

**Florida State University
Board of Trustees
Audit and Compliance Committee
Meeting Agenda
February 21, 2019**

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Audit and Compliance Committee Meeting

November 15, 2018

2:30 pm

Florida State University
Turnbull Conference Center
Room 214
Tallahassee, Florida

Trustee Members Present: Jorge Gonzalez, Brent Sembler, Max Alvarez, Jim Henderson, Robyn Blank and Stacey Pierre. In addition, Trustee Todd Adams was present and participated in the meeting.

1. Call to Order and Welcome

Mr. Jorge Gonzalez, Chairperson, called the meeting to order at 2:30 pm.

2. Approval of September 4, 2018, meeting minutes

Audit and Compliance Committee minutes were approved for the meeting held September 4, 2018.

3. Office of Compliance and Ethics

a. Office Activities

Ms. Blank explained that the Office of Compliance and Ethics (OCE) successfully wrapped up Compliance and Ethics week. She further explained that Vice President Clark provided her an opportunity to speak with a hosted group of University officials and present to others around the State on Ethics and Gifts Laws. She also explained that the Compliance Partners Committee is in place and hopes to have the inaugural meeting of the group by December 31, 2018. Ms. Blank explained that the Office of Compliance and Ethics is continuing to work on the recommendations from the Title IX audit. The Office of Compliance and Ethics is also working with the FSU Charter School to assure that deadlines are met. She further explained that when there is a University-wide audit or policy implementation, she typically would be involved to assist management in coordinating those efforts. Ms. Blank explained that she is currently serving on two Invitation to Negotiate (ITN) committees for gap analyses for General Data Production Regulation (GDPR) and the Health Insurance Portability Accountability Act (HIPAA). Ms.

Blank updated the Committee on the University-wide Ethics Policy and stated the Faculty Senate steering committee was receptive.

b. Status of Implementation of BOG Regulation 4.003

Ms. Blank explained that, although the BOG updated their form, all substantive information in the narrative of the form would be the same as what her office turns in on November 30, 2018. Ms. Blank explained that the Office of Compliance and Ethics was required, by November 30, to have all SUS Compliance Program Status Checklist items completed. She further explained that all items have been completed and benchmarks have been met.

4. Office of Inspector General Services

a. Submission of OIGS 2017-2018 Annual Report as Required by BOG Regulation 4.002

Mr. McCall explained that the report was timely submitted for the 2017-18 fiscal year as required by BOG Regulation 4.002.

b. FSU Foundation request for approval for RSM to extend its auditing contract for 5 years, including rotation of RSM's lead audit partner as required by BOT Regulation 2.025

Mr. McCall explained that the FSU Foundation is requesting approval for RSM to extend its auditing contract for 5 years. He further explained that BOT Regulation 2.025, implemented in June 2016, allows the various DSO's to have new contracts with CPA firms and for 5-years and that, at the end of the 5-year period, they are required to request approval from the BOT for another 5-year contract, or the DSO may issue a request for proposal (RFP) for a different firm. If the DSO extends the contract for a second 5-year period, partner rotation is required. Mr. McCall explained that the request for a second 5-year contract is authorized by regulation. He further explained the reason for the regulation. Trustee Gonzalez requested that Mr. McCall provide more information for the next Audit & Compliance Committee Meeting regarding audit contracts and views on the recommended length for such contracts. The motion was approved.

c. Timeliness of Submission of DSO Audit Reports to the University as Required by BOT Regulation 2.025

Mr. McCall discussed the summary of DSO financial statements and audit reports issued for the 2017-18 fiscal year and the timeliness of submission of those reports. Mr. McCall explained that there were no comments on internal controls or compliance issues. He further explained that International Programs is not due until January 31, 2019.

d. Performance Based Funding Audit – Chairman Burr and President Thrasher approval of PBF Audit Scope and Objectives

Mr. McCall explained that the audit is currently in progress and the audit has been discussed with responsible University staff. He explained that the report must be issued and the BOT must approve the certification, to be submitted to the BOG, no later than March 1, 2019. Mr. McCall also explained that metric #10 was changed. Mr. McCall then recognized Ms. Kitty Aggelis for coordinating the PBF Audit.

e. Follow-up Audit Report for the Period January 1, 2018 to June 30, 2018

Mr. McCall explained that, generally, every OIGS audit has an action plan. The OIGS identifies issues that should be addressed and issues a follow-up report every six-months to show whether management has implemented audit recommendations. Mr. McCall explained that for this specific report, there were 67 items for follow-up and 31 items were fully implemented. There are some areas that OIGS will continue to follow-up on. Mr. McCall explained the Wind Tunnel audit findings upon request of Trustee Henderson and the Committee.

f. Capital Project Certification required by the BOG and Auditor General Inquiries

Mr. McCall explained the certification of funding sources for capital projects and the BOG's request for such certification.

g. New Staff Member – Sudeshna Aich

Mr. McCall introduced the OIGS' new IT Auditor, Sudeshna Aich. He also explained that the OIGS is fully staffed.

h. Status Report of OIGS Audits

Mr. McCall explained the status of the OIGS audits.

5. Adjournment

Trustee Gonzalez adjourned the meeting at 3:26 pm.