

JACC Minutes – October 15, 2010

TRUSTEES/DIRECTORS PRESENT: F. Archambault, F. Borges, T. Holt, D. Nayden, and W. Shepperd

STAFF PRESENT: N. Adams, J. Biancamano, C. Bianchi, D. Bradway, T. Callahan, C. Chiaputti, C. Eaton, N. Eskin, K. Fearney, B. Feldman, J. Geoghegan, D. Gilbertson, B. Gore, K. Goss, R. Gray, P. King, W. Kleinman, R. Krinsky-Rudnick, C. Laurencin, M. Liskom, I. Mauriello, P. Nicholls, M. O'Connor, J. Pufahl, R. Rubin, E. Sales, R. Schurn, J. Small, J. Sullivan, K. Violette, E. Vitullo, M. Walker, and J. Walter

STATE AUDITOR J. Rasimas

The meeting of the Joint Audit and Compliance Committee (JACC) was called to order at 1:35 pm by Trustee Nayden.

ON A MOTION made by Trustee Archambault and seconded by Director Shepperd, THE JACC VOTED to go into executive session pursuant to Connecticut General Statutes Sections 1-200(6) to discuss [C] Matters concerning standards, processes and codes not available to the public the disclosure of which would compromise the security or integrity of information technology systems and [E] Preliminary drafts or notes that the public agency has determined the public's interest in withholding outweighs the public's interest in disclosure. Executive Session was attended by Joint Audit & Compliance Committee Members – F. Archambault, D. Nayden, F. Borges, T. Holt and W. Shepperd; OACE Staff members, N. Adams, C. Chiaputti, K. Goss, I. Mauriello, R. Rubin and K. Violette; Senior Management – T. Callahan, B. Feldman, R. Gray, C. Laurencin, P. Nicholls, R. Schurin and J. Walter. The following were in attendance for a portion of the executive session J. Biancamano, C. Eaton, N. Eskin, K. Fearney, J. Geoghegan, D. Gilbertson, K. Goss, P. King, R. Krinsky-Rudnick, M. Liskom, M. O'Connor, J. Pufahl, E. Sales, J. Small, and E. Vitullo.

The Executive Session ended at 2:00 p.m. and the JACC returned to open session at 2:05 p.m..

TAB 1 - Minutes

ON A MOTION made by Trustee Archambault and seconded by Trustee Shepperd, the minutes of the July 21, 2010 meeting were approved.

TAB 2 – Entrepreneurial/Private Activity – UConn2000 Tax-Exempt Debt and IRS Regulations

J. Sullivan, Manager of Treasury Services updated the JACC on Entrepreneurial/Private Activity for UCONN 2000 Tax-Exempt Debt and IRS Regulations.

TAB 3 - OACE Charter

M. Walker provided the JACC with a revised OACE Charter for approval; the Charter had not been updated since 2006.

ON A MOTION made by Trustee Archambault and seconded by Trustee Shepperd the JACC approved the changes to the OACE Charter.

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TAB 4: Significant Compliance Activities

Monitoring Plans were established for the following nine areas on the Storrs Campus.

1. Athletics
2. Financial Aid Services
3. Procurement and Logistical Services
4. Construction Management
5. Faculty Consulting
6. Human Resources and Payroll
7. Visas and International Employment
8. Research
9. Environmental Health and Safety

OACE entered into a Memorandum of Understanding with three areas with the highest risks; Athletics, Environmental Health and Safety and Research Compliance. At the beginning of the year Storrs Compliance will identify a compliance liaison in each of the nine areas and begin meeting with each liaison on a quarterly basis.

As a result of changes made to the Higher Education Opportunities Act; Storrs Compliance assisted with the establishment of a website providing comprehensive disclosure of consumer information to current and prospective students, parents and employees.

Compliance Integrity Agreement (CIA) – The final annual report of the Compliance Agreement between the University of Connecticut and the United States Environmental Protection Agency was submitted on June 28, 2010 – OACE is still awaiting their response.

Certification of Compliance Agreement (CCA) – The third and final annual report on the Certification of Compliance Agreement between John Dempsey Hospital (JDH) and the Department of Health & Human Services (DHHS) – Office of the Inspector General (OIG) was submitted on June 28, 2010. OACE received a response from DHHS OIG on August 31, 2010 (memo provided in JACC packet). This agreement is now complete.

I. Mauriello provided the JACC with an update on the UCHC Stark Review.

UCHC has received it's first Recovery Audit Contractor (RAC) request for 118 records between 2007 – 2010. The National RAC Program was established by the Centers for Medicare and Medicaid, as mandated by law, to detect and correct improper payments in the Medicare fee for services program as well as provide CMS with information that they hope will prevent future improper payments to Hospitals and Practitioners. The RAC Committee plans on having all documentation together by October 31, 2010 to allow sufficient time for review prior to submission to the RAC vendor by November 14, 2010.

M. Walker informed the committee that RAC's are a vendor for CMS that get paid on a contingency basis. They receive their fee by the amount of faults they find within an organization providing them with a certain incentive and motivation to go into organizations aggressively.

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TAB 5: Significant Audit Activities

C. Chiaputti provided the JACC with a status update of current audit assignments. OACE completed four reviews this quarter:

- ARRA Quarterly Validation (2nd Quarter Ending 06/30/10)
- Human Subjects Research (Incentives)
- National Government Services Local Coverage Determinations (LCD's)
- Athletics – Recruiting Travel

In addition to the four audits, OACE completed several consulting/special projects. There were no questions. Revised audit plans will be provided to the JACC at the February 2011 meeting.

C. Chiaputti informed the JACC that the searches for both the University Auditor (IT) and the University Audit Manager (IT) are underway.

OACE will have a vacant Medical Auditor position at UCHC in December with the retirement of P. King.

Tab 6 – External Engagements Update

M. Walker provided the JACC with an update on McDermott Will & Emery, Seward and Monde, Marcum LLP and KPMG.

OACE requested that the JACC approve the re-hiring of Marcum for FY 2010.

ON A MOTION made by Trustee Archambault and seconded by Trustee Shepperd, the JACC approved the hiring of Marcum LLP for FY 10.

TAB 7 – Informational/Educational Items

The JACC was provided with copies of the following:

- OACE Storrs & UCHC Quarterly Newsletters (Summer 2010)
- BNA Insights “Changes to Compliance Plan Guideline Focus on Reporting Relationships”

ON A MOTION made by Trustee Archambault and seconded by Director Holt, the meeting was adjourned at 2:47 p.m.

Respectfully submitted,

Karen Violette

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Secretary to the Joint Audit & Compliance Committee