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September 14-17, 2020

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Protecting the Value of Higher Education During These Unprecedented Times of Change

Title: Date: Thursday, August 27, 2020

Presenters: David Kennedy, Jim Jarrell, Sandy Jansen

To provide the audience with a high level overview of changes to the Research Enterprise under COVID-19 and how the Council for Governmental Relations and Chief Audit Executives are working to proactively stay informed of these changes and prepare for future federal audits.



WEBINAR MODERATOR



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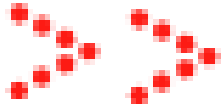


ACUA Virtual Learning Committee
Amy L. Hughes
Director of Internal Audit
Michigan Technological University



Today's Presenters are:

- Sandy Jansen, Chief Audit Executive - Office of Internal Audits, The University of Texas at Austin
- Jim Jarrell, Chief Audit Officer - Office of Hopkins Internal Audits, Johns Hopkins University & Medicine
- David Kennedy – Vice President & Director, Costing Policies - Council on Governmental Relations (COGR)



Today's moderator



Beth Harry
ACUA/COGR Liaison
Internal Audit Manager
Office of Hopkins Internal Audits
Johns Hopkins University



Webcast Agenda

- Speaker Introductions
- Overview of COGR and key hot topics impacting the Research Enterprise under COVID-19 – David Kennedy
- Internal Audit's response to the current environment – Jim Jarrell and Sandy Jansen
- Q&A



Polling Question #1

What is the size of your internal audit function?

- A. 1 person
- B. 2-5 people
- C. 6 to 15 people
- D. More than 15 people



David Kennedy is the Vice President and Director of Costing & Financial Compliance (CFC) at the Council on Governmental Relations. He is a COGR point person on federal financial compliance during the COVID-19 pandemic. He monitors all federal financial and costing policies that affect the management of federal research programs. Since joining COGR in 2006, his areas of focus have included Facilities and Administrative (F&A) cost reimbursement, implementation of the Uniform Guidance (2 CFR Part 200), Effort Reporting, American Recovery and Reinvestment Act (ARRA) compliance, Single Audit and Federal audit initiatives, and other related issues. Prior to joining COGR, David worked as a consultant for 16 years, specializing in F&A reimbursement, F&A rate negotiations, and other areas of financial compliance at colleges and universities. David earned his BS in Economics from Lehigh University and his MS in Public Policy Studies from the University of Chicago.

COGR Overview

- ▶ Council on Governmental Relations (www.cogr.edu), established in 1948
- ▶ ~190 member institutions; staff of six
- ▶ We advocate for policies and practices that fairly reflect the mutual interests and separate obligations of federal agencies and research institutions as it relates to research and graduate education
- ▶ Active Board and Committees, comprised of almost 50 individuals from member institutions
- ▶ Regular collaboration with other higher ed partners

This Session and COGR's Lens

Protecting the Value of Higher Education (and Research) during these Unprecedented Times of Change ...

Pre-COVID-19 the “Number One” issue was Science, Security, and Foreign Influence. While COVID-19 gave us an ever-so-slight pause, this issue remains front and center ...

Consequently, we now are grappling with the 1a) and 1b) of Science, Security, and Foreign Influence and COVID-19 ...

It's a “Pick you Poison” scenario ... and it's a scenario where now, more than ever, Research Institutions need to be adept and focused on compliance, communication, and campus cohesion if we are to protect the value of the higher education and research enterprise.

Science and Security: Agency Activity

- OSTP: JCORE Subcommittee on Research Security
 - Expecting guidance for agencies and effective practices for grantees any time now
- NIH and NSF have gotten out in front with updated guidance on Other Support and Current & Pending Support, respectively
 - Though described as “clarifications,” both include significant differences from historic reporting.
 - COGR continues to seek clarity on confusing new expectations
- Dept. of Ed. Section 117 reporting

Science and Security: Key Pending Legislation

- Safeguarding American Innovation Act (S. 3997) – Portman/Carper
 - Lowers the Section 117 reporting threshold from \$250K to \$50K
 - Requires disclosure of “any” outside funding
 - Would give OMB authority in this area
 - Has bipartisan support
- NDAA provisions
- Grassley bill – would require fed’l security background checks for all PI’s
- Cotton bill – would require key officials at univ’s to attend FBI briefings regarding espionage threats

Science and Security: COGR Resources



Framework for Review
of Individual Global
Engagements in
Academic Research

VERSION 1.0

Coming Soon:
COGR Survey on
Institutional
Disclosure Practices

COVID-19: COGR Resource Page

COGR
Council On Governmental Relations
An Association of Research Universities and Affiliated Medical Centers and Independent Research Institutes

HOME ABOUT MEETINGS POLICY ISSUES RESOURCES CONTACT

Institutional and Agency Responses to COVID-19 and Additional Resources

Jump To:

- [COGR's Webinar Series on COVID-19](#)
- [Agency Guidance Specific to Federal Award Impact](#)
- [Institutional Guidance](#)
- [Additional Resources](#)
- [COGR's FAQs and Resources on COVID-19's Impact to Federal Awards](#)
- [Institutional Resources on Ramping Up and Reopening](#)

Agency Guidance Specific to Federal Award Impact

Jump To:

OMB NIH NSF DOD DOE DHHS FDA HRSA SAMHSA USAMRAA NAVY DOJ CDC NASA NOAA
DARPA USDA USAID ONR USDOT EPA NEH NEA IMLS DOC DOI DOL STATE CONTRACTS
NON-FEDERAL SPONSORS FFMA

COGR Resources (and OMB Flexibilities)

- OMB Flexibilities:
 - M-20-17 (March 19): Broad Administrative Relief and Flexibilities
 - M-20-26 (June 16) : Allowability of Salaries – New Restrictions
 - Exhaust other resources
 - Take steps to save operational costs
- COGR Paper (May): *Furlough Programs* (focus on Consistency Principle)
- COGR Paper (June): *Research Ramp Up* (Labs, Animals, Human Subjects)
- COGR Analyses (July, August): Funding Sources and M-20-26
- COGR Paper (August 25): *Financial Crisis and the Pandemic Normal*
- Ongoing COGR Impact Surveys

CARES Act ... and What's Next?

- Employee Retention Credit (§2301):
 - The ERC is a fully refundable tax credit for employers equal to 50 percent of qualified wages ... applies to qualified wages paid after March 12, 2020, and before January 1, 2021. The maximum amount of qualified wages taken into account with respect to each employee for all calendar quarters is \$10,000, so that the maximum credit for an Eligible Employer for qualified wages paid to any employee is \$5,000.
- Department of Education (§18004):
 - 50% direct student relief, 50% institutional
- HHS/Provider Relief: \$175 B to hospitals and healthcare providers
- Also: Deferral of FICA (CARES §2302), State/Local flow-down (\$150 B), Telehealth (CARES §3212), and FEMA
- Will there be additional Higher Education, Research relief
- What will audit (Single Audit and OIG) look like?

Other Topics on COGR's Radar

- 2 CFR 200 Uniform Guidance released
- NIH NOT-OD-20-124: Guidance Regarding Change in Status
- FDA & NIH guidance on clinical trials
- NIST overhaul of iEdison
- DOE Order 142.3A – approval of foreign nationals
- DOD Cybersecurity Maturity Model Certification (CMMC)
- HHS fetal tissue panel
- ORI RFI on sequestration of electronic data
- Cannabis research
- Open access/data
- And so much more ...

Contact:

David Kennedy

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Polling Question #2

Has your institution applied for FEMA funding or have plans to apply for FEMA funding?

- A. Yes
- B. No
- C. I Don't Know



Sandy Jansen, CIA, CCSA, CRMA, is the Chief Audit Executive for The University of Texas at Austin. UT Austin is considered a bold leader in higher education and is one of the top 20 public universities. UT Austin's annual budget is \$3.2 billion with annual research expenditures exceeding \$650 million.

Previously, Sandy served as the Chief Audit and Compliance Officer for the University of Tennessee System. In her role at Tennessee, she led internal audit and compliance, including a system-wide Title IX function. Prior to Tennessee, Sandy served as the Assistant Chief Audit Executive at Texas Tech University System.

Sandy is a transformational leader working with her team to bring about positive change for UT Austin. Over the course of her 25+ years in higher education internal auditing, Sandy has gained extensive experience allocating audit resources to assist executive management in identifying and mitigating risks. Because of her collaborative approach with senior management on governance and risk issues, executive leadership considers her a valuable resource and partner.



Polling Question #3

How much federal funding, including federal financial aid, does your organization receive on an annual basis?

- A. \$1 to \$100 million
- B. Between \$100 million and \$250 million
- C. Between \$250 million and \$500 million
- D. Between \$500 million and \$1 billion
- E. Greater than \$1 billion



James M. Jarrell is the Chief Audit Officer for both Johns Hopkins University and the Johns Hopkins Health System reporting directly to the Audit Committees of the JHU and JHHS Boards of Trustees with administrative reports to the JHU Senior Vice President for Finance and Administration and the JHHS Senior Vice President and General Counsel. In this role, Mr. Jarrell oversees all operational and information technology audits, risk advisory services, special investigations and assists in the coordination of the Johns Hopkins Medicine enterprise risk management program. He started at JHU in 2002 as a Senior Internal Auditor, and has held positions of Advanced Senior Internal Auditor and Director. Mr. Jarrell has an Accounting Degree from the University of Maryland, Robert H. Smith School of Business, and is a Certified Public Accountant (CPA) and Certified Internal Auditor (CIA). He is former President and current Board Member of the Institute of Internal Auditors – Baltimore Chapter and a Board Member of the Johns Hopkins Credit Union currently chairing the Credit Union’s Supervisory Committee. Prior to joining Hopkins, Mr. Jarrell served as an internal audit consultant with the professional services firms, Protiviti and Arthur Andersen.



Polling Question #4

Does your internal audit plan include any audits or consulting reviews of federal compliance requirements in the upcoming year?

- A. Yes
- B. No
- C. I Don't Know



Questions and Answers



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