

JACC Minutes – June 8, 2011

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

STAFF PRESENT: N. Adams, C. Andrews, P. Austin, D. Barberi, J. Biancamano, C. Bianchi, N. Bull, T. Callahan, C. Chiaputti, M. Choi, T. Dominguez, C. Eaton, K. Egeberg, K. Fearney, J. Enderle, B. Feldman, J. Geoghegan, D. Gilbertson, B. Gore, C. Gray, R. Gray, J. Hathaway, R. Hoagland, D. Hook, R. Hudd, K. Johnson, B. Kels, C. Laurencin, M. Lee, M. Liskom, D. Mattessich, I. Mauriello, P. McCarthy, P. McDowell, T. Monahan, D. Munroe, P. Nicholls, M. O'Connor, B. Patel, J. Pufahl, H. Rhynhart, R. Rubin, R. Schurn, J. Small, J. Sullivan, R. Urban, K. Violette, E. Vitullo, M. Walker, N. Wallach, J. Walter, S. Wetstone, and E. Zincavage

STATE AUDITORS: A. Brown, J. Carroll, J. Rasimas and G. Slupecki

Marcum LLP: M. Brooder

The meeting of the Joint Audit and Compliance Committee (JACC) was called to order at 1:00 pm by Trustee Nayden.

ON A MOTION made by Trustee Archambault and seconded by Director Holt, the committee voted to amend the agenda to include an executive session agenda item to include: (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) Audits.

ON A MOTION made by Trustee Archambault and seconded by Director Holt, 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, F. Borges, P. Drotch, T. Holt, D. Nayden and W. Shepperd; OACE Staff members, N. Adams, C. Chiaputti, D. Barberi, K. Fearney, C. Gray, D. Hook, M. Liskom, I. Mauriello, R. Rubin, K. Violette, E. Vitullo, M. Walker, and E. Zincavage; Senior Management – P. Austin, N. Bull, T. Callahan, B. Feldman, R. Gray, P. Nicholls, C. Laurencin, D. Munroe, R. Schurin, J. Walter as well as Attorney R. Urban. M. Brooder from Marcum LLP was in attendance for a portion of the executive session.

The Executive Session ended at 2:10 p.m. and the JACC returned to open session at 2:15 p.m. Trustee Nayden stated that the first order of business was an opportunity for public comment. Trustee Nayden said "I believe Mike, that none is on the schedule ; is that still correct?" K. M. Walker said " I don't have anyone who has volunteered for public comment, That's correct." and immediately went into Tab 1.

TAB 1 - Minutes

ON A MOTION made by Trustee Archambault and seconded by Trustee Drotch, the minutes of the February 17, 2011 meeting were approved.

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TAB 2: Follow-up to the February 17, 2011 JACC Meeting

J. Biancamano and B. Kels provided the JACC with an update on the status of the UCHC Malpractice Fund. K. M. Walker met with T. Callahan on UCHC's Execution of Contracts and plans on conducting some trends analysis to see how we can improve in this area.

TAB 3: Joint Audit & Compliance Committee Approval

ON A MOTION made by Trustee Archambault and seconded by Trustee Drotch the JACC meeting schedule for December 2011 – Calendar Year 2012 was approved. OACE has expanded their meeting schedule to include five meetings per year.

OACE provided the JACC with a listing of future agenda items. In the future, OACE will invite all University compliance areas, on cycle basis, to provide updates/highlights to the JACC on their areas.

K. M. Walker provided an article to the JACC on Audit Committee Self-evaluation. D. Nayden asked the JACC members if they felt it made sense for this committee to do an annual self-evaluation. F. Archambault indicated that he felt it was a good idea and would help improve JACC performance. P. Drotch felt that this should be considered at the Board level for the Board itself as well as all other committees. If the JACC takes the lead on this they can demonstrate the value of this process and perhaps it will spread to the rest of the Board Committees. K. M. Walker will continue to work with the JACC members on this issue.

TAB 4: Significant Compliance Activities

K. Fearney and I. Mauriello provided the JACC with a summary of significant compliance activities for both the University and University of Connecticut Health Center including:

Storrs

- Clery Act Site Visit (R. Hudd, Police Chief provided a brief presentation)
- Monitoring Plan
- Regulatory Compliance
- Compliance – Memorandums of Understandings
 - Environmental Health & Safety (T. Monahan provided a brief presentation)
 - Research Compliance (N. Wallach provided a brief presentation)
 - Athletics (P. McCarthy provided a brief presentation)

UCHC

- Recovery Audit Contractors (RAC)
- Stark Law Review Engagement
- Annual Compliance Training
- Office of the Inspector General 2011 Work Plan

Storrs and UCHC

- Code of Conduct

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TAB 5: Significant Audit Activities

C. Chiaputti provided the JACC with a status update of current audit assignments. OACE completed 12 audits this cycle and closed out 7 follow-up grids. In addition OACE completed one consulting engagement. The twelve audits are listed below.

1. Foundation Receipts and Disbursements
2. ARRA Quarterly Validation (1st Quarter Ending 03/31/11)
3. Daily Campus
4. Public Interest Resource Group (PIRG)
5. Athletics Team Travel
6. CI Grant – FRS#633882
7. Tripp Center
8. Professional Services Review – Landfill Closure
9. Department of International Services & Programs
10. Clinical Engineering Internship Program
11. Emergency Department Revenue Cycle
12. Licensing – Non-Medical Staff

C. Chiaputti provided the JACC with the FY 12 Audit Plans for both the University and University of Connecticut Health Center.

ON A MOTION made by Trustee Drotch and seconded by Trustee Archambault the FY 12 Audit Plans were approved.

Tab 6 – External Engagements

M. Brooder from Marcum, LLP presented their audit of construction expenditures of UConn 2000 projects substantially completed during the year ended June 30, 2010 as well as their agreed-upon procedures on UConn 2000 construction expenditures for the fiscal year ended June 30, 2010.

Tab 6 – Auditors of Public Accounts

J. Rasimas, J. Carroll, G. Slupecki and A. Brown presented excerpts from their State of Connecticut Single Audit Report for Fiscal Year Ended June 30, 2010. There were 13 findings related to:

1. Late Reporting (University)
2. Allowable Costs/Costs Principles (University)
3. Allowable Costs / Costs Principles (UCHC)
4. Eligibility – Student Standing; Nurse Faculty Loan Program (University)
5. Special Tests and Provisions – Timely Disbursement of Funds; Nurse Faculty Loan Program (University)
6. Eligibility – Citizenship Status (University)
7. Cash Management (University)
8. Student Eligibility – Dependency Status (University)
9. Student Eligibility – Scholarships for Disadvantaged Students (University)
10. Special Tests: Verification (University)
11. Special Tests: Return of Title IV funds (University)
12. Special Tests: Student Loan Repayments (University)
13. Special Tests: Student Loan Repayments – Defaulted Students (University)

The complete statewide report can be found at http://www.cga.ct.gov/apa/pdf2011/SVSA_2010.pdf.

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TAB 8 – Informational/Educational Items

The JACC was provided with copies of the following:

- OACE Storrs & UHC Quarterly Newsletters (Winter and Spring 2011)
- “Budget Straits Mean Grant Success Rate Will Hit All-Time Low, NIH Warns”

ON A MOTION made by Trustee Archambault and seconded by Director Holt, the meeting was adjourned at 3:05 p.m.

Respectfully submitted,

Karen Violette

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Secretary to the Joint Audit & Compliance Committee

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