

Board of Trustees
Committee on Legal and Compliance

Minutes of Meeting

VOLUME LC 2

November 21, 2013

A meeting of the Committee on Legal and Compliance was held in Room 219 of The Penn Stater Conference Center Hotel, The Pennsylvania State University, University Park, Pennsylvania, beginning at 3:30 p.m. on November 21, 2013.

The following committee members, constituting a quorum, were present: Kathleen Casey, Richard Dandrea, Keith Eckel, George Grieg, Ira Lubert and Keith Masser. Committee members Ken Frazier and Adam Taliaferro were not in attendance.

The following staff members were also present: Rodney Erickson, Regis Becker, Julie Del Giorno, Stephen Dunham, Frank Guadagnino, Nick Jones, and Gary Langsdale.

The meeting was called to order by Chairman Lubert. The minutes of the September 19, 2013 meeting were approved.

Regis Becker, Director of University Ethics and Compliance, provided an update on two staff hires, an export compliance specialist and an ethics specialist. Mr. Becker reviewed the process of developing an Ethics Committee, and noted that his website build is almost ready. The Ethics and Compliance Hotline administration will transfer to his purview, with continued collaborations with Internal Audit, on January 1, 2014. Mr. Becker then gave an overview of the status of the University Compliance Plan. Mr. Becker also gave an update on the status of the Values and Culture survey, and at the time of the meeting, 11% response rate had been noted.

Julie Del Giorno, Athletics Integrity Officer, noted that she facilitated a discussion with key stakeholders regarding the Morgan Academic Center, in regard to Freeh Recommendation 5.4, and she anticipates continued facilitation of additional conversations. Ms. Del Giorno attended the Big Ten Compliance Group meetings and presented to the audience on the Athletics Integrity Officer/NCAA Compliance Officer partnership model, and commented on the productive and good discussion that platform provided. A Head Coaches Forum is getting positive response from head coaches and administrators, with two forums held on October 30 and November 20, 2013. Lastly, Ms. Del Giorno reported on a webinar, *How to Decrease Compliance Risk by Rewarding Employees' Moral Courage* which was held on November 14 with representatives from the Ethics and Compliance Office, Employee Relations and NCAA Compliance Office in attendance.

Steve Dunham Vice President and General Counsel, noted that with the recommendations of the Freeh Report substantially complete, the next concentration will be "Phase II" which will use the same facilitation process as the Freeh recommendations, including continuing weekly meetings and use of existing groups, to ensure appropriate follow-up and implementation with an eye toward continuous improvement. Mr. Dunham gave a staffing update as well, including the current census in his office of 7-8 attorneys with a couple more positions to be filled.

The public session of the Committee on Legal and Compliance was adjourned at 4:30 p.m.

Respectfully submitted,

Janine S. Andrews
Director
Board of Trustees