

**C. Compliance and Audit Committee**

Mr. Fecher, chair, will report on the committee meeting of September 25, 2015.

**Compliance and Audit Committee  
Meeting of September 25, 2015**

**Minutes**

**Present:** M. Bridges, E. Broner, D. Fecher, L. Klaben, W. Montgomery, G. Ramos, R. Pignatiello

**Guests:** P. Cheng, M. Crites, R. Fyffe, A. Golian, M. Grushon, G. Harris, T. Heigel, P. Hugo, D. Kimpton, N. Laskie, M. Polatajko, T. Sudkamp, R. Sweeney, C. This, J. Ulliman, C. Wooley

Mr. Douglas Fecher called the meeting to order at 12.00 p.m.

**General Counsel Office Update**

Dr. Robert Sweeney, executive vice president of planning and secretary to the board, summarized the creation of the Compliance and Audit Committee. Wright State considers itself not only mission driven but vision driven. We have taken advantage of many new opportunities and have continued to grow. However, in many ways the culture and infrastructure of the university has not kept pace. How we think about doing business has remained pretty much the same but the demands are very different. Deciding to take better advantage of internal audit; a decision was made by Board Chair Bridges to redo the structure of Committee Day to better address the issues of compliance and audit.

A search was started to hire an Assistant General Counsel. The strength of the pool was such that two candidates were identified and hired thus enhancing further the capacity of the office to be responsive to the growing needs of the University. Wright State's General Counsel has since resigned and a search is now underway to hire her replacement.

**Crowe Horwath Report**

Dr. Mark Polatajko, vice president of business and finance/chief financial officer, introduced Mr. Peter Hugo, partner from Crowe Horwath. Mr. Hugo presented Crowe Horwath's preliminary findings relative to their yearly audit of Wright State. Completion of the final report is on track to meet the Auditor of State October 15<sup>th</sup> reporting deadline.

**Research Compliance**

Dr. Robert Fyffe, vice president for research, reflected on the challenges faced by the Office of Research and on recent measures that have been implemented to address the needs and oversight of a complex research environment.

Universities are finding themselves subject to a growing number of state and federal regulations that make it challenging to adequately understand and address complex

compliance issues. The penalties and sanctions for non-compliance are in some cases severe; both on a personal and on an institutional level.

The University has moved forward with some significant realignment of our resources and overall strengthening of our research leadership and our research compliance to better meet the mission of enhancing our research productivity. Centralizing compliance and oversight to encompass the whole research enterprise allows for even greater engagement with the research faculty. In addition, it strengthens support for researchers to allow them to properly address and meet regulatory requirements.

Implementing compliance around the many research regulatory issues involves a lot of work by a lot of individuals who need to be experts in the specific fields of compliance. Wright State is moving forward with a new model for research compliance by supplementing our Office of General Counsel with additional personnel and by expanding and reorganizing our research compliance office. A new Director of Research Compliance will oversee all research compliance efforts. Additional positions have been created to hire an export compliance officer and a HIPAA compliance officer, as well as for additional support for human subjects protection and review of contractual clauses. Within WSRI /WSARC operations, all compliance activity is governed by Wright Way Policy, supported by the office of research compliance. These developments create centralized contact points for faculty and staff support and further strengthen the subject matter expertise in addressing very complicated issues.

Plans are currently underway to create enhanced training programs for faculty, staff and students in research compliance, Wright Way Policy adherence, and understanding the multitude of regulatory requirements that impact research.

A new organizational structure has been drafted to incorporate the Wright State Research Institute within the Wright State organizational hierarchy. Defined reporting lines and oversight have been created, providing a model for robust alignment and clear relationships between the University and WSRI / WSARC operations.

In addition, a Wright State University/Wright State Applied Research Corporation (WSU/WSARC) Affiliation Agreement is under development to delineate operational procedures and policies between Wright State University and the WSARC. This fifteen chapter document is presently being refined and should be finalized and adopted by year end.

## **1. Facility Security Clearance**

The following resolution is being presented for the appropriate action by the Board.

## RESOLUTION 16-

WHEREAS, Wright State University wishes to maintain its facility security clearance through the Defense Security Service, and

WHEREAS, those persons occupying the following positions among the officers and officials at Wright State University shall be known as Key Management Personnel (KMP) as described in the National Industrial Security Program Operating Manual:

Dr. David R. Hopkins  
President

Dr. Thomas Sudkamp  
Provost

Dr. Robert E.W. Fyffe  
Vice President for Research

Ms. Ellen Reinsch Friese  
Associate Vice President for Research

WHEREAS, the Chief Executive and the KMP have been processed, or will be processed, to the level of the facility clearance granted to this institution, as provided for in the aforementioned National Industrial Security Program Operating Manual; and

WHEREAS, the said KMP are hereby delegated all of the Board's duties and responsibilities pertaining to the protection of classified information under classified contracts of the Department of Defense or User Agencies of its Industrial Security Program awarded to Wright State University; and

WHEREAS, the following named members of the Board of Trustees shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of Wright State University, and do not occupy position that would enable them to affect adversely the policies and practices of Wright State University in the performance of classified contracts for the Department of Defense or User Agencies of its Industrial Security Program, awarded to Wright State University, and need not be processed for a personnel clearance:

Michael Bridges  
Eloise P. Broner  
Douglas A. Fecher  
Anuj Goyal  
Nina Joshi

Larry R. Klaben  
William W. Montgomery  
C.D. Moore  
Altagracia Ramos

THEREFORE be it

RESOLVED that the Board of Trustees of Wright State University authorizes the establishment of the above KMP and this resolution supersedes Resolution 15-43 dated June 4, 2015.

I offer this motion:

Is there a second:

Roll Call Vote:

The meeting was adjourned at 1:19 pm.

Respectfully Submitted,  
Deborah Kimpton