



Board of Trustees Audit & Compliance Committee

Tuesday, May 14, 2024

Microsoft Teams Virtual Meeting

Trustees: Sandra Callahan, Chair; Oscar Horton, Lauran Monbarren

A G E N D A

- I. Call to Order and Comments Chair Sandra Callahan
- II. Public Comments Subject to USF Procedure Chair Callahan
- III. New Business – Action Items
 - a. [February 20, 2024, Meeting Notes](#) Chair Callahan
- IV. New Business – Information Items
 - a. [USF/DSO Independent Audit Reports](#) Chief Financial Officer, Jennifer Condon
 - b. [2023 Compliance & Ethics Annual Report](#) Associate Compliance Officer,
Stefen Sloane
 - c. [Antifraud Framework Annual Status](#) Chief Internal Auditor, Virginia Kalil
- V. Adjournment Chair Callahan



**USF Board of Trustees
Audit & Compliance Committee
NOTES
February 20, 2024
Microsoft Teams Virtual Meeting**

I. Call to Order and Comments

The meeting of the Audit & Compliance Committee was called to order by Chair Sandra Callahan. Chair Callahan asked Kiara Gayle to call roll. Ms. Gayle called roll with the following committee members present: Sandra Callahan and Luran Monbarren. A quorum was established.

II. Public Comments Subject to USF Procedure

No requests for public comments were received.

III. New Business – Action Items

a. Approval of November 16, 2023, Meeting Notes

Upon request and receiving no changes to the meeting notes, Chair Callahan requested a motion for approval. Trustee Monbarren made the motion which was seconded by Chair Callahan and the November 16th meeting notes were unanimously approved as written.

b. Acceptance of Performance-Based Funding (PBF) and Preeminence Data Integrity Audits & Approval of Data Integrity Certification

Virginia Kalil, Executive Director and Chief Internal Auditor, presented a brief background on both performance metrics programs, explained why an annual audit of these programs needs to be conducted, and described the annual audit process. The Performance-Based Funding (PBF) and Preeminence Data Integrity Audits must be conducted annually pursuant to the Board of Governors (BOG) request. This is the tenth year conducting the PBF data integrity audit (the BOG approved the PBF funding model in 2014). The Preeminence audit is newer; this is the fifth year (USF reached full Preeminence in 2018). The primary audit objectives were to determine whether the processes and internal controls established by the university ensure the completeness, accuracy, and timeliness of data submissions which support the metrics of both programs; and to provide an objective basis of support for the President and Board of Trustees (BOT) Chair to sign the BOG Data Integrity Certification. The audit scope was to identify and evaluate any material changes to the controls and processes, including prior year recommendations; BOG data definition changes and data elements; key personnel and/or file submission changes; review of data resubmissions (why they were resubmitted); update risk assessments, including fraud risks; and verify accuracy, completeness, and consistency with BOG expectations of data components, data metric methodologies, and data submitted through detailed testing. As required by the BOG, the scope and objectives of both audits were set jointly by the Chief Audit Executive, the Audit & Compliance Committee Chair, the BOT Chair, and the President. These audits were performed in accordance with current professional standards. The overall conclusion of the

PBF audit was that there was an adequate system of internal controls in place, with no reportable risks identified.

Regarding the results of the Preeminence Data Integrity Audit, Ms. Kalil stated that it was concluded that an adequate system of internal controls was in place over all 12 metrics. Two medium priority risks were identified but despite those risks there was no impact on the overall status of each of the metrics, and USF did meet its preeminent metrics. Both risks identified related to control supporting the National Science Foundation, Higher Education Research and Development Survey (Herd Survey). Ms. Kalil stated that management's actions related to both risks identified are in progress.

Chair Callahan made the motion recommending to the BOT acceptance of the Performance-Based Funding (PBF) and Preeminence Data Integrity Audits and approval of the Data Integrity Certification. The motion was accepted by Trustee Monbarren seconded by Chair Callahan. The motion passed and the acceptance of the certification was approved.

IV. New Business – Information Items

a. USF/DSO Independent Audit Reports

Jennifer Condon, Vice President of Business & Finance and Chief Financial Officer, presented on the University and Direct Support Organizations (DSOs) Independent Audit Findings Report which describes audit findings and auditor recommendations, and management's responses and correction status. The University and DSOs received 12 audits from independent external auditors for the fiscal year ended June 30, 2023. Since the last time this committee met, one more audit report was received (the Auxiliary report specifically for WUSF), and it had no new findings. Also, the only remaining open audit finding from the last report (the audit finding related to the FY22 federal audit) has now been closed. VP Condon had been in dialogue with the US Department of Education (US DOE) since March 2023 regarding the allowability of specific Education Stabilization Fund expenditures. In December 2023, USF received a letter from US DOE stating they agreed with USF's position, the expenditures were allowable, and they considered the finding to be resolved and closed.

VP Condon stated that this was very good news for the university, and that this information will be reflected as fully corrected in this year's federal audit, which USF expects to receive next month (March 2024). Lastly, there are still four audit reports outstanding, as follows: 1) USF financial statements, 2) federal audit (that finding will show is fully corrected), 3) statewide audit of Bright Futures and Florida Assistance Grants, and 4) one more Auxiliary Report.

b. Annual Compliance Certifications of DSOs

Fell Stubbs, University Treasurer, presented the Annual Compliance Certifications of the DSOs. Each DSO is expected to implement an internal control, reporting and governance structure consistent with best practices of USF. Each DSO must certify compliance to the USF Board of Trustees. The certification must be completed by the DSO Chair of the Board, the DSO Chief Executive Officer, and the DSO Chief Financial Officer.

The university requested eight annual compliance certifications statements for the 10 DSOs for the fiscal year ended June 30, 2023, and all eight certification statements have been received. There were no instances of non-compliance with the 23 requirements of the five

categories of compliance cited in all eight of the Annual DSO Compliance Certification statements.

c. New Global Internal Audit Standards

Virginia Kalil, Executive Director and Chief Internal Auditor, presented on the newly revised standards, which are published by the Institute of Internal Auditors. These standards are critical to elevating the quality of internal auditing and enhancing IA's function as an essential business partner with management and the Board. These newly revised standards were released on January 9th of this year but will become effective on the same date next year, 2025. The standards are a part of the International Professional Practices Framework, which governs the worldwide practice of internal auditing. The framework was last modified in 2017 with very minor changes.

The notable changes, made this year, include:

- A restructured framework with elements reorganized;
- A shift from compliance to performance;
- Clarification of Board and management responsibilities;
- Specific guidance to assist internal auditors in the public sector and for small internal audit functions;
- Specific guidance and standards on critical areas like cybersecurity.

IA is working to review those changes and see how they will impact the team's current procedures.

V. Adjournment

Having no further business, Chair Callahan made the motion to adjourn the meeting, Trustee Monbarren seconded the motion, and the Audit & Compliance Committee meeting was adjourned at 9:28am.

Agenda Item: IV.a.

USF Board of Trustees
Audit & Compliance Committee Meeting
May 14, 2024

Issue: University and DSO Independent Audit Findings Report

Proposed action: Informational

Executive Summary:

The Independent Audit Findings Report is provided to the Board of Trustees Audit & Compliance Committee at each Committee Meeting and describes audit findings, auditor recommendations, management’s responses, and correction status.

The University and DSOs received 16 audits from independent auditors for the fiscal year ended June 30, 2023.

The attached report includes 5 findings from these reports.

3 of these findings are new and will be discussed today as follows:

- 1 Finding in University of South Florida June 30, 2023 Audited Financial Statements – CLOSED as of March 21, 2024
- 1 Finding in the Statewide Audit of Bright Futures and Florida Assistance Grants – PARTIALLY COMPLETED; expect to be CLOSED by June 1, 2024
- 1 Exception in the USF Intercollegiate Athletics Program Independent Auditor’s Report – CLOSED as of February 8, 2024

The other 2 findings were disclosed and presented as closed in previous meetings.

A summary of entities reviewed for audit findings, and the outcomes, is included in the attached report.

Financial Impact:

N/A

Strategic Goal(s) Item Supports: Goal 5: A strong, sustainable and adaptable financial base
BOT Committee Review Date: May 14, 2024
Supporting Documentation Online (please circle): Yes No
Prepared by: Dawn M. Rodriguez, Acting University Treasurer, (813) 974-7297

**UNIVERSITY OF SOUTH FLORIDA and RELATED ENTITIES
Independent Audit Findings**

Status Report to the BOT Audit & Compliance Committee – May 14, 2024

NEW FINDINGS

USF Entity and Audit Report	Audit Finding and Auditor Recommendation	Management’s Response to Auditor	Current Status of Finding	Target Completion Date
UNIVERSITY OF SOUTH FLORIDA				
2023 Financial Audit	<p>Significant Deficiency: University controls could be enhanced to ensure that procurement card (Pcard) purchases are only for allowable University purposes.</p> <p>Recommendation: The University should continue efforts to enhance controls over the accountability for and use of University Pcards.</p>	<p>The University of South Florida has enhanced internal controls over the accountability and use of University procurement cards (Pcards). Specifically, some of the purchasing activity that was processed on individual Pcards has transitioned to the eProcurement system which incorporates additional preventive controls for misuse. This transition will also limit the need for individual Pcards. In addition, procedures have been implemented to use purchasing data provided by some Pcard vendors to analyze transactions for propriety.</p> <p>Notwithstanding USF’s commitment to improve internal controls, this finding originated from misconduct in a single USF area that occurred due to the failure to follow established controls. These controls include Pcard transaction reconciliation, monthly statement approval processes, as well as additional compensating controls like monthly financial reconciliation. The underlying misconduct was discovered by the University and fully investigated by USF Internal Audit and disclosed to the Auditor General prior to their review and finding.</p> <p>Responsible Party: Jennifer Condon, Vice President of Business & Finance</p>	<p align="center">CLOSED</p> <p>The enhanced internal control procedures referenced in management’s response were implemented prior to the issuance of the financial report.</p>	<p align="center">CLOSED</p>
2023 Statewide Audit of Bright Futures Scholarships and Student Assistance Grants	<p>Finding: University of South Florida did not comply with State law and Florida Department of Education (FDOE) policies as the University did not timely refund to the FDOE Bright Futures Scholarship Program funds for courses students dropped or withdrew from after the end of the drop and add period.</p>	<p>USF has enhanced procedures to assure compliance with the timely refund of Florida Bright Futures Scholarship funds. We have accelerated reconciliation of this fund to 30 days, which exceeds the state requirement of 60 days.</p> <p>Additionally, we are in the process of recruiting and hiring a fiscal position within the Office of Financial Aid that will be dedicated to reconciliation duties. This new position will also be able to identify and escalate any programming</p>	<p align="center">PARTIALLY CORRECTED</p> <p>The enhanced procedures referenced in management’s response were implemented prior to the issuance of the Statewide Audit report.</p>	<p align="center">June 1, 2024</p>

**UNIVERSITY OF SOUTH FLORIDA and RELATED ENTITIES
Independent Audit Findings**

Status Report to the BOT Audit & Compliance Committee – May 14, 2024

	<p>Specifically, the University made 146 refunds totaling \$141,476 an average of 99 days after the required due dates.</p> <p>Recommendation: USF management should enhance procedures to ensure that Bright Futures Scholarship Program funds are timely refunded to the FDOE for courses students dropped or withdrew from after the end of the drop and add period. Such enhancements should include appropriate consideration and related modifications to the University IT system to help avoid future programming errors.</p>	<p>issues which would have an impact on our ability to meet our fiduciary responsibilities.</p> <p>Responsible Party: Billie Jo Hamilton, Associate Vice President, Enrollment, Planning & Management</p>	<p>USF is in the process of hiring a fiscal position that will be dedicated to reconciliation duties.</p>	
USF AUXILIARY – INTERCOLLEGIATE ATHLETICS PROGRAM				
<p>FY 2023 Independent Accountants' Report on the Application of Agreed-Upon Procedures</p>	<p>Exception to Procedures: Auditors noted that for 1 of the 34 student-athletes selected, the total aid in the institution's student system was less than the student's aid detail in Compliance Assistant.</p> <p>Recommendation: The total aid in the institution's student system should match the student's aid detail in Compliance Assistant.</p>	<p>USF enhanced procedures during regularly scheduled compliance reviews to catch any discrepancies between the submitted roster and the student accounts. The review will include a more detailed review of financial aid agreements to ensure that all options are selected within the system accordingly.</p> <p>USF confirmed that the student in question received the correct amount of aid, but it was not reflected in Compliance Assistant appropriately. Compliance Assistant was updated to reflect the correct amount of aid.</p> <p>Responsible Party: Ashley Leko, Senior Associate Athletics Director and CFO of Athletics Department</p>	<p align="center">CLOSED</p> <p>The enhanced procedures referenced in management's response were implemented prior to the issuance of the report.</p>	<p align="center">CLOSED</p>

**UNIVERSITY OF SOUTH FLORIDA and RELATED ENTITIES
Independent Audit Findings**

Status Report to the BOT Audit & Compliance Committee – May 14, 2024

SUMMARY OF ENTITIES REVIEWED FOR AUDIT FINDINGS

USF Entity	Audit Due Date (Month and Day)	Current Audit Findings	Previous Audit Findings	Audit Firm
University of South Florida	Determined by Auditor General	1 Finding – Closed	No Findings	State of Florida Auditor General
USF Operational Audit (Schedule Determined by Auditor General)	Determined by Auditor General	No Report in 2023	1 Finding – Closed	State of Florida Auditor General
USF - State of Florida Federal Awards Audit (Formerly A-133)	Determined by Auditor General	No Findings	1 Finding – Closed	State of Florida Auditor General
USF – Statewide Audit of Bright Futures and Florida Assistance Grants	Determined by Auditor General	1 Finding	No Report in 2022	State of Florida Auditor General
USF Auxiliary - Health Sciences Center Self-Insurance Program (SIP)	December 15	No Findings	No Findings	Crowe LLP
USF Auxiliary - Health Sciences Center Insurance Co., Inc. (CIC)	December 15	No Findings	No Findings	Crowe LLP
USF Auxiliary - Intercollegiate Athletics Program	January 15	1 Exception – Closed	No Findings	James Moore & Co., P.L.
USF Auxiliary - WUSF-FM, A Public Telecommunications Entity	January 15	No Findings	No Findings	James Moore & Co., P.L.
DSO - USF Foundation, Inc.	October 15	No Findings	No Findings	RSM US LLP
DSO - USF Alumni Association, Inc.	October 15	No Findings	No Findings	RSM US LLP
DSO - USF Financing Corporation and USF Property Corporation	October 15	No Findings	No Findings	KPMG LLP
DSO - University Medical Service Association, Inc. (UMSA) and USF Medical Services Support Corporation (MSSC)	October 15	1 Finding – Closed <i>(11/16/23 BOT A&C Meeting)</i>	No Findings	Warren Averett
DSO - USF Health Professions Conferencing Corporation (HPCC)	October 15	No Findings	No Findings	Mayer Hoffman McCann P.C.
DSO - USF Research Foundation, Inc.	October 15	1 Finding – Closed <i>(11/16/23 BOT A&C Meeting)</i>	No Findings	Cherry Bekaert LLP
DSO - USF Sun Dome, Inc.	October 15	No Findings	No Findings	James Moore & Co., P.L.
DSO - USF Institute of Applied Engineering, Inc.	October 15	No Findings	No Findings	Warren Averett
HSSO - USF Health Support Services Organization, Inc.	October 15	No Findings	No Findings	Warren Averett

Agenda Item: IVb

**USF Board of Trustees
Audit & Compliance Committee
May 14, 2024**

Issue: 2023 Compliance & Ethics Annual Report

Proposed action: Informational

Executive Summary:

The 2023 Compliance & Ethics Annual Report summarizes the activities of the the USF Office of Compliance & Ethics from January 1, 2023, to December 31, 2023. This report is organized under the “essential elements” of an effective compliance program as prescribed by Federal Sentencing Guidelines and fulfills annual reporting requirements contained in BOG Regulation 4.003 and the USF Office of Compliance & Ethics Program Plan.

Financial Impact: N/A

Strategic Goal(s) Item Supports: N/A

BOT Committee Review Date: 5/23/2023

Supporting Documentation Online (please circle): Yes

No

USF or Campus specific: USF

Prepared by: Caroline Fultz-Carver, Chief Compliance Officer

2023 Annual Report

Office of Compliance & Ethics

Stefen Sloane, J.D., CCEP | May 14, 2024



Office of Compliance & Ethics



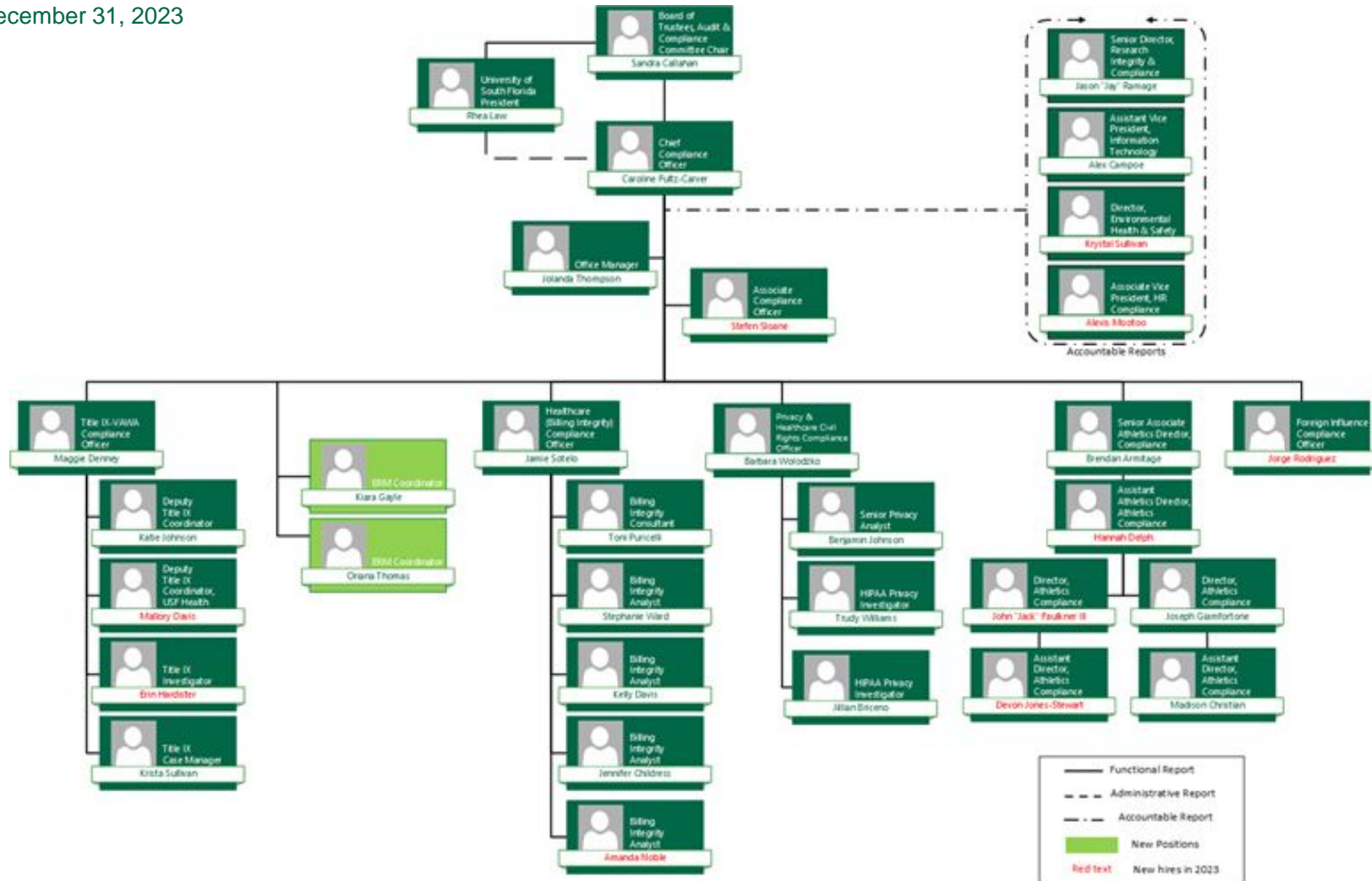
The Chief Compliance Officer shall report at least annually on the effectiveness of the program.

A copy of the annual report shall be provided to the Board of Governors.

*BOG Regulation 4.003 (7)(g)8
State University System Compliance and Ethics Programs*

Office of Compliance & Ethics

as of December 31, 2023



Highlights

- Foreign Influence Compliance
- Enterprise Risk Management
- Partner with Privacy Initiative
- eDisclose
- EthicsPoint

Annual Florida Code of Ethics Disclosure



Sarasota-Manatee

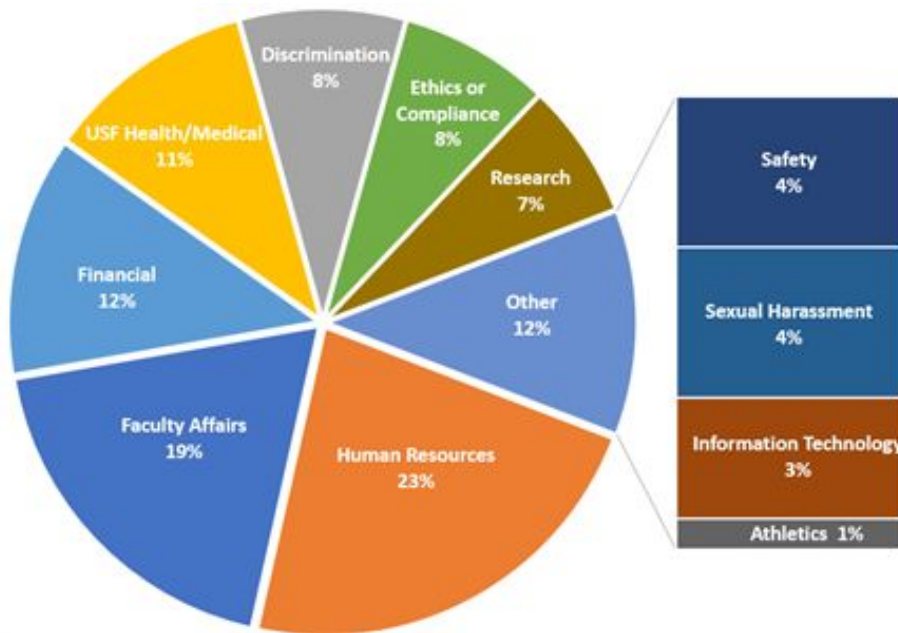


Tampa (Health too)



St. Petersburg

EthicsPoint Reports



Primary Issue	Substantiated	Unsubstantiated	Referred	Open	Total
Human Resources	11	15	0	3	29
Faculty Affairs	7	13	3	1	24
Financial	0	7	3	6	16
USF Health/Medical	5	7	0	2	14
Discrimination	0	8	2	1	11
Ethics or Compliance	1	6	3	0	10
Research	3	2	0	4	9
Safety	2	3	0	0	5
Sexual Harassment	0	4	1	0	5
Information Technology	1	0	2	1	4
Athletics	0	1	0	0	1
USF Foundation	0	0	0	0	0
Total	30	66	14	18	128

A photograph of a modern building with a large bronze bull sculpture in the foreground. The word "Discussion" is overlaid in white text. The building has a curved facade with large windows and a sign that reads "MALLA UNIVERSITY". The bull sculpture is in a pool of water, and there are palm trees and other greenery in the background.

Discussion



UNIVERSITY of
SOUTH FLORIDA
Office of Compliance & Ethics

2023 ANNUAL REPORT

JOHN & GRACE ALLEN BUILDING

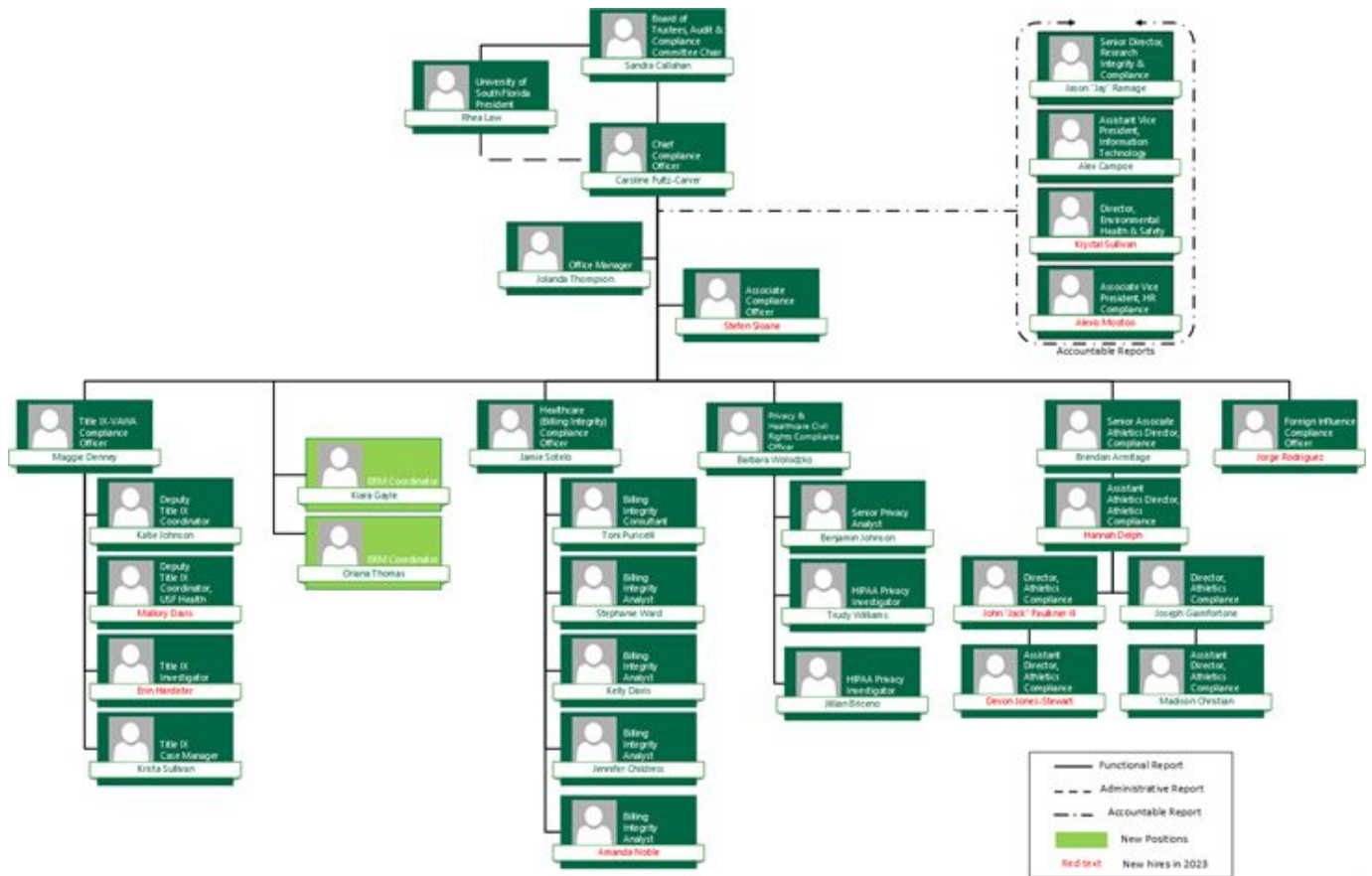
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UNIVERSITY OF SOUTH FLORIDA

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Office of Compliance & Ethics As of December 31, 2023



2023 ANNUAL REPORT

USF Office of Compliance & Ethics

The University of South Florida implemented a compliance and ethics program in 2007 as a component of University Audit & Compliance (UAC) with the appointment of a Chief Compliance Officer (CCO), USF was the first institution within the State University System (SUS) to implement a compliance and ethics program. The CCO was charged by the USF President and the USF Board of Trustees (BOT) to create and maintain an effective compliance and ethics program based on best practices to prevent, monitor, detect, and respond to non-compliance; and recommend corrective actions to fully meet regulatory requirements. In 2017, UAC separated into two entities: USF System Audit and the USF System Compliance & Ethics Program. This separation was made in accordance with [Board of Governors \(BOG\) Regulation 4.003](#), a regulation based on [Chapter 8, Part B, Section 2\(b\) of the Federal Sentencing Guidelines](#); the [Florida Code of Ethics for Public Officers and Employees](#); and industry best practices.

With the consolidation of our three separately-accredited institutions into one USF in 2020, USF System Audit became the Office of Internal Audit (IA) and the USF System Compliance & Ethics Program became the Office of Compliance & Ethics (OCE). During 2021, the following five high-risk compliance programs joined the OCE when the reporting relationship of their senior compliance officers to the CCO changed from accountable reporting to direct reporting: Athletics Compliance, Equal Employment Opportunity and Americans with Disabilities Act (EO-ADA Compliance), Title IX and Violence Against Women Act (Title IX-VAWA Compliance), Healthcare Compliance, and Privacy and Healthcare Civil Rights Compliance (Privacy Compliance).

The four remaining high-risk compliance programs retained their accountable reporting relationships to the CCO through their senior compliance officers:

- Environmental Health & Safety (EH&S)
- Information Technology Security (IT Security)
- Research Integrity & Compliance (RIC)
- Human Resources Compliance (HR Compliance)

On January 23, 2023, the OCE filled a new Foreign Influence Officer position. This position is responsible for developing, implementing, and coordinating the University's Foreign Influence Compliance program. This program assesses foreign influence-related compliance activities, risks, and implementation requirements; addresses non-compliance concerns; and recommends compliance mitigation strategies to university management based on current federal and state law, guidance, and best practices.

On November 27, 2023, Equal Opportunity (formerly called "EO-ADA Compliance") joined a new entity within Central Human Resources, the Employee Experience Team (EET), led by the Associate Vice President for Employee Experience and HR Compliance, who has an

accountable reporting relationship to the Chief Compliance Officer. This change in governance structure aligned with the USF Strategic Plan as the University continues to prioritize ensuring our faculty and staff possess the tools they need to maximize employee success, as well as modernizing our workforce and providing better systems of support. The EET encompasses three areas: Culture, Employee Relations, and Equal Opportunity Compliance, which work together to support an environment in which every employee feels valued, connected, and inspired. Additionally, the EET streamlines reporting with easy access through one team, as needed, to coordinate a holistic response to USF employee reports,

This annual report summarizes the activities of the OCE from January 1, 2023, to December 31, 2023. This report fulfills our annual reporting requirements in accordance with BOG Regulation 4.003 and our USF BOT-approved [Program Plan](#) and is organized by the “essential elements” for an effective compliance and ethics program as provided under the Federal Sentencing Guidelines.

Element I: Governance & High-Level Oversight

The University of South Florida addresses this element through the BOT Audit and Compliance Committee (BOT-ACC), OCE, and the Compliance Officers Workgroup.

A. Board of Trustees Audit and Compliance Committee

In accordance with BOG Regulation 4.003, the BOT-ACC has audit and compliance oversight responsibilities for the University of South Florida. The [BOT-ACC Charter](#) outlines these responsibilities.

B. Office of Compliance & Ethics

The OCE reports functionally to the BOT-ACC and administratively to the USF President. This reporting relationship ensures the independence of the OCE and assures adequate consideration of its compliance and ethics recommendations. The purpose, authority, and responsibilities of the OCE are set forth in the following policy, charter, and program plan pursuant to Chapter 8, Part B, Section 2(b) of the Federal Sentencing Guidelines and BOG Regulation 4.003:

- [USF Policy 0-026: Office of Compliance & Ethics](#) provides our compliance and ethics program with the authority to coordinate and manage all USF compliance and ethics activities.

- [USF Office of Compliance & Ethics Charter](#) identifies the purpose, authority, and responsibilities of our compliance and ethics program.
- [USF Office of Compliance & Ethics Program Plan](#) summarizes the current status of our compliance and ethics program.

C. Compliance Officers Workgroup

The Compliance Officers Workgroup is comprised of senior compliance officers whose compliance programs report to the CCO, either directly or via an accountable reporting relationship via Presential memorandum. This workgroup assists the CCO in maintaining an effective, broad-based compliance program designed to prevent, monitor, and detect areas of non-compliance and developing recommendations for corrective and preventative actions aimed at addressing non-compliance or changes in federal or state compliance requirements.

Brief descriptions of accountable and direct reporting compliance programs and highlights from this reporting period are provided below.

Athletics Compliance

Athletics Compliance ensures compliance with National Collegiate Athletics Association (NCAA) and American Athletic Conference (AAC) rules and associated USF regulations and policies through its education, monitoring, and enforcement efforts. During the 2022-2023 academic year, Athletics Compliance provided 238 in-person and virtual rules educational sessions. These sessions educated 700+ athletics employees, student-athletes, on-campus constituents, and external constituents, including the President and Board of Trustees. During this reporting period, Athletics Compliance drafted and submitted 14 waivers to the NCAA and AAC, six (6) and eight (8), respectively. Of these 14 waivers, 11 (79%) were approved, three (3) were denied (21%).

NCAA Negotiated Resolution Agreement Status

On October 29, 2021, the NCAA publicly released its Negotiated Resolution Agreement concluding its major infractions case against the University. NCAA rules violations cited in this agreement occurred between 2017 and 2020, primarily involving our football and women's basketball programs. Athletics Compliance is responsible for monitoring and reporting on the implementation of the corrective and preventative actions contained in this Negotiated Resolution Agreement, whose requirements must be met by October 29, 2024.

On September 1, 2023, Athletics Compliance submitted the second in a series of three required annual reports to the NCAA ("NCAA Annual Reports") to the NCAA Committee on Infractions (COI) as required under our Negotiated Resolution Agreement. The 2023

NCAA Annual Report documented USF Athletics' continuous efforts to prevent future violations in all sports by addressing areas of concern highlighted in the major infractions case. The report included the required rules education material reviewed with all coaches, Athletics staff, student-athletes, and on-campus constituents for the 2022-2023 academic year. In October 2023, the NCAA COI officially approved our 2023 NCAA Annual Report and indicated no further clarifications or follow-up actions were necessary to meet our obligations for the 2023 calendar year.

Name, Image, and Likeness Update

Florida Statutes, Section 1006.74, Intercollegiate Athlete Compensation and Rights, went into effect on July 1, 2021. This statute made it permissible for current student athletes at any Florida institution to use their name, image, and likeness (NIL) for monetary gain. In addition to this state legislation, the NCAA enacted guidance related to NIL transactions. The core tenants of this guidance are summarized below:

- (1) An institution or athletics representative (booster) shall not provide NIL-related expenses, or the promise of expenses, during the recruiting process in hopes of securing a commitment.
- (2) Internal policies must be in place that prohibit pay-for-play aspects to NIL deals.
- (3) Member institutions or their interested parties cannot facilitate NIL deals for the purpose of retaining a student-athlete.

Athletics Compliance is responsible for educating athletics staff, coaching staff, student-athletes, and third-party entities on NIL legislation and associated NCAA guidance. These responsibilities include updating university NIL-related policies and procedures monitoring as changes in legislation and guidance occur. Athletics contracted with a digital branding company, INFLCR, which leverages a software platform designed to assist student athletes in navigating NIL opportunities.

During calendar year 2023, there were 35 reported NIL-related transactions using the INFLCR platform. Transaction types included sponsored social media posts, product reviews, private lessons, camps and clinics, apparel endorsements, brand ambassador, and appearance and autograph events. The total reported value for all student athletes during this period was \$90,379, a 204% increase from the previous year.

Environmental Health and Safety

Environmental Health and Safety (EH&S) adheres to USF policies, procedures, guidelines, industry best practices, and complies with federal, state, and local regulations. Serving as the crucial liaison between the University and external agencies, EH&S prioritizes fostering environmental health and safety awareness through comprehensive training programs.

Highlights from FY2022-2023 include the following:

Training and Awareness

- Provided safety and compliance training courses to over 8,919 faculty, staff, students, and affiliates, focusing on hazard reduction, hazardous material management, and regulatory compliance.
- Conducted in-person forklift training for 42 USF employees using a qualified third-party training vendor.
- Provided in-person training courses leveraging remote or online platforms to optimize efficiency and tailored training curricula to specific job roles.

Lab and Research Safety

- Implemented the CHEMATIX Inspection Module, enhancing lab, studio, and shop inspections with improved features.
- Conducted 225 lab and facility inspections, addressing 94% of the 837 identified deficiencies, tested 567 fume hoods, and performed 78 incident investigations.
- Facilitated 31 laboratory chemical cleanouts.

Waste Management

- Managed 158,457 pounds of chemical waste, 16,912 pounds of hazardous pharmaceuticals, and 2,849 containers of biomedical waste.
- Established a new contract with NEIE for biomedical waste services, servicing approximately 75 locations across the Tampa Bay area.
- Assisted with annual Florida Department of Health biomedical waste inspections.

Respirator Fit Tests and Emergency Preparedness

- Conducted 890 respirator fit tests for graduate medical students, nursing students, faculty, and staff.
- Executed 94 emergency evacuation drills, 45,198 fire extinguisher inspections, and issued 187 hot work permits.

Regulatory Compliance and Inspections

- Facilitated 288 fire and life safety code inspections.
- Evaluated and mitigated over 225 industrial hygiene or occupational safety-related issues or requests.

Building Code Administration and Construction Support

- Provided inspection and code-related permitting for construction projects totaling approximately \$123 million.
- Reviewed 586 Space Impact Requests and 569 Event Requests.

Technology Implementation and Process Improvement

- Implemented Oracle software for managing Consolidated Injury and Illness Report Forms, enhancing incident reporting efficiency and supplement submission.

Healthcare Facilities Support

- Supported the Morsani Ambulatory Surgical Center team, ensuring continued licensure and accreditation.

Research Integrity & Compliance

Research Integrity & Compliance (RIC), a division within USF Research and Innovation, ensures USF research is safe, ethical, and complies with all applicable laws, regulations, university policies, and best practices.

Highlights from this reporting period include the following, listed by compliance area:

Conflict of Interest in Research

- Reviewed 159 project-specific disclosures reporting research-related financial conflicts of interest of which 110 (69%) required a management plan.
- Conducted 269 ancillary protocol reviews.

Human Subjects Research

- Coordinated Institutional Review Board (IRB) review and approval of 1,042 human subjects research study applications, where 724 (69%) were social behavioral studies and 318 (31%) were biomedical studies.
- Approved 219 human subjects research applications where USF investigators requested to use an external IRB.
- Provided live and online training to 738 individuals engaged in human subjects research.

Animal Care and Use

- Coordinated Institutional Animal Care and Use Committee review and approval of the following: 236 new projects involving the use of live, vertebrate animals; 219 procedural changes; 625 amendments to approved protocols; and 325 continuing reviews of previously approved projects.
- Recorded 296 new and renewal training certifications.
- Performed eight pre-performance reviews with veterinary staff for specialized projects.
- Processed seven Memoranda of Agreement for interinstitutional collaborations involving live, vertebrate animals.
- Inspected 506 separate spaces used in animal research projects. Spaces included the central vivarium (housing areas, surgical suites, and procedural areas) and research laboratories where animals are housed and used.

Biosafety

- Performed 62 inspections of laboratories in which infectious biological agents, biological toxins, select agents/toxins, and/or recombinant or synthetic nucleic acid molecules are being used.
- Conducted 505 biosafety ancillary reviews of human subjects research, Veterans Affairs, and vertebrate animal projects.
- Provided biosafety training to 1,078 individuals.
- Responded to and investigated four biosafety incidents.
- Coordinated Institutional Biosafety Committee (IBC) reviewed and approved of the following: 88 new research projects; 240 amendments to existing research protocols; and 135 continuing reviews of ongoing projects.
- Coordinated with the Centers for Disease Control and Prevention, Division of Select Agents and Toxins on an unannounced, hybrid inspection of USF's select agent program.

Scientific Diving and Boating Safety

- Coordinated oversight, training, planning, support, risk management, and execution of scientific dives for over 2,200 research dives involving 103 divers.
- Facilitated the safe passage of over 900 passengers for approximately 5,000 miles underway.

Equal Employment Opportunity and Americans with Disabilities Act Compliance

Equal Employment Opportunity and Americans with Disabilities Act Compliance (EO-ADA Compliance) is responsible for ensuring USF workplace and academic environments are free from discrimination, harassment, and retaliation based on protected classes of race, color, sex (including sexual harassment), national origin, sexual orientation, religion, age, disability, marital status, gender identity and expression, and veteran's status, as provided under Titles VI, VII, and II. EO-ADA Compliance has jurisdiction to engage in conflict resolution and investigate complaints that fall under the following anti-discrimination policies: [USF Policy 0-007, Diversity and Equal Opportunity: Discrimination and Harassment](#) and [USF Policy 0-108, Disability and Accommodations](#). EO-ADA Compliance is also responsible for preparing the annual Affirmative Action Plan.

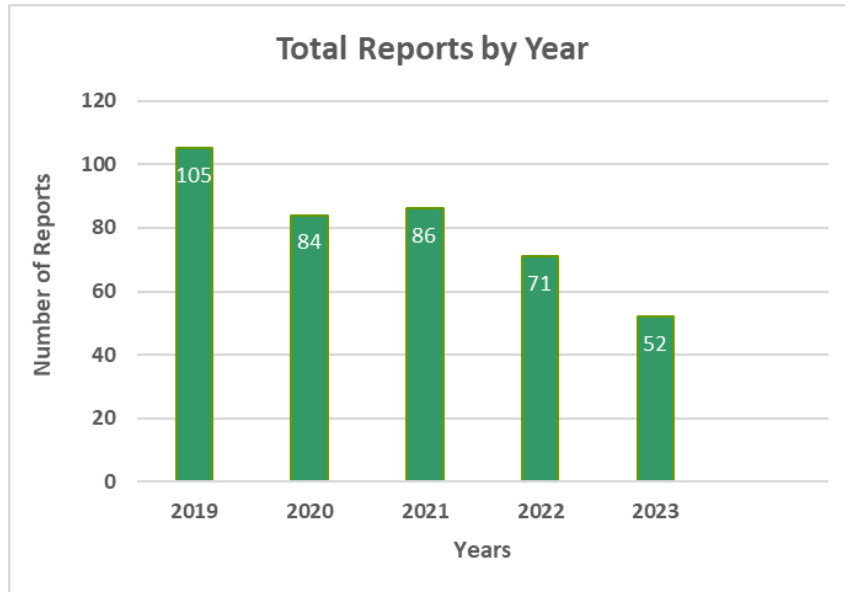
During 2023, the ADA Coordinator position in EO-ADA Compliance was reimagined and transferred to Campus Planning, Construction, and Development within Facilities Planning and Safety Operations. The position, renamed the Facilities ADA Coordinator, is responsible for the following: performing facilities accessibility assessments; ADA compliance reviews of new construction and renovations; responding to public requests for ADA accommodations to access USF Facilities; serving as the point of contact for members of the public with ADA questions or concerns involving USF Facilities.

Highlights from this reporting period include:

- Processed 52 reports alleging discrimination or harassment based on a protected class of which 6 (11.5%) were in progress from the previous calendar year and 46 (88.5%) were new submissions.
- Of these 52 reports processed during 2023, 46 (88.5%) were closed and six (11.5%) remained in process by close of the calendar year.
- The below chart summarizes the closure types for the 46 reports closed in 2023.

Closure Type	Report Count	Percentage of Closed Reports
Not EO Jurisdiction or Policy Definition unmet	36	78%
Formal Investigation Completed	3	7%
Lack of Response from Complainant	3	7%
Merged with Title IX	2	4%
Resolved by Informal Resolution	1	2%
Complainant requested closure	1	2%
Resolved through External Agency	0	0%
Total Count Closed Reports:	46	100%

- Of the three formal investigations completed during 2023, 100% were unsubstantiated based on the preponderance of evidence standard.
- The below chart summarizes the volume of EO-ADA Compliance reports received each year for the past five calendar years. Reports were observed to significantly reduce after August 2023 with approximately 70% of reports coming prior to August 2023.



- Collaborated with USF Human Resources and Berkshire, a third-party consulting firm, to assist with the creation of the 2023 Affirmative Action Plan for all three campuses.
- Revised and improved EO-ADA compliance policies, procedures, and our website in collaboration with Human Resources, Facilitates, Student Disability Services, and Student Success.
- Served on and collaborated with the President’s Advisory Committee on Accessibility and the Access and Awareness subcommittee.

Title IX and Violence Against Women Act Compliance

Title IX-VAWA Compliance is responsible for ensuring the USF workplace and academic environments are free from discrimination based on sex including sexual harassment, sexual violence, relationship violence, stalking, and discrimination based on pregnancy. Title IX-VAWA Compliance Program has jurisdiction to investigate and resolve complaints under [USF Policy 0-004 Sexual Misconduct/Sexual Harassment \(Including Sexual Violence\)](#).

Highlights from this reporting period include:

- Maintained an average number of 20 days to process a case.
- Provided training to 6,163 employees and 3,551 students.
- Improved and implemented new interactive Title IX training for Resident Assistants.
- Leverage new software, Articulate, to update and modernize all online training modules, making it more engaging and interactive in order to facilitate learning.
- Conducted the first live hearing for an employee investigation.
- Implemented Maxient – a professional case management database – streamlining the case management process oversight and reporting.
- Our team achieved the following professional certifications:
 - Title IX Coordinator & Administration II (Assistant Director)
 - Title IX for Healthcare Educators and Providers (Deputy Coordinator for USF Health)
 - Civil Rights Investigator (Investigator & Case Manager)
 - Hearing Officer & Decision Maker (Director)
- Supported campus partners at the following events: Help-a-Bull; Act for October; and The Clothesline Project.
- Processed 412 reports during calendar year 2023 of which 29 (7%) were in progress from the previous calendar year and 383 (93%) were new submissions.
- Of the 412 reports processed during 2023, 396 (96%) were closed in 2023 and 16 (4%) remained in progress by end of the calendar year.

- The below chart summarizes the closure types for the 396 reports closed in 2023.

Closure Type	Report Count	Percentage of Closed Reports
Insufficient information	143	36%
Not Title IX jurisdiction or policy definition unmet	110	28%
Referred to another USF Department	49	12%
Complainant requested closure	47	12%
Implemented Supportive Measures or Informal Remedy	44	11%
Formal Investigation Completed	3	1%
Total Count Closed Reports:	396	100%

- Of the three investigations completed during 2023, two (66%) were substantiated and one was unsubstantiated (33%) based on the preponderance of evidence standard.

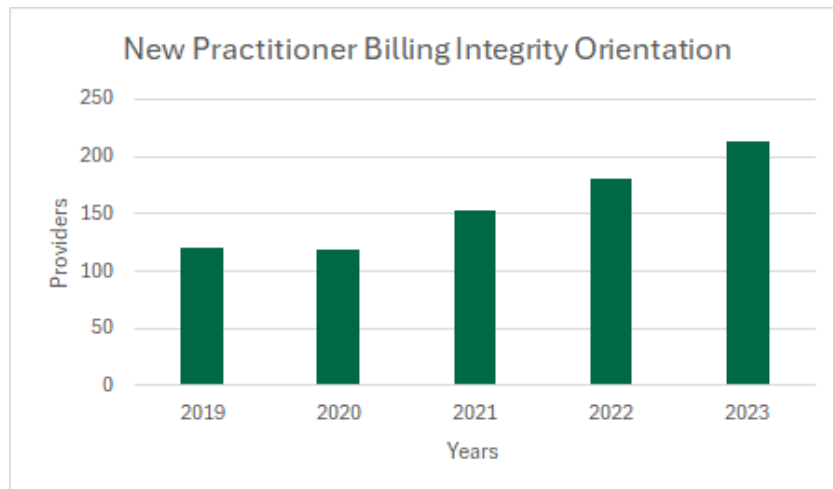
Healthcare (Billing) Compliance

The USF Healthcare Compliance Program assists and advises the USF healthcare clinical enterprise and its direct service organization, University Medical Service Association, Inc. (UMSA), on policies, standards, and regulations related to the operations of the USF Health Faculty Practice Plan.

USF Health Faculty Practice Plan includes more than 650 faculty physicians and 377 advanced practice providers representing over 23 specialties who provide patient care at over 50 locations in the Tampa Bay area. Clinical providers encompass various USF units including: the College of Medicine, School of Physical Therapy, Communication Sciences and Disorders, Infant Family Center, and Student Health Services.

Highlights from calendar year 2023 include:

- Last year USF experienced an 18% increase in the number of Billing Integrity Orientations (BIOs) provided, continuing a year-over-year growth trajectory, see below graph. These fraud, waste and abuse prevention efforts included a mandatory 1:1 education with a Healthcare Compliance Program Analyst and the new clinician. Each training required approximately 2.5 hours of FTE time to prepare, educate, and provide necessary follow-up.



- Focused education on industry coding changes that impacted over 90% of the practice plan clinicians.
- Implemented changes in waivers and reimbursement resulting from the official end of the COVID-19 public health emergency in May 2023.
- Expanded the locations and scope of services offered by clinicians.
- Offered guidance related to clinical integration with Tampa General Medical Group.
- provided 26 clinical specialty focused trainings as well as guest lectures for USF educational programs including the Morsani College of Medicine Physician Assistant Program and the Taneja College of Pharmacy PharmD Program.
- Assigned a primary compliance liaison for each practice plan specialty in January 2023, due to additional FY23 funding provided for right staffing the Healthcare Compliance team. This new structure fostered increased communications and more efficient response times to inquiries.

Monitoring and Investigations

- Oversaw federal and state sanctions screening prior to hire and monthly thereafter for all clinical practice workforce members.
- Completed 63 risk reviews, including 1,336 claims with a focus on services with a high risk of potential billing errors.
- Investigated 10 reports of noncompliance of which two were in process from the prior calendar year and eight were new reports received during 2023. Of these 10 investigated reports, eight were closed and two remained under review at the end of the calendar year. Of the eight closed investigations, two were unsubstantiated and six were substantiated.

Privacy and Healthcare Civil Rights Compliance

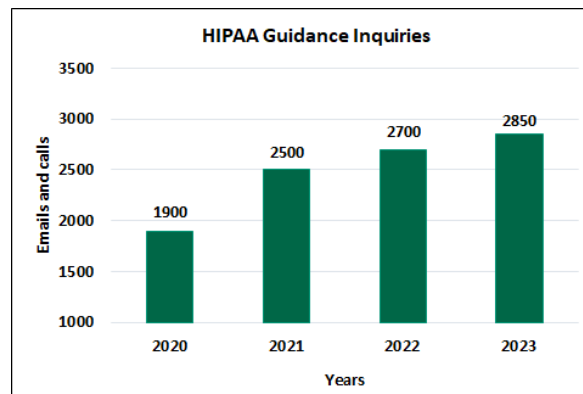
Privacy and Healthcare Civil Rights Compliance (Privacy Compliance) focuses on compliance with the Health Insurance Portability and Accountability Act (HIPAA), federal and state privacy laws, regulations, and internal policies.

Highlights from the 2023 reporting period include the following:

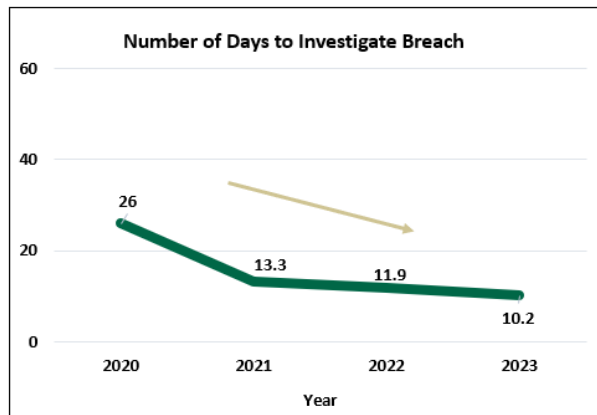
Partner with Privacy Initiative

Privacy Compliance launched the “Partner with Privacy” initiative this year to focus on educating all levels of the organization on the benefits of partnering with Privacy Compliance on the front end to proactively overcome hurdles together with HIPAA compliant solutions. For the first time, Privacy Compliance celebrated the National Corporate Compliance and Ethics Week held November 6-12, 2023, across the country,

Privacy Compliance sustained its commitment to timely answer all HIPAA privacy questions and provided guidance in response to 2,850 phone calls, chats via Teams, and emails. This level of responsiveness has increased our year-to-year requests for HIPAA guidance. Please see the below chart of increases in the counts of HIPAA guidance inquiries received over the past four calendar years.



Privacy Compliance’s targeted-topic training for core competencies focused on maintaining an open-door policy and reported privacy incidents that slightly decreased from prior years from 150 in 2021, 76 in 2022, to 75 in 2023. Reportable breaches held steady this year at 13, slightly up from last year’s nine. Privacy Compliance also reduced the time to complete investigations and make breach determinations. Privacy Compliance once again realized a reduction in number of days it took to investigate a reported breach or concern from 26 days in 2020, 13.3 days in 2021, 11.9 days in 2022, to 10.2 days in 2023; this investigation timeline is well below HIPAA’s 60-day maximum reporting time requirement.



Privacy Compliance reviewed and advised on 21 MyChart access requests to determine whether legal authority existed to approve such requests. MyChart is the patient portal for Epic, which is USF Health's medical records system. Such legal authority determinations require the review of powers of attorney; healthcare surrogacy documents; and legal orders related to foster care, adoption, and child custody matters. Privacy Compliance also validated subpoena requests for medical records to confirm legal sufficiency prior to medical records being released.

Privacy Compliance monitored and enforced HIPAA compliant patient records access behavior of our workforce members and business partners. Privacy Compliance actively monitored workforce members' access to patient records and determined whether the access was permissible under HIPAA in accordance with their job function. Specific access alerts were investigated including alerts for accessing one's own medical record if their licensure did not permit self-treatment; accessing the record of a co-worker, supervisor, or family member for snooping; or accessing a high-volume of patient records indicating possible identity theft or insurance fraud. In cases where inappropriate access was found, Privacy Compliance worked with Human Resources to ensure appropriate sanctions were applied.

Privacy Compliance also enforced proper safeguarding of our patient's protected health information (PHI) by drafting and negotiating 53 Business Associate Agreements (BAAs) this year; this is up from 38 BAAs last year. A BAA is required under HIPAA when a vendor has access to our patient health information to perform a service on the University's behalf. Additionally, a BAA provides the University with legal recourse should the vendor breach our patient information. Privacy Compliance also safeguarded the accuracy of medical records by monitoring for overlays and requiring retraining of workforce member who caused or contributed to an overlay. An overlay is when a workforce member misidentifies a patient and documents in the wrong patient's medical record. Privacy Compliance confirmed all 110 workforce members responsible for such overlays completed retraining within 30 days of notification.

Privacy Compliance illustrated its commitment to ongoing education and service to the privacy community through its Privacy Officer serving as a call leader on bimonthly privacy calls for the privacy section of the Association of American Medical Colleges (AAMC). Additionally, both the Privacy Officer and the Senior Privacy Analyst served on the AAMC planning committee for the 2023 AAMC Compliance Officers Forum (Officers Forum) held yearly at its headquarters in Washington, DC; they also co-presented at the Officers Forum regarding access and privacy implications of state laws and pending legislation governing gender affirming care.

Information Technology Security

The University of South Florida's Information Technology Security (IT), Office of Information Security team is committed to ensuring the security and integrity of our digital assets, which underpin the University's core functions and the success of our students, faculty, and staff. Below are highlights from the 2023 reporting period of key compliance achievements and implemented best practices.

Improved Access Control

- Required all user accounts possess a password with a minimum of 14 characters making passwords more secure.
- Prompted all users to change passwords to ensure the new guidelines are followed. Implemented a robust password monitoring program to ensure the security of systems and data. The program regularly runs automated scripts that assess the strength and uniqueness of passwords across the entire organization, including all user accounts.
- Implemented a three-layered security infrastructure for our Windows Domain, to protect the most important accounts.
 - Top Layer: The "Master Key" account (Domain Admin).
 - Middle Layer: The "Supervisor Keys" (Server Admins).
 - Bottom Layer: The "Individual Keys" (Local Admins).

Raised Security Awareness

- Launched Microsoft's *Attack Simulation Training* program to simulate cyberattacks.
- Conducted two realistic email phishing simulations using Microsoft's *Attack Simulation Training*.

Improved Detection and Response

- Enhanced our identity protection by implementing Microsoft's Defender for Identity program across all domain controllers.
- Protected devices by expanding the deployment of Microsoft's *Defender for Endpoint* program to all desktops and servers.
- Created automated processes so the security system is equipped to react instantly to frequent threats like password spraying and PowerShell obfuscation.
- Equipped IT security team with Rapid7's Nexpose and InsightVM, which act like security scanners to continuously search our entire physical and cloud-based system to identify and fix weak spots attackers might exploit.
- Switched to Commvault, a modern backup solution, to ensure critical systems are always protected and accessible. This backs up everything quickly and easily whenever needed, making data less vulnerable and more readily available.
- Upgraded data storage to Pure Storage's super-fast "All Flash" systems. If a ransomware attack happens, Pure Storage can be rewound to a safe point before the attack, protecting valuable information and minimizing downtime.
- Partnered with Microsoft for a special training session with a mock environment to simulate restoring the phone directory from a recent backup, and to proactively ensure the internal directory system (the University's cyber phonebook) is always safe and recoverable.
- Prepared for potential cyber threats through a "Cyber Disaster Recovery simulation," with the University's top leaders, including the President, General Counsel, and media team.

Reduced Attack Surface

- Upgraded the student information system, the primary repository for FERPA-protected information, such as grades and student contact information.
- Migrated medical services endpoints and clinical research servers from the USF network to a dedicated, isolated environment within Tampa General Hospital. This targeted move minimizes the potential exposure points for cyber threats.
- Reduced the potential attack surface for USF and Tampa General Hospital by eliminating all trusts and dependencies between their respective Active Directory domains.
- Enforced a strict 5-year end-of-life policy for all USF-owned endpoints to drastically shrink the attack surface and minimize exploitability thereby significantly reducing the number of potentially vulnerable machines open to cyberattacks and exploitation.
- Implemented a new, stricter standard for account retention.

Enhanced Physical Security

- Kept the community safer and more secure by replacing outdated camera system used to monitor critical facilities on the Tampa campus with new, state-of-the-art hardware and advanced monitoring applications.
- Invested in significant upgrades to several key buildings across campus, including the Student Government Open-Use Lab, the Honors College building, and the Marshall Student Center building.

Foreign Influence Compliance Program

In January 2023, the Office of Compliance and Ethics successfully hired and onboarded the inaugural Foreign Influence Compliance Officer (FICO) to establish and oversee the University's Foreign Influence Compliance program. The program assesses foreign influence-related compliance activities, risks, and implementation requirements; addresses non-compliance concerns; and recommends compliance mitigation strategies to university management based on current federal and state law, guidance, and best practices. The FICO facilitates collaborative relationships across USF in a manner mindful of the University's strategic plan for establishing and maintaining a global academic and research footprint. The FICO serves as the chair of the Foreign Influence Committee, which is comprised of USF foreign influence stakeholders and compliance partners in the following key University operational areas:

- Athletics
- Compliance & Ethics
- Controller's
- Data Administration
- Financial Aid
- General Counsel
- Governmental Relations
- Information Technology
- Provost
- Research Integrity & Compliance
- USF Foundation
- USF Health—Clinical Research
- USF Human Resources
- USF World

Six foreign influence laws fall under the purview of the Foreign Influence Compliance Program and are summarized in the below table.

Federal or State Laws	Subject Area	Description
F.S. §1010.25	Foreign Gift Reporting (State)	Reporting foreign gifts to and contracts with USF to the BOG
F.S. §1010.35	Screening Foreign Researchers	Recruitment and screening of prospective employees for research or research-related positions
F.S. §1010.36	Foreign Travel - Research Institutions	Employment-related foreign travel
F.S. §288.860	International Cultural Agreements	Review process for USF entering into international cultural agreements with foreign entities. This section includes prohibitions on grants, contracts, and agreements, including employment agreements.
F.S. §1012.977	Researcher Outside Activity and Financial Interests	Researchers' disclosures of all outside activities related to their expertise and all their financial interests not provided by the University
Higher Education Act of 1965, Section 117	Foreign Gift Reporting (Federal)	Reporting foreign gifts to and contracts with USF to the Department of Education

State of Florida foreign Influence statutes aimed to increase vigilance against inappropriate foreign influence on SUS institutions from the following designated seven foreign countries of concern (FCOC):

- People's Republic of China;
- Russian Federation;
- Islamic Republic of Iran;
- Democratic People's Republic of Korea;
- Republic of Cuba;
- Venezuelan regime of Nicolas Maduro;
- Syrian Arab Republic; or
- Any agency of, or any other entity under significant control of, any of the above countries.

Below are highlights from 2023, listed by foreign influence subject area:

Foreign Gift Reporting (State)

Florida Statutes, Section 1010.25, Foreign Gift Reporting, took effect on July 1, 2021. This law required SUS institutions to disclose to the BOG on a semi-annual basis contracts entered into, and gifts received by USF directly or indirectly from any foreign source with a value of \$50,000 or more during a single fiscal year. Florida Statutes provide SUS institutions with exemptions for disclosure of contract and gifts deemed confidential under Florida Statutes, Sections 1004.22(2) and Section 1004.28(5)(a), respectively.

During 2023, USF reported 73 foreign gifts to and contracts with USF to the BOG involving 25 countries with a total value of \$42,132,925.62. For comparison, during 2022, USF reported 100 foreign gifts to and contracts with USF to the BOG, involving 30 countries with a total value of \$21,476,022.08. This represents a 96.18% increase in total value from 2022 to 2023.

Screening Foreign Researchers

Florida Statutes, Section 1010.35, Screening Foreign Researchers, took effect July 1, 2021. This state law requires SUS institutions to establish a screening process by January 1, 2022, to screen the qualifications of certain applicants seeking employment in research or research-related support positions. This law impacts recruitment for positions or appointments responsible for the design, conduct, or reporting of research (“Researchers”). These screenings must occur prior to an interview or an offer of employment. The responsible units on campus that manage the screening process include Central Human Resources and Research Integrity and Compliance (RIC). The BOG requires the USF Chief Audit Executive to perform an operational audit of USF’s compliance with these foreign researcher screening requirements by July 1, 2025.

During 2023, USF completed 396 final candidate employment screenings from 67 countries. For comparison, during 2022, USF completed 502 final candidate employment screenings from 70 countries. This represents a 21.11% decrease in overall screenings completed from 2022 to 2023.

Foreign Travel - Research Institutions

Florida Statutes, Section 1010.36, Foreign Travel, required all SUS institutions to establish an approval and monitoring program for international travel by January 1, 2022. All SUS institutions must submit an Annual Foreign Travel Report to the BOG or other appropriate governing board of employment-related travel to FCOCs. Guidance issued by the BOG in 2022 clarified that the Annual Foreign Travel Report must be submitted to the USF Board of Trustees each July 31 for the prior fiscal year. Research Integrity and

Compliance (RIC) is responsible for managing the international travel screening process and providing the Annual Foreign Travel Report to the Board of Trustees by July 31 each year for the prior fiscal year.

During 2023, the University completed 1453 screenings of employment-related foreign travel to 106 countries. For comparison, during 2022, USF completed 771 screenings of employment-related foreign travel to 83 countries. This represents an 88.45% increase in overall screenings completed from 2022 to 2023. The Annual Foreign Travel Report presented to the BOT in 2023 cited 12 employees who traveled to FCOCs. Of these 12 employees, nine travelled to the People's Republic of China and the remaining three traveled to the Republic of Cuba.

Website

Foreign Influence Compliance Program established a website, serving as a central hub for foreign influence compliance guidance, laws, regulations, policies, and procedures. This website periodically updates federal and state laws, BOG regulations, BOG guidance, and articles related to foreign influence compliance. The website may be viewed by visiting the following link: [Foreign Influence Compliance](#).

D. State University System of Florida Compliance & Ethics Consortium

In addition to being the first compliance and ethics program at a State University System (SUS) institution and the first SUS institution to fully implement BOG Regulation 4.003, USF has continued its participation in the SUS Compliance and Ethics Consortium (Consortium). The Consortium was established on June 27, 2013, to provide an avenue for SUS institutions to discuss the development and improvement of their compliance and ethics programs, new federal and state regulations, best practices, and other compliance-related matter. The purpose of the Consortium is to ensure effective communication and collaboration in the development of compliance and ethics programs across the SUS. The Consortium is comprised of CCOs and compliance representatives from SUS institutions; and, as non-voting, ex-officio members, the Inspector General and Director of Compliance and his or her representatives from Office of the Inspector General and Director of Compliance for the BOG.

USF participated in six consortium meetings during 2023, including ad hoc meetings comprised solely of chief compliance officers to address emerging high risk compliance matters. The OCE leveraged the Consortium's collaborative process to gain insights and assess the best practices of other SUS institutions while sharing USF's approach to compliance management at an institution whose Office of Compliance & Ethics has the largest direct-reporting compliance portfolio in the state.

Element 2: Establish Standards of Conduct, Policies, & Procedures

During the reporting period, the OCE reviewed new USF policies and revisions issued by the Office of the General Counsel for comment. The OCE provided the Office of the General Counsel, when appropriate, with draft language aimed at harmonizing language with existing policies; reducing or eliminating redundant policy statements with existing policies; and clarifying language to facilitate understanding. Below are highlights from this reporting period:

A. State of Florida Foreign Influence Law: *International Cultural Agreements*

Florida Statutes, Section 1010.36, International Cultural Agreements, placed restrictions on SUS institutions' ability to enter into international cultural agreements with FCOCs. Amendments to Florida Statutes, Section 288.860, International Cultural Agreements, further prohibited SUS institutions from entering into grants, agreements, or partnerships with colleges or universities in FCOCs or with Foreign Principals, include employment agreements. In October 2023, the BOG issued new guidance outlining activities with FCOC and Foreign Principals which are prohibited without prior approval by BOG through a BOG exemption process. The exemption process includes consultation with the University's general counsel, completion of an activity request form, and approval by the University's Board of Trustees, prior to submitting the request to the BOG for consideration.

In late Fall 2023, the Foreign Influence Compliance Program collaborated with compliance partners from across the university including faculty to draft a multi-unit standardized operating procedure for seeking an exemption from the BOG for new or renewed grants, agreements, or partnerships with colleges or universities in FCOCs or with Foreign Principals. The basis of these exemption requests are required to be based on whether the proposed grant, partnership, or agreement does not impact on the safety and security of our students and is critical to the achievement of University's mission and goals.

B. BOG Data and Information Requests

During 2023, Foreign Influence Compliance received and responded to several data and information requests from the BOG. These requests are summarized below by data request type with the request date provided in parentheses.

Grants, Agreements, and Partnerships with FCOCs (March 2023)

The BOG requested data on all grants, agreements, and partnerships which USF had with entities in FCOCs and their anticipated termination date. Their stated intent for this data request was to determine the impact of the legislative amendments on the State

University System. The data request neither indicated specific value thresholds nor time periods. USF reported grants, agreements, and partnerships for fiscal year 2021-2022 and part of fiscal year 2022-2023 (July 1, 2022, to December 31, 2023).

Amendments to Florida Law and BOG Regulations (May 2023)

As the result of legislative amendments to F.S. §288.860, International Cultural Agreements, the BOG proposed amendments to BOG Regulation 9.012, Foreign Influence. Foreign Influence Compliance in coordination with its compliance partners provided the following four (4) recommendations to the BOG-proposed amendments: 1) clearly apply the term “agreement” within the regulation, 2) provide guidance on the use of third-party providers for exchange programs with entities in FCOCs, 3) provide guidance on pre-existing cultural agreements held by the University with entities in FCOCs, and 4) requested guidance on redundant reporting requirements of grants, agreements, partnerships, and contracts pursuant to legislative amendments effective on July 1, 2023.

Foreign Gifts to or Contracts with USF and Exchange Programs (August 2023)

The BOG requested information on the following for fiscal year 2022-2023:

- Contracts with FCOCs gifts, grants, endowments, awards, or donations to USF valued less than \$50,000;
- Faculty exchange programs with FCOCs, and
- Student exchange programs with FCOCs.

For the BOG-requested period of fiscal year 2022-2023, eight contracts and one student exchange program was reported.

C. BOG Audit – Foreign Gifts and Contracts

Florida Statutes, Section 1010.25, Foreign Gift Reporting, requires the Board of Governors Office of the Inspector General and Director of Compliance (OIGC) to perform annual audits or inspections to determine SUS institutions’ compliance foreign gift reporting. beginning July 1, 2022.

During 2023, the OIGC randomly selected nine sponsored research contracts previously reported by USF to the BOG for audit. Since these contracts contained sensitive, confidential information relating to sponsored research projects, the contracts were protected from disclosure to the BOG under Florida Statutes Section 1004(4). Our office negotiated a compromise with OIGC where they would allow auditors from the USF Office of Internal Audit (IA), rather than OIGC auditors, to perform the audit using the OIGC’s audit checklist. Using this method, IA performed the audit and verified the process “Partially Complied” with the reporting requirements of Florida Statutes, Section 1010.25. This rating was due to an incorrectly reporting the purchase order date, when the date reported should have been the date the contract was modified. IA clarified and confirmed

with the OIGC all future submissions for similar contracts with subawards should use the modification date, rather than the actual purchase date, for reporting purposes. Foreign Influence Compliance amended their internal procedures to ensure that the correct date is reported for subsequent reporting periods moving forward.

D. Higher Education Act

The Higher Education Act of 1965 (HEA) governs the administration of federal funding for higher education programs. The University must comply with HEA to remain eligible for Title IV funding from the U.S. Department of Education (ED) and for funding from other federal agencies sponsoring USF research projects.

Foreign Gifts to or Contracts with USF (Federal Reporting)

Under Section 117 of HEA, institutions of higher education must disclose contracts with or gifts (“gifts/contracts”) to USF from a foreign source that, alone or combined, have a value of \$250,000 or more for a calendar year. Institutions must disclose these gifts and contracts to the ED on January 31 or July 31, whichever occurs first after the reporting threshold is crossed. Although these requirements have been in place for more than 30 years, the ED never issued regulations. In early 2019, the ED initiated investigations into compliance with Section 117 at four prominent research universities. The ED also advised institutions of their intent to modernize their information collection portal. These portal changes required the disclosure of significantly more information. Using the new portal was voluntary in January 2020 and mandatory thereafter. On June 22, 2020, the ED issued new foreign gifts or contracts reporting guidance effective for July 2020 reporting. Prior to this new guidance, USF was required to report gifts and contracts received. Under the new guidance, USF must report any gift promised which meets the reporting threshold, regardless of whether USF receives the full value of the promised gift. The guidance also required USF to report the value of any contract meeting the reporting threshold, regardless of whether USF receives all of the payments promised under the contract.

The Foreign Influence Compliance Program received reportable data on a semi-annual basis from six units across campus: USF Athletics, USF Foundation, USF Health – Office of Clinical Research, USF Sponsored Research, USF Controller’s Office, and USF Procurement Services. Foreign Influence Compliance verified unit-provided data to ensure it complied with pre-established reporting thresholds and ED criteria. Continuous cross-referencing analysis is conducted amongst the data from the six units to determine if common entities are found whose gifts and contracts, when aggregated, meet the reporting threshold requirements. This review included the evaluation of previous gifts and contracts submitted during the prior reporting period in the same calendar year to determine if any previously disclosed gifts and contracts meet the minimum reporting threshold.

During calendar year 2023, Foreign Influence Compliance continued to leverage the Foreign Gifts and Contracts group, comprised compliance partners, to comply with federal foreign gifts to and contracts with USF reporting requirements. Compliance partners included the following units: USF Athletics, USF Foundation, USF Health – Office of Clinical Research, USF Sponsored Research, USF Controller’s Office, and USF Procurement Services. Foreign Influence coordinated receipt and compliance review of foreign gifts and contracts data prior to submission to the ED. During this reporting period, 54 foreign gifts to and contracts with USF were reported to the Department of Education in accordance with Section 117.

Higher Education Opportunity Act (HEOA)

The Higher Education Opportunity Act of 2008 (HEOA) amended HEA and includes compliance with the following federal laws:

- Jeanne Clery Disclosure of Campus Security Policy and Crime Statistics Act (Clery);
- Violence Against Women Act (VAWA) amendments to the Clery Act;
- Equity in Athletics Disclosure Act (EADA);
- Student Right to Know Act; and
- The Drug Free Schools and Communities Act (DFSCA).

For the purposes of this report, the term “HEOA” refers collectively to the above-listed federal laws and their associated regulations. HEOA requirements are complex and often involve cross-jurisdictional compliance risks, e.g., regulatory risks affecting more than one University leadership area or more than one campus. Below is a summary of our 2023 HEOA compliance activities:

Clery Annual Security and Fire Safety Report

The OCE continued to assist the University in meeting its HEOA compliance responsibilities in accordance with [USF Policy 0-233: Higher Education Opportunity Act \(HEOA\) Initiative: USF, Portal, and Security & Fire Safety Reporting Compliance](#). The OCE worked closely with the Clery Coordinator at the USF Police Department to facilitate a process for producing Annual Security and Fire Safety Reports (ASRs) for each campus (USF Tampa, USF Health South, USF St. Petersburg, and USF Sarasota-Manatee) as defined by the Clery Act. ASR production by the federally mandated deadline of October 1 each year involves compilation of content from 13 authors across four campuses, and includes data and other crime statistics required by VAWA and reportable to the ED.

By October 1, 2023, USF fulfilled its obligation to notify current USF students and employees of the availability of the ASRs for each of the four Clery Act-defined USF campuses pursuant to VAWA and the Clery Act requirements, including public dissemination and availability of these reports to the public.

Constitution and Citizenship Day

The OCE continued its compliance oversight activities relating to the *Consolidated Appropriations Act of 2005*. This federal legislation commemorates the September 17, 1787, signing of the United States Constitution. This legislation requires each educational institution that receives federal funds to hold an educational program on the United States Constitution on September 17th each year to remain eligible for Title IV funding (student financial aid). In addition, some research sponsors require evidence of compliance with this requirement for USF to remain eligible for sponsored research funding.

The Office of Compliance & Ethics contacted Student Success to discuss campus plans for the 2023 Constitution Day observance and assure compliance with this annual requirement. The USF Student Government Advisor's Office planned, implemented, and provided documentation of its advertising outreach to students about a constitution-related interactive activity entitled "Constitution Day Bulls Vote" held in the student center on Monday, September 18, 2023.

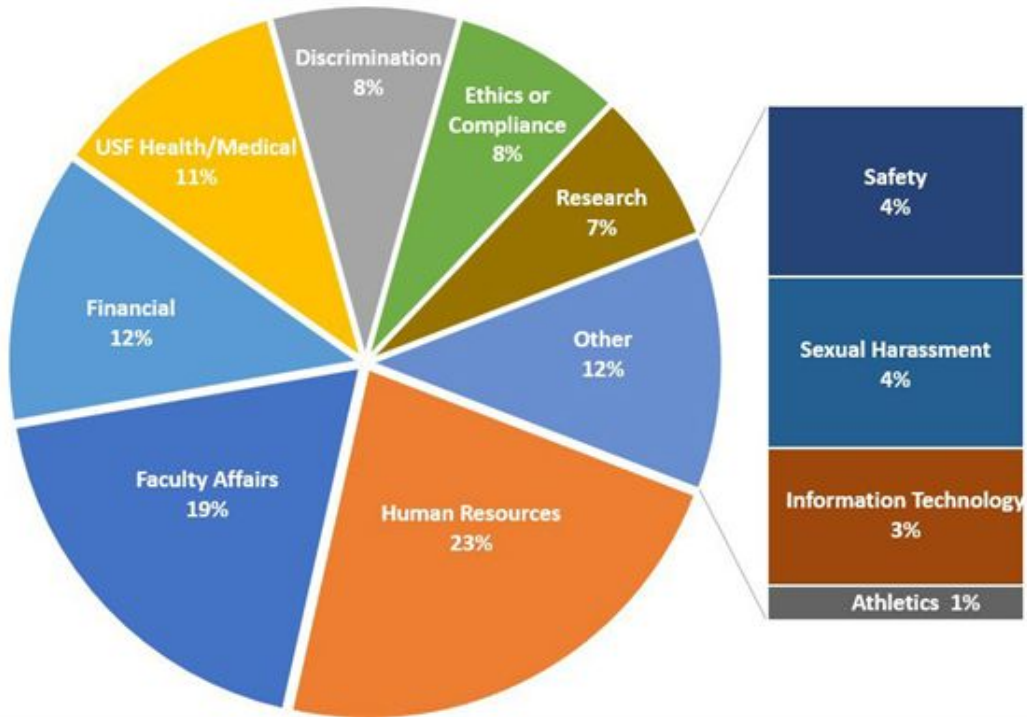
Elements 3 & 4: Create a Fair and Ethical Culture & Open Lines of Communication

Under the provisions of [USF Regulation 5.001: Fraud Prevention and Detection](#), all USF managers and their employees are responsible for preventing, detecting, and reporting waste, fraud, financial mismanagement, or other violations of USF policy or regulation. As part of OCE's New Employee Orientation compliance training, new employees receive training regarding fraud prevention and detection, including how to report fraud, waste, and financial mismanagement to IA or anonymously through EthicsPoint—our third party hosted hotline.

EthicsPoint—our third party hosted hotline— enables USF employees and other members of the USF community to safely, securely, and anonymously report activities which may involve misconduct, fraud, abuse, and other violations of USF policies. This hotline serves as one of the primary tools assisting USF in our efforts to create and maintain a "culture of compliance." In 2022, the OCE added "retaliation" as an additional reporting category. This new category enables the EthicsPoint system to automatically assign reports where the reporter indicated retaliation to EthicsPoint administrators in OCE for review and appropriate assignment.

During calendar year 2023, the OCE addressed 128 EthicsPoint reports. Of these, 110 (86%) were closed and 18 (14%) remained open. Of the closed reports, 30 (27%) were substantiated, 66 (60%) were unsubstantiated, and 14 (13%) were referred. Reports are "referred" when the reported incident falls outside of the scope of EthicsPoint, e.g., academic matters involving faculty or students. Please see the below chart and table for more detailed information by primary issue.

Primary Issue	Substantiated	Unsubstantiated	Referred	Open	Total
Human Resources	11	15	0	3	29
Faculty Affairs	7	13	3	1	24
Financial	0	7	3	6	16
USF Health/Medical	5	7	0	2	14
Discrimination	0	8	2	1	11
Ethics or Compliance	1	6	3	0	10
Research	3	2	0	4	9
Safety	2	3	0	0	5
Sexual Harassment	0	4	1	0	5
Information Technology	1	0	2	1	4
Athletics	0	1	0	0	1
USF Foundation	0	0	0	0	0
Total	30	66	14	18	128



Element 5: Education and Training

A. Office of Compliance & Ethics Training for New Employees

The OCE provides compliance and ethics training or training content to new USF employees as part of new employee orientation as follows:

- Online compliance and ethics training required of new administration and staff employees on the Tampa campus as part of new employee orientation, a program administered by Central Human Resources. During 2023, 960 new employees completed this training.
- One-on-one orientation sessions with new Sarasota-Manatee faculty, administration, and employees, which is provided by their Human Resources representatives, continued to use materials provided by our program.

B. Office of Compliance & Ethics Training for Current Employees

Certain USF employees are required to complete an annual Florida Code of Ethics (FCOE) disclosure in eDisclose, our online disclosure and review system. This disclosure includes education on current FCOE, nepotism, outside activity, and financial interest prohibitions and restrictions under the FCOE and [USF Policy 0-027](#). The following employee position types must annually complete an FCOE disclosure:

- All Faculty;
- All Administration employees;
- Staff employees issued a procurement card (PCard) or role in FAST (our financial accounting system); and
- Temporary employees are issued a PCard or FAST role.

During 2023, 7,920 FCOE disclosures were submitted in eDisclose by USF faculty, administration, staff, and temporary employees. This translated to 7,157 individual USF employees receiving FCOE, nepotism, outside activity, and financial interest disclosure training during calendar year 2023.

Element 6: Detection, Remediation, and Enforcement

The OCE continues to work with compliance units to detect compliance gaps. When such gaps are identified, our program convenes multidisciplinary teams to develop and implement cross-jurisdictional policies and procedures aimed at addressing compliance gaps, including enforcement.

A. Form One Financial Interest Disclosure

Since 2018, the OCE holds university-wide responsibility for ensuring compliance with financial interest disclosure requirements under Florida Statutes, Section 112.3145. Under this statute, USF employees in positions with statutorily defined titles, roles, or spending authority as well as BOT members (“Form 1 Filers”) must disclose their directly to the Florida Commission on Ethics (the “Commission”) using the Commission’s Form 1-Statement of Financial Interest (Form 1). Such disclosures are required upon becoming a Form 1 Filer, annually thereafter, and upon termination of their Form 1 Filer status. Our office developed and implemented a reminder and monitoring process to ensure Form 1 submission compliance, aimed at facilitating BOT members and employees meeting their submission requirements and, thereby, avoiding potential personal fines and penalties of \$25 per day for failure to timely file with the Commission. During 2020, our method for identifying Form 1 Filers was reviewed in consultation with the Office of the General Counsel to ensure our reporting reflected current statutory criteria for identifying filers. This resulted in an updated procedure, created in collaboration with Central Human Resources, Purchasing, Procurement Card, and BOT administrative support units, including the campus boards at our St. Petersburg and Sarasota-Manatee campuses. During 2021, OCE submitted a proposal to USF IT to develop a technology-based process to streamline and automate the manual Form 1 Filer identification, notification, and reporting process.

During 2023, OCE continued to work with USF IT to develop a technology-based process to streamline and automate the manual Form 1 Filer identification, notification, and reporting process.

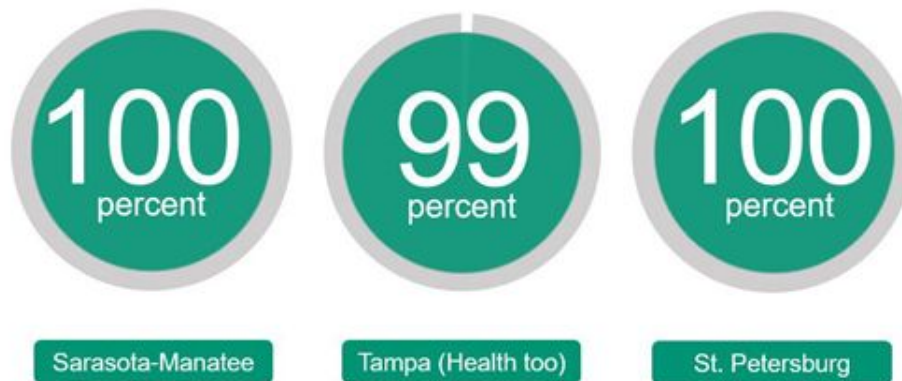
Element 7: Risk Assessment, Audit, and Monitoring

The OCE performs compliance reviews, risk assessments, and other consulting projects for known or suspected compliance gaps. Such compliance gaps can arise when USF has no known internal controls or existing controls are inconsistent with the law or industry best practices. Such reviews, assessments, and projects performed by our office aim to bring the process or unit into compliance and, thereby, mitigate risk to the institution. Below is a discussion of compliance reviews, risk assessments, and other consulting projects performed by our program this reporting period.

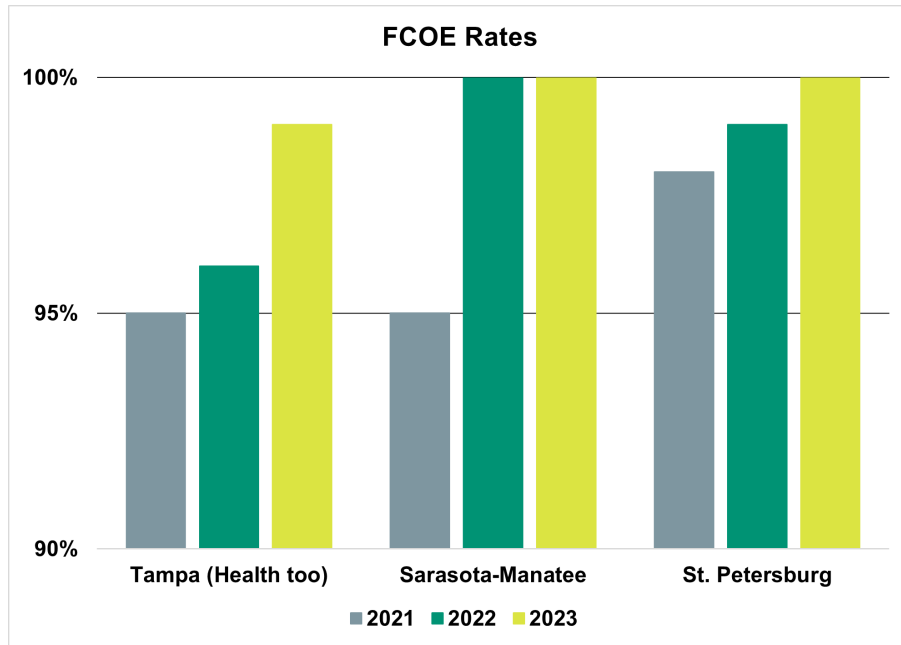
A. Annual FCOE Disclosure Compliance Monitoring

The OCE monitors employee compliance with the annual FCOE disclosure requirements as set forth in USF Policy 0-027. New employees must complete an FCOE disclosure within the first 30 days of their employment start date. Employees receive three reminders prior to expiration of their most recent FCOE disclosure. In addition, our program sends senior managers monthly FCOE Disclosure Compliance Reports (FCOE Reports) identifying all employees under their purview who are required to complete an annual FCOE disclosure and whether they have done so within the past 12 months. Senior managers and their designees are responsible for following up with noncompliant employees to ensure they complete their annual FCOE disclosure in eDisclose.

During 2023, our monitoring and subsequent follow up by senior managers resulted in a 99% overall FCOE disclosure compliance rate for the University. The percentage of employees meeting their annual FCOE disclosure requirement is provided by campus below:



The below chart summarizes trends in FCOE disclosure compliance rates by USF campus for the past three years:



B. Annual Sponsored Research Exemption Reporting

The FCOE, Florida Statutes, Section 112.313, prohibits USF employees from having employment or contractual relationships with business entities also doing business with USF, unless an exemption under F.S. § 112.313(12)(h) applies. There are multiple exemptions afforded under the FCOE, one of which, the Sponsored Research Exemption (SRE), must be approved by the President and Board of Trustees Chair; and reported to the Florida Governor and Legislature by March 1 each year for the prior calendar year. USF employees disclose employment or contractual relationships which may be eligible for an SRE as part of their annual FCOE disclosure in eDisclose. The OCE is responsible for reviewing FCOE disclosures and determining whether an SRE applies to the disclosed relationship. The OCE, in collaboration with Patents and Licensing and the Office of the General Counsel, utilizes a multi-unit procedure to ensure transactions eligible for an SRE are identified, reviewed, approved, and reported by March 31 pursuant to statutory requirements.

In March 2023, we reported nine employment or contractual relationships with USF employees eligible for a sponsored research exemption to the Governor and Legislature.

Element 8: Assessment of Effectiveness

Under BOG Regulation 4.003, the CCO is required to provide an Annual USF Compliance & Ethics program report (“Annual Report”) on the effectiveness of our program to the BOT. Any Program Plan revisions based on the CCO’s Annual Report must be approved by the BOT. Copies of this Annual Report and revised Program Plan are provided to the BOG.

This Annual Report fulfills our annual reporting requirement on the effectiveness of the Compliance & Ethics program to the Board. No revisions to our Program Plan, based on this Annual Report, are recommended by Compliance & Ethics at this time.

Agenda Item: IV.c.

**USF Board of Trustees
Audit & Compliance Committee
May 14, 2024**

Issue: Antifraud Framework Annual Status

Proposed action: Informational

Executive Summary: In accordance with Board of Governors Regulation 3.003 Fraud Prevention and Detection and USF Regulation 5.001 Fraud Prevention and Detection, a status of the University's antifraud framework, including any necessary revisions to improve the framework, shall be evaluated and reported to the Board of Trustees (BOT) at least annually. This is the second annual status to be presented to the BOT.

Financial Impact: According to the Association of Certified Fraud Examiner's Occupational Fraud 2024: A Report to the Nations report, organizations lose 5% of revenue to fraud each year. The same report noted the median loss to be \$50K for fraud cases within the Education industry and \$200K in the Government and Public Administration.

Strategic Goal(s) Item Supports: To practice continuous visionary planning and sound stewardship throughout USF to ensure a strong and sustainable financial base, and to adapt proactively to emerging opportunities in a dynamic environment.

BOT Committee Review Date: 05/14/2024

Supporting Documentation Online (please circle):

Yes

No

Antifraud Framework Annual Status 05142024 FR.pptx

Prepared by: Virginia Kalil, Executive Director/Chief Internal Auditor, USF Office of Internal Audit

Antifraud Framework Annual Status

Virginia L. Kalil
Executive Director/Chief Internal Auditor

Audit & Compliance Committee | May 14, 2024



Relevant Guidance & Requirements

- Board of Governors Regulation 3.003 Fraud Prevention & Detection
- USF Regulation 5.001 Fraud Prevention & Detection
- USF Policy 0-023 Internal Control

3.003 Fraud Prevention and Detection

- (1) The Board of Governors is committed to creating an organizational culture where risk management structures are established to prevent and detect fraud within each state university.
- (2) Fraud is defined as an intentional misrepresentation or concealment of a material fact for the purpose of obtaining a benefit that would not otherwise be received, or inducement of another to act upon the intentional misrepresentation or concealment to his or her detriment.
- (3) Each university board of trustees shall adopt a regulation establishing criteria related to appropriate institutional controls and risk management framework that provide reasonable assurance that fraudulent activities within the university's areas of responsibility are prevented, detected, reported, and investigated. The regulation should include at a minimum:
- A zero-tolerance statement concerning fraudulent activity;
 - A definition of fraud and a description of what constitutes fraudulent activities;
 - A statement regarding the applicability of the regulation to all members of the university community, including board of trustees members, university employees, entities contracting with or doing business with the university, vendors, volunteers, and students;
 - The identification of a member or unit within management responsible for designing and overseeing the university's antifraud framework/strategies;
 - A delineation of responsibilities for the prevention, detection, reporting, investigation, and remediation of fraud;
 - A mechanism for reporting suspected fraud and a description of the protections afforded to those who make a report in good faith;
 - Actions to be taken when fraud is identified or substantiated, which may include:
 - Appropriate disciplinary action in accordance with any collective bargaining agreements and/or in consultation with appropriate institutional offices;
 - Recovery of assets/losses;
 - Referral to and/or coordination with law enforcement; and
 - Review and remediation of internal control deficiencies.
 - A process for alerting, as appropriate, senior management, the board of trustees, and the Board of Governors about instances of fraud or investigative outcomes concerning fraud; and
 - Periodic evaluation and reporting to the board of trustees, at least annually, of the status of the antifraud framework used and any necessary revisions to improve the framework.

(4) The regulation shall be reviewed at least every five (5) years for currency and consistency with applicable Board of Governors and university regulations.

Authority: Section 7(d), Art. IX, Fla. Const., History – New 3-23-2021.



REGULATION

Number: USFS.001
 Title: Fraud Prevention and Detection
 Responsible Officer: Office of Internal Audit

Date of Origin: 1/4/17 Date Last Amended: 1/4/21 Date Last Reviewed: 1/30/2021

I. PURPOSE AND INTENT

The University of South Florida (University or USF) is committed to creating an organizational culture where risk management structures are established to prevent and detect waste, fraud, and financial mismanagement within the University. This Regulation establishes criteria related to appropriate institutional controls and risk management framework that provide reasonable assurance that waste, fraud, or financial mismanagement within the University's areas of responsibility are prevented, detected, reported, and investigated.

II. STATEMENT OF REGULATION

USF is committed to the highest standards of ethical conduct, as defined by [Chapter 112, Part III, Florida Statutes, Code of Ethics for Public Officers and Employees](#), and has a zero tolerance for unethical and fraudulent activity. USF strives to identify and promptly investigate any possibility of unethical, fraudulent, or related dishonest activities including financial mismanagement against USF or its students and employees and to take appropriate disciplinary or legal action.

III. APPLICABILITY AND/OR AUTHORITY

Pursuant to Board of Governors Regulation 3.003 *Fraud Prevention and Detection* and 4.001 *University System Process for Compliance of Waste, Fraud, or Financial Mismanagement*, each board of trustees shall adopt a regulation which establishes an antifraud framework including timely notification to the Board of Governors, through the Office of Inspector General and Director of Compliance (ODCG) for the State University System of Florida Board of Governors, of any significant and credible allegation(s) of fraud, waste, mismanagement, misconduct, and other abuses made against the university president or board of trustee member. The regulation shall also articulate how the university will address any significant and credible allegation(s) of fraud, waste,



POLICY

Number: 0-023
 Title: Internal Control
 Responsible Officer: Office of Internal Audit

Date of Origin: 1/4/17 Date Last Amended: 8/2/21 Date Last Reviewed: 8/2/21

I. PURPOSE AND INTENT

The purpose of this Policy is to communicate the University of South Florida's (USF or University) internal control objectives as set forth by the USF Board of Trustees. This Policy establishes standards in the design and implementation of the system of internal controls for USF.

These internal controls are put in place in order to reduce USF's exposure to financial, operational, strategic, compliance, and reputational risks. This system of internal controls is designed to promote effectiveness and efficiency in operations, minimize risk of asset loss, help ensure the reliability of financial and operational information, and support compliance with applicable laws, rules, and regulations. Internal controls provide reasonable assurance for mitigating risk; however, no system of control can provide absolute assurance.

USF has adopted the Committee of Sponsoring Organizations of the Treasury Committee (COSO) Control Framework which outlines the key components of Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring activities. All five components must be in place and operating for the system of internal controls to be effective.

II. APPLICABILITY

This Policy applies to all USF Employees and direct service organizations within USF.

III. AUTHORITY AND RESPONSIBILITY

A. The USF Board of Trustees is responsible for setting the expectations for internal control, ensuring executive leadership is aware of these expectations, and, via their

Antifraud Framework

- Tone at the top
- Assessment of risks
- Processes & systems
- Continuous improvement



Antifraud Activities Performed

- Fraud Risk Assessments
 - University Controller’s Office Annual Risk Assessment
 - Office of Internal Audit Annual Fraud Risk Assessment
 - Office of Internal Audit Engagement Fraud Risk Assessments
- University and Direct Support Organization (DSO) Enterprise Risk Management Process
- EthicsPoint Hotline Investigations
- Office of Internal Audit Recommendations and Follow up
- Project Drive | Oracle Cloud Human Capital Management (HCM)
- Fraud Awareness Initiative

Fraud Awareness Initiatives



On-Demand Presentations

Leadership and Staff

St. Petersburg Campus

Sarasota-Manatee Campus

DSO Workgroup

College of Arts and Sciences

Muma College of Business

College of Engineering

College of Education



Webinar Training

2 Webinars

32 Units

419 Attendees



Flash Reports

Emerging Topics and Trends

Conflict of Interest

Tone from the Top

Procurement and Payroll

Travel and Expense

Theft of Information

Attractive Items

Internal Control Failure

Webinar Trainings



How Cyber Criminals Target Employees

Cyber Florida



Associate
Director
Whitaker

149
Webinar
Attendees

July 27, 2023



International Organized Crime Money Laundering Case Presentation

Federal Bureau of Investigation

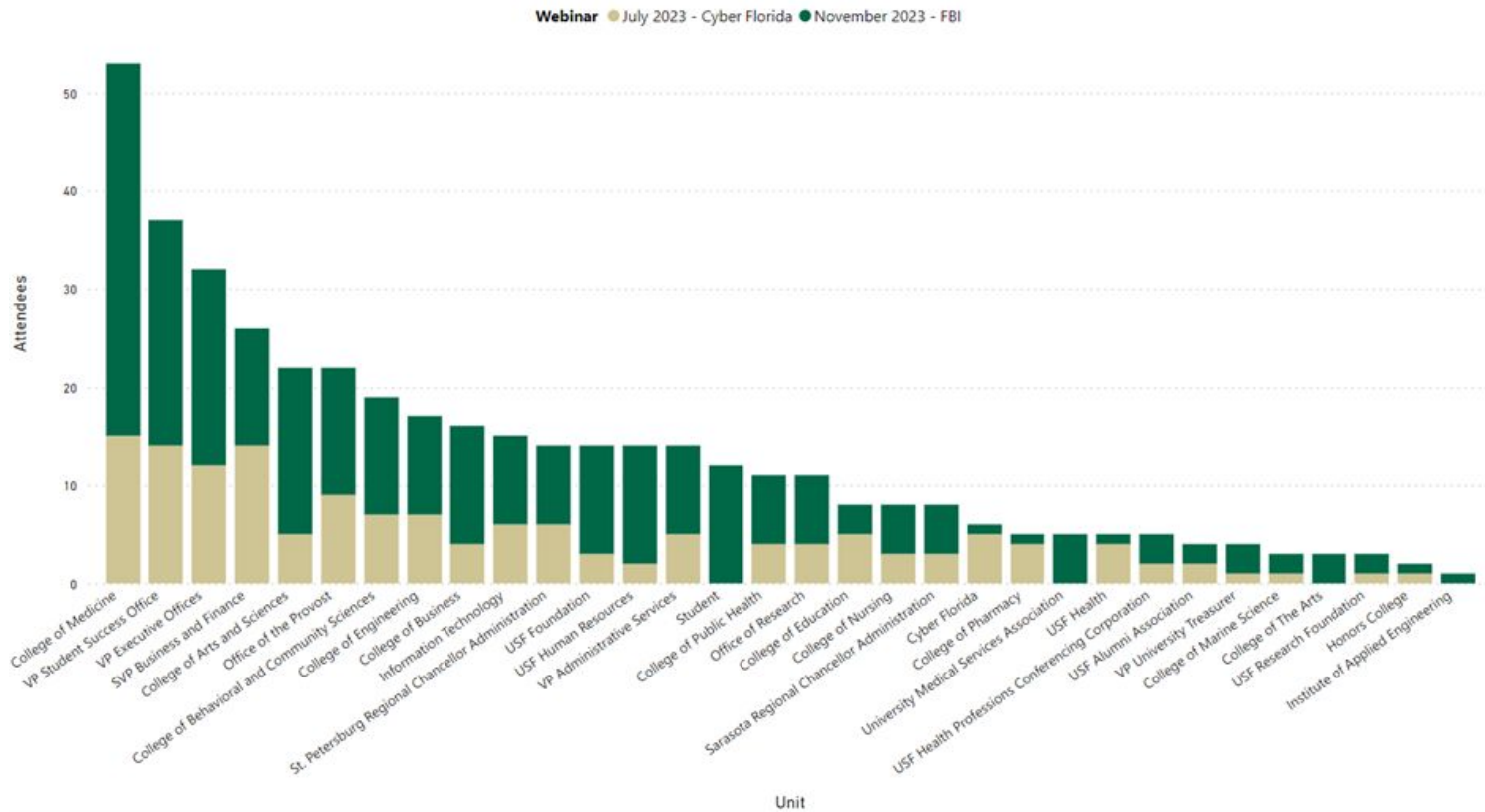


Special
Agent
Kerr

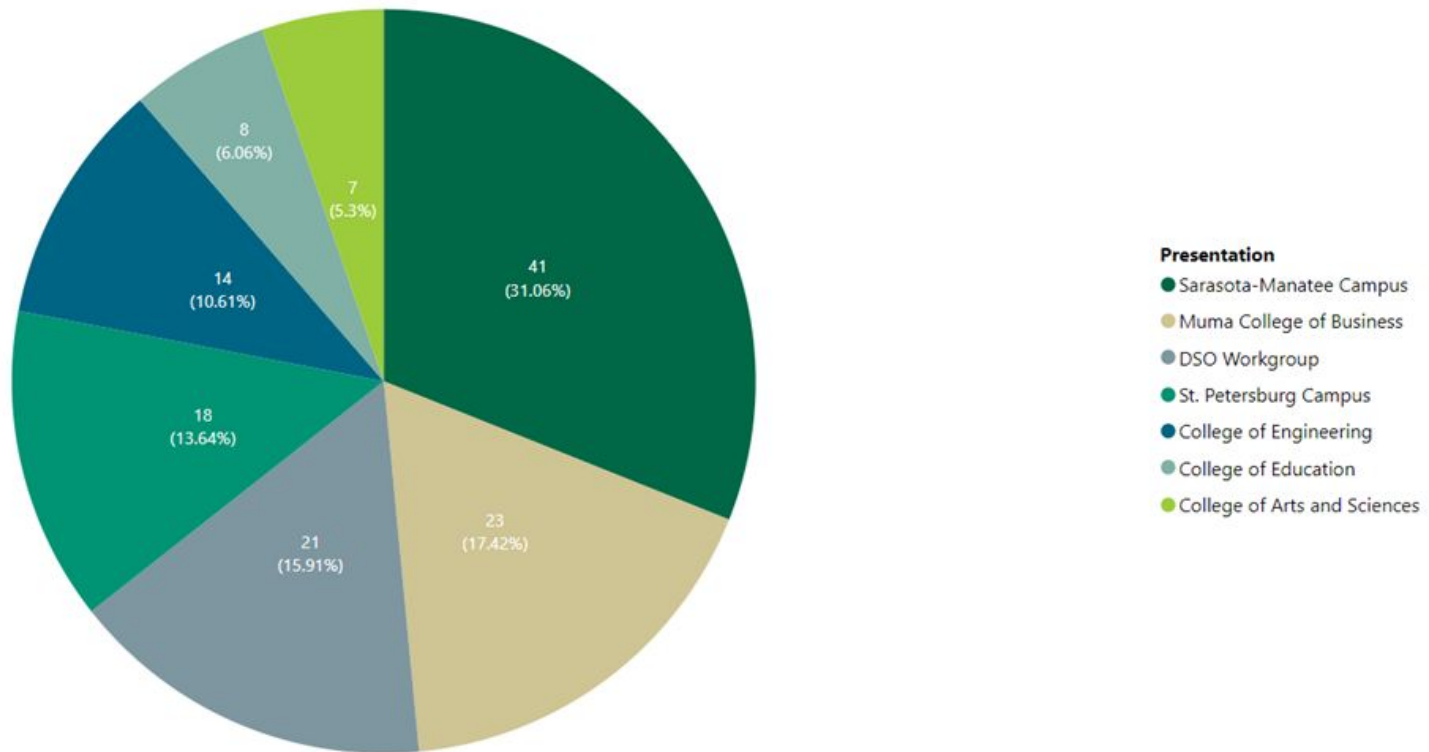
270
Webinar
Attendees

November 17, 2023

Who We Reached - Webinars



Who We Reached - Presentations



FY24 Summary of Investigations

As of April 30, 2024



47 Total

Source

EthicsPoint	25
Direct	13
Office of Inspector General	7
External	2



33 Closed

Resolution

Founded	9
Unfounded	9
Inconclusive	2
Not Reviewed/Referred	13



9 Founded

Category

Conflict of Interest	5
Fiscal Mismanagement	3
Misappropriation	1

How To Report Fraud

1. EthicsPoint hotline at 1-866-974-8411 or www.ethicspoint.com
2. Report the incident or practice to their supervisor for subsequent reporting to the appropriate management official.
 - a. If the reporter believes their supervisor may be involved, then the employee must report to the next higher level of management or to the Office of Internal Audit.
 - b. If the reporter believes the Office of Internal Audit or the Office of Compliance and Ethics, including the chief audit executive or chief compliance officer, may be involved, then the reporter must report to the Office of the General Counsel.

