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MESSAGE FROM THE EXECUTIVE DIRECTOR

A year of collaboration...

In its publication, *Internal Auditing Around the World*, Protiviti states that a fundamental shift toward collaborative working is underway around the globe. “Organizations are eliminating barriers—culturally, operationally, and technologically—that inhibit their ability to work productively, use resources effectively, seize new market opportunities, and fuel innovation. Many organizations also want to lower their risk profile by fostering a collaborative culture where everyone in the organization understands risks and their role in helping the business to manage and mitigate them. This trend towards greater collaboration extends to internal audit.”

Internal audit is traditionally an independent function and is valued for its objectivity. That is part of our professional standards and what makes us unique. However, independence should not mean isolation. UAC--both the internal audit and the compliance & ethics teams--strive to promote positive change by driving best practices and performance improvement initiatives and by closing internal control gaps. By collaborating with our partners across the USF System and eliminating duplication of effort, we can increase the value we collectively bring to the university while still maintaining our independence and objectivity. Bringing people together with diversified skills, we can more effectively and efficiently enhance the system’s overall enterprise risk management capability and control environment.

Working together and getting to know one another fosters openness and creates trust. To be effective, the university’s unique situations, needs, and cultures must be taken into account. We have to be cognizant of the ever-changing operating environment and the impact on our partners as they manage day-to-day operations.

This requires flexibility and adaptability from UAC in response to emerging risks and ongoing communication with the board and university leadership to ensure alignment with strategic objectives. Others in the organization are interacting with UAC more frequently, proactively, and strategically.

UAC had a very successful year. In FY 2014-15, the audit team completed ten audits, including three IT audits, and eight investigations. Project summaries are included in this report.

For the first time this year, UAC performed the Performance Based Funding Data Integrity audit at the request of the Board of Governors. There was tremendous cooperation and collaboration from many people during this project. Thanks to you and to the audit team for a job well done!

The Compliance and Ethics Program managed 58 EthicsPoint reports, of which 18 were substantiated. Human resource matters comprised 66% of reports submitted, which follows the current trend in higher education reporting.

This was the first full year the USF System was able to centrally disclose, review, and track FCOE, outside activity, and nepotism issues in the eDisclose system. 3,500 (65%) out of the approximately 5,400 employees required to complete FCOE disclosures did so. 899 outside activity reports were submitted for review.

Also in this report are summaries of other activities, such as the completion of the Articulation Agreements Initiative and ongoing collaborative work across the USF System to address the requirements of VAWA and Title IX, which include required prevention and awareness training for students and employees.

We appreciate the support we receive from the President and the Board of Trustees Finance and Audit Workgroup. Thanks especially to the UAC Team for your expertise and hard work, but most importantly for partnering with management to make the USF System all that it can be. Thank you to all of you throughout the university community. It is through strong communication and collaboration and adaptability to ever-changing priorities that we are able to better focus on relevant issues and create positive change. That’s really what we’re all about.

Debra S. Gula, CPA
MISSION AND PURPOSE

University Audit & Compliance is responsible for providing the University of South Florida System with independent and objective assurance and advisory services that promote stewardship, accountability, integrity, efficiency, and compliance. These services assist the university in evaluating and improving governance, risk management, and control processes.

The nature and scope of services provided by University Audit & Compliance include audits, reviews, management advisory services, consulting, and investigations. We are committed to upholding the values of integrity, respect, excellence, and service in the performance of our duties.

AUDITS

USF College of Education - Business Operations

UAC performed a review of the USF College of Education Business Operations. Our review included a risk assessment and an internal controls evaluation of the administrative and financial controls environment in place as of July 31, 2014. Our report 15-011 was issued on November 12, 2014.

The primary objective was to provide management with an objective assessment of whether systems and controls, if functioning as described and consistently applied, were adequate to reduce risk to an acceptable level.

The College of Education has three academic departments:

- Department of Teaching and Learning
- Department of Educational and Psychological Studies
- Department of Leadership, Counseling, Adult, Career, and Higher Education

Housed within these departments are over 70 programs at all levels, including 11 programs and seven certificates that are fully online. The college has graduated the largest or second largest number of educators in the state of Florida over the last 10 years.

College faculty are active in educational research and innovation activities and community engagement, including extensive student internships and hours spent by faculty in local schools.

The college has six institutes and centers:

- Institute for School Reform
- David C. Anchin Center
- Preschool for Creative Learning
- Center for Migrant Education
- Gus A. Stavros Center for Free Enterprise & Economic Education
- Center for Research, Evaluation, Assessment & Measurement

On June 1, 2014, the College of Education reorganized, reducing instructional departments from eight to three and centralizing most administrative and financial functions. The College of Education’s financial and administrative controls are primarily centralized within two areas: the dean’s office and the office of the associate dean for academic affairs and research.

Within the dean’s office, the budget director’s staff provide cross-functional processing and oversight of financial activities. This helps to ensure that consistent controls are applied throughout the college. Some expenditure approval activity, however, remains decentralized due to the nature of the activity (remotely located activities or activities in the larger centers).
The associate dean for academic affairs and research coordinates and oversees all sponsored research activities performed within the college including proposal submissions, financial oversight and reporting, effort certification, and project close-outs.

Provided in our report was a profile of the College of Education compared to the university as a whole as well as summaries of FY 2014 expenditures by funding source and by process (payroll, PO, PCard, travel, journal entries, etc.). The College of Education’s primary source of funding for those expenditures is E&G (45%) followed by research (39% federal research and 3% non-federal). 80% of expenditure dollars processed are payroll-related.

The results of our review were based on procedural and system walkthroughs and analytical review procedures of the following core areas: organizational structure (including, but not limited to, centers and institutes, academic agreements, and delegation of contractual authority), revenues and expenditures, payroll, property, research, and activities with DSOs.

Based on our review, the overall control environment appears to be well established. The dean emphasizes compliance, and college staff are experienced and familiar with university and other regulations, policies, processes, and procedures. A reorganization of the college in June 2014 was implemented successfully.

While no high impact, high probability risks were identified during our review, urgent management attention will be required within 60 days to address the six recommendations related to medium risks.

Two recommendations were completed at the time the report was issued.

USF College of Marine Science - Business Operations

UAC performed a review of the USF College of Marine Science Business Operations. Our review included a risk assessment and an internal controls evaluation of the administrative and financial controls environment in place as of July 31, 2014. Our report 15-012 was issued on December 17, 2014.

The primary objective was to provide management with an objective assessment of whether systems and controls, if functioning as described and consistently applied, were adequate to reduce risk to an acceptable level.

The College of Marine Science is constituted as a graduate-level research program that forms the basis for educational opportunities at the PhD and MS degree levels. The college offers a variety of undergraduate courses and welcomes upper level undergraduates to their core graduate courses. There is also a strong education and outreach program for secondary school-age children, with plans to expand certificate opportunities for working professionals.

Master’s and doctoral degrees are offered within five programs:

- Biological Oceanography
- Chemical Oceanography
- Geological Oceanography
- Physical Oceanography
- Marine Resource Assessment

College faculty are highly interdisciplinary and address a wide variety of problems that are aimed at understanding the ocean’s impact on humans, and vice versa. The college maintains six group and research collaborations; thirteen laboratories; and four ocean modeling, ocean sensors, and real-time data systems.
In November 2014, the college was awarded a $20.2 million grant by the Gulf of Mexico Research Initiative (GoMRI) to continue studying the impact of the 2010 Deepwater Horizon oil spill. This grant will support efforts over the next three years for the Center for Integrated Modeling and Analysis of Gulf Ecosystems (C-IMAGE), a consortium of professors, post-doctoral scholars, and students at 19 collaborating institutions in five countries.

The College of Marine Science's financial and administrative controls are primarily centralized within the dean's office. The budget director's staff provide cross-functional processing and oversight of financial activities and sponsored research activities (post award). This helps to ensure that consistent controls are applied throughout the college. The college also has a unit research administrator that works closely with the budget director's staff to coordinate and oversee proposals, project reporting, and project close-outs.

Provided in our report was a profile of the College of Marine Science compared to the university as a whole as well as summaries of FY 2014 expenditures by funding source and by process (payroll, PO, PCard, travel, journal entries, etc.). The College of Marine Science's primary source of funding for these expenditures is research (30% federal research and 25% non-federal) followed by E&G (32%). 53% of expenditure dollars processed are payroll-related.

The results of our review were based on procedural and system walkthroughs and analytical review procedures of the following core areas: organizational structure (including, but not limited to, centers and institutes, academic agreements, and delegation of contractual authority), revenues and expenditures, payroll, property, research, and activities with DSO's.

Based on our review, the overall control environment appears to be well established. The dean emphasizes compliance and college staff are experienced and familiar with university and other regulations, policies, processes, and procedures. Additional effort is needed, however, to ensure key business processes are formalized and documented.

While no high impact, high probability risks were identified during our review, urgent management attention will be required within 60 days to address the seven recommendations related to medium risks.

Two of the recommendations were completed at the time the report was issued.

**Tampa Campus Residence Halls Electronic Building Access Control System**

UAC performed an audit of the Building Access Control System for the Tampa campus residence halls. We reviewed access control processes in place as of August 27, 2014, and through the end of our fieldwork on November 21, 2014.

Our audit focused only on the C-Cure building access control system that Housing & Residential Education uses to manage building access for their facilities. Our audit scope included current processes in place for requesting, approving, revoking, and monitoring access to the C-Cure system, including access controls over the operating systems and underlying databases; and also network access level controls, network security devices, and malicious software protection.

Our report 15-013 was issued on January 22, 2015. This report is confidential due to the sensitive nature of the information technology issues disclosed.
Performance-Based Funding Data Integrity Audit

UAC performed an audit of the University of South Florida System’s processes and internal controls which ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors, which are relied upon by the board in preparing the measures used in the performance-based funding process. Our report 15-010 was issued on February 27, 2015.

The Board of Governors developed a ten-measure Performance Funding Model. Measures One through Nine were based on data submitted through the State University Database System (SUDS) utilizing a state-wide data submission process for BOG files. Measure Ten, Number of Postdoctoral Appointees, was selected by the USF Board of Trustees. It was based on data submitted to the National Science Foundation/National Institutes of Health through their annual Survey of Graduate Students and Postdoctorates in Science and Engineering (GSS).

The primary audit objectives were to:

- Determine whether the processes and internal controls established by the USF System ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors which support the Performance Based Funding measures.

- Provide an objective basis of support for the President and Board of Trustees Chair to sign the representations included in the Performance-Based Funding - Data Integrity Certification to be submitted to the USF Board of Trustees and filed with the Board of Governors by March 1, 2015.

UAC followed its standard risk assessment, audit program, and reporting protocols, taking into account the eight minimum audit guidelines provided by the Board of Governors.

Testing of the control processes was performed on the most recent data file submissions as of September 30, 2014, unless a more recent submission was more representative of the control structure in place on September 30, 2014. Our testing focused on the tables and data elements in the files which are utilized by the BOG to compute the performance measure. The BOG provided specific mapping of data submissions to the PBF measures.

We noted the following areas of strength:

- A formal Sub-certification and Executive Review process is in place to ensure that institutional data submitted accurately reflects the data contained in the primary systems of record. Data Stewards, Sub-certifiers and Executive Reviewers who had operational and/or administrative responsibility for the institutional data are assigned key roles and responsibilities.

- USF has developed several tools to assist the Sub-certifiers and Data Stewards in fulfilling these obligations: DocMart, a state reporting portal, and HubMart.

- There are controls integrated within our operational processes to ensure the integrity of the data.

- The Application Manager jobs can be launched by authorized Data Stewards; however, individuals responsible for the collection and validation of the data have no ability to modify the Application Manager jobs or data files created by the Application Manager processes.
Any changes to the data derivations, data elements, or table layouts in the Application Manager jobs are tightly controlled by BSR and Information Technology utilizing a formal change management process.

Only BSR and IT server administrators have access to the transfer server. Only BSR staff can upload a file from the transfer server to SUDS, edit submissions, generate available reports, or generate reports with re-editing.

UAC’s overall conclusion was that there was an adequate system of internal controls in place to meet our audit objectives, assuming corrective actions are taken timely to address the five medium-priority risks communicated separately in our management letter. No high risk issues were identified.

All of the recommendations in our Management Letter were implemented at the time the report was issued. None of the issues identified for management attention were found to have increased or decreased the achievement score of the USF System within the Board of Governors performance based funding model.

**Education Abroad**

UAC performed an audit of Education Abroad. The audit period was the Fall 2013 through Summer 2014 semesters. Our report 15-017 was issued on April 27, 2015.

The primary audit objectives were to:

- Determine if there was a sufficient internal control structure to mitigate risks associated with international travel by faculty, staff, and students participating in study abroad programs administered and supervised by USF.
- Assess financial controls over Education Abroad and USFSP programs designed to ensure program cost methodologies were reasonable and students were billed appropriately.
- Assess if financial controls over travel advances associated with Education Abroad activities were authorized, adequately supported, and cleared timely.
- Ensure access to restricted data in StudioAbroad was safeguarded in accordance with university and federal regulations.

Our audit focused on study abroad travel occurring during the Fall 2013 through Summer 2014 semesters, recorded by Education Abroad in StudioAbroad, a web-based system used to track Education Abroad, USF St. Petersburg, and USF Health International affiliated study abroad programs and students.

Our scope included the following:

- Education Abroad and USFSP Study Abroad faculty-led and outgoing exchange programs, including:
  - Controls over health and safety activities recorded in StudioAbroad, and
  - The assessment of student charges in Banner.
- Travel advances processed by Education Abroad.
- A limited review of the general access controls of the StudioAbroad system.
- USF Health International study abroad travel recorded in StudioAbroad as “insurance only,” including:
o Controls to ensure emergency and evacuation insurance coverage was obtained.

o Controls over program approvals and risk assessments performed by USF Health colleges.

In order to evaluate the control system in place and perform a risk assessment, we reviewed best practices, relevant policies and procedures, and guidelines provided to faculty, staff, and students participating in study abroad trips. In order to confirm the controls were functioning as described, we performed analytical procedures using ACL, performed walkthroughs of key systems and processes, and tested a sample of 100 individual Education Abroad student trip records out of 1,288 trips classified by Education Abroad as faculty-led and outgoing exchange. This sample included eleven USFSP students. We also tested 100% of the 277 USF Health International student trips to confirm emergency and evacuation insurance coverage was obtained, and if the students were tracked in StudioAbroad. In addition, we reviewed USF faculty, staff, and student access to the StudioAbroad software used to manage Education Abroad activities.

Education Abroad

As part of USF World, Education Abroad administers and supports USF students and supervising faculty and staff engaging in international educational experiences. Education Abroad works with students to provide a variety of international travel experiences including: USF faculty-led programs, exchange programs, and third-party program travel opportunities.

Education Abroad primarily manages six types of study abroad activities:

1. Faculty-led: USF staff or faculty accompany students abroad. The amount of involvement from faculty and/or

   Education Abroad administrative staff can range from making most or all of the arrangements in-country with no in-country on-site support, to all arrangements made by a third party with 24/7 in-country support.

2. Exchange: Outgoing USF students participating in a semester exchange program at an affiliated institution approved by Education Abroad.

3. Incoming exchange: Students from exchange partners, including a sponsored program with the Institute for International Education (IIE), promoting mobility of STEM students from Brazil.

4. Non-USF programs: External third parties manage these educational programs which typically result in transfer credit. Education Abroad ensures these programs are consistent with their goals and markets these programs in StudioAbroad. Students’ travel is monitored, but all other administration of the program is with the third party.

5. Insurance enrollment: Education Abroad administers the emergency and evacuation insurance program for USF students traveling alone or in small groups, the majority of which are graduate-level. Students are responsible for registering with Education Abroad to obtain the insurance coverage. These trips are primarily independent study and do not rely on Education Abroad to make travel arrangements or plans for the students upon their arrival at the destination. USF Health International students are also recorded in this category.

6. Other: The summer Florence program with University of Florida co-sponsored by Education Abroad.

The number of students has been increasing steadily since 2009-2010. Per the Education Abroad Annual Report, the number of USF System undergraduate and graduate students studying abroad during 2013-2014 was 1,405,
which included 1,288 faculty-led and outgoing exchange student trips.

Education Abroad is currently operating as an auxiliary model similar to a self-funded, off-campus, cost-recovery model as outlined in **BOG Regulation 8.002 Continuing Education**. Education Abroad does not receive E&G funds to support programs or administrative staff. The auxiliary is funded by the administrative charges that are assessed to the students. Students can use financial aid and scholarships to pay for program costs. In the 2013-2014 fiscal year, Education Abroad awarded $124,250 in scholarships, funded primarily from USF World as well as the Genshaft/Greenbaum Passport Scholarship.

**USF St. Petersburg Study Abroad**

USF St. Petersburg (USFSP) has a decentralized Study Abroad office, which administers and supports USFSP students and supervises faculty and staff engaging in international educational experiences. Of the 1,288 faculty-led and outgoing exchange student trips during 2013-2014, 106 were USFSP students. The USFSP Study Abroad Coordinator who manages the office reports directly to the USFSP Regional Vice Chancellor for Academic Affairs.

USFSP Study Abroad is set up in the StudioAbroad system as an advisor, which enables them to track and manage their own programs. USFSP Study Abroad assesses students their own administrative charge for the services they provide. USFSP Study Abroad is not fully funded by their Auxiliary charges and receives supplemental E&G support.

Education Abroad also assesses USFSP students a registration charge plus the charge for emergency and evacuation insurance, which includes an administrative charge for their emergency monitoring and assistance.

USFSP relies on Education Abroad staff for risk and safety evaluation, mitigation, and monitoring. USFSP program students are required to complete the waivers and emergency contact disclosures in StudioAbroad prior to departure.

**USF Health International Program**

The mission of the USF Health International (USHI) program is to create an interdisciplinary workforce across the USF Colleges of Medicine, Public Health, Nursing, and Pharmacy to enhance global health care by building the capacity of health systems worldwide through innovation, collaborative research, education, and training.

Travel abroad programs within USFHI are decentralized. Each college advises their students and faculty, approves their own programs, and collects and approves applications. Once student applications are approved, USFHI is provided rosters of students traveling by each college in order to provide oversight. In addition, USFHI, along with Education Abroad, are involved with approvals, securing student waivers, assessing risk for travel to high-risk countries, and ensuring adequate pre-departure training for travel to both low and high risk countries. USFHI students register themselves in StudioAbroad, which allows Education Abroad to obtain emergency and evacuation insurance and provide emergency services.

USFHI does not assess charges to students for participating in international programs and is supported by E&G and carryforward funding. Education Abroad assesses USFHI students a charge for emergency and evacuation insurance coverage only.

UAC’s overall conclusion was that there was an adequate system of internal controls in place to meet our audit objectives, assuming corrective actions are taken timely to address the twelve medium-priority risks communicated separately in our Management Letter.
Five of the recommendations were implemented at the time the report was issued.

**USF Electronic Building Access Control System**

UAC performed an audit of the USF Electronic Building Access Control System managed by the Physical Plant Department on the Tampa campus. The Physical Plant Department is part of the Administrative Services Division. We reviewed access control processes in place as of September 17, 2014, and through the end of our fieldwork on March 13, 2015.

Our audit focused only on the Building Access Control System (BACS) that the Physical Plant Department uses to manage access to buildings on the Tampa campus. Our audit scope included current processes in place for requesting, approving, revoking, and monitoring access to the BACS system, including access controls over the underlying Facility Commander software, operating systems and databases; network access level controls; and malicious software protection.

Our report 15-015 was issued on April 30, 2015. This report is confidential due to the sensitive nature of the information technology issues disclosed.

**Florida Institute of Oceanography - Business Operations**

UAC performed an audit of the Florida Institute of Oceanography Business Operations. Our project included a risk assessment and an internal controls evaluation of the administrative and financial controls environment in place as of November 30, 2014. Our report 15-018 was issued on May 15, 2015.

The primary objective was to provide management with an objective assessment of whether systems and controls, if functioning as described and consistently applied, were adequate to reduce risk to an acceptable level.

The Florida Institute of Oceanography (FIO) has been in operation since 1967, with the purpose to unite scientists with a common interest in the coastal oceans to share limited labs and vessels. In 2009, FIO was designated as one of Florida’s Academic Infrastructure Support Organizations (AISO). In accordance with Board of Governors Regulation 10.014, AISOs provide underlying technology, equipment, facilities, services, and resources for academic programs and research in the State University System (SUS).

Under the establishment of FIO as an AISO, USF serves as the host institution for FIO, which requires USF to provide administrative control and support to FIO. As a result, FIO follows USF policies and procedures and its financial operations are recorded in the university’s FAST system. FIO has its own department ID under the Tampa operating unit. FIO’s administrative offices are housed at the USF College of Marine Science on the USF St. Petersburg campus.

**Operations**

FIO operates two research vessels. The R/V Weatherbird II (purchased in 2009), is a 115-foot, 194-ton vessel that can navigate the depths of the Gulf of Mexico. The R/V Bellows is a 46 year-old, 71-foot vessel that is more suited for shallow waters. FIO is seeking legislative funding to replace the R/V Bellows.

Funds from the state legislatures are used to support the FIO subsidized ship-days program. The program awards a certain number of subsidized days to researchers of the member institutions for teaching and research purposes. The recipients of the subsidy are required to pay a ten percent match of the daily rate for use of the research vessel(s) or marine facility.
FIO has been operating the Keys Marine Laboratory (KML) jointly with the Fish and Wildlife Research Institute (FWRI). Staffed by both FWRI and FIO employees, KML is a full service marine research and education center serving undergraduate and graduate students, faculty, and researchers from the state, and national and international scientific communities. FWRI provides supplemental funding of $92,000 a year for FIO to administer daily activities/operations. In June 2014, USF, on behalf of FIO, assumed the KML lease from the State of Florida Department of Natural Resources, Division of Marine Resources. As a result of this arrangement, FIO now manages the KML independently from FWRI. FIO is in the process of transitioning the FWRI employees to FIO employees. Continued funding from FWRI is under review by both FIO and FWRI administration.

Grant Administration

In FY 2013-2014, FIO administered approximately $3.2 million in grant funding from various sources, with one new and twelve continuing grants.

FIO is currently in the process of applying for RESTORE Act funding established by the U.S. Treasury Department from civil penalties paid in connection with the Deepwater Horizon oil spill. FIO was named as the Gulf Coast State entity in the Interim Final Rule (31 CFR Part 34) to carry out the duties for the State of Florida as defined in the RESTORE Act Centers of Excellence Research Grants Program Guidelines. FIO will be coordinating a competitive selection process through which it will subaward funding to the grantees of the Centers of Excellence Research Grants Program.

Organizational Structure

The Florida Institute of Oceanography’s financial and administrative controls are primarily centralized within the director’s office. The assistant director and the fiscal & business specialist provide processing and oversight of financial activities and sponsored research activities. FIO is in the process of recruiting a fiscal & business assistant to provide additional monitoring of FIO’s financial activities. There are two FIO employees onsite at KML to assist with revenue and expenditures processing; however, final reconciliations and reviews are performed by the director’s office.

FIO also relies on the USF College of Marine Science’s unit research administrator to coordinate and oversee proposals, project reporting, and project close-outs.

The results of our audit were based on procedural and system walkthroughs and analytical review procedures of the following core areas: organizational structure (including, but not limited to, fiscal oversight and delegation of contractual authority), revenues and expenditures, payroll, property, research, and activities with DSOs.

Provided in our report were summaries of FY 2014 expenditures by funding source and by process (payroll, PO, PCard, travel, journal entries, etc.). FIO’s primary source of funding for these expenditures is E&G (51%) followed by research (24%) and auxiliaries (23%). 42% of expenditure dollars processed are payroll-related.

Based on our audit, the overall control environment appears to be adequate. The director emphasizes compliance, and staff are experienced and familiar with university and other regulations, policies, processes, and procedures. We have identified opportunities for improvement where additional effort is needed to ensure key business processes are formalized and documented.

While no high impact, high probability risks were identified during our audit, urgent
management attention will be required within 60 days to address the five recommendations related to medium risks.

None of the recommendations were completed at the time the report was issued. Although not required by UAC for medium risks, management chose to provide written responses to our recommendations, which were attached to the final report.

**USF Athletics Business Operations - PCard and Travel**

UAC performed an audit of the Athletics Business Operations, focusing on PCard and travel transactions, including travel advances, reimbursed from both USF and USF Foundation funds. The period audited was July 1, 2014 through December 31, 2014. Our report 15-016 was issued on June 5, 2015.

The primary audit objectives were to:

- Ensure compliance with laws, regulations, and university policies.

- Assess whether controls ensure the completeness, accuracy, and timeliness of expenses being processed by the university and the university’s foundation.

- Ensure sufficient documentation was available to support that goods and services received were for valid business purposes.

The USF Department of Athletics provides leadership for the University of South Florida’s NCAA Division I Intercollegiate Athletics programs. USF has 17 sports teams participating in competition throughout the Fall, Spring, and Summer semesters.

Within Athletics, the Business Operations & Human Resources department (Business Office) provides support and oversight of financial activities, including PCard and travel. The Business Office reports to the Senior Associate Athletic Director and CFO.

Athletics operations are recorded in FAST in two funds: an unrestricted fund (Intercollegiate Athletics - 18100) and a restricted fund (NCAA Student Assistance Fund - 29001). Student athletic fees and event ticket revenues are recorded in Fund 18100, which is the primary source for PCard commodity and travel expenditures. Athletics also utilizes USF Foundation funds to fund travel costs related to student athlete recruiting and team travel, either directly though USF Foundation reimbursement requests or through reimbursement to Fund 18100.

**PCard**

Athletics follows the standard USF System PCard policies and procedures and has chosen to centralize all reconciliation and verification processes for PCard. During our audit period of July 1 through December 31, 2014, 3,142 PCard commodity transactions totaling $2.07 million were incurred by 76 PCard holders. There were nineteen PCard holders with higher than standard limits ($5,000/$2,000) including three with limits exceeding $100,000.

PCard commodity purchases to be reimbursed by the USF Foundation are recorded to FAST Asset Account 12420 (PCard Reimbursement) via the PCard module. At the end of each month, Athletics receives a report from the University Controller’s Office of charges posted to Account 12420. Athletics submits monthly reimbursement requests to the USF Foundation to reimburse USF for these expenditures.

**Travel Processed through FAST**

Athletics travel expenditures are funded by USF and/or the USF Foundation, including travel for recruiting, team travel for
competition, and travel for professional development. All travel funded by USF or paid for using the USF PCard are processed through the FAST travel module.

During our review period, July 1, 2014 through December 31, 2014, there were $1.2 million in travel expenditures submitted via 691 TERs containing 3,075 transactions, including $1 million in PCard expenditures and $0.2 million in out-of-pocket expenditures. During that same time period, $142,675 in travel advances were issued.

**Travel Paid by the USF Foundation**

There are two mechanisms for payment of travel through the USF Foundation. Travel expenditures can be incurred via PCard, processed via a TER, and subsequently reimbursed by the USF Foundation upon receipt of a USF Foundation Travel Reimbursement Request. Travel incurred by the traveler not on PCard can also be submitted via the TER process or directly to the USF Foundation via a USF Foundation Travel Reimbursement Request.

During our review period, there were $42,962 in USF Foundation reimbursements to individuals posted to travel-related account codes. UAC sampled $18,566 or 43%.

Any travel recorded on a TER must follow USF travel guidelines, including any special exemptions granted to Athletics. Athletics travel that is reimbursed to the university or direct funded by the USF Foundation is subject to USF Foundation Travel Expense guidelines. In order to perform a risk assessment and evaluate the control systems in place, we reviewed relevant policies and procedures and performed walkthroughs of the current processes. In order to confirm the controls were functioning as described, we performed analytical procedures using ACL; performed interviews with coaches, directors of operations, and administrative assistants from various sports within Athletics; and performed detailed transaction testing.

We also reviewed the travel agency contract through which Athletics makes group travel arrangements, and the process by which certain USF PCard purchases and travel-related expenses were reimbursed with USF Foundation funds.

In order to test controls over PCard charges processed via the FAST PCard module, UAC selected a statistically valid random sample of 134 PCard commodity transactions. Sample size was selected based on a confidence level of 90%, expected error rate of 2%, and a tolerable error rate of 5%. In order to test controls over travel expenditures, including PCard charges and travel advances processed through the FAST travel module, UAC selected a random sample of 40 Travel Expenditure Reports—10 that included advances and 30 Travel Expenditure Reports that had no cash advances.

UAC’s overall conclusion was that there was an adequate system of internal controls in place to meet our audit objectives, assuming corrective actions are taken timely to address the eight medium-priority risks communicated separately in our management letter.

Five of the recommendations were implemented at the time the report was issued.

UAC will perform follow-up procedures in six months to confirm that new processes and controls are working effectively.

**Subrecipient Monitoring Infrastructure**

UAC performed an audit of the Sponsored Research Subrecipient Monitoring Infrastructure. The focus of our audit was the infrastructure surrounding subrecipient award execution and monitoring, including
compliance with OMB Uniform Guidance for federal awards issued on December 26, 2013. Our report 15-021 was issued on June 26, 2015.

The objective was to determine if there was a sufficient internal control structure to mitigate risks associated with execution and monitoring of subrecipient agreements.

Our scope included the following process and internal control enhancements implemented by Sponsored Research in February 2014, in response to recommendations from our office in our 13-012 Subrecipient Monitoring Infrastructure memorandum dated December 20, 2013, including the following:

- Subrecipient application process.
- Risk assessment process.
- Subrecipient agreement execution process.
- Documented procedures.

In order to evaluate the control system in place and perform our risk assessment, we reviewed best practices, relevant policies and procedures, and the OMB Uniform Guidance. In order to confirm the controls were functioning as described, we selected a sample of ten new subrecipient agreements out of a population of 79 subagreements executed during the audit period. We performed walkthroughs of key systems and processes and tested the risk assessment control procedures.

The population was provided by Sponsored Research based on their internal subrecipient agreement tracking worksheet manually maintained outside of FAST. In addition, UAC performed a search for omitted subagreements by reviewing purchase requisitions and purchase orders recorded in the subagreement account codes (51800 and 51900) during our audit period.

Included in the sample we selected were subagreements to universities, non-profits, and for-profits, for both federal and non-federal sponsored projects. This sample excluded modifications to existing subagreements since risk assessment procedures were not being performed for modifications.

As a prime recipient and a pass-through entity of federal awards, USF is responsible for monitoring subrecipients to ensure proper stewardship of federal funds. As a condition of an award made to USF, the university is obligated to comply with federal, state, and local regulations. When the university assigns responsibility for conducting a portion of the work to a subrecipient, the university remains responsible to the sponsor for management of funds and meeting performance goals.

On December 26, 2013, the Management and Budget Office issued the Rule, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” (Uniform Guidance) which supersedes and streamlines requirements from eight existing circulars, including A-133. The final guidance has been codified into Title 2 of the Code of Federal Regulations issued on December 26, 2013.

The administrative requirements and cost principles apply to new awards and to additional funding (funding increments) to existing awards made after December 26, 2014 (one year after issuance per Section 200.110). Subpart F Audit Requirements apply to audits of fiscal years beginning on or after December 26, 2014.

Uniform Guidance Section 200.331 specifies the requirements of all pass-through entities and requires prime recipients of federal funds to perform risk assessments on subrecipients, monitor subawards, ensure subrecipients meet the audit requirements in Subpart F, and use funds in accordance with applicable laws. USF Sponsored Research applies these standards to
all subrecipient monitoring, not just federal awards.

In order to meet Uniform Guidance requirements, Sponsored Research has implemented the following:

1. Defined subrecipient monitoring roles and responsibilities.
2. Internal subrecipient monitoring procedures for all stages of the award (initial, subaward development, monitoring, and close-out) based on the risk assessed.
3. Procedures for vetting subrecipients that include:
   a. **Subrecipient Information and Compliance Form**, which is required to be completed and signed by the subrecipient when submitting a proposal or at the time requested by USF. The information gathered is used by Sponsored Research to prepare the subrecipient risk assessment and subagreement.
   b. Subrecipient risk assessment template, which includes various risk attributes and weights to calculate whether a subrecipient is low, medium, or high risk.
   c. A subrecipient monitoring committee (consisting of Sponsored Research employees) that will meet to discuss medium to high risk subrecipients and decide how to resolve issues and subsequently monitor the subrecipient.
   d. Defined monitoring plans based on the level of risk assessed. If deemed high risk, an additional action plan will be required.
   e. **Visual Compliance** checks, which allows third parties to be screened against more than 60 mandatory Restricted and Denied Parties lists maintained by the U.S. Government, its allies, world organizations, and law enforcement agencies. These lists prevent business dealings with parties deemed as blocked, restricted, or denied.
   f. Review of A-133 audits or audited financial statements, as applicable.
      - If not applicable, subrecipients are required to complete an Audit Certification and Financial Status Questionnaire for domestic or foreign entities about internal controls.
      - A-133 audits are requested and reviewed annually as part of subsequent monitoring.
4. Procedures for subagreement approval, review, and execution, which include working with General Counsel as needed.

Prior to the Uniform Guidance, federal subagreements were regulated by OMB Circular No. A-133, Subpart D-Federal Agencies and Pass-Through Entities, Section .400.

UAC’s overall conclusion was that there was an adequate system of internal controls in place to meet our audit objectives, assuming corrective actions are taken timely to address the nine medium-priority risks communicated separately in our management letter.

One of the recommendations was completed at the time the report was issued.
Research Technologies

UAC performed an audit of Research Technologies. Our audit focused on the IT general controls Research Technologies has implemented over all its systems, as well as the system access controls implemented over the following key systems: eIRB, eCOI, eIACUC, Biosafety, Health Physics Assistant, FCOI - Research Subrecipient, and IP Manager. We reviewed IT general controls in place as of May 1, 2015, through the end of our field work on June 5, 2015.

Our report 15-027 was issued on June 30, 2015. This report is confidential due to the sensitive nature of the information technology issues disclosed.
INFORMATION TECHNOLOGY

UAC’s information system projects are performed in accordance with the ISACA (formerly Information Systems Audit and Control Association) standards and guidelines. ISACA has designed this guidance as the minimum acceptable level of performance required to meet the professional responsibilities set out in the ISACA Code of Ethics for Auditing and Control Professionals. These standards and guidelines are consistent with the Control Objectives for Information and Related Technology (COBIT)--an IT governance framework which permits management to bridge the gap between control objectives, technical issues, and business risk.

UAC utilizes an integrated audit approach whereby the IT Audit Team assists the general Audit Team on audit and consulting projects with significant information systems components. A major integrated audit project this year was Education Abroad (15-017). The following projects contained some IT audit components, such as access controls: USF College of Education (15-011), USF College of Marine Science (15-012), USF Athletics Business Operations (15-016), and FIO (15-018).

The IT Audit Team focuses on factors which impact the confidentiality, integrity, and availability of systems and resources held within these systems. Confidentiality not only includes whether sensitive data is secured, but also whether access is effectively controlled.

IT audits of the Tampa Campus Residence Hall’s Electronic Building Access Control System (15-013), the USF Electronic Building Access Control System (15-015), and Research
Technologies (15-027) were performed. The IT Audit Team also reviewed certain system access controls and user privileges for the Performance Based Funding Data Integrity Audit (15-010).

Formal follow-up procedures were performed of previous high-risk IT audit recommendations. Our report 15-024 was issued on April 29, 2015. (See Follow-Up Activity below.)

In February, we added a new Senior IT Audit Consultant position to the IT Audit Team. There are currently four Certified Information Systems Auditors (CISAs) on the UAC team and two Certified in Risk and Information System Control (CRISC). Two additional UAC team members have passed the CISA certification exam and are working on meeting their experience requirements.

CONSULTING SERVICES

Consulting projects are collaborations between management and UAC. Services may be requested in advance and included as part of the annual work plan; however, many requests are made during the year. A project’s objective will vary depending on the needs of management, but may include improving a process or procedure, assisting in the implementation of a new system, interpreting laws, rules, policies, and other guidance, or facilitating education/training programs. These services are proactive in nature and can be helpful to any university function or department. One consulting project for Information Technology was in progress at year-end.

ADVISORY SERVICES

UAC is committed to providing proactive advice on internal controls, operations, and compliance. Requests for advisory services may come from various management levels throughout the university and often involve emerging issues in research, information technology, or compliance. The information we provide through these services assists management in decision-making and improving operations. Results of these types of services are communicated verbally or through memorandums.

FOLLOW-UP ACTIVITY

In accordance with the International Standards for the Professional Practice of Internal Auditing, UAC follows up on all internal audit recommendations to determine if corrective actions have been taken. Utilizing a web-based tracking system, management can continuously update the implementation status, including action plans and target dates, of recommendations and UAC can efficiently and effectively monitor their progress. Two Follow-Up Reports, covering activity from July 1 through December 31, 2014, and January 1 through June 30, 2015, were issued during the fiscal year. The annual implementation rate by management was 74%.

UAC performs formal follow-up procedures for all high-risk audit recommendations. Our report 15-024 IT Change Management was issued on April 29, 2015. Included were two high-risk issues originating from our consulting project report 13-016 issued on March 19, 2013. This report is confidential due to the sensitive nature of the information technology issues disclosed.

Formal follow-up procedures were also performed this year for the FAST vendor file and non-recurring compensation. Our report 15-025 was issued on April 23, 2015.

The recommendations made during this fiscal year related to the following:
- Authorization: Adequacy and Timeliness
- Compliance with Federal Laws
- Compliance with State and Local Laws (not USF)
- Effective and Efficient Operations
- IT: Confidentiality, Integrity, Availability of Data
- Reporting: Accuracy, Completeness, and Timeliness
- Safeguarding of Assets
- Separation of Duties
- Training and Guidance: Accuracy, Completeness, and Timeliness
- Workplace Safety
INVESTIGATIONS

The President and the Board of Trustees have charged UAC with performing investigations related to the university and its related organizations. An investigation is an objective review of evidence related to a complaint or allegation.

Complaints and concerns may be received from the university’s EthicsPoint reporting system or directly from an individual, or may be forwarded from various university offices or state and local government agencies.

Reports of concerns, complaints, and allegations may or may not be supported by the facts. That is why it is critical that the investigative process be managed discreetly and confidentially to ensure the integrity of the process and protect the reputations of named individuals. Florida law supports the need for confidentiality during investigations and permits active investigations to be classified as exempt from public record. Only those with a legitimate business need are provided with information related to ongoing investigations.

Approximately 4% of our project effort (direct service hours) during FY 2014-2015 was expended on investigations compared to 6% in FY 2013-2014. Out of 8 total complaints, 2 were referred to other units, and 2 remained open at June 30, 2015. Of the 4 completed investigations, the complaints were unsubstantiated in 2 cases. The two investigations that were substantiated were classified as asset misappropriation.

COMPLIANCE

The USF System Compliance & Ethics Program was established in 2007 with the appointment of a Chief Compliance Officer, who was charged by President Genshaft and the Board of Trustees to create and maintain an effective program based on best-practices to prevent, monitor, detect, and respond to non-compliance and recommend corrective actions to fully meet regulatory requirements.

eDisclose

This was the first fiscal year the USF System was able to centrally disclose, review, and track Florida Code of Ethics (FCOE), outside activity, and nepotism issues for our 14,000+ employees in the eDisclose information system. Since its roll-out on April 10, 2014, eDisclose has enabled online submission and review of these disclosures, and perhaps most importantly, has provided a mechanism for training USF System employees concerning their disclosure responsibilities.

Florida Code of Ethics Disclosures

The Florida Code of Ethics (FCOE) for Public Officers and Employees prohibits or restricts USF System employees from engaging in certain activities and relationships that create or have the potential to create a conflict of interest or commitment between their personal interests and the public responsibilities of the USF System. The FCOE is not intuitive and fraught with convoluted language and caveats. Thus, the FCOE disclosure form in eDisclose provides annual education and training, in addition to providing a disclosure mechanism, for USF System employees with respect to the following:

- Gifts or benefits;
- Misuse of public position or non-public information;
- Conflicting business, employment, and contractual relationships;
- Nepotism; and
- Outside activity.

Certain USF System employees are required to complete an annual FCOE disclosure in eDisclose. These include:
• All Faculty employees
• All Administration employees
• Staff employees issued a Procurement Card (PCard) or assigned a role in FAST, our financial system.
• Temporary employees issued a PCard or assigned a role in FAST.

While the FCOE is itself not new, the annual FCOE disclosure requirement was a new disclosure requirement affecting 5,410 of our 14,000+ USF System employees this fiscal year. In order to effectively notify and train such a large subset of USF System employees, the Compliance & Ethics Program developed and implemented a communication plan which included:

• Notification of USF unit managers and their employees concerning requirements for annual FCOE disclosure in eDisclose.
• Multiple face-to-face trainings for users and reviewers at USF Tampa, USFSP, and USFSM, including but not limited to the following groups:
  – Council of Deans
  – Council of Chairs
  – Faculty Senate
• Preparation and distribution of FCOE Compliance Reports for the Provost, Regional Chancellors, Senior Vice Presidents, Deans, and Department Chairs so that they could follow-up with their units to ensure FCOE disclosure compliance.
• Assistance to eDisclose users via the eDisclose Helpdesk (>1000 contacts)

Of the 5,410 USF System employees required to complete an annual FCOE disclosure in eDisclose this fiscal year, 3,500 USF System employees completed a disclosure. This equates to an overall FCOE disclosure compliance rate of 65% for the USF System. Below is a graphic summarizing the FCOE disclosure rate by institution within the USF System.

**Outside Activity Disclosures**

Beginning on July 1, 2014, all USF System employees were required to disclose and receive prior approval for their proposed outside activities in the eDisclose system, except for approximately 770 USF Health faculty who instead use USF Health’s ROAD system. During FY 2014-15, 899 outside activity disclosures were submitted for review in eDisclose. The types of outside activities proposed on these disclosures fell into one or more of the following categories:
More than incidental use of USF System facilities, services, or equipment (>Incidental Use),
- Candidacy for or holding Public Officer (Candidacy),
- Compensated activities (Compensated),
- Supervision of a USF System student or employee in your outside activity that you also supervise as part of your assigned duties for the USF System (Supervising USF student/employee),
- Any activity the employee reasonably believes may create a potential conflict of interest or conflict of commitment (Potential COI).

The below chart summarizes the types of outside activities cited on 899 disclosures received this fiscal year. It is important to note that several outside activity disclosures were counted more than once in the below chart, depending on the number of outside activity types identified on the disclosure e.g., an outside activity disclosure involving both compensation and more than incidental use of USF System equipment is counted once as “Compensated” and a second time as “>Incidental Use” on the below chart. This results in a total count of outside activity types as 923 from the 899 disclosures submitted this fiscal year.

**HEOA Initiative**

The USF System Compliance & Ethics Program’s Higher Education Opportunity Act (HEOA) Initiative is designed to ensure that the USF System identifies and complies with disclosure and reporting requirements under HEOA, including the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the “Clery Act”). Compliance with the Clery Act relies, in part, with implementation of Clery standards and best practices reported by the National Postsecondary Education Cooperative established by the U.S. Department of Education. The HEOA initiative has been informally in place since 2008 and was formalized in July 2013 via promulgation of USF System Policy 0-233, HEOA Initiative: USF System, Portal, and Security & Fire Safety Reporting Compliance.

During fiscal year 2014-15, the Department of Education published the final Violence Against Women Act (VAWA) regulations in October of 2014. These new VAWA regulations went into effect on July 1, 2015, and significantly amended our institution’s responsibilities under the Clery Act.

Additional crime reporting requirements were placed on mandatory reporters (Campus Security Authorities (CSAs) under Clery) regarding the following VAWA-defined
crimes: sexual assault, dating violence, domestic violence, and stalking. These VAWA crimes are considered to be forms of gender discrimination under Title IX, which has its own separate and distinct mandatory reporting responsibilities for its mandatory reporters who are called Responsible Employees (REs).

The reporting responsibilities for CSAs and REs under Clery-VAWA and Title IX are not harmonious and, in some instances, conflict with one another. In response to this conundrum, we expanded the CSA Workgroup, formed last year to identify and train CSAs, to include representatives from the Title IX office and from our Clery-VAWA-Title IX counterparts at USF St. Petersburg and USF Sarasota Manatee. The mission of the resultant Clery-Title IX Convergence (CTC) Workgroup is to coordinate efforts made by the USF System pursuant to the Clery Act (including VAWA) and Title IX in areas where these federal laws overlap or are essentially the same.

Accomplishments of the CTC workgroup for FY2014-15:

- Crafted and implemented a RE definition based on USF System-specific employee positions. The resultant clarifying definition enables employees and their management teams to readily determine whether or not a given employee is a mandatory reporter under Title IX. This revised definition was implemented on April 24, 2015, via USF System Policy 0-004: Sexual Misconduct/Sexual Harassment (Including Sexual Violence):
- Developed a combined CSA-RE orientation for employees who are both a CSA and RE. Prior to the development of this combined orientation, an employee would need to take 3 hours of training: 1 hour for Clery/CSA orientation and 2 hours for Title IX/RE orientation.

Ongoing projects of the CTC workgroup beyond this fiscal year:

- Identification of all mandatory reporters under Title IX and Clery-VAWA. To date, we have identified more than 5,700 of our 14,000+ employees who are a CSA, RE, or both.
- Streamlining CSA-RE orientation to a 1-hour live course.
- Developing an online, 1-hour CSA-RE refresher training.

**VAWA-Required Prevention & Awareness Training**

Effective July 1, 2015, the USF System is required under the VAWA to provide all new students and employees with prevention and awareness training for the following crimes: sexual assault, domestic violence, dating violence, and stalking. The VAWA prescribes 22 separate, distinct elements that must be included in this “VAWA Training” in order for our institution to be considered compliant with federal law. We worked closely with Victim Advocacy and Violence Prevention in Student Affairs to develop VAWA-compliant prevention and awareness trainings that also met best practices for delivering such training to individuals who may have been victims of such crimes. Our intent was to meet the regulatory requirements, while minimizing the potential re-victimization of victims.

We reviewed commercially available online VAWA training for students alongside our Student Affairs partners and decided to implement a VAWA training for all new students in Fall 2014 from Campus Clarity, an industry leader in online training for students. We worked with Victim Advocacy to develop face-to-face VAWA trainings for new student
orientation at USF Tampa, USF Health, USFSP, and USF Sarasota-Manatee.

We worked with Victim Advocacy, Human Resources, and the Office of the Provost to develop face-to-face trainings for new USF System faculty, administration, and staff employees at USF Tampa, USF Health, USFSP, and USF Sarasota-Manatee. We are currently co-developing an online solution for new temporary employees for use by any institution within the USF System. We are joined in this effort by Victim Advocacy and Human Resources.

**HEOA Articulation Agreements Initiative**

Under HEOA, our institution is required to publicly disclose its transfer of credit policies to prospective and enrolled students. Per HEOA regulations, these policies must include, at a minimum:

- Any established criteria the University of South Florida System (USF System) uses regarding the transfer of credit earned at another institution; and
- A list of institutions with which USF has established an articulation agreement.

We worked with the following offices this year to develop a USF System policy, procedure, and an Articulation Agreements repository to meet this HEOA requirement:

- Provost
- Undergraduate Studies
- Graduate Studies
- Registrar
- Decision Support
- General Counsel

**Compliance & Ethics Training**

We continued our delivery of compliance and ethics training as part of employee onboarding programs administered by Organizational Development in the Division of Human Resources for USF Tampa. All new administration and staff employees at USF Tampa are required to attend orientation, called “Welcome to USF”. These sessions are held every two weeks and coincide with USF Tampa’s new administration and staff employee hiring cycles. This fiscal year, we provided compliance and ethics training to 16% more new administration and staff employees at USF Tampa than last fiscal year.

We also continued our delivery of compliance and ethics training as part of HR’s “Managing at USF,” a course open to new and current USF employees whose position includes management and/or supervisory responsibilities. Our portion of this course emphasizes case studies so that our managers can apply knowledge gained during the course to “real life” situations they are likely to encounter in their organizational units. We saw a significant increase of 55% in participation in Managing at USF this fiscal year over the previous year. Feedback from participants over the past 5 years consistently stated that this portion of the course was useful and helpful to them.
EthicsPoint

The Chief Compliance Officer is responsible for the management of the USF System’s anonymous reporting hotline, EthicsPoint. Of the 58 reports received during FY 2014-15, 38 (66%) were related to human resource matters, 3 of which remained open at year-end.

Three reports were referred to the Diversity Inclusion & Equal Opportunity (DIEO) office and two were referred to the Division of Research Integrity & Compliance (Research). Of the 50 reviews completed, 18 were substantiated and 32 were unsubstantiated.

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<tr>
<td>Total</td>
<td>18</td>
<td>32</td>
<td>5</td>
<td>3</td>
<td>58</td>
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</table>
UAC TOTAL HOURS
FY 2014-15

PROJECT | BUDGET | %  | ACTUAL | %  
--- | --- | --- | --- | --- 
DIRECT SERVICES: | | | | 
Audits/ Reviews | 7,890 | 40% | 9,389 | 47% 
Follow-up | 500 | 3% | 950 | 5% 
Consulting Services | 1,138 | 6% | 684 | 3% 
Investigations | 1,985 | 10% | 397 | 2% 
Contingencies | 425 | 2% | 116 | 1% 
Total Direct Services | **11,938** | **60%** | **11,536** | **58%** 
OTHER: | | | | 
Administration | 4,034 | 20% | 4,011 | 20% 
Staff Development | 400 | 2% | 378 | 2% 
Vacancy | 0 | 0% | 704 | 4% 
Holidays and Leave | 3,508 | 18% | 3,251 | 16% 
Total Other | **7,942** | **40%** | **8,344** | **42%** 
TOTAL | **19,880** | **100%** | **19,880** | **100%**
PROFESSIONAL ACTIVITIES

UAC is proud of the experience and professionalism of its staff. During 2014-2015, we continued our involvement with organizations that support higher education, internal auditing, information technology, and compliance activities.

- Association of College and University Auditors (ACUA)
- Institute of Internal Auditors (IIA)
- Association of Certified Fraud Examiners (ACFE)
- Information System Audit & Control Association (ISACA)
- American Institute of Certified Public Accountants (AICPA)
- National Association of College and University Business Officers (NACUBO)
- National Council of University Research Administrators (NCURA)
- Society of Corporate Compliance & Ethics (SCCE)

UPCOMING YEAR

The current two-year Work Plan for FY 2015 and FY 2016 was approved by the Finance and Audit Workgroup on August 28, 2014. The multi-year plan continues to offer UAC the flexibility to move projects between years as schedules warrant. Significant changes will be communicated to the Finance and Audit Workgroup as appropriate.
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<td>College of Marine Sciences</td>
<td>1,000</td>
<td>600</td>
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<tr>
<td>College of Education</td>
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<td><strong>Student Affairs:</strong></td>
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<td>SGB Business Office</td>
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<td><strong>Research:</strong></td>
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<tr>
<td>FIO</td>
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<tr>
<td>Research Allowed Costs</td>
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<tr>
<td>Participant Payments</td>
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<td>Export Controls</td>
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<tr>
<td>Subrecipient Monitoring - Follow up</td>
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<tr>
<td>Research Labs (EH&amp;S)</td>
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<tr>
<td><strong>Follow-up: Coordinate External Audits</strong></td>
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<tr>
<td>Subtotal</td>
<td>1,000</td>
<td>500</td>
<td>500</td>
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<tr>
<td><strong>Consulting Services</strong></td>
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<td>Special Projects</td>
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<td>Emerging Issues - compliance, financial, IT</td>
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<td><strong>Subtotal</strong></td>
<td>1,438</td>
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<td>833</td>
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<tr>
<td><strong>Investigations</strong></td>
<td>4,081</td>
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<td><strong>Contingency</strong></td>
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<td>1,464</td>
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<td>24,598</td>
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<td>11,938</td>
<td>12,660</td>
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<tr>
<td><strong>INDIRECT SUPPORT</strong></td>
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<td>University Meetings, In-House Training, Prof. Orgs.</td>
<td>2,028</td>
<td>988</td>
<td>1,040</td>
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<td>Administration</td>
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<td><strong>OTHER</strong></td>
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<td>CPE</td>
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<td>Holidays</td>
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<td>848</td>
<td>880</td>
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<td>Leave (Annual and Sick)</td>
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<td>2,660</td>
<td>2,800</td>
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<tr>
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<td>40,840</td>
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<td>20,960</td>
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Approved by the Board of Trustees Finance and Audit Workgroup on August 28, 2014.