn has been proactive and shown significant strengths in a number of areas that Penn State displayed vulnerabilities. These include an active and engaged Board of Trustees, a President that has displayed transparency and accountability to the Board, appointment of a General Council, updated policies and procedures relative to reporting child abuse and an active hotline process available to all faculty and staff to report suspected or alleged acts of wrongdoing or regulatory violations. We have strong leadership in the Athletic Department and a culture that promotes doing the right thing. In January 2012 UConn Board of Trustees approved new polices relative to these issues; The Sexual Assault Response Policy and the Child Abuse and Neglect Reporting Policy.

We are not Penn State, but we are, due to the public nature of the UConn campus, vulnerable to issues such as violent crime. Continued due diligence will help reduce but not eliminate the likelihood and impact of future negative events.

November 7, 2012

TAB 8

University of Connecticut Health Center
KNOW BETTER CARE

Volume 6, Issue 3

August, 2012

OFFICE OF AUDIT, COMPLIANCE & ETHICS

Compliance Courier

SECURE EMAIL UPDATE

The Health Center Executive Policy Committee has recently approved a new policy: 2012-01 Email Communication With Patients/Research Participants and is available at the following link: http://www.policies.uchc.edu/policies/policy_2012_01.pdf.

In support of this policy, the Health Center IT team has developed a mechanism to make sending encrypted email messages even easier than typing [secure] in the subject or body of a message. A new button has been added to the Outlook mail client for Windows computers with Microsoft Office 2007 and Microsoft Office 2010 which are joined to the Health Center Active Directory domain. This rollout has already started and will appear after the PC is rebooted.

The new button will appear in a box labeled "External Email Security" in the toolbar/ribbon in Outlook. To initiate a secure message:

1. Compose a new message as normal
2. Locate the "External Email Security" option on the toolbar/ribbon (upper left)
3. Click on the button to change the open padlock icon (Unsecure) to a closed padlock icon (Secure)
4. Click Send

Please note: There is no secure button available for other versions of Microsoft Office or Mac email clients. Senders will still need to include **[secure], both the brackets and the word,** in the subject or the body of a message to invoke encryption whenever it is required. For additional information, please refer to the FAQ in the IT Security Email Encryption section at http://it.uchc.edu/tech_support/FAQs_ITSecurity.aspx

If you have any questions, please contact the IT Help Desk at x4400

Don't forget... Complete 2012 Compliance training

Appearance Fees/Honoraria and Payment of Related Expenses: What are the State Code of Ethics rules?

Often when UCHC employees are asked to make a conference presentation, sit on a discussion panel, write an article, or participate in a survey for an entity outside of the Health Center they are offered some type of payment for their contributions. In situations where employees are approached because of their UCHC positions or carry out such activities in their "official state capacities" they may not ***personally*** accept any type of payment. However, the money may be deposited into a University account to be used for future University-related business activities or be directed to a charity of their choice, as long as there is no financial benefit to an employee or family members, including a charitable tax deduction.

Even though personally accepting an honorarium is not permitted, under certain circumstances employees may accept payment or reimbursement of ***"necessary expenses"*** associated with the event if payment or reimbursement is received from a ***nongovernmental*** entity. Necessary expenses include transportation to and from the activity (except first class), lodging (standard cost of room for the nights before, of and immediately following the event), meals and related conference expenses. In these instances, state employees must report the payment of expenses to the Office of State Ethics (OSE) by completing and submitting an online "Report of Necessary Expenses" (Form ETH-NE) directly to OSE within 30 days of receiving the payment.

Faculty members must follow the University's "Policy on Consulting for Faculty and Members of the Faculty Collective Bargaining Unit". The policy and additional information are available at: http://consulting.uconn.edu/

The "Online Report of Necessary Expenses" and instructions for completion may be found at:

For questions please contact Ginny Pack, UCHC Ethics Liaison, at x1280 or pack@nso1.uchc.edu or the Office of State Ethics at (860) 263-2400

Compliance and Ethics – a Necessary Partnership

Often when thinking of health care ethics, we entertain thoughts of clinical issues like end-of-life care, medical futility, genetic engineering, advanced reproductive technology and care of vulnerable populations. While these are clinical issues, the difficult decisions that are made regarding ethics and patient care cannot be entirely separated from the mission, vision and values of a health care institution. The overlap is evident in organizational issues such as the process for informed consent, disclosure of errors, research oversight, access to care and advanced technology, management of conflicts of interest, financial management (fair distribution of funds), and patient advocacy. The interconnection of clinical issues with organizational processes is lending increasing attention to the importance of a health care institution's overall ethic – the organizational ethic.

Organizational ethics defines the character of an organization and provides leadership an established set of principles on which to rely. Through the exercise of this ethic, the mission, vision and values are linked to everyday management and operations. The mission statement describes an organization's purpose, what it is that they do and for whom they do it. The vision informs of the long range goals and future interests. The values ascribe the organization's fundamental beliefs, principles, and ideals. At the University of Connecticut, our core values are knowledge, honesty, integrity, respect and professionalism. The intentional use of values to guide goals, decisions and conduct is a means to ensure organizational integrity.

Why is ethics important to compliance? A strong ethical culture is highly consistent with successful regulatory compliance because it fosters an environment where "doing the right thing" is a priority.

Margaret DeMeo
Associate Clinical compliance Officer

Records Information Management (RIM) encompasses all records, regardless of format (paper, electronic, etc.) It is vital to protect sensitive records, and properly manage all records from creation to disposition.

Record Management Strategies

- Lock your offices and filing cabinets.
- Run Identity Finder on your computer to locate and secure sensitive electronic data.
- Team up with UITS as part of their SecureU Program for a more comprehensive computer security strategy. Visit http://secureu.uconn.edu/ to learn more or contact Jason Pufahl to get started.
- Use File Locker to send sensitive data electronically. Email is not secure.
- File records according to retention series and requirement.
- Organize electronic files so that you may easily protect, access, and properly destroy when the record retention period is met.
- Establish a plan for how to manage and protect inactive records (records that are no longer useful, but need to be retained for the minimum retention period).
- Determine if you or your office holds the Official Record Copy of a record. Duplicates should be shredded when no longer administratively useful.
- Work with the University's RMLO to properly complete the disposition authorization form (Form RC-108) prior to destruction of a set of records.
- Send records with historical value to the University Archivist.

Important RIM CONTACTS

Betsy Pittman
Records Management Liaison Officer & University Archivist (Record Retention Compliance and Guidance)
Betsy.Pittman@uconn.edu
(860) 486-4507

Rachel Krinsky Rudnick
Privacy Officer & Assistant Director of Compliance (Privacy and Freedom of Information Requests)
Rachel.Krinsky@uconn.edu
(860) 486-5256

Jason Pufahl
Chief Information Security Officer (Electronic Data Security & SecureU Contact)
Jason.pufahl@uconn.edu.
(860) 486-3743

As a University, we are responsible for protecting an enormous amount of data. As a Public Agency, we are accountable for our everyday business. Take the time to manage your records properly, and save time, money, and space.

You are not alone in dealing with records!

Office of Audit, Compliance, and Ethics
9 Walters Avenue
Unit 5084
Storrs, CT

Phone: (860)-486-4526
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Records & Information Management (RIM)

Produced in partnership by The Office of Audit, Compliance and Ethics, UITS, Archives and Special Collections, of the University of Connecticut.

Managing the Life Cycle of a Record: Record Custody, Privacy, and Disposition Practices.

10/2012

Why is RIM Important?

Answer #1:
Because it's Public...

Freedom of Information Act

As a public university and State Agency, UConn is subject to the requirements of the Freedom of Information Act (FOIA). This means that any record created or maintained by UConn faculty or staff is presumed to be available to the public because the University is in part funded by the public. Only under limited circumstances will certain records be exempt from FOI requests because they meet specific exceptions or are protected under other laws. Contact the Compliance Office for more information on the FOIA.

Answer #2:
Because it's Private...

Protecting Sensitive Data

The University collects and maintains many types of sensitive personal information for payroll, billing, educational, administrative, research and other purposes. In the wrong hands, sensitive records could cause quite the mess for both the individual whose data we maintain and the University. The Family Educational Rights and Privacy Act (FERPA) strictly limits who may access student information and for what purposes. Student records need to be appropriately safeguarded. Security breaches involving the loss (intentional or unintentional) or theft of personally identifiable information (PII) such as a social security number (a risk that goes beyond students), are extremely costly to both the individual whose information is compromised and to the University, and are harmful to University and department reputations.

Answer #3: Because it's the Law...

The State of Connecticut Records Policy

Pursuant to sections 1-240 and 53-153 of the Connecticut General Statutes, unauthorized removal, alteration or destruction of public records, as defined in 1-200(5), may constitute a misdemeanor or a felony offense and may be punishable by fine or imprisonment.

In Sum, RIM Helps Us...

Meet legal requirements;

Clarify and organize data governance and similar responsibilities;

Safeguard vital information;

Support identity theft prevention efforts (i.e., diminish the number of data breaches);

Improve access to information (e.g., responding to FOI requests more effectively);

Control the growth of materials taking up valuable physical office space;

Control the growth of electronic data taking up valuable hard-drive space;

Reduce operating costs;

Minimize litigation risks;

Support business continuity and emergency preparedness;

Support better management decision making;

Preserve University history.

What is the Proper Process to Follow when Seeking to Dispose Records?

An Official Record must meet Connecticut's minimum retention guidelines prior to consideration for disposal. Use the *State of Connecticut Records Retention Schedule(s)* (http://www.cslib.org/publicrecords/retstate.htm) to verify a type of record and determine the state's minimum retention requirement.

The Disposition Authorization Process is initiated by the Record Custodian (yes, that could be you!). You are the Record Custodian of an Official Record if the creation or receipt of a record derived from an action on your part, and/or caused an action to occur (e.g. payment was made, communication was sent, meeting notes were produced). If you receive a duplication of a record from another department for convenience, you may destroy it without permission when it loses administrative value. All Official Records, that is the record maintained for legal, operational or historical purposes, require disposition approval via Form RC-108, from the Office of the Public Record Administrator of the CT State Library.

For further guidance, tutorials, and disposition forms, please visit http://doddcenter.uconn.edu/asc/rm/about.htm# and http://www.cslib.org/publicrecords/, or contact Betsy Pittman, the University's Record Management Liaison Officer (RMLO).

When you are asked to produce a record, you can't say Jonathan the Husky ate it! You must take the right steps before destroying records.

The Office of Audit, Compliance Ethics
JACC Agenda Forecast

Agenda Item	06/07/12	08/09/12	11/07/12	12/11/12	TBD	TBD	TBD	TBD
Annual Agreed-Upon Procedures to the Statements of Revenues & Expenses of the UConn's Athletics Program[i]								
- Approval to Hire		X						
- Present Report to the JACC				X				
State-Wide Single Audit (Auditors of Public Accounts)[ii]								
Biennial Departmental Audits (2-90) UConn and UCHC (Auditors of Public Accounts[iii])		X						
Audited financial statements of UConn and UCHC – (Auditors of Public Accounts)[iv]								
Audited financial statements of UCHC JDH, UMG, & Finance Corporation								
- Approval to Hire								
- Present Report to the JACC								
Annual Audit of UCONN 2000 Constructions Projects								
- Approval to Hire			X					
- Present Report to the JACC								
OACE's Compliance Monitoring Plans								
- Storrs & Regional Campuses		X						
- UCHC		X						
Storrs Compliance Area Presentations	Athletics Data Security & Records Management		Research Compliance	Immigration Services			Athletics	

The Office of Audit, Compliance Ethics
JACC Agenda Forecast

Agenda Item	06/07/12	08/09/12	10/19/12	12/11/12	TBD	TBD	TBD	TBD
UCHC Compliance Area Presentations		IRB Monitors						
OACE 3-Year Plan FY09-FY-11								
OACE 3-Year Plan FY12-FY 14								
JACC Self Assessment								
- Final Questionnaire to JACC								
- Final Report will be submitted to JACC								
- Develop action plan to address as appropriate		X						
JACC Meeting Schedule Approval			X					
OACE's Annual Risk Assessment/Audit Plans								
- Storrs & Regional Campuses		X						
- UCHC		X						
OACE's Revised Annual Audit Plans								
- Storrs & Regional Campuses				X				
- UCHC				X				
OACE Performance and Activity Metrics				X				
Annual Review and Approval of Charters								
- OACE		X						
- JACC	X							
- ECC (Storrs & UCHC)			X					