## Joint Audit & Compliance Committee Meeting

**September 20, 2018**

10:00 a.m. – 10:30 a.m. - Executive Session  
10:30 a.m. – 12:00 p.m. - Public Session

University of Connecticut, Lewis B. Rome Commons Ballroom, 626 Gilbert Road Extension, Storrs, CT

---

### Executive Session to discuss:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Proposed Action</th>
<th>Tab</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.G.S. 1-200(6)[E] – Preliminary drafts or notes that the public agency has determined that the public’s interest in withholding such documents clearly outweighs the public interest in disclosure. [1-210(b)(1)]</td>
<td>Review</td>
<td>None</td>
</tr>
<tr>
<td>C.G.S. 1-200(6)[E] – Records or the information contained therein pertaining to strategy and negotiations with respect to pending claims [1-210(b)(4)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.G.S 1-200(6)(E) – Records, reports and statements privileged by the attorney-client relationship. [1-210(b)(10)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.G.S. 1-200(6)[C] – Records of standards, procedures, processes, software and codes not otherwise available to the public, the disclosure of which would compromise the security and integrity of an information technology system. [1-210(b)(20)]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Opportunity for Public Comments

**None**

### Minutes of the June 6, 2018 JACC Meeting

**Approval** 1

**UConn and UConn Health Significant Compliance Activities**

- Healthcare and Regulatory Compliance Update
- Athletics Update

**UConn and UConn Health Significant Audit Activities**

- Status of Audit Assignments
- Follow Up Activities
- Audit Updates

**UConn Health – HealthONE Update**

**Update** 4

**Draft Compliance Plans – UConn and UConn Health**

**Approval** 5

**Draft Audit Plans – UConn and UConn Health**

**Update** 3

### External Engagements

- Status of External Engagements
- CohnReznick – FY2018 Fee Notification, UConn 2000 Audit and Agreed upon Procedures
- BKD – FY2018 Fee Notification, NCAA Financial Agreed Upon Procedures

**Update** 6

### Informational/Educational Items

- Compliance Chatter Update
- UConn Health Compliance Matters Newsletter – Summer 2018

**Information Only** 7

### Conclusion of Full Meeting

**Information Session with AMAS and OUC and External Auditors**
University of Connecticut
&
University of Connecticut Health Center

Joint Audit & Compliance
Committee Meeting
THIS PAGE INTENTIONALLY LEFT BLANK
The meeting of the Joint Audit and Compliance Committee (JACC) was called to order at 2:00 p.m. by Trustee Nayden. 

ON A MOTION made by Trustee Nayden and seconded by Director 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 that the public’s interest in withholding such documents clearly outweighs the public interest in disclosure. [1-210(b)(1)]
- C.G.S. 1-200(6)[E] – Records or the information contained therein pertaining to strategy and negotiations with respect to pending claims
- C.G.S. 1-200(6)[E] – Records, reports and statements privileged by the attorney-client relationship. [1-210(b)(10)]
- C.G.S. 1-200(6)[C] – Records of standards, procedures, processes, software and codes not otherwise available to the public, the disclosure of which would compromise the security and integrity of an information technology system. [1-210(b)(20)]

Executive Session was attended by the following: Joint Audit & Compliance Committee Members: F. Archambault, M. Boxer, R. Carbray, J. Freedman, J. Gouin, and D. Nayden

Audit Staff members: C. Chiaputti, K. Goss, H. Hildebrandt, A. Marsh, G. Perrotti, A. Quaresima, and E. Zincavage; Compliance Staff members: K. Fearney, L. Neal, and E. Vitullo; Senior Staff: A. Agwunobi, W. Byerly, J. Geoghegan, S. Jordan, R. Rubin, and J. Shoulson; General Counsel: N. Gelston, B. White; Portions of Executive Session were also attended by: A. Capo, C. Gray, B. Metz, M. Mundrane, and R. Rudnick.

The Executive Session ended at 2:40 p.m. and the JACC returned to open session at 2:41 p.m. There were no public comments.

Tab 1 – Minutes of the Meeting

ON A MOTION made by Trustee Nayden and seconded by Trustee Gouin the minutes of the March 1, 2018, JACC meeting were approved.

Tab 2 – Auditors of Public Accounts


The Findings, Recommendations, and Management Responses were provided for the Federal Student Financial Assistance Statewide Higher Education part of the report, pages 286-302.

He also presented the Report on the University of Connecticut Health Center for the Fiscal Years Ended June 30, 2015 and 2016.
Tab 3 – UConn and UConn Health Significant Compliance Activities
K. Fearney provided an update on the reorganization efforts of both centralized and decentralized compliance units.

Tab 4 – Storrs & UConn Health Significant Audit Activities
C. Chiaputti provided the JACC with an update on the status of audit assignments (Storrs and UConn Health). The JACC accepted seven audits presented, in addition, Audit and Management Advisory Services had eighteen audits in progress during this reporting period.

Tab 5 – Payment Card Industry Data Security Standards (PCIDSS) Update – Storrs and Regional Campuses
P. Selleck provided an overview of the TouchNet Marketplace solution, which will assist with PCIDSS compliance the committee regarding Payment Card Industry Data Standards for Storrs and Regional Campuses.

Tab 6 – UConn Health - HealthONE
UConn Health CIO, B. Metz, provided a HealthONE update for the Epic EHR Project to the committee.

Tab 7 – External Engagements
C. Chiaputti provided a status on external audit engagements.

Tab 8 – Informational / Educational Items
- The Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting was awarded to UConn;
- Identify Theft Prevention Program Update;

There being no further business, ON A MOTION made by Trustee Nayden and seconded by Trustee Carbray, the meeting was adjourned at 3:08 p.m.

Respectfully submitted,
Angela Marsh
University of Connecticut
&
University of Connecticut Health Center

Joint Audit & Compliance Committee Meeting
SIGNIFICANT COMPLIANCE ACTIVITIES

Education and Awareness Initiatives

Fall 2018 graduate assistant compliance training will be launched this month. In collaboration with the Office of Healthcare and Regulatory Compliance, UConn Health faculty and staff compliance training materials are being finalized and will be available in early October.

Two new podcasts were released this summer (OIE and Title IV Compliance) as well as a new compliance email marketing campaign (Compliance Chatter).

Monitoring and Investigations

Developed and implemented an updated Internal Investigations Protocol and Internal Investigation/Inquiry Procedural Guidelines. The updated Investigations Protocol has been posted to the Office of University Compliance website.

Preliminary development of investigation metrics encompassing volume of investigations, nature of investigations, length of investigations, origin of reported concerns, categories of reported concerns, etc.

Merger of UConn and UConn Health REPORTLINE will be complete by the end of September.

As part of our ongoing monitoring efforts, we engaged the Office of Financial Aid Services to assess compliance with the financial aid aspects of the Higher Education Opportunities Act (HEOA). Completion of the assessment is expected by the end of September.

Ethics

Several additions to the Ethics Code were passed during the most recent legislative session.

Effective October 1st, state employees will be required to file an online report with the Office of State Ethics within 30 days after receiving certain goods or services under the Code of Ethics’ “gift to the state” exception. This requirement is in addition to the existing reporting of “necessary expenses” obligation.

Office of Privacy Protection and Management (OPPM)

Three new staff members joined the OPPM in July: two Health Privacy Specialists have joined our location at UConn Health and a Privacy Analyst has joined our location in Storrs. The office’s primary focus continues to be getting the Privacy program up and running effectively and efficiently. Current efforts include updating training materials, ramping up outreach and proactive support activities, building relationships and partnerships around and across the University, helping with optimization of Epic tools functionality at UConn Health and stream-lining the privacy incidents investigation processes.
Healthcare and Regulatory Compliance

Overpayment Refunds - There are no new overpayment refunds to report since May 2017.

Financial Compliance - The committee’s charter has been updated and approved. The Financial Compliance Committee has identified five subgroups which report up to this committee. The subgroups include; Denial Management, Overpayment, Revenue Integrity, Health One Governance Revenue Cycle, and New/Revised Services. There is also a monthly report from Utilization Review.

Clinical Conflict of Interest - The Clinical Conflict of Interest Committee has been reviewing approximately 700 Financial Disclosures related to potential Clinical Conflict of Interest. We have a 100% compliance rate for those asked to complete this disclosure.

Legislative Summary and Department of Health and Human Services, Office of Inspector General Work Plan – Work plan stakeholders are being identified who will have responsibility for oversight of the identified risk areas. The stakeholders will be responsible for a risk evaluation and internal controls to assure compliance.

Regulatory Visits - John Dempsey Hospital is expecting surveys from The Joint Commission for accreditation and the Department of Public Health for licensure before the end of the year. Extensive preparation continues for all healthcare regulatory surveys and certifications.

Key Compliance Programs - The Office of Healthcare and Regulatory Compliance has been working with healthcare areas to develop formal documented compliance programs for key compliance areas including Health One, Human Trafficking, and Medical Student Documentation.

2018 Annual Compliance Training - Healthcare will roll out its annual training on October 9 with a completion deadline of January 7, 2019. Last year’s compliance training rate was 99.4%.

Website Update - The Office of Healthcare and Regulatory Compliance launched its new website on September 10, 2018. The new site features our new Compliance Matters newsletter, important updates to state and federal laws and regulations, and annual training instruction and updates.

Compliance Week - This year’s Compliance and Ethics week is November 4-10. The Office of Healthcare and Regulatory Compliance is partnering with University Compliance to celebrate Compliance week at UConn Health.
University of Connecticut & University of Connecticut Health Center

Joint Audit & Compliance Committee Meeting
### Status of Assignments

<table>
<thead>
<tr>
<th>Audit Project</th>
<th>UConn (UC) or UConn Health (UH)</th>
<th>Planning</th>
<th>Fieldwork</th>
<th>Pre-draft/Draft Reporting</th>
<th>Final Draft/Final Report Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Aid</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Federal Grant Expenditures</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Non-Purchase Order Business Disbursement</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>EPIC Contract – Report 3</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Non UConn 2000 Construction Expenditures FY2018 AUP</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Deaf or Hard of Hearing Services – VRA 5&lt;sup&gt;th&lt;/sup&gt; Report</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Regenerative Medicine Research Fund FY2018 Awarded Project Expenditures</td>
<td>UC/UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Connecticut Bioscience Innovation Fund FY2018 Awarded Project Expenditures</td>
<td>UC/UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Purchasing Card</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Energy Services Performance Contract Project – Phase 1 Report 2</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Deaf or Hard of Hearing Services – VRA 6&lt;sup&gt;th&lt;/sup&gt; Report</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Radiology Oncology</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Disaster Recovery</td>
<td>UC/UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Hartford Campus Relocation – Report 4</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Foundation Receipts and Disbursements FY2018</td>
<td>UC/UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Selected Contract – Gilbane</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Center for Student Disabilities</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Workers Compensation</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Entrepreneurial Academic Programs</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>ADA</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Students Abroad</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>TOTAL AUDITS (21)</strong></td>
<td></td>
<td>(2)</td>
<td>(10)</td>
<td>(1)</td>
<td>(8)</td>
</tr>
</tbody>
</table>

### Special Projects/Consulting

<table>
<thead>
<tr>
<th>Special Projects/Consulting</th>
<th>UConn (UC) or UConn Health (UH)</th>
<th>Planning</th>
<th>Field Work</th>
<th>Review Pre-draft</th>
<th>Project Final</th>
</tr>
</thead>
<tbody>
<tr>
<td>School of Business Travel #2</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Dental Billing</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Pharmacy Vault Controls</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Office of General Counsel</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Financial Aid</td>
<td>UH</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Two Factor Authentication Project</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Soil Testing and Trucking</td>
<td>UC</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td><strong>TOTAL SPECIAL PROJECTS/CONSULTING (7)</strong></td>
<td></td>
<td>(0)</td>
<td>(5)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
</tbody>
</table>
Management Actions Submitted to AMAS for Review
UCH and UConn Health

Functional Areas

- UCH JDH Administration
- UConn Medical Group
- UCH Neuroscience & Rehabilitative Services

# of Management Actions Pending AMAS Review

- 4
- 2
- 1
Aging of Overdue Management Actions by Functional Area
Based on Original Due Date
UConn Health

<table>
<thead>
<tr>
<th>Functional Area</th>
<th>&gt;1 year late</th>
<th>6-12 months late</th>
<th>3-6 months late</th>
<th>0-3 months late</th>
</tr>
</thead>
<tbody>
<tr>
<td>UC Human Resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UC Public Safety</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Controller</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Environmental Health and Safety</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Human Resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Information Technology Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH DH Administration</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH OPR</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Procurement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Police</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH School of Dental Medicine</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UConn Medical Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UCH Neuroscience &amp; Rehabilitative Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Open Overdue Management Actions by Audit - Based on Original Due Date
UConn
Open Management Actions by Finding Category
UConn

# of Open Management Actions

Functional Category:
- Business Process Improvement
- Business Purpose
- Documentation
- Governance
- Management Oversight
- Monitoring
- Physical Security of Assets
- Policy
- Regulatory Compliance
- Security
- Technology
- Training
- Use of Resources
Open Overdue Management Actions by Audit - Based on Original Due Date
UConn Health

Number of Overdue Management Actions

Audit Name
Open Management Actions by Finding Category
UConn Health

Number of Open Management Actions

Finding Category

Business Process Improvement
Documentation
Monitoring
Policy
Regulatory Compliance
Technology
Training
Use of Resources
High Risk Overdue Management Actions by Functional Area
UConn and UConn Health

- UC Information Technology Services: 2
- UC Public Safety Functional Area: 4
- UCH Police: 2

High Risk Overdue Management Actions Breakdown:

- UC Information Technology Services: 2
- UC Public Safety Functional Area: 4
- UCH Police: 2
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 UConn or UConn Health and has little or no impact on the UConn’s or UConn Health’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 UConn’s or UConn Health’s policies and procedures. The significance of the potential errors related to this control weakness makes it important to correct.

High

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

Joint Audit & Compliance Committee Meeting
THIS PAGE INTENTIONALLY LEFT BLANK
UConn Joint Audit and Compliance Committee Meeting:
HealthONE Update

Bruce A. Metz, Ph.D.
Vice President and Chief Information Officer, UConn Health

September 20, 2018
HealthONE Update: Post Go-Live Summary

• Notable Successes
  – The Epic system has performed as anticipated with a range of post go-live issues typical for an organization of UConn Health’s scale and complexity
  – Significant progress has been made stabilizing key clinical, operational and revenue cycle areas since the April 28, 2018 cutover
  – Over 23,000 help desk tickets have been logged with nearly 90% resolved to-date
  – Hospital and inpatient areas as a whole continue to adapt well to the new system
  – Ambulatory clinics that moved from a legacy EHR (e.g., NextGen) remain on track to reach pre go-live productivity levels
  – The first of three Epic-led post live visits was held during the week of July 31, identifying clinical and operational achievements as well as areas for improvement
  – Challenged areas and hot spots are trending toward a more stable transition due to an on-schedule execution of detailed remediation plans by dedicated teams

• Major Concerns and Outstanding Issues
  – Enterprise-wide adoption of converged and standardized ways of working represents a dramatic change
  – Effective and efficient operation of complex workflows has been challenging for some clinical areas
  – Ambulatory clinics that moved from paper continue to experience process issues
  – Several metrics related to certain enterprise functions such as revenue cycle and referrals have not reached stabilization levels
  – Mechanisms for an operationally driven prioritization of issues need to be put in place and aligned with available HealthONE resources

• Key Next Steps
  – Continue to closely monitor post go-live activity, remediate problems and address challenges
  – Retain focus on the stabilization roadmap to ensure all areas operate effectively and users have solid competency in Epic to perform their jobs
  – Expand HealthONE governance and establish a Program Management Office to enable effective prioritization and resource allocation
  – Leverage post go-live successes and lessons learned to help departments with difficulties and adjustment issues
  – Recognize the huge effort from thousands of people who are making change of this magnitude possible
University of Connecticut
&
University of Connecticut Health Center

Joint Audit & Compliance Committee Meeting
THIS PAGE INTENTIONALLY LEFT BLANK
# Compliance Plan – FY19

<table>
<thead>
<tr>
<th>Program Element</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standards of Conduct/Policies and Procedures</td>
<td>Coordinate review and update of the University’s Code of Conduct</td>
</tr>
<tr>
<td></td>
<td>Create formal communication strategy for policies – work with Policy Coordinator to ensure thorough education of policies and procedures</td>
</tr>
<tr>
<td></td>
<td>Participate in policy committees to ensure consistency of policies and procedures across UConn and UConn Health to the extent practicable</td>
</tr>
<tr>
<td>Leadership and Authority</td>
<td>University Compliance Committee – quarterly meetings; report actions and recommendations to the President’s Cabinet</td>
</tr>
<tr>
<td></td>
<td>Present to President’s Cabinet throughout the year</td>
</tr>
<tr>
<td></td>
<td>Conduct interviews with JACC members and senior management to confirm support and understanding of the compliance program</td>
</tr>
<tr>
<td></td>
<td>Increase compliance role at JACC meetings</td>
</tr>
<tr>
<td>Education and Training</td>
<td>New Employee Orientation - create consistent introduction to compliance and importance of behaviors across the institution</td>
</tr>
<tr>
<td></td>
<td>Introduce podcasts and animated videos at UConn Health and continue to build our library of online resources at Storrs and UConn Health</td>
</tr>
<tr>
<td></td>
<td>Update Compliance Training policy to include UConn Health</td>
</tr>
<tr>
<td></td>
<td>Work with Human Resources to centralize the identification of employees that require area-specific training</td>
</tr>
<tr>
<td></td>
<td>Support management’s establishment of a consistent process for compliance training accountability</td>
</tr>
<tr>
<td>Screening</td>
<td>Initiate monitor of background screening process</td>
</tr>
<tr>
<td></td>
<td>Monitor transition of sanctions checking at UH from Healthcare and Regulatory Compliance to appropriate area</td>
</tr>
<tr>
<td></td>
<td>Provide focused education on conflict of interest disclosure and management process</td>
</tr>
<tr>
<td>Discipline and Incentives</td>
<td>Work with senior leadership and Human Resources to include compliance incentives in the management performance review process</td>
</tr>
<tr>
<td>Anonymous Reporting, Auditing and Monitoring</td>
<td>Implement compliance review recommendation follow-up tracking system</td>
</tr>
<tr>
<td></td>
<td>Update University’s Non-Retaliation Policy</td>
</tr>
<tr>
<td></td>
<td>Engage compliance units in monitoring activities to assess compliance</td>
</tr>
<tr>
<td>Response and Prevention</td>
<td>Assess at conclusion of an investigation need for additional communication to the University and leadership for organizational “lessons learned” and culture of compliance</td>
</tr>
<tr>
<td></td>
<td>Implement data tracking and analysis of allegations of policy violations trends and areas of concern</td>
</tr>
</tbody>
</table>

Approved by the Joint Audit & Compliance Committee at their __________ Meeting
<table>
<thead>
<tr>
<th>RESEARCH/GENERAL COMPLIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>CT Bioscience Innovation Fund (CBIF) and Regenerative Medicine Research Fund (RMRF) Grants FY18 Expenditures* – the Program requires an annual audit to verify that program expenditures comply with the terms of each Agreement</td>
</tr>
<tr>
<td>Center for Students With Disabilities – evaluate policies and procedures for determining and providing reasonable accommodations on campus to students with disabilities; verify compliance with the requirements of the applicable subtitle and title of the Americans with Disabilities Act; identify gaps or areas for improvement</td>
</tr>
<tr>
<td>Federal Grant Expenditures – review expenditures charged to federal grants and contracts for compliance with the federal regulations contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</td>
</tr>
<tr>
<td>Faculty Consulting FY2018 (07/01/17-06/30/18)* – evaluate the effectiveness of the established faculty consulting activity approval and oversight procedures and compliance with state regulations and University policies and procedures</td>
</tr>
<tr>
<td>Effort Reporting - evaluate whether internal controls are adequate to properly manage, account for, monitor, and report salary and wage costs charged to sponsored projects in compliance federal regulations and determine whether salaries and wages charged to sponsored projects are allowable, allocable, and reasonable based on federal cost principles</td>
</tr>
<tr>
<td>Sub-Recipient Monitoring - evaluate the procedures for monitoring payments and activities of sub-recipients to verify compliance with University policies and procedures, and federal regulations</td>
</tr>
<tr>
<td>Undergraduate Student Safety Training – evaluate the distribution of course specific materials relevant to safety for the various academic content areas through HuskyCT; assess completion of undergraduate student safety training included in applicable classes for which the instructor must “grade” as completed (or not) the student’s class grade in the Student Administration System; review the Student Worker Safety training completed as an on-boarding process</td>
</tr>
<tr>
<td>Collaborative Technology Partnerships – evaluate policies, procedures and effectiveness of internal controls in University/Private Technology partnerships; assess compliance with federal regulations, and terms and conditions of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) program grants and subcontracts that encourage domestic small businesses to engage in federal research and development that has the potential for commercialization.</td>
</tr>
<tr>
<td>Tax Exempt Bond Compliance – evaluate compliance with master indenture terms; University policies and procedures; and relevant state and federal regulations</td>
</tr>
<tr>
<td>AUDIT</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>CT Bioscience Innovation Fund (CBIF) and Regenerative Medicine Research Fund (RMRF) Grants FY19 Expenditures* – the Program requires an annual audit to verify that program expenditures comply with the terms of each Agreement</td>
</tr>
<tr>
<td>CONSTRUCTION/UCONN 2000</td>
</tr>
<tr>
<td>Agreed upon Procedures non UConn 2000 Construction Expenditures – assess construction project expenditures for compliance with project budgets, cost allocations, agreements and applicable contracts, generally accepted accounting principles, and state statutes</td>
</tr>
<tr>
<td>Hartford Campus Relocation, Report 4 - verify compliance with federal, state and University requirements, reasonableness of construction costs, and agreement with terms and conditions of the contract</td>
</tr>
<tr>
<td>Change Order Review - review the scope of work and costs for change orders submitted during the review period for compliance with terms of contracts and University procedures</td>
</tr>
<tr>
<td>On-Call Contracts – review Capital Projects and Contract Administration business processes for compliance with Connecticut regulations and University policies and procedures</td>
</tr>
<tr>
<td>Construction Life Cycle Review(s) – verify compliance with federal, state and University requirements, reasonableness of construction costs, and agreement with terms and conditions of the contract for selected projects, including projects under $500,000</td>
</tr>
<tr>
<td>Innovative Partnership Building (IPB), Report 2 – review construction costs submitted and approved for reimbursement for compliance with the terms and conditions of the contract; review the scope of work and costs for change orders submitted during the review period</td>
</tr>
<tr>
<td>Energy Savings Company (ESCO) Project, Report 2 – review construction costs submitted and approved for reimbursement for compliance with the terms and conditions of Energy-Savings Performance Contracts</td>
</tr>
<tr>
<td>INFORMATION TECHNOLOGY (IT)</td>
</tr>
<tr>
<td>Disaster Recovery - assess the effectiveness of disaster recovery preparedness, planning and testing to determine whether the plan is effective and in line with University objectives</td>
</tr>
<tr>
<td>CLAS IT General Controls - assess overall general controls and compliance with University IT policies and relevant regulatory and industry standards for the CLAS IT environment, including key applications</td>
</tr>
<tr>
<td>AUDIT</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>Cogeneration Power Plant IT General Controls – assess overall general</td>
</tr>
<tr>
<td>controls and compliance with University IT policies and relevant</td>
</tr>
<tr>
<td>regulatory and industry standards for the Cogeneration Power Plant</td>
</tr>
<tr>
<td>environment, including key applications</td>
</tr>
<tr>
<td>Privileged Access – evaluate control processes, including the adequacy</td>
</tr>
<tr>
<td>of tools, to track, control, and monitor the use and assignment of</td>
</tr>
<tr>
<td>administrative privileges across various computer platforms and</td>
</tr>
<tr>
<td>operating systems</td>
</tr>
<tr>
<td>Wireless Network – assess wireless network administration processes</td>
</tr>
<tr>
<td>and configurations for compliance with industry standards and</td>
</tr>
<tr>
<td>University policy</td>
</tr>
<tr>
<td>Public Safety Systems – assess overall general controls and</td>
</tr>
<tr>
<td>compliance with University IT policies and relevant regulatory and</td>
</tr>
<tr>
<td>industry standards for key Public Safety applications</td>
</tr>
<tr>
<td><strong>FINANCIAL &amp; OPERATIONAL</strong></td>
</tr>
<tr>
<td>Foundation Receipts and Disbursement FY18* - examine Foundation</td>
</tr>
<tr>
<td>disbursements for compliance with University policies related to the</td>
</tr>
<tr>
<td>disbursement of Foundation funds and gifts to the Foundation for</td>
</tr>
<tr>
<td>compliance with Connecticut General Statute (CGS) Section 4-37 et</td>
</tr>
<tr>
<td>seq., and University policies concerning the deposit of funds at the</td>
</tr>
<tr>
<td>Foundation</td>
</tr>
<tr>
<td>Procurement Card – assess whether existing internal controls detect</td>
</tr>
<tr>
<td>and/or prevent significant errors or irregularities in a timely</td>
</tr>
<tr>
<td>manner, administration of the PCard program is efficient, and</td>
</tr>
<tr>
<td>compliance with University policies and procedures</td>
</tr>
<tr>
<td>Selected Contract Review – review payment requests for compliance</td>
</tr>
<tr>
<td>with contractual terms, conditions and statements of work, and</td>
</tr>
<tr>
<td>University policies and procedures - Gilbane Building Company</td>
</tr>
<tr>
<td>Entrepreneurial Academic Programs – analyze the revenue and</td>
</tr>
<tr>
<td>expenditures of existing entrepreneurial graduate programs and the</td>
</tr>
<tr>
<td>distribution of net income and compliance with associated</td>
</tr>
<tr>
<td>mobility agreements as appropriate</td>
</tr>
<tr>
<td>Business Expense Disbursements – assess the internal controls</td>
</tr>
<tr>
<td>surrounding disbursement requests submitted by departments after</td>
</tr>
<tr>
<td>the liability for goods and/or services was incurred; determine the</td>
</tr>
<tr>
<td>extent to which these disbursements by-pass the controls established</td>
</tr>
<tr>
<td>by the Purchase Order process</td>
</tr>
<tr>
<td>Special Payroll – review payments to independent contractors /</td>
</tr>
<tr>
<td>individuals for compliance with employment regulations; analyze</td>
</tr>
<tr>
<td>payments to faculty and staff in excess of base institutional salary;</td>
</tr>
<tr>
<td>review internal controls and approval process</td>
</tr>
<tr>
<td>AUDIT</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Asset Management (Including Controllable Property) - assess management’s asset tracking system to verify compliance with policies and procedures, &amp; University, state and federal regulations on maintenance, disposal, safeguarding and reporting assets</td>
</tr>
<tr>
<td>University Surplus Store Operations – assess business operations, including surplus store inventory valuation and tracking, retail operations, and compliance with University, state and federal regulations on maintenance, disposal, safeguarding and reporting assets</td>
</tr>
<tr>
<td>Student Clinical Placements – evaluate clinical placements including safety, physical setting, level of supervision and fulfillment of fulfillment of stated plan</td>
</tr>
<tr>
<td>Travel – review University travel expenditures for business purpose and allowable employee travel reimbursements, with a focus on identifying opportunities for cost savings and policy improvements, such as, designated duty station; personal versus business days during extended periods of foreign and/or out-of-state travel; validation of per diem meals and incidental expense claims</td>
</tr>
<tr>
<td>New Hire Faculty and Management Exempt Offer Letters – evaluate the terms and conditions of employment contained in offer letters to new employees in the various academic and administrative units across the University for consistency in the areas of compensation equity, teaching/research/service workload, start-up funding commitments, relocation, duty station, and others areas to be determined</td>
</tr>
<tr>
<td>Employee Separations – review the separation process to assess consistency among departments, compliance with University policies, and practices related to safeguarding University resources</td>
</tr>
<tr>
<td>Procurement System: HuskyBuy – review HuskyBuy vendor management, purchasing, approval and related business processes and assess the functionality of internal controls implemented in the online procurement system related to compliance with University fiscal policies and relevant state purchasing and federal funding regulations</td>
</tr>
<tr>
<td>University Catering – review business operations and internal billing for fiscal management and compliance with State and University policies including the Business Meal Policy</td>
</tr>
<tr>
<td>Building Security – assess procedures for granting and monitoring building access to UConn facilities and managing life safety systems</td>
</tr>
<tr>
<td><strong>ATHLETICS</strong></td>
</tr>
<tr>
<td>NCAA Division 1-A Membership Requirements* - annual agreed upon procedures to assist in evaluating whether NCAA Division I membership requirements have been met</td>
</tr>
<tr>
<td>Selected NCAA Compliance/Operational Areas: Recruiting; Ticketing; Equipment; Offsite Sports Venue Contracts</td>
</tr>
</tbody>
</table>
University of Connecticut & University of Connecticut Health Center
Joint Audit & Compliance Committee Meeting

UConn Audit Plan – FY19

Status Codes: *=Required

<table>
<thead>
<tr>
<th>AUDIT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>OTHER</td>
<td></td>
</tr>
<tr>
<td>Risk Assessment</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Follow-up Audit Activities</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Contingencies/Special Projects/Investigations/Consulting</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

Approved by the Joint Audit & Compliance Committee at their __________meeting
<table>
<thead>
<tr>
<th>AUDIT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLINICAL: FINANCIAL / OPERATIONAL / COMPLIANCE</strong></td>
<td></td>
</tr>
<tr>
<td>Radiation Oncology – evaluate radiation oncology services provided at JDH under provider contract including clinical oversight of services, the development and implementation of policies and procedures, completion of documentation and charge capture</td>
<td>In Process</td>
</tr>
<tr>
<td>Deaf and Hard of Hearing Services* – quarterly audits ending 09/30/18 required by JDH voluntary agreement with the United States Attorney’s Office for the District of Connecticut and the U.S. Department of Health and Human Services Office for Civil Rights (OCR)</td>
<td>In Process</td>
</tr>
<tr>
<td>Report 6 - (07/01/18-09-30/18)</td>
<td></td>
</tr>
<tr>
<td>Report 5 - (04/01/18-06/30/18)</td>
<td></td>
</tr>
<tr>
<td>Lab Utilization – utilize data analytics (ACL) and chart review to assess the medical necessity, utilization and reimbursement of lab services</td>
<td></td>
</tr>
<tr>
<td>Dermatology - assess whether services ordered, provided, documented and billed in compliance with governmental regulations, payer requirements and the associated charges and collections are complete, accurate and timely</td>
<td></td>
</tr>
<tr>
<td>JDH Controlled Substance Monitoring – assess the policies and procedures surrounding controlled substance security, access and monitoring</td>
<td></td>
</tr>
<tr>
<td>Operating Room – assess whether services are provided, documented and billed in accordance with internal policy and governmental regulations</td>
<td></td>
</tr>
<tr>
<td>Ambulatory Medication Inventory and Charge Capture – evaluate the use of the Pyxis medication stations in ambulatory practices to assess internal controls and procedures surrounding inventory and charge capture</td>
<td></td>
</tr>
<tr>
<td>Radiology - assess whether services billed by the radiology modalities were ordered, provided and documented in compliance with governmental regulations, payer requirements and the associated charges and copayments/deductibles are complete, accurate and timely</td>
<td></td>
</tr>
<tr>
<td><strong>RESEARCH / GENERAL COMPLIANCE</strong></td>
<td></td>
</tr>
<tr>
<td>CT Bioscience Innovation Fund (CBIF) and Regenerative Medicine Research Fund Grants FY18 Expenditures* – the Program requires an annual audit to verify that program expenditures comply with the terms of each Agreement</td>
<td>In Process</td>
</tr>
<tr>
<td>AUDIT</td>
<td>STATUS</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Federal Financial Aid</strong> - review of financial aid operations to assess effectiveness of internal controls and operational efficiencies, and compliance with applicable federal regulations and institutional policies and procedures</td>
<td>In Process</td>
</tr>
<tr>
<td><strong>CT Bioscience Innovation Fund (CBIF) and Regenerative Medicine Research Fund Grants FY19 Expenditures</strong> – the Program requires an annual audit to verify that program expenditures comply with the terms of each Agreement</td>
<td></td>
</tr>
<tr>
<td><strong>Faculty Consulting (07/01/17-06/30/18)</strong>* - evaluate the effectiveness of the established faculty consulting activity approval and oversight procedures and compliance with state regulations and University policies and procedures</td>
<td></td>
</tr>
<tr>
<td><strong>American’s with Disabilities (ADA)</strong> – evaluate university compliance with ADA regulations, standards and internal policy</td>
<td></td>
</tr>
<tr>
<td><strong>Collaborative Technology Partnerships</strong> – evaluate policies, procedures and effectiveness of internal controls in University/Private Technology partnerships; assess compliance with federal regulations, and terms and conditions of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) program grants and subcontracts that encourage domestic small businesses to engage in federal research and development that has the potential for commercialization.</td>
<td></td>
</tr>
<tr>
<td><strong>Effort Reporting</strong> - evaluate whether internal controls are adequate to properly manage, account for, monitor, and report salary and wage costs charged to sponsored projects in compliance with federal regulations and determine whether salaries and wages charged to sponsored projects are allowable, allocable, and reasonable based on federal cost principles</td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Recipient Monitoring</strong> - evaluate the procedures for monitoring payments and activities of sub-recipients to verify compliance with University policies and procedures, and federal regulations</td>
<td></td>
</tr>
<tr>
<td><strong>FINANCIAL / OPERATIONAL</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Workers Compensation</strong> – verify that injuries are properly reported to human resources and the third party administrator, that human resources coordinates all employment aspects of lost time claims including wage audits, timecard instructions and return to work and the manager appropriately assigns the employee based upon their work status</td>
<td>In Process</td>
</tr>
<tr>
<td><strong>UH Contract Review</strong> – review payment requests for compliance with contractual terms, conditions and statements of work, and UConn Health policies and procedures – EPIC Contracts</td>
<td>In Process</td>
</tr>
<tr>
<td><strong>Students Abroad</strong> – evaluate the policies and procedures surrounding medical, dental and graduate students abroad including accommodations, oversight, programing, and provisions for health and safety</td>
<td></td>
</tr>
</tbody>
</table>
# UConn Health Audit Plan – FY19

Status Codes: *=Required

<table>
<thead>
<tr>
<th>AUDIT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Accounts Receivable and Contractual Allowance – evaluate the procedures to determine expected payment, estimating and recording the contractual allowance, and resolving payment variances</td>
<td></td>
</tr>
<tr>
<td>Uncollectable Accounts – assess policies and procedures for patient accounts receivable write-offs</td>
<td></td>
</tr>
<tr>
<td>Building Security – assess procedures for granting and monitoring building access UConn Health facilities and managing life safety systems</td>
<td></td>
</tr>
<tr>
<td>New Hire Faculty and Management Exempt Offer Letters – evaluate the terms and conditions of employment contained in offer letters to new employees in the various academic and administrative units across the University for consistency in the areas of compensation equity, teaching/research/service workload, start-up funding commitments, relocation, duty station, and others areas to be determined</td>
<td></td>
</tr>
<tr>
<td>Faculty Separations – review the faculty separation process to assess consistency among departments, compliance with University policies, and practices related to safeguarding University assets in the possession of control of the faculty member</td>
<td></td>
</tr>
<tr>
<td>Dental Faculty Fiscal Plans – evaluate compensation structure for consistency and compliance with University bylaws and collective bargaining arrangements</td>
<td></td>
</tr>
<tr>
<td>Student Clinical Placements – evaluate clinical placements including safety, physical setting, level of supervision and fulfillment of stated plan</td>
<td></td>
</tr>
<tr>
<td>Environment of Care Project – assess the methodology for identifying and addressing risks related to the Joint Commission Life Safety Standards</td>
<td></td>
</tr>
</tbody>
</table>

## CONSTRUCTION / UCONN 2000

Agreed upon Procedures non UConn 2000 Construction Expenditures – assess construction project expenditures for compliance with project budgets, cost allocations, agreements and applicable contracts, generally accepted accounting principles, and state statutes

C Building Renovations - verify compliance with federal, state and University requirements, reasonableness of construction costs, and agreement with terms and conditions of the contract

## INFORMATION TECHNOLOGY (IT)

Disaster Recovery - assess the effectiveness of disaster recovery preparedness, planning and testing to determine whether the plan is effective and in line with UConn Health’s objectives

In Process
# UConn Health Audit Plan – FY19

Status Codes: *=Required

<table>
<thead>
<tr>
<th>AUDIT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPIC Application Security – assess the overall design and effectiveness of security within the EPIC application, including the content and assignment of security roles, user access restrictions within the application based on job duties and segregation of duties principles and adherence to UConn Health security policies and standards</td>
<td></td>
</tr>
<tr>
<td>EPIC Change Management – evaluate overall change management controls related to the process of requesting, authorizing, reviewing, testing, and implementing application changes</td>
<td></td>
</tr>
<tr>
<td>EPIC Interface Controls – assess adequacy of controls related to the confidentiality, integrity, and availability of selected applications that interface with EPIC</td>
<td></td>
</tr>
<tr>
<td>Privileged Access – evaluate control processes, including the adequacy of tools, to track, control, and monitor the use and assignment of administrative privileges across various computer platforms and operating systems</td>
<td></td>
</tr>
<tr>
<td>Research Data Security – Assess overall general controls and compliance with University IT policies and relevant regulatory and industry standards for areas at UConn Health that conduct research, including key applications</td>
<td></td>
</tr>
<tr>
<td>Wireless Network – assess wireless network administration processes and configurations for compliance with industry standards and UConn Health policy</td>
<td></td>
</tr>
</tbody>
</table>

**OTHER**

<table>
<thead>
<tr>
<th>Risk Assessment</th>
<th>Ongoing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Follow-up Audit Activities</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Contingencies/Special Requests/Investigations/Consulting</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

Approved by the Joint Audit & Compliance Committee at their __________meeting
University of Connecticut
&
University of Connecticut Health Center

Joint Audit & Compliance Committee Meeting
### Status of External Audit Projects

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Area</th>
<th>Scope</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marcum, LLP</td>
<td>UConn Health</td>
<td>Audits of the John Dempsey Hospital and Dental Clinics (Clinical Programs Fund), including the OHCA filings, UConn Medical Group (UMG) and the University of Connecticut Health Center Finance Corporation for FY2017, 2018 and 2019.</td>
<td>The FY2018 engagement is underway. The audit reports will be presented at the December 2018 JACC meeting.</td>
</tr>
<tr>
<td>BKD</td>
<td>UConn Athletics</td>
<td>NCAA agreed upon procedures performed on all revenues, expenses, and capital expenditures for or on behalf of the University’s Athletics Program for FY2016, 2017, and 2018.</td>
<td>The request for approval for the FY2018 engagement fee will be brought to the JACC at the September 2018 meeting.</td>
</tr>
<tr>
<td>CohnReznick, LLP</td>
<td>UConn &amp; UConn Health</td>
<td>Annual audit of UCONN 2000 named projects substantially completed and deferred maintenance projects with designated budgets substantially completed in FY2016, 2017, and 2018, and annual agreed upon procedures performed on total UCONN 2000 expenditures (named projects, deferred maintenance and equipment) for FY2016, 2017, and 2018.</td>
<td>The request for approval for the FY2018 engagement fee will be brought to the JACC at the September 2018 meeting.</td>
</tr>
</tbody>
</table>
TO: Members of the Joint Audit & Compliance Committee

FROM: Cheryl Chiaputti
Chief Audit Executive

DATE: September 20, 2018

SUBJECT: FY2018 Fee Notification – UConn 2000 Auditors, CohnReznick LLP

RECOMMENDATION

On September 27, 2016 the Joint Audit and Compliance Committee (JACC) approved a 3-year contract with the accounting firm, CohnReznick LLP to perform and report on UCONN 2000 expenditures for the 2016 through 2018 fiscal years.

The Office of Audit and Management Advisory Services seeks JACC approval of the fees proposed by CohnReznick for the third year of the contract, which covers the fiscal year ended, June 30, 2018. The proposed fee, totaling $143,000, includes $99,000 for performing an audit of the construction expenditures of substantially complete UConn 2000 projects for the year ended June 30, 2018 and $43,000 for performing agreed-upon procedures detailed in Sections A and B of the engagement letter plus an administrative fee of $1,000.

BACKGROUND

Section 10a-109z of the Connecticut General requires that “the Board of Trustees for the University of Connecticut shall select and appoint independent auditors, as defined in subdivision (7) of section 4-230, to annually conduct an audit of any project of UConn 2000, as defined in subdivision (25) of section 10a-109c. Such audit shall review invoices, expenditures, cost allocations and other appropriate documentation in order to reconcile project costs and verify conformance with project budgets, cost allocation agreements and applicable contracts.”

Approved by the Joint Audit & Compliance Committee at their __________meeting
September 12, 2018

Mr. Scott Jordan
Chief Financial Officer
University of Connecticut
362 Mansfield Road
Storrs, CT 06269

RE: June 30, 2018 Audit Services for University of Connecticut

Dear Mr. Jordan:

Thank you for choosing CohnReznick LLP ("CohnReznick" and/or “we”) to perform professional services for the University of Connecticut (referred to herein as the “UConn”, “University” and/or “you”). This engagement letter and the master contract (No. UC-KA041416-8) (collectively, the “Agreement”) shall confirm our understanding of the services we are to provide the University of Connecticut for the year ended June 30, 2018. This letter shall constitute Statement of Work (“SOW”) #6 for purposes of the Contract.

We will audit the Construction Expenditures of UCONN 2000 Projects Substantially Completed for the year ended June 30, 2018. The report under audit has two schedules provided by UConn; a Schedule of UCONN 2000 Construction Projects and a Schedule of UCONN 2000 Reported Project Values (the “Schedules”) as of June 30, 2018 and the related notes to the Schedules.

Audit Objective

The objective of our audit is the expression of an opinion about whether these Schedules are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles for project values and the requirements for the UCONN 2000 Construction Program under Public Act 07-166 which amends Sec. 13 section 10a-109z of the Connecticut General Statutes. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of the Schedules. Our report will be addressed to the Board of Trustees and the Joint Audit and Compliance Committee of the University of Connecticut. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions and amounts recorded in the Schedules. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the Schedules and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules; therefore, our audit will involve judgment about the number of transactions to
be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedules. We will plan and perform the audit to obtain reasonable assurance about whether the Schedules are free of material misstatement, whether from (a) errors, (b) fraudulent financial reporting, (c) misappropriation of assets, or (d) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the Schedules. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the University and its environment as it relates to the UCONN 2000 Construction Program, including internal control sufficient to assess the risks of material misstatement of the Schedules and to design the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the Schedules caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the Schedules, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Management Responsibilities

You are responsible for designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Schedules that are free from material misstatement, whether due to error or fraud, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the Schedules in conformity with U.S. generally accepted accounting principles for project values and the requirements for the UCONN 2000 Construction Program under Public Act 07-166, which amends Sec. 13 Section 10a-109z of the Connecticut General Statutes. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (a) access to all information of which you are aware that is relevant to the preparation and fair presentation of the Schedules, (b) additional information that we may request for the purpose of the audit, and (c) unrestricted access to persons within the University from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the Schedules to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected
misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the Schedules taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud and for informing us about all known or suspected fraud affecting the University involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the Schedules. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the University received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the University complies with applicable laws and regulations.

Except as stated otherwise herein above, CohnReznick shall not have responsibility for prevention and detection of fraud, and CohnReznick's services cannot be relied upon to detect fraud, defalcations or other irregularities. Because of the characteristics of fraud, particularly those involving concealment through collusion, falsified documentation and management's ability to override controls, an audit designed and executed in accordance with auditing standards generally accepted in the United States may not detect a material fraud. CohnReznick expressly disclaims any responsibility for detecting fraud affecting the University and the University releases CohnReznick from any liability for failure to detect fraud. If the University needs assistance in this area, CohnReznick can refer the University to others who specialize in fraud detection and investigations, and who can provide such services pursuant to a separate engagement setting forth the agreed upon scope of such services.

You agree to assume all management responsibilities for preparation of the Schedules, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees and Other

We understand that your employees will provide the Change Order Analysis, the Anticipated Remaining Commitments as of April 13, 2019, and any additional costs paid directly by the UConn Health Center. Your employees will also locate any additional information needed by us for testing.

Carolyn S. Kurth, CPA is the engagement director and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

To ensure that CohnReznick's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement director before entering into any substantive employment discussions with any of our personnel.

The University of Connecticut agrees to pay CohnReznick LLP invoices for fees and costs as per Contract No. UC-KA041416-8, which will be rendered periodically as work progress and are payable on presentation.

We estimate that our fee for these services will not exceed $99,000 (the "Fee"). The University will also be invoiced for applicable out-of-pocket expenses, which are not to exceed $500.

This SOW #6 does not constitute an engagement to perform any services other than those specified in this SOW #6, and only for the entities referred to as University herein. Should additional services be requested, we will separately agree to the terms of the engagement by means of an addendum to this SOW #6 or a separate engagement letter.
The University authorizes CohnReznick to post any draft and final versions of its Schedules and other related engagement documents to the CohnReznick Portals in order to facilitate the University’s access to these documents. The Portal site is intended solely to accommodate the University (and the University alone will be given access to the Portal site). The University is not authorized to grant access to the Portal site to any third party.

By your execution of the SOW #6, the undersigned represent and warrant that he or she is authorized on behalf of the University to bind and are in fact binding such entity to the terms and conditions of this SOW #6.

We appreciate the opportunity to be of service to you. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this SOW #6, please sign the enclosed copy and return it to us.

Sincerely,

Carolyn S. Kurth, CPA
Director

AGREED TO AND ACCEPTED BY:

University of Connecticut

By: _________________________________
    Authorized signature

Print Name: _________________________________

Title: EVP for Administration and Chief Financial Officer

Date: _________________________________

n:0224254/0224254/200017/pbc and correspondence/uconn audit eng. ltr..docx
September 12, 2018

Mr. Scott Jordan
Chief Financial Officer
University of Connecticut
352 Mansfield Road
Storrs, CT 06269

RE: June 30, 2018 Agreed Upon Procedures Services for University of Connecticut

Dear Mr. Jordan:

Thank you for choosing CohnReznick LLP ("CohnReznick" and/or "we") to perform professional services for the University of Connecticut (referred to herein as the "University", "UConn" and/or "you"). This engagement letter and Contract No. UC-KA041416-8 (collectively, the "Agreement") shall confirm our understanding of the services we are to provide UConn. This letter and the attached schedules shall constitute SOW #5 for purposes of the contract.

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the University, its Board of Trustees ("BoT") and the Joint Audit and Compliance Committee ("JACC") on the UCONN 2000 contracts and expenditures for the fiscal year ended June 30, 2018 – for UCONN 2000 Projects not yet substantially complete.

Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of the University and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, we will describe any restrictions on the performance of the procedures in our report, or will not issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedule do not constitute an audit or review, we will not express an opinion or conclusion, respectively, on the UCONN 2000 contracts and expenditures for the fiscal year ended June 30, 2018 – for UCONN 2000 Projects not yet substantially complete. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will submit a written report upon completion of our engagement that lists the procedures performed and our findings. This report is intended solely for the use of the University, its BoT and the JACC, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the UCONN 2000 contracts and expenditures for the fiscal year ended June 30, 2018 – for UCONN 2000 Projects not yet substantially complete that come to our attention. CohnReznick shall not have responsibility for prevention and detection of fraud, and CohnReznick’s services cannot be relied upon to detect
fraud, defalcations or other irregularities. Because of the characteristics of fraud, particularly those involving concealment through collusion, falsified documentation and management's ability to override controls, our services may not detect a material fraud. CohnReznick expressly disclaims any responsibility for detecting fraud affecting the University and the University releases CohnReznick from any liability for failure to detect fraud. If the University needs assistance in this area, CohnReznick can refer the University to others who specialize in fraud detection and investigations, and who can provide such services pursuant to a separate engagement setting forth the agreed upon scope of such services.

In addition, if, in connection with this engagement, matters come to our attention that contradict the UCONN 2000 contracts and expenditures for the fiscal year ended June 30, 2018 – for UCONN 2000 Projects not yet substantially complete, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an audit or review.

You are responsible for and assert that the UCONN 2000 contracts and expenditures for the fiscal year ended June 30, 2018 – for UCONN 2000 Projects not yet substantially complete is presented in accordance with Public Act 07-166 which amends Sec. 13 section 10a – 109z of the Connecticut General Statutes; and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes.

In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the University from whom we determine it necessary to obtain evidence relating to performing those procedures.

You are responsible for assuming all management responsibilities and for overseeing the services we provide by Designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

Carolyn S. Kurth, CPA is the engagement director and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately October 15, 2018 and, unless unforeseeable problems are encountered, the engagement should be completed by May 15, 2018. At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management’s responsibility for the UCONN 2000 contracts and expenditures for the fiscal year ended June 30, 2018 – for UCONN 2000 Projects not yet substantially complete in accordance with Public Act 07-166 which amends Sec. 13 section 10a – 109z of the Connecticut General Statutes.

If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised in writing. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

We estimate that our fee for these services will not exceed $43,000. The University will also be invoiced for applicable out-of-pocket expenses, which are not to exceed $500.
The University agrees to pay CohnReznick LLP invoices for fees and costs as per the Contract, which will be rendered periodically as work progresses and are payable on presentation.

This SOW #5 does not constitute an engagement to perform any services other than those specified in this SOW #5, and only for the entities referred to as the University herein. Should additional services be requested, we will separately agree to the terms of the engagement by means of an addendum to this SOW #5 or a separate engagement letter.

The University authorizes CohnReznick to post any draft and final versions of its report and other related engagement documents to the CohnReznick Portals in order to facilitate management’s access to these documents. The Portal site is intended solely to accommodate the University (and the University alone will be given access to the Portal site). The University is not authorized to grant access to the Portal site to any third party.

By your execution of this SOW #5, the undersigned represent and warrant that he or she is authorized on behalf of the University to bind and are in fact binding such entity to the terms and conditions of this SOW #5.

We appreciate the opportunity to be of service to you. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this Agreement, please sign the enclosed copy and return it to us.

Sincerely,

Carolyn S. Kurth, CPA
Director

AGREED TO AND ACCEPTED BY:

University of Connecticut

By: ________________________________
   Authorized signature

Title: EVP for Administration and Chief Financial Officer

Date: ________________________________

n:0224254/0224254/2170/17/pbc and correspondence/uconn agreed upon procedures.docx
Agreed-Upon Procedures

Section A - Agreed-Upon Procedures: University of Connecticut ("UConn") and Named Projects for the University of Connecticut Health Center ("UConn Health")

Expenditure Testing:

1. Obtain a report of total expenditures by project from the University of Connecticut (UConn) for FY17.

2. From the report obtained in Procedure 1, select all projects, excluding the projects included in schedule of June 30, 2018 completed projects, with total expenditures greater than $50,000. (For Deferred Maintenance ("DM") / Equipment and certain Furniture, Fixtures & Equipment ("FF&E") expense reimbursements to UConn Health, separate procedures relating to UConn Health are performed. Please see “UConn Health UConn 2000 Procedures”).

3. For projects selected in Procedure 2, select all individual expenditures greater than $100,000. For projects without any expenditures greater than $100,000, select the highest dollar value expenditure.

4. For all expenditures selected in Procedure 3, identify if the expenditure is to an external source supported by a third-party invoice (Kuali Financial System ("KFS") Payment Request ("PREQ") & certain Disbursement Vouchers ("DV")) or internal source (KFS Internal Billing ("IB") / Distribution of Income and Expense ("DI") / Journal Voucher ("JV") / General Error Correction ("GEC") & certain DV).

5. For all selected expenditures made to external sources that are supported by third-party invoices (PREQ & certain DV):
   a. Inspect the addressee of the supporting invoice for evidence the invoice is addressed to UConn Health, the University of Connecticut or UConn.
   b. Inspect the invoice for the Vendor, Invoice Number or Payment Application number, Invoice Date, and Invoice Amount and compare the attributes to the KFS e-doc for agreement. For construction Payment Applications, refer to UConn procedures pertaining to the assignment of invoice numbers and date to AIA Applications for Payment. Invoice amounts can disagree if documentation indicated an intentional short payment.
   c. Obtain a list from UConn identifying approved authorizers and their authorized designees based on UConn authorization thresholds and payment types.
   d. Inspect the Route Log within the KFS e-doc and compare authorizations to the list of authorized approvers obtained in Procedure 5.c and determine the electronic approvals match based on authorization guidelines. Approval may alternately be located in the “Notes” section of the e-doc if ad-hoc routing was not obtained.
   e. Mathematically check the amount of the supporting invoice.
6. For all selected expenditures made to internal sources that are supported by internal documents (IB/DI/JV/GEC & certain DV):
   a. Obtain Internal Billing or Distribution of Income and Expense or Journal Voucher or General Error Correction or Disbursement Voucher KFS e-doc.
   b. Obtain a list from UConn identifying approved authorizers and their authorized designees with corresponding approval thresholds for the type of e-doc.
   c. Inspect the Route Log approvals in KFS e-doc and compare authorizations to the list obtained in Procedure 6.b and determine the electronic approvals match based on authorized dollar thresholds. Approval may alternatively be located in the “Notes” section of the e-doc if ad-hoc routing was not obtained.
   d. Compare the support within the KFS e-doc “attachments” section to the entry in KFS and check for agreement, noting this can take a variety of forms.

7. For selected expenditures in Step 6 supported by a DI e-doc that specify “management fee” or “payroll allocation” in the explanation field of the DI e-doc:
   a. Inspect the backup documents in the “attachments” section to identify the Project ID of the expenditure selected and compare the Project ID to the report obtained in Procedure 1 for agreement.
   b. Inspect the DI e-doc to identify the Project ID and compare the Project ID to the backup document obtained in Procedure 7.a for agreement, excluding DI e-docs that specify “management fee” or “payroll allocation” for capital equipment as these do not have Project IDs.
   c. Inspect the DI e-doc to identify the amount shown for Project ID selected and compare the amount to the “management fee/payroll” amount shown in the backup document obtained in Procedure 7.a for agreement. (Note that certain project accounts are excluded from this allocation as follows: cost allocation clearing accounts, certain projects in financial close-out stage, property acquisitions, code projects exclusively funded by operating funds.) Mathematically check the amount of the “management fee or payroll allocation” selected by multiplying the percentage and period expenses in the backup document obtained in 7.a.
Contract Testing:

1. Obtain a report of total expenditures by project for FY18 from UConn, which also identifies the projects included in the schedule of June 30, 2018 completed projects.

2. From the report obtained in Procedure 1, select all projects, excluding the projects included in the completed project audit, with
   a. Total expenditures greater than $500,000 and
   b. Deferred maintenance projects with board budgets over $500,000 and total expenditures greater than $50,000.

Procedures numbered 3 to 16 below are for all projects except for the contractual relationship with HB Nitkin / FSD University, LLC, which is applicable to the Hartford Relocation project only (project #901779 – PO 58898), as this follows a unique developer agreement prepared outside of Capital Projects and Contract Administration ("CPCA"). For this contractual relationship refer to testing procedures numbered 17 to 21.

3. For projects selected in Procedure 2, obtain the BoT budget approval from UConn.

4. For projects selected in Procedure 2, identify those where a construction contractor has been engaged, and obtain the Contract Approval Request Form (CAR) or Approval of Change to Original Contract, Workplan or Purchase Order Request Form (ACR – a.k.a. Greensheet) or electronic workflow ACR (a.k.a. Electronic Greensheet) for construction services.

5. For projects selected in Procedure 4, obtain a list from UConn identifying the type of construction project (i.e. on-call contract vs. new bid, etc.), indicating whether it was initiated by CAR or ACR, and a list of approved authorizers or their authorized designees based on project type and contract value.

6. Inspect the CAR or ACR for the Vendor, Project Name, and Project ID and compare the attributes to the report obtained in Procedure 1 for agreement.

7. Inspect the CAR or ACR for authorizations and compare to the list of approved authorizers or their authorized designees provided by UConn for agreement based on approval dollar thresholds.

8. For projects selected in Procedure 2, obtain a Change Order ("CO") Analysis report from UConn, if applicable.

9. For projects selected in Procedure 4, obtain the executed contract and President’s Contract Signing Authority Delegation letter. Inspect the executed contract to identify the title of the person who signed the owner’s authorization and compare it to the President’s Contract Signing Authority Delegation letter for agreement based on approval dollar thresholds. Inspect the executed contract to identify the Contractor signature line has been signed by the Contractor.
10. Inspect executed contract to identify the initial contract amount and compare the amount to KFS purchase order for agreement.
   
   a. If amounts do not match, then inspect the CAR/ACR document and/or the Notes section of the KFS PO e-doc for written comments identifying the amounts which are to be designated as “Allocated”, “Obligated” and/or “Future Funding”.
   
   b. Mathematically add all amounts designated as “Allocated”, “Obligated” and/or “Future Funding” to the PO amount and compare the result to the initial contract amount identified in the executed contract for agreement.

11. Inspect the CO Analysis to identify the total amount of the contract. Compare the amount identified to the PO total in the Purchase Order screen in KFS. If the identified amount from the CO Analysis exceeds the total from the Purchase Order screen in KFS, proceed to step 11a & 11b.
   
   a. If the total amount of the Contract from the CO Analysis exceeds the KFS PO total, inspect the Change Order documentation and/or the Notes section of the KFS PO e-doc for written comments identifying the amounts which are to be designated as “Allocated”, “Obligated” and/or “Future Funding”.
   
   b. Mathematically add all amounts designated as “Allocated”, “Obligated” and/or “Future Funding” and add the total to the PO amount and compare the results to the total on the CO Analysis for agreement.

12. From the CO Analysis, select all change orders greater than $100,000. For projects without any change orders greater than $100,000, select the highest dollar value change order.

13. For change orders selected in Procedure 12, obtain the ACR and executed change order document from KFS.

14. Inspect executed change order to identify the Vendor, Project ID and Amount and compare the attributes to the ACR and CO Analysis for agreement.

15. Inspect the executed change order to identify the overhead and profit markup used and compare the percentage to the executed contract for agreement.

16. Inspect the ACR for authorizations and compare them to the list of approved authorizers or their authorized designees provided by UConn and determine authorizations agree based on approval dollar thresholds.

Procedures numbered 17 to 21 are applicable to the Hartford Relocation project (project #901779), and are specific to the contractual relationship with HB Nitkin and FSD University LLC (PO 58898) only:

17. Identify all PO increases related to construction activity (Early Bid, Guaranteed Maximum Price ("GMP") and Work Authorization Approval ("WAA"))

18. Obtain the “Approval of Change to Original Contract, Workplan or Purchase Order Request Form” ("ACR" – a.k.a. "Greensheet") for construction related increases (exclude increases for future funding and soft costs).

19. Inspect the ACR for authorizations and compare them to the list of approved authorizers or their authorized designees provided by UConn and determine authorizations agree based on approval dollar thresholds.

20. Inspect the ACR for the amount and compare the amount to the increase to the PO for agreement.
21. Identify the contractor (third party) documentation within the ACR. Compare the amount of the documentation (may be labeled Early Bid Package, GMP or WAA) provided by the third party to the amount of the ACR for agreement, noting the final amount on the ACR should be adjusted for the developer fee. This specific adjustment is not an exception.
**Section B – Agreed-Upon Procedures: University of Connecticut Health Center (UConn Health)**

**Expenditures Testing:**

1. For the items identified as UConn Health DM/Equipment and/or FF&E Expenditures reimbursements in the report provided in Storrs Procedure 1 on page 3, item number 2, obtain from UConn Health a report of total expenditures by project for project for FY18, excluding projects included in the schedule of June 30, 2018 completed projects.

2. From the report obtained in Procedure 1 above, select all expenditures greater than $100,000. For projects without any expenditure greater than $100,000, select the highest dollar value expenditure.

3. For all expenditures selected in Procedure 2, obtain from UConn Health the third-party invoice or UConn Health Internal Charge support.

4. For expenditures supported by a third party-invoice:
   a. Obtain HuskyBuy Purchase Order Invoice.
   b. Compare Invoice amount on expenditure report to Husky Buy Purchase Order Invoice Screen for agreement. If amounts do not agree or were overridden in Husky Buy, obtain from UConn Health the detailed accounting breakout showing the allocation from total invoice amount to amount expensed.
   c. Inspect the third-party invoice for the Invoice number, Supplier Invoice Number or AIA application Number, Vendor and Invoice Amount and compare the attributes to the Purchase Order Invoice for agreement, noting the following for construction Payment Applications: i) the PO number may be added to the Supplier Invoice Number, ii) the Payment Application date may be added to the Supplier Invoice Number. If vendor names do not agree, consult with the Accounts Payable department to determine if difference is driven by a corporate consolidation, DBA’s or other issue and is therefore valid. (Note, DBA’s are available in Banner.)
   d. For system-matched invoices (typically tangible property invoices), obtain from UConn Health the Husky Buy Invoice History and Receiving forms.
      i. Inspect the PO History for a Match Status of “Matched”.
      ii. Inspect the HuskyBuy Purchase Order Invoice obtained in 4.a. and identify the quantity and unit price invoiced. Compare these attributes to the Receiving form for agreement.
      iii. Invoices that do not agree may be subject to UConn Health’s institutional tolerances. If an invoice does not match, obtain UConn’s current institutional tolerance levels. Compare tolerance levels to results of d.ii to ensure variances are less than established tolerances.
   e. For manually matched invoices approved on the face of the invoice, obtain from UConn Health a Signature Authorization report for the Fund/Organization on the Invoice. Inspect the invoice for the authorizer(s) based on purchase order coding and compare the authorizations to the Signature Authorization report lists for agreement ensuring that authorizers are on the respective report or list.
      i. If neither signature nor electronic approvals are evident, the invoice may have been directly received by Accounts Payable, in which case approvals may be made via the Husky Buy comment function. Obtain the Husky Buy comments, review for the approval statement, and compare the approver’s name to the names on the Signature Authorization report for agreement.
ii. Invoices requiring special handling may be approved for payment via Accounts Payable’s Vendor Payment Authorization (“VPA”) form. Inspect the VPA form for the PO, amount, and signature, and compare these attributes to the Husky Buy Invoice and Signature Authorization report for agreement.

iii. If an individual who approved the invoice is not on the Signature Authorization report provided, confirm that the approval was proper based on the employee’s position/title at the time of signing.

iv. Obtain from UConn Health a signature plate for all relevant approvers including name, authorization threshold (if applicable) and signature sample (and initials if relevant). Inspect the invoice for the authorizer(s) signatures and compare the signature to the signature plate obtained for agreement.

f. For manually matched invoices approved electronically, obtain from UConn Health the Husky Buy Bioscience and Campus Planning Electronic Invoice Approval lists. Inspect the Invoice Approvals screen shot for the invoice for the authorizer(s) and compare the authorizations to the Husky Buy electronic invoice approval lists for agreement ensuring that authorizers are on the list.

i. If the invoice was approved in Husky Buy and the approver is not on the Bioscience Invoice and Campus Planning Approval lists, obtain the “Electronic Approval Changes Notes” listing from UConn Health. Inspect the “Electronic Approval Changes Notes” to identify the authorized approver at the time of the invoices’ authorization. Compare the authorized approver on the invoice to the authorized approver on the “Electronic Approval Changes Notes” for agreement.

g. Mathematically check the amount due of the supporting invoice.

h. For each selected expenditure, obtain from UConn Health a Banner Report (typically the Detail Transaction Activity report, “FGITRND”) showing the expense posting to the ledger.

i. Inspect the FGITRND and identify the Purchase Order Invoice number, the coding strings, and amounts. Compare the attributes to the Purchase Order Invoice Screen for agreement.

5. For expenditures from UConn Health Internal Charges:

a. Obtain from UConn Health the internal source document for the expenditure. Source documents can come from a large number of different departments and typically include: Work Orders, Hot Work Permits, Firewatch, Key Charges, Move Orders, Telecommunication Charges, Freight JE’s, Misc. Departmental Charges (Copy Center, Room Reservation, etc.), and institutional PCard charges.

b. Inspect the internal source document obtained in Procedure 5.a to identify the amount of the expenditure and compare the amount to the UConn Health Internal Charge entry on total expenditure report for agreement.

c. For each selected expenditure, obtain from UCH a Banner Report (typically the Detail Transaction Activity report, “FGITRND”) showing the expense posting to the ledger. Inspect the internal source document and identify the expenditure amount and compare the amount to the Banner Report for agreement.

i. For the telecommunications back-up that does not list the amount; inspect the back-up document to identify the reference number and compare the reference number to the Banner line description for agreement.

d. For payroll costs originating from the UConn Health (denoted on the expenditure file as account 79722) which are selected as part of the overall selection above:

i. Obtain the journal entry which supports the costs charged.

ii. Compare amount selected as capitalized salary and fringe to the amounts on the journal entry calculation for agreement.
iii. Mathematically check the capitalization calculation.
iv. Inspect the journal entry for authorization and compare the signature to the listing of members of the Finance department or appropriate supervisor.
Contract Testing:

1. For all the items identified as UConn Health DM or UConn Health initiated construction reimbursements in the report provided in Storrs Contract Testing Procedure 1 on page 5, item number 2, obtain from UConn Health a report of total expenditures by project for FY18.

2. For projects identified in Procedure 1 on page 11, obtain the most recent Board of Trustees ("BoT") Project Budget approval from the UCONN website. Note that the most recent version of the Project Budget approved by the BoT will be identified as either “Final” or “Revised Final.”

3. For all projects identified in Procedure 1 on page 11, obtain from UConn Health the Banner FRIGITD summary or summaries (project inception to date budget). Note that a single project may have more than one FOAPAL and therefore more than one Banner FRIGITD summary.

4. Inspect the BoT Project Budget to identify the approval amount from Procedure 2 and identify the amount on the Banner FRIGITD summary or summaries from Procedure 3. If the Banner budget total from FRIGITD exceeds the BoT Project Budget approval amount, this is an exception.

5. For all projects identified in Procedure 1, identify the total project spend. Compare the total project spend to the budget amount in the Banner FRIGITD Summary obtained in Procedure 3. If the total project spend exceeds the budget amount, this is an exception.

6. Obtain from UConn Health a list or matrix identifying approved authorizers based on authorization thresholds for Purchase Requisitions (“PRs”) and Purchase Orders (“POs”).

7. For projects identified in Procedure 1, obtain from UConn Health the following:
   a. Purchase Requisition documentation from HuskyBuy:
      i. Original PR and PR Approvals, which generated the original PO
      ii. All Change Order Requests (CORs) and COR Approvals, which generated each of the PO Revisions
   b. Purchase Order documentation from HuskyBuy:
      i. Current PO Summary and Accounting Codes
      ii. PO Revisions list and PO History, including Approvals for each PO Revision
      iii. Original PO and all PO Revisions
   c. Contract documentation: The executed contract or purchase agreement and all executed change orders or amendments

8. Inspect the original HuskyBuy PO obtained in Procedure 7b.iii to identify the supplier/contractor and Project Number (and/or Project Name) and compare the attributes to the original executed contract obtained in 7c for agreement.

9. Inspect the Current PO Summary obtained in 7b.i to identify the total PO amount and compare the attribute to the sum of the Original PO and all Po revisions from Step 7b.iii.

10. Authorizations.
    a. For original PR approval: Inspect the Original PR and PR Approvals obtained in Procedure 7a.i to identify the person who approved the Department Approval step(s) and compare that person to the authorized approver for the value of the PR according to the list or matrix from Procedure 6.
    b. For original PO approval: The PO History obtained in Procedure 7b.ii will be sorted by Date/Time in chronological order so that the earliest PO activity is displayed on Page 1. Inspect the PO History and identify the approver of the Purchasing step for the original PO and compare the approver to the list or matrix from Procedure 6 for the original value of the PO obtained in Procedure 7b.iii for agreement.
11. For UConn Health initiated projects identified in Procedure 1, obtain the Change Order Analysis prepared by UCH.

12. Inspect the Change Order Analysis from Procedure 11 to identify the total contract value. Inspect the most recent PO revision, obtained in Procedure 7b.iii, to identify the final PO value. If the final PO value exceeds the total from the Change Order Analysis, this is an exception.

13. From the Change Order Analysis, select all change orders greater than $100,000. For projects without any change orders greater than $100,000, select the highest dollar value change order.

14. For the change order(s) selected in Procedure 13, inspect the executed contract change order(s) obtained in Procedure 7c to identify the contractor/supplier and dollar values and compare the attributes to the CORs from Procedure 7a.ii and PO Revisions from Procedure 7b.iii for agreement.

15. For the change order(s) selected in Procedure 12, Inspect each COR and PO revision to identify the approvals and compare the authorizations to the authorized approver list obtained in Procedure 6 for agreement based on authorized dollar thresholds.
   a. For COR approvals: Inspect the COR and COR Approvals obtained in Procedure 7a.ii, to identify the person who approved the Department Approval step(s) and compare the approvers to the list or matrix from Procedure 6 for agreement. (Alternatively, this same approval information can be confirmed on the PR History tab, or by printing a .csv file from the PR History tab.)
   b. For PO Revision approvals: The PO History obtained in Procedure 7b.ii will be sorted by Date/Time in chronological order so that the earliest PO activity is displayed on Page 1. Inspect the PO History and revised value of the PO obtained in Procedure 7b.iii to identify the approver of the Purchasing step for the PO revision and compare the approver to the list or matrix from Procedure 6 for agreement.
TO: Members of the Joint Audit and Compliance Committee

FROM: Cheryl Chiaputti
Chief Audit Executive

DATE: September 20, 2018

SUBJECT: FY2018 Fee Notification - NCAA Financial Agreed Upon Procedures

RECOMMENDATION

On September 27, 2016 the Joint Audit and Compliance Committee (JACC) approved a 3-year contract with the accounting firm, BKD, to perform and report on agreed-upon procedures in compliance with The National Collegiate Athletic Association (NCAA) Financial Reporting Requirements for the fiscal years ending June 30, 2016, 2017 and 2018.

The Office of Audit and Management Advisory Services seeks JACC approval of the fees proposed by BKD for the third year of the contract, which covers the fiscal year ended, June 30, 2018. The proposed fee, totaling $27,888.64, includes $26,816 for performing agreed-upon procedures detailed in the attachment to the engagement letter, plus a 4% administrative fee of $1,072.64.

BACKGROUND

NCAA Constitution 3.2.4.15 and 3.2.4.15.1 require that “an institution shall submit financial data detailing operating revenues, expenses and capital related to its intercollegiate athletics program to the NCAA on an annual basis in accordance with the financial reporting policies and procedures…The report shall be subject to annual agreed-on verification procedures approved by the membership (in addition to any regular financial reporting policies and procedures of the institution) and conducted by a qualified independent accountant who is not a staff member of the institution and who is selected by the institution’s chancellor or president or by an institutional administrator from outside the athletics department designated by the chancellor or president. The independent accountant shall verify the accuracy and completeness of the data prior to submission to the institution’s chancellor or president and the NCAA. The institution’s chancellor or president shall certify the financial report prior to submission to the NCAA.”

Approved by the Joint Audit & Compliance Committee at their __________ meeting
August 13, 2018

Mr. Scott Jordan
Executive Vice President for Administration
and Chief Financial Officer
University of Connecticut
352 Mansfield Road, Unit 1122
Storrs, CT 06269-1122

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide to the UNIVERSITY OF CONNECTICUT (University) (specified party). These services will be performed pursuant to that certain Purchasing Agreement for the National Collegiate Athletic Association (NCAA) Financial Auditing Services entered into by and between the University and BKD, LLP (“BKD” or “we”), dated as of October 10, 2016 (the “Agreement”). This letter, together with any attachments to this letter, shall constitute SOW #3 for purposes of the Agreement (this “SOW #3”).

ENGAGEMENT OBJECTIVES AND SCOPE

We will apply the procedures enumerated in the attachment to this letter/SOW #3 to assist the University in complying with the NCAA Bylaw 3.2.4.16 for the year ended June 30, 2018. The sufficiency of these requested procedures is solely the responsibility of the specified parties listed above. Consequently, we make no representation regarding the sufficiency of the procedures for the purpose for which the report has been requested or for any other purpose.

Because we have not been engaged to conduct an examination or review, we will not express an opinion or conclusion, respectively, on specified elements, accounts or items referred above. In addition, we have no obligation to perform any procedures beyond those listed in the attachment to this letter/SOW #3.

OUR RESPONSIBILITIES

We will conduct our agreed-upon procedures engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Our engagement will not include a detailed examination of all transactions and cannot be relied upon to disclose misstatements that might exist due to error, fraud and illegal acts. However, we will inform you of any such matters, if material, that come to our attention.
We will submit a report summarizing the procedures performed and the results of those procedures. The report is intended solely for the information and use of the University and is not intended to be and should not be used by anyone other than these specified parties.

Mary McKinley, partner, is responsible for supervising the engagement and authorizing the signing of the report or reports.

If, for any reason, we are unable to complete our procedures, we may decline to issue a report as a result of this engagement.

**YOUR RESPONSIBILITIES**

It should be understood that the management of the University is responsible for the proper recording of transactions and preparation of financial statements. Management of the University is also responsible for establishing and maintaining effective internal control over financial reporting and setting the proper tone, creating and maintaining a culture of honesty and high ethical standards and establishing appropriate controls to prevent, deter and detect fraud and illegal acts. Management of the University is also responsible for identifying and ensuring compliance with laws and regulations applicable to its activities and for establishing and maintaining effective internal control over compliance.

To facilitate our engagement, management is responsible for providing a written assertion about the measurement or evaluation of the subject matter against the criteria, supplying us with all necessary information and for allowing us access to personnel to assist in performing our services. It should be understood that management is responsible for the accuracy and completeness of these items, for the subject matter and the written assertion(s) referred to above and for selecting and determining the appropriateness of the criteria.

At the conclusion of our engagement, management will provide to us a letter confirming the availability of this information, the written assertion(s), certain representations made during the engagement and acknowledging certain responsibilities outlined in this engagement letter.

**OTHER SERVICES**

We may perform other services for you not covered by this engagement letter. You agree to assume full responsibility for the substantive outcomes of those services, including any findings that may result. You also acknowledge those services are adequate for your purposes, and you will establish and monitor the performance of those services to ensure they meet management’s objectives. Any and all decisions involving management responsibilities related to those services will be made by you and you accept full responsibility for such decisions. We understand you will designate a management-level individual to be responsible and accountable for overseeing the performance of those services and you will have determined this individual is qualified to conduct such oversight.
ENGAGEMENT FEES

Our fees for our services under this letter/SOW #3 will be $26,816. In addition, you will be billed an administrative fee of 4% to cover such items as copies, postage and other delivery charges, supplies, technology-related costs, such as computer processing, software licensing, research and library databases, and similar expense items in the manner described in the Agreement.

Our fees are based upon the understanding that the personnel of the University will be available to assist us. Assistance is expected to include:

- Preparing schedules and analysis
- Responding to inquiries
- Pulling selected documents from files
- Helping to resolve any difficulties encountered

We will provide you with a detailed list of assistance and schedules required and the date such assistance and schedules are to be provided before the engagement begins. All schedules should be provided in electronic form unless indicated otherwise.

Our engagement fee does not include any time for post-engagement consultation with your personnel or third parties, inquiries from regulators or testimony or deposition regarding any subpoena. Charges for such services will be billed separately.

OTHER ENGAGEMENT MATTERS AND LIMITATIONS

Our workpapers and documentation retained in any form of media for this engagement are the property of BKD. We can be compelled to provide information under legal process. In addition, we may be requested by regulatory or enforcement bodies to make certain workpapers available to them pursuant to authority granted by law or regulation. You agree that we have no legal responsibility to you in the event we provide such documents or information.

This engagement letter/SOW #3, along with the Agreement, represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on heirs, successors and assigns of the University and BKD.

You agree you will not modify documents provided by BKD for internal use or for distribution to third parties. You also understand that we may on occasion send you documents marked as draft and understand that those are for your review purpose only, should not be distributed in any way and should be destroyed as soon as possible.
Any time you intend to reference our firm name in any manner in any published materials, including on an electronic site, you agree to provide us with draft materials for our review and approval before publishing or posting such information.

BKD is a registered limited liability partnership under Missouri law. Under applicable professional standards, partners of BKD, LLP have the same responsibilities as do partners in a general accounting and consulting partnership with respect to conformance by themselves and other professionals in BKD with their professional and ethical obligations. However, unlike the partners in a general partnership, the partners in a registered limited liability partnership do not have individual civil liability, directly or indirectly, including by way of indemnification, contribution, assessment or otherwise, for any debts, obligations or liabilities of or chargeable to the registered limited liability partnership or each other, whether arising in tort, contract or otherwise.

We are an independent accounting firm allowed to use the name “Praxity” in relation to our practice. We are not connected by ownership with any other firm using the name “Praxity,” and we will be solely responsible for all work carried out by us on your behalf. In deciding to engage us, you acknowledge that we have not represented to you that any other firm using the name “Praxity” will in any way be responsible for the work that we do.

We will be pleased to discuss this letter/SOW #3 with you at any time and look forward to the opportunity of serving you. If the above arrangements are acceptable to you, please sign the enclosed copy of this letter and return it to us. If the signed copy you return to us is in electronic form, you agree that such copy shall be legally treated as a “duplicate original” of this agreement.

BKD, LLP

The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

UNIVERSITY OF CONNECTICUT

BY ____________________________

Mr. Scott Jordan
Executive Vice President for Administration
and Chief Financial Officer

DATE __________________________
We will obtain the statement of revenue and expenses (Statement), as prepared by the administration of the University of Connecticut (University). We will compare the amounts disclosed in the Statement to the University’s general ledger. For relevant revenue and expense categories, we will perform the following:

1. We will compare the amount of each operating revenue and expense category reported in the Statement during the year ended June 30, 2018, to supporting schedules provided by the administration of the University. We will recalculate the totals per the supporting schedules. The following revenue reporting categories are expected to be less than 4.0% of total revenues and the following expense categories are expected to be less than 4.0% of total expenses and, therefore, no procedures will be required for these categories:

Revenues

a. Direct state or other government support revenue
b. Indirect institutional support revenue – athletic facilities debt service, lease and rental fees
c. Guarantees
d. In-kind revenue
e. Media rights
f. National Collegiate Athletic Association (NCAA) distributions
g. Compensation and benefits provided by a third party
h. Program sales, concessions, novelty sales and parking
i. Sports camp revenues
j. Athletics restricted endowment and investments income
k. Other operating revenues
l. Bowl revenues

Expenses

m. Guarantees expense
n. Coaching salaries, benefits and bonuses paid by a third party
o. Support staff/administrative compensation, benefits and bonuses paid by a third party
p. Severance
q. Recruiting
University of Connecticut
Agreed-Upon Procedures
Attachment to Engagement Letter Dated August 13, 2018
For the Year Ended June 30, 2018

r. Equipment, uniforms and supplies
s. Fund raising, marketing and promotion
t. Sports camp expenses
u. Spirit groups expense
v. Athletic facilities debt service, leases and rental fees
w. Direct overhead and administrative expenses
x. Indirect institutional support expense
y. Medical expenses and medical insurance
z. Memberships and dues expense
aa. Student-athlete meals (nontravel)
bb. Bowl expenses

Other Reporting Items

cc. Transfers to the University

2. We will inquire of the University’s management whether there were any revenues, expenses or other reporting items listed above during the year ended June 30, 2018.

3. We will compare each revenue and expense amount to prior year amounts and current year budget estimates. We will obtain and document an understanding of any significant variances (significant defined as a 10% change) from prior year amounts or current year budget estimates. We will report the analysis in the agreed-upon procedures report.

Operating Revenues

4. Ticket sales – We will compare the detail of tickets sold, complementary tickets provided and unsold tickets per the supporting schedules during the year ended June 30, 2018, to the related revenue reported in the Statement.

5. Student fees – We will compare the amount of student fees approved and documented in board materials for the year ended June 30, 2018, with the amount per the Statement. We will obtain and document an understanding of the University’s methodology for allocating student fees to the Division of Athletics.

6. Direct institutional support – We will compare the direct institutional support recorded by the University during the reporting period with the institutional supporting budget transfers documentation and other corroborative supporting documentation and recalculate totals.
7. Transfers back to institution – We will compare the transfers back to the University per the Statement with transfers back to the University from the Division of Athletics and recalculate totals.

8. Contributions – We will compare supporting documentation for any contributions received directly from the Division of Athletics to contributions per the Statement. We will inquire of University management whether there were any single contributions that constituted 10% or more of all contributions received during the year ended June 30, 2018, and if so, we will obtain supporting documentation for each such contribution.

9. Conference distributions – We will obtain and read agreements related to the University’s conference distributions and participation in revenue from tournaments during the reporting period to gain an understanding of the relevant terms and conditions. We will obtain a supporting schedule relating to the University’s allocation of revenues for regular season football television, American Athletic Conference football championship game, post-season bowl games, regular season basketball games, the American Athletic Conference basketball tournament and the NCAA basketball tournament. We will recalculate the totals per the supporting schedule and agree the related revenues to those per the Statement. We will compare the amount per the supporting schedule for American Athletic Conference distributions to correspondence from the American Athletic Conference.

10. Royalties, licensing, advertisements and sponsorships – We will obtain all agreements related to the University’s participation in revenues from royalties, licensing, advertisements and sponsorships during the year ended June 30, 2018, and gain an understanding of the relevant terms and conditions. We will agree the terms of the IMG contract to the supporting schedule of such revenues and agree the supporting schedule to the Statement.

Operating Expenses

11. Athletic student aid – We will select a sample of students (10% of the total student-athletes for institutions that have used NCAA’s compliance assistant (CA) software to prepare athletic aid detail with a maximum of 40 and 20% of total student-athletes for institutions that have not used NCAA’s compliance assistant software, with a maximum sample size of 60) from the listing of University student aid recipients during the reporting period. Data should be captured by the institution through the creation of a squad/eligibility list for each sponsored sport. We will obtain individual student account detail for each selection and compare total aid to data per the NCAA’s CA software or the NCAA’s Membership Financial Reporting System. We will also compare the following per the student’s account detail to data per the NCAA’s CA software or the NCAA’s Membership Financial Reporting System:
a. The equivalency value for each student-athlete in all sports, including head-count sports, needs to be converted to a full-time equivalency value. The full-time equivalency value is calculated using the athletic grant amount reported on the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA as the numerator and the full grant amount, which is the total cost of tuition, fees, books, room and board for an academic year as the denominator. If using the NCAA CA software, this equivalency value should already be calculated on the CRDE report labeled “Revenue Distribution Equivalent Award.”

b. Grants-in-aid is calculated by using the revenue distribution equivalencies by sport and in aggregate (athletic grant amount divided by the full grant amount).

c. Other expenses related to attendance (also known as gap money or cost of attendance) should not be included in grants-in-aid revenue distribution equivalencies. Only tuition, fees, room, board and course-related books are countable for grants-in-aid revenue distribution per Bylaw 20.02.07.

d. Full grant amount should be entered as a full year of tuition, not a semester or quarter.

e. Student-athletes are to be counted once and should not receive a revenue distribution equivalency greater than 1.00.

f. Athletics grants are valid for revenue distribution purposes only in sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football.

g. Grants-in-aid are valid for revenue distribution purposes in NCAA sports that do not meet the minimum contests and participants’ requirements of Bylaw 20.9.6.3.

h. Institutions providing grants to student-athletes listed on the CRDE as “Exhausted eligibility (fifth-year)” or “Medical” receive credit in the grants-in-aid component.

i. The athletics and equivalency cannot exceed maximum equivalency limits. However, the total revenue distribution equivalency can exceed maximum equivalency limits due to exhausted eligibility and medical equivalencies (reference Bylaw 15.5.3.1).

j. If a sport is discontinued and the athletic grant(s) are still being honored by the institution, the grant(s) are included in student-athlete aid for revenue distribution purposes.

k. All equivalency calculations should be rounded to two decimal places.

l. If a selected student received a Pell Grant, the value of the grant should not be included in the calculation of equivalencies or the total dollar amount of student athletics’ aid expense for the University.
m. If a selected student received a Pell Grant, the student’s grant should not be included in the total number and total dollar value of Pell Grants reported for Revenue Distribution purposes in the NCAA Membership Financial Reporting System.

n. We will recalculate totals for each sport and overall.

12. Coaching salaries, benefits and bonuses paid by the University and related entities – We will obtain a listing of coaches employed by the University during the year ended June 30, 2018. We will select a sample of four coaches’ contracts that include football, men’s and women’s basketball and one other sport. We will agree the financial terms and conditions of each selection to the related coaching salaries, speaking fees, automobile stipends and bonuses recorded by the University in the summary payroll registers and in the Statement during the year ended June 30, 2018. We will inquire of University management whether there were any coaches employed by related entities.

13. Support staff/administrative salaries, benefits and bonuses paid by the University and related entities – We will select a sample of four athletic support staff/administrative personnel employed by the University. We will obtain supporting salary information per the Kuali Financial System (KFS) system for each selection and agree the information to supporting schedules and to the expense recorded by the University in the Statement. We will inquire of University management whether there were any coaches employed by related entities.

14. Team travel – We will obtain documentation of the University’s team travel policies and compare them to the NCAA’s policies. We will obtain supporting schedules for team travel expenses and compare them to the Statement.

15. Game expenses – We will obtain and agree supporting schedules for game expenses to the Statement. We will select two of the largest contracts and agree the amounts per the contracts to the supporting schedules.

16. Other operating expenses and transfers to the University – We will obtain the supporting schedules for other operating expenses and transfers to the University to the Schedule. We will select a sample of one expense and compare the selected item to invoices and supporting schedules and agree the information to expense recorded by University management.

Additional Minimum Procedures

We will compare and agree the sports sponsored reported in the NCAA Membership Financial Reporting System to the Calculation of Revenue Distribution Equivalencies Report (CRDE) from CA or equivalent supporting equivalency calculations from the University. If there is a discrepancy in the sports sponsored between the NCAA Membership Financial Reporting System and the CRDE or equivalent supporting equivalency calculations, we will inquire of the University’s management about the discrepancy and document the response.
University of Connecticut  
Agreed-Upon Procedures  
Attachment to Engagement Letter Dated August 13, 2018  
For the Year Ended June 30, 2018

We will obtain the University’s Sports Sponsorship and Demographics Forms Report for the reporting year. We will compare the countable sports reported by the University with the minimum requirements set forth in Bylaw 20.9.6.3 for the number of contests and the number of participants in each contest that is counted toward meeting the minimum-contest requirement. Post-season contests are not countable toward the contest requirements, only the regular season. If the University requested and/or received a waiver related to minimum contests or minimum participants for a particular sport, that sport would not qualify as a sponsored sport for the purposes of revenue distribution. Also, only sports in which the NCAA conducts championships competition, emerging sports for women and bowl subdivision football are eligible. We will note whether the University has reported these sports as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

We will agree the total number of Division I student-athletes who, during the academic year, received a Pell Grant award, e.g., Pell Grant recipients on Full Grant-in-Aid, Pell Grant recipients on Partial Grants-in-Aid and Pell Grant recipients with no Grants-in-Aid, and the total value of these Pell Grants reported in the NCAA Membership Financial Reporting System, to a report generated from the University’s financial aid records, of all student-athlete Pell Grants.

Agreed-Upon Procedures Related to Affiliated and Outside Organizations

17. The University will identify all intercollegiate athletics-related outside organizations incurring expenses on behalf of the Division of Athletics that were not under University’s accounting control. We will obtain statements of expenses incurred on behalf of the Division of Athletics. We will agree the amounts reported in those statements to inclusion in the Statement.

18. We will obtain the audited financial statements of the University of Connecticut Foundation, Inc. and the related internal control observations letter and the compiled statements of the UConn Club as of and for the year ended June 30, 2018, noting any matters that would significantly affect the Statement.

Minimum Agreed-Upon Procedures Program for Other Reporting Items

19. We will inquire of the University’s management whether there were excess transfers to the University or conference realignment expenses.

20. We will inquire of the University’s management whether there was any athletics-related debt.

21. We will inquire of the University’s management whether there was any institutional debt.

22. We will inquire of the University’s management whether there were any athletics-dedicated endowments.
23. We will inquire of the University’s management whether there were any institutional endowments.

24. We will inquire of the University’s management whether there were any athletics-related capital expenditures.
University Compliance starts with U!

So, you think you know Compliance? Well, did you know that University Compliance starts with you? We each have a stake in University Compliance and are individually responsible for understanding and adhering to University policies and procedures, as well as local, state and federal laws and regulations. While many of us may already be familiar with the various compliance responsibilities we share at UConn and UConn Health, even the most experienced individuals are sometimes unsure which course of action is best from a compliance perspective. This is exactly where the Office of University Compliance can assist you.

Click here to learn more about the many ways our office works to support your and the University’s efforts to ensure we are abiding by relevant laws and regulations, as well as observing internal policies and guidelines.

Collaborate with us on your compliance initiatives

Ever wonder how to get your compliance topic featured in a compliance clip, or be a featured subject matter expert in a compliance chat? Do you have a compliance initiative that needs promoting?

Let’s partner! Click here to inquire about collaborating with the Office of University Compliance on your compliance awareness efforts.
Fall Prevention
Provision of Care, Treatment and Services (PC)
PC.01.02.08: The Hospital Assesses and Manages the Patient's Risk for Falls

Over 800,000 people are hospitalized annually for a fall related injury. The average hospital cost for a fall with injury is less than $300,000 and that figure generally increases depending on the patient’s age. Fall injuries are noted by the Centers for Disease Control (CDC) as one of the 20 most expensive medical conditions.

Nurses are crucial contributors in the fall reduction initiative. A timely fall assessment helps to identify modifiable risk factors which may be related to a biological issue such as muscle weakness, chronic disease, or medication management. It could be related to behavioral risk factors such as engaging in dare devil stunts, inactivity or illicit drug use; or there can be environmental risks like stairs with no railing, poor lighting and obstructed walkways. Typically, two or more predisposing risk factors interact to cause a fall (such as gait disturbance & poor vision) (Rubenstein and Josephson 2006). Although falls may seem more prevalent amongst older adults, it is important to remember that any patient at any age could be at risk due to physiological changes caused by a medical condition, or procedure. A timely screening coupled with the implementation of evidenced based interventions are paramount to minimizing risk.

A persistent Joint Commission patient safety goal has been reducing falls with injury, however falls with serious injury continue to reign amongst the top 10 sentinel events reported to The Joint Commission’s Sentinel Event database. According to the CDC statistics, if the current fall/death rate continues at this progression, we can anticipate seven deaths per hour from falls by year 2030.

Common contributory factors included but are not limited to:

- Inadequate assessments
- Failure to follow established safety practices
- Environmental defects

Aside from prompt screening and the development of individualized care plans (with patient specific interventions), we must be sure to respond quickly to call bells, educate the patient and their loved ones on the dangers of falls, and closely monitor our patients at risk for falls.

Unfortunately, not all falls can be prevented, however serious falls, injuries and death can be avoided.

References
Recent Joint Commission Resources Mock Survey

Joint Commission Resources (JCR), an affiliate of The Joint Commission, provides consultation to healthcare organizations in preparation for an actual Joint Commission survey for accreditation. JCR visited John Dempsey Hospital on June 12 and 13, 2018 to assist us in detecting areas of potential findings in our upcoming survey for accreditation that will occur by November 2018. Many of our organizational strengths were recognized and included engaged staff at all levels, leadership commitment to quality and patient safety, and medical staff involvement in behavioral health.

The key focus was to help us be aware of areas that are at risk for non-compliance by The Joint Commission (TJC). No organization is without risk and our primary objective is to eliminate or minimize any actual or potential risk by being compliant with the regulatory standards set by TJC and other healthcare regulatory agencies. TJC has communicated to healthcare institutions that the areas of dialysis, suicide prevention, high-level disinfection and sterilization will be part of their focus. As an academic healthcare institution committed to providing excellence in care we are constantly aware of the need to maintain a safe and clean environment to eliminate or reduce any harm to our patients, staff and visitors.

We are all working diligently in the process of improving our compliance in the areas that were identified as an established or potential concern by the JCR. We will continue to strive for widespread compliance by looking for any and all improvements we can achieve. We are fully committed to complying with all standards to safeguard all our patients and to help our survey be successful.

2019 Physician Fee Schedule Proposed Rule

On July 12, 2018, CMS released the 2019 Proposed Physician Fee Schedule Rule which regulates policies and payment rates for services provided by physicians and other clinicians such as physician assistants, nurse practitioners, and physical therapists. Some highlights from the proposed rule are noted below;

- Eliminating the functional status reporting requirements for outpatient therapy
- Lowering the physician supervision threshold for services performed by radiology assistants from personal to direct supervision
- Expanding coverage for telehealth services to include prolonged preventative services, interpreting patient submitted photos, and virtual visits
- Simplifying documentation requirements for office Evaluation and Management (E&M) services by allowing practitioners to:
  - document office E&M services using medical decision making or time in lieu of the 1995 or 1997 documentation guidelines
  - use time as the basis for selecting an E&M level regardless of whether counseling or care coordination dominated the visit
  - document what has changed since the last visit as the basis for the history and exam
  - review and verify medical record documentation that was entered by ancillary staff rather than having to re-enter the information
- Collapsing E&M levels two through five into one payment estimated at $135.00 for new patients and $95.00 for established patients

CMS is accepting public comments on the proposed rule until September 10, 2018 with the final rule to be issued in the late fall. If you have questions on the proposed rule, contact Kim Bailot, Associate Finance Compliance Officer at 860.679.4746.