**Minutes**

**The University of Toledo Board of Trustees**

**Finance and Audit Committee Meeting**

**September 21, 2015**

|  |  |
| --- | --- |
| Committee Chair Mr. Joseph H. Zerbey, IV was present with Committee members Mr. Steven M. Cavanaugh and Mr. Jeffrey C. Cole. Other Trustees attending included Dr. S. Amjad Hussain, Ms. Mary Ellen Pisanelli, and Ms. Sharon Speyer. Other Committee members present were Ms. Brenda Lee, UT Foundation President, Community member Mr. William Horst, and Faculty Representative Dr. Margaret Hopkins. Others attending the meeting were Mr. John Barrett, Mr. Thomas Biggs, Dr. Christopher Cooper, Ms. Meghan Cunningham, Mr. David Cutri, Mr. Bryan Dadey, Dr. Michael Dowd, Dr. Sharon Gaber, Mr. Ronald Goedde, Mr. Chuck Lehnert, Ms. Vanessa McCray, Mr. Samuel McCrimmon, Mr. William Messer, Ms. Diane Miller, Mr. David Morlock, Jr., Mr. Peter Papadimos, Ms. Patricia Peterson, Dr. Linda Rouillard, Mr. Matthew Schroeder, Ms. Joan Stasa, Mr. Christopher Thompson, and Ms. Rhonda Wingfield. | ATTENDANCE |
| The meeting was called to order at 2:00 p.m. by Trustee Zerbey in the Driscoll Alumni Center Board room. | **CALL TO ORDER** |
| Mr. Zerbey requested a motion to waive the reading of the minutes from the August 17, 2015 Finance and Audit Committee meeting and accept them as written. The motion was received by Trustee Cole, seconded by Trustee Cavanaugh and approved by the Committee. | **APPROVAL OF MINUTES** |
| Mr. Thomas Biggs, Interim Sr. VP Finance and Administration, provided the Committee with information about FY 2015 unaudited year end results. Mr. Biggs discussed in detail the following charts:  FY 2015 Unaudited Results vs. Prior Year  FY 2015 Unaudited Results vs. Budget  GASB 68 Impact  Moody’s Ratios – FY 2015 Unaudited (w/o GASB 68) Expendable  Resources  Moody’s Ratios – FY 2015 Unaudited (w/o GASB 68) Debt  Moody’s Ratios – FY 2015 Unaudited (w/o GASB 68) Liquidity  Moody’s Ratios – FY 2015 Unaudited (w/o GASB 68) Operations  Senate Bill 6 Ratios  A full copy of the Financial Report as of June 30, 2015 (unaudited) was distributed to each Board member prior to the meeting for their review. | **FY 2015 YEAR END RESULTS** |
| Mr. David Cutri, Director Internal Audit and Chief Compliance Officer, was invited to present information to the Committee about the FY 2016 Proposed Internal Audit Plan. For the Academic Enterprise, 27 projects were listed with six currently underway. For the Clinical Enterprise, 13 projects were listed with 11 currently underway.  Mr. Cutri reported that a common, flexible, framework for assessing institutional compliance will be formulated. A network of compliance officers across campuses will be assembled and organize their activities within the following framework.   * Provisions of relevant laws and regulations * Map to UT policies and procedures * Identify gaps in UT policies and procedures with respect to the laws * Test compliance with procedures * Identify compliance gaps * Develop and implement actions plans to address the above gaps * Monitor progress and re-test, if necessary   Quarterly status reporting to University leadership from this program and annual reporting to the Board by major compliance areas will result. High risk compliance issues will be reported to the Board as Compliance becomes aware.  The Internal Audit and Compliance Charter is a document that is used in most companies to establish the purpose, scope, and authority of the company’s internal audit function. The current UT Internal Audit Charter was adopted/approved by the Board of Trustees in June 2008. Mr. Cutri discussed a list of proposed changes to the Charter with the Committee.  After discussion, Committee Chair Zerbey requested a motion to approve the following:   * The FY 2016 University of Toledo Internal Audit and Compliance Plan * Endorsement of The University of Toledo Institutional Compliance Program * The updated University of Toledo Internal Audit and Compliance Charter   A motion for approval was received by Trustee Cole, seconded by Trustee Cavanaugh and approved by the Committee for forwarding to the November Board of Trustees meeting Consent Agenda. | **FY 2016 PROPOSED INTERNAL**  **AUDIT PLAN** |
| The Committee members received information on investment performance and received copies of the UT and UT Foundation Composite Performance Review Report and the UT Foundation Asset Allocation Report for the period ending July 31, 2015. | **INFORMATION ATTACHMENTS** |
| With no further business before the Committee, Trustee Zerbey adjourned the meeting at 1:35 p.m. | ADJOURNMENT |